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*This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to register any securities in the United States.*



## OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to the announcements of Tingyi (Cayman Islands) Holding Corp. (the “**Company**”) dated 27 July 2015 and 31 July 2015 in relation to the Notes Issue (the “**Announcements**”). All terms used herein have the same meaning as defined in the Announcements, unless otherwise defined.

Please refer to the attached offering memorandum dated 30 July 2015 in relation to the Notes (the “**Offering Memorandum**”), which has been published on the website of the Singapore Exchange Securities Trading Limited on 13 August 2015.

The posting of the Offering Memorandum on the website of the Stock Exchange is only for the purpose of facilitating equal dissemination of information to investors in Hong Kong and compliance with Rule 13.10B of the Listing Rules, and not for any other purposes.

The Offering Memorandum does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it calculated to invite offers by the public to subscribe for or purchase any securities.

The Offering Memorandum must not be regarded as an inducement to subscribe for or purchase any securities of the Company, and no such inducement is intended. No investment decision should be based on the information contained in the Offering Memorandum.

By order of the Board  
**Tingyi (Cayman Islands) Holding Corp.**  
**Wei Ing-Chou**  
*Chairman*

Shanghai, the PRC, 13 August 2015

*As at the date of this announcement, Mr. Wei Ing-Chou, Mr. Junichiro Ida, Mr. Wu Chung-Yi, Mr. Teruo Nagano, Mr. Wei Hong-Ming and Mr. Koji Shinohara are executive directors of the Company. Mr. Hsu Shin-Chun, Mr. Lee Tiong-Hock and Mr. Hiromu Fukada are independent non-executive directors of the Company*

Website: <http://www.masterkong.com.cn>  
<http://www.irasia.com/listco/hk/tingyi>

*\* For identification purpose only*

**STRICTLY CONFIDENTIAL — DO NOT FORWARD**

**NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES.**

**IMPORTANT: You must read the following before continuing.** The following applies to the attached offering memorandum, and you are advised to read this carefully before reading, accessing or making any other use of the offering memorandum. In accessing the offering memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer (as defined in the offering memorandum) as a result of such access.

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES OFFERED THEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES OFFERED THEREBY MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

**THE OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.**

**The attached document is not a prospectus for the purposes of the European Union's Directive 2003/71/EC (and any amendments thereto) as implemented in member states of the European Economic Area (the "EU Prospectus Directive"). The attached document has been prepared on the basis that all offers of the securities described herein made to persons in the European Economic Area will be made pursuant to an exemption under the EU Prospectus Directive from the requirement to produce a prospectus in connection with offers of the securities.**

The communication of the attached document and any other document or materials relating to the issue of the securities offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order"), or within Article 49(2)(a) to (d) of the Financial Promotion Order, or to any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, the securities offered hereby are only available to, and any investment or investment activity to which the attached document relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on the attached document or any of its contents.

**Confirmation of the Representation:** In order to be eligible to view the offering memorandum or make an investment decision with respect to the securities, investors must not be located in the United States. The offering memorandum is being sent at your request and, by accepting the electronic mail and accessing the offering memorandum, you shall be deemed to have represented to us that the electronic mail address that you gave to us and to which this electronic mail has been delivered is not located in the United States and that you consent to delivery of such offering memorandum by electronic transmission.

You are reminded that the offering memorandum has been delivered to you on the basis that you are a person into whose possession the offering memorandum may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorized to, deliver the offering memorandum to any other person. The materials relating to any offering of the securities to which the offering memorandum relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that such offering be made by a licensed broker or dealer, the Managers and the Co-Manager (each as defined in the offering memorandum) or any affiliate of the Managers or the Co-Manager is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by the Managers, the Co-Manager or such affiliate on behalf of the Issuer in such jurisdiction. The offering memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Managers, the Co-Manager or any person who controls the Managers, the Co-Manager or any director, officer, employee or agent of the Managers, the Co-Manager or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering memorandum distributed to you in electronic format and the hard copy version available to you on request from any of the Managers or the Co-Manager.

**You are responsible for protecting against viruses and other destructive items.** Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**康師傅控股有限公司\*****TINGYI (CAYMAN ISLANDS) HOLDING CORP.**

(Incorporated in the Cayman Islands with limited liability)

**CNY1,000,000,000**  
**4.375% Notes due 2018**  
**Issue price: 99.656%**

The 4.375% Notes due 2018, or the Notes, will be issued by Tingyi (Cayman Islands) Holding Corp., or the Issuer. The Notes will bear interest from August 6, 2015 at 4.375% per annum payable annually in arrear on August 6 of each year, beginning on August 6, 2016. The Notes are the unsubordinated and unsecured obligations of the Issuer.

Payments on the Notes will be made without deduction for or on account of taxes of the Cayman Islands, the British Virgin Islands, Hong Kong or the PRC (as defined below) or any subdivision or any authority thereof or therein having power to tax, unless such deduction is required by law as described under "Terms and Conditions of the Notes — Taxation."

Unless previously redeemed, or purchased and cancelled, the Notes will mature on the interest payment date falling on or nearest to August 6, 2018 at their principal amount. The Notes are subject to redemption, in whole but not in part, at their principal amount, together with accrued and unpaid interest, at the option of the Issuer at any time in the event of certain changes affecting taxes of the Cayman Islands, the British Virgin Islands, Hong Kong or the PRC or any political subdivision or any authority thereof or therein having power to tax. The Notes may also be redeemed at the option of the Noteholders (as defined in the Terms and Conditions of the Notes) at 101 per cent. of their principal amount, together with accrued and unpaid interest, upon the occurrence of a Put Event (as defined in the Terms and Conditions of the Notes). The Issuer may, at its option, redeem the Notes, in whole and not in part, at a redemption price equal to 100 per cent. of the principal amount thereof plus the Applicable Premium (as defined in the Terms and Conditions of the Notes) plus accrued and unpaid interest to the redemption date. See "Terms and Conditions of the Notes — Redemption and Purchase."

**Investing in the Notes involves certain risks. See "Risk Factors" beginning on page 10.**

Approval in-principle has been obtained for the listing and quotation of the Notes on the Official List of the Singapore Exchange Securities Trading Limited, or the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained herein. Admission of the Notes to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Notes or any subsidiary or associated company of the Issuer.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, or the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act, or Regulation S. For a description of these and certain further restrictions on offers and sales of the Notes and the distribution of this offering memorandum, see "Subscription and Sale."

The Notes are expected to be rated "BBB+" by Standard and Poor's Ratings Group, a division of McGraw-Hill Companies Inc., or Standard & Poor's. A credit rating is not a recommendation to purchase, hold or sell the Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agencies.

The Notes will be issued in registered form and represented by a global certificate, or the Global Certificate, which will be registered in the name of a nominee of, and deposited with, a common depository for Euroclear Bank SA/NV, or Euroclear, and Clearstream Banking, *société anonyme*, or Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, the records maintained by Euroclear and Clearstream and their respective accountholders. Except in the limited circumstances set out in the Global Certificate, individual certificates for Notes will not be issued in exchange for beneficial interests in the Global Certificate. See "Summary of Provisions Relating to the Notes in Global Form." It is expected that delivery of the Global Certificate will be made on August 6, 2015 or such later date as may be agreed, or the Closing Date, by the Issuer and the Managers (as defined in "Subscription and Sale").

**Sole Global Coordinator**  
**Deutsche Bank**

**Joint Lead Managers and Joint Bookrunners**  
**Deutsche Bank** **Nomura**

**Co-Manager**  
**Mizuho Securities**

The date of this offering memorandum is July 30, 2015.

\* For identification only

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**This offering memorandum does not constitute an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the delivery of this offering memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this offering memorandum or that the information contained in this offering memorandum is correct as of any time after that date.**

**This offering memorandum is not a prospectus for the purposes of the European Union's Directive 2003/71/EC (and any amendments thereto) as implemented in member states of the European Economic Area (the "EU Prospectus Directive"). This offering memorandum has been prepared on the basis that all offers of the Bonds made to persons in the European Economic Area will be made pursuant to an exemption under the EU Prospectus Directive from the requirement to produce a prospectus in connection with offers of the Bonds.**

The communication of this offering memorandum and any other document or materials relating to the issue of the Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order"), or within Article 49(2)(a) to (d) of the Financial Promotion Order, or to any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, the Notes offered hereby are only available to, and any investment or investment activity to which this offering memorandum relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this offering memorandum or any of its contents.

**IN CONNECTION WITH THIS OFFERING, ANY OF THE MANAGERS ACTING AS STABILIZING MANAGER (THE "STABILIZING MANAGER"), OR ANY PERSON ACTING FOR THE STABILIZING MANAGER, MAY EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SECURITIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE ISSUE DATE. HOWEVER, THERE MAY BE NO OBLIGATION ON THE STABILIZING MANAGER TO DO THIS. SUCH STABILISING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD.**

We, having made all reasonable inquiries, confirm that: (i) this offering memorandum contains all information with respect to us, our subsidiaries and the Notes that is material in the context of the issue and offering of the Notes; (ii) the statements contained in this offering memorandum relating to us and our subsidiaries are in every material respect true and accurate and not misleading; (iii) the opinions and intentions expressed in this offering memorandum with regard to us and our subsidiaries are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to us, our subsidiaries and the Notes, the omission of which would, in the context of the issue and offering of the Notes, make this offering memorandum, as a whole, misleading in any material respect; and (v) we have made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. We accept responsibility accordingly.

This offering memorandum is highly confidential. We are providing it solely for the purpose of enabling you to consider a purchase of the Notes. You should read this offering memorandum before making a decision whether to purchase the Notes. You must not use this offering memorandum for any other purpose, or disclose any information in this offering memorandum to any other person.

We have prepared this offering memorandum and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the Notes. By purchasing the Notes, you will be deemed to have acknowledged that you have made certain acknowledgements, representations and agreements as set forth under the section entitled “Subscription and Sale.”

None of Deutsche Bank AG, Singapore Branch and Nomura International plc, or the Managers, Mizuho Securities Asia Limited, or the Co-Manager, DB Trustees (Hong Kong) Limited, or the Trustee, or the Agents (as defined in the Terms and Conditions of the Notes) has independently verified the information contained herein. Accordingly, no representation or warranty, express or implied, is made by the Managers, the Co-Manager, the Trustee, the Agents or any of their respective affiliates, directors or advisors as to the accuracy or completeness of the information set forth herein, and nothing contained in this offering memorandum is, or should be relied upon as, a promise or representation, whether as to the past or the future.

Each person receiving this offering memorandum acknowledges that: (i) such person has not relied on the Managers, the Co-Manager, the Trustee or the Agents or any of their respective affiliates, directors or advisors in connection with any investigation of the accuracy of such information or its investment decision; and (ii) no person has been authorized to give any information or to make any representation concerning us, our subsidiaries and the Notes (other than as contained herein) and, if given or made, any such other information or representation should not be relied upon as having been authorized by us or the Managers, the Co-Manager, the Trustee or the Agents.

This offering memorandum does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this offering memorandum and the offer or sale of Notes may be restricted by law in certain jurisdictions. We, the Managers, the Co-Manager, the Trustee and the Agents do not represent that this offering memorandum may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by us, the Managers, the Co-Manager, the Trustee or the Agents which is intended to permit a public offering of the Notes or the distribution of this offering memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Note may be offered or sold, directly or indirectly, and this offering memorandum may not be distributed in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this offering memorandum or any Note may come must inform themselves about, and observe, any such restrictions on the distribution of this offering memorandum and the offering and sale of Notes. In particular, there are restrictions on the distribution of this offering memorandum and the offer or sale of Notes in the United States, the United Kingdom, the People’s Republic of China, Hong Kong, Singapore, Japan, Cayman Islands and Taiwan, see “Subscription and Sale.”

The Notes are expected to be assigned a rating of “BBB+” by Standard & Poor’s. A rating is not a recommendation to buy, sell or hold securities, does not address the likelihood or timing of prepayment and may be subject to revision, qualification, suspension or withdrawal at any time by the assigning rating organization. A revision, qualification, suspension or withdrawal of any rating assigned to the Notes may adversely affect the market price of the Notes.

To the fullest extent permitted by law, none of the Managers, the Co-Manager, the Trustee or the Agents or any of their respective affiliates, directors or advisors accepts any responsibility for the contents of this offering memorandum. Each of the Managers, the Co-Manager, the Trustee, the Agents and each of their respective affiliates, directors or advisors accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this offering memorandum. None of the Managers, the Co-Manager, the Trustee, the Agents or any of their respective affiliates, directors or advisors undertakes to review our financial condition or affairs during the life of the arrangements contemplated by this offering memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Managers, the Co-Manager, the Trustee or the Agents.

This offering memorandum summarizes certain material documents and other information, and we refer you to them for a more complete understanding of what we discuss in this offering memorandum. In making an investment decision, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. Neither we nor the Managers, the Co-Manager, the Trustee or the Agents are making any representation to you regarding the legality of an investment in the Notes by you under any legal, investment or similar laws or regulations. You should not consider any information in this offering memorandum to be legal, business or tax advice. Before making a decision to purchase the Notes, you should consult your own professional advisors for legal, business, tax and other advice regarding investment in the Notes.

This offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes to be issued from time to time by us may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased in reliance of an exemption under Sections 274 or 275 of the SFA, the Notes shall not be sold within the period of six months from the date of the initial acquisition of the Notes, except to any of the following persons:

- (a) an institutional investor (as defined in Section 4A of the SFA);
- (b) a relevant person (as defined in Section 275(2) of the SFA); or
- (c) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (the "SFR").

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor (as defined in Section 4A of the SFA), or to a relevant person (as defined in Section 275(2) of the SFA) or (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the SFR.

We reserve the right to withdraw the offering of Notes at any time, and the Managers reserve the right to reject any commitment to subscribe for the Notes in whole or in part and to allot to any prospective purchaser less than the full amount of the Notes sought by such purchaser.

## CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared this offering memorandum using a number of conventions, which you should consider when reading the information contained herein. When we use the terms “we,” “us,” “our,” the “Company,” the “Group” and words of similar import, we are referring to the Issuer, or to the Issuer and its consolidated subsidiaries, as the context requires.

Market data and certain information and statistics in this offering memorandum have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although we believe such information to be reliable, it has not been independently verified by us, the Managers, the Trustee or the Agents, or our or their respective directors and advisors, and neither we, the Managers, the Trustee or the Agents, nor our or their respective directors and advisors, make any representation as to the accuracy or completeness of such information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. In making an investment decision, each investor must rely on its own examination of us and the terms of the offering and the Notes, including the merits and risks involved.

All calculations relating to our and our competitors’ market shares and rankings are based in part on data reported by Nielsen Retail Index Service, or Nielsen, through its Retail Research Data for the Instant Noodle, Ready to Drink Tea, Package Water, Juice, Carbonated Soft Drinks, Sandwich Crackers and Eggrolls Categories for the Period from January 2012 to March 2015 for Mainland China (Copyright © 2015, Nielsen) (“Nielsen Information”).

Nielsen Information reflects estimates of market conditions based on samples, and is prepared primarily as a marketing research tool for consumer packaged goods manufacturers and others in the consumer goods industry. This information should not be viewed as a basis for investments and references to Nielsen should not be considered as Nielsen’s opinion as to the value of any security or the advisability of investing in the company.

Due to changes in Nielsen’s methodology, market information with respect to 2012 may not be comparable to that with respect to 2013 and beyond.

In this offering memorandum, all references to “US\$,” “U.S. dollars” and “U.S.\$” are to United States dollars, the official currency of the United States of America, or the United States, or U.S.; all references to “HK\$” and “H.K. dollars” are to Hong Kong dollars, the official currency of the Hong Kong Special Administrative Region of the PRC, or Hong Kong, or HK; all references to “RMB,” “CNY” or “Renminbi” are to the Renminbi, the official currency of the People’s Republic of China, or China, or the PRC; and all references to “S\$” are to Singapore dollars, the official currency of the Republic of Singapore, or Singapore.

References to the “PRC” and “China” for the purposes of this offering memorandum, except where the context otherwise requires, do not include Hong Kong, Macau Special Administrative Region of the PRC, or Macau, or Taiwan. “PRC government” means the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local governments) and instrumentalities thereof, or, where the context requires, any of them.

We record our financial statements in U.S. dollars. Our financial statements are prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, or the HKFRS, which may differ in certain material respects from generally accepted accounting principles in certain other countries. You should seek professional advice with respect to such differences in generally accepted accounting principles.

This offering memorandum contains certain information regarding our EBIT or EBITDA. EBIT from any period is calculated as EBITDA minus depreciation and amortization. EBITDA for any period consists of profit for the year/period before interest expense (excluding capitalized interest), tax, depreciation and amortization. EBIT or EBITDA is not a standard measure under HKFRS. EBIT or EBITDA is a widely used financial indicator of a company's ability to incur and service debt. EBIT or EBITDA should not be considered in isolation or construed as an alternative to cash flows, profit attributable to owners of our Company or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBIT or EBITDA, we believe that investors should consider, among other things, the components of EBIT or EBITDA such as revenue and operating expenses and the amount by which EBIT or EBITDA exceeds capital expenditures and other charges. We have included EBIT and EBITDA herein because we believe they are useful supplements to cash flow data as a measure of our performance and our ability to generate cash from operations to cover debt service and taxes. EBIT and EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBIT and EBITDA to EBIT and EBITDA presented by other companies because not all companies use the same definition.

In this offering memorandum, where numerical information is presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not equal to the apparent total of the individual terms and actual numbers may differ from those contained herein due to rounding.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purposes only. In the event of any inconsistency, the Chinese name prevails.

## FORWARD-LOOKING STATEMENTS

This offering memorandum includes “forward-looking statements.” All statements other than statements of historical fact contained in this offering memorandum, including, without limitation, those regarding our future financial position and results of operations, strategies, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe,” “expect,” “aim,” “intend,” “will,” “may,” “anticipate,” “seek,” “should,” “estimate” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- our business strategies, objectives and plan of operation;
- our capital expenditure plans;
- our ability to complete acquisitions or divestitures we enter into and costs related to and potential liabilities resulting from completing such acquisitions or divestitures and, in the case of acquisitions, integrating the acquired companies into our business;
- the amount and nature of, and potential for, future development of our business;
- our operations and business prospects;
- estimates of future production capacities and volumes and operating costs;
- the dividend policies of our subsidiaries;
- the regulatory environment of the food and beverage industries in the PRC;
- changes in competitive conditions and our ability to compete under these conditions;
- availability and costs of bank loans and other forms of financing;
- capital market developments;
- future developments, trends and conditions in the food and beverage industries in the PRC; and
- other factors beyond our control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “Risk Factors” and elsewhere in this offering memorandum. We caution you not to place undue reliance on these forward-looking statements which reflect our management’s view only as of the date of this offering memorandum. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this offering memorandum might not occur.

## SUMMARY

### OVERVIEW

We are a leading producer and distributor in the food and beverage sector in the PRC. Our main products are instant noodles, beverages and instant foods such as egg rolls, sandwich crackers and muffins. According to data from Nielsen, in the first quarter of 2015:

- we ranked number one in the instant noodles market in the PRC, with a market share of 46.9% and 55.9% in terms of sales volume and sales value, respectively;
- we ranked number one in the RTD teas and number two in the bottled water, fruit juice and carbonated soft drinks markets in the PRC, with a market share of 53.9%, 17.6%, 18.6% and 31.0%, respectively, in terms of sales volume; and
- we ranked number one in the egg roll market and number two in the sandwich cracker market in the PRC, with a market share of 19.4% and 11.8%, respectively, in terms of sales value.

For the three months ended March 31, 2015, sales of instant noodles segment, beverages segment and instant foods segment accounted for 43.1%, 54.3% and 1.6%, respectively, of our total turnover. We are best known for our brand name, “Master Kong” (康師傅), which appears on the packaging of most of our products. We believe “Master Kong” (康師傅) is a household name in China and we have a distinguished record of producing healthy, safe and quality products. In 2014, “Master Kong” (康師傅) was recognized as the “2014 China Brand Power Index Top Brand” by the PRC Ministry of Industry and Information Technology in various product categories including instant noodles, bottled water and tea drinks, and received the “Best Product Brand Award” and the “Best Food & Beverage Brand Award” from The German Brands Association and the “2014 Top 50 Chinese FMCG Brands” by Kantar Worldpanel. In addition, we were recognized as one of the “World’s Most Innovative Companies” by Forbes and the “2014 ‘Food Safety Cup’ Most Popular Best Ten Food Safety Enterprise” jointly organized by PRCFood.com (中國食品安全網) and Fsmall.com (食安商城) in January 2015.

As of March 31, 2015, we had 129 production centers and 701 production lines consisting of 238 instant noodle production lines, 448 beverage production lines and 15 instant food production lines.

We distribute our products throughout the PRC through our extensive distribution and sales network, which, as of March 31, 2015, consisted of 607 sales offices and 72 warehouses nationwide, serving 31,855 wholesalers and 118,342 direct retailers. Our extensive distribution and sales network and production capability are significant contributors to our market leadership position as we are able to better serve our customers and rapidly and successfully introduce new products.

We have developed several strategic partnerships and alliances with major food and beverage companies in Japan such as Sanyo and Asahi in order to enhance our expertise in business and financial management, product development and distribution. In April 2012, we became the exclusive franchise bottler in China for PepsiCo Inc., or Pepsi, and partnered with Pepsi’s current bottlers to manufacture, sell and distribute Pepsi-branded beverages, including carbonated beverages, “Gatorade,” “Tropicana” and “Aquafina.” In April and May 2012, we entered into joint venture agreements with Calbee and Itochu, to manufacture and sell snack

food products, and Prima, to manufacture and sell processed poultry and meat products, in the PRC. In February 2014, we became the primary beverage supplier to Shanghai Disney Resort. Recently, in March 2015, we formed a partnership with Starbucks Coffee Company, or Starbucks, to manufacture and distribute Starbucks RTD coffee products in China.

For the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, our turnover totaled US\$9,212 million, US\$10,941 million, US\$10,238 million and US\$2,321 million, respectively, and our profit attributable to owners of our Company totaled US\$458.6 million, US\$408.5 million, US\$400.5 million and US\$107.0 million, respectively.

## **RECENT DEVELOPMENT**

### ***Partnership with the NBA***

On April 13, 2015, Pepsi, the National Basketball Association, or the NBA, and we entered into a new multiyear marketing partnership, whereby we became the exclusive beverage sponsor to NBA events in China. We will position our Master Kong brand as the lead beverage of the partnership. We will showcase our ice tea and “You Yue” (優悅)-branded bottled water in upcoming NBA events held in China such as the NBA preseason games in China, the NBA’s “Fan Appreciation Night” and “NBA Nation.” We believe this partnership will provide us with great opportunities to market our products to the NBA’s Chinese fans and consumers, particularly the younger generation of Chinese basketball fans.

## **COMPETITIVE STRENGTHS**

We believe that our success to date and potential for future growth can be attributed to a combination of our competitive strengths, including the following:

- Established market leadership with strong brand recognition;
- Focus on both premium and mass markets with consistently strong profitability;
- Dedication to food safety;
- Extensive and efficient distribution network and strategically located manufacturing facilities;
- Competitive cost structure and efficient marketing and operations; and
- Experienced management supported by strategic alliance with global industry leaders.

## **BUSINESS STRATEGIES**

We intend to pursue a business growth strategy based on the following principal components:

- Continue to focus on product innovation and food safety;
- Continue to improve operating efficiency and cost structure; and
- Maximize value from strategic alliances and joint ventures.

## THE OFFERING

*The following summary contains some basic information about the Notes and is qualified in its entirety by the remainder of this offering memorandum. Some of the terms described below are subject to important limitations and exceptions. For a more complete description of the terms of the Notes, see “Terms and Conditions of the Notes” in this offering memorandum. Words and expressions defined in “Terms and Conditions of the Notes” shall have the same meanings in this summary.*

Issuer .....	Tingyi (Cayman Islands) Holding Corp.
Issue .....	CNY1,000,000,000 aggregate principal amount of 4.375% Notes due 2018.
Issue Price .....	99.656%.
Form and Denomination .....	The Notes will be issued in registered form in the denomination of CNY1,000,000 and higher integral multiples of CNY10,000.
Interest .....	The Notes will bear interest from and including August 6, 2015 at the rate of 4.375% per annum, payable annually in arrear on August 6 in each year, commencing on August 6, 2016.
Issue Date .....	August 6, 2015.
Maturity Date .....	Interest payment date falling on or nearest to August 6, 2018.
Status .....	The Notes constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Events of Default .....	Upon the occurrence of certain events described in “Terms and Conditions of the Notes — Events of Default,” the Notes may become immediately due and repayable at their principal amount, together with accrued but unpaid interest.

Taxation .....	All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands, the British Virgin Islands, Hong Kong or the PRC or, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law, as further described in Condition 8 of the Terms and Conditions of the Notes. In such event, the Issuer shall, subject to the limited exceptions specified in the Terms and Conditions of the Notes, pay such additional amounts as will result in receipt by the holders of the Notes of such amounts as would have been received by them had no such withholding or deduction been required.
Final Redemption.....	Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Maturity Date.
Redemption for Taxation Reasons .....	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at their principal amount, together with accrued and unpaid interest, at any time, in the event of certain changes affecting taxes of the Cayman Islands, the British Virgin Islands, Hong Kong or the PRC, as further described in Condition 6(b) of the Terms and Conditions of the Notes.
Redemption at the Option of the Issuer .....	The Issuer may, at its option, redeem the Notes, in whole and not in part, at a redemption price equal to 100 per cent. of the principal amount thereof plus the Applicable Premium (as defined in the Terms and Conditions of the Notes) plus accrued and unpaid interest to the redemption date.
Redemption for Put Event .....	Following the occurrence of a Put Event, the holder of each Note will have the right to require the Issuer to redeem that Note on the Put Date at 101 per cent. of its principal amount, together with accrued and unpaid interest to such date, as further described in Condition 6(d) of the Terms and Conditions of the Notes.
Clearing Systems.....	The Notes will be represented by beneficial interests in the Global Certificate, which will be registered in the name of, and deposited on the Issue Date with, a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream. Except as described herein, certificates for the Notes will not be issued in exchange for beneficial interests in the Global Certificate.

Clearance and Settlement .....	<p>The Notes have been accepted for clearance by Euroclear and Clearstream under the following codes:</p> <p>ISIN: XS1268745707</p> <p>Common Code: 126874570</p>
Governing Law.....	English law.
Trustee .....	DB Trustees (Hong Kong) Limited.
Principal Agent .....	Deutsche Bank AG, Hong Kong Branch.
Registrar .....	Deutsche Bank Luxembourg S.A.
Listing .....	<p>Approval in-principle has been obtained for the listing and quotation of the Notes on the Official List of the SGX-ST. Admission of the Notes to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Notes or any subsidiary or associated company of the Issuer.</p>
Rating.....	<p>The Notes are expected to be rated “BBB+” by Standard &amp; Poor’s. In addition, the Issuer has received a long-term corporate credit rating of “BBB+” with a stable outlook by Standard &amp; Poor’s. We cannot assure investors that these ratings will not be adversely revised or withdrawn either before or after delivery of the Notes.</p>
Use of Proceeds .....	<p>The Issuer intends to use the proceeds from the Notes for refinancing of certain existing indebtedness and other general corporate purposes.</p> <p>The Issuer may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of the proceeds.</p>
Selling Restrictions .....	<p>There are certain restrictions on the offer, sale and transfer of the Notes in certain jurisdictions, including the United States, the United Kingdom, the People’s Republic of China, Hong Kong, Singapore, Japan, Cayman Islands and Taiwan. See “Subscription and Sale.”</p>

## SUMMARY FINANCIAL INFORMATION

The following tables set forth our summary consolidated financial information as of and for the periods indicated. The summary audited consolidated financial information as of and for the years ended December 31, 2012, 2013 and 2014 set forth below is derived from our published audited consolidated financial statements as of and for the years ended December 31, 2013 and 2014 (which have been audited by Mazars, certified public accountants, and are included elsewhere in this offering memorandum) and should be read in conjunction with such published audited consolidated financial statements, including the notes thereto. As indicated below, our consolidated financial statements as of and for the year ended December 31, 2012 have been restated, following the adoption of certain new and revised standards under HKFRS. Details of such restatements are set forth in note 4 to such financial statements included herein.

The summary unaudited consolidated financial information as of and for the three months ended March 31, 2014 and 2015 set forth below is derived from our unaudited condensed consolidated financial statements for the three months ended March 31, 2015, which are included elsewhere in this offering memorandum, and should be read in conjunction with such unaudited condensed consolidated financial statements, including the notes thereto. Our financial position and results of operations as of and for the three months ended March 31, 2015 should not be taken as an indication of the expected financial position and results of operations as at and for the full year ended December 31, 2015.

Our consolidated financial statements are prepared and presented in accordance with HKFRS.

### SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2012	2013	2014	2014	2015
	(Restated)				
	US\$'000, except percentage, ratio and per share data				
<b>Turnover</b> . . . . .	<b>9,211,852</b>	<b>10,940,996</b>	<b>10,237,982</b>	<b>2,781,769</b>	<b>2,321,179</b>
Cost of sales . . . . .	(6,457,364)	(7,630,997)	(7,119,944)	(1,936,669)	(1,586,309)
Gross profit . . . . .	2,754,488	3,309,999	3,118,038	845,100	734,870
Other revenue and other net income . . .	344,767	215,685	209,401	32,909	25,049
Distribution costs. . . . .	(1,866,012)	(2,312,603)	(2,138,598)	(513,902)	(430,935)
Administrative expenses . . . . .	(297,450)	(350,868)	(299,549)	(82,100)	(82,360)
Other operating expenses. . . . .	(74,604)	(117,921)	(155,841)	(27,674)	(37,703)
Finance costs . . . . .	(32,673)	(37,351)	(47,151)	(10,861)	(15,008)
Share of results of associates and joint ventures . . . . .	3,966	16,049	7,269	1,543	3,697
<b>Profit before taxation</b> . . . . .	<b>832,482</b>	<b>722,990</b>	<b>693,569</b>	<b>245,015</b>	<b>197,610</b>
Taxation . . . . .	(227,763)	(228,679)	(208,820)	(72,145)	(63,833)
<b>Profit for the year/period</b> . . . . .	<b>604,719</b>	<b>494,311</b>	<b>484,749</b>	<b>172,870</b>	<b>133,777</b>
<b>Profit attributable to:</b>					
Owners of the Company . . . . .	458,622	408,544	400,482	128,359	107,014
Non-controlling interests . . . . .	146,097	85,767	84,267	44,511	26,763
<b>Profit for the year/period</b> . . . . .	<b>604,719</b>	<b>494,311</b>	<b>484,749</b>	<b>172,870</b>	<b>133,777</b>

	For the Year Ended December 31,			For the Three Months Ended March 31,	
	2012	2013	2014	2014	2015
	(Restated)				
US\$'000, except percentage, ratio and per share data					
<b>Earnings per share</b>					
Basic . . . . .	US8.20 cents	US7.30 cents	US7.15 cents	US2.29 cents	US1.91 cents
Diluted . . . . .	US8.17 cents	US7.28 cents	US7.13 cents	US2.29 cents	US1.91 cents
<b>Profit for the year/period . . . . .</b>	<b>604,719</b>	<b>494,311</b>	<b>484,749</b>	<b>172,870</b>	<b>133,777</b>
<b>Other comprehensive income (loss):</b>					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Remeasurement of defined benefit obligations . . . . .	7,016	850	2,349	—	—
<i>Items that are or may be reclassified subsequently to profit or loss:</i>					
Exchange differences on consolidation . . . . .	28,057	134,154	(101,998)	(116,808)	(1,798)
Fair value changes in available-for-sale financial assets . . . . .	3,407	12,780	11,040	—	701
Reclassification adjustments relating to available-for-sale financial assets disposed of during the year/period . . . . .	4,656	(14,397)	—	—	—
	36,120	132,537	(90,958)	—	—
<b>Other comprehensive income (loss) for the year/period . . . . .</b>	<b>43,136</b>	<b>133,387</b>	<b>(88,609)</b>	<b>(116,808)</b>	<b>(1,097)</b>
<b>Total comprehensive income for the year/period . . . . .</b>	<b>647,855</b>	<b>627,698</b>	<b>396,140</b>	<b>56,062</b>	<b>132,680</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company . . . . .	490,704	500,127	336,629	42,251	106,756
Non-controlling interests . . . . .	157,151	127,571	59,511	13,811	25,924
	647,855	627,698	396,140	56,062	132,680
<b>Other Financial Data:</b>					
EBIT <sup>(1)</sup> . . . . .	816,750	708,814	685,853	238,544	200,794
EBIT margin <sup>(2)</sup> . . . . .	8.9%	6.5%	6.7%	8.6%	8.7%
EBITDA <sup>(3)</sup> . . . . .	1,204,507	1,161,152	1,149,346	364,186	329,724
EBITDA margin <sup>(4)</sup> . . . . .	13.1%	10.6%	11.2%	13.1%	14.2%
Total debt <sup>(5)</sup> . . . . .	1,484,472	1,676,279	2,628,754	1,637,216	2,611,694
Net debt <sup>(6)</sup> . . . . .	646,574	426,389	1,445,651	(243,048)	671,081
Total debt <sup>(5)</sup> /LTM EBITDA <sup>(3)</sup> . . . . .	1.2x	1.4x	2.3x	1.3x	2.3x
Net debt <sup>(6)</sup> /LTM EBITDA <sup>(3)</sup> . . . . .	0.5x	0.4x	1.3x	(0.2)x	0.6x
EBITDA <sup>(3)</sup> /Interest <sup>(7)</sup> . . . . .	32.6x	29.4x	23.8x	33.5x	22.0x
Total debt <sup>(5)</sup> /Total capitalization <sup>(8)</sup> . . . . .	29.8%	29.9%	39.1%	29.1%	38.2%

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*Notes:*

- (1) EBIT is calculated as EBITDA (see definition in Note 3) minus depreciation and amortization.
- (2) EBIT margin is calculated by dividing EBIT by turnover.
- (3) EBITDA for any period consists of profit for the year/period before interest expense (excluding capitalized interest), tax, depreciation and amortization. EBITDA is not a standard measure under HKFRS. EBITDA is a widely used financial indicator of a company's ability to incur and service debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, profit attributable to owners of our Company or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as revenue and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA herein because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition.

LTM EBITDA represents EBITDA for the last twelve months period.

- (4) EBITDA margin is calculated by dividing EBITDA by turnover.
- (5) Total debt consists of all short-term and long-term borrowings.
- (6) Net debt equals interest bearing borrowings net of cash and cash equivalents.
- (7) Interest is calculated as interest expense plus capitalized interests.
- (8) Total capitalization equals total debt plus total equity.

# SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As of December 31,			As of
	2012	2013	2014	March 31,
	(Restated)			2015
	US\$'000			
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment . . . . .	5,001,736	5,485,100	5,859,905	5,879,576
Prepaid lease payments . . . . .	284,040	318,961	737,387	742,054
Intangible asset . . . . .	28,811	28,058	27,305	27,116
Interest in associates . . . . .	21,324	29,050	31,973	33,031
Interest in joint ventures . . . . .	63,114	80,276	74,153	76,770
Available-for-sale financial assets . . . . .	55,032	24,683	79,052	99,675
Deferred tax assets . . . . .	50,774	48,105	53,009	51,759
	<u>5,504,831</u>	<u>6,014,233</u>	<u>6,862,784</u>	<u>6,909,981</u>
<b>Current assets</b>				
Financial assets at fair value through profit or loss . .	640	4,952	2,352	2,438
Inventories . . . . .	478,113	480,862	386,958	383,031
Trade receivables . . . . .	233,104	260,427	238,239	246,028
Prepayments and other receivables . . . . .	418,677	413,957	532,621	517,920
Pledged bank deposits . . . . .	7,673	15,491	12,203	9,910
Bank balances and cash . . . . .	830,225	1,234,399	1,170,900	1,930,703
	<u>1,968,432</u>	<u>2,410,088</u>	<u>2,343,273</u>	<u>3,090,030</u>
<b>Total assets . . . . .</b>	<b><u>7,473,263</u></b>	<b><u>8,424,321</u></b>	<b><u>9,206,057</u></b>	<b><u>10,000,011</u></b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Issued capital . . . . .	27,964	27,982	28,019	28,021
Share premium . . . . .	66,656	53,431	65,421	66,072
Reserves . . . . .	<u>2,449,530</u>	<u>2,798,879</u>	<u>2,940,117</u>	<u>3,049,073</u>
<b>Total capital and reserves attributable to owners of the Company . . . . .</b>	<b><u>2,544,150</u></b>	<b><u>2,880,292</u></b>	<b><u>3,033,557</u></b>	<b><u>3,143,166</u></b>
<b>Non-controlling interests . . . . .</b>	<b><u>945,035</u></b>	<b><u>1,046,095</u></b>	<b><u>1,062,107</u></b>	<b><u>1,088,031</u></b>
<b>Total equity . . . . .</b>	<b><u>3,489,185</u></b>	<b><u>3,926,387</u></b>	<b><u>4,095,664</u></b>	<b><u>4,231,197</u></b>
<b>Non-current liabilities</b>				
Long-term interest-bearing borrowings . . . . .	984,761	659,643	1,246,720	1,272,978
Other non-current liabilities . . . . .	220	262	—	—
Employee benefit obligations . . . . .	26,120	28,186	28,702	29,022
Deferred tax liabilities . . . . .	<u>178,466</u>	<u>184,389</u>	<u>198,487</u>	<u>206,636</u>
	<u>1,189,567</u>	<u>872,480</u>	<u>1,473,909</u>	<u>1,508,636</u>
<b>Current liabilities</b>				
Trade payables . . . . .	1,043,295	1,251,710	896,131	1,062,142
Other payables and deposits received . . . . .	1,110,292	1,192,428	1,233,472	1,132,669
Current portion of interest-bearing borrowings . . . . .	499,711	1,016,636	1,382,034	1,338,716
Advance payments from customers . . . . .	82,294	108,354	100,522	676,262
Taxation . . . . .	<u>58,919</u>	<u>56,326</u>	<u>24,325</u>	<u>50,389</u>
	<u>2,794,511</u>	<u>3,625,454</u>	<u>3,636,484</u>	<u>4,260,178</u>
<b>Total liabilities . . . . .</b>	<b><u>3,984,078</u></b>	<b><u>4,497,934</u></b>	<b><u>5,110,393</u></b>	<b><u>5,768,814</u></b>
<b>Total equity and liabilities . . . . .</b>	<b><u>7,473,263</u></b>	<b><u>8,424,321</u></b>	<b><u>9,206,057</u></b>	<b><u>10,000,011</u></b>
<b>Net current liabilities . . . . .</b>	<b><u>(826,079)</u></b>	<b><u>(1,215,366)</u></b>	<b><u>(1,293,211)</u></b>	<b><u>(1,170,148)</u></b>
<b>Total assets less current liabilities . . . . .</b>	<b><u>4,678,752</u></b>	<b><u>4,798,867</u></b>	<b><u>5,569,573</u></b>	<b><u>5,739,833</u></b>

## RISK FACTORS

*You should carefully consider the risks and uncertainties described below and other information contained in this offering memorandum before investing in the Notes. The risks and uncertainties described below may not be the only ones that we face. Additional risks and uncertainties that we are not aware of or that we currently believe are immaterial may also materially and adversely affect our business, financial condition or results of operations. If any of the possible events described below occurs, our business, financial condition or results of operations could be materially and adversely affected. In such case, we may not be able to satisfy our obligations under the Notes, and you could lose all or part of your investment.*

### RISKS RELATING TO OUR BUSINESSES

***Our business and reputation may be affected by product recalls, product liability claims, litigation, complaints or adverse publicity in relation to our products.***

We, like other food and beverage manufacturers, may face product liability claims. The consumption of certain food products may cause illness, injury or, in extreme cases, death. Such illness, injury or death may result from unauthorized tampering by third parties or product contamination or degeneration, including the presence of foreign contaminants, chemical substances or other agents or residues during the various stages of the procurement, production, transportation and storage processes. We cannot assure you that consumption of our products will not cause a health-related illness in the future, or that we will not be subject to claims or lawsuits relating to such matters. In the event that our products are found to be unfit for human consumption or detrimental to human health, resulting in illnesses or deaths of any persons, we may be subject to regulatory investigations or product liability claims and be required to compensate affected parties. While we are subject to government inspections and regulations, we cannot assure you that our products will not be found to be unfit for consumption, or that we will not be subject to claims for significant damages or lawsuits relating to such matters. Furthermore, even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity arising from any assertions that our products may be harmful or unfit for human consumption could adversely affect our reputation and brand image.

***We may be adversely impacted by any negative publicity suffered by the food and beverage industry in China or abroad.***

The food and beverage industry in China has in the past experienced problems related to contamination and food safety due to adulterated supplies of raw materials and inadequate enforcement of food safety regulations and inspection procedures. For example, in 2008, a significant proportion of the supply of milk and infant formula in China was contaminated with melamine, which affected hundreds of thousands of consumers, and caused the deaths of several infants and illness in thousands of young children. The 2008 melamine incident also resulted in large-scale product recalls, the closure of one of China's largest dairy products manufacturers, and significantly reduced consumer confidence in dairy and dairy-related products, thereby causing a significant decline in the sales of dairy and dairy-related products in China. In May 2011, governmental authorities in Taiwan determined that certain local suppliers had been illegally using certain types of plasticizers as additives in their raw materials, which were used to manufacture a variety of processed food and beverages. Due to the negative impact of the plasticizer incident, consumer demand for food and beverages notably declined. In 2014, Master Kong's braised pork rib soup noodles, produced by Taiwan Wei-Chuan Food Corporation, or Wei-Chuan, under license by us, used low-quality lard supplied by third-party suppliers. Although we did not use low-quality lard in instant noodles we produced and sold, consumer confidence in our products was, to some extent, adversely affected. In 2014, there were reports that food safety incidents of cooking oil in Taiwan in

relation to our affiliates are under investigation. Such incidents are not relevant to our products. However, such incidents in the future could affect consumer perception of the safety of our food or beverage products or that of our industry in general, which may in turn materially and adversely harm our business, results of operation and financial condition.

***A deterioration in our brand image could adversely affect our business.***

We rely to a significant extent on our brand image and brand name, “Master Kong” (康師傅), which has become one of the best known brands among customers in China. Any negative incident or negative publicity concerning us or our instant noodles, beverage and instant food products could adversely affect our reputation and business. Brand value is based largely on subjective consumer perceptions and can be damaged even by isolated incidents which encroach on consumer trust. Consumer demand for our products, our brand value and goodwill could diminish significantly if we fail to preserve the quality of our products, or fail to deliver a consistently positive consumer experience in each of our products, or if we are perceived to act in an unethical or socially irresponsible manner. Any negative publicity of “Master Kong” (康師傅), or concerning us or our products, could adversely affect our reputation, business, prospects and results of operation.

***The manufacturing processes of our products depend on a steady supply of raw materials, the price and availability of which are subject to a high degree of volatility.***

The principal raw materials we use in our production, other than water, are flour, palm oil, sugar and polyethylene terephthalate resin, or PET resin. We purchase flour, sugar, PET resin and palm oil from multiple suppliers in China. Our other major raw materials include PET lids, bottle labels, cartons, aluminum cans, tea powders and concentrates, juice concentrates, beverage flavors and other packaging materials. Our production volume and profitability is highly dependent on our ability to maintain a stable and sufficient supply of raw materials at the quality that we require and at a reasonable price. The price and availability of these raw materials are subject to a high degree of volatility which may be caused by external conditions beyond our control, such as climate and environmental conditions where weather conditions or natural events or disasters may affect expected harvests of such commodities, global competition for resources, currency fluctuations and changes in governmental policies which may affect global and regional commodity demands and prices. The Malaysian spot price for palm oil climbed to a high of RMB9,718 per metric ton in the first quarter of 2011 and then fell to a low of RMB5,390 per metric ton in the first quarter of 2015. Increases in the price of any raw material could increase our overall cost of sales and adversely affect our financial condition and results of operations.

We expect that our raw material costs will continue to fluctuate and be affected by inflation in the future. Price fluctuations in our raw materials may result in unexpected increases in production costs, and if we are unable to manage these costs or to pass on any such increase to our customers, our profitability will decrease. Hence, any significant increase in the price of raw materials or any inability to source and obtain alternative suppliers may have a significant impact on our profit margins and may materially and adversely affect our business, results of operations and financial condition. In addition, an interruption to or a shortage in the supply of such raw materials could result in our being unable to operate our production centers at full capacity or, if the shortage is severe, could lead to the suspension of our production all together. As a result, our business, financial condition and results of operations could be adversely affected.

***Sales of our products are subject to changes in consumer perceptions, preferences and tastes and we may not be able to introduce new products successfully.***

Our performance depends on factors which may affect the level and patterns of food and beverage consumption in China. Such factors include consumer preferences and tastes, consumer confidence, consumer income and consumer perceptions of the safety and quality of our products. Media coverage regarding the safety or quality of, or diet or health issues relating to, food, beverages, raw materials or additives that are used or involved in the manufacturing process may damage consumer confidence in our products. A general decline in the consumption of our products could also occur as a result of a change in consumer preferences, perceptions and spending habits at any time.

Our future success will depend partly on our ability to anticipate or adapt to such changes and to offer, on a timely basis, new products that meet consumer preferences. We cannot assure you that we will be able to gain market acceptance or significant market share for our new products.

Consumer preferences change, and any new products that we introduce may fail to meet the particular tastes or requirements of consumers, or may be unable to replace their existing preferences. Any failure to anticipate, identify or react to these changing tastes or preferences could result in a decrease in our sales, a decline in the market share of our products, or erosion of our market share and financial position. This could in turn lead to our inability to recover our research and development, production and marketing costs, thereby materially and adversely affecting our business, financial condition and results of operations.

***We may not be able to maintain our leading position.***

In the large and diverse Chinese food market, we have maintained a leading position in the areas of instant noodles, beverage and instant food products. According to data from Nielsen, in the first quarter of 2015, our instant noodles and RTD teas ranked number one in the PRC market, accounting for 46.9% and 53.9%, respectively, of market share in terms of sales volume, and our bottled water, fruit juice and carbonated soft drinks ranked number two in the PRC markets, with a market share in terms of sales volume of 17.6%, 18.6% and 31.0%, respectively.

Our leading market position has enabled us to benefit from comparatively stronger bargaining power in procuring raw materials, determining product pricing and responding effectively to changing market conditions and competitive pressures, which in turn have contributed to our significant growth and stable profit margin. However, we cannot assure you that we can maintain or increase our competitiveness and market position. Should we fail to maintain our leading position relative to other manufacturers in the industry, our financial condition and results of operations may be adversely affected. In addition, we face competition from companies offering similar products in China and elsewhere. These competitors may have greater resources and scale than us to rapidly respond to competitive pressures. Such competitive pressures could have an adverse impact on the supply and pricing of our products, reduce our market share and have an adverse impact on our financial performance.

***We may enter into strategic acquisitions, investments, alliances or joint ventures that may be expensive or difficult to implement; our failure to successfully implement these strategic maneuvers could have a material adverse effect on our business.***

We may enter into strategic acquisitions and investments and establish strategic alliances with third parties in the food industry if suitable opportunities arise. For example, in April 2012, we became the exclusive franchise bottler for Pepsi in China. Under this strategic alliance, we partner with Pepsi's bottlers to manufacture, sell and distribute Pepsi's carbonated beverages as well as its "Gatorade," "Tropicana" and "Aquafina" brand drinks. We also entered into

strategic joint venture agreements with Calbee and Itochu to establish a joint venture for the manufacture and sale of snack food products in April 2012 and with Prima in May 2012 to manufacture and sell processed poultry and meat products in the PRC. In February 2014, we became the primary beverage supplier to Shanghai Disney Resort. In March, 2015, we entered into an agreement with Starbucks to manufacture and expand the distribution of Starbucks RTD coffee products throughout China. In April 2015, we became the exclusive beverage partner to the NBA in China. We may engage in similar or other acquisitions, investments and alliances that we believe will complement our expansion strategies. We may also make strategic divestiture of our assets or restructure our business operations. Any strategic acquisition, investment and alliance with third parties could subject us to a number of risks, including risks associated with sharing proprietary information and a reduction or loss of control of operations that are material to our business. Moreover, strategic acquisitions, investments and alliances may be expensive to implement and subject us to the risk of non-performance by a counterparty, which may in turn lead to monetary losses that may materially and adversely affect our business. If we cannot successfully integrate acquisitions, alliances, joint ventures and other partnerships on a timely basis, we may be unable to generate sufficient revenue to offset acquisition costs, we may incur costs in excess of what we anticipate and our expectations of future results of operations and synergies may not be achieved. In addition, our results of operations may be adversely affected if we are unable to improve the efficiency of our operations. Acquisitions involve substantial risks, including:

- unforeseen difficulties in integrating operations, accounting systems and personnel;
- diversion of financial and management resources from existing operations;
- the need to attract and retain management and key employees;
- unforeseen difficulties related to entering geographic regions or markets where we do not have prior experience;
- risks relating to obtaining sufficient equity or debt financing;
- potential undisclosed liabilities, litigation or other proceedings; and
- the loss of key customers or suppliers.

Such risks could expose us to additional legal and other costs and expenses which could be significant and have a material adverse effect on our business.

***We depend on wholesalers to sell a significant amount of our products and independent third-party logistics providers to transport and deliver our products.***

Wholesalers fulfill an important role in the distribution of substantially all of our products. For the years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, wholesalers accounted for approximately 89.2%, 90%, 90.2% and 91.3% of our turnover, respectively. We also rely on a number of independent third party logistics providers for the transportation and delivery of our products to our wholesalers and retailers, and we typically bear the costs of such product delivery. The vast majority of our products are delivered by trucks or trains. Delivery disruptions may occur for various reasons which are beyond our control, including poor handling by wholesalers or third-party logistics providers, transportation bottlenecks, adverse weather conditions, natural disasters, social unrest, labor strikes, or unforeseen events, and could result in delayed or lost deliveries. If the distribution service provided by our wholesalers were suspended due to unforeseen events, it could cause interruption to the supply of our products to our customers. In the past, we have occasionally experienced problems with deliveries. Some of these events could also result in damage to our products. If our products are not delivered to our customers on time or at all, or are delivered

damaged, we may need to compensate our customers, and risk damage to our reputation and loss of revenue and business, which may materially and adversely affect our business, financial condition and results of operations. Furthermore, wholesalers may experience interruptions or delays in the delivery of our products to retailers, which could indirectly adversely affect us.

***Our expansion plan may not be successful and we may not successfully manage our growth.***

As the scale of our operations grows, we will need to continuously improve our management, operational and financial systems and strengthen our internal procedures and control. Our expansion plans involve enriching the number of product types and enlarging the investment in core production technologies. We also plan to increase consumption per capita by implementing new product marketing and sales promotions, continuing to strengthen sales coordination, improving product and project sales and extending services to consumers. However, we may be affected by a number of factors which may not be within our control. These factors include fluctuations in market demand for our products, changes in consumer taste and preference, increasing competition from other industry participants. An adverse change in any of these factors may disrupt our expansion plans and have a material adverse effect on our business, results of operations and financial condition. Moreover, we cannot assure you that our existing or future management, operational and financial systems, internal procedures and controls (including those relating to corporate governance) will be adequate to support our expansion and future operations or that we will be able to establish or develop business relationships beneficial to our future operations. Further, we may not be able to obtain financing at a reasonable cost or level to complete construction and commence commercial operations of our new production centers. Failure to execute our expansion plan efficiently, scale our business appropriately and manage our growth effectively could have a material adverse effect on our business, results of operations and financial condition.

***We rely significantly on third-party production equipment and packaging technology and materials for the production and packaging of our products.***

We rely significantly on production equipment, packaging technology and packaging materials supplied by third-parties for the production and packaging of our products. For our beverage products, we have historically procured manufacturing equipment and technical devices primarily from suppliers based in foreign countries, such as Germany, Italy and Canada. For our instant noodles and instant food, we have historically procured manufacturing equipment and technical devices primarily from suppliers based in Japan. In the event these third-party suppliers are unable to supply such production equipment, packaging technology or packaging materials, or we are unable to reach agreement upon reasonable terms with them in the future in relation to such continued supply, we may not be able to find a substitute supplier of similar equipment and packaging technology. As a result, this may affect our ability to maintain and upgrade our production centers and cause production interruptions and delivery delays, and may prevent us from improving the packaging of our products to meet changing market demands, hence adversely affecting our business, financial condition and results of operations.

***Sales of some of our products are subject to seasonality; you should not rely on our quarterly operating results as an indication of our future performance because our quarterly financial results are subject to fluctuations.***

The sales of some of our products are subject to seasonality and other factors which may cause the growth rate of our revenues to vary from quarter to quarter. Historically, we have experienced higher sales of our RTD tea and bottled water in the second and third calendar

quarters when the weather is hot, while sales of fruit juice, which are consumed primarily for their nutritional benefits, are relatively less seasonal throughout the year. In contrast, sales of instant noodles is typically higher during the winter months, the first and fourth quarters, than during the summer months.

Our quarterly revenues and results of operations are likely to be affected by:

- seasonality in the food and beverage market and consumer purchasing patterns;
- weather conditions;
- the timing of launch of new products and of advertising and promotional campaigns;
- our ability to retain existing customers and attract new customers for our food and beverage products;
- the amount and timing of our operating expenses and capital expenditures;
- the adoption of new, or changes to existing, governmental regulations;
- a shortfall in our revenues relative to our forecasts and a decline in our operating results; and
- economic conditions in general and specific to the food and beverage industry and to China.

These factors are difficult to discern in our historical results since our revenues have grown rapidly in recent years. Seasonal variations may cause fluctuations in our interim sales and profits, and also affect the cash flow available to us for each particular quarter. Due to these fluctuations, comparisons of sales and operating results between the different periods within a single year, or between the same periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of our performance.

***Our products are sold in only one country.***

All of our sales of instant noodle, beverage and instant food products are in China. We anticipate that sales of our products in China will continue to represent a substantial proportion of our total sales in the near future. Any significant decline in the condition of the PRC economy could adversely affect consumer buying power and reduce consumption of our products, among other things, which in turn would have a material adverse effect on our business, financial condition and results of operations.

***Counterfeiting or imitation of our products may damage our reputation and brand names as well as lead to higher administrative costs.***

China's intellectual property laws are still evolving, and the levels of protection and means of enforcement of intellectual property rights in China differ from those in Hong Kong or other jurisdictions. Counterfeiting and imitation of popular consumer and branded products occur from time to time in China. Most of our products are marketed under our primary "Master Kong" (康師傅) brand, which has become one of the best known brands among customers in China and is critical to our success. We believe the popularity of our brand name makes it a target of counterfeiting or imitation, with third parties attempting to pass off counterfeit products as our products. In the past, a PRC company used our "Master Kong" (康師傅) trademark on its food products without our authorization. To stop such unauthorized use, we brought a civil action against such company, and made petitions to the State Administration for Industry and Commerce, or SAIC, which recognized our "Master Kong" (康師傅) trademark as a "China

Well-Known Trademark” and prohibited the unauthorized use by the infringing party. Although we successfully stopped the infringement of our trademark in the case mentioned above, we cannot assure you that other occurrences of counterfeiting or imitation of our products will not occur in the future and, if they do occur, we cannot assure you that we will be able to detect and deal with them effectively. Any occurrence of counterfeiting or imitation could adversely affect our reputation and brand names, leading to loss of consumer confidence in our brand. In addition, counterfeit and imitation products could result in a reduction of our market share, causing a long-term or even permanent decline in our sales and profitability, as well as increasing our administrative costs in respect of detection and prosecution. Furthermore, litigation could disrupt our business operations and divert our management’s attention.

***We consider the formulas of our products to be our trade secrets, and our ability to compete could be harmed if such trade secrets were disclosed to third parties.***

We rely on trade secret protection to secure our proprietary formulas, production processes and packaging of our products. We rely on a combination of contractual responsibilities and confidentiality restrictions in our agreements with employees, agents, customers and other entities to which we disclose our proprietary formulas, and legal and statutory protections to safeguard our proprietary rights, including ingredients, production formulas and packaging of our products. Any breach of confidentiality by our employees or any other entities having access to our formulas and other trade secrets could result in third parties, including our competitors, gaining access to such formulas and trade secrets. If our competitors are able to successfully imitate our proprietary formulas and/or our product packaging while managing to provide comparable products at competitive prices, our market share may decrease. In addition, the intellectual property-related laws and their implementation in the PRC are still developing, which results in a degree of uncertainty as to interpretation and enforcement and may limit the legal protections available to us. In the event that the protection afforded by law does not adequately safeguard our trade secrets and other intellectual property rights, we may suffer significant losses in revenues, and our business, results of operations and financial condition could be materially and adversely affected.

***We depend on senior management members and skilled personnel who are critical to our business operations.***

Our future success and growth depend heavily upon the continuing services of our executive directors and other members of our senior management team. They have extensive experience in the PRC food and beverage industries and in-depth knowledge of various aspects of business management. We cannot assure you that any executive director or member of senior management is willing or able to continue in his or her present position or that we will be able to find and hire a suitable replacement, or that he or she will not be recruited by a competitor or depart to start a competing business. Moreover, along with our steady growth and expansion into other regional markets in China, we will need to employ, train and retain additional suitable skilled and qualified management personnel and employees from a wider geographical area. If the regions surrounding our production centers are not able to supply a sufficiently sizable workforce or if the cost of labor increases, we may need to expend additional resources to attract and recruit and train suitable employees. If we cannot attract and retain suitable personnel, our business and future growth may be materially and adversely affected.

***We recorded net current liabilities as of December 31, 2012, 2013 and 2014 and March 31, 2015 and we cannot assure you that we will not continue to record net current liabilities.***

We recorded net current liabilities of US\$826.1 million, US\$1,215.4 million, US\$1,293.2 million and US\$1,170.1 million as of December 31, 2012, 2013 and 2014 and March 31, 2015, respectively, and may have net current liabilities in the future. This net current liabilities position exposes us to liquidity risk. Our future liquidity, the payment of trade and other payables, interest payments and the repayment of our outstanding debt obligations as and when they become due will primarily depend on our ability to maintain adequate cash inflows from operating activities and adequate external financing. We cannot assure you that we will be able to continue to generate and maintain sufficient cash flow to service our indebtedness. Our net current liabilities position could also constrain our operational flexibility as well as adversely affect our ability to expand our business and increase our vulnerability to general adverse economic and industry conditions.

***Unexpected equipment failures or other industrial accidents may lead to production curtailments or shutdowns and subject us to legal claims and liabilities.***

We could experience events such as equipment failures or other accidents due to employee errors, equipment malfunctions, accidents, interruptions in electricity supplies, natural disasters or other causes. We cannot assure you that any preventive measures we have taken or may take will be sufficient to prevent any industrial accidents in the future. As a result, we may in the future experience production curtailments or shutdowns or periods of reduced production, which would negatively affect our results of operations. In addition, potential industrial accidents leading to significant property loss and personal harm may disrupt our operations, subject us to claims and lawsuits, and adversely affect our profitability, relations with customers, suppliers, employees and regulatory authorities.

***Our operations are subject to production malfunctions and other risks and routine shutdowns for maintenance and upgrades.***

Our operations are subject to production difficulties such as capacity constraints, mechanical and system failures, construction and equipment upgrades and delays in the delivery of machinery, any of which could cause suspension of production and reduced output. Scheduled and unscheduled maintenance programs may also affect our production output. We carry out routine maintenance of our production equipment, annual major maintenance work and periodic equipment upgrades. Any significant manufacturing disruption could adversely affect our ability to manufacture and sell products, which could have a material adverse effect on our business, results of operations and financial condition.

***The preferential tax treatment which our wholly owned operating subsidiaries in the PRC currently enjoy may be changed or discontinued.***

According to the Tax Relief Notice on the Grand Development of Western Region (Cai Shui [2001] no. 202) (財政部、國家稅務總局、海關總署關於西部大開發稅收優惠政策問題的通知) jointly issued by the Ministry of Finance, the State Administration of Taxation and China Customs, FIEs located in the western region of the PRC with principal revenue of over 70% generated from encouraged business activities were entitled to a preferential income tax rate of 15% for 10 years from January 1, 2001 to December 31, 2010. This preferential treatment was extended to December 31, 2020 by the Tax Relief Notice on the Further Implementation of Grand Development of Western Region (關於深入實施西部大開發戰略有關稅收問題的通知) (Cai Shui [2011] No. 58) jointly issued by the Ministry of Finance, the State Administration of Taxation and China Customs. Accordingly, certain of our subsidiaries that were engaged in the encouraged business activities and were located in the Western region were entitled to a preferential rate of 15% and shall continue to enjoy the tax concessions until expiry.

Our effective tax rates for the years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015 were 27.4%, 31.6%, 30.1% and 32.3%, respectively. We cannot assure you that the PRC policies on preferential tax treatment will not change or that the current preferential tax treatment we enjoy will not be cancelled. If such changes or cancellation occurs, the resulting increase in our tax liability may have a material and adverse effect on our business, financial condition and results of operations.

***We depend on our information technology infrastructure and a system failure or breakdown may cause interruptions of our business and operations.***

We rely on information technology systems to manage our business operations, in particular, our inventory and distribution systems. As the building and maintenance of a proper technology infrastructure requires an effective management and allocation of our resources and staff, our information technology systems may be vulnerable to a variety of disruptions due to events beyond our control. These may include but are not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. This could make us subject to transaction errors, processing inefficiencies, customer service disruptions and, in some instances, loss of customers. Although we have security initiatives and disaster recovery plans in place to mitigate our risk to these vulnerabilities, such measures may not have effectively implemented or may not be adequate to ensure that our operations are not disrupted. We cannot assure you that we would be successful in preventing all information technology system disruptions. If we are unable to prevent such disruptions, there may be a material adverse effect on our business, financial condition and results of operations.

***We rely on the supply of certain utilities such as water and electricity in our manufacturing process; and any failure or shortage in the supply of such utilities may adversely affect our business, financial condition and results of operations.***

We consume a large amount of water in producing our beverage products. We obtain our water supply from two sources: (1) tap water from water utility companies controlled by relevant local governments; and (2) underground water pumped from selected locations.

We also rely on other utilities such as electricity in our production process. Any shortage or interruption in the supply of electricity could disrupt our operations and increase our costs of sales. For each of the years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, our cost of electricity and water combined, as a percentage of our total cost of sales, was less than 10%. In most cases, provincial governments in China regulate electricity prices for industrial enterprises. We cannot assure you that we will not experience any disruptions caused by water supply, or significant fluctuations in the price of water in future. If we experience a water shortage or significant increase in the price of water, our business, financial condition and results of operations could be materially and adversely affected. Neither can we assure you that we will not experience any disruptions in electricity supply in future. Moreover, the price of electricity may fluctuate and we cannot predict future price trends, or the degree of any price volatility. Any significant increase in the prices of electricity, any shortage, any government imposed limitation on electricity usage or interruption in its supply could increase our costs of sales and/or cause disruptions to our operations. This, in turn, may adversely affect our business, financial condition and results of operations.

***Adverse weather conditions could reduce the demand for our products and increase our freight expenses and prices of raw materials, which in turn could have a material adverse effect on our business and profitability.***

The sales of our products are influenced to some extent by weather conditions in China, particularly the regions in which we operate. Unusually cold or rainy weather during the summer months may reduce the demand for our products and contribute to lower revenues, which could negatively impact our profitability.

***Certain facts and statistics are derived from publications not independently verified by us, the Managers, the Trustee, the Agents or our or their respective advisors.***

Market data and certain information and statistics relating to our affiliated entities are derived from both public and private sources, including market research, publicly available information and industry publications. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us, the Managers, the Trustee, the Agents or our or their respective advisors and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside Hong Kong. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

## **RISKS RELATING TO THE FOOD AND BEVERAGE INDUSTRY**

***Changes in the existing food safety laws may affect our business operations.***

Our operations are subject to the food safety laws and regulations of the PRC and other countries to which we export our food products, which set out hygiene, safety and manufacturing standards with respect to food as well as hygiene, safety, packaging and other requirements for food production, production facilities and equipment used for the transportation and sale of food. In particular, according to the Food Safety Law of the PRC (中華人民共和國食品安全法) which became effective on June 1, 2009 and its implementation regulations which became effective on July 8, 2009, we are required to follow more stringent quality control and food safety standards, including, among others:

- food additives may be used only if they are deemed necessary for food production and they must be tested and proven safe in accordance with the risk assessment principles before they can be used, established by the PRC government;
- chemicals other than specifically permitted additives and any substance that may harm human health are forbidden in food production;
- no food product is exempt from inspection by the relevant food safety supervision authority; and
- all food manufacturers will have to suspend production immediately and recall all products from the market if such products are found to have failed to meet the requisite food safety standards. The manufacturers are also required to notify the relevant food producers and traders, as well as consumers of such recall and keep records in this regard.

In addition, we are required to maintain proper production records of our instant food products. The Food Safety Law of the PRC was amended on April 24, 2015, and will become effective on October 1, 2015. Under the amended Food Safety Law of the PRC, if the food safety risk assessment shows that a food, a food additive or a food-related product is unsafe, not only will its production be terminated, the result of the risk assessment shall also be announced to the public. As the amended Food Safety Law of the PRC is not yet effective, and its implementation regulations have not been promulgated, there are still some uncertainties as to how it will affect our business operations in the long run. Any failure to comply with the Food Safety Law of the PRC, its implementation regulations or other food safety and hygiene laws and

regulations in the PRC may result in fines, suspension of operations, loss of licenses and, in more extreme cases, criminal proceedings may be brought against us and our management. Any of these events will have a material adverse impact on our production, business, results of operations and financial condition.

We cannot assure you that the PRC government will not change the existing law or regulations or adopt additional or more stringent laws or regulations applicable to us and our business operations. Such new laws and regulations may require the re-configuration of our methods for sourcing raw materials, production, processing and transportation, including more onerous food safety, labeling and packaging requirements, more stringent compliance requirement for waste management, increases in transportation costs and greater uncertainty in production and sourcing estimate. Our failure to comply with any applicable law and regulations could subject us to civil liabilities, including fines, injunctions, product recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on our business, results of operations and financial condition.

***We face intense competition from other manufacturers of food and beverage products.***

The food and beverage industry in China is highly competitive, and we expect it to continue to become even more competitive. There is a large number of domestic and international manufacturers of products similar to ours. Competition primarily manifests itself in the form of pricing concessions, rapid new product introduction and intensive advertising campaigns. Our competitors in any particular market may also benefit from raw material sources or production facilities that are closer to such markets, which provide them with competitive advantages in terms of costs and proximity to consumers. A change in the number of competitors, the level of marketing or investment undertaken by our competitors, or other changes in the competitive environment in our markets may cause a reduction in the consumption of our products and in our market share, and may lead to a decline in our revenues and/or an increase in our marketing or investment expenditures, which may materially and adversely affect our results of operations.

Our ability to compete against these enterprises is, to a significant extent, dependent on our ability to distinguish our products by providing high quality products at reasonable prices that appeal to consumers' tastes and preferences. We cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to evolving industry trends or changing market requirements.

Our competitors may also consolidate or form alliances to rapidly acquire significant market share, and some of our wholesalers may commence production of products similar to those we sell to them. Furthermore, competition may lead competitors to substantially increase their advertising expenditures and promotional activities or to engage in irrational or predatory pricing behavior. Increased competition may result in price reductions and loss of market share. If there is a change in our competitors' pricing policies, an increase in the volume of cheaper competing products offered into the regions where we operate, and if we fail to effectively respond to such actions, we may lose customers and market share and/or the implementation of our pricing strategy may be restricted, in which case our results of operations will be adversely affected.

***Our operations are subject to extensive PRC laws and regulations on environmental protection and production safety and changes in the regulatory environment may cause us to incur liabilities or additional costs or limit our business activities.***

Our production, sales and distribution operations are subject to PRC regulations on environmental protection. They relate to, among other things, waste water discharges, exhaust emissions, noise emission and industrial solid waste from production facilities, and waste disposal practices. Moreover, under the Regulations on the Administration of Construction

Project Environmental Protection, we are required to submit an environmental impact assessment report to the relevant government authorities for preliminary approval before the construction of our production facilities and the installation of pollution treatment facilities, and we are further required to undergo environmental protection examination, and to obtain approval from relevant governmental authorities after we have completed the installation of our manufacturing equipment and before the production plant commences commercial production. If we fail to comply with applicable environmental regulations and standards, we may be subject to fines, orders for suspension of production, orders for damage compensation, or even criminal liabilities. Moreover, under PRC law, we are required to comply with certain manufacturing safety regulations. We cannot assure you that the PRC government will not change the existing laws or regulations or impose additional or stricter laws or regulations, compliance with which may cause us to incur significant capital expenditure, which we may be unable to pass on to our customers through higher prices for our products. More restrictive regulations could lead to increasing prices, which in turn may adversely affect the sale and consumption of our products and reduce our revenues and profitability. In addition, pursuant to the Price Law of the PRC, certain competent government departments have the authority to implement intervention measures on the pricing of important commodities and services if the prices of such commodities and services are substantially increased. From January 15, 2008 to December 30, 2008, the NDRC invoked its authority pursuant to the Price Law and required that suppliers of such commodities (including certain types of food and beverage products) who had reached a certain scale were required to report price rises at least 10 days in advance and were limited to pass-through of cost increases. We cannot assure you that the NDRC will not invoke such authority again in the future.

***We are required to maintain various licenses and permits to operate our business, and the loss of or failure to renew any or all of these licenses and permits could materially and adversely affect our business operations.***

In accordance with PRC laws and regulations, we are required to maintain various licenses and permits in order to operate our business including, without limitation, production licenses for industrial products (工業產品生產許可證). We are required to comply with applicable hygiene and food safety standards in relation to our production processes. Our premises and transportation vehicles are subject to regular inspections by the regulatory authorities for compliance with the Detailed Rules for Administration and Supervision of Quality and Safety in Food Producing and Processing Enterprises (食品生產加工企業質量安全監督管理實施細則). Failure to pass these inspections, or the loss of or failure to renew our licenses and permits, could require us to temporarily or permanently suspend some or all of our production activities, which could disrupt our operations and adversely affect our business. In addition, the PRC Food Safety Law, which became effective from June 1, 2009, enhanced the supervision and examination of governmental authorities over food production and provided that no exemption from such examination shall be allowed in food industry. It also requires the relevant governmental authorities to set out national or local hygiene standards with respect to food and food additives, packaging and containers, information to be disclosed on packaging as well as hygiene requirements for food production and sites, facilities and equipment used for the transportation and sale of food. Failure to comply with PRC food hygiene laws may result in fines, suspension of operations, loss of hygiene licenses and, in more extreme cases, criminal proceedings against an enterprise and its management. The newly amended Food Safety Law of the PRC was promulgated in April 2015 and will become effective on October 1, 2015.

***The food and beverage industry in China is impacted by fluctuations in the global economy and financial markets.***

The food and beverage industry in China is impacted by fluctuations in the global economy and financial market. For example, the global economic slowdown and turmoil in the global financial markets in 2008 have resulted in a general credit crunch, an increased level of

commercial and consumer delinquencies, lack of consumer confidence and increased market volatility. The slowdown of the worldwide economy, including that of the PRC, caused a drop in consumer confidence and the level of disposable income, which translated into lower demand for our products, affecting our results of operations. These adverse market developments and the associated uncertainties may continue to present significant challenges to the global and local economies and financial markets. As a result, the global and local economies, including the PRC economy, could continue to experience significant volatility. China's economic growth, as measured by gross domestic product, slowed from 7.7% in 2012 to 7.4% in 2014 and 7% in the second quarter of 2015. Significant volatility or another downturn in the PRC and global economy in the future could have a material adverse effect on the food and beverage industry in China and the demand for our products, which may affect our business, results of operations and financial condition. In addition, the general lack of available credit and confidence in the financial markets associated with any market volatility or downturn could adversely affect our access to capital as well as our suppliers' and customers' access to capital, which in turn could adversely affect our ability to fund our working capital requirements and capital expenditures.

## **RISKS RELATING TO THE PRC**

***Adverse changes in the economic and political policies of the PRC government could have an adverse effect on overall economic growth in China, which may adversely affect our business.***

We conduct the majority of our business operations in China. Accordingly, our financial condition, results of operations and prospects depend to a significant extent on economic developments in China. China's economy differs from the economies of most other countries in many respects, including the degree of government intervention in the economy such as government control of foreign exchange and the allocation of resources, the general level of economic development and growth rates. While the PRC economy has experienced significant growth in the past 30 years, this growth has been uneven across different periods, regions and amongst various economic sectors. The PRC government has implemented various measures to encourage economic development and guide the allocation of resources. The PRC government also exercises significant control over China's economic growth through the allocation of resources, controlling the payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Since late 2003, the PRC government has, at times, implemented a number of measures, such as increasing the People's Bank of China's, or PBOC, statutory deposit reserve ratio and imposing commercial bank lending guidelines, which had the effect of slowing the growth of credit availability. In 2008 and 2009, in response to the global financial crisis, the PRC government relaxed such requirements but, from early 2010 to late 2014, has begun to tighten such requirements again, partly in response to the recovery in the growth of the PRC economy. Since then, the PRC government again relaxed these requirements to stimulate the growth. However, we cannot assure you that the current trend of relaxation will continue. Any actions and policies adopted by the PRC government to tighten the economy again could materially affect the Chinese economy, which may adversely affect our business.

***PRC regulation of loans to and direct investments in PRC entities by offshore holding companies may delay or prevent us from using the proceeds of this offering to make loans or additional capital contributions to our PRC operating subsidiaries.***

We may make loans to our PRC subsidiaries. Loans to or investments in our PRC subsidiaries are subject to approval by or registration with relevant governmental authorities in China. We may also decide to finance our subsidiaries by means of capital contributions. According to the relevant PRC regulations on foreign-invested enterprises in China, depending on the total amount of investment, capital contributions to our PRC operating subsidiaries may be subject to the approval of the PRC Ministry of Commerce or its local branches. We may not obtain

these government approvals on a timely basis, if at all, with respect to future capital contributions by us to our subsidiaries. If we fail to receive such approvals, our ability to use the proceeds of the Notes and to capitalize our operations in China may be negatively affected, which could adversely affect our liquidity and our ability to fund and expand our business.

***The payment of dividends by our operating subsidiaries in the PRC is subject to restrictions under PRC law.***

We operate our core business mainly through our operating subsidiaries in the PRC. The PRC laws require that dividends be paid only out of net profit, calculated according to the PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions. The PRC law requires foreign-invested enterprises, including some of our subsidiaries in the PRC, to set aside part of their net profit as statutory reserves. These statutory reserves are not available for distribution as cash dividends. Since the availability of funds to fund our operations and to service our indebtedness depends upon dividends received from these subsidiaries, any restrictions on the availability and usage of our major source of funding may impact our ability to fund our operations and to service our indebtedness.

***Governmental control over currency conversion may limit our ability to utilize our cash effectively.***

The PRC government imposes controls on the convertibility of the Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. We receive the majority of our revenues in Renminbi. As a Cayman Islands holding company, we may rely on dividend payments from our PRC subsidiaries to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. Therefore, our PRC subsidiaries are able to pay dividends in foreign currencies to us without prior approval from the SAFE. But approval from or registration with appropriate government authorities is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. This could affect the ability of our PRC subsidiaries to obtain foreign exchange through debt or equity financing, including by means of loans or capital contributions from us. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to satisfy our obligations under the Notes.

***We may be deemed a PRC resident enterprise under the new PRC Enterprise Income Tax Law and be subject to PRC taxation on our worldwide income.***

Under the Enterprise Income Tax Law of the PRC that took effect on January 1, 2008 and its implementation regulations, or collectively, the EIT Law, enterprises established under the laws of jurisdictions outside the PRC with their “de facto management bodies” located within the PRC may be considered PRC resident enterprises and therefore subject to PRC enterprise income tax at the rate of 25% on their worldwide income. The EIT Law provides that “de facto management body” of an enterprise is the organization that exercises substantial and overall management and control over the production, business operations, employees, books of accounts and properties of the enterprise.

If we are treated as a PRC resident enterprise, we may be subject to PRC enterprise income tax at the rate of 25% on our worldwide income. Although dividends received by a PRC resident enterprise from another PRC resident enterprise are exempted from tax provided that

both enterprises are qualified, the definition of “qualified” is unclear under existing laws. If our PRC subsidiaries become subject to the withholding tax or we otherwise become a PRC resident enterprise under the EIT Law, our profitability and cash flow would be materially and adversely affected.

***PRC anti-monopoly law may limit our ability to expand through merger or acquisition.***

The Anti-Monopoly Law became effective on August 1, 2008 and prohibits business operators (including us and all of our subsidiaries) from engaging in monopolistic behavior, entering into monopolistic agreements, abusing a dominant market position or pursuing consolidations or acquisitions that may potentially exclude, restrict or inhibit fair competition. The Anti-Monopoly Law does not prohibit any business operator from increasing its market share to achieve or maintain a dominant market position through fair competition nor does it set limits on the market share that any business operator may achieve or maintain in the PRC.

The Anti-Monopoly Law provides clear standards under which business operators may be exempted from anti-monopoly examination. A business operator that enters into monopolistic agreements or abuses its dominant market position may be subject to penalties, including confiscation of illegal gains and fines ranging from 1% to 10% of its annual sales revenue for the preceding year. If a business operator pursues an illegitimate consolidation or acquisition, it could potentially be forced to terminate the consolidation or acquisition, divest its shares and assets or businesses within a limited period of time or otherwise unwind the consolidation or acquisition so that the business can be reinstated as it was before the consolidation or acquisition.

The operational flexibility of our subsidiaries and our business expansion through mergers with or acquisition of competitors may be subject to strict examination and approval by the Ministry of Commerce of the People’s Republic of China, which is the main authority in charge of reviewing anti-monopoly issues related to business consolidations. Due to ambiguities in the Anti-Monopoly Law’s implementation standards, which have not yet been fully clarified by the PRC government, there is no assurance that the implementation of the Anti-Monopoly Law will not affect our business. In the event of noncompliance with the Anti-Monopoly Law, we may be subject to substantial fines and other penalties, which may materially and adversely affect our business, financial condition and results of operations.

***There are significant uncertainties under the EIT Law relating to our PRC enterprise income tax liabilities.***

Under the EIT Law, the profits of a foreign invested enterprise arising in 2008 and which are later distributed to its immediate holding company outside the PRC will be subject to a withholding tax rate of 10.0% if the immediate holding company is determined by the PRC tax authority to be a non-resident enterprise for PRC tax purposes, unless there is an applicable tax treaty with the PRC that provides for a different withholding arrangement. Pursuant to a special arrangement between Hong Kong and the PRC, such rate is lowered to 5.0% if a Hong Kong resident enterprise owns over 25.0% of a PRC company. Further, according to the Circular on State Administration of Taxation on Printing and Issuing the Administrative Measures for Non-resident Individuals and Enterprises to Enjoy the Treatment Under Taxation Treaties, which became effective on October 1, 2009, the 5.0% tax rate does not automatically apply. Approvals from competent local tax authorities are required before an enterprise can enjoy the relevant tax treatments relating to dividends under relevant taxation treaties. However, according to a tax circular issued by the State Administration of Taxation in February 2009, if the main purpose of an offshore arrangement is to obtain a preferential tax treatment, the PRC tax authorities have the discretion to adjust the preferential tax rate enjoyed by the relevant offshore entity. In addition, under the EIT Law, enterprises established under the laws of jurisdictions outside of China with their “de facto management bodies” located within China may be considered to be PRC resident enterprises for tax purposes.

Although we are a company incorporated in the Cayman Islands and the equity interests of our PRC subsidiaries are directly held by our subsidiaries in the British Virgin Islands, Cayman Islands, Taiwan, the PRC tax authorities may regard the main purpose of our subsidiaries in the British Virgin Islands, Cayman Islands, Taiwan as seeking to reduce tax liability by obtaining a lower withholding tax rate of 5.0%. As a result, the PRC tax authorities could levy a higher withholding tax rate on dividends received by our subsidiaries in Hong Kong from our PRC subsidiaries. In addition, under current PRC laws and regulations, it is also uncertain whether we would be deemed to be a PRC tax-resident enterprise as a substantial portion of the members of our management team are located in China. If we are deemed to be a PRC tax-resident enterprise, our global income will be subject to PRC enterprise income tax at the rate of 25.0%, which could have an adverse effect on our financial condition and results of operations.

***The enforcement of the PRC Labor Contract Law and increases in labor costs in the PRC may adversely affect our business and our profitability.***

The Labor Contract Law of the PRC (中華人民共和國勞動合同法) which was revised on December 28, 2012 and became effective on July 1, 2013 and its implementation rules were promulgated and became effective on September 18, 2008. The Labor Contract Law and its implementation rules impose more stringent requirements on employers with regard to entering into written employment contracts, hiring temporary employees and dismissing employees. The Labor Contract Law and its implementation rules also establish requirements relating to, among others, minimum wages, severance payments and non-fixed term employment contracts, time limits for probation periods as well as duration and the number of times that an employee can be placed on fixed-term employment contracts. It also provides that social insurance is required to be paid on behalf of the employees and the employees are entitled to unilaterally terminate the labor contracts if this requirement is not satisfied.

In addition, under the Regulations on Paid Annual Leave for Employees (職工帶薪年休假條例), which also came into effect on January 1, 2008, and its implementation measures, which were promulgated and became effective on September 18, 2008, employees who have served more than one year for an employer are entitled to be paid annual leave ranging from five to 15 days, depending on their length of service. Employees who waive such annual leave at the request of employers shall be compensated at a rate of three times their normal salaries for each waived annual leave day. Such new laws and regulations may increase our labor costs. In addition, certain companies operating in the PRC have experienced labor unrest in 2010 as a result of workers' dissatisfaction with working conditions and remuneration. We cannot assure you that these labor strikes will not affect general labor market conditions or result in changes to labor laws in the PRC, which in turn could adversely affect our business. As one of the largest producers and wholesalers of food and beverages in China, our business operations require a large number of employees and workers. As of December 31, 2014, we had approximately 79,003 full-time employees. Our obligation to comply with the PRC Labor Contract Law and the relevant implementation regulations have increased and may continue to increase our labor costs. Any significant increases in our labor costs and future disputes with our employees could adversely affect our business, results of operations and financial condition.

***Fluctuations of the Renminbi could affect our financial condition and results of operations.***

The Notes are denominated in US dollars, while substantially all of our revenues are generated by our PRC subsidiaries and denominated in Renminbi. The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in China's political and economic conditions. On July 21, 2005, the PRC government reformed its exchange rate regime by adopting a managed floating exchange rate regime based on market supply and demand. Under this regime, the Renminbi is no longer pegged to the U.S.

dollar but is permitted to fluctuate within a narrow and managed band with reference to a portfolio of currencies. There is no assurance as to how and to what extent the exchange rate of the Renminbi will fluctuate against the U.S. dollar, Hong Kong dollar or any other foreign currency in the future. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future. However, there is no assurance if or when these further reforms will occur. Depreciation of the Renminbi against the U.S. dollar or the Hong Kong dollar could have a material adverse effect on our business, financial condition and results of operations. Furthermore, we are also subject to translation risks as our consolidated financial statements are denominated in U.S. dollars while the financial statements of our subsidiaries are measured and presented in the currency of the primary economic environment in which the entity operates. Further information on foreign exchange risks and certain exchange rates is set out in the section entitled “Exchange Rates” in this Offering Memorandum.

***Interpretation of PRC laws and regulations involves uncertainty and the current legal environment in China could limit the legal protections available to you.***

Our business is primarily conducted in China and is governed by PRC laws and regulations. Our principal operating subsidiaries are located in China and are subject to the PRC laws and regulations. The PRC legal system is a civil law system based on written statutes, and prior court decisions have little, if any, precedential value and can only be used as a reference. Additionally, PRC written laws are often principle-oriented and require detailed interpretations by the enforcement bodies to further apply and enforce such laws. Since 1979, the PRC legislature has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commercial transactions, taxation and trade, with a view to developing a comprehensive system of commercial law, including laws relating to property ownership and development. These laws, regulations and legal requirements are relatively new and are often changing, and their interpretation and enforcement involve significant uncertainties that could limit the reliability of the legal protections available to us. We cannot predict the effects of future developments in the PRC legal system. Depending on the governmental agency or how an application or case is presented to such agency, we may receive less favorable interpretations of laws and regulations than our competitors. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention. All these uncertainties may limit the legal protections available to foreign investors, including you.

***It may be difficult to effect service of process upon us or our directors or executive officers who live in China or to enforce any judgment obtained against us or them from non-PRC courts.***

Many of our executive directors and executive officers reside within China, and substantially all of our assets and substantially all of the assets of those persons are located within China. Therefore, it may be difficult for investors to effect service of process upon us or those persons inside China or to enforce against us or them in China any judgments obtained from non-PRC courts.

China does not currently have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the United States, the United Kingdom, Japan and many other countries. Although an arrangement between China and Hong Kong allowed for reciprocal recognition and enforcement of the decisions of civil and commerce cases if the decisions are made with proper written agreement of jurisdiction and require a provision of payment which is binding and enforceable, there are still many restrictions on such arrangement. Therefore, recognition and enforcement in China of judgments of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or impossible.

***Our results of operations and financial condition are affected by the occurrence of epidemics and natural disasters as well as political instability.***

Our business can be affected by major natural disasters, or widespread outbreaks of infectious diseases in China. Past occurrences of epidemics, depending on their scale of occurrence, have caused different degrees of damage to the national and local economies in China. For example, in 2003, certain Asian countries and regions, including the PRC and Taiwan, encountered an outbreak of Severe Acute Respiratory Syndrome, or SARS, a highly contagious form of atypical pneumonia. More recently, Ebola virus has caused thousands of casualties in African countries and Middle East Respiratory Syndromes, or MERS, another highly contagious form of atypical pneumonia, has spreaded in the Middle East and South Korea. Recurrence of SARS, influenza A (H1N1) or avian flu (H5N1) as well as an outbreak of Ebola or MERS in China, may cause disruption of regional or national economic activity, which can affect consumers' purchasing power in the affected areas and, therefore, reduce demand for our products. Such event may also result in limitations on our ability to travel, delayed transportation and delivery of our products, disruption of raw material supplies, as well as temporary closure of our manufacturing facilities for quarantine or for preventive purposes, which in turn may materially and adversely affect our business, financial condition and results of operations. Any natural disasters, political unrest, war, acts of terrorism and other instability in the PRC can also result in disruption to our business or the businesses of our customers.

## **RISKS RELATING TO RENMINBI DENOMINATED NOTES**

### ***The Renminbi is not a freely convertible currency.***

The Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the U.S. dollar and Hong Kong dollar, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in June 2010 to cover twenty provinces and cities in China and to make Renminbi trade and other current account item settlement available in all countries worldwide. On October 12, 2011, the MOFCOM promulgated the Circular on Issues Concerning Cross-Border Renminbi Direct Investment (Shang Zi Han 2011 No. 899) (《商務部關於跨境人民幣直接投資有關問題的通知》商資函[2011]889號) (the "2011 MOFCOM Circular"). Pursuant to the 2011 MOFCOM Circular, the MOFCOM and its local counterparts are authorized to approve RMB foreign direct investments ("RMB FDI") in accordance with existing PRC laws and regulations regarding foreign investment, with certain exceptions which require the preliminary approval by the provincial counterpart of the MOFCOM and the consent of the MOFCOM. The 2011 MOFCOM Circular also states that the proceeds of RMB FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies through private placements or share transfers by agreement under the PRC strategic investment regime. On October 13, 2011, the PBOC promulgated the Administrative Measures on Settlement of Cross-Border Renminbi Direct Investment (PBOC Announcement 2011 No. 23) (《外商直接投資人民幣結算業務管理辦法》中國人民銀行公告[2011]23號) (the "PBOC Measures"), to commence the PBOC's detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as RMB denominated cross-border loans. Under the PBOC Measures, special approval for RMB FDI and shareholder loans from the PBOC is no longer necessary. On June 14, 2012, the PBOC issued the Notice on Clarifying the implementation of Settlement of Cross-Border Renminbi Direct Investment (《中國人民銀行關於明確外商直接投資人民幣結算業務操作細則的通知》銀發[2012]165號), which provide more detailed rules for cross-border Renminbi direct investments and settlements.

On 3 December 2013, the MOFCOM promulgated the Circular on Issues Concerning Cross-Border Renminbi Direct Investment (《商務部關於跨境人民幣直接投資有關問題的公告》) (the “2013 MOFCOM Circular”), which superseded the 2011 MOFCOM Circular. Pursuant to the 2013 MOFCOM Circular, the MOFCOM and its local counterparts are authorised to approve RMB FDI in accordance with existing PRC laws and regulations regarding foreign investment. The 2013 MOFCOM Circular also requires that the funds of RMB FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for strategic investments in PRC domestic listed companies.

On 13 February 2015, the SAFE promulgated the “Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies” (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (the “2015 SAFE Circular”), which will be effective on 1 June 2015. The 2015 SAFE Circular sets forth the following reformation: (i) cancel the administrative examination and approval procedures relating to the foreign exchange registration approval under domestic direct investment and the foreign exchange registration approval under overseas direct investment; (ii) cancel the confirmation and registration of foreign investors’ non-monetary contributions and the confirmation and registration of foreign investors’ contributions to purchasing the equity held by the Chinese party under domestic direct investment; (iii) the confirmation and registration of foreign investors’ monetary contributions is adjusted to book-entry registration of domestic direct investment monetary contributions.

As the above measures and circulars are relatively new, they will be subject to interpretation and application by the relevant authorities in the PRC.

There is no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittance in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting the remittance of Renminbi into or outside the PRC. In the event that we are not able to repatriate funds out of the PRC in Renminbi, we will need to source Renminbi offshore to finance our obligations under the Notes, and our ability to do so will be subject to the overall availability of Renminbi outside the PRC.

***There is only limited availability of Renminbi outside China, which may affect the liquidity of the Notes and our ability to source Renminbi outside China to service the Notes.***

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of China is limited. Currently, licensed banks in Singapore and Hong Kong may offer limited Renminbi-denominated banking services to Singapore residents, Hong Kong residents and specified business customers. The PBOC has also established a Renminbi clearing and settlement mechanism for participating banks in Singapore, Hong Kong, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur and Bangkok. Each of the Industrial and Commercial Bank of China, Singapore Branch, Bank of China (Hong Kong) Limited, Bank of China, Taipei Branch, China Construction Bank (London) Limited, Bank of China, Frankfurt Branch, Bank of Communications, Seoul Branch, Industrial and Commercial Bank of China (Canada), Bank of China (Australia) Limited, Industrial and Commercial Bank of China Limited, Doha Branch, Bank of China, Paris Branch, Industrial and Commercial Bank of China Limited, Luxembourg Branch, Bank of China (Malaysia) Limited, and Industrial and Commercial Bank of China (Thailand) Limited (each an “RMB Clearing Bank”) has entered into settlement agreements with the PBOC to act as the RMB clearing bank in Singapore, Hong Kong, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur and Bangkok, respectively.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. As of May 31, 2015, the total amount of Renminbi deposits held by institutions authorized to engage in Renminbi banking business in Hong Kong amounted to approximately RMB972.37 billion. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. They are only allowed to square their open positions with the relevant RMB Clearing Bank after consolidating the Renminbi trade position of banks outside Singapore, Hong Kong, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur and Bangkok that are in the same bank group as the participating banks concerned with their own trade position, and the relevant RMB Clearing Bank only has access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions as a result of other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated in the future or the settlement agreements will not be terminated or amended in the future which would have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent we are required to source Renminbi in the offshore market to service the Notes, there is no assurance that we will be able to source such Renminbi on satisfactory terms, if at all.

***Payment in respect of the Notes will only be made to investors in the manner specified in the Notes.***

Except in the limited circumstance where the Renminbi is not available for delivery outside the PRC, all payment to investors in respect of the Notes will be made solely by (i) where the Notes are represented by a global certificate, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations, or (ii) when the Notes are in definitive form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. We cannot be required to make payment by any other means (including in bank Notes, by cheque or draft, or by transfer to a bank account in the PRC).

***Investment in the Notes may subject investors to foreign exchange rate risks.***

The value of the Renminbi against the Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. The Notes are denominated and payable in Renminbi. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the Notes entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss when the return on the Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Notes.

## **RISKS RELATING TO THE NOTES**

### ***An active trading market for the Notes may not develop.***

There can be no assurance as to the liquidity of the Notes or that an active trading market will develop. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial issue price depending on many factors, including variations in our revenues, earnings and cash flows and proposals for new investments, strategic alliances and/or acquisitions, interest rates, fluctuations in price for comparable companies and government regulations and changes thereof applicable to our business and general economic conditions nationally or internationally. The Managers are not obligated to make a market in the Notes and any such market making, if commenced, may be discontinued at any time at the sole discretion of the Managers. Although approval in-principle has been obtained for the listing and quotation of the Notes on the Official List of the SGX-ST, no assurance can be given as to the liquidity of, or trading market for, the Notes. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, investors will only be able to resell their Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

### ***The ratings assigned to the Notes and the Issuer may be lowered or withdrawn in the future.***

The Notes are expected to be assigned a rating of “BBB+” by Standard & Poor’s. In addition, the Issuer has received a long-term corporate credit rating of “BBB+” with a stable outlook by Standard & Poor’s. The ratings address our ability to perform their respective obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. We cannot assure investors that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. We have no obligation to inform holders of the Notes of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes.

### ***Developments in the international financial markets may adversely affect the market price of the Notes.***

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for securities of entities with PRC operations is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors’ reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including the PRC. The economic effects of the global financial crisis of 2008 and 2009 and, more recently, the ongoing debt crisis in Greece have been widespread and far reaching and the international financial markets have experienced significant volatility. While some of these economic factors have since improved, lasting impacts from the global financial crisis, subsequent volatility in financial markets and the more recent Greek debt crisis suggest ongoing vulnerability and adjustment in general business, capital markets and economic conditions. If such developments continue or if similar developments occur in the international financial markets in the future, the market price of the Notes could be adversely affected.

***Claims by holders of the Notes are structurally subordinated to the Issuer's subsidiaries.***

The Issuer's ability to make payments in respect of the Notes depends largely upon the receipt of dividends and distributions, interest payments or advances from its subsidiaries. The ability of the Issuer's subsidiaries to make such payments to the Issuer is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in their articles of association, applicable laws and restrictions contained in their debt instruments. Payments by the Issuer's subsidiaries to the Issuer are structurally subordinated to all existing and future liabilities and obligations of the Issuer's subsidiaries. Claims of creditors of such subsidiaries will have priority as to the assets of such subsidiaries over the Issuer and its creditors, including the holders of the Notes.

***The Notes do not contain restrictive operating covenants.***

The Trust Deed governing the Notes does not contain restrictions on the payment of dividends or making of other restricted payments. In addition, the Trust Deed does not contain any other covenants or provisions designed to afford holders of the Notes protection in the event of a highly leveraged transaction involving us that could adversely affect such holders. Subject to the terms of our existing debt and credit facilities, we may incur substantial additional indebtedness in the future.

***If we are unable to comply with the restrictions and covenants in our debt agreements or the Trust Deed governing the Notes, there could be a default under the terms of these agreements or the Trust Deed, which could cause the repayment of our debt to be accelerated.***

If we are unable to comply with the restrictions and covenants in the Notes, the Trust Deed or our current or future financing and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the relevant debt could terminate their commitments to lend to us, accelerate the debt obligation and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, certain debt agreements, including the Notes, may contain cross-acceleration or cross-default provisions. As a result, default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Notes, or result in a default under other debt agreements, including the Trust Deed. If any of these events should occur, there can be no assurance that our assets and cash flow would be sufficient to repay in full all indebtedness, or that alternative financing could be obtained. Even if alternative financing can be obtained, there can be no assurance that it would be on terms that are favorable or acceptable to us.

***The Notes will be effectively subordinated to all of our secured debt.***

The Notes are general senior unsecured obligations. The Notes will be effectively subordinated to all our secured indebtedness to the extent of the value of the assets securing such indebtedness.

In the event of bankruptcy, liquidation, reorganization or other winding up, our assets that secure our secured indebtedness will be available to pay obligations on the Notes only after all secured indebtedness, together with accrued interest, has been repaid. If we are unable to repay our secured indebtedness, the lenders could foreclose on substantially all of our assets which serve as collateral. Under such circumstances, our secured lenders would be entitled to

be repaid in full from the proceeds of the liquidation of those assets before those assets would be available for distribution to other creditors, including holders of the Notes. Holders of the Notes will participate in the proceeds of the liquidation of our remaining assets ratably with holders of our unsecured indebtedness that is deemed to be of the same class as the Notes, and potentially with all of our other general creditors.

***The Trustee may request holders of the Notes to provide an indemnity and/or security and/or prefunding to its satisfaction.***

In certain circumstances (including without limitation giving of notice to the Issuer pursuant to Condition 9 of the Terms and Conditions of the Notes and taking enforcement steps pursuant to Condition 15 of the Terms and Conditions of the Notes), the Trustee may (at its sole discretion) request holders of the Notes to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of holders of the Notes. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed (as defined in the Terms and Conditions of the Notes) or the Terms and Conditions of the Notes and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the holders of the Notes to take such actions directly.

***Modifications and waivers may be made in respect of the Terms and Conditions of the Notes and the Trust Deed by the Trustee or less than all of the holders of the Notes.***

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including those Noteholders who did not attend and vote at the relevant meeting and those Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to any modification of the Trust Deed, the Terms and Conditions of the Notes and/or the Agency Agreement which in the opinion of the Trustee will not be materially prejudicial to the interests of Noteholders and to any modification of the Trust Deed, the Terms and Conditions of the Notes and/or the Agency Agreement which in the opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error or is to comply with any mandatory provision of law.

In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes, the Trust Deed, the Terms and Conditions of the Notes and/or the Agency Agreement (other than a proposed breach, or a breach relating to the subject of certain reserved matters) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

***The Issuer may not be able to repurchase or redeem the Notes as required by the Trust Deed.***

The Issuer may (and, at maturity, will) be required to redeem all of the Notes upon occurrence of certain events specified in the Trust Deed. See “Terms and Conditions of the Notes.” If any such event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The ability

to redeem the Notes in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Notes by the Issuer would constitute an event of default under the Notes, which may also constitute a default under the terms of our other indebtedness.

***Payments with respect to the Notes may be subject to U.S. withholding tax under FATCA, in which case you will not be entitled to receive any additional amounts in respect of the tax withheld.***

The Foreign Account Tax Compliance Act provisions of the Hiring Incentives to Restore Employment Act (generally referred to as “FATCA”) impose a U.S. federal withholding tax of 30% on certain payments to certain non-U.S. entities unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of certain interests in or accounts with those entities) have been satisfied. The scope of FATCA, as enacted, is not entirely clear, and future U.S. Treasury regulations may be issued that broaden or change the scope of FATCA. If such future U.S. Treasury regulations subject payments with respect to the Notes to FATCA, or if a paying agent believes payments with respect to the Notes are subject to FATCA, you may be required to provide certain information to the paying agent to avoid withholding under FATCA on payments that you receive with respect to the Notes. In the event that any tax is withheld under FATCA from payments with respect to the Notes, we will not be required to pay additional amounts in respect of the amounts withheld, and you may need to pursue a refund of any excess amounts withheld from the U.S. Internal Revenue Service. You should consult your tax advisor regarding the potential application of FATCA to the Notes.

***The Terms and Conditions of the Notes allow for early redemption of the Notes at principal amount in the event of certain changes to taxation laws.***

The Terms and Conditions of the Notes require us to gross up in respect of payments on the Notes for taxes that may be imposed or collected in the Cayman Islands and the PRC, and also the British Virgin Islands and Hong Kong, with a consequent right for us to redeem the Notes at their principal amount in the event of changes to tax laws or regulations in these jurisdictions. Accordingly, although we are not incorporated in any of the British Virgin Islands, Hong Kong or the PRC, changes in the tax laws in these jurisdictions could result in the early redemption of the Notes at their principal amount.

***We will follow the limited corporate disclosure standards for debt securities listed on the SGX-ST.***

We will be subject to the limited reporting obligations in respect of debt securities listed on the SGX-ST. The disclosure standards imposed by the SGX-ST may be different from those imposed by securities exchanges in other countries or regions such as the United States or Hong Kong. As a result, the level of information that is available may not correspond to what investors in the Notes are accustomed to.

***The Notes may not be a suitable investment for all investors.***

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this offering memorandum;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

## **USE OF PROCEEDS**

We intend to use the proceeds from the Notes to refinance certain existing indebtedness and for other general corporate purposes.

We may adjust the foregoing plans in response to changing market conditions and, thus, reallocate the use of the proceeds.

## EXCHANGE RATE INFORMATION

### THE PRC

The PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. The PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to July 20, 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, was based on rates set daily by PBOC on the basis of the previous day's inter-bank foreign exchange market rates and then current exchange rates in the world financial markets. During this period, the official exchange rate for the conversion of Renminbi to U.S. dollars remained generally stable. Although the PRC government introduced policies in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currencies for current account items, conversion of Renminbi into foreign currencies for capital items, such as foreign direct investment, loan principals and securities trading, still requires the approval of SAFE and other relevant authorities. On July 21, 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by approximately 2% against the U.S. dollar. On May 18, 2007, the PBOC enlarged the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0% on April 16, 2012. From July 21, 2005 to December 31, 2013, the value of the Renminbi appreciated by approximately 26.9% against the U.S. dollar. On March 17, 2014, the PBOC further widened the floating band against the US dollar to 2.0%. The PRC government has since made and in the future may make further adjustments to the exchange rate system. The PBOC announces the closing price of a foreign currency traded against the Renminbi in the inter-bank foreign exchange market after the closing of the market on each working day, and makes it the central parity for trading against the Renminbi on the following working day.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfer in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

Period	Noon buying rate			
	Period end	Average <sup>(1)</sup>	High	Low
	(RMB per US\$1.00)			
2010	6.6000	6.7603	6.8330	6.6000
2011	6.2939	6.4475	6.6364	6.2939
2012	6.2303	6.3085	6.3879	6.2221
2013	6.0537	6.1478	6.2438	6.0537
2014	6.2046	6.1620	6.2591	6.0402
2015				
January	6.2495	6.2181	6.2535	6.1870
February	6.2695	6.2518	6.2695	6.2399
March	6.1990	6.2386	6.2741	6.1955
April	6.2018	6.2010	6.2185	6.1927
May	6.1980	6.2035	6.2086	6.1958
June	6.2000	6.2052	6.2086	6.1976
July (through July 17 <sup>(2)</sup> )	6.2085	6.2078	6.2097	6.2008

**Source:** Federal Reserve H.10 Statistical Release

**Notes:**

- (1) Determined by averaging the rates on the last business day of each month during the relevant year, except for average rates for periods in 2015, which are determined by averaging the daily rates during the respective periods.
- (2) On July 17, 2015, the noon buying rate was US\$1 = RMB6.2085.

## HONG KONG

The Hong Kong dollar is freely convertible into other currencies, including the U.S. dollar. Since October 17, 1983, the Hong Kong dollar has been linked to the U.S. dollar at the rate of HK\$7.80 to US\$1.00. The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (the "Basic Law"), which came into effect on July 1, 1997, provides that no foreign exchange control policies shall be applied in Hong Kong.

The market exchange rate of the Hong Kong dollar against the U.S. dollar continues to be determined by the forces of supply and demand in the foreign exchange market. However, against the background of the fixed rate system which applies to the issuance and withdrawal of Hong Kong currency in circulation, the market exchange rate has not deviated significantly from the level of HK\$7.80 to US\$1.00. In May 2005, Hong Kong Monetary Authority broadened the 22-year-old trading band from the original rate of HK\$7.80 per U.S. dollar to a rate range of HK\$7.75 to HK\$7.85 per U.S. dollar. The Hong Kong government has indicated its intention to maintain the link within that rate range. Under the Basic Law, the Hong Kong dollar will continue to circulate and remain freely convertible. The Hong Kong government has also stated that it has no intention of imposing exchange controls in Hong Kong and that the Hong Kong dollar will remain freely convertible into other currencies, including the U.S. dollar. However, no assurance can be given that the Hong Kong government will maintain the link within the current rate range or at all.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfer in Hong Kong dollars as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

Period	Noon buying rate			
	Period end	Average <sup>(1)</sup>	High	Low
		(HK\$ per US\$1.00)		
2009		7.7536	7.7513	7.7618
2010		7.7810	7.7692	7.8040
2011		7.7663	7.7793	7.8087
2012		7.7507	7.7569	7.7699
2013		7.7539	7.7565	7.7654
2014		7.7531	7.7545	7.7669
2015				
January		7.7529	7.7531	7.7563
February		7.7559	7.7551	7.7584
March		7.7540	7.7584	7.7686
April		7.7513	7.7509	7.7525
May		7.7535	7.7527	7.7594
June		7.7513	7.7527	7.7567
July (through July 17 <sup>(2)</sup> )		7.7504	7.7517	7.7553

**Notes:**

- (1) Determined by averaging the rates on the last business day of each month during the relevant year, except for monthly average rates, which are determined by averaging the daily rates during the respective months.
- (2) On July 17, 2015, the noon buying rate was US\$1 = HK\$7.7504.

## CAPITALIZATION

The following table sets forth our consolidated borrowings and capitalization as of March 31, 2015 on an actual basis and as adjusted basis to give effect to the issuance of the Notes and receipt of the gross proceeds from this offering but before the application of any such proceeds. The following table should be read in conjunction with our consolidated financial statements, including the notes related thereto, included in this offering memorandum.

	As of March 31, 2015	
	Actual	As adjusted <sup>(1)</sup>
	US\$'000	
<b>Current liabilities:</b>		
Current portion of interest-bearing borrowings . . . . .	1,338,716	1,338,716
<b>Non-current liabilities:</b>		
Long-term interest-bearing borrowings . . . . .	1,272,978	1,272,978
Notes to be issued <sup>(2)</sup> . . . . .	—	160,761
	1,272,978	1,433,739
<b>Total borrowings<sup>(3)</sup> . . . . .</b>	<b>2,611,694</b>	<b>2,772,455</b>
<b>Capital and reserves attributable to owners of the Company</b>		
Issued capital . . . . .	28,021	28,021
Share premium . . . . .	66,072	66,072
Reserves . . . . .	3,049,073	3,049,073
<b>Total capital and reserves attributable to owners of the Company . . .</b>	<b>3,143,166</b>	<b>3,143,166</b>
<b>Non-controlling interests . . . . .</b>	<b>1,088,031</b>	<b>1,088,031</b>
<b>Total equity . . . . .</b>	<b>4,231,197</b>	<b>4,231,197</b>
<b>Total capitalization<sup>(4)</sup> . . . . .</b>	<b>6,842,891</b>	<b>7,003,652</b>

*Notes:*

- (1) The "As Adjusted" balances shown above does not take into account the application of any of the proceeds from this offering.
- (2) The amount of Notes to be issued represents the estimated gross proceeds expected to be received from the issuance of the Notes (before deducting the discount fees, commissions and other estimated expenses payable by the issuer in connection with the issuance of the Notes). Translated from RMB to U.S. dollars at an exchange rate of RMB6.1990 to US\$1.00, the noon buying rate in New York City for cable transfers payable in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York on March 31, 2015.
- (3) Our total borrowings do not include capital commitments or contingent liabilities. In 2014, we announced a voluntary retirement plan (the "Plan") for some of our employees as a result of an integration program of Pepsi's beverage business. We offered the Plan to the affected employees who could decide to accept the offer of benefits in exchange for the termination of their employments. Termination benefits of US\$73,017,000 were recognized as expenses during 2014. An estimated contingent obligation of termination benefits of about US\$70,000,000 is expected to be settled between 2015 and 2016 if all the qualified employees accept the Plan. Other than the above, we do not have any material contingent liabilities.

We have also, since March 31, 2015, in the ordinary course of business, incurred additional borrowings to finance our business operations. These additional borrowings are not reflected in the table above.

- (4) Total capitalization represents the sum of the total borrowings and total equity.

Except as otherwise disclosed in this offering memorandum, there has not been any material change in our capitalization since March 31, 2015.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions in the form in which they (subject to amendment and completion and other than the text in italics) will be scheduled to the Trust Deed and endorsed on each Note in definitive form (if issued):*

The issue of the CNY1,000,000,000 4.375% Notes due 2018 (the “Notes”, which term shall include, unless the context requires otherwise, any further Notes issued in accordance with Condition 13 and consolidated and forming a single series therewith) was authorised by a resolution of the Board of Directors of Tingyi (Cayman Islands) Holding Corp. (the “Issuer”) on July 17, 2015. The Notes are constituted by the trust deed (as amended or supplemented from time to time, the “Trust Deed”) to be dated on or about August 6, 2015 (the “Issue Date”) made between the Issuer and DB Trustees (Hong Kong) Limited as trustee for the holders of the Notes (the “Trustee”, which term shall, where the context so permits, include all other persons or companies for the time being acting as trustee or trustees under the Trust Deed) and are subject to the paying and transfer agency agreement to be dated on or about August 6, 2015 (the “Agency Agreement”) made between the Issuer, the Trustee, Deutsche Bank AG, Hong Kong Branch as principal paying agent and principal transfer agent (collectively, the “Principal Agent”) and the other paying agents and transfer agents appointed under it (each a “Paying Agent” or a “Transfer Agent”, as applicable) and Deutsche Bank Luxembourg S.A. as registrar (the “Registrar”) relating to the Notes. For the avoidance of doubt, references to the “Paying Agents” includes the Principal Agent and references to the “Transfer Agents” includes the Principal Agent. References to the “Principal Agent”, the “Registrar” and the “Agents” below are references to the principal agent, the registrar and the agents for the time being for the Notes. “Agents” means the Principal Agent, the Registrar, the other Paying Agents, the other Transfer Agents and any other agent or agents appointed from time to time with respect to the Notes. These terms and conditions (these “Conditions”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes. Unless otherwise defined, terms used in these Conditions have the meanings specified in the Trust Deed. Copies of the Trust Deed and the Agency Agreement are available for inspection following reasonable prior written notice and proof of holding during usual business hours at the specified office for the time being of the Principal Agent (being at the date of issue of the Notes at Level 52, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong). The holders of the Notes are entitled to the benefit of and are bound by all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of the Agency Agreement applicable to them.

### **1 FORM, SPECIFIED DENOMINATION AND TITLE**

The Notes are issued in the specified denomination of CNY1,000,000 and higher integral multiples of CNY10,000.

*Upon issue, the Notes will be represented by a global certificate (the “Global Certificate”) registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank S.A./NV. (“Euroclear”) and Clearstream Banking, société anonyme, (“Clearstream”). These Conditions are modified by certain provisions contained in the Global Certificate. See “Summary of Provisions relating to the Notes While in Global Form”.*

*Except in the limited circumstances described in the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of the Notes. The Notes are not issuable in bearer form.*

*So long as the Notes are represented by the Global Certificate and the rules of Euroclear and Clearstream so permit, transfers of interests in the Notes through the relevant clearing systems shall be in principal amounts of at least CNY1,000,000 and higher integral multiples of CNY10,000 thereafter. Further, approval in-principle has been obtained for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Notes will be traded on the SGX-ST in a minimum board lot size of U.S.\$200,000 or its equivalent for as long as the Notes are listed on the SGX-ST.*

The Notes are represented by registered certificates ("Certificates") and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Notes by the same holder.

Title to the Notes passes only by transfer and registration in the Register as described in Condition 2. The holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder.

In these Conditions, "Noteholder" and "holder" means the person in whose name a Note is registered (or, in the case of a joint holding, the first named thereof).

## **2 TRANSFERS OF NOTES**

- (a) **Register:** The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Trust Deed and the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers of the Notes (the "Register"). Each Noteholder shall be entitled to receive only one Certificate in respect of its entire holding of Notes.
- (b) **Transfer:** Subject to the Trust Deed and the Agency Agreement, a Note may be transferred by delivery of the Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or a Transfer Agent. No transfer of a Note will be valid unless and until entered on the Register. Transfers of interests in the Notes evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.
- (c) **Delivery of new certificates:** Each new Certificate to be issued upon a transfer of Notes will, within five business days of receipt by the Registrar or, as the case may be, any Transfer Agent of the form of transfer, be made available for collection at the specified office of the Registrar or such Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Notes (but free of charge to the holder) to the address specified in the form of transfer.

Where only some of the Notes in respect of which a Certificate is issued is to be transferred, a new Certificate in respect of the Notes not so transferred will, within five business days of delivery of the original Certificate to the Registrar or the relevant Transfer Agent, be made available for collection at the specified office of the Registrar or such relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred (but free of charge to the holder) to the address of such holder appearing on the Register.

In this Condition 2(c), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (d) **Transfer or Exercise Free of Charge:** Subject to Conditions 2(e) and 2 (f) below, Certificates, on transfer or exercise of an option, shall be issued and registered without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon (i) payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require) and (ii) the Issuer and the relevant Transfer Agent being satisfied that the regulations concerning the transfer of Notes have been complied with.
- (e) **Closed Periods:** No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Note, (ii) during the period of 15 days prior to (and including) any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(c), (iii) after any such Note has been called for redemption, or (iv) during the period of seven days ending on (and including) any Record Date.
- (f) **Regulations:** All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Trustee and the Registrar, or by the Registrar, with the prior written approval of the Trustee. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder upon request.

### 3 STATUS

The Notes constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

### 4 NEGATIVE PLEDGE

The Issuer undertakes that, so long as any of the Notes remains outstanding (as defined in the Trust Deed), the Issuer will not, and will procure that none of its Subsidiaries will, create or permit to subsist or arise any Encumbrance upon the whole or any part of their respective present or future assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto, the Issuer's obligations under the Notes are secured equally and rateably by (i) the same Encumbrance or (ii) at the option of the Issuer, by such other security, guarantee, indemnity or other arrangement (a) as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Noteholders or (b) as shall be approved by an Extraordinary Resolution of the Noteholders.

For the purposes of these Conditions:

- (i) any reference to "Encumbrance" is to a mortgage, charge, pledge, lien or other encumbrance or security interest securing any obligation of any person;
- (ii) "Relevant Indebtedness" means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market; and

- (iii) “Subsidiary” means any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity or any company or other business entity which at any time has its accounts consolidated with those of that person or which, under Hong Kong laws, regulations or generally accepted accounting principles from time to time, should have its accounts consolidated with those of that person.

## 5 INTEREST

The Notes bear interest on their outstanding principal amount from and including August 6, 2015 at the rate of 4.375 per cent. per annum, payable annually in arrear on August 6 in each year (each an “Interest Payment Date”) commencing on August 6, 2016. If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding business day. Each Note will cease to bear interest from the due date for redemption unless, upon surrender of the Certificate representing such Note, payment of principal or premium (if any) is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Principal Agent has notified Noteholders of receipt of all sums due in respect of all the Notes up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

In these Conditions, the period beginning on and including August 6, 2015 and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “Interest Period”.

Interest in respect of any Note shall be calculated per CNY10,000 in principal amount of the Notes (the “Calculation Amount”). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the rate of interest specified above, the Calculation Amount and the actual number of days in the Interest Period (or such other period) divided by 365, rounding the resulting figure to the nearest CNY0.01 (CNY0.005 being rounded upwards).

In this Condition 5, the expression “business day” means a day (other than a Saturday, Sunday or public holiday) upon which commercial banks are generally open for business and settlement of Renminbi payments in Hong Kong.

## 6 REDEMPTION AND PURCHASE

- (a) **Final Redemption:** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to, August 6, 2018 (the “Maturity Date”). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.
- (b) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, the British Virgin Islands, Hong Kong or the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the

application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after July 30, 2015, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment. The Trustee shall accept without any liability for so doing such certificate and opinion as sufficient evidence of the matters set out in (i) and (ii) above of this Condition 6(b), in which event the same shall be conclusive and binding on the Noteholders.

- (c) **Redemption at the Option of the Issuer:** At any time and from time to time, the Issuer may redeem the Notes, in whole and not in part, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount thereof plus the Applicable Premium plus accrued and unpaid interest to such redemption date.

For the purpose of this Condition 6(c), "Applicable Premium" means, with respect to any Note on any redemption date the excess of (a) the present value at such redemption date of (i) 100% of the principal amount of such Note due on the Maturity Date plus (ii) all required remaining scheduled interest payments due on such Note through the Maturity Date (excluding accrued but unpaid interest to such redemption date) computed using a discount rate of 0.5 per cent. per annum; over (b) the principal amount of such Note on such redemption date.

- (d) **Redemption for Put Event:** Following the occurrence of a Put Event, the holder of each Note will have the right to require the Issuer to redeem that Note on the Put Date at 101 per cent. of its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Note must deliver such Note to the specified office of any Paying Agent, together with a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of any Paying Agent (a "Put Exercise Notice"), at any time during the Put Period. The "Put Date" shall be the fourteenth day after the expiry of the Put Period.

A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Notes the subject of Put Exercise Notices delivered as aforesaid on the Put Date.

For the purposes of these Conditions:

a "Change of Control" shall occur when:

- (i) any Person or Persons, acting together, acquires (other than by way of merger or consolidation) Control, directly or indirectly, of the Issuer provided that such Person or Persons does not or do not have, and would not be deemed to have, Control of the Issuer on the Issue Date;
- (ii) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the assets of the Issuer to any other Person or Persons, acting together; unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Issuer or the successor entity; or

(iii) Ting Hsin (Cayman Island) Holding Corp. does not, or ceases to, control 15 per cent. of the voting rights of the issued share capital of the Issuer, whether directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

“Control” means (i) the acquisition or holding or legal or beneficial ownership or control of more than 50 per cent. of voting rights of the issued share capital of the Issuer or (ii) the right to appoint and/or remove all or the majority of the members of the Issuer’s board of directors or other governing body, whether obtained directly or indirectly and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise, and “controlled” shall be construed accordingly;

“Investment Grade Credit Rating” means a rating of Baa3 from Moody’s or BBB- from S&P or their respective equivalent ratings or better;

“Moody’s” means Moody’s Investors Services, Inc. and its successors;

“Non-Investment Grade Credit Rating” means a rating of Ba1 from Moody’s or BB+ from S&P or their respective equivalent ratings or worse;

a “Person”, as used in this Condition 6(d), includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of state (in each case whether or not being a separate legal entity) but does not include the Issuer’s wholly owned direct or indirect Subsidiaries;

“Put Event” will be deemed to occur if: (i) there is a Change of Control; and (ii) within a period ending 120 days after the date of the notice of the Change of Control first becomes public (which period shall be extended so long as the Notes are under consideration (as publicly announced within such 120 day period) for rating review), a Rating Downgrade occurs, provided that if at the time of the occurrence of the Change of Control, the Notes carry a Non-Investment Grade Credit Rating or no credit rating from both Rating Agencies, a Put Event will be deemed to occur upon the occurrence of a Change of Control alone;

“Put Period” means the period commencing on the occurrence of a Put Event and ending 60 calendar days following the Put Event or, if later, 60 calendar days following the date on which a notice thereof is given to Noteholders by the Issuer in accordance with Condition 14;

“Rating Agency” means Moody’s or S&P or any of their respective successors and assigns;

“Rating Downgrade” means: (i) if at the time of a Change of Control, the Notes carry Investment Grade Credit Ratings from both Rating Agencies, that the ratings from both Rating Agencies are either downgraded to a Non-Investment Grade Credit Rating or withdrawn; or (ii) if at the time of a Change of Control, the Notes carry an Investment Grade Credit Rating from only one Rating Agency, that such rating is either downgraded to a Non-Investment Grade Credit Rating or withdrawn; and

“S&P” means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc. and its successors.

- (e) **Purchase:** The Issuer and its Subsidiaries may at any time purchase Notes in the open market or otherwise at any price. The Notes so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for, among other things, the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 12(a) and 15.
- (f) **Cancellation:** All Certificates representing Notes purchased by or on behalf of the Issuer shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Notes shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

## 7 PAYMENTS

### (a) Method of Payment:

- (i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Notes represented by such Certificates) by transfer to the registered account of the Noteholder.
- (ii) Interest on each Note shall be paid to the person shown on the Register at the close of business on the fifth Payment Business Day before the due date for payment thereof (the “Record Date”). Payments of interest on each Note shall be made in Renminbi by transfer to the registered account of the Noteholder. Payment of all amounts other than principal, premium and interest will be made as provided in these Conditions.

*Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

- (iii) For the purposes of this Condition 7, a Noteholder’s “registered account” means the Renminbi account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth Payment Business Day before the due date for payment.
  - (iv) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested in writing by the Issuer or a Noteholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of premium (if any) or interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of premium (if any) or interest so paid.
- (b) **Payments subject to Fiscal Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471

through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments.

- (c) **Payment Initiation:** Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if that date is not a Payment Business Day, on the first following day which is a Payment Business Day), or, in the case of payments of principal and premium (if any) where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on the first Payment Business Day on which the Principal Agent is open for business and on or following which the relevant Certificate is surrendered.
- (d) **Appointment of Agents:** The Principal Agent and the Registrar initially appointed by the Issuer and their respective specified offices are listed below. The Principal Agent and the Registrar act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Principal Agent, the Registrar or any of the other Agents and to appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar with a specified office outside the United Kingdom and (iii) such other agents as may be required by any other stock exchange on which the Notes may be listed.

Notice of any such termination or appointment or any change of any specified office of an Agent shall promptly be given by the Issuer to the Noteholders.

- (e) **Delay in Payment:** Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a Payment Business Day or if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so).
- (f) **Payment Business Days:** In this Condition 7, "Payment Business Day" means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong and (if surrender of the relevant Certificate is required) the relevant place of presentation.

## 8 TAXATION

All payments of principal, premium (if any) and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands, the British Virgin Islands, Hong Kong or the PRC or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

Where such withholding or deduction is made by the Issuer by or within the PRC at the rate of up to and including 10 per cent., the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Noteholders equals the amount which would otherwise have been receivable by them had no such withholding or deduction been required.

If the Issuer is required to make a deduction or withholding in excess of such 10 per cent. or in respect of Cayman Islands, British Virgin Islands or Hong Kong taxes, the Issuer shall pay such additional amounts ("Additional Tax Amounts") as will result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Tax Amounts shall be payable in respect of any Note:

- (a) **Other connection:** to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the Cayman Islands, the British Virgin Islands or Hong Kong other than the mere holding of the Note; or
- (b) **Surrender more than 30 days after the Relevant Date:** in respect of which the certificate representing it is presented for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on surrendering the Certificate representing such Note for payment on the last day of such period of 30 days; or
- (c) **Tax declaration:** to a holder (or to a third party on behalf of a holder) who would not be liable for or subject to such withholding or deduction by making a declaration of identity, non-residence or other similar claim for exemption to the relevant tax authority if, after having been requested to make such a declaration or claim, such holder fails to do so within any applicable period prescribed by such relevant tax authority; or
- (d) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC, as amended from time to time, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) **FATCA:** in respect of any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA.
- (f) **Payment by another Paying Agent:** presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the Note to another paying agent in a Member State of the European Union.

"Relevant Date" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further surrender of the Certificate representing such Note being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such surrender.

For the avoidance of doubt, the Issuer's obligation to pay Additional Tax Amounts will not apply to (a) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, duty, assessment or other governmental charge or (b) any tax, duty, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal of, premium or interest on, the Notes.

## 9 EVENTS OF DEFAULT

The Trustee at its sole discretion may, and if so requested in writing by the holders of not less than 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in any such case to first being indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer that the Notes are, and they shall accordingly thereby become, immediately due and repayable at the principal amount together with accrued and unpaid interest if:

- (a) **Non-Payment:** the Issuer fails to pay the principal of or any premium or interest on any of the Notes when due and, in the case of interest, the default continues for a period of seven business days; or
- (b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Issuer by the Trustee; or
- (c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of (x) moneys borrowed or raised and (y) Hedging Obligations (including any Hedging Obligations entered into in connection with the Notes for the purposes of protecting against fluctuations of the U.S. dollar against the Renminbi) becomes capable of being declared due and payable prior to its stated maturity by reason of any actual default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised (as extended by any originally applicable grace period) provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds US\$10,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted on the day on which this Condition 9(c) operates) and for the purposes of calculating the aggregate amount of indebtedness in respect of a Hedging Obligation, such aggregate amount shall be the amount, if any, payable (or which would have been payable) by the Issuer or any of its Subsidiaries upon the termination or close-out of such Hedging Obligation calculated as of the date of such termination or close-out (or calculated as of the relevant date as if such date had been the date of termination or close-out of such Hedging Obligation); or
- (d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 45 days; or
- (e) **Security Enforced:** any secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a material part of the undertaking, asset and revenues of the Issuer or any of its Principal Subsidiaries and such possession or appointment continues for a period of 45 days after the date hereof; or

- (f) **Insolvency:** the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) such debts of the Issuer or any of its Principal Subsidiaries; or
- (g) **Winding-up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Principal Subsidiaries, or the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Noteholders, or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or
- (h) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or any of its Principal Subsidiaries; or
- (i) **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Trust Deed or any of the Notes; or
- (j) **Analogous Events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing events referred to in Conditions 9(f) and 9(g).

In these Conditions:

“Commodity Hedging Agreement” means any spot, forward, commodity swap, commodity cap, commodity floor or option commodity price protection agreements or other similar agreement or arrangement;

“Currency Hedging Agreement” means any currency swap agreement, currency cap agreement, currency floor agreement, currency futures agreement, currency option agreement or any other similar agreement or arrangement;

“Hedging Obligations” means, with respect to the Issuer or any of its Subsidiaries, its obligations pursuant to Commodity Hedging Agreements, Currency Hedging Agreements or Interest Rate Hedging Agreements;

“Interest Rate Hedging Agreement” means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement; and

“Principal Subsidiary” means any Subsidiary of the Issuer:

- (a) whose revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated revenue, as shown by its latest audited income statement are at least five per cent. of the consolidated revenue as shown by the latest audited consolidated income statement of the Issuer and its Subsidiaries; or

- (b) whose gross profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated gross profit, as shown by its latest audited income statement are at least five per cent. of the consolidated gross profit as shown by the latest audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or
- (c) whose gross assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated gross assets, as shown by its latest audited balance sheet are at least five per cent. of the amount which equals the amount included in the consolidated gross assets of the Issuer and its Subsidiaries as shown by the latest audited consolidated balance sheet of the Issuer and its Subsidiaries including, for the avoidance of doubt, the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests; or
- (d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall become a Principal Subsidiary upon such transfer but shall cease to be a Principal Subsidiary at the date on which the first audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above of this definition;

provided that, in relation to paragraphs (a), (b) and (c) above of this definition:

- (i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;
- (ii) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, revenue, gross profit or gross assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer;
- (iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its revenue, gross profit or gross assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by the Issuer; and
- (iv) if the accounts of any subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer.

## 10 PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 11 REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or any Transfer Agent as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or relevant Transfer Agent may require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## 12 MEETINGS OF NOTEHOLDERS AND MODIFICATION

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by the Issuer or the Trustee, and shall be convened by the Trustee if requested in writing by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the maturity of the Notes or the dates on which interest is payable in respect of the Notes, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Notes, (iii) to change the currency of payment of the Notes, or (iv) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in principal amount of the Notes for the time being outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) **Modification and Waiver:** The Trustee may (but shall not be obliged to) agree, without the consent of the Noteholders, to (i) any modification (except as mentioned in Condition 12(a)) to, or the waiver or authorisation of any breach or proposed breach of, the Notes, the Agency Agreement or the Trust Deed which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or (ii) any modification to the Notes, the Agency Agreement or the Trust Deed which, in the Trustee's opinion, is of a

formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provision of law. Any such modification, waiver or authorisation will be binding on the Noteholders and, unless the Trustee agrees otherwise, any such modification, waiver or authorisation will be notified by the Issuer to the Noteholders as soon as practicable thereafter.

- (c) **Interests of Noteholders:** In connection with the exercise of its functions and/or exercise of any of its rights, powers and/or discretions (including but not limited to those in relation to any proposed modification, authorisation, waiver or substitution), the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require on behalf of any Noteholder, nor shall any Noteholder be entitled to claim from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders except to the extent provided for in Condition 8 and/or any undertakings given in addition thereto or in substitution therefor pursuant to the Trust Deed.
- (d) **Certificates/Reports:** Any certificate or report or opinion of any legal adviser, accountant, financial adviser or other expert or other person called for by or provided to the Trustee (whether or not addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, be conclusive and binding on all parties) notwithstanding that such certificate or report or opinion and/or engagement letter or other document entered into by the Trustee and/or the Issuer or any other person in connection therewith contains a monetary or other limit on the liability of the relevant legal adviser, accountant, financial adviser or other expert or person in respect thereof.

*In the event of the passing of an Extraordinary Resolution in accordance with Condition 12(a), or a modification, waiver or authorisation in accordance with Condition 12(b), the Issuer will procure that the Noteholders are notified in accordance with Condition 14.*

### 13 FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the Notes. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 13 and forming a single series with the Notes.

### 14 NOTICES

Notices to the holders of Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. The Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange of other relevant authority on which the Notes are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

*So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, notices to Noteholders shall be given by delivery of the relevant notice to Euroclear and/or Clearstream, as the case may be, for communication by it to entitled account holders in substitution for notification as required by these Conditions.*

## 15 ENFORCEMENT

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes then outstanding, and (b) it shall have first been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

## 16 CURRENCY INDEMNITY

Renminbi is the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Notes, including damages. Any amount received or recovered in a currency other than Renminbi (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the Renminbi amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that Renminbi amount is less than the Renminbi amount expressed to be due to the recipient under any Note, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 16, it will be sufficient for the Noteholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

## 17 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy which exists or is available apart from such Act.

## 18 GOVERNING LAW AND JURISDICTION

- (a) **Governing Law:** The Notes, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.
- (b) **Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with the Notes and accordingly any legal action or proceedings arising out of or in connection with any Notes ("Proceedings") may be brought in such courts. The Issuer in the Trust Deed has irrevocably submitted to the jurisdiction of such courts and has waived any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the Trustee and each of the Noteholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

- (c) **Agent for Service of Process:** Pursuant to the Trust Deed, the Issuer has irrevocably appointed NCR National Corporate Research (UK) Limited at 1st Floor, 6 Bevis Marks, London EC3A 7BA, United Kingdom as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not have such an agent in England, it will promptly appoint a substitute process agent and notify the Trustee of such appointment. Nothing herein or the Trust Deed shall affect the right to serve process in any other manner permitted by law.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

Terms defined in the terms and conditions of the Bonds (the “Conditions” or “Terms and Conditions”) set out in this offering memorandum have the meaning in the paragraphs below.

The Notes will be represented by a Global Certificate which will be registered in the name of a nominee of, and deposited with, a common depositary on behalf of Euroclear and Clearstream.

Under the Global Certificate, the Issuer, for value received, will promise to pay such principal and interest on the Notes to the holder of the Notes on such date or dates as the same may become payable in accordance with the Terms and Conditions of the Notes.

The Global Certificate will become exchangeable in whole, but not in part, for individual Certificates in definitive form if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream or any other clearing system (an “Alternative Clearing System”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

Whenever the Global Certificate is to be exchanged for individual Certificates in definitive form, such Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate. Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of the Notes scheduled thereto and, in particular, shall be effected without charge to any holder of the Notes or the Trustee, but against such indemnity and/or security as the Registrar or the relevant Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

In addition, the Global Certificate will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Notes evidenced by the Global Certificate. The following is a summary of certain of those provisions:

**Record date:** So long as the Notes are represented by the Global Certificate, each payment in respect of the Global Certificate will be made to the person shown as the holder of the Notes in the Register at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

**Trustee’s Powers:** In considering the interests of the holders of the Notes whilst the Global Certificate is registered in the name of, or in the name of a nominee of, a common depositary, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obliged to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Notes and (b) may consider such interests on the basis that such accountholders were the holders of the Notes in respect of which such Global Certificate is issued.

**Notices:** So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to holders of the Notes shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Notes in substitution for notification as required by the Terms and Conditions of the Notes.

**Transfer of Notes represented by Global Certificates:** Transfers of interests in the Notes will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants. Where the holding of Notes represented by the Global Certificate is only transferable in its entirety, the certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as or as nominee for a common depository for Clearstream, Euroclear and/or an Alternative Clearing System.

**Cancellation:** Cancellation of any Note represented by the Global Certificate which is required by the Terms and Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the Notes in the register of the Notes and the Global Certificate on its presentation to or to the order of the Principal Agent for annotation (for information only) in the Global Certificate.

**Meetings:** For the purposes of any meeting of Noteholders, the holder of the Notes represented by the Global Certificate shall (unless the Global Certificate represents only one Note) be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and as being entitled to one vote in respect of each CNY10,000.

**Payment:** Payments of principal and interest in respect of Notes evidenced by the Global Certificate held through Euroclear or Clearstream will be credited, to the extent received by the Principal Agent or such other Paying Agent, to the cash accounts of Euroclear and Clearstream participants in accordance with the relevant system's rules and procedures and will be made without presentation for endorsement by the Principal Agent or such other Paying Agent and, if no further payment falls to be made in respect of the Notes, against presentation and surrender of the Global Certificate to or to the order of the Principal Agent or to the order of such other Paying Agent as shall have been notified to the relevant holder for such purpose. No person shall however be entitled to receive any payment on the Global Certificate (or such part of the Global Certificate which is required to be exchanged) falling due after any date of exchange into individual Certificates in definitive form unless exchange of the Global Certificate for such individual Certificates is improperly withheld or refused by or on behalf of the Issuer or the Issuer does not perform or comply with any one or more of what are expressed to be its obligations under any such individual Certificates.

## BUSINESS

### OVERVIEW

We are a leading producer and distributor in the food and beverage sector in the PRC. Our main products are instant noodles, beverages and instant foods such as egg rolls, sandwich crackers and muffins. According to data from Nielsen, in the first quarter of 2015:

- we ranked number one in the instant noodles market in the PRC, with a market share of 46.9% and 55.9% in terms of sales volume and sales value, respectively;
- we ranked number one in the RTD teas and number two in the bottled water, fruit juice and carbonated soft drinks markets in the PRC, with a market share of 53.9%, 17.6%, 18.6% and 31.0%, respectively, in terms of sales volume; and
- we ranked number one in the egg roll market and number two in the sandwich cracker market in the PRC, with a market share of 19.4% and 11.8%, respectively, in terms of sales value.

For the three months ended March 31, 2015, sales of instant noodles segment, beverages segment and instant foods segment accounted for 43.1%, 54.3% and 1.6%, respectively, of our total turnover. We are best known for our brand name, “Master Kong” (康師傅), which appears on the packaging of most of our products. We believe “Master Kong” (康師傅) is a household name in China and we have a distinguished record of producing healthy, safe and quality products. In 2014, “Master Kong” (康師傅) was recognized as the “2014 China Brand Power Index Top Brand” by the PRC Ministry of Industry and Information Technology in various product categories including instant noodles, bottled water and tea drinks, and received the “Best Product Brand Award” and the “Best Food & Beverage Brand Award” from The German Brands Association and the “2014 Top 50 Chinese FMCG Brands” by Kantar Worldpanel. In addition, we were recognized as one of the “World’s Most Innovative Companies” by Forbes and the “2014 ‘Food Safety Cup’ Most Popular Best Ten Food Safety Enterprise” jointly organized by PRCFood.com (中國食品安全網) and Fsmall.com (食安商城) in January 2015.

As of March 31, 2015, we had 129 production centers and 701 production lines consisting of 238 instant noodle production lines, 448 beverage production lines and 15 instant food production lines.

We distribute our products throughout the PRC through our extensive distribution and sales network, which, as of March 31, 2015, consisted of 607 sales offices and 72 warehouses nationwide, serving 31,855 wholesalers and 118,342 direct retailers. Our extensive distribution and sales network and production capability are significant contributors to our market leadership position as we are able to better serve our customers and rapidly and successfully introduce new products.

We have developed several strategic partnerships and alliances with major food and beverage companies in Japan such as Sanyo and Asahi in order to enhance our expertise in business and financial management, product development and distribution. In April 2012, we became Pepsi’s exclusive franchise bottler in China and partnered with Pepsi’s current bottlers to manufacture, sell and distribute Pepsi-branded beverages, including carbonated beverages, “Gatorade,” “Tropicana” and “Aquafina.” In April and May 2012, we entered into joint venture

agreements with Calbee and Itochu, to manufacture and sell snack food products, and Prima, to manufacture and sell processed poultry and meat products, in the PRC. In February 2014, we became the primary beverage supplier to Shanghai Disney Resort. Recently, in March 2015, we formed a partnership with Starbucks to manufacture and distribute Starbucks RTD coffee products in China.

For the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, our turnover totaled US\$9,212 million, US\$10,941 million, US\$10,238 million and US\$2,321 million, respectively, and our profit attributable to owners of our Company totaled US\$458.6 million, US\$408.5 million, US\$400.5 million and US\$107.0 million, respectively.

## **RECENT DEVELOPMENT**

### ***Partnership with the NBA***

On April 13, 2015, Pepsi, the NBA and we entered into a new multiyear marketing partnership, whereby we became the exclusive beverage sponsor to NBA events in China. We will position our Master Kong brand as the lead beverage of the partnership. We will showcase our ice tea and “You Yue” (優悅)-branded bottled water in upcoming NBA events held in China such as the NBA preseason games in China, the NBA’s “Fan Appreciation Night” and “NBA Nation.” We believe this partnership will provide us with great opportunities to market our products to the NBA’s Chinese fans and consumers, particularly the younger generation of Chinese basketball fans.

## **COMPETITIVE STRENGTHS**

We believe that our success to date and potential for future growth can be attributed to a combination of our competitive strengths, including the following:

### ***Established market leadership with strong brand recognition***

We have a leading market position across various product segments and categories of the PRC food and beverage sector in which we operate. According to data from Nielsen, in the first quarter of 2015, our instant noodles had the largest market share in terms of sales volume and sales value; our RTD teas had the largest and our bottled water, fruit juice and carbonated soft drinks had the second largest market share in terms of sales volume, and our egg rolls had the largest and sandwich crackers had the second-largest market share in terms of sales value, in the PRC.

We believe our established market leadership in the PRC food and beverage industry is largely attributable to our continuous efforts in offering consumers new flavor and packaging options to meet their preferences and needs. Our diverse product portfolio, operational scale and experience across these segments have allowed us to build on operational excellence, save costs and maintain strong relationships with a wide range of customers, from wholesalers to national retailers and large convenience stores. We believe our leading market position will continue to enable us to capture emerging consumer trends and maximize future opportunities in the PRC.

Reflecting our leading market position, “Master Kong” (康師傅) is a household brand name in the PRC with high levels of consumer recognition and preference. We have received numerous awards and recognitions from international and domestic organizations. Recent examples include the “2014 China Brand Power Index Top Brand” by the PRC Ministry of Industry and Information Technology, the “Best Product Brand Award” and the “Best Food & Beverage Brand Award” in 2014 from The German Brands Association, the “2014 Top 50 Chinese FMCG Brands” by Kantar Worldpanel, the “World’s Most Innovative Companies” in 2014 by Forbes

and the “2014 ‘Food Safety Cup’ Most Popular Best Ten Food Safety Enterprise” jointly organized by PRCFood.com (中國食品安全網) and Fsmall.com (食安商城) in January 2015. Our strong brand name has generated significant customer loyalty towards our products and, as a result, we have historically maintained pricing leadership relative to our competitors in the PRC food and beverage sector and are able to effectively optimize pricing for each of our target consumer bases.

### ***Focus on both premium and mass markets with consistently strong profitability***

We have relied on our strong product development capability and managed our product portfolio to successfully capture recent industry trends and serve both premium and mass markets.

There has been sustainable demand from end-consumers for mass-market targeted products. At the same time, as Chinese consumers with rising disposable income are increasingly willing to pay extra for premium features, product premiumization and innovation, either through the addition of premium features on existing products or introduction of new products with premium features such as health benefits and new flavors, have helped drive value growth and capture demand in the premium market. We have adjusted our product development and marketing strategies accordingly.

On one hand, we continue to focus on our classic products, such as braised beef instant noodles, which continue to generate a significant portion of our revenue. On the other hand, we place significant emphasis on research and development of new products. We employed a team of approximately 193 experienced food and beverage researchers as of March 31, 2015 to help fine-tune our existing products to better cater to consumer needs and preferences. We have rolled out updated versions of some classic products and launched new products in both premium and mass markets, including “Fresh Banquet” (愛鮮大餐), “Tang Da Shi” (湯大師), “Fresh Noodle Combo” (炒麵套餐) and “Crispy Fatty (脆寬趣)” in the instant noodles segment and “Sea Crystal Lemon” (海晶檸檬), “Vitamin Power” (維動力), “Natural Vitality” (水漾) and “Original Flavor Tea House” (本味茶莊) in the beverages segment. These new product lines are significant sources of revenue. For example, we sold over 25 million bowls of “Fresh Banquet” (愛鮮大餐), our innovative new instant noodle, since its launch in March 2014 through March 2015. As a result, we have achieved strong EBIT margins in both instant noodle and beverage segments. For the year ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, the EBIT margin for our instant noodle segment was 10.5%, 10.1%, 10.3% and 12.0%, respectively, and that for our beverages segment was 3.9%, 3.8%, 4.5% and 6.5%, respectively. We believe our focus on product innovation and on both premium and mass markets help us to quickly adapt to consumer trends and reinforce our leading position in the PRC food and beverage market.

### ***Dedication to food safety***

We are committed to upholding food safety as a top priority, because we consider it both a matter of corporate social responsibility and a foundation for our future growth. We have invested heavily to establish mechanisms throughout our business to promote food safety, based on a “farm to table” total quality control philosophy. We have implemented a food safety risk prevention management system in our manufacturing facilities to reduce food safety hazards, strengthened our supplier tracing management, treated food safety record as a key consideration in our procurement, and formulated a systematic, food safety-focused quality control process to ensure that our products meet the safety standards required by law. We have also invested in advanced testing equipment and collaborated with academic institutions and government agencies to explore the new frontiers of food safety concerns. We believe that, in terms of dedication to food safety, we have a leading position in the PRC food and beverage sector commensurate with our commercial success, and that this will be a key strength on which we can build our long-term prosperity.

### ***Extensive and efficient distribution network and strategically located manufacturing facilities***

As of March 31, 2015, we had a nationwide distribution network consisting of 607 sales offices and 72 warehouses serving 31,855 wholesalers and 118,342 direct retailers in every province and most major cities in China. Our warehouses are strategically located to service a 150 to 500-kilometer radius of customers, which maximizes our distribution capabilities and enables us to better understand and align regional operations with customer preferences, reduce transportation costs and exert greater control over the timing and coordination of new product launches. As a result, we believe we have the highest penetration rate among our industry peers in China. Since we require cash-on-delivery, or COD, payments on all sales to wholesalers and retailers except certain key account customers, we enjoy rapid cash conversion rates. Our cash cycle in 2014 was a negative 23.9 days. We maintain regular communication with our wholesalers and retailers, which we believe has also helped our cash conversion and distribution channel utilization.

As of March 31, 2015, we had 701 production lines, including 238 instant noodle production lines under our seven instant noodle regional management centers, 448 beverage production lines under our seven beverage regional management centers and 15 instant food production lines under our two instant food regional management centers. Our regional management centers are strategically located in Tianjin, Hangzhou, Guangzhou, Shenyang, Chongqing, Wuhan and Xi'an. To maximize our production capacity, we utilize highly automated, advanced machinery in the majority of our production facilities across China. At the World Instant Noodle Association Conference held in Tianjin, China in May 2012, we were recognized as the largest producer of instant noodle in the world in terms of total volume of serving units produced. Our large-scale production capacity has enabled us to achieve economies of scale, which further enhances our competitive position within the PRC food and beverage industry. As a result, we believe that we have the production capacity and distribution infrastructure to increase the availability of our products and meet our targeted volume growth at a relatively low marginal capital cost.

### ***Competitive cost structure and efficient marketing and operations***

Our substantial operational scale has allowed us to maintain strong relationships with a wide range of suppliers and wholesalers. We employ a centrally managed raw material procurement model that is tailored for each type of raw material in order to obtain the highest quality supplies at the most favorable price. To minimize our reliance on any single supplier and to expand our procurement capability for commodities in short supply, we also source raw materials for our instant noodle segment from at least two suppliers. We manage our relationship with our beverage segment wholesalers using an Electronic Distributor Management System, or EDMS, which maintains turnover, inventory and sales data on each wholesalers that is reviewed on a regular basis at our headquarters.

In addition to our diversified raw material procurement model and strict inventory management, our cost structure is enhanced by our vertically integrated manufacturing capabilities. For example, we produce a significant portion of the PET bottles used in packaging our beverage products, which helps us to effectively reduce our packaging material costs. We also regularly evaluate and improve upon our manufacturing process to minimize waste and reduce production costs. In March 2012, we became Pepsi's exclusive franchise bottler in China and partnered with Pepsi's bottlers to manufacture, sell and distribute Pepsi-branded beverages, including carbonated beverages, "Gatorade," "Tropicana" and "Aquafina." Our alliance with Pepsi has increased our operational efficiency and created long-term value for us. Through Pepsi's world-class brand name and beverage innovation pipeline, we are able to provide customers and consumers with a richer product line while Pepsi can utilize our extensive manufacturing and distribution network to better capture the growth opportunity in China's beverage market. In terms of marketing, while we continue to

primarily rely on traditional marketing channels, we have also started to engage in themed events and interactive online sales and marketing through official campaign website, Weibo and Weixin platforms and major e-commerce platforms such as Tmall, Yihaodian, JD.com and Suning.com. We benefit from more cost-effective sales and marketing through online channels compared to the traditional channels. As a result of our efficient and streamlined marketing and operations, our sales and marketing expenses and administrative expenses, each as a percentage of our total revenue, are relatively low and were 22.4% and 2.9%, respectively, for the year ended December 31, 2014 and 20.2% and 3.5%, respectively, for the three months ended March 31, 2015. We believe our raw material procurement model, strict inventory management and competitive cost structure will help us to efficiently grow our business and maintain profitability in the evolving market environment.

### ***Experienced management supported by strategic alliance with global industry leaders***

Our senior management team has extensive experience in the instant noodle, beverage and instant food industries in China, Japan and Taiwan. Many members of our senior management team have been with us for more than ten years and possess diverse skills that support our operating strategies, including driving organic growth through efficient marketing, reducing operating costs, enhancing distribution efficiencies, aligning production, distribution and expansion objectives and maintaining strong relationships within the industry and with major customers.

In addition, during the course of our development, we formed strategic partnerships with leading Asian and global food and beverage companies to gain industry know-how to enrich our product lines and broaden our platform. In 1999, we entered into a partnership with Sanyo to enhance our instant noodle production skills and techniques. As our business matured, we entered into a joint venture with Asahi in 2003 to leverage its expertise and strengths in product development and quality control. In 2012, to further enhance our beverage product mix and product innovation capability, we became Pepsi's exclusive franchise bottler in China as well as the manufacturer and distributor of Pepsi-branded beverages, including carbonated beverages, "Gatorade," "Tropicana" and "Aquafina." In the same year, we also formed joint ventures with Calbee, Itochu and Prima to gain access to their expertise in snack foods and processed poultry and meat products, respectively. Our "Mintia" sugar-free mint candy, launched in 2014, was well received by the market. In February 2014, we become the primary beverage supplier to Shanghai Disney Resort. In March 2015, we formed a partnership with Starbucks to manufacture and distribute Starbucks RTD coffee products in China. In April 2015, we became the exclusive beverage partner to the NBA in China. By leveraging the expertise gained from our strategic partnerships and through the participation of certain of our partners on our board of directors, we were able to enhance our operational efficiency, reduce costs and bring new products to market faster, thereby providing more choices for Chinese consumers and making us more competitive in the PRC food and beverage market.

## **BUSINESS STRATEGIES**

We intend to pursue a business growth strategy based on the following principal components:

### ***Continue to focus on product innovation and food safety***

We currently offer instant noodle products in over 200 flavors, six major varieties of beverage products and 15 types of instant food products. As consumer preferences and demands are constantly evolving, we will continue to improve our product offerings by introducing new flavors and packages for our existing products, launching existing products in new markets in the PRC and reinvigorating existing products where appropriate. In addition, we will continue to tailor our product categories at local levels to offer consumers proper choice in various regional markets. Furthermore, we invest in research and development, evaluate new market trends and potential demand for new products, and launch new product lines to take advantage

of opportunities in the segments with high growth potential. We also plan to leverage our existing strategic partners to introduce new products to the market and explore joint ventures with new strategic partners to further expand our product offerings and enhance our market share. By maintaining a diversified and continually updated portfolio of products, we believe we will be able to meet the new and increasing demands of Chinese consumers.

While we continue to enhance our product offerings, we believe that food safety will remain the paramount factor affecting the PRC food and beverage sector as a whole. As such, we intend to continue to place food safety as a top priority. As one of the largest players in the PRC food and beverage industry, we believe we are well positioned to lead our industry in this effort. We intend to do so by continuing to invest in research and development, optimize systematic quality control and strengthen communications with academic institutions and government agencies.

### ***Continue to improve operating efficiency and cost structure***

We intend to continue to leverage our integrated operational management system to rationalize our procurement, production, research and development, quality control and sales and distribution functions to reap the benefits of operating efficiency and achieve greater cost competitiveness. The strategies to achieve greater operating efficiency include the following:

- continue to implement and enhance a sales forecast-driven production mechanism to improve production efficiency, reduce quantitative deviation and increase profit margin;
- continue to optimize and automate our production process to reduce quantitative deviation and increase margin;
- continue to increase synergy between us and Pepsi with respect to supply chain, production and distribution;
- promote center of excellence benchmarking management to share resources across our Company;
- continue to streamline organizational structure and labor force required for the production; and
- continue to consolidate compensation expenses between us and Pepsi.

### ***Maximize value from strategic alliances and joint ventures***

During the course of our development we have expanded our business through selective strategic partnerships with leading food and beverage companies in Asia and globally. For example, in April 2012, we became the exclusive franchise bottler of Pepsi carbonated soft drinks in China and expanded our beverage product portfolio with Pepsi's carbonated beverages and sports drinks such as "Gatorade." Recently, in February 2014, we became the primary beverage supplier to Shanghai Disney Resort. In March 2015, we formed a partnership with Starbucks to manufacture and distribute Starbucks RTD coffee products in China. In April 2015, we became the exclusive beverage partner to the NBA in China. We aim to maximize value from such strategic alliances and joint ventures by seeking operational synergy in the supply chain, in production and in distribution.

## HISTORY AND CORPORATE INFORMATION

Ting Hsin (Cayman Islands) Holding Corp., or Ting Hsin, one of our controlling shareholders, first entered the PRC in early 1989 by establishing an equity joint venture with the Beijing Bureau of Agriculture to produce cooking oil in Beijing for the consumer market. In 1991, Ting Hsin entered the PRC instant noodle market by establishing Tianjin Tingyi International Food Co., Ltd., or Tianjin Tingyi, as a wholly foreign-owned enterprise in the Tianjin Economic-Technological Development Area, or TEDA. By locating in TEDA, Tianjin Tingyi was able to take advantage of certain tax and investment incentives.

We were incorporated in the Cayman Islands on January 12, 1994. In February 1996, we completed an initial public offering of our shares and our shares were listed on the Stock Exchange of Hong Kong Limited on February 5, 1996. In January 2006, we established a sponsored, unlisted American Depositary Receipt, or ADR, facility. The number of American Depositary Shares, or ADSs, we registered under the ADR facility was 50,000,000. Under the ADR facility, owners of the ADSs have the same rights to dividends and distributions and voting powers as the holders of our ordinary shares subject to enforcement procedures provided in the Deposit Agreement. The ADR facility provided us with a measure of exposure to the U.S. capital market at a minimal financial cost and maintenance effort. On December 16, 2009, Ting Hsin transferred 190 million shares of our ordinary shares to a depository bank for the issuance and offering of 380 million units of Taiwan depository receipts, or TDRs, in Taiwan. The TDRs were listed on the Taiwan Stock Exchange and trading commenced on the same day.

We are a constituent stock of the FTSE All-World Asia Pacific Ex-Japan Index and Morgan Stanley Capital International (MSCI) Hong Kong Index. We have been one of the 48 component stocks of Hong Kong's benchmark Hang Seng Index since December 2011.

Our head office is located at No.15, Third Avenue, Tianjin Economic Technological Development Area, Tianjin 300457, PRC.

*Sanyo.* In June 1999, Ting Hsin sold a 33.1% interest in us to Sanyo Foods Co., Ltd., or Sanyo, for approximately US\$14.3 million. The equity participation of Sanyo in us is beneficial to both parties. This strategic partnership has, on the one hand, provided Sanyo with access to the PRC market and on the other hand provided us with an opportunity to improve our business and financial management through the professional advice and supervision rendered by Sanyo, thereby allowing us to enhance our technological know-how and reduce costs. As of March 31, 2015, Sanyo holds approximately 33.1% of our outstanding shares.

*Wei-Chuan.* We began our strategic alliance with Wei-Chuan in 1998. Wei-Chuan is a large food and beverage producer in Taiwan in terms of revenue and is listed on the Taiwan Stock Exchange. The investment in Wei-Chuan has provided us with access to certain areas of Wei-Chuan's expertise, particularly with respect to beverage products, dairy products and soy sauce. We disposed of our entire equity interest in Wei-Chuan in 2013.

*Asahi.* On December 27, 2003, we entered into an agreement with AI Beverage Holding Co., Ltd., or AIB, then a joint venture of Asahi, and Itochu, in relation to our cooperation with Asahi and Itochu in the PRC beverage business. Pursuant to this agreement, we transferred 49.995% shares of our beverage business to AIB to work together in the fast growing but competitive PRC beverage market. We completed the transaction in April 2004. Through this cooperation, we leveraged our partners' respective expertise and strengths to significantly enhance our competitiveness in product development, manufacturing, raw material procurement and overall business management. AIB currently is wholly owned by Asahi and holds a 30.4% interest in our beverage business.

*Pepsi.* In March 2012, we completed a transaction to form a strategic alliance with Pepsi, whereby our beverage subsidiary, Tingyi-Asahi Beverages Holding Co., Ltd., or TAB, became Pepsi's exclusive franchise bottler in China. Under this alliance, we partner with Pepsi's bottlers to manufacture, sell and distribute Pepsi's carbonated beverages and its "Gatorade" brand sports drinks. Pepsi retains branding and marketing responsibilities for the products. We have also begun co-branding our fruit juice under the "Tropicana" brand and a line of water products under the "Aquafina" brand under license from Pepsi. We believe this alliance will greatly increase the operational efficiency, promote future business growth and create long-term value for both parties. Through Pepsi's world-class brand name and beverage innovation pipeline, we will be able to provide customers and consumers with a richer product line while Pepsi can utilize our extensive manufacturing and distribution network to create a broader platform to leverage the rapid growth of China's beverage market opportunity.

Under the terms of the alliance, Pepsi has contributed its indirect equity interests in its company-owned and joint venture bottling operations in China to TAB and received as consideration a 5% indirect equity interest in TAB. Pepsi has an option to subscribe for additional shares to increase its indirect interest in TAB to 20% on a fully-diluted basis by October 31, 2015. Pepsi has not exercised its option as of the date of this offering memorandum.

*Prima.* On May 17, 2012, we entered into a joint venture agreement with Prima to manufacture and sell processed poultry and meat products in China. Prima is a company incorporated in Japan and principally engaged in the processing and sale of ham and sausage. Prima is listed on the Tokyo Stock Exchange and owned as to 40% by Itochu, a substantial shareholder in Tingtong, and the joint venture constitutes a connected transaction under Chapter 14A of the Listing Rules. As of the date of this offering memorandum, the joint venture is 60% owned by us, 35% owned by Prima and 5% owned by Itochu.

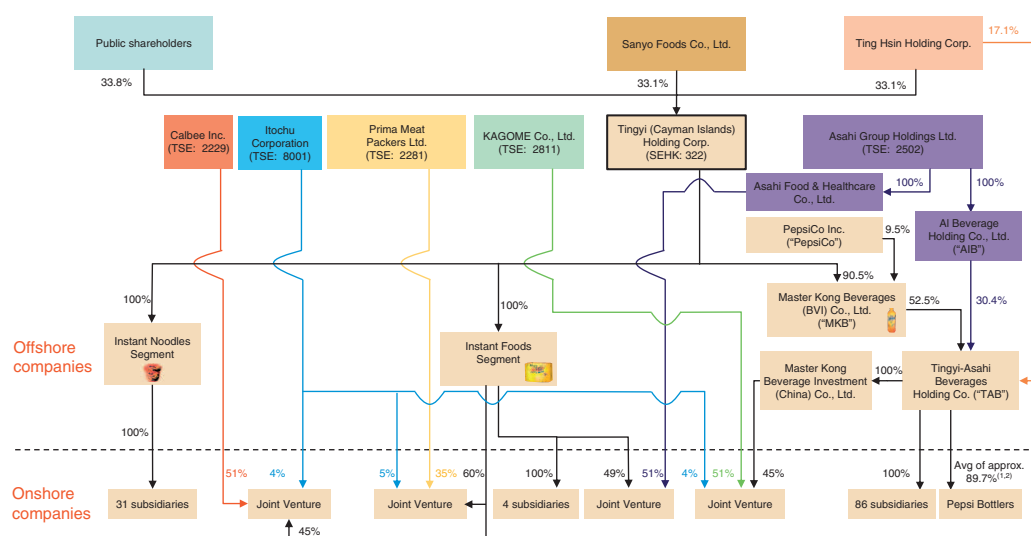
*Shanghai Disney Resort.* In February, 2014, we entered into a multi-year strategic alliance with Pepsi and Shanghai Disney Resort, which recognizes Pepsi and us as the primary beverage suppliers to the resort. This alliance will ensure that visitors will be able to enjoy a wide variety of well-known, high-quality Pepsi and Master Kong beverage soft drinks and RTD teas during their visit to Shanghai Disney Resort. Additionally, Pepsi and us will also have an integrated brand presence in key locations within Shanghai Disney Resort. We believe that the alliance will also develop high impact co-marketing campaigns to help promote our products.

*Starbucks.* On March 19, 2015, we entered into an agreement with Starbucks to manufacture and distribute Starbucks RTD coffee products throughout China. According to the agreement, Starbucks will be responsible for providing coffee expertise, brand development and future product innovation, and we will manufacture and sell Starbucks RTD coffee portfolio in China. Through this agreement, we plan to leverage our strength in production and distribution to bring new and existing Starbucks drinks to the marketplace from the first quarter of 2016 and increase market penetration of Starbucks RTD coffee drinks. We believe that the RTD coffee market has growth potential in China, and the agreement with Starbucks will further expand our beverage product portfolio and enable us to provide consumers with more high-quality and convenient product options and experiences.

*Partnership with the NBA.* On April 13, 2015, Pepsi, the NBA and we entered into a new multiyear marketing partnership, whereby we became the exclusive beverage sponsor to NBA events in China. We will position our Master Kong brand as the lead beverage of the partnership. We will showcase our ice tea and "You Yue" (優悅)-branded bottled water in upcoming NBA events held in China such as the NBA preseason games in China, the NBA's "Fan Appreciation Night" and "NBA nation." We believe this partnership will provide us with great opportunities to market our products to the NBA's Chinese fans and consumers, particularly the younger generation of Chinese basketball fans.

## CORPORATE STRUCTURE

The following chart sets forth our simplified corporate structure as of March 31, 2015:



### Notes:

- (1) Through China Bottlers (Hong Kong) Limited, a wholly-owned subsidiary of TAB principally engaged in the business of investment holding.
- (2) Simple average of TAB's shareholding in 20 majority-owned bottlers.

## PRODUCTS

We specialize in the production and distribution of instant noodles, beverages and instant foods in China. Instant noodles and beverage products account for a substantial majority of our revenue. Our instant noodle products are categorized according to target market (lower, medium and higher-priced segments), packaging (plastic packets or bowl) and consumption method (water-based or dry-snack food). Our beverage products consist of a variety of RTD tea products, bottled water, fruit juice, carbonated soft drinks, pro-biotic drinking yogurt and functional drinks packaged in PET bottles, Tetrapak containers or aluminum cans. In the instant foods segment, we focus on sandwich crackers, egg rolls and muffins. Most of our products are sold under the “Master Kong” (康師傅) brand name. Set forth below is a table depicting the amount and percentage of total revenue derived from our three main business segments for the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015.

	For the year ended December 31,						For the three months ended March 31, 2015	
	2012		2013		2014			
US\$'000, except percentages								
Instant Noodle . . . . .	3,960,656	43.00%	4,332,210	39.60%	4,137,736	40.42%	1,000,057	43.08%
Beverages . . . . .	4,932,371	53.54%	6,268,472	57.29%	5,801,005	56.66%	1,260,253	54.29%
Instant Foods . . . . .	234,128	2.54%	202,819	1.85%	178,729	1.75%	37,537	1.62%
Others . . . . .	84,697	0.92%	137,495	1.26%	120,512	1.17%	23,332	1.01%
Total . . . . .	<u>9,211,852</u>	<u>100.00%</u>	<u>10,940,996</u>	<u>100.00%</u>	<u>10,237,982</u>	<u>100.00%</u>	<u>2,321,179</u>	<u>100.00%</u>

## ***Instant Noodles Segment***

We started producing instant noodles in 1992. We manufacture bowl noodles, packet noodles and snack noodles, with a focus on high-end noodles for urban consumers. For the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, our instant noodle segment revenue totaled US\$3,960.7 million, US\$4,332.2 million, US\$4,137.7 million and 1,000.1 million, respectively, representing 43.0%, 39.6%, 40.4% and 43.1% of our revenue, respectively. Since the successful introduction of our distinctive premium-priced beef-flavored bowl noodles in 1992 under the “Master Kong” (康師傅) brand name, we have gained a leading position in the PRC instant noodle market. According to data from Nielsen, for the three months ended March 31, 2015, we were the market leader in China with a 55.9% market share by sales value in instant noodles. In terms of sales volume, the market share of our bowl noodles and high-end noodles were 61.9% and 12.2%, respectively, for the three months ended March 31, 2015. Our instant noodles come in various package sizes and we offer over 200 different flavors of noodles in 36 series, appealing to different climates and cultures across China. In addition to the “Master Kong” (康師傅) brand name, the “Super Fumanduo” (超級福滿多) series of packet noodles is highly popular in the medium to low end packet noodle segment.

The main ingredients in our instant noodles include flour, palm oil, starch, dehydrated vegetables, salt, sugar, monosodium glutamate and spices. Dried meat and seafood are added for certain flavors. Sales of instant noodles is typically seasonal with demand higher during the winter months, the first and fourth quarters, than during the summer months. Our instant noodle segment is broadly divided into single-serve bowl noodles, packet noodles and snack noodles. The suggested retail prices per unit for our instant noodle products currently range from RMB3.0 to RMB6.0 for bowl noodles, RMB1.5 to RMB3.5 for packet noodles and RMB0.5 to RMB1.0 for snack noodles (prices may be higher in convenience stores). We believe that one of our strengths is our ability to continually introduce new flavors and new packaging suited for the PRC market in response to market demand. In 2014, we continued to refine the flavors of our pickled mustard series by including both eggs and meat in the ingredients; we launched a fried noodle combo with a unique product design of “fried noodle + soup” to attract consumers who prefer fried noodle with a rich taste; and we also launched “Fresh Banquet” (愛鮮大餐) series of steamed noodles to cater to the needs of health-conscious consumers. We continued to strengthen our instant noodle business with promotion of regional flavors. In Shanghai and Eastern China, we launched the “Pork Bone Noodle Series” (豚骨麵系列) with noodle with seafood and pork bone (海鮮豚骨麵) and noodle with pickled vegetable and pork bone (泡菜豚骨麵). We also launched the “Assorted Noodle Series” (什錦麵系列) with noodle with assorted seafood (什錦海鮮麵) and noodle with assorted pork bone (什錦豚骨麵) in South China. As of March 31, 2015, we operated 24 instant noodle production centers with a total of 238 production lines.

### ***Bowl noodles***

Our bowl noodles are instant noodles sold in a paper-based bowl with a fork, seasoning powder, sauce and various packets of condiments. We currently offer over 200 different flavors of noodles in various package sizes, appealing to different climates and cultures across China. Available flavors include, among others, “Noodles with Braised Beef” (紅燒牛肉), “Noodles with Spicy Beef,” (麻辣牛肉), “Noodles with Stewed Mushroom and Chicken,” (香菇燉雞麵), “Noodles with Picked Mustard Beef” (老壇酸菜牛肉) and “Noodles with Fresh Shrimp and Fish” (鮮蝦魚板). In order to satisfy the diversified needs of our customers, we broadened the market domain of innovative instant noodle product offerings and launched high-end innovative product lines under the new brands of “Zhen Liao Duo (珍料多)” and “Tang Da Shi (湯大師)”. Additionally, “Fresh Banquet” (愛鮮大餐) launched two new flavours, including Japanese-style noodle with barbecued pork and pork bone (日式叉燒豚骨麵) and Sichuan-style spicy beef noodle (川辣牛肉麵). These noodles are targeted at high-end consumers and are sold at a

suggested retail price of approximately RMB3.0 to RMB6.0 per bowl. According to data from Nielsen, we had a 61.9% share in the bowl noodle market in the PRC by sales volume for the three months ended March 31, 2015. As of March 31, 2015, the most popular flavor of our bowl noodles is “Noodle with Braised Beef” (紅燒牛肉).

#### *Packet noodles*

Our single-serving packet noodles are instant noodles sold in plastic packets in various flavors with seasoning powder and/or sauce. Available flavors include, among others, beef, chicken and shrimp. A portion of our packet noodles are targeted at mid- to high-end consumers. The most popular flavor in this category is still “Noodle with Braised Beef” (紅燒牛肉). We have also introduced medium-end brands such as “Zhen Pin Le” (珍品樂), “Jin Shuang La Mian” (勁爽拉麵), “Hao Zi Wei” (好滋味) and “Super Fumanduo” (超級福滿多). In the medium-end segment, we have made “Jin Shuang La Mian” (勁爽拉麵) the primary brand to achieve the strategic targets of maintaining sales growth, enhancing product advantages and continually strengthening brand awareness. “Jin Shuang La Mian” (勁爽拉麵) bowl noodles were mainly marketed towards the mass market and includes flavors such as the “Braised Beef” flavor (紅燒牛肉味).

#### *Snack noodles*

Our snack noodles are instant noodles sold in various flavors with seasoning powder that can be consumed without water as snacks or with water as instant noodles. Available flavors include, among others, beef and chicken. Each single serving ranges from 25 to 50 grams. We launched new flavors for our “Xiang Bao Cui” (香爆脆) received good market reception. Our RMB1 “Wei Feng Bao” (威風包), targeted at urban areas nationwide, expanded its sales and was very popular among our customers. We continue to offer our snack noodles in a variety of sizes and flavors to lead the market.

Set forth below is a table depicting the amount and percentage of our instant noodle segment revenue derived from our three main instant noodle product lines for the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015.

	For the year ended December 31,						For the three months ended	
	2012		2013		2014		March 31, 2015	
	US\$'000,000, except percentages							
Bowl Noodles . . . . .	1,881	47.5%	2,066	47.7%	1,960	47.4%	499	49.9%
Packet Noodles								
High-end. . . . .	1,616	40.8%	1,693	39.1%	1,601	38.7%	379	37.9%
Mid-end . . . . .	431	10.9%	492	11.4%	484	11.7%	107	10.7%
Snack Noodles . . . . .	31	0.8%	79	1.8%	91	2.2%	15	1.5%
Others . . . . .	2	0.0%	2	0.0%	2	0.0%	0	0.0%
Total . . . . .	3,961	100.0%	4,332	100.0%	4,138	100.0%	1,000	100.0%

## ***Beverage Segment***

Our beverage products include a variety of RTD tea and coffee, bottled water, fruit juice, carbonated soft drinks, pro-biotic drinking yogurt and functional drinks. We introduced our pro-biotic drinking yogurt in April 2011. Our beverages are targeted at young, urban customers. We expanded into the beverage market in 1996 and are now one of the leading players in the PRC beverage market. For the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, our beverage segment revenue totaled US\$4,932.4 million, US\$6,268.5 million, US\$5,801.0 million and US\$1,260.3 million, respectively, representing 53.5%, 57.3%, 56.7% and 54.3% of our revenue, respectively. According to data from Nielsen, for the three months ended in March 31, 2015, we were the market leader in the PRC in RTD teas with 53.9% market share by sales volume, respectively. Our bottled water and fruit juice ranked number two in the PRC with a 17.6% and a 18.6% market share by sales volume for the three months ended in March 31, 2015, respectively. In addition to our “Master Kong” branded beverages, relying on our strategic alliance with Pepsi, we also manufacture, sell and distribute Pepsi’s carbonated beverages and its non-carbonated soft drinks including “Gatorade” brand sports drinks, “Tropicana” brand fruit juice and “Aquafina” brand bottled water.

We expect that the PRC beverage industry will continue to grow. We think we still have large growth potential in our beverage segment. The principal raw materials we use in producing our beverages include sugar, fruit extracts and water. We produce beverages packaged in PET bottles, Tetrapaks and aluminum cans and will soon use glass bottles. Sales of beverages are typically seasonal with demand higher during the summer months, the second and third quarters, and lower during the winter months. As of March 31, 2015, we operated 100 beverage production centers across China housing a total of 448 production lines.

### ***RTD Teas and Coffees***

According to data from Nielsen, our RTD tea products ranked number one in the PRC in terms of sales volume, occupying a market share of 53.9% in the RTD tea market for the three months ended in March 31, 2015. Since we introduced iced black tea and iced green tea into the PRC beverage market for the first time in 1997, we have developed a diverse portfolio of RTD tea products. Responding to consumers demands on healthy drinks, our RTD tea products include, among others, products based on black tea, green tea, jasmine tea, Tie Guan Yin and oolong tea. In 2014, we also launched new flavors for our RTD teas, such as green-apple flavored RTD tea (青蘋果口味冰紅茶). We have also launched sugar-free RTD teas under the new product line “Original Flavor Tea House” (本味茶庄). In 2014, we actively engaged in marketing campaigns to promote our RTD tea products. In addition to PET bottle packaging, we also plan to increase the Tetrapak- and aluminum-can-packaged beverage production lines.

We also plan to manufacture and distribute Starbucks-branded RTD coffees. We expect our RTD coffees to enjoy the brand and popularity of its parent — the Starbucks cafe chains. We believe that the RTD coffees will be popular among students and white-collar workers. Due to the production of Starbucks-branded RTD coffee, we have also added glass bottle production lines. We believe this will make our RTD coffee attractive to students and urban white-collar workers, who are at the core of the coffee consumer base.

### ***Bottled water***

We expanded our business into bottled water in 1996. In 2014, we sold bottled water under both our own brands as well as “Aquafina” Brand under Pepsi. To meet our customers’ growing demands for natural mineral water, we launched new natural mineral water sourced from Changbai Mountain (長白山). At the same time, Aquafina’s new bottle design was well received

by its customers. According to data from Nielsen, our bottled water occupied 17.6% market share in terms of sales volume in the PRC bottled water market for the three months ended March 31, 2015, ranking No.2 in the PRC. We expect to introduce more premium and niche brands to the market in the future.

### *Fruit juice*

We commenced production and sales of fruit juice in 1996. We market and sell fruit juice under our six lines: “Master Kong” (康師傅), “Fresh Daily C” (每日C) “New Taste for Traditional Drink” (傳世新飲), “Rock Sugar Series” (冰糖系列) and “Traditional Fruit Mix” (傳養果茶) as well as Pepsi’s Tropicana and Dole. In 2014, responding to the growing popularity of lightly-flavored juice drinks, we launched traditional Chinese fruit juice, “Light Fruit Mix” (輕養果薈) with the product’s ingredients and packing design showcasing its nutritional value, product efficacy and fashion. In the same year, Tropicana also launched a brand new Apple-flavored juice as well as a new mango-apricot flavored juice which was well received by the market. With some of our fruit juice fortified with functional ingredients, our line-up of fruit juice is well positioned to respond to customers’ diversifying demands. According to Nielsen, our market share in the fruit juice market in China was 18.6% for the three months ended March 31, 2015, ranking No. 2 in the PRC.

While our sales of RTD tea beverages and bottled water are seasonal with higher sales in the warmer months in the second and third quarters, the sales of fruit juice, are to the contrary with higher sales in the colder months in the first and fourth quarter.

### *Carbonated soft drinks*

We started to bottle, manufacture and distribute Pepsi’s carbonated beverages after our partnership with Pepsi began in 2012. We continued to have refreshed marketing campaigns for our cola carbonates. We developed new flavors including watermelon and honey-grapefruit under our Mirinda (美年達) line of products.

### *Functional drinks*

We started to bottle, manufacture, and distribute Pepsi’s “Gatorade” beverages after our partnership with Pepsi began in 2012. In 2014, apart from stabilizing the penetration rate of the “Gatorade” Brand products, we actively expended its sales by targeting specifically at sports places. Pepsi’s “Vitamin Power” (維動力) and our “Natural Vitalities” (水漾) are also very well received by the market.

### *Pro-biotic drinking yogurt*

We recently introduced pro-biotic drinking yogurt under the Wei-Chuan brand. This drink contains bifidobacterium to promote the growth of healthy bacteria in the gastro-digestive track. The yogurt can also be stored at room temperature and remains fresh for much longer compared to pro-biotic drinking yogurt that can only be transported in refrigerated conditions. Our pro-biotic drinking yogurt are sold at a suggested retail price of approximately RMB5 per bottle and primarily targeted at young college students and urban white collar workers. We believe the widely-marketed health benefits will make pro-biotic drinking yogurt more popular in the future. Lowered storage and transportation requirements will drive our sales even further.

Set forth below is a table depicting the amount and percentage of our beverage segment revenue derived from our three main beverage product lines for the three years ended December 31, 2012, 2013 and 2014 and the three months ended in March 31, 2015.

	For the year ended December 31,						For the three months ended	
	2012		2013		2014		March 31, 2015	
	US\$'000,000, except percentages							
RTD Tea . . . . .	1,829	37.1%	2,292	36.6%	2,331	40.2%	569	45.2%
Bottled Water . . . . .	899	18.2%	1,141	18.2%	1,134	19.5%	145	11.5%
Fruit Juice . . . . .	1,188	24.1%	1,340	21.4%	964	16.6%	193	15.3%
Carbonated Soft Drinks and Others . . . . .	1,016	20.6%	1,495	23.8%	1,372	23.7%	353	28.0%
	4,932	100.0%	6,268	100.0%	5,801	100.0%	1,260	100.0%

### ***Instant Food Segment***

We expanded into the PRC bakery market in 1996. We began our production of instant foods with the manufacture of rice crackers, but have expanded into savory and sweet sandwich crackers, egg rolls and muffins. We also in recent years sought to further diversify our product lines by producing snacks, such as sugar-free mint candy, infant milk powder and meat floss. We currently offer over 15 kinds of instant food products. For the three years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, our instant foods segment revenue totaled US\$234.1 million, US\$202.8 million, US\$178.7 million and US\$37.5 million respectively, representing 2.5%, 1.9%, 1.8% and 1.6% of our turnover, respectively. According to data from Nielsen, we had a 19.4% market share for egg rolls and a 11.8% market share for sandwich crackers in the PRC, respectively, in terms of sales value for the three months ended March 31, 2015 and ranked number one and number two in their respective markets.

The principal raw materials we use in producing our instant foods include milk, pork, high-grade flour, vegetable oil, eggs, starch, sugar, seasonings and salt. As of March 31, 2015, we had 15 instant food production lines. To meet our customers' increasingly diversifying demands, we plan to vary the size of our product offerings based on different sales channels, selling smaller-sized products at convenience stores and larger-sized products in larger supermarkets as well as online.

### ***Sandwich crackers***

Sandwich crackers are flour-based confectioneries including three- and two-layered sweet and savory sandwich crackers and wafers. The sandwich crackers are marketed under our "3+2" brand and sold at a suggested retail price of RMB5.2 for a 125-gram pack. According to data from Nielsen, we occupied the No. 2 position in the PRC for sandwich crackers, with a 11.8% market share, by sales value for the three months ended March 31, 2015. Our most popular sandwich crackers are the cream, lemon, chocolate and blueberry sandwich cracker flavors.

### *Egg rolls*

We began manufacturing egg rolls under our “Master Kong” (康師傅) brand in 1994. Egg rolls are crunchy rolls sold at a suggested retail price of RMB8.3 for 108-gram pack. According to data from Nielsen, we occupied the No. 1 position in the PRC for egg rolls, with a 11.8% market share by sales value for the three months ended March 31, 2015.

### *Muffins*

Muffins represent a niche market for us. Our muffins are marketed under our “Miao Fu” (妙芙) brand. Targeted at high-end consumers, the muffins are sold at a suggested retail price of RMB6.2 for a two-muffin pack. To help keep our muffins fresh and moist while preventing spoilage, we pack our muffins in composite packaging materials with low oxygen and moisture permeability.

### *Others*

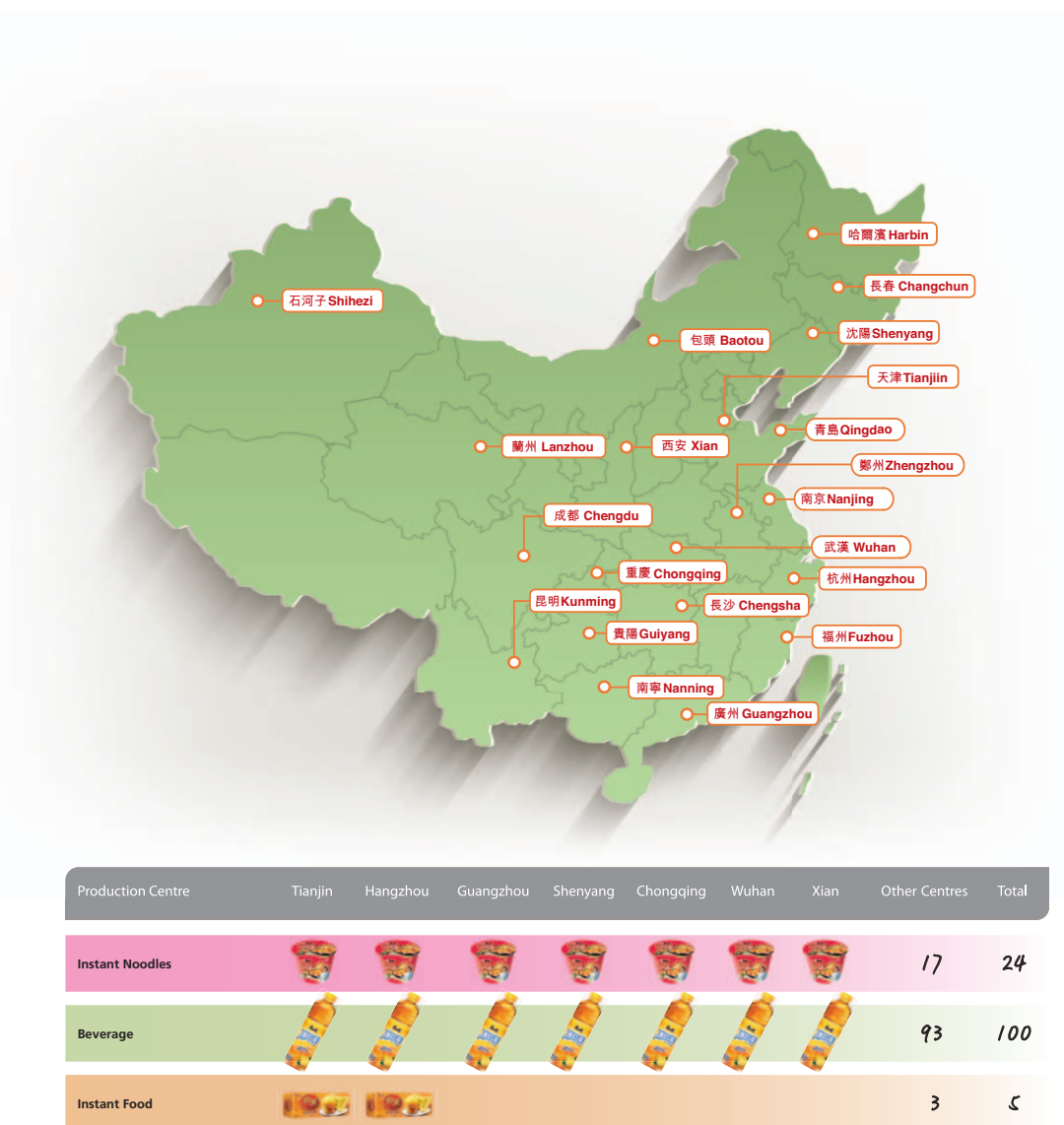
We also produce and market other instant food products such as sugar-free mint candy, infant milk powder and meat floss. We are actively expanding our instant food line to meet market demand for new products. For example, we recently launched a line of sugar-free mint candy “MINTIA Cool life” (MINTIA酷活) with our joint venture partner Asahi. We initially focused our marketing in Shanghai and with convenience store as selling channels and distributed samples in office buildings and by roadshows. In 2015, we expanded the distribution of our mint candy to the Eastern region of China with our products rolled out in more than 10,000 stores. Together with the first wave of focused marketing campaign, our mint candy was well received in the market.

### *Others*

This segment includes revenue from investment holding, logistics and supportive functions.

## **PRODUCTION FACILITIES**

As of March 31, 2015, we had a total of 129 production centers and 701 production lines, including 238 noodle production lines, 448 beverage production lines and 15 instant food production lines. As of the same date, we have ten, ten and two regional management centers for our instant noodle, beverage and instant foods segments, respectively. Most of our production centers support more than one product category and contain various production lines. The following map sets out the locations of our production centers in China as of March 31, 2015.



To meet increasing demand for our products, we have been expanding our production scale and upgrading our production centers to increase our manufacturing capacity and realize production efficiency. As of March 31, 2015, our Tianjin and Hangzhou instant noodle production centers were among the world's largest instant-noodle-production-only facilities. We currently plan to upgrade our instant noodle production facilities to the second generation and have prioritized the upgrade of our plants in Tianjin and Hangzhou. For our beverage production, we focused on expanding our water production facilities and increasing the production capacity of Pepsi's carbonated soft drinks. At the same time, we utilized the synergies brought by an alliance between Pepsi and Master Kong to use Master Kong's beverage production facilities to produce Pepsi-branded products. This strategy has improved the availability of our products in certain markets and reduced the logistics costs.

## **PACKAGING AND RAW MATERIALS**

### ***Instant noodles***

The principal raw materials we use for the production of instant noodles are flour, palm oil, starch, dehydrated vegetables, salt, sugar, monosodium glutamate and spices. In addition, packaging materials such as carton boxes, paper-based bowls and plastic bags for packet noodles are also major components in the manufacture of our finished products. Currently, we produce the bowls used in our bowl noodles and buy the wrapping used for our products for third parties. We distribute these packaging materials to our various production centers.

### ***Beverages***

The principal raw materials we use in the production of beverages include artificial flavoring, sugar, fruit extracts, and water. Packaging materials such as PET bottles, Tetrapaks and aluminum cans represent significant costs in the production of our beverage products. PET bottle packaging is less expensive than alternative packaging materials such as Tetrapaks and aluminum cans. We currently produce a significant portion of the PET bottles required for our products. Our PET bottle manufacturing capability allows us to effectively reduce the cost of packaging materials as well as minimize supplier risk.

### ***Instant foods***

The principal raw materials we use in the production of instant foods are milk, high-grade flour, vegetable oil, eggs, starch, sugar, seasonings, salt and monosodium glutamate. Packaging materials for instant foods include carton boxes and plastic bags.

Substantially all of our raw materials (including flour, palm oil, sugar and PET resin) are sourced from within China. Our production volume and profitability is highly dependent on our ability to maintain a stable and sufficient supply of raw materials at the quality that we require and at a reasonable price. We were able to partially alleviate the negative impact arising from the rise in raw material cost by optimizing organizational efficiency, adjusting our product structure, enlarging economies of scale and effectively controlling advertising, promotion and transportation expenses.

For instant noodles, We source each type of raw material from at least two suppliers. By doing so, we try to ensure a stable supply of raw materials, diversify our raw material sources and be in a stronger bargaining position vis-a-vis our suppliers. But for certain raw materials for our beverages, we may only source from a specific supplier to ensure the consistency of quality.

We try to purchase from the suppliers nearest to each of our production centers in order to reduce transportation charges, delivery times and overall purchase costs. Regular inspection of raw materials is also carried out with selected suppliers to ensure that quality standards are maintained. Raw material suppliers are graded according to purchase volume, quality of raw materials supplied and timeliness of delivery. In respect of raw materials used in large volumes or with a high turnover, we try to ensure that the capacity of our suppliers of raw materials exceeds our demand for raw materials. We also carefully schedule the delivery and stock of such raw materials.

All of our domestic raw material purchases are paid for in Renminbi and most of the imports are paid for in U.S. dollars. Most of the purchases in the PRC are settled every 30 to 90 days, depending on the type of raw materials, suppliers and industry customs. Imports, which we generally believe account for less than 1% of the total raw materials purchased, are usually

paid for in U.S. dollars through letter of credit facilities which provide a credit period of between 45 to 55 days. To the extent that raw materials are sourced from outside the PRC, foreign exchange fluctuations may affect the cost of raw materials. We purchase our raw materials at market prices that are subject to fluctuations.

## **MARKETING, SALES AND DISTRIBUTION**

Our headquarters is in charge of our overall marketing policy. It also provides market analysis, coordinates nationwide promotional activities and develops strategies to establish the brand image of our products. The marketing department at each of our four operational segments (instant noodles, beverages, instant foods and Pepsi) is responsible for formulating the marketing strategies for that particular segment.

Our marketing strategy focuses on increasing sales and profitability by optimizing the range of flavors, products and price points in order to address consumer preferences. The key strategies we employ are:

- product innovation and improvements intended to make our products more convenient and attractive;
- creation of better store displays and more appealing packaging for all of our products;
- consumer promotions and advertising to stimulate demand; and
- sponsorship of music and other public events to increase consumer awareness of our products.

For example, with respect to beverages, we concentrate on advertising through television and other national media; with respect to instant noodles, more effort is devoted to consumer promotions such as sales and discounts. The difference in strategy for beverages and instant noodles results from different consumer behavior. Beverage consumption is based on impulse and therefore more responsive to advertising while instant noodle consumption is more habitual and therefore more receptive to sales and discounts. For the three years ended December 31, 2012, 2013 and 2014 and three months ended in March 31, 2015, our total distribution costs were approximately US\$1,866.0 million, US\$2,312.6 million, US\$2,138.6 million and US\$430.9 million, representing 20.3%, 21.1%, 20.9% and 18.6% of our total turnover for these respective periods. We will continue to review our advertising and promotional expenses, taking into consideration, among others, what we believe to be an appropriate balance between achieving profitability and the need to expand market share.

Since 1999, we have implemented the “Better Access, Broader Reach” distribution strategy to foster stronger relationships with retailers, who have greater market penetration than wholesalers in marketing our new products. Direct sales also enable us to exercise greater control over the distribution of our products.

The table below shows the scale of our sales and distribution network as of December 31, 2012, 2013 and 2014 and March 31, 2015, respectively:

	As of December 31,			As of March 31,
	2012	2013	2014	2015
Sales offices . . . . .	571	566	582	607
Warehouses . . . . .	95	75	77	72
Direct Retailers . . . . .	107,131	110,355	118,359	118,342
Wholesalers . . . . .	32,424	33,504	36,837	31,855

We require cash-on-delivery, or COD, payments, on all sales to wholesalers and retailers with the exception of certain key account customers, such as large supermarkets, outlets and convenience store chains with broad coverage of retailing points. Such key account customers on average constituted no more than 15% of our instant noodles, beverages and instant food accounts, respectively, during the years ended December 31, 2012, 2013 and 2014 and the three months ended March 31, 2015, respectively. Accounts receivables with these key account customers are settled between 30 to 90 days after the end of each month. We communicate with our wholesalers and retailers on a regular basis to ensure that the volume being delivered does not exceed our distribution channels' capacities. While we believe that traditional trade channels remain fundamental, we recognize that modern trade channels are also gaining traction. We have begun to engage in themed events and interactive online sales and marketing campaigns through our official campaign website, Weibo and Weixin. In addition to relying on wholesalers and retailers, we have begun to offer our products through major e-commerce platforms such as Tmall, YiHaoDian, JD.com and Suning.com. We currently have an online user base of over 600 million. We offer competitive pricing and packages of various sizes to attract more sales online.

We normally bear the cost of transporting our products to our wholesalers and retailers. Depending on distance and product characteristics, we rely on either truck or rail transport to ship our products. For example, we normally use the railway system to ship beverage products for long distances because freight charges which are based on volume and weight are less expensive for rail transport over long distance. Once the trains reach their destination, we use trucks to deliver our beverage products from the station to our customers. We typically rely on trucks to transport instant noodles and instant foods for all distances and beverages for shorter distances because trucks provide door-to-door delivery. We have strategically located manufacturing and distribution capabilities, enabling us to better align operations with our customers, reduce transportation costs and reduce our reliance on the transportation network. We have entered into delivery arrangements with various independent transportation companies nationwide and also conduct a portion of our deliveries through certain of our own subsidiaries.

### **Pricing**

We determine pricing for products across all business lines by considering the gross margins to be obtained by us, the gross margins to be obtained by our customers, including the wholesalers and retailers, and overall pricing of the product to consumers. We also adapt our pricing strategies in light of the trading conditions prevailing at the relevant time in the industry and in the relevant market segments. We also consider production costs, including costs of raw materials. Our management will make an informed decision based on market analyses and research performed by our marketing division as well as market information provided by third-party sources.

## QUALITY CONTROL

We have always regarded consumer food safety as one of our core corporate responsibilities and believe that our strict quality control system is the cornerstone of our continued growth. We invest heavily in quality control technologies and systems to promote food safety at every step in our production process under the concept of “from farm to table.” We have also established a food safety division under our Research and Development Centre to support our efforts in quality assurance. See “— Research and Development.” We were awarded the “2014 ‘Food Safety Cup’ Most Popular Best Ten Food Safety Enterprise” jointly organized by PRCFood.com (中國食品安全網) and Fsmall.com (食安商城) in January 2015 for our efforts in promoting consumer food safety.

Each of our operating subsidiaries has a special quality control committee, which consists of the general manager and senior management personnel. Such committees supervise regular quality inspections conducted by the relevant quality control personnel, hold monthly meetings to ensure that the quality of products meets our high standards and identify means to further improve the quality of our products.

Stringent quality controls are implemented throughout the entire production processes for our various products. Full-time quality-control personnel are assigned at every production line to conduct regular inspections and tests. Any sub-standard products are returned to our quality assurance departments for investigation and analyzed to identify solutions and efforts are made to prevent any similar situation from recurring. The quality assurance department of each operating subsidiary reports directly to the general manager of each subsidiary and tests finished products thoroughly to ensure the quality of products.

We place great emphasis on the quality of raw materials supplies. We have set up a system of supplier development and supplier management to examine the production capabilities, equipment condition, management standards and hygienic standards of our suppliers. We carry out sampling tests and random quality inspections of our suppliers and provides them with relevant information and improvement suggestions to enhance their quality standards. We also actively take action against counterfeit goods in partnership with our wholesalers.

In order to ensure that our quality management meets internationally accepted standards, we have invested significant manpower and financial resources in staff training and we are implementing 5S, TPM, and ISO22000 quality management systems at our various production facilities. Currently, all of our production facilities have been granted QS quality certification. The testing and analysis division of our former production facilities located in Tianjin has received certification from the China National Accreditation Service, or CNAS, the highest-level certification available in China, for conformity assessment in February 2011. We have recently moved our laboratories to Shanghai and enhanced our equipment. Our laboratories in Shanghai are in the process of obtaining the CNAS certification. Our Shanghai facility currently has had a physical testing laboratory, a qualitative laboratory, a quantitative laboratory and an advanced testing laboratory. The laboratories had many advanced testing equipments including electron microscope (電子顯微鏡), isotope mass spectrometry (同位素質譜儀) (to detect whether food has been altered: for example, whether sugar has been added to honey), and LC/Q-ToF (to screen for the existence of over 700 pesticides and 90 drugs in food). Combined, these labs were capable of detecting over 1500 different agents in food.

We also coordinate closely with other top global food-and-beverage producers such as Pepsi and Asahi to ensure that the food we produce is safe. In addition, we are in partnership or collaborations with numerous government regulatory entities and research institutes, including China National Center for Food Safety Risk Assessment, China Institute of Food Science and Technology and China Agricultural University.

Despite our focus on quality control and food safety, we may be adversely impacted by negative publicity suffered by the food and beverage industry in China or abroad. See “Risk Factors — We may be adversely impacted by negative publicity suffered by the food and beverage industry in China or abroad.” In 2014, the Master Kong’s braised pork rib soup noodles that used low-quality lard supplied by third-party suppliers were produced by Wei-Chuan, under our license. No instant noodles manufactured and sold by the Company in China use such raw materials or products from Taiwan. We believe that we are in material compliance with the Food Hygiene Law of the PRC and other relevant regulations in respect of our products, production processes, premises and related facilities.

We are also committed to customer satisfaction. A customer service unit is set up under the quality assurance department of each subsidiary to ensure timely response to customer complaints and inquiries. Such customer service units classify and statistically analyze all complaints. The findings are sent to the relevant departments for further action. In the case of more serious complaints, the quality assurance department of the relevant subsidiary will immediately establish a special case unit to investigate the matter.

## **TRADEMARKS AND PATENTS**

As of March 31, 2015, we held 129 issued patents in the PRC, approximately 1,100 registered trademarks in the PRC, 42 registered trademarks in Taiwan and 50 registered trademarks in Hong Kong.

We believe that we have established significant brand recognition and awareness through the use and promotion of our trademarks and therefore seek to aggressively protect them. We have lodged cancellation and opposition proceedings against infringers of our trademarks with the PRC Trademark Bureau. However, effective enforcement of intellectual property rights in the PRC is not as certain nor as effective as in jurisdictions with a more established legal system.

## **INFORMATION TECHNOLOGY**

Information technology systems are critical to our ability to manage our business. Our information technology team is responsible for ensuring all systems and applications are running at their optimal levels. We seek to achieve efficient reporting and effective measurement through various information systems attached with different aspects of operational processes. For example, we have implemented an enterprise resource planning, or ERP, system developed by SAP, which tracks production scheduling, purchase orders, inventory, quality control, sales orders, cost and expense control, accounts payable, account receivables, financial assets, financial accounting, daily management of general ledger and human resources. We have also implemented SAP’s product suite of business intelligence solutions, an analytical and reporting system that enables our departments and divisions to integrate, analyze, and disseminate relevant information and perform a variety of daily, monthly and quarterly reporting functions. The implementation of a product cost controlling system and overhead cost controlling system have significantly improved our ability to analyze and manage our overhead costs, undertake product cost planning and track the actual costs that are incurred in the production process. In addition, we utilize a business consolidation system to consolidate financial statements and EDMS, our electronic distributor management system, to enhance wholesaler management and order entry for our beverage business. The implementation of these information systems has enabled us to standardize many aspects of our operations and reduce deficiencies resulting from segregation of duties.

## RESEARCH AND DEVELOPMENT

We place significant emphasis on the research and development of new products. In addition, our Research and Development Centre has divisions for food safety research and testing and analysis to help ensure food safety assurance and has participated in the formulation of relevant legal and regulatory criteria on food safety both at the industry and national levels, including discussions at the expert assessment committee under the PRC Ministry of Health for the amendment of the “National Food Safety Criteria for Instant Noodles” in 2009. Before launching a new product, our marketing department formulates an original concept, which is then refined and modified based on market research. Once a general model is produced, we conduct a combination of consumer interviews and product taste tests. By doing so, we gather valuable public opinion with respect to the flavor, packaging and quality of the new product. We may conduct these studies directly through our own personnel or out-source them to independent market researchers. We further refine the product based on the public’s usage habits and consumption attitudes as identified in these studies. Once completed, the new product will be test-marketed using a variety of promotional and advertising activities. In many cases, the names of the new products are determined by customers in taste tests who choose a favorite name among alternatives provided by us.

We have devoted and will continue to devote significant research and development efforts to each of our product segments. With respect to the instant noodle segment, we developed different flours catering to people from different regions in China, such as gravy noodle with tomato and egg for people in Southern China. With respect to the beverage segment, we refined our traditional Chinese juice drinks to better respond to customers’ demand for both tasty and nourishing traditional Chinese fruit juice. With respect to the instant food segment, we will continue to diversify our product portfolio by re-shaping our core bakery products as well as launching more innovative products that meet the ending customer demands.

In addition to conducting research and development internally, we seek expertise and know-how in producing new products by forming strategic relationships with other manufacturers. After Sanyo became one of our significant shareholders in 1999, we gained access to instant noodle production skills and techniques. Such know-how is transferred through several service agreements between us and Sanyo, which provides, among other things, secondments of personnel between the two companies.

Our co-operation with AI Beverages since 2004 has allowed us to leveraged its expertise and strengths to significantly enhance our competitiveness in product development, manufacturing, raw material procurement and overall business management.

## COMPETITION

We face significant competition in each of our product segments:

### ***Instant Noodles***

The PRC instant noodle market is broadly divided into lower-priced and medium-to-higher-priced segments. The lower-priced segment is crowded with many producers, the majority of which are small enterprises. The margins are generally lower in the lower priced segment than the medium-to-higher-priced segment.

According to data from Nielsen, we had approximately 61.9% of the market share for bowl noodles packet noodles in terms of sales volume and 55.9% of the entire PRC instant noodle market in terms of sales value for the three months ended March 31, 2015. During the same period, our closest competitor controlled approximately 17.8% of such market using the same measure.

## ***Beverages***

According to data from Nielsen, we held the largest market share for RTD tea drinks in the PRC, controlling approximately 53.9% of the market in terms of sales volume for the three months ended March 31, 2015 compared to 31.0% for our closest competitor. We also had the second largest market share for bottled water and fruit juice in the PRC, controlling approximately 17.6% and 18.6% of the market in terms of sales volume for the three months ended March 31, 2015, respectively. Our competitors in the beverage segment include well-known international and local manufacturers such as Nongfu, Coca-Cola, Uni-President and Wahaha.

## ***Instant Foods***

The PRC instant food market is fairly fragmented. We were in a leadership position with several of our products. According to data from Nielsen, for the three months ended March 31, 2015, our egg roll had 19.4% of the market share and our sandwich cracker had 11.8% of the market share, ranking number one and number two in their respective markets. Competitors include well-known international manufacturers such as Nabisco, Want Want and Danone.

## **INSURANCE**

We have various insurance policies which we believe are appropriate for our business including the insurance of our production facilities and our raw materials and finished products while in transit. We are covered by product liability insurance of up to RMB25 million per annum, including product quality insurance, with a limit of RMB30 million per claim.

## **EMPLOYEES**

The table below sets forth a breakdown of our employees by division as of December 31, 2014:

	<b>Number of Persons</b>
Production . . . . .	34,435
Sales and marketing . . . . .	41,983
Human resources . . . . .	555
Research and development . . . . .	193
Finance . . . . .	1,040
Information centre . . . . .	102
Others. . . . .	695
Total . . . . .	<u>79,003</u>

We regard effective talent selection, development, allocation and retention as a cornerstone of our sustainable development and one of the core components of our competitiveness. We recruit talented employees with market-competitive salaries. In addition, employee benefits include medical and workers' compensation insurance and subsidized dormitories, cafeterias and recreational areas. We seek to identify and train employees whom we believe have the potential to function in management capacities to improve their skills in technology development, system development and teamwork. We increase the amount of training as staff members rise in seniority. We established our first training center in September 1997 and use it to conduct various training courses for employees. During 2011, we improved our selection and training system for reserving human resources through the establishment of a reserve system for heads of various levels and refined the training courses for such reserved officers. We have also cooperated with Japan Waseda University since 2009 to train and prepare

management candidates for taking on key management functions and, in 2010, began sponsoring a master degree course on Asia Pacific Human Resources Management at the National Sun Yat-sen University in Taiwan to educate high level human resource management talent. Beginning in 2013, we have also collaborated with China Europe International Business School and Shanghai Jiaotong University to train and prepare talents as reserve for our management team.

We believe our working conditions and employee benefits are generally more favorable than those of other employers in the PRC. We have not encountered any labor disputes or a shortage of production workers since our inception.

## **ENVIRONMENTAL MATTERS**

PRC national and local environmental protection regulations impose a graduated schedule of fees for discharge of waste materials. These regulations also require the payment of fines for pollution and provide for the closure of any facility which seriously threatens the environment, our production processes create wastewater and emissions. Consequently, we have installed facilities to treat the wastewater and reduce smoke emissions. In addition, the waste packaging materials and noodle cakes produced during the production process are sold to independent third parties for recycling or sent to each plant's incinerators to be used for generating hot water and heat. We believe that we are in compliance, in all material respects, with all applicable environmental regulations in the PRC and have not been notified of any breach of any such regulations to-date that would have a material adverse effect on our business.

We consider environmental protection and low carbon emissions to be core components of our corporate value. We have invested heavily in new manufacturing technologies to achieve energy savings and lower our carbon emissions. In addition, our rinse-free technology eliminated a second round of rinsing in the production of plastic bottles, effectively reducing our use of water in the production process. In 2014, the annual conservation of resources amounted to 32,700 tons of steam, 314,100 tons of water and 4,915,300 kWh of electricity. Our waste water discharge was reduced by 197,400 cubic meters, which were equivalent to a reduction of carbon dioxide emissions by 29,900 tons. In 2014, our products' stream BOM, electricity BOM, water BOM dropped 4.12%, 5.03% and 6.42%, respectively, which generated direct efficiency of US\$1.44 million.

## **OCCUPATIONAL HEALTH AND SAFETY**

The Production Safety Law of the PRC (中華人民共和國安全生產法), which was promulgated on June 29, 2002 and became effective on November 1, 2002, is the fundamental law for the supervision and administration of production safety and labor protection. Please see "PRC Regulation." We have adopted certain management rules on production safety based on the safety laws and regulations of the PRC in order to ensure that we provide a safe working environment for our employees. It is mandatory for all of our employees to abide by these safety rules.

For example, we have implemented a number of safety measures and established a safety supervision team at each production facility that is responsible for formulation and implementation of such safety measures. The safety supervision teams conduct routine safety inspections of production facilities and conduct regular training sessions for employees on safety protection measures. The safety supervision teams may temporarily halt production at a facility that is in violation of our safety measures until the violation has been remedied. We also conduct safety education training and safety drills with our employees and offer

employees opportunities to study plant safety management in Japan in order to enhance their ability to respond to safety concerns which may arise in the manufacturing process. We believe our production facilities in the PRC comply with the requirements and provisions of applicable production safety laws and regulations in all material aspects.

## **LEGAL PROCEEDINGS**

We are not engaged in any material litigation or arbitration and there is no material litigation or claim known to be pending or threatened by or against us.

## DIRECTORS AND MANAGEMENT

### BOARD OF DIRECTORS

Our board currently consists of nine directors, comprising six executive directors and three independent non-executive directors. The following table sets forth certain information concerning our directors.

Name	Title
Wei Ing-Chou . . . . .	Executive Director and Chairman
Junichiro Ida . . . . .	Executive Director and Vice Chairman
Wu Chung-Yi . . . . .	Executive Director
Teruo Nagano . . . . .	Executive Director
Wei Hong-Ming . . . . .	Executive Director
Koji Shinohara . . . . .	Executive Director
Hsu Shin-Chun . . . . .	Independent Non-Executive Director
Lee Tiong-Hock . . . . .	Independent Non-Executive Director
Hiromu Fukada . . . . .	Independent Non-Executive Director

#### ***Executive Directors***

**Wei Ing-Chou (魏應州)**, aged 61, is the chairman and executive director of our Group. He joined our Group in 1991 and is responsible for the supervision and management of our Group as well as the formulation of the overall strategy of our Group. He has over 30 years' experience in factory construction, production management and research in relation to food production. In September 2010, Mr. Wei Ing-chou was awarded an honorary doctorate degree by Waseda University of Japan in recognition of his outstanding contributions in areas such as business operations and corporate social responsibility over the years. Mr. Wei resigned from his role as our CEO in January 2015.

**Junichiro Ida (井田純一郎)**, aged 53, has been an executive director of our Group since May 2002 and Vice Chairman of our Group since November 2013. He joined Sanyo in 1992 and is currently its president. After graduating from Rikkyo University in 1985, he joined Fuji Bank and worked there for six years.

**Wu Chung-Yi (吳崇儀)**, aged 59, has been an executive director of our Group since 1996. He is the chief executive officer of GSK Group. He attended the University of California in Los Angeles in the United States and has experience in corporate management.

**Teruo Nagano (長野輝雄)**, aged 66, was appointed as an executive director of our Group in September 2013. He has substantial working experience in the financial industry and has comprehensive knowledge of the international financial markets. After graduating from Hitotsubashi University of Economics in 1972, he worked in Fuji Bank for over 29 years. In February 2000, Mr. Nagano began to work for Sanyo and joined our Group in the following month as the senior advisor to the office of the Chief Financial Officer. In July 2007, He left for Sanyo as the Deputy General Manager of the oversea division. In November 2010, he returned to our company as the senior advisor to the office of the Chief Financial Officer. He is currently the senior general manager of the overseas business division of Sanyo.

**Wei Hong-Ming (魏宏名)**, aged 37, was appointed as an executive director of our Group in February 2015. Mr. Wei joined our Group as a special project manager for the CEO's office in 2006. From 2007 to 2014, he was appointed as a director of Wei-Chuan Foods Corporation in Taiwan. He is currently a director of Calbee Inc. in Japan. Mr. Wei holds a Bachelor of Science

degree in Mathematics from the King's College London, a Master of Science degree in Mathematics from Brunel University in the UK, and a Master of Science degree in Management from the Graduate School of Business at Stanford University. Mr. Wei is the son of Mr. Wei Ing-Chou, the Chairman of our Group.

**Koji Shinohara** (篠原幸治), aged 47, was appointed as an executive director of our Group in May 2015. He joined Sanyo in August 2014 as an executive director and the head of its marketing department. Mr. Shinohara has more than 20 years' working experience in the brand marketing industry. He worked in Coca-Cola (Japan) for brand marketing, sales and business management and became the vice president of brand marketing for the company. In 2008, he worked in the United States as the Global Senior Director of the RTD coffee and tea section of Coca-Cola, before returning to Japan to be the Senior Vice President of brand marketing of Coca-Cola (Japan) in 2010. Mr. Shinohara graduated from Keio University of Economics in 1990.

#### ***Independent Non-executive Directors***

**Hsu Shin-Chun** (徐信群), aged 59, has been an independent non-executive director of our Group since October 1999. He received a bachelor degree in business administration and an EMBA degree from National Taiwan University in 1979 and 2006, respectively. He has more than 17 years working experience in the financial industry and has comprehensive knowledge in securities investments, corporate finance and financial engineering. Mr. Hsu Shin-Chun is also a certified financial analyst in Taiwan.

**Lee Tiong-Hock** (李長福), aged 75, has been appointed as an independent non-executive director of our Group since September 2004. Mr. Lee has over 28 years of experience in commercial and investment banking. From 1977 to 1987, he served as the senior manager of marketing department of an international bank in Hong Kong and, concurrently, as the general manager of its two deposit-taking subsidiaries. During 1989 to 1997, he was engaged in corporate finance advisory business, and subsequently in private financial consultancy business in Hong Kong. Mr. Lee is a member of Hong Kong Institute of Bankers and the Hong Kong Securities Institute.

**Hiromu Fukada** (深田宏), aged 86, was appointed as an independent non-executive director of our Group on January 3, 2012. After graduation from the Faculty of Letters, University of Tokyo, Mr. Fukada studied at Balliol College, University of Oxford, and specialized in politics and economics. He had served at the Euro-America Bureau of Japanese Ministry of Foreign Affairs since 1951. He had worked in Japanese embassies in both the United Kingdom and the Philippines. His work experience also included serving as the head of regional policy division at Asia Bureau and North America No. 1 division at America Bureau, the deputy director-general of America Bureau, the minister of Japanese legation in America, the deputy head of mission in Japanese OECD Delegation, the director-general of economic bureau and the ambassador to Singapore and the OECD. Mr. Fukada worked as the Japanese ambassador to Australia from 1990 to 1992 and was the deputy chairman of Save the Children Japan Foundation in 2005. Mr. Fukada has been the auditor of Ueno Fine Chemicals Industry Ltd. since 2006.

## SENIOR MANAGEMENT

The following table sets forth certain information concerning our other senior management members.

Name	Title
James Chun-Hsien Wei . . . . .	Chief Executive Officer
Wilson Wu . . . . .	Chief Auditor
KuoWei Liu. . . . .	Chief Financial Officer
Jammy Xu . . . . .	Chief of Staff
Walt Wu. . . . .	Chief Human Resources Officer
Richard Chen . . . . .	Chief R&D Officer
Alex Lin . . . . .	Executive President of our Group's Instant Noodle Business
George Huang. . . . .	Executive President of our Group's Beverage Business
Vincent Liu. . . . .	President of the Pepsi Beverage Business
Bob Chen. . . . .	Executive Vice President of our Group's Instant Food Business

**James Chun-Hsien Wei (韋俊賢)**, aged 57, was appointed as the Chief Executive Officer of the Group in January 2015. Mr. Wei joined the Group in January 2013 as the Chief Executive Officer of our food business division. Prior to joining the Group, he was the senior advisor of CVC Capital Asia Pacific and Beiersdorf Aktiengesellschaft. From 2009 to 2011, he was a member of the Executive Board and the president of the Asian region of Beiersdorf Aktiengesellschaft Group. From 2003 to 2009, he served as the president of Asia Pacific region of Avon Products Inc., where he was responsible for the operations in 10 markets, including Japan, Taiwan, Australia, the Philippines and India. Prior to that, Mr. Wei spent 19 years at Procter & Gamble and in his last four years with Procter & Gamble, he was the vice president and general manager of Greater China, overseeing the Group's health and beauty care business in that region. Mr. Wei holds a B.S.E.E from National Taiwan University and an M.B.A from the University of Chicago Booth School of Business in the U.S.A.

**Wilson Wu (吳文聰)**, aged 58, joined the Group in May 1994 and is the Chief Auditor. He graduated from the Management Science Institute, Tam Kang University in Taiwan in 1983, majoring in accounting, taxation and financial management.

**KuoWei Liu (劉國維)**, aged 44, is the Chief Financial Officer of the Group. He joined the Group in 2006 and has been the manager, assistant vice president and vice president of finance and accounting department. Prior to joining the Group, he was the assistant manager of the finance department at general manager's office of Taiwan Mobile Co., Ltd. Mr. Liu holds a Bachelor of Science in Mechanical Engineering of Taiwan National Cheng Kung University, Master of Computer Science of Imperial College, University of London and an M.B.A. from Wharton School at the University of Pennsylvania. During his study in Wharton School, he was awarded the Fulbright Scholarship, Mr. Felix Chang's Memorial Scholarship, Dr. CF Koo's Scholarship, Wharton MBA Graduate Grant and First Year Honor.

**Jammy Xu (徐政民)**, aged 56, is the Chief of Staff of the Group. He joined in March 1997. Mr. Xu used to be the executive of IT Department and SM&A Department. He graduated from applied mathematics department of Chinese Culture University in Taiwan. Prior to joining the Group, he worked for Rongdian Company, Qiaoju Trading Company and Nanchow Chemical Industrial Company. Mr Xu is familiar with IT business, good at communication and coordination and skilled in organization and management.

**Walt Wu (吳之煒)**, aged 54, is the Chief Human Resources Officer. He graduated from the Institute of Human Resource Management, National San Yat Sen University (Taiwan). Mr. Wu joined the Group in November 2005 as the senior assistant vice president and senior vice president of our beverages business. He was the Chief of Staff to the CEO office in September

2014. In November 2014, he was appointed as the Chief of Human Resources. Prior to joining the Group, he worked in Twinhead International Corp. and TSRC Corporation as an Assistant Manager of Human Resources, and The Home World Group as an Vice President of Human Resources. Mr. Wu has 24 years of experience in human resources management. He is an expert in strategic human resource management and development. He works tirelessly to develop the Group's next generation of leaders and to maximize human resources benefits to the Group.

**Richard Chen (陳應讓)**, aged 52, is the Chief R&D Officer. He joined the Group in February 2013. Mr. Chen graduated from the chemical engineering department of National Taiwan University. Prior to joining the Group, he had 25 years of global R&D experience in Procter & Gamble. Mr. Chen is trilingual and worked in Taiwan, US, Japan and China for innovation in consumer products and enhancing different companies' R&D Capability.

**Alex Lin (林山)**, aged 59, is the Executive President of the Group's instant noodle business. He graduated from Chung Yuan Christian University in Taiwan. Mr. Lin worked for Boshang Market Research Company; Mr. Lin also worked for Nanchow Chemical Industrial Company as the head of various departments. He worked as the general manager for Wei-Chuan Foods Corporation for 19 years. Mr. Lin joined the Group in October 2000, and has over 35 years' extensive management experience in sales and marketing.

**George Huang (黃國書)**, aged 57, is the Executive President of the Group's beverage business. He joined the Group in June 2001 as the head of the sales department of the Group's instant noodle business, and was promoted as the general manager of Hangzhou Tingjin Food Co., Ltd. in April 2002. Mr. Huang became the president of the Group's beverage business in January 2005. He graduated from the tourism department of the Chinese Culture University in Taiwan. Prior to joining the Group, he worked for a British Trading Company, TAIT CO., and was the Sales Director of Swire Coca-Cola, Taiwan. Mr. Huang is particularly familiar in sales & marketing and business strategy as well as the Chinese market. He is especially skilled in remembering numbers and very detail oriented; he also possesses strong execution power.

**Vincent Liu (柳力仁)**, aged 55, was appointed as the President of the Group's Pepsi beverage business in December 2014. He joined the Group in 2000 and has served as the general manager or the regional general manager to Chongqing Tingyi, Chongqing Tingjin, Wuhan Tingjin and Hangzhou Tingjin. Prior to joining the group, he worked for British Trading Company, TAIT CO. Mr. Liu is particularly familiar with management in sales and marketing, and has over 20 years of extensive experience.

**Bob Chen (陳富寶)**, aged 56, is the Executive Vice President of the Group's instant food business. Mr. Chen holds a BBA from Fu Jen Catholic University and an EMBA from National Taiwan University. He joined the Group in August 2014. Mr. Chen has extensive experience of more than 30 years in the field of marketing and strategic management. He worked for NamChow Chemical Industrial Co., Modern Home Products (a JV of P&G and NamChow), P&G Singapore/Malaysia, P&G Taiwan, Great Wall Co., Hwa Wei & Grey Advertising Agency (a subsidiary of WPP group), Nirvana Brand Consulting Group and DaChan Foods (Asia) Limited.

## **COMPANY SECRETARY**

**Ip Pui-Sum (葉沛森)**, aged 55, is the Group's secretary. He graduated from Hong Kong Polytechnic with a Higher Diploma in Accountancy in 1982. He is a fellow member of the Association of Chartered Certified Accountants (United Kingdom) and an associate of the Hong Kong Institute of Certified Public Accountants, the Society of Chinese Accountants & Auditors, the Chartered Institute of Management Accountants, the Institute of Chartered Secretaries and Administrators and the ordinary member of Hong Kong Institute of Chartered

Secretaries. He also obtained a masters degree in business administration in 1996. Mr. Ip has over 20 years of experience in public accounting and company secretarial practices. He is also a certified public accountant (practicing) in Hong Kong. He joined our Group in September 1995.

## **BOARD COMMITTEE**

### ***Audit Committee***

We established the audit committee in September 1999 and currently have three independent non-executive directors, being Mr. Lee Tiong-Hock, Mr. Hsu Shin-Chun and Mr. Hiromu Fukada, with Mr. Lee Tiong-Hock serving as chairman of the audit committee. The primary duties of the audit committee are to review and supervise our financial reporting system, the preparation of financial statements and internal control procedures. The audit committee also acts as an important link between the board and our auditor in matters within the scope of our Group audit.

### ***Remuneration and Nomination Committee***

We established the remuneration and nomination committee on August 11, 2005, which currently consists of three independent non-executive directors, being Mr. Hsu Shin-Chun, Mr. Lee Tiong-Hock and Mr. Hiromu Fukada, with Mr. Hsu Shin-Chun serving as the chairman of the remuneration and nomination committee. We set up the remuneration and nomination committee to consider and approve the remuneration packages of our directors and senior management, including the terms of salary and bonus schemes and other long-term incentive schemes. Our Human Resources Department is responsible for collecting and managing the human resources data and, in case of significant issues, making recommendations to the remuneration and nomination committee for consideration. The remuneration and nomination committee consults with the board about these recommendations on remuneration policy and structure and remuneration packages. The committee also reviews the structure, size and composition of the board from time to time and recommends to the board on appointments of directors and the succession planning for directors.

## **INTERNAL CONTROL**

Our board has overall responsibility for maintaining a sound and effective internal control system of our Group. Our internal control system includes a well defined management structure with limit of authority which is designed for the achievement of business objectives, to safeguard assets against unauthorized use or disposition, to ensure proper maintenance of books and records for the provision of reliable financial information for internal use or publication, and to ensure compliance with relevant legislations and regulations. Our board and the audit committee have delegated our internal audit department to conduct an annual review of the effectiveness of the internal control systems of our Group.

## SUBSTANTIAL SHAREHOLDERS

As of March 31, 2015, according to the register we maintain in accordance with Section 336 of the Securities and Futures Ordinance of Hong Kong, or the SFO, the following parties were directly or indirectly interested in 5% or more of our issued share capital.

Name of shareholder	Capacity	Number of shares held	Percentage of our entitle issued share capital  (%)
Ting Hsin ( <i>see note 1</i> ) . . . . .	Beneficial owner	1,854,827,866	33.10
Ho Te Investments Limited ( <i>see note 1</i> ) . . . . .	Interest of controlled company	1,854,827,866	33.10
Rich Cheer Holdings Limited ( <i>see note 1</i> ) . . . . .	Interest of controlled company	1,854,827,866	33.10
Profit Surplus Holdings Limited ( <i>see note 1</i> ) . . . . .	Trustee of a unit trust	1,854,827,866	33.10
HSBC International Trustee Limited ( <i>see note 1</i> ) . . . . .	Trustee of discretionary trusts	1,854,827,866	33.10
Wei Chang Lu-Yun ( <i>see notes 1 &amp; 2</i> ) . . . . .	Settlor and beneficiary of a discretionary trust/Interest of spouse	1,881,593,866	33.58
Lin Li-Mien ( <i>see note 1</i> ) . . . . .	Settlor and beneficiary of a discretionary trust/Interest of spouse	1,854,827,866	33.10
Wei Hsu Hsiu-Mien ( <i>see note 1</i> ) . . . . .	Settlor and beneficiary of a discretionary trust/Interest of spouse	1,854,827,866	33.10
Wei Tu Miao ( <i>see note 1</i> ) . . . . .	Settlor and beneficiary of a discretionary trust/Interest of spouse	1,854,827,866	33.10
Sanyo Foods Co., Ltd. . . . .	Beneficial owner	1,854,827,866	33.10

**Note:**

1. These 1,854,827,866 shares were held by and registered under the name of Ting Hsin as at March 31, 2015. Ting Hsin is beneficially owned as to approximately 44.761% by Ho Te Investments Limited ("Ho Te"), as to approximately 30.239% by Rich Cheer Holdings Limited ("Rich Cheer"), as to 17.835% by Itochu Corp., and 6.482% by China Foods Investment Corp., a subsidiary of Asahi Group Holdings, Ltd., and as to the remaining 0.683% by unrelated third parties. Ho Te and Rich Cheer were owned as to 100% by Profit Surplus Holdings Limited ("Profit Surplus"). Profit Surplus is the trustee of a unit trust, which is in turn held by four discretionary trusts in equal proportions. HSBC International Trustee Limited is the trustee of each of the above four discretionary trusts, the settlors and discretionary objects of the above four discretionary trusts are as follows:
  - Wei Chang Lu-Yun is the settlor of one of the above discretionary trusts with Wei Chang Lu-Yun's family members (including Wei Hong-Ming) as discretionary objects;
  - Lin Li-Mien is the settlor of one of the above discretionary trusts with Lin Li-Mien and family members as discretionary objects;
  - Wei Hsu Hsiu-Mien is the settlor of one of the above discretionary trusts with Wei Hsu Hsiu-Mien and family members as discretionary objects; and
  - Wei Tu Miao is the settlor of one of the above discretionary trusts with Wei Tu Miao and family members as discretionary objects.
2. Wei Ing-Chou is also personally interested in 13,242,000 shares and holds 13,524,000 share options (2,000,000 share options are exercisable for the period from March 21, 2013 to March 20, 2018 at an exercise price of HK\$9.28 per share, 2,816,000 share options are exercisable for the period from April 23, 2014 to April 22, 2019 at an exercise price of HK\$9.38 per share and 2,200,000 share options are exercisable for the period from April

1, 2015 to March 31, 2020 at an exercise price of HK\$18.57 per share. 2,264,000 share options are exercisable for the period from April 12, 2016 to April 11, 2021 at an exercise price of HK\$19.96 per share, 1,368,000 share options are exercisable for the period from April 26, 2017 to April 25, 2022 at an exercise price of HK\$20.54 per share, 1,390,000 share options are exercisable for the period from May 27, 2018 to May 26, 2023 at an exercise price of HK\$20.16 per share, and 1,486,000 share options are exercisable for the period from April 17, 2019 to April 16, 2024 at an exercise price of HK\$22.38) under the share option scheme of the Company passed by an extraordinary general meeting of the Company held on 20 March 2008. Wei Chang Lu-Yun, being the spouse of Wei Ing-Chou, is also deemed to be interested in the shares and the underlying shares held by Wei Ing-Chou.

James Chun-Hsien Wei holds 2,052,000 share options (904,000 share options are exercisable for the period from May 27, 2018 to May 26, 2023 at an exercise price of HK\$20.16 per share, and 1,148,000 share options are exercisable for the period from April 17, 2019 to April 16, 2024 at an exercise price of HK\$22.38 per share) under the share option scheme of the Company passed by an extraordinary general meeting of the Company held on March 20, 2008.

Apart from the above, no other interest or short position in the shares or underlying shares of the Company were recorded in register required to be kept under section 336 of the SFO as at March 31, 2015.

Except as disclosed above, there has been no material change in other interest or short position in our shares and underlying shares since March 31, 2015.

## **PRC REGULATION**

This section sets out summaries of certain aspects of PRC laws and regulations, which are relevant to our operation and business.

### **CORPORATE LAWS AND INDUSTRY CATALOGUE RELATING TO FOREIGN INVESTMENT**

The establishment, operation and management of corporate entities in China are governed by the Company Law of the PRC, as amended, or the Company Law, which was adopted on December 29, 1993 and became effective on July 1, 1994. It was last amended on December 28, 2013 and the amendment became effective on March 1, 2014. Under the Company Law, companies are generally classified into two categories: limited liability companies and companies limited by shares. The Company Law also applies to foreign-invested limited liability companies. According to the Company Law, when laws on foreign investment have other stipulations, such stipulations shall prevail.

The establishment procedures, approval procedures, registered capital requirements, foreign exchange, accounting practices, taxation and labor matters of a wholly foreign-owned enterprise are regulated by the Wholly Foreign-owned Enterprise Law of the PRC, as amended, or the Wholly Foreign-owned Enterprise Law, which was promulgated on April 12, 1986 and amended on October 31, 2000, and the Implementation Rules to the Wholly Foreign-owned Enterprise Law, as amended, which was promulgated on December 12, 1990 and amended on February 19, 2014.

Investment in the PRC conducted by foreign investors and foreign-owned enterprises is governed by The Catalogue of Industries for Guiding Foreign Investment, or the Catalogue, which was promulgated and amended by the Ministry of Commerce of the PRC, or MOFCOM, and the National Development and Reform Commission of the PRC, or NDRC, on March 10, 2015 and became effective on April 10, 2015. The Catalogue contains specific provisions guiding market access of foreign capital, stipulating in detail the rules of entry according to the categories of encouraged, restricted and prohibited industries. Industries not listed in the Catalogue are generally open to foreign investment unless specifically prohibited or restricted by other PRC laws and regulations. Foreign investment in the encouraged category is entitled to certain preferential treatment and incentives extended by the government, while foreign investment in the restricted category is permitted but subject to certain restrictions under PRC Law. Foreign investment in the prohibited category is not allowed.

### **THE DRAFT PRC FOREIGN INVESTMENT LAW**

In January 2015, the MOC published a discussion draft of the proposed Foreign Investment Law for public review and comments. The draft law proposes to change the existing “case-by-case” approval regime to a “filing or approval” procedure for foreign investments in China. The State Council will determine a list of industry categories that are subject to special administrative measures, which is referred to as a “negative list,” consisting of a list of industry categories where foreign investments are strictly prohibited, or the “prohibited list” and a list of industry categories where foreign investments are subject to certain restrictions, or the “restricted list.” Foreign investments in business sectors outside of the “negative list” will only be subject to a filing procedure, in contrast to the existing prior approval requirements, whereas foreign investments in any industry categories that are on the “restricted list” must apply for approval from the foreign investment administration authority.

The draft for the first time defines a foreign investor not only based on where it is incorporated or organized, but also by using the standard of “actual control.” The draft specifically provides that entities established in China, but “controlled” by foreign investors will be treated as FIEs.

Once an entity is considered to be an FIE, it may be subject to the foreign investment restrictions in the “restricted list” or prohibitions set forth in the “prohibited list.” If an FIE proposes to conduct business in an industry subject to foreign investment restrictions in the “restricted list,” the FIE must go through a market entry clearance by the MOC before being established. If an FIE proposes to conduct business in an industry subject to foreign investment prohibitions in the “prohibited list,” it must not engage in the business. However, an FIE that conducts business in an industry that is in the “restricted list,” upon market entry clearance, may apply in writing for being treated as a PRC domestic investment if it is ultimately “controlled” by PRC government authorities and its affiliates and/or PRC citizens.

The draft emphasizes on the security review requirements, whereby all foreign investments that jeopardize or may jeopardize national security must be reviewed and approved in accordance with the security review procedure. In addition, the draft imposes stringent ad hoc and periodic information reporting requirements on foreign investors and the applicable FIEs. Aside from investment implementation report and investment amendment report that are required at each investment and alteration of investment specifics, an annual report is mandatory, and large foreign investors meeting certain criteria are required to report on a quarterly basis. Any company found to be non-compliant with these information reporting obligations may potentially be subject to fines and/or administrative or criminal liabilities, and the persons directly responsible may be subject to criminal liabilities.

The draft is now open for public review and comments. It is still uncertain when the draft would be signed into law and whether the final version would have any substantial changes from the draft. When the Foreign Investment Law becomes effective, the trio of existing laws regulating foreign investment in China, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-owned Enterprise Law, together with their implementation rules, will be abolished.

## **MANUFACTURE AND SALES OF FOOD**

### **Licensing System for Food Production and Trading**

Pursuant to the Food Safety Law of the PRC, or the Food Safety Law, which was promulgated on February 28, 2009 and became effective on June 1, 2009, and Implementing Rules on the Food Safety Law of the PRC, or the Implementing Rules on the Food Safety Law, which was promulgated and became effective on July 20, 2009, the PRC adopts a licensing system for food production and trading.

A business must obtain licenses for food production, food circulation and catering services in order to engage in these activities. Food producers who have obtained food production licenses do not need to obtain food circulation licenses for selling the food produced by them at their place of production; catering service providers who have obtained catering service licenses do not need to obtain food production or circulation licenses to sell the food produced by them at their place of catering service. In April 2015, the new Food Safety Law of the PRC was promulgated and will become effective on October 1, 2015.

According to the Measures for the Administration of Food Production Licensing, which was promulgated on April 7, 2010 and became effective from June 1, 2010, food production licenses are valid for three years. If the enterprise that has the food production license needs to continue production upon expiration of the term of validity, it shall file an application for replacement of the license with the original licensing authority within six months prior to the expiration of the term of validity. If the replacement is approved, the license number shall remain unchanged. Where no application is filed for replacement of license upon expiration of the term of validity, the enterprise will be deemed unlicensed. Where the enterprise intends to continue the production of food, it will then need to file a new application for the license, the term of validity of which shall be calculated from the date of approval of such new application.

## **Personnel Health Management System**

In accordance with the Food Safety Law as well as Implementing Rules on the Food Safety Law, food producers and traders shall establish and implement a personnel health management system. Persons suffering from dysentery, typhoid, viral hepatitis, any other infectious disease of the digestive tract, active tuberculosis, purulent, seeping skin disease or any other disease that affects food safety shall not engage in work that involves contact with ready-to-eat food. Food producers and traders must have a physical check-up each year and must obtain health certificates prior to working. The new Food Safety Law of the PRC as amended in April 2015 provides that ready-to-eat food producers and traders shall establish and implement a personnel health management system.

## **Production Licensing System of Industrial Products**

Pursuant to the Administrative Regulations of the PRC on the Production License for Industrial Products, which was promulgated on July 9, 2005 and became effective on September 1, 2005, and Implementing Measures for the Regulations for Administration of Production License of Industrial Products of the PRC, which was last amended on April 21, 2014 and became effective on August 1, 2014, only licensed enterprises are eligible to produce certain important industrial products for which a production licensing system has been implemented by the government. The production license is generally valid for a period of five years, but where it relates to food processing, it is valid for only three years. If there is any change in the relevant standards and requirements for relevant product during the period of validity of a production license, the competent authorities may organize a further examination and inspection in accordance with the provisions of relevant regulations. If there is a change in the production conditions, inspection method, production technology or technique of the enterprise during the period of validity of a production license, the enterprise shall file an application for change to the relevant authorities within one month after the occurrence of the change, so that a further examination and inspection may be conducted in light of the provisions of the relevant regulations.

## **Food Safety**

The production and trading activities of food producers and traders are regulated by the Food Safety Law as well as the Implementing Rules on the Food Safety Law. They are required to uphold food safety standards to ensure food safety and accept social supervision. In addition, in accordance with the Law of the PRC on the Protection of Minors, which was promulgated on September 4, 1991, most recently amended on October 26, 2012 which became effective on January 1, 2013, the food, drugs, toys, utensils and amusement facilities produced for the use of and marketed to minors must meet certain national standards or industrial standards, and may not be harmful to the safety or health of minors. If points for attention need to be indicated, they shall be indicated at an eye-catching position.

## **TAXATION**

### **Income Tax**

According to the Enterprise Income Tax Law of the PRC, which was promulgated on March 16, 2007, income tax for both domestic and FIEs is at the same rate of 25%, effective from January 1, 2008. The Regulation on the Implementation of Enterprise Income Tax Law of the PRC, was promulgated on 6 December 2007 and became effective from 1 January 2008. Under the EIT Law, enterprises that are established in the PRC or are established in accordance with the laws of a foreign country (region) but with its actual management organ in the PRC shall pay enterprise income tax for their income originating both within and outside the PRC. Non-resident enterprises that have set up institutions or premises in the PRC shall pay enterprise income tax in relation to the income originating from the PRC and obtained by their

institutions or establishments, and the income generated outside the PRC having actual relationship with the institutions or establishments set up by such enterprises. Where non-resident enterprises have not set up institutions or establishments in the PRC, or where they have set up institutions or establishments but there is no actual relationship between their income and such institutions or establishments, non-resident enterprises shall pay enterprise income tax in relation to the income originating from the PRC.

### **Value-added Tax**

Pursuant to the Provisional Regulations on Value-added Tax of the PRC, or Regulations on VAT, last amended on November 10, 2008 and effective from January 1, 2009 and its implementation rules, all entities or individuals in the PRC engaging in the sale of goods, the provision of processing, repairs and replacement services, and the importation of goods are required to pay value-added tax, or VAT. The amount of VAT payable is calculated as “output VAT” minus “input VAT.” The rate of VAT is 13% for those engaging in the sale or importation of goods provided by paragraph (2) and paragraph (3) of Article 2 of the Regulations on VAT, 17% for those engaging in the sale or importation of goods not listed by paragraph (2) and paragraph (3) of Article 2 of the Regulations on VAT, and is 17% for those providing processing, repairs and replacement services.

## **FOREIGN EXCHANGE AND DIVIDEND DISTRIBUTION**

### **Foreign Exchange**

Pursuant to the Regulations on the Administration of Foreign Exchange issued by the State Council, effective from 1996 and amended in January 1997 and August 2008, Renminbi is freely convertible for current account items, such as sale or purchase of goods, which are generally not subject to PRC governmental control or restrictions. Certain organizations in the PRC, including FIEs, may purchase, sell and/or remit foreign currencies at certain banks authorized to conduct foreign exchange business upon providing valid commercial documents. However, for capital account items, such as direct investments, loans, repatriation of investments and investment in securities outside of the PRC, the prior approval of the PRC State Administration of Foreign Exchange, or SAFE, or its local counterparts, is required. Pursuant to the Interim Provisions on the Administration of Foreign Debts jointly promulgated by NDRC, the Ministry of Finance and SAFE on January 8, 2003 and other relevant rules and regulations issued by SAFE, loans by foreign entities or individuals to any FIE to finance its activities cannot exceed the statutory limits of the difference between the registered capital and the investment amount of the FIE as approved by MOFCOM. Such loans must be registered with SAFE or its local counterparts.

On August 29, 2008, SAFE issued the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or Circular 142. Circular 142 requires that the registered capital of an FIE, converted into RMB from foreign currencies, only be utilized for purposes within its business scope. For example, such converted amounts may not be used for investments in or acquisitions of other companies and can inhibit the ability of companies to consummate such transactions. In addition, SAFE strengthened its oversight of the flow and use of the registered capital of FIEs settled in RMB and converted from foreign currencies.

On March 30, 2015, the SAFE promulgated the Circular on Reforming the Management Approach Regarding the Foreign Exchange Capital Settlement of Foreign-invested Enterprises, or Circular 19, which took effect and replaced SAFE Circular 142 from June 1, 2015. Circular 19 introduced the Voluntary settlement of foreign exchange capital of FIEs. Foreign-invested enterprises are allowed to settle their foreign exchange capital on a discretionary basis. A foreign-invested enterprise shall truthfully use its capital for its own operational purposes within its business scope, and may make domestic equity investment

with the settled foreign exchange amount. SAFE conducts the verification and inspection on the foreign-invested enterprises, and may disqualify a foreign-invested enterprise that commits grave or malicious irregularities from discretionary settlement of foreign exchange. FIEs' capital and RMB funds from their settlement shall not be used for the following purposes: (I) directly or indirectly used for payment beyond the business scope or prohibited under the laws and regulations of the State; (II) directly or indirectly used for securities investments, unless otherwise prescribed under the laws and regulations; (III) directly or indirectly used for the extension of RMB entrusted loans (unless permitted by the business scope), repayments of inter-enterprise borrowings (including third-party advances), and repayments of RMB bank loans already refinanced to any third party; (IV) Used for the payment of expenses related to the purchase of real estate not for self-use, except for foreign-invested real estate enterprises.

### **Dividend Distribution**

The principal regulations governing the distribution of dividends by wholly foreign-owned enterprises include:

- the Company Law;
- Wholly Foreign-Owned Enterprise Law;
- Implementation Rules of the Wholly Foreign-Owned Enterprise Law; and
- the EIT Law.

Under these regulations, wholly foreign-owned enterprises in China may pay dividends only out of their accumulated profits, if any, as determined in accordance with PRC accounting standards and regulations. In addition, a wholly foreign-owned enterprise in China is required to set aside at least 10% of its annual after-tax profit, as calculated using PRC accounting standards, to its general reserves until its cumulative total reserve funds reach 50% of its registered capital. The board of directors of a wholly foreign-owned enterprise has the discretion to allocate a portion of its after-tax profits to its employee welfare and bonus funds. These reserve funds, however, may not be distributed as cash dividends. Under the EIT Law, dividends payable by a foreign-invested enterprise in the PRC to its foreign investor who is a non-PRC resident enterprise will be subject to a 10% PRC withholding tax, unless any such foreign investor's jurisdiction of incorporation has a tax treaty with the PRC that provides for a lower PRC income tax rate.

### **ANTI-MONOPOLY LAW**

Pursuant to the Anti-Monopoly Law of the PRC, or the Anti-Monopoly Law, which was promulgated on August 30, 2007 and became effective from August 1, 2008, "dominant market position" shall refer to a position where an operator may manipulate the price, volume and other trade conditions of a commodity on the relevant markets, or may obstruct or otherwise effect the entrance of other operators into the relevant markets. Operators who hold a dominant market position will be prohibited from engaging in such practices which may be classified as an abuse of its market position: (i) selling products at unfairly high or unfairly low prices; (ii) selling products at a price lower than cost without legitimate grounds; (iii) refusing to trade with the other trading party without legitimate grounds; (iv) forcing the other trading party to trade only with said operator or other operators specified by said operator without legitimate grounds; (v) conducting tie-in sales or adding other unreasonable conditions on a deal without legitimate grounds; (vi) discriminating among trading parties of the same qualifications with regards to trade price without legitimate grounds; or (vii) other practices recognized by the anti-monopoly law enforcement authorities as abuse of dominant market

position. Furthermore, where an operator violates the provisions of the Anti-Monopoly Law by abusing its dominant market position, the anti-monopoly law enforcement authorities will order a halt to the offending behavior, confiscate the illegal earnings, and impose a fine of 1 to 10% of the previous year's sales revenue.

## **PRICE LAW**

Pursuant to the Price Law, which was promulgated on December 29, 1997 and became effective from May 1, 1998, the operators must, in determining prices, abide by the principle of fairness, be in conformity with law and conduct their businesses with honesty and credibility. Production and management costs and the market supply and demand situation shall be the fundamental basis for the determination of prices by the operators.

The operators must, in selling and procuring commodities and providing services, display the clearly marked price in accordance with the provisions of the competent government departments of price. The operators are prohibited from charging additional amounts on top of the marked price and shall not collect any fee not indicated. Furthermore, the operators shall not commit acts such as collusion in manipulating market price to the detriment of the lawful rights and interests of other operators or consumers. Any operator who commits any of the unfair pricing acts prescribed in the Price Law risks having its illegal gains confiscated and may have to pay a fine of up to five times the amount of the illegal gain, in addition to being required to make rectification. Where the circumstances are serious, the relevant regulatory authorities may suspend the business operations or revoke the business license of the offending operation. In addition, any operator who causes consumers or other operators to pay higher prices due to its illegal acts should refund the portion overpaid. Where damage has been caused, liability for compensation shall be borne according to law. And any operator who violates the provision requiring clearly marked prices shall be ordered to make a rectification and its illegal gains will be confiscated along with a fine of up to RMB5,000. The Price Law of the PRC also gives the competent government departments the authority to implement intervention measures on the pricing of important commodities and services, on circumstances that the prices of such important commodities and services are, or may be, substantially increased. Upon elimination of the circumstances for the implementation of the intervention measures in pursuance of the Price Law, the intervention measures shall be lifted in time.

## **INTELLECTUAL PROPERTY RIGHTS**

### **Copyright**

According to the Copyright Law of the PRC, or the Copyright Law, which was amended in 2010 and became effective on April 1, 2010, copyrights include personal rights such as the right of publication and attribution as well as property rights such as the right of production and distribution. Reproducing, distributing, performing, projecting, broadcasting or compiling a copyrighted work or communicating the same to the public via an information network without permission from the owner of the copyright, unless otherwise provided in the Copyright Law, shall constitute infringements of copyrights. The infringer shall, according to the circumstances of the case, among other things, undertake to cease the infringement, take remedial action, offer an apology and pay damages to the owner of the copyrights.

### **Trademark**

Pursuant to the Trademark Law of the PRC, or the Trademark Law, which was revised on August 30, 2013 and became effective on May 1, 2014, the right to the exclusive use of a registered trademark shall be limited to trademarks which have been approved for registration and to goods for which the use of a trademark has been approved. The period of validity of a registered trademark shall be ten years, counted from the day the registration is approved. According to the Trademark Law, using a trademark that is identical with or similar to a

registered trademark in connection with the same or similar goods without the authorization of the owner of the registered trademark constitutes an infringement of the exclusive right to use a registered trademark. Where a dispute arises after a party commits any of the acts infringing upon another party's exclusive right to use a registered trademark as enumerated in the Trademark Law, the parties involved shall settle the dispute through consultation. Where the parties refuse to pursue consultation or where consultation has failed, the trademark registrant or any interested party may institute legal proceedings with the People's Court or ask the administrative authorities to handle the matter upon determining that trademark infringement has taken place.

## **Patent**

Pursuant to the Patent Law of the PRC, or the Patent Law, which was revised on December 27, 2008 and became effective on October 1, 2009, the term "invention" refers to any new technical solution relating to a product, process or improvement thereof, and the term "utility model" used refers to any new technical solution relating to the shape, structure, or their combination, of a product, which is fit for practical use. The term "design" refers to any new design of the shape, pattern or their combination and the combination of color and shape or pattern, of a product, which is aesthetically pleasing and is fit for industrial application.

Except where otherwise provided for in the Patent Law, no entity or individual may, without the authorization of the patent owner, exploit the patent, including make, use, offer to sell, sell or import the patented product, or use the patented process, or use, offer to sell, sell or import any product which is a direct result of the use of the patented process, for production or business purposes. After a patent right is granted for a design, no entity or individual shall, without the permission of the patent owner, exploit the patent, that is, for production or business purposes, manufacture, offer to sell, sell, or import any product containing the patented design.

The duration of patent rights for inventions shall be twenty years and the duration of patent rights for utility models and designs shall be ten years, commencing from the date of application. Furthermore, where a dispute arises as a result of the exploitation of a patent without the authorization of the patent owner, it shall be settled through mediation by the parties. Where the parties are not willing to mediate with each other or where the mediation fails, the patent owner or any interested party may institute legal proceedings with the People's Court, or request the administrative authority for patent affairs to handle the matter.

## **ENVIRONMENTAL PROTECTION**

The Environmental Protection Law of the PRC, or the Environmental Protection Law, which was promulgated on December 26, 1989 and came into effect on the same day, and revised on April 24, 2014 and came into effect on January 1, 2015, provides a regulatory framework to protect and improve people's environment and the ecological environment, prevent and control pollution and other public hazards and safeguard human health. The environmental protection department of the State Council is in charge of promulgating the national standards for environment quality and the national standards for the discharge of pollutants. The people's governments of provinces, autonomous regions and municipalities directly under the Central Government may establish their local standards for environment quality and local standards for the discharge of pollutants for items not specified in the national standards.

The Environmental Protection Law requires, enterprises that cause environmental pollution and other public hazards must establish a responsibility system for environmental protection, and must adopt effective environmental protection measures. Installations for the prevention and control of pollution at a construction project must be designed, constructed and put to use

in production simultaneously with the body of the project. Enterprises subject to pollutant discharge permit administration shall discharge pollutants according to the requirements in their pollutant discharge license and shall not discharge pollutants without obtaining the pollutant discharge license.

Enterprises that are in violation of the Environmental Protection Law may be subject to being ordered to make corrections, being imposed a fine or suspension of production or use in accordance with the seriousness of the case. If the said violation constitutes a crime, the concerned party shall be subject to criminal liability according to the law.

Pursuant to the Law on Environmental Impact Evaluation of the PRC promulgated on 28 October 2002 by the Standing Committee of the National People's Congress, and became effective from 1 September 2003, manufacturers must prepare and file an environmental impact report setting forth the impact that the proposed construction project may have on the environment and the measures to prevent or mitigate the impact for approval by the relevant PRC government authority prior to commencement of construction of the relevant project. New facilities built pursuant to this approval are not permitted to operate until the relevant environmental bureau has performed an inspection and is satisfied that the facilities are in compliance with environmental standards.

### **Water Pollution Prevention**

Pursuant to the Water Pollution Prevention Law of the PRC, which was revised on February 28, 2008 and became effective on June 1, 2008, the PRC has adopted a license system for pollutant discharge. Enterprises and institutions that discharge industrial waste water or medical treatment sewage directly or indirectly into a body of water are required to obtain a license for pollutant discharge.

Enterprises, institutions and individually-owned industrial and/or commercial businesses that discharge pollutants directly or indirectly into a body of water shall, pursuant to the regulations of the competent environmental protection authorities under the State Council, report to and register with the competent environmental protection authorities under the local government at or above the county level, stating their existing facilities for discharging and treating pollutants, and the categories, quantities and concentrations of pollutants discharged under their normal operating conditions as well as technical information concerning prevention and control of water pollution. The enterprises, institutions and individually-owned industrial and/or commercial businesses shall report without delay any substantial change in categories, quantities or concentrations of the pollutants discharged. Their facilities for treating water pollutants must be kept in normal operation. Enterprises, institutions and individually-owned industrial and/or commercial businesses that discharge pollutants into a body of water shall build sewage outlets in accordance with relevant laws, administrative regulations and the provisions of competent environmental protection authorities under the State Council. Those that build any sewage outlet in a river or lake shall also abide by the provisions of the competent authorities of water conservancy administration under the State Council.

### **Air Pollution Prevention**

In accordance with the Air Pollution Prevention Law of the PRC, which was revised on April 29, 2000 and became effective on September 1, 2000, the relevant local governments in the area where the total amount of air pollutants discharged is capped shall, in compliance with the requirements and procedures prescribed by the State Council and in line with the principles of openness, fairness and impartiality, check and fix the total amounts of the main air pollutants that may be discharged by enterprises and institutions and issue to them permits for discharge

of such pollutants. The enterprises and institutions that undertake to control their total amounts of discharged air pollutants shall discharge pollutants in conformity with the checked and fixed total amounts of the main air pollutants to be discharged and the requirements discharge prescribed by the permits.

Enterprises that discharge air pollutants shall, pursuant to the regulations laid down by the administrative department for environmental protection under the State Council, report to the local administrative department for environmental protection on the facilities installed for discharging and treating pollutants and the categories, quantities and density of the pollutants discharged under regular operating conditions and submit to the same department the relevant technical data concerning the prevention and control of air pollution. The enterprises that discharge pollutants, as mentioned in the preceding paragraph shall, without delay, report on any substantial change in the categories, quantities or density of the air pollutants discharged. They shall maintain their facilities for treating air pollutants in regular operation; where the said facilities are to be dismantled or left idle, the matter shall be reported to the local administrative department for environmental protection under the PRC government at or above the county level for approval in advance.

### **Environmental Noise Pollution Prevention**

Pursuant to the Environmental Noise Pollution Prevention Law of the PRC, which was revised and became effective on October 29, 1996, the industrial noise emitted to a residential area within an urban area shall be kept within the limits set by the government authorities on emission of environmental noise. Any industrial enterprise that produces environmental noise pollution due to the use of permanent equipment in the course of industrial production must, in accordance with the regulations of the competent administrative department for environmental protection under the State Council, report to the competent administrative department for environmental protection of the local government, at or above the county level, the types and quantity of its equipment that produces environmental noise pollution, the noise level produced under normal operation and the facilities installed for prevention and control of such pollution, and provide technical information relating to the prevention and control of noise pollution. Any industrial enterprise that intends to make a substantial change in the types or quantity of the equipment that produces environmental noise pollution, in the noise level or facilities for prevention and control of such pollution must submit a report without delay and take prevention and control measures as it should. Industrial enterprises that produce environmental noise pollution shall take effective measures to minimize the impact of noise on the living environment of the neighborhood.

### **Solid Waste Pollution Prevention**

Pursuant to the Solid Waste Pollution Prevention Law of the PRC, which was revised and became effective on April 24, 2015, entities discharging industrial solid wastes shall establish and improve the responsibility system for the prevention and control of environmental pollution and adopt measures for the prevention and control of environmental pollution by industrial solid wastes.

The PRC government has instituted a system of declaration and registration for industrial solid wastes. The entities discharging industrial solid wastes shall, in accordance with the regulations enacted by the environmental protection administrative department of the State Council, provide information about the categories, discharging amount, flow direction, storage, treatment and other materials concerning industrial solid wastes to the environmental protection administrative department of the local governments at or above the county level where such entities are located. Any significant modification of the declared matters as prescribed in the preceding paragraph shall be declared in a timely manner. Enterprises and public institutions shall make use of industrial solid wastes produced thereby pursuant to economic and technical conditions; for those industrial solid wastes that will not or cannot be

utilized temporarily, enterprises and public institutions shall, in accordance with the regulations of the environmental protection administrative department of the State Council, build facilities and sites for their safe and classified storage or carry treatment on such industrial solid wastes. The construction of facilities and sites for storing and treating industrial solid wastes shall comply with national standards on environmental protection.

## **LABOR CONTRACT LAW**

Pursuant to the Labor Contract Law of the PRC, or the Labor Contract Law, which was revised on December 28, 2012 and became effective on July 1, 2013, a written labor contract is generally required to establish a labor relationship. In the event that no written labor contract is concluded at the time when a labor relationship is established, such a written contract should be concluded within one month from the date when the employment relationship began. Where the employer fails to conclude a written labor contract with the employee for more than one month, but less than a year from the date such relationship began, it shall pay the employee two times his salary for each month. In addition, if the employer fails to conclude a written labor contract with the employee within one year of the date that it employs the employee, it shall be deemed to have concluded an open-ended contract with the employee.

## **SOCIAL INSURANCE AND HOUSING PROVIDENT FUND**

According to the Social Insurance Law of the PRC, which was promulgated on October 28, 2010 and became effective on July 1, 2011, employees shall participate in basic pension insurance, basic medical insurance and unemployment insurance schemes. Basic pension, medical and unemployment insurance contributions shall be paid by both employers and employees. Employees shall participate in work-related injury and maternity insurance schemes. Work-related injury and maternity insurance contributions shall be paid by employers rather than employees.

Pursuant to the Social Insurance Law of the PRC, if an employer fails to pay work-related injury insurance contributions in accordance with law, it shall pay work-related injury insurance benefits in the case of a work-related injury accident. If the employer fails to make such payment, the benefits shall first be reimbursed by the work-related injury insurance fund. Work-related injury insurance benefits reimbursed by the work-related injury insurance fund shall be repaid by the employer. If the employer fails to make repayment, social insurance agencies may recover such benefits from the employer in accordance with the Social Insurance Law of the PRC.

Furthermore, as to the unemployment insurance, employers shall provide unemployed individuals with certification of the expiration or termination of their employment relations in a timely manner and, within 15 days of such expiration or termination, inform social insurance agencies of the list of the unemployed individuals. Unemployed individuals shall undertake the procedures for unemployment registration with the designated public employment service institutions in a timely manner by producing their former employers' certification of the expiration or termination of employment relations. The period for receiving unemployment insurance benefits shall be calculated from the date of unemployment registration.

An employer shall undertake registration with the local social insurance agency in accordance with the provisions of the Social Insurance Law of the PRC. Moreover, an employer shall declare and make social insurance contributions in full and on time. Except for mandatory exceptions such as force majeure, social insurance may not be paid late, reduced or be exempted. If an employer fails to report the social insurance premium payable in accordance with the relevant regulations, the social insurance agency shall provisionally set the amount payable at 110% of the premium paid in the previous month. Once the employer has retroactively undertaken the reporting procedures, the social insurance agency shall settle the amount in accordance with the relevant regulations. Where an employer fails to make social

insurance contributions in full and on time, the social insurance agency may order rectification within a specified time limit. If the employer fails to rectify within the specified time limit, the social insurance agency may enquire with the relevant bank(s) and other financial institution(s) in which the employer has an account, and may apply with the relevant administrative department above the county level for an administrative order to allocate and transfer the unpaid social insurance contributions and notify the relevant bank or other financial institution in writing to allocate and transfer the unpaid social insurance contributions. Where the balance in the employer's bank account is less than the overdue social insurance contributions, the social insurance agency may request the employer to provide a guarantee and sign a social insurance payment agreement for the delayed payment. If the employer does not make the social insurance contributions within the specified time limit and fail to provide a guarantee with respect to the same, the social insurance agency may request the People's Court to seize the property of the employer (equivalent in value to the unpaid overdue social insurance contributions), and collect the overdue social insurance contributions from the proceeds obtained from the auction of such property.

Regulations on Management of Housing Provident Fund, which was amended and became effective on March 24, 2002, are applicable to enterprises with foreign investment. Enterprises are required to contribute to a housing provident fund for their employees. Enterprises shall register with the relevant housing provident fund management center within 30 days from the date of establishment, and open housing provident fund accounts with the designated bank on behalf of their employees within 20 days from the date of the registration with the verified documents of the housing provident fund management center. When employing new employees, enterprises shall register with the housing provident fund management center within 30 days from the date of the employment of such employees, and open housing provident fund accounts for such employees at the designated bank with the verified documents of the housing provident fund management center. Furthermore, the housing provident funds to be paid and deposited by an employee shall be withheld from his/her salary by the enterprise, and the enterprise itself shall pay and contribute to the housing provident fund on schedule and in full, and may not be overdue in the payment and contribution or underpay the housing provident fund. The payment and contribution rate for housing provident funds (either for the employee or for the enterprise) shall not be less than five percent of the average monthly salary of the relevant employee in the previous year.

## TAXATION

The following summary of certain Cayman Islands, Hong Kong, European Union (“EU”) and PRC tax consequences of the purchase, ownership and disposition of the Notes is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with the consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of the Notes should consult their own tax advisors concerning the application of Cayman Islands, Hong Kong, EU and PRC tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Notes arising under the laws of any other taxing jurisdiction.

### CAYMAN ISLANDS

Payments of interest and principal on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal any holder of the Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of the Notes. An instrument of transfer in respect of a Note is stampable if executed in or brought into the Cayman Islands.

The Company has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has applied for and expects to obtain an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

#### **The Tax Concessions Law 2011 Revision Undertaking as to Tax Concessions**

In accordance with the provision of section 6 of The Tax Concessions Law (2011 Revision), the Governor in Cabinet undertakes with Tingyi (Cayman Islands) Holding Corp. (“the **Company**”).

- 1 That no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- 2 In addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
  - 2.1 On or in respect of the shares, debentures or other obligations of the Company; or
  - 2.2 by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).
- 3 These concessions shall be for a period of twenty years.

## **HONG KONG**

### **Withholding Tax**

No withholding tax in Hong Kong is payable on payments of principal (including any premium payable on redemption of the Notes ) or distributions, including interest in respect of the Notes.

### **Profits Tax**

Hong Kong profits tax is charged on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business.

Consequently, interest received by or accrued to a person (corporations or non-corporations) which is not carrying on a trade, profession or business, would not be subject to Hong Kong profits tax.

Interest derived from a Hong Kong source which is received by or accrued to a corporation carrying on a trade, profession or business in Hong Kong is subject to Hong Kong profits tax, which is at 16.5%. This is the case even if that interest income does not arise from the business carried on in Hong Kong.

On the other hand, interest derived from a Hong Kong source which is received by or accrued to a person other than a corporation and is in respect of the funds of the person's trade, profession or business is deemed to be income subject to Hong Kong profits tax, which for a non-corporation at 15%. It is in respect of the funds of the person's trade, profession or business that matters, whether the trade, profession or business is carried on in Hong Kong or not.

With respect to gain on disposition of the Notes, there is no capital gain tax in Hong Kong. However, to the extent the holder of a tradable debt instrument is a trader of debt securities, any gain on disposition of the debt instrument may be considered to be trading gains. The holder of the tradable debt instrument would be subject to Hong Kong profits tax if the trading gain is arising or derived from the trade, profession or business carried on in Hong Kong by the person, and if the trading gain is arising in or derived from Hong Kong.

### **Stamp Duty**

No Hong Kong stamp duty will be chargeable upon the issue or transfer of the Notes, as long as the register of the holders of the Notes is maintained outside Hong Kong.

## **EU SAVINGS DIRECTIVE**

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "EU Savings Directive"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income made by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State or certain limited types of entity established in that other Member State. However, for a transitional period, Austria may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent.

The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. A number of non-EU countries, and certain dependent and associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by

such a person for, an individual resident in a Member State or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent and associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

On March 24, 2014, the Council of the European Union adopted a directive (the “Amending Directive”) amending and broadening the scope of the requirements of the EU Savings Directive described above. The Amending Directive requires Member States to apply these new requirements from January 1, 2017, and if they were to take effect, the changes would expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Amending Directive would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or be subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

However, on March 18, 2015, the European Commission proposed the repeal of the EU Savings Directive from January 1, 2017 in the case of Austria and from January 1, 2016 in the case of all other Member States (subject to on-going requirements to fulfill administrative obligations such as the reporting and exchange of information relating to, or accounting for withholding taxes on, payments made before those dates and to certain other transitional provisions in the case of Austria). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on administrative cooperation in the field of taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

## **PROPOSED FINANCIAL TRANSACTIONS TAX (“FTT”)**

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

A joint statement issued in May 2014 by ten of the participating Member States indicated an intention to implement the FTT progressively such that the initial stage would be implemented by January 1, 2016 in relation to shares and certain derivatives only.

Following a meeting of the Council of the European Union (the Council) on December 9, 2014, the Presidency of the Council provided an update as to the status of the proposed FTT and noted that further work is required with respect to certain areas.

The FTT proposal, including its scope, remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

## **PRC TAXATION**

Pursuant to the EIT Law, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan) but whose de facto management bodies are within the territory of China shall be PRC tax resident enterprises for the purposes of the EIT Law and shall pay enterprise income tax at the rate of 25% in respect of their income from both within and outside China. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the de facto management bodies of the Issuer is within the territory of the PRC, the Issuer may be deemed a PRC tax resident enterprise for the purposes of the EIT Law and be subject to enterprise income tax at the rate of 25% for its income from both inside and outside the PRC. In addition, payment of interest by such an enterprise to a non-resident enterprise will be subject to a withholding tax of 10% which may be reduced by an applicable tax treaty between China and the non-resident's home country.

On 22 April 2009, the PRC State Administration of Tax ("SAT") issued the circular Guoshuifa [2009] No. 82 regarding Chinese Capital Controlled Foreign Companies (CCCFC) to be recognized as PRC tax resident enterprise according to de facto management bodies (關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知). Specifically, Circular 82 provides certain criteria for determining whether the "de facto management body" of a CCCFC is located in China, as follows:

- (i) the senior management and core management departments in charge of daily operations are located mainly within the PRC;
- (ii) financial and human resources decisions are subject to determination or approval by persons or bodies in the PRC;
- (iii) major assets, accounting books, company seals and minutes and files of board and shareholders' meeting are located or kept within the PRC; and
- (iv) half or more of the enterprise's directors with voting rights or senior management reside within the PRC.

In addition, the SAT issued a bulletin on July 27, 2011, effective September 1, 2011, providing more guidance on the implementation of Circular No. 82. This bulletin clarifies matters including resident status determination, post-determination administration and competent tax authorities. Although Circular 82 and the bulletin explicitly provide that the above standards apply to enterprises which are registered outside the PRC and funded by PRC enterprises or PRC enterprise groups as controlling investors, the determining criteria set forth in Circular 82 and the bulletin may reflect SAT's general position on how the "de facto management body" test should be applied in determining the tax resident status of offshore enterprises, regardless of whether they are controlled by PRC enterprises or PRC enterprise groups or by PRC or foreign individuals.

Meanwhile, we have not, as of the date of this offering memorandum, received notice from or been informed by the PRC tax authorities that we are treated as a PRC tax resident enterprise for the purposes of the EIT Law.

In the opinion of King & Wood Mallesons, our PRC legal advisor, under existing PRC laws, if we are not treated as a PRC tax resident enterprise for the purpose of the EIT Law, non-PRC resident holders of the Notes are not subject to withholding tax, income tax or any other taxes or duties imposed by any PRC government authorities or agencies thereof in respect of (i) any payments, including principal premium, interests or other distributions made on the Notes or (ii) gains from sales of the Notes between non-residents of the PRC consummated outside the PRC, unless such holders are subject to such taxes in respect of the Notes by reason of being connected with the PRC other than the holding of the Notes.

However, there is no assurance that we will not be treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future. Pursuant to the EIT Law, any non-resident enterprise with no business premises in the PRC, or its income has no actual connection to its business premises in the PRC shall pay enterprise income tax at the rate of 10% (which can be reduced by an applicable tax treaty between China and the non-resident's home country) on income derived from within the PRC ("withholding tax on interest" as noted above). Such income tax shall be withheld by the PRC payer acting as the obligatory withholder, who shall withhold the amount of the tax from each payment or payment due. Accordingly, in the event that we are deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, we shall withhold income tax from the payments of interest in respect of the Notes for any non-PRC resident holder of the Notes. However, we have agreed to pay additional amounts to holders of the Notes so that holders of the Notes would receive the scheduled payment in full, as set out in the Terms and Conditions of the Notes.

## SUBSCRIPTION AND SALE

The Issuer has entered into a subscription agreement with Deutsche Bank AG, Singapore Branch (“DB”), Nomura International plc (“Nomura”, and together with DB, the “Managers”) and Mizuho Securities Asia Limited (the “Co-Manager”) dated July 30, 2015 (the “Subscription Agreement”) pursuant to which and subject to certain conditions contained in the Subscription Agreement, the Issuer has agreed to sell to the Managers, and the Managers have agreed to severally, but not jointly, subscribe and pay for the aggregate principal amount of the Notes set forth opposite its name below:

<b>Managers</b>	<b>Principal amount of the Notes to be subscribed</b>
Deutsche Bank AG, Singapore Branch . . . . .	CNY800,000,000
Nomura International plc . . . . .	CNY200,000,000
Total . . . . .	<u>CNY1,000,000,000</u>

The Subscription Agreement provides that the Issuer will indemnify the Managers, the Co-Manager and their affiliates against certain liabilities in connection with the offer and sale of the Notes. The Subscription Agreement provides that the obligations of the Managers (and where applicable, the Co-Manager) are subject to certain conditions precedent and entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Managers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities (“Banking Services or Transactions”). The Managers and their respective affiliates may have, from time to time, performed, and may in the future perform, various Banking Services and/or Transactions with the Issuer for which they have received, or will receive, fees and expenses.

In connection with the offering of the Notes, the Managers and/or their respective affiliates may place orders, receive allocations and purchase Notes for their own account (without a view to distributing such Notes). Such entities may hold or sell such Notes or purchase further Notes for their own account in the secondary market or deal in any other securities of the Issuer, and therefore, they may offer or sell the Notes or other securities otherwise than in connection with the offering. Accordingly, references herein to the Notes being ‘offered’ should be read as including any offering of the Notes to the Managers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so. Furthermore, it is possible that only a limited number of investors may subscribe for a significant proportion of the Notes. If this is the case, liquidity of trading in the Notes may be constrained. See “Risk Factors — Risks Relating to the Notes — An active trading market for the Notes may not develop.” The Issuer and the Managers are under no obligation to disclose the extent of the distribution of the Notes amongst individual investors.

Some of the Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer. The Managers have received, or may in the future receive, customary fees and commissions for these transactions.

In the ordinary course of their various business activities, the Managers and their respective affiliates make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer, including the Notes. Certain of the Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuer, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments.

In connection with the issue of the Notes, any of the Managers acting as Stabilizing Manager (the "Stabilizing Manager") or any person acting on behalf of the Stabilizing Manager may, to the extent permitted by applicable laws and directives, effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail, but in so doing, the Stabilizing Manager or any person acting on behalf of the Stabilizing Manager shall act as principal and not as agent of the Issuer. However, there is no assurance that the Stabilizing Manager or any person acting on behalf of the Stabilizing Manager will undertake stabilisation action. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of the Stabilizing Manager.

## **GENERAL**

The distribution of this offering memorandum or any offering material and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this offering memorandum or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This offering memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized.

No action has been or will be taken in any jurisdiction by the Issuer or the Managers or the Co-Manager that would permit a public offering, or any other offering under circumstances not permitted by applicable law, of the Notes, or possession or distribution of this offering memorandum, any amendment or supplement thereto issued in connection with the proposed resale of the Notes or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this offering memorandum nor any other offering material or advertisements in connection with the Notes may be distributed or published, by the Issuer or the Managers or the Co-Manager in or from any country or jurisdiction, except in circumstances which will result in compliance with all applicable rules and regulations of any such country or jurisdiction and will not impose any obligations on the Issuer, the Managers or the Co-Manager.

Each Manager and the Co-Manager has represented and agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Notes or has in its possession or distributes the offering memorandum (in preliminary, proof or final form) or any such other material, in all cases at its own expense. Neither the Issuer nor the other Managers or the Co-Manager will have any responsibility for, and each Manager and the Co-Manager has represented and agreed that it will obtain any consent, approval or permission required by it

for, the acquisition, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any acquisition, offer, sale or delivery. No Manager or the Co-Manager is authorised to make any representation or use any information in connection with the issue, subscription and sale of the Notes other than as contained in, or which is consistent with, the offering memorandum (in final form) or any amendment or supplement to it.

## **UNITED STATES**

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Notes are being offered and sold in offshore transactions outside the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

## **UNITED KINGDOM**

Each Manager and the Co-Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the “FSMA”)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

## **PEOPLE’S REPUBLIC OF CHINA**

Each Manager and the Co-Manager has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People’s Republic of China.

## **HONG KONG**

Each Manager and the Co-Manager has represented, warranted and agreed that (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if

permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## **SINGAPORE**

Each Manager and the Co-Manager has acknowledged that this offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). Accordingly, each Manager has represented, warranted and agreed that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor (as defined in Section 4A of the SFA), or to a relevant person (as defined in Section 275(2) of the SFA) or (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the SFR.

## **JAPAN**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended, the “Financial Instruments and

Exchange Act”). Accordingly, each Manager and the Co-Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

#### **CAYMAN ISLANDS**

No invitation whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for the Notes unless the Issuer is listed on The Cayman Islands Stock Exchange.

#### **TAIWAN**

Each Manager and the Co-Manager has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in Taiwan, except as permitted by the securities laws of Taiwan.

## GENERAL INFORMATION

1. **Clearing Systems:** The Notes have been accepted for clearance through Euroclear and Clearstream with a Common Code of 126874570. The International Securities Identification Number for the Notes is XS1268745707.
2. **Authorizations:** We have obtained all necessary consents, approvals and authorizations in connection with the issue of the Notes. The issue of the Notes was authorized and approved by resolutions of our board of directors passed on July 17, 2015.
3. **No Material Adverse Change:** Except as disclosed in this offering memorandum, there has been no material adverse change in our financial or trading position or prospects since March 31, 2015, the date of our most recent reviewed consolidated financial statements.
4. **Litigation:** We are not involved in any litigation or arbitration proceedings that are material in the context of the issue of the Notes nor so far as we are aware is any such litigation or arbitration pending or threatened.
5. **Auditor:** The audited consolidated financial statements of our Group as of and for each of the years ended December 31, 2012, 2013 and 2014 included in this offering memorandum have been audited by Mazars, Certified Public Accountant, as stated in their reports included therein. The unaudited consolidated financial statements of the Group as of and for the three months ended March 31, 2014 and 2015 included in this offering memorandum have been reviewed by Mazars, Certified Public Accountant.
6. **Listing of Notes:** Approval in-principle has been obtained for the listing and quotation of the Notes on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this offering memorandum. Admission of the Notes to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of our Company, the Notes or any of our subsidiaries or associated companies. The Notes will be traded on the SGX-ST in a minimum board lot size of not less than S\$200,000 (or its equivalent in other currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, we will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Certificate is exchanged for definitive certificates. In addition, in the event that the Global Certificate is exchanged for definitive certificates, an announcement of such exchange shall be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive certificates, including details of the paying agent in Singapore.

7. **Available Documents:** Copies of our annual reports as of and for the years ended December 31, 2012, 2013 and 2014 and our first quarterly report for the three months ended March 31, 2015, as well as the Trust Deed and the Agency Agreement will be available for inspection from the Issue Date at our specified office at 9F, No. 1688, Wuzhang Road, Minhang District, Shanghai 201103, People's Republic of China and at the specified office of the Principal Agent during normal business hours so long as any of the Notes is outstanding.

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- (1) The unaudited condensed consolidated financial statements set out herein have been reproduced from our 2015 first quarterly report and page references to pages set forth in such quarterly report.
- (2) The audited consolidated financial statements of the Group set out herein have been reproduced from the annual report for the years ended December 31, 2013 and 2014 and page references are references to pages set forth in such annual reports. These annual reports are not incorporated by reference herein and do not form part of this offering memorandum.



# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the Three Months Ended 31 March 2015

		For the three months ended 31 March	
		2015	2014
		(Unaudited)	(Unaudited)
		US\$'000	US\$'000
Note			
	<b>Turnover</b>	2,321,179	2,781,769
	Cost of sales	(1,586,309)	(1,936,669)
	Gross profit	734,870	845,100
	Other revenue and other net income	25,049	32,909
	Distribution costs	(430,935)	(513,902)
	Administrative expenses	(82,360)	(82,100)
	Other operating expenses	(37,703)	(27,674)
	Finance costs	(15,008)	(10,861)
	Share of results of associates and joint ventures	3,697	1,543
	<b>Profit before taxation</b>	197,610	245,015
	Taxation	(63,833)	(72,145)
	<b>Profit for the period</b>	133,777	172,870
	<b>Profit attributable to:</b>		
	Owners of the Company	107,014	128,359
	Non-controlling interests	26,763	44,511
	<b>Profit for the period</b>	133,777	172,870
	<b>Earnings per share</b>		
	Basic	US 1.91 cents	US 2.29 cents
	Diluted	US 1.91 cents	US 2.29 cents





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Three Months Ended 31 March 2015

	For the three months ended 31 March	
	2015	2014
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
<b>Profit for the period</b>	133,777	172,870
<b>Other comprehensive (loss) income</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Exchange differences on consolidation	(1,798)	(116,808)
Fair value changes in available-for-sale financial assets	701	—
<b>Other comprehensive loss for the period</b>	(1,097)	(116,808)
<b>Total comprehensive income for the period</b>	132,680	56,062
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	106,756	42,251
Non-controlling interests	25,924	13,811
	132,680	56,062





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2015

		At 31 March 2015 (Unaudited) US\$'000	At 31 December 2014 (Audited) US\$'000
	<i>Note</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		5,879,576	5,859,905
Prepaid lease payments		742,054	737,387
Intangible assets		27,116	27,305
Interest in associates		33,031	31,973
Interest in joint ventures		76,770	74,153
Available-for-sale financial assets		99,675	79,052
Deferred tax assets		51,759	53,009
		<u>6,909,981</u>	<u>6,862,784</u>
<b>Current assets</b>			
Financial assets at fair value through profit or loss		2,438	2,352
Inventories		383,031	386,958
Trade receivables	9	246,028	238,239
Prepayments and other receivables		517,920	532,621
Pledged bank deposits		9,910	12,203
Bank balances and cash		1,930,703	1,170,900
		<u>3,090,030</u>	<u>2,343,273</u>
<b>Total assets</b>		<u><u>10,000,011</u></u>	<u><u>9,206,057</u></u>





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

		At 31 March 2015 (Unaudited) US\$'000	At 31 December 2014 (Audited) US\$'000
	Note		
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Issued capital	10	28,021	28,019
Share premium		66,072	65,421
Reserves		3,049,073	2,940,117
<b>Total capital and reserves attributable to owners of the Company</b>		<b>3,143,166</b>	<b>3,033,557</b>
<b>Non-controlling interests</b>		<b>1,088,031</b>	<b>1,062,107</b>
<b>Total equity</b>		<b>4,231,197</b>	<b>4,095,664</b>
<b>Non-current liabilities</b>			
Long-term interest-bearing borrowings	11	1,272,978	1,246,720
Employee benefit obligations		29,022	28,702
Deferred tax liabilities		206,636	198,487
		<b>1,508,636</b>	<b>1,473,909</b>
<b>Current liabilities</b>			
Trade payables	12	1,062,142	896,131
Other payables and deposits received		1,132,669	1,233,472
Current portion of interest-bearing borrowings	11	1,338,716	1,382,034
Advance payments from customers		676,262	100,522
Taxation		50,389	24,325
		<b>4,260,178</b>	<b>3,636,484</b>
<b>Total liabilities</b>		<b>5,768,814</b>	<b>5,110,393</b>
<b>Total equity and liabilities</b>		<b>10,000,011</b>	<b>9,206,057</b>
<b>Net current liabilities</b>		<b>(1,170,148)</b>	<b>(1,293,211)</b>
<b>Total asset less current liabilities</b>		<b>5,739,833</b>	<b>5,569,573</b>





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Three Months Ended 31 March 2015

	Attributable to owners of the Company				Non-controlling interests (Unaudited) USD'000	Total Equity (Unaudited) USD'000
	Issued capital (Unaudited) USD'000	Share premium (Unaudited) USD'000	Reserves (Unaudited) USD'000	Total capital and reserves (Unaudited) USD'000		
<b>At 1 January 2014</b>	27,982	53,431	2,798,879	2,880,292	1,046,095	3,926,387
Profit for the period	—	—	128,359	128,359	44,511	172,870
<b>Other comprehensive loss:</b>						
Exchange differences on consolidation	—	—	(86,108)	(86,108)	(30,700)	(116,808)
<b>Total other comprehensive loss</b>	—	—	(86,108)	(86,108)	(30,700)	(116,808)
<b>Total comprehensive income for the period</b>	—	—	42,251	42,251	13,811	56,062
<b>Transactions with owners of the Company:</b>						
<i>Contributions and distribution</i>						
Equity settled share-based transactions	—	—	1,969	1,969	—	1,969
Shares issued under share option scheme	1	160	(42)	119	—	119
<b>Total transactions with owners of the Company</b>	1	160	1,927	2,088	—	2,088
<b>At 31 March 2014</b>	27,983	53,591	2,843,057	2,924,631	1,059,906	3,984,537





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Three Months Ended 31 March 2015

	Attributable to owners of the Company				Non-controlling interests (Unaudited) USD'000	Total Equity (Unaudited) USD'000
	Issued capital (Unaudited) USD'000	Share premium (Unaudited) USD'000	Reserves (Unaudited) USD'000	Total capital and reserves (Unaudited) USD'000		
<b>At 1 January 2015</b>	28,019	65,421	2,940,117	3,033,557	1,062,107	4,095,664
Profit for the period	—	—	107,014	107,014	26,763	133,777
<b>Other comprehensive income (loss):</b>						
Exchange differences on consolidation	—	—	(959)	(959)	(839)	(1,798)
Fair value changes in available-for-sale financial assets	—	—	701	701	—	701
<b>Total other comprehensive income (loss)</b>	—	—	(258)	(258)	(839)	(1,097)
<b>Total comprehensive income for the period</b>	—	—	106,756	106,756	25,924	132,680
<b>Transactions with owners of the Company:</b>						
<i>Contributions and distribution</i>						
Equity settled share-based transactions	—	—	2,316	2,316	—	2,316
Shares issued under share option scheme	2	651	(116)	537	—	537
<b>Total transactions with owners of the Company</b>	2	651	2,200	2,853	—	2,853
<b>At 31 March 2015</b>	28,021	66,072	3,049,073	3,143,166	1,088,031	4,231,197





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2015

	2015 (Unaudited) US\$'000	2014 (Unaudited) US\$'000
<b>OPERATING ACTIVITIES</b>		
Cash generated from operations	1,043,463	931,280
The People's Republic of China ("PRC") enterprise income tax paid	(28,358)	(49,239)
Interest paid	(14,703)	(10,568)
<b>Net cash from operating activities</b>	<b>1,000,402</b>	<b>871,473</b>
<b>INVESTING ACTIVITIES</b>		
Interest received	11,824	17,231
Purchase of available-for-sale financial assets	(19,903)	(4,790)
Purchase of property, plant and equipment	(167,354)	(213,996)
Prepaid lease payments	(50,419)	(15,896)
Net cash inflow on disposal of a subsidiary	—	19,916
Others	102	9,487
<b>Net cash used in investing activities</b>	<b>(225,750)</b>	<b>(188,048)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings	309,415	185,351
Repayments of bank borrowings	(326,522)	(207,005)
Others	537	121
<b>Net cash used in financing activities</b>	<b>(16,570)</b>	<b>(21,533)</b>
<b>Net increase in cash and cash equivalents</b>	<b>758,082</b>	<b>661,892</b>
<b>Cash and cash equivalents at 1 January</b>	<b>1,183,103</b>	<b>1,249,890</b>
Effect on exchange rate changes	(572)	(31,518)
<b>Cash and cash equivalents 31 March</b>	<b>1,940,613</b>	<b>1,880,264</b>
<b>Analysis of the balances of cash and cash equivalents:</b>		
Bank balances and cash	1,930,703	1,868,121
Pledged bank deposits	9,910	12,143
	<b>1,940,613</b>	<b>1,880,264</b>





## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. Basis of preparation and accounting policies

The Directors are responsible for the preparation of the Group's unaudited condensed consolidated first quarterly financial statements. These condensed consolidated first quarterly financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting", issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). These condensed consolidated first quarterly financial statements should be read in conjunction with the 2014 annual financial statements. The accounting policies adopted in preparing the condensed first quarterly financial statements for the three months ended 31 March 2015 are consistent with those in the preparation of the Group's annual financial statements for the year ended 31 December 2014, except for the adoption of the new/revised standard of Hong Kong Financial Reporting Standards ("HKFRS") which are relevant to the Group's operation and are effective for the Group's financial year beginning on 1 January 2015.

Amendments to HKAS 19 (2011)	Defined Benefit Plans – Employee Contributions
Various HKFRSs	Annual Improvements Project – 2010-2012 cycle
Various HKFRSs	Annual Improvements Project – 2011-2013 cycle

The adoption of these amendments to HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current and prior periods.

### 2. Turnover

The Group's turnover represents revenue arising from the sale of goods at invoiced value to customers, net of returns, discounts and Value Added Tax.





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## 3. Segment information

### Segment results

For the Three Months ended 31 March 2015						
	Instant noodles (Unaudited) US\$'000	Beverages (Unaudited) US\$'000	Instant food (Unaudited) US\$'000	Others (Unaudited) US\$'000	Inter-segment elimination (Unaudited) US\$'000	Group (Unaudited) US\$'000
<b>Turnover</b>						
Revenue from external customers	1,000,038	1,260,216	37,493	23,432	—	2,321,179
Inter-segment revenue	19	37	44	31,200	(31,300)	—
Segment revenue	<u>1,000,057</u>	<u>1,260,253</u>	<u>37,537</u>	<u>54,632</u>	<u>(31,300)</u>	<u>2,321,179</u>
<b>Segment results after finance cost</b>	133,899	64,432	(2,628)	(1,678)	21	194,046
Share of results of associates and joint ventures	—	6,114	(2,417)	—	—	3,697
Unallocated expenses, net	—	—	—	(133)	—	(133)
<b>Profit (loss) before taxation</b>	133,899	70,546	(5,045)	(1,811)	21	197,610
Taxation	(39,711)	(24,020)	—	(102)	—	(63,833)
<b>Profit (loss) for the period</b>	<u>94,188</u>	<u>46,526</u>	<u>(5,045)</u>	<u>(1,913)</u>	<u>21</u>	<u>133,777</u>

For the Three Months ended 31 March 2014						
	Instant noodles (Unaudited) US\$'000	Beverages (Unaudited) US\$'000	Instant food (Unaudited) US\$'000	Others (Unaudited) US\$'000	Inter-segment elimination (Unaudited) US\$'000	Group (Unaudited) US\$'000
<b>Turnover</b>						
Revenue from external customers	1,149,795	1,554,294	53,163	24,517	—	2,781,769
Inter-segment revenue	14	67	36	20,700	(20,817)	—
Segment revenue	<u>1,149,809</u>	<u>1,554,361</u>	<u>53,199</u>	<u>45,217</u>	<u>(20,817)</u>	<u>2,781,769</u>
<b>Segment results after finance cost</b>	138,637	115,115	(753)	(7,777)	(385)	244,837
Share of results of associates and joint ventures	—	4,739	(3,196)	—	—	1,543
Unallocated expenses, net	—	—	—	(1,365)	—	(1,365)
<b>Profit (loss) before taxation</b>	138,637	119,854	(3,949)	(9,142)	(385)	245,015
Taxation	(35,575)	(36,322)	169	(417)	—	(72,145)
<b>Profit (loss) for the period</b>	<u>103,062</u>	<u>83,532</u>	<u>(3,780)</u>	<u>(9,559)</u>	<u>(385)</u>	<u>172,870</u>

Segment information is prepared based on the regular internal financial information reported to the Company's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance. The Company's executive directors assess the performance of reportable segments based on the net profit for the year and profit/(loss) before taxation, share of results of associates and joint ventures and unallocated expenses, net.





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## 3. Segment information (continued)

### Segment assets

	At 31 March 2015				Inter-segment elimination (Unaudited) US\$'000	Group (Unaudited) US\$'000
	Instant noodles (Unaudited) US\$'000	Beverages (Unaudited) US\$'000	Instant food (Unaudited) US\$'000	Others (Unaudited) US\$'000		
Segment assets	3,476,509	5,978,572	147,697	1,280,599	(1,095,280)	9,788,097
Interest in associates	—	32,164	867	—	—	33,031
Interest in joint ventures	—	62,942	13,828	—	—	76,770
Unallocated assets						102,113
<b>Total assets</b>						<b>10,000,011</b>
Segment liabilities	978,070	4,017,131	52,364	1,727,648	(1,035,421)	5,739,792
Unallocated liabilities						29,022
<b>Total liabilities</b>						<b>5,768,814</b>

	At 31 December 2014				Inter-segment elimination (Audited) US\$'000	Group (Audited) US\$'000
	Instant noodles (Audited) US\$'000	Beverages (Audited) US\$'000	Instant food (Audited) US\$'000	Others (Audited) US\$'000		
Segment assets	3,446,274	5,227,348	160,291	1,340,036	(1,155,422)	9,018,527
Interest in associates	—	30,646	1,327	—	—	31,973
Interest in joint ventures	—	58,346	15,807	—	—	74,153
Unallocated assets						81,404
<b>Total assets</b>						<b>9,206,057</b>
Segment liabilities	1,041,013	3,311,438	62,817	1,766,568	(1,100,145)	5,081,691
Unallocated liabilities						28,702
<b>Total liabilities</b>						<b>5,110,393</b>

Segment assets include all assets with the exception of interest in associates and joint ventures and unallocated assets which include available-for-sale financial assets and financial assets at fair value through profit or loss. Segment liabilities include all liabilities with the exception of employee benefit obligation.

## 4. Seasonality of operations

Due to the seasonal nature of the beverages segment, higher revenue is usually expected in the second and third quarters. Higher sales during the period from June to August are mainly attributed to the increased demand for packed beverages during the hot season.





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## 5. Profit before taxation

This is stated after charging:

	For the three months ended 31 March	
	2015	2014
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
<b>Finance costs</b>		
Interest on bank and other borrowings wholly repayable within five years	15,008	10,861
<b>Other items</b>		
Depreciation	126,939	123,617
Amortisation	1,991	2,025

## 6. Taxation

	For the three months ended 31 March	
	2015	2014
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
<b>Current tax – the People's Republic of China (the "PRC") Enterprise income tax</b>		
Current period	55,453	64,520
<b>Deferred taxation</b>		
Origination and reversal of temporary differences, net	2,076	(2,233)
Effect of withholding tax on the distributable earnings of the Group's PRC subsidiaries	6,304	9,858
Total tax charge for the period	63,833	72,145

The Cayman Islands levies no tax on the income of the Company and the Group.

Hong Kong Profits Tax has not been provided as the Group's entities had no assessable profit subject to Hong Kong Profits Tax for the three months ended March 2015 and 2014.

The applicable PRC enterprise income tax for the PRC subsidiaries is at the statutory rate of 25% (2014: 25%).

According to the Tax Relief Notice (Cai Shui [2011] no. 58) on the Grand Development of Western Region jointly issued by the Ministry of Finance, the State Administration of Taxation and China Customs, foreign investment enterprises located in the western region of PRC with principal revenue of over 70% generated from the encouraged business activities are entitled to a preferential income tax rate of 15% for 10 years from 1 January 2011 to 31 December 2020. Accordingly, certain subsidiaries located in the Western Region are entitled to a preferential rate of 15% (2014: 15%).

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between PRC and jurisdiction of the foreign investors. For the Group's PRC subsidiaries, associates and joint ventures, the applicable rate is 10%. Deferred tax liability is provided on 50% of post-2007 net earnings of the Group's PRC subsidiaries that are expected to be distributed in the foreseeable future. The remaining 50% of post-2007 net earnings of the Group's PRC subsidiaries that are not expected to be distributed in the foreseeable future would be subject to additional taxation when they are distributed. Undistributed earnings of the Group's PRC associates and joint ventures are not subject to withholding tax as these companies are held by a PRC subsidiary.





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## 7. Earnings per share

### (a) Basic earnings per share

	For the three months ended 31 March	
	2015	2014
	(Unaudited)	(Unaudited)
Profit attributable to ordinary shareholders (US\$'000)	107,014	128,359
Weighted average number of ordinary shares ('000)	5,604,009	5,596,406
Basic earnings per share (US cents)	1.91	2.29

### (b) Diluted earnings per share

	For the three months ended 31 March	
	2015	2014
	(Unaudited)	(Unaudited)
Profit attributable to ordinary shareholders (US\$'000)	107,014	128,359
Weighted average number of ordinary shares (diluted) ('000)		
Weighted average number of ordinary shares	5,604,009	5,596,406
Effect of the Company's share option scheme	9,275	18,055
Weighted average number of ordinary shares for the purpose of calculated diluted earnings per share	5,613,284	5,614,461
Diluted earnings per share (US cents)	1.91	2.29

## 8. Dividend

The Board of Directors does not recommend the payment of an interim dividend for the three months ended 31 March 2015 (2014: nil).

## 9. Trade receivables

The majority of the Group's sales is cash-on-delivery. The remaining balances of sales are mainly at credit terms ranging from 30 to 90 days. The aging analysis of the trade receivables (net of impairment losses for bad and doubtful debts) based on invoice date, at the end of the reporting period is as follows:

	At 31 March 2015	At 31 December 2014
	(Unaudited)	(Audited)
	US\$'000	US\$'000
0 - 90 days	228,988	216,763
Over 90 days	17,040	21,476
	246,028	238,239





## 10. Issued capital

	At 31 March 2015 (Unaudited)		At 31 December 2014 (Audited)	
	No. of shares	US\$'000	No. of shares	US\$'000
Authorised:				
Ordinary shares of US\$0.005 each	7,000,000,000	35,000	7,000,000,000	35,000
Issued and fully paid:				
At the beginning of the period/year	5,603,759,360	28,019	5,596,405,360	27,982
Shares issued under share option scheme	320,000	2	7,354,000	37
At the end of the reporting period	5,604,079,360	28,021	5,603,759,360	28,019

During the reporting period, 320,000 options were exercised to subscribe for 320,000 ordinary shares of the Company at a consideration of US\$537,000 of which US\$2,000 was credited to share capital and the balance of US\$535,000 was credited to the share premium account. US\$116,000 has been transferred from the share-based payment reserve to the share premium account.

## 11. Interest-bearing borrowings

	At 31 March 2015 (Unaudited) US\$'000	At 31 December 2014 (Audited) US\$'000
The maturity of the interest bearing borrowings:		
Within one year	1,338,716	1,382,034
In the second year	250,330	276,621
In the third year to the fifth years, inclusive	1,022,648	970,099
	2,611,694	2,628,754
Portion classified as current liabilities	(1,338,716)	(1,382,034)
Non-current portion	1,272,978	1,246,720

The interest-bearing borrowings consist of unsecured bank loans that are not pledged and notes issued by the Company on 20 June 2012 (the "Notes"). The carrying value of the Notes at the end of the reporting period is US\$496,809,000 (2014: US\$496,504,000) and is included in the interest-bearing borrowings with maturity in the third to fifth years. The Notes are listed on the Singapore Exchange Securities Trading Limited. The fair value of the Notes as at 31 March 2015 was US\$519,250,000 (2014: US\$516,950,000), which was based on the quoted market price.

During the three months ended 31 March 2015, the Group obtained bank loans in the amount of US\$309,415,000 (2014: US\$185,351,000) which were used for the acquisition of properties for the Group's Shanghai operation center and production facilities and working capital, and recognised amortised interest of the Notes of US\$305,000 (2014: US\$292,000). Repayments of bank loans amounting to US\$326,522,000 (2014: US\$207,005,000) were made in line with previously disclosed repayment term.

## 12. Trade payables

The aging analysis of trade payables based on invoice date at the end of the reporting period is as follows:

	At 31 March 2015 (Unaudited) US\$'000	At 31 December 2014 (Audited) US\$'000
0 - 90 days	1,020,392	863,205
Over 90 days	41,750	32,926
	1,062,142	896,131





**13. Fair Value Measurements**

**(a) Financial assets and liabilities carried at fair value**

The following table presents the assets and liabilities measured at fair value or required to disclose their fair value in these condensed consolidated financial statements on a recurring basis at 31 March 2015 across the three levels of the fair value hierarchy defined in HKFRS 13, *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to the entire measurement. The levels are defined as follows:

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

	At 31 March 2015 (Unaudited)				At 31 December 2014 (Audited)			
	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
<b>Assets</b>								
<i>Available-for-sale</i>								
– Investment funds	—	25,398	55,589	80,987	—	24,956	50,708	75,664
– Unlisted equity securities	—	—	15,300	15,300	—	—	—	—
<i>Financial assets at fair value through profit or loss</i>								
– Listed equity securities	2,438	—	—	2,438	2,352	—	—	2,352
	<u>2,438</u>	<u>25,398</u>	<u>70,889</u>	<u>98,725</u>	<u>2,352</u>	<u>24,956</u>	<u>50,708</u>	<u>78,016</u>
<b>Liabilities</b>								
<i>Other payables and deposits received</i>								
– Derivative financial instruments	—	—	314	314	—	—	314	314
	<u>—</u>	<u>—</u>	<u>314</u>	<u>314</u>	<u>—</u>	<u>—</u>	<u>314</u>	<u>314</u>

During the three months ended 31 March 2015 and 2014, there was no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy are shown as follows:

	31 March 2015 (Unaudited)			31 March 2014 (Unaudited)		
	Investment Funds US\$'000	Unlisted equity securities US\$'000	Derivative financial instruments US\$'000	Investment Funds US\$'000	Unlisted equity securities US\$'000	Derivative financial instruments US\$'000
At beginning of the period	50,708	—	(314)	21,275	—	(6,893)
Purchases	4,603	15,300	—	4,790	—	—
Total gains or (losses) recognised:						
– in profit or loss	—	—	—	—	—	—
– in other comprehensive income	278	—	—	—	—	—
<b>At the end of the reporting period</b>	<u>55,589</u>	<u>15,300</u>	<u>(314)</u>	<u>26,065</u>	<u>—</u>	<u>(6,893)</u>





## 13. Fair Value Measurements (continued)

### (a) Financial assets and liabilities carried at fair value (continued)

	Period ended 31 March 2015 (Unaudited)			Year ended 31 March 2014 (Unaudited)		
	Investment	Unlisted	Derivative	Investment	Unlisted	Derivative
	Funds	equity	financial	Funds	equity	financial
	US\$'000	securities	instruments	US\$'000	securities	instruments
Change in unrealised gain or (losses) for the period included in profit or loss for assets and liabilities held at the end of the reporting period	-	-	-	-	-	-

### Valuation techniques and significant inputs used in Level 2 and Level 3 fair value measurement

#### (i) Available-for-sale: Investment funds

The fair value of an investment fund in Level 2 is valued based on the net asset value of each trust unit quoted by the trust administrator based on quoted prices of underlying investments i.e. listed equity and debt securities in an active market without adjustments.

The fair value of one of the investment funds in Level 3 is based on the net asset value of the investment fund reported to the investors by the investment manager as of the end of the reporting period. For the remaining investment funds in Level 3, their fair values are based on the fair values of the companies invested by the funds. All of the investment funds in Level 3 included both listed investments and unlisted investments. The fair value of listed investments are reference to quoted market price, while the fair value of unlisted investments which are valued by the respective investment managers are estimated by valuation techniques, mainly including using Price/earning ratio (P/E) multiple model and discounted cash flows model. In determining the fair value of unlisted investments, it include assumptions that are not supported by observable market prices or rates, including the expected annual growth rates, average P/E multiples of comparable companies and discount rates.

#### (ii) Available-for-sale: Unlisted equity securities

The fair value of the unlisted equity securities in Level 3 newly invested in current period are determined by the investment managers by using Price/sales (P/S) multiple model. In determining the fair value of the unlisted equity securities, it includes assumptions that are not supported by observable market prices or rates, including expected annual growth rates and average P/S multiples of comparable companies.

#### (iii) Other payables and deposits received: Derivative financial instruments

The derivative financial instruments are measured at fair value estimated based on Monte Carlo Simulation Model. The unobservable inputs used for the valuation of the Derivative financial instruments include fair value of the underlying assets, exercising price, time to maturity, US\$ risk free rate, volatility of the underlying asset's price in HK\$ and dividend yield.

There was no change in valuation techniques during the reporting period. The assumptions of the unobservable inputs used in Level 3 fair value measurement at the end of the reporting period were not significant different with those used in the Group's annual financial statements for the year ended 31 December 2014.

### Sensitivity to changes in significant unobservable inputs

In the opinion of the directors, the impact of changes in significant unobservable inputs on the Level 3 fair value measurement and the Group's profit and other comprehensive income for the period were not significant different with those in the Group's annual financial statements for the year ended 31 December 2014, as there was no significant change in the reasonably possible range of significant unobservable inputs for Level 3 fair value measurements as at 31 March 2015 comparing to 31 December 2014.





## 13. Fair Value Measurements *(continued)*

### (a) Financial assets and liabilities carried at fair value *(continued)*

#### Valuation processes used in Level 3 fair value measurement

In estimating the fair value of an asset or a liability within Level 3 of the fair value hierarchy, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group obtains the valuations provided by the respective investment managers or trust administrator for the investment funds and unlisted equity securities. For the derivative financial instrument, the Group engages independent qualified professional valuer to perform the valuation.

The Group's finance department includes a team that reviews the valuations performed by the investment managers or trust administrator of the investment funds and unlisted equity securities and the independent valuer for financial reporting purposes. The team reports directly to the senior management. Discussions of valuation processes and results are held between the management, investment managers or trust administrator of the investment funds and unlisted equity securities and independent valuer at least once every year. At each financial year end, the finance department works closely with the investment managers or trust administrator of the investment funds and independent valuer to establish the appropriate valuation techniques and inputs to the valuation models, verifies all major unobservable inputs in the valuations, assesses valuations movements when compared to the prior year valuation report and holds discussions with the investment managers or trust administrator of the investment funds and unlisted equity securities and independent valuer. At the end of the reporting period, the finance department assessed fair values of an asset or a liability within Level 3 of the fair value hierarchy based on the valuations performed by investment managers or trust administrator and an independent valuer at preceding financial year end taking into account of any significant changes in the assumptions of the unobservable inputs used in fair value measurements during the reporting period.

### (b) Fair values of financial assets and liabilities carried at other than fair value

In the opinion of the directors, except for the Notes as described in the note 11 to the condensed consolidated financial statements, no other financial assets and liabilities of the Group are carried at amount materially different from their fair values as at 31 March 2015 and 31 December 2014.

## 14. Commitments

	At 31 March 2015 (Unaudited) US\$'000	At 31 December 2014 (Audited) US\$'000
(a) Capital expenditure commitments		
Contracted but not provided for		
Expenditures on property, plant and equipment	221,625	280,056
Investment funds	27,894	28,026
	<u>249,519</u>	<u>308,082</u>
(b) Commitments under operating leases		
At the end of reporting period, the Group had total future minimum lease payments under non-cancellable operating leases for premises, which are payable as follows:		
Within one year	46,067	47,235
In the second to fifth years, inclusive	75,813	75,865
After five years	39,980	42,214
	<u>161,860</u>	<u>165,314</u>





# TINGYI (CAYMAN ISLANDS) HOLDING CORP.

## 15. Related party transactions

In addition to the transactions disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions in the ordinary course of the Group's business.

		For the three months ended 31 March	
		2015	2014
		(Unaudited)	(Unaudited)
		US\$'000	US\$'000
(a)	<b>Sales of goods to:</b>		
	Companies controlled by a substantial shareholder of the Company	5,396	5,827
	Associate	4,842	4,903
	Joint ventures	8,575	7,987
(b)	<b>Purchases of goods from:</b>		
	A group of companies jointly controlled by the Company's directors and their dependent	86,071	116,164
	Companies jointly controlled by the Company's directors	27,486	19,759
	Joint ventures	1,444	431

## 16. Approval of first quarterly financial statements

The first quarterly financial statements of 2015 were approved by the board of directors on 26 May 2015.



# 獨立核數師報告

## Independent Auditor's Report



### MAZARS CPA LIMITED

瑪澤會計師事務所有限公司  
42nd Floor, Central Plaza,  
18 Harbour Road, Wan Chai, Hong Kong  
香港灣仔港灣道18號中環廣場42樓

致康師傅控股有限公司  
(於開曼群島註冊成立的有限公司)

#### 全體股東

本核數師已審核列載於第81頁至229頁之康師傅控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之財務報表，此財務報表包括於2014年12月31日之綜合及公司財務狀況表，截至該日止年度之綜合收益表，綜合全面收益表，綜合股東權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

#### 董事編製財務報表之責任

貴公司董事須負責遵照香港會計師公會頒佈之《香港財務報告準則》及香港《公司條例》之披露規定編製具反映真實兼公平觀點之財務報表，並落實其認為編製財務報表所必要的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

#### 核數師之責任

本核數師之責任是根據我們之審核對該等財務報表作出意見，並將此意見僅向整體股東報告，而不作其他用途。我們不就此報告之內容，對任何其他人士負責或承擔法律責任。我們的審核工作已根據香港會計師公會頒佈之《香港審計準則》進行。該等準則要求我們遵守道德規範，並策劃及進行審核工作，就該等財務報表是否不存在重大錯誤陳述，作出合理之確定。

To the shareholders of

#### Tingyi (Cayman Islands) Holding Corp.

(incorporated in the Cayman Islands with limited liability)

We have audited the financial statements of Tingyi (Cayman Islands) Holding Corp. (the "Company") and its subsidiaries (together the "Group") set out on pages 81 to 229, which comprise the consolidated and the Company's statements of financial position as at 31 December 2014, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of the 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 ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the 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 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 HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

審核包括進行程序以獲取有關該等財務報表所載金額及披露資料之憑證。所選定之程序取決於我們之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在作出該等風險評估時，我們考慮與貴集團編製及真實而公平地反映相關之內部監控，以設計適當之審核程序，但並非旨在就貴集團之內部監控之效能發表意見。審核亦包括評估董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及就財務報表之整體列報方式作出評估。

我們相信，我們所獲得之審核憑證能充足及適當地為我們的審計意見提供基礎。

### 意見

我們認為，該等財務報表已根據《香港財務報告準則》真實兼公平地反映貴公司及貴集團於2014年12月31日之財務狀況及截至該日止年度其溢利及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

瑪澤會計師事務所有限公司

執業會計師

香港2015年3月23日

陳志明

執業牌照號碼：P05132

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 the 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 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 financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Mazars CPA Limited

Certified Public Accountants

Hong Kong, 23 March 2015

Chan Chi Ming Andy

Practising Certificate number: P05132

# 綜合收益表

## Consolidated Income Statement

截至2014年12月31日止年度  
Year ended 31 December 2014

		附註 Note	2014 千美元 US\$'000	2013 千美元 US\$'000
營業額	Turnover	6	10,237,982	10,940,996
銷售成本	Cost of sales		(7,119,944)	(7,630,997)
毛利	Gross profit		3,118,038	3,309,999
其他收益及其他淨收入	Other revenue and other net income	8	209,401	215,685
分銷成本	Distribution costs		(2,138,598)	(2,312,603)
行政費用	Administrative expenses		(299,549)	(350,868)
其他經營費用	Other operating expenses		(155,841)	(117,921)
財務費用	Finance costs	9	(47,151)	(37,351)
應佔聯營及合營公司業績	Share of results of associates and joint ventures		7,269	16,049
除稅前溢利	Profit before taxation	9	693,569	722,990
稅項	Taxation	11	(208,820)	(228,679)
本年度溢利	Profit for the year		484,749	494,311
應佔溢利：	Profit attributable to:			
本公司股東	Owners of the Company		400,482	408,544
少數權益股東	Non-controlling interests		84,267	85,767
本年度溢利	Profit for the year		484,749	494,311
每股溢利	Earnings per share	14		
基本	Basic		US7.15 cents	US7.30 cents
攤薄	Diluted		US7.13 cents	US7.28 cents

# 綜合全面收益表

## Consolidated Statement of Comprehensive Income

截至2014年12月31日止年度

Year ended 31 December 2014

		2014 千美元 US\$'000	2013 千美元 US\$'000
本年度溢利	<b>Profit for the year</b>	<b>484,749</b>	494,311
其他全面(虧損)收益：	<b>Other comprehensive (loss) income:</b>		
不會重分類至 損益賬中的項目	<i>Items that will not be reclassified subsequently to profit or loss:</i>		
界定福利責任之重估值	Remeasurement of defined benefit obligations	<b>2,349</b>	850
已經或其後可被重分類至 損益賬中的項目	<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
匯兌差額	Exchange differences on consolidation	<b>(101,998)</b>	134,154
可供出售金融資產公 允值之變動	Fair value changes in available- for-sale financial assets	<b>11,040</b>	12,780
於期內出售可供 出售金融資產 之重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	(14,397)
		<b>(90,958)</b>	132,537
本年度其他全面(虧損)收益	<b>Other comprehensive (loss) income for the year</b>	<b>(88,609)</b>	133,387
本年度全面收益總額	<b>Total comprehensive income for the year</b>	<b>396,140</b>	627,698
應佔全面收益：	<b>Total comprehensive income attributable to:</b>		
本公司股東	Owners of the Company	<b>336,629</b>	500,127
少數權益股東	Non-controlling interests	<b>59,511</b>	127,571
		<b>396,140</b>	627,698

# 綜合財務狀況表

## Consolidated Statement of Financial Position

於2014年12月31日

At 31 December 2014

			At 31 December 2014 千美元 US\$'000	At 31 December 2013 千美元 US\$'000
附註 Note				
<b>資產</b>	<b>ASSETS</b>			
<b>非流動資產</b>	<b>Non-current assets</b>			
物業、機器及設備	Property, plant and equipment	15	5,859,905	5,485,100
土地租約溢價	Prepaid lease payments	16	737,387	318,961
無形資產	Intangible asset	17	27,305	28,058
聯營公司權益	Interest in associates	19	31,973	29,050
合營公司權益	Interest in joint ventures	20	74,153	80,276
可供出售金融資產	Available-for-sale financial assets	21	79,052	24,683
遞延稅項資產	Deferred tax assets	34	53,009	48,105
			6,862,784	6,014,233
<b>流動資產</b>	<b>Current assets</b>			
按公允價值列賬及 在損益賬處理 的金融資產	Financial assets at fair value through profit or loss	22	2,352	4,952
存貨	Inventories	23	386,958	480,862
應收賬款	Trade receivables	24	238,239	260,427
預付款項及其他 應收款項	Prepayments and other receivables	25	532,621	413,957
抵押銀行存款	Pledged bank deposits	27	12,203	15,491
銀行結餘及現金	Bank balances and cash	27	1,170,900	1,234,399
			2,343,273	2,410,088
<b>總資產</b>	<b>Total assets</b>		9,206,057	8,424,321

於2014年12月31日  
At 31 December 2014

			At 31 December 2014 千美元 US\$'000	At 31 December 2013 千美元 US\$'000
	附註 Note			
<b>股東權益及負債</b>		<b>EQUITY AND LIABILITIES</b>		
<b>股本及儲備</b>		<b>Capital and reserves</b>		
發行股本	28	Issued capital	28,019	27,982
股份溢價	29	Share premium	65,421	53,431
儲備	30	Reserves	2,940,117	2,798,879
<b>本公司股東 應佔股本及儲備總額</b>		<b>Total capital and reserves attributable to owners of the Company</b>	<b>3,033,557</b>	2,880,292
<b>少數股東權益</b>		<b>Non-controlling interests</b>	<b>1,062,107</b>	1,046,095
<b>股東權益總額</b>		<b>Total equity</b>	<b>4,095,664</b>	3,926,387
<b>非流動負債</b>		<b>Non-current liabilities</b>		
長期有息借貸	32	Long-term interest-bearing borrowings	1,246,720	659,643
其他非流動負債		Other non-current liabilities	—	262
員工福利責任	33	Employee benefit obligations	28,702	28,186
遞延稅項負債	34	Deferred tax liabilities	198,487	184,389
			<b>1,473,909</b>	872,480

於2014年12月31日  
At 31 December 2014

			At 31 December 2014 千美元 US\$'000	At 31 December 2013 千美元 US\$'000
	附註 Note			
<b>流動負債</b>		<b>Current liabilities</b>		
應付賬款	35	Trade payables	896,131	1,251,710
其他應付款項及已收押金	36	Other payables and deposits received	1,233,472	1,192,428
有息借貸之 即期部份	32	Current portion of interest- bearing borrowings	1,382,034	1,016,636
客戶預付款項		Advance payments from customers	100,522	108,354
稅項		Taxation	24,325	56,326
			<b>3,636,484</b>	<b>3,625,454</b>
<b>總負債</b>		<b>Total liabilities</b>	<b>5,110,393</b>	<b>4,497,934</b>
<b>股東權益及負債</b>		<b>Total equity and liabilities</b>	<b>9,206,057</b>	<b>8,424,321</b>
<b>淨流動負債</b>		<b>Net current liabilities</b>	<b>(1,293,211)</b>	<b>(1,215,366)</b>
<b>總資產減流動負債</b>		<b>Total assets less current liabilities</b>	<b>5,569,573</b>	<b>4,798,867</b>

於2015年3月23日經董事會批准及授權  
簽發

Approved and authorised for issue by the Board of Directors on 23  
March 2015

魏應州 Wei Ing-Chou  
董事 Director

井田純一郎 Junichiro Ida  
董事 Director

# 財務狀況表

## Statement of Financial Position

於 2014 年 12 月 31 日

At 31 December 2014

			At 31 December 2014 千美元 US\$'000	At 31 December 2013 千美元 US\$'000
	附註 Note			
<b>資產</b>		<b>ASSETS</b>		
<b>非流動資產</b>		<b>Non-current assets</b>		
物業、機器及設備	15	Property, plant and equipment	101	128
附屬公司權益	18	Interest in subsidiaries	1,189,293	928,464
可供出售金融資產	21	Available-for-sale financial assets	53,506	24,073
			<b>1,242,900</b>	<b>952,665</b>
<b>流動資產</b>		<b>Current assets</b>		
按公允價值列賬 及在損益賬處理 的金融資產	22	Financial assets at fair value through profit or loss	2,352	4,952
預付款項及其他 應收款項	25	Prepayments and other receivables	371	379
應收附屬公司款項	26	Amount due from a subsidiary	310,000	310,000
銀行結餘及現金		Bank balances and cash	54,298	13,641
			<b>367,021</b>	<b>328,972</b>
<b>總資產</b>		<b>Total assets</b>	<b>1,609,921</b>	<b>1,281,637</b>
<b>股東權益及負債</b>		<b>EQUITY AND LIABILITIES</b>		
<b>股本及儲備</b>		<b>Capital and reserves</b>		
發行股本	28	Issued capital	28,019	27,982
股本溢價	29	Share premium	65,421	53,431
儲備	30	Reserves	251,689	243,988
<b>股東權益總額</b>		<b>Total equity</b>	<b>345,129</b>	<b>325,401</b>

於2014年12月31日  
At 31 December 2014

		附註 Note	At 31 December 2014 千美元 US\$'000	At 31 December 2013 千美元 US\$'000
<b>非流動負債</b>	<b>Non-current liabilities</b>			
長期有息借貸	Long-term interest-bearing borrowings	32	876,504	495,172
員工福利責任	Employee benefit obligations	33	15,045	14,708
			<b>891,549</b>	509,880
<b>流動負債</b>	<b>Current liabilities</b>			
應付賬款	Trade payables	35	520	841
其他應付款項	Other payables	36	11,763	15,515
有息借貸之即期部份	Current portion of interest-bearing borrowings	32	360,960	430,000
			<b>373,243</b>	446,356
<b>總負債</b>	<b>Total liabilities</b>		<b>1,264,792</b>	956,236
<b>股東權益及負債</b>	<b>Total equity and liabilities</b>		<b>1,609,921</b>	1,281,637
<b>淨流動負債</b>	<b>Net current liabilities</b>		<b>(6,222)</b>	(117,384)
<b>總資產減流動負債</b>	<b>Total assets less current liabilities</b>		<b>1,236,678</b>	835,281

於2015年3月23日經董事會批准及授權  
簽發

Approved and authorised for issue by the Board of Directors on 23  
March 2015

魏應州 Wei Ing-Chou  
董事 Director

井田純一郎 Junichiro Ida  
董事 Director

# 綜合股東權益變動表

## Consolidated Statement of Changes in Equity

截至2014年12月31日止年度

Year ended 31 December 2014

		本公司股東權益 Attributable to owners of the Company				少數 股東權益	股東 權益總額
		發行股本 Issued capital 千美元 US\$'000	股份溢價 Share premium 千美元 US\$'000	儲備 Reserves 千美元 US\$'000	股本及儲備 Total capital and reserves 千美元 US\$'000	Non- controlling interests 千美元 US\$'000	Total equity 千美元 US\$'000
於2013年1月1日	At 1 January 2013	27,964	66,656	2,449,530	2,544,150	945,035	3,489,185
本年度溢利	Profit for the year	—	—	408,544	408,544	85,767	494,311
其他全面收益(虧損)	Other comprehensive income (loss)						
界定福利責任之重估值	Remeasurement of defined benefit obligation	—	—	450	450	400	850
匯兌差額	Exchange differences on consolidation	—	—	92,750	92,750	41,404	134,154
可供出售金融資產公允值之變動	Fair value changes in available- for-sale financial assets	—	—	12,780	12,780	—	12,780
於期內出售可供出售 金融資產之重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	—	(14,397)	(14,397)	—	(14,397)
其他全面收益總額	Total other comprehensive income	—	—	91,583	91,583	41,804	133,387
本年度全面收益總額	Total comprehensive income for the year	—	—	500,127	500,127	127,571	627,698

綜合股東權益變動表 Consolidated Statement of Changes in Equity

截至2014年12月31日止年度  
Year ended 31 December 2014

		本公司股東權益 Attributable to owners of the Company				少數 股東權益	股東 權益總額
		發行股本 Issued capital 千美元 US\$'000	股份溢價 Share premium 千美元 US\$'000	儲備 Reserves 千美元 US\$'000	股本及儲備 Total capital and reserves 千美元 US\$'000	Non- controlling interests 千美元 US\$'000	Total equity 千美元 US\$'000
與本公司股東之交易	Transactions with owners of the Company:						
投資與分配	Contributions and distribution						
權益結算股份支付之款項	Equity settled share-based transactions	—	—	11,930	11,930	—	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	18	5,607	(1,417)	4,208	—	4,208
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	(18,832)	(161,291)	(180,123)	(26,511)	(206,634)
與本公司股東之交易總額	Total transactions with owners of the Company	18	(13,225)	(150,778)	(163,985)	(26,511)	(190,496)
於2013年12月31日	At 31 December 2013	27,982	53,431	2,798,879	2,880,292	1,046,095	3,926,387

綜合股東權益變動表 Consolidated Statement of Changes in Equity

截至2014年12月31日止年度

Year ended 31 December 2014

		本公司股東權益 Attributable to owners of the Company				少數 股東權益 Non- controlling interests	股東 權益總額 Total equity
		發行股本 Issued Capital 千美元 US\$'000	股份溢價 Share premium 千美元 US\$'000	儲備 Reserves 千美元 US\$'000	股本及儲備 Total capital and reserves 千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
於2014年1月1日	At 1 January 2014	27,982	53,431	2,798,879	2,880,292	1,046,095	3,926,387
本年度溢利	Profit for the year	—	—	400,482	400,482	84,267	484,749
其他全面(虧損)收益	Other comprehensive (loss) income						
界定福利責任之重估值	Remeasurement of defined benefit obligation	—	—	1,584	1,584	765	2,349
匯兌差額	Exchange differences on consolidation	—	—	(76,477)	(76,477)	(25,521)	(101,998)
可供出售金融資產公允值之變動	Fair value changes in available- for-sale financial assets	—	—	11,040	11,040	—	11,040
其他全面虧損總額	Total other comprehensive loss	—	—	(63,853)	(63,853)	(24,756)	(88,609)
本年度全面收益總額	Total comprehensive income for the year	—	—	336,629	336,629	59,511	396,140
與本公司股東之交易	Transactions with owners of the Company:						
投資與分配	Contributions and distribution						
權益結算股份支付之款項	Equity settled share-based transactions	—	—	11,837	11,837	—	11,837
根據購股權計劃發行之股份	Shares issued under share option scheme	37	11,990	(2,904)	9,123	—	9,123
已批准及派發2013年末期股息	2013 final dividend approved and paid	—	—	(204,324)	(204,324)	(43,499)	(247,823)
與本公司股東之交易總額	Total transactions with owners of the Company	37	11,990	(195,391)	(183,364)	(43,499)	(226,863)
於2014年12月31日	At 31 December 2014	28,019	65,421	2,940,117	3,033,557	1,062,107	4,095,664

# 綜合現金流量表

## Consolidated Statement of Cash Flows

截至2014年12月31日止年度  
Year ended 31 December 2014

		附註 Note	2014 千美元 US\$'000	2013 千美元 US\$'000 (經重列) (restated)
<b>經營活動</b>	<b>OPERATING ACTIVITIES</b>			
經營業務所得現金	Cash generated from operations	37	760,265	1,477,249
已繳中國企業所得稅	The People's Republic of China ("PRC") enterprise income tax paid		(230,376)	(224,303)
已繳利息	Interest paid		(46,974)	(38,509)
<b>經營活動所得現金淨額</b>	<b>Net cash from operating activities</b>		<b>482,915</b>	<b>1,214,437</b>
<b>投資活動</b>	<b>INVESTING ACTIVITIES</b>			
已收利息	Interest received		54,867	51,527
已收合營公司股利	Dividend received from a joint venture		12,068	8,596
已收可供出售金融資產股利	Dividend received from available-for-sale financial assets		—	747
出售可供出售 金融資產之所得	Proceeds from disposal of available- for-sale financial assets		—	46,120
出售按公允價值列賬及 在損益賬處理的 金融資產之所得	Proceeds from disposal of financial assets at fair value through profit or loss		4,625	21,936
購入按公允價值列賬及在 損益賬處理的金融資產	Purchase of financial assets at fair value through profit or loss		(1,950)	(25,545)
購入可供出售金融資產	Purchase of available- for-sale financial assets		(43,349)	(2,992)
購入物業、機器及設備	Purchase of property, plant and equipment		(970,995)	(852,041)
已付土地租約溢價	Prepaid lease payments		(335,168)	(41,841)
出售物業、機器及 設備之所得	Proceeds from sale of property, plant and equipment		15,721	17,825
出售一間附屬公司 所得現金淨額	Net cash inflow on disposal of a subsidiary	18	19,916	—
收購聯營公司權益	Acquisition of interest in associates		—	(3,971)
收購合營公司權益	Acquisition of interest in joint ventures		(3,375)	(11,440)
<b>投資活動所用現金淨額</b>	<b>Net cash used in investing activities</b>		<b>(1,247,640)</b>	<b>(791,079)</b>

截至2014年12月31日止年度

Year ended 31 December 2014

	附註 Note	2014 千美元 US\$'000	2013 千美元 US\$'000 (經重列) (restated)
<b>融資活動</b>	<b>FINANCING ACTIVITIES</b>		
已付本公司股東之股息	Dividends paid to owners of the Company	(204,324)	(180,123)
已付少數權益股東之股息	Dividends paid to non-controlling interests	(43,499)	(26,511)
根據購股權計劃發行之股份	Issue of shares under share option scheme	9,123	4,208
新增銀行貸款	Proceeds from bank borrowings	1,340,924	642,242
償還銀行貸款	Repayments of bank borrowings	(614,533)	(575,044)
其他短期借貸之 變動淨額	Net movement of other short-term borrowings	240,512	119,165
通過行使認沽 期權收購附屬 公司額外權益	Acquisition of additional interest in subsidiaries upon exercising of put options on shares of subsidiaries	(2,500)	(18,375)
<b>融資活動所得 (所用)現金淨額</b>	<b>Net cash from (used in) financing activities</b>	<b>725,703</b>	<b>(34,438)</b>
<b>現金及現金等值物的淨 (減少)增加</b>	<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(39,022)</b>	<b>388,920</b>
<b>年初之現金及現金等值物</b>	<b>Cash and cash equivalents at beginning of year</b>	<b>1,249,890</b>	<b>837,898</b>
匯率變動之影響	Effect on exchange rate changes	(27,765)	23,072
<b>年終之現金及現金等值物</b>	<b>Cash and cash equivalents at end of year</b>	<b>1,183,103</b>	<b>1,249,890</b>

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截至2014年12月31日止年度  
For the year ended 31 December 2014

### 1. 一般資料

康師傅控股有限公司(「本公司」)為開曼群島註冊成立有限責任公司及股票於香港聯合交易所有限公司之主板上市。其主要營運地址為中國上海市閔行區吳中路1688號。

本公司為一家投資控股公司及從事機械備件及原材料銷售。本公司及其附屬公司(統稱為「本集團」)主要從事生產及銷售方便麵、飲品及方便食品。其附屬公司經營之主要業務載於財務報表附註45。

### 2. 編製基準

本財務報表乃按照香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)，此統稱已包括所有適用個別的香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋，以及香港普遍接納之會計原則。本財務報表亦按照載於香港公司條例(第622章)附表11第76至87條、香港公司條例(第622章)第9部「帳目及審計」的過渡和保留條文，本財政年度和比較期間的綜合財務報表已根據前身公司條例(第32章)的適用規定編製。本財務報表同時亦符合香港聯合交易所有限公司證券上市規則之適用披露規定。

除詳載於財務報表附註4，於年內生效的新訂或經修訂之香港財務報告準則外，本財務報表採用之會計政策與2013年度的財務報表是一致的。本集團所採用之主要會計政策概要載於財務報表附註3。

### 1. GENERAL INFORMATION

Tingyi (Cayman Islands) Holding Corp. (the "Company") is a limited liability company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its principal place of business is No. 1688, Wuzhong Road, Minhang District, Shanghai, the PRC.

The Company is an investment holding company and engaged in trading of spare parts of machineries and raw materials. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the manufacture and sale of instant noodles, beverages and instant food products. The principal activities of its subsidiaries are set out in note 45 to the financial statements.

### 2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance which concern the preparation of financial statements, which for this financial year and the comparative period continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2013 financial statements except for the adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year as detailed in note 4 to the financial statements. A summary of the principal accounting policies adopted by the Group is set out in note 3 to the financial statements.

截至2014年12月31日止年度

For the year ended 31 December 2014

## 2. 編製基準(續)

在編製財務報表時，於結算日，基於本集團流動負債較流動資產超出1,293,211,000美元(2013年：1,215,366,000美元)，因此董事已審慎評估本集團在可見未來之營運資金及融資需求。

董事基於本集團現有可動用之銀行信貸的情況下，認為本集團在可見將來有充份資源完全兌現其財務承擔。故此，財務報表以持續經營之準則編製。

## 3. 主要會計政策

### (a) 編製基準

編製財務報表時以原值作為衡量標準，除按公允價值列賬之可出售金融資產，按公允價值列賬及在損益賬處理的金融資產及衍生金融工具乃以公允價值計量。詳情載於下列之會計政策。

## 2. BASIS OF PREPARATION (Continued)

In preparing these financial statements, the directors have carefully assessed the working capital and financing requirements of the Group in the foreseeable future, as the Group's current liabilities exceeded its current assets by US\$1,293,211,000 (2013: US\$1,215,366,000) at the end of the reporting period.

Taking into account the existing banking facilities of the Group, the directors are satisfied that the Group has sufficient resources to meet in full its financial obligations as they fall due in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

## 3. PRINCIPAL ACCOUNTING POLICIES

### (a) Basis of measurement

The measurement basis used in the preparation of these financial statements is historical cost, except for available-for-sale financial assets at fair value, financial assets at fair value through profit or loss, and derivative financial instruments, which are measured at fair value as explained in the accounting policies set out below.

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### 3. 主要會計政策(續)

#### (b) 綜合基準

綜合財務報表包括本公司及各附屬公司之財務報表。編製子公司財務報表的呈報年度與本公司相同，會計政策亦貫徹一致。

本集團內部各公司之間進行交易所致的所有結餘、交易、收支及損益均全數抵銷。附屬公司的業績自本集團取得控制權之日起合併，並繼續合併附屬公司直至控制權終止日期。

少數股東權益獨立並與本公司股東應佔權益分開呈列於綜合收益表，綜合全面收益表內及於綜合財務狀況表之權益內。屬現時購買方擁有且於清盤時令持有人有權按比例分佔企業資產淨值之少數股東權益，可初始按公允價值或少數股東權益所佔被購方可確認的比例確認於被購買方之任何少數股東權益。計量基準根據逐項收購而作出選擇。除非香港財務報告準則要求以另一個測量依據，否則其他類型的非控股權益最初仍以公允價值來衡量。

#### 分配全面收益總額

本年度盈虧及全面收益的各項目均由本公司股東及少數股東權益分佔。全面收益總額歸於本公司股東權益及少數股東權益，即使此舉會導致少數股東權益有虧損結餘。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests ("NCI") are presented, separately from owners of the Company, in the consolidated income statement and the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value unless another measurement basis is required by HKFRSs.

#### Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

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### 3. 主要會計政策(續)

#### (b) 綜合基準(續)

##### 擁有權變動

不導致失去於附屬公司控制權之本集團擁有權變動，按權益交易入賬。股東及少數股東權益之面值乃經調整以反映其於附屬公司相關權益之變動。少數股東權益之調整金額與已付或已收代價公允值之差額，直接於權益內之與少數股東權益交易儲備確認，並由本公司股東分佔。

倘本集團失去於附屬公司之控制權，出售損益根據下列兩項之差額計算：(i)已收代價之公允值與任何保留權益之公允值之總額與(ii)附屬公司之資產(包括商譽)及負債以及任何非控股權益之賬面值。倘本集團直接出售相關資產或負債，先前於其他全面收益表就所售附屬公司確認之金額則須按相同基準確認。由控制權失去當日起，於前附屬公司保留之任何投資及欠收或欠付前附屬公司之任何金額入賬為金融資產或負債、聯營公司權益、合營公司權益或其他公司。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation (Continued)

##### Changes in ownership interests

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Group had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset or liability, interest in associate, interest in joint venture or others as appropriate from the date when control is lost.

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### 3. 主要會計政策(續)

#### (c) 物業、機器及設備

永久業權土地不計提任何折舊，以原值減累計減值虧損入賬。除在建工程以外之其他物業、機器及設備以原值減累計折舊及累計減值虧損入賬。物業、機器及設備之成本包括其購買價及任何使資產達致可使用狀態及現存地點作原定用途所產生之直接應佔成本。維修及保養於產生之年度內在損益賬中扣除。

除在建工程外，物業、機器及設備之折舊是根據全面投入運作之日期起按其可使用年限及預計殘值後以直線法計提折舊。當物業、機器及設備項目之不同部分有不同使用年期時，項目之成本在不同部分之間按合理基準分配，每個部份分開計算折舊。

樓宇	10至30年
機器及設備：	
－方便麵	12年
－飲品	10至12年
－方便食品及其他	5至10年
電器及設備	5年
雜項設備	3至10年

當出售時或當繼續使用資產預期但不會產生任何未來經濟利益時，物業、廠房及設備項目撇除確認。當物業、機器及設備出售或棄用時所得之盈虧，按其出售所得淨額與資產賬面值間之差額用以評定，並認列於損益賬內。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (c) Property, plant and equipment

Freehold land is not depreciated and stated at cost less accumulated impairment losses. All other property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment, other than construction in progress, over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the costs of the item is allocated on a reasonable basis and depreciated separately.

Buildings	10 to 30 years
Machinery and equipment:	
－ Instant noodles	12 years
－ Beverages	10 to 12 years
－ Instant food and others	5 to 10 years
Electrical appliances and equipment	5 years
Miscellaneous equipment	3 to 10 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

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### 3. 主要會計政策(續)

#### (d) 在建工程

在建工程包括生產建設過程中或供自用建設過程中之物業、機器及設備。在建工程以原值扣除累計減值虧損列賬，其中包括所有建造費用及其他直接成本，包括與該項目有關之利息成本。已完成工程之成本會撥入相關之資產類別。在建工程在完成及投入運作前不計提折舊。

#### (e) 無形資產

##### 特許經營權

業務合併中取得之特許經營權於收購日以公允價值確認。特許經營權具有有限期的使用年期，並以成本金額減去累計攤銷及減值虧損認列。攤銷是根據其預計使用年期以直線法計提。使用年期及攤銷方法均每年進行評估。

#### (f) 土地租約溢價

土地租約溢價為以營運租約形式購入承租人佔用之物業基於固定條款之權益之預付款項。溢價乃以成本扣除累計攤銷和累計減值損失列賬，並於租期內以直線法攤銷。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (d) Construction in progress

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is stated at cost less accumulated impairment losses. Cost includes all construction expenditure and other direct costs, including interest costs, attributable to such projects. Costs on completed construction works are transferred to the appropriate asset category. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

#### (e) Intangible asset

##### Concession right

Concession right acquired in a business combination is recognised at fair value at the acquisition date. Concession right has finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method over its estimated useful life. Both the period and method of amortisation are reviewed annually.

#### (f) Prepaid lease payments

Prepaid lease payments are up-front payments to acquire fixed term interests in lessee-occupied land that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and accumulated impairment losses and are amortised over the period of the lease on a straight-line basis.

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### 3. 主要會計政策(續)

#### (g) 附屬公司

附屬公司乃本集團控制之實體。本集團在參與該實體業務時有權力得到可變回報及有能力透過其權力影響這些回報時視為控制該實體。倘有事實及情況顯示對上述一項或多項控制因素出現變化，本集團將重新評估其是否控制被投資方。

在本公司財務狀況表內，附屬公司權益以成本減去減值虧損列值。附屬公司權益之賬面值會個別撇減至其可收回金額。附屬公司業績由本公司按已收及應收股息基準入賬。

#### (h) 聯營公司和合營公司

聯營公司乃本集團有重大影響之實體。重大影響是指對被投資方的財務和經營政策有參與決策的權利，但並不構成控制或共同控制。

合營公司為一項合營安排，據此對安排擁有共同控制權的各方對該安排的淨資產享有權利。合營安排是由兩方或多方擁有共同控制之安排。共同控制是指按照合約約定作分享控制的安排，共同控制僅在當相關活動要求共同享有控制權的各方作出一致決定時出現。倘有事實及情況出現變化，本集團將重新評估其是否有共同控制此安排，以及其涉及的合營安排之類型是否改變。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (g) Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, 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. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position, an interest in a subsidiary is stated at cost less impairment loss. The carrying amount of the interest in a subsidiary is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### (h) Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group reassesses whether it has joint control of an arrangement and whether the type of joint arrangement in which it is involved has changed, if facts and circumstances change.

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### 3. 主要會計政策(續)

#### (h) 聯營公司和合營公司(續)

本集團於聯營公司或合營公司之權益按權益法認列，惟倘該投資或其部分被分類為持作出售除外。根據權益法，投資最初以成本入賬，然後就本集團應佔被投資公司淨資產在收購後的變動及有關投資的任何減值虧損作出調整。除本集團已產生法定或推定責任或替該被投資公司作出付款時外，當本集團應佔被投資公司之虧損相等於或超出其於該被投資公司之賬面金額，當中包括任何實質的長期權益，本集團會中止認列應佔虧損。

本集團與聯營公司和合營公司進行交易產生之任何未實現利潤及虧損，均以本集團於有關投資方之權益為限進行抵銷，惟尚未實現虧損顯示所轉讓資產出現減值之證據，在該情況下，有關虧損即時在損益表確認。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (h) Associates and joint ventures (Continued)

The Group's interest in associate or joint venture is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

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### 3. 主要會計政策(續)

#### (i) 金融工具

##### 確認及終止確認

金融資產及金融負債乃按交易日之基準及只有於本集團成為該工具合約條文之其中一方時確認。

當(i)本集團從金融資產收取未來現金流量的合約權利到期或(ii)本集團轉讓了該金融資產並且(a)本集團在實質上轉讓了與該金融資產擁有權相關的幾乎全部風險和回報，或(b)本集團既未轉讓亦未保留該金融資產擁有權的絕大部分風險及回報，但不保留金融資產的控制權時，會終止確認該項金融資產。

當於有關合約上列明之債務償清、被解除或取消或已到期時，則終止確認該金融負債。

##### 分類及計量

金融資產或金融負債起初按公允價值列賬。若金融資產或金融負債非按公允價值列賬及在損益賬處理，則加上其直接相關之交易費用列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments

##### Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) the Group transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

##### Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

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### 3. 主要會計政策(續)

#### (i) 金融工具(續)

*按公允價值列賬及在損益賬處理的金融資產*

按公允價值列賬及在損益賬處理之金融資產包括持有作為交易之金融資產，以及原先指定為按公允價值入收益表者。有關工具按公允價值計量，公允價值之變動乃入賬於損益賬內。

*貸款及應收賬款*

貸款及應收賬款(包括銀行餘額和現金，已質押的銀行存款和應收賬款及其他應收款項)指並無於活躍市場報價且並非為買賣而持有之具有固定或可釐定付款金額之非衍生金融資產，該等貸款及應收賬款以實際利率方法計算攤銷成本。若貸款及應收賬款為免息貸款及無固定還款期或其折現影響並不重大，貸款及應收款項按成本扣除減值虧損入賬。攤銷成本已計算在到期年內任何收購折讓或溢價。因取消確認、減值或攤銷所產生之盈虧計入該年度的損益賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. They are carried at fair value, with any resultant gain and loss recognised in profit or loss.

*Loans and receivables*

Loans and receivables including bank balances and cash, pledged bank deposits and trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

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### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 可供出售金融資產

可供出售金融資產乃指定為此類別或不能歸類於其他金融資產類別之非衍生工具。彼等均按公允值(而估值變更認列於權益內之投資重估值儲備)計量，直至該等投資與投資重估值儲備被出售、收取或另行處置為止，或直至該等資產被釐定將予減值為止，於此時，先前於其他全面收益中呈報之累積損益應以重分類調整重分類至損益賬中。

在活躍的交易市場上，若可供出售金融資產並無公開報價，並且其公允價值不能可靠計量，則以成本減累計減值虧損列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as investment revaluation reserve within equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

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### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 金融資產減值

於各結算日，本集團均會評估是否有客觀證據證明金融資產（按公允價值列賬及在損益賬處理的金融資產除外）出現減值現象。金融資產之減值虧損按攤銷成本列賬，並以資產之賬面值與其按金融資產之原有實際利率折算之預期未來現金流之現值間之差異計算。金融資產的減值虧損於損益賬中確認。倘資產之可收回金額於日後增加而可客觀地與確認減值後發生的事件有關連，則於往後期間在損益賬中撥回減值虧損，惟資產於減值日期撥回之賬面值不得超過並無確認減值時之攤銷成本。

如果可供出售金融資產發生減值，則該資產的初始取得成本（扣除已收回本金和已攤銷金額）與當前公允價值之間的累計損失，減去所有先前已確認之減值虧損後，乃由權益轉撥入收益或虧損作為重分類調整。可供出售股本工具認列於損益賬中之減值虧損不會通過損益中撥回。倘若可供出售金融資產已提減值虧損，其公允值於日後增加，有關增加則會轉撥入權益內。若可供出售債務工具之公允值回升可以客觀地歸因於其減值虧損於損益賬中確認後才發生之事項，則可供出售債務工具之減值虧損可以轉回。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Impairment loss of available-for-sale debt instruments is reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised.

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### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 金融資產減值(續)

以成本價列賬之持作出售金融資產，減值虧損以其賬面值與及以同類金融資產之現時市場回報率估計該金融資產相關的未來現金流折算所得出的現值兩者之差額計算。此減值虧損不得轉回。

##### 金融負債

本集團之金融負債包括應付賬項及其他應付款項、有息借貸以及其他非流動應付款項。除衍生金融工具外，所有金融負債初始按其公允值確認，後續採用實際利率法按攤餘成本計量，除非折現的影響不重大，這種情況下，它們按成本計量。

##### 財務擔保合約

財務擔保合約是指當某一指定債務人不能根據債務工具的條款支付到期債務，而擔保發行人須向債權人償付有關款項。本公司之財務擔保合約皆為發行予其下附屬公司之信貸安排。基於此等信貸工具涉及關聯關係，對於此等財務擔保之公允價值評估並沒有意義及不可行，故此沒有認列其價值於財務狀況表內。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Impairment of financial assets (Continued)

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

##### Financial liabilities

The Group's financial liabilities include trade and other payables, interest-bearing borrowings and other non-current liabilities. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer of the contract to make specified payments to reimburse the holder of the contract for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. The financial guarantee contracts of the Company represent the financial guarantees in respect of credit facilities issued to its subsidiaries. The fair values of the financial guarantees have not been recognised in the statement of financial position of the Company, as the estimation of the fair values of the financial guarantees would not be meaningful and practicable due to related party nature of the instruments.

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### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 衍生金融工具

衍生金融工具初始以衍生合約簽訂當日的公允價值確認，其後按公允價值進行重新計量。除非衍生金融工具符合對沖會計，否則公允價值變動之損益會被確認為收益或虧損。

##### 向少數股東授出認沽期權所產生之責任

授出予少數股東的認沽期權，除以固定金額轉換附屬公司之固定數目股份，會被視作衍生工具，並在初始確認時按公允價值確認。往後期間的公允價值變動將會確認於收益或虧損。

當出現回購附屬公司股份的合同責任出現時，認沽期權之金融負債會被確認，即使其責任要有條件下行使其權利以出售股份予本集團。該負債之股份贖回金額會被初始認列於非股東權益的借方，並以估計回購價之現值進行計量。在隨後的期間，估計總負債項下之授出予少數股東的認沽期權的現值會被重新計量，並確認為損益。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The gain or loss on change in fair values is recognised in profit or loss unless the derivative qualifies for hedge accounting.

##### Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders

Put option written to non-controlling shareholders, which will be settled other than by exchange of fixed amount of cash for a fixed number of shares in a subsidiary is treated as derivative and is recognised at fair value upon initial recognition. Any changes of fair value in subsequent reporting dates are recognised in profit or loss.

The gross financial liability arising from the put option is recognised when contractual obligation to repurchase the shares in a subsidiary is established even if the obligation is conditional on the counterparty exercising a right to sell back the shares to the Group. The liability for the share redemption amount is initially recognised and measured at present value of the estimated repurchase price with the corresponding debit to the non-controlling interests. In subsequent periods, the remeasurement of the present value of the estimated gross obligation under the written put option to the non-controlling shareholders is recognised in profit or loss.

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### 3. 主要會計政策(續)

#### (j) 現金等值物

就綜合現金流量表而言，現金等值物是指短期和流通率極高的投資，扣除銀行透支(如有)。此等投資可隨時轉換為既定金額的現金。其價值變動風險有限。

#### (k) 收益之確認

收益是在本集團能獲得有關經濟效益，並且於入賬時該收益及成本(如適用)能可靠地計算和根據以下原則：

出售貨品所得收益於貨品之擁有權所涉及之風險及回報轉交買家，通常亦即貨物付運時入賬。

利息收入以時間為基準參照未償還本金及適用之實際利率法確認入賬。

股利收入在本集團收取款項的權利確立時確認。

#### (l) 外幣換算

本集團各實體之賬目所列項目，乃按該實體經營所在之主要經濟環境貨幣(「功能貨幣」)計量。本公司之功能貨幣為美元，而其大部份附屬公司之功能貨幣為人民幣。本綜合財務報表按本公司之功能及呈報貨幣美元呈列。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (j) Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdraft, if any.

#### (k) Revenue recognition

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

Sale of goods is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and title has been passed.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

#### (l) Foreign currency translation

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 ("functional currency"). The Company's functional currency is United States Dollar ("US\$") and majority of its subsidiaries have Renminbi ("RMB") as their functional currency. The consolidated financial statements are presented in US\$, which is the Company's functional and presentation currency.

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### 3. 主要會計政策(續)

#### (I) 外幣換算(續)

外幣交易均按交易當日之現行匯率換算為功能貨幣。因上述交易結算及按結算日之匯率兌換以外幣列值之貨幣資產及負債而產生之匯兌損益，均於損益賬中確認。

在綜合賬目時，所有海外業務的業績及財務狀況的功能貨幣如有別於呈報貨幣，均按以下方式換算為呈報貨幣：

- (a) 資產及負債乃按有關結算日的收市匯率換算；
- (b) 各項收支乃按加權平均匯率換算；
- (c) 所有從上述換算產生的匯兌差異及組成本集團海外業務投資淨額一部分的貨幣項目所產生的匯兌差異，乃確認為權益中的獨立部分。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (I) Foreign currency translation (Continued)

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

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate at the end of the reporting period;
- (b) Income and expenses are translated at the weighted average exchange rates;
- (c) All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;

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### 3. 主要會計政策(續)

#### (I) 外幣換算(續)

- (d) 出售海外業務時，包括出售本集團於海外業務的全部權益，部份出售涉及失去對擁有海外業務的附屬公司的控制權，或部分出售擁有海外業務的合營安排或聯營公司的權益使得保留權益不再按權益法入賬。有關該海外業務於其他綜合收益以及累計在權益內的獨立項內的累計匯兌差額則在列賬出售損益時重新分類至損益。

#### (m) 存貨

存貨以成本或可變現淨值兩者之較低者列賬。成本包括所有採購成本，加工成本(如適用)及其他將存貨達至現存地點及狀況之成本，並且採用加權平均成本法計算。可變現淨值指在日常業務中之估計出售價減去估計達成銷售所需之成本。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (I) Foreign currency translation (Continued)

- (d) On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a partial disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

#### (m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

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### 3. 主要會計政策(續)

#### (n) 其他資產的減值

本集團於每個結算日檢討內部及外間資訊，以確認其物業、機器及設備、無形資產、聯營公司權益、合營公司權益及土地租約之溢價是否可能已經出現減值現象，或之前所確認之減值虧損是否已不再存在或可能已經減少。若出現任何以上的現象，本集團將需評估資產的可收回價值。據此，資產之可收回價值乃其公允值減去出售成本及使用價值之較高者。如個別資產未能在大致獨立於其他資產下賺取現金流量，則就能獨立賺取現金流量之最小組別資產(即賺取現金單位)釐訂可收回價值。

倘本集團估計某項資產或即賺取現金單位之可收回金額低於其賬面值，則該項資產之賬面值須減低至其可收回價值。減值虧損將即時確認為開支。

倘若某項減值虧損期後撤回，則該項資產或即賺取現金單位之賬面值須增加至重新估計之可收回價值，惟增加後之賬面值不得超過在以往年度並無減值虧損而釐定之賬面值。若減值虧損撤回時將即時確認為收益。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (n) Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible asset, interest in associates, interest in joint ventures and prepaid lease payments may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment losses is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses is recognised as income in profit or loss immediately.

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### 3. 主要會計政策(續)

#### (o) 借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本,在扣除特定借貸之暫時性投資收益後,均作資本化並作為此等資產成本之一部份。當此等資產大體上可作其擬定用途或出售時,該等借貸成本將會停止資本化。所有其他借貸成本均列為發生期間之費用。

#### (p) 營運租賃

資產之絕大部份回報及風險由出租公司保留之租賃,皆作為營運租賃列賬。營運租賃之租金支出在有關租賃之租賃期內以直線法於損益賬確認。營運租賃協議所涉及的租賃回贈均在損益賬中確認為資產租賃淨付款總額的組成部份。或有租金則於發生之會計期間以費用入賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (o) Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### (p) Operating leases

Leases which do not transfer substantially all the risks and rewards of ownership to the lessee are classified as operating leases. Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term of the relevant lease. Lease incentives received are recognised in profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

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### 3. 主要會計政策(續)

#### (q) 政府補助

政府補助乃鼓勵本集團在各有關開發區經營及發展業務而從中國有關部門收取之津貼。

政府補助是在可合理地確定將取得該資助並將可符合所有附帶條件時按公允價值入賬。當該資助涉及開支項目，則以有系統方式將資助在有關年份內呈列並確認為收益，以抵銷擬作補償的成本。當該資助與資產有關時，公允價值乃記錄於遞延收入中，並以相等金額於每年分期按有關資產的預計使用年期於損益賬中確認為收入。與資產無關的資助乃確認為損益賬中的其他收入，以有系統地與有關成本配合。

#### (r) 撥備及或有負債

倘若本集團或本公司須就已發生之事件承擔法律或推定責任，而履行該責任預期導致含有經濟利益之外流，並可作出可靠之估計，便會就該時間或數額之不確定性確認為其他負債。如果貨幣之時間價值重大，則按預計履行責任所需支出之現值計列準備。

倘若含有經濟利益之外流之可能性較低，或是無法對有關數額作出可靠之估計，便會將該責任披露為或有負債；但假如這類資源外流之可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或有負債；但假如這類資源外流之可能性極低則除外。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (q) Government grants

Government grants represent incentive grants from the relevant PRC authorities in respect of the running of business by the Group in certain development zones and to encourage the furtherance of such business.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

#### (r) Provision and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

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### 3. 主要會計政策(續)

#### (s) 員工福利

##### 短期僱員福利

薪金、年度花紅、有薪年假及非貨幣福利之成本均在僱員提供相關服務之年度內累計。倘延遲付款或清繳款項可能構成重大影響，則有關金額按現值列賬。

##### 界定供款計劃

界定退休供款計劃的供款責任於產生時在損益賬中確認為開支，並扣除僱員於未完成供款計劃而離職所發生的供款部份。該計劃的資產與本集團的資產分開並由獨立管理基金持有。

##### 界定福利計劃

本集團之界定福利計劃的責任為就各項計劃獨立估計僱員於本年度及過往年度提供服務所賺取的未來利益金額，該利益乃折現至其現值。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (s) Employee benefits

##### Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

##### Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as expenses in profit or loss as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior the contributions are vested fully. The assets of the scheme are held separately from those of the Group in an independently administered fund.

##### Defined benefit plans

The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the ultimate cost of benefit that employees have earned in return for their services in the current and prior periods, which is discounted to determine the present value of those benefits.

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### 3. 主要會計政策(續)

#### (s) 員工福利(續)

##### 界定福利計劃(續)

界定福利計劃的責任的計算乃考慮獨立精算師每年以精算方式的預計單位成本法所作出的供款建議。有關界定福利計劃責任的服務成本及利息成本均在損益中確認。服務成本包括當期服務成本及過去服務成本。當期服務成本為員工當期服務產生的界定福利責任的現值之增加。過去服務成本為計劃修訂或縮減導致界定福利責任現值的變動並認列於損益。期內利息費用是採用期初用作計算界定福利責任的折現率。該折現率為於結算日與本集團所承擔責任期限接近的中國政府債券收益率。

結算損益是由a)所支付的界定福利責任的現值，與b)本集團在結算時付款額間的差異所計算。此損益會在結算時中列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (s) Employee benefits (Continued)

##### Defined benefit plans (Continued)

The calculation of the obligation is based on the recommendations of the independent qualified actuaries using the projected unit credit method annually. Service cost and interest expense on the net defined benefit liability are recognised in profit or loss. Service cost includes both current service cost and past service cost. Current services cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. Past service cost is measured as the change in the present value of the defined benefit obligation resulted from a plan amendment or curtailment and is recognised in profit or loss. Interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the defined benefit liability. The discount rate is the yield at the end of the reporting period on government bonds of the PRC that have maturity dates approximating the terms of the Group's obligations.

Gain or loss on settlement is measured as the difference between a) the present value of the defined benefit obligation being settled and b) any payments made by the Group in connection with the settlement. It is recognised when the settlement occurs.

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### 3. 主要會計政策(續)

#### (s) 員工福利(續)

##### 界定福利計劃(續)

界定退休福利計劃之重估值在其他全面收益中認列並即時反映在權益內。重估值包括精算盈虧，計劃資產之收益(不包括計入界定福利負債(資產)的淨利息款項)，以及資產上限變化的任何影響(不包括計入界定福利負債(資產)的淨利息款項)。

##### 合約終止補償

合約終止補償是確認於當本集團不再能退出該授予福利或當本集團確認支付涉及重組成本之合約終止補償較早發生的時間。

#### (t) 以股份為支付基礎之交易

##### 權益結算股份支付之款項

本集團僱員(包括董事)乃根據以股份為支付基礎之交易方式收取酬金，據此，彼等提供服務以換取股份或享有股份之權利。該等與僱員交易之成本乃參考權益工具於授出日期之公允價值計量。授予僱員之購股權公允價值乃確認為僱員成本，而權益內之以股份為支付基礎之儲備亦會相應增加。公允價值乃以二項式模式釐定，並計及該等交易之條款及條件，惟不包括與本公司股份價格相連之條件。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (s) Employee benefits (Continued)

##### Defined benefit plans (Continued)

Remeasurements arising from defined benefit retirement plans are recognised in other comprehensive income and are reflected in equity immediately. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

##### Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

#### (t) Share-based payment transactions

##### Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as a staff cost with a corresponding increase in a share-based payment reserve within equity. The fair value is determined using the binomial model taking into account the terms and conditions of the transactions, other than conditions linked to the price of shares of the Company.

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### 3. 主要會計政策(續)

#### (t) 以股份為支付基礎之交易(續)

##### 權益結算股份支付之款項(續)

股權結算交易之成本會(連同權益之相應增幅)於達成歸屬條件之年度內確認，直至相關僱員完全獲授應得之購股權當日(「歸屬期」)為止。於歸屬期內，預期最終會歸屬之購股權數目會予以審閱。過往年度所確認之累計公允價值之任何調整會於審閱年度之損益表內扣除／計入，並於權益內之儲備中作相應調整。

當行使購股權時，過往於購股權儲備認列之金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未行使，則過往於購股權儲備認列之金額將轉撥至保留溢利。

本公司以股份為支付基礎的購股權授予其下附屬公司僱員所涉及之交易會於本公司的財務狀況表內認列為於附屬公司之投資之增加；並且會於編製綜合賬目時以增加權益內之儲備作抵銷。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (t) Share-based payment transactions (Continued)

##### Equity-settled transactions (Continued)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the year(s) in which the vesting conditions are to be fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, with a corresponding adjustment to the reserve within equity.

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

Share-based payment transactions in which the Company grants share options to subsidiaries' employees are accounted for as an increase in value of interest in subsidiaries in the Company's statement of financial position which is eliminated on consolidation, with a corresponding credit to the share-based payment reserve within equity.

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### 3. 主要會計政策(續)

#### (u) 稅項

稅項支出乃根據本年度業績就免課稅或不可扣減項目作調整並按於結算日已制定或實際會制定之稅率作出計算。

遞延稅項乃採用負債法，於結算日就資產與負債之稅項計算準則與其於財務報表之賬面值兩者不同引致之暫時差異作出撥備。然而，倘若任何遞延稅項乃自商譽的初始認列；或自進行交易時不影響會計或應課稅溢利的資產或負債的初始確認(如屬業務合併的一部份則除外)，則不會計入遞延稅項。

當資產被變現或負債被清還時，遞延稅項負債及資產以該期間預期之適用稅率衡量，根據於結算日已制定或實際會制定之稅率及稅務法例計算。

遞延稅項資產乃根據有可能獲得之未來應課稅溢利與暫時差異可互相抵銷之程度而予以確認。

遞延稅項是就附屬公司，聯營公司及合營公司之權益所產生之應課稅暫時差異而確認，惟於本集團可控制暫時差異之撥回及暫時差異可能在可見將來不會撥回則除外。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (u) Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arises from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on interest in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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### 3. 主要會計政策(續)

#### (v) 有關聯人士

有關聯人士為與本集團有關聯之個人或實體。

(a) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本公司之主要管理層成員。

(b) 倘符合下列任何條件，即實體與本集團有關聯：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
- (ii) 實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方之合營企業。
- (iv) 實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (v) Related parties

A related party is a person or entity that is related to the Group:

(a) A person or a close member of that person's family is related to the Group if that person:

- (i) Has control or joint control over the Group;
- (ii) Has significant influence over the Group; or
- (iii) Is a member of the key management personnel of the Group.

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

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

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### 3. 主要會計政策(續)

#### (v) 有關聯人士(續)

(b) 倘符合下列任何條件，即實體與本集團有關聯：  
(續)

(v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。倘本集團本身便是該計劃，提供資助之僱主亦與本集團有關聯。

(vi) 實體受(a)所識別人士控制或受共同控制。

(vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

與該人士關係密切的家庭成員是指他們在與實體進行交易時，預期可能會影響該人士或受該人士影響的家庭成員並包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶的子女；及
- (c) 該名人士或該名人士之配偶或同居伴侶的依靠者。

有關聯人士的定義中，聯營公司包括該聯營公司之附屬公司，合營公司包括該合營公司之附屬公司。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (v) Related parties (Continued)

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

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

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### 3. 主要會計政策(續)

#### (w) 分部報告

營運分部之報告方式與主要營運決策者獲提供的內部報告之方式一致。本公司負責分配資源並評核營運分部表現的執行董事已被確立為制訂策略決定的主要營運決策者。

#### (x) 香港財務報告準則之未來變動

於本財務報表授權日，本集團並未提早採用下列香港會計師公會已頒佈於本年度尚未生效之新訂及經修訂香港財務報告準則及詮釋。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's executive directors, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the chief operating decision-makers that make strategic decisions.

#### (x) Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

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## 3. 主要會計政策(續)

(x) 香港財務報告準則之未來變動  
(續)

香港會計準則 第19號 之修訂本 (2011)	界定福利 計劃 —員工 供款 <sup>[1]</sup>
香港財務 報告準則	2010年至 2012年週期 之年度改進 <sup>[2]</sup>
香港財務 報告準則	2011年至 2013年週期 之年度改進 <sup>[2]</sup>
香港會計準則 第16號及香港 會計準則第 38號之修訂本	澄清折舊及攤銷 的可接納方法 <sup>[3]</sup>
香港會計準則 第1號之修訂本	主動披露 <sup>[3]</sup>
香港會計準則 第16號及香港 會計準則 第41號之修訂本	農業：結果實 的植物 <sup>[3]</sup>
香港會計準則 第27號之 修訂本(2011)	獨立財務報表 的權益法 <sup>[3]</sup>
香港會計準則 第28號(2011) 及香港財務 報告準則 第10號之修訂本	投資者與其聯營 公司或合營公司 之間的營銷或 資產注資 <sup>[3]</sup>
香港財務報告 準則第11號 之修訂本	收購合營業務 權益的會計 <sup>[3]</sup>
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號之修訂本	投資實體：應用 編製綜合報表 之例外情況 <sup>[3]</sup>

## 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

## (x) Future changes in HKFRSs (Continued)

Amendments to HKAS 19 (2011)	Defined Benefit Plans – Employee Contributions <sup>[1]</sup>
Various HKFRSs	Annual Improvements Project – 2010-2012 Cycle <sup>[2]</sup>
Various HKFRSs	Annual Improvements Project – 2011-2013 Cycle <sup>[2]</sup>
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>[3]</sup>
Amendments to HKAS1	Disclosure Initiative <sup>[3]</sup>
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants <sup>[3]</sup>
Amendments to HKAS 27 (2011)	Equity Method in Separate Financial Statements <sup>[3]</sup>
Amendments to HKAS 28 (2011) and HKFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>[3]</sup>
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations <sup>[3]</sup>
Amendments to HKFRS10, HKFRS12 and HKAS 28	Investment Entities: Applying the Consolidation Exception <sup>[3]</sup>

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## 3. 主要會計政策(續)

(x) 香港財務報告準則之未來變動  
(續)

香港財務報告 準則第14號	規管遞延 賬戶 <sup>[3]</sup>
香港財務報告準則	2012年至2014年 週期之年度 改進 <sup>[4]</sup>
香港財務報告 準則第15號	與客戶合約 帶來的收益 <sup>[5]</sup>
香港財務報告 準則第9號	金融工具 <sup>[6]</sup>
(2014)	

<sup>[1]</sup> 於2014年7月1日或之後開始之年度期間生效<sup>[2]</sup> 於2014年7月1日或之後開始之年度期間生效，含有限例外<sup>[3]</sup> 於2016年1月1日或之後開始之年度期間生效<sup>[4]</sup> 於2016年1月1日或之後開始之年度期間生效，含有限例外<sup>[5]</sup> 於2017年1月1日或之後開始之年度期間生效<sup>[6]</sup> 於2018年1月1日或之後開始之年度期間生效

本集團董事現正對將來採納該等新推出及修訂之準則之潛在影響進行評估及修訂，故此，暫不能在此進行對財務報表的影響作出合理估計。

## 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

## (x) Future changes in HKFRSs (Continued)

HKFRS 14	Regulatory Deferral Accounts <sup>[3]</sup>
Various HKFRSs	Annual Improvements Project – 2012-2014 Cycle <sup>[4]</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>[5]</sup>
HKFRS 9 (2014)	Financial Instruments <sup>[6]</sup>

<sup>[1]</sup> Effective for annual periods beginning on or after 1 July 2014<sup>[2]</sup> Effective for annual periods beginning on or after 1 July 2014, with limited exceptions<sup>[3]</sup> Effective for annual periods beginning on or after 1 January 2016<sup>[4]</sup> Effective for annual periods beginning on or after 1 January 2016, with limited exceptions<sup>[5]</sup> Effective for annual periods beginning on or after 1 January 2017<sup>[6]</sup> Effective for annual periods beginning on or after 1 January 2018

The directors are in the process of assessing the possible impact of the future adoption of these new / revised HKFRSs and amendments, but are not yet in a position to reasonably estimate their impact on the Group's consolidated financial statements.

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#### 4. 採納新推出／修訂之香港財務報告準則

香港會計師公會已頒佈多項相關修訂，並首次於本集團及本公司此會計期間生效。當中，下列修改與本集團財務報表有關：

##### 香港財務報告準則第10號、第12號及香港會計準則第27號的修訂「投資實體」

對於符合香港財務報告準則第10號的修訂所定義之可視為一個投資實體的母公司，可以豁免合併財務報表。該投資實體需按公允價值計量該等附屬公司及在損益賬列賬。該修訂並無對本財務報表構成影響，因為本公司並不符合投資實體的定義。

##### 香港會計準則第36號之修訂本：非金融資產可收回金額的披露

《香港會計準則》第36號的修訂對已減值若干非金融資產之披露要求作出修訂。其中的修訂擴大對基於公允價值減出售成本來確定可收回金額的減值資產之披露要求。這些修訂對本集團財務報表不會構成重大影響。

##### 香港（國際財務報告詮釋委員會）解釋公告21：徵稅

該解釋公告指出如何及何時會導致報告主體需要承擔政府徵收的所得稅外的徵稅負債。該解釋不會對確認金額產生重大影響。

#### 4. ADOPTION OF NEW/REVISED HKFRSs

The HKICPA has issued a number of new/revised HKFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the changes in accounting policy relevant to the Group's financial statements are as follows:

##### Amendments to HKFRS 10, HKFRS 12 and HKAS 27: Investment Entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure particular subsidiaries at fair value through profit or loss. The amendments also set out the relevant disclosure requirements for investment entities. These amendments do not have an impact on these financial statements as the Company does not qualify to be an investment entity.

##### Amendments to HKAS 36: Recoverable amount disclosures for non-financial assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, additional information is required to be disclosed when the recoverable amount of assets is based on fair value less costs of disposal. The application of the amendments does not have an impact on the amount recognised.

##### HK(IFRIC) 21: Levies

The interpretation addresses how and when an entity should account for liabilities to pay levies imposed by governments, other than income taxes. The application of this interpretation does not have any material impact on the amounts recognised.

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## 5. 關鍵會計估計及判斷

有關未來之估計及假設以及判斷乃由管理層在編製財務報表時作出。這些估計、假設及判斷會對本集團之會計政策應用、資產、負債、收入及開支之申報金額以及所作出之披露構成影響，並會持續根據經驗及相關因素(包括日後出現在有關情況下相信屬合理之事件)評估。於適當時，會計估計之修訂會於修訂期間及於未來期間(倘修訂亦影響日後期間)確認。

### (i) 主要估計不確定性的來源

#### 使用年限及物業、機器及設備及土地租約溢價之減值

董事每年透過預計用量、對資產使用之損耗及技術過時之潛在性進行謹慎研究，以評估物業、機器及設備及土地租約溢價之殘值，可用年期及折舊／攤銷方法。

為了判斷資產是否減值及有跡象顯示減值虧損不再存在，董事須評估是否已發生可能影響資產價值之事件或該影響資產價值之事件不再存在。倘出現減值跡象，則會參考使用價值及售價淨額釐定該等資產的可收回金額。使用價值以折現現金流量法釐定。鑑於未來現金流量及售價淨額的時間及數額估計涉及固有風險，故該等資產的估計可收回金額或會與實際可收回金額有所不同，而此估計的準確度可能對損益造成影響。

## 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

### (i) Key sources of estimation uncertainty

#### Useful lives and impairment of property, plant and equipment and prepaid lease payments

The directors review the residual value, useful lives and depreciation/amortisation method of property, plant and equipment and prepaid lease payments at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the directors have to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by reference to value in use and fair value less costs to sell. Value in use is determined using the discounted cash flow method. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs to sell, the estimated recoverable amount of the asset may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

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## 5. 關鍵會計估計及判斷(續)

### (i) 主要估計不確定性的來源(續)

#### 遞延稅項資產

於結算日，綜合財務狀況表內有4,000,000美元(2013：無)的遞延稅項資產源於未使用稅務虧損已被確認。遞延稅項資產之確認主要根據將來有否足夠之收益或應課稅暫時差異。如將來實際發生之收益與原本預估有差異，經扣除了之前未確認之稅務虧損後，重大的遞延稅項資產確認或回沖稅項資產便可能發生。而當預估收益發生變化時，此遞延稅項資產將會被確認為得益或損失。

#### 遞延稅項負債

本集團基於在中國的若干實體的利潤並不會在可見將來中分配，故並未對這些未分配利潤作出預提稅之遞延稅項撥備。有關遞延稅項負債之詳情載於財務報表附註34。

## 6. 營業額

本集團之營業額指向客戶售貨之發票值，扣除退貨、折扣及增值稅。

## 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### (i) Key sources of estimation uncertainty (Continued)

#### Deferred tax assets

As at the end of the reporting period, deferred tax asset of US\$4,000,000 (2013: US\$Nil). in relation to unused tax losses has been recognised in the consolidated statement of financial position. The recognition of the deferred tax asset mainly depends on whether sufficient profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are different from the original estimate, a material recognition or reversal of deferred tax assets may arise, after taking into account the utilisation of previously unrecognised tax losses, which would be recognised in profit or loss in the period in which such estimate is changed.

#### Deferred tax liabilities

Deferred tax liabilities have not been provided for the withholding tax that would be payable on the undistributed earnings of certain entities of the Group in the PRC as those earnings are not expected to be distributable in the foreseeable future. Details of deferred tax liabilities are disclosed in note 34 to the financial statements.

## 6. TURNOVER

The Group's turnover represents revenue arising from the sale of goods at invoiced value to customers, net of returns, discounts and Value Added Tax.

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## 7. 分部資料

本公司之執行董事已確立為本集團主要營運決策者。經營分部之確立及分部資料之編製按內部慣常呈報給本公司之執行董事之財務資料製作，依據該等資料作出經營分部資源分配決定及評估其表現。基於本集團超過99%以上之集團銷售是在內地進行，故本公司之執行董事主要以產品觀點評定本集團之業務。可報告之經營分部確立為方便麵、飲品、方便食品及其他業務包括投資控股、物流及支援功能業務。

執行董事以本年度經營分部之本年度之溢利及扣除稅項應佔聯營公司及合營公司業績及未分配之淨支出前的溢利(虧損)作出經營分部資源分配決定及評估其表現。

分部資產包括除聯營公司權益及合營公司權益及未分配資產包括可供出售金融資產及按公允價值列賬及在損益賬處理的金融資產外的所有資產。分部負債包括除員工福利責任之相關負債外的所有負債。

分部之間的銷售是以成本加邊際利潤作定價。可呈報分部之會計政策與本集團於財務報表附註3「主要會計政策」所述本集團的會計政策一致。

客戶地區位置乃按貨品付運地點劃分。本集團多於99%來自外部客戶之收益均源於本集團各經營實體所在地中國的顧客。同時，本集團多於99%的非流動資產(可供出售金融資產除外)均位於中國。

## 7. SEGMENT INFORMATION

The Company's executive directors have been identified as the chief operating decision-maker of the Group. The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Company's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance. The Company's executive directors consider the business principally from a product perspective as over 99% of the Group's sales and business are conducted in the PRC. Business reportable operating segments identified are instant noodles, beverages, instant food and others. The segment of others includes investment holding, logistics and supportive functions.

For the purposes of assessing the performance of the operating segments and allocating resources between segments, the executive directors assess the performance of reportable segments based on the net profit for the year and the profit (loss) before taxation, share of results of associates and joint ventures and unallocated expenses, net, which is consistent with that in the financial statements.

Segment assets include all assets with the exception of interest in associates and joint ventures and unallocated assets which includes available-for-sale financial assets and financial assets at fair value through profit or loss. Segment liabilities include all liabilities with the exception of employee benefit obligations.

Inter-segment sales are priced at cost plus profit margin. The accounting policies of the reporting segments are the same as the Group's accounting policies as described in note 3 to the financial statements.

The geographical location of the Group's customers is based on the location at which the goods are delivered. Over 99% of the revenues from external customers of the Group are attributable to customers located in the PRC, the place of domicile of the Group's operating entities. Meanwhile, over 99% of the Group's non-current assets other than available-for-sale financial assets are located in the PRC.

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## 7. 分部資料(續)

並無來自單一外部客戶的收入佔本集團收入10%或以上。

於2014年及2013年12月31日之分部資料如下：

### 業務分部分析

## 7. SEGMENT INFORMATION (Continued)

No revenue from a single external customer amounted to 10% or more of the Group's revenue.

The segment information for the years ended 31 December 2014 and 2013 is as follows:

### Business segment analysis

		2014					
		方便麵	飲品	方便食品	其他	內部沖銷	合計
		Instant noodles	Beverages	Instant food	Others	Inter-segment elimination	Total
		千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>營業額</b>	<b>Turnover</b>						
外來客戶收益	Revenue from external customers	4,137,685	5,800,419	178,596	121,282	—	10,237,982
分部間之收益	Inter-segment revenue	51	586	133	90,287	(91,057)	—
分部營業額	Segment revenue	4,137,736	5,801,005	178,729	211,569	(91,057)	10,237,982
<b>分部業績(已扣除財務費用)</b>	<b>Segment result after finance costs</b>	484,203	220,538	(7,540)	(8,221)	(2,118)	686,862
應佔聯營公司及合營公司業績	Share of results of associates and joint ventures	—	17,930	(10,661)	—	—	7,269
未分配之淨支出	Unallocated expenses, net	—	—	—	(562)	—	(562)
<b>除稅前溢利(虧損)</b>	<b>Profit (loss) before taxation</b>	484,203	238,468	(18,201)	(8,783)	(2,118)	693,569
稅項	Taxation	(123,815)	(84,516)	752	(1,241)	—	(208,820)
<b>本年度之溢利(虧損)</b>	<b>Profit (loss) for the year</b>	360,388	153,952	(17,449)	(10,024)	(2,118)	(484,749)
<b>資產</b>	<b>Assets</b>						
分部資產	Segment assets	3,446,274	5,227,348	160,291	1,340,036	(1,155,422)	9,018,527
聯營公司權益	Interest in associates	—	30,646	1,327	—	—	31,973
合營公司權益	Interest in joint ventures	—	58,346	15,807	—	—	74,153
未分配資產	Unallocated assets						81,404
總資產	Total assets						9,206,057
<b>負債</b>	<b>Liabilities</b>						
分部負債	Segment liabilities	1,041,013	3,311,438	62,817	1,766,568	(1,100,145)	5,081,691
未分配負債	Unallocated liabilities						28,702
總負債	Total liabilities						5,110,393

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## 7. 分部資料(續)

## 業務分部分析(續)

## 7. SEGMENT INFORMATION (Continued)

## Business segment analysis (Continued)

		2014					
		方便麵	飲品	方便食品	其他	內部沖銷	合計
		Instant	Beverages	Instant food	Others	Inter-	Total
		noodles				segment	
		千美元	千美元	千美元	千美元	elimination	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
其他資料	Other information						
折舊及攤銷	Depreciation and amortisation	105,257	339,819	9,134	9,283	—	463,493
資本開支	Capital expenditures	340,390	591,845	4,211	543,773	—	1,480,219
利息收入	Interest income	59,599	4,833	384	10,747	(20,696)	54,867
利息支出	Interest expenses	37	33,886	—	33,924	(20,696)	47,151
合約終止補償	Termination benefits	—	73,017	—	—	—	73,017

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## 7. 分部資料(續)

## 7. SEGMENT INFORMATION (Continued)

## 業務分部分析(續)

## Business segment analysis (Continued)

		2013					
		方便麵	飲品	方便食品	其他	內部沖銷	合計
		Instant	Beverages	Instant food	Others	Inter-	Total
		noodles				segment	
		千美元	千美元	千美元	千美元	elimination	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>營業額</b>	<b>Turnover</b>						
外來客戶收益	Revenue from external customers	4,332,159	6,267,617	202,518	138,702	—	10,940,996
分部間之收益	Inter-segment revenue	51	855	301	100,492	(101,699)	—
分部營業額	Segment revenue	4,332,210	6,268,472	202,819	239,194	(101,699)	10,940,996
<b>分部業績(已扣除財務費用)</b>	<b>Segment result after finance costs</b>						
應佔聯營公司及合營公司業績	Share of results of associates and joint ventures	490,965	198,526	(11,043)	31,713	(3,220)	706,941
		—	19,266	(3,217)	—	—	16,049
<b>除稅前溢利(虧損)</b>	<b>Profit (loss) before taxation</b>						
稅項	Taxation	490,965	217,792	(14,260)	31,713	(3,220)	722,990
		(154,184)	(62,912)	231	(11,814)	—	(228,679)
<b>本年度之溢利(虧損)</b>	<b>Profit (loss) for the year</b>	336,781	154,880	(14,029)	19,899	(3,220)	494,311
<b>資產</b>	<b>Assets</b>						
分部資產	Segment assets	3,420,533	5,075,114	182,198	839,614	(1,232,099)	8,285,360
聯營公司權益	Interest in associates	—	25,628	3,422	—	—	29,050
合營公司權益	Interest in joint ventures	—	57,883	22,393	—	—	80,276
未分配資產	Unallocated assets						29,635
總資產	Total assets						8,424,321
<b>負債</b>	<b>Liabilities</b>						
分部負債	Segment liabilities	1,290,983	3,179,545	77,143	1,106,220	(1,184,143)	4,469,748
未分配負債	Unallocated liabilities						28,186
總負債	Total liabilities						4,497,934

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## 7. 分部資料(續)

## 業務分部分析(續)

## 7. SEGMENT INFORMATION (Continued)

## Business segment analysis (Continued)

		2013					
		方便麵	飲品	方便食品	其他	內部沖銷	合計
		Instant	Beverages	Instant food	Others	Inter-	Total
		noodles				segment	
		千美元	千美元	千美元	千美元	elimination	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
其他資料	Other information						
折舊及攤銷	Depreciation and amortisation	93,054	342,116	7,880	9,288	—	452,338
資本開支	Capital expenditures	221,364	631,213	7,714	35,799	—	896,090
減值虧損	Impairment losses	14,200	35,602	—	—	—	49,802
回沖減值虧損	Reversal of impairment losses	6,381	—	—	—	—	6,381
利息收入	Interest income	53,984	6,835	968	10,015	(20,275)	51,527
利息支出	Interest expenses	9	29,446	—	28,171	(20,275)	37,351

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## 8. 其他收益及其他淨收入

## 8. OTHER REVENUE AND OTHER NET INCOME

		2014 千美元 US\$'000	2013 千美元 US\$'000
<b>其他收益</b>	<b>Other revenue</b>		
利息收入	Interest income	54,867	51,527
股利收入	Dividend income	—	747
		<b>54,867</b>	<b>52,274</b>
<b>其他淨收入</b>	<b>Other net income</b>		
衍生金融工具之公允值變動	Change in fair values of derivative financial instruments	6,579	12,181
技術顧問費	Technical consultancy fee	16,863	—
匯兌收益淨額	Exchange gains, net	—	18,812
出售廢品之收益	Gain on sales of scrapped materials	29,911	31,057
出售可供出售金融資產之收益	Gain on disposal of available-for-sale financial assets	—	14,397
政府補助	Government grants	50,079	47,814
其他	Others	51,102	39,150
		<b>154,534</b>	<b>163,411</b>
		<b>209,401</b>	<b>215,685</b>

## 9. 除稅前溢利

## 9. PROFIT BEFORE TAXATION

		2014 千美元 US\$'000	2013 千美元 US\$'000
經扣除(計入)下列項目後：	This is stated after charging (crediting):		
<b>財務費用</b>	<b>Finance costs</b>		
須於5年內悉數償還之銀行及其他貸款之利息支出	Interest on bank and other borrowings wholly repayable within five years	48,306	39,545
減：利息支出资本化列入物業、機器及設備(加權平均資本化率為2.03% (2013: 2.08%))	Less: Borrowing costs capitalised into property, plant and equipment at weighted average capitalisation rate of 2.03% (2013: 2.08%)	(1,155)	(2,194)
		<b>47,151</b>	<b>37,351</b>

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## 9. 除稅前溢利(續)

## 9. PROFIT BEFORE TAXATION (Continued)

		2014 千美元 US\$'000	2013 千美元 US\$'000
經扣除(計入)下列項目後： This is stated after charging (crediting):			
<b>其他項目</b>	<b>Other items</b>		
員工成本(包括董事酬金)：	Staff costs (including directors' remuneration):		
薪金及報酬	Salaries and wages	947,661	947,910
合約終止補償	Termination benefits	73,017	—
以權益結算股份支付之款項	Equity-settled share-based payment expenses	11,837	11,930
退休金成本：	Pension costs:		
界定供款計劃	Defined contribution plans	108,825	108,520
界定福利計劃	Defined benefit plans	4,152	3,592
核數師酬金：	Auditor's remuneration:		
審核費用	Audit fee	1,460	1,471
已售存貨成本 <sup>#</sup>	Cost of inventories <sup>#</sup>	7,119,944	7,630,997
折舊	Depreciation	454,136	444,303
匯兌損失淨額	Exchange loss, net	15,742	—
土地租約溢價之攤銷	Amortisation of prepaid lease payments	8,604	7,282
無形資產攤銷 (已包括於分銷成本)	Amortisation of intangible asset (included in distribution costs)	753	753
按公允價值列賬及在 損益賬處理的金融資產 之公允價值變動	Change in fair value of financial assets at fair value through profit or loss	(288)	(265)
建築物營運租約 最低租賃付款	Minimum lease payments in respect of operating lease charges for premises	72,710	72,035
出售物業、機器及設備之 虧損(收益)	Loss (Gain) on disposal of property, plant and equipment	3,777	(5,200)
出售按公允價值列賬及在 損益賬處理的金融資產 之虧損(收益)	Loss (Gain) on disposal of financial assets at fair value through profit or loss	213	(437)

<sup>#</sup> 已售存貨成本中包括 768,282,000 美元(2013 : 744,105,000 美元)與員工成本、折舊、土地租約溢價之攤銷及建築物營運租約有關並同時分別披露在上述相對項目的總額中。

<sup>#</sup> Cost of inventories includes US\$768,282,000 (2013: US\$744,105,000) relating to staff costs, depreciation, amortisation of prepaid lease payments and operating lease charges of premises, which amount is also included in the respective total amounts disclosed separately above

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## 10. 董事及高階僱員酬金

本公司董事已收及應收之酬金總額如下：

## 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

The aggregate amounts of emoluments received or receivable by the Company's directors are as follows:

		2014						
		薪金及 其他酬金 Salaries and other emoluments	花紅 Discretionary bonuses	小計 Sub-total	以股份支付 之款項 Share-based payments	退休保障 計劃供款 Retirement scheme contribution	總計 Total	
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	
執行董事：	Executive directors:							
魏應州	Wei Ing-Chou	200	1,016	395	1,611	1,591	3	3,205
井田純一郎	Junichiro Ida	80	16	—	96	—	—	96
吉澤亮	Ryo Yoshizawa	50	8	—	58	—	—	58
吳崇儀	Wu Chung-Yi	50	—	—	50	—	—	50
魏應交	Wei Ying-Chiao	50	8	—	58	—	—	58
長野輝雄	Teruo Nagano	50	8	—	58	—	—	58
獨立非執行董事：	Independent non-executive directors:							
徐信群	Hsu Shin-Chun	50	8	—	58	—	—	58
李長福	Lee Tiong-Hock	50	4	—	54	—	—	54
深田宏	Hiromu Fukada	50	8	—	58	—	—	58
		630	1,076	395	2,101	1,591	3	3,695

於2015年2月4日魏應交先生辭任，同日魏宏名先生獲委任為本公司之執行董事。

於2015年3月8日吉澤亮先生辭世。

Mr. Wei Ying-Chiao resigned and Mr. Wei Hong-Ming was appointed as an executive director of the Company on 4 February 2015.

Mr. Ryo Yoshizawa deceased on 8 March 2015.

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10. 董事及高階僱員酬金(續)

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

		2013					
		薪金及 其他酬金 Salaries and other emoluments 千美元 US\$'000	花紅 Discretionary bonuses 千美元 US\$'000	小計 Sub-total 千美元 US\$'000	以股份支付 之款項 Share-based payments 千美元 US\$'000	退休保障 計劃供款 Retirement scheme contribution 千美元 US\$'000	總計 Total 千美元 US\$'000
執行董事：	Executive directors:						
魏應州	Wei Ing-Chou	200	1,024	229	1,453	2,748	4,202
井田毅	Takeshi Ida	53	8	—	61	—	61
井田純一郎	Junichiro Ida	55	16	—	71	—	71
吉澤亮	Ryo Yoshizawa	50	20	—	70	—	70
吳崇儀	Wu Chung-Yi	50	12	—	62	—	62
魏應文	Wei Ying-Chiao	50	12	—	62	—	62
長野輝雄	Teruo Nagano	13	4	—	17	—	17
獨立非執行董事：	Independent non-executive directors:						
徐信群	Hsu Shin-Chun	50	12	—	62	—	62
李長福	Lee Tiong-Hock	50	8	—	58	—	58
深田宏	Hiromu Fukada	50	12	—	62	—	62
		621	1,128	229	1,978	2,748	4,727

於2014年及2013年12月31日止年度並無董事放棄領取酬金。

本集團沒有為勸誘董事加入本集團而付酬金或在董事加入本集團後付上酬金或為董事失去職位作出賠償。

No directors have waived emoluments in respect of the years ended 31 December 2014 and 2013.

No emoluments have been paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

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# 10. 董事及高階僱員酬金(續)

本集團5位最高薪人士包括1位(2013年: 1位)董事, 其酬金詳情載於上文及4位人士, 其酬金包括於財務報表附註38(b)。其餘4位(2013年: 4位)人士之酬金詳情如下:

# 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

The five individuals whose emoluments were the highest in the Group for the year include one director (2013: one) whose emoluments are reflected in the analysis presented above and four individuals whose emoluments are included in note 38(b) to the financial statements. Details of the emoluments of the remaining four individuals (2013: four) are as follows:

		2014 千美元 US\$'000	2013 千美元 US\$'000
薪金及其他酬金	Salaries and other emoluments	3,886	2,417
以股份支付之款項	Share-based payments	2,014	1,196
花紅	Discretionary bonuses	643	419
退休保障計劃供款	Retirement scheme contribution	4	8
		6,547	4,040

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10. 董事及高階僱員酬金(續)

支付4位最高薪人士之酬金組別如下：

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

The emoluments were paid to the four highest paid individuals as follows:

酬金組別	Emoluments band	僱員人數 Number of individuals	
		2014	2013
769,231 美元至 833,333 美元 (6,000,001 港元 至 6,500,000 港元)	US\$769,231 to US\$833,333 (HK\$6,000,001 to HK\$6,500,000)	—	1
897,437 美元至 961,538 美元 (7,000,001 港元 至 7,500,000 港元)	US\$897,437 to US\$961,538 (HK\$7,000,001 to HK\$7,500,000)	—	1
1,025,642 美元至 1,089,744 美元 (8,000,001 港元 至 8,500,000 港元)	US\$1,025,642 to US\$1,089,744 (HK\$8,000,001 to HK\$8,500,000)	1	1
1,282,051 美元至 1,346,154 美元 (10,000,001 港元 至 10,500,000 港元)	US\$1,282,051 to US\$1,346,154 (HK\$10,000,001 to HK\$10,500,000)	—	1
1,410,257 美元至 1,474,359 美元 (11,000,001 港元 至 11,500,000 港元)	US\$1,410,257 to US\$1,474,359 (HK\$11,000,001 to HK\$11,500,000)	1	—
1,794,872 美元至 1,858,974 美元 (14,000,001 港元 至 14,500,000 港元)	US\$1,794,872 to US\$1,858,974 (HK\$14,000,001 to HK\$14,500,000)	1	—
2,179,487 美元至 2,243,590 美元 (17,000,001 港元 至 17,500,000 港元)	US\$2,179,487 to US\$2,243,590 (HK\$17,000,001 to HK\$17,500,000)	1	—
		4	4

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## 11. 稅項

## 11. TAXATION

		2014 千美元 US\$'000	2013 千美元 US\$'000
<b>本年度稅項－ 中國企業所得稅</b>	<b>Current tax – PRC Enterprise income tax</b>		
本年度	Current year	179,859	198,842
以前年度多計撥備	Over provision in prior year	(2,132)	(6,504)
		<b>177,727</b>	<b>192,338</b>
<b>遞延稅項</b>	<b>Deferred taxation</b>		
產生及轉回之 暫時差異淨額	Origination and reversal of temporary differences, net	4,933	8,536
確認稅務虧損	Effect of tax losses recognised	(4,000)	—
按本集團於中國之 附屬公司可供分配 利潤之預提稅(附註34)	Effect of withholding tax on the distributable earnings of the Group's PRC subsidiaries (note 34)	30,160	27,805
		<b>31,093</b>	<b>36,341</b>
本年度稅項總額	Total tax charge for the year	<b>208,820</b>	<b>228,679</b>

開曼群島並不對本公司及本集團之收入徵收任何稅項。

由於本集團之公司於截至2014年及2013年內並無任何香港利得稅應課稅利潤，因此並未為香港利得稅計提撥備。

The Cayman Islands levies no tax on the income of the Company and the Group.

Hong Kong Profits Tax has not been provided as the Group's entities had no assessable profits subject to Hong Kong Profits Tax for the years ended 31 December 2014 and 2013.

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## 11. 稅項(續)

中國大陸之附屬公司相關的中國企業所得稅法定稅率為25%(2013年：25%)。根據財政部、海關總署與國家稅務總局聯合發佈的《關於深入實施西部大開發戰略有關稅收政策問題的通知》(財稅[2011]58號)，位於中國大陸西部地區的國家鼓勵類產業的外商投資企業，其鼓勵類產業主營收入佔企業總收入的70%以上的，在2011年至2020年年度，減按15%的稅率徵收企業所得稅。因此，本集團於西部地區之附屬公司稅率為15%(2013年：15%)。

本集團之除稅前溢利與本年度稅項對賬如下：

## 稅項開支之對賬

## 11. TAXATION (Continued)

The applicable PRC Enterprise income tax for the PRC subsidiaries is at the statutory rate of 25% (2013: 25%). According to the Tax Relief Notice (Cai Shui [2011] no. 58) on the Grand Development of Western Region jointly issued by the Ministry of Finance, the State Administration of Taxation and China Customs, foreign investment enterprises located in the western region of the PRC with principal revenue of over 70% generated from the encouraged business activities are entitled to an income tax rate of 15% for 10 years from 1 January 2011 to 31 December 2020. Accordingly, certain subsidiaries located in the Western Region are entitled to an income tax rate of 15% (2013: 15%).

The Group's profit before taxation is reconciled to the tax expense for the year as follows:

## Reconciliation of tax expense

		2014 千美元 US\$'000	2013 千美元 US\$'000
除稅前溢利	Profit before taxation	693,569	722,990
按中國法定稅率25% 之稅項(2013年：25%)	Income tax at statutory tax rate of 25% in the PRC (2013: 25%)	173,392	180,748
應佔聯營及合營公司業績	Share of results of associates and joint ventures	(1,853)	(4,012)
不可扣稅開支	Non-deductible expenses	15,205	19,684
無需課稅收入	Tax exempt revenue	(512)	(6,065)
未確認稅項虧損	Unrecognised tax losses	26,312	23,084
未確認暫時差異	Unrecognised temporary differences	(5,809)	5,512
扣除過往並未確認稅項虧損	Utilisation of previously unrecognised tax losses	(12,103)	(13,008)
按本集團於中國之附屬公司 可供分配利潤之預提稅 (附註34)	Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries (note 34)	30,160	27,805
於西部大開發的中國 附屬公司之稅收減免	Effect of tax relief on PRC's subsidiaries in Western Region	(7,199)	(7,273)
以前年度多計撥備	Over provision in prior years	(2,132)	(6,504)
其他	Others	(6,641)	8,708
本年度稅項	Tax expense for the year	208,820	228,679

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**12. 股東應佔溢利**

股東應佔綜合溢利包括虧損34,837,000美元(2013年: 33,049,000美元)已於本公司之賬目內作出處理。

上述金額與本公司本年度溢利之調節如下:

**12. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY**

The consolidated profit attributable to owners of the Company includes a loss of US\$34,837,000 (2013: US\$33,049,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

		2014 千美元 US\$'000	2013 千美元 US\$'000
已於本公司賬目內處理的股東應佔綜合虧損	Amount of consolidated loss attributable to owners dealt with in the Company's financial statements	(34,837)	(33,049)
上一財政年度溢利之應佔附屬公司股息並已於年內獲批准及派發	Dividends from subsidiaries attributable to the profits of the previous financial years, approved and paid during the year	232,545	237,352
本年度本公司溢利	Company's profit for the year	197,708	204,303

**13. 股息**

(a) 本公司股東於本年度應得之股息:

**13. DIVIDENDS**

(a) Dividends payable to owners of the Company attributable to the year:

		2014 千美元 US\$'000	2013 千美元 US\$'000
結算日後擬派之末期股息每股普通股3.57美仙(2013年: 每股普通股3.65美仙)	Final dividend proposed after the end of the reporting period of US3.57 cents (2013: US3.65 cents) per ordinary share	200,054	204,269

於2015年3月23日的會議，董事建議派發末期股息每股普通股3.57美仙。此建議末期股息於財務狀況表中不視為應付股息。

At meeting held on 23 March 2015, the directors recommended the payment of final dividend of US3.57 cents per ordinary share. The proposed final dividend has not been recognised as dividend payables in the statement of financial position.

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**13. 股息(續)**

- (b) 於本年內批准及派發歸屬於上一財政年度予本公司股東之應得股息：

**13. DIVIDENDS (Continued)**

- (b) Dividends payable to owners of the Company attributable to the previous financial year, approved and paid during the year:

		2014 千美元 US\$'000	2013 千美元 US\$'000
於本年內批准及於本年內派發屬於前年度末期股息為每股普通股3.65美仙 (2013年：每股普通股3.22美仙)	Final dividend in respect of the previous financial year, approved and paid during the year, of US3.65 cents (2013: US3.22 cents) per ordinary share	204,324	180,123

**14. 每股溢利**

以下為每股基本溢利及每股攤薄溢利之計算：

**14. EARNINGS PER SHARE**

The calculation of the basic and diluted earnings per share is as follows:

**(a) 每股基本溢利****(a) Basic earnings per share**

		2014	2013
本公司股東年內應佔溢利(千美元)	Profit attributable to ordinary equity shareholders (US\$'000)	400,482	408,544
已發行普通股之加權平均股數(千股)	Weighted average number of ordinary shares ('000)	5,599,873	5,594,388
每股基本溢利(美仙)	Basic earnings per share (US cents)	7.15	7.30

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## 14. 每股溢利(續)

## 14. EARNINGS PER SHARE (Continued)

(b) 每股攤薄溢利		(b) Diluted earnings per share	
		2014	2013
本公司股東年內應佔溢利(千美元)	Profit attributable to ordinary equity shareholders (US\$'000)	400,482	408,544
普通股加權平均數(攤薄)(千股)	Weighted average number of ordinary shares (diluted) ('000)		
已發行普通股之加權平均股數	Weighted average number of ordinary shares	5,599,873	5,594,388
本公司購股權計劃之影響	Effect of the Company's share option scheme	15,108	17,490
用於計算每股攤薄溢利之普通股加權平均數	Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	5,614,981	5,611,878
每股攤薄溢利(美仙)	Diluted earnings per share (US cents)	7.13	7.28

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15. 物業、機器及設備

15. PROPERTY, PLANT AND EQUIPMENT

(a) 本集團

(a) Group

		(附註i) 永久業權 土地 (Note i) Freehold land 千美元 US\$'000	(附註ii) 樓宇 (Note ii) Building 千美元 US\$'000	機器 及設備 Machinery and equipment 千美元 US\$'000	電器 及設備 Electrical appliances and equipment 千美元 US\$'000	雜項設備 Miscellaneous equipment 千美元 US\$'000	在建工程 Construction in progress 千美元 US\$'000	合計 Total 千美元 US\$'000
賬面值對賬－截至 2013年12月31日止年度		Reconciliation of carrying amount – year ended 31 December 2013						
於年初	At beginning of year	—	919,553	2,756,197	17,003	277,194	1,031,789	5,001,736
添置	Additions	17,485	41,271	212,509	5,161	85,817	491,992	854,235
落成後轉撥	Transfer upon completion	—	337,064	633,250	4,681	28,029	(1,003,024)	—
減值虧損	Impairment loss	—	—	(48,977)	(825)	—	—	(49,802)
回沖減值虧損	Reversal of impairment loss	—	—	6,381	—	—	—	6,381
出售	Disposals	—	(2,223)	(4,210)	(1,264)	(4,928)	—	(12,625)
折舊	Depreciation	—	(58,284)	(272,219)	(4,925)	(108,875)	—	(444,303)
滙兌差額	Exchange differences	—	24,434	65,451	352	9,435	29,806	129,478
於結算日	At end of the reporting period	17,485	1,261,815	3,348,382	20,183	286,672	550,563	5,485,100

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## 15. 物業、機器及設備(續)

## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

## (a) 本集團(續)

## (a) Group (Continued)

		(附註i) 永久業權 土地 (Note i) Freehold land 千美元 US\$'000	(附註ii) 樓宇 (Note ii) Building 千美元 US\$'000	機器 及設備 Machinery and equipment 千美元 US\$'000	雜項設備 Electrical appliances and equipment 千美元 US\$'000	在建工程 Miscellaneous equipment 千美元 US\$'000	合計 Construction in progress 千美元 US\$'000	Total 千美元 US\$'000
賬面值對賬－截至 2014年12月31日 止年度	Reconciliation of carrying amount – year ended 31 December 2014							
於年初	At beginning of year	17,485	1,261,815	3,348,382	20,183	286,672	550,563	5,485,100
添置	Additions	—	23,291	158,157	3,590	91,521	744,083	1,020,642
落成後轉撥	Transfer upon completion	—	102,480	312,373	1,278	24,558	(440,689)	—
出售	Disposals	—	(10,907)	(1,836)	(443)	(6,312)	—	(19,498)
出售一間附屬公司	Disposal of a subsidiary	—	(19,921)	(30,529)	(237)	(1,253)	—	(51,940)
折舊	Depreciation	—	(69,431)	(274,814)	(5,097)	(104,794)	—	(454,136)
滙兌差額	Exchange differences	(1,019)	(27,585)	(67,905)	(277)	(9,145)	(14,332)	(120,263)
於結算日	At end of the reporting period	16,466	1,259,742	3,443,828	18,997	281,247	839,625	5,859,905
於2014年1月1日	At 1 January 2014							
原值	Cost	17,485	1,676,273	5,290,804	55,594	807,457	550,563	8,398,176
累計折舊和減值虧損	Accumulated depreciation and impairment losses	—	(414,458)	(1,942,422)	(35,411)	(520,785)	—	(2,913,076)
賬面淨值	Net carrying amount	17,485	1,261,815	3,348,382	20,183	286,672	550,563	5,485,100
於2014年12月31日	At 31 December 2014							
原值	Cost	16,466	1,730,692	5,581,461	55,380	867,250	839,625	9,090,874
累計折舊和減值虧損	Accumulated depreciation and impairment losses	—	(470,950)	(2,137,633)	(36,383)	(586,003)	—	(3,230,969)
賬面淨值	Net carrying amount	16,466	1,259,742	3,443,828	18,997	281,247	839,625	5,859,905

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## 15. 物業、機器及設備(續)

## (a) 本集團(續)

附註：

- (i) 土地表示位於香港以外的永久業權土地。
- (ii) 於結算日，本集團若干廠房的房屋擁有權證由於正在申請變更授予之土地用途因而尚未獲得，帳面淨值總額為10,622,000美元(2013年：15,925,000美元)。董事認為，本集團合法佔有以及使用這些建築物。

## (b) 本公司

## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

## (a) Group (Continued)

Notes :

- (i) The land represents the freehold land located outside Hong Kong.
- (ii) At the end of the reporting period, the building ownership certificates of the Group's certain premises with aggregate net carrying amount of US\$10,622,000 (2013: US\$15,925,000) have not been obtained due to application for the changes of granted land use purpose is still in process. In the opinion of directors, the Group validly occupies and uses these buildings.

## (b) Company

		2014			2013		
		機器 及設備	雜項設備	合計	機器 及設備	雜項設備	合計
		Machinery and equipment	Miscellaneous equipment	Total	Machinery and equipment	Miscellaneous equipment	Total
		千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
賬面值對賬	Reconciliation of carrying amount						
於年初	At beginning of the year	25	103	128	47	25	72
添置	Additions	—	7	7	—	94	94
出售	Disposals	(3)	—	(3)	(19)	(13)	(32)
折舊	Depreciation	(8)	(20)	(28)	(2)	(3)	(5)
匯兌差額	Exchange differences	(1)	(2)	(3)	(1)	—	(1)
於結算日	At end of the reporting period	13	88	101	25	103	128
於12月31日	At 31 December						
原值	Cost	631	142	773	806	137	943
累計折舊	Accumulated depreciation	(619)	(53)	(672)	(781)	(34)	(815)
賬面淨值	Net carrying amount	12	89	101	25	103	128

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## 16. 土地租約溢價

土地租約溢價指位於中國境內之中期租賃土地成本。該成本按租賃期攤銷。於結算日12個月內應攤銷金額為18,453,000美元(2013年: 7,538,000美元)已計入預付款項及其他應收款項。

## 16. PREPAID LEASE PAYMENTS

Prepaid lease payments represent cost paid for medium-term leasehold land in the PRC. The cost is amortised over the leasehold period. The amount to be amortised within twelve months after the end of the reporting period amounted to US\$18,453,000 (2013: US\$7,538,000) and is included in prepayments and other receivables.

## 17. 無形資產

## 17. INTANGIBLE ASSET

		本集團 Group 特許經營權 Concession right	
		2014 千美元 US\$'000	2013 千美元 US\$'000
<b>賬面值對賬</b>	<b>Reconciliation of carrying amount</b>		
於年初	At beginning of the year	28,058	28,811
攤銷	Amortisation	(753)	(753)
<b>於結算日</b>	<b>At end of the reporting period</b>	<b>27,305</b>	<b>28,058</b>
<b>於結算日</b>	<b>At end of the reporting period</b>		
成本	Cost	29,377	29,377
累計攤銷	Accumulated amortisation	(2,072)	(1,319)
		<b>27,305</b>	<b>28,058</b>

無形資產是指於2012年3月31日業務合併時所產生之特許經營權。特許經營權授予本集團以製造，裝瓶，包裝，分銷及銷售百事碳酸飲品(「CSD」)及佳得樂品牌產品，以及基於中國大陸的特定商標而收取版稅，此商標是按合約列明之約39年期，用直線法計提攤銷。

無形資產根據成本模式計量並當減值指標出現時進行減值測試。

The intangible asset represents a concession right acquired as a result of a business combination taken place on 31 March 2012. The concession right granted to the Group for manufacturing, bottling, packaging, distributing and selling PepsiCo's carbonated soft drink ("CSD") and Gatorade branded products on a royalty free basis under a specific trademark in the Mainland China is amortised on the straight-line basis over the contract period of approximately 39 years.

Intangible asset is measured using cost model and is tested for impairment where an indicator of impairment appears.

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## 18. 附屬公司權益

## 18. INTEREST IN SUBSIDIARIES

		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000
非上市股份，按原值列賬	Unlisted shares, at cost	345,588	345,588
對附屬公司投資之增加	Contribution to a subsidiary	21,400	16,216
減值虧損	Impairment losses	(33,065)	(33,065)
		333,923	328,739
應收附屬公司款項	Amounts due from subsidiaries	935,853	646,709
減值虧損	Impairment losses	(3,218)	(3,218)
		932,635	643,491
應付附屬公司款項	Amounts due to subsidiaries	(77,265)	(43,766)
		1,189,293	928,464

於結算期內，已列賬之對附屬公司投資之增加金額為5,184,000美元(2013年：2,365,000美元)。對附屬公司投資之增加代表本公司授予附屬公司僱員以權益結算股份支付之交易的成本而該附屬公司沒有責任清還透過本公司的股本工具接受之服務。

由於部份附屬公司權益之賬面值大於其可收回金額，減值虧損已認列於該附屬公司權益賬面值36,613,000美元內(2013年：36,613,000美元)(減值虧損前)。

由於部份附屬公司於本年度錄得持續虧損並在可見將來無正現金流，減值虧損已認列於該附屬公司賬面值5,201,000美元(2013年：5,697,000美元)之應收款項內(減值虧損前)。於年內並無認列減值虧損(2013年：註銷9,690,000美元)。

During the reporting period, contribution to a subsidiary of US\$5,184,000 (2013: US\$2,365,000) was recognised which represented the cost of equity-settled share-based payment transaction in which the Company grants its share options to a subsidiary's employees where the subsidiary does not have an obligation to settle the services received through using the Company's equity instruments.

Impairment losses were recognised for certain interests in subsidiaries with carrying amounts of US\$36,613,000 (2013: US\$36,613,000) (before deducting the impairment loss) because their carrying values exceed their recoverable amounts.

An impairment was recognised for amounts due from certain subsidiaries with carrying amounts of US\$5,201,000 (2013: US\$5,697,000) (before deducting the impairment loss) because the subsidiaries were expected to suffer continuous losses with no positive cash flows in the foreseeable future. No impairment loss has been recognised (2013: written off US\$9,690,000) during the year.

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## 18. 附屬公司權益(續)

應收／應付附屬公司之款項為無抵押、免息及無固定還款期，但不預期於本結算日起十二個月內認列／還款。

於2014年12月31日主要附屬公司之詳情列示於財務報表附註45。

沒有任何附屬公司於本年度或本結算日持有債券。

### 重大的判斷和假設

本集團持有少於半數的康師傅飲品控股有限公司(「康師傅飲品控股」)的實際股本權益及投票權，根據本集團與另一投資者之間的協定安排，該投資者同意依從本集團在康師傅飲品控股董事會會議投票決定進行投票。康師傅飲品控股董事會並根據簡單多數表決去決定影響康師傅飲品控股回報的相關活動。本公司董事認為本集團擁有康師傅飲品控股的控制權。所以，康師傅飲品控股及其附屬公司在本財務報表中合併入賬。

### 含個別重大少數股東權益之附屬公司的財務資料

下表列示本集團唯一擁有重大少數股東權益的附屬公司，康師傅飲品控股的資料。此財務資料概要代表內部各公司間抵銷前之金額。

## 18. INTEREST IN SUBSIDIARIES (Continued)

Amounts due from/to subsidiaries are unsecured, interest-free and have no fixed repayment term but are not expected to be realised/repaid within the next twelve months after the end of the reporting period.

Details of principal subsidiaries at 31 December 2014 are shown in note 45 to the financial statements.

None of the subsidiaries had any debt securities outstanding during the year or at the end of the reporting period.

### Significant judgements and assumptions

The Group holds less than half of the effective equity interests and voting rights in Tingyi Asahi Beverage Holding Co., Ltd. ("TAB"). However, based on a contractual arrangement between the Group and one of the other investors, the investor has agreed to follow the Group's voting decision in the board of directors' meetings of TAB. The relevant activities which significantly affect the TAB's return are determined by the board of directors of TAB based on simple majority votes. The directors of the Company concluded that the Group has control over TAB. Therefore, TAB and its subsidiaries are consolidated in these financial statements.

### Financial information of subsidiaries with individually material NCI

The following table shows the information relating to TAB, the only subsidiary of the Group which has material NCI. The summarised financial information represents amounts before inter-company eliminations.

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## 18. 附屬公司權益(續)

含個別重大少數股東權益之附屬公司的  
財務資料(續)

## 18. INTEREST IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually  
material NCI (Continued)

		於2014年 12月31日 At 31 December 2014	於2013年 12月31日 At 31 December 2013
少數權益股東之擁有權比例	Proportion of NCI's ownership interests	52.49%	52.49%
少數權益股東之投票權比例 *	Proportion of NCI's voting rights*	60%	60%
		於2014年 12月31日 At 31 December 2014 千美元 US\$'000	於2013年 12月31日 At 31 December 2013 千美元 US\$'000
流動資產	Current assets	921,608	860,313
非流動資產	Non-current assets	4,375,833	4,280,516
流動負債	Current liabilities	(2,795,747)	(2,873,643)
非流動負債	Non-current liabilities	(490,084)	(286,855)
淨資產	Net assets	2,011,610	1,980,331
少數股東權益賬面價值	Carrying amount of NCI	1,063,973	1,039,475

\* 不包括本集團與另一投資者之間投票權協定安排之影響但已包括本集團的潛在投票權。

\* exclude the effect of the contractual arrangement on voting right between the Group and one of the other investors but include the effect of potential voting right held by the Group.

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## 18. 附屬公司權益(續)

含個別重大少數股東權益之附屬公司的  
財務資料(續)

## 18. INTEREST IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually  
material NCI (Continued)

		截至2014年 12月31日 Year ended 31 December 2014 千美元 US\$'000	截至2013年 12月31日 Year ended 31 December 2013 千美元 US\$'000
營業額	Turnover	5,801,005	6,268,472
本年度溢利	Profit for the year	153,952	154,880
其他全面(虧損)收益	Other comprehensive (loss) income	(49,588)	76,248
全面收益總額	Total comprehensive income	104,364	231,128
少數權益股東應佔溢利	Profit attributable to NCI	82,006	81,297
少數權益股東應佔全面收益	Total comprehensive income attributable to NCI	55,977	121,319
已付少數權益股東股息	Dividends paid to NCI	42,597	26,511
所得(用)現金流量淨額 經營活動	Net cash flows from (used in): Operating activities	211,353	680,812
投資活動	Investing activities	(555,954)	(610,445)
融資活動	Financing activities	386,163	(163,047)

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**18. 附屬公司權益(續)****本集團對附屬公司擁有權變動**

年內，蘭州百事飲料有限公司及百事可樂飲料(桂林)有限公司的少數權益股東行使其認沽期權，要求本集團分別以現金代價490,000美元及2,010,000美元購入額外20%蘭州百事飲料有限公司和25%百事可樂飲料(桂林)有限公司的股權。收購後，以上兩間附屬公司成為康師傅飲品控股的全資附屬公司。

此外，本集團於年內以20,000,000美元的現金代價總額出售一間附屬公司漳州頂津食品有限公司(「漳州頂津」)的全部權益予兩位獨立第三方。於出售日，漳州頂津的淨資產為21,863,000美元，於本年損益表認列1,863,000美元之出售虧損。此現金代價於年內已全數收款，本集團因出售所得現金淨額為19,916,000美元。

**18. INTEREST IN SUBSIDIARIES (Continued)****Change in the Group's ownership interest in subsidiaries**

During the year, the non-controlling shareholder of Lanzhou PepsiCo Beverages Company Limited and Pepsi-Cola Beverages (Guiling) Company Limited exercised their put options, requiring the Group to acquire an additional 20% equity interest in Lanzhou PepsiCo Beverages Company Limited and 25% equity interest in Pepsi-Cola Beverages (Guiling) Company Limited at a cash consideration of US\$490,000 and US\$2,010,000 respectively. As a result of these acquisitions, both subsidiaries become wholly-owned subsidiaries of TAB.

In addition, during the year, the Group disposed of its entire equity interest in a subsidiary, Zhangzhou Ting Jin Food Co., Ltd. ("ZTFL"), to two independent third parties at a total cash consideration of US\$20,000,000. As at the date of disposal, the net assets of ZTFL disposed of was amounting to USD\$21,863,000 and a loss on disposal of US\$1,863,000 was recognised in profit or loss for the year. The cash consideration had been fully settled during the year and the Group generated net inflow of cash and equivalents of US\$19,916,000 from the disposal.

**19. 聯營公司權益****19. INTEREST IN ASSOCIATES**

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
非上市股份，按成本值	Unlisted shares, at cost	23,610	23,610
應佔收購後業績	Share of post-acquisition results	8,121	4,804
匯兌差額	Exchange difference	242	636
		31,973	29,050

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## 19. 聯營公司權益(續)

於結算日聯營公司之明細詳列如下：

## 19. INTEREST IN ASSOCIATES (Continued)

Details of the associates at the end of the reporting period are as follows:

聯營公司名稱 Name of associates	主要營業/ 註冊地點 Principal place of business and place of incorporation	註冊股本 Registered capital	本集團持有之 註冊資本比例 Proportion of effective ownership interest held by the Group		主要業務 Principal activities
			2014	2013	
杭州百事可樂飲料有限公司 Hangzhou Pepsi-cola Beverage Co., Ltd.	中國 PRC	US\$10,400,000	11.88%	11.88%	製造及銷售飲品 Manufacture and sale of beverages
南京百事可樂飲料有限公司 Nanjing Pepsi-cola Beverage Co., Ltd.	中國 PRC	US\$16,000,000	23.75%	23.75%	製造及銷售飲品 Manufacture and sale of beverages
康全(杭州)食品有限公司 Kongquan (Hangzhou) Food Co., Ltd.	中國 PRC	US\$3,500,000	49%	49%	製造及銷售糖果 Manufacturing and sales of candies
和菁康(上海)商貿有限公司 Wakodo (Shanghai) Trading Co., Ltd. #	中國 PRC	US\$5,000,000	45%	45%	銷售奶類及嬰兒用品 Sales of milk product and commodity for babies

# 英語翻譯只供識別

以上所有聯營公司乃按權益法列賬  
在綜合財務報表中。

# English translation for identification purposes only.

All of the above associates are accounted for using the equity  
method in the consolidated financial statements.

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## 19. 聯營公司權益(續)

## 個別非重大聯營公司之財務資料

下表列示本集團按權益法認列之個別非重大聯營公司的合計賬面值及本集團應佔業績。

## 19. INTEREST IN ASSOCIATES (Continued)

## Financial information of individually immaterial associates

The table below shows, in aggregate, the carrying amount and the Group's share of results of associates that are not individually material and accounted for using the equity method.

		於2014年 12月31日 At 31 December 2014 千美元 US\$'000	於2013年 12月31日 At 31 December 2013 千美元 US\$'000
權益賬面值	Carrying amount of interests	31,973	29,050
		截至2014年 12月31日 Year ended 31 December 2014 千美元 US\$'000	截至2013年 12月31日 Year ended 31 December 2013 千美元 US\$'000
本集團應佔：	Group's share of:		
本年度溢利	Profit for the year	3,317	3,152
其他全面收益	Other comprehensive income	—	—
全面收益總額	Total comprehensive income	3,317	3,152

董事認為，本集團沒有個別重大的聯營公司。

In the opinion of the directors, no associates are individually material to the Group.

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## 20. 合營公司權益

## 20. INTEREST IN JOINT VENTURES

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
非上市股份，按成本值	Unlisted shares, at cost	75,724	72,349
應佔收購後業績	Share of post-acquisition results	19,163	15,211
自收購後的已收股利	Dividend received since acquisition	(20,664)	(8,596)
匯兌差額	Exchange difference	(70)	1,312
		74,153	80,276

於結算日合營公司之明細詳列如下：

Details of the joint ventures at the end of the reporting period are as follows:

合營公司名稱 Name of joint ventures	主要營業/ 註冊地點 Principal place of operation/ Place of incorporation	註冊股本 Registered capital	本集團持有之 註冊資本比例 Proportion of effective ownership interest held by the Group		主要業務 Principal activities
			2014	2013	
福建睿鼎食品有限公司 (前稱福建新東和食品有限公司) Fujian Sintongho Foods Co., Ltd.	中國 PRC	US\$11,000,000	31.82%	31.82%	處理及銷售農業製品 Process and sale of agricultural products
卡樂(杭州)食品有限公司 Calbee (HangZhou) Foods Co., Ltd.	中國 PRC	US\$20,000,000	45%	45%	製造及銷售零食製品 Manufacture and sale of snack food products
康普(吳江)食品有限公司 Kangpu (Wujiang) Food Co., Ltd.	中國 PRC	US\$24,000,000	60%	60%	處理及銷售肉類製品 Process and sale of meat products
上海百事可樂飲料有限公司 Shanghai Pepsi-cola Beverage Co., Ltd.	中國 PRC	US\$28,120,000	23.75%	23.75%	製造及銷售飲品 Manufacture and sale of beverages
濟南百事可樂飲料有限公司 Jinan Pepsi-cola Beverage Co., Ltd.	中國 PRC	RMB150,000,000	38%	38%	製造及銷售飲品 Manufacture and sale of beverages
可果美(上海)飲料有限公司 Kagome (Shanghai) Beverages Co., Ltd.	中國 PRC	US\$7,000,000	21.38%	—	處理及銷售飲品 Process and sale of beverages

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**20. 合營公司權益(續)**

以上所有合營公司乃按權益法列賬在綜合財務報表中。

**重大的判斷及假設**

本集團透過一間全資附屬公司持有康普（吳江）食品有限公司60%的投票權。然而，根據該全資附屬公司與另一投資者之間的合同協議，對被投資回報有重大影響的相關業務須經所有投資者一致決定。因此，本集團認為對該實體不擁有控制權但擁有共同控制權。

**個別非重大合營公司之財務資料**

下表列示本集團按權益法之個別非重大合營公司的合計賬面值及本集團應佔業績。

**20. INTEREST IN JOINT VENTURES (Continued)**

All of the above joint ventures are accounted for using the equity method in the consolidated financial statements.

**Significant judgements and assumptions**

The Group has 60% voting rights in Kangpu (Wujiang) Food Co., Ltd. through a wholly owned subsidiary. However, based on a contractual agreement between the wholly owned subsidiary and another investor, the relevant activities which significantly affect the investee's return require the unanimous consent of all investors. Therefore, the Group determined that it has no control but joint control over this entity.

**Financial information of individually immaterial joint ventures**

The table below shows, in aggregate, the carrying amount and the Group's share of results of joint ventures that are not individually material and accounted for using the equity method.

		於2014年 12月31日 At 31 December 2014 千美元 US\$'000	於2013年 12月31日 At 31 December 2013 千美元 US\$'000
權益賬面值	Carrying amount of interests	74,153	80,276
		截至2014年 12月31日 Year ended 31 December 2014 千美元 US\$'000	截至2013年 12月31日 Year ended 31 December 2013 千美元 US\$'000
本集團應佔：	Group's share of:		
本年度收益	Profit for the year	3,952	12,897
其他全面收益	Other comprehensive income	—	—
全面收益總額	Total comprehensive income	3,952	12,897

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## 20. 合營公司權益(續)

董事認為，本集團沒有個別重大的合營公司。

## 承擔

本集團有以下與合營公司權益相關之未認列承擔。

## 20. INTEREST IN JOINT VENTURES (Continued)

In the opinion of the directors, no joint ventures are individually material to the Group.

## Commitments

The Group has the following unrecognised commitments relating to its interest in joint ventures.

		2014 千美元 US\$'000	2013 千美元 US\$'000
承諾提供資金或資源：	Commitments to contribute funding or resources for:		
合營公司權益	Interest in joint ventures	1,575	1,800

## 21. 可供出售金融資產

## 21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
投資基金	Investment funds				
公允值	At fair value	75,664	21,275	50,708	21,275
非上市股本證券	Equity securities, unlisted				
原值	At costs	3,730	11,452	3,140	3,140
減值虧損	Impairment losses	(342)	(8,044)	(342)	(342)
		3,388	3,408	2,798	2,798
		79,052	24,683	53,506	24,073

投資基金為於五個(2013年：兩個)基金之投資，分別為成立於開曼島的有限責任合夥企業，成立於澤西的有限責任合夥企業，成立於英屬處女群島(「英屬處女群島」)的股份有限責任公司及成立於中國的信託，以達到可觀的回報為目的。本公司已訂約並承諾向此等基金投資總計70,000,000美元(2013年：50,000,000美元)，而其中43,349,000美元(2013年：2,992,000美元)已於年內出資。

The investment funds represent investments in five (2013: two) funds which were set up by limited partnership in the Cayman Islands, limited partnership in Jersey, liability limited by shares incorporated in the British Virgin Islands ("BVI") and trust in the PRC respectively, aiming at achieving substantial return. The Company has entered into agreements and committed to invest in aggregate of US\$70,000,000 (2013: US\$50,000,000) in these funds, of which US\$43,349,000 (2013: US\$2,992,000) was paid during the year.

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**21. 可供出售金融資產(續)**

於結算日，投資基金的公允值是由有關基金經理或信託管理人估價。公允值變更已被確認及累計以貸方入賬於投資重估值儲備內，金額為11,040,000美元(2013: 1,606,000美元)。投資基金的公允值計量時所用之估價技術及重要假設數據列示在財務報表附註41。

非上市投資指非上市股本證券之長期投資。基於需合理估計公允價值的考慮範圍甚為重要，董事認為非上市投資之公允價值不能可靠地計量，故非上市證券乃以成本減去於結算日之減值計量。本集團沒有出售這些非上市股本證券的意向。

可供出售金融資產乃以下列貨幣列值：

**21. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)**

The fair values of the investment funds were valued by the respective investment managers or trust administrator at the end of the reporting period. Changes in fair value of US\$11,040,000 (2013: US\$1,606,000) were credited to investment revaluation reserve. The valuation techniques and significant inputs used in the measurement of the fair values of the investment funds are set out in note 41 to the financial statements.

The unlisted equity securities are measured at cost less impairment loss at the end of each reporting period because the range of reasonable fair value estimates is significant and the probabilities of the various estimates within the range cannot be reasonably assessed. The directors are of the opinion that their fair values cannot be measured reliably. The Group has no intention to dispose of these unlisted equity securities.

The available-for-sale financial assets are denominated in the following currencies:

		Group		Company	
		2014	2013	2014	2013
		千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000
美元	US\$	51,723	22,290	51,723	22,290
人民幣	RMB	25,668	732	—	—
新台幣	New Taiwan dollar ("NTD")	1,435	1,435	1,557	1,557
其他	Others	226	226	226	226
		79,052	24,683	53,506	24,073

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22. 按公允價值列賬及在損益賬處理的金融資產

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		Group		Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
<b>持作買賣投資</b>	<b>Investments held for trading</b>				
於香港以外上市之股本證券	Equity securities, listed outside Hong Kong	2,352	114	2,352	114
於香港上市之股本證券	Equity securities, listed in Hong Kong	—	4,838	—	4,838
		2,352	4,952	2,352	4,952

按公允價值列賬及在損益賬處理之金融資產乃以下列貨幣列值：

The financial assets at fair value through profit or loss are denominated in the following currencies:

		Group		Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
美元	HK\$	—	4,838	—	4,838
日元	JPY	1,343	114	1,343	114
韓元	KRW	1,009	—	1,009	—
		2,352	4,952	2,352	4,952

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## 23. 存貨

## 23. INVENTORIES

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
原材料	Raw materials	180,430	203,694
在製品	Work in progress	11,972	13,946
製成品	Finished goods	194,556	263,222
		386,958	480,862

## 24. 應收賬款

## 24. TRADE RECEIVABLES

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
應收賬款	Trade receivables		
— 第三方	– From third parties	230,676	252,548
— 本公司之主要股東 控制之多間公司	– From companies controlled by a substantial shareholder of the Company	3,834	—
— 聯營公司	– From associates	1,406	2,884
— 合營公司	– From joint ventures	2,323	4,995
		238,239	260,427

本集團之銷售大部份為貨到收現，餘下的銷售之信貸期主要為30至90天。有關應收賬款(扣除壞賬及呆賬減值虧損)於結算日按發票日期編製之賬齡分析列示如下：

The majority of the Group's sales are cash-on-delivery. The remaining balances of sales are mainly at credit term ranging from 30 to 90 days. The ageing analysis of trade receivables (net of impairment losses for bad and doubtful debts), based on invoice date, at the end of the reporting period is as follows:

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
0 - 90 天	0 - 90 days	216,763	248,538
90 天以上	Over 90 days	21,476	11,889
		238,239	260,427

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**24. 應收賬款 (續)**

已過期但未減值之應收賬款賬齡：

**24. TRADE RECEIVABLES (Continued)**

The ageing analysis of trade receivables which are past due but not impaired is as follows:

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
已超過正常賬齡之應收款項	Balances exceeded normal credit period:		
過期30天內	Within 30 days	15,980	15,245
過期31至90天	31-90 days	16,038	13,666
過期超過90天	Over 90 days	9,663	3,897
		<b>41,681</b>	<b>32,808</b>

這些過期但未減值的應收賬款，是來自本集團多名具有良好紀錄的獨立客戶。由於其信譽並無重大的變化，本集團並無對這些賬款餘額作減值，並且管理層認為這些賬款可收回。本集團並未持有任何與這些賬款相關的抵押品。

這些非逾期或未減值的應收賬款相關之客戶於近期並無拖欠賬款記錄。

應收賬款主要以人民幣列值。

The trade receivables that are past due but not impaired related to a number of independent customers that have a good track record with the Group. The Group has not impaired these debtors as there has not been a significant change in credit quality and the directors believe that the amounts are recoverable. The Group does not hold any collateral over these balances.

Receivables that are neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

The trade receivables are mainly denominated in RMB.

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## 25. 預付費用及其他應收款

## 25. PREPAYMENTS AND OTHER RECEIVABLES

		本集團 Group		本公司 Company	
	附註 Note	2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
預付貨款	Prepayments to suppliers				
	for purchase of goods	12,738	11,301	—	—
預付設備款	Prepayments for purchase of equipment	7,187	14,781	—	—
預付土地租約	Prepayment for purchase				
溢價	of prepaid lease payment	1,920	7,577	—	—
預付增值稅	Prepaid value-added taxes	136,225	117,083	—	—
預付營運開支	Prepaid operating expenses	219,269	171,872	—	—
土地租約溢價	Current portion of prepaid lease payment				
流動部份		18,453	7,538	—	—
應收貸款	Loan receivables	25(a)	15,478	15,830	—
應收一間前	Amount due from a former				
附屬公司款項	subsidiary	25(b)	57,592	—	—
其他	Others		63,759	67,975	371
				371	379
		532,621	413,957		

## (a) 應收貸款

應收貸款乃由本集團之附屬公司貸款予其若干原材料供應商供其作營運用途之款項。此等應收貸款為無抵押，須於一年內償還及附年息由5.6%至6.56% (2013年：5.72%至6.56%) 的貸款。

本公司董事預期此等貸款將於結算日後十二個月內全數收回。根據以現行市場利率折算之預期未來現金流之現值來判斷，此等貸款在結算日之公允價值與其有關賬面值相符。

## (a) Loan receivables

Loan receivables represent the advances made by wholly owned subsidiaries of the Company to certain raw materials suppliers of the Group for their operating use. The loan receivables are unsecured, repayable within 12 months from the date of drawdown and bear interest ranging from 5.6% to 6.56% (2013: from 5.72% to 6.56%) per annum.

The directors expected the amounts will be realised in the next twelve months after the end of the reporting period. The fair value of the amounts as at the end of the reporting period, determined based on the present value of the estimated future cash flows discounted using prevailing market rate, approximate their corresponding carrying amount.

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## 25. 預付費用及其他應收款(續)

## (b) 應收一間前附屬公司款項

此餘額為本公司貸款予一間前附屬公司漳州頂津的款項，該款項於年內出售漳州頂津全部股權予兩間獨立第三方之前於綜合財務報表中全數抵消。於結算日，該款項需於一年內全數歸還，並由其中一位漳州頂津之新股東的有關聯人士向本集團提供擔保，擔保金額為54,671,000美元。其中約46,822,000美元為有息，年利率為6%，約10,770,000美元為免息。

於結算期末並無逾期但未付之應收貸款及應收一間前附屬公司款項，亦無因未能收回貸款及利息作出撥備。

## 25. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

## (b) Amount due from a former subsidiary

The balance represents the advances made to ZTFL, a former subsidiary of the Company, which had been fully eliminated in the consolidated financial statements prior to the disposal of the entire equity interest in ZTFL to two independent third parties during the year. At the end of the reporting period, the amounts due are wholly repayable within one year, secured by a corporate guarantee to the Group provided by a related party of one of the new shareholder of ZTFL to the extent of US\$54,671,000, out of which approximately US\$46,822,000 bearing interest at 6% per annum and approximately US\$10,770,000 is interest-free.

At the end of the reporting period, none of the loan receivables and amount due from a former subsidiary was due but unpaid and no provision had been made for non-repayment of the advances and interest.

## 26. 應收附屬公司款項

應收附屬公司之款項金額310,000,000美元(2013年：310,000,000美元)為無抵押、附年息1.45%至4.00%(2013年：1.45%至4.00%)及按要求還款。

## 26. AMOUNTS DUE FROM A SUBSIDIARY

Amounts due from a subsidiary of US\$310,000,000 (2013: US\$310,000,000) are unsecured, bearing interest ranging from 1.45% to 4.00% (2013: from 1.45% to 4.00%) per annum and repayable on demand.

## 27. 現金及等同現金項目

## 27. CASH AND CASH EQUIVALENTS

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
銀行結餘及現金	Bank balances and cash	1,170,900	1,234,399
抵押銀行存款	Pledged bank deposits	12,203	15,491
於綜合現金流量表列示	As stated in the consolidated statement of cash flows	1,183,103	1,249,890

銀行存款已予抵押，作為提供本集團一般銀行及貿易融資(包括銀行承兌匯票)的銀行授信之抵押品。

The pledged bank deposits are secured for general banking and trade finance facilities, including the issuance of bank acceptance bills, granted to the Group by banks.

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**27. 現金及等同現金項目 (續)**

現金及等同現金項目以下列貨幣列值：

**27. CASH AND CASH EQUIVALENTS (Continued)**

The cash and cash equivalents are denominated in the following currencies:

		本集團 Group	
		2014 千美元 US\$'000	2013 千美元 US\$'000
人民幣	RMB	1,030,109	1,177,937
美元	US\$	123,859	46,665
歐元	EUR	10,891	673
新台幣	NTD	16,114	20,329
其他	Others	2,130	4,286

有關本集團之外匯風險及信貸風險已於財務報表附註40詳述。

Details of the Group's foreign currency risk and credit risk discussion are set out in note 40 to the financial statements.

**28. 發行股本****28. ISSUED CAPITAL**

		本公司 Company			
		2014		2013	
		股份數目 No. of shares	千美元 US\$'000	股份數目 No. of shares	千美元 US\$'000
法定： 每股0.005美元 之普通股	Authorised: Ordinary shares of US\$0.005 each	7,000,000,000	35,000	7,000,000,000	35,000
已發行及繳足：	Issued and fully paid:				
於年初	At the beginning of the year	5,596,405,360	27,982	5,592,897,360	27,964
根據購股權計劃 發行之股份	Shares issued under share option scheme	7,354,000	37	3,508,000	18
於結算日	At the end of the reporting period	5,603,759,360	28,019	5,596,405,360	27,982

2014年，7,354,000購股權獲行使以認購本公司7,354,000普通股股份，總代價為9,123,000美元，其中37,000美元計入股本，而結餘9,086,000美元計入股份溢價賬。另外，2,904,000美元由購股權儲備轉撥至股份溢價賬。

During the year, 7,354,000 options were exercised to subscribe for 7,354,000 ordinary shares of the Company at a consideration of US\$9,123,000, of which US\$37,000 was credited to share capital and the balance of US\$9,086,000 was credited to the share premium account. In addition, US\$2,904,000 has been transferred from the share-based payment reserve to the share premium account.

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## 29. 股份溢價

## 29. SHARE PREMIUM

		2014 US\$'000	2013 US\$'000
於年初	At the beginning of the year	53,431	66,656
根據購股權計劃發行之股份	Shares issued under share option scheme	11,990	5,607
已批准及派發2013年／ 2012年末期股息	2013/2012 final dividend approved and paid	—	(18,832)
於結算日	At the end of the reporting period	65,421	53,431

根據開曼島公司條例，當公司以溢價發行股份時，不論是以現金或其他形式發行，在發行股份時所得的累計溢價均轉撥至股份溢價賬。

股份溢價賬之應用是根據開曼群島公司法之規定。

在符合公司章程規定之情況下，本公司之股份溢價可被分派予股東，惟本公司於分派後須仍有能力償還在日常業務中到期繳付之債務。

Under the Companies Law of the Cayman Islands, where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on their shares shall be transferred to share premium account.

The application of the share premium account is governed by the Companies Law of the Cayman Islands.

Share premium of the Company is distributable to shareholders subject to the provisions of the Company's Memorandum and Articles of Association and provided that immediately following the distribution the Company is able to pay its debts as they fall due in the ordinary course of business.

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### 30. 儲備

### 30. RESERVES

#### (a) 集團

#### (a) Group

		與少數股東 權益交易儲備		外幣換算儲備	投資重估 儲備	購股權儲備	一般儲備	保留溢利	總額
		股份贖回儲備	重估值儲備						
		Capital redemption reserve	Remeasur- ement reserve	with non- controlling interest reserve	Exchange translation reserve	Investment revaluation reserve	General reserve	Share-based payment reserve	Retained profits
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
於2013年1月1日	At 1 January 2013	45	(11,655)	161,430	335,314	2,439	365,852	32,086	1,564,019
本年度溢利	Profit for the year	—	—	—	—	—	—	—	408,544
其他全面收益(虧損)	Other comprehensive income (loss)								
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	450	—	—	—	—	—	450
滙兌差額	Exchange difference on consolidation	—	—	—	92,750	—	—	—	92,750
可供出售金融資產公允價值之變動	Fair value changes in available-for-sale financial assets	—	—	—	—	12,780	—	—	12,780
於期內出售可供出售金融資產之 重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	—	—	—	(14,397)	—	—	(14,397)
其他全面收益(虧損)總額	Total other comprehensive income (loss)	—	450	—	92,750	(1,617)	—	—	91,583
本年度全面收益(虧損)總額	Total comprehensive income (loss) for the year	—	450	—	92,750	(1,617)	—	—	500,127
與本公司股東之交易	Transactions with owners of the Company:								
投資與分配	Contributions and distribution								
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	—	—	11,930	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	—	—	(1,417)	(1,417)
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	—	—	—	—	—	(161,291)	(161,291)
轉撥自保留溢利	Transfer from retained profits	—	—	—	—	—	66,761	—	(66,761)
與本公司股東交易總額	Total transactions with owners of the Company	—	—	—	—	—	66,761	10,513	(228,052)
於2013年12月31日	At 31 December 2013	45	(11,205)	161,430	428,064	822	432,613	42,599	2,798,879

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For the year ended 31 December 2014

## 30. 儲備(續)

## 30. RESERVES (Continued)

## (a) 集團(續)

## (a) Group (Continued)

		與少數股東 權益交易儲備								
		Transactions				投資重估				
		股份贖回儲備	重估值儲備	with non-	外幣換算儲備	值儲備	購股權儲備			
		Capital redemption reserve	Remeasurement reserve	controlling interest reserve	Exchange translation reserve	Investment revaluation reserve	一般儲備	Share-based payment reserve	保留溢利	總額
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
於2014年1月1日	At 1 January 2014	45	(11,205)	161,430	428,064	822	432,613	42,599	1,744,511	2,798,879
本年度溢利	Profit for the year	—	—	—	—	—	—	—	400,482	400,482
其他全面(虧損)收益	Other comprehensive (loss) income									
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	1,584	—	—	—	—	—	—	1,584
滙兌差額	Exchange difference on consolidation	—	—	—	(76,477)	—	—	—	—	(76,477)
可供出售金融資產公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	—	11,040	—	—	—	11,040
其他全面(虧損)收益總額	Total other comprehensive (loss) income	—	1,584	—	(76,477)	11,040	—	—	—	(63,853)
本年度全面收益(虧損)總額	Total comprehensive income (loss) for the year	—	1,584	—	(76,477)	11,040	—	—	400,482	336,629
與本公司股東之交易	Transactions with owners of the Company:									
投資與分配	Contributions and distribution									
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	—	—	11,837	—	11,837
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	—	—	(2,904)	—	(2,904)
已批准及派發2013年末期股息	2013 final dividend approved and paid	—	—	—	—	—	—	—	(204,324)	(204,324)
轉撥自保留溢利	Transfer from retained profits	—	—	—	—	—	40,719	—	(40,719)	—
與本公司股東交易總額	Total transactions with owners of the Company	—	—	—	—	—	40,719	8,933	(245,043)	(195,391)
於2014年12月31日	At 31 December 2014	45	(9,621)	161,430	351,587	11,862	473,332	51,532	1,899,950	2,940,117

其他全面收益各組成項目在2014年及2013年均沒有所得稅影響。

No income tax effect arose from each component of other comprehensive income in 2014 and 2013.

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## 30. 儲備(續)

## 30. RESERVES (Continued)

## (b) 本公司

## (b) Company

		股份贖回 儲備 Capital redemption reserve 千美元 US\$'000	重估值儲備 Remeasur- ement reserve 千美元 US\$'000	外幣換算 儲備 Exchange translation reserve 千美元 US\$'000	投資重估值 儲備 Investment revaluation reserve 千美元 US\$'000	購股權儲備 Share-based payment reserve 千美元 US\$'000	保留溢利 Retained profits 千美元 US\$'000	總額 Total 千美元 US\$'000
於2013年1月1日	At 1 January 2013	45	(6,508)	198	(785)	32,086	164,409	189,445
本年度溢利	Profit for the year	—	—	—	—	—	204,303	204,303
其他全面收益(虧損)	Other comprehensive income (loss)							
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	(27)	—	—	—	—	(27)
匯兌差額	Exchange translation difference	—	—	(561)	—	—	—	(561)
可供出售金融資產 公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	1,606	—	—	1,606
其他全面收益(虧損)總額	Total other comprehensive income (loss)	—	(27)	(561)	1,606	—	—	1,018
本年度全面收益(虧損)總額	Total comprehensive income (loss) for the year	—	(27)	(561)	1,606	—	204,303	205,321
與本公司股東之交易	Transactions with owners of the Company:							
投資與分配	Contributions and distribution							
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	11,930	—	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	(1,417)	—	(1,417)
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	—	—	—	—	(161,291)	(161,291)
與本公司股東之 交易總額	Total transactions with owners of the Company	—	—	—	—	10,513	(161,291)	(150,778)
於2013年12月31日	At 31 December 2013	45	(6,535)	(363)	821	42,599	207,421	243,988

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## 30. 儲備(續)

## 30. RESERVES (Continued)

## (b) 本公司(續)

## (b) Company (Continued)

		股份贖回 儲備	重估值儲備	外幣換算 儲備	投資重估值 儲備	購股權儲備	保留溢利	總額
		Capital redemption reserve	Remeasur- ement reserve	Exchange translation reserve	Investment revaluation reserve	Share-based payment reserve	Retained Profits	Total
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
於2014年1月1日	At 1 January 2014	45	(6,535)	(363)	821	42,599	207,421	243,988
本年度溢利	Profit for the year	—	—	—	—	—	197,708	197,708
其他全面收益(虧損)	Other comprehensive income (loss)							
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	(135)	—	—	—	—	(135)
匯兌差額	Exchange translation difference	—	—	86	—	—	—	86
可供出售金融資產 公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	5,433	—	—	5,433
其他全面收益(虧損)總額	Total other comprehensive income (loss)	—	(135)	86	5,433	—	—	5,384
本年度全面收益(虧損)總額	Total comprehensive income (loss) for the year	—	(135)	86	5,433	—	197,708	203,092
與本公司股東之交易	Transactions with owners of the Company:							
投資與分配	Contributions and distribution							
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	11,837	—	11,837
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	(2,904)	—	(2,904)
已批准及派發2013年末期股息	2013 final dividend approved and paid	—	—	—	—	—	(204,324)	(204,324)
與本公司股東之 交易總額	Total transactions with owners of the Company	—	—	—	—	8,933	(204,324)	(195,391)
於2014年12月31日	At 31 December 2014	45	(6,670)	(277)	6,254	51,532	200,805	251,689

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### 30. 儲備(續)

#### 股份贖回儲備

股份贖回儲備乃根據開曼群島之公司法有關回購及註銷本公司股份之條款而設立。

#### 重估值儲備

重估值儲備乃根據會計準則有關淨界定福利負債之重估值，詳情列示於財務報表附註3。

#### 與少數股東權益交易儲備

與少數股東權益交易儲備乃根據會計準則有關任何變動附屬公司的權益但不會導致失去控制而設立，詳情列示於財務報表附註3。

#### 外匯換算儲備

外幣換算儲備之設立及處理乃根據本公司有關外幣換算之會計政策。

### 30. RESERVES (Continued)

#### Capital redemption reserve

Capital redemption reserve has been set up in accordance with the provisions of the Companies Law of the Cayman Islands on repurchases and cancellations of the Company's own shares.

#### Remeasurement reserve

Remeasurement reserve has been set up and is dealt with in accordance with the accounting policies adopted for the remeasurements of the net defined benefit liability as set out in note 3 to the financial statements.

#### Transactions with non-controlling interests reserve

Transactions with non-controlling interests reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes in the Group's ownership interest in a subsidiary which do not result in a loss of control as set out in note 3 to the financial statements.

#### Exchange translation reserve

Exchange translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation.

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### 30. 儲備(續)

#### 投資重估值儲備

投資重估值儲備乃根據會計準則有關可供出售的金融資產公允值變更而設立，詳情列示於財務報表附註3。

#### 一般儲備

根據中國有關規例，中國附屬公司須將一筆不少於其除稅後溢利(按照中國會計規例編製有關中國附屬公司之法定賬目內呈列)10%之款項轉撥往一般儲備。倘一般儲備之總額達有關中國附屬公司註冊股本之50%時，該公司可毋須再作任何轉撥。

#### 購股權儲備

購股權儲備包括授予本集團僱員但尚未行使之購股權於授出日期之公允值之部分，並根據會計準則有關以股份為基礎之付款處理，詳情列示於財務報表附註3。

於2014年12月31日，本公司可供分派儲備包括保留溢利及股份溢價為266,226,000美元(2013：260,852,000美元)。

### 30. RESERVES (Continued)

#### Investment revaluation reserve

The investment revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes of fair value in available-for-sale financial assets as set out in note 3 to the financial statements.

#### General reserve

In accordance with the relevant PRC regulations, the PRC subsidiaries are required to appropriate to the general reserve an amount not less than 10% of the amount of profit after taxation (as reported in the respective statutory financial statements of the PRC subsidiaries prepared in accordance with the PRC accounting regulations). If the accumulated general reserve reaches 50% of the registered capital of the respective PRC subsidiaries, the subsidiary may not be required to make any further appropriation.

#### Share-based payment reserve

Share-based payment reserve comprises the fair value at the grant date of unexercised share options granted to employees of the Group and is dealt with in accordance with the accounting policy adopted for share-based payments as set out in note 3 to the financial statements.

At 31 December 2014, the Company's distributable reserves including retained profits and share premium amounted to US\$266,226,000 (2013: US\$260,852,000).

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### 31. 以權益結算股份支付之交易

有關批准採納購股權計劃(「計劃」)之決議案已於2008年3月20日通過。該計劃之目的乃鼓勵參與者(詳細如下)並確認他們曾對本集團作出的貢獻。

董事會可按其考慮授予以下人士購股權：

- (i) 公司及其附屬公司的任何全職或兼職僱員，行政人員或高級僱員；
- (ii) 公司及其附屬公司的任何董事(包括非執行董事及獨立非執行董事)；及
- (iii) 公司及其附屬公司的任何顧問，諮詢者，供應商，顧客及代理。

除經公司股東批准，該計劃及任何本公司之其他購股權計劃所授予之購股權涉及之股份數目不得超過本公司於採納此計劃當日(即2008年3月20日)之已發行股份的10%。於結算日，已授予其僱員及董事的購股權為105,104,500股(2013年：92,386,000股)，約為本公司於採納此由股東授予購股權計劃當日之發行股份的1.88%(2013年：1.65%)。

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 20 March 2008. The Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the eligible participants (as defined below) had or may have made to the Group.

The Board of Directors may, at its discretion, offer to grant an option to:-

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any directors (including non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries.

Without prior approval from the Company's shareholders, the maximum number of shares in respect of which options may be granted under the Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue at the time the Scheme is adopted by the shareholders (i.e. 20 March 2008). At the end of reporting period, the number of shares in respect of which options had been granted to its employees and director was 105,104,500 (2013: 92,386,000), representing 1.88% (2013: 1.65%) of the shares of the Company in issue at the time the Scheme is adopted by the shareholders of the Company.

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### 31. 以權益結算股份支付之交易(續)

每名參與者在該計劃或其他購股權下可享有的最高授予股數(包括已行使及未行使之購股權)，在任何授予日始之12個月內不得超過在授予日期時已發行股份的1%。多於1%為限的授予須獲公司股東的批准。

行使價由董事會的董事決定，而行使價將不少於(i)股份在購股權授予日於聯交所載的收市價；(ii)股份在購股權授予日前5個營業日於聯交所的平均收市價；及(iii)股份的面值中之最高價值。

購股權計劃的行使期由董事會決定，而購股權之行使期不多於授予後之10年。購股權將於授予日5年後或持有者達到計劃規定的退休年齡時立即歸屬。持購股權者被授予之每一批購股權之認購價為港幣1元。每一購股權授予持購股權者兌換本公司一股普通股的權利。

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

*(Continued)*

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to an individual in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the shareholders' approval.

The exercise price is determined by the Company's Board of Directors, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares.

The period during which an option may be exercised will be determined by the Company's Board of Directors, save that no option may be exercised more than 10 years after it has been granted. The options will be vested either after five years from the date of grant or immediate upon attainment of the retirement age as specified in the Scheme. A nominal consideration at HK\$1 was paid by each option holder for each lot of share option granted. Each option gives the holder the right to subscribe for one ordinary share of the Company.

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## 31. 以權益結算股份支付之交易(續)

已授予之購股權詳情及於2014年及2013年12月31日年度內之變動如下：

授予日期 Grant date	授予購 股權數目 Number of share options granted	未行使的購股權數目 Number of share options outstanding		行使價 Exercise price HK\$	行使期 Exercisable period (附註) (note)
		2014	2013		
2008年3月20日 20 March 2008	11,760,000	4,864,000	5,950,000	9.28	2013年3月21日至 2018年3月20日 21 March 2013 to 20 March 2018
2009年4月22日 22 April 2009	26,688,000	14,380,000	20,344,000	9.38	2014年4月23日至 2019年4月22日 23 April 2014 to 22 April 2019
2010年4月1日 1 April 2010	15,044,000	12,443,000	13,187,000	18.57	2015年4月1日至 2020年3月31日 1 April 2015 to 31 March 2020
2011年4月12日 12 April 2011	17,702,000	15,590,000	16,500,000	19.96	2016年4月12日至 2021年4月11日 12 April 2016 to 11 April 2021
2012年4月26日 26 April 2012	9,700,000	9,170,000	9,700,000	20.54	2017年4月26日至 2022年4月25日 26 April 2017 to 25 April 2022

## 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

Details of share options granted by the Company pursuant to the Scheme and the share options outstanding as at 31 December 2014 and 2013 are as follows:

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## 31. 以權益結算股份支付之交易(續)

## 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

授予日期 Grant date	授予購 股權數目 Number of share options granted	未行使的購股權數目 Number of share options outstanding		行使價 Exercise price HK\$	行使期 Exercisable period (附註) (note)
		2014	2013		
2013年5月27日 27 May 2013	11,492,000	10,928,000	11,492,000	20.16	2018年5月27日至 2023年5月26日 27 May 2018 to 26 May 2023
2014年4月17日 17 April 2014	12,718,500	12,368,000	—	22.38	2019年4月17日至 2024年4月16日 17 April 2019 to 16 April 2024
合計 Total	105,104,500				

附註：當購股權持有者達到計劃規定的退休年齡，此等購股權將會立即歸屬。

Note: The options will be vested and exercisable by the holder immediate upon attainment of the retirement age as specified in the Scheme.

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## 31. 以權益結算股份支付之交易(續)

尚未行使之購股權及其加權平均行使價之變動如下：

## 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

Movements in the number of options outstanding and their weighted average exercise prices are as follows:

		2014		2013	
		加權平均 行使價 Weighted average exercise price HK\$	購股權數目 Number of options '000	加權平均 行使價 Weighted average exercise price HK\$	購股權數目 Number of options '000
於年初	At the beginning of year	16.21	77,173	15.21	69,189
於年內行使	Exercised during the year	9.78	(7,354)	9.30	(3,508)
於年內沒收	Forfeited during the year	20.12	(2,795)	—	—
於年內授出	Granted during the year	22.38	12,719	20.16	11,492
於結算日	At the end of the reporting period	17.65	79,743	16.21	77,173

於行使日，年內行使的購股權的加權平均股價為21.82港元。(2013年：21.11港元)。於結算日，可行使的購股權的加權平均行使價為15.14港元(2013年：14.55港元)。

於2014年12月31日，尚未行使購股權的加權平均餘下合約期為6.45年(2013年：6.79年)。於結算日，可行使購股權的股數是41,973,000(2013年：20,011,000)。

在結算期內，歸屬的購股權股數是29,316,000(2013年：15,545,000)。

The weighted average share price at the date of shares options exercised during the year was HK\$21.82 (2013: HK\$21.11). The weighted average exercise price of exercisable options at the end of the reporting period was HK\$15.14 (2013: HK\$14.55).

The options outstanding at 31 December 2014 had a weighted average remaining contractual life of 6.45 years (2013: 6.79 years). At the end of the reporting period, the number of exercisable options was 41,973,000 (2013: 20,011,000).

The number of options vested during the reporting period was 29,316,000 (2013: 15,545,000).

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## 31. 以權益結算股份支付之交易(續)

購股權授予當日之公允值乃經考慮交易條款及細則後，以二項式購股權定價模式釐定。因受到計算公允值時的假設及所採用計算模式之限制，公允值之計算為比較主觀及不確定。計算購股權公允值時使用之資料如下：

## 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

The fair value of the share options granted is measured at the date of grant, using the binomial option pricing model, taking into account the terms and conditions of the share-based arrangement. The fair value calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The inputs into the model are as follows:

Grant date	授予日 之公允值 Fair value at grant date	授予日 之收市價 Share price at grant date	行使價格 Exercise price	無風險情況 之利率 Risk-free interest rate	預期波幅 Expected volatility	預期行使期 Expected life	預期股息率 Expected dividend yield
2008年3月20日 20 March 2008	每股 3.74 港元 HK\$3.74 per share	每股 8.55 港元 HK\$8.55 per share	每股 9.28 港元 HK\$9.28 per share	4.37%	40%	10 年 10 years	2.0%
2009年4月22日 22 April 2009	每股 3.34 港元 HK\$3.34 per share	每股 9.37 港元 HK\$9.37 per share	每股 9.38 港元 HK\$9.38 per share	2.51%	36%	10 年 10 years	2.0%
2010年4月1日 01 April 2010	每股 7.24 港元 HK\$7.24 per share	每股 18.42 港元 HK\$18.42 per share	每股 18.57 港元 HK\$18.57 per share	4.10%	33%	10 年 10 years	2.0%
2011年4月12日 12 April 2011	每股 7.61 港元 HK\$7.61 per share	每股 19.88 港元 HK\$19.88 per share	每股 19.96 港元 HK\$19.96 per share	4.30%	31%	10 年 10 years	2.0%
2012年4月26日 26 April 2012	每股 7.75 港元 HK\$7.75 per share	每股 19.88 港元 HK\$19.88 per share	每股 20.54 港元 HK\$20.54 per share	4.21%	34%	10 年 10 years	2.0%
2013年5月27日 27 May 2013	每股 7.17 港元 HK\$7.17 per share	每股 20.05 港元 HK\$20.05 per share	每股 20.16 港元 HK\$20.16 per share	4.12%	26%	10 年 10 years	1.5%
2014年4月17日 17 April 2014	每股 8.30 港元 HK\$8.30 per share	每股 22.06 港元 HK\$22.06 per share	每股 22.38 港元 HK\$22.38 per share	4.93%	29%	10 年 10 years	2.0%

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**31. 以權益結算股份支付之交易(續)**

預期波幅是按過去一年期間內公司股份收市價的概約波幅，計算購股權公允值時使用之變數及假設乃按管理層最佳之估計。

**31. EQUITY SETTLED SHARE-BASED TRANSACTION***(Continued)*

The expected volatility was determined by using the historical volatility of the Company's share price over the last one year of share option granted. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate.

**32. 有息借貸****32. INTEREST-BEARING BORROWINGS**

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
抵押	Secured	82,994	—	—	—
無抵押	Unsecured	2,545,760	1,676,279	1,237,464	925,172
		2,628,754	1,676,279	1,237,464	925,172
有息借貸， 將到期：	The maturity of the interest-bearing borrowings is as follows:				
1年內	Within one year	1,382,034	1,016,636	360,960	430,000
第2年	In the second year	276,621	84,874	45,000	—
第3年至第5年 (包括首尾2年)	In the third to fifth years, inclusive	970,099	574,769	831,504	495,172
		2,628,754	1,676,279	1,237,464	925,172
被分類為 流動負債部份	Portion classified as current liabilities	(1,382,034)	(1,016,636)	(360,960)	(430,000)
非流動部分	Non-current portion	1,246,720	659,643	876,504	495,172

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## 32. 有息借貸(續)

## 32. INTEREST-BEARING BORROWINGS (Continued)

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
根據貸款協議所訂 付款日期之到期 分析(並忽略任 何按要求即時償 還條款的影響)	Analysis of the amount due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) is as follow:				
1 年內	Within one year	1,282,050	1,016,636	270,960	430,000
第 2 年	In the second year	286,605	84,874	45,000	—
第 3 年至第 5 年 (包括 首尾 2 年)	In the third to fifth years, inclusive	1,060,099	574,769	921,504	495,172
		2,628,754	1,676,279	1,237,464	925,172

有息借貸中 117,991,000 美元(2013 : 無)包含一條借貸條款給予借貸人權利在沒有事前通知或少於十二個月通知期的情況下, 要求歸還借貸。儘管董事並不預期借貸人會行使其權利要求償還, 相關借貸亦已歸類為流動負債。

加權平均年利率為 2.29%(2013 年 : 2.42%)。

Interest-bearing borrowings of US\$117,991,000 (2013: US\$Nil), with a clause in their terms that gives the lender an overriding right to demand repayment without notice or with notice period of less than 12 months at its sole discretion, are classified as current liabilities even though the directors do not expect that the lenders would exercise their rights to demand repayment.

The weighted average effective interest rate on the interest-bearing borrowings is 2.29% (2013: 2.42%) per annum.

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**32. 有息借貸(續)**

有息借貸包括以賬面淨值分別為約129,942,000美元及386,698,000美元的若干物業、機器及設備抵押和土地租約溢價作抵押的銀行抵押借款、無抵押銀行借款及本公司於2012年6月20日發行之無抵押票據(「票據」)組成。於結算日，票據之賬面價值為496,504,000美元(2013年：495,172,000美元)，並包括於到期日為第三年至第五年之有息借貸中。票據從2012年6月20日起以年利率3.875%計息，由2012年12月20日開始，每半年支付利息一次，分別在每年6月20日和12月20日支付；有關本金500,000,000美元會於2017年6月20日到期。票據是本公司的無抵押債務，他們的位居至少與其他現有及未來無抵押及非後償責任。該票據於新加坡證券交易所有限公司上市。2014年12月31日的票據的公允價值根據市場報價為516,950,000美元(2013年：518,060,000美元)。

金融機構的慣常貸款安排中，一些銀行信貸要求本集團達到若干資產負債比率。如果本集團違反契諾，已動用的融資將須於要求時償還。

本集團定期監控其遵守這些契約的能力，是按照最新的長期貸款的還款時間表，並不認為當本集團繼續遵守這些契約，相關銀行會要求提早的還款。本集團的流動性風險管理的進一步詳情載列於財務報表附註40。於結算期內，沒有違反有關動用信貸融資的契約(2013年：無)。

**32. INTEREST-BEARING BORROWINGS (Continued)**

The interest-bearing borrowings consist of secured bank loans that are pledged by certain property, plant and equipment and prepaid lease payments with net carrying amount of approximately US\$129,942,000 and US\$386,698,000 respectively, unsecured bank loans that are not pledged and unsecured notes issued by the Company on 20 June 2012 (the "Notes"). The carrying value of the Notes at the end of the reporting period is US\$496,504,000 (2013: US\$495,172,000) and is included in the interest-bearing borrowings with maturity in the third to fifth years. The Notes bear interest from 20 June 2012 at 3.875% per annum, payable semi-annually in arrears on 20 June and 20 December of each year, beginning on 20 December 2012 and will mature on 20 June 2017 at the principal amount of US\$500,000,000. The Notes are the unsecured obligations of the Company and they rank at least equally with other present and future unsecured and unsubordinated obligations. The Notes are listed on the Singapore Exchange Securities Trading Limited. The fair value of the Notes as at 31 December 2014 was US\$516,950,000 (2013: US\$518,060,000), which was based on the quoted market price.

Some of the banking facilities are subject to the fulfillment of covenants relating to certain of the consolidated balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants, is up to date with the scheduled repayments of the term loans and does not consider it probable that the relevant banks will exercise its discretion to demand for repayment so long as the Group continues to meet these requirements. Further details of the Group's financial management of liquidity risk are set out in note 40 to the financial statements. Throughout the reporting period, none of the covenants relating to drawn down facilities had been breached (2013: None).

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## 32. 有息借貸(續)

本集團及本公司按類別劃分之合計  
貸款賬面值之分析列示如下：

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
固定利率	At fixed rates	740,166	541,366	496,504	495,172
浮動利率	At floating rates	1,888,588	1,134,913	740,960	430,000
		2,628,754	1,676,279	1,237,464	925,172

有息借貸以下列貨幣列值：

The interest-bearing borrowings are denominated in the following currencies:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
人民幣	RMB	465,791	197,949	—	—
美元	US\$	2,086,859	1,425,894	1,236,504	925,172
歐元	EUR	75,144	52,436	—	—
日元	JPY	960	—	960	—

有關集團外匯風險及利率風險的進一步詳情，於財務報表附註40詳述。

Details of the Group's foreign currency risk and interest rate risk discussion are set out in note 40 to the financial statements.

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### 33. 員工福利責任

#### 界定供款計劃

本集團為所有中國，香港及台灣僱員參加分別由中國，香港及台灣各地方政府組織的界定供款計劃。據此本集團需每月向此等計劃按僱員薪資額之指定百分比作出供款。本集團除支付上述每月的供款外，不必負責支付中國及香港員工退休時及其後之福利。

#### 界定福利計劃

本集團亦為所有台灣僱員提供界定福利計劃。本集團沒有保持任何計劃資產並承擔所有計劃福利的全部成本。福利計算是以僱員服務年期及最後6個月的平均薪資為基礎。本集團對界定福利計劃的責任是由獨立精算師美商韜睿惠悅台灣分公司（「韜睿惠悅」）計算。最新之精算評估是由韜睿惠悅於2014年12月31日以預計單位給付成本法進行。

### 33. EMPLOYEE BENEFIT OBLIGATIONS

#### Defined contribution plans

The Group participates in defined contribution plans organised by the relevant local government authorities in the PRC, Hong Kong and Taiwan for its PRC, Hong Kong and Taiwan employees respectively, whereby the Group is required to make monthly contributions to these plans at certain percentage of the relevant portion of the payroll of these employees to the pension scheme to fund the benefits. The Group has no obligation for the payment of retirement and other post-retirement benefits for the PRC and Hong Kong employees other than the monthly contributions described above.

#### Defined benefit plan

The Group has a defined benefit plan for its Taiwan employees. The Group has not maintained any plan asset and bears the full cost of all the plan benefits. The benefits are calculated based on the length of service and average monthly salary for the final six months of employment. The Group's obligation in respect of the defined benefit plan is calculated by an independent actuary, Messrs. Towers Watson, Taiwan Branch ("Towers Watson"). The latest actuarial valuation was performed by Towers Watson as at 31 December 2014 using the projected unit credit method.

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## 33. 員工福利責任(續)

## 界定福利計劃 (續)

本集團及本公司對其界定福利計劃所產生之責任並計入財務狀況表之款項及其現值之變動如下：

## 33. EMPLOYEE BENEFIT OBLIGATIONS (Continued)

## Defined benefit plan (Continued)

The amounts included in the statement of financial position arising from the obligation of the Group and the Company in respect of its defined benefit plans and their movements in the present value of defined benefit obligations are as follows:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
於年初	At beginning of year	28,186	26,120	14,708	12,831
本年度服務成本	Current service cost	2,892	2,619	1,011	1,417
利息成本	Interest expense	1,260	973	414	478
		4,152	3,592	1,425	1,895
重估值	Remeasurements:				
財務假設調整	Actuarial losses (gains) arising				
產生之精算損失	changes in				
(收益)	financial assumptions	506	(1,593)	(49)	(832)
經驗調整產生之	Actuarial (gains) losses arising				
精算 (收益)	from experience adjustments	(2,855)	743	184	859
損失		(2,349)	(850)	135	27
已付福利	Benefit payment	(1,153)	(1,047)	(1,153)	(239)
滙兌差額	Exchange differences	(134)	371	(70)	194
		(1,287)	(676)	(1,223)	(45)
於結算日	At end of the reporting period	28,702	28,186	15,045	14,708

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## 33. 員工福利責任(續)

## 界定福利計劃 (續)

精算估值的主要假設為：

## 33. EMPLOYEE BENEFIT OBLIGATIONS (Continued)

## Defined benefit plan (Continued)

The significant assumptions used for the actuarial valuation were:

		本集團及本公司 Group and Company	
		2014 %	2013 %
折現率	Discount rate	4.25	4.50
預期薪酬升幅	Expected rate of salary increases	10.00	10.00

於結算日，各項主要精算假設的合理可能變動對界定福利責任之敏感度分析如下：

The sensitivity of the defined benefit obligation to reasonable possible changes for each significant actuarial assumption as at the end of the reporting period is as follows:

		本集團 Group			
		2014		2013	
		界定福利責任 的變化		界定福利責任 的變化	
		假設的變化 Change in assumption	Change in defined benefit obligation	假設的變化 Change in assumption	Change in defined benefit obligation
折現率	Discount rate	+/- 0.5%	-3.46% / +3.67%	+/- 0.5%	-3.57% / +3.76%
預期薪酬升幅	Expected rate of salary increases	+/- 0.5%	+3.78% / -3.61%	+/- 0.5%	+3.88% / -3.71%

		本公司 Company			
		2014		2013	
		界定福利責任 的變化		界定福利責任 的變化	
		假設的變化 Change in assumption	Change in defined benefit obligation	假設的變化 Change in assumption	Change in defined benefit obligation
折現率	Discount rate	+/- 0.5%	-3.34% / +3.54%	+/- 0.5%	-3.57% / +3.76%
預期薪酬升幅	Expected rate of salary increases	+/- 0.5%	+3.72% / -3.55%	+/- 0.5%	+3.88% / -3.71%

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**33. 員工福利責任(續)****界定福利計劃 (續)**

上述敏感度分析是根據每個精算假設的合理可能變動編製，而其他假設保持不變。其他精算假設也可能根據上述假設而改變，這些改變並未於以上分析計入。預計單位給付成本法用於確定界定福利責任的現值及相關的當期服務成本和過去服務成本(如適用)。同樣的方法和精算假設類型已用於編製本年及前年的敏感度分析。

界定福利責任的加權平均期限是7.37年(2013年：7.61年)。

根據此等計劃，台灣僱員有權於達到60歲時享有退休福利。

因界定福利計劃沒有保持計劃資產，本集團並無任何資金安排及不預期需要支付供款。此未貼現的退休福利的預計到期日分析如下：

**33. EMPLOYEE BENEFIT OBLIGATIONS (Continued)****Defined benefit plan (Continued)**

The above sensitivity analyses are prepared based on a reasonable possible change in each actuarial assumption used, with other assumptions held constant. Other actuarial assumptions may also change with the above assumptions. Such change is not accounted for in the above analyses. The projected unit credit method is used to determine the present value of the defined benefit obligations and the related current service cost and where applicable the past service cost. The same method and the type of actuarial assumptions were used in preparing the sensitivity analyses for the current and previous year.

The weighted average duration of the defined benefit obligation is 7.37 years (2013: 7.61 years).

Under the plan, the Taiwan employees can be entitled to retirement benefits on the attainment of a retirement age of 60.

The Group has no funding arrangement and expects no contribution to be paid in respect of the defined benefit plan as the defined benefit plan does not maintain any plan assets. The expected maturity analysis of the undiscounted pension benefits is as follows:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
1年內	Within 1 year	379	378	105	133
超過1年但 少於2年	More than 1 year but less than 2 years	2,426	919	1,759	647
超過2年但 少於5年	More than 2 years but less than 5 years	7,082	9,092	3,814	4,926
超過5年	Over 5 years	67,916	69,594	37,344	41,898
總額	Total	77,803	79,983	43,022	47,604

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**34. 遞延稅項**

本集團淨遞延稅項變動如下：

**34. DEFERRED TAXATION**

The movement for the year in the Group's net deferred tax position was as follows:

		本集團 Group	
		2014 US\$'000	2013 US\$'000
於年初	At beginning of year	136,284	127,692
匯兌差額	Exchange difference	(272)	321
附屬公司利潤分配之 已付預提稅	Withholding tax paid on distributions of earnings by subsidiaries	(21,627)	(28,070)
計入綜合收益表內	Charge to consolidated income statement	31,093	36,341
於結算日	At end of the reporting period	145,478	136,284

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## 34. 遞延稅項(續)

於結算日，已確認之遞延稅項資產及負債如下：

## 34. DEFERRED TAXATION (Continued)

Recognised deferred tax assets and liabilities at the end of the reporting period represent the followings:

				本集團 Group	
		2014		2013	
		資產 Assets 千美元 US\$'000	負債 Liabilities 千美元 US\$'000	資產 Assets 千美元 US\$'000	負債 Liabilities 千美元 US\$'000
加速稅務折舊	Accelerated depreciation allowance	—	(56,230)	—	(49,908)
減速稅務折舊	Decelerated depreciation allowance	296	—	296	—
公允值調整：	Fair value adjustment on:				
— 土地租約溢價，	— Prepaid lease payments and				
物業，機器及	property, plant and equipment				
設備		—	(10,786)	—	(10,997)
— 無形資產	— Intangible asset	—	(6,826)	—	(7,014)
減值虧損	Impairment losses	13,424	—	17,190	—
未獲得發票	Un-invoiced accrual				
之預提費用		17,156	—	12,943	—
出售物業、機器	Unrealised profit on property,				
及設備之	plant and equipment				
未實現利潤		15,322	—	14,191	—
附屬公司之	Undistributed earnings of				
未分配利潤	subsidiaries	—	(121,395)	—	(112,862)
稅務虧損	Tax losses	4,000	—	—	—
其他	Others	2,811	(3,250)	3,485	(3,608)
遞延稅項資產	Deferred tax assets (liabilities)	53,009	(198,487)	48,105	(184,389)
(負債)					

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### 34. 遞延稅項(續)

根據企業所得稅法，外國投資者從位於中國的外商投資企業所獲得的股息須按照10%的稅率徵收預提稅。該規定於2008年1月1日起生效，適用於2007年12月31日後始累計可供分配利潤。倘中國政府與該外國投資者所處國家或地區政府存在稅收安排，可適用較低稅率。

本集團適用稅率為10%。本集團根據各中國附屬公司於2007年後賺取並預期在可見將來中的淨可供分配利潤的50%而計提相關的遞延稅項負債。若將本集團各中國附屬公司所剩餘50%於2007年後賺取之淨利潤並預期在可見將來中將不作分配之淨利潤(「餘下淨利潤」)的部份作為分配，此舉須受額外徵稅。由本集團之中國附屬公司所持有之聯營公司和合營公司則不需提列預提稅項。

該等中國附屬公司之餘下淨利潤的預提稅預計為171,092,000美元(2013年：140,932,000美元)。董事認為目前為止該等餘下淨利潤須留作各中國附屬公司之營運資金，並在可見將來中的不作分配。因此並無作出額外徵稅撥備。

### 34. DEFERRED TAXATION (Continued)

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and jurisdiction of the foreign investors.

For the Group's PRC subsidiaries, associates and joint ventures, the applicable rate is 10%. Deferred tax liability is provided on 50% of post-2007 net earnings of the Group's PRC subsidiaries that are expected to be distributed in the foreseeable future. The remaining 50% of post-2007 net earnings of the Group's PRC subsidiaries that are not expected to be distributed in the foreseeable future (the "Remaining Net Earnings") would be subject to additional taxation when they are distributed. Undistributed earnings of the Group's PRC associates and joint ventures are not subject to withholding tax as these companies are held by a PRC subsidiary.

The estimated withholding tax effects on the distribution of the Remaining Net Earnings were approximately US\$171,092,000 (2013: US\$140,932,000). In the opinion of the directors, the Remaining Net Earnings, at the present time, are required for financing the continuing operations of these entities and no distribution to foreign investors would be made in the foreseeable future. Accordingly, no provisions for additional deferred taxation have been made.

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### 34. 遞延稅項(續)

於年內，本集團已將16,000,000美元(2013年：無)稅務虧損確認為遞延稅項資產。餘下之未使用之稅務虧損可用作抵扣由該等虧損產生起計未來五年間之稅務收益。於結算日，未確認遞延稅項資產之稅務虧損到期年份如下：

### 34. DEFERRED TAXATION (Continued)

The Group has recognised deferred tax assets in respect of tax losses of US\$16,000,000 (2013: US\$Nil) during the year. The remaining unused tax losses, which can be carried forward for five years from the year in which the losses arose for offsetting against future taxable income. The expiry year of tax losses without deferred tax assets provided at the end of the reporting date is as follows:

稅務虧損到期於 Tax loss expiring in:	本集團 Group	
	2014 千美元 US\$'000	2013 千美元 US\$'000
2014	—	15,737
2015	56,835	81,042
2016	153,544	176,179
2017	85,601	95,074
2018	86,926	85,845
2019	124,082	—
	506,988	453,877

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## 35. 應付賬款

## 35. TRADE PAYABLES

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
<b>應付賬款</b>	<b>Trade payables</b>				
第三方	Due to third parties	824,329	1,150,272	520	841
有關聯人士	Due to related parties				
– 本公司之董事及其親屬共同控制之一組公司	– A group of companies jointly controlled by the Company's directors and their dependents	65,305	87,700	—	—
– 本公司之董事共同控制之公司	– Companies jointly controlled by the Company's directors	5,256	11,291	—	—
合營公司	Due to joint ventures	1,241	2,447	—	—
		896,131	1,251,710	520	841

應付第三方之應付賬款為無抵押、免息及附有30至60天還款期而應付有關聯人士及合營公司之應付賬款為無抵押、免息及附有30至90天還款期。

應付賬款於結算日按發票日編製之賬齡分析如下：

The trade payables due to third parties are unsecured, interest-free and with credit period of 30 to 60 days while the trade payables due to related parties and joint ventures are unsecured, interest-free and with credit period of 30 to 90 days.

The ageing analysis of trade payables based on the invoice date at the end of the reporting period is as follows:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
0-90日	0 – 90 days	863,205	1,214,761	520	841
90日以上	Over 90 days	32,926	36,949	—	—
		896,131	1,251,710	520	841

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## 35. 應付賬款(續)

應付賬款以下列貨幣列值：

## 35. TRADE PAYABLES (Continued)

The trade payables are denominated in the following currencies:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
人民幣	RMB	894,264	1,247,721	—	—
美元	US\$	1,241	1,706	—	—
新台幣	NTD	520	841	520	841
歐元	EUR	106	1,442	—	—

## 36. 其他應付款項及已收押金

## 36. OTHER PAYABLES AND DEPOSITS RECEIVED

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
附註 Note					
預收押金	Deposits received in advance	354,982	404,043	—	—
運輸、宣傳及 廣告費用之 預提	Accruals for transportation, promoting and advertising expenses	367,595	436,795	—	—
行政費用及其他 經營費用 之預提	Accruals for administrative expenses and other operating expenses	88,117	63,831	10,792	14,868
應付工資及 福利費	Salaries and welfare payables	113,699	153,162	—	—
應付設備款	Payables for purchase of equipment	28,913	38,662	—	—
應付一間關聯 公司的物業款	Payables for purchase of properties to a related company	173,185	—	—	—
應付其他稅項	Other tax payables	36,425	37,259	—	—
向少數股東授出 認沽期權 所產生之責任	Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders	2,110	4,673	—	—
衍生金融工具	Derivative financial instruments	314	6,893	—	—
其他	Others	68,132	47,110	971	647
		1,233,472	1,192,428	11,763	15,515

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### 36. 其他應付款項及已收押金(續)

#### (a) 衍生金融工具

於2011年11月，本集團與PepsiCo Inc. (「PepsiCo」) 為彼等於中國飲料業務之戰略聯盟訂立了若干協議(「戰略聯盟安排」)。在戰略聯盟安排下，PepsiCo及其附屬公司(「PepsiCo集團」)同意出讓PepsiCo集團持有於中國的非酒精飲品灌裝業務的全部權益予康師傅飲品控股，一家本公司非全資附屬公司，以換取康師傅飲品控股5%的間接權益。於2012年3月31日，戰略聯盟安排已完成。

根據戰略聯盟安排，授出以下期權作為轉讓代價的一部分：

- i) PepsiCo集團被授予一項期權以將其間接持有康師傅飲品控股的權益由約5%增至約20%(按全面攤薄基準)(「發行期權」)；
- ii) PepsiCo集團被授予一項認購期權。當出現若干終止事件時，康師傅飲品控股需以行使認購期權當日的賬面總值出售該等主要用於生產CSD或PepsiCo集團其下之特許權產品的資產及／或承諾(「FEBA認購期權」)；

### 36. OTHER PAYABLES AND DEPOSITS (Continued)

#### (a) Derivative financial instruments

In November 2011, the Group and PepsiCo Inc. ("PepsiCo") entered into agreements for their strategic alliance in beverage business in the PRC (the "Strategic Alliance Arrangements"). Under the Strategic Alliance Arrangements, PepsiCo and its subsidiaries ("PepsiCo group") agreed to contribute its entire equity interest in PepsiCo's non-alcoholic beverage bottling business in the PRC to TAB, a non-wholly owned subsidiary of the Company, in exchange for a 5% indirect equity interest in TAB. On 31 March 2012, the Strategic Alliance Arrangements was completed.

Pursuant to the Strategic Alliance Arrangements, the following options were issued as part of the consideration transferred:

- i) PepsiCo group was granted an option to increase its indirect interest in TAB from 5% to 20% on a fully diluted basis ("Issued Option");
- ii) PepsiCo group was granted a call option that TAB is required to sell assets and/or undertakings primarily used in the production of CSD or products licensed to PepsiCo group at the aggregate book value of the assets being acquired at the date of exercise of this call option upon the occurrence of any termination events ("FEBA Call Option");

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## 36. 其他應付款項及已收押金(續)

## (a) 衍生金融工具(續)

- iii) 康師傅飲品控股被授予一項認沽期權。當出現若干終止事件時，PepsiCo集團需以行使認購期權當日的賬面總值購買該等主要用於生產CSD或PepsiCo集團其下之特許權產品的資產及／或承諾(「FEBA認沽期權」)；
- iv) PepsiCo集團被授予一項認沽期權。當出現觸發事件後，本公司需按公平市價購買PepsiCo集團於康師傅飲品控股所間接持有之全部股權(「OA認沽期權」)；
- v) 本公司被授予一項認購期權。當出現觸發事件後，PepsiCo集團需按公平市價出售其於康師傅飲品控股所間接持有之全部股權(「OA認購期權」)；及
- vi) 本公司亦被授予一項出售下降期權。當出現出售下降的觸發事件後，PepsiCo集團需按公平市價出售其於康師傅飲品控股所間接持有之股權(「出售下降期權」)。

## 36. OTHER PAYABLES AND DEPOSITS (Continued)

## (a) Derivative financial instruments (Continued)

- iii) TAB was granted a put option that PepsiCo group is required to buy assets and/or undertakings primarily used in the production of CSD or products licensed from TAB at the aggregate book value of the assets being acquired at the date of exercise of this put option upon the occurrence of any termination events ("FEBA Put Option");
- iv) PepsiCo group was granted a put option that the Company is required to buy all of PepsiCo group's indirectly equity interest in TAB at fair market value after the occurrence of put triggering events ("OA Put Option");
- v) The Company was granted a call option that PepsiCo group is required to sell all of its indirect equity interest in TAB at fair market value after the occurrence of call triggering events ("OA Call Option"); and
- vi) The Company was also granted a sell-down option that PepsiCo group is required to sell its indirect equity interests in TAB to the Company at fair market value after the occurrence of sell-down triggering events ("Sell-Down Option").

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## 36. 其他應付款項及已收押金(續)

## (a) 衍生金融工具(續)

於結算日，發行期權、FEBA認購期權、FEBA認沽期權、OA認沽期權、OA認購期權以及出售下降期權(「衍生金融工具」)的公允價值如下：

		2014 US\$'000	2013 US\$'000
發行期權	Issued Option	314	6,893
FEBA認購期權，FEBA認沽期權， OA認沽期權，OA認購期權及 出售下降期權	FEBA Call Option, FEBA Put Option, OA Put Option, OA Call Option and Sell-Down Option	—	—
		314	6,893

有關公允價值的計量基準以及重大不可觀察的量化資訊，包括衍生金融工具之不可觀察輸入值變化的敏感性描述，載列於財務報表附註41。

## 36. OTHER PAYABLES AND DEPOSITS (Continued)

## (a) Derivative financial instruments (Continued)

At the end of the reporting period, the fair values of the Issued Option, FEBA Call Option, FEBA Put Option, OA Put Option, OA Call Option and Sell-Down Option ("Derivative financial instruments") are as follows:

The measurement basis of the fair values and the quantitative information of the significant unobservable input including the description of the sensitivity to changes in unobservable inputs of the Derivative financial instruments are set out in note 41 to the financial statements.

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## 37. 經營業務所得現金

## 37. CASH GENERATED FROM OPERATIONS

		2014 千美元 US\$'000	2013 千美元 US\$'000
除稅前溢利	Profit before taxation	693,569	722,990
利息費用	Interest expenses	47,151	37,351
利息收入	Interest income	(54,867)	(51,527)
股利收入	Dividend income	—	(747)
折舊	Depreciation	454,136	444,303
支付非供款員工福利責任	Unfunded employee benefit obligations paid	(1,153)	(1,047)
土地租約溢價之攤銷	Amortisation of prepaid lease payments	8,604	7,282
無形資產之攤銷	Amortisation of intangible asset	753	753
出售物業、機器及設備之虧損(收益)	Loss (Gain) on disposal of property, plant and equipment	3,777	(5,200)
物業、機器及設備減值虧損	Impairment loss on property, plant and equipment	—	49,802
回沖物業、機器及設備減值虧損	Reversal of impairment loss on property, plant and equipment	—	(6,381)
按公允價值列賬及在損益賬處理的金融資產公允價值之變動	Change in fair value of financial assets at fair value through profit or loss	(288)	(265)
衍生金融工具公允價值之變動	Change in fair value of derivative financial instruments	(6,579)	(12,181)
出售按公允價值列帳及在損益賬處理的金融資產之虧損(收益)	Loss (Gain) on disposal of financial assets at fair value through profit or loss	213	(437)
出售可供出售金融資產之收益	Gain on disposal of available-for-sale financial assets	—	(14,397)
出售一間附屬公司之損失	Loss on disposal of a subsidiary	1,863	—
應佔聯營公司及合營公司業績	Share of results of associates and joint ventures	(7,269)	(16,049)
匯率變動之影響	Effect on exchange rate changes	7,123	8,535
認列以權益結算股份支付之款項	Recognition of equity-settled share-based payment	11,837	11,930
存貨之減少	Decrease in inventories	73,768	10,416
應收賬款之減少(增加)	Decrease (Increase) in trade receivables	16,403	(20,904)
預付款項及其他應收款項之(增加)減少	(Increase) Decrease in prepayments and other receivables	(69,556)	23,786
應付賬款之(減少)增加	(Decrease) Increase in trade payables	(323,686)	179,688
其他應付款項之(減少)增加	(Decrease) Increase in other payables and deposits received	(93,999)	82,120
客戶預付款項之(減少)增加	(Decrease) Increase in advance payments from customers	(5,425)	23,794
其他非流動負債之(減少)增加	(Decrease) Increase in other non-current liabilities	(262)	42
非供款員工福利責任現值之增加	Increase in present value of unfunded employee benefit obligations	4,152	3,592
<b>經營業務所得現金</b>	<b>Cash generated from operations</b>	<b>760,265</b>	<b>1,477,249</b>

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### 38. 與有關聯人士之重大交易

除於本賬目其他部份披露之交易及餘額以外，以下乃本集團與有關聯人士進行之重大交易概要，此等交易乃於本集團之日常業務中進行。

### 38. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions in the ordinary course of the Group's business.

	附註 Note	2014 千美元 US\$'000	2013 千美元 US\$'000
<b>(a) 關聯人士之交易 (a) Related party transactions</b>			
<b>向下列公司銷售貨品：Sales of goods to:</b>			
本公司之主要股東	Companies controlled by a substantial		
控制之多間公司	shareholder of the Company (i)	23,745	22,774
聯營公司	Associates	21,868	27,676
合營公司	Joint ventures	33,728	43,488
<b>向下列公司購買貨品：Purchases of goods from:</b>			
本公司之董事及其	A group of companies jointly controlled		
親屬共同控制之	by the Company's directors and		
一組公司	their dependents (i)	391,594	473,340
本公司之董事	Companies jointly controlled by		
共同控制之公司	the Company's directors (i)	85,156	70,324
合營公司	Joint ventures	6,677	14,968
<b>向下列公司代墊及收回的行政費用 Administrative expenses paid on behalf and received from:</b>			
本公司之董事共同	A company jointly controlled		
控制之一間公司	by the Company's directors	14,846	—
合營公司	Joint ventures	12,045	212
<b>向下列公司購入物業、機器及設備和土地租約溢價 Acquisition of property, plant and equipment and prepaid lease payments from:</b>			
本公司之其中一名	A company beneficially owned by		
董事實益擁有之	one of the Company's directors		
一間公司	(i) (ii)	534,635	—

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### 38. 與有關聯人士之重大交易(續)

附註(i) 根據上市規則第14A章，該等與有關聯人士之交易亦為關連交易及持續關連交易。

附註(ii) 於2014年5月14日，本集團完成向本公司之其中一名董事實益擁有之一間公司收購Wealth City Investment Limited(「Wealth City」)的全部股本。Wealth City的唯一資產為其於上海金球名豪房地產有限公司(「上海金球名豪」)的股權，一家於中國成立的公司。上海金球名豪持有位於中國上海閔行區虹橋鎮吳中路之土地使用權及正在建設之樓宇的擁有權，於收購後為本集團自用。於期內，本集團已繳付總代價人民幣2,483,016,850元(大約相當於402,740,000美元)其中之281,847,000美元作收購該等物業，機器及設備及土地租約溢價。於結算日，應付代價之173,185,000美元包括在流動負債下之其他應付款項及已收押金內。是次交易之細節已經在本公司於2014年4月2日的公告和2014年4月17日的通告就須予披露及關連交易中披露。

### 38. SIGNIFICANT RELATED PARTY TRANSACTIONS

(Continued)

Note (i) These related party transactions also constitute connected transactions and continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Note (ii) On 14 May 2014, the Group completed its acquisition of the entire share capital of Wealth City Investment Limited ("Wealth City") from a company beneficially owned by one of the Company's directors. The sole asset of Wealth City is the entire equity interest in 上海金球名豪房地產有限公司 Shanghai Jinqiu Minghao Real Estate Co., Ltd. ("Shanghai Jinqiu Minghao"), a company established in the PRC. Shanghai Jinqiu Minghao holds the ownership rights of land use rights and buildings under construction situated at Wuzhong Road, Hongqiao Town, Minhang District of Shanghai, the PRC, which are held for own use by the Group upon the acquisition. During the reporting period, the Group has paid US\$281,847,000 out of the total consideration of RMB2,483,016,850 (equivalent to approximately US\$402,740,000) for the acquisition of these property, plant and equipment and prepaid lease payments. At the end of the reporting period, the consideration payable of US\$173,185,000 was included in other payables and deposits received under current liabilities. Details of this transaction have been set out in the announcement of the Company dated 2 April 2014 and the circular of the Company dated 17 April 2014 in relation to the discloseable and connected transaction.

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**38. 與有關聯人士之重大交易(續)****(b) 關鍵管理人員之酬金**

本集團關鍵管理人員之酬金(包括財務報表附註10所披露向本公司董事支付之款項及向若干最高薪僱員支付之款項)如下：

**38. SIGNIFICANT RELATED PARTY TRANSACTIONS***(Continued)***(b) Key management personnel remuneration**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and certain of the highest paid employees as disclosed in note 10 to the financial statements, is as follows:

		2014 千美元 US\$'000	2013 千美元 US\$'000
董事袍金	Directors' fees	630	621
薪金及其他酬金	Salaries and other emoluments	7,691	5,592
以股份支付之款項	Share-based payments	4,633	5,370
花紅	Discretionary bonuses	1,480	1,065
退休保障計劃供款	Retirement scheme contribution	13	20
		<b>14,447</b>	<b>12,668</b>

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### 39. 資本管理

本集團管理資本的目標是保障本集團能夠持續經營，從而為股東提供回報及其他利益相關者提供利益。

本集團透過負債資產比率來監控資本(包括各項權益)，負債資產比率的計算方法是以淨負債(計算有息借貸扣除現金及現金等值物)作為本公司股東應佔權益之比率。於結算日，債項對資本之比率如下：

### 39. CAPITAL 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.

The Group monitors its capital, which comprises all equity components, using a gearing ratio which is calculated on the basis of net debt (interest bearing borrowings net of cash and cash equivalents) as a ratio of the equity attributable to owners of the Company. The debt-to-equity ratio at the end of the reporting period was as follows:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
有息借貸	Interest-bearing borrowings	2,628,754	1,676,279	1,237,464	925,172
減：現金及現金等值物	Less: Cash and cash equivalents	(1,183,103)	(1,249,890)	(54,298)	(13,641)
淨負債	Net debt	1,445,651	426,389	1,183,166	911,531
本公司股東應佔權益	Total equity	3,033,557	2,880,292	345,129	325,401
淨負債與資本比率	Gearing ratio	47.66%	14.80%	342.82%	280.12%

本集團根據經濟狀況的改變，透過有效地運用債務及平衡股東權益，透過派發股息，回購股票及發行新債，積極地定期檢討及管理資本架構。此外，本集團也會考慮市場上現行的借款利率、日後的資本開支及投資機會。

The Group actively and regularly reviews and manages its capital structure through the optimisation of the debt and equity balance and makes adjustments to capital structure according to changes in economic conditions for achieving its objectives through payment of dividends, share repurchase and issue of new debt. Changing of borrowing rate in the market, future capital expenditures and investment opportunities are taken into consideration.

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### 39. 資本管理(續)

本集團於2014年的策略不變。從2013年開始，本集團之目標為降低淨負債餘額為零。本集團及本公司的淨負債與資本比率於2014年增加主要由於年內增加有息借貸以用作本集團之資本開支。

本集團部份銀行融資須遵守若干銀行提出的財務契諾。

### 40. 金融風險因素

本集團所持有的金融工具面對外匯風險、利率風險、價格風險、信貸風險及流動資金風險。為降低本集團金融風險，董事會採用保守的風險管理對策。董事會檢討並同意採用之風險管理對策如下：

#### 外匯風險

本集團的附屬公司主要在中國經營，主要以人民幣作交易貨幣。本集團所面對的外匯風險為除功能貨幣以外，以其他貨幣作交易的應付資本開支、採購、銀行結餘、借貸、可供出售金融資產及按公允值列賬及在損益賬處理的金融資產。

人民幣與美元的兌換須遵守中國人民銀行頒佈之外匯管制規則及條例。本集團之附屬公司因使用其功能貨幣作主要營運而沒有重大外匯風險，故無需進行重大避險活動去減低外匯風險。

### 39. CAPITAL MANAGEMENT (Continued)

During 2014, the Group's strategy, which was unchanged from 2013, aims at minimising the net debt approximately to nil balance. The increase in gearing ratio of the Group and the Company during 2014 was primarily resulted from the increase of interest-bearing borrowings for financing the Group's capital expenditure during the year.

Some of the Group's banking facilities are subject to financial covenants requirements imposed by certain banks.

### 40. FINANCIAL RISK MANAGEMENT

The Group's financial instruments expose it to foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Board of Directors generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below:

#### Foreign currency risk

The majority of the subsidiaries of the Group are operated in the PRC and most of their transactions are denominated in RMB. The Group is exposed to foreign currency risk primarily through payable on capital expenditures, purchases, bank balances, borrowings, available-for-sale financial assets and financial assets at fair value through profit or loss that are denominated in currencies other than the functional currency of the subsidiaries.

The exchange rate of RMB against US\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group did not have significant exposure to foreign exchange risk and has not entered into significant hedging activities to hedge against the exposure to foreign exchange risk because the main operations of the subsidiaries of the Group are conducted in their functional currency.

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#### 40. 金融風險因素(續)

##### 外匯風險(續)

本集團於2014年及2013年12月31日以外幣(非人民幣)計值的可供出售金融資產、按公允價值列賬及在損益賬處理的金融資產、現金及現金等值物、有息借貸及應付賬款詳情分別載於財務報表附註21, 22, 27, 32及35。

於結算日, 倘所有其他變數保持不變, 而人民幣兌換美元、人民幣兌新台幣及人民幣兌換歐元分別升值/貶值 3.2%、3% 及 12% (2013年: 分別為2.4%、2% 及 9.5%), 本年度集團溢利及未分配利潤將增加/減少 69,421,000 美元 (2013年: 39,243,000美元)。

敏感度分析假設外幣兌換率於結算日出現變動並應用於本集團所有於該日期存在之金融工具的貨幣風險, 而所有其他變數(特別是利率)保持不變。列出之變動代表管理層評估外幣兌換率於期內至下一年度結算日之可能出現之變動。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Foreign currency risk (Continued)

Details of the Group's available-for-sale financial assets, financial assets at fair value through profit or loss, cash and cash equivalents, interest-bearing borrowings and trade payables denominated in currencies other than RMB as at 31 December 2014 and 2013 are set out in notes 21, 22, 27, 32 and 35 to the financial statements respectively.

At the end of the reporting period, if the exchange rates of RMB/US\$, RMB/NTD and RMB/EUR had strengthened/weakened by 3.2%, 3% and 12% respectively (2013: 2.4%, 2% and 9.5% respectively) with all other variables held constant, the Group's profit for the year and retained profits would have been US\$69,421,000 (2013: US\$39,243,000) higher/lower.

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to Group's exposure to currency risk for all financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The stated changes in foreign currency represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual end of the reporting period.

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#### 40. 金融風險因素(續)

##### 利率風險

本集團主要面對的利率風險是來自銀行結餘及有息借貸令本集團面對利率風險。銀行結餘及有息借貸之浮動利率及定息利率分別令本集團面對現金流量利率風險及公允值利率風險。集團並無使用重大對沖活動對沖現金流量及公允值的利率風險。對於有息借貸，本集團的策略是根據經濟環境及集團策略把定息借貸及浮息借貸保持在適當比例。於結算日，本集團的借款按固定利率是28%(2013年：32%)。

於結算日倘所有其他變量保持不變，銀行存款及有息借款利率調升／調低50基點(2013年：4基點)，本年度集團溢利及保留溢利將增加／減少3,673,000美元(2013年：減少／增加36,000美元)。

敏感度分析假設利率於年內出現變動並應用於本集團所有於年內存在之金融工具的利率風險。50(2013：4)基點之調升或調低代表管理層評估利率於期內至下一年度結算日之可能出現之變動。此分析基準與2013年相同。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank balances and interest-bearing borrowings. Bank balances and interest-bearing borrowings with floating interest rates and fixed interest rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group has not entered into significant hedging activities to hedge against the exposure to cash flow and fair value interest rate risk. For interest-bearing borrowings, the Group's policy is to manage its interest cost using a mix of fixed and floating rate debts and monitors closely its interest rate exposure and the level of fixed rate and floating rate borrowings, in consideration of economic atmosphere and the strategies of the Group. At the end of the reporting period, the Group's borrowing at fixed rate of interest was 28% (2013: 32%).

At the end of the reporting period, if interest rates had been 50 (2013: 4) basis point higher/lower and all other variables were held constant, the Group's profit for the year and retained profits would increase/decrease by US\$3,673,000 (2013: decrease/increase by US\$36,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred throughout the year and had been applied to the exposure to interest rate risk for all financial instruments in existence during the year. The 50 (2013: 4) basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2013.

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#### 40. 金融風險因素(續)

##### 價格風險

本集團及本公司持有之分類為按公允值認列並在損益賬處理的金融資產，本集團就此承受由投資股本證券股票價格風險。就本集團及本公司於可公開買賣之股票投資而言，其公允值乃參考市場報價而釐定。本集團及本公司之非上市投資是持作長期策略投資之用。其表現乃根據本集團所得資料以及與本集團的長期策略計劃之相關性作每年定期評估。

敏感度分析乃根據上市股票投資所承擔之股票價格風險。於結算日，假設其他變動因素不變下，當相關之股市指數增加或減少10% (2013年：10%)，本集團之本年度溢利及保留溢利將會因持作買賣投資之公允值變動而增加或減少235,000美元 (2013年：495,000美元)。本集團會監控價格風險及考慮就其風險上升而作出相應對沖。

敏感度分析假設股市指數之合理可能變動於結算日已發生並已應用於股票價格風險上。此外，集團之上市股票投資之公允值假設會根據過往與股市指數之相關性所變動；上述變動乃管理層對於相關股市指數由本年度結算日至下年度結算日的合理可能變動作出之評估。此分析基準與2013年相同。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Price risk

The Group and the Company are exposed to equity price risks arising from investments in equity securities classified as financial assets at fair value through profit or loss. For the Group's and the Company's equity securities investments that are publicly traded, the fair value is determined with reference to quoted market prices. The Group's and the Company's unlisted investments are held for long-term strategic purposes. Their performance is assessed at least annually based on the information available to the Group, together with an assessment of their relevance to the Group's long-term strategic plans.

The sensitivity analysis has been determined based on the exposure of the listed equity securities to equity price risk. At the end of the reporting period, it is estimated that if there would be an increase/decrease of 10% (2013: 10%) in the relevant stock market index as applicable, with all other variables held constant, would have increased/decreased the Group's profit for the year and retained profits by US\$235,000 (2013: US\$495,000) due to change in the fair value of investments held-for-trading. The Group will monitor the price risk and will consider hedging the risk exposure should the need arise.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market index had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's listed investments would change in accordance with the historical correlation with the relevant stock market index. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2013.

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#### 40. 金融風險因素(續)

##### 信貸風險

本集團的信貸風險主要來自於現金及現金等值物、應收賬款及其他應收賬款。本集團及本公司大部分已抵押銀行存款和現金及現金等價物均存放在可信賴的國際金融機構及受國家管轄的財務機構裡，因此管理層認為這並不存在重大的信貸風險。

本集團之銷售大部份為現金銷售。本集團有政策確保以信貸銷售之直營零售商有良好的信貸紀錄並作定期審查。當客戶要求之信用金額超過一般標準時，須進行獨立信貸評估。本集團會持續監控應收賬款，故此並沒有重大的壞賬風險。

本集團之其他應收款項的信貸風險來自於交易對方違約，其最大之信貸風險相等於此等資產之賬面值。交易對方之信貸質數會以其財務狀況、信貸紀錄及其他因素作考慮。基於穩定還款紀錄作考慮，董事認為交易對方並沒有重大的違約風險。於結算日，本集團並沒有重大之集中信貸風險，其風險已分散於一定數量之交易對方中。

於結算日，本公司的集中信貸風險中，99%(2013年：97%)之應收附屬公司總款項源於五大附屬公司。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Credit risk

The Group's credit risk is primarily attributable to cash and cash equivalent, trade and other receivables. Substantially all of the Group's and the Company's pledged bank deposits and cash and cash equivalents were deposited in the creditworthy global financial institutions and state-controlled financial institutions in the PRC, which management considers they are without significant credit risk.

The majority of the Group's sales are conducted on a cash basis. The Group has implemented policies to ensure that sales of products are made to direct retailers, who wish to trade on credit terms, with an appropriate credit history which is subject to periodic reviews. Individual credit evaluations are performed on all customers requiring credit over a certain amount. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other receivables arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these receivables. The credit quality of the counterparties is assessed by taking into account their financial position, credit history and other factors. Individual credit limits are set based on the assessment of the credit quality. Given the repayment history, the directors are of the opinion that the risk of default by these counterparties is not significant. At the end of the reporting period, the Group had no significant concentration of credit risk, with exposure spread over a number of counterparties.

At the end of the reporting period, the Company had a concentration of credit risk as 99% (2013: 97%) of the total amounts due from subsidiaries was due from the five largest subsidiaries.

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## 40. 金融風險因素(續)

## 流動資金風險

本集團針對於流動資金風險管理之目標為擁有足夠現金儲備以及維持充裕之已承諾信貸融資額度。並且，本集團定期監察現在及預期之流動資金需求，尤其在資本開支及償還債項等方面的資金需求。於結算日及可預見的未來，董事預期本集團並無流動資金風險。有關按持續經營之準則編製賬目之詳情載於財務報表附註2。

本集團之金融負債於結算日至合約到期日之餘下期間按合約未貼現現金流量列示如下：

## 40. FINANCIAL RISK MANAGEMENT (Continued)

## Liquidity risk

The Group's objectives when managing liquidity risk are to maintain sufficient reserves of cash and adequate committed credit facilities. Also, the Group's policy is to regularly monitor current and expected liquidity requirements, in particular those relating to capital expenditure and repayments of debts. At the end of the reporting period, the Board of Directors expected that the Group had no significant liquidity risk in the near future. Details of the preparation of financial statements on a going concern basis are set out in note 2 to the financial statements.

The maturity profile of the Group's financial liabilities at the end of the reporting period based on contractual undiscounted payments is summarised below:

		本集團 Group			
		1年內或 按要還款 Within 1 year or on demand 千美元 US\$'000	1年以上 但在2年內 More than 1 year but within 2 years 千美元 US\$'000	2年以上 但在5年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於2014年 12月31日	At 31 December 2014				
應付賬款	Trade payables	896,131	—	—	896,131
其他應付款及 已收押金	Other payables and deposits received	1,080,924	—	—	1,080,924
向少數股東授出 認沽期權所產生 之責任	Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders	2,110	—	—	2,110
衍生金融工具	Derivative financial instruments	314	—	—	314
有息借貸	Interest-bearing borrowings	1,428,928	306,376	994,326	2,729,630
		3,408,407	306,376	994,326	4,709,109

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## 40. 金融風險因素(續)

## 流動資金風險(續)

## 40. FINANCIAL RISK MANAGEMENT (Continued)

## Liquidity risk (Continued)

		本集團 Group			
		1 年內或 按要求還款 Within 1 year or on demand 千美元 US\$'000	1 年以上 但在 2 年內 More than 1 year but within 2 years 千美元 US\$'000	2 年以上 但在 5 年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於 2013 年 12 月 31 日	At 31 December 2013				
應付賬款	Trade payables	1,251,710	—	—	1,251,710
其他應付款及 已收押金	Other payables and deposits received	990,441	—	—	990,441
向少數股東授出 認沽期權所產生 之責任	Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders	4,673	—	—	4,673
衍生金融工具	Derivative financial instruments	6,893	—	—	6,893
有息借貸	Interest-bearing borrowings	1,046,609	106,839	604,098	1,757,546
其他非流動負債	Other non-current liabilities	—	—	262	262
		3,300,326	106,839	604,360	4,011,525

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## 40. 金融風險因素(續)

## 40. FINANCIAL RISK MANAGEMENT (Continued)

## 流動資金風險(續)

## Liquidity risk (Continued)

		本公司 Company			
		1年內或 按要求還款 Within 1 year or on demand 千美元 US\$'000	1年以上 但在2年內 More than 1 year but within 2 years 千美元 US\$'000	2年以上 但在5年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於2014年 12月31日	At 31 December 2014				
應付附屬公司款項	Due to subsidiaries	77,265	—	—	77,265
應付賬款	Trade payables	520	—	—	520
其他應付款項	Other payables	11,763	—	—	11,763
有息借貸	Interest-bearing borrowings	390,850	70,209	854,434	1,315,493
		480,398	70,209	854,434	1,405,041
於2013年 12月31日	At 31 December 2013				
應付附屬公司款項	Due to subsidiaries	43,766	—	—	43,766
應付賬款	Trade payables	841	—	—	841
其他應付款項	Other payables	15,515	—	—	15,515
有息借貸	Interest-bearing borrowings	452,510	19,188	523,402	995,100
		512,632	19,188	523,402	1,055,222

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## 40. 金融風險因素(續)

## 流動資金風險(續)

貸款協議包括一條給予貸款人在無條件情況下在任何時間要求收回貸款的條款，相關借貸金額因此已被歸類為「按要求還款」類別。儘管董事並不預期借貸人會行使其要求還款的權利，117,991,000美元(2013：無)於結算日已按上述方式歸類，該等借貸如依照貸款協議還款時間表如下：

## 40. FINANCIAL RISK MANAGEMENT (Continued)

## Liquidity risk (Continued)

The amounts repayable under loan agreements that includes a clause that gives the lenders the unconditional right to call the loan at any time are classified under the "on demand" bracket. In this regard, interest-bearing borrowings of US\$117,991,000 (2013: US\$Nil) as at the end of the financial period have been so classified even though the directors do not expect that the lenders would exercise their rights to demand repayment and thus these borrowings would be repaid according to the following schedule as set out in the loan agreements:

		本集團 Group		本公司 Company	
		2014 千美元 US\$'000	2013 千美元 US\$'000	2014 千美元 US\$'000	2013 千美元 US\$'000
<b>有息借貸</b>	<b>Interest-bearing borrowings</b>				
1年內	Within 1 year	20,193	—	1,469	—
第2年	In the second year	11,535	—	1,469	—
第3年至第5年 (包括首尾2年)	In the third to fifth years, inclusive	90,728	—	90,728	—
		122,456	—	93,666	—

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## 40. 金融風險因素(續)

## 流動資金風險(續)

## 已發出之財政擔保：

已發出之最高財政擔保

## 40. FINANCIAL RISK MANAGEMENT (Continued)

## Liquidity risk (Continued)

## Financial guarantees issued:

Maximum amount guaranteed

		本公司 Company			
		1年內或 按要 求還款 Within 1 year or on demand 千美元 US\$'000	1年以上 但在2年內 More than 1 year but within 2 years 千美元 US\$'000	2年以上 但在5年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於2014年					
12月31日	At 31 December 2014	170,000	—	—	170,000
於2013年					
12月31日	At 31 December 2013	100,000	—	—	100,000

於結算日，本公司為其下一間附屬公司之信貸擔保發出財政擔保，金額為300,600,000美元(2013年：170,600,000美元)。董事認為有關擔保向本公司索償之機會低。本公司於結算日最高負債為該等全資附屬公司有關之擔保，金額為170,000,000美元(2013年：100,000,000美元)。

基於此等信貸工具涉及關聯關係，董事認為估計此等財政擔保之公允價值並沒有意義及不可行，故此亦沒有認列其價值於本公司之財務狀況表內。

At the end of the reporting period, the Company has issued financial guarantees of US\$300,600,000 (2013: US\$170,600,000) in respect of credit facilities to one subsidiary. The directors do not consider it probable that a claim will be made against the Company under the guarantees. The maximum liability of the Company at the end of the reporting period under the guarantees issued is the facility drawn down by the subsidiary of US\$170,000,000 (2013: US\$100,000,000).

Due to the related party nature of the instruments, the directors considered it not meaningful and practicable to estimate the fair values of the financial guarantees and therefore they have not been recognised in the Company's statement of financial position.

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#### 41. 公允價值計量

##### (a) 以公允價值列賬的金融資產及負債

下表呈列於2014年12月31日，按《香港財務報告準則》第13號「公允價值計量」所釐定的公允價值等級制度的三個等級中，以公允價值計量或須定期於財務報表披露公允價值的金融資產與負債，公允值計量的分級全數乃基於對整體計量有重大影響之輸入的最低等級。有關等級詳情如下：

- 第1級(最高級別)：本集團可在計量日存取在活躍市場上相同資產及負債的報價(未經調整)；
- 第2級：除包括在第一級的報價外，可直接或間接觀察之資產及負債的輸入；
- 第3級(最低級別)：無法觀察之資產及負債的輸入。

#### 41. FAIR VALUE MEASUREMENTS

##### (a) Financial assets and liabilities carried at fair value

The following table presents the assets and liabilities measured at fair value or required to disclose their fair value in these financial statements on a recurring basis at 31 December 2014 across the three levels of the fair value hierarchy defined in HKFRS 13, *Fair Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to the entire measurement. The levels are defined as follows:

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

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## 41. 公允價值計量(續)

## 41. FAIR VALUE MEASUREMENTS (Continued)

## (a) 以公允價值列賬的金融資產及負債(續)

## (a) Financial assets and liabilities carried at fair value (Continued)

本集團		Group							
		2014				2013			
		級別 1	級別 2	級別 3	總計	級別 1	級別 2	級別 3	總計
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>資產</b>	<b>Assets</b>								
可供出售之	Available-for-sale								
— 投資基金	— Investment funds	—	24,956	50,708	75,664	—	—	21,275	21,275
按公允價值列賬及	Financial assets at fair value								
在損益賬處理	through profit or loss								
的金融資產									
上市之股本證券	Listed equity securities	2,352	—	—	2,352	4,952	—	—	4,952
		2,352	24,956	50,708	78,016	4,952	—	21,275	26,227
<b>負債</b>	<b>Liabilities</b>								
其他應付款項及	Other payables and								
已收押金	deposits received								
— 衍生金融工具	— Derivative financial instruments	—	—	314	314	—	—	6,893	6,893

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For the year ended 31 December 2014

## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

## 本公司

		2014				2013			
		級別1	級別2	級別3	總計	級別1	級別2	級別3	總計
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>資產</b>	<b>Assets</b>								
可供出售之	Available-for-sale								
— 投資基金	— Investment funds	—	—	50,708	50,708	—	—	21,275	21,275
按公允價值列賬及		Financial assets at fair value							
在損益賬處理		through profit or loss							
的金融資產									
上市之股本	Listed equity securities	2,352	—	—	2,352	4,952	—	—	4,952
證券									
		2,352	—	50,708	53,060	4,952	—	21,275	26,227

於2014年及2013年度內，沒有項目在級別1與級別2之間移轉，亦沒有項目移轉至級別3或由級別3轉出。

During the years ended 31 December 2014 and 2013, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

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## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

於2014年及2013年內需定期作公允價值計量分類為級別3的詳細變動如下：

## 41. FAIR VALUE MEASUREMENTS (Continued)

## (a) Financial assets and liabilities carried at fair value (Continued)

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy for the years ended 31 December 2014 and 2013 are shown as follows:

		2014		2013	
		投資基金 Investment Funds 千美元 US\$'000	衍生金融工具 Derivative financial instruments 千美元 US\$'000	投資基金 Investment Funds 千美元 US\$'000	衍生金融工具 Derivative financial instruments 千美元 US\$'000
於年初	At beginning of the year	21,275	(6,893)	16,677	(19,074)
購入	Purchases	24,000	—	2,992	—
已認列之總收益或 (虧損)	Total gains or (losses) recognised:				
– 損益	– in profit or loss	—	6,579	—	12,181
– 其他全面收益	– in other comprehensive income	5,433	—	1,606	—
於結算日	At the end of the reporting period	50,708	(314)	21,275	(6,893)
於結算日持有之資產及 負債計入損益的當 期未實現收益之變動	Change in unrealised gain for the year included in profit or loss for assets and liabilities held at the end of the reporting period	—	6,579	—	12,181

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**41. 公允價值計量(續)**

**(a) 以公允價值列賬的金融資產及負債(續)**

使用在級別二及級別三之公允價值計算之估價技術和重大輸入

*(i) 可供出售：投資基金*

在級別二的投資基金公允價值是基於信託管理人對每一信託單位資產淨值的參考報價並不含調整。信託單位資產淨值是根據相關投資，如上市股本證券和債務證券，在活躍市場上的參考市場報價而定。

**41. FAIR VALUE MEASUREMENTS (Continued)**

**(a) Financial assets and liabilities carried at fair value (Continued)**

**Valuation techniques and significant inputs used in Level 2 and Level 3 fair value measurement**

*(i) Available-for-sale: Investment funds*

The fair value of an investment fund in Level 2 is valued based on the net asset value of each trust unit quoted by the trust administrator based on quoted prices of underlying investments i.e. listed equity and debt securities in an active market without adjustments.

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## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

使用在級別二及級別三之公允價值計算之估價技術和重大輸入(續)

## (i) 可供出售：投資基金(續)

在級別三其中一項於期內新投資的投資基金的公允價值是基於投資經理於結算日向投資者報告之投資基金財產淨值。級別三其餘之三項投資基金之公允價值是根據基金所投資的公司的公允價值。所有級別三之投資基金均包括上市投資和非上市投資。上市投資的公允價值是參考市場報價而非上市投資的公允價值是由有關基金經理利用包括市盈率模型及折現現金流模型在內的估價技術作評估。評估非上市公司的公允價值時包括一些非由可觀察市場價格或比率支持之假定。用於評估被基金投資之非上市公司的公允價的年度平均增長率由0%至45%(2013年：0%至12%)，可比較之公司的平均市盈率及相關行業市場之市盈率由0.7至51.2倍(2013年：17.2至30.9倍)，以及3%的折現率(2013年：3%)。

## 41. FAIR VALUE MEASUREMENTS (Continued)

## (a) Financial assets and liabilities carried at fair value (Continued)

Valuation techniques and significant inputs used in Level 2 and Level 3 fair value measurement (Continued)

## (i) Available-for-sale: Investment funds (Continued)

The fair value of one of the investment funds in Level 3 newly acquired in April 2014 is based on the net asset value of the investment fund reported to the investors by the investment manager as of the end of the reporting period. For the remaining three investment funds in Level 3, their fair values are based on the fair values of the companies invested by the funds. All of the investment funds in Level 3 included both listed investments and unlisted investments. The fair values of listed investments are reference to quoted market price, while the fair values of unlisted investments which are valued by the respective investment managers are estimated by valuation techniques, mainly including using price/ earnings (P/E) multiple model and discounted cash flows model. In determining the fair value of unlisted investments, it includes assumptions that are not supported by observable market prices or rates. The expected annual growth rates of unquoted companies invested by the funds ranging from 0% to 45% (2013: 0% to 12%), average price/earnings (P/E) multiples of comparable companies of the corresponding industries ranging from 0.7 to 51.2 times (2013: 17.2 to 30.9 times) and discount rates of 3% (2013: 3%) are used.

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## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

## 使用在級別三之公允價值計算之估價技術和重大輸入(續)

## (ii) 其他應付款：衍生金融工具

衍生金融工具的公允價值估計是由香港獨立合資格專業估值師估值。於結算日用於發行期權估值之無法觀察的輸入如下：

## 41. FAIR VALUE MEASUREMENTS (Continued)

## (a) Financial assets and liabilities carried at fair value (Continued)

## Valuation techniques and significant inputs used in Level 3 fair value measurement (Continued)

## (ii) Other payables: Derivative financial instruments

The derivative financial instruments are measured at fair value estimated by an independent qualified professional valuer in Hong Kong. Details of the unobservable inputs used for the valuation of the Issued Option at the end of the reporting period are as follows:

估值模型	Valuation model	蒙特卡羅模型 Monte Carlo Simulation Model
相關資產之公允值 #	Fair value of the underlying assets #	US\$1,058 million 百萬美元
行使價 *	Exercise price *	US\$2.81 billion to US\$3.72 billion 億美元
到期日	Time to maturity	0.83 years
美元無風險比率	US\$ Risk free rate	0.55%
相關資產價格波動 (港元)	Volatility of the underlying asset's price in HK\$	37.96%
股息率	Dividend yield	1.39%

# 經現金補足及少數折讓調整後

\* 如發行期權於2013年10月31日或之前行使金額為28億1千萬美元；

如發行期權於2013年10月31日之後及2014年10月31日或之前金額為32億3千萬美元；

如發行期權於2014年10月31日之後及2015年10月31日或之前金額為37億2千萬美元。

# After the adjustment of the top-up cash and minority discount

\* US\$2.81 billion if Issued Option is exercised on or before 31 October 2013;

US\$3.23 billion if Issued Option is exercised after 31 October 2013 but on or before 31 October 2014; or

US\$3.72 billion if issued Option is exercised after 31 October 2014 but on or before 31 October 2015.

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#### 41. 公允價值計量(續)

##### (a) 以公允價值列賬的金融資產及負債(續)

於2014年12月31日，董事認為終止／觸發事件發生的概率微乎其微。所以FEBA認購期權、FEBA認沽期權、OA認沽期權，OA認購期權及出售下降期權的公允價值為零美元（2013年：零美元）。

#### 41. FAIR VALUE MEASUREMENTS (Continued)

##### (a) Financial assets and liabilities carried at fair value (Continued)

The fair value of the FEBA Call Option, FEBA Put Option, OA Put Option, OA Call Option and Sell-Down Option as at 31 December 2014 are US\$Nil (2013: US\$Nil) as in the opinion of directors the probability of the termination/triggering events occurring is very remote.

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41. 公允價值計量(續)

(a) 以公允價值列賬的金融資產及負債(續)

主要不可觀察輸入敏感度之變動

級別3公允價值計量之主要不可觀察輸入敏感度之變動如下：

41. FAIR VALUE MEASUREMENTS (Continued)

(a) Financial assets and liabilities carried at fair value (Continued)

Sensitivity to changes in significant unobservable inputs

The sensitivity to changes in significant unobservable inputs for Level 3 fair value measurements are as follows:

							公允價值及 本集團本年度 其他全面收益 的影響 Impact on fair value and the Group' s other comprehensive income for the year 千美元 US\$'000	公允價值及 本集團本年度 溢利的影響 Impact on fair value and the Group' s profit for the year 千美元 US\$'000
	於二零一四年 十二月三十一日 之公允值 Fair value at 31 December 2014 千美元 US\$' 000	估值技術 Valuation techniques	不可觀察輸入 Unobservable input	不可觀察輸入的轉變對 公允價值的敏感度 (假設其他因素保持不變) Sensitivity of fair value to changes in unobservable inputs (assuming other factors remain unchanged)	合理的可能範圍 Reasonably possible range			
描述 Description								
可供出售金融資產 Available-for-sale financial assets								
投資基金 Investment funds	50,708	市盈率模型 P/E multiple	年度預期增長率 Expected annual growth rates	年度預期增長率越高， 其公允值越高，反之亦然； The higher the expected annual growth rate, the higher the fair value and vice versa；	+/-10%	+/-1,051		—
			可比較公司之 平均市盈率 Average P/E ratio of comparable companies	可比較公司之平均市盈率越高， 其公允價值越高，反之亦然； The higher average P/E ratio of comparable companies, the higher the fair value and vice versa；	+/-26%	+/-3,975		—
		折現現金流 模型 Discounted cash flow	折現率 Discount rate	折現率越高，其公允價值 越低，反之亦然。 The higher the discount rate, the lower the fair value and vice versa.	+/-1%	-111/+116		—

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## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

主要不可觀察輸入敏感度之變動  
(續)

					公允價值及 本集團本年度 其他全面收益 的影響 Impact on fair value and the Group's other comprehensive income for the year 千美元 US\$'000			公允價值及 本集團本年度 溢利的影響 Impact on fair value and the Group's profit for the year 千美元 US\$'000
	於二零一四年 十二月三十一日 之公允價值 Fair value at 31 December 2014 千美元 US\$' 000	估值技術 Valuation techniques	不可觀察輸入值 Unobservable input	不可觀察輸入的轉變對 公允價值的敏感度 (假設其他因素保持不變) Sensitivity of fair value to changes in unobservable inputs (assuming other factors remain unchanged)	合理的可能範圍 Reasonably possible range			
描述 Description								
其他應付款 Other payables								
衍生金融工具 — 發行期權	314	蒙特卡羅模型	相關資產價格波動 (港元)	相關資產價格波動(港元) 越高，其公允價值越高， 反之亦然；	+/-5%	—		+207/-105
Derivative financial instruments -Issued Option		Monte Carlo Simulation Model	Volatility of the underlying asset' s price in HK\$	The higher the volatility of the underlying asset' s price in HK\$, the higher the fair value and vice versa;				
			相關資產的 公允價值 Fair value of the underlying assets	相關資產的公允價值越高， 其公允價值越高，反之亦然。 The higher the fair value of the underlying assets, the higher the fair value and vice versa.	+/-5%	—		+192/-138

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## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

主要不可觀察輸入敏感度之變動  
(續)

						公允價值及 本集團本年度 其他全面收益 的影響 Impact on fair value and the Group's other comprehensive income for the year 千美元 US\$'000	公允價值及 本集團本年度 溢利的影響 Impact on fair value and the Group's profit for the year 千美元 US\$'000
於二零一三年 十二月三十一日 之公允價值 Fair value at 31 December 2013 千美元 US\$'000		估值技術 Valuation techniques	不可觀察輸入值 Unobservable input	不可觀察輸入的轉變對 公允價值的敏感度 (假設其他因素保持不變) Sensitivity of fair value to changes in unobservable inputs (assuming other factors remain unchanged)	合理的可能範圍 Reasonably possible range		
描述 Description							
可供出售金融資產 Available-for-sale financial assets							
投資基金 Investment funds	21,275	市盈率模型 P/E multiple	年度預期增長率 Expected annual growth rates	年度預期增長率越高， 其公允價值越高，反之亦然； The higher the expected annual growth rate, the higher the fair value and vice versa；	+/-10%	+68/-72	—
			可比較公司之 平均市盈率 Average P/E ratio of comparable companies	可比較公司之平均市盈率越高， 其公允價值越高，反之亦然； The higher average P/E ratio of comparable companies, the higher the fair value and vice versa；	+/-31%	+528/-540	—
		折現現金流 模型 Discounted cash flow	折現率 Discount rate	折現率越高，其公允價值 越低，反之亦然。 The higher the discount rate, the lower the fair value and vice versa.	+/-1%	-42/+44	—

## 41. FAIR VALUE MEASUREMENTS (Continued)

(a) Financial assets and liabilities carried at fair value  
(Continued)Sensitivity to changes in significant unobservable  
inputs (Continued)

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## 41. 公允價值計量(續)

## (a) 以公允價值列賬的金融資產及負債(續)

主要不可觀察輸入敏感度之變動  
(續)

					公允價值及 本集團本年度 其他全面收益 的影響		公允價值及 本集團本年度 溢利的影響
					Impact on fair value and the Group's other comprehensive income for the year	Impact on fair value and the Group's profit for the year	
於二零一三年 十二月三十一日 之公允價值 Fair value at 31 December	2013	估值技術	不可觀察輸入值	不可觀察輸入的轉變對 公允價值的敏感度 (假設其他因素保持不變) Sensitivity of fair value to changes in unobservable inputs (assuming other factors remain unchanged)	合理的可能範圍		
描述 Description	千美元 US\$' 000	Valuation techniques	Unobservable input		Reasonably possible range	千美元 US\$'000	
其他應付款 Other payables							
衍生金融工具 — 發行期權	6,893	蒙特卡羅模型	相關資產價格波動 (港元)	相關資產價格波動(港元) 越高，其公允價值越高， 反之亦然；	+/-5%	—  +2,244/ -2,201	
Derivative financial instruments -Issued Option		Monte Carlo Simulation Model	Volatility of the underlying asset' s price in HK\$	The higher the volatility of the underlying asset' s price in HK\$, the higher the fair value and vice versa;			
			相關資產的 公允價值 Fair value of the underlying assets	相關資產的公允價值越高， 其公允價值越高，反之亦然。 The higher the fair value of the underlying assets, the higher the fair value and vice versa.	+/-5%	—  +2,022/ -1,864	

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#### 41. 公允價值計量(續)

(a) 以公允價值列賬的金融資產及負債(續)

級別3公允價值計量的估值流程

本集團先採用可取得的市場可觀察數據估計等級制度級別3內的資產及負債之公允價值。若級別1輸入不能取得，本集團向有關基金經理或信託管理人取得投資基金之估值。對於衍生金融工具，本集團委聘獨立合資格專業估值師進行估值。

本集團的財務部包括一個團隊負責檢閱投資基金的投資經理或信託管理人及獨立估值師以財務報告為目的進行的估值。該團隊直接向高階管理層報告。而管理層、投資基金的投資經理或信託管理人及獨立估值師對於評估過程和結果會每年至少舉行一次討論。財務部會在每個財政年度跟投資基金的投資經理或信託管理人及獨立估值師密切配合建立合適的估值技術和輸入估值模型，驗證所有主要的不可觀察輸入，與上年度估值報告變動分析估價變動並與投資基金的投資經理或信託管理人及獨立估值師討論。

#### 41. FAIR VALUE MEASUREMENTS (Continued)

(a) Financial assets and liabilities carried at fair value (Continued)

Valuation processes used in Level 3 fair value measurement

In estimating the fair value of an asset or a liability within Level 3 of the fair value hierarchy, the Group uses market observable-data to the extent it is available. Where Level 1 inputs are not available, the Group obtains the valuations provided by the respective investment managers or trust administrator for the investment funds. For the derivative financial instrument, the Group engages independent qualified professional valuer to perform the valuation.

The Group's finance department includes a team that reviews the valuations performed by the investment managers or trust administrator of the investment funds and the independent valuer for financial reporting purposes. The team reports directly to the senior management. Discussions of valuation processes and results are held between the management, investment managers or trust administrator of the investment funds and independent valuer at least once every year. At each financial year end, the finance department works closely with the investment managers or trust administrator of the investment funds and independent valuer to establish the appropriate valuation techniques and inputs to the valuation models, verifies all major unobservable inputs in the valuations, assesses valuations movements when compared to the prior year valuation report and holds discussions with the investment managers or trust administrator of the investment funds and independent valuer.

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## 41. 公允價值計量(續)

## (b) 以公允價值以外列賬的金融工具公允價值

董事認為，除了於財務報表附註32所描述之票據外，本集團及本公司沒有其他金融資產及負債之賬面值，與其2014年及2013年12月31日之公允價值有重大差異。

## 41. FAIR VALUE MEASUREMENTS (Continued)

## (b) Fair values of financial assets and liabilities carried at other than fair value

In the opinion of the directors, except for the Notes as described in the note 32 to the financial statements, no other financial assets and liabilities of the Group's and the Company are carried at amount materially different from their fair values as at 31 December 2014 and 2013.

## 42. 承擔

除於本財務報表其他部份披露之承擔，本集團有下列承擔：

## (a) 資本支出承擔

		Group	
		2014 US\$'000	2013 US\$'000
已訂約但未撥備	Contracted but not provided for:		
購買機器及設備開支	Expenditures on properties, plant and equipment	280,056	235,442
投資基金	Investment funds	28,026	27,464
		308,082	262,906

## 42. COMMITMENTS

In addition to the commitments disclosure elsewhere in the financial statements, the Group has the commitments as follow:

## (a) Capital expenditure commitments

## (b) 營運租約承擔

於結算日，根據不可撤銷之建築物經營租約，本集團未來最低租賃付款總額列示如下：

## (b) Commitments under operating leases

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases for premises, which are payable as follows:

		Group	
		2014 US\$'000	2013 US\$'000
1年內	Within one year	47,235	43,723
於第2年至第5年屆滿 (包括首尾2年)	In the second to fifth years inclusive	75,865	82,719
5年以後	After five years	42,214	50,172
		165,314	176,614

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#### 43. 比較數字

相應於本年度的呈列，綜合現金流量表中的新增銀行貸款，償還銀行貸款以及其他短期借貸之變動淨額的比較數字已重列。修訂後的呈列更恰當地反映這些項目的性質。這些項目的重列對本集團的財務狀況及業績沒有影響。

#### 44. 或有負債

於結算期內，本集團為百事飲料業務的整合方案向員工提出自願優退計劃（「該計劃」），在該計劃中本集團提供方案予受影響的員工，受影響員工可以決定是否接受以離職換取方案中的福利。

於結算期內，73,017,000美元的合約終止補償已確認為費用。如所有合符資格員工接受該計劃，本集團估計2015至2016年間預期可能再發生合約終止補償的總額約為70,000,000美元。

#### 43. COMPARATIVE FIGURES

Conforming to current year's presentation, the comparative information of proceeds from bank borrowings, repayments of bank borrowings and net movement of other short-term borrowings as shown in the consolidated statement of cash flows has been restated. The revised presentation reflects more appropriately the nature of these items. These restatements have no effect on the reported financial position and results of the Group.

#### 44. CONTINGENT LIABILITIES

During the reporting period, the Group announced a voluntary retirement plan (the "Plan") for its employees as a result of an integration programme of its Pepsi beverage business. The Group has made an offer of the Plan to the affected employees who can decide to accept the offer of benefits in exchange for the termination of their employments.

The termination benefits of US\$73,017,000 have been recognised as expenses during the reporting period. The estimated possible obligation of termination benefits is about US\$70,000,000 which is expected to be settled between 2015 and 2016 if all the offers are accepted by qualified employees.

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#### 45. 主要附屬公司

下列包括由本公司直接及間接持有之主要附屬公司，董事認為該等公司對本年度營業額有重大貢獻，或組成本集團總資產的重要部份。董事認為詳列其他附屬公司的資料會致篇幅冗長。

#### 45. PRINCIPAL SUBSIDIARIES

The following included the principal subsidiaries directly or indirectly held by the Company and, in the opinion of directors, are significant to the turnover for the year or form a substantial portion of total assets of the Group. The directors consider that giving details of other subsidiaries would result in particulars of excess length.

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本／已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
康師傅方便食品(BVI)有限公司 Master Kong Instant Foods (BVI) Co., Ltd.	英屬處女群島 BVI	US\$2	100%	—	投資控股 Investment holding
天津頂益食品有限公司 Tianjin Tingyi Food Co., Ltd.	中國 PRC	US\$72,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
廣州頂益食品有限公司 Guangzhou Tingyi Food Co., Ltd.	中國 PRC	US\$31,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 杭州頂益食品有限公司 * Hangzhou Tingyi Food Co., Ltd.	中國 PRC	US\$131,500,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
重慶頂益食品有限公司 Chongqing Tingyi Food Co., Ltd.	中國 PRC	US\$22,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
瀋陽頂益食品有限公司 Shenyang Tingyi Food Co., Ltd.	中國 PRC	US\$17,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
武漢頂益食品有限公司 Wuhan Tingyi Food Co., Ltd.	中國 PRC	US\$17,800,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
西安頂益食品有限公司 Xian Tingyi Food Co., Ltd.	中國 PRC	US\$44,300,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
青島頂益食品有限公司 Qingdao Tingyi Food Co., Ltd.	中國 PRC	US\$5,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles

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45. 主要附屬公司(續)

45. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
哈爾濱頂益食品有限公司 Harbin Tingyi Food Co., Ltd.	中國 PRC	US\$11,200,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
福建頂益食品有限公司 Fujian Tingyi Food Co., Ltd.	中國 PRC	US\$4,500,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 新疆頂益食品有限公司 * Xinjiang Tingyi Food Co., Ltd.	中國 PRC	US\$3,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 南京頂益食品有限公司 * NanJing Tingyi Food Co., Ltd.	中國 PRC	US\$14,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 康師傅(瀋陽)方便食品有限公司 * Master Kong (Shenyang) Convenient Food Co., Ltd.	中國 PRC	US\$6,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 成都頂益食品有限公司 * Chengdu Tingyi Food Co., Ltd.	中國 PRC	US\$17,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 康師傅(重慶)方便食品有限公司 * Master Kong (Chongqing) Convenient Food Co., Ltd.	中國 PRC	US\$5,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 咸陽福滿多食品有限公司 * Xianyang Fumanduo Food Co., Ltd.	中國 PRC	US\$5,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 鄭州頂益食品有限公司 * Zhengzhou Tingyi Food Co., Ltd.	中國 PRC	US\$50,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
康師傅方便麵投資(中國)有限公司 Master Kong Instant Noodle Investment (China) Co., Ltd.	中國 PRC	US\$102,000,000	100%	—	投資控股 Investment holding

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## 45. 主要附屬公司(續)

## 45. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
康師傅糕餅(BVI)有限公司 Master Kong Bakery (BVI) Co., Ltd.	英屬處女群島 BVI	US\$1	100%	—	投資控股 Investment holding
康師傅方便食品投資(中國)有限公司 Master Kong Instant Foods Investment (China) Co., Ltd.	中國 PRC	US\$90,900,000	—	100%	投資控股 Investment holding
天津頂園食品有限公司 Tianjin Tingyuan Food Co., Ltd.	中國 PRC	US\$37,000,000	—	100%	製造及銷售方便食品 Manufacture and sale of instant food
杭州頂園食品有限公司 Hangzhou Ting Yuan Food Co., Ltd.	中國 PRC	US\$18,400,000	—	100%	製造及銷售方便食品 Manufacture and sale of instant food
康師傅飲品(BVI)有限公司 Master Kong Beverages (BVI) Co., Ltd.	英屬處女群島 BVI	US\$55,263	90.50%	—	投資控股 Investment holding
康師傅飲品控股有限公司 Tingyi-Asahi Beverages Holding Co., Ltd.	開曼群島 Cayman Islands	US\$10,528	—	47.51%	投資控股 Investment holding
* 天津頂津食品有限公司 * Tianjin Tingjin Food Co., Ltd.	中國 PRC	US\$60,840,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
廣州頂津食品有限公司 Guangzhou Tingjin Food Co., Ltd	中國 PRC	US\$20,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 杭州頂津食品有限公司 * Hangzhou Tingjin Food Co., Ltd.	中國 PRC	US\$38,100,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(杭州)飲品有限公司 * Master Kong (Hangzhou) Beverage Co., Ltd #	中國 PRC	US\$28,350,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 武漢頂津食品有限公司 * Wuhan Tingjin Food Co., Ltd.	中國 PRC	US\$51,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages

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45. 主要附屬公司(續)

45. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
重慶頂津食品有限公司 Chongqing Tingjin Food Co., Ltd. #	中國 PRC	US\$24,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 青島頂津食品有限公司 * Qingdao Tingjin Food Co., Ltd.	中國 PRC	US\$15,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
福建頂津食品有限公司 Fujian Tingjin Food Co., Ltd.	中國 PRC	US\$13,700,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 哈爾濱頂津食品有限公司 * Harbin Tingjin Food Co., Ltd. #	中國 PRC	US\$33,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 昆明頂津食品有限公司 * Kunming Tingjin Food Co., Ltd.	中國 PRC	US\$12,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 鄭州頂津食品有限公司 * Zhengzhou Tingjin Food Co., Ltd.	中國 PRC	US\$24,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 蘭州頂津食品有限公司 * Lanzhou Tingjin Food Co., Ltd. #	中國 PRC	US\$16,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(瀋陽)飲品有限公司 * Master Kong (Shenyang) Beverage Co. Ltd.	中國 PRC	US\$41,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(西安)飲品有限公司 * Master Kong (Xi'an) Beverage Co., Ltd.	中國 PRC	US\$48,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(天津)飲品有限公司 * Master Kong (Tianjin) Beverage Co., Ltd.	中國 PRC	US\$31,800,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages

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## 45. 主要附屬公司(續)

## 45. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
* 揚州頂津食品有限公司 * Yangzhou Tingjin Food Co., Ltd.	中國 PRC	US\$36,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 廣州頂津飲品有限公司 * Guangzhou Tingjin Beverage Co., Ltd. #	中國 PRC	US\$59,300,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 成都頂津食品有限公司 * Chengdu Tingjin Food Co., Ltd.	中國 PRC	US\$23,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(烏魯木齊)飲品有限公司 * Master Kong (Wulumuqi) Beverage Co., Ltd. #	中國 PRC	US\$12,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 包頭頂津食品有限公司 * Baotou Tingjin Food Co., Ltd.	中國 PRC	US\$12,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
廊坊頂津食品有限公司 Langfang Tingjin Food Co., Ltd.	中國 PRC	US\$28,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 蘇州頂津食品有限公司 * Suzhou Ting Jin Food Co., Ltd.	中國 PRC	US\$41,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 南昌頂津食品有限公司 * NanchangTingjin Food Co., Ltd.	中國 PRC	US\$14,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
康師傅飲品投資(中國)有限公司 Master Kong Beverage Investment (China) Co., Ltd.	中國 PRC	US\$87,702,000	—	47.51%	投資控股 Investment holding
中國罐裝企業(香港)有限公司 China Bottlers (Hong Kong) Limited	香港 Hong Kong	US\$10,000/US\$2	—	47.51%	投資控股 Investment holding
* 百事(中國)投資有限公司 * PepsiCo Investment (China) Limited	中國 PRC	US\$358,216,517	—	47.51%	投資控股 Investment holding

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## 45. 主要附屬公司(續)

## 45. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
* 百事飲料(廣州)有限公司 * PepsiCo Beverages (Guangzhou) Limited #	中國 PRC	US\$197,800,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 廣州百事可樂飲料有限公司 * Guangzhou Pepsi-Cola Beverage Company Limited	中國 PRC	US\$66,650,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 北京百事可樂飲料有限公司 * Beijing Pepsi-Cola Beverage Company Limited	中國 PRC	US\$14,119,449	—	30.88%	製造及銷售飲品 Manufacture and sale of beverages
* 長春百事可樂飲料有限公司 * Changchun Pepsi-Cola Beverage Company Limited	中國 PRC	US\$20,000,000	—	27.32%	製造及銷售飲品 Manufacture and sale of beverages
* 天津百事可樂飲料有限公司 * Tianjin Pepsi-Cola Beverage Company Limited	中國 PRC	RMB100,000,000	—	41.81%	製造及銷售飲品 Manufacture and sale of beverages
* 成都百事飲料有限公司 * Chengdu PepsiCo Beverages Company Limited	中國 PRC	US\$6,600,000	—	33.26%	製造及銷售飲品 Manufacture and sale of beverages
* 蘭州百事飲料有限公司 * Lanzhou PepsiCo Beverages Company Limited #	中國 PRC	US\$1,350,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 重慶百事天府飲料有限公司 * Chongqing Pepsi-Tianfu Beverage Company Limited	中國 PRC	US\$17,845,000	—	44.85%	製造及銷售飲品 Manufacture and sale of beverages
* 深圳百事可樂飲料有限公司 * Shenzhen Pepsi-Cola Beverage Co., Ltd.	中國 PRC	US\$12,250,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 瀋陽百事可樂飲料有限公司 * Shenyang Pepsi-Cola Beverage Company Limited	中國 PRC	US\$57,600,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 長沙百事可樂飲料有限公司 * Changsha Pepsi-Cola Beverage Company Limited #	中國 PRC	US\$28,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages

截至2014年12月31日止年度  
For the year ended 31 December 2014

## 45. 主要附屬公司(續)

## 45. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
* 福州百事可樂飲料有限公司 * Fuzhou Pepsi-Cola Beverage Co., Ltd.	中國 PRC	RMB19,764,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 百事飲料(南昌)有限公司 * Pepsi Beverage (Nanchang) Company Limited	中國 PRC	US\$9,000,000	—	33.26%	製造及銷售飲品 Manufacture and sale of beverages
頂通(BVI)有限公司 Tingtong (BVI) Limited	英屬處女群島 BVI	US\$1,000	100%	—	投資控股 Investment holding
頂通(開曼島)控股有限公司 Tingtong (Cayman Islands) Holding Corp	開曼群島 Cayman Islands	US\$2,118,334	—	50.01%	投資控股 Investment holding
上海頂通物流有限公司 Shanghai Tingtong Logistics Co., Ltd.	中國 PRC	US\$5,000,000	—	50.01%	提供物流服務 Logistics services
頂益(英屬處女島)國際有限公司 Tingyi (BVI) Int'l Co., Ltd.	英屬處女群島 BVI	US\$50,000	100%	—	本集團之採購代理 Purchasing and sales agent for the Group
富都投資有限公司 Wealth City Investment Limited	英屬處女群島 BVI	US\$147,232,000	—	100%	投資控股 Investment holding
中國頂雅控股有限公司 China Dingya Holding Limited.	英屬處女群島 BVI	US\$1	100%	—	投資控股 Investment holding

\* 該等附屬公司註冊為中外合資/合作企業。

# 英文翻譯只供識別

其他本集團於中國境內之附屬公司均成立及註冊為全資外商企業。

\* These subsidiaries are registered as Sino-foreign equity joint venture companies.

# English translation for identification purposes only.

The other subsidiaries in the PRC are established and registered as wholly-owned foreign enterprises.

# 獨立核數師報告

## Independent Auditor's Report



### MAZARS CPA LIMITED

瑪澤會計師事務所有限公司  
42nd Floor, Central Plaza,  
18 Harbour Road, Wan Chai, Hong Kong  
香港灣仔港灣道18號中環廣場42樓

致康師傅控股有限公司  
(於開曼群島註冊成立的有限公司)

#### 全體股東

本核數師已審核列載於第72頁至225頁之康師傅控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之財務報表，此財務報表包括於2013年12月31日之綜合及公司財務狀況表，截至該日止年度之綜合收益表，綜合全面收益表，綜合股東權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

#### 董事編製財務報表之責任

貴公司董事須負責遵照香港會計師公會頒佈之《香港財務報告準則》及香港《公司條例》之披露規定編製具反映真實兼公平觀點之財務報表，並落實其認為編製財務報表所必要的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

#### 核數師之責任

本核數師之責任是根據我們之審核對該等財務報表作出意見，並將此意見僅向整體股東報告，而不作其他用途。我們不就此報告之內容，對任何其他人士負責或承擔法律責任。我們的審核工作已根據香港會計師公會頒佈之《香港審計準則》進行。該等準則要求我們遵守道德規範，並策劃及進行審核工作，就該等財務報表是否不存在重大錯誤陳述，作出合理之確定。

To the shareholders of

#### Tingyi (Cayman Islands) Holding Corp.

(incorporated in the Cayman Islands with limited liability)

We have audited the financial statements of Tingyi (Cayman Islands) Holding Corp. (the "Company") and its subsidiaries (together "the Group") set out on pages 72 to 225, which comprise the consolidated and the Company's statements of financial position as at 31 December 2013, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of the 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 ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the 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 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 HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

審核包括進程序以獲取有關該等財務報表所載金額及披露資料之憑證。所選定之程序取決於我們之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在作出該等風險評估時，我們考慮與貴集團編製及真實而公平地反映相關之內部監控，以設計適當之審核程序，但並非旨在就貴集團之內部監控之效能發表意見。審核亦包括評估董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及就財務報表之整體列報方式作出評估。

我們相信，我們所獲得之審核憑證能充足及適當地為我們的審計意見提供基礎。

### 意見

我們認為，該等財務報表已根據《香港財務報告準則》真實兼公平地反映貴公司及貴集團於2013年12月31日之財務狀況及截至該日止年度其溢利及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

**瑪澤會計師事務所有限公司**

執業會計師

香港2014年3月24日

**陳志明**

執業牌照號碼：P05132

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 the 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 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 financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Mazars CPA Limited**

*Certified Public Accountants*

Hong Kong, 24 March 2014

**Chan Chi Ming Andy**

Practising Certificate number: P05132

# 綜合收益表

## Consolidated Income Statement

截至2013年12月31日止年度

Year ended 31 December 2013

		附註 Note	2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
營業額	Turnover	6	10,940,996	9,211,852
銷售成本	Cost of sales		(7,630,997)	(6,457,364)
毛利	Gross profit		3,309,999	2,754,488
其他收益及其他淨收入	Other revenue and other net income	8	215,685	344,767
分銷成本	Distribution costs		(2,312,603)	(1,866,012)
行政費用	Administrative expenses		(350,868)	(297,450)
其他經營費用	Other operating expenses		(117,921)	(74,604)
財務費用	Finance costs	9	(37,351)	(32,673)
應佔聯營及合營公司業績	Share of results of associates and joint ventures		16,049	3,966
除稅前溢利	Profit before taxation	9	722,990	832,482
稅項	Taxation	11	(228,679)	(227,763)
本年度溢利	Profit for the year		494,311	604,719
年內應佔溢利：	Attributable to:			
本公司股東	Owners of the Company		408,544	458,622
少數權益股東	Non-controlling interests		85,767	146,097
本年度溢利	Profit for the year		494,311	604,719
每股溢利	Earnings per share	14		
基本	Basic		US7.30 cents	US8.20 cents
攤薄	Diluted		US7.28 cents	US8.17 cents

# 綜合全面收益表

## Consolidated Statement of Comprehensive Income

截至2013年12月31日止年度  
Year ended 31 December 2013

		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
本年度溢利	<b>Profit for the year</b>	<b>494,311</b>	604,719
其他全面收益：	<b>Other comprehensive income:</b>		
不會重分類至	<i>Items that will not be reclassified</i>		
損益賬中的項目	<i>subsequently to profit or loss:</i>		
界定福利責任之重估值	Remeasurement of defined benefit obligations	850	7,016
已經或其後可被重分類至	<i>Items that are or may be reclassified</i>		
損益賬中的項目	<i>subsequently to profit or loss:</i>		
匯兌差額	Exchange differences on consolidation	134,154	28,057
可供出售金融資產公	Fair value changes in available-		
允值之變動	for-sale financial assets	12,780	3,407
於期內出售可供	Reclassification adjustments relating to		
出售金融資產	available-for-sale financial assets		
之重分類調整	disposed of during the year	(14,397)	4,656
		132,537	36,120
本年度其他全面收益	<b>Other comprehensive income for the year</b>	<b>133,387</b>	43,136
本年度全面收益總額	<b>Total comprehensive income for the year</b>	<b>627,698</b>	647,855
應佔全面收益：	<b>Attributable to:</b>		
本公司股東	Owners of the Company	500,127	490,704
少數權益股東	Non-controlling interests	127,571	157,151
		627,698	647,855

# 綜合財務狀況表

## Consolidated Statement of Financial Position

於 2013 年 12 月 31 日

At 31 December 2013

			At 31 December 2013 附註 Note 千美元 US\$'000	At 31 December 2012 千美元 US\$'000 (經重列) (restated)	At 1 January 2012 千美元 US\$'000 (經重列) (restated)
<b>資產</b>	<b>ASSETS</b>				
<b>非流動資產</b>	<b>Non-current assets</b>				
物業、機器及設備	Property, plant and equipment	15	5,485,100	5,001,736	4,029,872
土地租約溢價	Prepaid lease payments	16	318,961	284,040	186,276
無形資產	Intangible asset	17	28,058	28,811	—
聯營公司權益	Interest in associates	19	29,050	21,324	—
合營公司權益	Interest in joint ventures	20	80,276	63,114	—
可供出售金融資產	Available-for-sale financial assets	21	24,683	55,032	104,422
遞延稅項資產	Deferred tax assets	34	48,105	50,774	52,176
			<b>6,014,233</b>	<b>5,504,831</b>	<b>4,372,746</b>
<b>流動資產</b>	<b>Current assets</b>				
按公允價值列賬及 在損益賬處理 的金融資產	Financial assets at fair value through profit or loss	22	4,952	640	560
存貨	Inventories	23	480,862	478,113	312,562
應收賬款	Trade receivables	24	260,427	233,104	155,040
預付款項及其他 應收款項	Prepayments and other receivables	25	413,957	418,677	367,814
抵押銀行存款	Pledged bank deposits	27	15,491	7,673	9,662
銀行結餘及現金	Bank balances and cash	27	1,234,399	830,225	590,390
			<b>2,410,088</b>	<b>1,968,432</b>	<b>1,436,028</b>
<b>總資產</b>	<b>Total assets</b>		<b>8,424,321</b>	<b>7,473,263</b>	<b>5,808,774</b>

			At 31 December 2013 千美元 US\$'000	At 31 December 2012 千美元 US\$'000 (經重列) (restated)	At 1 January 2012 千美元 US\$'000 (經重列) (restated)
	附註 Note				
<b>股東權益及負債</b>		<b>EQUITY AND LIABILITIES</b>			
<b>股本及儲備</b>		<b>Capital and reserves</b>			
發行股本	28	Issued capital	27,982	27,964	27,951
股份溢價	29	Share premium	53,431	66,656	106,213
儲備	30	Reserves	2,798,879	2,449,530	1,949,985
<b>本公司股東應佔權益</b>		<b>Total capital and reserves attributable to owners of the Company</b>	<b>2,880,292</b>	2,544,150	2,084,149
<b>少數股東權益</b>		<b>Non-controlling interests</b>	<b>1,046,095</b>	945,035	582,451
<b>股東權益總額</b>		<b>Total equity</b>	<b>3,926,387</b>	3,489,185	2,666,600
<b>非流動負債</b>		<b>Non-current liabilities</b>			
長期有息借貸	32	Long-term interest-bearing borrowings	659,643	984,761	549,382
其他非流動負債		Other non-current liabilities	262	220	—
員工福利責任	33	Employee benefit obligations	28,186	26,120	33,730
遞延稅項負債	34	Deferred tax liabilities	184,389	178,466	131,092
			<b>872,480</b>	1,189,567	714,204

/ 綜合財務狀況表 Consolidated Statement of Financial Position /  
 於2013年12月31日  
 At 31 December 2013

			At 31 December 2013 千美元 US\$'000	At 31 December 2012 千美元 US\$'000 (經重列) (restated)	At 1 January 2012 千美元 US\$'000 (經重列) (restated)
	附註 Note				
<b>流動負債</b>		<b>Current liabilities</b>			
應付賬款	35	Trade payables	1,251,710	1,043,295	974,113
其他應付款項	36	Other payables	1,192,428	1,110,292	660,995
有息借貸之 即期部份	32	Current portion of interest- bearing borrowings	1,016,636	499,711	700,695
客戶預付款項		Advance payments from customers	108,354	82,294	66,501
稅項		Taxation	56,326	58,919	25,666
			3,625,454	2,794,511	2,427,970
<b>總負債</b>		<b>Total liabilities</b>	4,497,934	3,984,078	3,142,174
<b>股東權益及負債</b>		<b>Total equity and liabilities</b>	8,424,321	7,473,263	5,808,774
<b>淨流動負債</b>		<b>Net current liabilities</b>	(1,215,366)	(826,079)	(991,942)
<b>總資產減流動負債</b>		<b>Total assets less current liabilities</b>	4,798,867	4,678,752	3,380,804

於2014年3月24日經董事會批准及授權  
 簽發

Approved and authorised for issue by the Board of Directors on 24  
 March 2014

魏應州 Wei Ing-Chou  
 董事 Director

井田純一郎 Junichiro Ida  
 董事 Director

# 財務狀況表

## Statement of Financial Position

於2013年12月31日  
At 31 December 2013

			At 31 December 2013 千美元 US\$'000	At 31 December 2012 千美元 US\$'000 (經重列) (restated)	At 1 January 2012 千美元 US\$'000 (經重列) (restated)
附註 Note					
<b>資產</b>	<b>ASSETS</b>				
<b>非流動資產</b>	<b>Non-current assets</b>				
物業、機器及設備	Property, plant and equipment	15	128	72	99
附屬公司權益	Interest in subsidiaries	18	928,464	766,667	504,494
可供出售金融資產	Available-for-sale financial assets	21	24,073	19,475	66,389
			952,665	786,214	570,982
<b>流動資產</b>	<b>Current assets</b>				
按公允價值列賬 及在損益賬處理 的金融資產	Financial assets at fair value through profit or loss	22	4,952	640	560
預付款項及其他 應收款項	Prepayments and other receivables	25	379	793	992
應收附屬公司款項	Amount due from a subsidiary	26	310,000	310,000	160,000
銀行結餘及現金	Bank balances and cash		13,641	34,401	6,396
			328,972	345,834	167,948
<b>總資產</b>	<b>Total assets</b>		1,281,637	1,132,048	738,930
<b>股東權益及負債</b>	<b>EQUITY AND LIABILITIES</b>				
<b>股本及儲備</b>	<b>Capital and reserves</b>				
發行股本	Issued capital	28	27,982	27,964	27,951
股本溢價	Share premium	29	53,431	66,656	106,213
儲備	Reserves	30	243,998	189,445	161,324
<b>股東權益總額</b>	<b>Total equity</b>		325,401	284,065	295,488

/ 財務狀況表 Statement of Financial Position /  
 於2013年12月31日  
 At 31 December 2013

			At 31 December 2013 千美元 US\$'000	At 31 December 2012 千美元 US\$'000 (經重列) (restated)	At 1 January 2012 千美元 US\$'000 (經重列) (restated)
	附註 Note				
<b>非流動負債</b>		<b>Non-current liabilities</b>			
長期有息借貸		Long-term interest- bearing borrowings	32	495,172	764,136
員工福利責任		Employee benefit obligations	33	14,708	12,831
				509,880	776,967
					223,301
<b>流動負債</b>		<b>Current liabilities</b>			
應付賬款		Trade payables	35	841	2,192
其他應付款項		Other payables	36	15,515	18,824
有息借貸之 即期部份		Current portion of interest- bearing borrowings	32	430,000	50,000
				446,356	71,016
					220,141
<b>總負債</b>		<b>Total liabilities</b>		956,236	847,983
					443,442
<b>股東權益及負債</b>		<b>Total equity and liabilities</b>		1,281,637	1,132,048
					738,930
<b>淨流動(負債)資產</b>		<b>Net current (liabilities) assets</b>		(117,384)	274,818
					(52,193)
<b>總資產減流動負債</b>		<b>Total assets less current liabilities</b>		835,281	1,061,032
					518,789

於2014年3月24日經董事會批准及授權  
 簽發

Approved and authorised for issue by the Board of Directors on 24  
 March 2014

魏應州 Wei Ing-Chou  
 董事 Director

井田純一郎 Junichiro Ida  
 董事 Director

# 綜合股東權益變動表

## Consolidated Statement of Changes in Equity

截至2013年12月31日止年度  
Year ended 31 December 2013

		本公司股東權益 Attributable to owners of the Company				少數 股東權益	股東 權益總額
		發行股本 Issued capital 千美元 US\$'000	股份溢價 Share premium 千美元 US\$'000	儲備 Reserves 千美元 US\$'000	股本及儲備 Total capital and reserves 千美元 US\$'000	Non- controlling interests 千美元 US\$'000	Total equity 千美元 US\$'000
於2012年1月1日	At 1 January 2012						
先前呈報	As previously reported	27,951	106,213	1,965,581	2,099,745	586,521	2,686,266
會計政策變動的影響(附註4)	Effect of the change in accounting policy (Note 4)	—	—	15,596	(15,596)	(4,070)	(19,666)
經重列	As restated	27,951	106,213	1,949,985	2,084,149	582,451	2,666,600
本年度溢利，經重列	Profit for the year, as restated	—	—	458,622	458,622	146,097	604,719
其他全面收益	Other comprehensive income						
界定福利責任之重估值， 經重列	Remeasurement of defined benefit obligation, as restated	—	—	5,362	5,362	1,654	7,016
匯兌差額	Exchange differences on consolidation	—	—	18,657	18,657	9,400	28,057
可供出售金融資產公允值之變動	Fair value changes in available- for-sale financial assets	—	—	3,407	3,407	—	3,407
於期內出售可供出售 金融資產之重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	—	4,656	4,656	—	4,656
其他全面收益總額，經重列	Total other comprehensive income, as restated	—	—	32,082	32,082	11,054	43,136
本年度全面收益總額，經重列	Total comprehensive income for the year, as restated	—	—	490,704	490,704	157,151	647,855

/ 綜合股東權益變動表 Consolidated Statement of Changes in Equity /  
截至2013年12月31日止年度  
Year ended 31 December 2013

		本公司股東權益 Attributable to owners of the Company				少數 股東權益	股東 權益總額
		發行股本 Issued capital 千美元 US\$'000	股份溢價 Share premium 千美元 US\$'000	儲備 Reserves 千美元 US\$'000	股本及儲備 Total capital and reserves 千美元 US\$'000	Non- controlling interests 千美元 US\$'000	Total equity 千美元 US\$'000
與本公司股東之交易	Transactions with owners of the Company:						
投資與分配	Contributions and distribution						
權益結算股份支付之款項	Equity settled share-based transactions	—	—	13,723	13,723	—	13,723
根據購股權計劃發行之股份	Shares issued under share option scheme	13	4,871	(1,033)	3,851	—	3,851
已批准及派發2011年末期股息	2011 final dividend approved and paid	—	(44,428)	(165,279)	(209,707)	(38,099)	(247,806)
		13	(39,557)	(152,589)	(192,133)	(38,099)	(230,232)
擁有權變動	Changes in ownership interests						
從業務合併產生 之少數股東權益	Non-controlling interests arising from a business combination	—	—	—	—	16,541	16,541
視作出售附屬公司	Deemed disposal of interest in a subsidiary	—	—	165,548	165,548	224,743	390,291
收購額外附屬公司權益	Acquisition of additional equity interests in subsidiaries	—	—	(4,118)	(4,118)	2,248	(1,870)
		—	—	161,430	161,430	243,532	404,962
與本公司股東之交易總額	Total transactions with owners of the Company	13	(39,557)	8,841	(30,703)	205,433	174,730
於2012年12月31日，經重列	At 31 December 2012, as restated	27,964	66,656	2,449,530	2,544,150	945,035	3,489,185

/ 綜合股東權益變動表 Consolidated Statement of Changes in Equity /  
截至2013年12月31日止年度  
Year ended 31 December 2013

		本公司股東權益 Attributable to owners of the Company					
		發行股本 Issued Capital 千美元 US\$'000	股份溢價 Share premium 千美元 US\$'000	儲備 Reserves 千美元 US\$'000	股本及儲備 Total capital and reserves 千美元 US\$'000	少數 股東權益 Non- controlling interests 千美元 US\$'000	股東 權益總額 Total equity 千美元 US\$'000
於2013年1月1日	At 1 January 2013						
先前呈報	As previously reported	27,964	66,656	2,456,313	2,550,933	946,312	3,497,245
會計政策變動的影響(附註4)	Effect of the change in accounting policy (Note 4)	—	—	(6,783)	(6,783)	(1,277)	(8,060)
經重列	As restated	27,964	66,656	2,449,530	2,544,150	945,035	3,489,185
本年度溢利	Profit for the year	—	—	408,544	408,544	85,767	494,311
其他全面收益	Other comprehensive income						
界定福利責任之重估值	Remeasurement of defined benefit obligation	—	—	450	450	400	850
匯兌差額	Exchange differences on consolidation	—	—	92,750	92,750	41,404	134,154
可供出售金融資產公允值之變動	Fair value changes in available- for-sale financial assets	—	—	12,780	12,780	—	12,780
於期內出售可供出售 金融資產之重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	—	(14,397)	(14,397)	—	(14,397)
其他全面收益總額	Total other comprehensive income	—	—	91,583	91,583	41,804	133,387
本年度全面收益總額	Total comprehensive income for the year	—	—	500,127	500,127	127,571	627,698
與本公司股東之交易	Transactions with owners of the Company:						
投資與分配	Contributions and distribution						
權益結算股份支付之款項	Equity settled share-based transactions	—	—	11,930	11,930	—	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	18	5,607	(1,417)	4,208	—	4,208
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	(18,832)	(161,291)	(180,123)	(26,511)	(206,634)
與本公司股東之交易總額	Total transactions with owners of the Company	18	(13,225)	(150,778)	(163,985)	(26,511)	(190,496)
於2013年12月31日	At 31 December 2013	27,982	53,431	2,798,879	2,880,292	1,046,095	3,926,387

# 綜合現金流量表

## Consolidated Statement of Cash Flows

截至2013年12月31日止年度

Year ended 31 December 2013

		附註 Note	2013 千美元 US\$'000	2012 千美元 US\$'000
<b>經營活動</b>	<b>OPERATING ACTIVITIES</b>			
經營業務所得現金	Cash generated from operations	37	1,477,249	1,351,999
已繳中國企業所得稅	The People's Republic of China ("PRC") enterprise income tax paid		(224,303)	(159,145)
已繳利息	Interest paid		(38,509)	(36,904)
<b>經營活動所得現金淨額</b>	<b>Net cash from operating activities</b>		<b>1,214,437</b>	<b>1,155,950</b>
<b>投資活動</b>	<b>INVESTING ACTIVITIES</b>			
已收利息	Interest received		51,527	48,405
已收合營公司股利	Dividend received from a joint venture		8,596	—
已收可供出售金融資產股利	Dividend received from available-for-sale financial assets		747	1,595
業務合併所得現金淨額	Net cash inflow on business combination		—	123,296
出售可供出售 金融資產之所得	Proceeds from disposal of available- for-sale financial assets		46,120	63,323
出售按公允價值列賬及 在損益賬處理的 金融資產之所得	Proceeds from disposal of financial assets at fair value through profit or loss		21,936	—
購入按公允價值列賬及在 損益賬處理的金融資產	Purchase of financial assets at fair value through profit or loss		(25,545)	—
購入可供出售金融資產	Purchase of available- for-sale financial assets		(2,992)	(8,967)
購入物業、機器及設備	Purchase of property, plant and equipment		(852,041)	(838,925)
已付土地租約溢價	Prepaid lease payments		(41,841)	(38,366)
出售物業、機器及設備及 土地租約溢價之所得	Proceeds from sale of property, plant and equipment and prepaid lease payments		17,825	4,476
收購聯營公司權益	Acquisition of interest in associates		(3,971)	—
收購合營公司權益	Acquisition of interest in joint ventures		(11,440)	(13,710)
<b>投資活動所用現金淨額</b>	<b>Net cash used in investing activities</b>		<b>(791,079)</b>	<b>(658,873)</b>

/ 綜合現金流量表 Consolidated Statement of Cash Flows /  
截至2013年12月31日止年度  
Year ended 31 December 2013

	附註 Note	2013 千美元 US\$'000	2012 千美元 US\$'000
<b>融資活動</b>	<b>FINANCING ACTIVITIES</b>		
已付本公司股東之股息	Dividends paid to owners of the Company	(180,123)	(209,707)
已付少數股東之股息	Dividends paid to non-controlling interests	(26,511)	(38,099)
根據購股權計劃發行之股份	Issue of shares under share option scheme	4,208	3,851
發行債券所得現金淨額	Net proceeds from issuance of Notes	—	493,240
新增銀行貸款	Proceeds from bank borrowings	6,373,604	5,875,374
償還銀行貸款	Repayments of bank borrowings	(6,187,241)	(6,390,222)
通過行駛認沽 期權收購額外 附屬公司權益	Acquisition of additional interest in subsidiaries upon exercising of put option on shares of subsidiaries	(18,375)	—
<b>融資活動所用現金淨額</b>	<b>Net cash used in financing activities</b>	<b>(34,438)</b>	<b>(265,563)</b>
<b>現金及現金等值物的淨 增加</b>	<b>Net increase in cash and cash equivalents</b>	<b>388,920</b>	<b>231,514</b>
<b>年初之現金及現金等值物</b>	<b>Cash and cash equivalents at beginning of year</b>	<b>837,898</b>	<b>600,052</b>
匯率變動之影響	Effect on exchange rate changes	23,072	6,332
<b>年終之現金及現金等值物</b>	<b>Cash and cash equivalents at end of year</b>	<b>1,249,890</b>	<b>837,898</b>

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# 財務報表附註

## Notes to the Financial Statements

截至2013年12月31日止年度

For the year ended 31 December 2013

### 1. 一般資料

康師傅控股有限公司(「本公司」)為開曼群島註冊成立有限責任公司及股票於香港聯合交易所有限公司之主板上市。其主要營運地址為中國天津經濟技術開發區第3大街15號。

本公司為一家投資控股公司及從事機械備件及原材料銷售。本公司及其附屬公司(統稱為「本集團」)主要從事生產及銷售方便麵、飲品及方便食品。其附屬公司經營之主要業務載於財務報表附註44。

### 2. 編製基準

本財務報表乃按照香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)，此統稱已包括所有適用個別的香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港普遍接納之會計原則及香港公司條例之披露規定而編製。本財務報表同時亦符合香港聯合交易所有限公司證券上市規則之適用披露規定。

除詳載於財務報表附註4，於年內生效的新訂或經修訂之香港財務報告準則外，本財務報表採用之會計政策與2012年度的財務報表是一致的。本集團所採用之主要會計政策概要載於財務報表附註3。

### 1. GENERAL INFORMATION

Tingyi (Cayman Islands) Holding Corp. (the "Company") is a limited liability company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its principal place of business is No. 15, The 3rd Street, Tianjin Economic-Technological Development Area, Tianjin, PRC.

The Company is an investment holding company and engaged in trading of spare parts of machineries and raw materials. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the manufacture and sale of instant noodles, beverages and instant food products. The principal activities of its subsidiaries are set out in note 44 to the financial statements.

### 2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules").

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2012 financial statements except for the adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year as detailed in note 4 to the financial statements. A summary of the principal accounting policies adopted by the Group is set out in note 3 to the financial statements.

## 2. 編製基準(續)

在編製財務報表時，於結算日，基於本集團流動負債較流動資產超出1,215,366,000美元(2012年：826,079,000美元)，因此董事已審慎評估本集團在可見未來之營運資金及融資需求。

董事基於本集團現有可動用之銀行信貸的情況下，認為本集團在可見將來有充份資源完全兌現其財務承擔。故此，財務報表以持續經營之準則編製。

## 3. 主要會計政策

### (a) 編製基準

編製財務報表時以原值作為衡量標準，除按公允價值列賬之可出售金融資產，在損益賬處理的金融資產及衍生金融工具乃以公允價值計量。詳情載於下列之會計政策。

## 2. BASIS OF PREPARATION (Continued)

In preparing these financial statements, the directors have carefully assessed the working capital and financing requirements of the Group in the foreseeable future, as the Group's current liabilities exceeded its current assets by US\$1,215,366,000 (2012: US\$826,079,000) at the end of the reporting period.

Taking into account the existing banking facilities of the Group, the directors are satisfied that the Group has sufficient resources to meet in full its financial obligations as they fall due in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

## 3. PRINCIPAL ACCOUNTING POLICIES

### (a) Basis of measurement

The measurement basis used in the preparation of these financial statements is historical cost, except for available-for-sale financial assets at fair value, financial assets at fair value through profit or loss, and derivative financial instruments, which are measured at fair value as explained in the accounting policies set out below.

### 3. 主要會計政策(續)

#### (b) 綜合基準

綜合財務報表包括本公司及各附屬公司之財務報表。編製子公司財務報表的呈報年度與本公司相同，會計政策亦貫徹一致。

本集團內部各公司之間進行交易所致的所有結餘、交易、收支及損益均全數抵銷。附屬公司的業績自本集團取得控制權之日起合併，並繼續合併附屬公司直至控制權終止日期。

少數股東權益獨立並與本公司股東應佔權益分開呈列於綜合收益表，綜合全面收益表內及於綜合財務狀況表之權益內。屬現時購買方擁有且於清盤時令持有人有權按比例分佔企業資產淨值之少數股東權益，可初始按公允價值或少數股東權益所佔被購方可確認的比例確認於被購買方之任何少數股東權益。計量基準根據逐項收購而作出選擇。除非香港財務報告準則要求以另一個測量依據，否則其他類型的非控股權益最初仍以公允價值來衡量。

#### 分配全面收益總額

本年度盈虧及全面收益的各項目均由本公司股東及少數股東權益分佔。全面收益總額歸於本公司股東權益及少數股東權益，即使此舉會導致少數股東權益有虧損結餘。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests ("NCI") are presented, separately from owners of the Company, in the consolidated income statement and the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value unless another measurement basis is required by HKFRSs.

#### Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

### 3. 主要會計政策(續)

#### (b) 綜合基準(續)

##### 擁有權變動

不導致失去於附屬公司控制權之本集團擁有權變動，按權益交易入賬。股東及少數股東權益之面值乃經調整以反映其於附屬公司相關權益之變動。少數股東權益之調整金額與已付或已收代價公允值之差額，直接於權益內之與少數股東權益交易儲備確認，並由本公司股東分佔。

倘本集團失去於附屬公司之控制權，出售損益根據下列兩項之差額計算：(i)已收代價之公允值與任何保留權益之公允值之總額與(ii)附屬公司之資產(包括商譽)及負債以及任何非控股權益之賬面值。倘本集團直接出售相關資產或負債，先前於其他全面收益表就所售附屬公司確認之金額則須按相同基準確認。由控制權失去當日起，於前附屬公司保留之任何投資及欠收或欠付前附屬公司之任何金額入賬為金融資產或負債、聯營公司權益、合營公司權益或其他公司。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation (Continued)

##### Changes in ownership interests

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Group had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset or liability, interest in associate, interest in joint venture or others as appropriate from the date when control is lost.

### 3. 主要會計政策(續)

#### (c) 物業、機器及設備

永久業權土地不計提任何折舊，以原值減累計減值虧損入賬。除在建工程以外之其他物業、機器及設備以原值減累計折舊及累計減值虧損入賬。物業、機器及設備之成本包括其購買價及任何使資產達致可使用狀態及現存地點作原定用途所產生之直接應佔成本。維修及保養於產生之年度內在損益賬中扣除。

除在建工程外，物業、機器及設備之折舊是根據全面投入運作之日期起按其可使用年限及預計殘值後以直線法計提折舊。當物業、機器及設備項目之不同部分有不同使用年期時，項目之成本或估值在不同部分之間按合理基準分配，每個部份分開計算折舊。

樓宇	10至30年
機器及設備：	
－方便麵	12年
－飲品	10至12年
－方便食品及其他	5至10年
電器及設備	5年
雜項設備	3至10年

當出售時或當繼續使用資產預期但不會產生任何未來經濟利益時，物業、廠房及設備項目撇除確認。當物業、機器及設備出售或棄用時所得之盈虧，按其出售所得淨額與資產賬面值間之差額用以評定，並認列於損益賬內。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (c) Property, plant and equipment

Freehold land is not depreciated and stated at cost less accumulated impairment losses. All other property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment, other than construction in progress, over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the costs or valuation of the item is allocated on a reasonable basis and depreciated separately.

Buildings	10 to 30 years
Machinery and equipment:	
－ Instant noodles	12 years
－ Beverages	10 to 12 years
－ Instant food and others	5 to 10 years
Electrical appliances and equipment	5 years
Miscellaneous equipment	3 to 10 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

### 3. 主要會計政策(續)

#### (d) 在建工程

在建工程包括生產建設過程中或供自用建設過程中之物業、機器及設備。在建工程以原值扣除累計減值虧損列賬，其中包括所有建造費用及其他直接成本，包括與該項目有關之利息成本。已完成工程之成本會撥入相關之資產類別。在建工程在完成及投入運作前不計提折舊。

#### (e) 無形資產

##### 特許經營權

業務合併中取得之特許經營權於收購日以公允價值確認。特許經營權具有有限期的使用年期，並以成本金額減去累計攤銷及減值虧損認列。攤銷是根據其預計使用年期以直線法計提。使用年期及攤銷方法均每年進行評估。

#### (f) 土地租約溢價

土地租約溢價為以營運租約形式購入承租人佔用之物業基於固定條款之權益之預付款項。溢價乃以成本扣除累計攤銷和減值損失列賬，並於租期內以直線法攤銷。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (d) Construction in progress

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is stated at cost less accumulated impairment losses. Cost includes all construction expenditure and other direct costs, including interest costs, attributable to such projects. Costs on completed construction works are transferred to the appropriate asset category. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

#### (e) Intangible asset

##### Concession right

Concession right acquired in a business combination is recognised at fair value at the acquisition date. Concession right has finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method over its estimated useful life. Both the period and method of amortisation are reviewed annually.

#### (f) Prepaid lease payments

Prepaid lease payments are up-front payments to acquire fixed term interests in lessee-occupied land that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and impairment losses and are amortised over the period of the lease on a straight-line basis.

### 3. 主要會計政策(續)

#### (g) 附屬公司

附屬公司乃本集團控制之實體。本集團在參與該實體業務時有權力得到可變回報及有能力透過其權力影響這些回報時視為控制該實體。倘有事實及情況顯示對上述一項或多項控制因素出現變化，本集團將重新評估其是否控制被投資方。

在本公司財務狀況表內，附屬公司權益以成本減去減值虧損列值。附屬公司權益之賬面值會個別撇減至其可收回金額。附屬公司業績由本公司按已收及應收股息基準入賬。

#### (h) 聯營公司和合營公司

聯營公司乃本集團有重大影響之實體。重大影響是指對被投資方的財務和經營政策有參與決策的權利，但並不構成控制或共同控制。

合營公司為一項合營安排，據此對安排擁有共同控制權的各方對該安排的淨資產享有權利。合營安排是由兩方或多方擁有共同控制之安排。共同控制是指按照合約約定作分享控制的安排，共同控制僅在當相關活動要求共同享有控制權的各方作出一致決定時出現。倘有事實及情況出現變化，本集團將重新評估其是否有共同控制此安排，以及其涉及的合營安排之類型是否改變。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (g) Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, 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. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position, an interest in a subsidiary is stated at cost less impairment loss. The carrying amount of the interest in a subsidiary is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### (h) Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group reassesses whether it has joint control of an arrangement and whether the type of joint arrangement in which it is involved has changed, if facts and circumstances change.

### 3. 主要會計政策(續)

#### (h) 聯營公司和合營公司(續)

本集團於聯營公司或合營公司之權益按權益法認列，惟倘該投資或其部分被分類為持作出售除外。根據權益法，投資最初以成本入賬，然後就本集團應佔被投資公司淨資產在收購後的變動及有關投資的任何減值虧損作出調整。除本集團已產生法定或推定責任或替該被投資公司作出付款時外，當本集團應佔被投資公司之虧損相等於或超出其於該被投資公司之賬面金額，當中包括任何實質的長期權益，本集團會中止認列應佔虧損。

本集團與聯營公司和合營公司進行交易產生之任何未實現利潤及虧損，均以本集團於有關投資方之權益為限進行抵銷，惟倘未實現虧損顯示所轉讓資產出現減值之證據，在該情況下，有關虧損即時在損益表確認。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (h) Associates and joint ventures (Continued)

The Group's interest in associate or joint venture is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### (i) 金融工具

##### 確認及終止確認

金融資產及金融負債乃按交易日之基準及只有於本集團成為該工具合約條文之其中一方時確認。

當(i)本集團從金融資產收取未來現金流量的合約權利到期或(ii)本集團轉讓了該金融資產並且(a)本集團在實質上轉讓了與該金融資產擁有權相關的幾乎全部風險和回報，或(b)本集團既未轉讓亦未保留該金融資產擁有權的絕大部分風險及回報，但不保留金融資產的控制權時，會終止確認該項金融資產。

當於有關合約上列明之債務償清、被解除或取消或已到期時，則終止確認該金融負債。

##### 分類及計量

金融資產或金融負債起初按公允價值列賬。若金融資產或金融負債非按公允價值列賬及在損益賬處理，則加上其直接相關之交易費用列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments

##### Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) the Group transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

##### Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

### 3. 主要會計政策(續)

#### (i) 金融工具(續)

*按公允價值列賬及在損益賬處理的金融資產*

按公允價值列賬及在損益賬處理之金融資產包括持有作為交易之金融資產，以及原先指定為按公允價值入收益表者。有關工具按公允價值計量，公允價值之變動乃入賬於損益賬內。

*貸款及應收賬款*

貸款及應收賬款(包括銀行餘額和現金，質押的銀行存款和應收賬款及其他應收款項)指並無於活躍市場報價且並非為買賣而持有之具有固定或可釐定付款金額之非衍生金融資產，該等貸款及應收賬款以實際利率方法計算攤銷成本。若貸款及應收賬款為免息貸款及無固定還款期或其折現影響並不重大，貸款及應收款項按成本扣除減值虧損入賬。攤銷成本已計算在到期年內任何收購折讓或溢價。因取消確認、減值或攤銷所產生之盈虧計入該年度的損益賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. They are carried at fair value, with any resultant gain and loss recognised in profit or loss.

*Loans and receivables*

Loans and receivables including bank balances and cash, pledged bank deposits and trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 可供出售金融資產

可供出售金融資產乃指定為此類別或不能歸類於其他金融資產類別之非衍生工具。彼等均按公允值(而估值變更認列於權益內之投資重估值儲備)計量，直至該等投資與投資重估值儲備被出售、收取或另行處置為止，或直至該等資產被釐定將予減值為止，於此時，先前於其他全面收益中呈報之累積損益應以重分類調整重分類至損益賬中。

在活躍的交易市場上，若可供出售金融資產並無公開報價，並且其公允價值不能可靠計量，則以成本減累計減值虧損列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as investment revaluation reserve within equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 金融資產減值

於各結算日，本集團均會評估是否有客觀證據證明金融資產(按公允價值列賬及在損益賬處理的金融資產除外)出現減值現象。金融資產之減值虧損按攤銷成本列賬，並以資產之賬面值與其按金融資產之原有實際利率折算之預期未來現金流之現值間之差異計算。金融資產的減值虧損於損益賬中確認。倘資產之可收回金額於日後增加而可客觀地與確認減值後發生的事件有關連，則於往後期間在損益賬中撥回減值虧損，惟資產於減值日期撥回之賬面值不得超過並無確認減值時之攤銷成本。

如果可供出售金融資產發生減值，則該資產的初始取得成本(扣除已收回本金和已攤銷金額)與當前公允價值之間的累計損失，減去所有先前已確認之減值虧損後，乃由權益轉撥入收益或虧損作為重分類調整。可供出售股本工具認列於損益賬中之減值虧損不會通過損益賬中撥回。倘若可供出售金融資產已提減值虧損，其公允值於日後增加，有關增加則會轉撥入權益內。若可供出售債務工具之公允值回升可以客觀地歸因於其減值虧損於損益賬中確認後才發生之事項，則可供出售債務工具之減值虧損可以轉回。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at fair value through profit or loss, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Impairment loss of available-for-sale debt instruments is reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised.

### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 金融資產減值(續)

以成本價列賬之持作出售金融資產，減值虧損以其賬面值與及以同類金融資產之現時市場回報率估計該金融資產相關的未來現金流折算所得出的現值兩者之差額計算。此減值虧損不得轉回。

##### 金融負債

本集團之金融負債包括應付賬項及其他應付款項、有息借貸以及其他非流動應付款項。除衍生金融工具外，所有金融負債初始按其公允值確認，後續採用實際利率法按攤餘成本計量，除非折現的影響不重大，這種情況下，它們按成本計量。

##### 財務擔保合約

財務擔保合約是指當某一指定債務人不能根據債務工具的條款支付到期債務，而擔保發行人須向債權人償付有關款項。本公司之財務擔保合約皆為發行予其下附屬公司之信貸安排。基於此等信貸工具涉及關聯關係，對於此等財務擔保之公允價值評估並沒有意義及不可行，故此沒有認列其價值於財務狀況表內。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Impairment of financial assets (Continued)

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

##### Financial liabilities

The Group's financial liabilities include trade and other payables, interest-bearing borrowings and other non-current liabilities. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer of the contract to make specified payments to reimburse the holder of the contract for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. The financial guarantee contracts of the Company represent the financial guarantees in respect of credit facilities issued to its subsidiaries. The fair values of the financial guarantees have not been recognised in the statement of financial position of the Company, as the estimation of the fair values of the financial guarantees would not be meaningful and practicable due to related party nature of the instruments.

### 3. 主要會計政策(續)

#### (i) 金融工具(續)

##### 衍生金融工具

衍生金融工具初始以衍生合約簽訂當日的公允價值確認，其後按公允價值進行重新計量。除非衍生金融工具符合對沖會計，否則公允價值變動之損益會被確認為收益或虧損。

##### 向少數股東授出認沽期權所產生之責任

授出予少數股東的認沽期權，除以固定金額轉換附屬公司之固定數目股份，會被視作衍生工具，並在初始確認時按公允價值確認。往後期間的公允價值變動將會確認於收益或虧損。

當出現回購附屬公司股份的合同責任出現時，認沽期權之金融負債會被確認，即使其責任要有條件下行使其權利以出售股份予本集團。該負債之股份贖回金額會被初始認列於非股東權益的借方，並以估計回購價之現值進行計量。在隨後的期間，估計總負債項下之授出予少數股東的認沽期權的現值會被重新計量，並確認為損益。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (i) Financial instruments (Continued)

##### Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The gain or loss on change in fair values is recognised in profit or loss unless the derivative qualifies for hedge accounting.

##### Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders

Put option written to non-controlling shareholders, which will be settled other than by exchange of fixed amount of cash for a fixed number of shares in a subsidiary is treated as derivative and is recognised at fair value upon initial recognition. Any changes of fair value in subsequent reporting dates are recognised in profit or loss.

The gross financial liability arising from the put option is recognised when contractual obligation to repurchase the shares in a subsidiary is established even if the obligation is conditional on the counterparty exercising a right to sell back the shares to the Group. The liability for the share redemption amount is initially recognised and measured at present value of the estimated repurchase price with the corresponding debit to the non-controlling interests. In subsequent periods, the remeasurement of the present value of the estimated gross obligation under the written put option to the non-controlling shareholders is recognised in profit or loss.

### 3. 主要會計政策(續)

#### (j) 現金等值物

就綜合現金流量表而言，現金等值物是指短期和流通率極高的投資，扣除銀行透支(如有)。此等投資可隨時轉換為既定金額的現金。其價值變動風險有限。

#### (k) 收益之確認

收益是在本集團能獲得有關經濟效益，並且於入賬時該收益及成本(如適用)能可靠地計算和根據以下原則：

出售貨品所得收益於貨品之擁有權所涉及之風險及回報轉交買家，通常亦即貨物付運時入賬。

利息收入以時間為基準參照未償還本金及適用之實際利率法確認入賬。

股利收入在本集團收取款項的權利確立時確認。

#### (l) 外幣換算

本集團各實體之賬目所列項目，乃按該實體經營所在之主要經濟環境貨幣(「功能貨幣」)計量。本公司之功能貨幣為美元，而其大部份附屬公司之功能貨幣為人民幣。本綜合財務報表按本公司之功能及呈報貨幣美元呈列。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (j) Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdraft, if any.

#### (k) Revenue recognition

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

Sale of goods is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and title has been passed.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

#### (l) Foreign currency translation

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 ("functional currency"). The Company's functional currency is United States Dollar ("US\$") and majority of its subsidiaries have Renminbi ("RMB") as their functional currency. The consolidated financial statements are presented in US\$, which is the Company's functional and presentation currency.

### 3. 主要會計政策(續)

#### (I) 外幣換算(續)

外幣交易均按交易當日之現行匯率換算為功能貨幣。因上述交易結算及按結算日之匯率兌換以外幣列值之貨幣資產及負債而產生之匯兌損益，均於損益賬中確認。

在綜合賬目時，所有海外業務的業績及財務狀況的功能貨幣如有別於呈報貨幣，均按以下方式換算為呈報貨幣：

- (a) 資產及負債乃按有關結算日的收市匯率換算；
- (b) 各項收支乃按加權平均匯率換算；
- (c) 所有從上述換算產生的匯兌差異及組成本集團海外業務投資淨額一部分的貨幣項目所產生的匯兌差異，乃確認為權益中的獨立部分。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (I) Foreign currency translation (Continued)

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

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate at the end of the reporting period;
- (b) Income and expenses are translated at the weighted average exchange rates;
- (c) All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;

### 3. 主要會計政策(續)

#### (l) 外幣換算(續)

- (d) 出售海外業務時，包括出售本集團於海外業務的全部權益，部份出售涉及失去對擁有海外業務的附屬公司的控制權，或部分出售擁有海外業務的合營安排或聯營公司的權益使得保留權益不再按權益法入賬。有關該海外業務於其他綜合收益以及累計在權益內的獨立項內的累計匯兌差額則在列賬出售損益時重新分類至損益。

#### (m) 存貨

存貨以成本或可變現淨值兩者之較低者列賬。成本包括所有採購成本，加工成本(如適用)及其他將存貨達至現存地點及狀況之成本，並且採用加權平均成本法計算。可變現淨值指在日常業務中之估計出售價減去估計達成銷售所需之成本。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (l) Foreign currency translation (Continued)

- (d) On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a partial disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

#### (m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### 3. 主要會計政策(續)

#### (n) 其他資產的減值

本集團於每個結算日檢討內部及外間資訊，以確認其物業、機器及設備、無形資產、聯營公司權益、合營公司權益及土地租約之溢價是否可能已經出現減值現象，或之前所確認之減值虧損是否已不再存在或可能已經減少。若出現任何以上的現象，本集團將需評估資產的可收回價值。據此，資產之可收回價值乃其公允值減去出售成本及使用價值之較高者。如個別資產未能在大致獨立於其他資產下賺取現金流量，則就能獨立賺取現金流量之最小組別資產(即賺取現金單位)釐訂可收回價值。

倘本集團估計某項資產或即賺取現金單位之可收回金額低於其賬面值，則該項資產之賬面值須減低至其可收回價值。減值虧損將即時確認為開支。

倘若某項減值虧損期後撤回，則該項資產或即賺取現金單位之賬面值須增加至重新估計之可收回價值，惟增加後之賬面值不得超過在以往年度並無減值虧損而釐定之賬面值。若減值虧損撤回時將即時確認為收益。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (n) Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible asset, interest in associates, interest in joint ventures and prepaid lease payments may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment losses is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses is recognised as income in profit or loss immediately.

### 3. 主要會計政策(續)

#### (o) 借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本,在扣除特定借貸之暫時性投資收益後,均作資本化並作為此等資產成本之一部份。當此等資產大體上可作其擬定用途或出售時,該等借貸成本將會停止資本化。所有其他借貸成本均列為發生期間之費用。

#### (p) 營運租賃

資產之絕大部份回報及風險由出租公司保留之租賃,皆作為營運租賃列賬。營運租賃之租金支出在有關租賃之租賃期內以直線法於損益賬確認。營運租賃協議所涉及的租賃回贈均在損益賬中確認為資產租賃淨付款總額的組成部份。或有租金則於發生之會計期間以費用入賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (o) Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

#### (p) Operating leases

Leases which do not transfer substantially all the risks and rewards of ownership to the lessee are classified as operating leases. Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term of the relevant lease. Lease incentives received are recognised in profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

### 3. 主要會計政策(續)

#### (q) 政府補助

政府補助乃鼓勵本集團在各有關開發區經營及發展業務而從中國有關部門收取之津貼。

政府補助是在可合理地確定將取得該資助並將可符合所有附帶條件時按公允價值入賬。當該資助涉及開支項目，則以有系統方式將資助在有關年份內呈列並確認為收益，以抵銷擬作補償的成本。當該資助與資產有關時，公允價值乃記錄於遞延收入中，並以相等金額於每年分期按有關資產的預計使用年期於損益賬中確認為收入。與資產無關的資助乃確認為損益賬中的其他收入，以有系統地與有關成本配合。

#### (r) 員工福利

##### 短期僱員福利

薪金、年度花紅、有薪年假及非貨幣福利之成本均在僱員提供相關服務之年度內累計。倘延遲付款或清繳款項可能構成重大影響，則有關金額按現值列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (q) Government grants

Government grants represent incentive grants from the relevant PRC authorities in respect of the running of business by the Group in certain development zones and to encourage the furtherance of such business.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

#### (r) Employee benefits

##### Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

### 3. 主要會計政策(續)

#### (r) 員工福利(續)

##### 界定供款計劃

界定退休供款計劃的供款責任於產生時在損益賬中確認為開支，並扣除僱員於未完成供款計劃而離職所發生的供款部份。該計劃的資產與本集團的資產分開並由獨立管理基金持有。

##### 界定福利計劃

本集團之界定福利計劃的責任為就各項計劃獨立估計僱員於本年度及過往年度提供服務所賺取的未來利益金額，該利益乃折現至其現值。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (r) Employee benefits (Continued)

##### Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as expenses in profit or loss as incurred and are reduced by contributions forfeited by those employees who leave the scheme prior the contributions are vested fully. The assets of the scheme are held separately from those of the Group in an independently administered fund.

##### Defined benefit plans

The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the ultimate cost of benefit that employees have earned in return for their services in the current and prior periods, which is discounted to determine the present value of those benefits.

### 3. 主要會計政策(續)

#### (r) 員工福利(續)

##### 界定福利計劃(續)

界定福利計劃的責任的計算乃考慮獨立精算師每年以精算方式的預計單位成本法所作出的供款建議。有關界定福利計劃責任的服務成本及利息成本均在損益中確認。服務成本包括當期服務成本及過去服務成本。當期服務成本為員工當期服務產生的界定福利責任的現值之增加。過去服務成本為計劃修訂或縮減導致界定福利責任現值的變動並認列於損益。期內利息費用是採用期初用作計算界定福利責任的折現率。該折現率為於結算日與本集團所承擔責任期限接近的中國政府債券收益率。

結算損益是由a)所支付的界定福利責任的現值，與b)本集團在結算時付款額間的差異所計算。此損益會在結算時中列賬。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (r) Employee benefits (Continued)

##### Defined benefit plans (Continued)

The calculation of the obligation is based on the recommendations of the independent qualified actuaries using the projected unit credit method annually. Service cost and interest expense on the net defined benefit liability are recognised in profit or loss. Service cost includes both current service cost and past service cost. Current services cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. Past service cost is measured as the change in the present value of the defined benefit obligation resulted from a plan amendment or curtailment and is recognised in profit or loss. Interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the defined benefit liability. The discount rate is the yield at the end of the reporting period on government bonds of the PRC that have maturity dates approximating the terms of the Group's obligations.

Gain or loss on settlement is measured as the difference between a) the present value of the defined benefit obligation being settled and b) any payments made by the Group in connection with the settlement. It is recognised when the settlement occurs.

### 3. 主要會計政策(續)

#### (r) 員工福利(續)

##### 界定福利計劃(續)

界定退休福利計劃之重估值在其他全面收益中認列並即時反映在權益內。重估值包括精算盈虧，計劃資產之收益(不包括計入界定福利負債(資產)的淨利息款項)，以及資產上限變化的任何影響(不包括計入界定福利負債(資產)的淨利息款項)。

#### (s) 以股份為支付基礎之交易

##### 權益結算股份支付之款項

本集團僱員(包括董事)乃根據以股份為支付基礎之交易方式收取酬金，據此，彼等提供服務以換取股份或享有股份之權利。該等與僱員交易之成本乃參考權益工具於授出日期之公允價值計量。授予僱員之購股權公允價值乃確認為僱員成本，而權益內之以股份為支付基礎之儲備亦會相應增加。公允價值乃以二項式模式釐定，並計及該等交易之條款及條件，惟不包括與本公司股份價格相連之條件。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (r) Employee benefits (Continued)

##### Defined benefit plans (Continued)

Remeasurements arising from defined benefit retirement plans are recognised in other comprehensive income and are reflected in equity immediately. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

#### (s) Share-based payment transactions

##### Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as a staff cost with a corresponding increase in a share-based payment reserve within equity. The fair value is determined using the binomial model taking into account the terms and conditions of the transactions, other than conditions linked to the price of shares of the Company.

### 3. 主要會計政策(續)

#### (s) 以股份為支付基礎之交易(續)

##### 權益結算股份支付之款項(續)

股權結算交易之成本會(連同權益之相應增幅)於達成歸屬條件之年度內確認，直至相關僱員完全獲授應得之購股權當日(「歸屬期」)為止。於歸屬期內，預期最終會歸屬之購股權數目會予以審閱。過往年度所確認之累計公允價值之任何調整會於審閱年度之損益表內扣除／計入，並於權益內之儲備中作相應調整。

當行使購股權時，過往於購股權儲備認列之金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未行使，則過往於購股權儲備認列之金額將轉撥至保留溢利。

本公司以股份為支付基礎的購股權授予其下附屬公司僱員所涉及之交易會於本公司的財務狀況表內認列為於附屬公司之投資之增加；並且會於編製綜合賬目時以增加權益內之儲備作抵銷。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (s) Share-based payment transactions (Continued)

##### Equity-settled transactions (Continued)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the year(s) in which the vesting conditions are to be fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, with a corresponding adjustment to the reserve within equity.

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

Share-based payment transactions in which the Company grants share options to subsidiaries' employees are accounted for as an increase in value of interest in subsidiaries in the Company's statement of financial position which is eliminated on consolidation, with a corresponding credit to the share-based payment reserve within equity.

### 3. 主要會計政策(續)

#### (t) 稅項

稅項支出乃根據本年度業績就免課稅或不可扣減項目作調整並按於結算日已制定或實際會制定之稅率作出計算。

遞延稅項乃採用負債法，於結算日就資產與負債之稅項計算準則與其於財務報表之賬面值兩者不同引致之暫時差異作出撥備。然而，倘若任何遞延稅項乃自商譽的初始認列；或自進行交易時不影響會計或應課稅溢利的資產或負債的初始確認(如屬業務合併的一部份則除外)，則不會計入遞延稅項。

當資產被變現或負債被清還時，遞延稅項負債及資產以該期間預期之適用稅率衡量，根據於結算日已制定或實際會制定之稅率及稅務法例計算。

遞延稅項資產乃根據有可能獲得之未來應課稅溢利與暫時差異可互相抵銷之程度而予以確認。

遞延稅項是就附屬公司、聯營公司及合營公司之權益所產生之應課稅暫時差異而確認，惟於本集團可控制暫時差異之撥回及暫時差異可能在可見將來不會撥回則除外。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (t) Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arises from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on interest in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

### 3. 主要會計政策(續)

#### (u) 有關聯人士

有關聯人士為與本集團有關聯之個人或實體。

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本公司之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關聯：
  - (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
  - (ii) 實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
  - (iii) 兩間實體均為同一第三方之合營企業。
  - (iv) 實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (u) Related parties

A related party is a person or entity that is related to the Group:

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) Has control or joint control over the Group;
  - (ii) Has significant influence over the Group; or
  - (iii) Is a member of the key management personnel of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

### 3. 主要會計政策(續)

#### (u) 有關聯人士(續)

(b) 倘符合下列任何條件，即實體與本集團有關聯：  
(續)

(v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。倘本集團本身便是該計劃，提供資助之僱主亦與本集團有關聯。

(vi) 實體受(a)所識別人土控制或受共同控制。

(vii) 於(a)(i)所識別人土對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

與該人士關係密切的家庭成員是指他們在與實體進行交易時，預期可能會影響該人士或受該人士影響的家庭成員並包括：

- (a) 該名人士之子女及配偶或同居伴侶；
- (b) 該名人士之配偶或同居伴侶的子女；及
- (c) 該名人士或該名人士之配偶或同居伴侶的依靠者。

有關聯人士的定義中，聯營公司包括該聯營公司之附屬公司，合營公司包括該合營公司之附屬公司。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (u) Related parties (Continued)

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

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

### 3. 主要會計政策(續)

#### (v) 分部報告

營運分部之報告方式與主要營運決策者獲提供的內部報告之方式一致。本公司負責分配資源並評核營運分部表現的執行董事已被確立為制訂策略決定的主要營運決策者。

#### (w) 香港財務報告準則之未來變動

於本財務報表授權日，本集團並未提早採用下列香港會計師公會已頒佈於本年度尚未生效之新訂及經修訂香港財務報告準則及詮釋。

香港會計準則 投資實體<sup>[1]</sup>

第 27 號  
(2011 年)、  
香港財務報告  
準則第 10 號  
及香港財務  
報告準則  
第 12 號之  
修訂本

香港會計準則 呈列－抵銷

第 32 號 金融資產及  
之修訂本 金融負債<sup>[1]</sup>

香港會計準則 非金融資產

第 36 號 可收回金額  
之修訂本 的披露<sup>[1]</sup>

香港會計準則 衍生工具更替

第 39 號 及對沖會計  
之修訂本 之延續<sup>[1]</sup>

香港國際財務 徵稅<sup>[1]</sup>

報告詮釋  
委員會－  
詮釋第 21 號

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's executive directors, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the chief operating decision-makers that make strategic decisions.

#### (w) Future changes in HKFRSs

At the date of authorisation of these financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to *Investment Entities*<sup>[1]</sup>

HKAS 27 (2011),  
HKFRS 10 and  
HKFRS 12

Amendments to *Presentation – Offsetting Financial Assets and Financial Liabilities*<sup>[1]</sup>

HKAS 32

Amendments to *Recoverable Amount Disclosures for Non-Financial Assets*<sup>[1]</sup>

HKAS 36

Amendments to *Novation of Derivatives and Continuation of Hedge Accounting*<sup>[1]</sup>

HKAS 39

HK(IFRIC) – Int 21 *Levies*<sup>[1]</sup>

### 3. 主要會計政策(續)

#### (w) 香港財務報告準則之未來變動 (續)

香港會計準則 第19號 之修訂本 (2011)	界定福利 計劃 — 員工 供款 <sup>[2]</sup>
香港財務 報告準則	2010年至 2012年週期 之年度改進 <sup>[3]</sup>
香港財務 報告準則	2011年至 2013年週期 之年度改進 <sup>[3]</sup>
香港財務報告 準則第14號	規管遞延 賬戶 <sup>[4]</sup>
香港財務報告 準則第9號	金融工具 <sup>[5]</sup>
香港財務報告 準則第9號、 香港財務報告 準則第7號及 香港會計準則 第39號 之修訂本	金融工具 (對沖會計 及香港財務 報告準則 第9號、 第7號及 香港會計 準則第39號 之修訂本) <sup>[5]</sup>

- <sup>[1]</sup> 於2014年1月1日或之後開始之年度期間生效
- <sup>[2]</sup> 於2014年7月1日或之後開始之年度期間生效
- <sup>[3]</sup> 於2014年7月1日或之後開始之年度期間生效，除了若干修訂會按未來適用法應用於2014年7月1日或之後的相關交易。
- <sup>[4]</sup> 於2016年1月1日或之後開始之年度期間生效
- <sup>[5]</sup> 無強制性的生效日期，但可供採納。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (w) Future changes in HKFRSs (Continued)

Amendments to HKAS 19 (2011)	Defined Benefit Plans – Employee Contributions <sup>[2]</sup>
Various HKFRSs	Annual Improvements Project – 2010-2012 Cycle <sup>[3]</sup>
Various HKFRSs	Annual Improvements Project – 2011-2013 Cycle <sup>[3]</sup>
HKFRS 14	Regulatory Deferral Accounts <sup>[4]</sup>
HKFRS 9	Financial Instruments <sup>[5]</sup>
Amendments to HKFRS 9, HKFRS 7 and HKAS 39	Financial Instruments (Hedge Accounting and Amendments to HKFRS 9, HKFRS 7 and HKAS 39) <sup>[5]</sup>

- <sup>[1]</sup> Effective for annual periods beginning on or after 1 January 2014
- <sup>[2]</sup> Effective for annual periods beginning on or after 1 July 2014
- <sup>[3]</sup> Effective for annual periods beginning on or after 1 July 2014, except for certain amendments which are effective prospectively for relevant transactions occurred on or after 1 July 2014
- <sup>[4]</sup> Effective for annual periods beginning on or after 1 January 2016
- <sup>[5]</sup> No mandatory effective date determined but is available for adoption

### 3. 主要會計政策(續)

#### (w) 香港財務報告準則之未來變動 (續)

對於在以上項目[1]所列明的新訂及經修訂之香港財務報告準則，董事並不預期通過這些新的香港財務報告準則對本集團業績造成任何重大影響。

對於在以上項目[2]至[5]所列明的新訂及經修訂之香港財務報告準則，本集團董事現正對將來採納該等新推出及修訂之準則之潛在影響進行評估，故此，暫不能在此進行對財務報表的影響作出合理估計。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### (w) Future changes in HKFRSs (Continued)

The directors do not anticipate that the adoption of those new/revised HKFRSs, as stated in item [1] above, in future periods will have any material impact on the results of the Group.

For the new/revised HKFRSs as stated in item [2] to [5] above, the directors are in the process of assessing the possible impact of the future adoption of these new/revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the financial statements.

#### 4. 採納新推出／修訂之香港財務報告準則

香港會計師公會已頒佈多項相關修訂，並首次於本集團及本公司此會計期間生效。當中，下列修改與本集團財務報表有關：

##### 香港會計準則第1號之修訂：其他全面收益項目之呈報

香港會計準則第1號之修訂規定集團之實體綜合其他全面收益內將不會從於符合若干條件時會或可能會重新分類至損益之項目中個別地重新分類至損益之各項目。除呈報有所變動外，此修訂之應用並不會對已確認之賬目構成影響。

此外，此等修訂將標題「收益表」變更為「損益表」和「全面收益表」變更為「損益及其他全面收益表」。然而，香港會計準則第1號仍可就報表選擇使用香港會計準則第1號所使用標題以外之標題。本集團繼續使用「收益表」和「全面收益表」。

#### 4. ADOPTION OF NEW/REVISED HKFRSs

The HKICPA has issued a number of new/revised HKFRSs that are first effective for the current accounting period of the Group and the Company. Of these, the changes in accounting policy relevant to the Group's financial statements are as follows:

##### Amendment to HKAS 1: Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 require entities to group together items within other comprehensive income that will not be reclassified to profit or loss separately from items that may be reclassified subsequently to profit or loss if certain conditions are met. Other than the presentation changes, the application of the amendments does not have an impact on the amounts recognised.

Further, these amendments change the title for "income statement" to "statement of profit or loss" and "statement of comprehensive income" to "statement of profit or loss and other comprehensive income". However, HKAS 1 retains the option to use titles for the statement other than those used in HKAS 1. The Group continues to use "income statement" and "statement of comprehensive income".

4. 採納新推出／修訂之香港財務報告準則(續)

香港財務報告準則第10號：綜合財務報表

香港財務報告準則第10號取代有關編製綜合財務報表之香港會計準則第27號綜合及獨立財務報表及香港詮釋常務委員會詮釋第12號綜合帳目－特別目的實體之規定，引進單一控制模式，以釐定是否合併被投資公司之賬目。此準則更改對控制權之定義，其視乎有關實體是否有權控制被投資公司、參與被投資公司業務所得可變動回報之風險承擔或權利，及能否對被投資公司行使權力以影響回報金額。

根據香港財務報告準則第10號之過渡性條文，本集團重新評估於初始應用日期對其被投資公司之控制權結論。採納此準則並不會變更本集團就其於該日期參與其他實體業務所達致之控制權結論。

4. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKFRS 10: Consolidated financial statements

HKFRS 10, which replaces the requirements in HKAS 27 *Consolidated and separate financial statements* relating to the preparation of consolidated financial statements and HK-SIC 12 *Consolidation – Special purpose entities*, introduces a single control model to determine whether an investee should be consolidated. It changes the definition of control by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

In accordance with the transitional provisions of HKFRS 10, the Group reassessed the control conclusion for its investees at the date of initial application. The exercise does not change any of the control conclusions reached by the Group in respect of its involvement with other entities at that date.

4. 採納新推出／修訂之香港財務報告準則(續)

香港財務報告準則第11號：合營安排

香港財務報告準則第11號，取代香港會計準則第31號合營企業權益及香港常務詮釋委員會詮釋第13號共同控制實體－合資者之非現金出資，將合營安排分為聯合業務和合營公司。此分類乃經考慮合營安排的結構、法律形式、合約條款及其他相關事實及情況後，基於合營安排各方之權利及義務而釐定。

聯合業務為一項合營安排，據此對安排擁有共同控制權的各方對該安排相關的資產及負債均享有權利及負有責任，而合營公司為一項合營安排，據此對安排擁有共同控制權的各方對該安排的淨資產享有權利。聯合業務以同線項目為基礎來確認聯合經營者所佔之利益，而合營公司按權益法入賬。比例合併法不再容許採用。

由於採納香港財務報告準則第11號，本集團已重新評估其於合營安排之參與及已重新將對合營企業之投資分類為合營公司。該投資繼續按權益法入賬，所以該重新分類沒有對確認金額產生任何重大影響。

4. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKFRS 11: Joint Arrangements

HKFRS 11, which replaces HKAS 31 *Interest in joint ventures* and HKSIC-13 *Jointly controlled entities – Non-monetary contributions by venturers*, divides joint arrangements into joint operations and joint ventures. Such classification is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, legal form, contractual terms and other facts and circumstances.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement while a joint venture is a joint arrangement whereby those parties have rights to the net assets of the arrangement. Joint operations are recognised on a line-by-line basis to the extent of the joint operator's interest while joint ventures are accounted for using the equity method. Proportionate consolidation is no longer allowed.

As a result of the adoption of HKFRS 11, the Group has re-evaluated its involvement in its joint arrangements and has reclassified the investment from jointly controlled entities to joint ventures. The investment continues to be accounted for using the equity method and therefore this reclassification does not have any material impact on the amounts recognised.

#### 4. 採納新推出／修訂之香港財務報告準則(續)

##### 香港財務報告準則第12號：披露於其他實體之權益

香港財務報告準則第12號載列與附屬公司、合營安排、聯營公司及未經綜合入賬結構實體之權益有關之所有相關披露規定之單一準則。一般而言，香港財務報告準則第12號之披露規定較過往相關準則之規定更為廣泛，如含重大少數股東權益之附屬公司，重大聯營公司，重大合營公司之財務資料概況。對於本集團適用的規定，該披露載於財務報表附註18,19和20。

##### 香港財務報告準則第13號：公允值計量

此項新準則提供單一公允值計量指引以改善其一致性，並於其他香港財務報告準則規定或准許有關公允值之計量時披露有關計量。公允值之定義為在市場參與者於計量日期進行之有序交易中出售資產所收取或轉讓負債所支付之價格。

根據過渡性條文，此準則已按未來適用法應用。除已載於財務報表附註41有關本年度公允值計量之額外披露規定外，應用新準則不會對已確認之賬目構成任何重大影響。

#### 4. ADOPTION OF NEW/REVISED HKFRSs (Continued)

##### HKFRS 12: Disclosure of interest in other entities

HKFRS 12 sets out in a single standard all the disclosure requirements relevant to interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. In general, the disclosures required by HKFRS 12 are more extensive than those previously required by the respective standards, such as summarised financial information of subsidiaries with material NCI, material associates and material joint ventures. To the extent that the requirements are applicable to the Group, those disclosures are set out in notes 18, 19 and 20 to the financial statements.

##### HKFRS 13: Fair value measurement

This new standard improves consistency by providing a single source of guidance for fair value measurement and disclosures about fair value measurement when such measurement is required or permitted by other HKFRSs. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In accordance with the transitional provisions, the standard has been applied prospectively. Apart from the additional disclosures about fair value measurements for the current year set out in note 41 to the financial statements, the application of the new standard does not have any material impact on the amounts recognised.

4. 採納新推出／修訂之香港財務報告準則(續)

香港會計準則第19號(2011年)：員工福利

香港會計準則第19號(2011年)引入多項僱員福利之會計政策修訂。其中，香港會計準則第19號(2011年)取消了香港會計準則第19號(2011年)引入了多項僱員福利之會計政策修訂。其中，香港會計準則第19號(2011年)取消了「緩衝區法」，「緩衝區法」指界定福利計劃之精算利潤和損失可按員工的預計平均剩餘服務年期被延遲和確認為利潤或虧損。根據修訂後的標準，所有精算收益及虧損會被即時確認為其他全面收益並於權益內。此外，所有過去服務成本(包括未符合條件的過去服務成本)會被即時確認為利潤或虧損。

由於採用香港會計準則第19號(2011年)，本集團已改變之前應用「緩衝區法」的僱員福利相關會計政策。此變動採用了香港會計準則第19號(2011年)中的過渡性條文所以不會對比較資料作敏感度分析。此會計準則的採用並不會對本集團之本年度及遞延稅項和業績及財務狀況構成重大影響。會計政策的變動已追溯採納，而相對調整於二零一二年一月一日以及二零一二年十二月三十一日之比較資料亦重列如下：

4. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKAS 19 (2011): Employee Benefits

HKAS 19 (2011) introduces a number of amendments to the accounting for employee benefits. Among them, HKAS 19 (2011) eliminates the “corridor method” under which the recognition of actuarial gains and losses relating to defined benefit obligations could be deferred and recognised in profit or loss over the expected average remaining service lives of employees. Under the revised standard, all actuarial gains and losses are required to be recognised immediately in other comprehensive income within equity. In addition, all past service costs (including unvested past service costs) are required to be recognised immediately in profit or loss.

As a result of the adoption of HKAS 19 (2011), the Group has changed its accounting policy with respect to defined benefit plans, for which the corridor method was previously applied. The adoption is made in accordance with the transitional provisions as set out in HKAS19 (2011) and no sensitivity analysis is disclosed on comparative information. The change in this accounting policy did not have a material effect on the current and deferred taxation as well as the result and the financial position of the Group and the Company in current year. This change in accounting policy has been applied retrospectively by restating the balances at 1 January 2012 and 31 December 2012, with consequential adjustments to comparatives for the year ended 31 December 2012 as follows:

**4. 採納新推出／修訂之香港財務報告準則(續)**

**4. ADOPTION OF NEW/REVISED HKFRSs (Continued)**

香港會計準則第19號(2011年)：員工福利(續)

**HKAS 19 (2011): Employee Benefits (Continued)**

本集團	The Group	採用香港會計準則第19號(2011)之影響		
		先前呈報 As previously reported 千美元 US\$'000	Effect of the adoption of HKAS 19 (2011) 千美元 US\$'000 增加／(減少) Increase/ (Decrease)	經重列 As restated 千美元 US\$'000
<b>綜合收益表</b>	<b>Consolidated income statement</b>			
<b>截至2012年12月31日：</b>	<b>for the year ended 31 December 2012:</b>			
行政費用	Administrative expenses	302,040	(4,590)	297,450
本年度溢利	Profit for the year	600,129	4,590	604,719
年內應佔溢利：	Attributable to:			
本公司股東	Owners of the Company	455,171	3,451	458,622
少數權益股東	Non-controlling interests	144,958	1,139	146,097
<b>綜合全面收益表</b>	<b>Consolidated statement of comprehensive income for the year ended 31 December 2012:</b>			
<b>截至2012年12月31日：</b>				
界定福利責任之重估值	Remeasurement of defined benefit obligations	—	7,016	7,016
本年度全面收益總額	Total comprehensive income for the year	636,249	11,606	647,855
應佔全面收益：	Attributable to:			
本公司股東	Owners of the Company	481,891	8,813	490,704
少數權益股東	Non-controlling interests	154,358	2,793	157,151
<b>每股溢利截至2012年12月31日：</b>	<b>Earnings per share for the year ended 31 December 2012:</b>			
基本	Basic	US8.14 cents	US0.06 cents	US8.20 cents
攤薄	Diluted	US8.11 cents	US0.06 cents	US8.17 cents

4. 採納新推出／修訂之香港財務報告準則(續)

4. ADOPTION OF NEW/REVISED HKFRSs (Continued)

香港會計準則第19號(2011年)：員工福利(續)

HKAS 19 (2011): Employee Benefits (Continued)

本集團	The Group	先前呈報 As previously reported 千美元 US\$'000	採用香港會計 準則第19號 (2011)之影響 Effect of the adoption of HKAS 19 (2011) 千美元 US\$'000	經重列 As restated 千美元 US\$'000
			增加／(減少) Increase/ (Decrease)	
<b>綜合財務狀況表 截至2012年 12月31日：</b>	<b>Consolidated statement of financial position at 31 December 2012:</b>			
員工福利責任	Employee benefit obligations	18,060	8,060	26,120
儲備	Reserves	2,456,313	(6,783)	2,449,530
— 重估值儲備	— Remeasurement reserve	—	(11,655)	(11,655)
— 保留溢利	— Retained profits	1,559,147	4,872	1,564,019
本公司股東應佔 權益	Total capital and reserves attributable to owners of the Company	2,550,933	(6,783)	2,544,150
少數股東權益	Non-controlling interests	946,312	(1,277)	945,035
股東權益總額	Total equity	3,497,245	(8,060)	3,489,185
<b>綜合財務狀況表 於2012年 1月1日：</b>	<b>Consolidated statement of financial position at 1 January 2012:</b>			
員工福利責任	Employee benefit obligations	14,064	19,666	33,730
儲備	Reserves	1,965,581	(15,596)	1,949,985
— 重估值儲備	— Remeasurement reserve	—	(17,017)	(17,017)
— 保留溢利	— Retained profits	1,307,047	1,421	1,308,468
本公司股東應佔 權益	Total capital and reserves attributable to owners of the Company	2,099,745	(15,596)	2,084,149
少數股東權益	Non-controlling interests	586,521	(4,070)	582,451
股東權益總額	Total equity	2,686,266	(19,666)	2,666,600

**4. 採納新推出／修訂之香港財務報告準則(續)**

**4. ADOPTION OF NEW/REVISED HKFRSs (Continued)**

**香港會計準則第19號：(2011年)員工福利(續)**

**HKAS 19 (2011): Employee Benefits (Continued)**

		採用香港會計 準則第 19 號 (2011)之影響		
		先前呈報 As previously reported 千美元 US\$'000	Effect of the adoption of HKAS 19 (2011) 千美元 US\$'000	經重列 As restated 千美元 US\$'000
本公司	The Company		增加／（減少） Increase/ (Decrease)	
財務狀況表 於 2012 年 12 月 31 日：	Statement of financial position at 31 December 2012:			
員工福利責任	Employee benefit obligations	9,441	3,390	12,831
儲備	Reserves	192,835	(3,390)	189,445
— 重估值儲備	— Remeasurement reserve	—	(6,508)	(6,508)
— 保留溢利	— Retained profits	161,291	3,118	164,409
股東權益總額	Total equity	287,455	(3,390)	284,065
財務狀況表 於 2012 年 1 月 1 日：	Statement of financial position at 1 January 2012:			
員工福利責任	Employee benefit obligations	8,425	9,876	18,301
儲備	Reserves	171,200	(9,876)	161,324
— 重估值儲備	— Remeasurement reserve	—	(10,661)	(10,661)
— 保留溢利	— Retained profits	165,279	785	166,064
股東權益總額	Total equity	305,364	(9,876)	295,488

**香港財務報告準則：2009年至2011年週期之年度改進**

此等改進包括一系列對準則的改進，與本集團相關的改進如下：

**Various HKFRSs: Annual Improvements Project - 2009-2011 Cycle**

The improvements comprise a number of improvements to standards including the following that are considered to be relevant to the Group:

**4. 採納新推出／修訂之香港財務報告準則(續)**

**香港會計準則第1條：財務報表的呈報－對比較資料要求之澄清**

該修訂澄清當企業根據香港會計準則第1條之要求而準備額外的財務狀況表時，該財務狀況表應於上一期開始之日，即是，年初狀況。而該財務狀況表不需要提供附註。該澄清還明確指出，當管理層自願提供額外比較報表時，應該為這些額外報表提供附註。本集團已決定不自願提供額外比較報表，故採納此項修訂並沒有對財務報表有影響。

**香港會計準則第16條：物業、機器及設備－對維修設備之澄清**

該修訂澄清當備件和維修設備符合物業、機器及設備之定義時，應分類為物業、機器及設備而非存貨。根據本集團之會計政策，由於只有預期不會使用超過一年的備件和維修設備才分類為存貨，故採納此項修訂並沒有對財務報表有重大影響。

**4. ADOPTION OF NEW/REVISED HKFRSs (Continued)**

**HKAS 1: Presentation of Financial Statements - Clarification of the Requirements for Comparative Information**

The amendment clarifies that when an entity produces an additional statement of financial position as required by HKAS 1, the statement of financial position should be as at the date of the beginning of the preceding period, that is, the opening position. No notes are required to support this statement of financial position. It also clarifies that when management provides additional comparative statements voluntarily, it should present the supporting notes to these additional statements. The Group has decided not to provide additional comparative statements voluntarily and therefore the adoption of this amendment has no impact on the financial statements.

**HKAS 16: Property, Plant and Equipment - Classification of Servicing Equipment**

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment. Since only spare parts and servicing equipment which are not expected to be used for more than one period are classified as inventory according to the Group's accounting policy, the adoption of this amendment has no material impact on the financial statements.

#### 4. 採納新推出／修訂之香港財務報告準則(續)

##### 香港財務報告準則第7號之修訂：披露－抵銷金融資產及金融負債

此修訂引入有關金融資產與金融負債互相抵銷之新增披露事項，包括a)已確認金融資產與已確認金融負債之總金額；b)當決定財務狀況表呈報之淨金額時，按照香港會計準則第32號之對銷金額；c)財務狀況表呈報之淨金額；d)受可執行之總淨額結算安排或類似協議之金額而不包括在上述項目b)中；及e)從上述項目c)扣除上述項目d)之淨金額。由於本集團並無抵銷金融工具，亦沒有訂立受香港財務報告準則第7號披露規定所規限之總淨額結算安排或類似協議，因此採納此修訂對本集團之財務報表並無影響。

#### 5. 關鍵會計估計及判斷

有關未來之估計及假設以及判斷乃由管理層在編製財務報表時作出。這些估計、假設及判斷會對本集團之會計政策應用、資產、負債、收入及開支之申報金額以及所作出之披露構成影響，並會持續根據經驗及相關因素(包括日後出現在有關情況下相信屬合理之事件)評估。於適當時，會計估計之修訂會於修訂期間及於未來期間(倘修訂亦影響日後期間)確認。

#### 4. ADOPTION OF NEW/REVISED HKFRSs (Continued)

##### Amendment to HKFRS 7: Disclosure - Offsetting Financial Assets and Financial Liabilities

These amendments added disclosure requirements for offsetting financial assets and financial liabilities, including a) the gross amounts of those recognised financial assets and recognised financial liabilities; b) the amounts that are set off in accordance with HKAS 32 when determining the net amounts presented in the statement of financial position; c) the net amounts presented in the statement of financial position; d) the amounts subject to an enforceable master netting arrangement or similar agreement that are not otherwise included in item b) above, and e) the net amount after deducting the amounts in item d) from item c) above. The adoption of the amendments does not have an impact on these financial statements because the Group has not offset financial instruments, nor has it entered into master netting arrangement or similar agreement which is subject to the disclosures of HKFRS 7 during the periods presented.

#### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

5. 關鍵會計估計及判斷(續)

(i) 主要估計不確定性的來源

**使用年限及物業、機器及設備  
及土地租約溢價之減值**

董事每年透過預計用量、對資產使用之損耗及技術過時之潛在性進行謹慎研究，以評估物業、機器及設備及土地租約溢價之殘值，可用年期及折舊／攤銷方法。

為了判斷資產是否減值及有跡象顯示減值虧損不再存在，董事須評估是否已發生可能影響資產價值之事件或該影響資產價值之事件不再存在。倘出現減值跡象，則會參考使用價值及售價淨額釐定該等資產的可收回金額。使用價值以折現現金流量法釐定。鑑於未來現金流量及售價淨額的時間及數額估計涉及固有風險，故該等資產的估計可收回金額或會與實際可收回金額有所不同，而此估計的準確度可能對損益造成影響。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS  
(Continued)

(i) Key sources of estimation uncertainty

**Useful lives and impairment of property, plant and equipment and prepaid lease payments**

The directors review the residual value, useful lives and depreciation/amortisation method of property, plant and equipment and prepaid lease payments at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the directors have to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by reference to value in use and fair value less costs to sell. Value in use is determined using the discounted cash flow method. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs to sell, the estimated recoverable amount of the asset may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

## 5. 關鍵會計估計及判斷(續)

### (i) 主要估計不確定性的來源(續)

#### 遞延稅項資產

於結算日，合併財務狀況表並沒有源於稅務虧損之未確認之遞延稅項資產。遞延稅項資產之確認主要根據將來有否足夠之收益或應課稅暫時差異。如將來實際發生之收益與原本預估有差異，經扣除了之前未確認之稅務虧損後，重大的遞延稅項資產確認便可能發生。而當預估收益發生變化時，此遞延稅項資產將會被確認為得益或損失。

#### 遞延稅項負債

本集團基於在中國的若干實體的利潤並不會在可見將來中分配，故並未對這些未分配利潤作出預提稅之遞延稅項撥備。有關遞延稅項負債之詳情載於財務報表附註34。

## 6. 營業額

本集團之營業額指向客戶售貨之發票值，扣除退貨、折扣及增值稅。

## 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### (i) Key sources of estimation uncertainty (Continued)

#### Deferred tax assets

As at the end of the reporting period, no deferred tax asset in relation to unused tax losses has been recognised in the consolidated statement of financial position. The recognition of the deferred tax asset mainly depends on whether sufficient profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are different from the original estimate, a material recognition of deferred tax assets may arise, after taking into account the utilisation of previously unrecognised tax losses, which would be recognised in profit or loss in the period in which such estimate is changed.

#### Deferred tax liabilities

Deferred tax liabilities have not been provided for the withholding tax that would be payable on the undistributed earnings of certain entities of the Group in the PRC as those earnings are not expected to be distributable in the foreseeable future. Details of deferred tax liabilities are disclosed in note 34 to the financial statements.

## 6. TURNOVER

The Group's turnover represents revenue arising from the sale of goods at invoiced value to customers, net of returns, discounts and Value Added Tax.

## 7. 分部資料

本公司之執行董事已確立為本集團主要營運決策者。經營分部之確立及分部資料之編製按內部慣常呈報給本公司之執行董事之財務資料製作，依據該等資料作出經營分部資源分配決定及評估其表現。基於本集團超過99%以上之集團銷售是在內地進行，故本公司之執行董事主要以產品觀點評定本集團之業務。可報告之經營分部確立為方便麵、飲品、方便食品及其他業務包括投資控股、物流及支援功能業務。

執行董事以本年度經營分部之已扣除財務費用之業績作出經營分部資源分配決定及評估其表現。

分部資產包括除可供出售金融資產，按公允價值列賬及在損益賬處理的金融資產、聯營公司權益及合營公司權益外的所有資產。分部負債包括除員工福利責任之相關負債外的所有負債。

分部之間的銷售是以成本加邊際利潤作定價。可呈報分部之會計政策與本集團於財務報表附註3「主要會計政策」所述本集團的會計政策一致。

客戶地區位置乃按貨品付運地點劃分。本集團多於99%來自外部客戶之收益均源於本集團各經營實體所在地中國的顧客。同時，本集團多於99%的非流動資產(可供出售金融資產除外)均位於中國。

並無來自單一外部客戶的收入佔本集團收入10%或以上。

## 7. SEGMENT INFORMATION

The Company's executive directors have been identified as the chief operating decision-maker of the Group. The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Company's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance. The Company's executive directors consider the business principally from a product perspective as over 99% of the Group's sales and business are conducted in the PRC. Business reportable operating segments identified are instant noodles, beverages, instant food and others. The segment of others includes investment holding, logistics and supportive functions.

For the purposes of assessing the performance of the operating segments and allocating resources between segments, the executive directors assess segment result after finance costs for the year which is consistent with that in the financial statements.

Segment assets include all assets with the exception of available-for-sale financial assets, financial assets at fair value through profit or loss, interest in associates and joint ventures. Segment liabilities include all liabilities with the exception of employee benefit obligations.

Inter-segment sales are priced at cost plus profit margin. The accounting policies of the reporting segments are the same as the Group's accounting policies as described in note 3 to the financial statements.

The geographical location of the Group's customers is based on the location at which the goods are delivered. Over 99% of the revenues from external customers of the Group are attributable to customers located in the PRC, the place of domicile of the Group's operating entities. Meanwhile, over 99% of the Group's non-current assets other than available-for-sale financial assets are located in the PRC.

No revenue from a single external customer amounted to 10% or more of the Group's revenue.

## 7. 分部資料(續)

於2013年及2012年12月31日之分  
部資料如下：

### 業務分部分析

## 7. SEGMENT INFORMATION (Continued)

The segment information for the years ended 31 December 2013  
and 2012 is as follows:

### Business segment analysis

		2013					
		方便麵 Instant noodles 千美元 US\$'000	飲品 Beverages 千美元 US\$'000	方便食品 Instant food 千美元 US\$'000	其他 Others 千美元 US\$'000	內部沖銷 Inter- segment elimination 千美元 US\$'000	合計 Total 千美元 US\$'000
<b>營業額</b>	<b>Turnover</b>						
外來客戶收益	Revenue from external customers	4,332,159	6,267,617	202,518	138,702	—	10,940,996
分部間之收益	Inter-segment revenue	51	855	301	100,492	(101,699)	—
分部營業額	Segment revenue	4,332,210	6,268,472	202,819	239,194	(101,699)	10,940,996
<b>分部業績(已扣除財務費用)</b>	<b>Segment result after finance costs</b>						
應佔聯營公司及 合營公司業績	Share of results of associates and joint ventures	490,965	198,526	(11,043)	31,713	(3,220)	706,941
		—	19,266	(3,217)	—	—	16,049
<b>除稅前溢利(虧損)</b>	<b>Profit (loss) before taxation</b>	490,965	217,792	(14,260)	31,713	(3,220)	722,990
稅項	Taxation	(154,184)	(62,912)	231	(11,814)	—	(228,679)
<b>本年度之溢利(虧損)</b>	<b>Profit (loss) for the year</b>	336,781	154,880	(14,029)	19,899	(3,220)	494,311
<b>資產</b>	<b>Assets</b>						
分部資產	Segment assets	3,420,533	5,075,114	182,198	839,614	(1,232,099)	8,285,360
聯營公司權益	Interest in associates	—	25,628	3,422	—	—	29,050
合營公司權益	Interest in joint ventures	—	57,883	22,393	—	—	80,276
未分配資產	Unallocated assets						29,635
總資產	Total assets						8,424,321
<b>負債</b>	<b>Liabilities</b>						
分部負債	Segment liabilities	1,290,983	3,179,545	77,143	1,106,220	(1,184,143)	4,469,748
未分配負債	Unallocated liabilities						28,186
總負債	Total liabilities						4,497,934

7. 分部資料(續)

業務分部分析(續)

7. SEGMENT INFORMATION (Continued)

Business segment analysis (Continued)

		2013					
		方便麵	飲品	方便食品	其他	內部沖銷	合計
		Instant	Beverages	Instant food	Others	Inter-	Total
		noodles				segment	
		千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
其他資料	Other information						
折舊及攤銷	Depreciation and amortisation	93,054	342,116	7,880	9,288	—	452,338
資本開支	Capital expenditures	221,364	631,213	7,714	35,799	—	896,090
減值虧損	Impairment losses	14,200	35,602	—	—	—	49,802
回沖減值虧損	Reversal of impairment losses	6,381	—	—	—	—	6,381
利息收入	Interest income	53,984	6,835	968	10,015	(20,275)	51,527
利息支出	Interest expenses	9	29,446	—	28,171	(20,275)	37,351

7. 分部資料(續)

7. SEGMENT INFORMATION (Continued)

業務分部分析(續)

Business segment analysis (Continued)

		2012					
						內部沖銷	
		方便麵	飲品	方便食品	其他	Inter-	合計
		Instant	Beverages	Instant food	Others	segment	Total
		noodles				elimination	
		千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
			(經重列)		(經重列)		(經重列)
			(restated)		(restated)		(restated)
<b>營業額</b>	<b>Turnover</b>						
外來客戶收益	Revenue from external customers	3,959,782	4,930,961	234,044	87,065	—	9,211,852
分部間之收益	Inter-segment revenue	874	1,410	84	96,168	(98,536)	—
分部營業額	Segment revenue	3,960,656	4,932,371	234,128	183,233	(98,536)	9,211,852
<b>分部業績 (已扣除財務費用)</b>	<b>Segment result after finance costs</b>	464,268	168,704	7,032	4,322	(5,669)	638,657
應佔聯營及合營公司業績	Share of results of associates and joint ventures	—	3,966	—	—	—	3,966
收購議價收益 (已扣除收購直接相關費用)	Gain on bargain purchases, net of expenses related to acquisition	—	189,859	—	—	—	189,859
<b>除稅前溢利</b>	<b>Profit before taxation</b>	464,268	362,529	7,032	4,322	(5,669)	832,482
稅項	Taxation	(140,866)	(75,713)	(3,481)	(7,703)	—	(227,763)
<b>本年度之溢利(虧損)</b>	<b>Profit (loss) for the year</b>	323,402	286,816	3,551	(3,381)	(5,669)	604,719

7. 分部資料(續)

業務分部分析(續)

7. SEGMENT INFORMATION (Continued)

Business segment analysis (Continued)

		2012					
		方便麵	飲品	方便食品	其他	內部沖銷	合計
		Instant noodles	Beverages	Instant food	Others	Inter-segment elimination	Total
		千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
			(經重列)		(經重列)		(經重列)
			(restated)		(restated)		(restated)
<b>資產</b>	<b>Assets</b>						
分部資產	Segment assets	2,916,279	4,328,382	188,739	573,601	(673,848)	7,333,153
聯營公司權益	Interest in associates	—	21,324	—	—	—	21,324
合營公司權益	Interest in joint ventures	—	49,404	13,710	—	—	63,114
未分配資產	Unallocated assets						55,672
總資產	Total assets						7,473,263
<b>負債</b>	<b>Liabilities</b>						
分部負債	Segment liabilities	968,816	3,032,460	82,951	927,777	(1,054,046)	3,957,958
未分配負債	Unallocated liabilities						26,120
總負債	Total liabilities						3,984,078
<b>其他資料</b>	<b>Other information</b>						
折舊及攤銷	Depreciation and amortisation	78,889	294,925	6,152	7,791	—	387,757
資本開支	Capital expenditures	337,123	519,012	20,026	5,361	—	881,522
減值虧損	Impairment losses	13,900	—	—	—	—	13,900
回沖減值虧損	Reversal of impairment losses	3,487	—	—	—	—	3,487
利息收入	Interest income	48,910	19,996	1,290	6,207	(27,998)	48,405
利息支出	Interest expenses	760	39,007	—	20,904	(27,998)	32,673

8. 其他收益及其他淨收入

8. OTHER REVENUE AND OTHER NET INCOME

		2013 千美元 US\$'000	2012 千美元 US\$'000
<b>其他收益</b>	<b>Other revenue</b>		
利息收入	Interest income	51,527	48,405
股利收入	Dividend income	747	1,595
		<b>52,274</b>	<b>50,000</b>
<b>其他淨收入</b>	<b>Other net income</b>		
衍生金融工具之公允值變動	Change in fair values of derivative financial instruments	12,181	—
匯兌收益淨額	Exchange gains, net	18,812	6,269
出售廢品之收益	Gain on sales of scrapped materials	31,057	26,722
政府補助	Government grants	47,814	35,978
收購議價收益，已扣除 收購直接相關費用	Gain on bargain purchase, net of expenses related to acquisition	—	189,859
出售可供出售金融資產 之收益	Gain on disposal of available-for-sale financial assets	14,397	—
其他	Others	39,150	35,939
		<b>163,411</b>	<b>294,767</b>
		<b>215,685</b>	<b>344,767</b>

9. 除稅前溢利

9. PROFIT BEFORE TAXATION

		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
經扣除(計入)下列項目後: This is stated after charging (crediting):			
<b>財務費用</b>	<b>Finance costs</b>		
須於5年內悉數償還之銀行及其他貸款之利息支出	Interest on bank and other borrowings wholly repayable within five years	39,545	36,904
減: 利息支出資本化列入物業、機器及設備(加權平均資本化率為2.08%(2012: 2.43%))	Less: Borrowing costs capitalised into property, plant and equipment at weighted average capitalisation rate of 2.08% (2012: 2.43%)	(2,194)	(4,231)
		<b>37,351</b>	<b>32,673</b>
<b>其他項目</b>	<b>Other items</b>		
員工成本(包括董事酬金):	Staff costs (including directors' remuneration):		
薪金及報酬	Salaries and wages	947,910	782,738
以權益結算股份支付之款項	Equity-settled share-based payment expenses	11,930	13,723
退休金成本:	Pension costs:		
界定供款計劃	Defined contribution plans	108,520	99,433
界定福利計劃	Defined benefit plans	3,592	982
核數師酬金:	Auditor's remuneration:		
審核費用	Audit fee	1,471	1,455
非審核服務費用	Non-audit services fee	—	422
已售存貨成本 #	Cost of inventories #	7,630,997	6,457,364
折舊	Depreciation	444,303	380,845
土地租約溢價之攤銷	Amortisation of prepaid lease payments	7,282	6,346
無形資產攤銷(已包括於分銷成本)	Amortisation of intangible asset (included in distribution costs)	753	566
按公允價值列賬及在損益賬處理的金融資產之公允價值變動	Change in fair value of financial assets at fair value through profit or loss	(265)	(80)

9. 除稅前溢利(續)

9. PROFIT BEFORE TAXATION (Continued)

		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
經扣除(計入)下列項目後： This is stated after charging (crediting):			
物業、機器及設備之 減值虧損 (已包括於其他經營費用)	Impairment loss of property, plant and equipment (included in other operating expenses)	49,802	13,900
回沖物業、機器及設備 之減值虧損	Reversal of impairment loss of property, plant and equipment	(6,381)	(3,487)
建築物營運租約 最低租賃付款	Minimum lease payments in respect of operating lease charges for premises	72,035	60,678
出售物業、機器及設備之 (收益)虧損	(Gain) Loss on disposal of property, plant and equipment	(5,200)	3,791
出售按公允值列賬及在 損益賬處理的金融資產 之收益	Gain on disposal of financial assets at fair value through profit or loss	(437)	—
出售可供出售金融 資產之(收益)虧損	(Gain) Loss on disposal of available- for-sale financial assets	(14,397)	4,656

# 已售存貨成本中包括744,105,000美元(2012: 618,264,000美元)與員工成本、折舊、土地租約溢價之攤銷及建築物營運租約有關並同時分別披露在上述相對項目的總額中。

# Cost of inventories includes US\$744,105,000 (2012: US\$618,264,000) relating to staff costs, depreciation, amortisation of prepaid lease payments and operating lease charges of premises, which amount is also included in the respective total amounts disclosed separately above

## 10. 董事及高階僱員酬金

本公司董事已收及應收之酬金總額如下：

## 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

The aggregate amounts of emoluments received or receivable by the Company's directors are as follows:

		2013						
		薪金及 其他酬金 Salaries and other emoluments 千美元 US\$'000	花紅 Discretionary bonuses 千美元 US\$'000	小計 Sub-total 千美元 US\$'000	以股份支付 之款項 Share-based payments 千美元 US\$'000	退休保障 計劃供款 Retirement scheme contribution 千美元 US\$'000	總計 Total 千美元 US\$'000	
執行董事：	Executive directors:							
魏應州	Wei Ing-Chou	200	1,024	229	1,453	2,748	4,202	
井田毅	Takeshi Ida	53	8	—	61	—	61	
吳崇儀	Wu Chung-Yi	50	12	—	62	—	62	
魏應交	Wei Ying-Chiao	50	12	—	62	—	62	
吉澤亮	Ryo Yoshizawa	50	20	—	70	—	70	
井田純一郎	Junichiro Ida	55	16	—	71	—	71	
長野輝雄	Teruo Nagano	13	4	—	17	—	17	
獨立非執行董事：	Independent non-executive directors:							
徐信群	Hsu Shin-Chun	50	12	—	62	—	62	
李長福	Lee Tiong-Hock	50	8	—	58	—	58	
深田宏	Hiromu Fukada	50	12	—	62	—	62	
		621	1,128	229	1,978	2,748	4,727	

## 10. 董事及高階僱員酬金(續)

井田毅先生在2013年8月20日辭世及長野輝雄先生在2013年9月19日獲委任為本公司執行董事。

## 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

Mr. Takeshi Ida deceased on 20 August 2013 and Mr. Teruo Nagano was appointed as an executive director of the Company on 19 September 2013.

		2012					
		薪金及 其他酬金 Salaries and other emoluments	花紅 Discretionary bonuses	小計 Sub-total	以股份支付 之款項 Share-based payments	退休保障 計劃供款 Retirement scheme contribution	總計 Total
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
執行董事：	Executive directors:						
魏應州	Wei Ing-Chou	200	1,032	180	1,412	1,724	3,137
井田毅	Takeshi Ida	80	16	—	96	—	96
吳崇儀	Wu Chung-Yi	50	8	—	58	—	58
魏應交	Wei Ying-Chiao	50	16	—	66	—	66
吉澤亮	Ryo Yoshizawa	50	32	—	82	—	82
井田純一郎	Junichiro Ida	50	16	—	66	—	66
獨立非執行董事	Independent non-executive directors:						
徐信群	Hsu Shin-Chun	50	16	—	66	—	66
李長福	Lee Tiong-Hock	50	16	—	66	—	66
深田宏	Hiromu Fukada	50	16	—	66	—	66
		630	1,168	180	1,978	1,724	3,703

於2013年及2012年12月31日止年度並無董事放棄領取酬金。

本集團沒有為勸誘董事加入本集團而付酬金或在董事加入本集團後付上酬金或為董事失去職位作出賠償。

No directors have waived emoluments in respect of the years ended 31 December 2013 and 2012.

No emoluments have been paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

# 10. 董事及高階僱員酬金(續)

本集團5位最高薪人士包括1位(2012年: 1位)董事, 其酬金詳情載於上文。其餘4位(2012年: 4位)人士之酬金詳情如下:

# 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

The five individuals whose emoluments were the highest in the Group for the year include one director (2012: one) whose emoluments are reflected in the analysis presented above. Details of the emoluments of the remaining four individuals (2012: four) are as follows:

		2013 千美元 US\$'000	2012 千美元 US\$'000
薪金及其他酬金	Salaries and other emoluments	2,417	1,806
以股份支付之款項	Share-based payments	1,196	1,835
花紅	Discretionary bonuses	419	366
退休保障計劃供款	Retirement scheme contribution	8	8
		4,040	4,015

**10. 董事及高階僱員酬金(續)**

支付4位最高薪人士之酬金組別如下：

**10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)**

The emoluments were paid to the four highest paid individuals as follows:

酬金組別	Emoluments band	僱員人數 Number of individuals	
		2013	2012
769,231 美元至 833,333 美元 (6,000,001 港元 至 6,500,000 港元)	US\$769,231 to US\$833,333 (HK\$6,000,001 to HK\$6,500,000)	1	—
833,334 美元至 897,436 美元 (6,500,001 港元 至 7,000,000 港元)	US\$833,334 to US\$897,436 (HK\$6,500,001 to HK\$7,000,000)	—	1
897,437 美元至 961,538 美元 (7,000,001 港元 至 7,500,000 港元)	US\$897,437 to US\$961,538 (HK\$7,000,001 to HK\$7,500,000)	1	1
961,539 美元至 1,025,641 美元 (7,500,001 港元 至 8,000,000 港元)	US\$961,539 to US\$1,025,641 (HK\$7,500,001 to HK\$8,000,000)	—	1
1,025,642 美元至 1,089,744 美元 (8,000,001 港元 至 8,500,000 港元)	US\$1,025,642 to US\$1,089,744 (HK\$8,000,001 to HK\$8,500,000)	1	—
1,217,949 美元至 1,282,050 美元 (9,500,001 港元 至 10,000,000 港元)	US\$1,217,949 to US\$1,282,050 (HK\$9,500,001 to HK\$10,000,000)	—	1
1,282,051 美元至 1,345,154 美元 (10,000,001 港元 至 10,500,000 港元)	US\$1,282,051 to US\$1,345,154 (HK\$10,000,001 to HK\$10,500,000)	1	—
		4	4

## 11. 稅項

## 11. TAXATION

		2013 千美元 US\$'000	2012 千美元 US\$'000
<b>本年度稅項－ 中國企業所得稅</b>	<b>Current tax – PRC Enterprise income tax</b>		
本年度	Current year	198,842	185,520
比前年度(多計)少計撥備	(Over)/Under provision in prior year	(6,504)	8,082
		192,338	193,602
<b>遞延稅項</b>	<b>Deferred taxation</b>		
產生及轉回之 暫時差異淨額	Origination and reversal of temporary differences, net	8,536	13,683
按本集團於中國之 附屬公司可供分配 利潤之預提稅(附註34)	Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries (note 34)	27,805	20,478
		36,341	34,161
本年度稅項總額	Total tax charge for the year	228,679	227,763

開曼群島並不對本公司及本集團之收入徵收任何稅項。

由於本集團之公司於截至2013年及2012年內並無任何香港利得稅應課稅利潤，因此並未為香港利得稅計提撥備。

中國企業所得稅法定稅率為25%。根據中國大陸相關法律規定，本公司在中國大陸之部份附屬公司享受之首個獲利年度開始，可於首兩年獲全國豁免繳交中國企業所得稅，及其後3年獲稅率減半優惠已於2012年完結。

The Cayman Islands levies no tax on the income of the Company and the Group.

Hong Kong Profits Tax has not been provided as the Group's entities had no assessable profits subject to Hong Kong Profits Tax for the years ended 31 December 2013 and 2012.

The statutory tax rate of PRC enterprise income tax is 25%. Pursuant to the relevant laws and regulations in the PRC, certain of the Company's PRC subsidiaries were exempt from PRC enterprise income tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years. The preferential tax rate resulted from these tax concessions expired in 2012.

## 11. 稅項(續)

根據財政部、海關總署與國家稅務總局聯合發佈的《關於深入實施西部大開發戰略有關稅收政策問題的通知》(財稅[2011]58號)，位於中國大陸西部地區的國家鼓勵類產業的外商投資企業，其鼓勵類產業主營收入佔企業總收入的70%以上的，在2011年至2020年年度，減按15%的稅率徵收企業所得稅。因此，本集團於西部地區之附屬公司稅率為15%(2012年：15%)。

本集團之除稅前溢利與本年度稅項對賬如下：

## 11. TAXATION (Continued)

According to the Tax Relief Notice (Cai Shui [2011] no. 58) on the Grand Development of Western Region jointly issued by the Ministry of Finance, the State Administration of Taxation and China Customs, foreign investment enterprises located in the western region of the PRC with principal revenue of over 70% generated from the encouraged business activities are entitled to an income tax rate of 15% for 10 years from 1 January 2011 to 31 December 2020. Accordingly, certain subsidiaries located in the Western Region are entitled to an income tax rate of 15% (2012: 15%).

The Group's profit before taxation is reconciled to the tax expense for the year as follows:

### 稅項開支之對賬

### Reconciliation of tax expense

		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
除稅前溢利	Profit before taxation	722,990	832,482
按中國法定稅率25% 之稅項(2012年：25%)	Income tax at statutory tax rate of 25% in the PRC (2012: 25%)	180,748	208,120
應佔聯營及合營公司業績	Share of results of associates and joint ventures	(4,012)	(991)
不可扣稅開支	Non-deductible expenses	19,684	23,230
無需課稅收入	Tax exempt revenue	(6,065)	(54,120)
未確認稅項虧損	Unrecognised tax losses	23,084	30,448
未確認暫時差異	Unrecognised temporary differences	5,512	2,582
扣除過往並未確認稅項虧損	Utilisation of previously unrecognised tax losses	(13,008)	(5,522)
按本集團於中國之附屬公司 可供分配利潤之預提稅 (附註34)	Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries (note 34)	27,805	20,478
優惠稅率減免	Effect of preferential tax rates	—	(567)
於西部大開發的中國 附屬公司之稅收減免	Effect of tax relief on PRC's subsidiaries in Western Region	(7,273)	(8,465)
以前年度(多計)少計撥備	(Over) / Under provision in prior years	(6,504)	8,082
其他	Others	8,708	4,488
本年度稅項	Tax expense for the year	228,679	227,763

## 12. 股東應佔溢利

股東應佔綜合溢利包括虧損33,049,000美元(2012年：經重列36,142,000美元)已於本公司之賬目內作出處理。

上述金額與本公司本年度溢利之調節如下：

## 12. PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The consolidated profit attributable to owners of the Company includes a loss of US\$33,049,000 (2012: US\$36,142,000 as restated) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
已於本公司賬目內處理的股東應佔綜合虧損	Amount of consolidated loss attributable to owners dealt with in the Company's financial statements	(33,049)	(36,142)
上一財政年度溢利之應佔附屬公司股息並已於年內獲批准及派發	Dividends from subsidiaries attributable to the profits of the previous financial years, approved and paid during the year	237,352	199,766
本年度本公司溢利	Company's profit for the year	204,303	163,624

## 13. 股息

(a) 本公司股東於本年度應得之股息：

## 13. DIVIDENDS

(a) Dividends payable to owners of the Company attributable to the year:

		2013 千美元 US\$'000	2012 千美元 US\$'000
結算日後擬派之末期股息每股普通股3.65美仙(2012年：每股普通股3.22美仙)	Final dividend proposed after the end of the reporting period of US\$3.65 cents (2012: US\$3.22 cents) per ordinary share	204,269	180,091

於2014年3月24日的會議，董事建議派發末期股息每股普通股3.65美仙。此建議末期股息於財務狀況表中不視為應付股息。

At meeting held on 24 March 2014, the directors recommended the payment of final dividend of US\$3.65 cents per ordinary share. The proposed final dividend has not been recognised as dividend payables in the statement of financial position.

### 13. 股息(續)

- (b) 於本年內批准及派發歸屬於上一財政年度予本公司股東之應得股息：

### 13. DIVIDENDS (Continued)

- (b) Dividends payable to owners of the Company attributable to the previous financial year, approved and paid during the year:

		2013 千美元 US\$'000	2012 千美元 US\$'000
於本年內批准及於 本年內派發屬於 前年度末期股息 為每股普通股 3.22 美仙 (2012 年：每股 普通股 3.75 美仙)	Final dividend in respect of the previous financial year, approved and paid during the year, of US3.22 cents (2012: US3.75 cents) per ordinary share	180,123	209,707

### 14. 每股溢利

以下為每股基本溢利及每股攤薄溢利之計算：

### 14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is as follows:

#### (a) 每股基本溢利

#### (a) Basic earnings per share

		2013	2012 (經重列) (restated)
本公司股東年內應佔 溢利(千美元)	Profit attributable to ordinary equity shareholders (US\$'000)	408,544	458,622
已發行普通股之加權 平均股數(千股)	Weighted average number of ordinary shares ('000)	5,594,388	5,591,945
每股基本溢利(美仙)	Basic earnings per share (US cents)	7.30	8.20

14. 每股溢利(續)

14. EARNINGS PER SHARE (Continued)

(b) 每股攤薄溢利

(b) Diluted earnings per share

		2013	2012 (經重列) (restated)
本公司股東年內應佔 溢利(千美元)	Profit attributable to ordinary equity shareholders (US\$'000)	408,544	458,622
普通股加權平均數 (攤薄)(千股)	Weighted average number of ordinary shares (diluted) ('000)		
已發行普通股之加權 平均股數	Weighted average number of ordinary shares	5,594,388	5,591,945
本公司購股權計劃 之影響	Effect of the Company's share option scheme	17,490	19,952
用於計算每股攤薄 溢利之普通股 加權平均數	Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	5,611,878	5,611,897
每股攤薄溢利(美仙)	Diluted earnings per share (US cents)	7.28	8.17

## 15. 物業、機器及設備

## 15. PROPERTY, PLANT AND EQUIPMENT

### (a) 本集團

### (a) Group

		(附註 ii)	(附註 iii)	機器 及設備	電器 及設備	雜項設備	在建工程	合計
		永久業權 土地 (Note ii)	樓宇 (Note iii)	Machinery and equipment	Electrical appliances and equipment	Miscellaneous equipment	Construction in progress	Total
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
<hr/>								
賬面值對賬－截至 2012年12月31日止年度      Reconciliation of carrying amount – year ended 31 December 2012								
於年初	At beginning of year	—	591,575	2,252,244	14,578	170,722	1,000,753	4,029,872
添置	Additions	—	30,311	172,994	3,712	83,281	552,858	843,156
添置－業務合併	Additions – business combination	—	164,653	186,377	4,795	118,139	13,389	487,353
落成後轉撥	Transfer upon completion	—	170,701	359,923	149	15,140	(545,913)	—
重分類	Reclassification	—	—	—	(393)	393	—	—
減值虧損(附註 i)	Impairment loss (Note i)	—	—	(13,900)	—	—	—	(13,900)
回沖減值虧損 (附註 i)	Reversal of impairment loss (Note i)	—	—	3,487	—	—	—	3,487
出售	Disposals	—	(703)	(3,719)	(650)	(3,195)	—	(8,267)
折舊	Depreciation	—	(42,821)	(223,200)	(5,284)	(109,540)	—	(380,845)
滙兌差額	Exchange differences	—	5,837	21,991	96	2,254	10,702	40,880
<hr/>								
於結算日	At end of the reporting period	—	919,553	2,756,197	17,003	277,194	1,031,789	5,001,736

15. 物業、機器及設備(續)

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) 本集團(續)

(a) Group (Continued)

		(附註 ii) 永久業權 土地 (Note ii) Freehold land 千美元 US\$'000	(附註 iii) 樓宇 (Note iii) Building 千美元 US\$'000	機器 及設備 Machinery and equipment 千美元 US\$'000	雜項設備 Electrical appliances and equipment 千美元 US\$'000	在建工程 Miscellaneous equipment 千美元 US\$'000	合計 Construction in progress 千美元 US\$'000	Total 千美元 US\$'000
賬面值對賬－截至 2013年12月31日 止年度	Reconciliation of carrying amount – year ended 31 December 2013							
於年初	At beginning of year	—	919,553	2,756,197	17,003	277,194	1,031,789	5,001,736
添置	Additions	17,485	41,271	212,509	5,161	85,817	491,992	854,235
落成後轉撥	Transfer upon completion	—	337,064	633,250	4,681	28,029	(1,003,024)	—
減值虧損(附註 i)	Impairment loss (Note i)	—	—	48,977	825	—	—	49,802
回沖減值虧損(附註 i)	Reversal of impairment loss (Note i)	—	—	6,381	—	—	—	6,381
出售	Disposals	—	(2,223)	(4,210)	(1,264)	(4,928)	—	(12,625)
折舊	Depreciation	—	(58,284)	(272,219)	(4,925)	(108,875)	—	(444,303)
匯兌差額	Exchange differences	—	24,434	65,451	352	9,435	29,806	129,478
於結算日	At end of the reporting period	17,485	1,261,815	3,348,382	20,183	286,672	550,563	5,485,100
於2013年1月1日	At 1 January 2013							
原值	Cost	—	1,269,279	4,394,510	52,184	698,183	1,031,789	7,445,945
累計折舊和減值虧損	Accumulated depreciation and impairment losses	—	(349,726)	(1,638,313)	(35,181)	(420,989)	—	(2,444,209)
賬面淨值	Net carrying amount	—	919,553	2,756,197	17,003	277,194	1,031,789	5,001,736
於2013年12月31日	At 31 December 2013							
原值	Cost	17,485	1,676,273	5,290,804	55,594	807,457	550,563	8,398,176
累計折舊和減值虧損	Accumulated depreciation and impairment losses	—	(414,458)	(1,942,422)	(35,411)	(520,785)	—	(2,913,076)
賬面淨值	Net carrying amount	17,485	1,261,815	3,348,382	20,183	286,672	550,563	5,485,100

## 15. 物業、機器及設備(續)

### (a) 本集團(續)

附註：

- (i) 年內，本集團考慮了不斷的現代化，擴充及新生產線的投入，評估了有減值跡象的機器設備之可收回金額。一些機器設備因長期間置或功能退化需要減值。這些機器設備賬面值因此減值49,802,000美元(2012年：13,900,000美元)。該機器設備之可收回金額評估乃根據其公允值減去於近日市場上同類型機器可觀察之市場價值做參考的出售成本。

年內，一些在往年已減值之機器設備已出租給其他方並收取租金收入。於結算日，本集團重新評估了這些機器設備之可收回金額並回沖減值虧損6,381,000美元(2012年：3,487,000美元)。

- (ii) 土地表示位於香港以外的永久業權土地。
- (iii) 於結算日，本集團若干廠房的房屋擁有權證由於正在申請變更授予之土地用途因而尚未獲得，帳面淨值總額為15,925,000美元(2012年：27,032,000美元)。董事認為，本集團合法佔有以及使用這些建築物。

## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

### (a) Group (Continued)

Notes：

- (i) During the year, the Group carried out a review of the recoverable amounts of its manufacturing machineries with impairment indicators, having regards to the ongoing programme of modernisation, expansion and the introduction of new product lines. The review determined that a number of those assets were to be impaired due to prolonged period of being idle and technical obsolescence. Accordingly, the carrying amounts of these manufacturing machineries were written down by US\$49,802,000 (2012: US\$13,900,000). The estimates of the recoverable amounts of these manufacturing plant and machineries were principally based on their fair value less costs to sell that were determined by reference to recent observable market prices for similar assets.

During the year, certain machineries which had been impaired previously were leased to other party for earning rentals. At the end of the reporting period, the Group re-assessed the recoverable amounts of these machineries and impairment loss of US\$6,381,000 (2012: US\$3,487,000) was reversed.

- (ii) The land represents the freehold land located outside Hong Kong.
- (iii) At the end of the reporting period, the building ownership certificates of the Group's certain premises with aggregate net carrying amount of US\$15,925,000 (2012: US\$27,032,000) have not been obtained due to applying for the change of granted land use purpose. In the opinion of the directors, the Group validly occupies and uses the buildings.

15. 物業、機器及設備(續)

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) 本公司

(b) Company

		2013			2012		
		機器 及設備 Machinery and equipment 千美元 US\$'000	雜項設備 Miscellaneous equipment 千美元 US\$'000	合計 Total 千美元 US\$'000	機器 及設備 Machinery and equipment 千美元 US\$'000	雜項設備 Miscellaneous equipment 千美元 US\$'000	合計 Total 千美元 US\$'000
賬面值對賬	Reconciliation of carrying amount						
於年初	At beginning of the year	47	25	72	67	32	99
添置	Additions	—	94	94	—	—	—
出售	Disposals	(19)	(13)	(32)	—	—	—
折舊	Depreciation	(2)	(3)	(5)	(22)	(8)	(30)
滙兌差額	Exchange differences	(1)	—	(1)	2	1	3
於結算日	At end of the reporting period	25	103	128	47	25	72
於12月31日	At 31 December						
原值	Cost	806	137	943	870	63	933
累計折舊	Accumulated depreciation	(781)	(34)	(815)	(823)	(38)	(861)
賬面淨值	Net carrying amount	25	103	128	47	25	72

16. 土地租約溢價

16. PREPAID LEASE PAYMENTS

土地租約溢價指位於中國境內之中期租賃土地成本。該成本按租賃期攤銷。於結算日12個月內應攤銷金額為7,538,000美元(2012年: 6,754,000美元)已計入預付款項及其他應收款項。

Prepaid lease payments represent cost paid for medium-term leasehold land in the PRC. The cost is amortised over the leasehold period. The amount to be amortised within twelve months after the end of the reporting period amounted to US\$7,538,000 (2012: US\$6,754,000) and is included in prepayments and other receivables.

## 17. 無形資產

## 17. INTANGIBLE ASSET

		本集團 Group 特許經營權 Concession right	
		2013 千美元 US\$'000	2012 千美元 US\$'000
<b>賬面值對賬</b>	<b>Reconciliation of carrying amount</b>		
於年初	At beginning of the year	28,811	—
添置－業務合併	Additions – business combination	—	29,377
攤銷	Amortisation	(753)	(566)
<b>於結算日</b>	<b>At end of the reporting period</b>	<b>28,058</b>	<b>28,811</b>
<b>於結算日</b>	<b>At end of the reporting period</b>		
成本	Cost	29,377	29,377
累計攤銷	Accumulated amortisation	(1,319)	(566)
		<b>28,058</b>	<b>28,811</b>

無形資產是指於2012年3月31日業務合併時所產生之特許經營權。特許經營權授予本集團以製造，裝瓶，包裝，分銷及銷售百事碳酸飲品(「CSD」)及佳得樂品牌產品，以及基於中國的特定商標而收取版稅，此商標是按合約列明之約39年期，用直線法計提攤銷。

無形資產根據成本模式計量並當減值指標出現時進行減值測試。

The intangible asset represents a concession right acquired as a result of a business combination taken place on 31 March 2012. The concession right granted to the Group for manufacturing, bottling, packaging, distributing and selling PepsiCo's carbonated soft drink ("CSD") and Gatorade branded products on a royalty free basis under a specific trademark in the PRC is amortised on the straight-line basis over the contract period of approximately 39 years.

Intangible asset is measured using cost model and is tested for impairment where an indicator of impairment appears.

## 18. 附屬公司權益

## 18. INTEREST IN SUBSIDIARIES

		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000
非上市股份，按原值列賬	Unlisted shares, at cost	345,588	345,788
對附屬公司投資之增加	Contribution to a subsidiary	16,216	13,851
減值虧損	Impairment losses	(33,065)	(33,065)
		328,739	326,574
應收附屬公司款項	Amounts due from subsidiaries	646,709	496,725
減值虧損	Impairment losses	(3,218)	(12,908)
		643,491	483,817
應付附屬公司款項	Amounts due to subsidiaries	(43,766)	(43,724)
		928,464	766,667

於結算期內，已列賬之對附屬公司投資之增加金額為2,365,000美元(2012年：7,429,000美元)。對附屬公司投資之增加代表本公司授予附屬公司僱員以權益結算股份支付之交易的成本而該附屬公司沒有責任清還透過本公司的股本工具接受之服務。

由於部份附屬公司權益之賬面值大於其可收回金額，減值虧損已認列於該附屬公司權益賬面值36,613,000美元內(2012年：36,613,000美元)(減值虧損前)。

由於部份附屬公司於本年度錄得持續虧損並在可見將來無正現金流，減值虧損已認列於該附屬公司賬面值5,697,000美元(2012年：17,427,000美元)之應收款項內(減值虧損前)。年內，減值虧損9,690,000美元已經註銷(2012年：認列2,055,000美元)。

During the reporting period, contribution to a subsidiary of US\$2,365,000 (2012: US\$7,429,000) was recognised which represented the cost of equity-settled share-based payment transaction in which the Company grants its share options to a subsidiary's employees where the subsidiary does not have an obligation to settle the services received through using the Company's equity instruments.

Impairment losses were recognised for certain interests in subsidiaries with carrying amounts of US\$36,613,000 (2012: US\$36,613,000) (before deducting the impairment loss) because their carrying values exceed their recoverable amounts.

An impairment was recognised for amounts due from certain subsidiaries with carrying amounts of US\$5,697,000 (2012: US\$17,427,000) (before deducting the impairment loss) because the subsidiaries were expected to suffer continuous losses with no positive cash flows in the foreseeable future. Impairment loss of US\$9,690,000 has been written off (2012: recognised US\$2,055,000) during the year.

## 18. 附屬公司權益(續)

應收／應付附屬公司之款項為無抵押、免息及無固定還款期，但不預期於本結算日起十二個月內認列／還款。

於2013年12月31日主要附屬公司之詳情列示於財務報表附註44。

沒有任何附屬公司於本年度或本結算日持有債券。

### 重大的判斷和假設

本集團持有少於半數的康師傅飲品控股有限公司(「康師傅飲品控股」)的實際股本權益及投票權，根據本集團與另一投資者之間的協定安排，該投資者同意依從本集團在康師傅飲品控股董事會會議投票決定進行投票。康師傅飲品控股董事會並根據簡單多數表決去決定影響康師傅飲品控股回報的相關活動。故本公司董事認為本集團擁有康師傅飲品控股的控制權，並且康師傅飲品控股及其附屬公司在本財務報表中合併入賬。

### 含個別重大少數股東權益之附屬公司的財務資料

下表列示本集團唯一擁有重大少數股東權益的附屬公司，康師傅飲品控股的資料。此財務資料概要代表內部各公司間抵銷前之金額。

## 18. INTEREST IN SUBSIDIARIES (Continued)

Amounts due from/to subsidiaries are unsecured, interest-free and have no fixed repayment term but are not expected to be realised/repaid within the next twelve months after the end of the reporting period.

Details of principal subsidiaries at 31 December 2013 are shown in note 44 to the financial statements.

None of the subsidiaries had any debt securities outstanding during the year or at the end of the reporting period.

### Significant judgements and assumptions

The Group holds less than half of the effective equity interests and voting rights in Tingyi Asahi Beverage Holding Co., Ltd. ("TAB"). However, based on a contractual arrangement between the Group and one of the other investors, the investor has agreed to follow the Group's voting decision in the board of directors' meetings of TAB. The relevant activities which significantly affect the TAB's return are determined by the board of directors of TAB based on simple majority votes. Therefore, the directors of the Company concluded that the Group has control over TAB which, including and its subsidiaries is consolidated in these financial statements.

### Financial information of subsidiaries with individually material NCI

The following table shows the information relating to TAB, the only subsidiary of the Group which has material NCI. The summarised financial information represents amounts before inter-company eliminations.

18. 附屬公司權益(續)

含個別重大少數股東權益之附屬公司的  
財務資料(續)

18. INTEREST IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually  
material NCI (Continued)

		於2013年 12月31日 At 31 December 2013	於2012年 12月31日 At 31 December 2012
少數權益股東之擁有權比例 Proportion of NCI's ownership interests		52.49%	52.49%
少數權益股東之投票權比例 * Proportion of NCI's voting rights*		60%	60%
		於2013年 12月31日 At 31 December 2013 千美元 US\$'000	於2012年 12月31日 At 31 December 2012 千美元 US\$'000
流動資產	Current assets	860,313	946,006
非流動資產	Non-current assets	4,280,516	3,925,592
流動負債	Current liabilities	(2,873,643)	(2,751,037)
非流動負債	Non-current liabilities	(286,855)	(329,300)
淨資產	Net assets	1,980,331	1,791,261
少數股東權益賬面價值	Carrying amount of NCI	1,039,475	940,233

\* 不包括本集團與另一投資者之間投票權協定安排之影響

\* exclude the effect of the contractual arrangement on voting right between the Group and one of the other investors

**18. 附屬公司權益(續)**

含個別重大少數股東權益之附屬公司的  
財務資料(續)

**18. INTEREST IN SUBSIDIARIES (Continued)**

**Financial information of subsidiaries with individually  
material NCI (Continued)**

		截至2013年 12月31日 Year ended 31 December 2013 千美元 US\$'000	截至2012年 12月31日 Year ended 31 December 2012 千美元 US\$'000
營業額	Turnover	6,268,472	4,932,371
本年度溢利	Profit for the year	154,880	286,816
其他全面收益	Other comprehensive income	76,248	7,428
全面收益總額	Total comprehensive income	231,128	294,244
少數權益股東應佔溢利	Profit attributable to NCI	81,297	150,549
少數權益股東應佔全面收益	Total comprehensive income attributable to NCI	121,319	154,449
已付少數權益股東股息	Dividends paid to NCI	26,511	38,099
所得(用)現金流量淨額 經營活動	Net cash flows from (used in): Operating activities	680,812	638,525
投資活動	Investing activities	(610,445)	(384,863)
融資活動	Financing activities	(163,047)	(106,004)

## 18. 附屬公司權益(續)

### 本集團對附屬公司擁有權變動

年內，深圳百事可樂飲料有限公司及鄭州百事可樂飲料有限公司的少數權益股東行使其認沽期權，要求本集團分別以現金代價15,400,000美元及2,975,000美元購入額外10%深圳百事可樂飲料有限公司和20%鄭州百事可樂飲料有限公司的股權。收購後，以上兩間附屬公司成為本集團的全資附屬公司。

## 18. INTEREST IN SUBSIDIARIES (Continued)

### Change in the Group's ownership interest in subsidiaries

During the year, the non-controlling shareholder of Shenzhen Pepsi-Cola Beverage Company Limited and Zhengzhou PepsiCo Beverages Company Limited exercised their put options, requiring the Group to acquire an additional 10% equity interest in Shenzhen Pepsi-Cola Beverage Company Limited and 20% equity interest in Zhengzhou PepsiCo Beverages Company Limited at a cash consideration of US\$15,400,000 and US\$2,975,000 respectively. As a result of these acquisitions, both subsidiaries become wholly-owned subsidiaries of the Group.

## 19. 聯營公司權益

## 19. INTEREST IN ASSOCIATES

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
非上市股份，按成本值	Unlisted shares, at cost	23,610	19,639
應佔收購後業績	Share of post-acquisition results	4,804	1,652
匯兌差額	Exchange difference	636	33
		29,050	21,324

## 19. 聯營公司權益(續)

於結算日聯營公司之明細詳列如下：

## 19. INTEREST IN ASSOCIATES (Continued)

Details of the associates at the end of the reporting period are as follows:

聯營公司名稱 Name of associates	主要營業/ 註冊地點 Principal place of business and place of incorporation	註冊股本 Registered capital	本集團持有之 註冊資本比例 Proportion of registered capital held by the Group		主要業務 Principal activities
			2013	2012	
杭州百事可樂飲料有限公司 Hangzhou Pepsi-cola Beverage Co., Ltd.	中國 PRC	US\$10,400,000	23.75%	23.75%	製造及銷售飲品 Manufacture and sale of beverages
南京百事可樂飲料有限公司 Nanjing Pepsi-cola Beverage Co., Ltd.	中國 PRC	US\$16,000,000	23.75%	23.75%	製造及銷售飲品 Manufacture and sale of beverages
康全(杭州)食品有限公司 Kongquan (Hangzhou) Food Co., Ltd.	中國 PRC	US\$3,500,000	49%	—	製造及銷售糖果 Manufacturing and sales of candies
和菁康(上海)商貿有限公司 Wakodo (Shanghai) Trading Co., Ltd. #	中國 PRC	US\$5,000,000	45%	—	銷售奶類及嬰兒用品 Sales of milk product and commodity for babies

# 英語翻譯只供識別

本集團持有杭州百事可樂飲料有限公司之實際權益是透過一間非全資附屬公司持有其25%股權及透過一間非全資附屬公司持有50%股權的合營公司持有其50%股權。

以上所有聯營公司乃按權益法列賬在綜合財務報表中。

# English translation for identification purposes only.

The Group's effective interest in Hangzhou Pepsi-cola Beverage Co., Ltd. is through 25% owned by a non-wholly owned subsidiary of the Group and 50% owned by a joint venture which is 50% owned by a non-wholly owned subsidiary of the Group.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

## 19. 聯營公司權益(續)

### 個別非重大聯營公司之財務資料

下表列示本集團按權益法認列之個別非重大聯營公司的合計賬面值及本集團應佔業績。

## 19. INTEREST IN ASSOCIATES (Continued)

### Financial information of individually immaterial associates

The table below shows, in aggregate, the carrying amount and the Group's share of results of associates that are not individually material and accounted for using the equity method.

		於2013年 12月31日 At 31 December 2013 千美元 US\$'000	於2012年 12月31日 At 31 December 2012 千美元 US\$'000
權益賬面值	Carrying amount of interests	29,050	21,324
		截至2013年 12月31日 Year ended 31 December 2013 千美元 US\$'000	截至2012年 12月31日 Year ended 31 December 2012 千美元 US\$'000
本集團應佔： 本年度溢利 其他全面收益	Group's share of: Profit for the year Other comprehensive income	3,152 —	1,652 —
全面收益總額	Total comprehensive income	3,152	1,652

董事認為，本集團沒有個別重大的聯營公司。

In the opinion of the directors, no associates are individually material to the Group.

## 20. 合營公司權益

## 20. INTEREST IN JOINT VENTURES

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
非上市股份，按成本值	Unlisted shares, at cost	72,349	60,909
應佔收購後業績	Share of post-acquisition results	15,211	2,314
已收股利	Dividend received	(8,596)	—
匯兌差額	Exchange difference	1,312	(109)
		80,276	63,114

於結算日合營公司之明細詳列如下：

Details of the joint ventures at the end of the reporting period are as follows:

合營公司名稱 Name of joint ventures	主要營業/ 註冊地點 Principal place of operation/ Place of incorporation	註冊股本 Registered capital	本集團持有之 註冊資本比例 Proportion of registered capital held by the Group		主要業務 Principal activities
			2013	2012	
福建新東和食品有限公司 Fujian Sintongho Foods Co., Ltd.	中國 PRC	US\$11,000,000	31.82%	31.25%	處理及銷售農業製品 Process and sale of agricultural products
卡樂(杭州)食品有限公司 Calbee (HangZhou) Foods Co., Ltd.	中國 PRC	US\$20,000,000	45%	45%	製造及銷售零食製品 Manufacture and sale of snack food products
康普(吳江)食品有限公司 Kangpu (Wujiang) Food Co., Ltd.	中國 PRC	US\$24,000,000	60%	60%	處理及銷售肉類製品 Process and sale of meat products
上海百事可樂飲料有限公司 Shanghai Pepsi-cola Beverage Co., Ltd.	中國 PRC	US\$28,120,000	23.75%	23.75%	製造及銷售飲品 Manufacture and sale of beverages
濟南百事可樂飲料有限公司 Jinan Pepsi-cola Beverage Co., Ltd.	中國 PRC	RMB150,000,000	38%	38%	製造及銷售飲品 Manufacture and sale of beverages

## 20. 合營公司權益(續)

以上所有合營公司乃按權益法列賬在綜合財務報表中。

### 重大的判斷及假設

本集團透過一間全資附屬公司持有康普(吳江)食品有限公司60%的投票權。然而,根據該全資附屬公司與另一投資者之間的合同協議,對被投資回報有重大影響的相關業務須經所有投資者一致決定。因此,本集團認為對該實體不擁有控制權但擁有共同控制權。

### 個別非重大合營公司之財務資料

下表列示本集團按權益法之個別非重大合營公司的合計賬面值及本集團應佔業績。

## 20. INTEREST IN JOINT VENTURES (Continued)

All of the above joint ventures are accounted for using the equity method in the consolidated financial statements.

### Significant judgements and assumptions

The Group has 60% voting rights in Kangpu (Wujiang) Food Co., Ltd. through a wholly owned subsidiary. However, based on a contractual agreement between the wholly owned subsidiary and another investor, the relevant activities which significantly affect the investee's return require the unanimous consent of all investors. Therefore, the Group determined that it has no control but joint control over this entity.

### Financial information of individually immaterial joint ventures

The table below shows, in aggregate, the carrying amount and the Group's share of results of joint ventures that are not individually material and accounted for using the equity method.

		於2013年 12月31日 At 31 December 2013 千美元 US\$'000	於2012年 12月31日 At 31 December 2012 千美元 US\$'000
權益賬面值	Carrying amount of interests	80,276	63,114
		截至2013年 12月31日 Year ended 31 December 2013 千美元 US\$'000	截至2012年 12月31日 Year ended 31 December 2012 千美元 US\$'000
本集團應佔:	Group's share of:		
本年度收益	Profit for the year	12,897	2,314
其他全面收益	Other comprehensive income	—	—
全面收益總額	Total comprehensive income	12,897	2,314

## 20. 合營公司權益(續)

董事認為，本集團沒有個別重大的合營公司。

### 承擔

本集團有以下與合營公司權益相關之未認列承擔。

## 20. INTEREST IN JOINT VENTURES (Continued)

In the opinion of the directors, no joint ventures are individually material to the Group.

### Commitments

The Group has the following unrecognised commitments relating to its interests in joint ventures.

		2013 千美元 US\$'000	2012 千美元 US\$'000
承諾提供資金或資源：	Commitments to contribute funding or resources for:		
合營公司權益	Interest in joint ventures	1,800	12,240

## 21. 可供出售金融資產

## 21. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
於香港以外之上市 股本證券市值	Equity security, listed outside Hong Kong				
公允值	At fair value	—	34,947	—	—
私募投資基金	Private investment funds				
公允值	At fair value	21,275	16,677	21,275	16,677
非上市股本證券	Equity securities, unlisted				
原值	At costs	11,452	11,452	3,140	3,140
減值虧損	Impairment losses	(8,044)	(8,044)	(342)	(342)
		3,408	3,408	2,798	2,798
		24,683	55,032	24,073	19,475

私募投資基金為於兩個基金之投資，分別為成立於英屬開曼島的有限責任合夥企業及成立於英屬處女島的股份有限責任公司，以達到可觀的回報為目的。本公司已訂約並承諾向此等基金投資總計50,000,000美元(2012年：50,000,000美元)，而其中2,992,000美元(2012年：8,967,000美元)已於年內出資。

The private investment funds represent investments in two funds which were set up by limited partnership in Cayman Islands and liability limited by shares incorporated in British Virgin Islands respectively, aim at achieving substantial return. The Company has entered into agreements and committed to invest in aggregate of US\$50,000,000 (2012: US\$50,000,000) in these funds, of which US\$2,992,000 (2012: US\$8,967,000) was paid during the year.

## 21. 可供出售金融資產(續)

於結算日，私募投資基金的公允值是由有關基金經理估價。公允值變更已被確認及累計以貸方入賬於投資重估值儲備內，金額為1,606,000美元(2012：以借方入賬於投資重估值儲備內，金額為786,000美元)。私募投資基金的公允值計量時所用之估價技術及重要假設數據列示在財務報表附註41。

非上市投資指非上市股本證券之長期投資。基於需合理估計公允價值的考慮範圍甚為重要，董事認為非上市投資之公允價值不能可靠地計量，故非上市證券乃以成本減去於結算日之減值計量。本集團沒有出售這些非上市股本證券的意向。

可供出售金融資產乃以下列貨幣列值：

## 21. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

The fair values of the private investment funds were valued by the respective investment managers at the end of the reporting period. Changes in fair value of US\$1,606,000 (2012: US\$786,000 were debited to investment revaluation reserve) were credited to investment revaluation reserve. The valuation techniques and significant inputs used in the measurement of the fair values of the private investment funds are set out in note 41 to the financial statements.

The unlisted equity securities are measured at cost less impairment loss at the end of each reporting period because the range of reasonable fair value estimates is significant and the probabilities of the various estimates within the range cannot be reasonably assessed. The directors are of the opinion that their fair values cannot be measured reliably. The Group has no intention to dispose of these unlisted equity securities.

The available-for-sale financial assets are denominated in the following currencies:

		Group		Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
美元	US\$	22,290	17,692	22,290	17,692
人民幣	RMB	732	732	—	—
新台幣	New Taiwan dollar ("NTD")	1,435	36,382	1,557	1,557
其他	Others	226	226	226	226
		24,683	55,032	24,073	19,475

**22. 按公允價值列賬及在損益賬處理的金融資產**

**22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

		Group		Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
<b>持作買賣投資</b>	<b>Investments held for trading</b>				
於香港以外上市之股本證券	Equity securities, listed outside Hong Kong	114	640	114	640
於香港上市之股本證券	Equity securities, listed in Hong Kong	4,838	—	4,838	—
		4,952	640	4,952	640

按公允價值列賬及在損益賬處理之金融資產乃以下列貨幣列值：

The financial assets at fair value through profit or loss are denominated in the following currencies:

		Group		Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
美元	HK\$	4,838	—	4,838	—
日元	JPY	114	—	114	—
新台幣	NTD	—	640	—	640
		4,952	640	4,952	640

## 23. 存貨

## 23. INVENTORIES

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
原材料	Raw materials	203,694	188,393
在製品	Work in progress	13,946	13,665
製成品	Finished goods	263,222	276,055
		480,862	478,113

## 24. 應收賬款

## 24. TRADE RECEIVABLES

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
應收賬款	Trade receivables		
— 第三方	– From third parties	252,548	226,815
— 聯營公司	– From associates	2,884	2,289
— 合營公司	– From joint ventures	4,995	4,000
		260,427	233,104

本集團之銷售大部份為貨到收現，餘下的銷售之信貸期主要為30至90天。有關應收賬款(扣除壞賬及呆賬減值虧損)於結算日按發票日期編製之賬齡分析列示如下：

The majority of the Group's sales is cash-on-delivery. The remaining balances of sales are mainly at credit term ranging from 30 to 90 days. The ageing analysis of trade receivables (net of impairment losses for bad and doubtful debts), based on invoice date, at the end of the reporting period is as follows:

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
0 - 90 天	0 – 90 days	248,538	215,991
90 天以上	Over 90 days	11,889	17,113
		260,427	233,104

## 24. 應收賬款 (續)

已過期但未減值之應收賬款賬齡：

## 24. TRADE RECEIVABLES (Continued)

The ageing analysis of trade receivables which are past due but not impaired is as follows:

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
已超過正常賬齡之應收款項	Balances exceeded normal credit period:		
過期30天內	Within 30 days	15,245	13,681
過期31至90天	31-90 days	13,666	12,748
過期超過90天	Over 90 days	3,897	2,802
		32,808	29,231

這些過期但未減值的應收賬款，是來自本集團多名具有良好紀錄的獨立客戶。由於其信譽並無重大的變化，本集團並無對這些賬款餘額作減值，並且管理層認為這些賬款可收回。本集團並未持有任何與這些賬款相關的抵押品。

這些非逾期或未減值的應收賬款相關之客戶於近期並無拖欠賬款記錄。

應收賬款主要以人民幣列值。

The trade receivables that are past due but not impaired related to a number of independent customers that have a good track record with the Group. The Group has not impaired these debtors as there has not been a significant change in credit quality and the directors believe that the amounts are recoverable. The Group does not hold any collateral over these balances.

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

The trade receivables are mainly denominated in RMB.

## 25. 預付費用及其他應收款

## 25. PREPAYMENTS AND OTHER RECEIVABLES

		本集團 Group		本公司 Company	
	附註 Note	2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
預付貨款	Prepayments to suppliers				
	for purchase of goods	11,301	23,587	—	—
預付設備款	Prepayments for purchase of equipment	14,781	6,852	—	—
預付土地租約	Prepayment for purchase				
溢價	of prepaid lease payment	7,577	15,779	—	—
土地租約溢價	Current portion of prepaid lease payment				
流動部份		7,538	6,754	—	—
預付增值稅	Prepaid value-added taxes	117,083	106,964	—	—
預付營運開支	Prepaid operating expenses	171,872	168,340	—	—
應收貸款	Loan receivables	15,830	25,039	—	—
其他	Others	67,975	65,362	379	793
		413,957	418,677	379	793

### (a) 應收貸款

應收貸款乃由本集團之附屬公司貸款予其若干原材料供應商供其作營運用途之款項。此等應收貸款為無抵押，須於一年內償還及附年息由5.72%至6.56% (2012年：6.00%至6.57%) 的貸款。

本公司董事預期此等貸款將於結算日後十二個月內全數收回。根據以現行市場利率折算之預期未來現金流之現值來判斷，此等貸款在結算日之公允價值與其有關賬面值相符。

在結算日當日並無已逾期但未付之利息，亦無因未能收回貸款及利息作出撥備。

### (a) Loan receivables

Loan receivables represent the advances made by wholly owned subsidiaries of the Company to certain raw materials suppliers of the Group for their operating use. The loan receivables are unsecured, repayable within 12 months from the date of drawdown and bear interest ranging from 5.72% to 6.56% (2012: from 6.00% to 6.57%) per annum.

The directors expected the amounts will be realised in the next twelve months after the end of the reporting period. The fair value of the amounts as at the end of the reporting period, determined based on the present value of the estimated future cash flows discounted using prevailing market rate, approximate their corresponding carrying amount.

At the end of the reporting period, there was no interest due but unpaid and no provision had been made for non-repayment of the advances and interest.

## 26. 應收附屬公司款項

應收附屬公司之款項金額310,000,000美元(2012年: 310,000,000美元)為無抵押、附年息1.45%至4.00%(2012年: 1.45%至4.00%)及按要求還款。

## 26. AMOUNTS DUE FROM A SUBSIDIARY

Amounts due from a subsidiary of US\$310,000,000 (2012: US\$310,000,000) are unsecured, bearing interest ranging from 1.45% to 4.00% (2012: from 1.45% to 4.00%) per annum and repayable on demand.

## 27. 現金及等同現金項目

## 27. CASH AND CASH EQUIVALENTS

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
銀行結餘及現金	Bank balances and cash	1,234,399	830,225
抵押銀行存款	Pledged bank deposits	15,491	7,673
於綜合現金流量表列示	As stated in the consolidated statement of cash flows	1,249,890	837,898

銀行存款已予抵押，作為提供本集團一般銀行及貿易融資(包括銀行承兌匯票)的銀行授信之抵押品。

The pledged bank deposits are secured for general banking and trade finance facilities, including the issuance of bank acceptance bills, granted to the Group by banks.

現金及等同現金項目以下列貨幣列值：

The cash and cash equivalents are denominated in the following currencies:

		本集團 Group	
		2013 千美元 US\$'000	2012 千美元 US\$'000
人民幣	RMB	1,177,937	754,946
美元	US\$	46,665	44,859
歐元	EUR	673	3,333
新台幣	NTD	20,329	33,085
其他	Others	4,286	1,675

有關本集團之外匯風險及信貸風險已於財務報表附註40詳述。

Details of the Group's foreign currency risk and credit risk discussion are set out in note 40 to the financial statements.

## 28. 發行股本

## 28. ISSUED CAPITAL

		本公司 Company			
		2013		2012	
		股份數目 No. of shares	千美元 US\$'000	股份數目 No. of shares	千美元 US\$'000
法定： 每股0.005美元 之普通股	Authorised: Ordinary shares of US\$0.005 each	7,000,000,000	35,000	7,000,000,000	35,000
已發行及繳足：	Issued and fully paid:				
於年初	At the beginning of the year	5,592,897,360	27,964	5,590,113,360	27,951
根據購股權計劃 發行之股份	Shares issued under share option scheme	3,508,000	18	2,784,000	13
於結算日	At the end of the reporting period	5,596,405,360	27,982	5,592,897,360	27,964

2013年，3,508,000購股權獲行使以認購本公司3,508,000普通股股份，總代價為4,208,000美元，其中18,000美元計入股本，而結餘4,190,000美元計入股份溢價賬。另外，1,417,000美元由購股權儲備轉撥至股份溢價賬。

During the year, 3,508,000 options were exercised to subscribe for 3,508,000 ordinary shares of the Company at a consideration of US\$4,208,000, of which US\$18,000 was credited to share capital and the balance of US\$4,190,000 was credited to the share premium account. In additions, US\$1,417,000 has been transferred from the share-based payment reserve to the share premium account.

## 29. 股份溢價

## 29. SHARE PREMIUM

		2013 US\$'000	2012 US\$'000
於年初	At the beginning of the year	66,656	106,213
根據購股權計劃發行之股份	Shares issued under share option scheme	5,607	4,871
已批准及派發2012年／ 2011年末期股息	2012/2011 final dividend approved and paid	(18,832)	(44,428)
<b>於結算日</b>	<b>At the end of the reporting period</b>	<b>53,431</b>	<b>66,656</b>

根據開曼島公司條例，當公司以溢價發行股份時，不論是以現金或其他形式發行，在發行股份時所得的累計溢價均轉撥至股份溢價賬。

股份溢價賬之應用是根據開曼群島公司法之規定。

在符合公司章程規定之情況下，本公司之股份溢價可被分派予股東，惟本公司於分派後須仍有能力償還在日常業務中到期繳付之債務。

Under the Companies Law of the Cayman Islands, where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on their shares shall be transferred to share premium account.

The application of the share premium account is governed by the Companies Law of the Cayman Islands.

Share premium of the Company is distributable to shareholders subject to the provisions of the Company's Memorandum and Articles of Association and provided that immediately following the distribution the Company is able to pay its debts as they fall due in the ordinary course of business.

### 30. 儲備

### 30. RESERVES

#### (a) 集團

#### (a) Group

		股份贖回儲備 Capital redemption reserve 千美元 US\$'000	重估值儲備 Remeasur- ement reserve 千美元 US\$'000	與少數股東 權益交易儲備 Transactions with non- controlling interest 千美元 US\$'000		外幣換算儲備 Exchange translation reserve 千美元 US\$'000	投資重估 值儲備 Investment revaluation reserve 千美元 US\$'000	一般儲備 General reserve 千美元 US\$'000	購股權儲備 Share-based payment reserve 千美元 US\$'000	保留溢利 Retained profits 千美元 US\$'000	總額 Total 千美元 US\$'000
於2012年1月1日	At 1 January 2012										
先前呈報	As previously reported	45	—	—	316,657	(5,624)	328,060	19,396	1,307,047	1,965,581	
會計政策變動的影響(附註4)	Effect of the change in accounting policy (Note 4)	—	(17,017)	—	—	—	—	—	1,421	(15,596)	
經重列	As restated	45	(17,017)	—	316,657	(5,624)	328,060	19,396	1,308,468	1,949,985	
本年度溢利，經重列	Profit for the year, as restated	—	—	—	—	—	—	—	458,622	458,622	
其他全面收益	Other comprehensive income										
界定福利責任之重估值，經重列	Remeasurement of defined benefits obligations, as restated	—	5,362	—	—	—	—	—	—	5,362	
滙兌差額	Exchange difference on consolidation	—	—	—	18,657	—	—	—	—	18,657	
可供出售金融資產公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	—	3,407	—	—	—	3,407	
於期內出售可供出售金融資產之 重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	—	—	—	4,656	—	—	—	4,656	
其他全面收益總額，經重列	Total other comprehensive income, as restated	—	5,362	—	18,657	8,063	—	—	—	32,082	
本年度全面收益總額，經重列	Total comprehensive income for the year, as restated	—	5,362	—	18,657	8,063	—	—	458,622	490,704	

### 30. 儲備(續)

### 30. RESERVES (Continued)

#### (a) 集團(續)

#### (a) Group (Continued)

		與少數股東 權益交易儲備		與少數股東 權益交易儲備		投資重估 值儲備		購股權儲備		總額
		股份贖回儲備	重估值儲備	Transactions with non- controlling interest reserve	外幣換算儲備	Investment revaluation reserve	一般儲備	Share-based payment reserve	保留溢利	
		Capital redemption reserve	Remeasur- ement reserve		Exchange translation reserve		General reserve		Retained profits	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>與本公司股東之交易</b>		<b>Transactions with owners of the Company:</b>								
<i>投資與分配</i>		<i>Contributions and distribution</i>								
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	—	—	13,723	—	13,723
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	—	—	(1,033)	—	(1,033)
已批准及派發2011年末期股息	2011 final dividend approved and paid	—	—	—	—	—	—	—	(165,279)	(165,279)
轉發往一般儲備	Transfer to general reserve	—	—	—	—	—	37,792	—	(37,792)	—
		—	—	—	—	—	37,792	12,690	(203,071)	(152,589)
<i>擁有權變動</i>		<i>Changes in ownership interests</i>								
視作出售附屬公司	Deemed disposal of interest in a subsidiary	—	—	165,548	—	—	—	—	—	165,548
收購額外附屬公司權益	Acquisition of additional equity interests in subsidiaries	—	—	(4,118)	—	—	—	—	—	(4,118)
		—	—	161,430	—	—	—	—	—	161,430
<b>與本公司股東交易總額</b>	<b>Total transactions with owners of the Company</b>	—	—	161,430	—	—	37,792	12,690	(203,071)	8,841
於2012年12月31日，經重列	At 31 December 2012, as restated	45	(11,655)	161,430	335,314	2,439	365,852	32,086	1,564,019	2,449,530

### 30. 儲備(續)

#### (a) 集團(續)

		與少數股東 權益交易儲備								
		Transactions			投資重估 值儲備		購股權儲備			
		股份贖回儲備	重估值儲備	with non-	外幣換算儲備	Investment	一般儲備	Share-based	保留溢利	總額
		Capital	Remeasur-	controlling	Exchange	revaluation	General	payment	Retained	Total
		redemption	ement	interest	translation	reserve	reserve	reserve	profits	
		reserve	reserve	reserve	reserve	reserve	reserve	reserve	profits	
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
於2013年1月1日	At 1 January 2013									
先前呈報	As previously reported	45	—	161,430	335,314	2,439	365,852	32,086	1,559,147	2,456,313
會計政策變動的影響(附註4)	Effect of the change in accounting policy (Note 4)	—	(11,655)	—	—	—	—	—	4,872	(6,783)
經重列	As restated	45	(11,655)	161,430	335,314	2,439	365,852	32,086	1,564,019	2,449,530
本年度溢利	Profit for the year	—	—	—	—	—	—	—	408,544	408,544
其他全面收益	Other comprehensive income									
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	450	—	—	—	—	—	—	450
滙兌差額	Exchange difference on consolidation	—	—	—	92,750	—	—	—	—	92,750
可供出售金融資產公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	—	12,780	—	—	—	12,780
於期內出售可供出售金融資產之重分類調整	Reclassification adjustments relating to available-for-sale financial assets disposed of during the year	—	—	—	—	(14,397)	—	—	—	(14,397)
其他全面收益總額	Total other comprehensive income	—	450	—	92,750	(1,617)	—	—	—	91,583
本年度全面收益總額	Total comprehensive income for the year	—	450	—	92,750	(1,617)	—	—	408,544	500,127
與本公司股東之交易	Transactions with owners of the Company:									
投資與分配	Contributions and distribution									
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	—	—	11,930	—	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	—	—	(1,417)	—	(1,417)
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	—	—	—	—	—	—	(161,291)	(161,291)
轉發往一般儲備	Transfer to general reserve	—	—	—	—	—	66,761	—	(66,761)	—
與本公司股東交易總額	Total transactions with owners of the Company	—	—	—	—	—	66,761	10,513	(228,052)	(150,778)
於2013年12月31日	At 31 December 2013	45	(11,205)	161,430	428,064	822	432,613	42,599	1,744,511	2,798,879

其他全面收益各組成項目在2013年及2012年均沒有所得稅影響。

No income tax effect was arose from each component of other comprehensive income in 2013 and 2012.

30. 儲備(續)

30. RESERVES (Continued)

(b) 本公司		(b) Company						
		股份贖回 儲備 Capital redemption reserve 千美元 US\$'000	重估值儲備 Remeasur- ement reserve 千美元 US\$'000	外幣換算 儲備 Exchange translation reserve 千美元 US\$'000	投資重估值 儲備 Investment revaluation reserve 千美元 US\$'000	購股權儲備 Share-based payment reserve 千美元 US\$'000	保留溢利 Retained profits 千美元 US\$'000	總額 Total 千美元 US\$'000
於2012年1月1日	At 1 January 2012							
先前呈報	As previously reported	45	—	(2,196)	(11,324)	19,396	165,279	171,200
會計政策變動 的影響(附註4)	Effect of the change in accounting policy (Note 4)	—	(10,661)	—	—	—	785	(9,876)
經重列	As restated	45	(10,661)	(2,196)	(11,324)	19,396	166,064	161,324
本年度溢利，經重列	Profit for the year, as restated	—	—	—	—	—	163,624	163,624
其他全面收益	Other comprehensive income							
界定福利責任之 重估值，經重列	Remeasurement of defined benefits obligations, as restated	—	4,153	—	—	—	—	4,153
匯兌差額	Exchange translation difference	—	—	(161)	—	—	—	(161)
可供出售金融資產 公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	(1,635)	—	—	(1,635)
於期內出售可供出售金融資產 之重分類調整	Reclassifications adjustment relating to available-for-sale financial assets disposed of during the year	—	—	2,555	12,174	—	—	14,729
其他全面收益總額，經重列	Total other comprehensive income, as restated	—	4,153	2,394	10,539	—	—	17,086
本年度全面收益總額，經重列	Total comprehensive income for the year, as restated	—	4,153	2,394	10,539	—	163,624	180,710
與本公司股東之交易 投資與分配	Transactions with owners of the Company: Contributions and distribution							
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	13,723	—	13,723
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	(1,033)	—	(1,033)
已批准及派發2011年末期股息	2011 final dividend approved and paid	—	—	—	—	—	(165,279)	(165,279)
與本公司股東之 交易總額	Total transactions with owners of the Company	—	—	—	—	12,690	(165,279)	(152,589)
於2012年12月31日，經重列	At 31 December 2012, as restated	45	(6,508)	198	(785)	32,086	164,409	189,445

### 30. 儲備(續)

#### (b) 本公司(續)

		股份贖回 儲備	重估值儲備	外幣換算 儲備	投資重估值 儲備	購股權儲備	保留溢利	總額
		Capital redemption reserve	Remeasur- ement reserve	Exchange translation reserve	Investment revaluation reserve	Share-based payment reserve	Retained Profits	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
於2013年1月1日	At 1 January 2013							
先前呈報	As previously reported	45	—	198	(785)	32,086	161,291	192,835
會計政策變動的 影響(附註4)	Effect of the change in accounting policy (Note 4)	—	(6,508)	—	—	—	3,118	(3,390)
經重列	As restated	45	(6,508)	198	(785)	32,086	164,409	189,445
本年度溢利	Profit for the year	—	—	—	—	—	204,303	204,303
其他全面收益	Other comprehensive income							
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	(27)	—	—	—	—	(27)
匯兌差額	Exchange translation difference	—	—	(561)	—	—	—	(561)
可供出售金融資產 公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	1,606	—	—	1,606
其他全面收益總額	Total other comprehensive income	—	(27)	(561)	1,606	—	—	1,018
本年度全面收益總額	Total comprehensive income for the year	—	(27)	(561)	1,606	—	204,303	205,321
與本公司股東之交易	Transactions with owners of the Company:							
投資與分配	Contributions and distribution							
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	11,930	—	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	(1,417)	—	(1,417)
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	—	—	—	—	(161,291)	(161,291)
與本公司股東之 交易總額	Total transactions with owners of the Company	—	—	—	—	10,513	(161,291)	(150,778)
於2013年12月31日	At 31 December 2013	45	(6,535)	(363)	821	42,599	207,421	243,988

### 30. RESERVES (Continued)

#### (b) Company (Continued)

		股份贖回 儲備	重估值儲備	外幣換算 儲備	投資重估值 儲備	購股權儲備	保留溢利	總額
		Capital redemption reserve	Remeasur- ement reserve	Exchange translation reserve	Investment revaluation reserve	Share-based payment reserve	Retained Profits	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
於2013年1月1日	At 1 January 2013							
先前呈報	As previously reported	45	—	198	(785)	32,086	161,291	192,835
會計政策變動的 影響(附註4)	Effect of the change in accounting policy (Note 4)	—	(6,508)	—	—	—	3,118	(3,390)
經重列	As restated	45	(6,508)	198	(785)	32,086	164,409	189,445
本年度溢利	Profit for the year	—	—	—	—	—	204,303	204,303
其他全面收益	Other comprehensive income							
界定福利責任之重估值	Remeasurement of defined benefits obligations	—	(27)	—	—	—	—	(27)
匯兌差額	Exchange translation difference	—	—	(561)	—	—	—	(561)
可供出售金融資產 公允值之變動	Fair value changes in available-for-sale financial assets	—	—	—	1,606	—	—	1,606
其他全面收益總額	Total other comprehensive income	—	(27)	(561)	1,606	—	—	1,018
本年度全面收益總額	Total comprehensive income for the year	—	(27)	(561)	1,606	—	204,303	205,321
與本公司股東之交易	Transactions with owners of the Company:							
投資與分配	Contributions and distribution							
權益結算股份支付之款項	Equity settled share-based transactions	—	—	—	—	11,930	—	11,930
根據購股權計劃發行之股份	Shares issued under share option scheme	—	—	—	—	(1,417)	—	(1,417)
已批准及派發2012年末期股息	2012 final dividend approved and paid	—	—	—	—	—	(161,291)	(161,291)
與本公司股東之 交易總額	Total transactions with owners of the Company	—	—	—	—	10,513	(161,291)	(150,778)
於2013年12月31日	At 31 December 2013	45	(6,535)	(363)	821	42,599	207,421	243,988

### 30. 儲備(續)

#### 股份贖回儲備

股份贖回儲備乃根據開曼群島之公司法有關回購及註銷本公司股份之條款而設立。

#### 重估值儲備

重估值儲備乃根據會計準則有關淨界定福利負債之重估值，詳情列示於財務報表附註3。

#### 與少數股東權益交易儲備

與少數股東權益交易儲備乃根據會計準則有關任何變動附屬公司的權益但不會導致失去控制而設立，詳情列示於財務報表附註3。

#### 外匯換算儲備

外幣換算儲備之設立及處理乃根據本公司有關外幣換算之會計政策。

### 30. RESERVES (Continued)

#### Capital redemption reserve

Capital redemption reserve has been set up in accordance with the provisions of the Companies Law of the Cayman Islands on repurchases and cancellations of the Company's own shares.

#### Remeasurement reserve

Remeasurement reserve has been set up and is dealt with in accordance with the accounting policies adopted for the remeasurements of the net defined benefit liability as set out in note 3 to the financial statements.

#### Transactions with non-controlling interests reserve

Transactions with non-controlling interests reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes in the Group's ownership interest in a subsidiary which do not result in a loss of control as set out in note 3 to the financial statements.

#### Exchange translation reserve

Exchange translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation.

### 30. 儲備(續)

#### 投資重估值儲備

投資重估值儲備乃根據會計準則有關可供出售的金融資產公允值變更而設立，詳情列示於財務報表附註3。

#### 一般儲備

根據中國有關規例，中國附屬公司須將一筆不少於其除稅後溢利(按照中國會計規例編製有關中國附屬公司之法定賬目內呈列)10%之款項轉撥往一般儲備。倘一般儲備之總額達有關中國附屬公司註冊股本之50%時，該公司可毋須再作任何轉撥。

#### 購股權儲備

購股權儲備包括授予本集團僱員但尚未行使之購股權於授出日期之公允值之部分，並根據會計準則有關以股份為基礎之付款處理，詳情列示於財務報表附註3。

於2013年12月31日，本公司可供分派儲備包括保留溢利及股份溢價為260,852,000美元(2012: 231,065,000美元)。

### 30. RESERVES (Continued)

#### Investment revaluation reserve

The investment revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for the changes of fair value in available-for-sale financial assets as set out in note 3 to the financial statements.

#### General reserve

In accordance with the relevant PRC regulations, the PRC subsidiaries are required to appropriate to the general reserve an amount not less than 10% of the amount of profit after taxation (as reported in the respective statutory financial statements of the PRC subsidiaries prepared in accordance with the PRC accounting regulations). If the accumulated general reserve reaches 50% of the registered capital of the respective PRC subsidiaries, the subsidiary may not be required to make any further appropriation.

#### Share-based payment reserve

Share-based payment reserve comprises the fair value at the grant date of unexercised share options granted to employees of the Group and is dealt with in accordance with the accounting policy adopted for share-based payments as set out in note 3 to the financial statements.

At 31 December 2013, the Company's distributable reserves including retained profits and share premium amounted to US\$260,852,000 (2012: US\$231,065,000).

### 31. 以權益結算股份支付之交易

有關批准採納購股權計劃(「計劃」)之決議案已在於2008年3月20日通過。該計劃之目的乃鼓勵參與者(詳細如下)並確認他們曾對本集團作出的貢獻。

董事會可按其考慮授予以下人士購股權：

- (i) 公司及其附屬公司的任何全職或兼職僱員，行政人員或高級僱員；
- (ii) 公司及其附屬公司的任何董事(包括非執行董事及獨立非執行董事)；及
- (iii) 公司及其附屬公司的任何顧問，諮詢者，供應商，顧客及代理。

除經公司股東批准，該計劃及任何本公司之其他購股權計劃所授予之購股權涉及之股份數目不得超過本公司於採納此計劃當日(即2008年3月20日)之已發行股份的10%。於結算日，已授予的購股權為92,386,000股(2012年：80,894,000股)，而未行使的購股權為77,173,000股(2012年：69,189,000股)，佔全公司當日已發行的股份1.4%(2012年：1.2%)。

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 20 March 2008. The Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the eligible participants (as defined below) had or may have made to the Group.

The Board of Directors may, at its discretion, offer to grant an option to:-

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any directors (including non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries.

Without prior approval from the Company's shareholders, the maximum number of shares in respect of which options may be granted under the Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue at the time the Scheme is adopted by the shareholders (i.e. 20 March 2008). At the end of reporting period, the number of shares in respect of which options had been granted was 92,386,000 (2012: 80,894,000) and remained outstanding under the Scheme was 77,173,000 (2012: 69,189,000), representing 1.4% (2012: 1.2%) of the shares of the Company in issue at that date.

### 31. 以權益結算股份支付之交易(續)

每名參與者在該計劃或其他購股權下可享有的最高授予股數(包括已行使及未行使之購股權)，在任何授予日始之12個月內不得超過在授予日期時已發行股份的1%。多於1%為限的授予須獲公司股東的批准。

行使價由董事會的董事決定，而行使價將不少於(i)股份在購股權授予日於聯交所載的收市價；(ii)股份在購股權授予日前5個營業日於聯交所的平均收市價；及(iii)股份的面值中之最高價值。

購股權計劃的行使期由董事會決定，而購股權之行使期不多於授予後之10年。持購股權者被授予之每一批購股權之認購價為港幣1元。每一購股權授予持購股權者兌換本公司一股普通股的權利。

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

*(Continued)*

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to an individual in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the shareholders' approval.

The exercise price is determined by the Company's Board of Directors, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares.

The period during which an option may be exercised will be determined by the Company's Board of Directors, save that no option may be exercised more than 10 years after it has been granted. The options will be vested after five years from the date of grant. A nominal consideration at HK\$1 was paid by each option holder for each lot of share option granted. Each option gives the holder the right to subscribe for one ordinary share of the Company.

### 31. 以權益結算股份支付之交易(續)

已授予之購股權詳情及於2012年及2013年12月31日年度內之變動如下：

授予日期 Grant date	授予購 股權數目 Number of share options granted	未行使的購股權數目 Number of share options outstanding		行使價 Exercise price HK\$	行使期 Exercisable period
		2013	2012		
2008年3月20日 20 March 2008	11,760,000	5,950,000	8,760,000	9.28	2013年3月21日至 2018年3月20日 21 March 2013 to 20 March 2018
2009年4月22日 22 April 2009	26,688,000	20,344,000	21,042,000	9.38	2014年4月23日至 2019年4月22日 23 April 2014 to 22 April 2019
2010年4月1日 1 April 2010	15,044,000	13,187,000	13,187,000	18.57	2015年4月1日至 2020年3月31日 1 April 2015 to 31 March 2020
2011年4月12日 12 April 2011	17,702,000	16,500,000	16,500,000	19.96	2016年4月12日至 2021年4月11日 12 April 2016 to 11 April 2021
2012年4月26日 26 April 2012	9,700,000	9,700,000	9,700,000	20.54	2017年4月26日至 2022年4月25日 26 April 2017 to 25 April 2022
2013年5月27日 27 May 2013	11,492,000	11,492,000	—	20.16	2018年5月27日至 2023年5月26日 27 May 2018 to 26 May 2023

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

Details of share options granted by the Company pursuant to the Scheme and the share options outstanding as at 31 December 2013 and 2012 are as follows:

### 31. 以權益結算股份支付之交易(續)

尚未行使之購股權及其加權平均行使價之變動如下：

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

Movements in the number of options outstanding and their weighted average exercise prices are as follows:

		2013		2012	
		加權平均 行使價 Weighted average exercise price HK\$	購股權數目 Number of options '000	加權平均 行使價 Weighted average exercise price HK\$	購股權數目 Number of options '000
於年初	At the beginning of year	15.21	69,189	14.18	62,273
於年內行使	Exercised during the year	9.30	(3,508)	10.74	(2,784)
於年內授出	Granted during the year	20.16	11,492	20.54	9,700
於結算日	At the end of the reporting period	16.21	77,173	15.21	69,189

於行使日，年內行使的購股權的加權平均股價為21.11港元。(2012年：22.67港元)

於2013年12月31日，尚未行使購股權的加權平均餘下合約期為6.79年(2012年：7.24年)。於結算日，可行使購股權的股數是20,011,000(2012年：7,974,000)

在結算期內，已符合條件的購股權股數是15,545,000(2012年：8,595,000)。

The weighted average share price at the date of shares options exercised during the year was HK\$21.11 (2012: HK\$22.67).

The options outstanding at 31 December 2013 had a weighted average remaining contractual life of 6.79 years (2012: 7.24 years). At the end of the reporting period, the number of exercisable options was 20,011,000 (2012: 7,974,000)

The number of options vested during the reporting period was 15,545,000 (2012: 8,595,000).

### 31. 以權益結算股份支付之交易(續)

購股權授予當日之公允值乃經考慮交易條款及細則後，以二項式購股權定價模式釐定。因受到計算公允值時的假設及所採用計算模式之限制，公允值之計算為比較主觀及不確定。計算購股權公允值時使用之資料如下：

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

The fair value of the share options granted is measured at the date of grant, using the binomial option pricing model, taking into account the terms and conditions of the share-based arrangement. The fair value calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The inputs into the model are as follows:

Grant date	授予日 之公允值 Fair value at grant date	授予日 之收市價 Share price at grant date	行使價格 Exercise price	無風險情況 之利率 Risk-free interest rate	預期波幅 Expected volatility	預期行使期 Expected life	預期股息率 Expected dividend yield
2008年3月20日 20 March 2008	每股 3.74 港元 HK\$3.74 per share	每股 8.55 港元 HK\$8.55 per share	每股 9.28 港元 HK\$9.28 per share	4.37%	40%	10年 10 years	2.0%
2009年4月22日 22 April 2009	每股 3.34 港元 HK\$3.34 per share	每股 9.37 港元 HK\$9.37 per share	每股 9.38 港元 HK\$9.38 per share	2.51%	36%	10年 10 years	2.0%
2010年4月1日 01 April 2010	每股 7.24 港元 HK\$7.24 per share	每股 18.42 港元 HK\$18.42 per share	每股 18.57 港元 HK\$18.57 per share	4.10%	33%	10年 10 years	2.0%
2011年4月12日 12 April 2011	每股 7.61 港元 HK\$7.61 per share	每股 19.88 港元 HK\$19.88 per share	每股 19.96 港元 HK\$19.96 per share	4.30%	31%	10年 10 years	2.0%
2012年4月26日 26 April 2012	每股 7.75 港元 HK\$7.75 per share	每股 19.88 港元 HK\$19.88 per share	每股 20.54 港元 HK\$20.54 per share	4.21%	34%	10年 10 years	2.0%
2013年5月27日 27 May 2013	每股 7.17 港元 HK\$7.17 per share	每股 20.05 港元 HK\$20.05 per share	每股 20.16 港元 HK\$20.16 per share	4.12%	26%	10年 10 years	1.5%

### 31. 以權益結算股份支付之交易(續)

預期波幅是按過去一年期間內公司股份收市價的概約波幅，計算購股權公允值時使用之變數及假設乃按管理層最佳之估計。

### 31. EQUITY SETTLED SHARE-BASED TRANSACTION

(Continued)

The expected volatility was determined by using the historical volatility of the Company's share price over the last one year of share option granted. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate.

### 32. 有息借貸

### 32. INTEREST-BEARING BORROWINGS

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
有息借貸， 將到期： 1年內 第2年 第3年至第5年 (包括 首尾2年)	The maturity of the interest-bearing borrowings is as follows:				
	Within one year	1,016,636	499,711	430,000	50,000
	In the second year	84,874	462,325	—	270,000
	In the third to fifth years, inclusive	574,769	522,436	495,172	494,136
		1,676,279	1,484,472	925,172	814,136
被分類為 流動負債部份	Portion classified as current liabilities	(1,016,636)	(499,711)	(430,000)	(50,000)
非流動部分	Non-current portion	659,643	984,761	495,172	764,136

加權平均年利率為2.42%(2012年：2.43%)。

The weighted average effective interest rate on the interest-bearing borrowings is 2.42% (2012: 2.43%) per annum.

### 32. 有息借貸(續)

有息借貸由無抵押銀行借款及本公司於2012年6月20日發行之票據(「票據」)組成。於結算日，票據之賬面價值為495,172,000美元(2012年：494,136,000美元)，並包括於到期日為第三年至第五年之有息借貸中。票據從2012年6月20日起以年利率3.875%計息，由2012年12月20日開始，每半年支付利息一次，分別在每年6月20日和12月20日支付；有關本金500,000,000美元會於2017年6月20日到期。票據是本公司的無抵押債務，他們的位居至少與其他現有及未來無抵押及非後償責任。該票據於新加坡證券交易所有限公司上市。2013年12月31日的票據的公允價值根據市場報價為518,060,000美元(2012年：534,835,000美元)。

金融機構的慣常貸款安排中，一些銀行信貸要求本集團達到若干資產負債比率。如果本集團違反契諾，已動用的融資將須於要求時償還。

本集團定期監控其遵守這些契約的能力，是按照最新的長期貸款的還款時間表，並不認為當本集團繼續遵守這些契約，銀行會要求提早的還款。本集團的流動性風險管理的進一步詳情載列於財務報表附註40。於結算期內，沒有違反有關動用信貸融資的契約(2012年：無)。

### 32. INTEREST-BEARING BORROWINGS (Continued)

The interest-bearing borrowings consist of unsecured bank loans that are not pledged and notes issued by the Company on 20 June 2012 (the "Notes"). The carrying value of the Notes at the end of the reporting period is US\$495,172,000 (2012: US\$494,136,000) and is included in the interest-bearing borrowings with maturity in the third to fifth years. The Notes bear interest from 20 June 2012 at 3.875% per annum, payable semi-annually in arrears on 20 June and 20 December of each year, beginning on 20 December 2012 and will mature on 20 June 2017 at the principal amount of US\$500,000,000. The Notes are the unsecured obligations of the Company and they rank at least equally with other present and future unsecured and unsubordinated obligations. The Notes are listed on the Singapore Exchange Securities Trading Limited. The fair value of the Notes as at 31 December 2013 was US\$518,060,000 (2012: US\$534,835,000), which was based on the quoted market price.

Some of the banking facilities are subject to the fulfillment of covenants relating to certain of the consolidated balance sheet ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants, is up to date with the scheduled repayments of the term loans and does not consider it probable that the bank will exercise its discretion to demand for repayment so long as the Group continues to meet these requirements. Further details of the Group's financial management of liquidity risk are set out in note 40 to the financial statements. Throughout the reporting period, none of the covenants relating to drawn down facilities had been breached (2012: None).

### 32. 有息借貸(續)

本集團及本公司按類別劃分之合計  
貸款賬面值之分析列示如下：

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
固定利率	At fixed rates	541,366	644,741	495,172	494,136
浮動利率	At floating rates	1,134,913	839,731	430,000	320,000
		1,676,279	1,484,472	925,172	814,136

有息借貸以下列貨幣列值：

The interest-bearing borrowings are denominated in the following currencies:

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
人民幣	RMB	197,949	177,404	—	—
美元	US\$	1,425,894	1,299,491	925,172	814,136
歐元	EUR	52,436	7,577	—	—

有關集團外匯風險及利率風險的進  
一步詳情，於財務報表附註40詳述。

Details of the Group's foreign currency risk and interest rate risk discussion are set out in note 40 to the financial statements.

### 33. 員工福利責任

#### 界定供款計劃

本集團為所有中國、香港及台灣僱員參加分別由中國、香港及台灣各地方政府組織的界定供款計劃。據此本集團需每月向此等計劃按僱員薪資額之指定百分比作出供款。本集團除支付上述每月的供款外，不必負責支付中國及香港員工退休時及其後之福利。

#### 界定福利計劃

本集團亦為所有台灣僱員提供界定福利計劃。本集團沒有保持任何計劃資產並承擔所有計劃福利的全部成本。福利計算是以僱員服務年期及最後6個月的平均薪資為基礎。本集團對界定福利計劃的責任是由獨立精算師美商韜睿惠悅台灣分公司（「韜睿惠悅」）計算。最新之精算評估是由韜睿惠悅於2013年12月31日以預計單位給付成本法進行。

### 33. EMPLOYEE BENEFIT OBLIGATIONS

#### Defined contribution plans

The Group participates in defined contribution plans organised by the relevant local government authorities in the PRC, Hong Kong and Taiwan for its PRC, Hong Kong and Taiwan employees respectively, whereby the Group is required to make monthly contributions to these plans at certain percentage of the relevant portion of the payroll of these employees to the pension scheme to fund the benefits. The Group has no obligation for the payment of retirement and other post-retirement benefits for the PRC and Hong Kong employees other than the monthly contributions described above.

#### Defined benefit plan

The Group has a defined benefit plan for its Taiwan employees. The Group has not maintained any plan asset and bears the full cost of all the plan benefits. The benefits are calculated based on the length of service and average monthly salary for the final six months of employment. The Group's obligation in respect of the defined benefit plan is calculated by an independent actuary, Messrs. Towers Watson, Taiwan Branch ("Towers Watson"). The latest actuarial valuation was performed by Towers Watson as at 31 December 2013 using the projected unit credit method.

### 33. 員工福利責任(續)

#### 界定福利計劃 (續)

本集團及本公司對其界定福利計劃所產生之責任並計入財務狀況表之款項及其現值之變動如下：

### 33. EMPLOYEE BENEFIT OBLIGATIONS (Continued)

#### Defined benefit plan (Continued)

The amounts included in the statement of financial position arising from the obligation of the Group and the Company in respect of its defined benefit plans and their movements in the present value of defined benefit obligations are as follows:

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)	2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
於年初	At beginning of year	26,120	33,730	12,831	18,301
本年度服務成本	Current service cost	2,619	2,341	1,417	1,153
利息成本	Interest expense	973	614	478	333
負過往服務成本	Negative past service cost	—	(1,973)	—	(966)
		3,592	982	1,895	520
重估值	Remeasurements:				
人口統計假設調整 產生之損失 (收益)	Actuarial losses (gains) arising from changes in demographic assumptions	—	489	—	(124)
財務假設調整 產生之收益	Actuarial gains arising from changes in financial assumptions	(1,593)	(4,865)	(832)	(2,280)
經驗調整產生之 損失 (收益)	Actuarial losses (gains) arising from experience adjustments	743	(2,640)	859	(1,749)
		(850)	(7,016)	27	(4,153)
已付福利	Benefit payment	(1,047)	(2,089)	(239)	(2,089)
滙兌差額	Exchange differences	371	513	194	252
		(676)	(1,576)	(45)	(1,837)
於結算日	At end of the reporting period	28,186	26,120	14,708	12,831

### 33. 員工福利責任(續)

#### 界定福利計劃 (續)

賬目處理的主要假設為：

### 33. EMPLOYEE BENEFIT OBLIGATIONS (Continued)

#### Defined benefit plan (Continued)

The significant assumptions used for accounting purposes were:

		本集團及本公司 Group and Company	
		2013 %	2012 %
折現率	Discount rate	4.50	3.75
預期薪酬升幅	Expected rate of salary increases	10.00	10.00

於結算日，各項主要精算假設的合理可能變動對界定福利責任之敏感度分析如下：

The sensitivity of the defined benefit obligation to reasonable possible changes for each significant actuarial assumption as at the end of the reporting period is as follows:

		本集團 Group 2013		本公司 Company 2013	
		界定福利責任 的變化 假設的變化 Change in defined benefit obligation Change in assumption		界定福利責任 的變化 假設的變化 Change in defined benefit obligation Change in assumption	
折現率	Discount rate	+/- 0.5%	-3.57%/+3.76%	+/- 0.5%	-3.56%/+3.77%
預期薪酬升幅	Expected rate of salary increases	+/- 0.5%	+3.88%/-3.71%	+/- 0.5%	+3.95%/-3.77%

上述敏感度分析是根據每個精算假設的合理可能變動編製，而其他假設保持不變。其他精算假設也可能根據上述假設而改變，這些改變並未於以上分析計入。預計單位給付成本法用於確定界定福利責任的現值及相關的當期服務成本和過去服務成本(如適用)。同樣的方法和精算假設類型已用於編製本年的敏感度分析。

The above sensitivity analyses are prepared based on a reasonable possible change in each actuarial assumption used, with other assumptions held constant. Other actuarial assumptions may also change with the above assumptions. Such change is not accounted for in the above analyses. The projected unit credit method is used to determine the present value of the defined benefit obligations and the related current service cost and where applicable the past service cost. The same method and the type of actuarial assumptions were used in preparing the sensitivity analyses for the current year.

### 33. 員工福利責任(續)

#### 界定福利計劃 (續)

界定福利責任的加權平均期限是7.61年(2012年: 8.53年)。

因界定福利計劃沒有保持計劃資產，本集團並無任何資金安排及不預期需要支付供款。此未貼現的退休福利的預計到期日分析如下：

### 33. EMPLOYEE BENEFIT OBLIGATIONS (Continued)

#### Defined benefit plan (Continued)

The weighted average duration of the defined benefit obligation is 7.61 years (2012: 8.53 years).

The Group has no funding arrangement and expects no contribution to be paid in respect of the defined benefit plan as the defined benefit plan does not maintain any plan assets. The expected maturity analysis of the undiscounted pension benefits is as follows:

		本集團 Group			
		超過一年 但少於二年 More than 1 year but less than 2 years 千美元 US\$'000	超過二年 但少於五年 More than 2 years but less than 5 years 千美元 US\$'000	超過五年 Over 5 years 千美元 US\$'000	總額 Total 千美元 US\$'000
未貼現退休福利 於2013年 12月31日	Undiscounted pension benefits: At 31 December 2013	378	919	9,092	79,983
於2012年 12月31日	At 31 December 2012	348	150	7,140	70,673

### 33. 員工福利責任(續)

#### 界定福利計劃 (續)

		本公司 Company				
		超過一年 但少於二年 More than 1 year but Within 1 year 千美元 US\$'000	超過二年 但少於五年 More than 2 years but less than 2 years 千美元 US\$'000	超過五年 Over 5 years 千美元 US\$'000	總額 Total 千美元 US\$'000	
未貼現退休福利 於2013年 12月31日	Undiscounted pension benefits: At 31 December 2013	133	647	4,926	41,898	47,604
於2012年 12月31日	At 31 December 2012	153	103	4,069	34,088	38,413

### 34. 遞延稅項

本集團淨遞延稅項變動如下：

### 34. DEFERRED TAXATION

The movement for the year in the Group's net deferred tax position was as follows:

		本集團 Group	
		2013 US\$'000	2012 US\$'000
於年初	At beginning of year	127,692	78,916
增加－業務合併	Additions – business combination	—	14,767
匯兌差異	Exchange difference	321	(152)
已付預提稅	Withholding tax paid	(28,070)	—
計入綜合收益表內	Charge to consolidated income statement	36,341	34,161
於結算日	At end of the reporting period	136,284	127,692

### 34. 遞延稅項(續)

於結算日，已確認之遞延稅項資產及負債如下：

### 34. DEFERRED TAXATION (Continued)

Recognised deferred tax assets and liabilities at the end of the reporting period represent the followings:

				本集團 Group	
		2013		2012	
		資產 Assets 千美元 US\$'000	負債 Liabilities 千美元 US\$'000	資產 Assets 千美元 US\$'000	負債 Liabilities 千美元 US\$'000
加速稅務折舊	Accelerated depreciation allowance	—	(49,908)	—	(43,498)
減速稅務折舊	Decelerated depreciation allowance	296	—	296	—
土地租約溢價， 物業，機器及 設備	Prepaid lease payments and property, plant and equipment	—	(10,997)	—	(11,631)
無形資產	Intangible asset	—	(7,014)	—	(7,344)
減值虧損	Impairment losses	17,190	—	11,737	—
未獲得發票 之預提費用	Un-invoiced accrual	12,943	—	21,336	—
出售物業、機器 及設備之 未實現利潤	Unrealised profit on property, plant and equipment	14,191	—	13,931	—
預提稅	Withholding tax	—	(112,862)	—	(113,127)
其他	Others	3,485	(3,608)	3,474	(2,866)
<b>遞延稅項資產 (負債)</b>	<b>Deferred tax assets (liabilities)</b>	<b>48,105</b>	<b>(184,389)</b>	<b>50,774</b>	<b>(178,466)</b>

#### 34. 遞延稅項(續)

根據企業所得稅法，外國投資者從位於中國的外商投資企業所獲得的股息須按照10%的稅率徵收預提稅。該規定於2008年1月1日起生效，適用於2007年12月31日後始累計可供分配利潤。倘中國政府與該外國投資者所處國家或地區政府存在稅收安排，可適用較低稅率。

本集團適用稅率為10%。本集團根據各中國附屬公司於2007年後賺取並預期在可見將來中的可供分配利潤的50%而計提相關的遞延稅項負債。若將本集團各中國附屬公司所剩餘50%於2007年後賺取之利潤並預期在可見將來中將不作分配之利潤的部份作為分配，此舉須受額外徵稅。由本集團之中國附屬公司所持有之聯營公司和合營公司則不需提列預提稅項。

該等中國附屬公司未匯出之未分配利潤的預提稅預計為112,862,000美元(2012年：113,127,000美元)。董事認為目前為止該等未分配利潤須留作各中國附屬公司之營運資金，並在可見將來中的不作分配。因此並無作出額外徵稅撥備。

#### 34. DEFERRED TAXATION (Continued)

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and jurisdiction of the foreign investors.

For the Group's PRC subsidiaries, associates and joint ventures, the applicable rate is 10%. Deferred tax liability is provided on 50% of post-2007 earnings of the Group's PRC subsidiaries that are expected to be distributed in the foreseeable future. The remaining 50% of post-2007 earnings of the Group's PRC subsidiaries that are not expected to be distributed in the foreseeable future would be subject to additional taxation when they are distributed. Undistributed earnings of the Group's PRC associates and joint ventures are not subject to withholding tax as these companies are held by a PRC subsidiary.

The estimated withholding tax effects on the distribution of these unremitted retained earnings were approximately of US\$112,862,000 (2012: US\$113,127,000). In the opinion of the directors, these unremitted retained earnings, at the present time, are required for financing the continuing operations of these entities and no distribution to foreign investors would be made in the foreseeable future. Accordingly, no provisions for additional deferred taxation have been made.

### 34. 遞延稅項(續)

本集團並未確認遞延稅項資產源於稅務虧損，此稅務虧損可用作抵扣由該等虧損產生起計未來五年間之稅務收益。於結算日，到期稅務虧損(遞延稅項資產除外)如下：

### 34. DEFERRED TAXATION (Continued)

The Group has not recognised deferred tax assets in respect of tax losses, which can be carried forward for five years from the year in which the losses arose for offsetting against future taxable income. The expiry year of tax losses without deferred tax assets provided at the end of the reporting date is as follows:

稅務虧損到期於 Tax loss expiring in:	本集團 Group	
	2013 千美元 US\$'000	2012 千美元 US\$'000
2013	—	16,173
2014	15,737	25,198
2015	81,042	92,854
2016	176,179	198,915
2017	95,074	96,271
2018	85,845	—
	453,877	429,411

### 35. 應付賬款

### 35. TRADE PAYABLES

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
<b>應付賬款</b>	<b>Trade payables</b>				
第三方	Due to third parties	1,150,272	966,068	841	2,192
有關聯人士	Due to related parties				
– 本公司之董事及其親屬共同控制之一組公司	– A group of companies jointly controlled by the Company's directors and their dependents	87,700	59,387	—	—
– 本公司之董事共同控制之公司	– Companies jointly controlled by the Company's directors	11,291	11,872	—	—
– 本公司之主要股東控制之一間公司	– A company controlled by a substantial shareholder of the Company	—	4,840	—	—
合營公司	Due to joint ventures	2,447	1,128	—	—
		1,251,710	1,043,295	841	2,192

應付第三方之應付賬款為無抵押、免息及附有30至60天還款期而應付有關聯人士及合營公司之應付賬款為無抵押、免息及附有30至90天還款期。

應付賬款於結算日按發票日編製之賬齡分析如下：

The trade payables due to third parties are unsecured, interest-free and with credit period of 30 to 60 days while the trade payables due to related parties and joint ventures are unsecured, interest-free and with credit period of 30 to 90 days.

The ageing analysis of trade payables based on the invoice date at the end of the reporting period is as follows:

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
0-90日	0 – 90 days	1,214,761	1,019,916	841	2,192
90日以上	Over 90 days	36,949	23,379	—	—
		1,251,710	1,043,295	841	2,192

35. 應付賬款(續)

應付賬款以下列貨幣列值：

35. TRADE PAYABLES (Continued)

The trade payables are denominated in the following currencies:

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000	2013 千美元 US\$'000	2012 千美元 US\$'000
人民幣	RMB	1,247,721	1,031,423	—	—
美元	US\$	1,706	9,680	—	—
新台幣	NTD	841	2,192	841	2,192
歐元	EUR	1,442	—	—	—

36. 其他應付款

36. OTHER PAYABLES

		本集團		本公司	
		Group		Company	
		2013	2012	2013	2012
附註		千美元	千美元	千美元	千美元
Note		US\$'000	US\$'000	US\$'000	US\$'000
預收按金	Deposits received in advance	404,043	377,654	—	—
運輸，宣傳及廣告費用之預提	Accruals for transportation, promoting and advertising expenses	436,795	340,726	—	—
行政費用及其他經營費用之預提	Accruals for administrative expenses and other operating expenses	63,831	65,369	14,868	13,026
應付工資及福利費	Salaries and welfare payables	153,162	133,075	—	—
應付設備款	Payables for purchase of equipment	38,662	36,581	—	—
應付其他稅項	Other tax payables	37,259	40,131	—	—
向少數股東授出認沽期權所產生之責任	Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders	4,673	22,749	—	—
衍生金融工具	Derivative financial instruments	36(a) 6,893	19,074	—	—
其他	Others	47,110	74,933	647	5,798
		1,192,428	1,110,292	15,515	18,824

### 36. 其他應付款(續)

#### (a) 衍生金融工具

於2012年3月，本公司與PepsiCo Inc. (「PepsiCo」) 為彼等於中國飲料業務之戰略聯盟訂立了若干協議(「戰略聯盟安排」)。在戰略聯盟安排下，PepsiCo及其附屬公司(「PepsiCo集團」)同意出讓PepsiCo集團持有於中國的非酒精飲品灌裝業務的全部權益予康師傅飲品控股，一家本公司非全資附屬公司，以換取康師傅飲品控股5%的間接權益。

根據戰略聯盟安排，授出以下期權作為轉讓代價的一部分：

- i) PepsiCo集團被授予一項期權以將其間接持有康師傅飲品控股的權益由約5%增至約20%(按全面攤薄基準)(「發行期權」)；
- ii) PepsiCo集團被授予一項認購期權。當出現若干終止事件時，康師傅飲品控股需以行使認購期權當日的賬面總值出售該等主要用於生產CSD或PepsiCo集團其下之特許權產品的資產及／或承諾(「FEBA認購期權」)；

### 36. OTHER PAYABLES (Continued)

#### (a) Derivative financial instruments

In March 2012, the Company and PepsiCo Inc. ("PepsiCo") entered into agreements for their strategic alliance in beverage business in the PRC (the "Strategic Alliance Arrangements"). Under the Strategic Alliance Arrangements, PepsiCo and its subsidiaries ("PepsiCo group") agreed to contribute its entire equity interest in PepsiCo's non-alcoholic beverage bottling business in the PRC to TAB, a non-wholly owned subsidiary of the Company, in exchange for a 5% indirect equity interest in TAB.

Pursuant to the Strategic Alliance Arrangements, the following options were issued as part of a consideration transferred:

- i) PepsiCo group was granted an option to increase its indirect interest in TAB from 5% to 20% on a fully diluted basis ("Issued Option");
- ii) PepsiCo group was granted a call option that TAB is required to sell assets and/or undertakings primarily used in the production of CSD or products licensed to PepsiCo group at the aggregate book value of the assets being acquired at the date of exercise of this call option upon the occurrence of any termination events ("FEBA Call Option");

### 36. 其他應付款(續)

#### (a) 衍生金融工具(續)

- iii) 康師傅飲品控股被授予一項認沽期權。當出現若干終止事件時，PepsiCo集團需以行使認購期權當日的賬面總值購買該等主要用於生產CSD或PepsiCo集團其下之特許權產品的資產及／或承諾(「FEBA認沽期權」)；
- iv) PepsiCo集團被授予一項認沽期權。當出現觸發事件後，本公司需按公平市價購買PepsiCo集團於康師傅飲品控股所間接持有之全部股權(「OA認沽期權」)；
- v) 本公司被授予一項認購期權。當出現觸發事件後，PepsiCo集團需按公平市價出售其於康師傅飲品控股所間接持有之全部股權(「OA認購期權」)；及
- vi) 本公司亦被授予一項出售下降期權。當出現出售下降的觸發事件後，PepsiCo集團需按公平市價出售其於康師傅飲品控股所間接持有之股權(「出售下降期權」)。

### 36. OTHER PAYABLES (Continued)

#### (a) Derivative financial instruments (Continued)

- iii) TAB was granted a put option that PepsiCo group is required to buy assets and/or undertakings primarily used in the production of CSD or products licensed from TAB at the aggregate book value of the assets being acquired at the date of exercise of this put option upon the occurrence of any termination events ("FEBA Put Option");
- iv) PepsiCo group was grant a put option that the Company is required to buy all of PepsiCo group's indirectly equity interest in TAB at fair market value after the occurrence of put triggering events ("OA Put Option");
- v) The Company was granted a call option that PepsiCo group is required to sell all of its indirect equity interest in TAB at fair market value after the occurrence of call triggering events ("OA Call Option"); and
- vi) The Company was also granted a sell-down option that PepsiCo group is required to sell its indirect equity interests in TAB to the Company at fair market value after the occurrence of sell-down triggering events ("Sell-Down Option").

### 36. 其他應付款(續)

#### (a) 衍生金融工具(續)

於結算日，發行期權、FEBA認購期權、FEBA認沽期權、OA認沽期權、OA認購期權以及出售下降期權(「衍生金融工具」)的公允價值如下：

		2013 US\$'000	2012 US\$'000
發行期權	Issued Option	6,893	19,074
FEBA認購期權， FEBA認沽期權， OA認沽期權， OA認購期權及 出售下降期權	FEBA Call Option, FEBA Put Option, OA Put Option, OA Call Option and Sell-Down Option	—	—
		<b>6,893</b>	<b>19,074</b>

有關公允價值的計量基準以及重大不可觀察的量化資訊，包括衍生金融工具之不可觀察輸入值變化的敏感性描述，載列於財務報表附註41。

#### (a) Derivative financial instruments (Continued)

At the end of the reporting period, the fair values of the Issued Option, FEBA Call Option, FEBA Put Option, OA Put Option, OA Call Option and Sell-Down Option ("Derivative financial instruments") are as follows:

The measurement basis of the fair values and the quantitative information of the significant unobservable input including the description of the sensitivity to changes in unobservable inputs of the Derivative financial instruments are set out in note 41 to the financial statements.

37. 經營業務所得現金

37. CASH GENERATED FROM OPERATIONS

		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
除稅前溢利	Profit before taxation	722,990	832,482
利息費用	Interest expenses	37,351	32,673
利息收入	Interest income	(51,527)	(48,405)
股利收入	Dividend income	(747)	(1,595)
折舊	Depreciation	444,303	380,845
支付非供款員工福利責任	Unfunded employee benefit obligations paid	(1,047)	(2,089)
土地租約溢價之攤銷	Amortisation of prepaid lease payments	7,282	6,346
無形資產之攤銷	Amortisation of intangible asset	753	566
出售物業、機器及設備之 (收益)虧損	(Gain) Loss on disposal of property, plant and equipment	(5,200)	3,791
物業、機器及 設備減值虧損	Impairment loss on property, plant and equipment	49,802	13,900
回沖物業、機器及設備 減值虧損	Reversal of impairment loss on property, plant and equipment	(6,381)	(3,487)
按公允價值列賬及在損益賬 處理的金融資產公允值之 變動	Change in fair value of financial assets at fair value through profit or loss	(265)	(80)
衍生金融工具公允值之變動	Change in fair value of derivative financial instruments	(12,181)	—
出售按公允價值列賬及在 損益賬處理的金融資產 之收益	Gain on disposal of financial assets at fair value through profit or loss	(437)	—
出售可供出售金融資產之 (收益)虧損	(Gain) Loss on disposal of available-for-sale financial assets	(14,397)	4,656
應佔聯營公司及合營公司 業績	Share of results of associates and joint ventures	(16,049)	(3,966)
收購議價收益，已扣除收購 直接相關費用	Gain on bargain purchase, net of expenses related to acquisition	—	(189,859)
匯率變動之影響	Effect on exchange rate changes	8,535	(13,793)
認列以權益結算股份 支付之款項	Recognition of equity-settled share-based payment	11,930	13,723
存貨之減少(增加)	Decrease (Increase) in inventories	10,416	(43,342)
應收賬款之增加	Increase in trade receivables	(20,904)	(4,558)
預付款項及其他應收 款項之減少	Decrease in prepayments and other receivables	23,786	242,811
應付賬款之增加(減少)	Increase (Decrease) in trade payables	179,688	(39,755)
其他應付款項之增加	Increase in other payables	82,120	154,844
客戶預付款項之增加	Increase in advance payments from customers	23,794	15,091
其他非流動負債之增加	Increase in other non-current liabilities	42	218
非供款員工福利責任 現值之增加	Increase in present value of unfunded employee benefit obligations	3,592	982
經營業務所得現金	Cash generated from operations	1,477,249	1,351,999

### 38. 與有關聯人士之重大交易

除於本賬目其他部份披露之交易及餘額以外，以下乃本集團與有關聯人士進行之重大交易概要，此等交易乃於本集團之日常業務中進行。

### 38. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in the financial statements, the Group entered into the following material related party transactions in the ordinary course of the Group's business.

	附註 Note	2013 千美元 US\$'000	2012 千美元 US\$'000
<b>(a) 關聯人士之交易 (a) Related party transactions</b>			
<b>向下列公司銷售貨品：Sales of goods to:</b>			
本公司之主要股東	Companies controlled by a substantial		
控制之多間公司	shareholder of the Company (i)	22,774	20,158
聯營公司	Associates	27,676	16,409
合營公司	Joint ventures	43,488	28,024
<b>向下列公司購買貨品：Purchases of goods from:</b>			
本公司之董事及其	A group of companies jointly controlled		
親屬共同控制之	by the Company's directors and		
一組公司	their dependents (i)	473,340	420,959
本公司之董事	Companies jointly controlled by		
共同控制之公司	the Company's directors (i)	70,324	45,880
合營公司	Joint ventures	14,968	21,408
<b>向下列公司出售可供出售金融資產：Proceed from disposal of available-for-sale financial assets:</b>			
本公司主要股東	A substantial shareholder of the Company (i)	46,120	63,323

附註(i) 根據上市規則第14A章，該等與有關聯人士之交易亦為關連交易及持續關連交易。

Note (i) These related party transactions also constitute connected transactions and continuing connected transactions as defined in Chapter 14A of the Listing Rules.

### 38. 與有關聯人士之重大交易(續)

#### (b) 關鍵管理人員之酬金

本集團關鍵管理人員之酬金(包括財務報表附註10所披露向本公司董事支付之款項及向若干最高薪僱員支付之款項)如下:

		2013 千美元 US\$'000	2012 千美元 US\$'000
董事袍金	Directors' fees	621	630
薪金及其他酬金	Salaries and other emoluments	5,592	4,136
以股份支付之款項	Share-based payments	5,370	4,458
花紅	Discretionary bonuses	1,065	804
退休保障計劃供款	Retirement scheme contribution	20	21
		12,668	10,049

### 38. SIGNIFICANT RELATED PARTY TRANSACTIONS

(Continued)

#### (b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and certain of the highest paid employees as disclosed in note 10 to the financial statements, is as follows:

### 39. 資本管理

本集團管理資本的目標是保障本集團能夠持續經營，從而為股東提供回報及其他利益相關者提供利益。

### 39. CAPITAL 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.

### 39. 資本管理(續)

本集團透過負債資產比率來監控資本(包括各項權益)，負債資產比率的計算方法是以淨負債(計算有息借貸扣除現金及現金等值物)作為本公司股東應佔權益之比率。於結算日，債項對資本之比率如下：

		本集團 Group		本公司 Company	
		2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)	2013 千美元 US\$'000	2012 千美元 US\$'000 (經重列) (restated)
有息借貸	Interest-bearing borrowings	1,676,279	1,484,472	925,172	814,136
減：現金及現金等值物	Less: Cash and cash equivalents	(1,249,890)	(837,898)	(13,641)	(34,401)
淨負債	Net debt	426,389	646,574	911,531	779,735
本公司股東應佔權益	Total equity	2,880,292	2,544,150	325,401	284,065
淨負債與資本比率	Gearing ratio	14.80%	25.41%	280.12%	274.49%

本集團根據經濟狀況的改變，透過有效地運用債務及平衡股東權益，透過派發股息，回購股票及發行新債，積極地定期檢討及管理資本架構。此外，本集團也會考慮市場上現行的借款利率、日後的資本開支及投資機會。

### 39. CAPITAL MANAGEMENT (Continued)

The Group monitors its capital, which comprises all equity components, using a gearing ratio which is calculated on the basis of net debt (interest bearing borrowings net of cash and cash equivalents) as a ratio of the equity attributable to owners of the Company. The debt-to-equity ratio at the end of the reporting period was as follows:

The Group actively and regularly reviews and manages its capital structure through the optimisation of the debt and equity balance and makes adjustments to capital structure according to changes in economic conditions for achieving its objectives through payment of dividends, share repurchase and issue of new debt. Changing of borrowing rate in the market, future capital expenditures and investment opportunities are taken into consideration.

### 39. 資本管理(續)

本集團於2013年的策略不變。從2012年開始，本集團之目標為降低淨負債餘額為零。本集團的資產負債比率，由2012年的25.41%下降至2013年的14.80%，下降的原因主要為年內增加現金及現金等值物以致淨負債餘額有所改善。本公司的資產負債率從2012年的274.79%輕微增加至2013年的280.12%，主要是由於年內有息借貸的增加。

本集團部份銀行融資須遵守若干銀行提出的財務契諾。

### 40. 金融風險因素

本集團所持有的金融工具面對外匯風險、利率風險、價格風險、信貸風險及流動資金風險。為降低本集團金融風險，董事會採用保守的風險管理對策。董事會檢討並同意採用之風險管理對策如下：

#### 外匯風險

本集團的附屬公司主要在中國經營，主要以人民幣作交易貨幣。本集團所面對的外匯風險為除功能貨幣以外，以其他貨幣作交易的應付資本開支、採購、銀行結餘、借貸、可供出售金融資產及按公允值列賬及在損益賬處理的金融資產。

人民幣與美元的兌換須遵守中國人民銀行頒佈之外匯管制規則及條例。本集團之附屬公司因使用其功能貨幣作主要營運而沒有重大外匯風險，故無需進行重大避險活動去減低外匯風險。

### 39. CAPITAL MANAGEMENT (Continued)

During 2013, the Group's strategy, which was unchanged from 2012, was aimed at minimising the net debt approximately to nil balance. The decrease in the Group's gearing ratio from 25.41% in 2012 to 14.80% in 2013 was primarily due to the improvement in net debt balances resulting from the increase in cash and cash equivalents during the year. The slight increase in the Company's gearing ratio from 274.79% in 2012 to 280.12% in 2013 was primarily resulted from the increase of interest-bearing borrowings during the year.

Some of the Group's banking facilities are subject to financial covenants requirements imposed by certain banks.

### 40. FINANCIAL RISK MANAGEMENT

The Group's financial instruments expose it to foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Board of Directors generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below:

#### Foreign currency risk

The majority of the subsidiaries of the Group are operated in the PRC and most of their transactions are denominated in RMB. The Group is exposed to foreign currency risk primarily through payable on capital expenditures, purchases, bank balances, borrowings, available-for-sale financial assets and financial assets at fair value through profit or loss that are denominated in currencies other than the functional currency of the subsidiaries.

The exchange rate of RMB against US\$ is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group did not have significant exposure to foreign exchange risk and has not entered into significant hedging activities to hedge against the exposure to foreign exchange risk because the main operations of the subsidiaries of the Group are conducted in their functional currency.

#### 40. 金融風險因素(續)

##### 外匯風險(續)

本集團於2013年及2012年12月31日以外幣(非人民幣)計值的可供出售金融資產、按公允價值列賬及在損益賬處理的金融資產、現金及現金等值物、有息借貸及應付賬款詳情分別載於財務報表附註21, 22, 27, 32及35。

於結算日, 倘所有其他變數保持不變, 而人民幣兌換美元、人民幣兌新台幣及人民幣兌換歐元分別升值/貶值2.4%、2%及9.5% (2012年: 分別為1.9%、8.5%及9.5%), 本年度集團溢利及未分配利潤將增加/減少39,243,000美元 (2012年: 19,648,000美元)。

敏感度分析假設外幣兌換率於結算日出現變動並應用於本集團所有於該日期存在之金融工具的貨幣風險, 而所有其他變數(特別是利率)保持不變。列出之變動代表管理層評估外幣兌換率於期內至下一年度結算日之可能出現之變動。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Foreign currency risk (Continued)

Details of the Group's available-for-sale financial assets, financial assets at fair value through profit or loss, cash and cash equivalents, interest-bearing borrowings and trade payables denominated in currencies other than RMB as at 31 December 2013 and 2012 are set out in notes 21, 22, 27, 32 and 35 to the financial statements respectively.

At the end of the reporting period, if the exchange rates of RMB/US\$, RMB/NTD and RMB/EUR had strengthened/weakened by 2.4%, 2% and 9.5% respectively (2012: 1.9%, 8.5% and 9.5% respectively) with all other variables held constant, the Group's profit for the year and retained profits would have been US\$39,243,000 (2012: US\$19,648,000) higher/lower.

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to Group's exposure to currency risk for all financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The stated changes in foreign currency represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual end of the reporting period.

#### 40. 金融風險因素(續)

##### 利率風險

本集團主要面對的利率風險是來自銀行結餘及有息借貸令本集團面對利率風險。銀行結餘及有息借貸之浮動利率及定息利率分別令本集團面對現金流量利率風險及公允值利率風險。集團並無使用重大對沖活動對沖現金流量及公允值的利率風險。對於有息借貸，本集團的策略是根據經濟環境及集團策略把定息借貸及浮息借貸保持在適當比例。於結算日，本集團的借款按固定利率是32%(2012年：43%)。

於結算日倘所有其他變量保持不變，銀行存款及有息借款利率調升／調低4基點(2012年：10基點)，本年度集團溢利及保留溢利將增加／減少36,000美元(2012年：減少／增加40,000美元)。

敏感度分析假設利率於年內出現變動並應用於本集團所有於年內存在之金融工具的利率風險。4(2012：10)基點之調升或調低代表管理層評估利率於期內至下一年度結算日之可能出現之變動。此分析基準與2012年相同。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank balances and interest-bearing borrowings. Bank balances and interest-bearing borrowings with floating interest rates and fixed interest rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group has not entered into significant hedging activities to hedge against the exposure to cash flow and fair value interest rate risk. For interest-bearing borrowings, the Group's policy is to manage its interest cost using a mix of fixed and floating rate debts and monitors closely its interest rate exposure and the level of fixed rate and floating rate borrowings, in consideration of economic atmosphere and the strategies of the Group. At the end of the reporting period, the Group's borrowing at fixed rate of interest was 32% (2012: 43%).

At the end of the reporting period, if interest rates had been 4 (2012: 10) basis point higher/lower and all other variables were held constant, the Group's profit for the year and retained profits would increase/decrease by US\$36,000 (2012: decrease/increase by US\$40,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred throughout the year and had been applied to the exposure to interest rate risk for all financial instruments in existence during the year. The 4 (2012: 10) basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2012.

#### 40. 金融風險因素(續)

##### 價格風險

本集團及本公司持有之分類為按公允值認列並在損益賬處理的金融資產，本集團就此承受股票價格風險。就本集團及本公司於可公開買賣之股票投資而言，其公允值乃參考市場報價而釐定。本集團及本公司之非上市投資是持作長期策略投資之用。其表現乃根據本集團所得資料以及與本集團的長期策略計劃之相關性作每年定期評估。

敏感度分析乃根據上市股票投資所承擔之股票價格風險。於結算日，假設其他變動因素不變下，當相關之股市指數增加或減少10% (2012年：10%)，本集團之本年度溢利及保留溢利將會因持作買賣投資之公允值變動而增加或減少495,000美元 (2012年：64,000美元)。本集團會監控價格風險及考慮就其風險上升而作出相應對沖。

敏感度分析假設股市指數之合理可能變動於結算日已發生並已應用於股票價格風險上。此外，集團之上市股票投資之公允值假設會根據過往與股市指數之相關性所變動；上述變動乃管理層對於相關股市指數由本年度結算日至下年度結算日的合理可能變動作出之評估。此分析基準與2012年相同。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Price risk

The Group and the Company are exposed to equity price risks arising from investments classified as financial assets at fair value through profit or loss. For the Group's and the Company's equity securities investments that are publicly traded, the fair value is determined with reference to quoted market prices. The Group's and the Company's unlisted investments are held for long-term strategic purposes. Their performance is assessed at least annually based on the information available to the Group, together with an assessment of their relevance to the Group's long-term strategic plans.

The sensitivity analysis has been determined based on the exposure of the listed equity securities to equity price risk. At the end of the reporting period, it is estimated that if there would be an increase/decrease of 10% (2012: 10%) in the relevant stock market index as applicable, with all other variables held constant, would have increased/decreased the Group's profit for the year and retained profits by US\$495,000 (2012: US\$64,000) due to change in the fair value of investments held-for-trading. The Group will monitor the price risk and will consider hedging the risk exposure should the need arise.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock market index had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's listed investments would change in accordance with the historical correlation with the relevant stock market index. The stated changes represent management's assessment of reasonably possible changes in the relevant stock market index over the period until the next annual end of the reporting period. The analysis is performed on the same basis for 2012.

#### 40. 金融風險因素(續)

##### 信貸風險

本集團的信貸風險主要來自於現金及現金等值物、應收賬款及其他應收賬款。本集團及本公司大部分已抵押銀行存款和現金及現金等價物均存放在可信賴的國際金融機構及受國家管轄的財務機構裡，因此管理層認為這並不存在重大的信貸風險。

本集團之銷售大部份為現金銷售。本集團有政策確保以信貸銷售之直營零售商有良好的信貸紀錄並作定期審查。當客戶要求之信用金額超過一般標準時，須進行獨立信貸評估。本集團會持續監控應收賬款，故此並沒有重大的壞賬風險。

本集團之其他應收款項的信貸風險來自於交易對方違約，其最大之信貸風險相等於此等資產之賬面值。交易對方之信貸質數會以其財務狀況、信貸紀錄及其他因素作考慮。基於穩定還款紀錄作考慮，董事認為交易對方並沒有重大的違約風險。於結算日，本集團並沒有重大之集中信貸風險，其風險已分散於一定數量之交易對方中。

於結算日，本公司的集中信貸風險中，97%(2012年：98%)之應收附屬公司總款項源於五大附屬公司。

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Credit risk

The Group's credit risk is primarily attributable to cash and cash equivalent, trade and other receivables. Substantially all of the Group's and the Company's pledged bank deposits and cash and cash equivalents were deposited in the creditworthy global financial institutions and state-controlled financial institutions in the PRC, which management considers they are without significant credit risk.

The majority of the Group's sales are conducted on a cash basis. The Group has implemented policies to ensure that sales of products are made to direct retailers, who wish to trade on credit terms, with an appropriate credit history which is subject to periodic reviews. Individual credit evaluations are performed on all customers requiring credit over a certain amount. Receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other receivables arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these receivables. The credit quality of the counterparties is assessed by taking into account their financial position, credit history and other factors. Individual credit limits are set based on the assessment of the credit quality. Given the repayment history, the directors are of the opinion that the risk of default by these counterparties is not significant. At the end of the reporting period, the Group had no significant concentration of credit risk, with exposure spread over a number of counterparties.

At the end of the reporting period, the Company had a concentration of credit risk as 97% (2012: 98%) of the total amounts due from subsidiaries was due from the five largest subsidiaries.

#### 40. 金融風險因素(續)

##### 流動資金風險

本集團針對於流動資金風險管理之目標為擁有足夠現金儲備以及維持充裕之已承諾信貸融資額度。並且，本集團定期監察現在及預期之流動資金需求，尤其在資本開支及償還債項等方面的資金需求。於結算日及可預見的未來，董事預期本集團並無流動資金風險。有關按持續經營之準則編製賬目之詳情載於財務報表附註2。

本集團之金融負債於結算日至合約到期日之餘下期間按合約未貼現現金流量列示如下：

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Liquidity risk

The Group's objectives when managing liquidity risk are to maintain sufficient reserves of cash and adequate committed credit facilities. Also, the Group's policy is to regularly monitor current and expected liquidity requirements, in particular those relating to capital expenditure and repayments of debts. At the end of the reporting period, the Board of Directors expected that the Group had no significant liquidity risk in the near future. Details of the preparation of financial statements on a going concern basis are set out in note 2 to the financial statements.

The maturity profile of the Group's financial liabilities at the end of the reporting period based on contractual undiscounted payments is summarised below:

		本集團 Group			
		1年內或 按要求還款 Within 1 year or on demand 千美元 US\$'000	1年以上 但在2年內 More than 1 year but within 2 years 千美元 US\$'000	2年以上 但在5年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於2013年 12月31日	At 31 December 2013				
應付賬款	Trade payables	1,251,710	—	—	1,251,710
其他應付款項	Other payables	1,180,862	—	—	1,180,862
向少數股東授出 認沽期權所產生 之責任	Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders	4,673	—	—	4,673
衍生金融工具	Derivative financial instruments	6,893	—	—	6,893
有息借貸	Interest-bearing borrowings	1,046,609	106,839	604,098	1,757,546
其他非流動負債	Other non-current liabilities	—	—	262	262
		3,490,747	106,839	604,360	4,201,946

#### 40. 金融風險因素(續)

##### 流動資金風險(續)

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Liquidity risk (Continued)

		本集團 Group			
		1年內或 按要求還款 Within 1 year or on demand 千美元 US\$'000	1年以上 但在2年內 More than 1 year but within 2 years 千美元 US\$'000	2年以上 但在5年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於2012年 12月31日	At 31 December 2012				
應付賬款	Trade payables	1,043,295	—	—	1,043,295
其他應付款項	Other payables	1,068,469	—	—	1,068,469
向少數股東授出 認沽期權所產生 之責任	Obligations arising from put options on shares of subsidiaries written to non-controlling shareholders	22,749	—	—	22,749
衍生金融工具	Derivative financial instruments	19,074	—	—	19,074
有息借貸	Interest-bearing borrowings	529,270	488,346	570,714	1,588,330
其他非流動負債	Other non-current liabilities	—	—	220	220
		2,682,857	488,346	570,934	3,742,137

#### 40. 金融風險因素(續)

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### 流動資金風險(續)

##### Liquidity risk (Continued)

		本公司 Company			
		1年內或 按要求還款 Within 1 year or on demand 千美元 US\$'000	1年以上 但在2年內 More than 1 year but within 2 years 千美元 US\$'000	2年以上 但在5年內 More than 2 years but less than 5 years 千美元 US\$'000	合計 Total 千美元 US\$'000
於2013年 12月31日	At 31 December 2013				
應付附屬公司款項	Due to subsidiaries	43,766	—	—	43,766
應付賬款	Trade payables	841	—	—	841
其他應付款項	Other payables	15,515	—	—	15,515
有息借貸	Interest-bearing borrowings	452,510	19,188	523,402	995,100
		512,632	19,188	523,402	1,055,222
於2012年 12月31日	At 31 December 2012				
應付附屬公司款項	Due to subsidiaries	43,724	—	—	43,724
應付賬款	Trade payables	2,192	—	—	2,192
其他應付款項	Other payables	18,824	—	—	18,824
有息借貸	Interest-bearing borrowings	72,522	292,146	541,455	906,123
		137,262	292,146	541,455	970,863

#### 40. 金融風險因素(續)

##### 流動資金風險(續)

#### 40. FINANCIAL RISK MANAGEMENT (Continued)

##### Liquidity risk (Continued)

		本公司 Company			
		1年內或 按要求還款	1年以上 但在2年內	2年以上 但在5年內	合計
		Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but less than 5 years	Total
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
<b>已發出之財政擔保 Financial guarantees issued:</b>					
已發出之最高 財政擔保 Maximum amount guaranteed					
於2013年 12月31日	At 31 December 2013	100,000	—	—	100,000
於2012年 12月31日	At 31 December 2012	17,577	—	—	17,577

於結算日，本公司為其下一間附屬公司之信貸擔保發出財政擔保，金額為170,600,000美元(2012年兩間附屬公司：210,000,000美元)。董事認為有關擔保向本公司索償之機會低。本公司於結算日最高負債為該等全資附屬公司有關之擔保，金額為100,000,000美元(2012年：17,577,000美元)。

基於此等信貸工具涉及關聯關係，董事認為估計此等財政擔保之公允價值並沒有意義及不可行，故此亦沒有認列其價值於本公司之財務狀況表內。

At the end of the reporting period, the Company has issued financial guarantees in respect of credit facilities to one subsidiary of US\$170,600,000 (2012: two subsidiaries of US\$210,000,000). The directors do not consider it is probable that a claim will be made against the Company under the guarantees. The maximum liability of the Company at the end of the reporting period under the guarantees issued is the facility drawn down by the subsidiary of US\$100,000,000 (2012: US\$17,577,000).

Due to the related party nature of the instruments, the directors considered it not meaningful and practicable to estimate the fair values of the financial guarantees and therefore they have not been recognised in the Company's statement of financial position.

#### 41. 公允價值計量

**(a) 以公允價值列賬的金融資產及負債**

下表呈列於2013年12月31日，按《香港財務報告準則》第13號「公允價值計量」所釐定的公允價值等級制度的三個等級中，以公允價值計量或須定期於財務報表披露公允價值的金融資產與負債，公允值計量的分級全數乃基於對整體計量有重大影響之輸入的最低等級。有關等級詳情如下：

- 第1級(最高級別)：本集團可在計量日存取在活躍市場上相同資產及負債的報價(未經調整)；
- 第2級：除包括在第一級的報價外，可直接或間接觀察之資產及負債的輸入；
- 第3級(最低級別)：無法觀察之資產及負債的輸入。

#### 41. FAIR VALUE MEASUREMENTS

**(a) Financial assets and liabilities carried at fair value**

The following table presents the assets and liabilities measured at fair value or required to disclose their fair value in these financial statements on a recurring basis at 31 December 2013 across the three levels of the fair value hierarchy defined in HKFRS 13, *Financial Value Measurement*, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to the entire measurement. The levels are defined as follows:

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

41. 公允價值計量(續)

41. FAIR VALUE MEASUREMENTS (Continued)

(a) 以公允價值列賬的金融資產及負債(續)

(a) Financial assets and liabilities carried at fair value (Continued)

本集團

Group

		2013				2012			
		級別1	級別2	級別3	總計	級別1	級別2	級別3	總計
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>資產</b>	<b>Assets</b>								
可供出售之	Available-for-sale								
金融資產									
— 於香港以外	— Equity securities,								
上市之股本	listed outside Hong Kong								
證券市值		—	—	—	—	34,947	—	—	34,947
— 私募投資基金	— Private investment funds	—	—	21,275	21,275	—	—	16,677	16,677
按公允價值列賬及	Financial assets at fair value								
在損益賬處理	through profit or loss								
的金融資產									
— 於香港上市之	— Equity securities, listed								
股本證券	in Hong Kong								
市值		4,838	—	—	4,838	—	—	—	—
— 於香港以外	— Equity securities, listed								
上市之股本	outside Hong Kong								
證券市值		114	—	—	114	640	—	—	640
		4,952	—	21,275	26,227	35,587	—	16,677	52,264
<b>負債</b>	<b>Liabilities</b>								
其他應付款	Other payables								
— 衍生金融工具	— Derivative financial instruments	—	—	6,893	6,893	—	—	19,074	19,074

#### 41. 公允價值計量(續)

#### 41. FAIR VALUE MEASUREMENTS (Continued)

(a) 以公允價值列賬的金融資產及負債(續)

(a) Financial assets and liabilities carried at fair value (Continued)

本公司		Company							
		2013				2012			
		級別1	級別2	級別3	總計	級別1	級別2	級別3	總計
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
		千美元	千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>資產</b>	<b>Assets</b>								
可供出售之金融資產	Available-for-sale financial assets								
— 私募投資基金	— Private investment funds	—	—	21,275	21,275	—	—	16,677	16,677
按公允價值列賬及在損益賬處理的金融資產	Financial assets at fair value through profit or loss								
— 於香港上市之股本證券	— Equity securities, listed in Hong Kong	4,838	—	—	4,838	—	—	—	—
— 於香港以外上市之股本證券	— Equity securities, listed outside Hong Kong	114	—	—	114	640	—	—	640
		4,952	—	21,275	26,227	640	—	16,677	17,317

於2013年及2012年度內，沒有項目在級別1與級別2之間移轉，亦沒有項目移轉至級別3或由級別3轉出。

During the years ended 31 December 2013 and 2012, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

#### 41. 公允價值計量(續)

**(a) 以公允價值列賬的金融資產及負債(續)**

於2013年及2012年內需定期作公允價值計量分類為級別3的詳細變動如下：

#### 41. FAIR VALUE MEASUREMENTS (Continued)

**(a) Financial assets and liabilities carried at fair value (Continued)**

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy for the years ended 31 December 2013 and 2012 are shown as follows:

		2013		2012	
		私募投資基金 Private Investment Funds 千美元 US\$'000	衍生金融工具 Derivative financial instruments 千美元 US\$'000	私募投資基金 Private Investment Funds 千美元 US\$'000	衍生金融工具 Derivative financial instruments 千美元 US\$'000
於年初	At beginning of the year	16,677	(19,074)	8,496	—
購入	Purchases	2,992	—	8,967	—
由業務合併所衍生	Issue for business combination	—	—	—	(19,074)
已認列之總收益或 (虧損)	Total gains or (losses) recognised:				
– 損益	– in profit or loss	—	12,181	—	—
– 其他全面收益	– in other comprehensive income	1,606	—	(786)	—
於結算日	At the end of the reporting period	21,275	(6,893)	16,677	(19,074)
於結算日持有之資產及 負債計入損益的當 期未實現收益或 (虧損)之變動	Change in unrealised gain or (losses) for the period included in profit or loss for assets and liabilities held at the end of the reporting period	—	12,181	—	—

#### 41. 公允價值計量(續)

(a) 以公允價值列賬的金融資產及負債(續)

使用在級別三之公允價值計算之估價技術和重大輸入

(i) 可供出售：私募基金

私募基金投資的公允價值是根據私募基金所投資的公司的公允價值。私募基金內包括上市投資和非上市投資。上市投資的公允值是參考市場報價而非上市投資的公允價值是由有關基金經理利用包括市盈率模型及折現現金流模型在內的估價技術作評估。評估非上市公司的公允值時包括一些非由可觀察市場價格或比率支持之假定。被基金投資之非上市公司的年度平均增長率由0%至12%(2012年：0%至18%)，可比較之公司的平均市盈率及相關行業市場之市盈率由17.2至30.9倍(2012年：16.3至17.2倍)，以及3%的折現率(2012年：3%)，均用於評估其公允值。

#### 41. FAIR VALUE MEASUREMENTS (Continued)

(a) Financial assets and liabilities carried at fair value (Continued)

Valuation techniques and significant inputs used in Level 3 fair value measurement

(i) Available-for-sale: Private investment funds

The fair value of the private investment funds is valued based on the fair values of the companies invested by the private funds. Included in the private investment funds, there are listed investments and unlisted investments. The fair values of listed investments are reference to quoted market price, while the fair values of unlisted investments which are valued by the respective investment managers are estimated by valuation techniques, including using price/earnings (P/E) multiple model and discounted cash flows model. In determining the fair value of unlisted investments, it includes assumptions that are not supported by observable market prices or rates. The expected annual growth rates of unquoted companies invested by the funds ranging from 0% to 12% (2012: 0% to 18%), average price/earnings (P/E) multiples of comparable companies of the corresponding industries ranging from 17.2 to 30.9 times (2012: 16.3 to 17.2 times) and discount rates of 3% (2012: 3%) are used.

#### 41. 公允價值計量(續)

##### (a) 以公允價值列賬的金融資產及負債(續)

##### 使用在級別三之公允價值計算之估價技術和重大輸入(續)

##### (ii) 其他應付款：衍生金融工具

衍生金融工具的公允價值估計是由香港獨立合資格專業估值師估值。於結算日用於發行期權估值之無法觀察的輸入如下：

#### 41. FAIR VALUE MEASUREMENTS (Continued)

##### (a) Financial assets and liabilities carried at fair value (Continued)

##### Valuation techniques and significant inputs used in Level 3 fair value measurement (Continued)

##### (ii) Other payables: Derivative financial instruments

The Derivative financial instruments are measured at fair value estimated by an independent qualified professional valuer in Hong Kong. Details of the unobservable inputs used for the valuation of the Issued Option at the end of the reporting period are as follows:

估值模型	Valuation model	蒙特卡羅模型 Monte Carlo Simulation Model
相關資產之公允值 #	Fair value of the underlying assets #	US\$1,045 million 百萬美元
行使價 *	Exercise price *	US\$2.81 billion to US\$3.72 billion 億美元
到期日	Time to maturity	1.83 years
美元無風險比率	US\$ Risk free rate	0.5%
相關資產價格波動 (港元)	Volatility of the underlying asset's price in HK\$	37.65%
股息率	Dividend yield	1.25%

# 經現金補足及少數折讓調整後

\* 如發行期權於2013年10月31日或之前行使金額為28億1千萬美元；

如發行期權於2013年10月31日之後及2014年10月31日或之前金額為32億3千萬美元；

如發行期權於2014年10月31日之後及2015年10月31日或之前金額為37億2千萬美元。

# After the adjustment of the Top-up Cash and minority discount

\* US\$2.81 billion if Issued Option is exercised on or before 31 October 2013;

US\$3.23 billion if Issued Option is exercised after 31 October 2013 but on or before 31 October 2014; or

US\$3.72 billion if issued Option is exercised after 31 October 2014 but on or before 31 October 2015.

#### 41. 公允價值計量(續)

(a) 以公允價值列賬的金融資產及負債(續)

使用在級別三之公允價值計算之估價技術和重大輸入(續)

(ii) 其他應付款：衍生金融工具(續)

於2013年12月31日，董事認為終止／觸發事件發生的概率微乎其微。所以FEBA認購期權、FEBA認沽期權、OA認沽期權，OA認購期權及出售下降期權的公允價值為零美元（2012年：零美元）。

#### 41. FAIR VALUE MEASUREMENTS (Continued)

(a) Financial assets and liabilities carried at fair value (Continued)

Valuation techniques and significant inputs used in Level 3 fair value measurement (Continued)

(ii) Other payables: Derivative financial instruments (Continued)

The fair value of the FEBA Call Option, FEBA Put Option, OA Put Option, OA Call Option and Sell-Down Option as at 31 December 2013 are US\$Nil (2012: US\$Nil) as in the opinion of directors that the probability of the termination/triggering events occur of these options is very remote.

#### 41. 公允價值計量(續)

##### (a) 以公允價值列賬的金融資產及負債(續)

##### 主要不可觀察輸入敏感度之變動

級別3公允價值計量之主要不可觀察輸入敏感度之變動如下：

#### 41. FAIR VALUE MEASUREMENTS (Continued)

##### (a) Financial assets and liabilities carried at fair value (Continued)

##### Sensitivity to changes in significant unobservable inputs

The sensitivity to changes in significant unobservable inputs for Level 3 fair value measurements are as follows:

					公允價值及 本集團本年度 其他全面收益及 保留溢利的影響 Impact on fair value and the Group's other comprehensive income for the year and retained profits	公允價值及 本集團本年度 溢利及保留 溢利的影響 Impact on the Group's profit for the year and retained profits
描述 Description	於二零一三年 十二月三十一日 之公允價值 Fair value at 31 December 2013 千美元 US\$'000	估值技術 Valuation techniques	不可觀察輸入值 Unobservable input	不可觀察輸入的轉變對 公允價值的敏感度 (假設其他因素保持不變) Sensitivity of fair value to changes in unobservable inputs (assuming other factors remain unchanged)	合理的可能範圍 Reasonably possible range	
可供出售金融資產 Available-for-sale financial assets						
私募投資基金 Private investment funds	21,275	市盈率模型 P/E multiple	年度預期增長率 Expected annual growth rates	年度預期增長率越高， 其公允價值越高，反之亦然； The higher the expected annual growth rate, the higher the fair value and vice versa；	+/-10%	+/-0.3%
			可比較公司之 平均市盈率 Average P/E ratio of comparable companies	可比較公司之平均市盈率越高， 其公允價值越高，反之亦然； The higher average P/E ratio of comparable companies, the higher the fair value and vice versa；	+/-31%	+2%/-3%
		折現現金流 模型 Discounted cash flow	折現率 Discount rate	折現率越高，其公允價值 越低，反之亦然。 The higher the discount rate, the lower the fair value and vice versa.	+/-1%	-/+0.2%

#### 41. 公允價值計量(續)

#### 41. FAIR VALUE MEASUREMENTS (Continued)

##### (a) 以公允價值列賬的金融資產及負債(續)

##### (a) Financial assets and liabilities carried at fair value (Continued)

##### 主要不可觀察輸入敏感度之變動 (續)

##### Sensitivity to changes in significant unobservable inputs (Continued)

描述 Description	於二零一三年 十二月三十一日 之公允價值 Fair value at 31 December 2013 千美元 US\$'000	估值技術 Valuation techniques	不可觀察輸入值 Unobservable input	不可觀察輸入的轉變對 公允價值的敏感度 (假設其他因素保持不變) Sensitivity of fair value to changes in unobservable inputs (assuming other factors remain unchanged)	合理的可能範圍 Reasonably possible range	公允價值及 本集團本年度 其他全面收益及 保留溢利的影響 Impact on fair value and the Group's other comprehensive income for the year and retained profits		公允價值及 本集團本年度 溢利及保留 溢利的影響 Impact on fair value and the Group's profit for the year and retained profits	
其他應付款 Other payables									
衍生金融工具 — 發行期權	6,893	蒙特卡羅模型	相關資產價格波動 (港元)	相關資產價格波動(港元) 越高，其公允價值越高， 反之亦然；	+/-10%	—		+33%/-32%	
Derivative financial instruments - Issued Option		Monte Carlo Simulation Model	Volatility of the underlying asset's price in HK\$	The higher the volatility of the underlying asset's price in HK\$, the higher the fair value and vice versa;					
			相關資產的 公允價值 Fair value of the underlying assets	相關資產的公允價值越高， 其公允價值越高，反之亦然。 The higher the fair value of the underlying assets, the higher the fair value and vice versa.	+/-5%	—		+29%/-27%	

#### 41. 公允價值計量(續)

(a) 以公允價值列賬的金融資產及負債(續)

##### 級別3公允價值計量的估值流程

本集團先採用可取得的市場可觀察數據估計等級制度級別3內的資產及負債之公允價值。若級別1輸入不能取得，本集團向有關基金經理取得私募投資基金之估值。對於衍生金融工具，本集團委聘獨立合資格專業估值師進行估值。

本集團的財務部包括一個團隊負責檢閱私募投資基金投資經理及獨立估值師以財務報告為目的估值。該團隊直接向高階管理層報告。而管理層、私募投資基金的投資經理及獨立估值師對於評估過程和結果會每年至少舉行一次討論。財務部會在每個財政年度跟私募投資基金的投資經理及獨立估值師密切配合建立合適的估值技術和輸入估值模型，驗證所有主要的不可觀察輸入，與上年度估值報告變動分析估價變動並與私募投資基金相對的基金經理及獨立估值師討論。

#### 41. FAIR VALUE MEASUREMENTS (Continued)

(a) Financial assets and liabilities carried at fair value (Continued)

##### Valuation processes used in Level 3 fair value measurement

In estimating the fair value of an asset or a liability within Level 3 of the fair value hierarchy, the Group uses market observable-data to the extent it is available. Where Level 1 inputs are not available, the Group obtains the valuations provided by the respective investment managers for the private investment funds. For the Derivative financial instrument, the Group engages independent qualified professional valuer to perform the valuation.

The Group's finance department includes a team that reviews the valuations performed by the investment managers of the private investment funds and the independent valuer for financial reporting purposes. The team reports directly to the senior management. Discussions of valuation processes and results are held between the management, investment managers of the private investment funds and independent valuer at least once every year. At each financial year end, the finance department works closely with the investment managers of the private investment funds and independent valuer to establish the appropriate valuation techniques and inputs to the valuation models, verifies all major unobservable inputs in the valuations, assesses valuations movements when compared to the prior year valuation report and holds discussions with the investment managers of the private investment funds and independent valuer.

#### 41. 公允價值計量(續)

**(b) 以公允價值以外列賬的金融工具公允價值**

董事認為，除了於財務報表附註32所描述之票據外，本集團及本公司沒有其他金融資產及負債之賬面值，與其2013年及2012年12月31日之公允價值有重大差異。

#### 41. FAIR VALUE MEASUREMENTS (Continued)

**(b) Fair values of financial assets and liabilities carried at other than fair value**

In the opinion of the directors, except for the Notes as described in the note 32 to the financial statements, no other financial assets and liabilities of the Group's and the Company are carried at amount materially different from their fair values as at 31 December 2013 and 2012.

#### 42. 承擔

除於本財務報表其他部份披露之承擔，本集團有下列承擔：

#### 42. COMMITMENTS

In addition to the commitments disclosure elsewhere in the financial statements, the Group has the commitments as follow:

**(a) 資本支出承擔**

**(a) Capital expenditure commitments**

		Group	
		2013 US\$'000	2012 US\$'000
已訂約但未撥備	Contracted but not provided for:		
購買機器及設備開支	Expenditures on properties, plant and equipment	235,442	327,823
投資私募基金	Investments in private investment funds	27,464	32,537
		262,906	360,360

#### 42. 承擔(續)

##### (b) 營運租約承擔

於結算日，根據不可撤銷之建築物經營租約，本集團未來最低租賃付款總額列示如下：

#### 42. COMMITMENTS (Continued)

##### (b) Commitments under operating leases

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases for premises, which are payable as follows:

		Group	
		2013 US\$'000	2012 US\$'000
1年內	Within one year	43,723	35,390
於第2年至第5年屆滿 (包括首尾2年)	In the second to fifth years inclusive	82,719	53,018
5年以後	After five years	50,172	37,798
		176,614	126,206

#### 43. 比較數字

管理費用、界定福利責任之重估值、界定福利責任、少數股東權益及儲備的比較數字都因在財務報表附註4列示之新訂之會計政策的追溯採納而調整。

#### 43. COMPARATIVE FIGURES

Comparative figures of administrative expenses, remeasurement of defined benefit obligations, employee benefit obligations, non-controlling interests and reserves have been adjusted as a result of the retrospective application of new accounting policies as disclosed in note 4 to the financial statements.

#### 44. 主要附屬公司

下列包括由本公司直接及間接持有之主要附屬公司，董事認為該等公司對本年度營業額有重大貢獻，或組成本集團總資產的重要部份。董事認為詳列其他附屬公司的資料會致篇幅冗長。

#### 44. PRINCIPAL SUBSIDIARIES

The following included the principal subsidiaries directly or indirectly held by the Company and, in the opinion of directors, are significant to the turnover for the year or form a substantial portion of total assets of the Group. The directors consider that giving details of other subsidiaries would result in particulars of excess length.

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
康師傅方便食品(BVI)有限公司 Master Kong Instant Foods (BVI) Co., Ltd.	英屬處女群島 British Virgin Islands ("BVI")	50,000 普通股每股 US\$1 50,000 ordinary shares at US\$1 each/US\$2	100%	—	投資控股 Investment holding
天津頂益食品有限公司 Tianjin Tingyi Food Co., Ltd.	中國 PRC	US\$72,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
廣州頂益食品有限公司 Guangzhou Tingyi Food Co., Ltd.	中國 PRC	US\$31,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 杭州頂益食品有限公司 * Hangzhou Tingyi Food Co., Ltd.	中國 PRC	US\$131,500,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 康師傅(杭州)方便食品有限公司 * Master Kong (Hangzhou) Convenient Food Co., Ltd.	中國 PRC	US\$20,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
重慶頂益食品有限公司 Chongqing Tingyi Food Co., Ltd.	中國 PRC	US\$22,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
瀋陽頂益食品有限公司 Shenyang Tingyi Food Co., Ltd.	中國 PRC	US\$17,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
武漢頂益食品有限公司 Wuhan Tingyi Food Co., Ltd.	中國 PRC	US\$17,800,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles

#### 44. 主要附屬公司(續)

#### 44. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
西安頂益食品有限公司 Xian Tingyi Food Co., Ltd.	中國 PRC	US\$44,300,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
青島頂益食品有限公司 Qingdao Tingyi Food Co., Ltd.	中國 PRC	US\$5,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
哈爾濱頂益食品有限公司 Harbin Tingyi Food Co., Ltd.	中國 PRC	US\$11,200,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
福建頂益食品有限公司 Fujian Tingyi Food Co., Ltd.	中國 PRC	US\$4,500,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 新疆頂益食品有限公司 * Xinjiang Tingyi Food Co., Ltd.	中國 PRC	US\$3,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 南京頂益食品有限公司 * Nanjing Tingyi Food Co., Ltd.	中國 PRC	US\$14,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 康師傅(瀋陽)方便食品有限公司 * Master Kong (Shenyang) Convenient Food Co., Ltd.	中國 PRC	US\$6,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 成都頂益食品有限公司 * Chengdu Tingyi Food Co., Ltd.	中國 PRC	US\$17,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 康師傅(重慶)方便食品有限公司 * Master Kong (Chongqing) Convenient Food Co., Ltd.	中國 PRC	US\$5,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
* 咸陽福滿多食品有限公司 * Xianyang Fumanduo Food Co., Ltd.	中國 PRC	US\$5,000,000	—	100%	製造及銷售方便麵 Manufacture and sale of instant noodles
康師傅方便麵投資(中國)有限公司 Master Kong Instant Noodle Investment (China) Co., Ltd.	中國 PRC	US\$102,000,000	100%	—	投資控股 Investment holding

#### 44. 主要附屬公司(續)

#### 44. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
康師傅糕餅(BVI)有限公司 Master Kong Bakery (BVI) Co., Ltd.	英屬處女群島 BVI	50,000 普通股每股 US\$1 50,000 ordinary shares at US\$1 each/US\$1	100%	—	投資控股 Investment holding
康師傅方便食品投資(中國)有限公司 Master Kong Instant Foods Investment (China) Co., Ltd.	中國 PRC	US\$90,900,000	—	100%	投資控股 Investment holding
天津頂園食品有限公司 Tianjin Tingyuan Food Co., Ltd.	中國 PRC	US\$37,000,000	—	100%	製造及銷售方便食品 Manufacture and sale of instant food
杭州頂園食品有限公司 Hangzhou Ting Yuan Food Co., Ltd.	中國 PRC	US\$18,400,000	—	100%	製造及銷售方便食品 Manufacture and sale of instant food
康師傅飲品(BVI)有限公司 Master Kong Beverages (BVI) Co., Ltd.	英屬處女群島 BVI	55,263 普通股每股 US\$1 55,263 ordinary shares of US\$1 each/US\$55,263	90.50%	—	投資控股 Investment holding
康師傅飲品控股有限公司 Tingyi-Asahi Beverages Holding Co., Ltd.	開曼群島 Cayman Islands	5,000,000 普通股 5,000,000 ordinary shares of US\$0.01 each/ US\$10,528	—	47.51%	投資控股 Investment holding
* 天津頂津食品有限公司 * Tianjin Tingjin Food Co., Ltd.	中國 PRC	US\$60,840,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
廣州頂津食品有限公司 Guangzhou Tingjin Food Co., Ltd.	中國 PRC	US\$20,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 杭州頂津食品有限公司 * Hangzhou Tingjin Food Co., Ltd.	中國 PRC	US\$38,100,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(杭州)飲品有限公司 * Master Kong (Hangzhou) Beverage Co., Ltd.	中國 PRC	US\$28,350,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages

#### 44. 主要附屬公司(續)

#### 44. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
* 武漢頂津食品有限公司 * Wuhan Tingjin Food Co., Ltd.	中國 PRC	US\$51,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
重慶頂津食品有限公司 Chongqing Tingjin Food Co., Ltd.	中國 PRC	US\$24,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 青島頂津食品有限公司 * Qingdao Tingjin Food Co., Ltd.	中國 PRC	US\$15,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
福建頂津食品有限公司 Fujian Tingjin Food Co., Ltd.	中國 PRC	US\$13,700,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 哈爾濱頂津食品有限公司 * Harbin Tingjin Food Co., Ltd. #	中國 PRC	US\$33,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 昆明頂津食品有限公司 * Kunming Tingjin Food Co., Ltd.	中國 PRC	US\$12,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 鄭州頂津食品有限公司 * Zhengzhou Tingjin Food Co., Ltd.	中國 PRC	US\$24,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 蘭州頂津食品有限公司 * Lanzhou Tingjin Food Co., Ltd. #	中國 PRC	US\$16,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(瀋陽)飲品有限公司 * Master Kong (Shenyang) Beverage Co. Ltd.	中國 PRC	US\$41,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(西安)飲品有限公司 * Master Kong (Xi'an) Beverage Co., Ltd.	中國 PRC	US\$48,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages

#### 44. 主要附屬公司(續)

#### 44. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
* 康師傅(天津)飲品有限公司 * Master Kong (Tianjin) Beverage Co., Ltd.	中國 PRC	US\$30,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 揚州頂津食品有限公司 * Yangzhou Tingjin Food Co., Ltd.	中國 PRC	US\$36,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 廣州頂津飲品有限公司 * Guangzhou Tingjin Beverage Co., Ltd.	中國 PRC	US\$59,300,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 成都頂津食品有限公司 * Chengdu Tingjin Food Co., Ltd.	中國 PRC	US\$20,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 康師傅(烏魯木齊)飲品有限公司 * Master Kong (Wulumuqi) Beverage Co., Ltd. #	中國 PRC	US\$12,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 包頭頂津食品有限公司 * Baotou Tingjin Food Co., Ltd	中國 PRC	US\$12,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
廊坊頂津食品有限公司 Langfang Tingjin Food Co., Ltd	中國 PRC	US\$28,500,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 吳江頂津食品有限公司 * Wujiang Tingjin Food Co., Ltd#	中國 PRC	US\$40,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 漳州頂津食品有限公司 * Zhangzhou Tingjin Food Co., Ltd	中國 PRC	US\$20,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of instant noodles
* 南昌頂津食品有限公司 * Nanchang Tingjin Food Co., Ltd.	中國 PRC	US\$14,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages

#### 44. 主要附屬公司(續)

#### 44. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
康師傅飲品投資(中國)有限公司 Master Kong Beverage Investment (China) Co., Ltd.	中國 PRC	USD\$87,702,000	—	47.51%	投資控股 Investment holding
* 中國灌裝企業(香港)有限公司 * China Bottlers (Hong Kong) Limited	香港	US\$10,000/ US\$2	—	47.51%	投資控股 Investment holding
* 百事(中國)投資有限公司 * PepsiCo Investment (China) Limited	中國	US\$358,216,517	—	47.51%	投資控股 Investment holding
* 百事飲料(廣州)有限公司 * PepsiCo Beverages (Guangzhou) Limited	中國 PRC	US\$197,800,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 廣州百事可樂飲料有限公司 * Guangzhou Pepsi-Cola Beverage Company Limited	中國 PRC	US\$66,650,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 北京百事可樂飲料有限公司 * Beijing Pepsi-Cola Beverage Company Limited	中國 PRC	US\$14,119,449	—	30.88%	製造及銷售飲品 Manufacture and sale of beverages
* 長春百事可樂飲料有限公司 * Changchun Pepsi-Cola Beverage Company Limited	中國 PRC	US\$20,000,000	—	27.32%	製造及銷售飲品 Manufacture and sale of beverages
* 天津百事可樂飲料有限公司 * Tianjin Pepsi-Cola Beverage Company Limited	中國 PRC	RMB100,000,000	—	41.81%	製造及銷售飲品 Manufacture and sale of beverages
* 成都百事飲料有限公司 * Chengdu PepsiCo Beverages Company Limited	中國 PRC	USD6,600,000	—	33.26%	製造及銷售飲品 Manufacture and sale of beverages
* 哈爾濱百事可樂飲料有限公司 * Harbin Pepsi-Cola Beverage Company Limited	中國 PRC	USD35,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 蘭州百事飲料有限公司 * Lanzhou PepsiCo Beverage Company Limited	中國 PRC	USD1,350,000	—	38.01%	製造及銷售飲品 Manufacture and sale of beverages

#### 44. 主要附屬公司(續)

#### 44. PRINCIPAL SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 營業地點 Place of incorporation/ operation	註冊資本/ 已發行股本 Registered capital/issued share capital	應佔股權比例 Proportion of ownership interest		主要業務 Principal activity
			直接 Directly	間接 Indirectly	
* 重慶百事天府飲料有限公司 * Chongqing Pepsi-Tianfu Beverage Company Limited	中國 PRC	US\$17,845,000	—	44.85%	製造及銷售飲品 Manufacture and sale of beverages
* 深圳百事可樂飲料有限公司 * Shenzhen Pepsi-Cola Beverage Company Limited	中國 PRC	US\$12,250,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 瀋陽百事可樂飲料有限公司 * Shenyang Pepsi-Cola Beverage Company Limited	中國 PRC	US\$57,600,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 長沙百事可樂飲料有限公司 * Changsha Pepsi-Cola Beverage Company Limited	中國 PRC	US\$28,000,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
* 福州百事可樂飲料有限公司 * Fuzhou Pepsi-Cola Beverage Company Limited	中國 PRC	RMB19,764,000	—	47.51%	製造及銷售飲品 Manufacture and sale of beverages
頂通(BVI)有限公司 Tingtong (BVI) Limited	英屬處女群島 BVI	50,000 普通股每股US\$1 50,000 ordinary shares of US\$1 each/US\$1,000	100%	—	投資控股 Investment holding
頂通(開曼島)控股有限公司 Tingtong (Cayman Islands) Holding Corp	開曼群島 Cayman Islands	15,000,000 普通股 每股US\$1 US\$2,118,334 15,000,000 ordinary shares of US\$1 each/ US\$2,118,334	—	50.01%	投資控股 Investment holding
頂益(英屬處女島)國際有限公司 Tingyi (BVI) Int'l Co., Ltd.	英屬處女群島 BVI	50,000 普通股每股US\$1 50,000 ordinary shares of US\$1 each/ US\$50,000	100%	—	本集團之採購代理 Purchasing and sales agent for the Group
* 該等附屬公司註冊為中外合資／合 作企業。			* These subsidiaries are registered as Sino-foreign equity joint venture companies.		
# 英文翻譯只供識別			# English translation for identification purposes only.		
其他本集團於中國境內之附屬公司 均成立及註冊為全資外商企業。			The other subsidiaries in the PRC are established and registered as wholly-owned foreign enterprises.		

## PRINCIPAL AND REGISTERED OFFICES OF THE COMPANY

### Tingyi (Cayman Islands) Holding Corp.

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PO Box 309  
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