

北京大成（福州）律师事务所

之

法律意见书



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关于亚洲时尚控股有限公司的全资子公司福建乾丰纺织科技有限公
司与福州福乐鞋材等八家客户及普华报告意见的审核程序之合法性

之

法律意见书

致：亚洲时尚控股有限公司

第一部分：简要说明

本所于2014年6月9日受贵公司委托，指派本所林彬律师等作为本案专项律师，就贵公司2012年度与八家客户的客诉扣款事件等相关事宜，参与关于贵公司与8家客户的产品出现严重品质异常并导致客诉赔偿事项的合理性、存在性等进行调查、取证、分析工作。本所律师根据贵公司提供的《审计确认意见书》、《品质投诉书》、《客诉单》、《客诉处理表》、《购销合同》、《采购单》、《法律意见书》等，分别与贵公司程建华厂长，业务主管郑勇经理和品管主管张茂良经理以及贵司业务部其他几位业务员等一同前往8家客户进行拜访、取证、调查等工作；。八家直接与间接客户具体为：

1. 直接客户福清中良兴业鞋材有限公司（以下简称“福清中良”）该客户自2004年即已开始同福建乾丰纺织科技有限公司存在业务关系；及第三方加工商晋江金恩鞋业有限公司（以下简称“晋江金恩”）；
2. 直接客户晋江旭日纺织有限公司（以下简称“晋江旭日”）该客户自2006年即已开始同福建乾丰纺织科技有限公司存在业务关系；及间接客户莆田市佳盛鞋业有限公司（以下简称“莆田佳盛”）；
3. 直接客户福州福乐鞋材有限公司（以下简称“福州福乐”）该客户自2005年即已开始同福建乾丰纺织科技有限公司存在业务关系；及间接客户莆田市力奴鞋业有限公司（以下简称“莆田力奴”）；

4. 直接客户福建省莆田市祥龙鞋服织造有限公司（以下简称“莆田祥龙”）该客户自 2008 年即已开始同福建乾丰纺织科技有限公司存在业务关系；及第三方加工商晋江华为鞋业有限公司（以下简称“晋江华为”）；
5. 直接客户海宁涵辰纺织品有限公司（以下简称“海宁涵辰”）该客户自 2005 年即已开始同福建乾丰纺织科技有限公司存在业务关系；及间接客户东莞市永茂鞋业有限公司（以下简称“东莞永茂”）；
6. 直接客户东莞市敬丰化纤科技有限公司（以下简称“东莞敬丰”）该客户自 2008 年即已开始同福建乾丰纺织科技有限公司存在业务关系；及间接客户衡阳鸿伟鞋业有限公司（以下简称“衡阳鸿伟”）；
7. 东莞市源展纺织有限公司（以下简称“东莞源展”）该客户自 2004 年即已开始同福建乾丰纺织科技有限公司存在业务关系；及间接客户中山通佳鞋业有限公司（以下简称“中山通佳”）；
8. 直接客户东莞市佳瑞鞋材有限公司（以下简称“东莞佳瑞”）该客户自 2008 年即已开始同福建乾丰纺织科技有限公司存在业务关系；及第三方加工商惠州创盛鞋业有限公司（以下简称“惠州创盛”）；

第二部分：工作过程

一、福清中良及晋江金恩

2014年6月10日上午10点，本所林彬律师与贵公司的业务主管郑勇先生、品管主管张茂良先生会见了福清中良副总经理夏君先生，针对布料品质问题与夏君先生的交谈中我们了解到：福清中良在2012年5月-7月从福建乾丰共采购了11,058.40公斤的布料，福清中良购买了福建乾丰布料产品后，经过贴合加工后卖给了国内知名运动鞋品牌厂商李宁体育用品有限公司（以下简称“李宁体育”），李宁体育将经过福清中良贴合加工过的材料（以下简称“该材料”）交由李宁体育指定的贴牌制鞋工厂晋江金恩，晋江金恩将该材料用于生产运动鞋，共生产了6款共计645,090双运动鞋，在晋江金恩将这些运动鞋交付给李宁体育前，李宁体育的检验员发现由于从福清中良采购的材料色牢固度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，李宁体育于2012年9月4日向福清中良提出投诉并要求赔偿由此造成的损失共计人民币102,704,602元。

当日下午大约1点30分，福清中良公司夏君先生与我们一起去晋江金恩，晋江金恩的经理陈佩辉先生及李宁体育公司代表杨玲女士会见了我们，带我们参观了工厂的制鞋生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们了解到：运动鞋的构成，一只运动鞋大致由鞋头、鞋面（前面、侧面）大底、中底、后跟、里衬、鞋垫、鞋舌及各种配饰件组成；运动鞋的主要制作工艺流程分为：原料裁断（冲裁）、鞋帮缝制（针车）、帮底成型、成品包装、成品入库，辅助工艺主要有高频（热压高频、印刷高频、热切高频）、射出与滴塑、印花、电脑绣花等；运动鞋的材料成本主要包括：大底（RB、MD、TPR等）、鞋面料（皮、合成皮、牛反绒皮、太空革、PU革、超纤、三明治网布等）、中底、里料、鞋垫、鞋带等。

在福清中良、晋江金恩，我们查阅了与索赔事项直接相关的：“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”、“成本结构分析表”，“原材料领用单”，“产品配料表”、“成品入库单”等相关单据。计算出每双鞋子的成本单价从105元—196元之间，（其中材料成本每双大约115元，计件人工费用每双约25元，其他费用及管理成本每双约20元），每双鞋平均成本单价在159.2元；确认了贵司布料产品由于色牢固度不达标而导致色移污染到鞋子表面的严重情况，判定这些异常鞋子确实无法上市到市场上正常销售。根据以上各项数据的确认，本次事件结果导致李宁品牌商及中良公司共损失金额合计人民币102,704,602元。

二、晋江旭日及莆田佳盛

2014年6月10日下午大约3点20分，我们到了晋江旭日，晋江旭日公司副总经理程旭华先生会见了我们，针对双方客诉问题与程旭华先生沟通交谈中我们了解到：晋江旭日在2012年7月-9月初从福建乾丰共采购了3,959.80公斤的布料，晋江旭日购买了福建乾丰布料产品后，经过贴合加工后卖给了莆田佳盛（莆田佳盛为国内知名运动鞋品牌厂商安踏体育的指定加工厂商），而后莆田佳盛将经过晋江旭日贴合加工过的材料用于生产运动鞋，共生产了4款共计308,400双安踏品牌运动鞋，莆田佳盛在把运动鞋交付给安踏体育前检验时发现由于从晋江旭日采购的材料色牢固度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，莆田佳盛于2012年10月16日向晋江旭日提出投诉并要求赔偿由此造成的损失共计人民币54,666,360元。

随后程旭华先生带我们去了莆田佳盛，下午5点5分我们到了莆田佳盛，莆田佳盛的厂长陈正义先生会见了我们，带我们参观了工厂的生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们再次了解到运动鞋的构成、主要制作工艺流程、材料成本构成等，与在晋江金恩了解到的基本一致。并根据“成本分析表”计算出每双鞋子的成本单价从162元-188元之间，（其中材料成本每双大约130元，计件人工费用每双约30元，其他费用及管理成本每双约20元），每双鞋平均成本单价在177.25元；确认了贵司布料产品由于色牢固度不达标而导致色移污染到鞋子表面的严重情况，判定这些异常鞋子确实无法上市到市场上正常销售。在莆田佳盛公司，我们共同查看了这些质量不合格的成品运动鞋共308,400双的相关单据；估算本次异常事件导致损失金额计人民币54,666,360元，并得到了大家的共同确认。

在晋江旭日、莆田佳盛，我们查阅了与索赔事项直接相关的：“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”、“成本结构分析表”，“原材料领用单”，“产品配料表”、“成品入库单”等相关单据。

三、福州福乐及莆田力奴

2014年6月11日上午9点10分，本所林彬律师与贵司业务部主管郑勇先生、业务员魏义榕先生及品管部主管张茂良先生一起到了福州福乐，福州福乐公司总监陈建富先生会见了我们，与陈建富先生的交谈中我们了解到：福州福乐在2012年7月-8月从福建乾丰共采购了7,650.50公斤的布料，福州福乐购买了福建乾

丰布料产品后，经过贴合加工后卖给了莆田力奴（莆田力奴为国内知名运动鞋品牌厂商、加工厂商），而后莆田力奴将经过福州福乐贴合加工过的材料用于生产运动鞋，共生产了6款共计340,605双力奴品牌运动鞋，莆田力奴在产品上架销售前检验时发现由于从福州福乐采购的材料色牢固度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，莆田力奴于2012年9月27日向福州福乐提出投诉并要求赔偿由此造成的损失共计人民币54,943,227元。

随后陈建富先生带我们去了莆田力奴，上午11点30分我们到了莆田力奴，莆田力奴公司的苏琼女士会见了我们，带我们参观了工厂的生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们再次了解到运动鞋的构成、主要制作工艺、材料成本构成等，与在晋江金恩、莆田佳盛了解到的基本一致。

在福州福乐、莆田力奴，我们查阅了与索赔事项直接相关的：“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”、“成本结构分析表”，“原材料领用单”，“产品配料表”、“成品入库单”等相关单据。根据这些单据，计算出每双鞋子的成本单价从93元—196元之间，（其中材料成本每双大约120元，计件人工费用每双约22元，其他费用及管理成本每双约20元），每双鞋平均成本单价在161.3元；确认了贵司布料产品由于色牢固度不达标而导致色移污染到鞋子表面的严重情况导致损失金额计人民币54,943,227元。

四、莆田祥龙及晋江华为

我们离开了莆田力奴去了莆田祥龙，2014年6月11日下午2点10分，我们到了莆田祥龙，莆田祥龙公司副总经理陈荣先生会见了我们，与陈荣先生的交谈中我们了解到：莆田祥龙在2012年7月-8月从福建乾丰共采购了3,900.10公斤的布料，莆田祥龙购买了福建乾丰布料产品后，经过贴合加工后卖给了国内知名运动鞋品牌厂商安踏（中国）有限公司（以下简称“安踏中国”），而后安踏中国将经过莆田祥龙贴合加工过的材料（以下简称“该材料”）交由安踏中国指定的贴牌制鞋工厂晋江华为，晋江华为将该材料用于生产运动鞋，共生产了2款共计334,544双安踏品牌运动鞋，在晋江华为将这些运动鞋交付给安踏前检验时，安踏中国的检验人员发现由于从莆田祥龙采购的材料色牢固度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，安踏中国于2012年10月17日向莆田祥龙提出投诉并要求赔偿由此造成的损失共计人民币50,214,920元。

当日下午大约4点整，莆田祥龙公司陈荣先生与我们一起去晋江华为，安踏

中国的代表李伟东先生同晋江华为的厂长丁先生会见了我们，带我们参观了工厂的生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们再次了解到运动鞋的构成、主要制作工艺、材料成本构成等，与在晋江金恩、莆田佳盛、莆田力奴了解到的基本一致。在晋江金恩公司，我们共同查看这些质量不合格的成品运动鞋共334,544双的相关资料单据并得到了确认。

在莆田祥龙、晋江华为，我们查阅了与索赔事项直接相关的：“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”，“成本结构分析表”，“原材料领用单”，“产品配料表”、“成品入库单”等单据。根据这些单据，计算出每双鞋子成本单价分别在87-185元之间，（其中材料成本每双大约115元，计件人工费用每双约20元，管理成本每双约15元），我们根据这些成本数据计算出每双鞋子成本均价在150.1元，成本结构主要含：（皮革面料、辅料、中底、里料、鞋大底、鞋垫、五金配件、鞋带、印刷、商标、胶水、包装费用、其他材料、人工费用等），确认查验了这些异常布料因色牢固度问题导致色移在鞋子上污染的严重情况，并共同确认这些异常鞋子数量，本次事件导致损失金额为人民币50,214,920元。

五、海宁涵辰及东莞永茂

2014年6月12日上午9点整，本所林彬律师与贵公司业务部主管郑勇先生、业务员魏义榕先生一起开车前往浙江海宁涵辰公司，当日下午大约3点30分我们到达目的地，海宁涵辰公司副总经理陈飞先生会见了我们，与陈飞先生的交谈中我们了解到：海宁涵辰在2012年7月-8月从福建乾丰共采购了5,119.20公斤的布料，海宁涵辰购买了福建乾丰布料产品后，经过贴合加工后卖给了东莞永茂（东莞永茂为国内知名运动鞋贴牌加工厂商），而后东莞永茂将经过海宁涵辰贴合加工过的材料用于生产运动鞋，共生产了3款共计195,021双高登达品牌运动鞋，东莞永茂在把运动鞋交付给高登达体育前，检验人员发现由于从海宁涵辰采购的材料色牢固度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，东莞永茂于2012年9月18日向海宁涵辰提出投诉并要求赔偿由此造成的损失共计人民币29,437,890元。

应我们要求，当日晚上6点30分，涵辰公司陈飞先生与我们一起从浙江杭州飞往广州。2014年6月13日大约上午8点30分，我们到了东莞永茂，东莞永茂公司经理程国强先生会见了我们，带我们参观了工厂的生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们再次了解到运动鞋的构成、主要制作工艺、材料成本构成等，与之前了解到的基本一致。我们根据永茂

公司提供的“生产记录表”、“裁片记录表”，“成本结构分析表”，“原材料领料单”，“成品入库单”，“异常检验报告”，“生产部计件申请表”等相关数据，了解到永茂公司接到高登达品牌三款式鞋子共计20万双订单，根据永茂公司的贴合布料入库单据，确定了涵辰公司向贵司采购了布料5119.2公斤经过贴合加工后全部交售给永茂公司的数据是相符合的。根据以上生产流程数据确认了永茂公司经过工序生产了三款共计195,021双鞋子的数量。根据“成本结构分析表”确认每双鞋成本单价在89-200元之间，（其中材料成本每双大约111元，计件人工费用每双约25元，管理成本每双约15元，）每双鞋子平均成本为150.95元。成本结构主要含：（皮革面料、辅料、中底、里料、鞋大底、鞋垫、五金配件、鞋带、印刷、商标、胶水、包装费用、其他材料、人工费用等），我们证实确认了由于贵司这些布料的色牢固度不达标导致色移污染在鞋子表面的严重情况。本所律师推算本次异常事件造成的鞋子损失为人民币29,437,890元。

六、东莞敬丰及衡阳鸿伟

2014年6月13日下午1点30分，本所林彬律师与贵公司业务主管郑勇先生及业务员林凡一起去了东莞市敬丰，东莞敬丰公司经理张铮先生会见了我们，与张铮先生的交谈中我们了解到：东莞敬丰在2012年5月-8月从福建乾丰共采购了10,405.60公斤的布料，东莞敬丰购买了福建乾丰布料产品后，经过贴合加工后卖给了衡阳鸿伟（衡阳鸿伟为国内知名运动鞋贴牌加工厂商），而后衡阳鸿伟将经过东莞敬丰贴合加工过的材料用于生产运动鞋，共生产了7款共计459,107双三六一度品牌运动鞋，衡阳鸿伟在把运动鞋交付给三六一体育前，检验人员发现由于从东莞敬丰采购的材料色牢固度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，衡阳鸿伟于2012年9月20日向东莞敬丰提出投诉并要求赔偿由此造成的损失共计人民币52,609,909元（衡阳鸿伟给东莞敬丰的品质投诉书的索赔金额为52,610,729元，提供的明细金额为52,609,909元，差额为820元，以52,609,909元为准）。

2014年6月14日一早贵公司业务主管郑勇先生及东莞敬丰公司经理张铮先生一起去了衡阳鸿伟，当日下午大约3点30分我们到了衡阳鸿伟，衡阳鸿伟公司副总经理陈力强先生会见了我们，带我们参观了工厂的生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们再次了解到运动鞋的构成、主要制作工艺流程、材料成本构成等，与之前了解到的基本一致。在衡阳鸿伟，我们共同查看这些质量不合格的成品运动鞋共459,107双的相关数据，并得到了大家的共同确认。

在东莞敬丰、衡阳鸿伟，我们查阅了与索赔事项直接相关的：“购销合同”、

“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”、“成本结构分析表”、“原材料领用单”、“产品配料表”、“成品入库单”等业务单据。根据这些单据，确认了每双鞋子成本单价在89元-161元之间，（其中材料成本每双大约84.6元，计件人工费用每双约15元，管理成本每双约15元），平均成本单价在114.6元。

七、东莞源展及中山通佳

2014年6月16日上午8点半，本所林彬律师与贵公司业务主管郑勇先生、业务员林凡一起去了东莞源展，东莞源展公司业务经理魏连先生会见了我们，与魏连先生的交谈中我们了解到：东莞源展在2012年5月-7月从福建乾丰共采购了12,139.50公斤的布料，东莞源展购买了福建乾丰布料产品后，经过贴合加工后卖给了中山通佳（中山通佳为国内知名运动鞋贴牌加工厂商），我们看了东莞源展销售给中山通佳的相关单据，而后中山通佳将经过东莞源展贴合加工过的材料用于生产运动鞋，共生产了6款共计960,864双鸿星尔克品牌运动鞋，中山通佳在把运动鞋交付给鸿星尔克体育前，检验人员发现由于从东莞源展采购的材料色牢度不达标而导致色移污染到鞋面而造成生产出的运动鞋质量不合格，中山通佳于2012年9月24日向东莞源展提出投诉并要求赔偿由此造成的损失共计人民币146,531,154元。

当日下午约3点整我们与东莞源展公司魏连先生一起到了中山通佳，中山通佳公司经理林文主先生会见了我们，带我们参观了工厂的生产流水线及制作流程，向我们介绍运动鞋的各个生产环节及质量控制要求。我们再次了解到运动鞋的构成、主要制作工艺流程、材料成本构成等，与之前了解到的基本一致。在东莞源展、中山通佳，我们查阅了与索赔事项直接相关的：“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”、“成本结构分析表”、“原材料领用单”、“产品配料表”、“成品入库单”等业务单据。我们计算出12139.5公斤布料共生产了960,864双鞋子得以确认，每双鞋子成本单价在105元-189元之间，（其中材料成本每双大约110元，计件人工费用每双约25元，管理成本每双约18元），平均成本在152.5元。成本结构主要含：（皮料、面料、辅料、中底、里料、鞋大底、鞋垫、五金配件、鞋带、印刷、商标、胶水、包装费用、其他材料、人工费用等）。我们也确认查看了由于我司这些布料的色牢度不达标导致色移污染在鞋子表面的严重情况，我们共同在通佳公司查询了这些异常鞋子成品数量约为960,864双的相关数据，推算出本次异常鞋子共损失金额

146, 531, 154元人民币是相符的。并得到了大家的共同确认。

八、东莞佳瑞及惠州创盛

2014年6月17日上午9点整，本所林彬律师与贵公司业务主管郑勇先生、业务员林凡一起到了东莞佳瑞，特步体育公司代表张雄先生也到了东莞佳瑞，东莞佳瑞公司副总经理林进凡先生会见了我们，与他们的交谈中我们了解到：东莞佳瑞在2012年5月-7月从福建乾丰共采购了7,192.40公斤的布料，东莞佳瑞接到了国内知名运动鞋品牌厂商特步（中国）有限公司（以下简称“特步中国”）的产品贴牌加工订单，东莞佳瑞购买了福建乾丰布料产品后，经过贴合加工后交由惠州创盛（国内知名运动鞋贴牌加工厂商）进行贴牌加工生产特步品牌运动鞋，而后惠州创盛将该材料用于生产运动鞋，共生产了5款共计199,245双运动鞋，惠州创盛将这些运动鞋生产完毕后交付给东莞佳瑞，随后在东莞佳瑞将这些运动鞋交付给特步中国，特步中国收到这些运动鞋后，检验人员发现运动鞋产品的材料色牢固度不达标而导致色移污染到鞋面而造成质量不合格，特步体育将这些不合格运动鞋产品退回了东莞佳瑞，并于2012年9月28日向东莞佳瑞提出投诉并要求赔偿由此造成的损失共计25,925,080元人民币。

当日下午大约1点30分，惠州创盛的副总经理黄伟先生带来相关单据，向我们介绍生产这些异常运动鞋的各个生产环节等，在东莞佳瑞我们查阅了特步体育和东莞佳瑞及惠州创盛三方与索赔事项直接相关的：“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”、“生产记录表”、“裁片记录表”、“原材料领用单”、“生产部计件数量统计表”、“生产记录表”、“裁片记录表”，“成本结构分析表”，“原材料领用单”，“产品配料表”、“成品入库单”等业务单据。根据这些单据，计算出每双鞋子成本大致在96元-195元之间，（其中材料成本每双大约96元，计件人工费用每双约20元，其他费用及管理成本每双约15元），我们根据这些成本数据每双鞋子成本均价130.12元，随后在东莞佳瑞公司，我们共同查看这些质量不合格的成品运动鞋共199,245双的相关数据，并得到大家的共同确认。

至此本所律师与公司相关人员前往8家直接客户及5家间接客户、3家第三方加工商进行拜访、取证、调查等工作已结束。

第三部分：调查求证

本所林彬律师与贵公司程建华厂长于6月16日分别到了福州市及泉州市的“李宁专卖店”、“特步专卖店”、“安踏专卖店”、“鸿星尔克专卖店”、“高

登达专卖店”、“361度专卖店”、“力奴专卖店”等,对类似上述客户进行索赔的这些款品牌运动鞋在市场上的销售单价做了调查,这些款运动鞋在市场上的零售价一般在每双400元~600元之间。每双鞋子取平均值500元计,我们根据市场行情分析,经销商通常都是4折结算拿货,品牌商给经销商的价格均价在200元/双鞋,制鞋厂给品牌商的价位每双鞋平均单价在150元左右,品牌商的毛利率约还有30%以上,这个价格空间在这个行业里属于比较合理的。我们再次去泉州一家第三方制鞋工厂,参观了整个运动鞋制造工序流程,深入了解制造过程中的每一个细节。运动鞋的构成,我们从各种原材料领用开始到各种面料按工艺指示单排版、一只运动鞋大致由鞋头、鞋面(前面、侧面)大底、中底、后跟、里衬、鞋垫、鞋舌及各种配饰件组成;运动鞋的主要制作工艺流程分为:从各种原材料领用开始、到各种面料按工艺指示单排版、原料裁断(冲裁)、鞋帮缝制(针车)、辅助工艺主要有高频(热压高频、印刷高频、热切高频)、射出与滴塑、印花、电脑绣花等、帮底成型、降温冷却、成品包装、缴库等,整个制造工序大约不少于50道。运动鞋的材料成本主要包括:大底(RB、MD、TPR等)、鞋面料(皮、合成皮、牛反绒皮、太空革、PU革、超纤、三明治网布等)、中底、里料、鞋垫、鞋带等,整个制造工序大约不少于50道,每双运动鞋的大底成本约15-35元;鞋面料主要有皮、合成皮、牛反绒皮、太空革、PU革、超纤、三明治网布等,每双运动鞋的鞋面成本大约40-90元;按目前的劳动力成本,每双运动鞋的人工成本约15-30元;每双运动鞋其它材料成本约20-40元;每双运动鞋其它费用约10-20元;按这样计算每双运动鞋的制造成本约100-215元。若采用质量好的大底或价格相对昂贵的双色大底及鞋面料采用真皮或牛反绒皮,这样每双运动鞋的制造成本要在200元以上。据此,我们认为贵公司的八家直接客户和间接客户及制造厂等向贵公司所提的客诉成本价平均价格按每双大约150元计,是公正的、合理的。

本所律师同时了解到,自贵公司2012年度与八家客户的客诉扣款事件发生以来,公司从几个方面提高了公司的内部管理流程,以期杜绝类似事件的发生。其中包括:

1. 全面整改了公司的品质管理系统。增加了二十几项内部品管测试和留样。
2. 全面修改了公司于客户的销售合同,明确确认了销售中产品品质检验的相关责任。
3. 公司聘请了新加坡的深资审计师对公司的内控体系进行了审查并提出整改建议。

另外,在客诉事件发生以后,下列相关责任人已被要求离职:

责任人	所在部门	职务	离职日期	离职原因
董梅	品管部	部门主管	2012年10月	未能及时发现产品质量不合格
王成容	品管部	部门主管	2012年10月	未能及时发现产品质量不合格
林平	销售部	销售经理	2013年4月	销售不合格产品并未及时反馈产品质量问题
林燕飞	销售部	销售经理	2013年3月	销售不合格产品并未及时反馈产品质量问题
张大才	生产部	染色科主管	2012年10月	生产不合格产品
陈秀芳	财务部	经理	2013年6月	未完全遵守财务制度

鉴于公司由于此次因产品质量造成的巨额赔付，贵公司前任行政总裁兼执行董事林道钦先生已于公司2014年年度股东大会后辞去了公司行政总裁和执行董事的职务。

第四部分：工作结论

综上所述，本所律师认为：

1) 根据我们现场拜访、查看及查阅的“购销合同”、“订购单”、“成品交运单”、“签收单”、“入库单”等业务单据，确定了这8家直接客户及其间接客户运动鞋品牌厂商和贴牌加工制造商，向贵公司采购的鞋材布料的事实是确定的，购买鞋材布料总数量为61,425.50公斤是准确的。

2) 根据我们现场拜访、查看及查阅的“生产记录表”、“裁片记录表”、“原材料领用单”、“产成品入库单”、“生产部计件数量统计表”等业务单据，本所律师确定了上述鞋材布料使得这8家直接客户及间接客户运动鞋品牌厂商和贴牌加工制造商确实共生产了3,442,876双鞋子是正确的。

3) 根据我们现场拜访、查看及查阅的“生产记录表”、“裁片记录表”，“成本结构分析表”，“原材料领用单”，“产品配料表”、“生产部计件数量统计表”等业务单据，了解到运动鞋的成本主要包括皮革、面料、辅料、中底、里料、大底、鞋垫、五金配件、鞋带、印刷、商标、胶水、包装费用、其他材料、人工费用、

制造费用等,本所律师对查阅到的39款运动鞋的成本核算进行过审核,认为上述共计39款3,442,876双成品运动鞋的成本计算是合理的。

4)根据贵公司的布料检测报告和现场查看到这些质量不合格成品运动鞋表面因布料产品色牢固度达不到要求导致所有鞋子被判定不合格,无法正常上市销售的事实,导致这8家直接客户及其间接品牌商、贴牌加工商客户所造成的损失共计人民币517,033,142元;本所律师认为这8家直接客户及其间接品牌商、贴牌加工商客户向本公司索赔的金额为合理的成本价;而经过贵公司管理层与这8家直接客户及其间接品牌商、贴牌加工商客户的努力谈判沟通,参照贵公司与这8家直接客户及其间接品牌商、贴牌加工商客户的《协议书》、《协议书修订》、《确认书》等,这8家直接客户及其间接品牌商、贴牌加工商客户都理性的给予贵公司的索赔金额给予减免共计人民币为55,533,142元,减免后的索赔总金额为共计人民币461,500,000元,最终这8家直接客户及其间接品牌商、贴牌加工商客户还再次给予本公司减免共计人民币36,920,000元的索赔金额,本所律师认为这8家直接客户及其间接品牌商、贴牌加工商客户初期也只是要求贵公司按质量不合格的成品运动鞋的成本价格赔偿其损失,最终在索赔金额上还给予两次减免,本所律师认为此赔偿要求是合理的;且贵公司于2013年9月份已用货币资金(包括银行、现金)支付赔偿金300,000,000元,截至2014年1月底用货物抵赔偿款共计人民币38,079,048元,截止到2014年1月31日贵公司应付赔偿金余额为86,500,951元。这8家直接客户及其间接品牌商、贴牌加工商客户给予贵公司的两次索赔金额减免,此种做法是因为他们还希望能和贵公司保持长期的合作关系,是非常理性的。因此,建议贵公司尽可能按照已通过协商的赔偿协议来执行。

5)本所律师了解并确认本次客诉中的8家直接客户,5家间接客户和3家第三方加工商与贵公司前任和现任董事,管理层主管,以及公司主要股东无任何直接与间接利益关系。

6)本所律师在本项专案中观察了解到,目前尚无任何证据证明在此次客诉过程中有任何故意欺诈的行为。事件中的主要相关责任人都已被公司辞退。且相关产品生产,品管,销售流程已得到有效地调整和实施。公司重复出现类似赔偿的风险非常底。

第五部分: 针对公司“关于赔偿部分”问题的答复

(一)对于问题1:“在调查,检视相关文件后评估:根据中国法律,此次公司面对的客诉赔偿的要求是否合法?”的答复:

福建乾丰与索赔客户之间系货物买卖关系，其达成的合同系货物买卖合同，该等合同及其履行主要受到《中华人民共和国民法通则》（以下简称“《民法通则》”）及《中华人民共和国合同法》（以下简称“《合同法》”）的规范和调整。为方便理解，将主要有关规定摘录如下：

1. 《民法通则》有如下主要规定：

第 106 条：“公民、法人违反合同或者不履行其他义务的，应当承担民事责任。”

第 111 条：“当事人一方不履行合同义务或者履行合同义务不符合约定条件的，另一方有权要求履行或者采取补救措施，并有权要求赔偿损失。”

第 112 条：“当事人一方违反合同的赔偿责任，应当相当于另一方因此所受到的损失。当事人可以在合同中约定，一方违反合同时，向另一方支付一定数额的违约金；也可以在合同中约定对于违反合同而产生的损失赔偿额的计算方法。”

第 122 条：“因产品质量不合格造成他人财产、人身损害的，产品制造者、销售者应当依法承担民事责任。运输者、仓储者对此负有责任的，产品制造者、销售者有权要求赔偿损失。”

2. 《合同法》有如下主要规定：

第 107 条：“当事人一方不履行合同义务或者履行合同义务不符合约定的，应当承担继续履行、采取补救措施或者赔偿损失等违约责任。”

第 111 条：“质量不符合约定的，应当按照当事人的约定承担违约责任。对违约责任没有约定或者约定不明确，依照本法第六十一条的规定仍不能确定的，受损害方根据标的的性质以及损失的大小，可以合理选择要求对方承担修理、更换、重作、退货、减少价款或者报酬等违约责任。”

第 112 条：“当事人一方不履行合同义务或者履行合同义务不符合约定的，在履行义务或者采取补救措施后，对方还有其他损失的，应当赔偿损失。”

第 113 条：“当事人一方不履行合同义务或者履行合同义务不符合约定，给对方造成损失的，损失赔偿额应当相当于因违约所造成的损失，包括合同履行后

可以获得的利益，但不得超过违反合同一方订立合同时预见到或者应当预见到的因违反合同可能造成的损失。”

第 114 条：“当事人可以约定一方违约时应当根据违约情况向对方支付一定数额的违约金，也可以约定因违约产生的损失赔偿额的计算方法。”

第 153 条：“出卖人应当按照约定的质量要求交付标的物。出卖人提供有关标的物的质量说明的，交付的标的物应当符合该说明的质量要求。”

3. 福建乾丰与索赔客户之间的赔偿符合有关法律规定

根据审阅上述福建乾丰与索赔客户之间的《购销合同》及《订购单》，可以得到如下判断：

(1) 福建乾丰与索赔客户之间已明确约定，福建乾丰产品质量需达到色牢度 4 级标准；

(2) 福建乾丰与索赔客户之间已明约定，因福建乾丰产品色牢度问题引起的半成品、产成品出现品质问题，所造成的任何损失均由福建乾丰承担。

根据审阅上述福建乾丰提供的《客诉投诉书》、《客诉处理表》、福建鑫玉融律师事务所出具的《关于福建乾丰纺织科技有限公司 2012 年客诉扣款事件的审计确认意见书特别说明》、福建乾丰出具的《关于福建乾丰纺织科技有限公司 2012 年客诉扣款事件的特别说明》及福建乾丰与索赔客户之间就赔偿事宜达成的《确认协议》，可以得到如下判断：

(1) 福建乾丰向索赔客户供应货物未能达到合同约定的质量要求；

(2) 福建乾丰与索赔客户之间已就赔偿方式作出明确约定及对赔偿金额进行了详细计算。

基于上述，本所律师认为：福建乾丰与索赔客户已对供货质量、违约责任和赔偿方式作出明确约定，该等约定符合《民法通则》和《合同法》等有关法律法规的规定；福建乾丰与索赔客户已对赔偿金额计算方式进行了较为详细的计算，并就赔偿事宜达成《确认协议》，该《确认协议》的约定符合《民法通则》和《合

同法》等有关法律法规的规定；未发现福建乾丰与索赔客户之间的就产品质量问题达成的有关赔偿约定存在违反中国有关法律法规之情形。

（二）对于问题 2：“赔偿的数额是否公平和有道理”的答复：

基于上述问题 1 的答复，未发现福建乾丰与索赔客户之间的就产品质量问题达成的有关赔偿约定存在违反中国有关法律法规之情形，福建乾丰与索赔客户之间达成的赔偿约定系双方在自愿基础上达成的约定，本所律师没有合理的理由怀疑该等赔偿约定并非双方当事人真实意思表示，亦无合理的理由怀疑该等赔偿数额的公平合理性。

（三）对于问题 3：“如果上述 1 和 2 的答案是负面的，仲裁结果是否可以上诉，公司有没有可能追索途径。”的答复：

1. 《中华人民共和国仲裁法》（以下简称“《仲裁法》”）有如下规定：

第 9 条：“仲裁实行一裁终局的制度。裁决作出后，当事人就同一纠纷再申请仲裁或者向人民法院起诉的，仲裁委员会或者人民法院不予受理。”

第 58 条：“当事人提出证据证明裁决有下列情形之一的，可以向仲裁委员会所在地的中级人民法院申请撤销裁决：（一）没有仲裁协议的；（二）裁决的事项不属于仲裁协议的范围或者仲裁委员会无权仲裁的；（三）仲裁庭的组成或者仲裁的程序违反法定程序的；（四）裁决所根据的证据是伪造的；（五）对方当事人隐瞒了足以影响公正裁决的证据的；（六）仲裁员在仲裁该案时有索贿受贿，徇私舞弊，枉法裁决行为的。人民法院经组成合议庭审查核实裁决有前款规定情形之一的，应当裁定撤销。人民法院认定该裁决违背社会公共利益的，应当裁定撤销。”

第 59 条 当事人申请撤销裁决的，应当自收到裁决书之日起六个月内提出。

2. 仲裁裁决是终局裁决

根据以上《仲裁法》的规定，无论上述对问题 1 和 2 的答复是正面或负面的，仲裁实行一裁终局的制度，因此，仲裁裁决不存在上诉的可能，仲裁裁决一旦作

出当事人即有法律依据依法申请强制执行，除非仲裁当事人有证据证明裁决有仲裁法第 58 条所述情形之一，则可以向法院申请撤销仲裁裁决，并在审理撤销仲裁案件的过程中申请暂时中止执行。

根据中国民事诉讼法“谁主张谁举证”的原则，如果当事人拟申请撤销仲裁裁决，该等当事人必须向法院提供仲裁裁决存在《仲裁法》第 58 条之情形的充分证据。根据福建乾丰的说明，福建乾丰并未掌握可能撤销仲裁裁决的证据，因此其无法向法院提出撤销仲裁裁决之诉。

（四）对于问题 4：“公司董事是否违法中国法律上的义务？公司有什么后续方案可以做？”的答复：

1. 《中华人民共和国公司法》（以下简称“《公司法》”）对董事、监事、高级管理人员的义务作出如下规定：

第 147 条：“董事、监事、高级管理人员应当遵守法律、行政法规和公司章程，对公司负有忠实义务和勤勉义务。董事、监事、高级管理人员不得利用职权收受贿赂或者其他非法收入，不得侵占公司的财产。”

第 148 条：“董事、高级管理人员不得有下列行为：（一）挪用公司资金；（二）将公司资金以其个人名义或者以其他个人名义开立账户存储；（三）违反公司章程的规定，未经股东会、股东大会或者董事会同意，将公司资金借贷给他人或者以公司财产为他人提供担保；（四）违反公司章程的规定或者未经股东会、股东大会同意，与本公司订立合同或者进行交易；（五）未经股东会或者股东大会同意，利用职务便利为自己或者他人谋取属于公司的商业机会，自营或者为他人经营与所任职公司同类的业务；（六）接受他人与公司交易的佣金归为己有；（七）擅自披露公司秘密；（八）违反对公司忠实义务的其他行为。董事、高级管理人员违反前款规定所得的收入应当归公司所有。”

第 149 条：“董事、监事、高级管理人员执行公司职务时违反法律、行政法规或者公司章程的规定，给公司造成损失的，应当承担赔偿责任。”

第 150 条：“股东会或者股东大会要求董事、监事、高级管理人员列席会议的，董事、监事、高级管理人员应当列席并接受股东的质询。董事、高级管理人

员应当如实向监事会或者不设监事会的有限责任公司的监事提供有关情况和资料，不得妨碍监事会或者监事行使职权。”

第 151 条：“董事、高级管理人员有本法第一百五十条规定的情形的，有限责任公司的股东、股份有限公司连续一百八十日以上单独或者合计持有公司百分之一以上股份的股东，可以书面请求监事会或者不设监事会的有限责任公司的监事向人民法院提起诉讼；监事有本法第一百五十条规定的情形的，前述股东可以书面请求董事会或者不设董事会的有限责任公司的执行董事向人民法院提起诉讼。监事会、不设监事会的有限责任公司的监事，或者董事会、执行董事收到前款规定的股东书面请求后拒绝提起诉讼，或者自收到请求之日起三十日内未提起诉讼，或者情况紧急、不立即提起诉讼将会使公司利益受到难以弥补的损害的，前款规定的股东有权为了公司的利益以自己的名义直接向人民法院提起诉讼。”

第 152 条：“董事、高级管理人员违反法律、行政法规或者公司章程的规定，损害股东利益的，股东可以向人民法院提起诉讼。”

2. 没有证据表明福建乾丰董事存在违反中国法律规定之义务的情形：

根据福建乾丰董事的说明，公司下级业务员未及时就索赔客户提出的索赔事件向上级管理层报告，直到 2013 年 5 月公司董事才获知该等情形，之前公司产品质量一直处于稳定状态，公司董事亦没有其他合理渠道获知或引起对产品质量可能出现问题的注意。本所律师并未获得任何证据证明福建乾丰董事存在上述《公司法》第 148 条所述情形。

就此，本所律师认为，截止本法律意见书出具之日，未发现福建乾丰董事存在违反《公司法》所述董事义务之情形；如果福建乾丰董事存在违反《公司法》董事义务之情形，公司股东或监事均有权依据《公司法》有关规定向董事提出索赔之诉。

第六部分： 针对公司“关于普华的报告”的答复

(一) 对于问题 1：“审核报告中是否有潜在的影响、违反中国法律的地方。”

1. 《中华人民共和国商业银行法》（以下简称“《商业银行法》”）有如下规定：

第 30 条：“对单位存款，商业银行有权拒绝任何单位或者个人查询，但法律、行政法规另有规定的除外；有权拒绝任何单位或者个人冻结、扣划，但法律另有规定的除外。”

根据上述《商业银行法的规定》，除非中国法律或行政法规的特别授权，商业银行有权拒绝任何单位或个人对福建乾丰存款的查询。据本所律师的了解，普华并不是中国法律或行政法规特别授权机构，因此，报告中所述拒绝普华查询福建乾丰账户的有关银行并未违反中国有关法律。

特此致书！

北京大成（福州）律师事务所

经办律师：林彬



二〇一四年七月五日

Legal Opinion

Of

Beijing Dacheng (Fuzhou) Law Office



Beijing Dacheng (Fuzhou) Law Office

Beijing Dacheng (Fuzhou) Law Office**Legal Opinion****Concerning****The legality of audit procedure for report comments from Fujian Qianfeng Textile Technology Co., Ltd, a wholly owned subsidiary of Asia Fashion Holdings Co.,Ltd., and Fuzhou Fule Shoe Material Co., Ltd and other eight customers and Puhua**

To: Asia Fashion Holdings Co., Ltd.

Part I Overview

Our Office, as designated by your company on June 9th, 2014, assigned Mr. Lin Bin and other lawyers of our Office as specific lawyers to be involved in the investigation, evidence collection and analysis for the reasonability, existence, etc. of serious quality abnormality and customers compensation complaint matter resulted thereof occurred in the products from your company and eight customers with regard to the customers withholding complaint event arisen in your company and eight customers in the year of 2012. Our lawyers, according to *Audit Confirmation Opinion, Letter of Quality Complaint, Customer Complaint Sheet, Customer Complaints Dealing Sheet, Purchase and Sales Contract, Purchase Order, Legal Opinion*, etc. provided by your company, respectively, headed to eight customers for visiting, evidence collection, investigation and other activities along with Mr. Cheng Jianhua, the Director, Mr. Zheng Yong, the Business Executive, and Mr. Zhang Maoliang, the Director of Quality Control Department, and other several business personnel of your company. Such eight direct and indirect customers, in particular, are:

- 1) Fuqing Zhongoliang Xingye Shoe Material Co., Ltd (hereinafter referred to as "Fuqing Zhongoliang"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Jinjiang Jin'en Shoes Industrial Co., Ltd (hereinafter referred to as "Jinjiang Jin'en"), a third party, the Processor, since 2004;
- 2) Jinjiang Xuri Textile Co., Ltd (hereinafter referred to as "Jinjiang Xuri"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Putian Jiasheng Shoes Industrial Co., Ltd (hereinafter referred to as "Putian Jiasheng"), the indirect customer, since 2006;

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- 3) Fuzhou Fule Shoe Material Co., Ltd (hereinafter referred to as "Fuzhou Fule"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Putian RINO Shoes Industrial Co., Ltd (hereinafter referred to as "Putian RINO"), the indirect customer, since 2005;
 - 4) Fujian Putian Xianglong Shoe & Cloth Textile Co., Ltd (hereinafter referred to as "Putian Xianglong"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Jinjiang UNN Shoes Industrial Co., Ltd (hereinafter referred to as "Jinjiang UNN"), a third party, the Processor, since 2008;
 - 5) Haining Hanchen Textile Co., Ltd (hereinafter referred to as "Haining Hanchen"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Dongguan Yongmao Shoes Industrial Co., Ltd (hereinafter referred to as "Dongguan Yongmao"), the indirect customer, since 2005;
 - 6) Dongguan Jingfeng Chemical Fiber Technology Co., Ltd (hereinafter referred to as "Dongguan Jingfeng"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Hengyang Hongwei Shoes Industrial Co., Ltd (hereinafter referred to as "Hengyang Hongwei"), the indirect customer, since 2008;
 - 7) Dongguan Yuanzhan Textile Co., Ltd (hereinafter referred to as "Dongguan Yuanzhan"). Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Zhongshan Tongjia Shoes Industrial Co., Ltd (hereinafter referred to as "Zhongshan Tongjia"), the indirect customer, since 2004;
 - 8) Dongguan Jiarui Shoe Material Co., Ltd (hereinafter referred to as "Dongguan Jiarui"), the direct customer. Such customer has been maintained a business relationship with Fujian Qianfeng Textile Technology Co., Ltd, and Huizhou Chuangsheng Shoes Industrial Co., Ltd (hereinafter referred to as "Huizhou Chuangsheng"), a third party, the Processor, since 2008;

Part II Working Process

1. Fuqing Zhongliang and Jinjiang Jin'en

At 10:00 a.m. on June 10th, 2014, Mr. Lin Bin, the lawyer of our Office, along with Mr. Zheng Yong, the Business Executive, and Mr. Zhang Maoliang, the Director of Quality Control Department of your company, met with Mr. Xia Jun, deputy GM of Fuqing Zhongliang. In the communication with Mr. Xia Jun in respect to the quality issue of fabric, we learned: Fuqing Zhongliang has purchased fabrics totaling 11,058.40 kg from Fujian Qianfeng from May to July 2012, afterwards, Fuqing Zhongliang sold the laminating-processed fabrics to Li Ning Sports Goods Co., Ltd (hereinafter referred to as "Li Ning Sports"), a domestic famous sports shoes branding manufacturer, who sent the laminating-processed materials (hereinafter referred to as "such material") by Fuqing Zhongliang to Jinjiang Jin'en, a designated OEM by Li Ning Sports, for the use of manufacturing of sports shoes, with a production totaling six styles totaling 645,090 pairs of sports shoes. Prior to Jinjiang Jin'en delivered these sports shoes to Li Ning Sports, inspector of Li Ning Sports found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Fuqing Zhongliang, whereby Li Ning Sports made a complaint and claim for the loss arisen thereby in a total of RMB 102,704,602 yuan against Fuqing Zhongliang on Sep 4th, 2012.

At around 1:30 p.m. on that day, Mr. Xia Jun from Fuqing Zhongliang went in company with us to Jinjiang Jin'en where we met with Mr. Chen Peihui, a manager of Jinjiang Jin'en, and Miss Yang Ling, a representative of Li Ning sports, who directed us to the production lines and the production processes of shoemaking in the factory, and introduced us each production chain and quality control requirement of sports shoe. We learned: The composition of a sports shoe: a sports shoe substantially consists of toe cap, vamp (front, side), outsole, midsole, heel, lining, insole, tongue and other various accessories and decorations; The main production processes of a sports shoe is divided into: material cutting (punching), upper sewing (sitching), upper bottom forming, end-product packaging, end-product storage; Auxiliary processes mainly include high frequency (hot-pressing high frequency, printing high frequency, hot-cutting high frequency), ejection and rubber patch, textile printing, computer embroidery, etc.; Material costs of a sports shoe mainly include: outsole (RB, MD, TPR, etc.), vamp material (leather, synthetic leather, cow suede leather, space leather, PU leather, microfiber, air mesh, etc.), midsole, lining, insole, shoelace, etc.

In Fuqing Zhongliang and Jinjiang Jin'en, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other related documents, based on which, it is calculated that the unit cost per pair of shoes is between 105 yuan and 196 yuan (including, the material cost is about 115 yuan per pair, piecework labor cost is about 25 yuan per pair, other costs and management costs are about 20 yuan per pair), the average unit cost turns out to be 159.2 yuan per pair; it is confirmed that due to the non-compliance of color fastness of the fabric products of your company, which results in a serious situation that the color migration polluted the shoe surface, and these anomalous shoes are determined unavailable to come into the market for the normal sales. According to the confirmation

of each above data, this incident resulted in Li Ning brand and Zhongliang company bear a loss in a total amount of RMB 102,704,602 yuan.

2. Jinjiang Xuri and Putian Jiasheng

At around 3:20 p.m. on June 10th, 2014, we presented in Jinjiang Xuri where we met with Mr. Chen Xuhua, deputy GM of Jinjiang Xuri. In the communication with Mr. Chen Xuhua in respect to the customer complaints issue of both parties, we learned: Jinjiang Xuri has purchased fabrics totaling 3,959.80 kg from Fujian Qianfeng from July to the beginning of September 2012, afterwards, Jinjiang Xuri sold the laminating-processed fabrics to Putian Jiasheng (Putian Jiasheng is subject to a designated processor of ANTA Sports, a domestic famous sports shoes manufacturer), who subsequently used the laminating-processed materials by Jinjiang Xuri to in the manufacturing of sports shoes, with a production totaling four styles totaling 308,400 pairs of ANTA brand of sports shoe. During the inspection prior to deliver these sports shoes to ANTA Sports, Putian Jiasheng found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Fuqing Zhongliang, whereby Putian Jiasheng made a complaint and claim for the loss arisen thereby in a total of RMB 54,666,360 yuan against Jinjiang Xuri on Oct 16th, 2012.

Later on, Mr. Chen Xuhua led us to Putian Jiasheng where we met with Mr. Chen Zhengyi, the Factory Director, upon the arrival at 5:05 p.m., who directed us to the production lines and the production processes of the factory, and introduced us each production chain and quality control requirement of sports shoe. Once again we learned the composition, main production processes and material costs structure, etc. of a sports shoe, which are basically the same with that we learned from Jinjiang Jin'en, and it is calculated on basis of *Costs Analysis Sheet* that the unit cost per pair of shoes is between 162 yuan and 188 yuan (including, the material cost is about 130 yuan per pair, piecework labor cost is about 30 yuan per pair, other costs and management costs are about 20 yuan per pair), the average unit cost turns out to be 177.25 yuan per pair; it is confirmed that due to the non-compliance of color fastness of the fabric products of your company, which results in a serious situation that the color migration polluted the shoe surface, and these anomalous shoes are determined unavailable to come into the market for the normal sales. In Putian Jiasheng, we mutually reviewed the related documents for these disqualified finished sports shoes totaling 308,400 pairs; it is estimated that this incident resulted in a loss amount totaling RMB 54,666,360 yuan, which obtained a mutual confirmation.

In Jinjiang Xuri and Putian Jiasheng, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other related documents.

3. Fuzhou Fule and Putian RINO

At 9:10 a.m. on June 11th, 2014, Mr. Lin Bin, the lawyer of our Office, along with Mr. Zheng Yong, the Business Executive, Mr. Wei Yirong, the business personnel, and Mr. Zhang Maoliang, the Director of Quality Control Department of your company, headed for Fuzhou Fule where we met with Mr. Chen Jianfu, the director. In the communication

with Mr. Chen Jianfu, we learned: Fuzhou Fule has purchased fabrics totaling 7,650.50 kg from Fujian Qianfeng from July to August 2012, afterwards, Fuzhou Fule sold the laminating-processed fabrics to Putian RINO (Putian RINO is subject to a domestic famous sports shoes branding manufacturer and processing manufacturer), who subsequently used the laminating-processed materials by Fuzhou Fule in the manufacturing of sports shoes, with a production totaling six styles totaling 340,605 pairs of RINO-branded sports shoe. During the inspection prior to allow these products on sale, Putian RINO found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Fuzhou Fule, whereby Putian RINO made a complaint and claim for the loss arisen thereby in a total of RMB 54,943,227 yuan against Fuzhou Fule on Sep 27th, 2012.

Later on, Mr. Chen Jianfu led us to Putian RINO where we met with Ms. Su Qiong, upon the arrival at 11:30 a.m., who directed us to the production lines and the production processes of the factory, and introduced us each production chain and quality control requirement of sports shoe. Once again we learned the composition, main production processes and material costs structure, etc. of a sports shoe, which are basically the same with that we learned from Jinjiang Jin'en and Putian Jiasheng.

In Fuzhou Fule and Putian RINO, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other related documents, based on which, it is calculated that the unit cost per pair of shoes is between 93 yuan and 196 yuan (including, the material cost is about 120 yuan per pair, piecework labor cost is about 22 yuan per pair, other costs and management costs are about 20 yuan per pair), the average unit cost turns out to be 161.3 yuan per pair; it is confirmed that due to the non-compliance of color fastness of the fabric products of your company, which results in a serious situation that the color migration polluted the shoe surface, which resulted in a loss amount totaling RMB 54,943,227 yuan.

4. Putian Xianglong and Jinjiang UNN

We left Putian RINO for Putian Xianglong where we met with Mr. Chen Rong, the deputy GM of Putian Xianglong, upon the arrival at 2:10 p.m. on June 11th, 2014. In the communication with Mr. Chen Rong, we learned: Putian Xianglong has purchased fabrics totaling 3,900.10 kg from Fujian Qianfeng from July to August 2012, afterwards, Putian Xianglong sold the laminating-processed fabrics to ANTA (China) Limited (hereinafter referred to as "ANTA China"), a domestic famous sports shoes branding manufacturer, who subsequently sent the laminating-processed materials (hereinafter referred to as "such material") by Putian Xianglong to Jinjiang UNN, a designated OEM by ANTA China, for the use of manufacturing of sports shoes, with a production totaling two styles totaling 334,544 pairs of ANTA-branded sports shoe. During the inspection prior to Jinjiang UNN delivered these sports shoes to ANTA, inspector of ANTA China found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Putian Xianglong, whereby ANTA China made a complaint and claim for the loss arisen thereby in a total of RMB 50,214,920 yuan against Putian Xianglong on Oct 17th, 2012.

At around 4:00 p.m. on that day, Mr. Chen Rong from Putian Xianglong went in company with us to Jinjiang UNN where we met with Mr. Li Weidong, the representative of ANTA China, and Mr. Ding, the Factory Director of Jinjiang UNN, who directed us to the production lines and the production processes of the factory, and introduced us each production chain and quality control requirement of sports shoe. Once again we learned the composition, main production processes and material costs structure, etc. of a sports shoe, which are basically the same with that we learned from Jinjiang Jin'en, Putian Jiasheng and Putian RINO. In Jinjiang Jin'en, we mutually reviewed the related documents for these disqualified finished sports shoes totaling 334,544 pairs and obtained a mutual confirmation.

In Putian Xianglong and Jinjiang UNN, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other documents, based on which, it is calculated that the unit cost per pair of shoes is between 87 yuan and 185 yuan (including, the material cost is about 115 yuan per pair, piecework labor cost is about 20 yuan per pair, management cost is about 15 yuan per pair), the average unit cost calculated on basis of these costs data turns out to be 150.1 yuan per pair. The costs structure mainly includes: leather fabric, auxiliary material, midsole, lining, outsole, insole, hardware fittings, shoelace, printing, trademark, glue water, packaging costs, other materials, labor costs, etc. It is confirmed in the inspection that due to the problem of color fastness of these anomalous fabrics, which results in a serious situation that the color migration polluted the shoe, and mutually determined the number of these anomalous shoes. This incident resulted in a loss amount totaling RMB 50,214,920 yuan.

5. Haining Hanchen and Dongguan Yongmao

At 9:00 a.m. on June 12th, 2014, Mr. Lin Bin, the lawyer of our Office, along with Mr. Zheng Yong, the Business Executive, and Mr. Wei Yirong, the business personnel, of your company, drove to Zhejiang Haining Hanchen where we met with Mr. Chen Fei, the deputy GM of Haining Hanchen, upon the arrival at the destination at 3:30 p.m. on that day. In the communication with Mr. Chen Fei, we learned: Haining Hanchen has purchased fabrics totaling 5,119.20 kg from Fujian Qianfeng from July to August 2012, afterwards, Haining Hanchen sold the laminating-processed fabrics to Dongguan Yongmao (Dongguan Yongmao is subject to a domestic famous sports shoes OEM), who subsequently used the laminating-processed materials by Haining Hanchen in the manufacturing of sports shoes, with a production totaling three styles totaling 195,021 pairs of GOLDEN DOWN-branded sports shoe. Prior to Dongguan Yongmao delivered these sports shoes to GOLDEN DOWN Sports, the inspector found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Haining Hanchen, whereby Dongguan Yongmao made a complaint and claim for the loss arisen thereby in a total of RMB 29,437,890 yuan against Haining Hanchen on Sep 18th, 2012.

As required by us, at 6:30 p.m. on that day, Mr. Chen Fei from Hanchen flew in company with us from Hangzhou, Zhejiang Province, to Guangzhou. At around 8:30 a.m. on June 13th, 2014, we arrived at Dongguan Yongmao where we met with Mr. Cheng Guoqiang, a manager of Dongguan Yongmao company, who directed us to the production lines and the production processes of the factory, and introduced us each production chain and quality control requirement of sports shoe. Once again we learned

the composition, main production processes and material costs structure, etc. of a sports shoe, which are basically the same with that we learned previously. Based on the *Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, Warehouse Warrant of End-products, Abnormality Inspection Report, Piece-calculating Application Form of Production Department* and other related documents provided by Dongguan Yongmao, we learned that Dongguan Yongmao received an order for three styles of GOLDEN DOWN-branded shoes in a total of 200,000 pairs, and on basis of the warehousing document of laminating fabrics in Yongmao company, it is determined that the data regarding Hanchen company sold all the fabrics totaling 5119.2 kg purchased from your company after being laminating-processed is conformable. It is confirmed that, based on the above production process data, Yongmao company, through production process, has produced three styles of shoe in a total number of 195,021. It is also confirmed that, based on the *Cost Structure Analysis Sheet*, the unit cost per pair of shoe is between 89 yuan to 200 yuan (including, the material cost is about 111 yuan per pair, piecework labor cost is about 25 yuan per pair, management cost is about 15 yuan per pair), the average unit cost turns out to be 150.95 yuan per pair. The costs structure mainly includes: leather fabric, auxiliary material, midsole, lining, outsole, insole, hardware fittings, shoelace, printing, trademark, glue water, packaging costs, other materials, labor costs, etc. We confirmed that due to the non-compliance of color fastness of these anomalous fabrics from your company, which results in a serious situation that the color migration polluted the shoe. The lawyer of our Office estimates that this abnormal event resulted in a loss of shoes in a total amount of RMB 29,437,890 yuan.

6. Dongguan Jingfeng and Hengyang Hongwei

At 1:30 p.m. on June 13th, 2014, Mr. Lin Bin, the lawyer of our Office, along with Mr. Zheng Yong, the Business Executive, and Mr. Lin Fan, the business personnel of your company, presented in Dongguan Jingfeng where we met with Mr. Zhang Zheng, a manager of Dongguan Jingfeng. In the communication with Mr. Zhang Zheng, we learned: Dongguan Jingfeng has purchased fabrics totaling 10,405.60 kg from Fujian Qianfeng from May to August 2012, afterwards, Dongguan Jingfeng sold the laminating-processed fabrics to Hengyang Hongwei (Hengyang Hongwei is subject to a domestic famous sports shoes OEM), who subsequently used these laminating-processed materials by Dongguan Jingfeng in the manufacturing of sports shoes, with a production totaling seven styles totaling 459,107 pairs of 360°-branded sports shoe. Prior to Hengyang Hongwei delivered these sports shoes to 360° Sports, the inspector found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Dongguan Jingfeng, whereby Hengyang Hongwei made a complaint and claim for the loss arisen thereby in a total of RMB 52,609,909 yuan against Dongguan Jingfeng on Sep 20th, 2012. (the claim amount indicating on the Letter of Complaint of Quality Hengyang Hongwei given to Dongguan Jingfeng is 52,610,729 yuan, the provided amount details is 52,609,909 yuan, the balance is 820 yuan, 52,609,909 yuan shall prevail)

In the morning of the day of 14, June 2014, Mr. Zheng Yong, the business executive of your company, along with Mr. Zhang Zheng, a manager of Dongguan Jingfeng, headed for Hengyang Hongwei where we met with Mr. Chen Liqiang, the deputy GM of Hengyang Hongwei, upon the arrival at 3:30 p.m. on that day, who directed us to the production lines and the production processes of the factory, and introduced us each production chain and quality control requirement of sports shoe. Once again we learned the composition, main production processes and material costs structure, etc. of a sports shoe, which are basically the same with that we learned previously. In Hengyang

Hongwei, we mutually reviewed the related documents for these disqualified finished sports shoes totaling 459,107 pairs, which obtained a mutual confirmation.

In Dongguan Jingfeng and Hengyang Hongwei, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other related documents, based on which, it is calculated that the unit cost per pair of shoes is between 89 yuan and 161 yuan (including, the material cost is about 84.6 yuan per pair, piecework labor cost is about 15 yuan per pair, management cost is about 15 yuan per pair), the average unit cost turns out to be 114.6 yuan per pair.

7. Dongguan Yuanzhan and Zhongshan Tongjia

At 8:30 a.m. on June 16th, 2014, Mr. Lin Bin, the lawyer of our Office, along with Mr. Zheng Yong, the Business Executive, and Mr. Lin Fan, the business personnel of your company, presented in Dongguan Yuanzhan where we met with Mr. Wei Lian, a business manager of Dongguan Yuanzhan. In the communication with Mr. Wei Lian, we learned: Dongguan Yuanzhan has purchased fabrics totaling 12,139.50 kg from Fujian Qianfeng from May to July 2012, afterwards, Dongguan Yuanzhan sold the laminating-processed fabrics to Zhongshan Tongjia (Zhongshan Tongjia is subject to a domestic famous sports shoes OEM), who subsequently used these laminating-processed materials by Dongguan Yuanzhan in the manufacturing of sports shoes, with a production totaling six styles totaling 960, 864 pairs of ERKE-branded sports shoe. Prior to Zhongshan Tongjia delivered these sports shoes to ERKE Sports, the inspector found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material procured from Dongguan Yuanzhan, whereby Zhongshan Tongjia made a complaint and claim for the loss arisen thereby in a total of RMB 146,531,154 yuan against Dongguan Yuanzhan on Sep 24th, 2012.

At around 3:00 p.m. on that day, we, along with Mr. Wei Lian from Dongguan Yuanzhan, went to Zhongshan Tongjia where we met with Mr. Lin Wenzhu, the manager of Zhongshan Tongjia, who directed us to the production lines and the production processes of the factory, and introduced us each production chain and quality control requirement of sports shoe. Once again we learned the composition, main production processes and material costs structure, etc. of a sports shoe, which are basically the same with that we learned previously. In Dongguan Yuanzhan and Zhongshan Tongjia, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other documents. we calculated that 960,864 pair of shoes made from 12139.5 kg fabrics is confirmed, the unit cost per pair of shoes is between 105 yuan and 189 yuan (including, the material cost is about 110 yuan per pair, piecework labor cost is about 25 yuan per pair, management cost is about 18 yuan per pair), the average cost turns out to be 152.5 yuan per pair. The costs structure mainly includes: leather fabric, auxiliary material, midsole, lining, outsole, insole, hardware fittings, shoelace, printing, trademark, glue water, packaging costs, other materials, labor costs, etc. We also confirmed the serious situation of the color migration polluted on the surface of shoes arising from the non-compliance of color

fastness of the fabrics from our company. In Tongjia company, we mutually checked the related data for these anomalous finished shoes totaling approx. 960,864 pairs, and calculated that the loss amount totaling 146,531,154 yuan on these anomalous shoes of this time is conformable, which obtained a mutual confirmation.

8. Dongguan Jiarui and Huizhou Chuangsheng

At 9:00 a.m. on June 17th, 2014, Mr. Lin Bin, the lawyer of our Office, went in company with Mr. Zheng Yong, the Business Executive, and Mr. Lin Fan, the business personnel of your company, along with Mr. Zhang Xiong, the representative of Xtep Sports Co., to Dongguan Jiarui where we met with Mr. Lin Jinfan, the deputy GM of Dongguan Jiarui. In the communication with Mr. Lin Jinfan, we learned: Dongguan Jiarui has purchased fabrics totaling 7,192.40 kg from Fujian Qianfeng from May to July 2012, and received an OEM order from Xtep (China) Co., Ltd (hereinafter referred to as "Xtep China"), a domestic famous sports shoes branding manufacturer. After the procurement of fabric products from Fujian Qianfeng, via laminated processing, Dongguan Jiarui delivered them to Huizhou Chuangsheng, a domestic famous sports shoes branding manufacturer, for the production of Xtep-branded sports shoes as an OEM, Huizhou Chuangsheng subsequently used such material in the manufacturing of sports shoes, with a production totaling five styles totaling 199, 245 pairs of sports shoe. Upon the completion of these sports shoes, Huizhou Chuangsheng delivered these sports shoes to Dongguan Jiarui who then delivered them to Xtep China. Upon the receipt of these sports shoes, the inspector of Xtep China found that the finished sports shoes were disqualified due to the pollution on the vamp caused by color migration arising from the non-compliance of color fastness of the material, thus Xtep Sports returned these disqualified sports shoes to Dongguan Jiarui, and made a complaint and claim for the loss arisen thereby in a total of RMB 25,925,080 yuan against Dongguan Jiarui on Sep 28th, 2012.

At around 1:30 p.m. on that day, Mr. Huang Wei, the deputy GM of Huizhou Chuangsheng brought in related documents, and introduced us each production chain, etc. of these abnormal sports shoes. In Dongguan Jiarui, we looked over claim matter directly related: *Purchase and Sale Contract, Purchase Order, End-products Delivery Note, Confirmation Note for Receiving, Warehouse Warrant, Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Piece-Calculated Quantity Statistics Table of Production Department, Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Warehouse Warrant of End-products* and other business documents, among Xtep Sports, Dongguan Jiarui and Huizhou Chuangsheng, based on which, it is calculated that the unit cost per pair of shoes is approx. between 96 yuan and 195 yuan (including, the material cost is about 96 yuan per pair, piecework labor cost is about 20 yuan per pair, other costs and management costs are about 15 yuan per pair), the average cost we calculated on basis of these costs data turns out to be 130.12 yuan per pair. Afterwards, in Dongguan Jiarui, we mutually reviewed the related data for these disqualified finished sports shoes totaling 199,245 pairs, which obtained a mutual confirmation.

Now that the visiting, evidences collection, investigation and other works conducted by the lawyer of our Office and relevant personnel of the companies in eight direct customers, five indirect customers and three third processors had been completed.

Part III Investigation for Seeking of Proves

Mr. Lin Bin, the lawyer of our Office, and Mr. Cheng Jianhua, the director of your company, respectively, presented in "Li Ning exclusive shop", "Xtep exclusive shop", "ANTA exclusive shop", "ERKE exclusive shop", "GOLDEN DOWN exclusive shop", "361° exclusive shop", "RINO exclusive shop" and so on in Fuzhou and Quanzhou on June 16, for the investigation of unit sales price of these styles of branded sports shoe similar to the above claims of customers on the market. These styles of sports shoe generally sell at retail in the market between 400 yuan and 600 yuan per pair. Supposing that each pair of shoes taking into account the average price of 500 yuan, according to the market condition, we recognized that distributors usually get the goods in a 40% settlement, the average price brand owner offered to distributors is 200 yuan / pair, and the average unit price shoe manufacturer offered to brand owner is approx. 150 yuan per pair, in this case, brand owner still have a gross profit rate of 30% above, this price space is subject to be relatively reasonable in the industry. We again paid a visit to a third-party shoe-manufacturing factory in Quanzhou for the witness of entire manufacturing process flow of sports shoes, and understood in depth of every detail in the manufacturing process. For the composition of a sports shoe, we, began from the requisition of various raw material to the arrangement of various fabrics in accordance with process instructions, realized that a sports shoe is substantially composed of toe cap, vamp (front, side), outsole, midsole, heel, lining, insole, shoe tongue and various accessories. The main production process flows of a sports shoe are divided into: beginning from the requisition of various raw materials, to the arrangement of various fabrics in accordance with process instructions, material cutting (punching), upper sewing (sitching). Auxiliary processes mainly include high frequency (hot-pressing high frequency, printing high frequency, hot-cutting high frequency), ejection and rubber patch, textile printing, computer embroidery, etc., upper bottom forming, cooling, end-products packaging, storage, etc., the entire manufacturing processes approximately are not less than 50. The material costs of a sports shoe mainly include: outsole (RB, MD, TPR, etc.), vamp material (leather, synthetic leather, cow suede leather, space leather, PU leather, microfiber, air mesh, etc.), midsole, lining, insole, shoelace, etc., the entire manufacturing processes approximately are not less than 50, the outsole cost per pair of sports shoe is about 15 yuan to 35 yuan. Vamp material mainly includes leather, synthetic leather, cow suede leather, space leather, PU leather, microfiber, air mesh, etc., the vamp cost per pair of sports shoe is about 40 yuan to 90 yuan. According to the current labor costs, labor cost per pair of sports shoes is about 15 yuan to 30 yuan, other material costs per pair of sports shoes are about 20 yuan to 40 yuan, other costs per pair of sports shoes are about 10 yuan to 20 yuan. In this case, the manufacturing cost per pair of sports shoes is calculated about 100 yuan to 215 yuan. Provided that a high-class outsole or a relatively expensive double-colored outsole is applied, and vamp material applies genuine leather or cow suede leather, the manufacturing cost per pair of sports shoes shall be 200 yuan above. Accordingly, we believe it is fair and reasonable that the average price of customer complaints cost your company's eight direct customers and indirect customers and manufacturers mentioned to your company calculated as per about 150 yuan per pair.

The lawyer of our Office also learned that since the customer complaints withholding event occurred in your company and eight customers in the year of 2012, your company has improved the company's internal management processes in several aspects in order to prevent the occurrence of similar events, including:

1. Completely rectified company's quality management system. Increased more than twenty internal quality control tests and samplings.

2. Completely rectified the sales contract company maintained with customers. Clearly confirmed the corresponding responsibility to the quality inspection of products on sale.
3. The company hired a senior auditor from Singapore for the investigation of company's internal control system and proposal of corrective recommendations.

In addition, after customer complaints happened, following relevant persons in charge have been required to dismiss:

Person in Charge	Department	Title	Date of Dimission	Reason of Dimission
Dong Mei	Quality Control Dept	Director of Department	October 2012	Failed to find the disqualification of product timely
Wang Chengrong	Quality Control Dept	Director of Department	October 2012	Failed to find the disqualification of product timely
Lin Ping	Sales Dept	Sales Manager	April 2013	Sold disqualified products and failed to feedback quality problems of product
Lin Yanfei	Sales Dept	Sales Manager	March 2013	Sold disqualified products and failed to feedback quality problems of product
Zhang Dacai	Production Dept	Director of Dyeing Division	October 2012	Produce disqualified products
Chen Xiufang	Financial Dept	Manager	June 2013	Failed to completely following financial regulations

Given the large amount of claim payment arising from the product quality of this time caused by the company, Mr. Lin Daoqin, the former Chief Executive Officer and Executive Director of your company, was resigned from the title of Chief Executive Officer and Executive Director of the company after the 2014 Annual General Meeting of the Company.

Part IV Work Summary

In conclusion, the lawyer of our Office believes:

- 1) Based on the site visiting, viewed and checked *Purchase and Sales Contract*, *Purchase Order*, *End-products Delivery Note*, *Confirmation Note for Receiving*, *Warehouse Warrant* and other business documents, we confirmed that the fact of shoe fabric materials these eight direct customers and their indirect customers, sports shoes branding manufacturers and OEM manufacturers purchased from your company is determined, the number of shoe fabric materials totaling 61,425.50 kg purchased is accurate.

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- 2) Based on the site visiting, viewed and checked *Production Record Sheet, Cuts Record Sheet, Raw Materials Requisition, Warehouse Warrant of End-products, Piece-Calculated Quantity Statistics Table of Production Department* and other business documents, the lawyer of our Office confirmed that it is correct that above shoe fabric materials allow these eight direct customers and their indirect customers, sports shoes branding manufacturers and OEM manufacturers, produced 3,442,876 pairs of shoe in total.
 - 3) Based on the site visiting, viewed and checked *Production Record Sheet, Cuts Record Sheet, Cost Structure Analysis Sheet, Raw Materials Requisition, List of Ingredients of Products, Piece-Calculated Quantity Statistics Table of Production Department* and other business documents, we learned that the costs of a sports shoe mainly include leather, fabric, auxiliary material, midsole, lining, outsole, insole, hardware fittings, shoelace, printing, trademark, glue water, packaging costs, other materials, labor costs, manufacturing costs, etc. According to the review conducted on the observed cost accounting for 39 styles of sports shoe by the lawyer of our Office, it is believed that the cost accounting for above 39 styles totaling 3,442,876 pairs of sports shoe is reasonable.
 - 4) According to the fabric inspection reports of your company and the fact that all shoes are determined disqualified and unavailable to come into the market for normal sale due to these disqualified finished sports shoe products arising out of the non-compliance of color fastness of fabric products, which resulted in a loss of totaling RMB 517,033,142 yuan incurred by these eight direct customers and their indirect brands owner and OEM manufacturer customers, the lawyer of our Office believes that the amount these eight direct customers and their indirect brands owner and OEM manufacturer customers claimed for the company is a reasonable cost price. However, upon the efforts taken by the management of your company to the negotiation and communication with these eight direct customers and their indirect brands owner and OEM manufacturer customers, with reference to the *Agreement, Agreement Amendment, Letter of Confirmation*, etc. your company maintained with these eight direct customers and their indirect brands owner and OEM manufacturer customers, all these eight direct customers and their indirect brands owner and OEM manufacturer customers are reasonably agree to give a deduction of totaling RMB 55,533,142 yuan from the claim amount for your company, the claim amount after deduction totaling RMB 461,500,000 yuan, and eventually these eight direct customers and their indirect brands owner and OEM manufacturer customers again give a reduction of claim amount totaling RMB 36,920,000 yuan again. The lawyer of our Office believes that these eight direct customers and their indirect brands owner and OEM manufacturer customers initially only request your company to compensate their losses as per the cost price of these disqualified finished sports shoes, and ultimately give two times of deduction from the claim amount, the lawyer of our Office believes that this is a reasonable request for compensation; and your company has paid a compensation of 300,000,000 yuan by monetary capital (including banking, cash) in September 2013, and has compensated for an amount totaling RMB 38,079,048 yuan with cargo up to the end of January 2014, the balance of compensation payable by your company amounted to 86,500,951 yuan up to Jan 31st, 2014. The reason why these eight direct customers and their indirect brands owner and OEM manufacturer customers give your company two times of deduction of claim amount is because they still expect to maintain a long-term cooperative relationship with your company, which is very rational.

Therefore, it is recommended that your company shall perform as much as possible in accordance with the negotiated compensation agreement.

- 5) Our lawyer understand and acknowledge that these eight direct customers, five indirect customers and three third-party processors have no any direct or indirect interest relationships with the former and current executives, management directors and major shareholders of the company.
- 6) The lawyer of our Office observed in this special case that there currently have no any evidences suggesting any deliberate fraudulent acts in the process of customer complaint. The major persons in charge related to the event have been dismissed by the company, and the production, quality control, sales process of related products have been effectively adjusted and implemented. The risk of repeated similar compensation in the company is very low.

Part V Reply to the Questions “About Compensation Part” of the Company

1. Reply to question 1: “after investigated and reviewed on relevant documents, evaluate: according to the laws of China, whether the customers complaint compensation the company faces up this time is legal?”:

Fujian Qianfeng and claiming customer is subject to a goods buying-selling relationship, contract concluded between them is subject to a sales contract for goods, such category of contract and its fulfillment is mainly specified and adjusted by *General Principles of the Civil Law of the People's Republic of China* (hereinafter referred to as "*General Principles of the Civil Law*") and *Contract Law of the People's Republic of China* (hereinafter referred to as "*Contract Law*"). For a good understanding, hereunder extracted the main relevant provisions as follows:

1) *General Principles of the Civil Law* is included with following main provisions:

Article 106: Citizens and legal persons who breach a contract or fail to fulfill other obligations shall bear civil liability.

Article 111: If a party fails to fulfill its contractual obligations or violates the terms of a contract while fulfilling the obligations, the other party shall have the right to demand fulfillment or the taking of remedial measures and claim compensation for its losses.

Article 112: The party that breaches a contract shall be liable for compensation equal to the loss consequently suffered by the other party. The parties may specify in a contract that if one party breaches the contract it shall pay the other party a certain amount of breach of contract damages; they may also specify in the contract the method of assessing the compensation for any losses resulting from a breach of contract.

Article 122: If a substandard product causes property damage or physical injury to others, the manufacturer or seller shall bear civil liability according to law. If the transporter or storekeeper is responsible for the matter, the manufacturer or seller shall have the right to demand compensation for its losses.

2) *Contract Law* is included with following main provisions:

Article 107: Where one party to a contract fails to perform the contract obligations or its performance fails to satisfy the terms of the contract, the party shall bear such liabilities for breach of contract as to continue to perform its obligations, to take remedial measures, or to compensate for losses.

Article 111: If the quality fails to satisfy the terms of the contract, the breach of contract damages shall be borne according to the terms of the contract agreed upon by the parties. If there is no agreement in the contract on the liability for breach of contract or such agreement is unclear, nor can it be determined in accordance with the provisions of Article 61 of this Law, the damaged party may, in light of the character of the object and the degree of losses, reasonably choose to request the other party to bear the liabilities for the breach of contract such as repairing, substituting, reworking, returning the goods, or reducing the price or remuneration.

Article 112: Where one party to a contract fails to perform the contract obligations or its performance to satisfy the terms of the contract, the party shall, after performing its obligations or taking remedial measures, compensate for the losses, if the other party suffers from other losses.

Article 113: Where one party to a contract fails to perform the contract obligations or its performance fails to satisfy the terms of the contract and causes losses to the other party, the amount of compensation for losses shall be equal to the losses caused by the breach of contract, including the interests receivable after the performance of the contract, provided not exceeding the probable losses caused by the breach of the contract which has been foreseen or ought to be foreseen when the party in breach concludes the contract.

Article 114: The parties to a contract may agree that one party shall, when violating the contract, pay breach of contract damages of a certain amount in light of the breach, or may agree upon the calculating method of compensation for losses resulting from the breach of contract.

Article 153: The seller shall deliver the object according to the agreed quality requirements. In case that the seller provides with the quality specifications concerning the object, the delivered object shall satisfy the quality requirements in such specifications.

3) The compensation between Fujian Qianfeng and Claiming Customer in line with relevant provisions of law

According to review on the foresaid Purchase and Sales Contract and Purchase Order concluded between Fujian Qianfeng and Claiming Customer, following discriminants may be received:

- (1) Fujian Qianfeng and Claiming customer has clearly agreed that the products quality of Fujian Qianfeng is required to reach Class 4 color fastness;
- (2) Fujian Qianfeng and Claiming customer has clearly agreed that any losses caused by the substandard semi-finished products and finished products arising out of the substandard color fastness of products from Fujian Qianfeng shall be borne by Fujian Qianfeng.

According to review on the foresaid *Letter of Customer Complaint* and *Customer Complaints Dealing Sheet* provided by Fujian Qianfeng, *Special Instructions for the Audit Confirmation Opinion Concerning the 2012 Customers Complaint Withholding Event of*

Fujian Qianfeng Textile Technology Co., Ltd issued by Fujian Xinyurong Law Office Limited, *Special Instructions Concerning the 2012 Customers Complaint Withholding Event of Fujian Qianfeng Textile Technology Co., Ltd* issued by Fujian Qianfeng, and *Confirmation Agreement* reached by Fujian Qianfeng and Claiming customer in respect of compensation matter, following discriminants may be received:

- (1) The goods supplied to claiming customer by Fujian Qianfeng fails to satisfy the quality requirements agreed in the contract;
- (2) Fujian Qianfeng and claiming customer has clearly agreed upon on the method of compensation and made a detailed calculation for the amount of compensation.

As mentioned above, our lawyer think: Fujian Qianfeng and claiming customer has agreed upon on the supplies quality, liability for breach of contract and method of compensation, such agreement complies with the provisions of *General Principles of the Civil Law, Contract Law* and other relevant laws and regulations; Fujian Qianfeng and claiming customer has made a relatively detailed calculation for the amount of compensation., and has reached a *Confirmation Agreement* in respect of compensation matter, the agreement under such *Confirmation Agreement* complies with the provisions of *General Principles of the Civil Law, Contract Law* and other relevant laws and regulations; no circumstances were found on the relevant compensation agreement reached by Fujian Qianfeng and claiming customer in respect of the quality of the products that violated relevant laws and regulations of China.

2. Reply to question 2: “whether the amount of compensation is fair and reasonable?”:

Based on the above reply to question 1, no circumstances were found on the relevant compensation agreement reached by Fujian Qianfeng and claiming customer in respect of the quality of the products that violated relevant laws and regulations of China, the compensation agreement reached by Fujian Qianfeng and claiming customer is effected on basis of both parties’ own willingness, our lawyer has no reasonable grounds to doubt that such compensation agreement is not a declaration of both parties’ true intention, and the fairness and reasonability of such amount of compensations.

3. Reply to question 3: “if the above answers for 1 and 2 are negative, whether the arbitration result may appeal, and whether the company has the possibility to trace for the approach?”:

1). *Arbitration Law Of the People’s Republic Of China* (hereinafter called “*Arbitration Law*”) is included with following main provisions:

Article 9: The system of one ruling only is practised in arbitration. Where, after a ruling is made, a litigant files another application for arbitration or brings a lawsuit in the people's court over the same dispute, the arbitration commission or the people's court shall not accept it.

Article 58: If one litigant produces evidence to prove a ruling has one of the following, he may request that the intermediate people’s court of the place where the arbitration commission is located repeal the ruling: (1) where there is no arbitration agreement; (2) where the dispute to be arbitrated is not within the scope of the arbitration agreement, or one which the arbitration commission has no authority to arbitrate; (3) where the formation of the arbitration tribunal or the arbitration process has violated legal

procedure; (4) where the evidence on which the arbitration is based is counterfeited; (5) where one litigant has concealed evidence that could affect an impartial ruling; or (6) where arbitrators have solicited or accepted bribes, practised favouritism and bent the law while arbitrating a case or making a ruling. The people's court shall repeal the ruling if a collegial panel formed by the people's court has examined the arbitration and ascertained that it has one of the situations mentioned above. The people's court shall repeal the ruling if such ruling has violated public social interests.

Article 59: When one party requests a repeal of the ruling, he shall do so within six months after receiving the ruling letter.

2. Arbitral Ruling is One Ruling Only

According to the above provisions of *Arbitration Law*, no matter the above replies to question 1 & 2 are positive or negative, arbitration is practised the system of one ruling only, therefore, arbitral ruling has no possibilities to appeal. Once arbitral ruling is made, the litigant may have a legal basis to apply for compulsory execution according to law, unless the arbitrator has an evidence to prove such ruling has one of the circumstances as described in the Article 58 of *Arbitration Law*, in which case he/she may request a repeal of the ruling for the court, and request a suspended execution in the process of trying the arbitration case.

According to the “who alleges, adduces evidence” principle of *Civil Procedure Law of the People's Republic of China*, if one litigant proposes to request a repeal of arbitral ruling, such litigant must submit a sufficient document evidencing that the arbitral ruling exists the circumstance as described in Article 58 of *Arbitration Law*. According to the description of Fujian Qianfeng, it has not mastered any evidences possible to repeal the arbitral ruling, therefore, it cannot file a suit to the court for a repeal of arbitral ruling.

4. Reply to question 4: “whether company directors violated the obligations under the laws of China? How can the company continue subsequently?”:

1. *Company Law of the People's Republic of China* (hereinafter called “*Company Law*” is included with following provisions on the obligations for directors, supervisors and senior managers:

Article 147: The directors, supervisors and senior managers shall comply with laws, administrative regulations and the articles of association. They shall bear the obligations of fidelity and diligence to the company. No director, supervisor or senior manager may take any bribe or other illegal gains by taking the advantage of his authorities, or encroach on the properties of the company.

Article 148: No director or senior manager may have any of the following acts: (1) Misappropriating funds of the company; (2) Depositing the company's funds into an account in his own name or in any other individual's name; (3) Without the consent of the shareholders' meeting, shareholders' assembly or board of directors, loaning the company's fund to others or providing any guaranty to any other person by using the company's property as in violation of the articles of association; (4) Signing a contract or trading with this company by violating the articles of association or without the consent of the shareholders' meeting or shareholders' assembly; (5) Without the consent of the shareholders' meeting, shareholders' assembly, seeking business opportunities for himself or any other person by taking advantages of his authorities, or operating for himself or for any other person any like business of the company he works for; (6) Taking commissions on the transactions between others and this company into his own

pocket; (7) Disclosing the company's secrets without permit; (8) Other acts that are inconsistent with the obligation of fidelity to the company. The income of any director or senior manager from any act in violation of the preceding paragraph shall belong to the company.

Article 149: Where any director, supervisor or senior manager violates laws, administrative regulations or the articles of association during the course of performing his duties, if any loss is caused to the company, he shall make compensation.

Article 150: If the shareholders' meeting or shareholders' meeting demands a director, supervisor or senior manager to attend the meeting as a non-voting delegate, he shall do so and shall answer the shareholders' inquiries. The directors and senior managers shall faithfully offer relevant information and material to the board of supervisors or the supervisor of the limited liability company with no board of supervisors, and none of them may obstruct the board of supervisors or supervisor from exercising its (his) authorities.

Article 151: Where a director or senior manager is under the circumstance as stated in Article 150 of this Law, the shareholder(s) of the limited liability company or joint stock limited company more than a continuous 180 (one hundred and eighty) days separately or aggregately holding 1% or more of the total shares of the company may require the board of supervisors or the supervisor of the limited liability company with no board of supervisors in writing to file a lawsuit in the people's court. If the supervisor is under the circumstance as stated in Article 150 of this Law, the aforesaid shareholder(s) may require the board of directors or the acting director of the limited liability company with no board of directors to in writing lodge a lawsuit in the people's court. If the board of supervisors, or supervisor of a limited liability company with no board of supervisors, or the board of directors or the acting director refuses to lodge a lawsuit after 38 it (he) receives a written request as mentioned in the preceding paragraph, or if it or he fails to file a lawsuit within 30 days after it receives the request, or if, in an emergency, the failure to lodge a lawsuit immediately will cause unrecoverable damages to the interests of the company, the shareholder(s) as listed in the preceding paragraph may, on their own behalf, directly lodge a lawsuit in the people's court.

Article 152: If any director or senior manager damages the shareholders' interests by violating any law, administrative regulation or the articles of association, the shareholders may lodge a lawsuit in the people's court.

2. There was no evidence indicating directors of Fujian Qianfeng violated the obligations under the Law of China:

According to the description of directors of Fujian Qianfeng, as subordinate business personnel failed to report the customer claims incident to upper management promptly, resulting in directors of the company hadn't been informed of that until May, 2013. The company's products quality has always been in a steady state before, company directors also had no other reasonable sources to be informed or pay attention to problems leading to product quality that may occur. Our lawyer did not receive any evidences to prove directors of Fujian Qianfeng came with above circumstance as described in Article 148 of *Company Law*.

Therefore, our lawyer believes that, as of the issuing date of the Legal Opinion, directors of Fujian Qianfeng were not found any circumstance violating the obligation as described in *Company Law*. If directors of Fujian Qianfeng exist any circumstance violating the obligation as described in *Company Law*, shareholders or supervisors of the

company shall be entitled to file a suit for claim against the directors in accordance with relevant provisions of the *Company Law*.

Part VI Reply to “Report Regarding Puhua” of the Company

1. Reply to question 1: “whether anything in the auditing report potentially affect and violate the laws of China?”:

1) *Law of the People’s Republic of China on Commercial Banks* (hereinafter called “*Law of Commercial Banks*”) is included with following provisions:

Article 30: A commercial bank has the right to refuse any unit or individual to inquire about the deposits of any other unit except the cases as stipulated by laws and administrative regulations; the commercial bank has the right to refuse any unit or individual to freeze and deduct the deposits of any unit except the cases as stipulated by laws.

According to the above provisions under *Law of Commercial Bank*, unless specifically authorized by laws or administrative regulations of China, commercial bank has the right to refuse any entity or individual to inquire Fujian Qianfeng’s deposits. As far as our lawyer know, Puhua is not the specifically authorized institution under laws or administrative regulations of China, therefore, the refusal to Puhua to inquire related banks of Fujian Qianfeng’s account as described in the Report didn’t violate any relevant laws of China.

Regards!

Beijing Dacheng (Fuzhou) Law Office

Responsible Lawyer: Lin Bin



July 5th, 2014