

YOFCC 长飞

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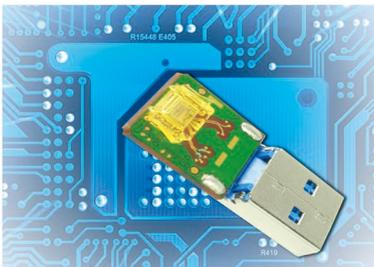
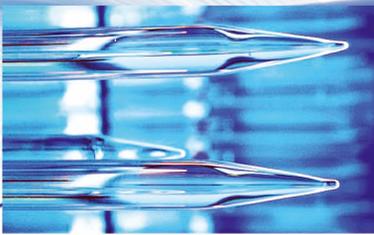
長飛光纖光纜股份有限公司

YANGTZE OPTICAL FIBRE AND CABLE JOINT STOCK LIMITED COMPANY

(於中華人民共和國註冊成立的股份有限公司)

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(STOCK CODE 股份代號: 6869)



ANNUAL REPORT | 年報 | 2014

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CORPORATE PROFILE

公司簡介

Yangtze Optical Fibre and Cable Joint Stock Limited Company* is the largest optical fibre preform supplier and the second largest optical fibre and optical cable supplier in the world. The Company primarily manufactures and sells optical fibre preforms, optical fibres and optical fibre cables with various standard specifications that are widely used in the telecommunications industry. The Company also designs and produces specialty optical fibres and cables, including specialty integration systems, engineering design and service that are customised to customers' specifications. The Company has the most comprehensive optical fibre and cable product portfolios, and provides a wide range of optical fibre and cable products with relevant solutions for the global telecommunications industry and other sectors, including utilities, transportation, petrochemical and healthcare. The Company provides high-quality products and services in more than 50 countries and regions.

The Company, formerly known as Yangtze Optical Fibre and Cable Company Ltd, was established in Wuhan, Hubei Province in May 1988 as a sino-foreign equity joint venture. On 27 December 2013, the Company was converted into a foreign invested joint stock limited liability company, and was renamed to Yangtze Optical Fibre and Cable Joint Stock Limited Company*. The substantial shareholders of the Company include China Huaxin, Draka and Yangtze Communications.

The H shares of the Company were successfully listed on the Main Board of the Stock Exchange on 10 December 2014. As of 31 December 2014, the total number of issued shares of the Company was 639,462,598 shares, among which 339,697,794 shares were H shares and 299,764,804 shares were domestic shares.

長飛光纖光纜股份有限公司為全球第一大光纖預製棒供應商和全球第二大光纖、光纜供應商，主要生產和銷售通信行業廣泛採用的各種標準規格的光纖預製棒、光纖及光纜，也設計及定制客戶所需規格的特種光纖及光纜，包括集成系統、工程設計與服務。本公司擁有最完備的光纖及光纜產品組合，為全球通信行業及其他行業（包括公用事業、運輸、石油化工及醫療）提供各種光纖光纜產品及相關解決方案，在全球50多個國家和地區提供優質的產品與服務。

本公司為一九八八年五月在湖北省武漢市註冊成立的中外合資企業，前稱長飛光纖光纜有限公司。本公司於二零一三年十二月二十七日改制為外資股份有限公司，更名為長飛光纖光纜股份有限公司。本公司的主要股東包括中國華信、Draka及長江通信。

本公司的H股於二零一四年十二月十日在聯交所主板成功掛牌上市。於二零一四年十二月三十一日，本公司的已發行股份總數為639,462,598股，其中339,697,794股為H股，299,764,804股為內資股。

* For identification purposes only

FINANCIAL HIGHLIGHTS

財務摘要

For the year ended 31 December 2014, the Group's operating results were as follows:

- Total turnover was RMB5,676.8 million, increased by approximately 17.6%.
- Gross profit and gross profit margin were RMB1,087.6 million and 19.2%, respectively.
- Profit for the year attributable to equity shareholders of the Company was RMB466.3 million, increased by approximately 12.4%.
- The Group's turnover from domestic business increased by approximately 17.7%, when compared with the prior year. The Group's overseas turnover increased by approximately 16.2%, when compared with the prior year.
- The Board recommended a final dividend of RMB0.166 (before tax) per share.

截至二零一四年十二月三十一日止年度，本集團的經營業績如下：

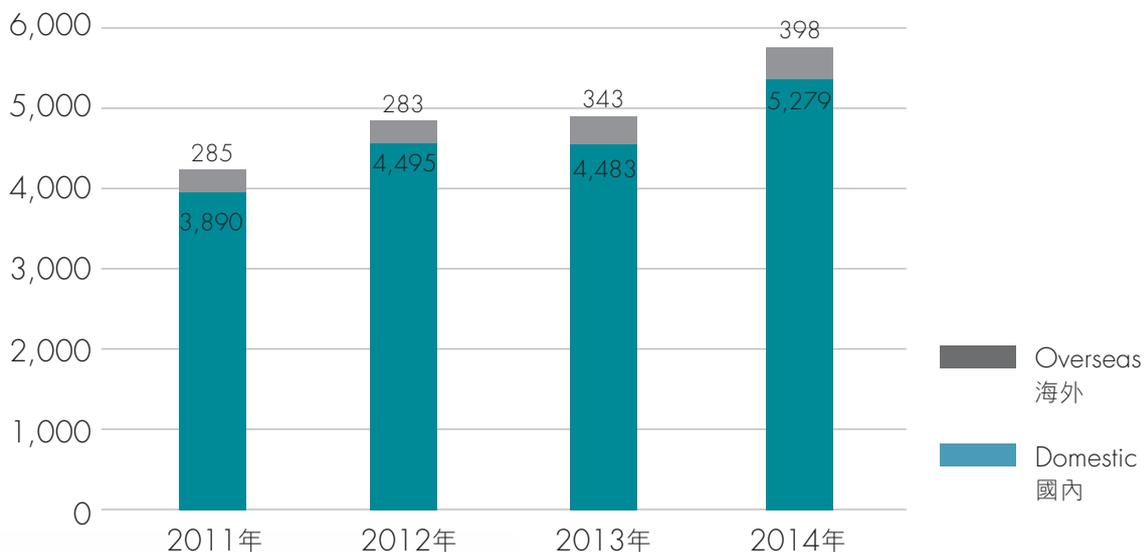
- 總收入為人民幣5,676.8百萬元，增幅約為17.6%。
- 毛利及毛利率分別為人民幣1,087.6百萬元及19.2%。
- 本公司權益持有人應佔年內利潤為人民幣466.3百萬元，增幅約為12.4%。
- 與去年比較，本集團來自國內業務的收入增加約17.7%。與去年比較，本集團之海外營業額增加約16.2%。
- 董事會建議派發末期股息每股人民幣0.166元(除稅前)。

FINANCIAL HIGHLIGHTS (Continued)

財務摘要 (續)

TURNOVER 收入

(RMB Million)
(人民幣百萬元)



PROFIT FOR THE YEAR 年內利潤

(RMB Million)
(人民幣百萬元)



FOUR-YEAR FINANCIAL SUMMARY

四年財務摘要

		Year ended December 31 截至十二月三十一日止年度			
		2011 二零一一年	2012 二零一二年	2013 二零一三年	2014 二零一四年
Operating Result		經營業績			
Gross profit margin	毛利率	17.8%	18.5%	21.1%	19.2%
Net profit margin	淨利率	8.2%	7.6%	8.6%	8.2%
Return on equity ⁽¹⁾	股本回報率 ⁽¹⁾	22.9%	22.1%	25.5%	21.0%
Financial Position		財務狀況			
Net cash from operating activities (RMB'000)	經營活動產生的現金淨額 (人民幣千元)	594,461	496,196	431,146	200,177
Total assets (RMB'000)	資產總額(人民幣千元)	3,496,859	4,008,444	5,007,731	6,591,116
Total non-current assets (RMB'000)	非流動資產總額 (人民幣千元)	1,495,734	1,684,782	1,713,461	1,979,214
Total current assets (RMB'000)	流動資產總額 (人民幣千元)	2,001,125	2,323,662	3,294,270	4,611,902
Total liabilities (RMB'000)	負債總額(人民幣千元)	1,952,605	2,257,246	3,498,079	3,679,625
Total non-current liabilities (RMB'000)	非流動負債總額 (人民幣千元)	448,761	184,848	897,859	1,095,358
Total current liabilities (RMB'000)	流動負債總額 (人民幣千元)	1,503,844	2,072,398	2,600,220	2,584,267
Net Assets (RMB'000)	淨資產(人民幣千元)	1,544,254	1,751,198	1,509,652	2,911,491
Gearing ratio	負債資本比率(倍)	51.6%	43.0%	47.4%	16.3%
Working Capital Cycles		營運資金週期			
Average trade and bills receivables turnover days ⁽²⁾	平均應收賬款及票據週轉天數 ⁽²⁾	111.8	99.6	110.8	104.6
Average trade and bills payable turnover days ⁽³⁾	平均應付賬款及票據週轉天數 ⁽³⁾	40.1	47.2	66.0	56.2
Average inventory turnover days ⁽⁴⁾	平均存貨週轉天數 ⁽⁴⁾	32.9	34.6	55.6	56.4
Operating Efficiency (percentage of revenue)		營運效率(佔收入百分比)			
Selling expenses	銷售費用	2.2%	2.0%	2.3%	2.2%
Administrative expenses	管理費用	9.0%	9.0%	9.1%	7.8%
Net finance costs	淨融資成本	0.5%	1.3%	0.8%	0.8%
Effective tax rate	實際稅率	8.6%	9.0%	11.7%	13.2%

(1) Calculated using the profit for the year divided by average total equity on an annualized basis, multiplied by 100%.

(2) Average trade and bills receivables turnover days are based on the average balance of trade and bills receivables divided by turnover for the relevant year and multiplied by 365 days. Average balance is calculated as the average of the beginning balance and ending balance of a given year.

(3) Average trade and bills payable turnover days are based on the average balance of trade and bills payable divided by cost of sales for the relevant year and multiplied by 365 days. Average balance is calculated as the average of the beginning balance and ending balance of a given year.

(4) Average inventory turnover days are based on the average balance of inventory divided by cost of sales for the relevant year and multiplied by 365 days. Average balance is calculated as the average of the beginning balance and ending balance of a given year.

(1) 以年內利潤除以年度平均權益總額乘以100%計算。

(2) 平均應收賬款及票據週轉天數按應收賬款及票據的平均結餘除以相關年度的收入再乘以365天計算。特定年度的平均結餘按年初結餘與年末結餘的平均數計算。

(3) 平均應付賬款及票據週轉天數按應付賬款及票據的平均結餘除以相關年度的銷售成本再乘以365天計算。特定年度的平均結餘按年初結餘與年末結餘的平均數計算。

(4) 平均存貨週轉天數按平均存貨結餘除以相關年度的銷售成本再乘以365天計算。特定年度的平均結餘按年初結餘與年末結餘的平均數計算。

CHAIRMAN'S STATEMENT

董事長報告



To our shareholders,

2014 marked the first year of the Company as a publicly listed company. We have accomplished our annual operation targets and fulfilled our commitments to the shareholders. We fully utilised our production capacity at our maximum. Our sales volume reported a record high by reaching 100.47 million fkm in total for optical fibre preforms, fibres and cables. Our turnover increased by 17.6% and the net profit attributable to equity shareholders of the Company for the year increased by 12.4% and reached RMB5,676.8 million and RMB466.3 million, respectively. Our earnings per share was RMB0.95.

In 2014, we seized the arising opportunities of the rapid growth in both domestic and global telecommunications markets, including the increasing popularity of 4G network and the implementation of "Broadband" national strategy by various countries and regions. Focusing on improving our core competitiveness, we have also initiated a series of strategic formation and measures so as to ensure the continuous improvement in our annual operational results and built up solid foundations for our future development.

各位股東：

二零一四年是本公司上市的元年，公司全面完成了年度經營計劃，踐行了招股書中對股東的承諾。尤其是公司產能得到最大程度的利用，使得銷量創歷史新高，光纖預製棒、光纖和光纜的總銷量達到10,047萬芯公里；收入和本公司權益持有人應佔年內淨利潤分別增長了17.6%和12.4%，分別達到了人民幣5,676.8百萬元和人民幣466.3百萬元，每股盈利為人民幣0.95元。

在二零一四年，借助國內外電信行業大發展的契機，包括4G的普及發展和眾多國家和地區寬帶國家戰略的實施，本公司圍繞不斷來提升核心競爭力，啟動了一系列戰略佈局與舉措，不僅確保了本年度經營業績的持續提升，還為未來發展奠定了堅實的基礎。

First of all, we further improved our product structure and better positioned ourselves in the industry and market: we nearly completed the construction of YOFC Science & Technology Park Phase 1 in the Wuhan East Lake High-Tech Development Zone. In addition to the expansion of our cable production capacity, we improved our production lines to make it more adaptive to different customers' needs both domestically and globally by enhancing their flexibilities on the production of different product specification. We also initiated the planning stage of the Phase 2 of YOFC Science & Technology Park. With the idea of cyclic economy, we will build another production base for optical fibre preform as well as the relevant key chemical and raw materials for use in the production of optical fibre preforms, fibres and cables. We will further strengthen our full industrial chain operation and vigorously improve our competitive advantages in core products, especially optical fibre preforms.

Secondly, we accelerated the developments of alternative production processes of optical fibre preforms and additional types of optical fibres with new applications. We have successfully completed the pilot production of the alternative processes of optical fibre preforms and will commence the commercial production soon for optical fibre preforms. As such, we are able to adopt multi-process routes. In addition, we successfully developed G.657.B3 fibre which is mainly used indoor or in intensive cabling, ultra low attenuation G.652 & G.654 fibres which are mainly used in long haul trunk networks, and bend insensitive OM4 and OM4+ fibres which are mainly used in the construction of data centers.

Thirdly, we took a step further on internationalisation. We initialised an optical cable joint venture in Myanmar in December 2014 and an optical fibre joint venture in Indonesia in early 2015. Meanwhile, we set up 8 overseas offices in South East Asia, Africa and South America. By getting closer to our customers, we improved our export sales volume by 35.9% and our export turnover by 17.2%, accordingly, which established a solid foundation for our future development in overseas market.

第一、進一步優化產品結構和產業佈局：於東湖高新開發區的長飛科技園一期項目接近完工。除提升本公司光纖產能外，我們亦優化生產線，可更好地滿足國內外客戶的需求；適時啟動了長飛科技園二期項目，將立足於發展循環經濟建立預製棒及光纖光纜主要化工原料產業基地，進一步加強全產業鏈運營，可大力提升本公司在核心產品尤其是光纖預製棒的競爭優勢。

第二、加快了光纖預製棒新工藝和新增不同應用新型光纖的開發：光纖預製棒新工藝順利完成中試生產並將投入大規模批量生產，基本實現多工藝路線；成功開發了用於室內或密集佈線的G.657.B3光纖、適用於長途幹線建設的超低衰減光纖G.652 & G.654以及數據中心建設的抗彎曲OM4和OM4+光纖。

第三、邁出了國際化的關鍵一步，於二零一四年十二月份和二零一五年初分別啟動了在緬甸建立的光纜合資公司和在印度尼西亞建立的光纖合資公司的項目；同時，已在東南亞、非洲和南美建立了八個海外辦事處，通過進一步貼近客戶，使本年度的光纖光纜出口量和銷售額分別增長了35.9%和17.2%，更為今後海外市場份額的提升打下了堅實的基礎。

Fourthly, we established a joint venture with VIA Technologies Inc. and its group companies, namely EverPro, which commenced its operation in 2014. EverPro began to provide cost-efficient AOC chips, integrated circuit, module, optical fibre, optical cable and zero-client system solutions for communication, manufacturing, consumer electronics and other relevant industries. The establishment of EverPro represented a solid step for our relevant business diversification and new market expansion. In 2015, we will continue to look for new business opportunities and market expansion so as to create higher value to our shareholders.

Looking ahead, along with the increasingly intensified competition in both domestic and global markets, we remain very positive towards the increasing market demands for our products and the continuous growth for this industry. We will actively promote our development strategies of "full industrial chain, multi-production processes, relevant business diversification and global expansion". We will also continue implementing technology innovation, enhancing market penetration, lowering production costs and optimizing corporate governance. We will ensure our legal compliance and give priority to operating efficiency. We also focus on the long term sustainable development. We will strengthen our competitive advantages through prompt responses to markets and enhancement of operational and management efficiency, in order to generate better annual operation results to ensure a healthy and promising development of the Company.

Finally, on behalf of the Board, I would like to express my sincere gratitude to the management team and staff for their outstanding contribution for our company. I would also like to thank all our shareholders, clients, suppliers, business partners and the public community.

Wen Huiguo
Chairman

Wuhan, China
27 March 2015

第四、與威盛電子股份有限公司及其集團成員公司合資創立的長芯盛於二零一四年開展運營，並開始為通訊、製造、消費電子和其他相關產業提供高性價比的有源光纜相關芯片、集成電路、模組、光纖、光纜和系統解決方案。該合資公司建立和正式運營標誌著本公司在相關多元化以及開拓新的業務和市場方面邁出了堅實的一步。在二零一五年，我們將繼續尋找新業務發展機會和加強市場拓展以為股東創造更高價值。

展望未來，儘管國內外競爭將進一步加劇，但我們依然對我們產品的市場需求和行業的持續增長保持樂觀。我們將積極推進公司「全產業鏈、多工藝路線、相關多元化和國際化」的發展戰略，不斷開展技術創新、不斷開拓新的市場、不斷降低生產成本和不斷完善公司治理，進一步提升公司的核心競爭力和經營管理水平。同時，確保公司合規合法經營並堅持效率優先，兼顧公司的長期可持續發展。通過對市場的快速響應和提升運營及管理效能強化競爭優勢，創造更好的年度經營業績，以保持公司穩健、良好的發展。

最後，我謹代表董事會對管理團隊和各位員工為本公司做出的突出貢獻表示感謝！向長期關心和支持本公司的股東、廣大客戶、供應商、合作夥伴、社會各界表示最衷心的感謝！

文會國
主席

中國武漢
二零一五年三月二十七日

GENERAL MANAGER'S REPORT

總經理報告



Dear shareholders,

It is my honor to introduce our operating performance for 2014 to you.

FINANCIAL PERFORMANCE

In 2014, the total turnover of our group has reached RMB5,676.8 million, which is a 17.6% increase compared with last year. The sustainable growth of our turnover is mainly due to our continuous consolidation of our advantages in the domestic telecommunication operators market and our active expansion in the overseas market, both of which have achieved remarkable results. Sales volume of our major businesses including optical fibre preforms, optical fibres and optical fibre cables, have all achieved double-digit growth. In 2014, the profit for the year has reached RMB464.0 million, which is a 11.8% increase compared with last year, and the basic earnings per share is RMB0.95.

In 2014, we have completed the listing of our shares on the Main Board of the Stock Exchange and has raised a total amount of approximately RMB892.4 million, which has assured the effective implementation of our strategy.

尊敬的各位股東：

我很榮幸地向各位報告本公司二零一四年度的經營業績。

財務表現

二零一四年，本集團實現總收入人民幣5,676.8百萬元，同比增長17.6%。收入的持續增長主要得益於本公司在持續鞏固國內電信運營商市場優勢的同時，積極拓展海外市場，取得顯著成效，公司光纖預製棒、光纖和光纜三大業務銷量全部實現兩位數增長。二零一四年，年內利潤為人民幣464.0百萬元，同比增長11.8%，每股基本盈利為人民幣0.95元。

二零一四年，我們完成股份於聯交所主板上市，募集資金總額約人民幣892.4百萬元，確保了本公司戰略的有效實施。

BUSINESS DEVELOPMENT

In 2014, our optical fibre preform and optical fibre businesses have maintained a rapid growth, which had achieved a 18.6% increase when compared with last year and had accounted for 56.9% of our total turnover. In the meantime, in order to strengthen our competitive advantage in the optical fibre and optical fibre cable market of the big three telecommunication operators, we have continued to strengthen our existing vertical integrated business model; and required our joint ventures to capture more market shares in the non-telecom operator markets, such as community antenna television (CATV) and electric power markets so as to increase our order in-take on optical fibre cable and thus dramatically increase our sales volume on optical preform and optical fibre.

In 2014, turnover of optical fibre cables also maintained a growth of 9.5% as compared to last year, and accounted for 35.0% of our total turnover. During the year, the Chinese government has greatly promoted the "BroadBand China Strategy" and the big three telecommunication operators have commenced their scalable construction of 4G mobile network and FTTH network, which resulted in booming demand in the optical fibre cable market in China. We had seized the market opportunity and launched "the year of customer service", which led to a significant increase in turnover.

In 2014, turnover of other businesses and services increased by 60.3% compared with last year and accounted for 8.1% of the total turnover. As a result of the evolution of the "Big Data", the construction of data centre starts booming both domestically and globally. In 2014, with this attractive market opportunity, our cabling system business and components, which are used for data center construction, reported a dramatic increase.

業務發展

二零一四年，光纖預製棒及光纖業務收入保持了較快的增長勢頭，同比增長18.6%，佔總收入56.9%。與此同時，本公司為了增強自身在中國三大電信運營商光纖及光纜市場的競爭優勢，繼續強化已建立的垂直整合業務模式，並要求合營公司在廣電、電力等非運營商市場全力爭奪市場份額，提高光纜接單量，因而令本公司光纖預製棒和光纖的銷量急升。

二零一四年，光纜收入也保持增長，同比增長9.5%，佔總收入的35.0%。全年，中國政府大力推動「寬帶中國戰略」，中國三大電信運營商開展大規模4G移動網絡和光纖到戶網絡建設，中國光纜市場需求持續旺盛。本公司抓住市場機遇，開展「客戶服務年」，帶動收入大幅增加。

二零一四年，其他產品及服務收入同比增長60.3%，佔總收入8.1%。隨著「大數據」的發展，全球及中國紛紛建設數據中心。二零一四年，本公司瞄準這一大好市場機遇，使用於數據中心建設的線纜系統業務及組件等錄得大幅增長。

MARKET DEVELOPMENT

In addition to keep on strengthening our leading position in the optical fibre preform, optical fibre and optical fibre cable businesses in the domestic telecommunication operators market, we have started our internationalization strategy and expanded overseas markets. Besides, we have kept implementing business related diversification and have entered into the consumer electronics market.

In 2014, our company activated our internationalization strategy. The establishment of a joint venture cable factory in Myanmar had started and we had established 8 overseas offices so as to better penetrate into the local market in overseas. Our overseas business reported a marked progress. The export volume of optical fibre and optical cable increased by 35.9% compared with last year.

In 2014, EverPro, representing our co-operation with VIA Technologies, Inc, a world leading chipset manufacturer, has commenced its AOC business operation and enable us to step into the consumer electronics market.

FOCUS ON QUALITY MANAGEMENT AND ENHANCE THE INFLUENCE OF YOFC BRAND

We continuously optimise the internal processes so as to strengthen our management as well as using the excellent performance as our orientation. We have promoted company-wide quality management so as to set the industry benchmark for quality. On the other hand, we have strict quality control measures on product development, manufacturing and sales processes in order to enable ourselves to deliver the highest quality products to our customers; besides, we have implemented a series of management improvement measures and have promoted the concept of Six Sigma and Lean Manufacturing to add value to our standard of management, thus lowering down our operating costs as well as enhancing our operational efficiency.

In 2014, we obtained the following prizes, which included Diamond Award of International Quality Star, Golden Prize of ICQCC international quality management team meeting, Wuhan Mayor Quality Award, National Quality Encouragement Award and China's Annual Most Competitive Enterprise Award of Optical Fibre and Optical Cable Industry. All of them proved our high quality standard. All these further evidenced that our reputation was well-recognised globally and domestically, both inside and outside the industry. The influence of YOFC brand has been greatly enhanced.

市場拓展

本公司在持續鞏固光纖預製棒、光纖和光纜業務，保持在國內電信運營商市場的領先地位的同時，實施國際化戰略，拓展海外市場。此外，本公司繼續推行業務相關多元化，進軍消費電子市場。

二零一四年，本公司啟動國際化戰略，開始在緬甸建設光纜合資廠，並建立了8個海外辦事處，以便滲透海外當地市場。海外業務成效顯著，光纖和光纜出口量同比增長35.9%。

二零一四年，本公司與全球領先的芯片製造商威盛電子股份有限公司合資成立的長芯盛開展其有源光纜業務，使我們得以涉足消費電子市場。

聚焦質量管理，提升公司品牌影響力

本公司持續優化內部流程，強化管理，以卓越績效為導向，推動全公司範圍內的質量管理，樹立行業質量標杆。另一方面，在產品研發、製造和銷售流程嚴把質量關，為客戶提供最優質的產品；此外，實施一系列管理改進措施，推廣六西格瑪精益生產概念，為管理標準增值，降低運營成本和提升公司運行效率。

二零一四年，本公司先後獲得下列獎項：國際質量之星鑽石獎、ICQCC國際質量管理小組會議金獎、武漢市長質量獎、全國質量獎鼓勵獎和中國光纖光纜年度最具競爭力企業，該等獎項足證本公司達優質水平，亦反映本公司信譽深得國內外、行業內外認可，公司品牌影響力大幅提升。

2015 OUTLOOK

In 2015, we will adhere to our medium and long term strategy so as to strengthen our advantage in optical fibre and optical fibre cable businesses, enhance our internationalisation, focus on diversification, improve technology development, and optimize our management, to create higher value and return to our shareholders and customers. Our objectives are as follows:

- Strengthening advantages in optical fibre and optical fibre cable businesses: Grasp the opportunity of 4G and FTTH development, further strengthen our customer relationships, put more emphasis on product quality, and strengthen our leading position of optical fibre and optical fibre cable businesses among the big three telecommunication operators in China. Additionally, we will continuously expand our vertical integration business model and further enhance our leading position in the domestic optical preform market.
- Enhancing internationalization: Grasp the opportunities in overseas developing markets with huge potentials for growth, and seek foreign investment opportunities. In January 2015, we have already initiated a joint venture fibre factory project in Indonesia; we will keep on enlarging our overseas sales team and distribution channels through localisation and increasing the number of oversea sales offices to cope with the rapid growth in export for optical fibre and optical fibre cable.

二零一五年展望

二零一五年，本公司將繼續貫徹執行公司中長期發展戰略，強化光纖光纜業務領先優勢，持續提升國際化，專注相關多元化發展，並不斷增強技術研發和優化運營管理，為股東和客戶創造更高價值。主要工作如下：

- 強化光纖光纜業務領先優勢：繼續把握4G和光纖到戶發展機遇，深化客戶關係，以產品質量為重，強化國內三大電信運營商光纖光纜業務的領先市場地位。此外，本公司將繼續強化垂直整合模式，進一步提升國內光纖預製棒市場領先優勢。
- 提升國際化：抓住機遇，發展海外極具增長潛力的市場，尋求投資機會，在二零一五年一月已啟動印度尼西亞光纖合資廠項目；繼續完善海外銷售團隊建設和豐富海外銷售渠道，實施本地化銷售，進一步增加海外銷售辦事處的數量，應付光纖和光纜出口的快速增長。

- Focus on diversification: Optimise operation mechanism, strengthen product development, enlarge the specialty products and AOC business, as well as actively seek for new business opportunities in order to continuously increase our turnover and profit.
- Improving technology development: Optimise management mechanism of new product development, speed up the launch of new products in response to the fast growing in market demand, to strengthen the competitive advantage of diversification; speed up the development of multi-process in order to enhance our cost advantage of integration of full industry chain.
- Optimising management: Implement procedure optimization, enhance project management, strengthen risk control, and gradually improve the foundation of internal operation management, so as to ensure the stable growth of the Company.
- 專注相關多元化發展：優化運營機制，強化新產品研發，擴大特種產品和有源光纜業務，並積極尋求新業務發展機遇，促進公司收入和利潤持續增長。
- 增強技術研發：優化新產品研發管理機制，加快貼近市場需求的新產品推出頻率推出新產品以迎合快速變化的市場需求，提升公司多元化競爭能力；加快多工藝研發，鞏固全產業鏈一體化成本優勢。
- 優化運營管理：實施流程優化改造，加強項目管理，強化風險管控，逐步提升內部運營管理基礎，確保公司穩定增長。

Zhuang Dan
General Manager

Wuhan, China
27 March 2015

莊丹
總經理

中國武漢
二零一五年三月二十七日

聯接改變生活

致力于光纖技術的廣泛應用，成爲信息傳輸
和智慧連接領域的領導者。



Link Change Life

Committed to extensive applications of optical fibre technology, leading information transmission and intelligent connections.



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OVERVIEW

For the year ended 31 December 2014, the Group's turnover reached approximately RMB5,676.8 million, increased by approximately 17.6% as compared to 2013 of approximately RMB4,825.9 million. The Group's gross profit attained RMB1,087.6 million, increased by approximately 6.9% as compared to 2013 of approximately RMB1,017.8 million. The Group's profit for the year attributable to the equity shareholders of the Company amounted to approximately RMB466.3 million, increased by approximately 12.4% as compared to 2013 of approximately RMB415.0 million.

Basic earnings per share was RMB0.95 per share (2013: RMB0.87 per share). On the other hand, the Company managed to generate positive cash flows from operating activities, further details of which are explained under the heading of cash flow analysis below.

2014 was a year of great significance for the Company. The H shares of the Company were successfully listed on the Main Board of the Stock Exchange on 10 December 2014, marking a milestone for the Group in improving its capital strength and corporate governance as well as enhancing its competitive edge, which laid a solid foundation for the Group's future development.

BUSINESS OVERVIEW

We are one of the leading optical fibre preform, optical fibre and optical fibre cable suppliers in the world. We provide a wide range of optical fibre and cable products and services for the worldwide telecommunications industry and industries including broadcasting and television communications networks, utilities, transportation, petrochemical and healthcare.

The Group's businesses are mainly originated from the PRC and are mainly conducted through direct sales. Our customers are located worldwide from more than 50 countries and regions.

綜述

截至二零一四年十二月三十一日止年度，本集團收入約達人民幣5,676.8百萬元，較二零一三年約人民幣4,825.9百萬元增長約17.6%。本集團的毛利為人民幣1,087.6百萬元，較二零一三年約人民幣1,017.8百萬元增加約6.9%。本集團的本年度公司權益持有人應佔利潤約為人民幣466.3百萬元，較二零一三年約人民幣415.0百萬元增長約12.4%。

每股基本盈利為每股人民幣0.95元（二零一三年：每股人民幣0.87元）。另外，本公司得以從營運活動產生現金流正數，詳情見下文現金流分析項下的闡釋。

二零一四年是本公司極具意義的一年。本公司H股於二零一四年十二月十日成功於聯交所主板上市，標誌著本集團的里程碑，此舉促進提升資本實力及企業管治，同時增強競爭優勢，為本集團未來發展奠定穩健基礎。

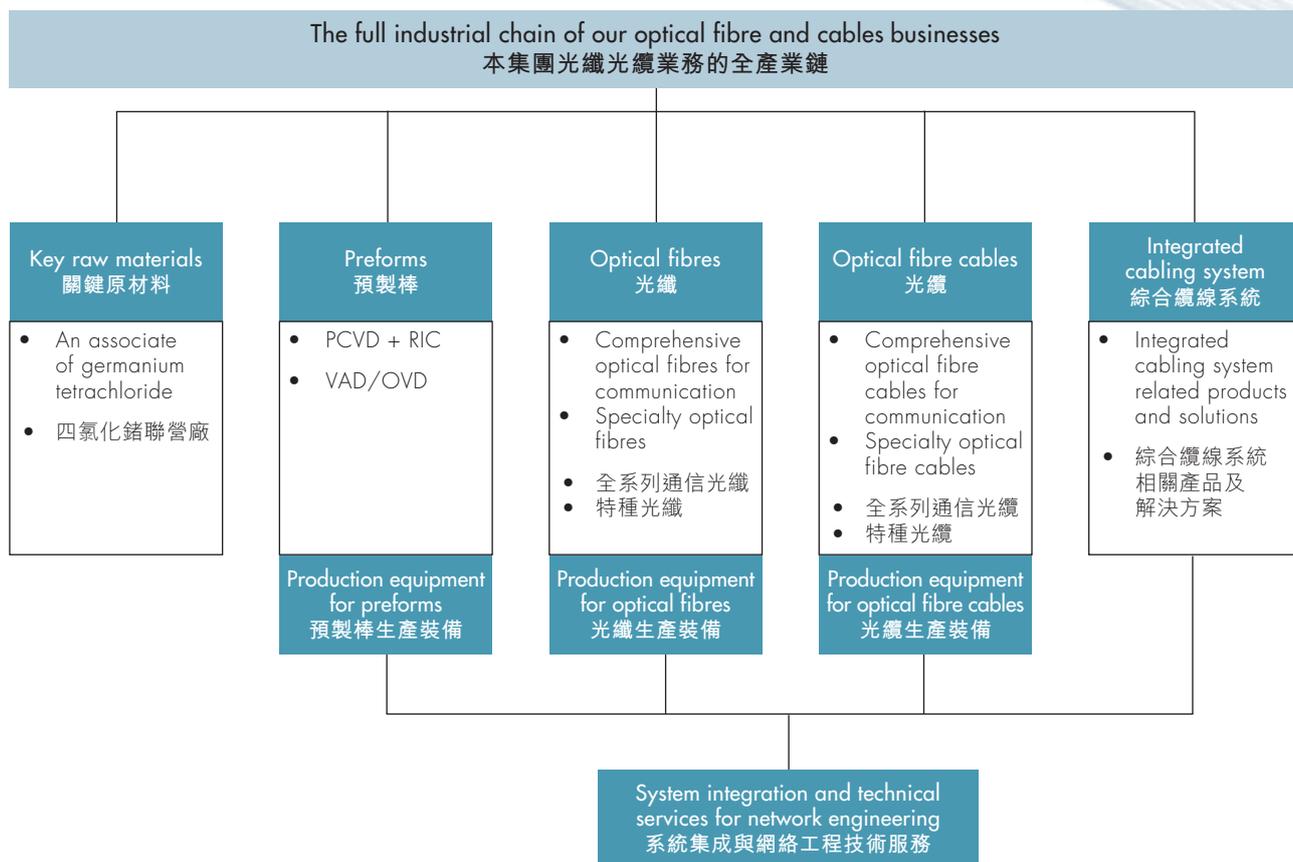
業務概覽

本公司為世界領先的光纖預製棒、光纖及光纖供應商之一，為全球電信行業及廣播電視通信網絡、公用事業、運輸、石油化工、醫療等行業提供各種光纖光纜產品及服務。

本集團業務大部分位於中國，主要以直銷方式進行，客戶遍及全球50多個國家和地區。

BUSINESS OVERVIEW (Continued)

業務概覽 (續)



		Turnover in 2014 (RMB million) 二零一四年 收入 (人民幣百萬元)	Percentage of turnover 收入佔比	Year-on-year growth of turnover 收入同比增長
Optical fibre preforms and fibres	光纖預製棒及光纖	3,229.7	56.9%	18.6%
Optical fibre cables	光纜	1,989.4	35.0%	9.5%
Other products and services	其他產品及服務	457.7	8.1%	60.3%
Total	總計	5,676.8	100.0%	17.6%

BUSINESS OVERVIEW (Continued)

OPTICAL FIBRE PREFORMS AND FIBRES

In 2014, the robust demands in the optical fibre in China significantly drove up the domestic demand for optical fibre preform. Our optical fibre preform business enjoys clear-cut advantages and recorded a double-digit growth in sales volume.

During the year, the industrial association of optical fibre and cable filed an anti-dumping investigation on optical fibre preform, which will have a positive catalyst towards the pricing of optical fibre preform.

In response to intensive competition, the Company had speeded up the existing vertical integrated business model to strengthen the sales platform of optical fibre preform. Such measures asserted a solid foundation for the sustainable and healthy development of our optical fibre preform business.

Driven by the growing demand for optical fibre cables for use in telecommunication industry in the PRC, the demands for single-mode fibre were robust. During the year, our domestic sales volume of single-mode fibres recorded an year-on-year increase of 37.3%. Meanwhile, the global construction of data centres continues to surge amid increasing popularity of the mobile internet, resulting in rapid increase in demands for the multi-mode fibres. We, being one of the multi-mode fibre suppliers in the PRC, recorded an year-on-year increase of 48.4% in sales volume of multi-mode fibres during the year. Moreover, the Company was devoted to expand our foreign optic fibre markets. The annual export volume of optic fibre grew by 44.5%, a performance unmatched by other optic fibre manufacturers in the PRC.

業務概覽 (續)

光纖預製棒及光纖

二零一四年，中國光纖市場需求旺盛，國內光纖預製棒的需求大幅增加。本公司光纖預製棒業務優勢明顯，全年光纖預製棒銷售量錄得雙位數增長。

年內，光纖光纜行業協會對光纖預製棒進行反傾銷調查，將帶動光纖預製棒的價格上漲。

為應對日益激烈的競爭環境，本公司深化現有的垂直整合業務模式，以強化光纖預製棒的銷售平台，為光纖預製棒業務的持續健康發展奠定了堅實基礎。

受惠於中國電信業所用光纜的需求上升，單模光纖的需求殷切。年內，本公司國內單模光纖銷量錄得同比增長37.3%。同時，在移動互聯網浪潮下，全球數據中心建設持續增長，以致多模光纖的需求亦快速增長。本公司是中國多模光纖供應商之一，年內多模光纖銷量錄得同比增長48.4%。此外，本公司致力拓展海外光纖市場，全年光纖出口量上升44.5%，有別於中國其他光纖廠商的業績。

BUSINESS OVERVIEW (Continued)

OPTICAL FIBRE CABLES

In 2014, we recorded an year-on-year growth of 12.0% in sales volume on optical fibre cables, particularly just for three major domestic telecommunication operators. Meanwhile, the Company was devoted to expand its foreign optical fibre cable markets. Eight oversea offices were established to promote sales locally and facilitate cooperation with manufacturers and integrators of communication equipment. Export volume of optical fibre cable grew significantly by 17.7%.

OTHER PRODUCTS AND SERVICES

In 2014, the Group's turnover from other products and services reached RMB457.7 million, representing an year-on-year growth of 60.3%, which also contributed to the expansion of our sale volume.

Our other products and services were introduced into the market in response to future market needs, which have significant growth potential. On the one hand, the construction of data centre will remain buoyant in the era of the mobile internet. Coupled with continuous boost from FTTH, it is expected that the demand for our comprehensive cabling system product and solution business will increase significantly. On the other hand, rapid development in industries like civil defence, electricity, petroleum and medical care will also stimulate the demands for specialty optical fibre and cable and system integration market. Moreover, technical service sector for network engineering is expanding which will create a huge market potential for us.

The Company will deploy extra resources and renovate management mechanism which can enhance our operational competitiveness for the above-mentioned business and can provide positive catalysts for our growth momentum.

業務概覽 (續)

光纜

二零一四年，本公司單計國內三大電信運營商的光纜銷量已錄得同比增長12.0%。同時，公司加大海外光纜市場拓展力度，建立8個海外辦事處，促進本地銷售，並提升與通信設備廠商及集成商的合作。光纜出口量大幅增長17.7%。

其他產品及服務

二零一四年，本集團其他產品及服務銷售收入達人民幣457.7百萬元，同比增長60.3%，亦有利於本公司的銷量增長。

本公司的其他產品及服務是順應市場未來需求而推出，增長潛力巨大。一方面，在移動互聯網時代，數據中心建設將持續高漲，加之光纖到戶的繼續推進，本公司的綜合纜線系統產品及解決方案業務需求預計將大幅增長。另一方面，隨著國防、電力、石油、醫療等行業的蓬勃發展亦會刺激特種光纖光纜及系統集成市場需求增長。此外，網絡工程技術服務領域一直擴大，將為本公司帶來龐大市場潛力。

本公司將加大資源投入，改善管理機制，從而增強上述本公司業務的營運競爭力，並帶動本公司的業務增長。

BUSINESS OVERVIEW (Continued)

OUTLOOK FOR 2015

In 2015, the Company will put every effort on the implementation of our medium and long term strategic plans so as to strengthen its leading market position. Our international expansion strategy will further enlarge our export sales and overseas involvement. Our strategy on the on-going development of multi-production technologies can further enhance our optical fibre preforms' competitiveness in the market. Our continuing diversification can enrich our product mix and improve our profitability. In summary, all these strategies enable us to have a continuous success in our businesses.

With the launch of the "Broadband China" national strategy by the PRC Government, the roll-out of 4G LTE licenses and FTTH by the Three State-owned Telecommunications Operators, and the convergence of tri-network, it is expected that the Three State-owned Telecommunications Operators will continuously increase their spending on the construction of the 4G and FTTH integrated broadband networks. Besides, the regulation requiring all new residential buildings in cities and counties erected after 1 April 2013 to be equipped with optical fibre access also stimulates the growth in market demand for optical fibres and optical fibre cables. As a result, we expect that the optical fibre and optical fibre cable market in China in 2015 will remain promising.

Taking advantage of the promising optical fibre and optical fibre cable market, the demand for optical fibre preforms is also expected to continuously increase. Together with the preliminary arbitration result on anti-dumping investigation against certain foreign suppliers on imported preforms is to be announced in mid April 2015, this may provide opportunities for those domestic preform manufacturers, including us, to further develop their own locally made preform business. In 2015, the Company will speed up its own development on alternative production technologies of optical fibre preforms and this enables the Group to further strengthen its competitive advantage in this business.

In 2015, the Company will try its best endeavour to complete the construction of the joint ventures in Myanmar and Indonesia as scheduled. At the same time, the Company will set up more overseas offices so as to further strengthen its international sales network in order to achieve a double digit growth rate in the overseas business.

業務概覽 (續)

二零一五年展望

於二零一五年，本公司將竭力實施中長期策略規劃，以鞏固我們領先企業之地位。我們採取國際化的策略，將進一步擴大外銷及涉足海外市場。我們目前持續研發多重生產技術的策略可進一步加強我們光纖預製棒之市場競爭力。我們持續推出多元化的產品，可豐富我們的產品組合及提升盈利能力。總括而言，上述策略均有助我們的業務持續取得成功。

隨著中國政府推行「寬帶中國」國家策略，發出4G LTE牌照，加上三大國有電信營運商推出光纖到戶及三網融合，預期三大國有電信營運商將繼續增加資金投放於4G及光纖到戶綜合寬帶網絡建設。此外，法例規定國內各城市及縣市所有於二零一三年四月一日後新建之住宅樓宇須鋪設光纖網絡，亦帶動市場對光纖及光纜的需求上升。因此，我們預期二零一五年中國的光纖及光纜市場前景持續向好。

受惠於光纖及光纜市場前景向好，預期光纖預製棒之需求將持續上升。此外，針對海外進口預製棒供應商之反傾銷初步仲裁結果將於二零一五年四月中公佈，此舉為本地預製棒供應商提供機遇，可進一步發展於本地自家生產預製棒之業務。於二零一五年，本公司將加快研發其他光纖預製棒生產技術，有助我們進一步加強於此業務之競爭優勢。

於二零一五年，本公司將竭盡所能，務求能如期完成於緬甸及印尼的合營企業之籌建工作。同時，我們將開設更多海外辦事處，以進一步擴大海外銷售網絡，從而使海外業務達致雙位數增長。

BUSINESS OVERVIEW (Continued)

OUTLOOK FOR 2015 (Continued)

After nearly a year of development of our AOC business, EverPro has broadened its product categories. Other than AOC, EverPro has developed some new AOC related products and solutions to serve customers' needs during 2014, such as integrated circuits for internet data centre, HDMI AOC, USB3.0 AOC, and the provision of "zero client" solution for universities (zero client solution is a network-based solution and contains plain interfaces and a variety of peripheral devices with the support of a powerful computing data center which solution enables users to save hardware and software consumption, as well as to improve client simplicity and energy saving), which are expected to be launched into market in 2015. It is expected that the Group will spend much more effort to promote all these products in order to stimulate its sales and profitability in this segment.

At the same time, the Group will put more focus on its specialty fibre and cable, integrated system and cabling system network businesses. Participating in network construction projects, the provision of technological services on cabling network, and the entry into other business segment with potential for growth would be the next step. All of these can enable the Group to have a healthy growth and create higher value for its shareholders.

TURNOVER

The Group's turnover for the year ended 31 December 2014 was approximately RMB5,676.8 million, representing an increase of 17.6% as compared to 2013 of approximately RMB4,825.9 million.

By product segment, a total turnover of approximately RMB3,229.7 million was contributed from our optical fibre preform and optical fibre segment, representing a growth of 18.6% as compared to 2013 of approximately RMB2,722.7 million and accounting for 56.9% of the Group's turnover; while a total turnover of RMB1,989.4 million was contributed from our optical fibre cable segment, representing a growth of 9.5% as compared to 2013 of approximately RMB1,817.6 million and accounting for 35.0% of the Group's turnover. The remarkable growth in the Group's turnover was mainly due to the ramp up of 4G infrastructure construction by the Three State-owned Telecommunications Operators and the ongoing "Broadband China" initiatives announced by the Chinese government, which provide positive catalysts and bring in additional momentum, in particular, the demand for optical fibres and optical fibre cables and in turn, the demand for optical fibre preforms.

業務概覽 (續)

二零一五年展望 (續)

自我們發展有源光纜業務近一年後，長芯盛擴大其產品類別。除有源光纜外，長芯盛於二零一四年已開發若干新型有源光纜相關產品及解決方案，例如為互聯網數據中心提供集成電路、HDMI有源光纜、USB3.0有源光纜，以及為大學提供「極精簡用戶端」解決方案（極精簡用戶端解決方案是基於網絡技術的解決方案，具備簡潔的界面及多種週邊設備，並獲得強大電腦數據中心支援，讓用戶節省硬件及軟件方面的消費，亦簡化客人的使用及減低能源消耗）。以上產品預期於二零一五年推出市場。預期本集團將投放更多資源推廣上述產品，以增加該分部之銷售及盈利。

與此同時，本集團將專注發展特種光纖及光纜、集成系統及纜線系統網絡業務。我們下一步將參與網絡建設項目及提供纜線網絡之技術支援，並涉足其他具增長潛力之業務分部。上述各項均有利本集團達致穩健增長，為股東創造更高價值。

收入

截至二零一四年十二月三十一日止年度的本集團收入約為人民幣5,676.8百萬元，較二零一三年約人民幣4,825.9百萬元增長17.6%。

按產品分部劃分，總額約人民幣3,229.7百萬元收入來自我們的光纖預製棒及光纖分部，較二零一三年約人民幣2,722.7百萬元增長18.6%及佔本集團收入56.9%；而總額人民幣1,989.4百萬元收入乃來自我們的光纜分部，較二零一三年約人民幣1,817.6百萬元增長9.5%及佔本集團收入35.0%。本集團收入造出可觀升幅，主要受惠於三家國有電信運營商繼續大力發展4G網絡基建的建設，以及中國政府持續推進實施「寬帶中國戰略」，上述因素尤其對光纖和光纜的需求（因而亦對光纖預製棒的需求）起促進作用，並帶來額外動力。

TURNOVER (Continued)

A total turnover of approximately RMB457.7 million was contributed from others, representing a growth of 60.3% as compared to 2013 of approximately RMB285.6 million and accounting for 8.1% of the Group's turnover because of the recognition of sales of optical fibre drawing equipment to some independent third parties and the contribution from EverPro, a subsidiary of the Company, which commenced commercial operation in late 2014.

By geographical segment, a total turnover of approximately RMB5,278.7 million was from customers in China, representing an increase of 17.7% as compared to 2013 of approximately RMB4,483.4 million and accounting for 93.0% of the Group's turnover, while a total turnover of approximately RMB398.1 million from customers in overseas, representing an increase of 16.2% as compared to 2013 of approximately RMB342.5 million and accounting for approximately 7.0% of the Group's turnover.

During 2014, the Group had achieved a strong business development in both local and overseas telecommunications operator market, which is the key stimulator for our remarkable growth in the Group's turnover.

COST OF SALES

The Group's cost of sales for the year ended 31 December 2014 was approximately RMB4,589.2 million, representing an increase of 20.5% as compared to 2013 of approximately RMB3,808.1 million and accounting for 80.8% of the Group's turnover. The increase in cost of sales was in line with our increase in turnover.

The Group's cost of sales included (i) raw material costs; (ii) manufacturing overheads (including depreciation on machinery and equipment, consumables, rental expenses, utilities and other manufacturing overheads); and (iii) direct labour costs.

In 2014, the Group's total raw material costs was approximately RMB4,146.6 million, representing an increase of 23.7% as compared to approximately RMB3,352.2 million in 2013. Among raw material costs, a total amount of approximately RMB753.4 million was attributable to the purchases of silica jacket cylinders and glass substrate tubes from a Germany based supplier, and a total amount of approximately RMB549.7 million was attributable to the imported preforms from a Japan based supplier, representing 16.4% and 12.0% of the Group's total costs of sales, respectively.

For the year ended 31 December 2014, the Group's manufacturing overheads and direct labour costs amounted to approximately RMB442.6 million, representing a decrease of 2.9% as compared to RMB455.9 million in 2013.

收入 (續)

其他產品服務貢獻總收入約人民幣457.7百萬元，較二零一三年約人民幣285.6百萬元增長60.3%及佔本集團收入8.1%，主要由於確認以光纖拉絲設備向部分獨立第三方作出的銷售，及來自本公司附屬公司長芯盛的貢獻，其於二零一四年底投入商業營運。

按地區分部劃分，總額約人民幣5,278.7百萬元收入來自中國客戶，較二零一三年約人民幣4,483.4百萬元增長17.7%及佔本集團收入93.0%，而總額約人民幣398.1百萬元的收入乃來自海外客戶，較二零一三年約人民幣342.5百萬元增長16.2%及佔本集團收入約7.0%。

二零一四年，本集團在國內外電信營運商市場的業務均有長足發展，彼為推動本集團收入增長的主要動力源。

銷售成本

本集團截至二零一四年十二月三十一日止年度的銷售成本約為人民幣4,589.2百萬元，較二零一三年約人民幣3,808.1百萬元增加20.5%，佔本集團收入的80.8%。銷售成本升幅與收入增長相符。

本集團銷售成本包括(i)原材料成本；(ii)生產間接費用(包括機器及設備折舊、易耗品、租金開支、水電及其他生產間接費用)；及(iii)直接勞工成本。

二零一四年，本集團原材料成本總額約為人民幣4,146.6百萬元，較二零一三年約人民幣3,352.2百萬元增加23.7%。原材料成本中包括向一名德國供應商採購硅質套管及玻璃襯管的總額約人民幣753.4百萬元，以及來自一名日本供應商的進口預製棒的總額約人民幣549.7百萬元，分別佔本集團總銷售成本16.4%及12.0%。

截至二零一四年十二月三十一日止年度，本集團的生產間接成本及直接勞工成本約達人民幣442.6百萬元，較二零一三年約人民幣455.9百萬元減少2.9%。

GROSS PROFIT AND GROSS PROFIT MARGIN

For the year ended 31 December 2014, the Group reported a gross profit of RMB1,087.6 million, representing an increase of 6.9% as compared to RMB1,017.8 million in 2013, and the gross profit margin decreased from 21.1% in 2013 to 19.2% in 2014. The decrease in gross profit margin in 2014 was mainly due to more optical fibre cable sales were conducted in 2014, which generally have a lower profit margin than that of optical fibre preforms and fibres, of which approximately 63.9% of optical fibre cable sales were not self-produced by ourselves but purchased from our joint ventures. The total kilometer of optical fibre cables sold by us during 2014 was approximately 19.0 million fkm while only approximately 16.0 million fkm was sold in 2013. Besides, the overall decrease in average selling price of optical fibres and cables also caused the drop in gross profit margin.

OTHER REVENUE AND NET INCOME

Other revenue and net income was RMB31.6 million in 2014, representing an increase of 48.7% from RMB21.3 million in 2013. The increase was mainly because of more government grants were recognised during the year.

SELLING EXPENSES

The Group's selling expenses for the year ended 31 December 2014 were RMB124.3 million, representing an increase of 13.2% as compared to RMB109.8 million in 2013. The increase was mainly due to the set up of eight sales representative offices in overseas and the increase in marketing expenses to promote the Group's businesses.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses for the year ended 31 December 2014 were RMB441.2 million, representing an increase of 0.5% as compared to RMB438.9 million in 2013. The increase was mainly due to the listing expenses incurred for the Global Offering, which was completed on 10 December 2014.

毛利及毛利率

截至二零一四年十二月三十一日止年度，本集團的毛利為人民幣1,087.6百萬元，較二零一三年的人民幣1,017.8百萬元增加6.9%，而毛利率則由二零一三年的21.1%下降至二零一四年的19.2%。二零一四年的毛利率較二零一三年下降，主要由於於二零一四年，我們錄得較多光纜銷售額，而整體利潤率較光纖預製棒及光纖低，其中約63.9%的光纜銷售額並非集團自產而是採購自合營公司的產品。二零一四年我們售出的光纜總長度約為19.0百萬芯公里，而二零一三年僅售出約16.0百萬芯公里。再者，光纖及光纜整體平均售價下跌亦促使毛利率下降。

其他收入及淨收益

二零一四年，其他收入及淨收益為人民幣31.6百萬元，較二零一三年的人民幣21.3百萬元增加48.7%。增幅主要由於年內確認的政府補助增加。

銷售費用

本集團截至二零一四年十二月三十一日止年度的銷售費用為人民幣124.3百萬元，較二零一三年的人民幣109.8百萬元增加13.2%。增幅主要源於在海外設立八個銷售代辦處以及用於本集團業務推廣的市場推廣費用增加。

管理費用

本集團截至二零一四年十二月三十一日止年度的管理費用為人民幣441.2百萬元，較二零一三年的人民幣438.9百萬元增加0.5%。增幅主要源於本集團首次公開招股產生的上市費用，全球發售已於二零一四年十二月十日完成。

NET FINANCE COSTS

The Group's net finance costs for the year ended 31 December 2014 increased by RMB8.4 million, which was mainly due to the increase in bank loans to finance the construction of Phase I YOFC Science & Technology Park in Wuhan and the increase in effective interest rate.

The effective interest rates of our bank loans in 2014 ranged from 1.54% to 4.43% per annum (2013: 1.64% to 3.29% per annum).

INCOME TAX

The Group's income tax for the year ended 31 December 2014 increased by RMB15.5 million, which was mainly due to the recognition of deferred tax assets in 2013 while it was a reversal of deferred tax assets in 2014. As a result, the effective tax rate increased from 11.7% in 2013 to 13.2% in 2014. During the year, the Company was recognised as an approved high-tech enterprise and was entitled to a preferential tax rate of 15%. An approval document dated 14 October 2014 was issued by the relevant authority which stated that the Company is recognised as an approved high-tech enterprise for another three years from 2015 to 2017.

PRODUCTION CAPACITY

During 2014, there was no material change in the production capacity. However, new production capacity for optical fibre cables will be put into use during the first half of 2015.

CAPITAL EXPENDITURES

During the year, the Group incurred a total capital expenditure of approximately RMB390.1 million for the purchases of property, plant and equipment, intangible assets and lease prepayments, which were primarily related to the construction of Phase I YOFC Science & Technology Park in Wuhan for the expansion of the optical fibre cable production capacity as well as the enhancement and improvement in production efficiency of the existing production capacity on optical fibre preforms and optical fibres. Regarding the intangible assets acquired during the year, it was related to the acquisition of certain patents from one of the non-controlling equity owners with respect to the AOC business.

淨融資成本

本集團截至二零一四年十二月三十一日止年度的淨融資成本增加人民幣8.4百萬元，主要由於用作武漢長飛科技園一期項目工程建設的銀行貸款增加及實際利率上升。

本集團銀行貸款的實際利率於二零一四年介乎年利率1.54%至4.43%(二零一三年：年利率1.64%至3.29%)。

所得稅

本集團截至二零一四年十二月三十一日止年度的所得稅增加人民幣15.5百萬元，主要由於二零一三年確認遞延稅項資產，而於二零一四年則撥回遞延稅項資產。因此，實際稅率由二零一三年的11.7%提高至二零一四年的13.2%。年內，本公司繼續獲認定為高新技術企業，享有15%的優惠稅率。相關監管當局已於二零一四年十月十四日向本公司發出批准文件，確認本公司自二零一五年至二零一七年三年繼續獲認定為高新技術企業。

產能

於二零一四年，本集團產能並無重大變化。然而，二零一五年上半年將有新增的光纖產能投入使用。

資本支出

年內本集團產生資本支出總額約達人民幣390.1百萬元，涉及購買物業、廠房及設備、無形資產及租賃預付款項，主要與武漢長飛科技園一期項目工程建設有關，而該項工程則為了擴充本集團光纖產能以及提升及改善集團現有的光纖預製棒及光纖產能生產效益。就年內產生的無形資產，其涉及向本集團有源光纖業務方面的其中一名非控股權益持有人收購若干專利權。

GEARING RATIO

The Group monitors its leverage using a gearing ratio, which is net debts divided by total equity. Net debts include all bank loans less cash and cash equivalents. The Group's gearing ratio as at 31 December 2014 was 16.3% (2013: 47.4%).

CASH FLOW ANALYSIS

The following table sets forth the selected cash flow data derived from the consolidated cash flow statement for the year ended 31 December 2014.

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Net cash generated from operating activities	經營活動產生的淨現金	200,177	431,146
Net cash used in investing activities	投資活動使用的淨現金	(316,705)	(191,146)
Net cash generated from financing activities	融資活動產生的淨現金	1,222,305	369,196
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	1,105,777	609,196

The Group's net cash generated from operating activities decreased by approximately RMB231.0 million, which was mainly due to the increase in trade and other receivables as a result of the increase in the Group's turnover during the year.

The Group's net cash used in investing activities increased by approximately RMB125.6 million, which was mainly due to the construction of Phase I YOFC Science & Technology Park in Wuhan and the acquisition of certain patents by EverPro.

The Group's net cash generated from financing activities increased by approximately RMB853.1 million, which was mainly due to the net proceeds received from the Global Offering completed on 10 December 2014.

負債資本比率

本集團以負債資本比率監察負債狀況，比率以債務淨額除以權益總額計算。債務淨額包括所有銀行貸款減現金及現金等價物。本集團於二零一四年十二月三十一日的負債資本比率為16.3%(二零一三年：47.4%)。

現金流量分析

下表載列摘錄自截至二零一四年十二月三十一日止年度之合併現金流量表之選定現金流量數據。

本集團經營活動產生的淨現金減少約人民幣231.0百萬元，乃主要由於本集團於年內之收入增加，令應收賬款及其他應收款項增加所致。

本集團投資活動使用的淨現金增加約人民幣125.6百萬元，乃主要由於建造武漢長飛科技園一期項目及長芯盛收購若干專利所致。

本集團融資活動產生的淨現金增加約人民幣853.1百萬元，乃主要由於來自全球發售所得款項淨額所致，全球發售已於二零一四年十二月十日完成。

NET CURRENT ASSETS

As at 31 December 2014, the Group's net current assets was RMB2,027.6 million, representing an increase of RMB1,333.5 million from RMB694.1 million as at 31 December 2013. The increase in net current assets was mainly due to the combined effect of (i) the net proceeds received from the Global Offering; and (ii) the increase in trade and bills receivable being caused by the increase in turnover arising from the increasing demand for optical fibres and optical fibre cables as a result of the issuance of 4G licenses and the "Broadband China" strategy.

BANK LOANS

As at 31 December 2014, the Group's bank loans were RMB2,484.1 million, representing an increase of RMB862.0 million from approximately RMB1,622.1 million as at 31 December 2013. Most of the Group's bank loans were floating rate loans and were either denominated in US Dollars or Euro, of which US Dollar loans accounted for 87.7% of the Group's bank loans as at 31 December 2014.

COMMITMENTS AND CONTINGENCIES

As at 31 December 2014, the Group's outstanding capital commitments in relation to property, plant and equipment amounted to approximately RMB360.4 million (2013: approximately RMB287.2 million), lease prepayment amounted to approximately RMB52.2 million (2013: approximately RMB83.8 million), investment in equity securities amounted to approximately RMB45.1 million (2013: approximately RMB18.0 million) and intangible asset amounted to Nil (2013: RMB75 million). Out of total outstanding commitments as at 31 December 2014 of approximately RMB457.7 million (2013: approximately RMB464.0 million), a total amount of approximately RMB85.9 million (2013: approximately RMB133.1 million) had been contracted for and the remaining balance of approximately RMB371.8 million (2013: approximately RMB330.9 million) had been authorised by the Board but not yet contracted for.

As at 31 December 2014, the Group did not have any material contingent liability.

CHARGE ON ASSETS

As at 31 December 2014, the Group did not pledge any of its assets to secure any banking facility or bank loan.

淨流動資產

於二零一四年十二月三十一日，本集團淨流動資產為人民幣2,027.6百萬元，較二零一三年十二月三十一日的人民幣694.1百萬元增加人民幣1,333.5百萬元。淨流動資產增加乃主要由於下列各項之綜合影響所致：(i)來自全球發售所得款項淨額；及(ii)發放4G牌照及「寬帶中國」策略令市場對光纖及光纜的需求攀升，使得收入增加，並導致應收賬款及票據增加。

銀行貸款

於二零一四年十二月三十一日，本集團之銀行貸款為人民幣2,484.1百萬元，較二零一三年十二月三十一日約人民幣1,622.1百萬元增加人民幣862.0百萬元。本集團大部分銀行貸款均為浮動利率貸款，以美元或歐元計值。其中美元貸款佔本集團於二零一四年十二月三十一日之銀行貸款的87.7%。

承擔及或然事項

於二零一四年十二月三十一日，本集團就物業、廠房及設備之未結算資本承擔約為人民幣360.4百萬元(二零一三年：約人民幣287.2百萬元)、租賃預付款項約人民幣52.2百萬元(二零一三年：約人民幣83.8百萬元)、股本證券投資約人民幣45.1百萬元(二零一三年：約人民幣18.0百萬元)及無形資產零元(二零一三年：人民幣75百萬元)。於二零一四年十二月三十一日之未結算承擔總額約為人民幣457.7百萬元(二零一三年：約人民幣464.0百萬元)中，合共約人民幣85.9百萬元(二零一三年：約人民幣133.1百萬元)已訂約，而餘額約人民幣371.8百萬元(二零一三年：約人民幣330.9百萬元)則已獲董事會授權惟尚未訂約。

於二零一四年十二月三十一日，本集團並無任何重大或然負債。

資產抵押

於二零一四年十二月三十一日，本集團並無抵押其任何資產以取得任何銀行融資或銀行貸款。

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

Most of the revenues and expenses are settled in Renminbi while some of the Group's sales, purchases and financial liabilities are denominated in US Dollars and Euro. Most of the bank deposits are in Renminbi, US Dollars and HK Dollars.

As at 31 December 2014, the Group did not enter into any foreign exchange contracts, interest or currency swaps or other financial derivatives. Although there was fluctuation in exchange rate between Renminbi, US Dollars and Euro, the fluctuation effect cancelled out each other. The Group did not suffer any material fluctuation in exchange differences.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2014, the Group had approximately 1,805 full-time employees (2013: 1,769 full-time employees). The Group has designed an annual evaluation system to assess the performance of its employees. Such system forms the basis of determining whether an employee should be entitled to salary increments, bonuses or promotions. The salaries and bonuses that the employees receive are competitive with market rates. The Company has been in compliance with the relevant national and local labour and social welfare laws and regulations in China.

OFF-BALANCE SHEET ARRANGEMENTS

As at 31 December 2014, the Company entered into non-recourse trade receivables factoring arrangements with commercial banks in China with a carrying amount of approximately RMB332.8 million (2013: RMB425.5 million). In addition, as at 31 December 2014, the Company discounted and endorsed certain bank bills receivable with a carrying amount of approximately RMB422.7 million (2013: RMB372.1 million) to certain commercial banks in China and its suppliers.

匯率波動影響

本集團大部分收益及開支均以人民幣結算，而本集團若干銷售、採購及金融負債則以美元及歐元計值。本集團大部分銀行存款以人民幣、美元及港元方式存置。

於二零一四年十二月三十一日，本集團並無訂立任何遠期外匯合約、利息或貨幣掉期或其他衍生金融工具。雖然人民幣、美元及歐元之間的匯率曾出現波動，惟彼此之波動影響互相抵銷。本集團並無受有關匯兌差異的任何重大波動影響。

僱員及薪酬政策

於二零一四年十二月三十一日，本集團約有1,805名全職僱員(二零一三年：1,769名全職僱員)。本集團設計了一項年度評核制度，以評核僱員的表現。有關制度構成釐定僱員應否獲加薪、花紅或升職之基準。其僱員獲得之薪金及花紅與市場水平相當。本公司一直遵守中國相關國家及地方勞工及社會福利法律及法規。

資產負債表外安排

於二零一四年十二月三十一日，本公司與中國的商業銀行訂立無追索權應收賬款保理合同，賬面值約為人民幣332.8百萬元(二零一三年：人民幣425.5百萬元)。此外，於二零一四年十二月三十一日，本公司將賬面值約為人民幣422.7百萬元(二零一三年：人民幣372.1百萬元)的若干應收銀行票據交予中國若干商業銀行安排貼現或背書轉讓予供應商。

FORMATION OF JOINT VENTURES IN MYANMAR AND INDONESIA

In December 2014, the Company and Yadanarbon Fibre Co., Ltd ("YFCL"), a limited liability company incorporated in the Republic of the Union of Myanmar, entered into a joint venture agreement to establish an optical fibre cable joint venture in Myanmar (the "Myanmar JV") to promote and develop optical fibre cables. The Myanmar JV is held as to 50% by the Company and as to 50% by YFCL. The paid-up capital of the Myanmar JV is USD4 million and each party will make their respective contribution in cash in accordance with their respective shareholdings in the Myanmar JV. The financial results of the Myanmar JV will be consolidated in the Group's financial statements as a joint venture after its establishment.

In January 2015, the Company and PT MonasPermata Persada ("PT Monas"), a limited liability company incorporated in the Republic of Indonesia, entered into a joint venture agreement to establish a joint venture (the "Indonesia JV") in Indonesia to promote and develop optical fibre manufacturing, sales and its related business. The Indonesia JV is held as to 70% by the Company and 30% by PT Monas and the paid-up capital of the Indonesia JV is USD10 million and each party will make their respective contribution in cash in accordance with their respective shareholdings in the Indonesia JV. The financial results of the Indonesia JV will be consolidated in the Group's financial statements as a subsidiary after its establishment.

The formation of the Myanmar JV and the Indonesia JV do not constitute notifiable transactions or connected transactions of the Company under Chapter 14 and Chapter 14A of the Listing Rules.

於緬甸及印尼成立合營企業

於二零一四年十二月，本公司與於緬甸註冊成立之有限公司Yadanarbon Fibre Co., Ltd (「YFCL」)訂立合營企業協議，於緬甸成立光纜合營企業(「緬甸合營企業」)，藉以推廣及發展光纜。緬甸合營企業由本公司及YFCL各持有50%。緬甸合營企業之繳足股本為4百萬美元，各訂約方將按彼等於緬甸合營企業之持股量分別以現金注資。緬甸合營企業成立後，其財務業績將於以合營企業反映在本集團合併財務報表。

於二零一五年一月，本公司與於印尼註冊成立之有限公司PT MonasPermata Persada (「PT Monas」)訂立合營企業協議，於印尼成立合營企業(「印尼合營企業」)，藉以推廣及發展光纖製造、銷售及其相關業務。印尼合營企業由本公司及PT Monas分別持有70%及30%，其繳足股本為10百萬美元，各訂約方將按彼等於印尼合營企業之持股量分別以現金注資。印尼合營企業成立後，其財務業績將於以附屬公司反映在本集團合併財務報表。

根據上市規則第14章及第14A章，成立緬甸合營企業及印尼合營企業不構成本公司之須予公佈交易或關連交易。

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S PROFILES

董事、監事及高級管理人員簡歷

DIRECTORS

EXECUTIVE DIRECTORS

Mr. Wen Huiguo, age 61, is an executive Director and authorised representative of the Company and the Chairman of the Board. He is also the Chairman of the Strategy Committee of the Company and is primarily responsible for overall management of the Company's investment strategies and business development. Mr. Wen has over 40 years of management experience in the telecommunications industry of China. He was appointed as an executive Director of the Company on 19 December 2013. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 15 October 2008. Mr. Wen has also been a member of the management committee of China Huaxin, one of the substantial shareholders of the Company, since June 2011. Prior to joining the Company, from June 2000 to October 2008, he served as the general manager of Hunan Branch of China Telecom. Mr. Wen graduated from Beijing University of Posts and Telecommunications with a major in signal carrier and obtained an executive master of business administration from Peking University. Mr. Wen is a senior engineer of professor level who is entitled to receive special allowance from the State Council and the winner of National Labor Medal issued by All China Federation of Trade Unions. He is also a representative of the Tenth and Eleventh National People's Congress.

Mr. Frank Franciscus Dorjee, age 54, is an executive Director of the Company, the Vice-Chairman of the Board and is a member of the Nomination and Remuneration Committee of the Company. He is primarily responsible for overall management of the Company's investment strategies and business development. He was appointed as an executive Director of the Company on 19 December 2013. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 24 January 2011. He has also been a member of the supervisory board and chairman of the audit committee of Randstad Holding NV, a company listed on the Euronext Amsterdam (Stock Code: RAND), since April 2014. Mr. Dorjee once joined the board of directors of Oman Cables Industry (SAOG), a company listed on the Muscat Securities Market (Stock Code: OCAI) in March 2012 and had been serving as the vice-chairman of the board of directors for the period from July 2012 to 1 December 2014. Mr. Dorjee consecutively served at KPMG Accountant N.V. and Van der Moolen Holding N.V., which was a Dutch equity trading firm and one of the specialists on the New York Stock Exchange, Draka Holding N.V. and Prysmian S.p.A. (a company listed on the Borsa Italiana S.p.A., Italy's main stock exchange (Stock Code: PRY)), which indirectly holds 100%

董事

執行董事

文會國先生，61歲，現任本公司執行董事、授權代表和董事長以及戰略委員會主席，主要負責本公司投資策略及業務發展的全面管理。文先生在中國電信行業擁有逾40年管理經驗。文先生於二零一三年十二月十九日獲委任為本公司執行董事，於二零零八年十月十五日加入我們的前身長飛董事會出任董事。文先生自二零一一年六月起亦一直為中國華信(本公司主要股東之一)的管理委員會委員。文先生加入本公司前，於二零零零年六月至二零零八年十月，擔任中國電信股份有限公司湖南分公司的總經理。文先生畢業於北京郵電大學，獲得載波通信專業學士學位，並於之後獲得北京大學工商管理碩士(EMBA)學位。文先生為教授級高級工程師，享受國務院特殊津貼，並曾榮獲中華全國總工會頒發的全國五一勞動獎章，亦曾為第十及第十一屆全國人大代表。

范•德意先生，54歲，本公司執行董事、副董事長及提名及薪酬委員會委員，主要負責本公司投資策略及業務發展的全面管理。范•德意先生於二零一三年十二月十九日獲委任為本公司執行董事。范•德意先生於二零一一年一月二十四日加入我們的前身長飛董事會出任董事。范•德意先生自二零一四年四月起擔任Randstad Holding NV(阿姆斯特丹證券交易所上市公司(股份代號：RAND))的監事會成員及審核委員會主席。范•德意先生曾於二零一二年三月加入Oman Cables Industry (SAOG)(馬斯喀特證券市場上市公司(股份代號：OCAI))董事會，並自二零一二年七月至二零一四年十二月一日出任董事會副主席。范•德意先生先後於KPMG Accountant N.V.及Van der Moolen Holding N.V.(荷蘭股權交易公司及紐約證券交易所的特許證券商之一)、德拉克控股(Draka Holding N.V.)及Prysmian S.p.A.(為於意大利主要證券交易所Borsa Italiana S.p.A.上市的公司(股份代號：PRY))並間接持有Draka

DIRECTORS (Continued)

EXECUTIVE DIRECTORS (Continued)

equity interest in Draka, one of the substantial shareholders of the Company, for senior management level positions. Mr. Dorjee consecutively obtained a bachelor's degree in economics and law, a master's degree in business economics, a master's degree in tax law and a master's degree in tax economics from University of Amsterdam. He has been a certified public accountant registered at the Nederlands Instituut van Register accountants since March 1987.

NON-EXECUTIVE DIRECTORS

Mr. Ma Jie, age 44, joined the Board as a non-executive Director on 19 December 2013. He is responsible for providing strategic advice and making recommendations on the operations and management of the Company. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 12 August 2011. Mr. Ma has been serving as the vice chairman of the management committee and the executive deputy general manager of China Huaxin, one of the substantial shareholders of the Company, since June 2011 and since January 2013, respectively. He also serves as a non-executive director of Alcatel-Lucent Shanghai Bell Co., Ltd. and Alcatel-Lucent Enterprise Holding, subsidiaries of China Huaxin. He once served as a director of Zhongying Youchuang Information Technology Co., Ltd., director of China Credit Information Technology Company Limited and a director of Shanghai Fortune Communications Technology Development Co., Ltd.. Prior to these positions, Mr. Ma held several management level positions in Alcatel-Lucent Shanghai Bell Co., Ltd. Mr. Ma graduated from Nankai University with a bachelor's degree in economics and a doctorate in economics respectively. He also obtained an executive master of business administration from a joint program of Washington University in Saint Louis and Fudan University.

董事 (續)

執行董事 (續)

(本公司的主要股東之一)之全部股權)任高管職務。范•德意先生於阿姆斯特丹大學獲得經濟學與法學學士學位，商業經濟學碩士學位，稅法碩士學位及稅收經濟學碩士學位。范•德意先生於一九八七年三月起於荷蘭皇家註冊會計師協會註冊成為註冊會計師。

非執行董事

馬杰先生，44歲，於二零一三年十二月十九日加入董事會出任非執行董事，負責對本公司的經營與管理提供具有戰略意義的意見及建議。馬先生於二零一一年八月十二日加入我們的前身長飛的董事會出任董事。馬先生自二零一一年六月及二零一三年一月起分別擔任中國華信(本公司主要股東之一)管理委員會副主任及常務副總經理。馬先生亦分別擔任中國華信附屬公司上海貝爾股份有限公司及阿爾卡特朗訊企業控股董事。彼曾擔任中盈優創資訊科技有限公司董事、中信國檢資訊技術有限公司董事及上海富欣通信技術發展有限公司董事。在此之前，馬先生曾先後擔任上海貝爾股份有限公司的多個管理職位。馬先生畢業於南開大學，分別獲得經濟學學士學位及經濟學博士學位，亦獲得聖路易士華盛頓大學和復旦大學的聯合EMBA學位。

DIRECTORS (Continued)

NON-EXECUTIVE DIRECTORS (Continued)

Mr. Sun Jiming, age 41, joined the Board as a non-executive Director on 19 December 2013. He is responsible for providing strategic advice and making recommendations on the operations and management of the Company. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 12 August 2011. Mr. Sun has over 17 years of experience in finance management, corporate governance and capital investment. He has served as a member and the general secretary of the management committee, and the deputy general manager of China Huaxin, one of the substantial shareholders of the Company, since June 2011 and January 2013, respectively. He has also held many directors and supervisors positions in several subsidiaries of China Huaxin. Prior to these positions, he had consecutively held several management positions at Alcatel-Lucent Shanghai Bell Co., Ltd., a subsidiary of China Huaxin. Mr. Sun received his bachelor's degree in economics from Central College of Finance and Economics, which later became Central University of Finance and Economics and graduated from China Europe International Business School with an executive master of business administration.

Mr. Philippe Claude Vanhille, age 51, joined the Board as a non-executive Director on 19 December 2013. He is responsible for providing strategic advice and making recommendations on the operations and management of the Company. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 23 May 2013. Mr. Vanhille has over 23 years of experience in optical fibre and cable industry. He has been serving as the senior vice-president of Telecom Business of the Prysmian Group since May 2013, where he is primarily responsible for the global telecom business of the Prysmian group, and an executive director of Draka, one of the substantial shareholders of the Company, since June 2013. Mr. Vanhille concurrently also holds several positions in certain subsidiaries of Prysmian S.p.A.. Mr. Vanhille obtained a master's degree in mechanical engineering from I.N.S.A. Lyon, France and graduated from Institut Francais de Gestion, Aix-en-Provence, France with a master's degree in management.

董事 (續)

非執行董事 (續)

孫姬明先生，41歲，於二零一三年十二月十九日加入董事會出任非執行董事，負責對本公司的經營與管理提供具有戰略意義的意見及建議。孫先生於二零一一年八月十二日加入我們的前身長飛董事會出任董事。孫先生在財務管理、企業管治及資本投資領域擁有超過17年的經驗。孫姬明先生自二零一一年六月及二零一三年一月起分別擔任中國華信(本公司主要股東之一)的管理委員會委員和秘書長及中國華信的副總經理。孫姬明先生亦任職中國華信的多個附屬公司的董事、監事。在此之前，孫姬明先生曾先後擔任中國華信附屬公司上海貝爾股份有限公司的多個管理職務。孫先生於中央財經大學(前稱中央財政金融學院)獲得經濟學學士學位，並於中歐國際工商學院獲得工商管理碩士(EMBA)學位。

菲利普·范希爾先生，51歲，於二零一三年十二月十九日加入董事會出任非執行董事，負責對本公司的經營與管理提供具有戰略意義的意見及建議。范希爾先生於二零一三年五月二十三日加入我們的前身長飛董事會出任董事。范希爾先生有逾23年光纖光纜業經驗。范希爾先生自二零一三年五月起擔任普睿司曼集團電信事業部高級副總裁，主要負責普睿司曼集團的全球電信業務，自二零一三年六月起擔任Draka(本公司主要股東之一)執行董事。范希爾先生亦同時在Prysmian S.p.A.(股份代號：PRY)若干附屬公司擔任多個職位。范希爾先生從法國國立里昂應用科學學院獲得機械工程碩士學位，並於之後畢業於法國艾克斯·普羅旺斯的法國高等管理學院(Institut Francais de Gestion)，獲得管理碩士學位。

DIRECTORS (Continued)

NON-EXECUTIVE DIRECTORS (Continued)

Mr. Yeung Kwok Ki Anthony, age 70, joined the Board as a non-executive Director on 19 December 2013. He is responsible for providing strategic advice and making recommendations on the operations and management of the Company. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 1 January 1997 and served as the secretary of the board of directors of YOFC from January 1992 to December 1996. Mr. Yeung has over 30 years of experience in financial management. Mr. Yeung is a practising certified public accountant recognised by the Hong Kong Institute of Certified Public Accountants and also a senior member of the major global accountancy institutions. Mr. Yeung is a member of the election committee of the Hong Kong government. Mr. Yeung has served as the founder and chairman of K K Yeung Management Consultants Ltd. since May 1983, and the founder and senior partner of K K Yeung Partnership, CPA (Practising) since November 1985. Mr. Yeung has also served as the founder and chairman of Wall Street Resources Ltd. since February 1977. Mr. Yeung has been serving as a director of Oman Cables Industry (SAOG), a company listed on the Muscat Securities Market (Stock Code: OCAI), for the period from April 2013 to March 6, 2015. Mr. Yeung had also served as a director of many Hong Kong and overseas listed companies.

Mr. Xiong Xiangfeng, age 50, joined the Board as a non-executive Director on 19 December 2013. He is responsible for providing strategic advice and making recommendations on the operations and management of the Company. He joined the board of directors of YOFC, the predecessor of the Company, as a director on 5 August 2013. Mr. Xiong has over 29 years of experience in optical fibre and cable industry. Mr. Xiong has served as the president of Yangtze Communications, one of the substantial shareholders of the Company, since April 2013. Mr. Xiong also holds several positions in certain subsidiaries of Yangtze Communications since April 2013. Prior to joining the Company, he had consecutively served at many management positions at Wuhan Research Institute of Posts and Telecommunications from July 1986 to April 2013. He had also held directors and supervisors positions at several subsidiaries of FiberHome Telecommunication Technologies Co., Ltd., a company listed on Shanghai Stock Exchange (Stock Code: 600498). Mr. Xiong obtained his bachelor's degree in photoelectric imaging technology from East China Institute of Engineering, currently known as Nanjing University of Science and Technology and an executive master's degree in business administration from Wuhan University.

董事 (續)

非執行董事 (續)

楊國琦先生，70歲，於二零一三年十二月十九日加入董事會出任非執行董事，負責對本公司的經營與管理提供具有戰略意義的意見及建議。楊先生於一九九七年一月一日加入我們的前身長飛董事會出任董事，並於一九九二年一月至一九九六年十二月擔任長飛的董事會秘書。楊先生有逾30年的財務管理經驗。楊先生獲香港會計師公會認可為執業會計師，亦是多個主要國際會計團體的資深會員。楊先生為香港政府選舉委員會委員。楊先生為楊國琦管理顧問有限公司的創辦人，自一九八三年五月起擔任該公司董事長，並為楊國琦合夥人會計師行(註冊會計師事務所)的創辦人，自一九八五年十一月起成為該會計師行的高級合夥人，亦為華爾街資源有限公司創辦人，自一九七七年二月起擔任該公司主席。楊先生曾自二零一三年四月至二零一五年三月六日擔任Oman Cables Industry (SAOG)(於馬斯喀特證券市場上市的公司，證券代碼：OCAI)的董事，楊先生還曾擔任多家香港及海外上市公司的董事。

熊向峰先生，50歲，於二零一三年十二月十九日加入董事會出任非執行董事，負責對本公司的經營與管理提供具有戰略意義的意見及建議。熊先生於二零一三年八月五日加入我們的前身長飛董事會出任董事。熊先生有逾29年光纖光纜行業經驗。熊先生自二零一三年四月起擔任長江通信(本公司主要股東之一)的總裁。熊先生自二零一三年四月起亦兼任長江通信若干附屬公司多個職位。加入本公司前，熊先生於一九八六年七月至二零一三年四月曾先後擔任武漢郵電科學研究院的多個管理職位。熊先生亦曾兼任烽火通信(為上交所上市公司，股份代碼：600498)若干附屬公司的董事、監事職位。熊先生於華東工學院(現稱南京理工大學)獲得光電成像技術學士學位，並於武漢大學獲得EMBA學位。

DIRECTORS (Continued)

NON-EXECUTIVE DIRECTORS (Continued)

Ms. Zheng Huili, age 56, joined the Board as a non-executive Director on 19 December 2013. She is responsible for providing strategic advice and making recommendations on the operations and management of the Company. She joined the board of directors of YOFC, the predecessor of the Company, as a director on 12 April 2006. Ms. Zheng has over 26 years of experience in company operation and management. Currently she also serves as the deputy secretary of the Party committee of the Company. Ms. Zheng has also served as the deputy secretary of the Party committee and the general secretary of the discipline committee of Yangtze Communications, one of the substantial shareholders of the Company, since December 2005 and June 2006, respectively. Prior to joining the Company, Ms. Zheng worked at many management positions at Huazhong Information and Technology Group Co., Ltd. (formerly known as Huazhong Information and Technology Principal Company Limited). Ms. Zheng graduated from the Party School of the Chinese Communist Party Wuhan Municipal Committee with a bachelor's degree and obtained a master's degree in business administration from Asia International Open University (Macau) (currently known as the City University of Macau). Ms. Zheng is a senior economist and senior political analyst. She has been a member of Wuhan Economic Professional Qualification Assessment Committee since December 1998. She has also been a member of the tenth, eleventh and twelfth of the executive committee of the Women's Federation of Wuhan and the eleventh and twelfth Party representative of Wuhan since July 2006.

董事 (續)

非執行董事 (續)

鄭慧麗女士，56歲，於二零一三年十二月十九日加入董事會出任非執行董事，負責對本公司的經營與管理提供具有戰略意義的意見及建議。鄭女士於二零零六年四月十二日加入我們的前身長飛的董事會出任董事。鄭女士有逾26年的公司營運及管理經驗。鄭女士現亦擔任本公司黨委副書記。鄭女士自二零零五年十二月及二零零六年六月起分別擔任長江通信(本公司主要股東之一)黨委副書記及紀委書記。加入本公司前，鄭女士於華中信息技術集團有限公司(前稱華中信息技術總公司)先後擔任多個管理職務。鄭女士於中共武漢市委黨校完成大學本科學習，並獲得亞洲(澳門)國際公開大學(現稱澳門城市大學)MBA學位，為高級經濟師與高級政工師。鄭女士於一九九八年十二月至今為武漢市經濟專業高級職務任職資格評審委員會委員，從二零零六年七月至今一直擔任武漢市婦聯第十屆、第十一屆和第十二屆執行委員會委員，及為武漢市第十一及十二屆黨代表。

DIRECTORS (Continued)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ngai Wai Fung, age 53, joined the Board as an independent non-executive Director on 24 September 2014. He is the Chairman of the Audit Committee and the Nomination and Remuneration Committee of the Company and is responsible for providing independent advice on the operations and management of the Company. Mr. Ngai has been the managing director of MNCOR Consulting Limited (formerly known as MN Consulting Limited), a Hong Kong-based consulting firm, and the chief executive officer of SW Corporate Services Limited since September 2010 and January 2011, respectively. In addition, Mr. Ngai currently holds directorships in a lot of companies listed on the Stock Exchange and other securities markets. Mr. Ngai has over 20 years of experience in accounting and financing as well as in corporate governance. He had led or participated in a number of significant corporate finance projects, including listings, mergers and acquisitions as well as issuance of debt securities, and the provision of professional services and support to many state-owned enterprises and red-chip companies in relation to regulatory compliance, corporate governance and secretarial services. Mr. Ngai graduated from University of Wolverhampton with a bachelor's degree in law. He received a master's degree in business administration from Andrews University of Michigan, a master's degree in corporate finance from Hong Kong Polytechnic University, and a doctorate in economics (finance) from Shanghai University of Finance and Economics. Mr. Ngai has been a fellow of the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries since 2000 and had been a vice president of The Hong Kong Institute of Chartered Secretaries between 2002 and 2014. Mr. Ngai has been the president of The Hong Kong Institute of Chartered Secretaries since December 2014. Mr. Ngai has been a member of Hong Kong Securities Institute since July 1999, a member of the Hong Kong Institute of Certified Public Accountants since July 2007, a fellow of Hong Kong Institute of Directors since February 2010, and a fellow of the Association of Chartered Certified Accountants in the United Kingdom since March 2012. He has been the Adjunct Professor of Law of Hong Kong Shue Yan University since September 2012. He has also been a member of work group on professional service under the Economic Development Commission appointed by the Chief Executive of The Hong Kong Special Administrative Region since January 2013, a member of qualification and examination board of the Hong Kong Institute of the Certified Public Accountants since January 2013 and a member of the general committee of The Chamber of Hong Kong Listed Companies since June 2014.

董事 (續)

獨立非執行董事

魏偉峰先生，53歲，於二零一四年九月二十四日加入董事會出任獨立非執行董事，為審核委員會和提名及薪酬委員會主席，負責對本公司的經營與管理提供獨立意見。魏先生自二零一零年九月及二零一一年一月起分別擔任香港諮詢公司萬年高顧問有限公司（前稱萬連顧問有限公司）董事總經理及SW Corporate Services Limited的行政總裁。此外，魏先生目前也擔任多家於聯交所及其他證券市場上市公司的董事。魏先生有逾20年會計及融資以及企業管治經驗。魏偉峰先生曾領導或參與多個重大企業財務項目，包括上市、合併及收購以及發行債務證券，在監管合規、企業管治及秘書服務方面向眾多國有企業及紅籌公司提供專業服務及支援。魏先生於伍爾弗漢普頓大學獲得法律學士學位。彼於美國密歇根州安德魯大學取得工商管理碩士學位，於香港理工大學取得企業融資碩士學位及於上海財經大學取得經濟（金融）博士學位。魏先生自二零零零年起為英國特許秘書及行政人員公會資深會員及香港特許秘書公會資深會員，於二零零二年至二零一四年間為香港特許秘書公會副會長，於二零一四年十二月起為香港特許秘書公會會長。為香港證券專業學會會員（自一九九九年七月起）、香港會計師公會會員（自二零零七年七月起）、香港董事學會資深會員（自二零一零年二月起）及英國特許公認會計師公會資深會員（自二零一二年三月起）。魏偉峰先生亦自二零一二年九月起為香港樹仁大學兼任法學教授，自二零一三年一月起獲香港特別行政區行政長官委任為經濟發展委員會轄下專業服務業工作小組之成員，自二零一三年一月起為香港會計師公會專業資格及考試評議會委員及自二零一四年六月起為香港上市公司商會常務委員會成員。

DIRECTORS (Continued)

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Ip Sik On Simon, age 66, joined the Board as an independent non-executive Director on 24 September 2014. He is a member of the Audit Committee and the Nomination and Remuneration Committee of the Company and is responsible for providing independent advice on the operations and management of the Company. Mr. Ip is a solicitor and Notary Public. He is currently the chairman of The Hong Kong Jockey Club and the president of Riding for the Disabled Association Ltd.. He has been an independent non-executive director of Hang Lung Group Limited (Stock Code: 0010) since July 1998. Mr. Ip practised with Johnson Stokes & Master (a Hong Kong-based law firm, now known as Mayer Brown JSM) since March 1972 and was subsequently admitted as a partner in April 1977 and continued in this capacity until his retirement from legal practice in September 2004. He had been a senior partner of Johnson Stokes & Master for eight years. Mr. Ip was the president of the Law Society of Hong Kong from May 1987 to May 1989, a legislative Councillor from 1991 to 1995 representing the Legal Functional Constituency, and the founding chairman of the Council of the Hong Kong Institute of Education from April 1994 to April 2003. Mr. Ip received an honorary Doctor of Education from Hong Kong Institute of Education in 2003, an honorary Doctor of Laws from the City University of Hong Kong in November 2009 and an honorary Doctor of Laws from the Hong Kong University of Science & Technology in 2011. Mr. Ip has been admitted as a solicitor in England & Wales since December 1971 and in Hong Kong since April 1972. He is an honorary court member of the Hong Kong University of Science and Technology, an honorary lecturer in the Department of Professional Legal Education of the University of Hong Kong since September 2012, an honorary research fellow of the Faculty of Law of Tsinghua University, the co-chairman of the international advisory board of the School of Law of the City University of Hong Kong and a member of the advisory board of the Hong Kong AIDS Foundation. He was also an honorary fellow of the Management Society for Healthcare Professionals from 1984 to 2004.

董事 (續)

獨立非執行董事 (續)

葉錫安先生，66歲，於二零一四年九月二十四日加入董事會任獨立非執行董事，為審核委員會和提名及薪酬委員會委員，負責對本公司的經營與管理提供獨立意見。葉先生為律師及公證人。葉先生目前擔任香港賽馬會主席及殘疾人馬術協會有限公司主席。葉先生自一九九八年七月起出任恒隆集團有限公司(股份代號：0010)獨立非執行董事。葉先生自一九七二年三月起在Johnson Stokes & Master(香港律師事務所，現稱孖士打律師行(Mayer Brown JSM))執業，隨後於一九七七年四月成為合夥人直至二零零四年九月退休。葉先生曾擔任Johnson Stokes & Master的高級合夥人長達八年。葉先生於一九八七年五月至一九八九年五月擔任香港律師會會長，於一九九一年至一九九五年擔任立法會議員(代表法律界功能界別)，及於一九九四年四月至二零零三年四月擔任香港教育學院校董會創校主席。葉先生於二零零三年獲香港教育學院頒授榮譽教育學博士榮銜，於二零零九年十一月獲香港城市大學頒授榮譽法學博士榮銜及於二零一一年獲香港科技大學頒授榮譽法學博士榮銜。葉先生於一九七一年十二月獲認可為英格蘭及威爾士律師及於一九七二年四月獲認可為香港律師。葉先生為香港科技大學顧問委員會榮譽成員、自二零一二年九月起擔任香港大學法律專業學系名譽講師，亦是清華大學法學院名譽研究員、香港城市大學法律學院國際顧問委員會聯席主席兼香港愛滋病基金會顧問委員會會員。葉先生亦於一九八四年至二零零四年擔任醫療管理學會名譽會員。

DIRECTORS (Continued)

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Li Ping, age 61, joined the Board as an independent non-executive Director on 24 September 2014 and is a member of the Strategy Committee of the Company. He is responsible for providing independent advice on the operations and management of the Company. Mr. Li has extensive administrative experience in the management of listed companies and has over 38 years of experience in operation and management in China's telecommunications industry. Mr. Li has been serving as the chairman and executive director of China Communication Service Co., Ltd., a company listed on the Stock Exchange (Stock Code: 552), for the period from August 2006 to 19 January 2015. Prior to these positions, he once served as the chairman and president of China Telecom (Hong Kong) International Company Limited, a subsidiary of China Telecom which is primarily engaged in telecommunications services, from August 2000 to July 2002 and the executive vice president of China Telecom Corporation Limited, a company listed on the Stock Exchange (Stock Code: 728), from September 2002 to June 2013. Prior to joining China Telecom, he served as the deputy Directorate General of Telecommunications of the then Ministry of Posts and Telecommunications of China, the predecessor of the Ministry of Industry and Information Technology of China and the vice chairman and chief operating officer of China Mobile Limited, a company listed on the New York Stock Exchange (Stock Code: CHL) and the Stock Exchange (Stock Code: 941), from September 1997 to August 2000. Mr. Li graduated from Beijing University of Posts and Telecommunications with a bachelor's degree in radio communication and graduated from New York State University at Buffalo with a master in business administration.

董事 (續)

獨立非執行董事 (續)

李平先生，61歲，於二零一四年九月二十四日加入董事會出任獨立非執行董事，為戰略委員會委員，負責對本公司的經營與管理提供獨立意見。李先生有豐富的上市公司管理行政經驗，且有逾38年中國電信業經營管理經驗。李先生自二零零六年八月至二零一五年一月十九日擔任中國通信服務股份有限公司(聯交所上市公司，股份代號：552)的董事長及執行董事。在此之前，李先生於二零零零年八月至二零零二年七月擔任中國電信(香港)國際有限公司(中國電信的附屬公司，主要從事通訊服務)的主席及總裁，並於二零零二年九月至二零一三年六月擔任中國電信股份有限公司(聯交所上市公司，股份代號：728)執行副總裁。加入中國電信前，李先生擔任中國郵電部(中國工業和資訊化部的前身)電信總局副局長以及於一九九七年九月至二零零零年八月擔任中國移動有限公司(紐約證券交易所上市公司，證券代碼：CHL；聯交所上市公司，股份代號：941)副董事長兼首席營運官。李先生畢業於北京郵電大學，獲得無線電通信學士學位，並於紐約州立大學布法羅分校獲得工商管理碩士學位。

DIRECTORS (Continued)

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Li Zhuo, age 45, joined the Board as an independent non-executive Director on 24 September 2014. He is a member of the Audit Committee and the Strategy Committee of the Company and is responsible for providing independent advice on the operations and management of the Company. Mr. Li is currently a professor of economics, the dean of the Department of International Economics, and the director of the Center of International Business Studies of Wuhan University. From July 1989 to August 1992, Mr. Li worked at Xiangfan Branch of China National Real Estate Development Group Corporation. He later worked at Guangzhou Branch of the People's Bank of China. Mr. Li has been working at Wuhan University since 1998 and consecutively held the positions of lecturer till 2001, assistant professor till 2006 and professor of Wuhan University since 2006. He also served as a visiting scholar of University of Illinois at Urbana-Champaign from July 2002 to July 2003 and University of Paris III in 2007. Mr. Li graduated from Hubei University of Technology with a bachelor's degree in industrial and civil construction. He also obtained a master's degree in international economics and a doctorate in international economics from Wuhan University respectively. Mr. Li is the Prominent Researcher in the New Century recognized by the Ministry of Education in October 2010.

SUPERVISORS

Mr. Jiang Zhikang, age 52, was appointed as a Supervisor of the Company on 19 December 2013. He is responsible for supervising the performance of duties by the Directors and senior management at the Company. Mr. Jiang has worked at the Company since May 1990, consecutively serving as an engineer, a chief engineer, the manager assistant of the fibre department, and the manager of the industrialisation department. He was assigned by the Company to serve as the vice general manager and the general manager of NK Wuhan Cable Co., Ltd., one of the Company's associates, from April 2004 to March 2006 and April 2006 to April 2012, respectively. Since May 2012, Mr. Jiang has been serving as the general manager of the operation management center of the Company. Prior to joining the Company, Mr. Jiang started to work at Wuhan Research Institute of Posts & Telecommunication since March 1988 and served as an assistant engineer from December 1988 to April 1990. Mr. Jiang graduated from Sichuan Radio & TV University and graduated from Wuhan University with an executive master of business administration.

董事 (續)

獨立非執行董事 (續)

李卓先生，45歲，於二零一四年九月二十四日加入董事會出任獨立非執行董事，為審核委員會和戰略委員會成員，負責對本公司的經營與管理提供獨立意見。李先生目前擔任武漢大學經濟學教授、國際經濟系院長及國際商業研究中心主任。於一九八九年七月至一九九二年八月，李先生於中國房地產開發集團公司襄樊分公司任職。李先生其後於中國人民銀行廣州分行任職。李先生自一九九八年起任職於武漢大學，分別擔任講師及助理教授直至二零零一年及二零零六年，並自二零零六年起擔任武漢大學教授。於二零零二年七月至二零零三年七月及二零零七年，彼亦分別為伊利諾大學香檳分校 (University of Illinois at Urbana-Champaign) 及巴黎第三大學 (University of Paris III) 的訪問學者。李先生畢業於湖北工業大學，獲得工業與民用建築學士學位，亦分別獲得武漢大學國際經濟學碩士學位及國際經濟學博士學位。李先生於二零一零年十月獲教育部認可為新世紀傑出研究員。

監事

江志康先生，52歲，於二零一三年十二月十九日獲委任為本公司監事，負責監督本公司董事與高級管理層的履責情況。江先生自一九九零年五月起任職於本公司，先後任工程師、主任工程師、光纖部經理助理及工業化部經理。彼分別自二零零四年四月至二零零六年三月及自二零零六年四月至二零一二年四月獲本公司指派擔任武漢安凱電纜有限公司 (本公司其中一家聯營公司) 的副總經理及總經理。自二零一二年五月起，江先生出任本公司運營管理中心總經理。加入本公司前，江先生於一九八八年三月起任職於武漢郵電科學研究院，並於一九八八年十二月至一九九零年四月擔任助理工程師。江先生畢業於四川廣播電視大學電子專業，並於武漢大學獲得EMBA學位。

SUPERVISORS (Continued)

Mr. Yao Jingming, age 50, was appointed as a Supervisor of the Company on 19 December 2013. He is responsible for supervising the performance of duties by the Directors and senior management at the Company. Mr. Yao has nearly 30 years of management experience in the communications industry. Mr. Yao has been concurrently serving as the deputy general manager of China Huaxin, one of the substantial shareholders of the Company, since 1 February 2013. He also holds positions in two subsidiaries of China Huaxin, including serving as a director of Shanghai Fortune Communications Technology Development Co., Ltd. and the general manager and a director of Shanghai Sincere Technology Co., Ltd.. Prior to these positions, from July 1986 to January 2013, Mr. Yao held various positions in Alcatel-Lucent Shanghai Bell Co., Ltd., a subsidiary of China Huaxin. Mr. Yao obtained his bachelor's degree in computer science from Shanghai Jiaotong University and an executive master of business administration from China Europe International Business School, and a doctorate in business administration from the Hong Kong Polytechnic University in October 2008.

Ms. Yu Jiaxuan, age 43, was appointed as a Supervisor of the Company on 19 December 2013. She is responsible for supervising the performance of duties by the Directors and senior management at the Company. Ms. Yu has been the chief financial officer of Prysmian China Investment Co., Ltd., an indirect wholly-owned subsidiary of Prysmian S.p.A., the ultimate parent company of Draka, one of the substantial shareholders of the Company, since March 2008. She was a financial controller primarily responsible for financial analysis in the HNI Corporation International Division from August 2005 to February 2008. Prior to that, Ms. Yu also worked for Actron, a manufacturing company, Texaco, a company mainly engaged in the exploration and production of nature gas, and GE Advanced Ceramics, a semiconductors manufacturer. Ms. Yu obtained her bachelor's degree in economics from Tianjin College of Finance and Economics (currently known as Tianjin University of Finance and Economics) and a master's degree in business administration from Cleveland State University of the United States. She is the Chartered Global Management Accountant of the Chartered Institute of Management Accountant in the United Kingdom.

Note: Mr. Yao Jingming and Ms. Yu Jiaxuan have resigned from their positions as Supervisors with effect from 27 March 2015. The number of Supervisors will fall below the number provided by the Articles of Association of the Company upon the resignation of Mr. Yao Jingming and Ms. Yu Jiaxuan, therefore, Mr. Yao Jingming and Ms. Yu Jiaxuan will continue to perform their duty as a Supervisor until the date when the proposed appointment of the new supervisors are approved by the shareholders of the Company. For more details, please see the announcements of the Company dated 27 March 2015 and 31 March 2015.

監事 (續)

姚井明先生，50歲，於二零一三年十二月十九日獲委任為本公司監事，負責監督本公司董事及高級管理層的履責情況。姚先生有近30年的通信行業管理經驗。姚先生自二零一三年二月一日起一直擔任中國華信(本公司主要股東之一)副總經理。姚先生亦於中國華信兩間附屬公司任職，包括擔任上海富欣通信技術發展有限公司之董事及擔任上海信輝科技有限公司總經理及董事。任職該等職位前，姚先生亦於一九八六年七月至二零一三年一月在中國華信附屬公司上海貝爾股份有限公司擔任多個職務。姚先生於上海交通大學獲得計算機學士學位，於中歐國際工商學院獲得工商管理碩士，並於二零零八年十月於香港理工大學獲得工商管理博士學位。

虞嘉萱女士，43歲，於二零一三年十二月十九日獲委任為本公司監事，負責監督本公司董事及高級管理層的履責情況。虞女士自二零零八年三月起一直為Prysmian S.p.A.(本公司主要股東之一Draka的最終母公司)間接全資附屬公司普睿司曼中國投資有限公司的財務總監。彼自二零零五年八月至二零零八年二月擔任HNI Corporation International Division的財務總監，主要負責財務分析。在此之前，虞女士亦曾任職於製造公司Actron、德士古(主要從事勘探及生產天然氣的公司)及半導體製造商GE Advanced Ceramics。虞女士於天津財經學院(現為天津財經大學)獲得經濟學學士學位，並於Cleveland State University of the United States獲得工商管理碩士學位，亦為英國特許管理會計師公會的全球特許管理會計師。

註：姚井明先生及虞嘉萱女士已辭任監事職務，由二零一五年三月二十七日起生效，姚井明先生及虞嘉萱女士辭任後，監事人數將低於本公司章程的規定人數，因此，委任新監事事宜獲本公司股東批准之日前姚井明先生及虞嘉萱女士將繼續履行其監事職責。詳情請參見本公司於二零一五年三月二十七日及二零一五年三月三十一日刊發的公告。

SENIOR MANAGEMENT

Mr. Zhuang Dan, age 44, is the General Manager of the Company. He is primarily responsible for strategic development and planning, and day-to-day management of the Company. Mr. Zhuang has more than 17 years of experience in the optical fibre and cable industry. He joined the Company in March 1998 and served consecutively as the manager assistant of the finance department, the manager of the finance department, and the chief financial officer. Since September 2011, Mr. Zhuang has been the General Manager of the Company. Mr. Zhuang obtained a bachelor's degree in auditing and a master's degree in accounting from Wuhan University, a doctorate in accounting from Zhongnan University of Finance and Economics, and a postdoctoral certificate in business administration from Shanghai University of Finance and Economics. Currently, he is a deputy to the People's Congress of Hubei Province and a member of the Financial and Economic Committee of the People's Congress of Hubei Province.

Mr. Jan Bongaerts, age 49, is the First Deputy General Manager of the Company. He is responsible for strategic development, business development, sourcing and day-to-day management of the Company. He has more than 17 years of experience in the optical fibre and cable industry. Prior to joining the Company, from July 1998, Mr. Bongaerts worked at Draka Holding N.V., consecutively serving as the manager of the optical fibre market and sales department, the deputy manager of the optical fibre procurement department, the director of the optical fibre business department, a member of management committee and a member of enterprise procurement team. He served as the director of the optical fibre sales and marketing department and a member of management committee of the business department of Prysmian S.p.A. from January 2011 to December 2013. Since January 2014, Mr. Bongaerts has been the First Deputy General Manager of the Company. Mr. Bongaerts obtained a master's degree in business administration from Open University of the Netherlands and an executive master of business administration from Maastricht University the Netherlands.

高級管理層

莊丹先生，44歲，本公司總經理，主要負責本公司的戰略發展與規劃及日常管理。莊先生有逾17年光纖光纜業經驗。莊先生於一九九八年三月加入本公司，並先後擔任財務部經理助理、財務部經理及財務總監。自二零一一年九月起，莊先生出任本公司總經理。莊先生於武漢大學獲得審計專業學士學位、會計專業碩士學位及於中南財經大學獲得會計專業博士學位並於上海財經大學獲得工商管理博士後證書。莊先生現為湖北省人民代表大會代表兼湖北省人民代表大會財政經濟委員會委員。

揚幫卡先生，49歲，本公司第一副總經理，主要負責本公司的戰略發展、業務發展、採購及日常管理。揚幫卡先生有逾17年光纖光纜業經驗。加入本公司前，揚幫卡先生自一九九八年七月起任職於Draka Holding N.V.，先後擔任光纖市場及銷售部經理、光纖採購部副總經理、光纖商務總監及管理委員會成員兼企業採購小組成員。揚幫卡先生於二零一一年一月至二零一三年十二月擔任Prysmian S.p.A.光纖銷售及營銷部總監及商務部管理委員會成員。自二零一四年一月起，揚幫卡先生為本公司首任第一副總經理。揚幫卡先生自荷蘭公開大學獲得工商管理碩士學位，並自荷蘭馬斯特裡赫特大學獲得EMBA學位。

SENIOR MANAGEMENT (Continued)

Mr. Zhang Mu, age 59, is the Deputy General Manager and the general manager of the strategic center of the Company. He is primarily responsible for strategic development of the Company and overseeing the human resources and performance improvement of the Company. Mr. Zhang has more than 30 years of experience in the optical fibre and cable industry. He has worked at the Company since October 1988, consecutively serving as a processing engineer of the optical fibre department, the assistant manager of the optical fibre department, the manager of the optical fibre department and the assistant general manager of the Company. Mr. Zhang has been the Deputy General Manager of the Company since April 1998. Prior to joining the Company, he started to work at Wuhan Research Institute of Posts and Telecommunications since 1980 and served as an assistant engineer from June 1982 to September 1988. Mr. Zhang graduated from Hubei Institute of Science & Construction Material (currently known as Wuhan University of Technology), obtained a master's degree in economics from Huazhong University of Science and Technology and a master degree in business administration from China Europe International Business School.

Mr. Yan Changkun, age 51, is the Deputy General Manager and the general manager of the manufacturing center of the Company. He is primarily responsible for management of the manufacturing processes and production facilities of the Company and participating in the Company's critical business negotiations. Mr. Yan has more than 25 years of experience in the optical fibre and cable industry. He has worked at the Company since October 1991, consecutively serving as a sales representative, the technology manager, the manager of the business department, the sales director, and the general manager of the optical fibre business department. Mr. Yan has been the Deputy General Manager of the Company since November 2012. Mr. Yan obtained a bachelor's degree in telecommunications and a master's degree in digital communications from Nanjing Institute of Communication Engineering.

高級管理層 (續)

張穆先生，59歲，本公司副總經理及戰略中心總經理，主要負責本公司的戰略發展及人力資源與業績提升的監管。張先生有逾30年光纖光纜業經驗。彼自一九八八年十月起任職於本公司，先後任光纖部工藝工程師、光纖部經理助理、光纖部經理、公司總經理助理及自一九九八年四月起任本公司副總經理。加入本公司前，張先生自一九八零年起任職於武漢郵電科學研究院，於一九八二年六月至一九八八年九月擔任助理工程師。張先生畢業於湖北建材工業學院（現稱武漢理工大學），於華中理工大學（現稱華中科技大學）獲得經濟學碩士學位，並於中歐國際工商學院獲得工商管理碩士學位。

閻長鵬先生，51歲，本公司副總經理及製造中心總經理，主要負責管理本公司的生產流程與生產設備及參與本公司重大業務磋商。閻先生有逾25年光纖光纜業經驗。閻先生自一九九一年十月起任職於本公司，先後任銷售代表、技術經理、商務部經理、銷售總監及光纖事業部總經理。閻先生自二零一二年十一月起出任本公司副總經理。閻先生自南京郵電學院先後獲得電信專業學士學位及數字通信專業碩士學位。

SENIOR MANAGEMENT (Continued)

Mr. Yu Jianwu, age 58, is the Chief Marketing and Strategic Officer of the Company and the general manager of YOFC Shanghai, one of the Company's joint ventures. He is primarily responsible for management of operational related matters of the Company and overseeing the operation and management of YOFC Shanghai. Mr. Yu has over 26 years of experience in the optical fibre and cable industry. He has been with the Company since August 1990. He consecutively served as an engineer, a master engineer, the manager of the engineering department, and the manager of the material department. From December 2001 to May 2006, he served as the general manager of Shantou Aoxing, one of the Company's joint ventures. He also served as the operation director of the Company from May 2006 to September 2012 and the general manager of the optical fibre cable department of the Company from January 2011 to September 2012. Mr. Yu has been the general manager of YOFC Shanghai since October 2012 and the Chief Marketing and Strategic Officer of the Company since December 2013. Prior to joining the Company, from February 1982 to August 1990, Mr. Yu worked at Wuhan Marine Machinery Plant (currently known as Wuhan Marine Machinery Co., Ltd.), consecutively serving as a technician, a team leader, a designer and the deputy director of the technology department. Mr. Yu obtained his bachelor's degree in mechanical engineering from Shanghai Jiaotong University.

Mr. Zhang Yanxiang, age 50, is the Chief Sales Officer and the general manager of the sales center of the Company. He is primarily responsible for overseeing the overall sales strategies and bidding processes of the Company. Mr. Zhang has over 22 years of experience in the optical fibre and cable industry. He has been with the Company since April 1992. He had consecutively served as a regional manager, the manager of the business department, the general manager of the Beijing branch of the Company and a member of the management committee (from October 1999 to May 2001). He served as the general manager of YOFC Shanghai, one of the Company's joint ventures, from June 2001 to September 2012. He also served as the general manager of the optical fibre cable business department of the Company from October 2012 to December 2013. Since then, Mr. Zhang has been the Chief Sales Officer and the general manager of the sales center of the Company. Mr. Zhang obtained a bachelor's degree in telecommunications from Lanzhou Jiaotong University and a master's degree in business administration from Fordham University.

高級管理層 (續)

喻建武先生，58歲，本公司市場與戰略總監兼本公司合營公司長飛上海總經理，主要負責管理本公司經營相關事宜及監察長飛上海的經營與管理。喻先生有逾26年光纖光纜業經驗。喻先生自一九九零年八月起一直任職於本公司，先後任工程師、主任工程師、工程部經理及材料部經理。自二零零一年十二月至二零零六年五月，喻先生擔任本公司合營公司汕頭奧星的總經理。二零零六年五月至二零一二年九月任本公司營運總監及於二零一一年一月至二零一二年九月任本公司光纜部總經理。喻先生自二零一二年十月起出任長飛上海總經理，並自二零一三年十二月起出任本公司市場與戰略總監。加入本公司前，於一九八二年二月至一九九零年八月，喻先生任職於武漢船用機械廠（現稱武漢船用機械有限責任公司），先後任技術員、項目組長、設計所設計師及技術處處副處長。喻先生於上海交通大學獲得機械工程專業學士學位。

張雁翔先生，50歲，本公司銷售總監及銷售中心總經理，主要負責監察本公司整體銷售策略及投標程式。張先生有逾22年光纖光纜業經驗。張先生自一九九二年四月起一直任職本公司，先後擔任區域經理、商務部經理以及北京分公司總經理，並於一九九九年十月至二零零一年五月擔任管理委員會成員。張先生於二零零一年六月至二零一二年九月擔任本公司合營公司長飛上海總經理，亦於二零一二年十月至二零一三年十二月擔任本公司光纜事業部總經理。自此，張先生出任本公司銷售總監及銷售中心總經理。張先生於蘭州交通大學獲得電信專業學士學位，並於Fordham University獲得工商管理碩士學位。

SENIOR MANAGEMENT (Continued)

Mr. Luo Jie, age 49, is the Chief Technology Officer of the Company and the Director of the State Key Laboratory. He is primarily responsible for overseeing the overall research and development related matters and projects of the Company. Mr. Luo has over 25 years of experience in the optical fibre and cable industry. He has worked at the Company since November 2000, consecutively serving as the manager of the research and development department and the general manager of the R&D center. Mr. Luo has been the Chief Technology Officer of the Company since February 2010. Prior to joining the Company, Mr. Luo started to work at Wuhan Research Institute of Posts and Telecommunications since January 1989 and served as an engineer and a senior engineer from January 1992 to December 1996 and from December 1996 to September 2000, respectively. Mr. Luo obtained his bachelor's degree in material engineering, a master's degree in material engineering from Wuhan University of Technology, and a doctorate in electromagnetics and microwave from Beijing University of Posts and Telecommunications.

Mr. Leung King Yu, age 42, is the Chief Financial Officer and the general manager of the financial center of the Company. He is primarily responsible for overseeing the overall financial and accounting related matters of the Company. Mr. Leung has over 19 years of financial and accounting related experience. Prior to joining the Company, he had worked at the audit and assurance department of Ernst & Young, an international accounting firm, for more than 17 years. He retired from the partnership at Ernst & Young and joined the Company in September 2012. Mr. Leung obtained a bachelor's degree in accountancy from the Hong Kong Polytechnic University. He has been a fellow member of the Chartered Association of Certified Accountants since December 2003 and an associate member of the Hong Kong Institute of Certified Public Accountants since July 1999.

高級管理層 (續)

羅傑先生，49歲，本公司技術總監及國家重點實驗室主任，主要負責全面監管本公司研發相關事宜及各項目。羅先生有逾25年光纖光纜業經驗。羅先生自二零零零年十一月起任職於本公司，先後擔任研發部經理及研發中心總經理。羅先生自二零一零年二月起出任本公司技術總監。加入本公司前，羅先生自一九八九年一月起任職於武漢郵電科學研究院，先後於一九九二年一月至一九九六年十二月及一九九六年十二月至二零零零年九月擔任工程師及高級工程師。羅先生於武漢工業大學(現稱武漢理工大學)獲得材料工程專業學士學位及材料工程專業碩士學位，於北京郵電大學獲得電磁場及微波技術專業博士學位。

梁擎宇先生，42歲，本公司財務總監及財務中心總經理，主要負責監管本公司整體財務及會計相關事宜。梁先生有逾19年財務及會計經驗。加入本公司前，梁先生曾於國際會計師事務所安永會計師事務所的審計及核證部供職逾17年，於二零一二年九月以合夥人身份離任並加入本公司。梁先生於香港理工大學會計學士學位。梁先生自二零零三年十二月起及一九九九年七月起分別為英國特許公認會計師公會資深會員及香港會計師公會會員。

SENIOR MANAGEMENT (Continued)

Mr. Han Qingrong, age 38, the Secretary of the Board and the deputy general manager of the sales center of the Company. He is primarily responsible for assisting the Chief Sales Officer on sales related matters and handling the Board related matters. Mr. Han has more than 14 years of experience in optical fibre and cable industry. He has been with the Company since December 2000. He had consecutively served as the PCVD process engineer, the fibre R&D engineer, the fibre R&D manager, the manager of the strategy and marketing department, the deputy general manager of the specialty product business unit, and the deputy general manager of cable business unit. He has served as the secretary of the board of directors of YOFC, the predecessor of the Company, since December 2011. Mr. Han obtained a bachelor's degree in silicate engineering, a master's degree in biomedical engineering, and a doctorate in materials physics and chemistry from Wuhan University of Technology. Mr. Han also successfully completed the course of Designing and Executing Strategy jointly offered by Harvard Business School and Guanghua School of Management at Peking University.

高級管理層 (續)

韓慶榮先生，38歲，為本公司董事會秘書及銷售中心副總經理，主要負責協助銷售總監處理銷售相關事宜及處理董事會相關事宜。韓先生有逾14年光纖光纜業經驗。韓先生二零零零年十二月加入本公司，曾先後擔任PCVD工藝工程師、光纖研發工程師、光纖研發經理、戰略與市場部經理、特種產品事業部副總經理、光纜事業部副總經理等職。韓先生自二零一一年十二月擔任我們的前身長飛董事會秘書。韓先生自武漢理工大學先後獲得矽酸鹽工程專業學士學位、生物醫藥工程專業碩士學位及材料物理及化學專業博士學位。韓先生亦成功完成哈佛大學商學院與北京大學光華管理學院聯合舉辦的戰略設計與戰略執行課程。

REPORT OF THE BOARD OF DIRECTORS

董事會報告

The Board pleased to present its report together with the audited consolidated financial statements for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The Company is one of the leading optical fibre preform, optical fibre and optical fibre cable suppliers in the world. The Company and its subsidiaries are principally engaged in the manufacture and sales of optical fibre preforms, optical fibres and optical fibre cables with various standard specifications that are widely used in the telecommunications industry and the provision of other related products and services.

Details of the Company's subsidiaries, associates and joint ventures are set out in notes 18, 19 and 20 to the audited consolidated financial statements.

FINANCIAL POSITION AND RESULTS

The Group's financial position as at 31 December 2014 and the Groups' profit for the year ended 31 December 2014 are set out on pages 91 to 92 and page 90 of this annual report, respectively.

A discussion and analysis of the Group's performance during the year and the key factors affecting its financial position and results are set out in the Management Discussion and Analysis on pages 16 to 28 of this annual report.

DIVIDEND

The Board proposed the distribution of a final dividend for the year ended 31 December 2014 of RMB0.166 (before considering tax impact) per share totaling RMB106.2 million. If the profit distribution plan is approved by the shareholders at the forthcoming annual general meeting to be held on 9 June 2015, the final dividend will be distributed no later than 31 July 2015 to shareholders whose names appear on the register of members of the Company on 18 June 2015. Dividend payable to the holders of domestic shares will be paid in RMB, whereas dividend payable to the holders of H shares will be declared in RMB and paid in Hong Kong dollars (other than dividends in respect of the H shares held by Draka, which will be paid in Euro), the exchange rate of which will be calculated based on the average exchange rate published by The People's Bank of China during the week prior to the annual general meeting to be held on 9 June 2015.

董事會欣然呈列其報告及截至二零一四年十二月三十一日止年度的經審核合併財務報表。

主要業務

本公司是世界領先的光纖預製棒、光纖及光纜供應商之一。本公司及其附屬公司主要從事生產及銷售電信行業廣泛採用的各種標準規格的光纖預製棒、光纖及光纜，亦提供其他相關產品及服務。

有關本公司附屬公司、聯營公司及合營公司的詳情載於經審核合併財務報表附註18、19及20。

財務狀況及業績

本集團於二零一四年十二月三十一日的財務狀況及本集團截至二零一四年十二月三十一日止年度的利潤分別載於本年報第91至92頁及第90頁。

就本集團年內表現及影響其財務狀況及業績之主要因素之討論及分析載於本年報第16至28頁之管理層討論及分析。

股息

董事會建議就截至二零一四年十二月三十一日止年度派發末期股息每股人民幣0.166元（不計及稅務影響），合共人民幣106.2百萬元。倘利潤分配預案於即將在二零一五年六月九日舉行的股東週年大會上獲股東批准，則末期股息將不遲於二零一五年七月三十一日派付予二零一五年六月十八日名列本公司股東名冊的股東。內資股股東的股息以人民幣宣派和支付，而H股股東的股息則將以人民幣宣派，以港元支付（惟Draka所持H股的股息將以歐元支付），匯率將按照本公司擬於二零一五年六月九日舉行之股東週年大會前一個星期內中國人民銀行公佈的平均匯率計算。

In accordance with the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation rules effective on 1 January 2008, where a PRC domestic enterprise distributes dividends for financial periods beginning from 1 January 2008 to non-resident enterprise shareholders, it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the final dividend as enterprise income tax, distribute the final dividend to non-resident enterprise shareholders, i.e. any shareholders who hold the Company's shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H shares registered in the name of other organisations and groups.

Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), the Implementation Regulations of the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法實施條例》), the Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Nonresidents under Tax Treaties (Tentative) (Guo Shui Fa [2009] No. 124) (《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)) (the "Tax Treaties Notice"), the Notice of the State Administration of Taxation on the Questions Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), other relevant laws and regulations and other regulatory documents, the Company shall, as a withholding agent, withhold and pay individual income tax for the individual holders of H shares in respect of the dividend to be distributed to them. However, the individual holders of H shares may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the individual holders of H shares are domiciled and the tax arrangements between Mainland China, Hong Kong or Macau. For individual holders of H shares in general, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual holders of H shares in the distribution of the dividend. However, the tax rates applicable to individual holders of H Shares overseas may vary depending on the tax treaties between the PRC and the countries (regions) in which the individual holders of H shares are domiciled, and the Company will withhold and pay individual income tax on behalf of the individual holders of H shares in the distribution of the dividend accordingly.

根據二零零八年一月一日起實施的《中華人民共和國企業所得稅法》及其實施條例，凡中國境內企業向非居民企業股東派發二零零八年一月一日起財政期間的股息時，需按10%的稅率為該非居民企業代扣代繳企業所得稅。故此，作為中國境內企業，本公司將在代扣代繳末期股息中10%企業所得稅後向非居民企業股東(即任何以非個人股東名義持有本公司股份的股東，包括但不限於以香港中央結算(代理人)有限公司、或其他代理人、受托人、或其他組織及團體名義登記的H股股東)派發末期股息。

根據《中華人民共和國個人所得稅法》、《中華人民共和國個人所得稅法實施條例》、《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)(「稅收協定通知」)及《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)、其他相關法律法規和其他規管文件，本公司作為扣繳義務人，向H股個人股東派發股息時，應代扣及代繳股息的個人所得稅。但是H股個人股東可根據其居民身份所屬國家(地區)與中國簽訂的稅收協定及內地與香港或澳門之間所作稅收安排的規定，享受相關稅收優惠。就H股個人股東而言，本公司派發股息時一般按10%的稅率代扣代繳個人所得稅。然而，適用於H股海外個人股東的稅率或會根據中國與H股個人股東居民身份所屬國家(地區)簽訂的稅收協定而有所不同，而本公司於派付股息時將據此為H股個人股東代扣及代繳任何個人所得稅。

The Company will identify the country of domicile of the individual holders of H shares according to their registered address on the H share register of members of the Company on 18 June 2015 (the "Registered Address"). If the domicile of an individual holders of H shares is not the same as the Registered Address or if the individual holders of H shares would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual holders of H shares shall notify and provide relevant supporting documents to the Company on or before 12 June 2015. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding provisions and arrangements. Individual holders of H shares may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the Tax Treaties Notices if they do not provide the relevant supporting documents to the Company within the time period stated above.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual holders of H shares and for any claims arising from or in connection with any delay in or inaccurate determination of the tax status or tax treatment of the individual holders of H shares or any disputes over the withholding mechanism or arrangements.

Shareholders are recommended to consult their tax advisors regarding the PRC, Hong Kong and other tax implications arising from or in connection with their holding and disposal of the H shares of the Company.

The Board is not aware that any shareholder of the Company has waived or agreed to waive any dividends.

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the last four financial years is set out in the Financial Highlights on page 5 of this annual report. This summary does not form part of the audited consolidated financial statements.

本公司將根據二零一五年六月十八日名列本公司H股股東名冊的H股個人股東的登記地址(「登記地址」)確定其所在國家。如H股個人股東的住所與登記地址不符或希望申請退還最終多扣繳的稅款，H股個人股東須於二零一五年六月十二日或該日之前通知本公司並提供相關證明文件，證明文件經相關稅務機關審核後，本公司會遵照稅務機關的指引執行與代扣稅款相關的規定和安排。如H股個人股東在上述期限前未能向本公司提供相關證明文件，可按稅收協定通知的有關規定自行或委託代理人辦理有關手續。

對於H股個人股東的納稅身份或稅務待遇及因H股個人股東的納稅身份或稅務待遇未能及時確定或不準確確定而引致或相關的任何申索或對於代扣機制或安排的任何爭議，本公司概不負責，亦不承擔任何責任。

有關就彼等持有及出售本公司H股而產生或涉及之中國、香港及其他引申稅務，股東應諮詢彼等之稅務顧問。

董事會並不知悉本公司任何股東已放棄或同意放棄任何股息。

財務概要

本集團過去四個財政年度之業績、資產及負債概要載於本年報第5頁之財務概要。本概要並不構成經審核合併財務報表之部分。

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

On 10 December 2014, the Company's H shares were listed on the Main Board of the Stock Exchange. A total of 159,870,000 H shares with nominal value of RMB1.00 each of the Company were issued at HK\$7.39 per share for a total of approximately RMB932.5 million. The net proceeds from the Global Offering (after deducting underwriting fees and related listing expenses) amounted to approximately RMB892.4 million (equivalent to approximately HK\$1,130.6 million). During the financial year ended 31 December 2014, the net proceeds from the Global Offering had not yet been utilised. As at the latest practicable date before bulk-printing of this annual report, a total amount of approximately RMB178.5 million from the net proceeds from the listing had been utilised for repayment of bank loans. The unutilised net proceeds have been deposited into short-term demand deposits in a bank account maintained by the Group. In 2015, the Company will utilise the net proceeds from the Global Offering for the purpose consistent with those set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

MAJOR CUSTOMERS AND SUPPLIERS

The end customers of the Group are primarily telecommunications network operators in China or overseas. The customers of the Group also include optical fibre and cable manufacturers to whom the Group sells preforms and optical fibres.

For the year ended 31 December 2014, the Group's sales to its five largest customers and its largest customer accounted for 40.6% and 20.7% (2013: 48.9% and 23.9%) of the Group's total sales, respectively.

The Group procures various raw materials from third-party suppliers located in and outside of the PRC including glass substrate tubes, silica jacket cylinders, chemical gases, optical fibre preforms, optical fibres, polyethylene and other polymers sheathing materials, steel and aluminum for the production of its products.

For the year ended 31 December 2014, the Group's purchases from its five largest suppliers and its largest supplier accounted for 53.7% and 17.0% (2013: 50.7% and 15.6%) of the Group's total purchases.

全球發售所得款項淨額之用途

於二零一四年十二月十日，本公司之H股於聯交所主板上市。本公司合共159,870,000股每股面值人民幣1.00元之H股已按每股7.39港元之價格發行，總共獲得約人民幣932.5百萬元。全球發售所得款項淨額(扣除承銷費用及相關上市開支後)約為人民幣892.4百萬元(相當於約1,130.6百萬港元)。截至二零一四年十二月三十一日止財政年度，全球發售所得款項淨額尚未動用，而截至付印本年報前最後實際可行日期，來自上市所得款項淨額中合共約人民幣178.5百萬元已用於償還銀行貸款。尚未動用的所得款項淨額已存放於本集團開設之銀行賬戶，作為短期活期存款。於二零一五年，本公司將按招股章程「未來計劃及所得款項用途」一節所載之用途動用全球發售所得款項淨額。

主要客戶及供應商

本集團的終端客戶主要為中國或海外電信網絡運營商。本集團客戶亦包括光纖及光纜製造商，本集團向該等製造商銷售預製棒及光纖。

截至二零一四年十二月三十一日止年度，本集團向五大客戶及最大客戶作出之銷售分別佔本集團總銷售的40.6%及20.7%(二零一三年：48.9%及23.9%)。

本集團向中國境內外第三方供應商採購多種原材料，包括玻璃襯管、硅質套管、化學氣體、光纖預製棒、光纖、聚乙烯和其他聚合物護套材料、鋼及鋁，以供生產產品。

截至二零一四年十二月三十一日止年度，本集團向五大供應商及最大供應商作出之採購分別佔本集團總採購的53.7%及17.0%(二零一三年：50.7%及15.6%)。

During the year, none of the Directors, their close associates nor the shareholder of the Company (which, to the best knowledge of the Directors, owned more than 5% of the Company's issued capital) had any interest in any of the Group's five largest customers and suppliers.

PROPERTY, PLANT AND EQUIPMENT, AND CONSTRUCTION IN PROGRESS

Details of movements in the property, plant and equipment and construction in progress during the year ended 31 December 2014 are set out in notes 14 and 15 to the audited consolidated financial statements in this annual report.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2014 are set out in note 32 to the audited consolidated financial statements in this annual report.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company during the year ended 31 December 2014 are set out in note 32 to the audited consolidated financial statements, and details of movement in the reserves of the Group during the year ended 31 December 2014 are set out in the consolidated statement of changes in equity on page 95 of this annual report.

As at 31 December 2014, the Company's reserves available for distribution, calculated in accordance with the provisions of Companies Law in the PRC, amounted to approximately RMB716.1 million.

BANK LOANS

Details of bank loans of the Group as at 31 December 2014 are set out in note 27 to the audited consolidated financial statements in this annual report.

年內，概無董事、彼等之緊密聯繫人或本公司股東(據董事所知，擁有本公司已發行股本逾5%)於本集團任何五大客戶及供應商中擁有任何權益。

物業、廠房及設備及在建工程

截至二零一四年十二月三十一日止年度的物業、廠房及設備及在建工程的變動詳情載於本年報經審核合併財務報表附註14及15。

股本

本公司截至二零一四年十二月三十一日止年度的股本變動詳情載於本年報經審核合併財務報表附註32。

儲備及可分派儲備

本公司截至二零一四年十二月三十一日止年度的儲備變動詳情載於經審核合併財務報表附註32，而本集團截至二零一四年十二月三十一日止年度的儲備變動詳情則載於本年報第95頁的綜合權益變動表。

於二零一四年十二月三十一日，本公司可供分派儲備乃根據中國公司法之條文計算，約為人民幣716.1百萬元。

銀行貸款

本集團於二零一四年十二月三十一日的銀行貸款詳情載於本年報經審核合併財務報表附註27。

RIGHTS TO ACQUIRE THE COMPANY'S SECURITIES

At no time during the year was the Company, or any of its holding companies or subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors, Supervisors or chief executive of the Company or their respective associates or close associates (as respectively defined under the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totalling RMB792,500.

DIRECTORS

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

EXECUTIVE DIRECTORS

Mr. Wen Huiguo (*Chairman*)
Mr. Frank Franciscus Dorjee (*Vice-Chairman*)

NON-EXECUTIVE DIRECTORS

Mr. Ma Jie
Mr. Sun Jiming
Mr. Philippe Claude Vanhille
Mr. Yeung Kwok Ki Anthony
Mr. Xiong Xiangfeng
Ms. Zheng Huili

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ngai Wai Fung
(appointed on 24 September 2014)
Mr. Ip Sik On Simon
(appointed on 24 September 2014)
Mr. Li Ping
(appointed on 24 September 2014)
Mr. Li Zhuo
(appointed on 24 September 2014)

SUPERVISORS

Mr. Jiang Zhikang
Mr. Yao Jingming
Ms. Yu Jiaxuan

收購本公司證券之權利

本公司或其任何控股公司或附屬公司或其任何同系附屬公司於年內任何時間概無訂立任何安排，致使本公司之董事、監事或主要行政人員或彼等各自之聯繫人或緊密聯繫人(相關定義見上市規則)擁有任何權利可認購本公司或其任何相聯法團(定義見證券及期貨條例)之證券或可透過收購本公司或任何其他團體公司之股份或債券獲取利益。

慈善捐獻

年內，本集團合共作出人民幣792,500元之慈善捐獻。

董事

於年內直至本年報日期的董事及監事如下：

執行董事

文會國先生(*主席*)
范•德意先生(*副主席*)

非執行董事

馬杰先生
孫姬明先生
菲利普•范希爾先生
楊國琦先生
熊向峰先生
鄭慧麗女士

獨立非執行董事

魏偉峰先生
(於二零一四年九月二十四日獲委任)
葉錫安先生
(於二零一四年九月二十四日獲委任)
李平先生
(於二零一四年九月二十四日獲委任)
李卓先生
(於二零一四年九月二十四日獲委任)

監事

江志康先生
姚井明先生
虞嘉萱女士

BOARD OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of the Directors, the Supervisors and senior management of the Company are set out on pages 29 to 43 of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company considers all independent non-executive Directors are independent pursuant to the Listing Rules.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS AND LETTER OF APPOINTMENTS

Each of the executive Directors and non-executive Directors has entered into a service contract with the Company on 14 November 2014. Each of the independent non-executive Directors has signed a letter of appointment on 14 November 2014. Pursuant to our Articles of Association, the term of office of the Directors shall be 3 years. The principal particulars of these service contracts and letters of appointment are (a) for a term commencing from their respective effective date of appointment until the day on which the next general meeting of the shareholders for re-election of Directors is held, and (b) are subject to termination in accordance with their respective terms.

Each of the Supervisors has entered into a service contract with the Company on 14 November 2014. As required under the Opinions on Further Promotion of Standardizing Operations and Intensifying Reform of Overseas Listed Companies (Guojingmaogai No. [1999]230), when the next term of office of the board of the Supervisors of the Company commences, in addition to the existing three Supervisors, the Company shall have a number of external Supervisors comprising one half or more of the board of Supervisors, among whom, two or more shall be independent Supervisors. The Company has selected qualified candidates and will be submitted to the forthcoming annual general meeting for approval of their appointment. For details, please see the announcements of the Company dated 27 March 2015 and 31 March 2015.

None of the Directors and the Supervisors had entered into a service contract with the Company or its subsidiaries which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

董事會、監事及高級管理層

本公司董事、監事及高級管理層之履歷詳情載於本年報第29至43頁。

獨立非執行董事之獨立性確認

本公司接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書，並認為，根據上市規則，全體獨立非執行董事為獨立人士。

董事及監事之服務合約及委任函

執行董事及非執行董事各自已於二零一四年十一月十四日與本公司訂立服務合約。各獨立非執行董事已於二零一四年十一月十四日簽署委任函。根據本公司之章程，董事之任期應為3年。該等服務合約及委任函主要包括(a)董事的任期由彼等各自的委任生效日期開始直至就重選董事而舉行下屆股東大會之日期為止；及(b)可根據各自條款予以終止。

各監事已於二零一四年十一月十四日與本公司訂立服務合約。誠如《關於進一步促進境外上市公司規範運作和深化改革的意見》(國經貿企改[1999]230號)規定，本公司下屆監事會任期開始時，除三名現任監事外，本公司監事會成員中一半或以上須為外部監事，而其中兩名或以上須為獨立監事。本公司已甄選合資格候選人，並將於即將舉行的股東週年大會上提呈以供批准委任，詳情請見本公司於二零一五年三月二十七日及二零一五年三月三十一日刊發的公告。

董事及監事概無與本公司或其附屬公司訂立任何可於一年內在毋須支付賠償(法定補償除外)的情況下終止的服務合約。

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

None of the Directors and the Supervisors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year ended 31 December 2014 or subsisted at the end of the year ended 31 December 2014.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2014.

EMOLUMENT POLICY

A nomination and remuneration committee was set up for, among others, reviewing and making recommendations on remuneration policy and scheme for directors, supervisors, senior management and employees, taking into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

The Company has not adopted any share award scheme or share option scheme.

REMUNERATION OF DIRECTORS, SUPERVISORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors, the Supervisors and five highest paid individuals are set out in notes 9 and 10 to the audited consolidated financial statements.

PENSION SCHEMES

Particulars of the pension schemes of the Group are set out in note 7 to the audited consolidated financial statements.

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS AND SUPERVISORS

Save as disclosed in the section headed "Directors', Supervisors' and Senior Management's Profiles" in this annual report, during the year ended 31 December 2014, there were no changes to information which are required to be disclosed and has been disclosed by the Directors and the Supervisors pursuant to paragraph (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

董事及監事於重大合約之權益

董事及監事概無於本公司或其任何附屬公司於截至二零一四年十二月三十一日止年度訂立或於截至二零一四年十二月三十一日止年度仍存續且對本集團業務屬重大的任何合約中直接或間接擁有重大權益。

管理合約

於截至二零一四年十二月三十一日止年度，本公司概無訂立或訂有與本公司全部或任何主要部分業務的管理及行政有關的合約。

薪酬政策

本公司已成立提名與薪酬委員會，以(其中包括)檢討董事、監事、高級管理層及僱員的薪酬政策及計劃，並就此提供建議，當中會考慮可比較公司支付的薪金、董事的投入時間及責任，以及本集團的表現。

本公司並無採納任何股份獎勵計劃或購股權計劃。

董事、監事及五名最高薪酬人士的薪酬

董事、監事及五名最高薪酬人士的薪酬詳情載於經審核合併財務報表附註9及10。

退休金計劃

本集團之退休金計劃詳情載於經審核合併財務報表附註7。

董事及監事的資料變動

除在本年報「董事、監事及高級管理人員簡歷」一節中披露外，截至二零一四年十二月三十一日止年度，概無任何資料變動須由董事及監事根據上市規則第13.51(2)條(a)至(e)及(g)段作出披露及經已披露。

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

As at 31 December 2014, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise be notified to the Company and the Stock Exchange pursuant to the Model Code (for this purpose, the relevant provisions of the SFO will be interpreted as if they applied to the Supervisors and the chief executive).

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2014, the following persons (other than Directors, Supervisors or chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

董事、監事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一四年十二月三十一日，本公司董事、監事或主要行政人員概無於本公司或其任何相關法團(定義見證券及期貨條例第XV部)之股份、相聯股份或債券中擁有任何記錄於本公司根據證券及期貨條例第352條的規定存置之登記冊的權益或淡倉；或須根據標準守則另外通知本公司及聯交所的權益或淡倉(就此而言，證券及期貨條例有關條文之詮釋將視為適用於監事及主要行政人員)。

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一四年十二月三十一日，下列人士(本公司董事、監事或主要行政人員)於本公司股份及相關股份中擁有本公司根據證券及期貨條例第336條須予存置之登記冊所記錄的權益及淡倉：

Name of Shareholders	Capacity	Class of Shares	Number of Shares interested	Approximate percentage of interest in the Company	Approximate percentage of the relevant classes of Shares of the Company	Nature of interest
股東名稱	身份	股份類別	擁有權益之股份數目	佔本公司權益之概約百分比	佔本公司相關類別股份之概約百分比	權益性質
China Huaxin 中國華信	Beneficial owner 實益擁有人	Domestic Shares 內資股	179,827,794	28.12%	59.99%	Long position 好倉
China Reform Holdings Corporation Ltd ⁽¹⁾ 中國國新控股有限責任公司 ⁽¹⁾	Interest of a controlled corporation 受控法團權益	Domestic Shares 內資股	179,827,794	28.12%	59.99%	Long position 好倉
Yangtze Communications 長江通信	Beneficial owner 實益擁有人	Domestic Shares 內資股	119,937,010	18.76%	40.01%	Long position 好倉

REPORT OF THE BOARD OF DIRECTORS (Continued)

董事會報告 (續)

Name of Shareholders	Capacity	Class of Shares	Number of Shares interested	Approximate percentage of interest in the Company	Approximate percentage of the relevant classes of Shares of the Company	Nature of interest
股東名稱	身份	股份類別	擁有權益之股份數目	佔本公司權益之概約百分比	佔本公司相關類別股份之概約百分比	權益性質
Draka ⁽²⁾	Beneficial owner 實益擁有人	H Shares H股	179,827,794	28.12%	52.94%	Long position 好倉
Draka Holding B.V. ⁽²⁾	Interest of a controlled corporation 受控法團權益	H Shares H股	179,827,794	28.12%	52.94%	Long position 好倉
Prysmian S.p.A. ⁽³⁾	Interest of controlled corporations 受控法團權益	H Shares H股	179,827,794	28.12%	52.94%	Long position 好倉
Prysmian Cavi e Sistemi S.r.l. ⁽³⁾	Interest of controlled corporations 受控法團權益	H Shares H股	179,827,794	28.12%	52.94%	Long position 好倉
Integrated Asset Management (Asia) Limited ⁽⁴⁾	Beneficial owner 實益擁有人	H Shares H股	31,955,500	5.00%	9.41%	Long position 好倉
Yam Tak Cheung ⁽⁴⁾ 任德章 ⁽⁴⁾	Interest of a controlled corporation 受控法團權益	H Shares H股	31,955,500	5.00%	9.41%	Long position 好倉
Value Partners Group Limited ⁽⁵⁾ 惠理集團有限公司 ⁽⁵⁾	Interest of controlled corporations 受控法團權益	H Shares H股	18,500,000	2.89%	5.44%	Long position 好倉
The Goldman Sachs Group, Inc. ⁽⁶⁾	Interest of controlled corporations 受控法團權益	H Shares H股	23,980,000	3.75%	7.06%	Long position 好倉
			23,980,000	3.75%	7.06%	Short position 淡倉

REPORT OF THE BOARD OF DIRECTORS (Continued)

董事會報告 (續)

Notes:

- (1) China Huaxin is wholly owned by China Reform Holdings Corporation Ltd. China Reform Holdings Corporation Ltd. is therefore deemed to be interested in 179,827,794 domestic shares being held by China Huaxin.
- (2) Draka is a wholly-owned subsidiary of Draka Holding B.V.. Draka Holding B.V. is therefore deemed to be interested in 179,827,794 H shares being held by Draka.
- (3) Draka Holding B.V. is held as to 52.165% by Prysmian S.p.A. and 47.835% by Prysmian Cavi e Sistemi S.r.l., a wholly-owned subsidiary of Prysmian. As set out in note (2) above, each of Prysmian S.p.A. and Prysmian Cavi e Sistemi S.r.l. is therefore deemed to be interested in 179,827,794 H shares held by Draka.
- (4) Integrated Asset Management (Asia) Limited is wholly owned by Mr. Yam Tak Cheung and Mr. Yam Tak Cheung is therefore deemed to be interested in 31,955,500 H shares held by Integrated Asset Management (Asia) Limited.
- (5) Value Partners Group Limited is deemed to be interested in 18,500,000 H shares held by Value Partners Limited. Value Partners Limited is wholly owned by Value Partners Hong Kong Limited, which was a wholly-owned subsidiary of Value Partners Group Limited.
- (6) The Goldman Sachs Group, Inc. ("Goldman Sachs") is deemed to have a long position in 23,980,000 H shares held by Goldman Sachs International and a short position in 23,980,000 H shares held by Goldman Sachs (Asia) L.L.C.. Goldman Sachs International was a wholly-owned subsidiary of Goldman Sachs Group UK Limited which was held as to 97.21% by Goldman Sachs (UK) L.L.C., a wholly-owned subsidiary of Goldman Sachs. Goldman Sachs (Asia) L.L.C. was wholly owned by Goldman Sachs Holdings (Hong Kong) Limited, a wholly-owned subsidiary of Goldman Sachs (Asia) Corporate Holdings L.P. which was controlled by Goldman Sachs (Cayman) Holdings Company and GS India Holdings (Delaware) L.L.C., subsidiaries of Goldman Sachs.

附註：

- (1) 中國華信由中國國新控股有限責任公司全資擁有，中國國新控股有限責任公司因而被視為於中國華信持有之179,827,794股內資股中擁有權益。
- (2) Draka為Draka Holding B.V.的全資附屬公司，Draka Holding B.V.因而被視為於Draka持有之179,827,794股H股中擁有權益。
- (3) Draka Holding B.V.由Prysmian S.p.A.持有52.165%及由Prysmian之全資附屬公司Prysmian Cavi e Sistemi S.r.l.持有47.835%。誠如上文附註(2)所載，Prysmian S.p.A.及Prysmian Cavi e Sistemi S.r.l.因而各自被視為於Draka持有的179,827,794股H股中擁有權益。
- (4) Integrated Asset Management (Asia) Limited為任德章先生全資擁有，任德章先生因而被視為於Integrated Asset Management (Asia) Limited持有的31,955,500股H股中擁有權益。
- (5) 惠理集團有限公司被視為擁有惠理基金管理公司持有之18,500,000股H股之權益。惠理基金管理公司由惠理基金管理香港有限公司全資擁有，而惠理基金管理香港有限公司則為惠理集團有限公司之全資附屬公司。
- (6) The Goldman Sachs Group, Inc. (「Goldman Sachs」) 被視為擁有Goldman Sachs International持有之23,980,000股H股之好倉，以及Goldman Sachs (Asia) L.L.C.持有之23,980,000股H股之淡倉。Goldman Sachs International為Goldman Sachs Group UK Limited之全資附屬公司，Goldman Sachs Group UK Limited由Goldman Sachs (UK) L.L.C. (Goldman Sachs之全資附屬公司) 擁有97.21%。Goldman Sachs (Asia) L.L.C.由Goldman Sachs Holdings (Hong Kong) Limited (Goldman Sachs (Asia) Corporate Holdings L.P.之全資附屬公司)全資擁有。Goldman Sachs (Asia) Corporate Holdings L.P.由Goldman Sachs的兩間附屬公司Goldman Sachs (Cayman) Holdings Company及GS India Holdings (Delaware) L.L.C.控制。

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES BY DIRECTORS

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

PURCHASE, SALES AND REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Save for the Global Offering as described in the Prospectus, the Company and its subsidiaries did not purchase, sell or redeem any of listed securities of the Company during the year ended 31 December 2014.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the Companies Law in the PRC, which would oblige the Company to offer new shares on a pro rata basis to the existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this annual report and based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules.

董事購買股份或債券之安排

本公司或其任何控股公司、附屬公司或同系附屬公司於年內任何時間概無訂立任何安排，致使董事及監事可透過收購本公司或任何其他實體公司之股份或債券獲得利益。

購買、出售及贖回本公司之上市證券

除招股章程所述之全球發售外，本公司及其附屬公司於截至二零一四年十二月三十一日止年度概無購買、出售及贖回本公司任何上市證券。

優先購買權

本公司章程或中國公司法概無有關優先購買權的條文，規定本公司必須按現有股東之持股比例向現有股東發售新股份。

公眾持股量水平

於刊發本年報前的最後可行日期，根據本公司公開可得之資料及據董事所知，本公司已按上市規則要求將公眾持股量維持於最低25%的水平。

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at 31 December 2014, none of the Directors or their respective close associates had engaged in or had any interest in any business which competes or may compete, either directly or indirectly, with the businesses of the Group except for Mr. Philippe Claude Vanhille who has been serving as the senior vice-president of telecom business of the Prysmian group and primarily responsible for its global telecom business. He holds several positions in certain subsidiaries of Prysmian S.p.A. (together with its close associates, the "Prysmian Group") as more particularly described below. The Prysmian Group produces a complete range of optical fibres, optical and copper cables and accessories for connectivity systems. The Prysmian Group has similar business serving the telecom sector as the Company and therefore competes with the Company. In relation to the competing interest of Mr. Philippe Claude Vanhille, although he is involved in the high level decision making of the Company's important strategic and policy matters, he is not involved in the daily management and business operation of the Company. Further, the Board operates in accordance with the Company's Articles of Association which require Mr. Vanhille not to be entitled to vote on (nor be counted in the quorum in relation to) any resolution of the Board in respect of any contract, transaction or arrangement in which Mr. Vanhille or any of his close associates is materially interested.

Name of company	Nature of interests
Draka	Executive Director
Draka Comteq Fibre B.V.	Non-executive Director
Draka Comteq France S.A.S.	Member of Comité de Contrôle
Draka Comteq Iberica S.L.U.	Non-executive Director
Fibre Ottiche Sud S.r.l.	Chairman of the Board of Directors
NK Wuhan Cable Co., Ltd.	Non-executive Director
Prysmian Cables and Systems USA LLC	Non-executive Director
Precision Fibre Optics Ltd.	Non-executive Director

The independent non-executive Directors have reviewed the list of directorships provided by Mr. Vanhille and note that there is no change in details previously so disclosed in the Prospectus. The Company has put in place corporate governance measures to manage the conflict of interests arising from the competing interests of Mr. Vanhille and to safeguard the interests of the Company, details of which are set out in the Corporate Governance Report on pages 65 to 85 of this annual report.

董事於競爭業務的權益

於二零一四年十二月三十一日，董事或彼等各自的緊密聯繫人概無從事任何與本集團業務競爭或可能競爭（不論直接或間接）的業務或於有關業務中擁有任何權益，惟菲利普·范希爾先生擔任普睿司曼集團電訊業務高級副總裁，主要負責其全球電訊業務。彼於Prysmian S.p.A.（連同其緊密聯繫人統稱「普睿司曼集團」）旗下若干附屬公司擔任多個職位（更多詳情載於下文）。普睿司曼集團生產各類光纖、光纜及銅線電纜以及連接系統配件。普睿司曼集團與本公司有類似的電信業務，因此與本公司構成競爭。就菲利普·范希爾先生的競爭權益而言，雖然彼參與本公司重大策略及政策事宜的高層決策，惟彼並非參與本公司的日常管理及業務營運。此外，董事會根據本公司章程行事，其中規定范希爾先生不得就范希爾先生自身或其任何緊密聯繫人有重大權益的任何合約、交易或安排有關的任何董事會決議案投票（亦不計入相關法定人數）。

公司名稱	權益性質
Draka	執行董事
Draka Comteq Fibre B.V.	非執行董事
Draka Comteq France S.A.S.	Comité de Contrôle成員
Draka Comteq Iberica S.L.U.	非執行董事
Fibre Ottiche Sud S.r.l.	董事會主席
武漢安凱電纜有限公司	非執行董事
Prysmian Cables and Systems USA LLC	非執行董事
Precision Fibre Optics Ltd.	非執行董事

獨立非執行董事已審閱范希爾先生提供的董事職位列表，並知悉先前於招股章程所披露之詳情並無變動。本公司已採納若干企業管治措施，以處理范希爾先生的競爭權益所產生的利益衝突，以及保護本公司利益，有關詳情載於本年報第65至85頁之企業管治報告。

COMPLIANCE WITH SANCTIONS UNDERTAKINGS

As disclosed in the Prospectus, the Company and the Directors have undertaken to the Stock Exchange that they will not use the proceeds from the Global Offering, as well as any other funds raised through the Stock Exchange, to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of any sanction countries such as Cuba, Iran, North Korea, Sudan and Syria (collectively, "Sanctioned Countries") or certain targeted persons or entities, including, without limitation, those named on the US specially designated nationals list or the US foreign sanctions evaders list and any entity owned or controlled by any of the foregoing (collectively, "Sanctioned Persons" and together with Sanctioned Countries, "Sanctioned Targets"). The Company and the Directors have also undertaken to the Stock Exchange that they will not engage in any future business dealings with or relating to Sanctioned Targets, in each case except to the extent that economic sanctions are lifted against such Sanctioned Targets. The Directors confirmed that both the Company and the Directors were in compliance with the Sanctions Undertakings as at the date of this annual report. At the same time, the Company has already implemented internal control measures to ensure the compliance with the Sanction Undertakings. For details of the internal control measures, please refer to the section "Corporate Governance Report" in this annual report. In light of the small volume (both in terms of dollar volume and as a percentage of the Company's total sales) of the Company's past dealings with Sanctioned Targets and Myanmar (Burma) and the above-mentioned undertakings made to the Stock Exchange, the Company is of the view that the Company's business activities and operations are very unlikely to subject any of the shareholders and investors, the Stock Exchange, the Listing Committee of the Stock Exchange, Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited to any liability under United States economic sanctions, European Union economic sanctions and United Nations economic sanctions.

CONNECTED TRANSACTIONS

NON-EXEMPT ONE-OFF CONNECTED TRANSACTIONS

During the year ended 31 December 2014, the Group has not entered into any non-exempt one-off connected transactions which were discloseable or subject to independent shareholders' approval under the Listing Rules.

制裁承諾之合規情況

誠如招股章程所披露，本公司及董事已向聯交所承諾，不會動用全球發售所得款項及其他透過聯交所籌集的資金直接或間接資助或促進與任何受制裁國家(例如古巴、伊朗、朝鮮、蘇丹及敘利亞)(統稱「受制裁國家」)或若干目標人士或實體(包括但不限於美國指定國家名單或美國對外制裁逃稅名單所列的人士或實體，或由前述任何人士或實體擁有或控制的任何實體)(統稱「受制裁人士」，連同受制裁國家為「受制裁目標」)的任何活動或業務，或為彼等之利益行事。本公司及董事亦向聯交所承諾，除非對受制裁目標的經濟制裁解除，否則日後不會與受制裁目標進行或與之相關的任何業務交易。董事確認於本年報日期，本公司及董事均遵守制裁承諾。與此同時，本公司已實施內部監控措施，以確保遵守制裁承諾。有關內部監控措施的詳情，請參閱本年報「企業管治報告」一節。鑒於本公司與受制裁目標及緬甸的過往交易額甚小(以成交金額及佔本公司總銷售百分比而言)及前述向聯交所作出的若干承諾，本公司認為本公司的業務活動及運營不大可能致令任何股東及投資者、聯交所、聯交所上市委員會、香港中央結算有限公司及香港中央結算(代理人)有限公司承擔美國經濟制裁、歐盟經濟制裁或聯合國經濟制裁的任何責任。

關連交易

非豁免一次過關連交易

截至二零一四年十二月三十一日止年度，本集團並無訂立任何根據上市規則須予披露或須獲得獨立股東批准之非豁免一次過關連交易。

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

The continuing connected transactions of the Company are also related party transactions, which are disclosed in note 36 to the audited consolidated financial statements in accordance with International Accounting Standards 24 "Related Party Disclosure".

Summarised below are the nature of transactions, the annual caps and the transaction amount of the continuing connected transactions for 2014:

Sales of Optical Fibres and Optical Fibre Cables to China Huaxin and Its Associates (Collectively the "Huaxin Group")

China Huaxin is a substantial shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. China Huaxin also held 50% equity interests in Alcatel-Lucent Shanghai Bell Co., Ltd ("Shanghai Bell") and therefore Shanghai Bell is an associate of China Huaxin and is also a connected person of the Company under the Listing Rules.

The Company entered into a framework agreement with China Huaxin on 13 November 2014 to regulate the sales of optical fibres and optical fibre cables with the Huaxin Group (the "Huaxin Sales Framework Agreement"). Pursuant to the Huaxin Sales Framework Agreement, the pricing terms of each sales transaction shall be determined with reference to the prevailing tender price announced by the state-owned telecommunications operators in the PRC and where such tender price is not available or inapplicable, the price shall be determined on a fair and reasonable basis which is equivalent or comparable to those offered to or quoted by third parties independent of the Company for similar products.

The Huaxin Sales Framework Agreement became effective on 10 December 2014 and is valid until either (i) the expiry of a period of three years or (ii) the date on which China Huaxin ceases to be our connected person, whichever comes earlier. The parties to the Huaxin Sales Framework Agreement may negotiate to extend the agreement for a further term of three years within two months before the expiry of the three-year term of the agreement unless the agreement is terminated earlier due to China Huaxin ceasing to be the connected person of the Company.

During the year, the annual caps of the continuing connected transactions with China Huaxin and Shanghai Bell for 2014 as permitted by the Stock Exchange were RMB7,000,000 and RMB10,000,000, respectively, and the actual transaction amount for 2014 with China Huaxin and Shanghai Bell was RMB1,450,000 and RMB783,000, respectively and the annual caps have been kept.

非豁免持續關連交易

本公司的持續關連交易亦為關聯方交易，其已根據國際會計準則第24號「關聯方披露」於經審核合併財務報表附註36披露。

下文概述二零一四年持續關連交易之交易性質、年度上限及交易金額：

向中國華信及其聯繫人(「統稱華信集團」)出售光纖及光纜

中國華信為本公司的主要股東，因而為本公司於上市規則下的關連人士。中國華信亦持有上海貝爾股份有限公司(「上海貝爾」)50%股權，因此，根據上市規則，上海貝爾為中國華信的聯繫人，亦為本公司之關連人士。

本公司於二零一四年十一月十三日與中國華信訂立框架協議(「華信銷售框架協議」)，規管本公司與華信集團的光纖及光纜銷售。根據華信銷售框架協議，各項銷售的定價條款須參考中國國有電信營運商當時公佈的投標價。倘無法取得投標價或投標價不適用，則定價須公平合理，即等於或接近本公司獨立第三方購買或出售同類產品的報價。

華信銷售框架協議於二零一四年十二月十日生效，並於下述日期前有效(以較早者為準)：(i)三年期限屆滿或(ii)中國華信不再為本公司的關連人士當日。華信銷售框架協議訂約方可於有關協議三年期限屆滿前兩個月內磋商續期三年，惟協議因中國華信不再為本公司的關連人士而提前終止則除外。

年內，與中國華信及上海貝爾就二零一四年的持續關連交易的年度上限分別為人民幣7,000,000元及人民幣10,000,000元(經聯交所批准)，而與中國華信及上海貝爾就二零一四年的實際交易金額則分別為人民幣1,450,000元及人民幣783,000元，及年度上限保持不變。

Optical Fibre Technology Cooperation Agreement (the "TCA")

Draka is a substantial shareholder of the Company and is therefore a connected person of the Company under the Listing Rules.

The Company entered into the TCA with Draka on 13 October 2008, which was further revised on 27 August 2013 and 30 May 2014. The TCA came into effect on 1 June 2008 and shall expire on 22 July 2024 unless terminated earlier by one party by written notice in case of breach of contract by other party, provided that in the case of any breach capable of being made good, the agreement shall not be terminated unless and until such breaching party has failed to make good the breach within sixty days after it has been served with a written notice specifying the breach and requiring it to make the breach good. The TCA sets out the terms and conditions of the cooperation between the Company and Draka in relation to the joint development of optical fibre technology, the grant of a licence over Draka's patents, the geographical delineation of sales market and the provision of technical services. Further details of the terms and conditions of the cooperation between the Company and Draka are set out in the Prospectus.

Pursuant to the TCA, with respect to the grant of licence, the Company has agreed to pay to Draka semi-annual royalty fee equivalent to 1.3% of the net selling price of each optical fibre product manufactured under the licensed patents that the Company sells or disposes of. The Company is not required to pay any royalty fees if the relevant products are sold to Draka or its affiliates. If either party wishes to use any improvements, upgrades, modifications made in the working methods, manufacturing processes and manufacturing equipment that the other party applies or uses in its mass production of optical fibre products, then it may file a request with other party and, if the other party accepts such request, additional royalties shall be payable as agreed upon the parties.

During the year, the annual cap for the royalty fee paid or payable to Draka for 2014 as permitted by the Stock Exchange was RMB28,000,000 and the actual transaction amount with Draka for 2014 was RMB25,631,000 and the annual cap has been kept.

The Company has obtained a waiver from the Stock Exchange from strict compliance with the requirement of limiting the term of the TCA to three years or less. For details of the waiver, please refer to the Prospectus.

光纖技術合作協議(「光纖技術合作協議」)

Draka為本公司主要股東，因而為本公司於上市規則下的關連人士。

本公司與Draka於二零零八年十月十三日訂立光纖技術合作協議，其後於二零一三年八月二十七日及二零一四年五月三十日進一步修訂。光纖技術合作協議於二零零八年六月一日生效，並將於二零二四年七月二十二日屆滿，除非一方違約，則另一方可發出書面通知提前終止協議，前提是屬可糾正的違約行為而違約方於收到說明其違約並要求糾正違約行為的書面通知後六十日內仍未糾正違約行為。光纖技術合作協議列載本公司與Draka就共同開發光纖技術，許可使用Draka專利，銷售市場的地區劃分，以及提供技術服務的合作條款及條件。本公司與Draka之合作條款及條件之更多詳情載於招股章程。

根據光纖技術合作協議，就授出許可而言，本公司同意向Draka每半年支付一次專利費，金額相當於本公司銷售或出售根據許可專利製造的各光纖產品的淨售價的1.3%。倘相關產品乃出售予Draka或其聯屬人士，則本公司毋須支付任何專利費。倘任何一方擬使用另一方已於光纖產品大量生產時運用或使用的任何工作方式、生產工藝及生產設備之改良、升級或調整項目，可向另一方提出要求，如該方接納該要求，則須支付雙方協定之額外專利費。

年內，向Draka支付或應付的專利費的年度上限為人民幣28,000,000元(經聯交所批准)，而於二零一四年與Draka之實際交易金額為人民幣25,631,000元，及年度上限保持不變。

本公司已向聯交所取得豁免，不須嚴格遵守有關光纖技術合作協議的期限為三年或以下的規定。有關豁免的詳情，請參閱招股章程。

Sales and Purchases of Optical Fibres, Optical Fibre Cables, Raw Materials, Equipment and Components to and from Prysmian S.p.A. and Its Associates (the "Prysmian Group") and YOFC Shanghai

Draka Comteq Frances S.A.S. ("Draka France"), Draka Comteq Fibre B.V. ("Draka Fibre"), Singapore Cable Manufacturers Pte Ltd. ("Draka Singapore"), Prysmian Wuxi Cable Co., Ltd. ("Prysmian Wuxi") and Prysmian Draka Brasil S.A. ("Prysmian Brazil") are indirect subsidiaries either of Draka Holding B.V. or Prysmian S.p.A. and thus they are all fellow subsidiaries of Draka, and is therefore an associate of Draka and are connected persons of the Company under the Listing Rules.

YOFC Shanghai is held as to 75% by the Company and 25% by Draka, the substantial shareholder of the Company and is therefore a connected person of the Company under the Listing Rules.

During the year, the Company sells and purchases optical fibres, optical fibre cables, raw materials, equipment and components to and from certain members of the Prysmian Group and YOFC Shanghai in the ordinary and usual course of business.

The Company entered into two framework agreements with Prysmian S.p.A. and two framework agreements with YOFC Shanghai, respectively, on 13 November 2014 to regulate each sales and purchases transaction with the Prysmian Group and YOFC Shanghai. Pursuant to the terms of these framework agreements, the pricing of each sales transaction shall be consistent with the following guidelines:

- (i) the prevailing tender price announced by local telecommunications operators at the place where the relevant purchaser is located (the "Local Tender Price"); or
- (ii) the latest average export (from China) price made available to public by the General Administration of Custom of the PRC, at the time of the relevant transaction (the "Export Price");

where neither the Local Tender Price nor the Export Price is available, the pricing terms shall be consistent with the prevailing tender price announced by the state-owned telecommunications operators in the PRC (the "PRC Tender Price") and where none of the Local Tender Price, the Export Price or the PRC Tender Price is available or applicable, the price shall be determined on a fair and reasonable basis which is equivalent or comparable to those offered to or quoted by third parties independent of the Company for similar products.

與PRYSMIAN S.p.A.及其聯繫人(「普睿司曼集團」)及長飛上海買賣光纖、光纜、原材料、設備及組件

Draka Comteq Frances S.A.S. (「Draka France」)、Draka Comteq Fibre B.V. (「Draka Fibre」)、Singapore Cable Manufacturers Pte Ltd. (「Draka Singapore」)、Prysmian Wuxi Cable Co., Ltd. (「無錫普睿司曼」)及Prysmian Draka Brasil S.A. (「Prysmian Brazil」)為Draka Holding B.V.或Prysmian S.p.A.的間接附屬公司，因此均為Draka的同系附屬公司，故根據上市規則為Draka的聯繫人及本公司的關連人士。

長飛上海由本公司及本公司主要股東Draka分別擁有75%及25%股權，故根據上市規則為本公司的關連人士。

年內，本公司在一般日常業務中向普睿司曼集團若干成員公司及長飛上海出售及向其購買光纖、光纜、原材料、設備及組件。

本公司於二零一四年十一月十三日分別與Prysmian S.p.A.及長飛上海訂立兩份框架協議，以規管與普睿司曼集團及長飛上海的銷售。根據該等框架協議，各項銷售的定價條款須與以下指引相符：

- (i) 按相關買方所在的當地電信營運商公佈的當時投標價(「當地投標價」)定價；或
- (ii) 按相關交易進行時中國海關總署公開的最新中國平均出口價格(「出口價格」)定價；

倘並無當地投標價或出口價格，則按國有電信營運商公佈的當時投標價(「中國投標價」)定價，倘並無當地投標價、出口價格或中國投標價，則價格須公平合理釐定，而有關價格須相當於本公司獨立第三方就相似產品所付或所報的價格或與之相若。

With respect to the pricing of each purchase transaction, it shall be consistent with the following guidelines:

- (i) the latest average import (into China) price made available to public by the General Administration of Customs of the PRC at the time of the relevant transaction; or
- (ii) the prevailing tender price announced by the state-owned telecommunications operators in the PRC;

where none of the above is available or applicable, the price shall be determined on a fair and reasonable basis which is equivalent or comparable to those offered to or quoted by third parties independent of the Company for similar products.

Each of the above mentioned framework agreements entered into between the Company and Prysmian S.p.A. or YOFC Shanghai became effective on 10 December 2014 and is valid either (i) until the expiry of a period of three years or (ii) the date on which Draka ceased to be a connected person of the Company, whichever comes earlier. The parties to these framework agreements may negotiate to extend the agreement for a further term of three years within two months before the expiry of the three-year term of the agreements unless the agreements are terminated earlier due to Draka ceasing to be the connected person of the Company.

During the year, the annual caps of the continuing connected transactions with respect to sales transactions with each of Draka Fibre, Draka Singapore, Prysmian Wuxi, Prysmian Brazil and YOFC Shanghai for 2014 as permitted by the Stock Exchange were RMB2,000,000, RMB20,000,000, RMB70,000,000, RMB8,000,000 and RMB231,000,000, respectively, and the actual transaction amount for 2014 with Draka Fibre, Draka Singapore, Prysmian Wuxi, Prysmian Brazil and YOFC Shanghai was Nil, RMB16,049,000, RMB40,564,000, RMB5,585,000 and RMB215,918,000, respectively. The annual caps have been kept.

各項採購的定價條款須與以下指引相符：

- (i) 按相關交易進行時中國海關總署公開的最新中國平均進口價格定價；或
- (ii) 按中國國有電信營運商公佈的現行投標價；

倘無法得悉上述各項或上述各項不適用，則價格須公平合理釐定，而有關價格須相當於本公司獨立第三方就相似產品所付或所報的價格或與之相若。

上述由本公司與Prysmian S.p.A.或長飛上海訂立的各框架協議將於二零一四年十二月十日生效並於以下日期前有效(以較早者為準)：(i)三年期限屆滿或(ii) Draka不再屬本公司的關連人士當日。該等框架協議的訂約方可於有關協議三年期限屆滿前兩個月內磋商再續期三年，惟有關協議因Draka不再屬於本公司的關連人士而提早終止則除外。

年內，Draka Fibre、Draka Singapore、無錫普睿司曼、Prysmian Brazil及長飛上海於二零一四年有關銷售的持續關連交易年度上限分別為人民幣2,000,000元、人民幣20,000,000元、人民幣70,000,000元、人民幣8,000,000元及人民幣231,000,000元(經聯交所批准)，而於二零一四年與Draka Fibre、Draka Singapore、無錫普睿司曼、Prysmian Brazil及長飛上海的實際交易金額分別為無、人民幣16,049,000元、人民幣40,564,000元、人民幣5,585,000元及人民幣215,918,000元。年度上限保持不變。

During the year, the annual caps of the continuing connected transactions with respect to purchases transactions with each of Draka Fibre, Draka France and YOFC Shanghai for 2014 as permitted by the Stock Exchange were RMB12,000,000, RMB36,000,000 and RMB259,000,000, respectively, and the actual transaction amount for 2014 with Draka Fibre, Draka France and YOFC Shanghai was RMB10,132,000, RMB7,901,000 and RMB184,833,000, respectively. The annual caps have been kept.

In respect of the sale transactions with Huaxin Group and the transactions under the TCA, the Company has obtained a waiver from the Stock Exchange from strict compliance with the announcement requirement under Rule 14A.35 of the Listing Rules. In respect of the purchase and sale transactions with the Prysmian Group and YOFC Shanghai, the Company has obtained a waiver from the Stock Exchange from strict compliance with the announcement, circular and independent shareholders' approval requirements under Rule 14A.35, 14A.36, 14A.46 and 14A.53(3) of the Listing Rules.

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

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

年內，Draka Fibre、Draka France及長飛上海於二零一四年有關採購的持續關連交易年度上限分別為人民幣12,000,000元、人民幣36,000,000元及人民幣259,000,000元（經聯交所批准），而於二零一四年與Draka Fibre、Draka France及長飛上海的實際交易金額分別為人民幣10,132,000元、人民幣7,901,000元及人民幣184,833,000元。年度上限保持不變。

就與華信集團的買賣交易及光纖技術合作協議下的交易而言，本公司已向聯交所取得豁免，不須嚴格遵守上市規則第14A.35條規則項下的公告規定。就與普睿司曼集團及長飛上海的買賣交易而言，本公司已向聯交所取得豁免，不須嚴格遵守上市規則第14A.35條、第14A.36條、第14A.46條及第14A.53(3)條規則項下的公告、通函及獨立股東批准規定。

獨立非執行董事已審閱上述各項持續關連交易，並確認該等交易：

- (1) 在本集團一般及日常業務中訂立；
- (2) 按照一般或更佳商業條款進行；及
- (3) 乃根據規管該等交易的協議條款進行，而交易條款屬公平合理，並符合本公司股東的整體利益。

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company to conduct a limited assurance engagement on the above continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported their conclusion to the Board stating that:

- a. nothing has come to the auditor's attention that causes the auditor to believe that the non-exempt continuing connected transactions as disclosed above have not been approved by the Board;
- b. for transactions involving the provision of goods or services by the Group, nothing has come to the auditors' attention that causes the auditor to believe that the non-exempt continuing connected transactions as disclosed above were not, in all material respects, in accordance with the pricing policies of the Group;
- c. nothing has come to the auditor's attention that causes the auditor to believe that the non-exempt continuing connected transactions as disclosed above were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- d. with respect to the aggregate amount of each of the non-exempt continuing connected transactions set out above, nothing has come to the auditor's attention that causes the auditor to believe that the non-exempt continuing connected transactions as disclosed above have exceeded the maximum aggregate annual value disclosed in the Prospectus in respect of each of the non-exempt continuing connected transactions.

The auditor has issued their unqualified letter containing their findings and conclusions in respect of the abovementioned transactions in accordance with Rule 14A.56 of the Listing Rules. The Company has provided a copy of the said letter to the Stock Exchange.

In respect of the above-mentioned non-exempt continuing connected transactions, the Directors also confirmed that the Company was in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

根據上市規則第14A.56條，董事會已委聘本公司核數師按照香港會計師公會所頒佈的香港核證工作準則第3000號「歷史財務資料審計或審閱以外之核證工作」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就上述持續關連交易履行有限核證工作。核數師已將彼等的結果向董事會匯報，當中指出：

- a. 核數師並無注意到任何事項令彼等相信上述披露的非豁免持續關連交易未獲董事會批准；
- b. 就本集團提供貨品或服務所涉及的交易而言，核數師並無注意到任何事項令彼等相信上述披露的非豁免持續關連交易在所有重大方面未有按照本集團的定價政策進行；
- c. 核數師並無注意到任何事項令彼等相信上述披露的非豁免的持續關連交易在所有重大方面未有按照規管該等交易的相關協議所進行；及
- d. 就各項非豁免持續關連交易之總金額而言，核數師並無注意到任何事項令彼等相信上述披露的非豁免持續關連交易之金額超出招股章程所披露的關於每一項豁免持續關連交易的年度總值上限。

核數師已根據上市規則第14A.56條發出載有彼等對上述交易的調查結果與結論的無保留意見函件。本公司已向聯交所提供上述函件的副本。

就上述非豁免持續關連交易而言，董事亦確認本公司已遵循上市規則第14A章的披露規定。

AUDIT COMMITTEE

The audit committee of the Company has reviewed the accounting principles and policies adopted by the Group and discussed the Group's internal controls and financial reporting matters with the management. The audit committee has also reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2014.

POST BALANCE SHEET EVENTS

The material post balance sheet events are disclosed in note 37 to the audited consolidated financial statements.

AUDITORS

The Company has appointed KPMG and KPMG Huazhen (Special General Partnership) (collectively "KPMG") as the international and the domestic auditors of the Company for the year ended 31 December 2014. KPMG retire and a resolution for their reappointment as both international and domestic auditors of the Company will be proposed at the forthcoming annual general meeting, which will be held on 9 June 2015.

On behalf of the Board

Wen Huiguo
Chairman

Wuhan, China
27 March 2015

審核委員會

本公司審核委員會已審閱本集團所採納的會計原則及政策，並與管理層討論本集團內部監控及財務申報事宜。審核委員會亦已審閱本集團截至二零一四年十二月三十一日止年度的經審核合併財務報表。

資產負債表期後事項

重大資產負債表期後事項披露於經審核合併財務報表附註37。

核數師

本公司已委聘畢馬威會計師事務所及畢馬威華振會計師事務所(特殊普通合伙)(統稱「畢馬威」)為本公司截至二零一四年十二月三十一日止年度的國際及本地核數師。畢馬威已退任，而有關其續任為本公司國際及本地核數師的決議案將提呈予將於二零一五年六月九日舉行的應屆股東週年大會。

代表董事會

文會國
主席

中國武漢
二零一五年三月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the corporate governance report of the Company.

CORPORATE GOVERNANCE

The Group is committed to maintaining high level of corporate governance. The Board is responsible for performing corporate governance duties, including: (a) formulating, developing and reviewing the corporate governance policies and practices of the Company; (b) reviewing and monitoring the training and continuous professional development of the Directors and senior management; (c) reviewing and monitoring the policies and practices for the compliance of legal and regulatory requirements by the Company; (d) developing, reviewing and monitoring the code of conduct and compliance manual for employees and the Directors; and (e) reviewing the compliance with the CG Code by the Company and the disclosure in the corporate governance report. The Board believes that an effective corporate governance system can safeguard the interests of the shareholders of the Company and promote the value and accountability of the Company.

As the H shares of the Company were listed on the Main Board of the Stock Exchange on 10 December 2014, the CG Code was not applicable to the Company before the Listing Date. The Company has adopted all the code provisions in the CG Code which are applicable to the Company and the manner in which the principles and code provisions in the CG Code were applied and implemented during the Relevant Period and up to the date of this annual report is explained in this Corporate Governance Report. The Company has complied with all the code provisions under the CG Code during the Relevant Period.

The Board will continue to review and improve the Company's corporate governance system to ensure its compliance with the CG Code.

董事會欣然呈列本公司之企業管治報告。

企業管治

本集團致力維持高水平的企業管治。董事會負責履行企業管治職務，包括：(a)制定、發展及檢討本公司的企業管治政策及常規；(b)檢討及監察董事及高級管理人員的培訓及持續專業發展；(c)檢討及監察本公司在遵守法律及監管規定方面的政策及常規；(d)發展、檢討及監察僱員及董事的操守準則及合規手冊；及(e)檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。董事會相信，有效的企業管治系統可保障本公司股東權益及提升企業價值和問責性。

由於本公司之H股於二零一四年十二月十日在聯交所主板上市，故在上市日期前，企業管治守則並不適用於本公司。本公司已採納企業管治守則內所有適用於本公司的守則條文，而本公司在相關期間並直至本年報日期對企業管治守則之原則及守則條文之應用及執行方式於本企業管治報告闡述。本公司於相關期間已遵守企業管治守則之所有守則條文。

董事會將繼續檢討並提升本公司的企業管治系統，以確保符合企業管治守則。

BOARD

DUTIES AND DIVISION OF RESPONSIBILITY

The Board shall act in the interests of the shareholders of the Company and shall be accountable to the shareholders of the Company. The Board shall be responsible for the implementation of the resolutions approved at general meetings of the shareholders; formulation of the Company's investment strategies and business development plans, formulation of annual financial budgets and final accounts, formulation of profit distribution plans and loss recovery plans and the provision of strategic advice and making recommendations on the operations and management of the Company. The Company has established three Board committees to oversee specific matters of the Company, namely (i) the Audit Committee, (ii) the Nomination and Remuneration Committee, and (iii) the Strategy Committee. The Board has delegated the relevant duties to the respective committees, which are contained in the terms of reference of the relevant committees. The management of the Company will provide sufficient information to the Board and the Board committees when appropriate to facilitate the Directors in making decision.

The Board is responsible for decision making on important strategic matters of the Company. The senior management of the Company is authorised to manage the daily operation of the Company.

CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

The Company does not have the position of chief executive officer, the duties of which are performed by the general manager. Mr. Wen Huiguo is the chairman of the Board while Mr. Zhuang Dan is the general manager of the Company. They have clear division of duties. Mr. Wen Huiguo shall oversee the works of the Board and monitor the implementation of the resolutions approved by the Board while Mr. Zhuang Dan is primarily responsible for strategic development and planning, and day-to-day management of the Company. There is no financial, business, family or other relationship between the Directors, the Supervisors, the Chairman of the Board, the general manager of the Company and the senior management of the Company.

董事會

職責與分工

董事會為本公司股東利益行事，向本公司股東負責。董事會負責以下事項：執行股東大會上批准之決議；制訂本公司的投資策略及業務發展規劃；制訂年度財政預算及最終賬目；制訂利潤分配方案及虧損補償計劃及提供策略性意見及就本公司運營及管理提出建議等。就監督本公司特定事務之方面，本公司已成立三個董事委員會，即(i)審核委員會，(ii)提名與薪酬委員會，及(iii)戰略委員會。董事會已向各委員會授出相關職權，有關職權載於各自之職權範圍中。本公司管理層適時向董事會及董事委員會提供足夠資訊，以便董事作出決定。

董事會負責就本公司重要策略性事宜作出決策。本公司高級管理層則獲授權管理本公司的日常營運。

董事會主席及行政總裁

本公司未設行政總裁一職，惟其職務由總經理履行。董事會主席為文會國先生，本公司總經理為莊丹先生。彼等之間有明確職責分工。文會國先生監管董事會的工作及檢查董事會所批准之決議的執行情況，而莊丹先生主要負責策略性發展、規劃及本公司日常管理。各董事、監事、董事會主席、本公司總經理和本公司高級管理人員之間均不存在任何財務、業務、家屬或其他關係。

COMPOSITION OF THE BOARD

As at the date of this annual report, the Board comprises 12 Directors, including two executive Directors namely, Mr. Wen Huiguo (the Chairman) and Mr. Frank Franciscus Dorjee (the Vice-Chairman), six non-executive Directors namely, Mr. Ma Jie, Mr. Sun Jiming, Mr. Philippe Claude Vanhille, Mr. Yeung Kwok Ki Anthony, Mr. Xiong Xiangfeng and Ms. Zheng Huili, and four independent non-executive Directors namely, Mr. Ngai Wai Fung, Mr. Ip Sik On Simon, Mr. Li Ping and Mr. Li Zhuo.

Particulars of the Directors are set out in the section "Directors', Supervisors' and Senior Management's Profiles" in this annual report.

During the period from the Listing Date to the date of this annual report, the Board has complied with the requirement of Rule 3.10 (1) and 3.10 (2) of the Listing Rules to have not less than three independent non-executive Directors, including at least an independent non-executive Director who has the relevant professional qualification or accounting or related financial management expertise. In accordance with Rule 3.10A of the Listing Rules, at least one-third of the Directors shall be independent non-executive directors. The Company had four independent non-executive Directors during the Relevant Period, representing one-third of the total number of Directors and was in compliance with the relevant requirement.

In accordance with the Articles of Association of the Company, the Directors (including non-executive Directors) are elected by shareholders at a general meeting for a term of three years, which is renewable upon re-election and re-appointment.

POSITIONS IN OTHER COMPANIES HELD BY DIRECTORS

Other than those disclosed in the section headed "Directors', Supervisors' and Senior Management's Profiles" in this annual report, none of the Directors holds any directorship in other listed companies.

TIME COMMITMENT OF DIRECTORS

In addition to attending meetings of the Board, the Directors shall also review reports of the management and regular reports of the Company, inspect the operation of the Company and understand all matters of the Company through various channels so as to effectively perform their duties. After making particular enquiries, the Board is of the view that the Directors had devoted sufficient time and efforts to perform their duties.

董事會組成

於本年報日期，董事會由12名董事組成，包括兩名執行董事文會國先生(主席)及范•德意先生(副主席)，六名非執行董事馬杰先生、孫姬明先生、菲利普•范希爾先生、楊國琦先生、熊向峰先生及鄭慧麗女士，及四名獨立非執行董事魏偉峰先生、葉錫安先生、李平先生及李卓先生。

各董事之履歷載於本年報「董事、監事及高級管理人員簡歷」一節。

自上市日期至本年報日期期間，董事會一直遵守上市規則第3.10(1)條及第3.10(2)條有關委任最少三名獨立非執行董事，而最少一名獨立非執行董事具備合適專業資格或為會計或相關金融管理專才的規定。根據上市規則第3.10A條，獨立非執行董事必須佔董事會成員人數至少三分之一。本公司於相關期間內有四名獨立非執行董事，佔董事會全部成員人數的三分之一，故本公司已遵守有關規定。

根據本公司章程，董事(包括非執行董事)於股東大會獲股東膺選，任期三年，可於膺選連任及重新委任時續期。

董事擔任其他公司之職務

除於本年報「董事、監事及高級管理人員簡歷」一節所披露者外，概無董事在任何其他上市公司擔任任何董事職務。

董事投入時間

董事除出席董事會會議外，還應審閱管理層報告及本公司的定期報告、實地考察公司業務及通過多種途徑瞭解本公司所有事務，從而有效地履行董事職責。董事會經作出具體查詢後，認為董事付出了充足時間和精力履行董事職責。

TRAINING AND PROFESSIONAL DEVELOPMENT OF DIRECTORS

Prior to the Listing Date, all Directors had already participated in a formal and comprehensive training program in respect of (i) the obligations of compliance with the Listing Rules by the directors, supervisors and senior management of companies listed in Hong Kong; and (ii) the compliance requirement for connected transactions of listed companies under the Listing Rules.

The Directors will keep abreast of the latest development in legal and regulatory requirements and the operation of the Company to facilitate the performance of their duties. Training will also be provided for the Directors when necessary to ensure that the Directors understand the business and operation of the Group and their duties and obligations under the Listing Rules and the applicable laws and regulations.

INSURANCE FOR DIRECTORS

The Company pays much attention to the prevention of risks in relation to the liabilities of the Directors. The Board has resolved to maintain liability insurance for all the Directors, which has been in place since the Listing Date.

MEETINGS OF THE BOARD

Pursuant to code provision A.1.1 of the CG Code, the Board should meet regularly at least four times a year at approximately quarterly intervals. Notice of at least 14 days should be given of regular board meetings. According to the Articles of Association of the Company, in the event of any of the following circumstances, the Chairman will convene extraordinary meeting: (i) when it is proposed by two or more Directors; and (ii) when it is proposed by the general manager of the Company.

All Directors are provided with all relevant information for matters to be discussed at the Board meetings in a timely manner, and they may seek independent professional advice and services from the company secretary and senior management of the Company. Upon reasonable request to the Board, the Directors may seek independent professional advice, as and when necessary, at the Company's expenses.

During the Relevant Period, one extraordinary meeting was held by the Board on 12 December 2014, at which the Board discussed those corporate and strategic matters to be executed in 2015. All these matters do not constitute notifiable transactions or connected transactions of the Company under Chapter 14 and Chapter 14A of the Listing Rules.

董事培訓及專業發展

於上市日期前，全體董事均參與一項正式及全面的培訓，內容主要關於(i)香港上市公司董事、監事和高級管理人員於上市規則下所須遵守的合規義務；及(ii)上市規則對上市公司進行關連交易的合規規定。

董事持續獲取有關法律及監管要求及公司運營情況的最新發展，促使彼等履行其職責。本公司於有需要時亦會為董事安排培訓，以確保董事理解本集團業務及營運情況及上市規則及適用法律及規例要求下董事之職責與義務。

董事投保

本公司非常重視董事責任風險防範。董事會已決議為全體董事購買責任保險，並自上市日期起實施。

董事會會議

根據企業管治守則第A.1.1條守則條文，董事會須每年定期舉行至少四次會議，約每個季度舉行一次，並須就定期董事會會議發出至少14日的通知。根據本公司章程，倘發生任何下列情況，主席將召開特別會議：(i)兩名或以上董事提議召開特別會議；及(ii)本公司總經理提議召開特別會議。

全體董事均可及時獲取董事會會議待討論事項的所有相關資料，並可向本公司公司秘書及高級管理層尋求獨立專業意見與服務。在向董事會提出合理要求後，董事可於適當情況下尋求獨立專業意見，費用由本公司承擔。

於相關期間，董事會於二零一四年十二月十二日舉行一次特別會議。會上，董事會討論將在二零一五年執行的企業及策略性事宜。根據上市規則第14章及第14A章，該等事宜全部均不構成本公司的須予披露或關連交易。

The table below sets out the details of meeting attendance of each member of the Board during the Relevant Period.

下表列載董事會各成員於相關期間內出席會議的詳情。

Director		Number of meetings requiring attendance	Number of meetings attended in person	Number of meetings attended by proxy
董事		要求出席會議次數	親身出席會議次數	委任代表出席會議次數
Executive Directors		執行董事		
Mr. Wen Huiguo (Chairman)	文會國先生(董事長)	1	1	0
Mr. Frank Franciscus Dorjee (Vice-chairman)	范•德意先生(副董事長)	1	1	0
Non-executive Directors		非執行董事		
Mr. Ma Jie	馬杰先生	1	1	0
Mr. Sun Jiming	孫姬明先生	1	1	0
Mr. Philippe Claude Vanhille	菲利普•范希爾先生	1	1	0
Mr. Yeung Kwok Ki Anthony	楊國琦先生	1	1	0
Mr. Xiong Xiangfeng	熊向峰先生	1	1	0
Ms. Zheng Huili	鄭慧麗女士	1	1	0
Independent Non-executive Directors		獨立非執行董事		
Mr. Ngai Wai Fung	魏偉峰先生	1	1	0
Mr. Ip Sik On Simon	葉錫安先生	1	1	0
Mr. Li Ping	李平先生	1	1	0
Mr. Li Zhuo	李卓先生	1	1	0

Note: Attendance includes on-site attendance and attendance through electronic means such as telephone conference.

附註：出席包括在場及通過電子方式(如電話會議)出席。

The Board had held two regular meetings in 2015. One meeting was held on 30 January 2015 to consider and approve the announcement on the inside information of selected unaudited financial information of the Group for the nine months ended 30 September 2014. The other meeting was held on 27 March 2015 to consider and approve the annual results of the Group for the year ended 31 December 2014. All Directors have attended these two meetings.

於二零一五年，董事會已舉行兩次定期會議。一次會議於二零一五年一月三十日舉行，旨在考慮及批准內幕消息一本集團截至二零一四年九月三十日止九個月的經選定未經審核財務資料，另一次會議於二零一五年三月二十七日舉行，旨在考慮及批准本集團截至二零一四年十二月三十一日止年度之全年業績。全體董事均出席了該兩次會議。

BOARD COMMITTEES

The Board has three committees, namely the Audit Committee, the Nomination and Remuneration Committee, and the Strategy Committee.

董事委員會

董事會轄下設有審核委員會、提名與薪酬委員會及策略委員會3個委員會。

No meetings of the Board committees were held during the Relevant Period, except that a meeting of the Nomination and Remuneration Committee was held, details of which will be further discussed below.

各董事委員會於相關期間並無舉行任何會議，惟提名與薪酬委員會舉行之一次會議除外，有關詳情將於下文進一步討論。

AUDIT COMMITTEE

The major duties of the Audit Committee are to (1) make recommendations to the Board on the appointment, reappointment and removal of external auditors; (2) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; (3) to develop and implement policy on engaging external auditors to supply non-audit services; (4) to monitor integrity, accuracy and fairness of the Company's financial statements including annual reports and interim reports and if prepared for publication, quarterly reports; (5) to review the Company's financial controls, internal control and risk management systems; (6) to review the Group's financial and accounting policies and practices; and (7) to review arrangements which employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters.

The terms of reference of the Audit Committee are posted on the websites of the Company and the Stock Exchange.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Ngai Wai Fung, Mr. Ip Sik On Simon and Mr. Li Zhuo. Mr. Ngai Wai Fung acts as the chairman of the Audit Committee.

As the Company was listed on 10 December 2014, no meeting of the Audit Committee was held during the Relevant Period. During the period immediately following the Relevant Period and up to the date of this annual report, the Audit Committee had already held two meetings. One meeting was held on 30 January 2015, which was to approve the announcement on the inside information – selected unaudited financial information of the Group for the nine months ended 30 September 2014, and the other meeting was held on 26 March 2015, which was to review, among others, the annual results of the Group for the year ended 31 December 2014. All members of the Audit Committee have attended these two meetings.

The Audit Committee has reviewed and discussed the annual results of the Group for the year ended 31 December 2014. The audit committee has also reviewed with the management and the Company's auditors, KPMG, the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the audit of the consolidated financial statements for the year ended 31 December 2014 as set out in this annual report. The Audit Committee is of the view that the financial statements are prepared in accordance with the applicable accounting standards and requirements and all the relevant and required disclosures are adequate.

審核委員會

審核委員會的主要職責包括：(1)就委聘、續聘及罷免外聘核數師向董事會提供建議；(2)按照適用標準審閱及監察外聘核數師的獨立性、客觀性以及審核過程的有效性；(3)就委聘外聘核數師提供非審計服務制訂及實施政策；(4)監察本公司財務報表(包括年報、中期報告及季度報告(倘編製以供刊發))之一致性、準確性及公平性；(5)審閱本公司之財務監控、內部監控及風險管理制度；(6)審閱本集團財務及會計政策及常規；及(7)審閱本公司僱員能夠以保密方式提出有關財務報告、內部監控及其他事宜之可能不當行為之安排。

審核委員會之職權範圍可於本公司及聯交所網站上查閱。

審核委員會由三名獨立非執行董事組成，包括魏偉峰先生、葉錫安先生及李卓先生。魏偉峰先生擔任審核委員會主席。

由於本公司於二零一四年十二月十日上市，於相關期間，審核委員會並無召開會議。然而，緊隨相關期間結束後及直至本年報日期，審核委員會已召開兩次會議。一次會議在二零一五年一月三十日舉行，旨在批准有關內幕消息一本集團截至二零一四年九月三十日止九個月的經選定未經審核財務資料的公佈，及另一次會議於二零一五年三月二十六日舉行，旨在審閱(其中包括)本集團截至二零一四年十二月三十一日止年度之全年業績。審核委員會全體成員均已出席該兩次會議。

審核委員會已審閱及討論本集團截至二零一四年十二月三十一日止年度之全年業績。審核委員會亦已聯同管理層及本公司核數師畢馬威會計師事務所一起審閱本集團所採納的會計原則及常規，並討論內部監控及財務申報事宜，包括審核本年報所載截至二零一四年十二月三十一日止年度之合併財務報表。審核委員會認為，該等財務報表的編製符合適用的會計準則及規定，並已充分作出一切相關及所需披露。

NOMINATION AND REMUNERATION COMMITTEE

The major duties of the Nomination and Remuneration Committee are (1) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (2) to identify suitable candidates and make recommendation to the Board on the appointment and succession planning for Directors, general manager and other senior management; (3) to assess the independence of the independent non-executive directors; (4) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; (5) to assess the performance of the Directors and senior management and evaluate and assess their performance; (6) to consider and decide the remuneration packages of all executive Directors and senior management under authorisation of the Board; (7) to supervise the implementation of the remuneration system of the Company.

The Nomination and Remuneration Committee has adopted the model described in code provision B.1.2(c)(i) of the CG Code in its terms of reference.

In recommending candidates for appointment to the Board, the Nomination and Remuneration Committee will consider candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board.

The terms of reference of the Nomination and Remuneration Committee are posted on the websites of the Company and the Stock Exchange.

The Nomination and Remuneration Committee consists of two independent non-executive Directors namely, Mr. Ip Sik On Simon and Mr. Ngai Wai Fung, and one executive Director, Mr. Frank Franciscus Dorjee. Mr. Ngai Wai Fung, an independent non-executive Director, acts as the chairman of the Nomination and Remuneration Committee.

A meeting of the Nomination and Remuneration Committee was held during the Relevant Period to review the remuneration packages of employees of the Company. All three members of the Nomination and Remuneration Committee have attended such meeting.

提名與薪酬委員會

提名與薪酬委員會的主要職責包括：(1)至少每年審閱一次董事會之架構、規模及組成(包括技能、知識及經驗)並就任何建議變動向董事會提出建議以配合本公司企業策略；(2)就董事、總經理及其他高級管理層之委任及繼任計劃物色合適候選人並向董事會作出推薦；(3)評估獨立非執行董事之獨立性；(4)就涉及全體董事及高級管理層薪酬之本公司政策及架構以及制定正式及透明程序以發展薪酬政策向董事會提出建議；(5)評估董事及高級管理層的表現並評核彼等之表現；(6)考慮並決定所有執行董事及高級管理層之薪酬待遇(經董事會授權)；(7)監督本公司薪酬制度的執行。

提名與薪酬委員會已就其職權範圍採納企業管治守則第B.1.2(c)(i)條守則條文所訂的標準。

在向董事會推薦候選人時，提名與薪酬委員會將參照客觀標準並基於董事會多元化的益處考慮候選人資格。

提名與薪酬委員會的職權範圍可於本公司及聯交所網站上查閱。

提名與薪酬委員會由兩名獨立非執行董事葉錫安先生及魏偉峰先生，及一名執行董事范•德意先生組成。提名與薪酬委員會主席由獨立非執行董事魏偉峰先生擔任。

於相關期間，提名與薪酬委員會已召開一次會議以審閱本公司僱員之薪酬組合。提名與薪酬委員會全部三名成員均已出席有關會議。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告 (續)

The table below sets out the details of meeting attendance of each member of the Nomination and Remuneration Committee during the Relevant Period.

下表列載提名與薪酬委員會各成員於相關期間內出席會議的詳情。

Director		Number of meetings requiring attendance	Number of meetings attended in person	Number of meetings attended by proxy
董事		要求出席會議次數	親身出席會議次數	委任代表出席會議次數
Mr. Ngai Wai Fung (Chairman)	魏偉峰先生(主席)	1	1	0
Mr. Ip Sik On Simon	葉錫安先生	1	1	0
Mr. Frank Franciscus Dorjee	范•德意先生	1	1	0

In accordance with code provision B.1.5 of the CG Code, the remuneration of the Directors, Supervisors and senior management for the year ended 31 December 2014 can be classified into the following ranges:

根據企業管治守則之守則條文B.1.5，現把截至二零一四年十二月三十一日止年度董事、監事及高級管理人員之薪酬可分類為以下組別：

Band (Notes)	Remuneration (RMB)	Number of persons
組別(註)	薪酬(人民幣元)	人數
1	0-500,000	13
2	500,001-1,000,000	-
3	1,000,001-1,500,000	5
4	1,500,001-2,000,000	5
5	2,000,001-2,500,000	1

Notes:

Band 1 includes ten Directors, two Supervisors and one senior management member.

Band 3 includes one Director, one supervisor and three senior management members.

Band 4 includes one Director and four senior management members.

Band 5 includes one senior management member.

Further details of the remuneration of the Directors, the Supervisors and the five highest-paid employees are disclosed in notes 9 and 10 to the audited consolidated financial statements as required by the Appendix 16 to the Listing Rules.

註：

第1組別包括十名董事、兩名監事及一名高級管理人員。

第3組別包括一名董事、一名監事及三名高級管理人員。

第4組別包括一名董事及四名高級管理人員。

第5組別包括一名高級管理人員。

根據上市規則附錄16須予披露有關董事、監事及五名最高薪酬僱員之進一步酬金詳情載於經審核合併財務報表的附註9及10。

BOARD DIVERSITY

The Board has adopted a Board Diversity Policy to enhance its effectiveness. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge, length of services and time to be devoted as a director of the Company. The Company will also take into account factors relating to its own business model and specific needs from time to time. The Board strives to ensure that it has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategies and in order for the Board to be effective. At the committee meeting held on 26 March 2015, the Nomination and Remuneration Committee has reviewed the composition of the Board in accordance with the Listing Rules and concluded that the composition of the Board is in accordance with the Board Diversity Policy in terms of age, educational background, industry experience, geographical location and duration of service. Members of the Board are set out in the following table:

董事會多元化

董事會採納了董事會多元化政策，以提升其效率。釐定董事會成員構成時將從多個方面考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識、服務年期及擔任本公司董事將貢獻之時間。本公司亦會考慮有關其自身業務模式及特別需求的不時因素。董事會致力確保在技能、經驗及不同觀點方面保持適當平衡，以滿足執行業務策略及讓董事會有效行事的需求。於二零一五年三月二十六日舉行之委員會會議，提名與薪酬委員會已按上市規則要求對董事會成員構成進行檢討，並認為董事會成員在年齡、教育背景、行業經驗、地區、服務年期等方面，符合董事會多元化政策的要求。董事會成員詳情載列於下表：

Name 姓名	Age 年齡	Education 教育	Industry experience 行業經驗	Geographical location 地區	Duration of service (joined since) 加入本集團的日期
Executive Directors 執行董事					
Wen Huiguo (Chairman) 文會國(主席)	61	Master 碩士	Telecommunication 通訊	Wuhan, China 中國武漢	October 2008 二零零八年十月
Frank Fanciscus Dorjee (Vice Chairman) 范•德意(副主席)	54	Master 碩士	Telecommunication, Finance and accounting 通訊、財務及會計	Netherlands 荷蘭	January 2011 二零一一年一月
Non-executive Directors 非執行董事					
Ma Jie 馬杰	44	Doctorate 博士	Telecommunication 通訊	Beijing, China 中國北京	August 2011 二零一一年八月
Sun Jiming 孫姬明	41	Master 碩士	Telecommunication 通訊	Beijing, China 中國北京	August 2011 二零一一年八月
Philippe Claude Vanhille 菲利普•范希爾	51	Master 碩士	Telecommunication 通訊	Italy 意大利	May 2013 二零一三年五月
Yeung Kwok Ki Anthony 楊國琦	70	University graduate 本科	Accounting and audit 會計及審計	Hong Kong, China 中國香港	January 1992 一九九二年一月
Xiong Xiangfeng 熊向峰	50	Master 碩士	Telecommunication 通訊	Wuhan, China 中國武漢	August 2013 二零一三年八月
Zheng Huili 鄭慧麗	56	Master 碩士	Telecommunication 通訊	Wuhan, China 中國武漢	April 2006 二零零六年四月
Independent non-executive Directors 獨立非執行董事					
Ngai Wai Fung 魏偉峰	53	Doctorate 博士	Finance and accounting 財務及會計	Hong Kong, China 中國香港	September 2014 二零一四年九月
Ip Sik On Simon 葉錫安	66	Doctorate 博士	Legal 法律	Hong Kong, China 中國香港	September 2014 二零一四年九月
Li Ping 李平	61	Master 碩士	Telecommunication 通訊	Beijing, China 中國北京	September 2014 二零一四年九月
Li Zhuo 李卓	45	Doctorate 博士	Education 教育	Wuhan, China 中國武漢	September 2014 二零一四年九月

STRATEGY COMMITTEE

The major duties of the Strategy Committee are (1) to carry out research and give advice on the plan of long-term development strategies of the Company; (2) to carry out research and give advice on the major investment and financing plans which shall be submitted to the Board for approval in accordance with the Articles of Association; (3) to carry out research and give advice on the major projects of capital operations and asset management which shall be submitted to the Board for approval in accordance with the Articles of Association of the Company; (4) to carry out research and give advice on the other major matters that will impact the development of the Company; (5) to examine the implementation of the above matters; and (6) to perform other matters as authorised by the Board.

The terms of reference of the Strategy Committee are posted on the websites of the Company and the Stock Exchange.

During the Relevant Period and up to the date of this report, the Strategy Committee consisted of two independent non-executive Directors, namely Mr. Ngi Wai Fung and Mr. Li Ping and one executive Director, Mr. Wen Huiguo. With effect from 27 March 2015, Mr. Li Zhuo, an independent non-executive Director has replaced Mr. Ngi Wai Fung as a member of the Strategy Committee. Mr. Wen Huiguo, the chairman of the Board, acts as the chairman of the Strategy Committee.

As the Company was listed on 10 December 2014, no meeting of the Strategy Committee was held during the Relevant Period.

DIRECTORS

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Directors (including non-executive Directors and independent non-executive Directors) shall be elected by the shareholders in general meeting for a term of three years. Upon the expiration of the current term of office, a Director is eligible for re-election and re-appointment. The Chairman and Vice Chairman of the Board shall be elected and removed by more than one-half of the Directors. The Chairman and Vice Chairman of the Board shall have a term of three years and shall be renewable upon re-election. Each of the Directors has entered into a service contract with the Company on 14 November 2014. Pursuant to the Articles of Association of the Company, the term of office of the Directors shall be 3 years. The principal particulars of these service contracts are (a) for a term commencing from their respective effective date of appointment until the day on which the next general meeting of the shareholders for re-election of Directors is held, and (b) are subject to termination in accordance with their respective terms.

None of the Directors and Supervisors has entered into a service contract with the Company or any member of the Company which is not determinable by the relevant employer within one year without payment of compensation (except statutory compensation).

策略委員會

策略委員會的主要職責包括：(1)對本公司長期發展戰略規劃進行研究並提出建議；(2)對章程規定須提呈董事會批准的重大投資及融資方案進行研究並提出建議；(3)對本公司章程規定須提呈董事會批准的重大資本運作、資產管理項目進行研究並提出建議；(4)對其他將影響本公司發展的重大事項進行研究並提出建議；(5)對以上事項的實施進行檢查；及(6)履行董事會授權的其他事項。

策略委員會的職權範圍可於本公司及聯交所網站上查閱。

於相關期間直至本報告日期，策略委員會由兩名獨立非執行董事魏偉峰先生及李平先生，及一名執行董事文會國先生細則。自二零一五年三月二十七日起，獨立非執行董事李卓先生替代魏偉峰先生擔任策略委員會委員。董事會主席文會國先生擔任策略委員會主席。

由於本公司於二零一四年十二月十日上市，策略委員會於相關期間並無召開會議。

董事

董事委任及重選

董事(包括非執行董事及獨立非執行董事)由股東於股東大會選舉產生，任期三年。董事任期屆滿後，可連選連任及重獲委任。董事會主席及副主席須由過半數董事選舉和罷免。董事會主席及副主席任期三年，可以於膺選連任時續期。各董事已於二零一四年十一月十四日與本公司訂立服務合約。根據本公司章程，董事任期為三年。該等服務合約之主要詳情為(a)任期由其各自委任生效日期起直至就重選董事召開下屆股東大會之日期止及(b)可根據各自條款予以終止。

概無董事及監事已與本公司或本公司任何成員公司訂立相關僱主在一年內倘不支付賠償(法定賠償除外)則不得終止的服務合約。

NOMINATION OF DIRECTORS

In accordance with the Articles of Association of the Company, the intention to nominate a candidate as a Director and the written notice of such candidate regarding his/her willingness to accept the nomination shall be given to the Company on or after the date of notice of the relevant general meeting of the Shareholders but not later than 7 days prior to the date selected for holding that general meeting for approval of the nomination.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has four independent non-executive Directors and as at the date of this annual report, none of them has served as independent non-executive Director for more than six years. The number and qualification of the independent non-executive Directors are in compliance with the requirements of the Listing Rules to have at least three independent non-executive Directors representing one-third of the Board and the Articles of Association of the Company. Their independence is further guaranteed as none of the independent non-executive Directors has any business and financial relationship with the Company or its subsidiaries and has no management function in the Company.

Each of the four independent non-executive Directors has given his written confirmation of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. Having confirmed, the Board considers that all independent non-executive Directors are independent.

SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND THE RELEVANT EMPLOYEES

The Company has adopted the Model Code as its code of conduct for securities transactions by the Directors and Supervisors to regulate the securities transactions of the Directors and Supervisors (the "Company's Securities Dealing Regulations"). Having made specific enquiries in writing to the Directors and Supervisors, all Directors and Supervisors have confirmed that they have complied with the provisions of the Model Code during the Relevant Period.

The Company has also revised the Company's Securities Dealing Regulations so as to regulate the securities transactions by the relevant employees as well. Such revised regulations were approved by the Board at the Board meeting held on 27 March 2015.

董事提名

根據本公司章程，提名候選人出任董事之意向及該候選人就彼接受提名之書面通知須於相關股東大會通告日期或之後提交予本公司，惟不得遲於就批准提名舉行股東大會之選定日期前7天。

獨立非執行董事的獨立性

本公司現有四名獨立非執行董事，於本年報日期，彼等任職均未超過六年。獨立非執行董事人數及資歷均符合上市規則有關董事會至少有三分之一成員（即三名）為獨立非執行董事的規定以及本公司章程的規定。由於獨立非執行董事均不擁有本公司或其附屬公司任何業務和財務關係，也不在本公司擔任管理職務，彼等之獨立性得到進一步保障。

本公司四名獨立非執行董事均根據上市規則第3.13條所載之獨立指引，各自就其於獨立性向本公司作出書面確認。董事會經確認後認為，全體獨立非執行董事均為獨立人士。

董事、監事及相關僱員的證券交易

本公司已採納標準守則為董事及監事進行證券交易之行為守則，以規範董事及監事的證券交易（「本公司證券交易規定」）。經向各董事及監事作出書面特定查詢後，所有董事及監事均確認彼等於相關期間已遵守標準守則所載之條文。

本公司亦已修改本公司證券交易規定，以規管相關僱員進行證券交易。有關經修訂規定已獲董事會於二零一五年三月二十七日舉行之董事會會議上批准。

DIRECTORS' INTEREST

Details of the Directors' competing interest have been disclosed in the section headed "Report of the Board of the Directors – Directors' Interest in Competing Business" on page 56 of this annual report. To address any potential competing interest of the Directors, the Company has implemented the following corporate governance measures to safeguard the interests of the Company and the shareholders of the Company:

- (a) each of the Directors is required to attend training sessions to strengthen his/her awareness of his/her fiduciary duties as a Director which require, among others, that he/she acts for the benefit and in the best interests of the Company when a potential conflict of interest arises;
- (b) any conflicted Director must abstain from voting (nor being counted in the quorum in relation to) any resolution of the Board in respect of any contract, transaction or arrangement in which such conflicted Director or any of his/her close associates is materially interested;
- (c) the independent non-executive Directors will review the competing interests held by any Directors who are involved in businesses in competition with the Company, and such Directors must provide all the information necessary for the review to the independent non-executive Directors; and
- (d) the decisions on matters reviewed by the independent non-executive Directors will be disclosed in the annual reports of the Company.

DIRECTORS' RESPONSIBILITY ON FINANCIAL STATEMENTS

The Directors acknowledge their responsibility to prepare the financial statements for the year ended 31 December 2014 to give a true and fair view of the affairs of the Company and the Group. According to code provision C.1.1 of the CG Code, the management shall provide necessary explanation and information to the Board so that the Board can have a preliminary assessment of the financial statements before they are submitted to the Board for approval. The Company will also provide monthly reports on the results, positions and prospects of the Group to all members of the Board.

董事權益

有關董事競爭權益的詳情已於本年報第56頁「董事會報告－董事於競爭業務的權益」一節披露。為處理任何董事的潛在競爭權益，本公司已實施下列企業管治措施以維護本公司及本公司股東的利益：

- (a) 每一位董事均須參與培訓課程以加強彼身為董事的受信意識，其中要求彼在可能產生利益衝突時以本公司利益及最佳利益行事；
- (b) 任何涉及存在利益衝突的董事須在有關其本身或其任何緊密聯繫人持有重大權益的任何合約、交易或安排的任何董事會決議案中放棄投票（亦不計入相關法定人數）；
- (c) 獨立非執行董事將審查任何涉及與本公司業務構成競爭的董事所持有的競爭權益，而該等董事須向獨立非執行董事提供審查所需之一切資料；及
- (d) 有關獨立非執行董事所審查事宜的決定將於本公司的年報披露。

董事對財務報表之責任

董事深知彼等就編製截至二零一四年十二月三十一日止年度之財務報表以對本公司及本集團事務真實公允地發表意見的責任。根據企業管治守則的守則條文C.1.1，管理層須向董事會提供必要的解釋及資料，致使董事會於財務報表提呈董事會批准前可對財務報表作出初步評核。本公司亦會每月向董事會全體成員提供有關本集團業績、狀況及前景的報告。

SHAREHOLDERS' MEETING

The Company is committed to ensure that all shareholders of the Company are treated equally and are able to exercise all their rights. General meeting of the shareholders is the highest authority of the Company and performs its duties in accordance with all applicable laws.

To safeguard the interests and rights of the shareholders, all major matters of the Company shall be proposed as separate resolutions at the general meeting for consideration in accordance with the applicable laws and the Listing Rules. The rights of the shareholders and voting procedures of the general meeting shall be contained in the relevant circular in accordance with the Articles of Association of the Company and the Listing Rules, which shall be despatched to the shareholders within a specified period of time and shall be posted on the websites of the Stock Exchange and the Company.

As the Company was listed on 10 December 2014, no general meeting was held during the Relevant Period.

CONTROL SYSTEM

BOARD OF SUPERVISORS

The Board of Supervisors is the supervisory authority of the Company and shall be accountable to the general meeting of the shareholders. Supervisors shall act independently to protect the legal interests of the shareholders and the Company in accordance with the laws.

The major functions and powers of the Board of Supervisors are (1) to examine the financial affairs of the Company; (2) to supervise the performance of Directors and other senior management members, and monitor as to whether they had acted in violation of any laws, administrative regulations, Articles of Association or the resolutions of general meetings in the performance of duties; (3) to request Directors and senior management members to rectify actions which are harmful to the Company's interests; and (4) to exercise other powers, functions and duties as conferred by the laws, administrative regulations and the Articles of Association.

The Board of Supervisors consists of three members, including two Supervisors elected by the shareholders (Mr. Yao Jingming and Ms. Yu Jiakuan) and one Supervisor elected by employees (Mr. Jiang Zhikang). Mr. Jiang Zhikang acts as chairman of the board of Supervisors.

股東大會

本公司致力確保本公司所有股東享有平等待遇及能充分行使其權利。股東大會是本公司的最高權力機構，並根據所有適用法律行使職權。

為保障股東權益和權利，根據適用法律及上市規則，須就本公司各項重大事宜於股東大會上提呈獨立決議案審議。股東權利及於股東大會的有關投票表決程序將按照本公司章程以及上市規則載於相關的通函內，而通函亦將於指定期限內寄發予股東，並登載於聯交所和本公司網站。

由於本公司於二零一四年十二月十日上市，本公司於相關期間未有召開股東大會。

監控機制

監事會

監事會是本公司的監督機構，對股東大會負責。監事會依法獨立行使監督權，保障股東及本公司的合法利益不受侵害。

監事會的主要職能及權力為：(1)審查本公司財務狀況；(2)監督董事及其他高級管理層成員履行職責，並檢查彼等於履行職責時是否有違反任何法律、行政法規、章程或股東大會決議；(3)要求董事及高級管理層成員糾正有損本公司利益的任何行為；及(4)行使法律、行政法規及章程賦予的其他權力、職能及職責。

監事會由三名成員組成，包括：股東推薦出任的兩名監事(姚井明先生和虞嘉萱女士)及職工代表監事一名(江志康先生)。江志康先生為現屆監事會主席。

Mr. Yao Jingming and Ms. Yu Jiakuan have resigned from their positions as Supervisors with effect from 27 March 2015. The number of Supervisors will fall below the number provided by the Articles of Association of the Company upon the resignation of Mr. Yao Jingming and Ms. Yu Jiakuan, therefore, Mr. Yao Jingming and Ms. Yu Jiakuan will continue to perform their duty as a Supervisor until the date when the proposed appointment of the new supervisors are approved by the shareholders of the Company. For more details, please see the announcements of the Company dated 27 March 2015 and 31 March 2015.

Supervisors who are representatives of the shareholders shall be elected and removed by shareholders at general meeting. Supervisors who are representatives of employees shall be subject to democratic election by staff and the number of employee representative Supervisors shall not be less than one-third of the Supervisors. Each Supervisor shall have a term of three years from the date of approval by shareholders' general meeting or employee conference. The term of office of a Supervisor shall be renewable upon re-election and re-appointment.

Particulars of the Supervisors are set out in the section "Directors', Supervisors' and Senior Management's Profiles" of this annual report.

Since the Company was listed on 10 December 2014, no meeting of the Board of Supervisors was held during the Relevant Period. The work of the Board of Supervisors is set out in the Report of the Supervisor in this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board shall have the decision on all operation matters and is committed to establish and improve the internal control system. It shall also supervise the implementation of the internal control system to safeguard the investment of the shareholders and the assets of the Group. In the process of the listing of the Company, the effectiveness of the internal control system of the Group was reviewed to ensure that a sound system is maintained and operated by the management in compliance with the agreed procedures and standards. The review covered all material controls, including financial, operational and compliance controls and risk management functions. In particular, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function was also reviewed.

姚井明先生及虞嘉萱女士已辭任監事職務，由二零一五年三月二十七日起生效，姚井明先生及虞嘉萱女士辭任後，監事人數將低於本公司章程的規定人數，因此，委任新監事事宜獲本公司股東批准之日前姚井明先生及虞嘉萱女士將繼續履行其監事職責。詳情請參見本公司於二零一五年三月二十七日及二零一五年三月三十一日刊發的公告。

股東代表出任的監事由股東大會選舉和罷免，職工代表監事通過職工民主選舉產生，職工監事代表人數不得少於監事人數的三分之一。每屆監事任期三年，監事之任期由股東大會或職工代表大會決議通過之日開始。監事任期可於膺選連任及重獲委任時續期。

監事的履歷詳情載列於本年報之「董事、監事及高級管理人員簡歷」一節。

由於本公司於二零一四年十二月十日上市，於相關期間，監事會未有召開會議。有關監事會的工作情況載列於本年報之「監事會報告」一節。

內部監控及風險管理

董事會執行一切營運決策權，並致力建立及改善內部監控措施，以及監管內部監控系統的實施，以保障股東投資與本集團資產。在本公司上市過程中，本集團已檢討內部監控系統，確保管理層遵從協定的程序及準則妥善維持並經營系統。該檢討涵蓋所有重要監控，包括財務、營運及合規控制以及風險管理職能。具體而言，本公司會計及財務申報部門的資源充足性、員工資格及經驗、培訓課程及預算亦已經審核。

The Company has adopted a number of rules and regulations to govern its daily operation and business since its establishment as a joint venture company so as to create a well-organised internal control and business environment for the development of the Company's businesses. Some major measures are as follows:

- stringent authority delegation, approval procedures, division and supervision system to ensure the security and proper use of funds;
- collective decision and comprehensive assessment are required for major investments and the proposal, evaluation, decision and implementation procedures are under strict control to minimise investment risks;
- strong segregation of duties within each department and intra-department on all sales, procurement, contracting, inspection and delivery, collection and payment applications so as to prevent abuse of power;
- strict control on the size, structure and sources of funding as well as the use of significant amount of fund to minimise finance costs and ensure the efficient use of funds; and
- highly regulated procedures for connected transactions to specify the preliminary examination by independent non-executive Directors before submitting for approval by the Board.

Since the listing of the Company took place on 10 December 2014, the above procedures were effectively implemented. The internal control system was improved to strengthen the risk prevention and internal control capabilities. The Audit Committee will continue to review and evaluate the effectiveness of the internal control system of the Group and to report the findings to the Board. The Board will review and evaluate the internal control system at least once a year to ensure that no material internal control loophole exists.

On 19 December 2014, the Stock Exchange has published the Consultation Conclusions on Risk Management and Internal Control: Review of the Corporate Governance Code and Corporate Governance Report. The Company as well as the Board are in the process of making an assessment and considering the setting up of an internal audit and risk management department so as to ensure the compliance with this amendment which will apply to accounting period beginning on or after 1 January 2016.

本公司自成立為合營公司以來，已採納多項規則及法規以監管日常營運及業務，旨在為本公司業務發展創造井井有條的內部監控及業務環境，主要措施如下：

- 強化授權、批准程序、分權及監督制度，確保資金使用安全合理；
- 通過落實重大投資決策的集體決策及全面評估程序，強化立項、評估、決策及執行的決策程序，嚴控對外投資風險；
- 各部門及部門之間就所有銷售、採購、合約、檢查及物流、交付及支付應用方面分工明確，以避免濫用職權；
- 加強對集資規模、結構及渠道及大量資金使用的控制，以降低資金成本，確保資金的有效使用；及
- 詳細規定關連交易相關程序，明確獨立非執行董事在關連交易提交董事會表決前的預先審核責任。

本公司自二零一四年十二月十日上市以來，有效實施上述控制措施，加強內部控制體系建設以提升風險防範和內部控制能力。審核委員會將持續檢討及評估本集團之內部控制系統的有效性，並向董事會彙報結果，而董事會則每年最少對本集團之內部監控系統進行一次進一步檢討和評估，並確保無重大監控失誤。

於二零一四年十二月十九日，聯交所頒佈有關風險管理及內部監控：審閱企業管治守則及企業管治報告的諮詢結論。本公司和董事會現正進行評估，並考慮設立內部審計及風險管理部門，以確保遵守將於二零一六年一月一日或之後開始之會計期間適用的該等修訂。

The Company has continuously monitored and evaluated its business and taken measures to monitor its exposure to risks related to transactions with Sanctions Targets (as defined in the Report of the Board of the Directors in this annual report). To protect the interests of the Company and the shareholders and to comply with the Company's sanction undertakings to the Stock Exchange, the Company has implemented the following internal control policies and procedures:

- | | |
|---|---|
| <p>(a) the legal and marketing department of the Company continuously monitors new sanctions law or any change to the existing sanctions laws and seeks advice from external legal counsel as necessary, to confirm that the Company's business activities do not subject us to risks relating to Sanctions Targets;</p> | <p>(a) 本公司的法律及市場推廣部會持續監察新制裁法律或現行制裁法律的任何變更，必要時會向外聘法律顧問徵求意見，以確認本公司的業務活動不會使本公司涉及有關受制裁目標的風險；</p> |
| <p>(b) the senior management of the Company, including the general manager, first deputy manager, deputy general managers and chief financial officer reviews and approves the Company's future business opportunities and determines whether such business involves any Sanctions Targets;</p> | <p>(b) 本公司的高級管理人員(包括總經理、第一副總經理、副總經理及財務總監)會審閱並批准本公司日後的業務機會，以及釐定有關業務是否涉及任何受制裁目標；</p> |
| <p>(c) the strategic center of the Company checks and ensures that the relevant employees who are involved in overseas businesses understand and comply with the internal control policies and procedures as to economic sanctions and the undertakings and regular training or update have been provided to such employees;</p> | <p>(c) 本公司的戰略中心會檢查並確保從事海外業務的相關僱員瞭解並遵守有關經濟制裁的內部監控政策及程序和承諾，並向有關僱員提供定期培訓或更新相關資訊；</p> |
| <p>(d) the legal and marketing department of the Company prepares regular overseas sales status reports and other information related to the overseas customers and economic sanctions and Sanctions Targets for review by the Board; and</p> | <p>(d) 本公司的法律及市場推廣部會定期編製海外銷售狀況報告及有關海外客戶與經濟制裁及受制裁目標的其他資料供董事會審閱；及</p> |
| <p>(e) if the sales personnel believe that any potential transaction would put the Company, the shareholders and investors, the Stock Exchange, the Listing Committee of the Stock Exchange, Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited to risks of being subject to transactions with Sanctions Targets, such transaction will need to be submitted to the Board for approval.</p> | <p>(e) 倘銷售人員認為任何潛在交易會導致本公司、股東及投資者、聯交所、聯交所上市委員會、香港中央結算有限公司及香港中央結算(代理人)有限公司承受涉及與受限制目標交易的風險，則有關交易須呈交董事會審批。</p> |

AUDITORS AND THEIR REMUNERATION

KPMG and KPMG Huazhen (Special General Partnership) (collectively referred to as "KPMG") were appointed by the Company as the international auditors and the PRC auditors of the Company for 2014, respectively. Their respective appointment shall expire upon the conclusion of the 2014 annual general meeting. The Board is authorised to determine the remuneration of the auditors which is in line with the market practice.

For the year ended 31 December 2014, the fees paid or payable to KPMG for annual audit services and reporting accountants services in relation to the listing were RMB2.2 million and RMB5.0 million, respectively. Besides, the fees paid or payable to KPMG in relation to non-audit services were RMB0.99 million in relation to the interim review and internal control review services.

Save as disclosed above, for the year ended 31 December 2014, the Group did not pay any fee to KPMG for non-audit services.

COMPANY SECRETARY

Mr. Han Qingrong, secretary of the Board, is responsible for advising the Board on corporate governance matters and ensuring that the Board's policies and procedures, and the applicable laws, rules and regulations are followed.

The Company has appointed Ms. Cheng Pik Yuk of Tricor Services Limited, external service provider, as the Company's company secretary on 3 June 2014 so as to discharge Mr. Han Qingrong's duties as secretary of the Board. For the purpose of code provision F.1.1 of the CG Code, Ms. Cheng Pik Yuk keeps close contact with Mr. Han Qingrong, being the person with sufficient seniority at the Company.

Particulars of Mr. Han Qingrong are set out in the section "Directors', Supervisors' and Senior Management's Profiles" in this annual report.

The Company was listed on 10 December 2014. As such, Mr. Han Qingrong did not take the minimum required professional training hours as required by Rule 3.29 of the Listing Rules but he is committed to fulfill the minimum required professional training time in 2015. Ms. Cheng Pik Yuk has confirmed that she received not less than 15 hours of relevant professional training during the year ended 31 December 2014.

核數師及其酬金

本公司委聘畢馬威會計師事務所為本公司二零一四年度國際核數師，以及畢馬威華振會計師事務所(特殊普通合伙)(統稱為「畢馬威」)為本公司二零一四年度中國核數師。彼等各自之聘用期至本公司二零一四年度股東週年大會結束時止，並授權董事會根據市場慣例確定核數師酬金。

截至二零一四年十二月三十一日止年度，就年度審計服務和上市相關申報會計師服務費已付或應付畢馬威酬金分別為人民幣2.2百萬元和人民幣5.0百萬元。此外，就非審計服務已付或應付畢馬威的費用為人民幣0.99百萬元，其與中期審核及內部監控審核服務有關。

除上述披露外，於截至二零一四年十二月三十一日止年度，本集團未向畢馬威支付其他非審計服務費用。

公司秘書

董事會秘書韓慶榮先生負責就企業管治事宜向董事會提出建議及確保董事會政策及程序以及符合適用法律、法規及規例。

本公司於二零一四年六月三日委任外部服務供應商卓佳專業商務有限公司之鄭碧玉女士為本公司的公司秘書，以履行韓慶榮先生作為董事會秘書的職責。就企業管治守則之守則條文F.1.1的目的而言，鄭碧玉女士與韓慶榮先生(為於本公司內具有足夠高職位的人士)維持緊密聯繫。

韓慶榮先生的履歷詳情載列於本年報之「董事、監事及高級管理人員簡歷」一節。

由於本公司於二零一四年十二月十日上市，故此，韓慶榮先生未有根據上市規則第3.29條的規定於相關期間接受所規定的最低時限的專業培訓，惟彼將致力於二零一五年滿足最低要求專業培訓時間。鄭碧玉女士確認於截至二零一四年十二月三十一日止年度已接受不少於15小時之相關專業培訓。

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONSHIP

CONVENING OF EXTRAORDINARY GENERAL MEETING

In accordance with the Articles of Association of the Company, the shareholders of the Company may demand to convene, chair, attend (in person or by proxy) the general meeting of the shareholders and exercise voting rights thereat.

Shareholder(s) individually or jointly holding 10% or more of the Company's shares with voting rights may request in writing to hold an extraordinary general meeting or a class shareholders' meeting. The Board shall convene such meeting as soon as practicable after receipt of the demand. The following procedures shall be followed when shareholders demand the convening of an extraordinary general meeting or a class shareholders' meeting:

- (1) Shareholder(s), individually or jointly, holding 10% or more of the Company's shares carrying voting rights may sign one or more written requests of the same form stating the object of the meeting and demanding the Board to convene an extraordinary general meeting or a class shareholders' meeting. Upon receipt of the request, the Board shall convene the extraordinary general meeting or class shareholders' meeting as soon as practicable. The number of shares of the Company held by the abovementioned shareholder(s) shall be calculated as at the date when the shareholder(s) put forward such written request.
- (2) In the event that the Board fails to issue a notice to convene a meeting within 30 days from the date of receipt of such request, the shareholder(s) shall be entitled to propose to the Board of Supervisors in writing for the purpose of convening an extraordinary general meeting or a class shareholders' meeting. The Board of Supervisors may convene such meeting on its own within 4 months upon receipt of such request by the Board; if the Board of Supervisors does not convene and chair such meeting, shareholder(s) individually or jointly holding 10% or more of the Company's shares carrying the right to vote for more than consecutive 90 days may convene such meeting on their own and in which case, the procedures for convening such meeting should follow those provided for convening a general meeting by the Board as closely as practicable.

If shareholders convene a meeting due to the failure by the Board to duly convene the same upon receiving the abovementioned written requests, all reasonable expenses so incurred shall be borne by the Company, by deducting from such sums owed by the Company to the Director who is in breach of his duty.

股東權利及投資者關係

股東召開臨時股東大會程序

按本公司章程規定，本公司股東可依法請求召集、主持、參加(親身或者委派代表)參加股東大會，並行使相應的表決權。

單獨或合計持有本公司的有表決權的股份10%或以上的股東以書面形式要求召開臨時股東大會或類別股東大會時，董事會應在收到書面要求後儘快召開有關股東大會。股東要求召集臨時股東大會或者類別股東大會，應當按照下列程序辦理：

- (一) 單獨或合計持有本公司的有表決權的股份10%或以上的股東，可以簽署一份或者數份同樣格式內容的書面要求，闡明會議的議題及提請董事會召集臨時股東大會或者類別股東大會。董事會在收到前述書面要求後應當儘快召集臨時股東大會或者類別股東大會。前述股東所持本公司股份數目按股東提出書面要求日計算。
- (二) 如果董事會在收到前述書面要求後三十日內沒有發出召集會議的通告，股東有權以書面形式向監事會提議召開臨時股東大會或者類別股東大會。監事會可以在董事會收到該要求後四個月內自行召集會議；監事會不召集和主持的，連續九十日以上單獨或合計持有本公司10%或以上股份的股東可以自行召集，召集的程序應當儘可能與董事會召集股東會議的程序相同。

股東因董事會於收到前述書面要求後未能舉行會議而自行召開會議的，其所發生的合理費用，應當由本公司承擔，並從本公司應付失職董事的款項中扣除。

ENQUIRIES TO THE BOARD

According to the Articles of Association of the Company, shareholders of the Company shall have access to the Articles of Association, the personal particulars of the Company's Directors, Supervisors and senior management, minutes of general meetings, and published financial statements.

Request for information, materials or enquiries to the Board shall be forwarded to the Company's board secretary or sent to the mail box ir@yofc.com. A shareholder is required to provide written proof of his/her holding of shares in the Company (including the class and number of shares) for verification when submitting the enquiry.

PROPOSAL AT THE GENERAL MEETING OF THE SHAREHOLDERS

Shareholder(s) holding an aggregate of 3% or more of the Company's shares with voting rights are entitled to propose ad hoc motions in writing to the Company and the ad hoc motions by the shareholders should be proposed 10 days prior to the holding of the general meeting and be submitted or delivered in writing to the Board.

Shareholders attending the general meeting are entitled to speak. Shareholders who require to speak shall make registration before voting.

AMENDMENT OF CONSTITUTIONAL DOCUMENTS

The current Articles of Association of the Company were adopted by the Company on 6 May 2014 at the 2013 annual general meeting and became effective from the Listing Date. During the period from the Listing Date to the date of this report, no changes have been made to the Articles of Association. The Articles of Association are available on the website of the Company (www.yofc.com) and that of the Stock Exchange.

COMMUNICATION WITH INVESTORS AND INVESTOR RELATIONSHIP

On 10 December 2014, the Company successfully completed the listing in Hong Kong. Through roadshow presentations around the globe, its investor relations mailbox and frequent update of information on the Company's website and other communication channels, the Company maintains close liaisons with investors worldwide in a timely and efficient manner. Moreover, through corporate visits and various other channels, the Company maintains proactive and frank exchanges with investors and analysts. The Company has attached great importance to listening and accepting reasonable suggestions and opinions from shareholders and investors. It strives to continuously enhance its operating results, present a true picture of the Company's financial and operational status to shareholders and investors, actively facilitate the internal communications in respect of the feedback from the capital market, and continuously perfect and enrich the system aiming to canvass information in relation to investor relations. The management over investor relations involves an all-faceted interactive communication process.

向董事會提出查詢

按本公司章程規定，本公司股東可查閱包括章程、本公司董事、監事和高級管理人員的個人資料、股東大會的會議記錄及已刊發的財務報表等資料。

股東查閱有關信息、索取資料或者向董事會提出查詢請求，可向本公司之董事會秘書提出查詢，或電郵至ir@yofc.com。股東應當在提出請求時向本公司提供證明其持有本公司股份(包括股份種類以及持股數量)的書面文件以供本公司核實。

在股東大會提出提案的程序

單獨或合計持有本公司3%或以上有表決權股份的股東，有權以書面形式向本公司提出臨時提案，而股東應於舉行股東大會十日前提出臨時提案及以書面形式提交或遞交予董事會。

股東出席股東大會，有權發言。要求發言的股東應當在表決前向本公司進行發言登記。

章程文件修訂

本公司於二零一四年五月六日在二零一三年股東週年大會上採納現行的章程，並於上市日期生效。由上市日期直至本報告日期期間，章程並無變動。章程可於本公司網站(www.yofc.com)及聯交所網站供查閱。

與投資者的溝通及投資者關係

於二零一四年十二月十日，本公司成功完成在香港上市。本公司透過於世界各地進行的路演、其投資者關係信箱及頻繁更新本公司網站資訊以及其他溝通渠道，本公司及時並有效維持與全球各地投資者的緊密聯繫。此外，本公司透過公司訪問及各類其他渠道，積極及真誠與投資者及分析師交流。本公司十分重視聆聽並接受股東及投資者的合理建議和意見，致力持續改善其營運業績、向股東及投資者呈列本公司的真實財務與營運狀況、積極促進有關來自資本市場的反饋意見的內部溝通，以及持續優化及加強系統，旨在宣揚有關投資者關係的資料。投資者關係管理涉及全面互動溝通程序。

The Company considers that effective communication with shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information, which will enable shareholders and investors to make the informed investment decisions. In 2015, the Company will further step up communications and exchanges with investors, in a bid to increase their understanding of the Company, whilst canvassing the support and attention from investors, so that they may provide more valuable opinions. The Company will also put great efforts in furthering the exploration and innovation in its investor relations management to bolster the Company's position in domestic and overseas capital markets.

The annual general meeting of the Company provides opportunity for shareholders to communicate directly with the Directors. The Chairman of the Board, the general manager of the Company, the chairman of each of the Board Committees and the external auditor of the Company, KPMG, will attend the annual general meeting to answer shareholders' questions.

To promote effective communication, the Company adopted a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and its shareholders and maintains a website at www.yofc.com, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access. The Company also maintained frequent contacts with shareholders and investors through various channels such as meetings, telephone and emails. For example, the Company has set up an investor relationship mail box ir@yofc.com to collect emails and answer enquiries from shareholders and investors. In addition, the Company has arranged on-site visits to the Group's projects and non-deal roadshows for investors and research analysts.

本公司認為與股東之有效溝通，對改善投資者關係及瞭解本集團業務、表現及戰略甚為重要。本公司亦確認適時及非選擇性披露資料之重要性，將有助股東及投資者作出知情投資決定。於二零一五年，本公司將進一步加強與投資者的溝通及交流，藉以提高彼等對本公司的瞭解，同時爭取投資者的支持及關注，使彼等向本公司提供寶貴意見。本公司亦將致力拓展及創新其投資者關係管理，以提高本公司於國內及海外資本市場的地位。

本公司股東週年大會為股東提供直接與董事溝通的機會。董事會主席、本公司總經理、各董事委員會主席及本公司外聘核數師畢馬威會計師事務所將出席股東週年大會，以回答股東提問。

為推動有效溝通，本公司採納股東通訊政策，旨在建立本公司與其股東的雙向關係及溝通，並設有網站www.yofc.com，以供公眾人士查閱有關本公司業務營運及發展、財務資料、企業管治常規及其他資料的最新消息。本公司亦透過會議、電話及電郵等各種渠道與股東及投資者保持緊密聯繫，例如，本公司已設立投資者關係郵箱ir@yofc.com以接受電子郵件及回覆股東及投資者的提問。此外，本公司為投資者及研究分析師安排本集團項目的實地考察及安排非交易路演。

INFORMATION DISCLOSURES

The Company strictly complies with the legal disclosure requirement to allow local and overseas investors to have prompt and full access to information of the operation and development of the Company by organising various investor relationship activities. In the future, the Company will maintain regular communication with local and overseas investors through telephone, mail and personal interview. The Company will also voluntarily and promptly disclose information of the Company on the websites of the Stock Exchange and the Company in accordance with the requirement of the Listing Rules. The Company will maintain its good corporate governance reputation by enhancing the transparency of the Company.

The Company has established an investor relationship department so as to strengthen and regulate the communication between the Company and its investors and potential investors to enhance the understanding of the Company by the investors.

Corporate governance is a permanent strategic system of the Company. The Company will further improve its risk management and internal control in accordance with the regulatory requirements of the jurisdiction in which its shares are listed and the chances in the capital market as well as the expectation of investors. The Company will continue to review and improve its corporate governance and enhance the transparency of information disclosure to ensure the stable and healthy development of the Company and the increase in shareholders' value.

2014 ANNUAL GENERAL MEETING

All shareholders are encouraged to attend the forthcoming annual general meeting and exercise their rights to vote. Further details of business to be conducted at the annual general meeting will be set out in the Company's circular to be dispatched to the shareholders together with this annual report and posted on the websites of the Stock Exchange and the Company.

資料披露

本公司在嚴格履行法定信息披露義務的基礎上，通過組織多種形式的投資者關係活動，使境內外投資者能夠及時和充分地獲取有關本公司的運營和發展狀況的資料。於未來的日子裏，本公司將通過電話、信件、私人會面等方式與境內外投資者保持日常聯繫，並通過聯交所及本公司網站根據上市規則的規定主動及時披露信息。通過增強本公司的信息透明度，本公司將維持良好的企業管治形象。

本公司已設立投資者關係部門，以加強及規管本公司與其投資者及潛在投資者之間的通訊聯繫，讓投資者對本公司有所瞭解。

本公司歷來將公司治理作為一項長期的戰略體系，未來本公司將根據其股份上市地的規管要求、資本市場機遇及投資者的期望，強化風險管理和內部控制，不斷檢討和提高企業管治水平，增強信息披露透明度，以確保本公司的穩健發展及股東價值的持續提升。

二零一四年股東週年大會

謹此鼓勵全體股東出席即將舉行的股東週年大會及行使彼等的投票權。更多有關股東週年大會事項的詳情將載於本公司通函，該通函連同本年報將寄發予股東並刊載於聯交所及本公司網站。

REPORT OF THE BOARD OF SUPERVISORS

監事會報告

Dear shareholders,

During the reporting period, all members of the Board of Supervisors conscientiously performed their supervisory duties and earnestly safeguarded the interests of the shareholders and the Company in accordance with the requirements of the relevant laws and regulations such as the PRC Company Law and the Articles of Association of the Company.

During the reporting period, the information of the Board of Supervisors' Meetings is as below:

Meeting 會議屆次	Date 召開時間	Resolution 會議決議	Remark 備註
2nd meeting of 1st Term Board of Supervisors 第一屆監事會第二次會議	18th June, 2014 二零一四年六月十八日	Resolutions on 2nd meeting of 1st Term Board of Supervisors 第一屆監事會第二次會議決議	No 無
3rd meeting of 1st Term Board of Supervisors 第一屆監事會第三次會議	18th December, 2014 二零一四年十二月十八日	Resolutions on 3rd meeting of 1st Term Board of Supervisors 第一屆監事會第三次會議決議	No 無

During the reporting period, the other issues that the Board of Supervisors has noticed are as below:

The Board of Supervisors is of the opinion that, all members of the Board and senior management of the Company have complied with the laws and regulations, and performed their duties in accordance with the Articles of Association of the Company in 2014. In addition, they have also safeguarded the interests of the shareholders, earnestly carried out various resolutions of the general meetings and the board meetings, and operated strictly in accordance with the regulatory requirements for a listed company. The Board of Supervisors was not aware of any violation of relevant national laws and regulations and the Articles of Association, or any acts which would violate the interests of the Company.

The Board of Supervisors carefully reviewed the financial statements of the Company for 2014 which were audited by external auditors who have issued an unqualified opinion, and is intended to be submitted by the Board to the general meeting, and other relevant information. The Board of Supervisors is of the opinion that the financial statements give an objective and true view of the Company's financial position and operating results.

尊敬的各位股東：

於報告期內，監事會全體成員按照《中華人民共和國公司法》和本公司章程等有關法律法規，恪盡職守，認真履行監督職責，切實維護股東權益和企業利益。

於報告期內，監事會會議召開情況如下：

於報告期內，監事會關注到的其他事項如下：

監事會認為，二零一四年度董事會全體成員及高級管理人員遵紀守法、履行本公司章程規定的職責，維護股東權益，認真執行股東大會和董事會的各項決議，嚴格按照上市公司規範進行運作。監事會未發現有違反國家法律、法規和章程以及損害公司利益的行為。

監事會認真審核董事會擬提交股東大會並經外部審計師審核及出具無保留意見的二零一四年度本公司財務報表及其他相關資料。監事會認為該等財務報表客觀、真實地反映本公司財務狀況和經營業績。

REPORT OF THE BOARD OF SUPERVISORS (Continued)

監事會報告 (續)

In 2015, to safeguard the interests of the shareholders and the interests of the Company and emphasize the fulfillment of the promises made to the shareholders, the Board of Supervisors will continue to perform its supervisory duties diligently over the major decisions and key operating activities in accordance with the PRC Company Law and the Articles of Association of the Company.

By order of the Board of Supervisors
Jiang Zhi Kang
Chairperson

Wuhan, China
27 March 2015

二零一五年，監事會將繼續嚴格依照《中華人民共和國公司法》和本公司章程的有關規定，以維護股東權益和公司利益為己任，以監督公司落實對股東所作承諾為重點，進一步加強對重大決策和重要經營活動的監督檢查力度，認真履行好職責。

承監事會命
江志康
主席

中國武漢
二零一五年三月二十七日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



To the shareholders of
Yangtze Optical Fibre and Cable Joint Stock Limited Company
(Incorporated in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of Yangtze Optical Fibre and Cable Joint Stock Limited Company (the "Company") and its subsidiaries (together the "Group") set out on pages 90 to 198, which comprise the consolidated and company statements of financial position as at 31 December 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

致長飛光纖光纜股份有限公司各股東

(在中華人民共和國註冊的有限責任公司)

我們已審核列載於第90頁至第198頁長飛光纖光纜股份有限公司(「貴公司」)及其附屬公司(「貴集團」)的合併財務報表，包括於二零一四年十二月三十一日的合併及公司財務狀況表，與截至該日止年度的合併綜合收益表、合併權益變動表和合併現金流量表，以及主要會計政策概要及其他附註解釋資料。

董事對合併財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定編製合併財務報表，以令合併財務報表作出真實而公允的反映，及落實其認為編製合併財務報表所必要的內部控制，以使合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該些合併財務報表發表意見，並僅向全體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定合併財務報表是否不存在任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT (Continued)

獨立核數師報告 (續)

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 March 2015

審核工作涉及實施程式，以獲取有關合併財務報表所載金額及披露資料的審核證據。所選定的程式取決於核數師的判斷，包括評價由於欺詐或錯誤而導致合併財務報表存有重大錯誤陳述的風險。在評價該等風險時，核數師考慮與該公司編製合併財務報表以作出真實而公允的反映相關的內部控制，以設計適當的審核程式，但目的並非為對公司的內部控制的有效性發表意見。審核還包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價合併財務報表的整體列報方式。

我們相信，我們所獲得的審核證據是充分和適當地為我們的審核意見提供了基礎。

意見

我們認為，該等合併財務報表已按照國際財務報告準則真實而公允地反映貴公司及貴集團於二零一四年十二月三十一日的財務狀況及貴集團截至該日止年度的利潤及現金流量，並已按照香港公司條例的披露規定妥為編製。

畢馬威會計師事務所

執業會計師

香港中環
遮打道10號
太子大廈8樓

二零一五年三月二十七日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

For the year ended 31 December 2014 (Expressed in Renminbi)
截至二零一四年十二月三十一日止年度(以人民幣列示)

		Note 附註	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Turnover	收入	4	5,676,782	4,825,895
Cost of sales	銷售成本		(4,589,224)	(3,808,113)
Gross profit	毛利		1,087,558	1,017,782
Other revenue and net income	其他收入及淨收益	5	31,633	21,280
Selling expenses	銷售費用		(124,271)	(109,758)
Administrative expenses	管理費用		(441,173)	(438,857)
Profit from operations	經營利潤		553,747	490,447
Finance income	融資收入	6	52,041	42,526
Finance costs	融資成本	6	(99,244)	(81,300)
Net finance costs	淨融資成本		(47,203)	(38,774)
Share of results of associates	應佔聯營公司業績		(1,021)	(2,750)
Share of results of joint ventures	應佔合營公司業績		29,215	21,360
Profit before taxation	除稅前利潤	7	534,738	470,283
Income tax	所得稅	8	(70,701)	(55,242)
Profit for the year	本年利潤		464,037	415,041
Other comprehensive income (item that may be reclassified subsequently to profit or loss):	其他綜合收益(可重新分類至損益的項目):			
Available-for-sale securities	可供出售證券		22,648	7,171
Income tax relating to available-for-sale securities	可供出售證券相關所得稅項		(3,398)	(1,075)
Other comprehensive income for the year	本年其他綜合收益		19,250	6,096
Total comprehensive income for the year	本年綜合收益總額		483,287	421,137
Profit for the year attributable to:	應佔本年利潤:			
Equity shareholders of the Company	本公司權益持有人		466,344	415,041
Non-controlling interests	非控股權益		(2,307)	-
Profit for the year	本年利潤		464,037	415,041
Total comprehensive income for the year attributable to:	應佔本年綜合收益總額:			
Equity shareholders of the Company	本公司權益持有人		485,594	421,137
Non-controlling interests	非控股權益		(2,307)	-
Total comprehensive income for the year	本年綜合收益總額		483,287	421,137
Earnings per share (RMB)	每股盈利(人民幣元)	12		
Basic and diluted	基本及攤薄		0.95	0.87

The notes on pages 98 to 198 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 32(b).

第98頁至第198頁的附註為本財務報表的組成部分。有關本年利潤應付予本公司股東的股息詳情載於附註32(b)。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

At 31 December 2014 (Expressed in Renminbi)
於二零一四年十二月三十一日(以人民幣列示)

	Note	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	附註		
Non-current assets			
Property, plant and equipment	14	782,530	819,923
Construction in progress	15	93,888	40,030
Intangible assets	16	151,019	–
Lease prepayments	17	117,788	12,838
Interest in associates	19	28,712	29,733
Interest in joint ventures	20	655,003	621,074
Other non-current assets	21	124,310	156,289
Deferred tax assets	30(b)	25,964	33,574
Total non-current assets		1,979,214	1,713,461
Current assets			
Inventories	22	697,461	721,303
Trade and bills receivables	23	1,745,118	1,508,587
Deposits, prepayments and other receivables			
按金、預付款項及其他			
應收款項	24	152,530	156,867
Other financial assets	25	5,840	–
Income tax recoverable	30(a)	–	1,135
Cash and cash equivalents	26	2,010,953	906,378
Total current assets		4,611,902	3,294,270
Current liabilities			
Bank loans	27	1,465,229	808,188
Trade and bills payables	28	699,903	713,540
Accrued expenses and other payables	29	411,956	1,078,492
Income tax payable	30(a)	7,179	–
Total current liabilities		2,584,267	2,600,220
Net current assets		2,027,635	694,050
Total assets less current liabilities		4,006,849	2,407,511
Non-current liabilities			
Bank loans	27	1,018,878	813,936
Deferred income	31	76,480	83,923
Total non-current liabilities		1,095,358	897,859
Net assets		2,911,491	1,509,652

The notes on pages 98 to 198 form part of these financial statements.

第98頁至第198頁的附註為本財務報表的組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

合併財務狀況表 (續)

At 31 December 2014 (Expressed in Renminbi)
於二零一四年十二月三十一日(以人民幣列示)

		Note	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		附註		
Capital and reserves	股本及儲備			
Share capital	股本	32	639,463	479,593
Reserves	儲備		2,174,335	1,030,059
Total equity attributable to equity shareholders of the Company	本公司權益持有人應佔總權益		2,813,798	1,509,652
Non-controlling interests	非控股權益		97,693	—
Total equity	權益總額		2,911,491	1,509,652

Approved and authorised for issue by the board of directors on 27 March 2015.

董事會於二零一五年三月二十七日批准及授權刊發。

Wen Hui Guo
文會國
Director
董事

Zheng Hui Li
鄭慧麗
Director
董事

The notes on pages 98 to 198 form part of these financial statements.

第98頁至第198頁的附註為本財務報表的組成部分。

STATEMENT OF FINANCIAL POSITION

財務狀況表

At 31 December 2014 (Expressed in Renminbi)
於二零一四年十二月三十一日(以人民幣列示)

	Note	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	附註		
Non-current assets			
Property, plant and equipment	14	780,060	819,923
Construction in progress	15	81,341	40,030
Lease prepayments	17	117,788	12,838
Investment in subsidiaries	18	225,063	63
Interest in associates	19	28,866	28,866
Interest in joint ventures	20	470,165	470,165
Other non-current assets	21	112,673	88,789
Deferred tax assets	30(b)	25,342	33,574
Total non-current assets		1,841,298	1,494,248
Current assets			
Inventories	22	697,065	721,303
Trade and bills receivables	23	1,738,977	1,508,587
Deposits, prepayments and other receivables	24	140,407	225,920
Income tax recoverable	30(a)	–	1,135
Cash and cash equivalents	26	1,863,299	905,031
Total current assets		4,439,748	3,361,976
Current liabilities			
Bank loans	27	1,177,364	795,056
Trade and bills payables	28	978,027	726,672
Accrued expenses and other payables	29	408,599	1,078,491
Income tax payable	30(a)	1,658	–
Total current liabilities		2,565,648	2,600,219
Net current assets		1,874,100	761,757
Total assets less current liabilities		3,715,398	2,256,005
Non-current liabilities			
Bank loans	27	1,018,878	813,936
Deferred income	31	74,980	83,923
Total non-current liabilities		1,093,858	897,859
Net assets		2,621,540	1,358,146

The notes on pages 98 to 198 form part of these financial statements.

第98頁至第198頁的附註為本財務報表的組成部分。

STATEMENT OF FINANCIAL POSITION (Continued)

財務狀況表 (續)

At 31 December 2014 (Expressed in Renminbi)
於二零一四年十二月三十一日(以人民幣列示)

		Note	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		附註		
Capital and reserves	股本及儲備			
Share capital	股本	32	639,463	479,593
Reserves	儲備		1,982,077	878,553
Total equity	權益總額		2,621,540	1,358,146

Approved and authorised for issue by the board of directors on
27 March 2015.

董事會於二零一五年三月二十七日批准及授權刊發。

Wen Hui Guo
文會國
Director
董事

Zheng Hui Li
鄭慧麗
Director
董事

The notes on pages 98 to 198 form part of these financial
statements.

第98頁至第198頁的附註為本財務報表的組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

For the year ended 31 December 2014 (Expressed in Renminbi)
截至二零一四年十二月三十一日止年度(以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益持有人應佔								
		Paid-in capital/ share capital 實繳 資本/股本	Capital reserve 資本公積	Statutory surplus reserve 法定儲備	Fair value reserve 公允價值 儲備	Retained earnings 保留盈利	Total	Non- controlling interests 非控股權益	Total equity 權益總額	
		RMB'000 人民幣千元 (Note 32(c)) (附註32(c))	RMB'000 人民幣千元 (Note 32(d)) (附註32(d))	RMB'000 人民幣千元 (Note 32(d)) (附註32(d))	RMB'000 人民幣千元 (Note 32(d)) (附註32(d))	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
At 1 January 2013	於二零一三年一月一日	479,593	-	380,579	13,228	877,798	1,751,198	-	1,751,198	
Changes in equity:	權益變化:									
Profit for the year	本年利潤	-	-	-	-	415,041	415,041	-	415,041	
Other comprehensive income	其他綜合收益	-	-	-	6,096	-	6,096	-	6,096	
Total comprehensive income for the year	本年綜合收益總額	-	-	-	6,096	415,041	421,137	-	421,137	
Appropriation	轉撥	-	-	38,278	-	(38,278)	-	-	-	
Dividends declared	宣派股利	-	-	-	-	(662,683)	(662,683)	-	(662,683)	
Conversion into a joint stock company (Note 32(c)(i))	改制為股份有限公司 (附註32(c)(i))	-	608,922	(418,857)	(13,228)	(176,837)	-	-	-	
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日 和二零一四年一月一日	479,593	608,922	-	6,096	415,041	1,509,652	-	1,509,652	
Changes in equity:	權益變化:									
Profit for the year	本年利潤	-	-	-	-	466,344	466,344	(2,307)	464,037	
Other comprehensive income	其他綜合收益	-	-	-	19,250	-	19,250	-	19,250	
Total comprehensive income for the year	本年綜合收益總額	-	-	-	19,250	466,344	485,594	(2,307)	483,287	
Appropriation	轉撥	-	-	91,467	-	(91,467)	-	-	-	
Dividends declared	宣派股利	-	-	-	-	(73,857)	(73,857)	-	(73,857)	
Capital contribution from non-controlling equity owners	非控股權益持有人注資	-	-	-	-	-	-	100,000	100,000	
Issue of new shares, net of issuing expenses (Note 32(c)(ii))	發行新股(扣除發行費用) (附註32(c)(ii))	159,870	732,539	-	-	-	892,409	-	892,409	
At 31 December 2014	於二零一四年十二月三十一日	639,463	1,341,461	91,467	25,346	716,061	2,813,798	97,693	2,911,491	

The notes on pages 98 to 198 form part of these financial statements.

第98頁至第198頁的附註為本財務報表的組成部分。

CONSOLIDATED CASH FLOW STATEMENT

合併現金流量表

For the year ended 31 December 2014 (Expressed in Renminbi)
截至二零一四年十二月三十一日止年度(以人民幣列示)

	Note 附註	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash flows from operating activities	經營活動的現金流		
Profit before taxation	除稅前利潤	534,738	470,283
Adjustments for:	調整項目：		
Depreciation	折舊	113,648	110,199
Amortisation	攤銷	328	1,489
Finance income	融資收入	(31,656)	(43,442)
Finance costs	融資成本	91,252	75,605
Impairment loss on investment in a joint venture	於合營公司投資減值虧損	-	4,130
Dividend income from available-for-sale equity securities	可供出售股本證券股利收入	(3,655)	(4,049)
Share of results of associates	應佔聯營公司業績	1,021	2,750
Share of results of joint ventures	應佔合營公司業績	(29,215)	(21,360)
Unrealised profits on downstream transactions with joint ventures	與合營公司順流交易的未實現收益	(25,307)	37,722
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損淨額	3,422	6,160
Net gain on disposal of a joint venture	出售合營公司的收益	-	(230)
Changes in working capital:	營運資金的變動：		
Decrease/(increase) in inventories	存貨減少/(增加)	23,842	(282,146)
Increase in trade and other receivables	應收賬款及其他應收款項增加	(236,044)	(61,956)
(Decrease)/increase in trade and other payables and non-current liabilities	應付賬款及其他應付款項及非流動負債(減少)/增加	(184,022)	195,896
Cash generated from operations	經營活動產生的現金	258,352	491,051
Income tax paid	已付所得稅	(58,175)	(59,905)
Net cash generated from operating activities	經營活動產生的現金淨額	200,177	431,146

The notes on pages 98 to 198 form part of these financial statements.

第98頁至第198頁的附註為本財務報表的組成部分。

CONSOLIDATED CASH FLOW STATEMENT (Continued)

合併現金流量表 (續)

For the year ended 31 December 2014 (Expressed in Renminbi)
截至二零一四年十二月三十一日止年度(以人民幣列示)

	Note 附註	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash flows from investing activities			
Payment for property, plant and equipment		(180,463)	(121,744)
Payment for intangible assets		(83,519)	(67,500)
Payment for lease prepayment		(84,278)	(21,000)
Payment for available-for-sale debt securities		(397,200)	–
Proceeds from disposal of property, plant and equipment		–	1,409
Proceeds from disposal of a joint venture		–	1,240
Proceeds from matured available-for-sale debt securities		391,360	–
Interest received		9,299	1,001
Dividends received from associates		2,400	2,014
Dividends received from joint ventures		22,041	9,385
Dividends received from available-for-sale equity securities		3,655	4,049
Net cash used in investing activities		(316,705)	(191,146)
Cash flows from financing activities			
Proceeds from new bank loans		3,161,823	2,512,631
Repayments of bank loans		(2,276,281)	(1,898,325)
Proceeds from issue of new shares, net of issuing expenses		892,409	–
Contribution from non-controlling equity owners		100,000	–
Dividends paid to equity shareholders of the Company		(573,857)	(162,683)
Interest and other finance costs paid		(81,789)	(82,427)
Net cash generated from financing activities		1,222,305	369,196
Net increase in cash and cash equivalents		1,105,777	609,196
Cash and cash equivalents at 1 January		906,378	299,186
Effect of foreign exchange rate changes		(1,202)	(2,004)
Cash and cash equivalents at 31 December	26	2,010,953	906,378

The notes on pages 98 to 198 form part of these financial statements.

第98頁至第198頁的附註為本財務報表的組成部分。

NOTES TO THE FINANCIAL STATEMENTS

財務資料附註

1 CORPORATE INFORMATION AND ORGANISATION

Yangtze Optical Fibre and Cable Joint Stock Limited Company (the "Company") was formerly known as Yangtze Optical Fibre and Cable Company Ltd. and was established in the People's Republic of China (the "PRC") on 31 May 1988 as a sino-foreign equity joint venture. The Company was converted to a joint stock limited liability company in the PRC on 27 December 2013 (the "Conversion") and was renamed as Yangtze Optical Fibre and Cable Joint Stock Limited Company. The Company converted its equity into 479,592,598 ordinary shares with a par value of RMB1.00 each on 27 December 2013.

The Company issued 159,870,000 H shares with par value of RMB1.00 each at a price of HKD7.39 per share by way of a global initial public offering of the Company's H shares to Hong Kong and overseas investors. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 10 December 2014.

The Company and its subsidiaries (the "Group") are principally engaged in the research, development, production and sale of preforms, optical fibres, optical fibre cables and related products.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards ("IFRSs"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations promulgated by the International Accounting Standards Board ("IASB"). These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, 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 new 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"). A summary of the significant accounting policies adopted by the Group is set out below.

1 公司信息和組織結構

長飛光纖光纜股份有限公司(「本公司」)前身為長飛光纖光纜有限公司，為一家於一九八八年五月三十一日在中華人民共和國(「中國」)成立的中外合資經營企業。本公司於二零一三年十二月二十七日改制為在中國的股份制有限責任公司(「改制」)，並更名為長飛光纖光纜股份有限公司。本公司於二零一三年十二月二十七日將其權益折合為總股本479,592,598股普通股，每股面值人民幣1.00元。

本公司透過全球公開發售本公司H股，向香港及海外投資者按每股7.39港元之價格發行159,870,000股每股面值人民幣1.00元之H股。本公司股份自二零一四年十二月十日起在香港聯合交易所有限公司主板上市。

本公司及其附屬公司(「本集團」)主要從事研究、開發、生產和銷售預製棒、光纖、光纜及相關產品。

2 主要會計政策

(a) 合規聲明

此等財務報表已根據國際會計準則理事會所頒佈的所有適用國際財務報告準則(包括所有適用之獨立國際財務報告準則、國際會計準則及其詮釋)而編製。此等財務報表亦符合香港公司條例之適用披露規定，當中包括於本財政年度及比較期間繼續沿用前香港公司條例(第32章)，並根據新香港公司條例(第622章)第9部分「賬目與審計」過渡性及保留安排(載列於該條例附表11第76至87條)。此等財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露條文。本集團採納的主要會計政策概要如下。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) STATEMENT OF COMPLIANCE (Continued)

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. The Group has adopted all applicable new and revised IFRSs to the year ended 31 December 2014, except for any new standards or interpretations that are not yet effective for the accounting period beginning 1 January 2014.

(b) BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2014 comprise the Company and its subsidiaries and the Group's interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that financial instruments classified as available-for-sale (see Note 2(f)) are stated at their fair value as explained in the accounting policy set out below.

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

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

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

2 主要會計政策 (續)

(a) 合規聲明 (續)

國際會計準則理事會已頒佈若干新訂及經修訂之國際財務報告準則，其於本集團及本公司本會計期間首次生效或可供提早採納。本集團已於截至二零一四年十二月三十一日止年度採納所有適用之新訂及經修訂國際財務報告準則，惟於二零一四年一月一日開始之會計期間尚未生效之任何新訂準則或詮釋則除外。

(b) 財務報表編製之基準

截至二零一四年十二月三十一日止年度之合併財務報表包括本公司及其附屬公司和本集團於聯營公司及合營公司之權益。

財務報表以歷史成本作為編製基準，惟在如下會計政策中解釋的分類為可供出售的金融工具(見附註2(f))以公允價值呈列除外。

編製符合國際財務報告準則的財務報表時，管理層須作出判斷、估計和假設，並會影響政策的應用以及資產、負債、收入和費用的呈報金額。管理層的估計和假設乃根據歷史經驗和各種被認為合理的其他因素，在沒有其他直接來源下，作為判斷資產和負債的賬面價值的基礎。實際結果可能會與這些估計不同。

這些估計及相關假設會持續予以評估。如會計估計的修訂僅對作出修訂的期間產生影響，則有關修訂只會在該期間內確認；如會計估計的修訂對現時及未來期間均產生影響，則會在該修訂期間和未來期間內確認。

在應用國際財務報告準則時，管理層對財務報表有重大影響的判斷，及進行估計的主要來源的不確定性已於附註3論述。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS

Subsidiaries are entities 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. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 2(n) or (o) depending on the nature of the liability.

2 主要會計政策 (續)

(c) 附屬公司和非控股權益

附屬公司指本集團控制之實體。倘本集團自參與實體營運獲得或有權獲得可變動回報，並有能力藉對該實體行使權力而影響該等回報，即存在控制權。評估本集團控制權時，只有本集團及其他各方實質持有的權利可作為考慮因素。

於附屬公司的投資自取得控制權當日併入合併財務報表，直至控股權終止當日為止。集團內公司間的結餘、交易及現金流量，以及集團內公司間交易所產生之任何未實現收益，於編製合併財務報表時全數抵銷。集團內公司間交易所產生之未實現虧損則僅在並無證據顯示出現減值的情況下以未實現收益的方法予以抵銷。

非控股權益是指並非由本公司直接或間接擁有的附屬公司的權益，本集團未與這些權益持有人訂立任何可導致本集團整體就這些權益而承擔具有合約責任並符合金融負債定義的額外條款。對於每項企業合併，本集團可以選擇公允價值或佔附屬公司可辨認淨資產的比例來計量任何非控股權益。

非控股權益列於合併財務狀況表的權益內，與本公司權益持有人應佔權益分開呈列。非控股權益持有人應佔本集團的業績，按照當年利潤或虧損總額及綜合收益總額在非控股及本公司權益持有人之間分配，於合併綜合收益表內呈列。非控股權益持有人的貸款及對這些持有人的其他合約責任是依照該負債的性質根據附註2(n)或(o)在合併財務狀況表呈列為金融負債。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) SUBSIDIARIES AND NON-CONTROLLING INTERESTS (Continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(f)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see Note 2(d)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(j)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(d) ASSOCIATES AND JOINT VENTURES

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or the Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

2 主要會計政策 (續)

(c) 附屬公司和非控股權益 (續)

不改變本集團對附屬公司控制權的權益變動，按權益交易確認，據此在合併權益中進行控股與非控股權益的金額調整，以反映相關權益的變動，但不會對商譽進行調整，同時也不會確認收益或虧損。

當本集團喪失了對附屬公司的控制權，於該附屬公司的全部權益會被視為處置，其導致的收益或虧損於損益確認。任何保留在前附屬公司的權益於喪失控制權日以公允價值確認，該金額為金融資產初始確認的公允價值(見附註2(f))或如適用，確認為於聯營公司或合營公司的投資初始確認的成本(見附註2(d))。

在本公司財務狀況表內，於附屬公司的投資按成本扣除減值虧損(見附註2(j))列示，惟倘有關投資分類為持作出售(或計入分類為持作出售之出售組別)則除外。

(d) 聯營公司與合營公司

聯營公司是指本集團或本公司可以對其管理發揮重大影響力(而非控制或共同控制)的實體，其中包括參與其財務及經營政策。

合營公司是指本集團或本公司與其他投資方根據合約對其實施共同控制的安排，並享有安排的淨資產。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) ASSOCIATES AND JOINT VENTURES (Continued)

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Note 2(j)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

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 investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

2 主要會計政策 (續)

(d) 聯營公司與合營公司 (續)

於聯營公司或合營公司的投資按權益法在合併財務報表核算，惟倘有關投資分類為持作出售（或計入分類為持作出售之出售組別）則除外。根據權益法，投資初始以成本入賬，並就本集團應佔被投資公司收購當日可識別資產淨值之公允價值超出投資成本的部分作出調整（如有）。其後，該投資因應本集團所佔被投資公司於收購後的資產淨值變動份額及與投資有關之任何減值虧損作出調整（見附註2(j)）。收購當日出成本的任何金額、本集團年內應佔被投資公司收購後的稅後業績以及任何減值虧損於合併損益表確認，而本集團應佔被投資公司收購後的稅後其他綜合收益項目於合併綜合收益表內確認。

當本集團對聯營公司或合營公司虧損的承擔額超出本集團於該聯營公司或合營公司的權益時，本集團的權益將會減至零，並且不再確認其後虧損；惟本集團須向該被投資方承擔法定或推定義務，或代其付款除外。就此而言，本集團的權益為以權益法確認的投資賬面金額及本集團在其長期權益，等同本集團實質上於聯營公司或合營公司的淨投資的一部分。

本集團與聯營公司及合營公司之間交易所產生的未實現損益均以本集團於被投資方所佔的權益抵銷為限；惟倘未實現虧損顯示已轉讓資產出現減值，則這些未實現虧損會即時確認於損益。

如於聯營公司的投資變為於合營公司的投資（反之亦然），毋須重計保留權益，有關投資繼續按權益法核算。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) ASSOCIATES AND JOINT VENTURES (Continued)

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(f)).

In the Company's statement of financial position, investments in associates and joint venture are stated at cost less impairment losses (see Note 2(j)), unless classified as held for sale (or included in a disposal group that is classified as held for sale).

(e) GOODWILL

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see Note 2(j)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

2 主要會計政策 (續)

(d) 聯營公司與合營公司 (續)

在所有其他情況，當本集團不再對聯營公司有重大影響力或不再對合營公司有共同控制，於該被投資方的全部權益會被視為處置，其導致的收益或虧損於損益確認。任何保留於原被投資方的權益於喪失重大影響力或共同控制之日以公允價值確認，該金額為金融資產初始確認的公允價值(參見附註2(f))。

於本公司財務狀況表內，於聯營公司與合營公司的投資按成本扣除減值虧損列示(見附註2(j))，惟倘有關投資分類為持作出售(或計入分類為持作出售之出售組別)則除外。

(e) 商譽

商譽代表超逾的價值

- (i) 已轉移對價的公允價值、在被收購公司的任何非控股權益金額及本集團早前所持被收購公司股權的公允價值的總額；超過
- (ii) 於收購日期所計量的被收購公司的可識別資產及負債的公允價值淨值。

當(ii)比(i)大時，則超逾部分即時在損益內確認為廉價購買收益。

商譽按成本減累計減值虧損列賬。因業務合併所產生的商譽分配至預期從合併的協同效益中受益的各現金產生單位或現金產生單位組別，並每年進行減值測試(見附註2(j))。

於年內出售某一現金產生單位時，購入商譽的任何應佔金額會於計算出售的損益時計入。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) OTHER INVESTMENTS IN DEBT AND EQUITY SECURITIES

The Group's and the Company's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in debt and equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in Notes 2(t)(iii) and (iv).

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated at amortised cost less impairment losses.

2 主要會計政策 (續)

(f) 其他債務及股本證券投資

本集團及本公司有關債務及股本證券投資(於附屬公司、聯營公司和合營公司的投資除外)的政策如下:

債務及股本證券投資的價值初始是以公允價值列示,其一般是指成交價,除非該等投資的初始公允價值與成交價不同,並且公允價值可以可靠計量(相同資產或負債存在活躍市場報價,或通過只以可觀察市場的資料進行的評估技術),否則按交易價格入賬。除以下說明外,該成本包括所有可歸屬的交易成本。該等投資在期後是根據下述分類計算:

為買賣所持有的證券投資歸類為流動資產列示。所有可歸屬的交易成本在發生時於損益中確認。於每個報告期末,其公允價值會被重估,所產生的任何收益或虧損均於損益中確認。由於該等投資賺取的股利或利息是根據附註2(t)(iii)及(iv)的政策確認,故於損益中確認的淨收益或虧損並不包括任何股利或利息。

本集團及/或本公司有能力並有意持至到期的有期債務證券歸類為持至到期證券。持至到期證券按攤銷成本扣除減值虧損列賬。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) OTHER INVESTMENTS IN DEBT AND EQUITY SECURITIES (Continued)

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see Note 2(j)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in Notes 2(t)(iii) and (iv). Foreign exchange gains and losses resulting from changes in the amortised cost of debt securities are also recognised in profit or loss.

When the investments are derecognised or impaired (see Note 2(i)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(g) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(j)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see Note 2(v)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

2 主要會計政策 (續)

(f) 其他債務及股本證券投資 (續)

不屬於上述類別的證券投資會被列為可供出售證券。於每個報告期末，其公允價值會被重新計量，因重估所產生的任何損益均於其他綜合收益中確認，並累計在權益中的公允價值儲備。作為例外，股本證券投資在活躍市場中並無相同工具市場報價，並且其公允價值無法可靠計量時，股本證券投資於財務狀況表中按成本減減值虧損確認（見附註2(j)）。股本證券股利收入及採用實際利率法所計算的債務證券利息收入根據附註2(t)(iii)及(iv)列示的政策於損益確認。債務證券攤銷成本變動產生的外匯盈虧亦於損益確認。

當該等投資終止確認或已減值（見附註2(j)），累計收益或虧損將由權益重分類至損益。投資會於本集團承諾購買／出售該等投資或到期當日確認／終止確認。

(g) 物業、廠房及設備

物業、廠房及設備是以成本減累計折舊和減值虧損（見附註2(j)）呈列。

自建物業、廠房及設備項目的成本包括材料成本、直接人工、拆除、搬遷項目及復原項目場地的初步估計成本（倘相關）以及適當部分的生產間接成本和借貸成本（見附註2(v)）。

報廢或出售物業、廠房及設備項目所產生的收益或虧損以項目出售所得款項淨額與賬面價值之間的差額釐定，並於報廢或出售日即時於損益確認。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings and structures	20 years
- Machinery and equipment	10–16 years
- Office equipment	5–8 years
- Motor vehicles	8 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(h) INTANGIBLE ASSETS (OTHER THAN GOODWILL)

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses. Other development expenditure is recognised as an expense in the period in which it is incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(j)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

2 主要會計政策 (續)

(g) 物業、廠房及設備 (續)

折舊是根據物業、廠房及設備項目的估計可使用年限，在扣除估計剩餘價值(如有)後，以直線法沖銷其成本。物業、廠房及設備項目的估計可使用年限呈列如下：

- 樓宇及建築物	20年
- 機器及設備	10–16年
- 辦公設備	5–8年
- 車輛	8年

如果物業、廠房及設備項目各部分有不同的可使用年限，該項目的成本會按合理的基準分配至各個部分，且每個部分分開計提折舊。資產的可使用年限及其剩餘價值(如有)均每年進行審閱。

(h) 無形資產(不含商譽)

研究活動產生的支出在產生時確認為當期費用。開發活動產生的支出僅於證明有關產品或程式在技術上及商業上是可行的及本集團有足夠資源及意願完成開發的情況下才會被資本化。資本化的支出包括原材料成本，直接人工成本及適當比例的間接成本及借貸成本(如適用)。資本化的開發成本以成本減累計攤銷及減值虧損列賬。其他開發支出在產生時確認為當期費用。

本集團收購的其他無形資產以成本減累計攤銷(如果估計可使用期限為有限的)和減值虧損(見附註2(j))列賬。內部產生的商譽和品牌開支在其產生當期確認為費用。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) INTANGIBLE ASSETS (OTHER THAN GOODWILL)

(Continued)

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible asset with finite useful life is amortised from the date it is available for use and its useful life is as follows:

– Patents	8 years
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Both the period and method of amortisation are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

(i) LEASED ASSETS

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

2 主要會計政策 (續)

(h) 無形資產(不含商譽)(續)

可使用期限為有限的無形資產的攤銷是以直線法於資產的估計可使用期限內計入損益。下述具可使用期限為有限的無形資產自其可以開始使用時進行攤銷且其可使用期限呈列如下：

– 專有技術	8年
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攤銷期限及方法均每年進行審閱。

可使用年期不確定的無形資產不予攤銷。任何使用年限認定為不確定的無形資產須每年重新評估，以確定當下環境是否繼續支援該無形資產可無限期使用。如若不能，該無形資產須於其使用年限被評估認定為從無限變為有限之日起，按照與上文列示的有限使用年限無形資產的攤銷政策進行攤銷。

(i) 租賃資產

如本集團釐定，一項安排賦予於一段協議期間內使用一項或多項指定資產的權利，並以付款或一系列付款作為交換，該項安排(包括交易或一系列交易)為或包含一項租賃。本集團經評估該項安排的實際內容後作出上述決定，並不會考慮該項安排的法定形式是否屬於一項租賃。

(i) 本集團租賃資產的分類

本集團以租賃持有的資產，且將所有權的絕大部分風險及報酬轉移至本集團的，歸類為以融資租賃方式持有。未將所有權的絕大部分風險及報酬轉移至本集團的租賃歸類為經營租賃。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) LEASED ASSETS (Continued)

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straightline basis over the period of the lease term.

(j) IMPAIRMENT OF ASSETS

(i) Impairment of investments in debt and equity securities and other receivables

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2 主要會計政策 (續)

(i) 租賃資產 (續)

(ii) 經營租賃費用

當本集團擁有以經營租賃方式持有的資產的使用權，由於租賃而支付的款項會於租賃期所涵蓋的會計期間內等額於損益中扣除；除非有其他基準能更能反映租賃資產所產生的收益模式時則除外。獲取之租賃優惠作為租賃淨付款總額的組成部分在損益中確認。或有租金在其發生的會計期間內於損益中扣除。

經營租賃所持土地的收購成本於租賃期內按直線法攤銷。

(j) 資產減值

(i) 債務及股本證券投資及其他應收款項的減值虧損

以成本或攤銷成本呈列、或被分類為可供出售證券的債務及股本證券投資及其他流動與非流動應收款項，會於每個報告期末進行審閱，以確定是否有減值的客觀跡象。減值的客觀跡象包括本集團從可觀察數據中注意到以下一項或多項虧損事項：

- 債務人出現重大財政困難；
- 違反合約，例如拖欠或逾期償還利息或本金；
- 債務人很可能將會破產或進行其他財務重組；
- 科技、市場、經濟或法律環境的重大改變為債務人帶來不利影響；及
- 股本證券投資的公允價值出現重大或持續下降至低於成本。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) IMPAIRMENT OF ASSETS (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see Note 2(d)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with Note 2(j)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with Note 2(j)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.
- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2 主要會計政策 (續)

(j) 資產減值 (續)

(i) 債務及股本證券投資及其他應收款項的減值虧損 (續)

如任何該等跡象存在，任何確定的減值虧損會被確認如下：

- 在合併財務狀況表中以權益法確認的於聯營公司、合營公司的投資(見附註2(d))，減值虧損是以根據附註2(j)(ii)的投資可收回金額比較其賬面價值計算的。假若用作釐定根據附註2(j)(ii)的可收回金額的估計出現正面的變化，減值虧損會被轉回。
- 以成本列示的非上市股本證券，其減值虧損是以金融資產的賬面價值及估計的未來現金流(如貼現的影響重大，以類似的金融資產的現行市場回報率貼現)的差額計算。以成本列示的股本證券的減值虧損不會被轉回。
- 以攤銷成本列示的應收賬款、其他流動應收款項及其他金融資產，減值虧損是以資產的賬面價值及估計未來現金流的現值(若貼現的影響重大，以金融資產的原有效利率貼現，即初始確認該資產計算的有效利率)的差額計算。金融資產具有類似的風險特質，如類似的過期狀況及未有被個別評估為減值的，是以整體進行減值評估。整體進行減值評估的金融資產的未來現金流乃根據與該組擁有類似信貸風險特質的資產的歷史虧損經驗作參考。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) IMPAIRMENT OF ASSETS (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

2 主要會計政策 (續)

(j) 資產減值 (續)

(i) 債務及股本證券投資及其他應收款項的減值虧損 (續)

假若減值虧損在以後期間減少，而該減少客觀上與減值虧損確認後發生的事項相聯繫，則減值虧損將通過損益轉回。轉回減值虧損不得導致資產的賬面價值超出其在以往年度在沒有確認減值虧損的情況下確定的金額。

- 就可供出售證券而言，已於公允價值儲備確認之累計虧損將重分類至損益。於損益賬確認的累計虧損金額乃收購成本（扣除任何本金還款及攤銷）與當期公允價值之間的差額，減去該資產先前於損益賬確認之任何減值虧損。

於損益中確認的可供出售股本證券的減值虧損不得通過損益撥回。其後任何此等資產的公允價值增加於其他綜合收益中確認。

倘公允價值的隨後增長客觀上與減值虧損確認之後發生的事項有關，則可轉回可供出售債務證券的減值虧損。在此情況下，轉回減值虧損於損益確認。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) IMPAIRMENT OF ASSETS (Continued)

(i) Impairment of investments in debt and equity securities and other receivables (Continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- construction in progress;
- intangible assets;
- lease prepayments;
- goodwill; and
- investments in subsidiaries, associates and joint ventures in the Company's statement of financial position.

2 主要會計政策 (續)

(j) 資產減值 (續)

(i) 債務及股本證券投資及其他應收款項的減值虧損 (續)

減值虧損一般直接與相關資產科目沖銷，除非與應收賬款及應收票據相關，且有關回收的可能性被認為有疑問或並不是極低的。在此情況下，呆賬的減值虧損在準備賬計提。當本集團認為收回款項的可能性極低，不能收回的部分則會直接於應收賬款及應收票據沖銷，並轉回於呆賬撥備科目中已計提的有關該賬款的準備。其後收回過往已計入準備賬的金額，會於準備賬中轉回。準備賬中的其他變動和其後收回過往已直接沖銷的金額會於損益中確認。

(ii) 其他資產的減值

於每個報告期末，內部和外來資訊將被審閱以確定下列資產（商譽除外）是否出現減值跡象，或以往確認的減值虧損是否不再存在或可能已經減少：

- 物業、廠房及設備；
- 在建工程；
- 無形資產；
- 租賃預付款項；
- 商譽；及
- 本公司財務狀況表中於附屬公司、聯營公司及合營公司的投資。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) IMPAIRMENT OF ASSETS (Continued)

(ii) Impairment of other assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

2 主要會計政策 (續)

(j) 資產減值 (續)

(ii) 其他資產的減值 (續)

如果出現任何減值跡象，對該資產的可收回金額便會作出估計。此外，針對商譽、未達到可使用狀態的無形資產及使用年限不確定的無形資產，每年均會評估其可收回金額以確定是否存在減值跡象。

– 計算可收回金額

資產的可收回金額是其公允價值減處置成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流會按可以反映當時市場對貨幣時間價值及資產特定風險的稅前貼現率貼現至其現值。如果資產所產生的現金流入基本上並非獨立於其他資產所產生的現金流量，則以能獨立產生現金流量的最小資產組別 (即現金產生單位) 來確定可收回金額。

– 確認減值虧損

如果資產或其所屬現金產生單位的賬面價值高於其可收回金額，便會於損益中確認減值虧損。有關現金產生單位的已確認的減值虧損首先減少商譽所分配的現金產生單位 (或單位元組別) 的賬面價值，然後以按比例減少其他資產現金產生單位 (或單位組別) 中資產的賬面價值，但一項資產的賬面價值不會減至低於其個別公允價值減處置成本 (如能計量) 或其使用價值 (如能確定)。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) IMPAIRMENT OF ASSETS (Continued)

(ii) Impairment of other assets (Continued)

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(k) INTERIM FINANCIAL REPORTING AND IMPAIRMENT

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 2(j)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

2 主要會計政策 (續)

(j) 資產減值 (續)

(ii) 其他資產的減值 (續)

- 轉回減值虧損

除商譽外的其他資產，如果用作確定資產可收回金額的估計出現有利變化，則會轉回減值虧損。商譽的資產減值不可轉會。

所轉回的減值虧損僅限於在以往年度沒有確認減值虧損時應確定的資產賬面價值。所轉回的減值虧損在確認轉回的當年計入損益。

(k) 中期財務報表和減值

根據香港聯合交易所有限公司證券上市規則，本集團遵照國際會計準則第34號「中期財務報告」編製有關財政年度首六個月的中期財務報告。於中期期末採用等同年底之減值測試、確認及轉回標準（見附註2(j)(i)及(ii)）。

已在中期確認的商譽、可供出售股權證券及以成本列示的非上市股本證券的減值損失不可在期后沖回。即使在年末時評估是沒有或較少的減值虧損，該中期確認的減值虧損均不會被沖回。因此，如果可供出售股權證券的公允價值在同一財年的餘下時間內或在中期後的任何期間增加，其增加額應記入其他綜合收益，而非損益。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) INVENTORIES

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(m) TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see Note 2(j)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(n) INTEREST-BEARING BORROWINGS

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

2 主要會計政策 (續)

(l) 存貨

存貨以成本和可變現淨值兩者中的較低者呈列。

存貨成本按加權平均成本法計算，包含所有採購成本、轉換成本和將存貨運送至現址和變成現狀所產生的其他成本。

可變現淨值是以日常業務過程中的估計售價減去完成生產及銷售所需的估計成本後所得金額。

所出售存貨的賬面價值在確認相關收益的期間內確認為支出。存貨金額沖減至可變現淨值，將存貨的金額沖減至可變現淨值或所有的存貨虧損在沖減或虧損產生期間確認為支出。任何存貨減值的轉回將在發生轉回的期間計入並減少存貨支出費用。

(m) 應收賬款及其他應收款項

應收賬款及其他應收款項初始按公允價值確認，其後以有效利息方法確認的攤餘成本減呆賬撥備(參見附註2(j)(i))呈列，除非該應收款項為提供給關聯方的免息且無固定還款期的貸款或貼現的影響並不重大。在此情況下，應收款項按成本減呆賬撥備呈列。

(n) 計息貸款

計息貸款初始按公允價值減去應佔交易成本確認。初始確認後，計息貸款以攤餘成本呈列，而初始確認的金額與贖回價值之間的任何差額，連同任何應付利息和費用，按有效利息方法在貸款期間於損益確認。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(q) EMPLOYEE BENEFITS

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans 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.

(ii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(r) INCOME TAX

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策 (續)

(o) 應付賬款及其他應付款項

應付賬款及其他應付款項初始按公允價值確認，其後以攤餘成本呈列，除非貼現的影響並不重大。在此情況下則以成本呈列。

(p) 現金及現金等價物

現金及現金等價物包括銀行存款及現金、存放於銀行和其他金融機構的活期存款，以及可以隨時轉換為已知現金額且其價值變動風險不大，並在購入後三個月內到期的短期和高流動性投資。

(q) 僱員福利

(i) 短期僱員福利及向定額退休供款計劃的供款

薪金、年終花紅、帶薪年假、向定額退休供款計劃的供款及非貨幣性福利的成本於僱員提供相關服務的當年計提。若有關費用延遲支付或結算且影響重大的，則該金額以現值呈列。

(ii) 離職福利

離職福利在本集團不能單方面撤回福利提議及確認包含支付離職福利的重組成本孰早時確認。

(r) 所得稅

年度所得稅包括即期稅項及遞延稅項資產和負債的變動。即期稅項及遞延稅項資產和負債的變動均於損益確認，但與在其他綜合收益或者直接在權益中確認的項目相關的，則相關的稅項金額分別確認為其他綜合收益或者直接確認為權益。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) INCOME TAX (Continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

2 主要會計政策 (續)

(r) 所得稅 (續)

即期稅項是按當年度應課稅收入根據已執行或在報告期末實質上已執行的稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項資產和負債分別由可抵扣和應課稅暫時性差異產生。暫時性差異是指資產和負債就財務報告目的的賬面價值與其稅基的差異。遞延稅項資產也可以由未使用稅務虧損和未使用稅款抵扣產生。

除了某些有限例外，所有遞延稅項負債和所有遞延稅項資產（只限於很可能獲得未來應課稅利潤以使資產得以使用的情況）均會被確認。可賴以支持確認可扣減暫時性差異所產生的遞延稅項資產的未來應課稅利潤，包括因轉回現有的應課稅暫時性差異而產生的金額；但這些轉回的差額需涉及同一稅務機關和同一課稅實體，並預期在可抵扣暫時性差異預計轉回的同一年間或於遞延稅項資產所產生的稅務虧損可承前或可結轉的期間內轉回。在確定現有的應課稅暫時性差異是否足以支援確認由未使用稅務虧損和抵扣所產生的遞延稅項資產時，會採用同一準則，即若有關差異涉及同一稅務機關和同一課稅實體，並預期在使用稅務虧損或抵扣的期間內轉回，則計入有關差額。

確認遞延稅項資產及負債之有限例外情況包括不能稅前扣除商譽的暫時性差異、不影響會計或應課稅利潤（如屬業務合併的一部分則除外）初始確認的資產或負債，以及與對附屬公司投資有關之暫時性差異，如為應納稅差異，只限於本集團可以控制轉回時間而不太可能在可見將來轉回之差額；或如屬可抵扣差異，則只限於可在將來轉回的差額。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) INCOME TAX (Continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 主要會計政策 (續)

(r) 所得稅 (續)

已確認遞延稅額是按照資產與負債賬面金額的預期實現或結算方式，根據已執行或在報告期末實質上已執行的稅率計量。遞延稅項資產與負債均不折現計算。

遞延稅項資產的賬面價值會在每個報告期末被評估，如果不再可能獲得足夠的應課稅利潤以抵扣相關的稅務利益，該遞延稅項資產的賬面價值便會相應調低。如果很可能獲得足夠的應課稅利潤，有關扣減金額便會轉回。

分派股利所產生的額外所得稅於支付相關股利的負債確認時確認。

即期稅項結餘和遞延稅項結餘及其變動額會分開呈列，且不予相互抵銷。即期和遞延稅項資產只會在本公司或本集團有法定行使權以即期稅項資產抵銷即期稅項負債，並且符合以下其他條件的情況下，才可以分別抵銷即期和遞延稅項負債：

- 就即期稅項資產和負債而言，本公司或本集團計劃按淨額基準結算，或同時變現該資產和償還該負債；或
- 就遞延稅項資產和負債而言，這些資產和負債涉及同一稅務機關就以下其中一項徵收的所得稅：
 - 同一課稅實體；或
 - 不同的課稅實體，但這些實體計劃在日後每個預計有大額遞延稅項負債需要償還或大額遞延稅項資產可以收回的期間內，按淨額基準實現即期稅項資產和償還即期稅項負債，或同時變現該資產和償還該負債。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) PROVISIONS 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.

(t) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises or collected by the customer which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax and other sales taxes and is after deduction of any trade discounts.

2 主要會計政策 (續)

(s) 準備及或有負債

如果本集團或本公司須就已發生事件承擔法律或推定責任，而履行該責任會導致經濟利益外流，並可作出可靠估計，便會就時間或金額仍不明朗之其他負債確認撥備。如果貨幣時間價值重大，則按預計履行責任所需開支之現值計提撥備。

倘若致使經濟利益外流之機會不大，或無法對有關款項作出可靠估計，便會將該責任披露為或有負債，惟經濟利益外流之機會極低則除外。如果本集團的可能責任僅視乎一宗或多宗未來事件是否發生才能確定存在，該責任亦會披露為或有負債，惟經濟利益外流之機會極低則除外。

(t) 收入確認

收入是根據已收或應收代價的公允價值來計量的。如果經濟利益很可能會流入本集團，而收入及成本(如適用)又能夠可靠地計量時，收入便會根據下列基準於損益確認：

(i) 銷售商品

商品銷售收入是在商品已付運至客戶經營場所或客戶領取時，即客戶已接收商品及所有權有關的風險和回報時確認。收入已扣減商業折扣，且不含增值稅及其他銷售稅金。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) REVENUE RECOGNITION (Continued)

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iii) Dividends

- dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

(v) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised initially as deferred income and consequently are effectively recognised in profit or loss on a systematic basis over the useful life of the asset by way of reduced depreciation expense.

2 主要會計政策 (續)

(t) 收入確認 (續)

(ii) 經營租賃的租金收入

除非有更能代表使用租賃資產所產生的收益模式的其他基準之外，經營租賃之租金收入按該租期所涵蓋的年期以等額分期在損益中確認。所給予的租賃獎勵作為租賃淨付款應收額的組成部分在損益中確認。或有租金在該收入產生的會計期間確認收入。

(iii) 股利

- 非上市權益投資的股利收入在持有人收取款項的權利確立時確認。
- 上市股權投資的股利收入在投資項目的股價除息時確認。

(iv) 利息收入

利息收入按實際利率法於其產生時確認。

(v) 政府補助

政府補助在合理確保本集團可收取且能符合政府補助所附條件的情況下於財務狀況表中初始確認。用以補償本集團已產生開支的補貼，應在開支產生的同期以系統化的基準於損益確認為收入。用以補償本集團一項資產成本的補貼則初始確認為遞延收益，其後在該資產的可使用年期內以減少折舊支出的形式系統化於損益確認。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) TRANSLATION OF FOREIGN CURRENCIES

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

The results of foreign operations which have a functional currency other than RMB are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

(v) BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2 主要會計政策 (續)

(u) 外幣換算

年內的外幣交易按交易日的幣匯率換算。以外幣計價的貨幣資產與負債則按報告期末的幣匯率換算。匯兌收益或虧損在損益內確認。

以外幣計價並按歷史成本計量的非貨幣資產及負債以交易日期的幣匯率換算。

以人民幣以外的其他功能貨幣的海外業務的業績按與交易日匯率相若的匯率換算為人民幣。財務狀況表項目按報告期末的收盤匯率換算為人民幣。由此產生的匯兌差額於其他綜合收益中確認並於權益中的匯兌儲備單獨累計。

(v) 貸款成本

與購置、建造或需要長時間生產才可以達到擬定可使用或可出售狀態的資產直接相關的貸款費用資本化，作為資產的部分成本。其他貸款費用於發生期間確認為費用。

貸款費用應在資產開支和貸款費用產生時，並且在資產達到擬定可使用或可出售狀態所必須的準備工作進行期間開始予以資本化，以作為合格資產的成本的一部分。使合格資產達到擬定可使用或可出售狀態所需的主要工作中斷或完成時，即暫時中止或停止將貸款費用資本化。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) DERECOGNITION OF NON-DERIVATIVE FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(x) RELATED PARTIES

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

2 主要會計政策 (續)

(w) 非衍生金融資產及負債的終止確認

當收取某項金融資產所得現金流的權利已經屆滿，或本集團已轉讓其收取該項資產所得現金流量的權利並已轉讓該項資產之絕大部分風險及回報，或本集團並無轉讓或保留該項資產絕大部分風險及回報，且未保留該項資產的控制權時，本集團將該項金融資產終止確認。本集團由於終止確認該項金融資產所產生或保留的任何權益單獨確認為資產或負債。

金融負債的現時義務免除、取消或過期時，本集團終止確認金融負債。

僅當本集團具有抵銷已確認金額的法定權利，且計畫同時變現該金融資產和清償該金融負債並以淨額結算時，金融資產和金融負債相互抵銷後以淨額在財務狀況表內列示。

(x) 關聯方

- (i) 某一個人或與該個人關係密切的家庭成員應被視為與本集團有關聯，如果該個人：
- (a) 控制或共同控制本集團；
 - (b) 對本集團具有重大影響；或
 - (c) 作為本集團或本集團母公司關鍵管理人員。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) RELATED PARTIES (Continued)

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

- (a) 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).
- (b) 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).
- (c) Both entities are joint ventures of the same third party.
- (d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (e) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (f) The entity is controlled or jointly controlled by a person identified in (i).
- (g) A person identified in (i)(a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

2 主要會計政策 (續)

(x) 關聯方 (續)

(ii) 在滿足任何以下條件的情況下，某一實體應被視為與本集團有關聯：

- (a) 該實體和本集團均屬於同一集團的成員（即各母公司、附屬公司和同系附屬公司彼此相互關聯）。
- (b) 一間實體是另一實體的聯營公司或合營公司（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公司）。
- (c) 兩間實體均為同一第三方實體的合營公司。
- (d) 一間實體為第三方實體的合營公司，另一實體為該第三方實體的聯營公司。
- (e) 該實體為本集團或與本集團有關聯的實體就僱員福利而設的離職後福利計劃。
- (f) 由(i)所述的個人控制或共同控制的實體。
- (g) 受上述(i)(a)中定義的個人擁有重大影響的實體或該個人為實體（或該實體的母公司）的關鍵管理人員。

與個人關係密切的家庭成員是指預期該等在與實體的交易中，可能會影響該名個人或受其影響的家屬。

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) SEGMENT REPORTING

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

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

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

(a) CRITICAL ACCOUNTING JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

In preparing these financial statements, management has made accounting judgements in applying the Group's accounting policies. Information about judgements made in applying the accounting policies that have the most significant effects on the amounts recognised in the financial statements is disclosed in Note 33.

2 主要會計政策 (續)

(y) 分部報告

本集團為了分配資源予本集團各項業務以及評估各項業務的業績，而定期向本集團最高級行政管理層提供財務報表。從該等資料中，可找出在財務資料中經營分部和每一分部項目的報告金額。

除非分部有相似的經濟特徵以及對於產品和服務的性質、生產過程的性質、客戶的類型或分類、分銷產品或提供服務的方法和監管環境的性質是相類似的，否則個別重大的經營分部在財務匯報中不會合併。個別不重大的經營分部在上述標準大致一致時可以被合併呈列。

3 會計判斷及估計

(a) 本集團會計政策中應用的重要會計判斷

編製本財務報表時，管理層在應用本集團會計政策時會做出會計判斷。對於本財務報表金額有重大影響的會計判斷載列於附註33。

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

(Continued)

(b) ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Note 34 contains information about the assumptions and their risk factors relating to fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) **Impairment losses for bad and doubtful debts**

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers and other debtors to make the required payments. The Group bases the estimates on the aging of the receivable balance, debtors' credit-worthiness, and historical write-off experience. If the financial condition of the customers and debtors were to deteriorate, actual write-offs would be higher than estimated.

(ii) **Provision for diminution in value of inventories**

When making estimates of net realisable value of inventories, the Group takes into consideration the use of inventories held on hand and other information available to form the underlying assumptions, including the inventories' market prices and the Group's historical operating costs. The actual selling price, the costs of completion and the costs necessary to make the sale and relevant taxes may vary based on the changes in market conditions and product saleability, manufacturing technology and the actual use of the inventories, resulting in the changes in provision for diminution in value of inventories. The net profit or loss may then be affected in the period when the provision for diminution in value of inventories is adjusted.

3 會計判斷及估計 (續)

(b) 假設及估計的不確定因素

附註34載有關於金融工具公允價值的假設和風險因素的信息。其他估計不確定性的主要因素如下：

(i) **呆賬撥備**

本集團對因客戶及其他債務人無法按規定付款而造成的呆賬撥備進行估計。本集團的估計乃基於應收結餘的賬齡、債務人的信用及以往的呆賬沖銷經驗而作出。倘客戶及債務人的財政狀況惡化，實際的沖銷金額可能高於估計數字。

(ii) **存貨跌價準備**

當對存貨的可變現淨值進行估計時，本集團將現有存貨的使用與其他可用的資訊一併考慮來形成基本假設，包括存貨的市場價格及本集團過往的營運成本等資訊。實際銷售價格、完工成本與必要的銷售費用，以及相關稅費可能因市場環境和產品的可銷售性、製造工藝和實際使用的存貨的變化而不同，從而導致計提的存貨跌價準備出現變化。當對計提的存貨跌價準備進行調整時，淨利潤或虧損則可能會受到影響。

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

(Continued)

(b) ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (Continued)

(iii) Impairment losses of non-current assets

In considering the impairment losses that may be required for certain of the Group's assets which include property, plant and equipment, intangible assets, lease prepayments, investments in joint ventures and associates and unquoted equity investments, recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the fair value less costs to sell and the value in use. It is difficult to precisely estimate selling price because quoted market prices for these assets may not be readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as sales volume, selling price and amount of operating costs.

(iv) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

3 會計判斷及估計 (續)

(b) 假設及估計的不確定因素 (續)

(iii) 非流動資產減值虧損

當考慮對本集團若干資產(包括物業、廠房及設備、無形資產、預付租賃款項、對聯營公司、合營公司的投資及非上市權益投資)計提減值虧損時,則須確定該等資產之可收回金額。可收回金額為公允價值減銷售成本或使用價值之較高者。由於並未能可靠取得該等資產之市場報價,因此難以準確估計售價。於確定使用價值時,該資產產生之預期現金流量將折現至其現值,而此需對銷量水準、售價以及營運成本金額等項目作出重要的判斷。本集團以所有現有數據以確定可收回金額之合理近似金額,包括根據合理及有證據支持的假設及預測對銷量、售價及營運成本金額進行估計。

(iv) 折舊

物業、廠房及設備在考慮其估計剩餘價值後,於估計可使用年限內按直線法進行折舊。本集團定期審閱資產的估計可使用年限。可使用年限是本集團根據對同類資產的歷史經驗並考慮預期的技術轉變計算得出。倘與過往估計相比發生重大變化,則會對未來期間的折舊費用進行調整。

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

(Continued)

(b) ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (Continued)

(v) Income tax

The Company files income tax with local tax authority. Judgement is required in determining the provision for taxation in respect of certain calculations (such as the additional qualified tax deduction relating to research and development costs) for which the ultimate tax determination is only certain when approval from the local tax authority is obtained. For the 15% preferential tax rate available for an approved high-tech enterprise (see Note 8), in determining the applicable tax rate for calculation of current income tax and deferred income tax, after receiving the substantive approvals, the Company uses the expected tax rate that would probably be approved by the tax authority according to the tax rules and regulations enacted at the reporting period end date. If the final tax outcome were different from the amount originally recorded, the difference would have impact on the current income tax and deferred income tax provision in the period in which the final tax outcome became available.

4 TURNOVER

The Group is principally engaged in the manufacturing and sales of optical fibre preforms, optical fibres, optical fibre cables and other related products and services. Turnover represents the sales value of goods supplied to customers, net of value added tax.

During the year ended 31 December 2014, the Group had one customer (2013: one) with whom transactions have exceeded 10% of the Group's annual turnover. Sales to that customer (including sales to entities, which are under the common control by that customer) during the year ended 31 December 2014 represented 21% (2013: 24%), of the Group's annual turnover. Details of concentration of credit risk arising from the customers are set out in Note 34(a).

3 會計判斷及估計 (續)

(b) 假設及估計的不確定因素 (續)

(v) 所得稅

本公司向當地稅務機關申報所得稅。確定稅項撥備的某些計算(如合規定的研究開發費用的加計扣除)時需要做出判斷,因為最終的稅務決定只有得到當地稅務機關批准時才能確定。對於經核准的高新技術企業適用的15%優惠稅率(參見附註8),在確定計算當期所得稅和遞延所得稅的適用稅率時,在獲得實質批准後,本公司將使用稅務機關根據於報告期末日頒佈的稅務法規最有可能獲得批准的預期稅率計算。如果最終稅務結果與最初確認的金額不同,當最終稅務結果確定時,差異將對當期所得稅及遞延所得稅金額產生影響。

4 收入

本集團主要從事光纖預製棒、光纖、光纜和其他相關產品的生產及銷售和服務。收入代表銷售商品予客戶的銷售價值,扣除增值稅。

截至二零一四年十二月三十一日止年度,本集團有一名客戶(二零一三年:一名)的個別交易額超過本集團年度收入的10%。銷售予該客戶的交易額(包括銷售給與該客戶受到共同控制的實體)於截至二零一四年十二月三十一日止年度佔本集團年收入的21%(二零一三年:24%)。有關客戶的信貸集中風險詳載於附註34(a)。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

5 OTHER REVENUE AND NET INCOME

5 其他收入及淨收益

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Other revenue	其他收入		
Dividend income from unlisted equity securities	非上市證券投資股利收入	3,655	4,049
Royalty fees	特許權使用費	6,300	6,300
Government grants	政府補助	24,080	15,594
Rental income from operating leases	經營租賃租金收益	822	1,267
Others	其他	198	–
		35,055	27,210
Other net income	其他淨收益		
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損淨額	(3,422)	(6,160)
Gain on disposal of a joint venture (Note 20(vii))	出售合營公司的收益 (附註20(vii))	–	230
		(3,422)	(5,930)
		31,633	21,280

6 NET FINANCE COSTS

6 淨融資成本

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
(a) Finance income	(a) 融資收入		
Interest income	利息收入	9,299	1,001
Net foreign exchange gains	匯兌收益淨額	42,742	41,525
Finance income	融資收入	52,041	42,526
(b) Finance costs	(b) 融資成本		
Interest on bank loans	銀行貸款利息	(68,632)	(39,865)
Less: interest expenses capitalised into construction in progress	減：計入在建工程之資本化利息費用	1,500	–
		(67,132)	(39,865)
Other finance costs	其他融資費用	(24,120)	(35,740)
Bank charges	銀行手續費	(7,992)	(5,695)
Finance costs	融資成本	(99,244)	(81,300)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) STAFF COSTS[#]

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Salaries, wages and other benefits	薪金、工資及其他福利	355,484	355,531
Contributions to defined contribution retirement plan	定額退休供款計劃的供款	35,229	31,098
		390,713	386,629

Pursuant to the relevant labour rules and regulations in the PRC, the Company and its subsidiary in the PRC participated in defined contribution retirement scheme (the "Scheme") organised by the relevant local government authority for their employees. The Company and its subsidiary in the PRC are required to make contributions to the Scheme at 20% of basic salaries of the employees. The local government authority is responsible for the entire pension obligations payable to retired employees. The Group has no other material obligation to make payments in respect of pension benefits associated with this scheme other than the annual contribution described above.

7 除稅前利潤

除稅前利潤已扣除／(計入)：

(a) 員工成本[#]

根據中國有關勞動規則及規例，本公司及其於中國的附屬公司為其員工參與由中國當地政府主管部門組織的定額退休供款計劃(「計劃」)。本公司及其於中國的附屬公司須按員工基本薪金的20%向計劃作出供款。當地政府機關負責全部應付退休員工的退休福利。除上述年度供款以外，本集團並無其他與這項計劃相關的其他重大退休福利支付責任。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

7 PROFIT BEFORE TAXATION (Continued)

(b) OTHER ITEMS

Amortisation	攤銷
– lease prepayments	– 租賃預付款項
Depreciation [#]	折舊 [#]
– property, plant and equipment held for use under operating leases	– 使用於經營租賃的物業、廠房及設備
– other property, plant and equipment	– 其他物業、廠房及設備
(Write-back of)/provision for impairment losses	減值虧損(撥回)/(撥備)
– trade receivables	– 應收賬款
– investment in a joint venture	– 於一間合營公司的投資
Auditors' remuneration	核數師酬金
– audit services	– 審核服務
– review services	– 審閱服務
Research and development costs [#]	研究和開發成本 [#]
Cost of inventories [#] (Note 22(b))	存貨成本 [#] (附註22(b))

[#] Cost of inventories and research and development costs include RMB323,737,000 (2013: RMB337,526,000) relating to staff costs and depreciation expenses, of which the amounts are also included in the respective total amounts disclosed separately above or in Note 7(a) for each of these types of expenses.

7 除稅前利潤(續)

(b) 其他項目

2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
328	1,489
461	445
113,187	109,754
(4,802)	(3,617)
–	4,130
2,180	1,728
140	140
153,713	171,330
4,605,552	3,827,316

[#] 存貨成本及研究和開發成本包括員工成本及折舊費用人民幣323,737,000元(二零一三年：人民幣337,526,000元)。這些費用的金額亦已計入在上述單獨披露或附註7(a)的各項金額中。

8 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(a) TAXATION IN THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME REPRESENTS:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Current tax	即期稅項		
Provision for the year	年內撥備	66,489	74,840
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時性差異的產生及轉回	4,212	(19,598)
		70,701	55,242

8 合併綜合收益表內的所得稅

(a) 合併綜合收益表內的所得稅指：

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	534,738	470,283
Notional tax on profit before taxation at PRC corporate income tax rate	除稅前利潤按照中國法定稅率計算的名義稅項	133,685	117,571
Tax rate differential	稅率差異	(43,453)	(36,828)
Effect of non-deductible expenses	不可扣減開支的影響	5,340	4,999
Effect of non-taxable income	非應稅收入的影響	(914)	(1,069)
Effect attributable to the additional qualified tax deduction relating to research and development costs	合資格研發費用加計扣除的影響	(18,689)	(18,741)
Effect of share of results of associates and joint ventures	應佔聯營與合營公司業績的影響	(7,049)	(4,653)
Effect of unrecognised tax loss	未確認稅務虧損的影響	1,781	68
Others	其他	-	(6,105)
Actual tax expense	實際稅項開支	70,701	55,242

(b) 稅項開支與會計利潤按照適用稅率計算的調節：

8 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Continued)

(b) RECONCILIATION BETWEEN TAX EXPENSE AND ACCOUNTING PROFIT AT APPLICABLE TAX RATES: (Continued)

The Company and its PRC subsidiary are subject to PRC corporate income tax at the statutory rate of 25%.

Pursuant to the corporate income tax law and the relevant approval documents, the Company obtained the "high-tech enterprise" status in October 2011 for 3 years and got it renewed for another 3 years in March 2015. According to the approval documents, the Company is an approved high-tech enterprise and is entitled to a preferential income tax rate of 15% during the year, subject to the fulfilment of the recognition criteria. Accordingly, the Company's provision for PRC corporate income tax for the year is calculated at 15% (2013:15%).

No provision was made for Hong Kong Profits Tax as the Group did not earn any income subject to Hong Kong Profits Tax during both the current and prior years.

8 合併綜合收益表內的所得稅(續)

(b) 稅項開支與會計利潤按照適用稅率計算的調節：(續)

本公司及其於中國的附屬公司適用於中國企業所得稅25%的法定稅率。

根據企業所得稅法及有關批准文件，本公司於二零一一年十月獲得了為期三年的「高新技術企業」資格，並於二零一五年三月將其資格延長另外三年。依據相關批准文件，本公司被認定為高新技術企業，並於本年度享受15%的優惠稅率。因此，本公司本年度按優惠稅率15%計提企業所得稅(二零一三年：15%)。

於當年及以前年度，本集團並無香港應稅收入，因此未產生香港利得稅。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

9 DIRECTORS' REMUNERATION

Details of remuneration of directors (including chief executive and supervisors) are as follows:

9 董事薪酬

董事(包括行政總裁及監事)薪酬詳情呈列如下:

		Year ended 31 December 2014 截至二零一四年十二月三十一日止年度				
		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total	
		袍金 及其他福利	酌情花紅	退休福利 計劃供款	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Directors	董事					
Wen Huiguo	文會國	-	894	1,050	21	1,965
Frank Franciscus Dorjee	范•德意	37	-	-	-	37
Ma Jie	馬杰	37	-	-	-	37
Philippe Claude Vanhille	菲利普•范希爾	37	-	-	-	37
Sun Jiming	孫姬明	37	-	-	-	37
Xiong Xiangfeng	熊向峰	37	-	-	-	37
Yeung Kwok Ki	楊國琦	37	-	-	-	37
Zheng Huili*	鄭慧麗*	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Ip Sik On Simon (appointed on 24 September 2014)	葉錫安(於二零一四年九月二十四日獲委任)	50	-	-	-	50
Li Ping (appointed on 24 September 2014)	李平(於二零一四年九月二十四日獲委任)	37	-	-	-	37
Li Zhuo (appointed on 24 September 2014)	李卓(於二零一四年九月二十四日獲委任)	37	-	-	-	37
Ngai Wai Fung (appointed on 24 September 2014)	魏偉峰(於二零一四年九月二十四日獲委任)	37	-	-	-	37
Chief executive	行政總裁					
Zhuang Dan	莊丹	-	906	1,050	67	2,023
Supervisors	監事					
Jiang Zhikang*	江志康*	-	-	-	-	-
Yao Jingming	姚井明	15	-	-	-	15
Yu Jiakuan	虞嘉萱	15	-	-	-	15
		413	1,800	2,100	88	4,401

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

9 DIRECTORS' REMUNERATION (Continued)

9 董事薪酬 (續)

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

		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total	
	Directors' fees	薪金、津貼 及其他福利	酌情花紅	退休福利 計劃供款	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Directors	董事					
Wen Huiguo	文會國	—	894	950	21	1,865
Frank Franciscus Dorjee	范•德意	—	—	—	—	—
Ma Jie	馬杰	—	—	—	—	—
Sun Jiming	孫姬明	—	—	—	—	—
Yeung Kwok Ki	楊國琦	—	—	—	—	—
Zheng Hui*	鄭慧麗*	—	—	—	—	—
Philippe Claude Vanhille (appointed on 23 May 2013)	菲利普•范希爾(於二零一三年 五月二十三日獲委任)	—	—	—	—	—
Xiong Xiangfeng (appointed on 5 August 2013)	熊向峰(於二零一三年 八月五日獲委任)	—	—	—	—	—
Phil Edwards (resigned on 23 May 2013)	菲爾•愛德華(於二零一三年 五月二十三日辭任)	—	—	—	—	—
Xiong Ruizhong (resigned on 5 August 2013)	熊瑞忠(於二零一三年 八月五日辭任)	—	—	—	—	—
Chief executive	行政總裁					
Zhuang Dan	莊丹	—	905	950	63	1,918
Supervisors	監事					
Jiang Zhikang (appointed on 19 December 2013)*	江志康(於二零一三年 十二月十九日獲委任)*	—	—	—	—	—
Yao Jingming (appointed on 19 December 2013)	姚井明(於二零一三年 十二月十九日獲委任)	—	—	—	—	—
Yu Jiaxuan (appointed on 19 December 2013)	虞嘉萱(於二零一三年 十二月十九日獲委任)	—	—	—	—	—
		—	1,799	1,900	84	3,783

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

9 DIRECTORS' REMUNERATION (Continued)

* Zheng Huili and Jiang Zhikang were also served as deputy secretary of the party committee and general manager of the operation management center of the Company during both the current and prior years. Remunerations to Zheng Huili and Jiang Zhikang in their positions other than as director or supervisor of the Company are as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Zheng Huili	鄭慧麗	1,335	1,280
Jiang Zhikang	江志康	1,163	1,155

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The number of directors, chief executive, supervisors, non-directors and non-supervisors included in the five highest paid individuals during the year are set forth below:

		2014 二零一四年	2013 二零一三年
Directors, chief executive and supervisors	董事、行政總裁及監事	2	2
Non-directors and non-supervisors	非董事及非監事	3	3
		5	5

The emoluments of the directors (including chief executive and supervisors) are disclosed in Note 9. The aggregate of the emoluments in respect of the remaining highest paid individuals are as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Salaries and other emoluments	薪金及其他福利	2,558	2,524
Discretionary bonuses	酌情花紅	2,600	2,450
Retirement scheme contributions	退休福利計劃供款	180	169
		5,338	5,143

9 董事薪酬 (續)

* 鄭慧麗和江志康於本年度及以前年度亦分別擔任本公司黨委副書記和營運管理部總經理。鄭慧麗和江志康因上述職位而非董事所獲的薪酬如下：

10 最高薪酬人士

五名最高薪酬人士內的董事、行政總裁、監事、非董事及非監事人數如下：

董事薪酬(包括行政總裁及監事)已於附註9中披露。其餘最高薪酬人士的酬金總額如下：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

(Continued)

The emoluments of the non-directors and non-supervisors with the highest emoluments are within the following bands:

		2014 二零一四年	2013 二零一三年
HKD2,000,001 to HKD2,500,000 (RMB1,585,001 to RMB1,981,000)	2,000,001港元至 2,500,000港元 (人民幣1,585,001元至 人民幣1,981,000元)	3	3

10 最高薪酬人士 (續)

最高薪酬人士中的非董事及非監事的酬金範圍如下：

11 PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profits attributable to equity shareholders of the Company which have been dealt with in the financial statements of the Company are as follows:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Amount of consolidated profits attributable to equity shareholders dealt with in the Company's financial statements	本公司財務報表中已列入的本公司權益持有人應佔的合併利潤	405,001	434,249
Dividends from associates and joint ventures attributable to the profits of the previous financial year, approved and paid and payable during the year	歸屬於以前財政年度利潤並於本年批准的來自合營公司及聯營公司已付和應付的期末股利	20,591	45,648
Company's profit for the year	本公司本年利潤	425,592	479,897

11 本公司權益持有人應佔利潤

已於本公司財務報表確認的本公司權益持有人應佔合併利潤如下：

Details of dividends paid and payable to equity shareholders of the Company are set out in Note 32(b).

關於已付和應付予本公司權益持有人的股利之詳情載於附註32(b)。

12 EARNINGS PER SHARE

(a) BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB466,344,000 (2013: RMB415,041,000) and the weighted average of 488,790,598 ordinary shares (2013: 479,592,598 shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

		2014 二零一四年	2013 二零一三年
Issued ordinary shares at 1 January	於一月一日已發行普通股	479,592,598	479,592,598
Effect of new shares issued (Note 32(c))	發行新股的影響(附註32(c))	9,198,000	–
Weighted average number of ordinary shares at 31 December	於十二月三十一日加權平均普通股股數	488,790,598	479,592,598

(b) DILUTED EARNINGS PER SHARE

The Company did not have any potential dilutive shares during both the current and prior years. Accordingly, diluted earnings per share are the same as basic earnings per share.

13 SEGMENT REPORTING

The Group manages its businesses by products. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments for the year. No operating segments have been aggregated to form the following reportable segments.

- Optical fibres and optical fibre preform: this segment produces optical fibres and optical fibre preforms which are sold to external parties.
- Optical fibre cables: this segment produces optical fibre cables which are sold to external parties.

12 每股盈利

(a) 每股基本盈利

每股基本盈利是基於本公司普通股權益持有人應佔利潤人民幣466,344,000元(二零一三年:人民幣415,041,000元)以及年內已發行加權平均普通股488,790,598股(二零一三年:479,592,598股)計算,每股基本盈利計算如下:

加權平均普通股股數

		2014 二零一四年	2013 二零一三年
Issued ordinary shares at 1 January	於一月一日已發行普通股	479,592,598	479,592,598
Effect of new shares issued (Note 32(c))	發行新股的影響(附註32(c))	9,198,000	–
Weighted average number of ordinary shares at 31 December	於十二月三十一日加權平均普通股股數	488,790,598	479,592,598

(b) 每股攤薄盈利

於本年度及以前年度本公司均不存在潛在稀釋性股份。因此,每股攤薄盈利與每股基本盈利一致。

13 分部報告

本集團通過產品管理業務。按照用於分配資源、評估業績用途而向本集團最高級行政管理層進行內部匯報所一致的方式,本集團列報以下兩個報告分部。概無合併任何經營分部以組成以下報告分部。

- 光纖及光纖預製棒:此分部生產光纖及光纖預製棒,並用於外銷。
- 光纜:此分部生產光纜,並用於外銷。

13 SEGMENT REPORTING (Continued)

The Group combined other business activities that are not reportable in "Others". Revenue included in this category is mainly from sales of equipment, raw materials and other optical products.

(a) SEGMENT RESULTS

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment results is gross profit.

The Group's assets, liabilities, other operating expenses, such as selling and administrative expenses, finance income and finance costs, and share of results of associates and joint ventures, are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expense etc is presented.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below:

13 分部報告 (續)

本集團將其他非報告分部合併以「其他」呈列。此部分的收入主要來源於銷售設備、材料及其他光學產品。

(a) 分部業績

為評估分部業績、在分部間分配資源，本集團高級行政管理層按以下基準對每一個報告分部的應佔業績進行監控：

收入和費用乃參考各報告分部產生的收入和發生的開支分配給各報告分部。用於衡量報告分部利潤的指標為毛利。

本集團的資產、負債、其他經營開支，如銷售及管理費用，融資收入和融資成本，以及應佔聯營和合營公司業績並未按個別分部計量。因此，未呈列分部資產和分部負債，亦或資本支出、利息收入和利息支出等資料。

提供給本集團最高級行政管理層用作進行資源分配並對分部業績作出評估的關於本集團可呈報分部的資訊如下：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

13 SEGMENT REPORTING (Continued)

(a) SEGMENT RESULTS (Continued)

13 分部報告 (續)

(a) 分部業績 (續)

		Year ended 31 December 2014 截至二零一四年十二月三十一日止年度			
		Optical fibres and preform 光纖及光纖預製棒 RMB'000 人民幣千元	Optical fibre cables 光纜 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Reportable segment revenue	報告分部收入				
Gross revenue from external customers	外部客戶收入	3,197,335	1,989,433	457,021	5,643,789
Elimination of revenue relating to downstream transactions with joint ventures	與合營公司順流交易收入抵消	32,317	-	676	32,993
Revenue from external customers	外部客戶收入	3,229,652	1,989,433	457,697	5,676,782
Reportable segment profit (gross profit)	報告分部利潤(毛利)				
Segment profit before elimination of unrealised profits	抵消未實現利潤前的分部利潤	815,727	173,908	72,616	1,062,251
Elimination of unrealised profits on downstream transactions with joint ventures	抵消與合營公司的未實現順流交易利潤	25,307	-	-	25,307
Reportable segment profit (gross profit)	報告分部利潤(毛利)	841,034	173,908	72,616	1,087,558

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

13 SEGMENT REPORTING (Continued)

(a) SEGMENT RESULTS (Continued)

13 分部報告 (續)

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

		Optical fibres and preform 光纖及 光纖預製棒 RMB'000 人民幣千元	Optical fibre cables 光纜 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Reportable segment revenue	報告分部收入				
Gross revenue from external customers	外部客戶收入	2,772,317	1,817,625	287,449	4,877,391
Elimination of revenue relating to downstream transactions with joint ventures	與合營公司順流交易 收入抵消	(49,622)	-	(1,874)	(51,496)
Revenue from external customers	外部客戶收入	2,722,695	1,817,625	285,575	4,825,895
Reportable segment profit (gross profit)	報告分部利潤(毛利)				
Segment profit before elimination of unrealised profits	抵消未實現利潤前的 分部利潤	781,918	212,403	61,183	1,055,504
Elimination of unrealised profits on downstream transactions with joint ventures	抵消與合營公司的未實現 順流交易利潤	(37,722)	-	-	(37,722)
Reportable segment profit (gross profit)	報告分部利潤(毛利)	744,196	212,403	61,183	1,017,782

13 SEGMENT REPORTING (Continued)

13 分部報告 (續)

(b) RECONCILIATIONS OF REPORTABLE SEGMENT RESULTS TO CONSOLIDATED PROFIT BEFORE TAXATION:**(b) 報告分部業績及稅前合併利潤的調節：**

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Segment results	報告分部業績	1,087,558	1,017,782
Other revenue and net income	其他收入及淨收益	31,633	21,280
Selling expenses	銷售費用	(124,271)	(109,758)
Administrative expenses	管理費用	(441,173)	(438,857)
Net finance costs	淨融資成本	(47,203)	(38,774)
Share of results of associates and joint ventures	應佔聯營公司和合營公司業績	28,194	18,610
Consolidated profit before taxation	合併稅前利潤	534,738	470,283

(c) GEOGRAPHICAL INFORMATION

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods are delivered.

(c) 地區信息

下表載列本集團外部客戶收入有關地理位置資訊。客戶的地理位置是根據交付商品的位置確定。

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Mainland China (place of domicile)	中國大陸(所在地)	5,278,671	4,483,388
Others	其他	398,111	342,507
		5,676,782	4,825,895

The geographical location of the Group's non-current assets is in the PRC.

本集團非流動資產均處於中國。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

THE GROUP

本集團

		Buildings and structures 樓宇及 建築物	Machinery and equipment 機器及設備	Office equipment 辦公設備	Motor vehicles 車輛	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:		成本：				
At 1 January 2013	於二零一三年一月一日	240,502	1,592,727	65,592	8,732	1,907,553
Additions	增加	2,056	55,977	8,194	-	66,227
Transferred from construction in progress	由在建工程轉入	15,286	132,215	10,574	-	158,075
Disposals	出售	(17,489)	(24,629)	(149)	(54)	(42,321)
At 31 December 2013	於二零一三年十二月三十一日	240,355	1,756,290	84,211	8,678	2,089,534
At 1 January 2014	於二零一四年一月一日	240,355	1,756,290	84,211	8,678	2,089,534
Additions	增加	2,239	27,462	6,443	139	36,283
Transferred from construction in progress	由在建工程轉入	8,762	34,109	836	-	43,707
Disposals	出售	-	(19,303)	(10,274)	-	(29,577)
At 31 December 2014	於二零一四年十二月三十一日	251,356	1,798,558	81,216	8,817	2,139,947
Accumulated depreciation and impairment losses:		累計折舊和減值虧損：				
At 1 January 2013	於二零一三年一月一日	121,543	1,035,370	34,603	2,648	1,194,164
Charge for the year	本年計提	10,144	90,774	8,305	976	110,199
Written back on disposals	於出售時轉回	(11,659)	(22,896)	(149)	(48)	(34,752)
At 31 December 2013	於二零一三年十二月三十一日	120,028	1,103,248	42,759	3,576	1,269,611
At 1 January 2014	於二零一四年一月一日	120,028	1,103,248	42,759	3,576	1,269,611
Charge for the year	本年計提	10,083	92,903	9,689	973	113,648
Written back on disposals	於出售時轉回	-	(16,157)	(9,685)	-	(25,842)
At 31 December 2014	於二零一四年十二月三十一日	130,111	1,179,994	42,763	4,549	1,357,417
Net book value:		賬面淨值：				
At 31 December 2013	於二零一三年十二月三十一日	120,327	653,042	41,452	5,102	819,923
At 31 December 2014	於二零一四年十二月三十一日	121,245	618,564	38,453	4,268	782,530

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

14 物業、廠房及設備 (續)

THE COMPANY

本公司

		Buildings and structures 樓宇及 建築物 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Office equipment 辦公設備 RMB'000 人民幣千元	Motor vehicles 車輛 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：					
At 1 January 2013	於二零一三年一月一日	240,502	1,592,727	65,592	8,732	1,907,553
Additions	增加	2,056	55,977	8,194	-	66,227
Transferred from construction in progress	由在建工程轉入	15,286	132,215	10,574	-	158,075
Disposals	出售	(17,489)	(24,629)	(149)	(54)	(42,321)
At 31 December 2013	於二零一三年十二月三十一日	240,355	1,756,290	84,211	8,678	2,089,534
At 1 January 2014	於二零一四年一月一日	240,355	1,756,290	84,211	8,678	2,089,534
Additions	增加	2,239	27,340	5,541	139	35,259
Transferred from construction in progress	由在建工程轉入	8,762	34,109	836	-	43,707
Disposals	出售	-	(21,031)	(10,289)	-	(31,320)
At 31 December 2014	於二零一四年十二月三十一日	251,356	1,796,708	80,299	8,817	2,137,180
Accumulated depreciation and impairment losses:	累計折舊和減值虧損：					
At 1 January 2013	於二零一三年一月一日	121,543	1,035,370	34,603	2,648	1,194,164
Charge for the year	本年計提	10,144	90,774	8,305	976	110,199
Written back on disposals	於出售時轉回	(11,659)	(22,896)	(149)	(48)	(34,752)
At 31 December 2013	於二零一三年十二月三十一日	120,028	1,103,248	42,759	3,576	1,269,611
At 1 January 2014	於二零一四年一月一日	120,028	1,103,248	42,759	3,576	1,269,611
Charge for the year	本年計提	10,083	92,744	9,602	973	113,402
Written back on disposals	於出售時轉回	-	(16,206)	(9,687)	-	(25,893)
At 31 December 2014	於二零一四年十二月三十一日	130,111	1,179,786	42,674	4,549	1,357,120
Net book value:	賬面淨值：					
At 31 December 2013	於二零一三年十二月三十一日	120,327	653,042	41,452	5,102	819,923
At 31 December 2014	於二零一四年十二月三十一日	121,245	616,922	37,625	4,268	780,060

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

- (i) The Group's and the Company's property, plant and equipment are all located in the PRC.
- (ii) The Group and the Company leased out certain properties under operating leases. The aggregate net book value of these assets which leased out by the Group and the Company as at 31 December 2014 amounted to RMB6,467,000 (2013: RMB6,853,000).

15 CONSTRUCTION IN PROGRESS

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	40,030	151,466
Additions	增加	97,565	46,639
Transferred to property, plant and equipment	轉入物業、廠房及設備	(43,707)	(158,075)
At 31 December	於十二月三十一日	93,888	40,030

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	40,030	151,466
Additions	增加	85,018	46,639
Transferred to property, plant and equipment	轉入物業、廠房及設備	(43,707)	(158,075)
At 31 December	於十二月三十一日	81,341	40,030

16 INTANGIBLE ASSETS

In 2014, EverPro Technologies Company Limited, a subsidiary of the Group, acquired certain patents for RMB151,019,000 from one of its non-controlling equity owners, VIA Labs, Inc.

14 物業、廠房及設備(續)

附註：

- (i) 本集團與本公司的物業、廠房及設備均位於中國。
- (ii) 本集團與本公司以經營租賃方式出租若干物業。於二零一四年十二月三十一日，本集團與本公司所出租資產的賬面淨值總額為人民幣6,467,000元(二零一三年：人民幣6,853,000元)。

15 在建工程

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	40,030	151,466
Additions	增加	97,565	46,639
Transferred to property, plant and equipment	轉入物業、廠房及設備	(43,707)	(158,075)
At 31 December	於十二月三十一日	93,888	40,030

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	40,030	151,466
Additions	增加	85,018	46,639
Transferred to property, plant and equipment	轉入物業、廠房及設備	(43,707)	(158,075)
At 31 December	於十二月三十一日	81,341	40,030

16 無形資產

於二零一四年，本集團的附屬公司長芯盛(武漢)科技有限公司從其一家非控股權益持有人，香港威盛電子股份有限公司，購買了部分價值人民幣151,019,000元的專利技術。

17 LEASE PREPAYMENTS

Lease prepayments comprise interests in leasehold land held for own use under operating leases located in the PRC as follows:

THE GROUP AND THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Land use rights held under medium-term leases	中期租賃期持有的土地使用權	117,788	12,838

The Group was in the process of applying for the title certificate of certain land use rights with total carrying amount of RMB105,278,000 as at 31 December 2014. After the end of the reporting period, the Group has obtained the land use right certificates for two parcels of land with total carrying amount of RMB71,599,000. The directors are of the opinion that the Group is entitled to lawfully and validly occupy or use the above mentioned land.

17 租賃預付款項

租賃預付款項包括經營租賃項下持作自用的在中國租賃土地權益，呈列如下：

本集團及本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		117,788	12,838

於二零一四年十二月三十一日，本集團尚就賬面值為人民幣105,278,000元的若干土地申請土地使用權證。於報告期末後，本集團取得了兩塊賬面值為人民幣71,599,000元土地的土地使用權證。董事認為，本集團有權合法及有效佔有或使用上述土地。

18 INVESTMENT IN SUBSIDIARIES

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股本，以成本計算	225,063	63

18 於附屬公司投資

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		225,063	63

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

18 INVESTMENT IN SUBSIDIARIES (Continued)

The particulars of the Company's subsidiaries at 31 December 2014 are set out below:

Name of company 公司名稱	Place and date of incorporation/ establishment 註冊/ 成立地點和日期	Issued/registered and paid-up capital 已發行/ 註冊和繳足資本	Proportion of ownership interest		Principal activities 主營業務
			Group's effective interest 本集團的 有效權益	Held by the Company 由本公司 持有	
Yangtze Optical Fibre and Cable Company (Hong Kong) Limited 長飛光纖光纜(香港) 有限公司	Hong Kong 17 July 2013 香港 二零一三年 七月十七日	HKD80,000 港元80,000	100.00%	100.00%	Trading of raw materials 原材料貿易
EverPro Technologies Company Limited (Note ii) 長芯盛(武漢)科技 有限公司(附註ii)	PRC 9 December 2013 中國 二零一三年 十二月九日	RMB325,000,000 人民幣325,000,000	69.23%	69.23%	Production and sales of optical fibres, optical fibre cables and related products 光纖光纜及相關器件的 生產及銷售
EverProsper Technologies Company Limited 長芯盛(香港)科技 有限公司	Hong Kong 6 June 2014 香港 二零一四年 六月六日	RMB6,800,000 人民幣6,800,000	69.23%	–	Trading of raw materials 原材料貿易

Notes:

- (i) The English translation of the name is for identification only. The official name of this entity is in Chinese.
- (ii) EverPro Technologies Company Limited was registered as a sino-foreign equity joint venture enterprise under the law of the People's Republic of China.
- (iii) The Group does not have material non-controlling interest during both the current and prior years.

於二零一四年十二月三十一日，本集團附屬公司的詳情列舉如下：

附註：

- (i) 英文名稱僅供識別。該企業法定名稱為中文。
- (ii) 長芯盛(武漢)科技有限公司乃根據中華人民共和國法律註冊之中外合資合營公司。
- (iii) 本集團在本年度及以前年度並無重大的非控股權益。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

19 INTEREST IN ASSOCIATES

19 於聯營公司權益

THE GROUP

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Share of net assets	應佔淨資產	28,712	29,733

THE COMPANY

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股本，以成本計算	28,866	28,866

The following list contains the particulars of associates, all of which are unlisted corporate entities, at 31 December 2014:

於二零一四年十二月三十一日，本集團聯營公司的詳情列舉如下，這些公司均為非上市公司：

Name of company 公司名稱	Place of establishment and business 成立及業務地點	Registered and paid-up capital 已註冊和繳足資本詳情	Proportion of ownership interest 所有者權益比例		Principal activities 主營業務
			Group's effective interest 本集團的有效權益	Held by the Company 由本公司持有	
NK Wuhan Cable Co., Ltd.	PRC	USD12,000,000	20.00%	20.00%	Production and sales of cables and related products
武漢安凱電纜有限公司	中國	美元12,000,000	20.00%	20.00%	生產及銷售電纜及相關產品
Wuhan Yunjingfei Optical Fibre Material Co., Ltd.	PRC	RMB45,000,000	20.00%	20.00%	Production and sales of high purity germanium tetrachloride for the optical fibres
武漢雲晶飛光纖材料有限公司	中國	人民幣45,000,000	20.00%	20.00%	織用高純四氯化錳的生產和銷售

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

19 INTEREST IN ASSOCIATES (Continued)

Notes:

- (i) The English translation of the names is for identification only. The official names of these entities are in Chinese.
- (ii) All of the above associates are accounted for using the equity method in the consolidated financial statements.
- (iii) None of the above associates is regarded as individually material. The following table sets out the aggregate financial information of these individually immaterial associates:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Aggregate amounts of the Group's share of those associates:	本集團佔聯營公司股份的總額：		
Loss from continuing operations	持續經營產生的虧損	(1,021)	(2,750)
Total comprehensive income	綜合收益總額	(1,021)	(2,750)

19 於聯營公司權益 (續)

附註：

- (i) 英文名稱僅供識別。該等企業法定名稱為中文。
- (ii) 上述聯營公司均按權益法記入合併財務報表。
- (iii) 上述聯營公司均不被視為個別重大。個別不重大聯營公司財務資料總額概要呈列如下：

20 INTEREST IN JOINT VENTURES

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Share of net assets	應佔淨資產	640,605	606,676
Goodwill	商譽	18,528	18,528
		659,133	625,204
Less: impairment loss	減：減值虧損	(4,130)	(4,130)
		655,003	621,074

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市股本，以成本計算	474,295	474,295
Less: impairment loss	減：減值虧損	(4,130)	(4,130)
		470,165	470,165

20 於合營公司權益

本集團

本公司

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

20 INTEREST IN JOINT VENTURES (Continued)

The following list contains the particulars of joint ventures, all of which are unlisted corporate entities, at 31 December 2014:

Name of company 公司名稱	Place of establishment and business 成立及業務地點	Registered and paid-up capital 已註冊和繳足資本詳情	Proportion of ownership interest 所有者權益比例		Principal activities 主營業務
			Group's effective interest 本集團的有效權益	Held by the Company 由本公司持有	
Yangtze Optical Fibre and Cable (Shanghai) Co., Ltd. (Note iii) 長飛光纖光纜(上海)有限公司 (附註iii)	PRC 中國	USD12,000,000 美元12,000,000	75.00%	75.00%	Production and sales of optical fibre cables 生產及銷售光纜
Yangtze Zhongli Optical Fibre and Cable (Jiangsu) Co., Ltd. (Note iii) 江蘇長飛中利光纖光纜有限公司(附註iii)	PRC 中國	RMB92,880,000 人民幣92,880,000	51.00%	51.00%	Production and sales of optical fibre cables 生產及銷售光纜
Yangtze Optical Fibre and Cable Sichuan Co., Ltd. (Note iii) 長飛光纖光纜四川有限公司 (附註iii)	PRC 中國	RMB53,800,000 人民幣53,800,000	51.00%	51.00%	Production and sales of optical fibre cables 生產及銷售光纜
Tianjin YOFC XMKJ Optical Communications Co., Ltd. 天津長飛鑫茂光通信有限公司	PRC 中國	RMB220,000,000 人民幣220,000,000	49.00%	49.00%	Production and sales of optical fibres 生產及銷售光纖
Yangtze (Wuhan) Optical System Co., Ltd. 長飛(武漢)光系統股份有限公司	PRC 中國	RMB47,500,000 人民幣47,500,000	46.32%	46.32%	Production and sales of optical devices and related products 生產及銷售光學器件及相關產品
Shantou Hi-Tech Zone Ao Xing Optical Communication Equipment Co., Ltd. 汕頭高新區奧星光通信設備有限公司	PRC 中國	RMB170,558,817 人民幣170,558,817	42.42%	42.42%	Production and sales of optical fibre cables 生產及銷售光纜

20 於合營公司權益 (續)

於二零一四年十二月三十一日，本集團合營公司的詳情列舉如下，這些公司均為非上市公司：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

20 INTEREST IN JOINT VENTURES (Continued)

Name of company 公司名稱	Place of establishment and business 成立及業務地點	Registered and paid-up capital 已註冊和繳足資本詳情	Proportion of ownership interest 所有者權益比例		Principal activities 主營業務
			Group's effective interest 本集團的有效權益	Held by the Company 由本公司持有	
Shenzhen SDGI Optical Fibre Co., Ltd. 深圳特發資訊光纖有限公司	PRC 中國	RMB206,518,320 人民幣206,518,320	35.36%	35.36%	Production and sales of precise optical fibres 生產及銷售光纖
Tianjin YOFC XMJ Optical Cable Co., Ltd. 天津長飛鑫茂光纜有限公司	PRC 中國	RMB100,000,000 人民幣100,000,000	20.00%	20.00%	Production and sales of optical fibre cables 生產及銷售光纜
Wuhan Guangyuan Electronic Technology Co., Ltd. 武漢光源電子科技有限公司	PRC 中國	RMB5,000,000 人民幣5,000,000	20.00%	20.00%	Products and sales of precise mould and electronic devices 生產及銷售精密模具及電子產品

Notes:

- (i) The English translation of the names is for identification only. The official names of these entities are in Chinese.
- (ii) All of the above joint ventures are accounted for using the equity method in the consolidated financial statements.
- (iii) Pursuant to the Articles of Association of Yangtze Optical Fibre and Cable (Shanghai) Co., Ltd. ("YOFC Shanghai"), Yangtze Zhongli Optical Fibre and Cable (Jiangsu) Co., Ltd. ("YOFC Jiangsu") and Yangtze Optical Fibre and Cable Sichuan Co., Ltd. ("YOFC Sichuan"), unanimous consent of all investors is required for decisions of the entities' financing and operating activities. Accordingly, the Company has joint control over these entities and investments in YOFC Shanghai, YOFC Jiangsu and YOFC Sichuan are accounted for in the consolidated financial statements under the equity method.
- (iv) The Group sold optical fibre preforms and optical fibres to certain joint ventures for the production of optical fibres and optical fibre cables. In addition, the Group also purchased optical fibres and optical fibre cables from certain joint ventures. Further details of transactions with joint ventures are disclosed in Note 36.

20 於合營公司權益 (續)

附註：

- (i) 英文名稱僅供識別。該等企業法定名稱為中文。
- (ii) 上述合營公司均按權益法計入合併財務報表。
- (iii) 根據長飛光纖光纜(上海)有限公司(「長飛上海」)、江蘇長飛中利光纖光纜有限公司(「長飛江蘇」)及長飛光纖光纜四川有限公司(「長飛四川」)的公司章程細則，其財務及營運決策須獲得全體投資者一致同意通過。因此，本公司及其他投資者共同控制該等實體，於長飛上海、長飛江蘇及長飛四川的投資按權益法計入合併財務報表。
- (iv) 本集團向部分合營公司銷售光纖預製棒及光纖用於其光纖和光纜的製造。同時，本集團亦從部分合營公司採購光纖及光纜。與合營公司相關交易詳情於附註36呈列。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

20 INTEREST IN JOINT VENTURES (Continued)

(v) Summarised financial information of the Group's material joint ventures and reconciliation to the carrying amounts in the consolidated financial statements are as follows:

(a) Yangtze Optical Fibre and Cable (Shanghai) Co., Ltd.

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Gross amounts	總額		
Current assets	流動資產	332,309	308,042
Non-current assets	非流動資產	86,023	91,014
Current liabilities	流動負債	(173,167)	(171,280)
Non-current liabilities	非流動負債	(315)	(420)
Equity	權益	244,850	227,356
Included in the above assets and liabilities:	包含於上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	18,005	36,082
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付賬款和其他應付款和準備)	-	(50,000)
Revenue	收入	544,877	584,113
Profit from continuing operations	持續經營利潤	28,855	25,912
Total comprehensive income	綜合收益總額	28,855	25,912
Dividend received	取得股利	7,466	-
Included in the above profit:	包含於上述利潤：		
Depreciation and amortisation	折舊及攤銷	(10,603)	(10,897)
Interest income	利息收入	237	182
Interest expense	利息費用	(783)	(735)
Income tax expense	所得稅支出	(5,073)	(4,655)
Reconciled to the Group's interest in joint venture	本集團對合營公司權益之調節		
Gross amounts of net assets	淨資產總額	244,850	227,356
Group's effective interest	本集團有效權益	75.00%	75.00%
Group's share of net assets	本集團應佔淨資產	183,638	170,517
Elimination of unrealised profits on downstream transactions	順流交易所產生未實現利潤抵消	(9,470)	(10,711)
Carrying amount in the consolidated financial statements	於合併財務報表的賬面值	174,168	159,806

20 於合營公司權益 (續)

(v) 本集團重要合營公司的匯總財務信息及與合併財務報表中的賬面值調節呈列如下：

(a) 長飛光纖光纜(上海)有限公司

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

20 INTEREST IN JOINT VENTURES (Continued)

(v) Summarised financial information of the Group's material joint ventures and reconciliation to the carrying amounts in the consolidated financial statements are as follows (Continued):

(b) Yangtze Zhongli Optical Fibre and Cable (Jiangsu) Co., Ltd.

20 於合營公司權益 (續)

(v) 本集團重要合營公司的匯總財務信息及與合併財務報表中的賬面值調節呈列如下(續)：

(b) 江蘇長飛中利光纖光纜有限公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Gross amounts	總額		
Current assets	流動資產	503,513	404,072
Non-current assets	非流動資產	36,761	37,883
Current liabilities	流動負債	(307,302)	(227,380)
Equity	權益	232,972	214,575
Included in the above assets and liabilities:	包含於上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	50,933	26,585
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付賬款和其他應付款和準備)	(52,000)	(18,000)
Revenue	收入	565,745	472,324
Profit from continuing operations	持續經營利潤	33,402	30,010
Total comprehensive income	綜合收益總額	33,402	30,010
Dividend received	取得股利	5,938	-
Included in the above profit:	包含於上述利潤：		
Depreciation and amortisation	折舊及攤銷	(4,510)	(4,606)
Interest income	利息收入	718	964
Interest expense	利息費用	(2,117)	(728)
Income tax expense	所得稅支出	(5,991)	(5,806)
Reconciled to the Group's interest in joint venture	本集團對合營公司權益之調節		
Gross amounts of net assets	淨資產總額	232,972	214,575
Group's effective interest	本集團有效權益	51.00%	51.00%
Group's share of net assets	本集團應佔淨資產	118,816	109,433
Elimination of unrealised profits on downstream transactions	順流交易所產生未實現利潤抵消	(8,245)	(9,363)
Carrying amount in the consolidated financial statements	於合併財務報表的賬面值	110,571	100,070

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

20 INTEREST IN JOINT VENTURES (Continued)

- (v) Summarised financial information of the Group's material joint ventures and reconciliation to the carrying amounts in the consolidated financial statements are as follows (Continued):

(c) Tianjin YOFC XMKJ Optical Communications Co., Ltd.

20 於合營公司權益 (續)

- (v) 本集團重要合營公司的匯總財務信息及與合併財務報表中的賬面值調節呈列如下(續)：

(c) 天津長飛鑫茂光通信有限公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Gross amounts	總額		
Current assets	流動資產	254,993	304,439
Non-current assets	非流動資產	491,410	536,318
Current liabilities	流動負債	(374,034)	(330,488)
Non-current liabilities	非流動負債	(118,382)	(223,598)
Equity	權益	253,987	286,671
Included in the above assets and liabilities:	包含於上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	12,694	33,091
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付賬款和其他應付款和準備)	(242,666)	(207,066)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債(不包括應付賬款和其他應付款和準備)	(112,834)	(217,300)
Revenue	收入	526,014	515,348
Loss from continuing operations	持續經營損失	(32,684)	(28,113)
Total comprehensive income	綜合收益總額	(32,684)	(28,113)
Dividend received	取得股利	-	-
Included in the above loss:	包含於上述損失：		
Depreciation and amortisation	折舊及攤銷	(42,667)	(36,403)
Interest income	利息收入	1,045	487
Interest expense	利息成本	(18,728)	(12,214)
Income tax expense	所得稅支出	(6,197)	6,197
Reconciled to the Group's interest in joint venture	本集團對合營公司權益之調節		
Gross amounts of net assets	淨資產總額	253,987	286,671
Group's effective interest	本集團有效權益	49.00%	49.00%
Group's share of net assets	本集團應佔淨資產	124,454	140,469
Elimination of unrealised profits on downstream transactions	順流交易所產生未實現利潤抵消	(8,536)	(28,202)
Carrying amount in the consolidated financial statements	於合併財務報表的賬面值	115,918	112,267

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

20 INTEREST IN JOINT VENTURES (Continued)

- (vi) The aggregate financial information, of other individually immaterial joint ventures, is as follows:

Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	合併財務報表中個別不重大合營公司的賬面值總額
Aggregate amounts of the Group's share of those joint ventures' Profit from continuing operations	本集團應佔該等合營公司股份的總額 持續經營利潤
Total comprehensive income	綜合收益總額

- (vii) Change in the Group's ownership interests in the joint ventures:

- In 2013, the other joint venture partner of Shenzhen SDGI Optical Fibre Co., Ltd. ("Shenzhen SDGI") injected additional capital of RMB57,504,000 into Shenzhen SDGI. Accordingly, the Group's equity interest in Shenzhen SDGI was decreased from 49.00% to 35.36%.
- In 2013, the Group's equity interest in Yangtze (Wuhan) Optical System Co., Ltd. ("YOSC") was increased from 44.00% to 46.32% as a result of share reduction by certain individual shareholders of YOSC.
- In 2013, the Group disposed of a joint venture, being 20.00% equity interest in Tianmen XinRun Woodwork Co., Ltd. ("Tianmen XinRun"), to the other joint venture partner of Tianmen XinRun, for a cash consideration of RMB1,240,000. As a result, the Group recognised a gain on disposal of a joint venture of RMB230,000 during the year ended 31 December 2013.

20 於合營公司權益 (續)

- (vi) 本集團個別不重大的合營公司的財務資料總額呈列如下：

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	254,346	248,931
Aggregate amounts of the Group's share of those joint ventures' Profit from continuing operations	6,554	478
Total comprehensive income	6,554	478

- (vii) 本集團於合營公司的權益的變化請款呈列如下：

- 於二零一三年，深圳特發資訊光纖有限公司(「深圳特發」)的另一方股東以人民幣57,504,000元進行增資。相應地，本集團於深圳特發的權益由49.00%減少至35.36%。
- 於二零一三年，因長飛(武漢)光系統有限公司(「長飛光系統」)減資退股，本集團於長飛光系統的權益由44.00%增加至46.32%。
- 於二零一三年，本集團將於合營公司天門市信潤木業製品有限公司(「天門信潤」)的20.00%權益以人民幣1,240,000元出售予其另一合營股東。相應地，本集團於截至二零一三年十二月三十一日止年度確認合營公司處置收益人民幣230,000元。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

21 OTHER NON-CURRENT ASSETS

21 其他非流動資產

THE GROUP

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
<hr/>			
Available-for-sale equity securities	可供出售股本證券		
– Unlisted	– 非上市	28,805	28,805
– Listed outside Hong Kong (Note 34(e)(i))	– 香港以外上市(附註34(e)(i))	55,109	32,461
		83,914	61,266
Prepayments for property, plant and equipment, intangible assets and lease prepayment	預付物業、廠房及設備、無形資產和租賃預付款項	40,396	95,023
		124,310	156,289

THE COMPANY

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
<hr/>			
Available-for-sale equity securities	可供出售股本證券		
– Unlisted	– 非上市	28,805	28,805
– Listed outside Hong Kong (Note 34(e)(i))	– 香港以外上市(附註34(e)(i))	55,109	32,461
		83,914	61,266
Prepayments for property, plant and equipment and lease prepayment	預付物業、廠房及設備和租賃預付款項	28,759	27,523
		112,673	88,789

22 INVENTORIES

22 存貨

(a) INVENTORIES IN THE STATEMENT OF FINANCIAL POSITION COMPRISE:**(a) 合併財務狀況表中的存貨包括：**

The Group		本集團	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Raw materials and spare parts	原材料和備件	380,790	371,025
Work in progress	在產品	64,704	72,261
Finished goods	產成品	251,967	278,017
		697,461	721,303

The Company		本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Raw materials and spare parts	原材料和備件	377,439	371,025
Work in progress	在產品	64,691	72,261
Finished goods	產成品	254,935	278,017
		697,065	721,303

(b) THE ANALYSIS OF THE AMOUNT OF INVENTORIES RECOGNISED AS AN EXPENSE AND INCLUDED IN PROFIT OR LOSS IS AS FOLLOWS:**(b) 在損益中確認為費用的存貨金額的分析如下：**

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Carrying amount of inventories sold	售出存貨的賬面價值	4,589,224	3,808,113
Write-down of inventories	存貨減值	16,328	19,203
		4,605,552	3,827,316

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

23 TRADE AND BILLS RECEIVABLES

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade receivables	應收賬款		
– related parties	– 關聯方	212,867	166,338
– third parties	– 第三方	1,281,985	1,224,919
Bills receivable	應收票據	264,458	136,324
Less: allowance for doubtful debts	減：呆賬撥備	(14,192)	(18,994)
		1,745,118	1,508,587

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade receivables	應收賬款		
– related parties	– 關聯方	212,867	166,338
– third parties	– 第三方	1,275,844	1,224,919
Bills receivable	應收票據	264,458	136,324
Less: allowance for doubtful debts	減：呆賬撥備	(14,192)	(18,994)
		1,738,977	1,508,587

All of the trade and bills receivables are expected to be recovered within one year.

本集團與本公司的所有應收賬款及票據預計將於一年之內收回。

23 TRADE AND BILLS RECEIVABLES (Continued)

(a) AGEING ANALYSIS

The ageing analysis of trade and bills receivables, based on the invoice date and net of allowance for doubtful debts, of the Group and the Company is as follows:

The Group

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 3 months	三個月內	929,542	875,279
3 to 6 months	三個月至六個月	239,966	254,072
6 months to 1 year	六個月至一年	270,018	179,001
1 to 2 years	一至兩年	234,010	167,865
2 to 3 years	兩至三年	66,523	29,637
Over 3 years	三年以上	5,059	2,733
		1,745,118	1,508,587

The Company

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 3 months	三個月內	923,415	875,279
3 to 6 months	三個月至六個月	239,966	254,072
6 months to 1 year	六個月至一年	270,004	179,001
1 to 2 years	一至兩年	234,010	167,865
2 to 3 years	兩至三年	66,523	29,637
Over 3 years	三年以上	5,059	2,733
		1,738,977	1,508,587

23 應收賬款及票據(續)

(a) 賬齡分析

本集團與本公司按發票日的應收賬款及票據(扣除呆賬撥備)之賬齡分析如下:

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 3 months	三個月內	929,542	875,279
3 to 6 months	三個月至六個月	239,966	254,072
6 months to 1 year	六個月至一年	270,018	179,001
1 to 2 years	一至兩年	234,010	167,865
2 to 3 years	兩至三年	66,523	29,637
Over 3 years	三年以上	5,059	2,733
		1,745,118	1,508,587

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 3 months	三個月內	923,415	875,279
3 to 6 months	三個月至六個月	239,966	254,072
6 months to 1 year	六個月至一年	270,004	179,001
1 to 2 years	一至兩年	234,010	167,865
2 to 3 years	兩至三年	66,523	29,637
Over 3 years	三年以上	5,059	2,733
		1,738,977	1,508,587

23 TRADE AND BILLS RECEIVABLES (Continued)

(a) AGEING ANALYSIS (Continued)

During the year ended 31 December 2014 and 2013, the Group's customers included three state-owned telecommunication network operators (the "State-owned Telecommunication Operators"), other independent third parties and certain joint ventures. The Group generally required the State-owned Telecommunication Operators to make 70%-80% payment upon delivery of goods and pay the remaining balance in one year. In addition, the Group granted credit periods of 30 to 90 days to those long standing third party customers with good payment history and the joint ventures. The credit period of individual customers is considered on a case-by-case basis and set out in the sales contracts, as appropriate. Normally, the Group does not obtain collateral from customers.

(b) IMPAIRMENT OF TRADE AND BILLS RECEIVABLES

Impairment losses in respect of trade and bills receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade and bills receivables directly (see Note 2(j)(i)).

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

The Group and the Company

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	18,994	22,765
Impairment loss recognised	確認的減值虧損	8,759	9,269
Amounts written back	轉回金額	(13,561)	(12,886)
Uncollectible amounts written off	無法收回款項沖銷	-	(154)
At 31 December	於十二月三十一日	14,192	18,994

23 應收賬款及票據 (續)

(a) 賬齡分析 (續)

截至二零一四年及二零一三年十二月三十一日止年度，本集團的客戶包括三家國有電訊營運商（「國有電訊營運商」）、其他獨立第三方和若干合營公司。本集團一般要求國有電訊營運商於收到貨物時支付70%-80%貨款並在一年內支付其餘部分。同時，本集團向長期合作並具有良好支付記錄的第三方客戶及合營公司授予30至90天的信用期。個別客戶的信用期均單獨考量並於銷售合同中相應註明。本集團通常不會向客戶收取擔保物。

(b) 應收賬款及票據的減值

應收賬款及票據的減值虧損計入準備賬，除非本集團認為收回款項的可能性極低，在此情況下，減值虧損將直接沖減應收賬款及票據（參見附註2(j)(i)）。

於年內呆賬撥備（個別和整體損失）的變動如下：

本集團及本公司

23 TRADE AND BILLS RECEIVABLES (Continued)

(b) IMPAIRMENT OF TRADE AND BILLS RECEIVABLES (Continued)

At 31 December 2014, the Group's and the Company's trade and bills receivables that were individually determined to be impaired amounted to RMB16,372,000 (2013: RMB7,218,000). The individually impaired receivables related to customers that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, specific allowances for doubtful debts of RMB6,054,000 (2013: RMB4,240,000) were recognised.

(c) TRADE AND BILLS RECEIVABLES THAT ARE NOT IMPAIRED

The ageing analysis of the Group's and the Company's trade and bills receivables that are neither individually nor collectively considered to be impaired are as follows:

The Group

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Neither past due nor impaired	既未逾期亦無減值	1,112,321	923,897
Less than 3 months past due	逾期三個月內	287,631	320,525
3 to 6 months past due	逾期三至六個月	130,897	107,592
6 months to 1 year past due	逾期六個月至一年	120,383	93,070
1 to 2 years past due	逾期一至兩年	75,935	60,525
2 to 3 years past due	逾期兩至三年	7,633	–
		622,479	581,712
		1,734,800	1,505,609

23 應收賬款及票據 (續)

(b) 應收賬款及票據的減值 (續)

於二零一四年十二月三十一日，本集團與本公司已個別評定為已減值的應收賬款及票據為人民幣16,372,000元(二零一三年：人民幣7,218,000元)。被個別評定為已減值的應收賬款乃關於存在財務困難的客戶且管理層評定認為其應收款項僅可能部分收回。因此，針對呆賬計提特定撥備人民幣6,054,000元(二零一三年：人民幣4,240,000元)。

(c) 並無減值的應收賬款及票據

本集團及本公司認為並無個別和整體減值的應收賬款和票據賬齡分析如下：

本集團

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

23 TRADE AND BILLS RECEIVABLES (Continued)

(c) TRADE AND BILLS RECEIVABLES THAT ARE NOT IMPAIRED (Continued)

The Company

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Neither past due nor impaired	既未逾期亦無減值	1,106,180	923,897
Less than 3 months past due	逾期三個月內	287,631	320,525
3 to 6 months past due	逾期三至六個月	130,897	107,592
6 months to 1 year past due	逾期六個月至一年	120,383	93,070
1 to 2 years past due	逾期一至兩年	75,935	60,525
2 to 3 years past due	逾期兩至三年	7,633	-
		622,479	581,712
		1,728,659	1,505,609

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

23 應收賬款及票據 (續)

(c) 並無減值的應收賬款及票據 (續)

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Neither past due nor impaired	既未逾期亦無減值	1,106,180	923,897
Less than 3 months past due	逾期三個月內	287,631	320,525
3 to 6 months past due	逾期三至六個月	130,897	107,592
6 months to 1 year past due	逾期六個月至一年	120,383	93,070
1 to 2 years past due	逾期一至兩年	75,935	60,525
2 to 3 years past due	逾期兩至三年	7,633	-
		622,479	581,712
		1,728,659	1,505,609

既未逾期亦無減值應收款項與眾多客戶相關，該等客戶最近沒有違約歷史。

已逾期但未計提減值的應收款項涉及多位與本集團有良好的過往記錄的獨立客戶。根據以往經驗，管理層認為由於信貸質量不存在重大變化且相關餘額被視為能夠全額收回，因此就該等餘額毋須計提減值準備。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

24 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

24 按金、預付款項及其他應收款項

THE GROUP

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Prepayments for raw materials	採購原材料的預付款	13,605	14,711
Amounts due from related parties	應收關聯方款項	6,306	18,034
Value-added tax recoverable	待抵扣增值稅項	27,290	16,320
Dividends receivables	應收股利		
– associate	– 聯營公司	–	2,400
– joint ventures	– 合營公司	39,602	41,052
Net receivables under factoring arrangement (Note 33)	保理安排下應收淨額 (附註33)	45,728	50,917
Deposits	按金	7,974	5,942
Others	其他	12,025	7,491
		152,530	156,867

THE COMPANY

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Prepayments for raw materials	採購原材料的預付款	12,327	14,711
Amounts due from related parties	應收關聯方款項		
– subsidiaries	– 附屬公司	1,649	69,053
– other related parties	– 其他關聯方	6,306	18,034
Value-added tax recoverable	待抵扣增值稅項	16,419	16,320
Dividends receivables	應收股利		
– associate	– 聯營公司	–	2,400
– joint ventures	– 合營公司	39,602	41,052
Net receivables under factoring arrangement (Note 33)	保理安排下應收淨額 (附註33)	45,728	50,917
Deposits	按金	7,974	5,942
Others	其他	10,402	7,491
		140,407	225,920

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

24 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

As at 31 December 2014, the amount due from a subsidiary of RMB1,300,000 (2013: RMB68,700,000) was unsecured and bearing interest at 4.5% per annum. The balance was fully repaid in March 2015.

Amounts due from other related parties are unsecured, interest free and have no fixed terms of repayment.

25 OTHER FINANCIAL ASSETS

THE GROUP

Available-for-sale debt securities
– unlisted (Note 34(e)(i))

可供出售債務證券
– 非上市(附註34(e)(i))

2014
二零一四年
RMB'000
人民幣千元

5,840

2013
二零一三年
RMB'000
人民幣千元

–

In 2014, the Group purchased wealth management products amounting to RMB397,200,000 from certain stated-owned or listed commercial banks in the PRC, of which RMB391,360,000 matured before 31 December 2014. As at 31 December 2014, the Group's available-for-sale debt securities were neither past due nor impaired.

二零一四年，本集團自若干中國國有或上市商業銀行購買總值人民幣397,200,000元的理財產品，其中人民幣391,360,000元已於二零一四年十二月三十一日前到期。截至二零一四年十二月三十一日，本集團的可供出售債務證券並無過期或減值。

24 按金、預付款項及其他應收款項 (續)

於二零一四年十二月三十一日，應收一家附屬公司的人民幣1,300,000元(二零一三年：人民幣68,700,000元)的款項為無抵押，利息率為每年4.5%。餘額於二零一五年三月已全部償還。

應收其他關聯方款項為無抵押、免息及無固定還款期。

25 其他金融資產

本集團

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

26 CASH AND CASH EQUIVALENTS

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash at bank and in hand	銀行存款及現金	2,010,953	906,378

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash at bank and in hand	銀行存款及現金	1,863,299	905,031

26 現金及現金等價物

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash at bank and in hand	銀行存款及現金	2,010,953	906,378

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cash at bank and in hand	銀行存款及現金	1,863,299	905,031

27 BANK LOANS

The Group's and the Company's bank loans are unsecured and they are repayable as follows:

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	1,465,229	808,188
After 1 year but within 2 years	一年後但兩年內	982,164	25,607
After 2 years but within 5 years	兩年後但五年內	36,714	788,329
		1,018,878	813,936
		2,484,107	1,622,124

27 銀行貸款

本集團及本公司的銀行貸款為無擔保，其還款時間呈列如下：

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	1,465,229	808,188
After 1 year but within 2 years	一年後但兩年內	982,164	25,607
After 2 years but within 5 years	兩年後但五年內	36,714	788,329
		1,018,878	813,936
		2,484,107	1,622,124

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

27 BANK LOANS (Continued)

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	1,177,364	795,056
After 1 year but within 2 years	一年後但兩年內	982,164	25,607
After 2 years but within 5 years	兩年後但五年內	36,714	788,329
		1,018,878	813,936
		2,196,242	1,608,992

Certain of the Group's bank loans are subject to the fulfilment of covenants relating to the Company's assets/liabilities ratio, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the bank loans would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 34(b). As at 31 December 2014, none of the covenants relating to bank loans had been breached.

本集團部分銀行貸款需遵守若干與本公司的資產／負債比率相關的財務契約，此類財務契約常見於金融機構的借款安排中。若本集團違反了契約，銀行貸款將可以被要求立即償還。本集團定期監控對相關契約的遵守情況。關於本集團對流動性風險管理的細節呈列於附註34(b)。於二零一四年十二月三十一日，本集團無違反相關契約的情況。

28 TRADE AND BILLS PAYABLES

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade payables	應付賬款		
– related parties	– 關聯方	166,188	98,894
– third parties	– 第三方	515,946	496,760
Bills payable	應付票據	17,769	117,886
		699,903	713,540

27 銀行貸款(續)

本公司

28 應付賬款及票據

本集團

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

28 TRADE AND BILLS PAYABLES (Continued)

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade payables	應付賬款		
– a subsidiary	– 附屬公司	484,275	88,219
– other related parties	– 其他關聯方	166,188	98,894
– third parties	– 第三方	309,795	421,673
Bills payable	應付票據	17,769	117,886
		978,027	726,672

All trade and bills payables are expected to be settled within one year or are repayable on demand.

The ageing analysis of the Group's and the Company's trade and bills payables, based on invoice date, is as follows:

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	687,958	700,878
Over 1 year but within 2 years	一年後但兩年內	3,873	4,503
Over 2 years but within 3 years	兩年後但三年內	967	939
Over 3 years	三年後	7,105	7,220
		699,903	713,540

28 應付賬款及票據 (續)

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade payables	應付賬款		
– a subsidiary	– 附屬公司	484,275	88,219
– other related parties	– 其他關聯方	166,188	98,894
– third parties	– 第三方	309,795	421,673
Bills payable	應付票據	17,769	117,886
		978,027	726,672

預計所有應付賬款及票據將在一年內或按要求償還。

本集團及本公司的應付賬款及票據按發票日的賬齡分析如下：

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	687,958	700,878
Over 1 year but within 2 years	一年後但兩年內	3,873	4,503
Over 2 years but within 3 years	兩年後但三年內	967	939
Over 3 years	三年後	7,105	7,220
		699,903	713,540

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

28 TRADE AND BILLS PAYABLES (Continued)

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	966,082	714,010
Over 1 year but within 2 years	一年後但兩年內	3,873	4,503
Over 2 years but within 3 years	兩年後但三年內	967	939
Over 3 years	三年後	7,105	7,220
		978,027	726,672

28 應付賬款及票據 (續)

本公司

29 ACCRUED EXPENSES AND OTHER PAYABLES

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Receipt in advance	預收款項		
– related parties	– 關聯方	61	14,773
– third parties	– 第三方	80,920	275,476
Interest payable	應付利息	22,197	11,234
Payables for staff related costs	應付員工相關的成本	105,740	76,725
Payables for acquisition of property, plant and equipment and lease prepayments	購買物業、廠房及設備和 租賃預付款項的應付款項	37,989	35,104
Other tax payables	應付其他稅項	61,632	61,310
Payables for sales commission	應付銷售佣金	18,171	16,901
Payables for royalty fees	應付特許權使用費		
– related parties	– 關聯方	25,631	24,801
– third parties	– 第三方	1,068	1,188
Dividends payable to equity shareholders of the Company (Note 32(b))	應付本公司權益持有人股利 (附註32(b))	–	500,000
Deferred income (Note 31)	遞延收益(附註31)	7,332	7,732
Others	其他	51,215	53,248
		411,956	1,078,492

29 預提費用及其他應付款項

本集團

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

29 ACCRUED EXPENSES AND OTHER PAYABLES

(Continued)

THE COMPANY

29 預提費用及其他應付款項(續)

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Receipt in advance	預收款項		
– related parties	– 關聯方	61	14,773
– third parties	– 第三方	80,480	275,476
Interest payable	應付利息	21,496	11,233
Payables for staff related costs	應付員工相關的成本	102,809	76,725
Payables for acquisition of property, plant and equipment and lease prepayments	購買物業、廠房及設備和 租賃預付款項的應付款項	37,989	35,104
Other tax payables	應付其他稅項	61,356	61,310
Payables for sales commission	應付銷售佣金	18,171	16,901
Payables for royalty fees	應付特許權使用費		
– related parties	– 關聯方	25,631	24,801
– third parties	– 第三方	1,068	1,188
Dividends payable to equity shareholders of the Company (Note 32(b))	應付本公司權益持有人股利 (附註32(b))	–	500,000
Deferred income (Note 31)	遞延收益(附註31)	7,332	7,732
Others	其他	52,206	53,248
		408,599	1,078,491

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

30 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION

30 財務狀況表中的所得稅

(a) CURRENT TAX RECOVERABLE/(PAYABLE) IN THE STATEMENT OF FINANCIAL POSITION REPRESENTS:

(a) 財務狀況表中可收回/(應付)所得稅：

The Group

本集團

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	1,135	16,070
Provision for the year	年度撥備	(66,489)	(74,840)
Income tax paid	已繳所得稅	58,175	59,905
At 31 December	於十二月三十一日	(7,179)	1,135

The Company

本公司

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	1,135	16,070
Provision for the year	年度撥備	(60,968)	(74,840)
Income tax paid	已繳所得稅	58,175	59,905
At 31 December	於十二月三十一日	(1,658)	1,135

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

30 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION (Continued)

30 財務狀況表中的所得稅(續)

(b) DEFERRED TAX ASSETS AND LIABILITIES RECOGNISED:

The components of deferred tax assets/(liabilities) are as follows:

The Group

		Provision for impairment of assets 資產減值 準備	Deferred income 遞延收益	Available- for-sale securities 可供出售 證券	Unrealised profits 未實現的 利潤	Others 其他	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2013	於二零一三年一月一日	9,335	5,800	(2,334)	-	2,250	15,051
(Charged)/credited to profit or loss	(扣減)/計入損益	(1,358)	7,948	-	9,321	3,687	19,598
Charged to reserve	扣減儲備	-	-	(1,075)	-	-	(1,075)
At 31 December 2013	於二零一三年 十二月三十一日	7,977	13,748	(3,409)	9,321	5,937	33,574
At 1 January 2014	於二零一四年一月一日	7,977	13,748	(3,409)	9,321	5,937	33,574
(Charged)/credited to profit or loss	(扣減)/計入損益	(1,252)	(1,402)	-	513	(2,071)	(4,212)
Charged to reserve	扣減儲備	-	-	(3,398)	-	-	(3,398)
At 31 December 2014	於二零一四年 十二月三十一日	6,725	12,346	(6,807)	9,834	3,866	25,964

(b) 已確認的遞延稅項資產及負債：

遞延稅項資產/(負債)的組成部分如下所述：

本集團

The Company

本公司

		Provision for impairment of assets 資產減值準備	Deferred income 遞延收益	Available- for-sale securities 可供出售證券	Others 其他	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2013	於二零一三年一月一日	9,335	5,800	(2,334)	2,250	15,051
(Charged)/credited to profit or loss	(扣減)/計入損益	(1,358)	7,948	-	13,008	19,598
Charged to reserve	扣減儲備	-	-	(1,075)	-	(1,075)
At 31 December 2013	於二零一三年 十二月三十一日	7,977	13,748	(3,409)	15,258	33,574
At 1 January 2014	於二零一四年一月一日	7,977	13,748	(3,409)	15,258	33,574
Charged to profit or loss	扣減損益	(1,252)	(1,402)	-	(2,180)	(4,834)
Charged to reserve	扣減儲備	-	-	(3,398)	-	(3,398)
At 31 December 2014	於二零一四年 十二月三十一日	6,725	12,346	(6,807)	13,078	25,342

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

31 DEFERRED INCOME

THE GROUP

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Government grants	政府補助	52,129	53,240
Royalty fees	特許權使用費	26,067	32,367
Rental income	租金收益	5,616	6,048
Less: within one year (Note 29)	減：一年以內(附註29)	(7,332)	(7,732)
		76,480	83,923

31 遞延收益

本集團

THE COMPANY

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Government grants	政府補助	50,629	53,240
Royalty fees	特許權使用費	26,067	32,367
Rental income	租金收益	5,616	6,048
Less: within one year (Note 29)	減：一年以內(附註29)	(7,332)	(7,732)
		74,980	83,923

本公司

32 CAPITAL, RESERVES AND DIVIDENDS

(a) MOVEMENTS IN COMPONENTS OF EQUITY

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity are set out below:

		Paid-in capital/ share capital 實繳 資本/股本 RMB'000 人民幣千元 (Note 32(c)) (附註32(c))	Capital reserve 資本公積 RMB'000 人民幣千元 (Note 32(d)) (附註32(d))	Statutory surplus reserve 法定儲備 RMB'000 人民幣千元 (Note 32(d)) (附註32(d))	Fair value reserve 公允價值 儲備 RMB'000 人民幣千元 (Note 32(d)) (附註32(d))	Retained earnings 保留盈利 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
At 1 January 2013	於二零一三年一月一日	479,593	-	380,579	13,228	661,436	1,534,836
Changes in equity:	權益變動:						
Total comprehensive income for the year	本年度綜合收益總額	-	-	-	6,096	479,897	485,993
Appropriation	轉撥	-	-	38,278	-	(38,278)	-
Dividends declared	宣派股利	-	-	-	-	(662,683)	(662,683)
Conversion into a joint stock company (Note 32(c)(i))	改制為股份有限公司 (附註32(c)(i))	-	608,922	(418,857)	(13,228)	(176,837)	-
At 31 December 2013	於二零一三年十二月三十一日	479,593	608,922	-	6,096	263,535	1,358,146
At 1 January 2014	於二零一四年一月一日	479,593	608,922	-	6,096	263,535	1,358,146
Changes in equity:	權益變動:						
Total comprehensive income for the year	本年度綜合收益總額	-	-	-	19,250	425,592	444,842
Appropriation	轉撥	-	-	91,467	-	(91,467)	-
Dividends declared	宣派股利	-	-	-	-	(73,857)	(73,857)
Issue of new shares, net off issue expenses (Note 32(c)(iii))	新發行股本(扣除發行費用· 附註32(c)(iii))	159,870	732,539	-	-	-	892,409
At 31 December 2014	於二零一四年十二月三十一日	639,463	1,341,461	91,467	25,346	523,803	2,621,540

32 資本、儲備及股利

(a) 權益組成部分的變動

合併權益變動表中列出了本集團合併權益中各組成部分的期初及期末餘額的調節情況。本公司權益中各組成部分的變化情況如下所述：

32 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(b) DIVIDENDS

- (i) Dividends payable to equity shareholders of the Company attributable to the year

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Final dividend proposed after the end of reporting period	106,151	73,857

The final dividends proposed after the end of the reporting period have not been recognised as a liability at the end of the reporting period.

於報告期末後提議分派的末期股利並未於報告期末確認為負債。

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the year

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Final dividend declared in respect of the previous financial year	73,857	162,683

Dividends to equity shareholders of the Company attributable to the previous financial year paid during the year ended 31 December 2014 were RMB73,857,000 (2013: RMB162,683,000).

截至二零一四年十二月三十一日止年度，支付本公司權益持有人有關上個財政年度的股利為人民幣73,857,000元(二零一三年：人民幣162,683,000元)。

32 資本、儲備及股利 (續)

(b) 股利

- (i) 年度應付予本公司權益持有人的股利

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Final dividend proposed after the end of reporting period	106,151	73,857

於報告期末後提議分派的末期股利並未於報告期末確認為負債。

- (ii) 於年度內批准應付本公司權益持有人上個財政年度的股利

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Final dividend declared in respect of the previous financial year	73,857	162,683

截至二零一四年十二月三十一日止年度，支付本公司權益持有人有關上個財政年度的股利為人民幣73,857,000元(二零一三年：人民幣162,683,000元)。

32 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(b) DIVIDENDS (Continued)

(iii) Special dividends to equity shareholders of the Company

Pursuant to the resolution passed at the board of directors' meeting on 27 August 2013, a special dividends amounting to RMB500,000,000 were declared and payable to the Company's equity owners according to their ratios of contributions to the registered capital. The special dividends would be paid to the Company's equity owners either (i) during the period between the date on which the application for the listing of the Company's shares has passed the hearing of the Listing Committee of The Stock Exchange of Hong Kong Limited and the date of the actual listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited, or, if earlier, (ii) when so required by any competent authority. The special dividends were paid out in full during the year ended 31 December 2014.

(c) SHARE CAPITAL

		2014 二零一四年		2013 二零一三年	
		Number of shares 股份數目	RMB'000 人民幣千元	Number of shares 股份數目	RMB'000 人民幣千元
		'000 千股		'000 千股	
Ordinary shares, issued and fully paid:	已發行且全部繳足的普通股：				
At 1 January	於一月一日	479,593	479,593	479,593	479,593
Shares issued under the public offering (Note ii)	上市發行的股份 (附註ii)	159,870	159,870	-	-
At 31 December	於十二月三十一日	639,463	639,463	479,593	479,593

32 資本、儲備及股利(續)

(b) 股利(續)

(iii) 本公司權益持有人的特別股利
根據董事會於二零一三年八月二十七日作出的決議批准向本公司權益持有人按持股比例分配特別現金股利人民幣500,000,000元。該特別股利將於(i)本公司申請股份上市獲香港聯合交易所有限公司上市委員會通過聆訊當日至本公司股份實際於香港聯合交易所有限公司主板上市日期間或，倘更早，(ii)被有權機關要求支付時，支付予本公司權益持有人。於截至二零一四年十二月三十一日止年度，該特別股利已經全額支付。

(c) 股本

32 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) SHARE CAPITAL (Continued)

(i) Conversion into a joint stock company with limited liability on 27 December 2013

The Company was a sino-foreign equity joint venture and converted into a joint stock company with limited liability on 27 December 2013. Pursuant to the approvals of Wuhan Municipal Bureau of Commerce and State-owned Assets Supervision and Administration Commission of the State Council, the equity interests held by the Company's equity owners in the Company were converted into 479,592,598 ordinary shares with par value of RMB1.00, based on adjusted net assets of the Company as at 31 December 2012 of RMB1,088,515,000 ("Adjusted Net Assets").

(ii) Shares issued under the public offering

In December 2014, the Company issued 159,870,000 H shares with par value of RMB1.00 each at a price of HKD7.39 per share by way of global initial public offering of the Company's H shares to Hong Kong and overseas investors. The Company raised approximately HKD1,130,633,000 (equivalent to RMB892,409,000) in total, net of share issuing expenses. The excess of the net proceeds over the nominal value of the shares issued were credited to capital reserve.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

32 資本、儲備及股利(續)

(c) 股本(續)

(i) 於二零一三年十二月二十七日改制為股份制有限責任公司

於二零一三年十二月二十七日，本公司由中外合資經營企業改制成為股份制有限責任公司。經武漢市商務局及國務院國有資產監督管理委員會批准，本公司權益持有人所持有的本公司權益以二零一二年十二月三十一日為基準日的經調整淨資產人民幣1,088,515,000元（「經調整淨資產」）為基礎，轉換為479,592,598股每股面值為人民幣1.00元的普通股。

(ii) 公開發行的股本

於二零一四年十二月，本公司通過全球首次公開發行的形式以每股港幣7.39元（每股面值人民幣1.00元）對香港及海外投資者發行H股159,870,000股。除去上市發行費用，本公司共募集港幣約1,130,633,000元（折合人民幣892,409,000元）。上述募集資金超過股票面值的金額計入本公司的資本公積。

普通股持有人有權收取不時公佈的股利，且在本公司會議上每股享有一票投票權。所有普通股對公司剩餘資產享有同等權利。

32 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(d) NATURE AND PURPOSES OF RESERVES

(i) Capital reserve

Capital reserve represents the Company's share premium, being the difference between the total amount of the par value of shares issued upon the conversion and the Adjusted Net Assets (Note 32(c)(i)) and the excess of the net proceeds over the nominal value of the H shares issued pursuant to the global initial public offering (Note (32(c)(ii)).

(ii) Statutory surplus reserve

According to the Company's Articles of Association, when distributing each year's after-tax profits, the Company is required to transfer 10% of its net profit to its statutory surplus reserve until the statutory surplus reserve balance reaches 50% or more of the Company's registered capital.

The transfer to this reserve must be made before distribution of a dividend to shareholders.

(iii) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the end of the reporting period and is dealt with in accordance with the accounting policy in Note 2(f).

(e) DISTRIBUTABILITY OF RESERVES

According to the Company's Articles of Association, net profit as reported in the statutory financial statements prepared in accordance with the accounting rules and regulations of the PRC can only be distributed as dividends after allowances have been made for the following:

- (i) Making up prior years' cumulative losses, if any;
- (ii) Allocations to the statutory surplus reserve as set out in Note 32(d)(ii) above; and
- (iii) Allocations to the discretionary surplus fund if approved by the shareholders.

32 資本、儲備及股利(續)

(d) 儲備性質及用途

(i) 資本公積

資本公積主要指本公司的股本溢價，即股份面值與經調整淨資產(附註32(c)(i))之間的差額以及通過全球首次公開發行H股所募集資金超出股票面值的金額(附註32(c)(ii))。

(ii) 法定儲備

根據本公司章程，本公司分配每年稅後利潤時，需將其淨利潤的10%轉為本公司的法定儲備，直至法定儲備總額達到本公司註冊資本的50%或以上。

該儲備必須在向股東分配股利之前提取。

(iii) 公允價值儲備

公允價值儲備包括根據會計政策附註2(f)列賬的於資產負債表日的可供出售證券的公允價值累計變動。

(e) 儲備的可分配性

根據本公司章程，按中國會計準則及法規編製的法定財務報表中所呈報的稅後淨利潤僅可在作出下列撥備後作為股利分派：

- (i) 彌償過往年度的累計虧損(如有)；
- (ii) 分配至上文附註32(d)(ii)所載的法定儲備；及
- (iii) 如股東批准，分配至任意儲備。

32 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(e) DISTRIBUTABILITY OF RESERVES (Continued)

The distributable profits are the lesser of the net profit of the year as determined in accordance with the accounting rules and regulations of the PRC, and the net profit determined in accordance with IFRSs. At 31 December 2014, the aggregate amount of reserves available for distribution to equity shareholders of the Company was RMB716,061,000.

After the end of the reporting period the directors proposed a final dividend of RMB0.166 per ordinary share, amounting to RMB106,151,000 (Note 32(b)). This dividend has not been recognised as a liability at the end of the reporting period.

(f) CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of adjusted net debt-to-equity ratio. For this purpose, adjusted net debt is defined as total borrowings less cash and cash equivalents. The adjusted net debt-to-equity ratio at 31 December 2014 and 2013 was as follows:

32 資本、儲備及股利 (續)

(e) 儲備的可分配性 (續)

本公司用於支付股利的稅後淨利潤將為根據中國會計準則及法規釐定的淨利潤；及根據國際財務報告準則釐定的淨利潤（以較少者為準）。於二零一四年十二月三十一日，本集團的累計留存收益中可向股東分配的金額為人民幣716,061,000元。

於報告期後，董事會提議分配末期股息每股普通股人民幣0.166元，共計人民幣106,151,000元（附註32(b)）。該末期股息並未於報告期末確認為負債。

(f) 資本管理

本集團管理資本的主要目標是保障本集團持續營運的能力，通過制定與風險水準相當的產品及服務價格，及按合理成本取得融資，使其能持續為股東提供回報及為其他利益相關者提供利益。

本集團主動和定期評估及管理其資本架構，旨在維持較高的股東回報（可能提高借貸水準）與良好的資本狀況所帶來的裨益及保障的平衡，並就經濟狀況變動調整資本架構。

本集團按照經調整淨負債資本比率的基準監察資本架構。就此而言，經調整債務淨額界定為債務總額減現金及現金等價物。於二零一四年及二零一三年十二月三十一日，經調整淨負債資本比率如下：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

32 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(f) CAPITAL MANAGEMENT (Continued)

The Group

		31 December 2014 於二零一四年 十二月三十一日 RMB'000 人民幣千元	31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Borrowings	貸款		
– current bank loans	– 流動銀行貸款	1,465,229	808,188
– non-current bank loans	– 非流動銀行貸款	1,018,878	813,936
Less: cash and cash equivalents	減：現金及現金等價物	(2,010,953)	(906,378)
Adjusted net debt	經調整債務淨額	473,154	715,746
Equity	權益	2,911,491	1,509,652
Adjusted net debt-to-equity ratio	經調整淨負債資本比率	16%	47%

The Company

本公司

		31 December 2014 於二零一四年 十二月三十一日 RMB'000 人民幣千元	31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Borrowings	貸款		
– current bank loans	– 流動銀行貸款	1,177,364	795,056
– non-current bank loans	– 非流動銀行貸款	1,018,878	813,936
Less: cash and cash equivalents	減：現金及現金等價物	(1,863,299)	(905,031)
Adjusted net debt	經調整債務淨額	332,943	703,961
Equity	權益	2,621,540	1,358,146
Adjusted net debt-to-equity ratio	經調整淨負債資本比率	13%	52%

Neither the Company nor its subsidiaries is subject to externally imposed capital requirements.

本公司或其任何附屬公司均未有受任何外界施加的資本要求。

33 TRANSFERS OF FINANCIAL ASSETS

(a) TRANSFERRED FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRETY**(i) Factoring arrangement**

As part of its normal business, the Group entered into trade receivables factoring arrangement (the "Factoring Arrangement"), mainly took place in the second half of the year, and transferred certain of its trade receivables to banks in the PRC. As at 31 December 2014, the Group transferred certain trade receivables to banks under Factoring Arrangement ("Trade Receivables under Factoring") with carrying amounts of RMB332,828,000 (2013: RMB425,495,000).

Pursuant to the terms of the Factoring Arrangement, 100% of the trade receivable shall be transferred to the bank. The bank shall pay a consideration equal to 90% of trade receivable factored immediately. By the end of the period of the Factoring Arrangement, normally 12 months, the bank shall pay the remaining 10% of the trade receivable. In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Trade Receivables under Factoring, and accordingly, it has derecognised the full amounts of the Trade Receivables under Factoring.

Trade Receivables under Factoring had a remaining maturity from 11 to 12 months at 31 December 2014. As at 31 December 2014, the maximum exposure of loss from the Group's continuing involvement in the Trade Receivables under Factoring equal to the remaining 10% of the trade receivable which amounted to RMB45,728,000 (2013: RMB50,917,000) (Note 24). In the opinion of the directors, the fair values of the Group's continuing involvement in the Trade Receivables under Factoring are not materially different from their carrying amounts at 31 December 2014 and 2013.

33 金融資產的轉移

(a) 全額終止確認的被轉讓金融資產**(i) 保理安排**

作為其正常業務的一部分，本集團進行應收賬款保理安排（「保理安排」），相關交易一般於每年下半年發生，並向中國的銀行轉讓若干應收賬款。於二零一四年十二月三十一日，本集團根據保理安排向銀行轉讓應收賬款（「保理應收賬款」）的賬面金額為人民幣332,828,000元（二零一三年：人民幣425,495,000元）。

根據保理安排的條款，100%的應收賬款將移交給銀行。銀行須立即支付相當於進行保理應收賬款90%的金額。保理安排到期時（一般為12個月），銀行應支付應收賬款的其餘10%。董事認為，本集團已實質上轉移了所有保理應收賬款相關的風險和報酬，因此，相應全額終止確認了保理應收賬款。

於二零一四年十二月三十一日，保理應收賬款為十一到十二個月內到期。於二零一四年十二月三十一日，本集團持續參與保理應收賬款的最大損失為相應應收賬款的10%，金額為人民幣45,728,000元（二零一三年：人民幣50,917,000元）（附註24）。董事認為，於二零一四年及二零一三年十二月三十一日，本集團持續參與的保理應收賬款的公允價值與賬面價值差異不大。

33 TRANSFERS OF FINANCIAL ASSETS (Continued)

(a) TRANSFERRED FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRETY (Continued)**(i) Factoring arrangement** (Continued)

During the year ended 31 December 2014, total losses recognised on the date of transfer of the Trade Receivables under Factoring amounted to RMB14,010,000 (2013: RMB25,319,000). Income and expenses recognised from the continuing involvement, both during the year or cumulatively, are not significant.

(ii) Derecognised bills

The Group discounted or endorsed certain bank bills receivable to certain banks in the PRC or the Group's suppliers during the year ("Derecognised Bills"). The carrying amount of discounted bills ("Discounted Bills") at 31 December 2014 was RMB297,721,000 (2013: RMB309,250,000). The carrying amount of the endorsed bills ("Endorsed Bills") at 31 December 2014 was RMB124,948,000 (2013: RMB62,817,000). The Derecognised Bills had a remaining maturity of 1 to 6 months at 31 December 2014. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the banks default payment. Accordingly, the Group has continuing involvement in the Derecognised Bills. In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills, and accordingly, it has derecognised the full amount of the Derecognised Bills.

33 金融資產的轉移 (續)

(a) 全額終止確認的被轉讓金融資產 (續)**(i) 保理安排** (續)

截至二零一四年十二月三十一日止年度，本集團於保理應收賬款轉移日確認的虧損為人民幣14,010,000元(二零一三年：人民幣25,319,000元)。因持續參與而確認的收益及費用(於本年度或累計金額)並不重大。

(ii) 終止確認票據

本集團將本年度若干應收銀行票據貼現或背書予中國的若干銀行或本集團供應商(「終止確認票據」)。於二零一四年十二月三十一日，貼現票據的賬面值為人民幣297,721,000元(二零一三年：人民幣309,250,000元)。於二零一四年十二月三十一日，背書票據的賬面值為人民幣124,948,000元(二零一三年：人民幣62,817,000元)。於二零一四年十二月三十一日，終止確認票據剩餘期限為一至六個月。根據中華人民共和國票據法，倘銀行違約付款，終止確認票據持有人對本集團附有追索權。因此，本集團持續參與終止確認票據。董事認為，本集團已實質上轉移了終止確認票據所有風險和報酬，相應地本集團全額終止確認該些票據。

33 TRANSFERS OF FINANCIAL ASSETS (Continued)

(a) TRANSFERRED FINANCIAL ASSETS THAT ARE DERECOGNISED IN THEIR ENTIRETY (Continued)**(ii) Derecognised bills** (Continued)

The maximum exposure to loss from the Group's continuing involvement in the Derecognised Bills equal to their full amount. In the opinion of the directors, the fair value of the Group's continuing involvement in the Derecognised Bills is not significant.

During the year ended 31 December 2014, total losses recognised on the date of transfer of the Discounted Bills amounted to RMB10,110,000 (2013: RMB10,421,000). No gain or loss was recognised on the date of transfer of the Endorsed Bills. No income or expenses were recognised from the continuing involvement, both during the year or cumulatively.

(b) TRANSFERRED FINANCIAL ASSETS THAT ARE NOT DERECOGNISED IN THEIR ENTIRETY

In addition to the Derecognised Bills as disclosed in Note 33(a)(ii) above, the Group had certain Endorsed Bills with a carrying amount of RMB44,185,000 at 31 December 2014 (2013: Nil). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. At 31 December 2014, the aggregate carrying amount of the trade payables settled by the Endorsed Bills during the year to which the suppliers have recourse was RMB44,185,000 (2013: Nil). In the opinion of the directors, the difference between the fair value of the transferred assets and the associated liabilities is not significant.

33 金融資產的轉移 (續)

(a) 全額終止確認的被轉讓金融資產 (續)**(ii) 終止確認票據** (續)

本集團持續參與終止確認票據的最高損失相當於其全部金額。董事認為，持續參與終止確認票據的公允價值並不重大。

截至二零一四年十二月三十一日止年度，本集團於貼現票據轉讓當日確認的虧損總額為人民幣10,110,000元(二零一三年：人民幣10,421,000元)。於背書票據轉移日，本集團並無於背書票據轉讓當日確認的收益或虧損。因持續參與相關票據而確認的收益或費用(於本年度或累計金額)並不重大。

(b) 已轉移但未整體終止確認的金融資產

除了上述附註33(a)(ii)中列示的終止確認票據外，於二零一四年十二月三十一日，本集團將若干賬面值為人民幣44,185,000元(二零一三年：零)的票據背書轉讓。董事認為，本集團實質上保有背書票據所有的風險和報酬，包括該背書票據的違約風險，相應的本集團繼續全額確認背書票據及其相關的已結算應付賬款。於背書轉讓後，本集團不再保有背書票據的任何使用權，包括將背書票據銷售、轉讓或質押給其他第三方。於二零一四年十二月三十一日，通過背書票據結算且被背書票據持有人對本集團附有追索權的應付賬款賬面值共計為人民幣44,185,000元(二零一三年：零)。董事認為，已轉移資產及其相關負債的公允價值差異並不重大。

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) CREDIT RISK

The Group's credit risk is primarily attributable to cash at bank, available-for-sale debt securities, trade and other receivables. Management has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis.

Substantially all of the Group's cash at bank and available-for-sale debt securities are deposited in or purchased from the stated-owned/controlled or listed PRC banks which the directors assessed the credit risk to be insignificant.

The Group's major customers included the three major state-owned telecommunications network operators in the PRC. During the year ended 31 December 2014, sales to the three major state-owned telecommunications network operators accounted for approximately 29% (2013: 33%) of the Group's total turnover.

The Group has certain concentration of credit risk. Significant concentrations of credit risk arise primarily when the Group has significant exposure to individual customers. As at 31 December 2014, 35% and 73% (2013: 35% and 76%) of trade receivables was due from the Group's largest customer and the Group's five largest customers, respectively. Entities which are known to the Group to be under common control with the customer are considered a single customer in the above analysis.

The Group does not provide any guarantee which would expose the Group or the Company to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Notes 23 and 24.

34 財務風險管理及金融工具的公允價值

本集團在日常業務過程中承受市場風險，主要為信貸、流動資金、利率及貨幣風險。本集團所面對的該等風險及本集團用以管理該等風險的財務風險管理政策及做法載述如下。

(a) 信用風險

本集團的信用風險主要與如下項目有關：銀行存款、可供出售債務證券、應收賬款及其他應收款項。管理層已建立了信用管理政策，並且不斷監控所承受的信用風險。

本集團主要的銀行存款和可供出售債務證券均存放於或購買自中國國有／控制或者上市的銀行，而董事評估認為其信用風險並不重大。

本集團主要客戶包括中國三家國有電信網絡營運商。截至二零一四年十二月三十一日止年度，對三家國有電信網絡營運商的銷售佔本集團總收入約為29% (二零一三年：33%)。

本集團面臨若干的集中信用風險。顯著的集中信用風險主要於本集團面臨個別客戶的重大風險時產生。於二零一四年十二月三十一日，本集團應收最大客戶及前五大客戶的款項分別佔應收賬款總額的35%及73% (二零一三年：35%及76%)。在上述分析中，本集團已知的與客戶處於共同控制下的實體被認為是單一客戶。

本集團未提供任何會使本集團或本公司承受信用風險的任何擔保。

本集團應收賬款及其他應收款項相關的信用風險進一步披露，分別於附註23和24列示。

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) LIQUIDITY RISK

The Company is responsible for the Group's overall cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the board of directors when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants (if any), to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's and the Company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and the Company can be required to pay.

34 財務風險管理及金融工具的公允價值 (續)

(b) 流動風險

本公司負責本集團的整體現金管理，包括現金盈餘的短期投資和籌措貸款以應付預計現金需求，當貸款超逾預定的水平時需獲得董事會批准。本集團的政策是定期監察流動資金需求以及履行借貸契約(如有)的情況，以確保維持足夠現金儲備和隨時可交易於市場的證券，以及來自主要金融機構的充足承諾融資額度，以滿足本集團短期及長期流動資金需求。

下表列出了於報告期末，本集團與本公司非衍生金融負債的剩餘合同期限，依據是合同未貼現現金流(包括根據合同利率計算的利息支付額，或如果採用浮動利率，即為根據報告期末的合同利率計算的利息支付額)，以及可能要求本集團及本公司支付的最早日期。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) LIQUIDITY RISK (Continued)

The Group

		31 December 2014 二零一四年十二月三十一日				
		Contractual undiscounted cash outflow 合約非貼現現金流量總額				
		Within 1 year or on demand 一年內 或即期 RMB'000 人民幣千元	More than 1 year but less than 2 years 一年以上 但兩年以下 RMB'000 人民幣千元	More than 2 years but less than 5 years 兩年以上 但五年以下 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
Bank loans	銀行貸款	1,512,787	1,000,945	37,139	2,550,871	2,484,107
Trade and bills payables	應付賬款及票據	699,903	-	-	699,903	699,903
Accrued expenses and other payables	預提費用及其他應付款項	221,723	-	-	221,723	221,723
Total	合計	2,434,413	1,000,945	37,139	3,472,497	3,405,733

		31 December 2013 二零一三年十二月三十一日				
		Contractual undiscounted cash outflow 合約非貼現現金流量總額				
		Within 1 year or on demand 一年內 或即期 RMB'000 人民幣千元	More than 1 year but less than 2 years 一年以上 但兩年以下 RMB'000 人民幣千元	More than 2 years but less than 5 years 兩年以上 但五年以下 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
Bank loans	銀行貸款	839,923	50,077	800,491	1,690,491	1,622,124
Trade and bills payables	應付賬款及票據	713,540	-	-	713,540	713,540
Accrued expenses and other payables	預提費用及其他應付款項	692,898	-	-	692,898	692,898
Total	合計	2,246,361	50,077	800,491	3,096,929	3,028,562

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) LIQUIDITY RISK (Continued)

The Company

		31 December 2014 二零一四年十二月三十一日				
		Contractual undiscounted cash outflow 合約非貼現現金流量總額				
		Within 1 year or on demand 一年內 或即期 RMB'000 人民幣千元	More than 1 year but less than 2 years 一年以上 但兩年以下 RMB'000 人民幣千元	More than 2 years but less than 5 years 兩年以上 但五年以下 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
Bank loans	銀行貸款	1,223,880	1,000,945	37,139	2,261,964	2,196,242
Trade and bills payables	應付賬款及票據	978,027	-	-	978,027	978,027
Accrued expenses and other payables	預提費用及其他應付款項	222,013	-	-	222,013	222,013
Total	合計	2,423,920	1,000,945	37,139	3,462,004	3,396,282

		31 December 2013 二零一三年十二月三十一日				
		Contractual undiscounted cash outflow 合約非貼現現金流量總額				
		Within 1 year or on demand 一年內 或即期 RMB'000 人民幣千元	More than 1 year but less than 2 years 一年以上 但兩年以下 RMB'000 人民幣千元	More than 2 years but less than 5 years 兩年以上 但五年以下 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Carrying amount 賬面金額 RMB'000 人民幣千元
Bank loans	銀行貸款	826,734	50,077	800,491	1,677,302	1,608,992
Trade and bills payables	應付賬款及票據	726,672	-	-	726,672	726,672
Accrued expenses and other payables	預提費用及其他應付款項	692,897	-	-	692,897	692,897
Total	合計	2,246,303	50,077	800,491	3,096,871	3,028,561

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) INTEREST RATE RISK

The Group's interest rate risk arises primarily from bank loans. Bank loans issued at variable rates expose the Group to cash flow interest rate risk.

The Group regularly reviews and monitors the mix of fixed and variable rate bank loans in order to manage its interest rate risks.

The following table details the interest rate profile of the Group's and the Company's bank loans at the end of the reporting period.

The Group

		2014 二零一四年		2013 二零一三年	
		Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元	Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元
Fixed rate bank loans	固定利率銀行貸款	1.95%-2.65%	293,690	1.67%-1.74%	81,644
Floating rate bank loans	浮動利率銀行貸款	1.54%-4.43%	2,190,417	1.64%-3.29%	1,540,480
			2,484,107		1,622,124

The Company

		2014 二零一四年		2013 二零一三年	
		Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元	Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元
Fixed rate bank loans	固定利率銀行貸款	2.00%-2.65%	140,374	1.67%-1.74%	81,644
Floating rate bank loans	浮動利率銀行貸款	1.54%-4.43%	2,055,868	1.64%-3.29%	1,527,348
			2,196,242		1,608,992

34 財務風險管理及金融工具的公允價值 (續)

(c) 利率風險

本集團的利率風險主要來自於銀行貸款。浮動利率銀行貸款使本集團暴露於現金流利率風險。

為了管理本集團的利率風險，本集團定期審查並監控固定利率及浮動利率貸款的組合。

下表詳列本集團及本公司於報告期末銀行貸款的利率概況。

本集團

		2014 二零一四年		2013 二零一三年	
		Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元	Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元
Fixed rate bank loans	固定利率銀行貸款	1.95%-2.65%	293,690	1.67%-1.74%	81,644
Floating rate bank loans	浮動利率銀行貸款	1.54%-4.43%	2,190,417	1.64%-3.29%	1,540,480
			2,484,107		1,622,124

本公司

		2014 二零一四年		2013 二零一三年	
		Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元	Effective interest rate 有效利率 %	Carrying amount 賬面金額 RMB'000 人民幣千元
Fixed rate bank loans	固定利率銀行貸款	2.00%-2.65%	140,374	1.67%-1.74%	81,644
Floating rate bank loans	浮動利率銀行貸款	1.54%-4.43%	2,055,868	1.64%-3.29%	1,527,348
			2,196,242		1,608,992

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) INTEREST RATE RISK (Continued)

At the end of the reporting period, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have (decreased)/increased the Group's profit after tax and retained earnings as follows:

		The Group 本集團		The Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
100 basis points increase	增加100個基點	(18,484)	(13,094)	(17,475)	(12,982)
100 basis points decrease	減少100個基點	18,484	13,094	17,475	12,982

Other components of consolidated equity would not be affected by the change in interest rates.

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained earnings) and other components of consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period. The impact is estimated as an annualised impact on interest expense of such a change in interest rates. The sensitivity analysis is performed on the same basis for 2013.

(d) CURRENCY RISK

The Group is exposed to currency risk primarily through sales, purchases and borrowings which give rise to receivables, payables and bank loans that are denominated in foreign currency, i.e. a currency other than the functional currency of the operations in which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("USD"), Euros ("EUR") and Hong Kong dollars ("HKD").

34 財務風險管理及金融工具的公允價值(續)

(c) 利率風險(續)

於報告期末，假設所有其他變量保持不變，而利率整體上調／下調100個基點，則估計本集團的稅後利潤及保留盈利將分別(減少)／增加：

合併權益的其他組成部分不會受到利率變動的影響。

上述敏感度分析顯示假設於報告期末利率發生變動本集團的除稅後利潤(及保留盈利)及合併權益的其他組成部分的變化情況。該影響為對利息開支因利率改變而導致的年度化影響的估計。二零一三年敏感度分析按相同基準進行。

(d) 貨幣風險

本集團承受的貨幣風險主要來源於銷售、採購以及貸款產生的以外幣(即與經營所在地交易相關的與功能貨幣幣種不同的其他貨幣)計價的應收賬款、應付賬款及銀行貸款。與該風險相關的幣種主要包括美元、歐元及港幣。

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) CURRENCY RISK (Continued)

(i) Recognised assets and liabilities

The Group did not hedge its foreign currency exposure.

RMB is not a freely convertible currency and the PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future. Changes in the foreign exchange control system may prevent the Group from satisfying sufficient foreign currency demands and the Group may not be able to pay dividends in foreign currencies to its shareholders.

(ii) Exposure to currency risk

The following table details the Group's and the Company's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity in which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the end of the reporting period.

The Group's exposures to foreign currencies (expressed in RMB'000)

34 財務風險管理及金融工具的公允價值 (續)

(d) 貨幣風險 (續)

(i) 確認的資產與負債

本集團未就外幣風險進行對沖。

人民幣並非自由兌換貨幣，中國政府可自行安排未來對來往賬戶交易採用外幣的限制。關於外匯控制政策的變化，可能妨礙本集團滿足對外幣的需求，從而導致本集團可能無法向股東以外幣支付股利。

(ii) 貨幣風險敞口

下表詳列本集團及本公司於報告期末有關以功能貨幣以外的貨幣計價之資產或負債所產生的貨幣風險敞口。就呈列目的而言，風險敞口之金額以人民幣列示，並以報告期末即時匯率換算。

本集團的外幣敞口 (以人民幣千元列賬)

		2014 二零一四年			
		USD 美元	EUR 歐元	HKD 港幣	Others 其他
Trade and bills receivables	應收賬款及票據	66,228	-	-	-
Cash and cash equivalents	現金及現金等價物	40,655	30,390	376,863	-
Bank loans	銀行貸款	(2,178,431)	(305,676)	-	-
Trade and bills payables	應付賬款及票據	(81,676)	(134,669)	-	(181)
Net exposure	淨敞口	(2,153,224)	(409,955)	376,863	(181)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) CURRENCY RISK (Continued)

(ii) Exposure to currency risk (Continued)

The Group's exposures to foreign currencies (expressed in RMB'000) (Continued)

		2013 二零一三年			
		USD 美元	EUR 歐元	HKD 港幣	Others 其他
Trade and bills receivables	應收賬款及票據	50,259	-	-	-
Cash and cash equivalents	現金及現金等價物	26,933	104	-	-
Bank loans	銀行貸款	(1,540,480)	(81,644)	-	-
Trade and bills payables	應付賬款及票據	(87,610)	(76,881)	-	(185)
Net exposure	淨敞口	(1,550,898)	(158,421)	-	(185)

The Company's exposures to foreign currencies (expressed in RMB'000)

本集團的外幣敞口(以人民幣千元列賬)(續)

		2014 二零一四年			
		USD 美元	EUR 歐元	HKD 港幣	Others 其他
Trade and bills receivables	應收賬款及票據	66,228	-	-	-
Cash and cash equivalents	現金及現金等價物	28,266	8,732	376,804	-
Bank loans	銀行貸款	(2,055,868)	(140,374)	-	-
Trade and bills payables	應付賬款及票據	(217,550)	(276,999)	-	(181)
Net exposure	淨敞口	(2,178,924)	(408,641)	376,804	(181)

		2013 二零一三年			
		USD 美元	EUR 歐元	HKD 港幣	Others 其他
Trade and bills receivables	應收賬款及票據	50,259	-	-	-
Cash and cash equivalents	現金及現金等價物	25,749	104	-	-
Bank loans	銀行貸款	(1,527,348)	(81,644)	-	-
Trade and bills payables	應付賬款及票據	(100,741)	(76,881)	-	(185)
Net exposure	淨敞口	(1,552,081)	(158,421)	-	(185)

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34 財務風險管理及金融工具的公允價值 (續)

(d) CURRENCY RISK (Continued)

(iii) Sensitivity analysis

The followings are the foreign currency exchange rates applied:

		Average rate 平均匯率		Reporting date spot rate 報告日現匯匯率	
		2014 二零一四年	2013 二零一三年	2014 二零一四年	2013 二零一三年
USD	美元	6.1453	6.1896	6.1190	6.0969
EUR	歐元	8.1255	8.2396	7.4556	8.4189
HKD	港幣	0.7923	0.7979	0.7889	0.7862

A 5% strengthening of RMB against the following currencies as at the respective reporting period end dates would have increased the Group's profit after tax and retained earnings by the amounts shown below. Other components of equity would not be affected by the strengthening of RMB against foreign currencies.

(d) 貨幣風險 (續)

(iii) 敏感度分析

下表呈列有關使用的外幣匯率：

於各報告期末人民幣對各貨幣增值5%會使稅後利潤及保留盈利增加的金額呈列如下。權益的其他組成部分不會受到人民幣相對於外幣增值的影響。

		The Group 本集團		The Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
USD	美元	90,961	65,913	92,604	65,963
EUR	歐元	16,053	6,733	17,367	6,733
HKD	港幣	(16,016)	-	(16,014)	-
Others	其他	8	8	8	8
		91,006	72,654	93,965	72,704

A 5% weakening of RMB against the above currencies as at the respective reporting period end dates would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

於各報告期末人民幣相對於上述貨幣5%的貶值，假設所有其他變量保持不變，則對上述貨幣產生金額相同但方向相反的影響，影響金額如上表呈列。

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) CURRENCY RISK (Continued)

(iii) Sensitivity analysis (Continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency.

The 5% change represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting period end date. The analysis is performed on the same basis for 2013.

(e) FAIR VALUES

(i) Financial instruments carried at fair value

The following table presents the fair value of the Group's financial instruments measured at the respective reporting period end dates on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

34 財務風險管理及金融工具的公允價值 (續)

(d) 貨幣風險 (續)

(iii) 敏感度分析 (續)

上述敏感性分析是假設報告期末匯率發生變動，以變動後的匯率對報告期末本集團持有的、面臨外匯風險的金融工具進行重新計量得出的。上述分析不包括由境外業務的外幣報表折算至本集團列報貨幣的折算差額。

5%變動代表管理層於此期間至下一年度報告期末日對外匯匯率可能變化的合理評估。二零一三年敏感度分析按相同基準進行。

(e) 公允價值

(i) 按公允價值列賬的金融工具

下表列示本集團於報告期末按經常基準所計量的金融工具公允價值，已按照國際財務報告準則第13號「公允價值計量」所界定的三個公允價值層級進行分類。公允價值計量進行分類的層級參照以下估值方法所採用數據的可觀察程度和重要性釐定：

- 第一層級評估：只使用第一層級數據（即相同資產或負債於計量日期在活躍市場的未經調整報價）計算公允價值。
- 第二層級評估：使用第二層級數據（即未達致第一層級的可觀察數據）及並未使用重大不可觀察數據以計算公允價值。不可觀察數據是指欠缺市場數據的數據。
- 第三層級評估：採用重大不可觀察數據計算公允價值。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

34 財務風險管理及金融工具的公允價值 (續)

(e) FAIR VALUES (Continued)

(i) Financial instruments carried at fair value (Continued)

(e) 公允價值 (續)

(i) 按公允價值列賬的金融工具 (續)

The Group		本集團	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Level 1	第一層級		
- listed available-for-sale equity securities	- 上市可供出售股本證券	55,109	32,461
Level 3	第三層級		
- available-for-sale debt securities	- 可供出售債務證券	5,840	-
		60,949	32,461
The Company		本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Level 1	第一層級		
- listed available-for-sale equity securities	- 上市可供出售股本證券	55,109	32,461
		55,109	32,461

During the years ended 31 December 2014 and 2013, there were no transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一四年及二零一三年十二月三十一日止年度，並無轉入或轉出第三層級。本集團的政策是於發生轉移的報告期末確認公允價值各層級之間的轉移。

34 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(e) FAIR VALUES (Continued)

(i) Financial instruments carried at fair value

(Continued)

The fair values of available-for-sale debt securities are determined using the discounted cash flow analysis. The significant unobservable input in the fair value measurement is the discount rate. As the maturities of the Group's available-for-sale debt securities are less than 12 months, the directors are of the opinion that the impact of discounting would be insignificant. Any increase/decrease in the discount rate at 31 December 2014 would not have significant impact on the Group's other comprehensive income. The Group did not have available-for-sale debt securities at 31 December 2013.

(ii) Fair value of financial instruments carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair value at 31 December 2014 and 2013.

35 COMMITMENTS

(a) CAPITAL COMMITMENTS OUTSTANDING AT 31 DECEMBER 2014 NOT PROVIDED FOR IN THE FINANCIAL STATEMENTS WERE AS FOLLOWS:

The Group

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Contracted for			
– property, plant and equipment	已訂約 – 物業、廠房及設備	85,884	58,104
– intangible assets	– 無形資產	–	75,000
Authorised but not contracted			
– property, plant and equipment	已授權但未訂約 – 物業、廠房及設備	274,480	229,082
– lease prepayments	– 預付租賃款項	52,200	83,770
– investment in equity securities	– 於股本證券投資	45,134	18,000
		457,698	463,956

34 財務風險管理及金融工具的公允價值 (續)

(e) 公允價值 (續)

(i) 按公允價值列賬的金融工具

(續)

可供出售債務證券的公允價值採用貼現現金流量分析法釐定。公允價值計量的重大不可觀察數據是貼現率。由於本集團的可供出售債務證券到期期限為十二個月以下，董事認為貼現影響並不重大。貼現率上升/下降對本集團截至二零一四年十二月三十一日止年度的其他綜合收益不會有重大影響。於二零一三年十二月三十一日，本集團並無可供出售債務證券。

(ii) 非以公允價值列賬的金融工具的公允價值

於二零一四年及二零一三年十二月三十一日，本集團和本公司以成本或分攤成本計量的金融工具的賬面金額與其公允價值沒有重大差異。

35 承擔

(a) 於二零一四年十二月三十一日，財務報表中未計提的資本承擔如下：

本集團

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

35 COMMITMENTS (Continued)

(a) CAPITAL COMMITMENTS OUTSTANDING AT 31 DECEMBER 2014 NOT PROVIDED FOR IN THE FINANCIAL STATEMENTS WERE AS FOLLOWS: (Continued)

The Company

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Contracted for	已訂約		
- property, plant and equipment	- 物業、廠房及設備	85,884	58,104
- investment in a subsidiary	- 於附屬公司的投資	-	225,000
Authorised but not contracted	已授權但未訂約		
- property, plant and equipment	- 物業、廠房及設備	263,375	229,082
- lease prepayments	- 預付租賃款項	52,200	83,770
- investment in a subsidiary	- 於附屬公司的投資	42,833	-
- investment in equity securities	- 於股本證券投資	45,134	18,000
		489,426	613,956

(b) AT 31 DECEMBER 2014, THE TOTAL FUTURE MINIMUM LEASE PAYMENTS UNDER NON-CANCELLABLE OPERATING LEASES ARE PAYABLE AS FOLLOWS:

The Group

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	2,526	2,126
After 1 year but within 5 years	一年後但五年內	1,152	-
		3,678	2,126

The Company

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Within 1 year	一年內	1,727	2,126
After 1 year but within 5 years	一年後但五年內	960	-
		2,687	2,126

The Group leases certain buildings through non-cancellable operating leases. These operating leases do not contain provisions for contingent lease rentals. None of the rental agreements contain escalation provisions that may require higher future rental payments.

35 承擔 (續)

(a) 於二零一四年十二月三十一日，財務報表中未計提的資本承擔如下：
(續)

本公司

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Contracted for		
- 物業、廠房及設備	85,884	58,104
- 於附屬公司的投資	-	225,000
Authorised but not contracted		
- 物業、廠房及設備	263,375	229,082
- 預付租賃款項	52,200	83,770
- 於附屬公司的投資	42,833	-
- 於股本證券投資	45,134	18,000
	489,426	613,956

(b) 於二零一四年十二月三十一日，根據不可撤銷的經營租賃租約，未來應付的最低租賃付款總額如下：

本集團

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
一年內	2,526	2,126
一年後但五年內	1,152	-
	3,678	2,126

本公司

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
一年內	1,727	2,126
一年後但五年內	960	-
	2,687	2,126

本集團通過不可撤銷經營租賃租用若干樓宇。這些經營租賃並沒有或有租賃租金的條款。租賃協議並無載有任何遞增條文，其可能會在未來要求更高的租金。

36 MATERIAL RELATED PARTY TRANSACTIONS

36 重大關聯方交易

(a) TRANSACTIONS WITH RELATED PARTIES

The Group had the following material transactions with related parties during the year ended 31 December 2014:

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Sales of goods to	出售商品予		
- China Huaxin	- 中國華信	1,450	-
- subsidiary of Yangtze Communications	- 長江通信的附屬公司	11	42,945
- subsidiaries and fellow subsidiary of Draka	- Draka的附屬及聯屬公司	62,300	41,700
- joint ventures	- 合營公司	1,534,820	1,522,097
Purchase of goods from	購買商品自		
- subsidiary of Yangtze Communications	- 長江通信的附屬公司	-	7
- subsidiaries of Draka	- Draka的附屬公司	18,788	164,548
- associate	- 聯營公司	26,330	5,144
- joint ventures	- 合營公司	1,647,548	1,564,976
Royalty fees income from	特許權使用費收益自		
- joint ventures	- 合營公司	6,300	6,300
Rental income from	租金收益自		
- subsidiary of Yangtze Communications	- 長江通信的附屬公司	-	444
- associate	- 聯營公司	432	432
- joint venture	- 合營公司	368	368
Royalty fees to	特許權使用費予		
- subsidiary of Draka	- Draka的附屬公司	25,631	24,801

Note: China Huaxin Post and Telecommunication Economy Development Center ("China Huaxin"), Wuhan Yangtze Communications Industry Group Co., Ltd. ("Yangtze Communications") and Draka Comteq B.V. ("Draka") are the Company's shareholders. As at 31 December 2014, the Company was owned as to 28.1%, 18.8% and 28.1% (2013: 37.5%, 25.0% and 37.5%) by China Huaxin, Yangtze Communications and Draka, respectively.

(a) 與關聯方的交易

截至二零一四年十二月三十一日止年度，本集團與關聯方進行的重大交易如下：

附註：中國華信郵電經濟開發中心（「中國華信」）、武漢長江通信產業集團股份有限公司（「長江通信」）和Draka Comteq B.V.（「Draka」）為本公司的股東。於二零一四年十二月三十一日，中國華信、長江通信和Draka分別持有本公司28.1%、18.8%和28.1%的股權（二零一三年：37.5%、25.0%和37.5%）。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

36 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) OUTSTANDING BALANCES WITH RELATED PARTIES

The Group's outstanding balances with related parties are as follows:

36 重大關聯方交易 (續)

(b) 與關聯方的餘額

本集團與關聯方的未償還結餘的詳情如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade and bills receivables	應收賬款及票據		
- China Huaxin	- 中國華信	764	-
- subsidiary of Yangtze Communications	- 長江通信的附屬公司	186	186
- subsidiaries and fellow subsidiary of Draka	- Draka的附屬公司和 聯屬公司	7,879	15,805
- joint ventures	- 合營公司	204,038	150,347
		212,867	166,338
Deposits, prepayments and other receivables	按金、預付及其他應收款項		
- subsidiary of Yangtze Communications	- 長江通信的附屬公司	2,517	2,617
- subsidiary of Draka	- Draka的附屬公司	3,729	2,589
- associate	- 聯營公司	-	2,400
- joint ventures	- 合營公司	39,662	53,880
		45,908	61,486
Trade and bills payables	應付賬款及票據		
- subsidiaries of Draka	- Draka的附屬公司	1,824	11,911
- associate	- 聯營公司	13,052	2,308
- joint ventures	- 合營公司	151,312	84,675
		166,188	98,894
Accrued expenses and other payables	預提費用及其他應付款項		
- China Huaxin	- 中國華信	-	187,500
- subsidiary of Yangtze Communications	- 長江通信的附屬公司	-	125,013
- subsidiaries of Draka	- Draka的附屬公司	25,652	212,352
- associate	- 聯營公司	432	432
- joint ventures	- 合營公司	5,940	21,009
		32,024	546,306
Deferred income	遞延收益		
- associate	- 聯營公司	5,184	5,616
- joint ventures	- 合營公司	20,167	26,067
		25,351	31,683

36 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(c) CONTRIBUTION TO DEFINED CONTRIBUTION RETIREMENT PLAN

The Group participates in a defined contribution retirement plan organised by the relevant local government authority. As at 31 December 2014, there was no material outstanding contribution to post-employment benefit plan. Details of the Group's defined contribution retirement plan are set out in Note 7(a).

(d) KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Company's directors.

Remuneration for key management personnel, including amounts paid to the Company's directors (including chief executive and supervisors) as disclosed in Note 9 and certain of the highest paid employees as disclosed in Note 10, is as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	17,036	15,986
	650	567
	17,686	16,553

Total remuneration is included in "staff costs" (see Note 7(a)).

36 重大關聯方交易 (續)

(c) 定額退休供款計劃的供款

本集團參加了相關政府機構組織的定額退休供款計劃。於二零一四年十二月三十一日，在退休供款計劃項下，沒有重大未支付供款。附註7(a)對定額退休供款計劃進行了詳細說明。

(d) 關鍵管理人員薪酬

關鍵管理人員指其所處職位具有權力與責任、可直接或間接地規劃、領導以及控制本集團的活動的個人，包括本公司的董事。

關鍵管理人員的薪酬(包括附註9中披露的支付給本公司董事(包括行政總裁及監事)的金額，以及附註10中披露的支付給若干最高薪酬人士的金額)如下：

	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	17,036	15,986
	650	567
	17,686	16,553

薪酬總額計入「員工成本」(參閱附註7(a))。

36 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(e) APPLICABILITY OF THE LISTING RULES RELATING TO CONNECTED TRANSACTIONS

For the year ended 31 December 2014, the following related party transactions as disclosed in Note 36(a) above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section "Connected Transactions" of the Report of the Board of the Directors.

Sales of goods to

- China Huaxin
- subsidiary of Yangtze Communications
- subsidiaries and fellow subsidiary of Draka
- YOFC Shanghai, a joint venture

Purchase of goods from

- subsidiary of Yangtze Communications
- subsidiaries of Draka
- YOFC Shanghai

Royalty fees to

- subsidiary of Draka

In addition, certain related party transactions above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. However, these transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1) of the Listing Rules.

37 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in Note 32(b).

38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2014

Up to the date of issue of these financial statements, the IASB has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2014 and which have not been adopted in these financial statements.

36 重大關聯方交易 (續)

(e) 關於關連交易上市條例的適用性

截至二零一四年十二月三十一日止年度，下列在附註36(a)中披露的關聯方交易同時也構成根據上市條例第14A章定義的持續性關連交易。按照上市條例第14A章規定的披露信息列示於董事會報告中的「關連交易」章節中。

出售商品予

- 中國華信
- 長江通信的附屬公司
- Draka的附屬及聯屬公司
- 長飛上海，一家合營公司

購買商品自

- 長江通信的附屬公司
- Draka的附屬公司
- 長飛上海

特許權使用費予

- Draka的附屬公司

除此之外，若干上述關聯交易亦構成上市條例第14A章定義的持續性關連交易。但根據上市條例第14A.76(1)條的規定，該等交易屬符合最低豁免水平的交易，獲豁免遵守上市條例第14A章的披露規定。

37 期後非調整事項

於報告期末後，董事提議分配末期股利。詳情載於附註32(b)。

38 已頒佈但於截至二零一四年十二月三十一日止年度尚未生效的修訂、新準則和詮釋可能帶來的影響

於本財務報表出具日，國際會計準則理事會已頒佈若干修訂和新準則，該等修訂和新準則於截至二零一四年十二月三十一日止年度尚未生效，於編製本財務報表時並未獲採用。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務資料附註 (續)

38 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

38 已頒佈但於截至二零一四年十二月三十一日止年度尚未生效的修訂、新準則和詮釋可能帶來的影響 (續)

	Effective for accounting periods beginning on or after		由以下時間 或之後開始的 會計期間生效
Amendments to IAS 19, <i>Employee benefits: Defined benefit plans: Employee contributions</i>	1 July 2014	國際會計準則第19號「僱員福利：定額福利計畫：雇員供款」的修訂	二零一四年七月一日
IFRS 14, <i>Regulatory deferral accounts</i>	1 January 2016	國際財務報告準則第14號「監管遞延賬目」	二零一六年一月一日
Amendments to IFRS 11, <i>Accounting for acquisitions of interests in joint operations</i>	1 January 2016	國際財務報告準則第11號「收購共同營運權益安排的會計處理」的修訂	二零一六年一月一日
Amendments to IAS 16 and IAS 38, <i>Clarification of acceptable methods of depreciation and amortisation</i>	1 January 2016	國際會計準則第16號和國際會計準則第38號「可接受之折舊及攤銷方法之澄清」的修訂	二零一六年一月一日
Amendments to IAS 16 and IAS 41, <i>Agriculture: Bearer plants</i>	1 January 2016	國際會計準則第16號和國際會計準則第41號「農業：生產性植物」的修訂	二零一六年一月一日
Amendments to IAS 27, <i>Equity method in separate financial statements</i>	1 January 2016	國際會計準則第27號「於獨立財務報表採用權益法核算」的修訂	二零一六年一月一日
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i>	1 January 2016	國際財務報告準則第10號及國際會計準則第28號「投資者與其聯營公司或合營公司之間的資產出售或投入」的修訂	二零一六年一月一日
Amendments to IFRS 10, IFRS 12 and IAS 28, <i>Investment Entities: Applying the consolidation exception</i>	1 January 2016	國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號「投資主體：採用合併之例外情況」的修訂	二零一六年一月一日
Amendments to IAS 1, <i>Disclosure initiative</i>	1 January 2016	國際會計準則第1號「披露倡議」的修訂	二零一六年一月一日
IFRS 15, <i>Revenue from contracts with customers</i>	1 January 2017	國際財務報告準則第15號「來自合約客戶的收入」	二零一七年一月一日
IFRS 9, <i>Financial Instruments</i>	1 January 2018	國際財務報告準則第9號「金融工具」	二零一八年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

本集團正在評估以上修訂及新訂準則於首次採用時對財務報表的影響。至目前為止，採用這些修訂及新訂準則被認為不太可能會對本集團的營運表現和財務狀況產生重大影響。

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Wen Huiguo (*Chairman*)
Mr. Frank Franciscus Dorjee

NON-EXECUTIVE DIRECTORS

Mr. Ma Jie
Mr. Sun Jiming
Mr. Philippe Claude Vanhille
Mr. Yeung Kwok Ki Anthony
Mr. Xiong Xiangfeng
Ms. Zheng Huili

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ngai Wai Fung
Mr. Ip Sik On Simon
Mr. Li Ping
Mr. Li Zhuo

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Ngai Wai Fung (*Chairman*)
Mr. Ip Sik On Simon
Mr. Li Zhuo

NOMINATION AND REMUNERATION COMMITTEE

Mr. Ngai Wai Fung (*Chairman*)
Mr. Ip Sik On Simon
Mr. Frank Franciscus Dorjee

STRATEGY COMMITTEE

Mr. Wen Huiguo (*Chairman*)
Mr. Ngai Wai Fung (*Replaced by Mr. Li Zhuo since 27 March 2015*)
Mr. Li Ping

BOARD OF SUPERVISORS

Mr. Jiang Zhikang (*Chairman, employee representative supervisor*)
Mr. Yao Jingming
Ms. Yu Jiaxuan

REGISTERED NAME OF THE COMPANY IN CHINESE

長飛光纖光纜股份有限公司

NAME OF THE COMPANY IN ENGLISH

Yangtze Optical Fibre and Cable Joint Stock Limited Company

董事會

執行董事

文會國先生(*董事長*)
范•德意先生

非執行董事

馬杰先生
孫姬明先生
菲利普•范希爾先生
楊國琦先生
熊向峰先生
鄭慧麗女士

獨立非執行董事

魏偉峰先生
葉錫安先生
李平先生
李卓先生

董事委員會

審計委員會

魏偉峰先生(*主席*)
葉錫安先生
李卓先生

提名及薪酬委員會

魏偉峰先生(*主席*)
葉錫安先生
范•德意先生

戰略委員會

文會國先生(*主席*)
魏偉峰先生(*自二零一五年三月二十七日起，由李卓先生取代*)
李平先生

監事會

江志康先生
(*主席、職工代表監事*)
姚井明先生
虞嘉萱女士

公司中文註冊名稱

長飛光纖光纜股份有限公司

公司英文名稱

Yangtze Optical Fibre and Cable Joint Stock Limited Company

CORPORATE INFORMATION (Continued)

公司資料 (續)

LEGAL REPRESENTATIVE OF THE COMPANY

Mr. Wen Huiguo

AUTHORISED REPRESENTATIVES

Mr. Wen Huiguo
Ms. Cheng Pik Yuk

SECRETARY OF THE BOARD

Mr. Han Qingrong

COMPANY SECRETARY

Ms. Cheng Pik Yuk

INTERNATIONAL AUDITORS

KPMG

LEGAL ADVISORS TO THE COMPANY

Simpson Thacher & Bartlett (*as to Hong Kong law*)
Commerce & Finance Law Offices (*as to PRC law*)

COMPLIANCE ADVISOR

Messis Capital Limited

REGISTERED OFFICE

No.9 Guanggu Avenue,
East Lake High-tech Development Zone, Wuhan, Hubei Province
430073, the PRC

PRINCIPAL PLACE OF BUSINESS IN THE PRC

No.9 Guanggu Avenue,
East Lake High-tech Development Zone, Wuhan, Hubei Province
430073, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

H SHARE REGISTRAR

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

公司法定代表人

文會國先生

授權代表

文會國先生
鄭碧玉女士

董事會秘書

韓慶榮先生

公司秘書

鄭碧玉女士

國際核數師

畢馬威會計師事務所

公司法律顧問

盛信律師事務所(香港法律)
通商律師事務所(中國法律)

合規顧問

大有融資有限公司

註冊辦事處

中國湖北省武漢市
東湖高新技術開發區光谷大道9號
郵編430073

中國總部

中國湖北省武漢市東湖高新技術開發區
光谷大道9號
郵編430073

香港主要營業地點

香港
皇后大道東183號
合和中心54樓

H股股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

CORPORATE INFORMATION (Continued)

公司資料 (續)

LISTING LOCATION

The Stock Exchange of Hong Kong Limited

STOCK CODE

06869

CONTACT INFORMATION

INVESTOR RELATIONSHIP DEPARTMENT

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Fax: +8627 6878 9089
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Wuhan, Hubei Province, 430073,
the PRC
Email: ir@yofc.com

WEBSITE

www.yofc.com

上市地點

香港聯合交易所有限公司

股份代碼

06869

聯繫方式

投資者關係部

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東湖高新技術開發區
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DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

釋義及技術詞彙

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below:

於本報告中，除文義另有所指外，以下詞彙具有下列載涵義：

“AOC” 「有源光纜」	active optical cables 有源光纜
“Board” 「董事會」	the board of directors of the Company 本公司董事會
“Board of Supervisors” 「監事會」	the board of supervisors of the Company 本公司監事會
“CG Code” 「企業管治守則」	the Corporate Governance Code as set out in Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules 上市規則附錄十四內企業管治守則及企業管治報告列載之企業管治守則
“China Huaxin” 「中國華信」	China Huaxin Post and Telecommunication Economy Development Center, an entity incorporated in the PRC, one of the substantial shareholders of the Company 中國華信郵電經濟開發中心，於中國註冊成立的企業，為本公司主要股東之一
“Company” 「本公司」	Yangtze Optical Fibre and Cable Joint Stock Limited Company*, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange 長飛光纖光纜股份有限公司，於中國註冊成立的股份有限公司，其H股於聯交所主板上市
“Director(s)” 「董事」	director(s) of the Company 本公司董事
“Draka” 「Draka」	Draka Comteq B.V., a company incorporated in the Netherlands, one of the substantial shareholders of the Company Draka Comteq B.V.，於荷蘭註冊成立的公司，為本公司主要股東之一
“Everpro” 「長芯盛」	EverPro Technologies Company Limited, a company established in the PRC and one of the subsidiaries of the Company 長芯盛(武漢)科技有限公司，一間於中國成立之公司，為本公司附屬公司之一
“fkm” 「芯公里」	fibre kilometers, which represent kilometers of optical fibres. For optical fibre preforms, means the kilometers of optical fibres that can be drawn from optical fibre preforms. For optical fibre cables, means the kilometers of optical fibres contained in optical fibre cables 光纖長度單位芯公里。就光纖預製棒而言，指光纖預製棒可拉出光纖的長度單位。就光纜而言，指光纜所含光纖的長度單位
“FTTH” 「光纖到戶」	fibre-to-the-home 光纖到戶

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS (Continued)

釋義及技術詞彙 (續)

“Global Offering” 「全球發售」	the issue of H shares of the Company by way of Hong Kong public offering and international offering in 2014 本公司於二零一四年以香港公開發售及國際發售方式發行H股
“Group”, “the Group”, “us” or “we” 「本集團」或「我們」	the Company and its subsidiaries (i.e. the entities listed as subsidiaries of the Company in Note 18 to the audited consolidated financial statements in this annual report) 本公司及其附屬公司(即本年報經審核合併財務報表附註18列為本公司附屬公司之實體)
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Listing Date” 「上市日期」	10 December 2014 二零一四年十二月十日
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司證券上市規則
“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄十所載之上市發行人董事進行證券交易之標準守則
“OVD” 「OVD」	outside vapor deposition 外部化學氣相沉積
“PCVD” 「PCVD」	plasma activated chemical vapor deposition 等離子體化學氣相沉積
“PRC” 「中國」	the People’s Republic of China, and for the purpose of this annual report, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，但就本年報而言，不包括香港、澳門及台灣
“Prospectus” 「招股章程」	the prospectus of the Company dated 26 November 2014 in connection with the Global Offering 本公司日期為二零一四年十一月二十六日之招股章程，內容關於全球發售
“Relevant Period” 「有關期間」	the period from the Listing Date to 31 December 2014 上市日期至二零一四年十二月三十一日止期間
“RIC” 「RIC」	rod-in-cylinder 大套管真空拉絲
“RMB” 「人民幣」	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
“SFO” or “Securities and Futures Ordinance” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例，經不時修訂或補充

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS (Continued)

釋義及技術詞彙 (續)

“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Supervisor(s)” 「監事」	supervisor(s) of the Company 本公司監事
“VAD” 「VAD」	vapor axial deposition 軸向氣相沉積
“Yangtze Communications” 「長江通信」	Wuhan Yangtze Communications Industry Group Co., Ltd, a company incorporated in PRC, one of the substantial shareholders of the Company 武漢長江通信產業集團股份有限公司，一間於中國註冊成立的公司，為本公司主要股東之一
“YOFC” 「長飛」	Yangtze Optical Fibre and Cable Company Ltd, a company incorporated in the PRC as a sino-foreign equity joint venture, the predecessor of the Company 長飛光纖光纜有限公司，於中國註冊成立的中外合資合營企業，為本公司的前身
“YOFC Shanghai” 「長飛上海」	Yangtze Optical Fibre and Cable (Shanghai) Co., Ltd., a company established in the PRC and one of the joint venture of the Company. It is owned as to 75% by the Company and 25% by Draka 長飛光纖光纜(上海)有限公司，一間於中國成立的公司，為本公司合營公司之一。由本公司及Draka分別擁有75%及25%



YOFCC 长飞

Delivering Signals Smartly