



烟台北方安德利果汁股份有限公司

Yantai North Andre Juice Co., Ltd.

(於中華人民共和國註冊成立之有限公司)

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

(股份代號：8259)

(Stock Code: 8259)

二零零七年年報 Annual Report 2007

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### 香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)的特色

創業板乃為帶有高投資風險的公司提供一個上市的市場，尤其在創業板上市的公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市的公司可因其新興性質及該等公司經營業務的行業或國家而帶有風險。有意投資的人士應瞭解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他經驗豐富的投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

創業板所發佈資料的主要途徑為在聯交所為創業板而設的互聯網網頁刊登。上市公司一般毋須在憲報指定報章刊登付款公佈。因此，有意投資的人士應注意，彼等須閱覽創業板網頁，以便取得創業板上市發行人的最新資料。

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本報告遵照聯交所創業板(證券)上市規則(「創業板上市規則」)的規定提供有關烟台北方安德利果汁股份有限公司(「本公司」)的資料。本公司董事(「董事」)就本報告共同及個別承擔全部責任。並在作出一切合理諮詢後確認，就彼等所知及確信：(1)本報告所載本公司的資料在各重大方面均屬真實及完整，且無誤導成份；(2)並無遺漏任何其他事項致使本報告所載內容有所誤導；及(3)本報告表達的意見已經審慎周詳考慮並以公平及合理的基準及假設為依據。

\* For identification purpose only

\* 僅供識別

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### Directors

#### Executive Directors

Zheng Yue Wen

Wang An

Zhang Hui

Yu Hui Lin (于會林, formerly 于惠霖)

Jiang Hong Qi (appointed on 28 May 2007)

Li Ye Sheng (appointed on 28 May 2007)

#### Non-executive Directors

Lo Chih-Hsien

Zhang Wan Xin (resigned on 28 May 2007)

Ren Xiao Jian (resigned on 28 May 2007)

#### Independent non-executive Directors

Wu Jian Hui

Yu Shou Neng

Qu Wen (appointed on 28 May 2007)

Hu Xiao Song (resigned on 28 May 2007)

### Supervisors

Mu Gui Sheng

Qu Wei Jia

Wang Chun Tang (appointed on 28 May 2007)

Chen Ke Lin (resigned on 28 May 2007)

### Qualified Accountant

Ng Man Yee Karen CPA FCCA ACA

### Company Secretary

Ng Man Yee Karen CPA FCCA ACA

### Members of Audit Committee

Wu Jian Hui

Yu Shou Neng

Qu Wen

### 董事

#### 執行董事

鄭躍文

王安

張輝

于會林(曾用名于惠霖)

姜洪奇(委任於二零零七年五月二十八日)

李業勝(委任於二零零七年五月二十八日)

#### 非執行董事

羅智先

張萬欣(於二零零七年五月二十八日辭任)

任曉劍(於二零零七年五月二十八日辭任)

#### 獨立非執行董事

鄔建輝

俞守能

曲雯(委任於二零零七年五月二十八日)

胡小松(於二零零七年五月二十八日辭任)

### 監事

慕桂盛

曲維佳

王春堂(委任於二零零七年五月二十八日)

陳克林(於二零零七年五月二十八日辭任)

### 合資格會計師

伍敏怡 CPA FCCA ACA

### 公司秘書

伍敏怡 CPA FCCA ACA

### 審核委員會成員

鄔建輝

俞守能

曲雯

# Corporate Information

## 公司資料

### Compliance Officer

Yu Hui Lin (于會林, formerly 于惠霖)  
Senior Engineer

### Authorised Representatives

Wang An  
Ng Man Yee Karen CPA FCCA ACA

### Auditors

KPMG

### Legal Advisers

*As to Hong Kong Law*  
Baker & McKenzie

*As to PRC Law*  
Sunsum Law Firm

### Principal Bankers

China Construction Bank (Muping Branch, Yantai City)  
Agricultural Bank of China (Muping Branch, Yantai City)  
Industrial and Commercial Bank of China  
(Muping Branch, Yantai City)  
Bank of China (Muping Branch, Yantai City)  
The Hongkong & Shanghai Banking Corporation  
Limited  
Rabobank Nederland Shanghai Branch  
Bank of China (Hong Kong) Limited (Qingdao Branch)

### H Share Register and Transfer Office

Tricor Tengis Limited  
26th Floor  
Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

### 監察主任

于會林(曾用名于惠霖)  
高級工程師

### 獲授權代表

王安  
伍敏怡 CPA FCCA ACA

### 核數師

畢馬威會計師事務所

### 法律顧問

香港法律  
貝克•麥堅時律師事務所

中國法律  
山東鑫士銘律師事務所

### 主要往來銀行

中國建設銀行(烟台市牟平支行)  
中國農業銀行(烟台市牟平支行)  
中國工商銀行  
(烟台市牟平支行)  
中國銀行(烟台市牟平支行)  
香港上海滙豐銀行有限公司  
  
荷蘭合作銀行有限公司上海分行  
中國銀行香港有限公司(青島分行)

### H股過戶登記處

卓佳登捷時有限公司  
香港灣仔皇后大道東28號  
金鐘匯中心26樓

### Registered Office and Principal Place of Business in the PRC

No. 18 Andre Avenue  
Muping Economic Development Zone,  
Yantai City, Shandong Province, the PRC

### Investors Relationship & Principal Place of Business in Hong Kong

1905-8, Sun Hung Kai Centre  
30 Harbour Road  
Wanchai, Hong Kong  
Telephone : (852) 2511-6988  
Facsimile : (852) 2587-9166  
Email address : andrehk@biznetvigator.com

### Company Homepage/Website

[www.andre.com.cn](http://www.andre.com.cn)

### Stock Code

8259

### 中國註冊辦事處及主要營業地點

中國山東省煙台市  
牟平經濟開發區  
安德利大街18號

### 投資者關係及香港營業地址

香港灣仔港灣道30號  
新鴻基中心1905-8室  
電話：(852) 2511-6988  
傳真：(852) 2587-9166  
電子郵件：andrehk@biznetvigator.com

### 公司網頁／網站

[www.andre.com.cn](http://www.andre.com.cn)

### 股票編號

8259

# Financial Highlights

## 財務摘要

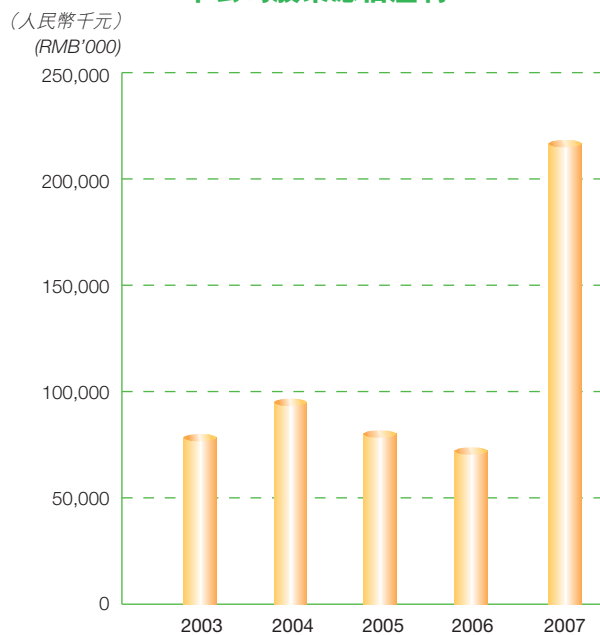
### Results 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		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
Turnover	收入	1,662,976	786,435	660,421	563,734	363,855
Profit from operations	經營溢利	292,565	58,662	113,986	118,479	89,003
Profit before taxation	除稅前溢利	266,604	78,823	82,806	97,027	76,761
Profit for the year	本年度溢利	235,153	70,234	76,676	91,667	74,171
Attributable to:	歸屬於：					
Equity shareholders of the Company	本公司股東	213,874	69,673	75,928	91,587	74,456
Minority interests	少數股東	21,279	561	748	80	(285)
Basic earnings per share *	每股基本盈利*	<b>RMB人民幣0.052元</b>	RMB人民幣0.018元	RMB人民幣0.020元	RMB人民幣0.026元	RMB人民幣0.024元

\* As if the subdivision of every Domestic Share and H Share with a nominal or face value of RMB1.00 in the share capital of the Company into ten Domestic Shares and ten H Shares with a nominal value or face value of RMB0.10 each and the capitalization issue to the shareholders on the basis of six (6) capitalization Shares for every five (5) Shares in issue had been effective throughout the periods presented.

\* 假設本公司股本中每股面值人民幣1.00元之各非流通股及H股於各呈報期內已拆細為十股每股面值人民幣0.10元之非流通股及H股以及每五(5)股已發行股份獲發行六(6)股資本化股份之資本化發行已於各呈報期內發行。

### Profit Attributable to Equity Shareholders of the Company 本公司股東應佔溢利



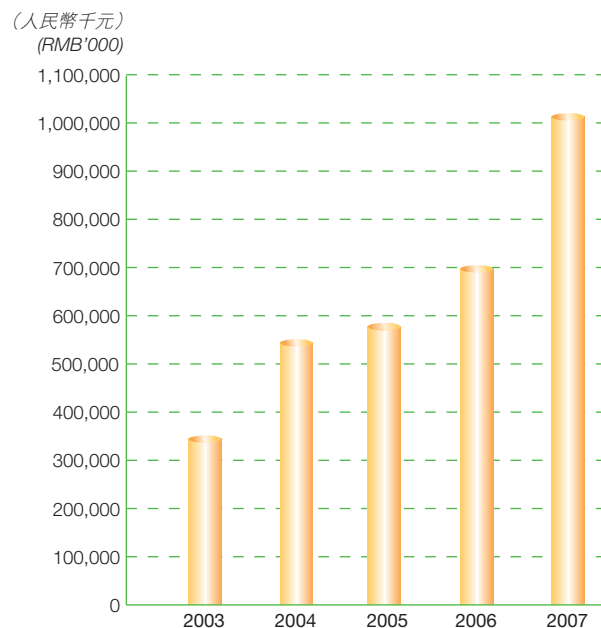
# Financial Highlights

## 財務摘要

### Assets and Liabilities 資產及負債

		As at 31 December 於十二月三十一日				
		2007	2006	2005	2004	2003
		二零零七年	二零零六年	二零零五年	二零零四年	二零零三年
		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
Total Assets	資產總值	<b>2,853,291</b>	1,852,683	1,432,462	1,190,975	835,503
Total Liabilities	負債總值	<b>1,759,852</b>	1,145,146	841,394	642,557	493,483
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益	<b>1,022,302</b>	697,950	582,042	540,060	342,020
Minority interests	少數股東權益	<b>71,137</b>	9,587	9,026	8,358	-

### Total Equity Attributable to Equity Shareholders of the Company 本公司股東應佔權益





# Chairman's Statement

## 主席報告書

I am pleased to submit to the shareholders the annual report of the Company and its subsidiaries (collectively known as the "Group") for the financial year ended 31 December 2007.

### Annual Results and Review

The Group recorded a turnover of approximately RMB1,662,976,000 for the year ended 31 December 2007, representing an increase of approximately 111% over the previous year; profit attributable to equity shareholders was approximately RMB213,874,000, and basic earnings per share was approximately RMB0.052.

As the juice concentrate industry was booming, the selling price of products in the new pressing season increased significantly and reached the highest level since the Company's establishment. Although the purchase price of apples increased with the selling price of the Group's products, the increase in product selling prices was higher than that of the price of materials in terms of both absolute price and relative price. The Group's stable customer resources and high product quality and the booming industry resulted in significant growth in both the selling price and sales volume of the Group's apple juice concentrate. As the turnover and market share of the Group was increasing, the operating result and the sales result grew up simultaneously.

本人欣然提呈本公司及附屬公司(合稱「本集團」)截至二零零七年十二月三十一日止年度報告，敬請各位股東瀏覽。

### 全年業績及回顧

本集團截至二零零七年十二月三十一日止年度實現本公司收入約為人民幣1,662,976,000元，比去年同期上升約111%；實現股東應佔溢利約人民幣213,874,000元，每股基本盈利約為人民幣0.052元。

由於濃縮蘋果汁行業景氣度大幅提升，本集團新榨季產品的銷售價格大幅上漲，達到了自公司成立以來的最高水平。雖然在本集團產品漲價的同時，原料果的採購價格也水漲船高，但無論是從絕對價格還是相對價格，產品價格漲幅均超過原料價格漲幅。本集團穩定的客戶資源和優質的產品質量，以及持續向好的行業景氣度，致使本集團濃縮蘋果汁銷售價格和銷售數量均大幅上升，在本集團銷售收入和市場佔有率不斷提高的情況下，實現了經營業績和銷售業績同步增長。

# Chairman's Statement

## 主席報告書

The Group has continued to strengthen the cooperation with international renowned financial institutions and increased the ratio of US dollar loans in overall loans scale. At the time of continuous appreciation of Renminbi against US dollar, various long-term and short-term funding arrangements in US dollar were approved which significantly reduced the foreign exchange exposure and financing cost of the Group thus facilitated the development of the business of the Company. To uplift the juice production capacity, the Group has built a new production base in Yongji city of Shanxi Province as planned and has started production before the pressing season. The Group has completed the technological enhancement of the original production line before the beginning of the pressing season and increased the unit time capacity of the original production line. In addition, the Group has adopted the methods of acquisition and takeover and had acquired shareholdings within the same industry in two juice production companies, 51% in Binzhou Anli and 70% in Qingdao Nannan. For pectin manufacture, the Group's pectin production equipment in Yantai plant has completed commissioning, trial production, etc., and realized mass production. For the variety of products, the pectin plant has successfully developed nine new products: apple core oil and eight apple pectin new products. In addition, the pectin plant was also actively developing the application of pectin in high-end health products and has launched a new health product line called "Green apple Green health" into the market. For research and development, the achievements of the Group included: one authorized patent, four applied patents, five approvals from the provincial result confirmation and one formalization of corporate standard. Furthermore, the Group has been confirmed as "Branch Centre for Apple Specialties – State Research and Development of Processing Technologies of Agricultural Products" by the Ministry of Agriculture, "Technology Development Centre for Yantai Enterprises" by Yantai Municipal government,

\* For identification purpose only

本集團繼續加強了與國際著名金融機構的合作，適度增加了美元貸款佔整個貸款規模的比例，在人民幣對美元持續升值的態勢下，通過多個美元長期及短期資金安排，大大降低了本集團匯率風險和融資成本，更好地促進了公司業務的發展；在提升果汁生產能力方面，本集團已按計劃在山西永濟市興建了新的生產基地，並於榨季前投入了生產，本集團還於榨季開始前完成了對原有生產線的技術改造，提升了原有生產線單位時間的產能，另外，本集團還採取收購兼併的手段，控股了兩個同行業的果汁生產企業-收購濱州安利51%股權和青島南南70%股權；在果膠生產方面，本集團位於烟台廠房的果膠生產設備順利完成了調試、試產等工作，並成功實現了批量生產，在產品品種方面，果膠廠房也成功開發了9種新產品，即：蘋果籽油和8種蘋果果膠新產品，另外，果膠廠房還積極將果膠應用於高端保健品的開發，並順利開發出「綠果康園」系列保健品，現已成功投放市場；在研究與開發方面，本集團獲得的成果有：授權專利1項，申請專利4項，通過省級成果鑒定5項，制定了企業標準1項，另

\* 僅供識別

# Chairman's Statement

## 主席報告書

and awarded one second-class prize for patent in Shandong Province and one first-class prize for technological advancement in Yantai City.

### Analysis of Industry and Our Market Share

The PRC exported approximately 1,042,700 tonnes of apple juice concentrate in 2007, representing a significant increase of 54.93% as compared to 673,000 tonnes in 2006. The apple juice concentrate industry of the PRC has only begun mass production in the late 90's of last century. However, as there is an abundant supply of apples in the PRC, the industry grew at a tremendous rate, and has claimed a world market share of over 50% within just a decade. The market share of the Company, being a leader in the apple juice concentrate industry of the PRC, has also increased steadily each year. Based on the export ratio of approximately 15% of the export volume of the industry as a whole in the Group's products last year, the export ratio of the Group's products reached approximately 17% for this year.

### Prospect and Outlook

The booming of the industry has undoubtedly brought forward huge potential for the Group's prospect. The high price orders signed in 07/08 pressing season practically confirmed that the Company will achieve rapid growth in result in the first half of 2008. Complimented by the high possibility of total apple supply in 2008 outgrowing that in 2007, the purchase price of apples will be difficult to increase significantly. Under the situation of effective cost control, the result in the second half of 2008 will grow in stability. In addition, with the gradual implementation of specific measures inclining to the agricultural industry under the PRC government's macroeconomic policies and the gradual improvement of various related PRC laws and

外，本集團還被國家農業部認定為「國家農產品加工技術研發蘋果專業分中心」，被烟台市政府認定為「烟台市企業技術開發中心」，獲山東省專利獎二等獎1項，烟台市科技進步一等獎1項。

### 行業和本公司市場份額分析

二零零七年度，中國濃縮蘋果汁出口量約為104.27萬噸，與二零零六年度出口量67.30萬噸相比大幅增長54.93%。中國濃縮蘋果汁行業的大規模生產起始於上世紀九十年代後期，但由於中國有著豐富的蘋果資源，發展速度十分驚人，僅十年左右就佔據了世界濃縮果汁市場超過50%的份額。作為中國濃縮果汁行業龍頭企業，本公司市場份額也逐年增加，在上年度本集團產品出口佔整個行業出口量比例約15%的基礎上，本集團本年度產品出口所佔比例達到了約17%。

### 前景與展望

行業景氣度的提升無疑為本集團的發展前景帶來了巨大的潛力。07/08榨季所簽的高價訂單實際上已經鎖定了公司二零零八年上半年的將會高速增長的業績，加上二零零八年蘋果總產量很可能將高於二零零七年的蘋果總產量，蘋果採購價格很難再大幅上漲，在成本得到有效控制的情況下，二零零八年下半年的業績也

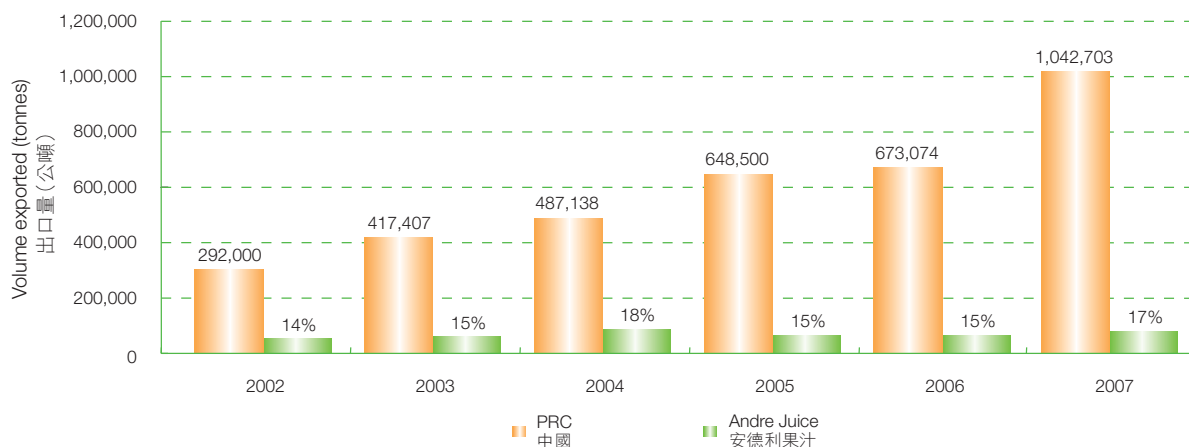
regulations, the Group will enjoy better development and financing opportunities. Aiming at enlarging its business scale, the Group will strive to further enlarge market, enhance productivity, diversify products, expand sales, disperse markets and to develop financing channels, etc.

For juice production capacity, to satisfy the increasing demands for juice concentrate, both domestic and abroad, the Group will continue to adopt the methods of increasing and expanding production lines to further

將會穩中有升。另外，隨著國家宏觀經濟政策向農業傾斜的各項具體措施的逐步實施，及國家各項有關法律法規的逐步完善，本集團也將面臨更好的發展及融資機遇。為謀求本集團的規模發展，本集團將致力於進一步拓寬市場、提升生產能力、產品多樣化、擴展銷售並分散市場、拓寬融資渠道等。

在果汁產能方面，為滿足國內外對濃縮果汁日益增長的需求，本集團將繼續採取增線和擴線的方式，進一步提升本集團的生產能力。本集團計劃在咸陽安德利新增一條生產線，在牟平安德利總部改造一條生產

**Volume of Apple Juice Concentrate Exported from the PRC (tonnes) and our Market Share**  
中國濃縮蘋果汁出口量(公噸)及本公司所佔市場份額



Source: Custom General Administration of the PRC and United States Department of Agriculture  
來源：中國海關信息中心及美國農業部

enhance the production capacity of the Group. The Group planned to add a production line in Xianyang Andre and to renovate a production line in Muping Andre's headquarter. Before the new pressing season begins, the Group will thereby have 13 modernized juice production lines with annual production capacity reaching approximately 310,000 tonnes (including controlled and jointly controlled entities). Moreover, we will continue to aim at taking over small and

線，擴充改造生產線的產能。這樣，在新榨季開始前，本集團將擁有現代化果汁生產線13條，年生產能力達到約31萬噸(包括控股企業和共同控制實體)。另外，本集團將繼續著眼於國內外同行業的中小企業，

# Chairman's Statement

## 主席報告書

medium enterprises in the industry, both domestic or abroad, through capital activities such as merger and acquisition to further increase the Group's annual production capacity for juice concentrate, and strengthen its leading position in the industry.

For pectin production capacity, the Group is planning to leverage on the successful mass production of the existing pectin production lines and start the construction of the second pectin production line as soon as possible, so as to increase the annual production capacity of the pectin plant to 4,000 tonnes to uplift the pectin production capacity, and achieve economy of scale.

For product diversification, leveraging on the finished products, the Group has strived for successful application for the "11th Five-Year Plan" in final stage rolling event of the technology support initiative. The development of more than ten new products included low methoxyl pectin, amidated low methoxyl pectin, citrous pectin and compound collid in different application fields to realize the diversification of pectin products and maximize the benefits of pectin products. Moreover, to fulfill the increasing demand from international market towards apple pulp, the Group planned to build a new pulp production line with annual production capacity of 10,000 tonnes in Muping's production base before the new pressing season begins, so as to diversify the Group's product and increase corporate efficiency.

At present, the Company has a sound financial base. The Company is also well positioned under the State's policy to construct new rural area, develop agriculture, flourish the rural area, enrich farmers and expand domestic demand. The Board of the Company (the "Board") and I have full confidence in its future development. Our employees will continue to support the Group and to contribute to the Group's continuous and steady development.

採取兼併、收購等資本運作手段，進一步提高本集團年生產濃縮果汁的生產能力，鞏固本集團於行業內的領導地位。

在果膠產能方面，本集團正計劃在現有生產線成功批量生產的基礎上，盡快著手第二條果膠生產線的興建工作，使果膠廠房的年生產能力達到4,000噸，以便盡快提升果膠的生產能力，達到規模效益。

在產品多樣化方面，在現有已生產產品的基礎上，本集團爭取成功申報國家「十一·五」科技支撐計劃的後期滾動項目，開發包括低甲氧基果膠(Low methoxyl pectin)、醯胺化果膠(Amidated low methoxyl pectin)、柑橘果膠(Citrous pectin)及不同應用領域的複合膠體(Compound collid)等10種以上新產品，爭取實現果膠產品品種的多樣化，果膠產品效益的最大化。另外，本集團為了滿足國際市場對蘋果果醬日益增長的需求，計劃於新榨季開始前在牟平生產基地新建一條年產1萬噸的果醬生產線，以增加本集團產品品種，提高企業效益。

目前本公司財務狀況良好，且本公司符合國家建設新農村、發展農業、繁榮農村、富裕農民、擴大內需的政策導向，本人及本公司董事會(「董事會」)對公司未來發展充滿信心，本公司全體員工將繼續努力，為本集團的持續穩定發展作出貢獻。

# Chairman's Statement

## 主席報告書

### Dividend

The Board proposes a final dividend of RMB0.007 per share for the financial year 2007 in the forthcoming annual general meeting.

### Appreciation

During the reporting period, as the industry was booming significantly and the market share of the Group grew steadily, turnover and operating result grew up simultaneously. As the situation of inability for the supply to meet the demand is difficult to be solved in short term, the Directors believe 2008 will be another year of substantial development for the Company. On behalf of the Board, I would like to express my gratitude to all the investors, loyal customers and suppliers for their appreciation and solid support to the Group.

**Yantai North Andre Juice Co., Ltd.\***

**Zheng Yue Wen**

*Chairman*

15 March 2008

### 股利

董事會擬於即將召開的股東周年大會上建議派發二零零七年度股利每股人民幣0.007元。

### 致謝

報告期內，隨著行業景氣度的大幅提升，本集團在市場佔有率穩步增長的情況下，實現了銷售收入和經營業績同步增長。由於行業供不應求的形勢短期內難以逆轉，董事相信，二零零八年度將是公司又一大發展的年度。在此，本人謹代表董事會就各界投資者、忠誠客戶及各大供應商對本集團的厚愛及堅定支持表示衷心感謝。

**烟台北方安德利果汁股份有限公司**

**鄭躍文**

*董事長*

二零零八年三月十五日

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論及分析

### Financial Review

#### Results

For the year ended 31 December 2007, the Group's turnover increased to approximately RMB1,662,976,000 as compared to approximately RMB786,435,000 in 2006, representing a significant increase of approximately RMB876,541,000 or 111%. The Group's turnover was principally derived from the manufacture and sale of apple juice concentrate, pear juice concentrate, apple essence, feedstuff and related products. The sale of apple juice concentrate accounted for approximately 97% of the total turnover of the Group for the year ended 31 December 2007 (2006: approximately 95%). The increase in turnover was mainly attributable to the increase in sales volume and selling price of apple juice concentrate. The increase in sales volume was mainly due to Company's expansion into new market. The increase in selling price was mainly attributable to the market demand of the Group's products.

For the year ended 31 December 2007, the Group's gross profit was approximately RMB427,395,000 and the gross profit margin was approximately 26%. For the corresponding period in 2006, the gross profit was approximately RMB164,641,000 and gross profit margin was approximately 21%. The increase in gross profit and gross profit margin was mainly attributable to the increase in selling price.

### 財務回顧

#### 業績

截至二零零七年十二月三十一日止年度，本集團的收入增加至約人民幣1,662,976,000元，與二零零六年約人民幣786,435,000元相比，大幅增加約人民幣876,541,000元或111%。本集團的收入主要來自生產及銷售濃縮蘋果汁、濃縮梨汁、蘋果香精、生物飼料及相關產品。截至二零零七年十二月三十一日止年度，濃縮蘋果汁的銷售約佔本集團總銷售額之97%（二零零六年：約95%）。本年度營業額增加主要是由於濃縮蘋果汁之銷售數量及銷售價格上升引起的。銷售數量上升主要是因為公司積極開拓市場而銷售價格上升主要是因為本集團產品供不應求而引致的。

截至二零零七年十二月三十一日止年度，本集團毛利約為人民幣427,395,000元，毛利率約為26%。二零零六年同期的毛利約為人民幣164,641,000元，毛利率約為21%。毛利及毛利率之上升主要是由於產品銷售價格的上升而引致的。

# Management Discussion and Analysis

## 管理層討論及分析

For the year ended 31 December 2007, the Group's net profit (i.e. the profit for the year attributable to equity shareholders of the Company) increased to approximately RMB213,874,000 as compared to approximately RMB69,673,000 for the corresponding period in 2006, representing a significant increase of approximately RMB144,201,000 or 207%. The significant increase in net profit was mainly attributable to the increase in sales volume and selling price of the Group's products.

### Distribution and Administration Expenses

For the year ended 31 December 2007, the Group incurred distribution expenses of approximately RMB106,834,000, as compared to approximately RMB81,541,000 for the corresponding period in last year, representing an increase of approximately RMB25,293,000. The Group's distribution expenses mainly included transport, export inspection and marketing expenses. Such increase was mainly attributable to the increase in sales volume.

For the year ended 31 December 2007, the Group incurred administration expenses of approximately RMB38,860,000 as compared to approximately RMB35,099,000 for the corresponding period in last year, representing an increase of approximately RMB3,761,000. Such increase was mainly attributable to the commencement of operation of a new factory in Yongji in the second half of 2007 and the acquisition of a subsidiary Binzhou Anli Fruit Juice Co., Ltd.\* ("Binzhou Anli") in April 2007 which led to the increase in general administrative expenses in 2007.

\* For identification purpose only

截至二零零七年十二月三十一日止年度，本集團淨利潤(即本公司股東應佔本年度溢利)約為人民幣213,874,000元，與二零零六年同期約為人民幣69,673,000元相比，大幅上升約人民幣144,201,000元或207%。淨利潤大幅上升主要是由於本集團產品之銷售數量及銷售價格上升而引致。

### 銷售及管理費用

截至二零零七年十二月三十一日止年度，本集團銷售費用約為人民幣106,834,000元。與去年同期約人民幣81,541,000元相比增加約人民幣25,293,000元。本集團之銷售費用主要包括運輸費用，出口檢驗費及推廣費用。銷售費用增加主要是由於銷售數量增加造成的。

截至二零零七年十二月三十一日止年度，本集團的管理費用約為人民幣38,860,000元。與去年同期約人民幣35,099,000元相比，增加約人民幣3,761,000元。管理費用上升主要是由於位於永濟之新廠房於二零零七年下半年投產，以及於二零零七年四月收購濱州安利果汁飲料有限公司(「濱州安利」)為附屬公司，導致二零零七年相應的一般行政開支也隨之增加所致。

\* 僅供識別



# Management Discussion and Analysis

## 管理層討論及分析

### Net Finance Costs

For the year ended 31 December 2007, the net finance costs of the Group increased to approximately RMB26,462,000, as compared to approximately RMB32,877,000 for the corresponding period in 2006, representing a decrease of approximately RMB6,415,000 or 20%. Such decrease was mainly due to the increase in exchange gain caused by appreciation of RMB.

### Investment Income

For the year ended 31 December 2006, investment income recognised by the Group was approximately RMB53,086,000. Such investment income represented the profit on disposal of 50% equity interest in a subsidiary, Xianyang Andre Juice Co., Ltd. ("Xianyang Andre").

### Share of Profits/(Losses) from an Associate

For the year ended 31 December 2007, share of profits from an associate of the Group was approximately RMB501,000. Share of losses from an associate for the corresponding period in last year was approximately RMB48,000. The increase in share of profits from an associate was due to the commencement of mass production of the pectin business in 2007.

### Income Tax

For the year ended 31 December 2007, the income tax of the Group was increased from approximately RMB8,589,000 in the last year to approximately RMB31,451,000. The increase was mainly due to the increase in profit for the year.

### 財務成本淨額

截至二零零七年十二月三十一日止年度，本集團的財務成本淨額約為人民幣26,462,000元，比二零零六年同期約人民幣32,877,000元低約人民幣6,415,000元或20%，主要是由於人民幣升值，匯兌收益增加而造成的。

### 投資收入

截至二零零六年十二月三十一日止年度，本集團的投資收入約為人民幣53,086,000元。該投資收入為轉讓本集團附屬公司咸陽安德利果蔬汁有限公司（「咸陽安德利」）50%權益之利潤。

### 應佔聯營公司溢利／（虧損）

截至二零零七年十二月三十一日止年度，本集團應佔聯營公司溢利約為人民幣501,000元，去年同期應佔聯營公司虧損約人民幣48,000元。應佔聯營公司溢利增加是由於果膠業務已於二零零七年度開始批量生產。

### 所得稅

截至二零零七年十二月三十一日止年度，本集團之所得稅從去年約人民幣8,589,000元增加至本年度約人民幣31,451,000元，所得稅之增加主要是由於本年度溢利增加所致。

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論及分析

### Business Review and Outlook

#### Business Review

##### Cooperation with International Financial Institutions

Under the trend of continued appreciation of Renminbi against US dollar, the Group has enhanced cooperation with international renowned financial institutions to appropriately increase the proportion of US dollar in the loan portfolio as a whole. The Directors believe that such long-term and short-term US dollar funding arrangements can reduce the Group's exchange rate risk and finance cost, and can facilitate better business development.

##### Enhancing Market Coverage

With years of continuous effort, the Group has already expanded its sales network to major countries and regions in the world, including the US, Japan, European countries and PRC market.

##### Optimization of Customer Base

While expanding its market places and market share, the Group also optimized its profile of customer base, according to the situation of insufficient product supply in recent years. Currently, the customer base of the Company mainly comprises the renowned beverage manufacturers of the world.

### 業務回顧及展望

#### 業務回顧

##### 與國際金融機構合作

在人民幣對美元持續升值的形勢下，本集團繼續加強了與國際著名金融機構的合作，適度增加了美元貸款佔整個貸款規模的比例。董事相信，通過多個美元長期及短期資金安排，可大大降低本集團匯率風險和融資成本，以及更好地促進業務的發展。

##### 增加市場覆蓋

經過多年努力，本集團之銷售網絡已擴展至世界主要國家和地區，包括美國、日本、歐洲諸國及中國內銷市場。

##### 優化客戶群

本集團在拓寬市場，提高市場佔有率的同時，根據近年來公司產品供不應求的現狀，對公司客戶群進行了優化組合。目前，公司的客戶群主要是世界上著名的飲料生產商。

# Management Discussion and Analysis

## 管理層討論及分析

### Development of Bases for Apples with High Acidity

Encouraging peasants to cultivate apples with high acidity is the major business strategy and the foundation of continuing development of the Company throughout the years. In the recent years, the price of juice concentrate is increasing in the global market, so as the acquisition price of raw materials, which in turn drives the peasants to cultivate apples, in particular their motivation to cultivate apples with high acidity. Hence, the cultivation area of the bases of apples with high acidity developed by the Group surrounding the production bases is expanding continuously. As the Group made an early start in developing the bases of apples with high acidity, some of the bases are attaining the capacity gradually, which guarantees the supply of raw materials for the Company.

### Production of Pectin

The Group had further implemented various aspects of the production of pectin. Tasks such as commissioning of the production equipment in the factory premises located in Yantai, trial production run, were successfully completed, with mass production started. The pectin premises have also succeeded in the development of nine new products, i.e. apple core oil and other eight new pectin products, including:

No.	Type	Name
1	AP101	HM Ultra rapid set pectin
2	AP102	HM Rapid set pectin
3	AP103	HM Medium rapid set pectin
4	AP104	HM Slow set pectin
5	AP105	HM Ultra slow set pectin
6	AP106	HM High viscosity pectin
7	AP170	HM Viscosity pectin
8	AP140	HM Pectin for protein stability

In addition, the Group has also engaged in the application of pectin in the development of high-end health products, and developed health products series of "Green apple Green health" which has become a success story in the market.

### 高酸蘋果基地的發展

鼓勵農戶種植高酸蘋果一直是公司的業務方針，也是公司持續發展的基石。近年來，國際市場上濃縮果汁價格不斷攀升，原料果的收購價格也隨之提高，這極大的推動了農戶種植蘋果，特別是種植高酸蘋果的積極性，使本集團在生產基地周邊發展的高酸蘋果基地的種植面積不斷擴大。由於本集團發展高酸蘋果基地起步較早，部份基地現已逐步達產，這將有力的保障公司原料果的供應。

### 果膠生產

本集團進一步落實果膠生產的各項工作。位於烟台廠房的果膠生產設備順利完成調試、試產等工作，並成功實現了批量生產。在產品品種方面，果膠廠房也成功開發了9種新產品，即：蘋果籽油和8種蘋果果膠新產品，分別是：

序號	型號	名稱
1	AP101	超快速凝膠果膠
2	AP102	快速凝膠
3	AP103	中速凝膠
4	AP104	慢速凝膠
5	AP105	超慢速凝膠
6	AP106	高黏度果膠
7	AP170	高酯粘性果膠
8	AP140	高酯蛋白穩定果膠

另外，本集團還積極將果膠應用於高端保健品的開發，並順利開發出「綠果康園」系列保健品，現已成功投放市場。

# Management Discussion and Analysis

## 管理層討論及分析

### Increase Juice Production Capacity

The Group has built a new production base in Yongji, Shanxi Province as planned. The base started production before pressing season which further increased production capacity of the Group and improved strategic positioning of production lines of the Group. The Group has also completed technical renovations at original production lines before pressing season, so as to enlarge production capacity of such production lines. Furthermore, the Group has also engaged in merger and acquisition activities, and controlled two fruit juice producers, i.e. 51% equity interest in Binzhou Anli, and 70% equity interest in Qing Dao Nannan Beverage Co., Ltd.\* (“Qingdao Nannan”).

### Placing of H Shares

On 4 July 2007, the Company entered into a placing agreement with joint placing agents, Guotai Junan Securities (Hong Kong) Limited and Mega Capital (Asia) Company Limited, pursuant to which the joint placing agents agreed to place an aggregate of 130,000,000 new H shares of the Company at a price of HK\$1.18 per share.

The above placing was completed on 16 July 2007. The new H shares, representing an aggregate of approximately 6.71% of the total share capital of the Company as enlarged by the issue of the new H shares, are traded on the GEM since 16 July 2007.

Net proceeds from share placing had been fully utilized according to the recommended uses set out in the relevant announcement.

### 提升果汁生產能力

本集團已按計劃在山西永濟市興建了新的生產基地，並於榨季前投入了生產，進一步提升了本集團的生產能力，完善了本集團生產線的戰略佈局；本集團還於榨季開始前完成了對原有生產線的技術改造，提升了原有生產線單位時間的產能；另外，本集團還採取收購兼併的手段，控股兩個同行業的果汁生產企業－收購濱州安利51%股權和青島南南飲料有限公司（「青島南南」）70%股權。

### H股配售

於二零零七年七月四日，本公司與聯席配售代理國泰君安證券（香港）有限公司和兆豐資本（亞洲）有限公司簽訂配售協議，據此，聯席配售代理同意以每股1.18港元的價格，配售共130,000,000股本公司新H股。

上述配售於二零零七年七月十六日完成。共佔經發行新H股後擴大本公司總股本約6.71%的新H股已於二零零七年七月十六日起在創業板進行買賣。

本公司配售股份募集資金淨額現已按原公佈內之建議用途使用完畢。

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論及分析

### Traceability and Farm Management Improvement Linkages Project

To enhance competitiveness, the Company has looked forward and entered into a Linkages Cooperation Agreement with IFC for the joint development of traceable, farm management improvement linkages project in the PRC. The project has commenced in 2006, and five trial villages (with 1,747 acreages) in Yantai were recognized by EUREPGAP (global excellent agricultural standard) in 2007. Due to the success in getting EUREPGAP recognition in the trial villages, the Group has constructed a new production line for selection of commercial apples in the production base in Yantai. The Directors believe that this can lay a solid foundation for entering the commercial apple market, which represents the majority of apple output, by the Group.

### Research and Development

The Group, acting as the main bidder and together with China Agricultural University, the Chinese Academy of Inspection and Quarantine of the General Administration of Quality Supervision, Inspection and Quarantine of China, etc, have undertaken key projects under the National Science and Technology Support Program of the “11th Five-Year Plan” – the development and industrialisation demonstration of apple pectin products and apple juice of prime quality. The Group continued undertaking of the “Shandong Province Key Technology Project of 2006 – Key Technology for Fine and Deep Processing of Fruits”. The Group also undertook the “Research and Development of Key Technology and Equipment for Apple Processing” which is a State project in “Fostering of Science and Technology Enterprises and Brand Products in Rural Areas”. The “Research of Key Technology for Deep Processing of Superior Agricultural Products (Fruits)” which was a Shandong Province technology project of 2005 has completed.

### 開發可追溯和農戶管理提升的商橋項目

為增加本公司之競爭力，本公司已前瞻性地與IFC簽訂了一份商橋合作協議，與IFC在中國共同開發可追溯和農產管理提升的商橋項目。該項目已於二零零六年度正式開始啟動，並且位於烟台的五個試點村(1,747畝)亦於二零零七年通過了EUREPGAP(全球良好農業規範)認證。鑑於EUREPGAP認證試點的順利成功，位於烟台工廠的生產基地新建了一條鮮食果的選果生產線，為成功進入佔蘋果總產量絕大比例的鮮食果市場打下了堅實的基礎。

### 研究與開發

本集團作為主標單位，與中國農業大學、中國檢驗檢疫科學研究院等繼續承擔國家「十一•五」科技支撐計劃重大項目－蘋果果膠系列產品與優質蘋果汁開發及產業化示範；繼續承擔山東省二零零六年度重大科技專項－水果精深加工關鍵技術；二零零七年度承擔國家星火計劃「農村科技型企業和品牌產品培育」中的「蘋果加工關鍵技術與設備研究開發」項目。山東省二零零五年度重大科技專項「優勢農產品(果蔬)深加工關鍵技術研究」已經完成。

# Management Discussion and Analysis

## 管理層討論及分析

### Our achievements included:

#### 1. We have been granted one patent:

A processing method for concentrated natural apple essence (ZL03112555.7).

#### 2. We have also submitted patent applications for four of our inventions:

200710112556.1, processing method for a functional food with apple pectin as the main ingredient, which can adjust blood sugar;

200710113555.7, processing method for a functional food with apple pectin as the main ingredient, which can adjust blood fat and reduce cholesterol;

200710113553.8, processing method for a functional food with apple pectin as the main ingredient, which can lubricate intestines and eliminate toxins; and

200710113554.2, a test method for organic solvent residue in pectin.

#### 3. We have passed five tests for achievements at provincial level:

Studies on technologies for extraction of apple core oil;

Studies on key technologies on high protein feeding stuff from apple dreg;

Studies on effective pressing technologies in apple processing;

Studies on processing technologies of high methoxyl series products; and

Studies on effective industrialized production technologies of decolorized and de-acidified concentrated apple juice.

### 獲得的成果有：

#### 1. 授權專利1項

高倍天然蘋果香精的製備方法(ZL03112555.7)

#### 2. 申請專利4項

200710112556.1 以蘋果果膠為主要組分的調節血糖的功能食品及其製備方法

200710113555.7 以蘋果果膠為主要組分的調節血脂降膽固醇的功能食品及其製備方法

200710113553.8 以蘋果果膠為主要組分的潤腸排毒的功能食品及其製備方法

200710113554.2 一種果膠中殘留的有機溶劑的測定方法

#### 3. 通過省級成果鑒定5項

蘋果籽油提取技術研究

蘋果渣高蛋白飼料關鍵技術研究

蘋果汁加工過程中高效榨汁技術

高甲氧基系列果膠加工技術

脫色脫酸濃縮蘋果汁工業化高效生產技術

# Management Discussion and Analysis

## 管理層討論及分析

#### 4. We have formulated one corporate standard:

Food additive compound pectin (Biaozhun No. Q/YAG001-2006).

During the year, the Company has been recognized as “Branch Centre for Apple Specialties – State Research and Development of Processing Technologies of Agricultural Products” by the Ministry of Agriculture, “Technology Development Centre for Yantai Enterprises” by Yantai Municipal government, and awarded one second class patent award from Shandong Province, and one first class technology progress award from Yantai City.

#### 4. 制定了企業標準 1 項

《食品添加劑複合果膠》（標準號：Q/YAG001-2006）。

該年度公司還被國家農業部認定為「國家農產品加工技術研發蘋果專業分中心」，被烟台市政府認定為「烟台市企業技術開發中心」，獲山東省專利獎二等獎 1 項，烟台市科技進步一等獎 1 項。

## Strategic Production Locations

### 策略性生產地點



# Management Discussion and Analysis

## 管理層討論及分析

### Future Prospects

#### Expand Markets

While strengthening its position in the existing markets, the Group will at the same time focus on market diversification. In respect of the overseas market, apart from strengthening its US market and the developed European market and Japanese market, the Group is actively liaising with its various customers with a view to achieve further breakthroughs in the European, North American, Asian and even Australian markets. At the same time, the Group will actively promote its products in the domestic PRC market.

#### Development of Financing Channels

Under the trend of continued appreciation of Renminbi against US dollar, the Group will actively engage in cooperation with international financial institutions to diversify its financing channels, enlarge financing products, especially, as long-term US dollar funding arrangements can reduce the Group's exchange rate risk and finance cost, improve capital structure and can facilitate better business development.

#### Further Increase Juice Production Capacity

To meet the growing demand for juice concentrate both in local and overseas markets, the Group will continue to increase and expand production lines so as to increase production capacity of the Group. The Group plans to build a new production line at Xianyang Andre and to renovate a production line at Muping Andre so as to expand capacity of production lines. The Group will then have 13 modern production lines for fruit juice, and reach an annual production capacity of 310,000 tonnes (including controlled and jointly controlled entities) before the start of the new pressing season.

### 未來展望

#### 拓寬市場

本集團在鞏固現有市場的同時，將更加注重市場的多元化。國外市場方面，除了鞏固美國市場和現已開拓的歐洲及日本市場外，本集團現正積極與不同的客戶聯繫，力求在歐洲、北美洲、亞洲，以及澳洲市場有更大的突破。另外，本集團也將進一步積極拓展國內內銷市場。

#### 拓寬融資渠道

在人民幣對美元持續升值的形勢下，本集團將積極繼續致力於與國際金融機構的合作，以利於本集團拓寬融資渠道，增加融資品種，特別是美元的長期資金安排，以利於公司降低匯率風險及融資成本，改善資本結構，增強抗風險的能力，同時更好地促進公司業務的發展。

#### 進一步提升果汁生產能力

為滿足國內外對濃縮果汁日益增長的需求，本集團將繼續採取增線和擴線的方式，進一步提升本集團的生產能力。本集團計劃在咸陽安德利新增一條生產線，在牟平安德利總部改造一條生產線，擴充改造生產線的產能。這樣，在新榨季開始前，本集團將擁有現代化果汁生產線13條，年生產能力達到約31萬噸(包括控股企業和共同控制實體)。



# Management Discussion and Analysis

## 管理層討論及分析

### Construction of Production lines for Fruit Pulp

To meet increasing demand for apple pulp in the international market, the Group plans to build a new production line for apple pulp, with an annual capacity of 10,000 tonnes, at the present Muping production base, so as to increase the product variety of the Group and to improve corporate effectiveness.

### Accelerate Pace for Acquisition and Merger

The Group is aiming at taking over small and medium enterprises in the industry, domestic or abroad, through capital activities such as merger and acquisition, to further increase the Group's annual production capacity for juice concentrate, thereby strengthening our leading position in the industry.

### Enhance Pectin Production Capacity

The pectin production equipment of Yantai plant of the Group has successfully launched mass production with an annual production capacity amounted to 2,000 tonnes. On the basis of the successful mass production of current pectin production line, the Group is planning to start the construction of the second pectin production line as soon as possible, thereby lifting the production capacity of pectin to 4,000 tonnes per annum, so as to increase pectin production capacity as soon as possible to achieve economy of scale.

### Continue Development of Traceability and Farm Management Improvement Linkages Project

With five trial villages (with 1,747 acreages) in Yantai recognized by EUREPGAP successfully in 2007, the Group will experiment with trial villages in Xianyang district to implement EUREPGAP projects, so as to gain expertise, and build a solid foundation for large scale promotion for such projects.

### 果漿生產線的建設

為了滿足國際市場對蘋果果漿日益增長的需求，本集團計劃在目前牟平生產基地新建一條1萬噸的果漿生產線，以增加本集團產品品種，提高企業效益。

### 加快收購兼併步伐

本集團將繼續著眼於國內外同行業的中小企業，採取兼併、收購等資本運作手段，進一步提高本集團年生產濃縮果汁的生產能力，鞏固本集團於行業內的領導地位。

### 提升果膠生產能力

本集團位於烟台廠房的果膠生產設備已順利實現了批量生產，年產能達2,000噸。本集團正計劃在現有生產線成功批量生產的基礎上，儘快著手第二條果膠生產線的興建工作，使果膠廠房的年生產能力達到4,000噸，以便儘快提升果膠的生產能力，達到規模效益。

### 繼續開發可追溯和農戶管理提升的商橋項目

在二零零七年度位於烟台的五個試點村(1,747畝)順利通過了EUREPGAP認證體系後，二零零八年度，本集團將在陝西咸陽地區選擇試點村實施EUREPGAP項目，以便更好地累積經驗，為大面積推廣該項目奠定艱實的基礎。

# Management Discussion and Analysis

## 管理層討論及分析

### Product Diversification for Pectin Products

The Group will strive to engage in later rolling projects under the National Science and Technology Support Program of the “11th Five-Year Plan”, to develop more than 10 new products, among them, low methoxyl pectin, amidated low methoxyl pectin, citrous pectin and compound collid, so as to achieve diversification of pectin products to maximize effectiveness of such products.

### Research and Development

For concentrated apple juice, the Group will strive to:

1. make new achievements through undertaking projects under the National Science and Technology Support Program of the “11th Five-Year Plan”;
2. conduct R&D in processing technologies of immature apples and apples with high acidity, so as to improve product quality and lower production costs;
3. conduct R&D in separation technologies of ultrafilter residues, so as to improve production efficiency and reduce production costs; and
4. engage in the later two years’ rolling projects under the National Science and Technology Support Program of the “11th Five-Year Plan”.

### 果膠產品品種多樣化

本集團爭取成功申報國家「十一•五」科技支撐計劃的後期滾動項目，開發包括低甲氧基果膠(Low methoxyl pectin)、醯胺化果膠(Amidated low methoxyl pectin)、柑橘果膠(Citrous pectin)及不同應用領域的複合膠體(Compound collid)等10種以上新產品，爭取實現果膠產品品種的多樣化，果膠產品效益的最大化。

### 研究與開發

在濃縮蘋果汁方面本集團將致力於以下項目：

1. 通過承擔國家「十一•五」科技支撐計劃重大項目將取得新成果；
2. 研發不成熟及高酸蘋果加工技術，進一步提高產品質量，降低生產成本；
3. 研發超濾罐底物分離技術，提高生產效率，降低生產成本；及
4. 爭取承擔「十一•五」科技支撐計劃的後兩年滾動項目。

# Management Discussion and Analysis

## 管理層討論及分析

For pectin, the Group will strive to:

engage in later rolling projects under the National Science and Technology Support Program of the “11th Five-Year Plan”, to develop more than 10 new products, among them, low methoxyl pectin, amidated low methoxyl pectin, citrous pectin and compound collid, so as to formulate more than 4 corporate standards, submit more than 3 patent applications and be awarded with more than 2 scientific achievements.

### Liquidity And Financial Resources

The Group generally financed its operations and investing activities by internally generated financial resources and loans from banks. As at 31 December 2007, the Group had outstanding short-term and long-term bank loans of approximately RMB1,061,064,000 and RMB328,707,000 respectively. As at 31 December 2007, the short-term bank loans bore interest at rates ranging from 6.57% to 7.83% per annum. The long-term bank loans bore floating interest rate of LIBOR +1.1%, with maturity in 2009. In the year 2007, the Group repaid on time all debts that were due. The Directors consider that the Group has sufficient financial resources to meet its ongoing operation requirements.

在果膠方面，本集團將致力於以下項目：

爭取成功申報國家「十一·五」科技支撐計劃的後期滾動項目，開發包括低甲氧基果膠(Low methoxyl pectin)、醯胺化果膠(Amidated low methoxyl pectin)、柑橘果膠(Citrous pectin)及不同應用領域的複合膠體(Compound collid)等10種以上新產品，制定4項以上企業標準，申請3項以上專利，爭取通過2個科技成果鑒定。

### 流動資金及財務資源

本集團一般以內部財務資源及銀行借貸等為其經營及投資活動之資金。於二零零七年十二月三十一日，本集團尚未償還之短期及長期銀行借貸分別約為人民幣1,061,064,000元及約人民幣328,707,000元，於二零零七年十二月三十一日，短期銀行貸款之年利率為6.57%至7.83%，長期貸款之浮動息率為倫敦銀行同業拆放利率+1.1%，並於二零零九年到期。二零零七年度本集團均按期償還到期借款。董事認為，本集團具有充足財務資源，滿足持續營運需要。

# Management Discussion and Analysis

## 管理層討論及分析

### Capitalization Issue

The resolutions about the capitalization issue to the shareholders of H Shares and Domestic Shares on the basis of six (6) capitalization H Shares for every five (5) H Shares and six (6) capitalization Domestic Shares for every five (5) Domestic Shares in issue on 25 October 2007 were duly passed at the special general meeting, H Shares class meeting and Domestic Shares class meeting of the Company held on 25 October 2007. The capitalization shares issued pursuant to the capitalization issue were credited as fully paid by way of capitalization of the Company's share premium account. Dealing of the capitalization shares commenced on 21 November 2007.

### LOAN AGREEMENT WITH IFC

On 21 April 2005, the Company entered into a loan agreement (the "Loan Agreement") with IFC for a loan of US\$15,000,000 (approximately HK\$117,000,000) repayable commencing on 15 March 2007 by 10 approximately equal instalments until all monies payable under the Loan Agreement have been fully repaid.

Pursuant to the Loan Agreement, Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司), being the controlling shareholder of the Company, Beijing RAJ Network Sales Co., Ltd.\* (北京瑞澤網絡銷售有限責任公司), Yantai Donghua Fruit

### 資本化發行

本公司股東已於二零零七年十月二十五日舉行之臨時股東大會、H股股東類別大會及非流通股股東類別大會上通過向H股股東及非流通股股東進行資本化發行，基準為於二零零七年十月二十五日持有每五(5)股已發行H股獲發行六(6)股資本化H股及每持有五(5)股已發行非流通股獲發行六(6)股資本化非流通股。根據資本化發行，發行之資本化股份乃透過本公司之股份溢價賬予以資本化之方式入賬列作繳足。資本化股份已於二零零七年十一月二十一日開始買賣。

### 與IFC之貸款協議

於二零零五年四月二十一日，本公司與IFC簽訂為數15,000,000美元(約117,000,000港元)之貸款協議(「貸款協議」)，還款期由二零零七年三月十五日起，分十期平均攤還，至貸款協議下所有應付之金額完全償還為止。

按貸款協議，本公司之控股公司光彩事業國土綠化整理有限公司、北京瑞澤網絡銷售有限責任公司、烟台東華果業有限公司及Donghua Fruit Industry Co., Ltd. 集體與IFC及本公司協議，只要貸款協議下任何貸款的本金或利息仍未完全償還，該等控股公司不可持有少於

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論及分析

Co., Ltd.\* (烟台東華果業有限公司) and Donghua Fruit Industry Co., Ltd. have collectively undertaken to IFC and the Company to retain their legal and beneficial aggregate ownership of not less than 40% in the issued share capital of the Company so long as any part of the principal of or interest on the loan under or any other sums due under the Loan Agreement remain outstanding and unpaid. In the event that their legal and beneficial aggregate ownership falls below the above aggregate percentage level, the Company shall be required to repay the principal amount of the loan from time to time outstanding and the interest thereon accrued.

On 21 March 2006, after the subscription of shares by IFC, the Company entered into an Amended and Restated Agreement to the Loan Agreement (the "Amended Loan Agreement") with IFC to amend the facility to be granted by IFC under the Loan Agreement from US\$15,000,000 to US\$8,000,000 and to make certain other incidental changes to the Loan Agreement, including the cancellation of all assets charged by IFC.

The Amended Loan Agreement is signed subject to the entering into of (a) the Yantai Share Retention Agreement, pursuant to which each of Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司), being the controlling shareholder of the Company, Beijing RAJ Network Sales Co., Ltd.\* (北京瑞澤網絡銷售有限責任公司), Yantai Donghua Fruit Co., Ltd.\* (烟台東華果業有限公司) and Donghua

本公司股本之40%的法定及實益合併持股量。如該等控股公司之法定及實益合併持股量少於上述之要求，本公司需立即償還當時結欠之貸款本金及利息金額。

於二零零六年三月二十一日，本公司在定向配股予IFC後，本公司與IFC協商訂立一份有關貸款協議之經修訂及重訂之協議（「經修訂貸款協議」），以將IFC根據貸款協議將給予之貸款由15,000,000美元修訂為8,000,000美元，及對貸款協議作出若干其他附帶變動，包括取消對本公司之所有資產抵押。

經修訂貸款協議已經簽署，惟須待訂立下列協議後方可落實：(a)烟台股權保留協議，據此北京瑞澤網絡銷售有限責任公司、光彩事業國土綠化整理有限公司、烟台東華果業有限公司及Donghua Fruit Industry Co., Ltd.各自將承諾維持其於本公司已發行股本中合共持有不低於40%之權益；及(b)東華股權保留協議，據此王安先生及張輝先生將同意分別於烟台東華果業有限公司及Donghua Fruit Industry Co., Ltd.維持持有特定百分

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論及分析

Fruit Industry Co., Ltd. will undertake to maintain an aggregate interest of no less than 40% in the issued share capital of the Company; and (b) Donghua Share Retention Agreement, pursuant to which Mr. Wang An and Mr. Zhang Hui will agree to maintain the specified percentage interests in each of Yantai Donghua Fruit Co., Ltd. \* (烟台東華果業有限公司) and Donghua Fruit Industry Co., Ltd.. As at the date of this announcement, both the Yantai Share Retention Agreement and the Donghua Share Retention Agreement have not yet been finalised and the loan of US\$8,000,000 under the Amended Loan Agreement is not yet available to be drawn down.

### Term Facility Agreement with Certain Financial Institutions

On 2 June 2006, the Company as borrower entered into the Term Facility Agreement with certain financial institutions whereby the lenders have agreed to make available to the Company a term facility in an aggregate amount of US\$60,000,000 (approximately HK\$468,000,000 upon drawdown).

The terms of the Term Facility Agreement impose specific performance obligations on the part of the controlling shareholders of the Company. Under the Term Facility Agreement, each of the following will constitute an event of default upon which the facility will, among others, become immediately due and payable:

- (i) Mr. Wang An does not or ceases to have or is not or ceases to be entitled to exercise, directly or through his controlled corporations, management control over each of the Company and its material subsidiaries; and

比之股權。於本公佈日期，烟台股權保留協議及東華股權保留協議均尚未落實，因此經修訂貸款協議項下之為數8,000,000美元貸款尚不可動用。

### 與若干金融機構訂立定期貸款協議

於二零零六年六月二日，本公司(作為借款人)與若干金融機構訂立定期貸款協議。根據該定期貸款協議之條款，貸款人同意授予本公司一項總額為60,000,000美元(於貸款時約港幣468,000,000元)之定期貸款。

該定期貸款協議之條款對本公司之控股股東施加特定之履約責任。根據該定期貸款協議，以下各項將構成違約事件。倘發生違約事件，該貸款(其中包括)將即時到期清還：

- (i) 王安先生並不或不再或無權或不再有權直接或透過其受控制法團行使本公司及其主要附屬公司之管理控制權；及

\* For identification purpose only

\* 僅供識別

# Management Discussion and Analysis

## 管理層討論及分析

(ii) the aggregate shareholding in the Company that is beneficially owned by Mr. Zheng Yue Wen and Mr. Wang An, whether directly or through their respective controlled corporations, is not or ceases to be larger than the aggregate shareholding (whether direct or indirect) in the Company of and/or held to the order of any other person and/or persons acting in concert with such other person/persons.

As at 31 December 2007, Mr. Zheng Yue Wen and Mr. Wang An, whether directly or through their respective controlled corporations, collectively held more than 40% of the total issued share capital of the Company (not yet taken into account the share transfer as stated in Note (3) under the Section of "Directors', supervisors' and chief executive's interests and short positions in the shares of the Company"). Mr. Zheng Yue Wen and Mr. Wang An are also the executive Directors of the Company.

### Charge of Assets

As at 31 December 2007, no assets of the Company was pledged.

### Contingent Liabilities

As at 31 December 2007, the Group had no contingent liabilities.

### Foreign Exchange Exposure

The operating revenue of the Group is partly denominated in US dollars. It is the practice of the Group to convert its operating revenue denominated in US dollars to RMB to finance its operating expenses and capital requirements. However, the results of operations and the financial position of the Group may be affected by any changes in the exchange rates.

(ii) 由鄭躍文先生及王安先生(不論是直接或透過彼等各自受控制法團)實益擁有之本公司之持股總額並不或不再高於其他人士及/或代表其他人士及/或與該等人士一致行動之人士於本公司所持有之持股總額。

於二零零七年十二月三十一日，鄭躍文先生及王安先生(不論是直接或透過彼等各自受控制法團)共同持有本公司已發行股本總額超過40%(未計入「董事、監事及總裁於本公司股份的權益及淡倉」一節附註(3)之股權轉讓)。鄭躍文先生及王安先生均為本公司之執行董事。

### 資產抵押

於二零零七年十二月三十一日，本公司無任何對外資產抵押。

### 或然負債

於二零零七年十二月三十一日本集團並無或然負債。

### 外匯風險

本集團之經營收入部份以美元為貨幣單位。本集團一向將以美元為單位之經營收入兌換為人民幣，作為經營支出及資本需求。然而，本集團之經營業績及財務狀況受匯率變動而影響。

# Management Discussion and Analysis

## 管理層討論及分析

On the other hand, the conversion of RMB denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

### Capital Commitment

For the capital commitment of the Group, please refer to note 37 to the Financial Statements.

### Gearing Ratio

As at 31 December 2007, the Group had a net cash and cash equivalents of approximately RMB97,597,000. The Group's gearing ratio as at 31 December 2007 was approximately 62% (2006: approximately 62%) which is calculated by dividing the Group's total liabilities of approximately RMB1,759,852,000 (2006: RMB1,145,146,000) by the Group's total assets of approximately RMB2,853,291,000 (2006: RMB1,852,683,000).

另一方面，將以人民幣作為單位之款項兌換為外幣，須受中國政府頒佈之外匯控制規例及規條所限制。

### 資本承擔

本集團之資本承擔詳載於財務報表附註37。

### 資本負債比率

於二零零七年十二月三十一日，本集團之現金及現金等價物淨額約為人民幣97,597,000元。於二零零七年十二月三十一日，本集團之資產負債比率約為62%（二零零六年：約62%），乃按本集團之總負債約人民幣1,759,852,000元（二零零六年：約人民幣1,145,146,000元）除以總資產約人民幣2,853,291,000元（二零零六年：約人民幣1,852,683,000元）計算。



# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

### Directors

#### Executive Directors

Mr. Zheng Yue Wen (鄭躍文), aged 46, is the chairman and executive Director of the Company. Mr. Zheng is a well-known entrepreneur in the PRC. Mr. Zheng is a member of the Chinese People's Political Consultative Conference (CPPCC-全國政協) and is a vice president of the All-China General Chamber of Industry and Commerce. In October 1999, Mr. Zheng graduated from the Asia International Open University (Macau) (亞洲國際公開大學(澳門)) with a degree in Master of Business Administration. He then obtained his PhD. in Economics from the Dongbei University of Finance and Economics (東北財經大學) in November 1999. In December 1999, Mr. Zheng was appointed as a visiting professor of the Department of Business Administration at Jiangxi University of Economics (江西財經大學). He was a director of Henan Pinggao Electric Company Limited (河南平高電器股份有限公司) from July 1999 to January 2007. Currently, Mr. Zheng is the chairman of Creat Group Co., Ltd. (科瑞集團有限公司) and also a chairman of Lead REITs Asset Management Corp (領銳資產管理股份有限公司). He joined the Company in November 2000 and has been involving in the concentrated juice production industry since then. Mr. Zheng is responsible for the Group's corporate policy formulation, business strategic planning, business development and overall management of the Group.

### 董事

#### 執行董事

鄭躍文先生，46歲，本公司董事長兼執行董事。鄭先生是全國著名的民營企業家、全國政協委員、中國民間商會副會長。一九九九年十月，鄭先生畢業於亞洲國際公開大學(澳門)取得工商管理碩士學位，其後於一九九九年十一月在東北財經大學取得其經濟系博士學位。於一九九九年十二月，鄭先生於江西財經大學工商管理系擔任客座教授。一九九九年七月至二零零七年一月，鄭先生曾任河南平高電器股份有限公司董事。鄭先生目前為科瑞集團有限公司董事長，亦為領銳資產管理股份有限公司之董事長。他於二零零零年十一月加入本公司，並自此投身濃縮果汁生產業。鄭先生負責本集團企業政策的制訂、業務策略規劃、業務發展及本集團的整體管理。

## Directors, Supervisors and Senior Management 董事、監事及高級管理層

Mr. Wang An (王安), aged 45, is the vice chairman, executive Director and chief executive of the Company. Mr. Wang is a well known entrepreneur in the PRC. Top ten of Outstanding Youths Entrepreneurs in Shandong Province. Mr. Wang has been awarded the medal of "Labor Model of the Nation" and is a representative of Shandong Province to the National People's Congress (人大代表). Mr. Wang graduated from the College of Chinese Communist Party (中共中央黨校函授學院) in June 1994. He was the general manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. He joined the Company in March 1996 and has been involving in the concentrated juice production industry since then. Mr. Wang is responsible for the overall management of the Group.

Mr. Zhang Hui (張輝), aged 36, is an executive Director and executive president of the Company. He was the deputy general manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Muping Material (牟平物資) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the concentrated juice production industry since then. Mr. Zhang is responsible for assisting Mr. Wang An for overall management of the Group.

王安先生，45歲，本公司副董事長，執行董事兼總裁。王先生是全國著名的民營企業家、山東省十大傑出青年企業家、全國五一勞動獎章獲獎者、山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生於一九九六年三月加入本公司，並自此參予濃縮蘋果汁生產業。王先生負責本集團的整體管理。

張輝先生，36歲，本公司執行董事兼執行總裁。於加盟本集團前，他曾擔任牟平食品工業有限公司及牟平物資的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業。張先生協助王安先生負責本集團的整體管理。

## Directors, Supervisors and Senior Management

### 董事、監事及高級管理層

Mr. Yu Hui Lin (于會林, formerly 于惠霖), aged 60, is an executive Director and chief engineer of the Company. He was the facility supervisor of Rusan County Candy and Fruit Juice Factory (乳山縣糖果及果汁廠) in Shandong Province from March 1982 to March 1988 and has been involving in the juice production industry since then. Mr. Yu then joined Yantai Fruit Juice Factory (烟台市果汁廠) as the chief of the Technical Department from April 1988 to March 1995. In April 1995, Mr. Yu joined the Shandong Zhonglu Fruit Juice and Food Co. (山東中魯果汁食品公司) as the assistant supervisor of the Research and Development Department before joining the Group. Mr. Yu has over 20 years of experience in the juice production industry. He joined the Company in March 1996 and is responsible for the Group's equipment and the overall technical work.

Mr. Jiang Hong Qi (姜洪奇), aged 42, is an executive Director and financial controller of the Company. Mr. Jiang holds a Master Degree in Economics majoring in Accounting. Mr. Jiang is a certified public accountant in the PRC. He had been both the business manager and senior manager in Shandong International Trust and Investment Corporation (山東省國際信託投資公司) before joining the Company. Mr. Jiang joined the Company in 2002 as a deputy chief accountant. Mr. Jiang is responsible for the accounting and finance matters of the Group. Mr. Jiang was appointed as an executive Director with effect from 28 May 2007.

于會林先生(曾用名于惠霖), 60歲, 本公司執行董事兼總工程師。一九八二年三月至一九八八年三月, 于先生曾於山東省乳山縣糖果及果汁廠擔任設備科長, 並至此參予果汁生產業。于先生於其後加入烟台市果汁廠, 一九八八年四月至一九九五年三月出任技術部總監。加入本集團前, 于先生於一九九五年四月起加入山東中魯果汁食品公司擔任研究及開發部門助理主任。于先生於果汁生產業擁有二十多年經驗。于先生於一九九六年三月加入本公司, 現負責本集團的設備、工藝等整體技術工作。

姜洪奇先生, 42歲, 經濟學碩士, 本公司執行董事兼財務總監。姜先生主修會計學專業, 亦為中國註冊會計師。姜先生曾任山東省國際信託投資公司業務經理、高級經理等職。姜先生於二零零二年加入本公司, 曾任本公司副總會計師。姜先生現負責本集團的會計及財務事務, 姜先生於二零零七年五月二十八日被委任為本公司執行董事。

# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

Mr. Li Ye Sheng (李業勝), aged 54, is an executive Director of the Company. Mr. Li has post-secondary academic qualification. Mr. Li was the squad leader and captain of a warship under North Sea Marine from December 1973 to 1990, the supervisor of the Agricultural Bank of Muping, Yantai, Shandong Province from November 1990 to October 1995, and the deputy manager of Land Development Service Company of Muping, Yantai, Shandong Province from November 1995 to January 1997. Mr. Li joined the Company in 1997 as the general manager of Longkou Andre and Xuzhou Andre, and is currently the party secretary of the Company. Mr. Li was appointed as an executive Director with effect from 28 May 2007.

### Non-executive Director

Mr. Lo Chih-Hsien (羅智先), aged 52, is a non-executive Director. Mr. Lo studied in the Department of Foreign Language of Tainan Cheng Kung University, and the Research Institute of Business Administration of University of California Los Angeles where he obtained his Master Degree in Business Administration. Mr. Lo was the Taiwan regional general manager of De Beers Diamond Promotion Services before 1986. He was the section chief of Uni-President Enterprises Corp. between 1986 and 1991 and the business general manager and the chief operation officer of a U.S. subsidiary of Uni-President Enterprises Corp. between 1991 and 1997. Subsequently, he held positions such as the special assistant to the chief executive officer of President Enterprises (China) Investment Co. and senior vice president of Uni-President Enterprises Corp.. From July 2003 to May 2007, he was the executive vice president of Uni-President Enterprises Corp.. Since June 2007, he has been the general manager of Uni-President Enterprises Corp.. Mr. Lo is also the director of President Chain Store Corp., Ton Yi Industrial Corp. and Tait Marketing and Distribution Co., Ltd., all are listed companies in Taiwan.

李業勝先生，54歲，本公司執行董事。李先生擁有大專學歷。李先生於一九七三年十二月至一九九零年曾在海洋北海艦隊某軍艦任班長、船長等職，一九九零年十一月至一九九五年十月在山東省烟台市牟平農業銀行任科長，一九九五年十一月至一九九七年一月在山東省烟台市牟平區土地開發服務公司任副經理之職。李先生於一九九七年加入本公司，先後擔任龍口安德利、徐州安德利總經理等職位，目前為本公司黨委書記，李先生於二零零七年五月二十八日被委任為本公司執行董事。

### 非執行董事

羅智先先生，52歲，本公司非執行董事。羅先生曾就學於台南成功大學外語系，並於美國洛杉磯加州大學企管研究所獲得工商管理碩士學位。羅先生於一九八六年之前任De Beers 鑽石推廣服務(De Beers Diamond Promotion Services)台灣區總經理，一九八六年至一九九一年任統一企業股份有限公司課長，一九九一年至一九九七年任統一企業股份有限公司美國附屬公司之事業群總經理及營運長，後任統一企業(中國)投資公司最高行政人員的特別協理及統一企業股份有限公司高級副總裁等職。二零零三年七月至二零零七年五月任統一企業股份有限公司執行副總裁。二零零七年六月起任統一企業股份有限公司總經理。羅先生亦是統一超商股份有限公司、統一實業股份有限公司及德記洋行股份有限公司(均為於台灣上市之公司)之董事。

# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

### Independent non-executive Directors

Mr. Wu Jian Hui (鄔建輝), aged 38, is an independent non-executive Director of the Company. Mr. Wu is a partner of Shenzhen Dahua Tiancheng Certified Public Accountants (深圳大華天城會計師事務所) and is a registered accountant in the PRC, a chartered accountant in Securities Industry and a registered estate surveyor in the PRC. Mr. Wu was responsible for initial public offering and issue of new shares for various companies and was a financial consultant to a number of listed companies in the PRC.

Mdm. Yu Shou Neng (俞守能), aged 53, is an independent non-executive Director. Mdm. Yu possesses postgraduate qualification. She is a representative of Shandong Province to the National People's Congress and is also the head and a senior lecturer of Shandong Yantai Agriculture Institute (山東烟台農業學院).

Ms. Qu Wen (曲雯), aged 41, is an independent non-executive Director. Ms. Qu is a second grade solicitor in the PRC, an arbitrator of Yantai Arbitration Committee, a member of the CPPCC in 10th Session and a supervisor of Yantai People's Procuratorate. Ms. Qu graduated from the Beijing University and obtained her Bachelor Degree in Law in 1989. From 1989 to 1992, Miss Qu worked for the Legal Advisory Office of Muping, Yantai, Shandong Province and Bureau of Justice of Muping, Yantai. From 1992 to 2002, Ms. Qu was a solicitor and a supervisor of Economic Division of the Shandong Qianwei Law Firm. Since October 2002, she has been a solicitor and an executor officer of the Shandong Yanshiming Law Firm. Ms. Qu was appointed as an independent non-executive Director with effect from 28 May 2007.

### 獨立非執行董事

鄔建輝先生，38歲，本公司獨立非執行董事，現任深圳大華天誠會計師事務所合夥人，中國註冊會計師，證券業特許會計師，中國註冊房地產估價師，曾負責多家企業首次發行及增發股票的審計，並擔任多家上市公司財務顧問。

俞守能女士，53歲，本公司獨立非執行董事，碩士學歷，山東省人大代表，現為山東烟台農業學院院長及高級講師。

曲雯女士，41歲，獨立非執行董事，二級律師，烟台仲裁委員會仲裁員，烟台政協第十屆常委，烟台市人民檢察院人民監督員。曲女士畢業於北京大學，並於一九八九年獲得法學學士學位。一九八九年至一九九二年，曲女士曾在山東省烟台市牟平區法律顧問處及烟台市牟平區司法局工作，一九九二年至二零零二年，曲女士為山東前衛律師事務所律師並任經濟部主任之職。二零零二年十月起為山東鑫士銘律師事務所律師並擔任執行主任之職，曲女士於二零零七年五月二十八日被委任為本公司獨立非執行董事。

# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

### Supervisors

Mr. Mu Gui Sheng (慕桂盛), aged 67, is the Chairman and an independent representative in the supervisory committee of the Company. Mr. Mu graduated from Shandong Industrial University (山東工業大學) in August 1965 with a major in the profession of machinery design. Mr. Mu worked in the Muping Agricultural Machinery Factory (牟平縣農業機械廠) from August 1965 to July 1971. From July 1971 to November 1980, Mr. Mu worked as the vice chairman of Muping Ministry of Economic Affairs (牟平縣工業局). He was the head of the Muping Generator Factory (牟平發動機廠) from November 1980 to April 1984. From April 1984 to 2001, he acted as the minister of Muping Economic and Trade Commission (牟平縣經濟貿易委員會主任), minister of Development and Reform Commission (發展和改革委員會主任) and vice minister of the Muping National People's Congress (牟平區人大常委會).

Mr. Qu Wei Jia (曲維佳), aged 60, is an employee representative in the supervisory committee of the Company. In 1991, he graduated from the Shandong Muping Teachers Training Institute (山東牟平縣教師進修學校). Since October 1991, Mr. Qu worked in Yangma Resort (養馬島渡假村). Mr. Qu joined the Company in October 1999 as the manager of the administration department. Mr. Qu is currently the deputy general manager of a subsidiary of the Company.

### 監事

慕桂盛先生，67歲，本公司監事會主席兼獨立代表。慕先生於一九六五年八月畢業於山東工業大學，主修機械設計製造專業。一九六五年八月至一九七一年七月在牟平縣農業機械廠工作，一九七一年七月至一九八零年十一月出任牟平縣工業局副局長，一九八零年十一月至一九八四年四月出任牟平發動機廠廠長，一九八四年四月至二零零一年出任牟平縣經濟貿易委員會主任、發展和改革委員會主任及牟平區人大常委會副主任。

曲維佳先生，60歲，本公司監事僱員代表。曲先生於一九九一年在山東牟平縣教師進修學校畢業。一九九一年十月開始在養馬島渡假村工作。一九九九年十月加入本公司，擔任公司行政部經理。目前為本公司一間附屬公司副總經理。

# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

Mr. Wang Chun Tang (王春堂), aged 55, is an independent representative in the supervisory committee of the Company. Mr. Wang has university academic qualification. Mr. Wang was the officer of the Communications Bureau of Muping, Yantai, Shandong Province from May 1973 to December 1987. He studied economics and management in the Chinese Communist Party School and Shandong Province Party School from 1991 to 1996. From January 1988 to January 2006, Mr. Wang was the supervisor, deputy chief and managing deputy chief of Publishing Office of Muping, Yantai, Shandong Province. Since January 2006, Mr. Wang has been the member of the Executive Committee of the Yantai Muping National People's Congress. Mr. Wang was appointed as a Supervisor with effect from 28 May 2007.

### Senior Management

Mr. Wang An (王安), aged 45, is the vice chairman, executive Director and chief executive of the Company. Mr. Wang is a well known entrepreneur in China. Top ten of Outstanding Youths Entrepreneurs in Shandong Province. Mr. Wang has been awarded the medal of "Labor Model of the Nation" and is a representative of Shandong Province to the National People's Congress (人大代表). Mr. Wang graduated from the College of Chinese Communist Party (中共中央黨校函授學院) in June 1994. He was the general manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. He joined the Company in March 1996 and has been involving in the concentrated juice production industry since then. Mr. Wang is responsible for the overall management of the Group.

王春堂先生，55歲，本公司監事會獨立代表。王先生擁有大學學歷。王先生一九七三年五月至一九八七年十二月曾在山東省烟台市牟平區交通局工作，擔任辦公室主任等職。一九九一至一九九六先後在中央黨校和山東省委黨校學習經濟管理專業。一九八八年一月至二零零六年一月，王先生在山東省烟台市牟平區委宣傳部工作，先後擔任科長、副部長、常務副部長等職。二零零六年一月至今，王先生任烟台市牟平區人大常委，王先生於二零零七年五月二十八日被委任為本公司監事。

### 高級管理層

王安先生，45歲，本公司副董事長，執行董事兼總裁。王先生是全國著名的民營企業家、山東省十大傑出青年企業家、全國五一勞動獎章獲獎者、山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生於一九九六年三月加入本公司，並自此參予濃縮蘋果汁生產業。王先生負責本集團的整體管理。

## Directors, Supervisors and Senior Management 董事、監事及高級管理層

Mr. Zhang Hui (張輝), aged 36, is an executive Director and executive president of the Company. He was the deputy general manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Muping Material (牟平物資) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the concentrated juice production industry since then. Mr. Zhang is responsible for assisting Mr. Wang An for overall management of the Group.

Mr. Yu Hui Lin (于會林, formerly 于惠霖), aged 60, is an executive Director and chief engineer of the Company. He was the facility supervisor of Rusan County Candy and Fruit Juice Factory (乳山縣糖果及果汁廠) in Shandong Province from March 1982 to March 1988 and has been involving in the juice production industry since then. Mr. Yu then joined Yantai Fruit Juice Factory (烟台市果汁廠) as the chief of the Technical Department from April 1988 to March 1995. In April 1995, Mr. Yu joined the Shandong Zhonglu Fruit Juice and Food Co. (山東中魯果汁食品公司) as the assistant supervisor of the Research and Development Department before joining the Group. Mr. Yu has over 20 years of experience in the juice production industry. He joined the Company in March 1996 and is responsible for the Group's equipment and the overall technical work.

Mr. Jiang Hong Qi (姜洪奇), aged 42, is an executive Director and financial controller of the Company. Mr. Jiang holds a Master Degree in Economics majoring in Accounting. Mr. Jiang is a certified public accountant in the PRC. He had been both the business manager and senior manager in Shandong International Trust and Investment Corporation (山東省國際信託投資公司) before joining the Company. Mr. Jiang joined the Company in 2002 as a deputy chief accountant. Mr. Jiang is responsible for the accounting and finance matters of the Group. Mr. Jiang was appointed as an executive Director with effect from 28 May 2007.

張輝先生，36歲，本公司執行董事兼執行總裁。於加盟本集團前，他曾擔任牟平食品工業有限公司及牟平物資的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業。張先生協助王安先生負責本集團的整體管理。

于會林先生(曾用名于惠霖)，60歲，本公司執行董事兼總工程師。一九八二年三月至一九八八年三月，于先生曾於山東省乳山縣糖果及果汁廠擔任設備科長，並至此參予果汁生產業。于先生於其後加入烟台市果汁廠，一九八八年四月至一九九五年三月出任技術部總監。加入本集團前，于先生於一九九五年四月起加入山東中魯果汁食品公司擔任研究及開發部門助理主任。于先生於果汁生產業擁有二十多年經驗。于先生於一九九六年三月加入本公司，現負責本集團的設備、工藝等整體技術工作。

姜洪奇先生，42歲，經濟學碩士，本公司執行董事兼財務總監。姜先生主修會計學專業，亦為中國註冊會計師。姜先生曾任山東省國際信託投資公司業務經理、高級經理等職。姜先生於二零零二年加入本公司，曾任本公司副總會計師。姜先生現負責本集團的會計及財務事務，姜先生於二零零七年五月二十八日被委任為本公司執行董事。



# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

Mr. Li Ye Sheng (李業勝), aged 54, is an executive Director of the Company. Mr. Li has post-secondary academic qualification. Mr. Li was the squad leader and captain of a warship under North Sea Marine from December 1973 to 1990, the supervisor of the Agricultural Bank of Muping, Yantai, Shandong Province from November 1990 to October 1995, and the deputy manager of Land Development Service Company of Muping, Yantai, Shandong Province from November 1995 to January 1997. Mr. Li joined the Company in 1997 as the general manager of Longkou Andre and Xuzhou Andre, and is currently the party secretary of the Company. Mr. Li was appointed as an executive Director with effect from 28 May 2007.

Mr. Yung Ka Hee Titus (容家禧), aged 50, is a vice president of the Company. He holds a Bachelor Degree in Economics. Mr. Yung was the district sales manager and chief representative of China of APV 遠東有限公司. He was the general manager of Shanghai head office of Daya Group Company (大亞集團公司) and also the deputy manager of Shanghai Daya Economy Development Co. Ltd. (上海大亞經濟發展有限公司). Mr. Yung joined the Company in 2000 and is responsible for the overseas sales of the Group.

Mr. Yang Tao (楊濤), aged 38, is a vice president of the Company. Mr. Yang joined the Company in March 1996 and had worked as production line leader, supervisor and factory manager. He is well experienced in juice manufacturing. He is currently responsible for the production of the Group.

Ms. Peng Xiao Jun (彭小峻), aged 32, is a vice president of the Company. Ms. Peng was the sales supervisor of Chongqing Jianshe Motor Co. Ltd. (重慶建設摩托車有限公司) and Nanjing Siemens Co. Ltd. (南京西門子有限公司). Ms. Peng joined the Company in 2002 as an assistant to president. She is currently responsible for the domestic sales of the Group.

李業勝先生，54歲，本公司執行董事。李先生擁有大專學歷。李先生於一九七三年十二月至一九九零年曾在海洋北海艦隊某軍艦任班長、船長等職，一九九零年十一月至一九九五年十月在山東省烟台市牟平農業銀行任科長，一九九五年十一月至一九九七年一月在山東省烟台市牟平區土地開發服務公司任副經理之職。李先生於一九九七年加入本公司，先後擔任龍口安德利、徐州安德利總經理等職位，目前為本公司黨委書記，李先生於二零零七年五月二十八日被委任為本公司執行董事。

容家禧先生，50歲，本公司副總裁。經濟學學士。容先生曾任APV遠東有限公司地區銷售經理及中國首席代表，大亞集團公司(上海總部)海貿部總經理兼上海大亞經濟發展有限公司副總經理。容先生於二零零零年加入本公司，現負責本集團的海外銷售工作。

楊濤先生，38歲，大專學歷，本公司副總裁。楊先生於一九九六年三月加入本公司，曾任本公司生產班長、車間主任、分廠廠長等職，楊先生有著豐富的果汁生產經驗，現負責本集團的生產工作。

彭小峻女士，32歲，研究生學歷，本公司副總裁。彭女士主修國際貿易和國際金融。彭女士曾任重慶建設摩托車有限公司和南京西門子有限公司的銷售主管。彭女士於二零零二年加入本公司，曾任本公司總裁助理，現負責本集團的國內銷售工作。

# Directors, Supervisors and Senior Management

## 董事、監事及高級管理層

Miss Yao Xiao Ying (姚曉瑩), aged 34, is the secretary to the Board. Miss Yao graduated from Northwest University of the PRC and obtained her Bachelor degree in Law in 1997. She is currently responsible for the preparation of the sessions of shareholders' meeting and meetings of the Board, preservation of documents, management of information of the shareholders of the Company and information disclosure, etc.

### Qualified Accountant and Company Secretary

Miss Ng Man Yee (伍敏怡), aged 36, is the qualified accountant and company secretary of the Company. Miss Ng graduated from the Chinese University of Hong Kong and obtained her Bachelor degree in Business Administration in 1994. She is a fellow certified public accountant of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and chartered accountant of the Institute of Chartered Accountants in England and Wales. Miss Ng has over 10 years of experience in the field of auditing and accounting. Miss Ng was appointed as the qualified accountant, company secretary and one of the authorized representatives of the Company on 12 September 2005.

姚曉瑩小姐，34歲，為本公司董事會秘書。姚小姐畢業於中國西北大學，主修法律專業，並於一九九七年獲法學學士學位。姚小姐目前主要負責本公司股東大會和董事會會議的籌備、文件保管以及公司股東資料的管理，辦理信息披露事務等事宜。

### 合資格會計師及公司秘書

伍敏怡小姐，36歲，為本公司合資格會計師及公司秘書。伍小姐畢業於香港中文大學，並於一九九四年獲頒工商管理學士學位。伍小姐為香港會計師公會資深會計師，英國特許公認會計師公會資深會員，英格蘭及威爾斯會計師公會特許會計師。伍小姐於審計及會計業擁有逾十年經驗。伍小姐於二零零五年九月十二日獲委任為本公司合資格會計師、公司秘書及獲授權代表之一。

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The articles of association, terms of reference of the Audit Committee and terms of reference of the Supervisory Committee of the Company form the framework for the code of corporate governance practice of the Company.

The Board has reviewed its corporate governance documents and is of the view that such documents have incorporated all of the principles and code provisions in the “Code on Corporate Governance Practices” of the GEM Listing Rules (“the CG Code”). In certain respects, the code of practices laid down in the Company’s corporate governance documents exceeds the code provisions in the CG Code. The followings are the major respects in which the Company’s own corporate governance code exceed the code provisions in the CG Code:

- the Company has established a nomination committee in accordance with the recommended best practices of the CG Code; and
- the Board met more than 4 times during 2007.

### BOARD OF DIRECTORS

The Company is governed by a Board of Directors which has the responsibility for leadership and control of the Company. Through the Board, these Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company’s affairs.

### 企業管治常規

本公司的企業管治常規守則由公司章程、審核委員會議事守則及監事委員會議事守則組成。

董事會已檢討有關本公司企業管治的文件，並認為文件中已達到創業板上市規則《企業管治常規守則》（「該守則」）列載的原則及守則條文。以下載列比該守則所載的守則條文更為嚴格的主要方面：

- 本公司按該守則列載的建議最佳常規成立了提名委員會；及
- 在二零零七年內舉行超過四次董事會會議。

### 董事會

本公司由董事會管理，董事會負責公司的領導及監控工作。各董事透過董事會指揮及監督公司事務，集體負責並推動本公司的事務。

# Corporate Governance Report

## 企業管治報告

### The Directors

Currently the Board comprises 6 executive Directors, 1 non-executive Director and 3 independent non-executive Directors. Except Mr. Jiang Hong Qi, Mr. Li Ye Sheng and Ms. Qu Wen who were appointed on 28 May 2007, all Directors served for the whole of 2007.

Each of the Directors has entered into a service contract with the Company for a term of three years. All Directors are appointed in the shareholders' meeting with formal letters of appointment setting out the key terms and conditions relative to their appointment.

The independent non-executive Directors possess a wide range of skill and experience. They serve the important function of providing adequate monitoring and balances for safeguarding the interests of the shareholders and the Company as a whole. The Board considers that they can make independent judgement effectively and fulfill the independence guidelines set out in rule 5.09 of the GEM Listing Rules.

The biographical details of the Directors are set out on pages 32 to 36 of this report.

### 董事

目前董事會包括六名執行董事、一名非執行董事及三名獨立非執行董事。除姜洪奇先生、李業勝先生及曲雯女士於二零零七年五月二十八日被委任外，所有董事均於二零零七年全年任職。

各董事已分別與本公司訂立為期三年之服務合約。所有董事均由股東大會委任，正式委任書對他們的任命列明有關期限和條件。

本公司的獨立非執行董事具備廣泛的技巧和經驗。他們能充分發揮監察和平衡的重要作用，保障股東和整體公司的利益。董事會認為他們能夠有效地作出獨立判斷，符合《創業板上市規則》第5.09條列載的評估獨立性的指引。

各董事的個人資料載於本報告書第32至36頁。

# Corporate Governance Report

## 企業管治報告

### Powers of the Board

The Board reviews the performance of the operating divisions against their agreed budgets and business objectives on a regular basis and also exercises a number of reserved powers which include:

- convening shareholders' meetings and reporting on their works at shareholders' meetings;
- implementation of resolutions passed at shareholders' meetings;
- formulating the Company's business plans and investment proposals;
- preparing the Company's annual financial budget and final accounts;
- formulating proposals for profit distribution and for setting off of accumulated losses of the Company;
- formulating proposals for an increase or reduction in registered capital and the issuance of debt securities of the Company;
- formulating proposals for the demerger, merger or dissolution of the Company;
- formulating the internal management structure of the Company;
- appointment or dismissal of the chief executive of the Company and appointment and dismissal of deputy general manager, financial controller and other senior management at the recommendation of the chief executive of the Company and determination of their remuneration and method of payment;

### 董事會的權力

本公司董事會定期檢討各營業部門議定的預算及業務目標有關的業績表現，並行使多項保留權力，包括：

- 負責召集股東大會，並向股東報告工作；
- 執行股東大會的決議；
- 決定公司經營計劃和投資方案；
- 制訂公司的年度財務預算及決算方案；
- 制訂公司的利潤分配方案和彌補虧損方案；
- 制訂公司增加或者減少註冊資本的方案以及發行公司債券的方案；
- 擬訂公司合併、分立、解散的方案；
- 決定公司內部管理機構的設置；
- 聘任或者解聘公司總裁，根據總裁提名，聘任或者解聘公司副總裁、財務總監和其他高級管理人員，決定其報酬事項；

# Corporate Governance Report

## 企業管治報告

- formulating the basic management system of the Company;
  - formulating proposals for amendments to the articles of association; and
  - carrying out other powers conferred by shareholders' meetings.
- 制定公司的基本管理制度；
  - 制訂公司章程修改方案；及
  - 執行股東大會授予的其他職權。

The Board is also responsible for the integrity of financial information and the effectiveness of the Company's systems of internal control and risk management processes. The Board is also responsible for preparing the accounts of the Company. Day to day management of the Company's business is delegated to the chief executive. The functions of the Board and the powers delegated to the chief executive are reviewed periodically to ensure that they remain appropriate.

To ensure a balance of power and authority, the role of the chairman is separate from that of the chief executive. The chairman of the Company is Mr. Zheng Yue Wen. The chairman is responsible for convening and holding of general meetings and Board meetings, tracking the progress implementation of the resolutions passed by the Board, signing the securities issued by the Company and carrying out other powers conferred by the Board. Mr. Wang An is the chief executive of the Company. The chief executive is responsible for the production, operation and management of the Company, implementation of the resolutions passed by the Board, implementation of annual business plans and investment proposals, formulation of internal management structure of the Company, formulation of the basic management system of the Company, formulating the specific governance of the Company, proposing to the Board for appointment and dismissal of deputy general manager, financial controller and other senior management of the Company, appointment and dismissal of other management staffs whose appointment and dismissal does not require approval from the Board and carrying out other powers conferred by the Board and the articles of association.

董事會亦須對財務資料的完整性以及公司內部監控制度及風險管理程序的效能負責。董事會亦肩負編製本公司財務報表的責任。達致本公司業務目標及日常業務運作的責任則交由總裁承擔。董事會定期檢討董事會的職能及賦予總裁的權力，以確保此安排仍然適當。

為確保權力和授權分布均衡，主席與總裁的角色已清楚區分。本公司現任主席是鄭躍文先生，主席負責召集和主持股東大會、董事會會議；檢查董事會決議的實施情況；簽署公司發行的證券以及執行董事會授予的其他職權。現任總裁是王安先生，負責主持公司的生產、經營和管理工作；組織實施董事會決議；組織實施公司年度經營計劃和投資方案；擬訂公司內部管理機構設置方案；擬訂公司的基本管理制度；制定公司的具體規章；提案董事會聘任或者解聘公司副總經理、財務總監和其他高級管理人員；聘任或者解聘除應由董事會聘任或者解聘以外的管理人員；執行公司章程和董事會授予的其他職權。

### Board Meetings

The chairman is responsible for the leadership of the Board, ensuring the effectiveness of the Board in all aspects of its role and for setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda. Agendas and accompanying board papers are circulated where possible at least 3 days before the time of a board or committee meeting. The chairman is also responsible for making sure all Directors are properly briefed on issues arising at board meetings. The chairman ensures that the Directors receive accurate, timely and clear information. Directors are encouraged to update their skills, knowledge and familiarity with the Company through their initial induction, ongoing participation at board and committee meetings, and through meeting key people at head office and in the divisions.

All Directors have access to the services of the company secretary who regularly updates the Board on governance and regulatory matters. Any Director, wishing to do so in the furtherance of his or her duties, may take independent professional advice through the chairman at the Company's expense. The availability of professional advice extends to the Audit, Remuneration and other Committees.

Minutes of Board meetings are taken by the company secretary or the secretary to the Board and, together with any supporting Board papers, are available to all Board members. Board meetings are structured to encourage open discussion and frank debate to ensure the non-executive Directors provide an effective challenge to each executive Director. When necessary, the independent non-executive Directors meet privately to discuss matters which are their specific responsibility.

### 董事會會議

主席負責領導董事會，確保董事會有效履行其各方面的職責，並負責擬定董事會會議議程及考慮其它董事提議加入議程的事項。議程連同附隨的董事會文件盡可能在董事會會議或委員會會議進行前至少三天傳閱。主席亦有責任確保所有董事就董事會會議上的事項獲適當的簡介。主席確保各董事獲得準確、及時和清楚的資料。透過董事就職時的培訓、持續參與董事會及委員會會議以及透過與總部及各部門主要人員會面，鼓勵各董事不斷更新其技術、知識及對本公司的認識。

所有董事均可享用公司秘書的服務，公司秘書須即時讓董事會知悉有關管治及監管事宜的最新資料。董事可為履行職責而透過主席尋求獨立專業意見，費用由本公司支付。審核委員會、薪酬及其他委員會亦可尋求專業意見。

董事會會議由公司秘書或董事會秘書負責記錄，這些會議記錄連同任何有關的董事會會議文件，均向所有董事會成員提供。董事會會議的設立，旨在鼓勵董事作公開和坦誠的討論，確保非執行董事能向每位執行董事提出有效的查詢。在需要時，獨立非執行董事會私下進行會議，討論與其本身職責有關的事項。

# Corporate Governance Report

## 企業管治報告

In furtherance of good corporate governance, the Board has established 3 committees: Audit Committee, Nomination Committee and Remuneration Committee. All committees have terms of reference which fulfill the principles set out in the CG Code. The secretary of the Board takes minutes of the meetings of these committees and the work of these committees is reported to the Board.

The Board met 10 times during 2007. The chief compliance officer, the chief executive and the financial controller also attended most of the Board meetings to advise on corporate governance, risk management, statutory compliance, mergers and acquisitions and accounting and financial matters. The attendance (other than attending by authorized representatives) of individual Directors at the Board meetings and the other committees is set out in the table below.

為確保良好的企業管治，董事會已成立三個小組委員會：審核委員會、提名委員會及薪酬委員會，其職權範圍皆遵守該守則。董事會秘書為這些委員會撰寫會議記錄，而委員會向董事會彙報工作。

董事會於二零零七年召開了十次會議。監察主任、總裁及財務總監出席了大部份董事會會議，並對企業管治、風險管理、遵守法規、合併收購、會計和財務事宜提供意見。下表顯示各董事於二零零七年內出席(除授權其他董事代為出席)董事會及主要委員會會議之詳情：

### Board Meeting

### 董事會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members 成員										INED 獨立非執行董事			
		ZYW	WA	ZH	YHL	JHQ	LYS	ZWX	RXJ	LCH	HXS	WJH	YSN	QW	
07/03/18	ZYW	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓		
07/04/30	ZYW	✓	✓	✓	✓			✓	✓		✓	✓	✓		
07/05/28	WA		✓	✓	✓	✓	✓						✓	✓	
07/07/04	WA		✓	✓	✓	✓	✓						✓	✓	
07/07/15	WA		✓	✓	✓	✓	✓						✓	✓	
07/08/06	ZYW	✓	✓	✓	✓	✓	✓			✓		✓	✓	✓	
07/09/30	ZYW	✓	✓	✓	✓	✓	✓						✓	✓	
07/11/06	ZYW	✓	✓	✓	✓	✓	✓			✓		✓	✓	✓	
07/11/14	ZYW	✓	✓	✓	✓	✓	✓						✓	✓	
07/11/27	ZYW	✓	✓	✓	✓	✓	✓			✓		✓	✓	✓	



# Corporate Governance Report

## 企業管治報告

### Audit Committee Meeting

### 審核委員會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members – INED 成員 – 獨立非執行董事				Attendees 出席者
		WJH	HXS	YSN	QW	Jiang Hong Qi (Financial Controller) 姜洪奇 (財務總監)
07/03/18	WJH	✓	✓	✓		✓
07/04/30	WJH	✓	✓	✓		✓
07/08/05	WJH	✓		✓		✓
07/11/06	WJH	✓		✓		✓

### Nomination Committee Meeting

### 提名委員會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members 成員		
		ZYW	WJH	YSN
07/03/16	ZYW	✓	✓	✓

### Remuneration Committee Meeting

### 薪酬委員會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members – INED 成員 – 獨立非執行董事	
		WJH	YSN
07/03/16	WJH	✓	✓

### Note

### 註

ZYW Zheng Yue Wen  
 WA Wang An  
 ZH Zhang Hui  
 YHL Yu Hui Lin  
 JHQ Jiang Hong Qi  
 LYS Li Ye Sheng  
 ZWX Zhang Wan Xin  
 RXJ Ren Xiao Jian  
 LCH Lo Chih-Hsien  
 HXS Hu Xiao Song  
 WJH Wu Jian Hui  
 YSN Yu Shou Neng  
 QW Qu Wen

鄭躍文  
 王安  
 張輝  
 于會林  
 姜洪奇  
 李業勝  
 張萬欣  
 任曉劍  
 羅智先  
 胡小松  
 鄒建輝  
 俞守能  
 曲雯

### Directors' Interest

All Directors disclose to the Board on their first appointment their interests as a director or otherwise in other companies or organizations and such declarations of interests are updated annually. When the Board considers any proposal or transaction in which a Director has a conflict of interest, the Director declares his interest and is required to abstain from voting and withdraw from the meetings as appropriate. The Company seeks confirmation from Directors annually in respect of any transactions of the Company or its subsidiaries which are related to Directors or their associates.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the standards governing the required standard against which listed issuers and their directors must measure their conduct dealings of securities of the listed issuer related to directors ("the Securities Code") contained in Rules 5.46 to 5.67 of the GEM Listing Rules as the Company's code of conduct regarding securities transactions by its Directors. A copy of the Securities Code is sent to each Director upon his appointment and thereafter four times annually, that is one month before the date of the Board meetings to approve the Company's quarterly results, half year results and annual results, with a reminder that the Director cannot deal in the securities and derivatives of the Company until after such results have been published.

All Directors have confirmed that they have complied with the requirements in the Securities Code during 2007.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Company are also subject to compliance with the Securities Code. No incident of non-compliance was noted by the Company in 2007.

### 董事權益

所有董事須於首次獲委任時向董事會申報在其它公司或機構擔任董事或其它職務的身份，有關利益申報每年更新一次。倘董事會在討論任何動議或交易時認為董事在當中存在利益衝突，該董事須申報利益及放棄投票，並在適當情況下避席。本公司根據指引於每個財務報告期間要求董事確認他們或其聯繫人與公司或其附屬公司進行的任何有關聯的交易。

### 董事進行之證券交易

本公司已採納上市規則第5.46至5.67所載董事於買賣其所屬發行人證券時用以衡量其本身操守的所需標準為本公司的董事證券交易守則(《證券守則》)。本公司各董事於獲委任時均獲發一份《證券守則》，其後每年四次，分別在通過公司季度業績、中期業績及全年業績的董事會會議前一個月，連同一份提示一併發出，提醒董事不得在公布業績前買賣本公司的證券或衍生工具。

本公司所有董事於二零零七年確認已遵守《證券守則》。

所有特定僱員若可能擁有關於本公司的尚未公開股價敏感資料，亦須符合《證券守則》。本公司於二零零七年年度並未發現任何違規事件。

### SUPERVISORY COMMITTEE

The Supervisory Committee of the Company comprises 3 members of which 2 are recommended by shareholders and 1 is an employee representative elected by the employees. The Supervisory Committee is responsible for supervision of the Board, members of the Board and senior management, to prevent authority abuse, shareholders' interest infringement and to protect legal interest of the Company and its employees. During 2007, the Supervisory Committee held 1 meeting and reviewed the Company's financial position, legal operation conditions and due diligence status of the senior management.

### INTERNAL CONTROL

#### Internal control system

The Board has overall responsibility for setting and reviewing the Company's system of internal control. The Audit Committee will also review the effectiveness of such system periodically. Procedures applied by the Audit Committee for reviewing the effectiveness of the Company's internal control system include: discussion with the management on the risky areas arising from auditing and/or raised by management, reviewing material issues arising from internal or external audit report and reviewing material matters identified by internal auditors and risk assessment manager of the Group. The internal control system of the Company plays an effective role in risk management which is a very important factor for ensuring the achievement of operational goal. The establishment of internal control system is for safeguarding assets against unauthorized use or disposition; for maintaining proper accounting records; and for the reliability of financial information used within the business or for publication. However, the procedures provide reasonable but not absolute assurance against material errors, losses or fraud. Procedures have also been designed for compliance of applicable laws, rules and regulations.

### 監事會

本公司監事會由三名成員組成，其中二名為由股東推薦產生，一名為本公司員工代表並由員工選舉產生。監事會負責對董事會及其成員以及高級管理層進行監督，防止其濫用職權，侵犯股東、公司及公司員工的合法權益。二零零七年監事會召開一次會議，對公司財務狀況、公司依法運作情況和高級管理人員盡職情況進行了審查。

### 內部監控

#### 內部監控制度

董事會全權負責公司的內部監控制度的建立和完善，並通過審核委員會定期檢討該制度是否有效。審核委員會用以檢討內部監控系統是否有效的程序包括：與管理層討論由管理層及／或在審核程序中指出的風險範圍；檢討內部及外聘審計師的審核計劃；檢討由內部及外聘審計師審核報告所引起的重大事項；及檢討集團內部審核部與集團風險經理彙報的重大集團風險。本公司的內部監控制度對風險管理發揮關鍵的作用，而風險管理對於能否達到營運目標非常重要。訂立內部監控程序是為保障資產以防未經授權使用或處理資產；確保適當的會計記錄得以保存；並且可提供可靠的財務資料供內部使用或對外發放。但監控程序旨在合理（但非絕對）保證並無重大失實陳述、損失或舞弊。本公司內部監控程序是按相關法律條例、附屬法例和規章編寫。

# Corporate Governance Report

## 企業管治報告

A review of the Company's internal control system covering financial, operational, compliance and risk management, is conducted annually. The result has been reported to the Board.

The Board confirms that systems and procedures are in place to identify, control and report on significant risks involved in achieving the Company's strategic objectives. Exposures to these risks are monitored by the Board with the support of various committees and senior management. For the year under review, the Board considered that the Company's internal control system is adequate and the Company has complied with the provisions on internal control of the CG Code.

### INTERNAL AUDIT

The Internal Audit Department provides an independent review of the adequacy and effectiveness of the internal control system. The department is headed by a manager familiar with the Company's operation. Its scope of work mainly includes auditing of financial and operational systems, observance of relevant policies and regulations, regular and special auditing, auditing of production effectiveness, etc. The audit plan, which is prepared based on risk assessment methodology, is discussed and agreed every year with the Audit Committee. In addition to its agreed annual schedule of work, the Internal Audit Department conducts other special reviews as required.

The primary reporting line of the Internal Audit Department is to the chairman of the Board but there is also direct access to the Audit Committee. Internal audit reports are sent to the chief executive, the financial controller, external auditors and the relevant management of the departments under audit. A summary of major audit findings is reported to the Audit Committee. The Board and the Audit Committee actively monitor the number and seriousness of findings raised by the Internal Audit Department and also the corrective actions taken by relevant departments.

本公司每年均對內部監控系統進行檢討，內容包括財務、營運、遵守法規及風險管理之監控。有關結果已向董事會報告。

董事會確認本公司已具有辨認、管理及彙報對達致其策略性目標所面對的重大風險系統和程序。董事會持續監察風險，並獲得各委員會及高層管理人員的支持。於本年度內，董事會認為本公司的內部監控制度是足夠的，並且本公司亦已遵守該守則有關內部監控的條文。

### 內部審核

本公司的內部審核部負責對內部監控系統是否足夠及其成效進行獨立審核。部門由熟悉公司業務的經理帶領，內部審核職能的工作範圍主要包括財務與運營系統審訂、有關制度及法規遵守情況審核、經常性與突發審核、生產效益審核等。審核計劃乃以風險評估方法編製並每年經由審核委員會商討及議定。除議定的年度工作外，該部門亦需要進行其它專項的審核工作。

本公司內部審核部的主要彙報流程是向董事會主席彙報，亦可直接聯絡審核委員會。內部審核報告均送交本公司總裁、財務總監、外聘審計師及被審核部門的管理層。每次審核主要結果亦與審核委員會討論。董事會及審核委員會積極監察內部審核部門提交的調查結果的數目和嚴重性，以及相關的部門采取的糾正行動。

# Corporate Governance Report

## 企業管治報告

Detailed control guidelines have been set and made available to all employees of the Company regarding handling and dissemination of corporate data which is price sensitive.

### RISK MANAGEMENT

Risk management is concerned with the identification and effective management of business risks, including safety and security, legal, environmental and reputational risks.

#### Risk Management Committee

The Company has established a Risk Management Committee which coordinates the proper application of operational risk management procedures throughout the Company. The Committee assists the Board to fulfill its oversight role over the Company and its subsidiaries in, among others, the following areas:

- establishment of the risk approach and risk management strategy of the Company to formulate its risk profile;
- identification, assessment and management of the material risks faced by the various business units of the Company;
- reviewing and assessment of the adequacy of the Company's risk management process, system and internal control; and
- reviewing and monitoring the Company's risk management process, system and internal control, including whether the development of the Company's business is prudent and in compliance with the legal requirements.

本公司已制定關於處理對價格敏感的公司資料的詳細監控指引，供本公司的所有僱員參閱。

### 風險管理

風險管理關乎識別及有效管理業務風險，包括安全及保安、法律、環境及商譽風險。

#### 風險管理委員會

公司設有一個風險管理委員會，負責協調在整個公司內適當地實施營運風險管理程序。該委員會負責協助董事會對本公司及其附屬公司在以下(包括其他)方面實現監控職責：

- 建立公司的風險取向和風險管理戰略，確定本公司的風險組合狀況；
- 識別、評估、管理本公司不同業務單位面臨的重大風險；
- 審查和評估本公司風險管理程序、制度和內部控制的適當性；及
- 審查及監控本公司對風險管理程序、制度及內部控制的遵守情況，包括本公司在開展業務時是否符合審慎、守法的要求。

# Corporate Governance Report

## 企業管治報告

Financial risk management and the coordination of the Company's policy on environmental issues are outside its terms of reference. The Committee is chaired by the financial controller and includes senior representatives from each division as well as the human resources manager and the head of Internal Audit Department. The Committee reports to the Audit Committee on a regular basis.

### AUDIT COMMITTEE

The Audit Committee is responsible for reviewing the Group's financial reporting, internal controls and corporate governance issues and making relevant recommendations to the Board. All of its members are independent non-executive Directors and its chairman, Mr. Wu Jian Hui, is an independent non-executive Director.

The terms of reference of the Audit Committee is based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee met 4 times in 2007. During 2007, it met to review the internal and external audit findings, the accounting principles and practices adopted by the Group, internal control and listing rules and statutory compliance, and to discuss auditing, internal controls, risk management and financial reporting matters. The quarterly, interim and annual accounts for 2007 were recommended to the Board for approval after discussion of the Audit Committee.

### EXTERNAL AUDITORS

In 2007, the total remuneration paid to the external auditors were approximately RMB1,990,000. All are for audit services. The audit fee was approved by the Audit Committee and endorsed by the Board.

財務風險管理及公司對環境問題的政策協調工作並不列入其職權範圍內。委員會由財務總監擔任主席，成員包括各部門高層代表、人事主管及內部審核主管。委員會定期向本公司審核委員會彙報工作。

### 審核委員會

審核委員會負責審核財務報告、檢討內部監控及企業管治的工作，並負責向董事會提出相關的建議。委員會成員全部由獨立非執行董事來擔任，並由其中之一馮建輝先生擔任委員會主席。

審核委員會的書面職權範圍乃參考香港會計師公會刊發之指引而制訂。

審核委員會在二零零七年間開會四次，於二零零七年，審核委員會就外聘審計師和內部核數師的報告結果、本集團採納之會計原則與常規、內部監控、是否符合上市規則的規定進行審核，對審核、內部監控、風險管理及財務報告事宜進行檢討，本公司的二零零七年季度、中期及全年業績經審核委員會開會討論後才建議交由董事會通過。

### 外聘審計師

二零零七年外聘審計師酬勞約為人民幣1,990,000元，全部為審計服務方面徵收的費用。審計費用已經審核委員會及董事會批准。

# Corporate Governance Report

## 企業管治報告

The Audit Committee has resolved the re-appointment of KPMG for audits for the financial year 2008. This resolution has been endorsed by the Board and is subject to final approval and authorization by the shareholders at the forthcoming annual general meeting.

### REMUNERATION COMMITTEE

The Remuneration Committee was chaired by Mr. Wu Jian Hui and comprised Mdm. Yu Shou Neng as members before 6 November 2007. Both Mr. Wu Jian Hui and Mdm. Yu Shou Neng are independent non-executive Directors. Since 6 November 2007, the Remuneration Committee is chaired by Mr. Wu Jian Hui and comprises Mdm. Qu Wen as members. Both of them are independent non-executive Directors. The Committee's responsibilities are as follows:

- to recommend the remuneration policy and structure, for all Directors and senior executives under transparent and legal procedures to the Board;
- to approve the remuneration policy and structure (comprising non-monetary benefit, retirement benefit and the amount of compensation including compensation for lost or termination of office or appointment) for all Directors and senior executives with the Board's approval;
- to recommend the remuneration of non-executive Directors to the Board;
- to formulate, review and approve remuneration with reference to the performance and the Company's objectives laid down by the Board at irregularly interval;
- to review and approve the compensation paid to executive Directors and senior management for loss or termination of office or appointment and to ensure such compensation is determined in accordance with the relevant terms of service;

審核委員會已議決再次委任畢馬威會計師事務所進行二零零八年財政年度的審計工作。此決議案已獲得董事會通過，並有待股東於即將召開之股東週年大會上作最終批准和授權。

### 薪酬委員會

薪酬委員會在二零零七年十一月六日之前由獨立非執行董事鄔建輝先生和俞守能女士組成，自二零零七年十一月六日起，由獨立非執行董事鄔建輝先生和曲雯女士組成，並由鄔建輝先生出任主席。薪酬委員會的主要職責如下：

- 就在正規而具透明度的程序下制定的公司全體董事及高級管理人員的薪酬政策及架構，向董事會提出建議；
- 如董事會轉授以下職責，即釐定全體董事及高級管理人員的特定薪酬待遇，包括非金錢利益、退休金福利及賠償金額（包括喪失或終止職務或委任的賠償）；
- 就非執行董事的薪酬向董事會提出建議；
- 透過參照董事會不時通過的公司目標，檢討及批准按表現而釐定的薪酬；
- 檢討及批准向執行董事及高級管理人員支付那些與喪失或終止職務或委任有關的賠償，以確保該等賠償按有關合約條款釐定；

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- to set compensation paid to executive Directors and senior management for loss or termination of office or appointment under the principle of fairness, reasonableness and not to create undue burden to the Company if such compensation cannot be determined in accordance with the relevant terms of service;
  - to review and approve compensation for termination/dismissal of appointment of Directors due to misconduct and to ensure that such arrangement is in compliance with the relevant terms of service;
  - to set compensation for termination/dismissal of appointment of Directors due to misconduct under reasonable and appropriate basis if such compensation cannot be determined in accordance with the relevant terms of service; and
  - to ensure remuneration of any Director or any associated person cannot be set by themselves.
- 若未能按有關合約條款釐定執行董事及高級管理人員喪失或終止職務或委任有關的賠償，亦須按公平合理，不會對公司造成過重負擔之原則來釐定該賠償金額；
  - 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排按有關合約條款釐定；
  - 若未能按有關合約條款釐定因董事行為失當而解僱或罷免有關董事所涉及的賠償，亦須按合理適當的原則來釐定該賠償金額；及
  - 確保任何董事或其任何聯繫人不得自行釐定薪酬。

Factors to be considered by the Remuneration Committee for formulation of remuneration package including the remuneration paid by other similar companies, time devoted by a director, director's responsibilities, employment terms of other positions in the Group, director's performance, etc.

Terms of reference of the Remuneration Committee is available on the Company's website.

The Remuneration Committee met once in 2007 to review and approve the Directors' and senior management's remuneration for 2007. At that meeting, the Committee approved individual Directors' remuneration packages to be paid for 2007.

薪酬委員會應考慮包括同類公司支付的薪酬、董事須付出的時間及董事職責、集團內其他職位的僱傭條件及表現等因素以釐定董事薪酬。

薪酬委員會的職權範圍載於本公司網址。

薪酬委員會在二零零七年舉行一次會議，檢討並批准董事及高級行政人員之二零零七年度酬金，在該次會議內，委員會已批准各董事於二零零七年度的酬金。



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### Remuneration Policy for Directors

Remuneration of Directors is subject to annual assessment and recommendation by the Remuneration Committee to the Board for further review and approval, which subsequently require approval by the shareholders at annual general meeting. The primary goal of the remuneration policy on executive remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a Director is not allowed to approve his own remuneration.

The elements of the Company's executive remuneration package include basic compensation (comprising of director fee) and discretionary bonus without capping. In determining guidelines for each compensating element, the Company refers to remuneration surveys conducted by independent external consultants on companies operating in similar businesses.

### Basic Compensation

The Remuneration Committee annually reviews and approves the basic compensation of each Director in accordance with the Company's remuneration policy. In accordance with the service contracts entered into by the Company and each of the Directors, all Directors have the right to receive fixed basic compensation.

### Discretionary Bonus

Under the service contracts between the Company and each of the Directors, Directors are entitled to a discretionary bonus based on the Company's results and the degree of responsibilities of each of the Directors.

The amounts paid to each Director of the Company for 2006 and 2007 are disclosed in notes 12 to the financial statements.

### 董事之酬金政策

董事之酬金須由薪酬委員會進行年度評估並將其建議於董事會，董事會審議並通過之後再提交股東周年大會經股東批准後始可作實。董事的酬金組合政策，主旨是使本公司董事之酬金及其表現與公司目標掛鉤，有助激勵董事的工作表現及留任。根據該政策，董事不可批准其自身酬金。

本公司董事酬金之主要組成包括基本薪酬(包括袍金)及無上限之酌情花紅。於釐定各酬金項目指引時，本公司會參考由獨立外聘顧問對本公司相類似業務之公司所作之酬金調查。

### 基本薪酬

薪酬委員會每年均會根據本公司之酬金政策檢討及批准各董事之基本薪酬。根據本公司與各董事之間所訂立之服務合約，各董事有權獲取固定基本薪酬。

### 酌情花紅

根據本公司與各董事之間訂立之服務合約，公司董事會可視公司業績及董事盡職情況決定對董事分紅。

於二零零六年及二零零七年支付予各董事之酬金詳情請見財務報表附註12。

### NOMINATION COMMITTEE

Before 6 November 2007, the Nomination Committee was chaired by Mr. Zheng Yue Wen, an executive Director, and comprised Mr. Wu Jian Hui and Mdm. Yu Shou Neng as members. Since 6 November 2007, the Nomination Committee is chaired by Mr. Wang An, an executive Director, and comprises Mr. Wu Jian Hui and Mdm. Qu Wen as members. The role of the Committee is to make recommendations to the Board on the appointment of Directors, evaluation of Board composition and the management of Board succession with reference to certain guidelines as endorsed by the Nomination Committee. These guidelines include appropriate professional knowledge and industry experience, personal ethnics, integrity and personal skills, and time commitments of members. The Nomination Committee carries out the process of selecting and recommending candidates for directorship including the consideration of referrals and engagement of external recruitment professional when necessary. The Nomination Committee met once in 2007 to discuss the Board composition, to make recommendations to the Board on the candidates of the third Board and to evaluate the independence status of the independent non-executive Directors.

### INVESTOR RELATIONS

The Company is committed to fair disclosure and comprehensive, transparent reporting. The Chairman is ultimately responsible for ensuring that there is effective communication with investors and that the Board understands the views of major shareholders. The Chairman therefore makes himself available to meet shareholders for this purpose. On a day-to-day basis the Board's primary contact with major shareholders is through the chief executive and financial controller of the Company.

### 提名委員會

提名委員會在二零零七年十一月六日之前由執行董事鄭躍文先生出任主席，委員包括鄔建輝先生和俞守能女士。自二零零七年十一月六日起，由執行董事王安先生出任主席，委員包括鄔建輝先生和曲雯女士。委員會的角色是，根據委員會認可的若干標準，向董事會就委任董事、評估董事會的組合及董事會成員替換作出建議。有關標準包括董事之適當專業知識及行業經驗、個人操守、誠信及技能，以及付出足夠時間之承諾。提名委員會負責挑選及推薦董事人選，包括考慮經他人推薦的人選及有需要時使用招聘公司的服務。提名委員會在二零零七年舉行一次會議，討論了董事會的架構、人數及組成，並就有關第三屆董事會人選提出建議，就獨立非執行董事的獨立性進行了評核。

### 與投資者關係

本公司承諾作公正的披露及提供全面而透徹的報告。董事會主席的最終責任，是確保與投資者有有效的溝通，並確保董事會明白主要股東的意見。因此，主席須為此與股東會面。董事會與主要股東的日常接觸，主要是透過公司總裁及財務總監進行。

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To enhance the Company's system of information disclosure, and to ensure the accuracy, completeness and timeliness of the Company's public disclosures, an Information Disclosure Review Committee, led by the financial controller was established. The Information Disclosure Review Committee is responsible for the establishment of procedures to compile, verify and report the Company's financial and operational statistics and other information as well as to supervise the drafting and publication of periodic reports.

Printed copies of the quarterly, interim and annual reports are sent to all shareholders. The most recent annual general meeting was held on 28 May 2007 at 3rd Floor, No. 18 Andre Avenue, Muping Economic Development Zone, Yantai City, Shandong Province, the PRC. The meeting was open to all shareholders and members of the press and was attended by all substantial shareholders personally present or by proxy.

As part of a regular programme of investor relations, senior management holds briefings and attends conferences with institutional investors and financial analysts to engage in a two-way communication on the Company's performance and objectives. A wide range of information on the Group's business activities is made available to investors and the public through the corporate website and the website of the Stock Exchange. Webcasts of the meetings announcing the quarterly, interim and annual results are also available on the corporate website and the website of the Stock Exchange.

為了進一步完善本公司的信息披露制度，確保公司對外披露信息的準確性、完整性和及時性，本公司建立了由財務總監主持的信息披露檢查委員會。信息披露檢查委員會負責訂立本公司的財務運營數據及其它信息的匯總、核實、上報的程序及定期報告的編寫審閱的工作。

本公司亦就其季度、中期及年度業績報告發放予所有股東。最近期的股東周年大會於二零零七年五月二十八日，在中國山東省烟台市牟平經濟開發區安德利大街十八號三樓舉行。該會議公開讓所有股東及傳媒參與，會上主要股東均親身或委任代表出席。

由高級行政人員出席與機構投資者及財務分析員的會議，是投資者關係常規項目的一部分，以便就本公司的業績表現及業務目標作雙向溝通。投資者及公眾可登入公司網址及聯交所網站，瞭解有關本公司各項業務的詳細資料。公布季度、中期及年度業績的公佈亦可在本公司網址及聯交所網站下載。

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In 2007, the Company held over 100 meetings with analysts and investors in its Hong Kong office, organized 5 Company visits by analysts, 2 Company visits by press, conducted 3 press conferences, and were interviewed by press on 5 occasions. The Company also arranged 16 road shows for analysts and investors in Hong Kong, the PRC and overseas. These activities allow them to have good opportunities to communicate with and understand the senior management, general staffs and its operating staffs and visit different places of business of the Group.

From information publicly available to the Company and within the best knowledge of the Directors, at least 41.30% of the Company's total issued share capital is held by the public at all times. As at 10 March 2008, being the latest practicable date, there were over 700 holders of H shares on the Company's register of shareholders.

Enquiries may be put to the Board by contacting the company secretary through the shareholders' hotline or email, or directly by questions at an annual general meeting or special general meeting. Questions on the procedures for convening of or putting forward proposals at an annual general meeting or special general meeting may also be put to the Company by the same means.

二零零七年度，本公司香港辦公室接受了超過一百次專訪，組織了五次投資分析員參觀公司和兩次媒體參觀公司的活動，組織了三次媒體發布會和五次媒體專訪。本公司還在香港、海外及中國大陸為分析員和投資者安排了十六次路演，使他們能與本公司高級管理層、運營管理層和基層員工有更直接的溝通和瞭解，並進行實地考察，參觀不同地方分公司的業務及營業地點。

據公司公開所得的資料及就公司董事所知，本公司至少41.30%已發行股本總額一直由公眾持有。於二零零八年三月十日，本公司股東名冊上共有超過七百名H股股東。

如欲向董事會作出任何查詢，股東可透過股東熱線電話或電郵聯絡公司秘書，或直接於股東週年大會或特別股東大會上直接提問。關於股東召開週年大會或特別大會及提呈決議案的程序，亦可透過上述途徑向公司查詢。

# Report of Directors

## 董事會報告

The Directors have pleasure in submitting the annual report together with the audited financial statements for the year ended 31 December 2007.

### Principal Activities

The principal activities of the Group are manufacturing and sale of apple juice concentrate, pear juice concentrate, apple essence, feedstuff and related products. The principal activities of the Company's subsidiaries are set out in note 17 to the Financial Statements.

### Results

The results and financial status of the Group for the year ended 31 December 2007 are set out in page 82 to page 168 of the Annual Report.

### Major Customers and Suppliers

In the reporting period, the Group mainly exported products to the US market, Japanese market and European market, and was expanding its market to other countries. The sales attributable to the top five customers of the Group accounted for about 68.58% of the Group's total turnover and sales to the largest customer included therein amounted to about 37.51%.

Purchases from the Group's top five largest suppliers accounted for about 5.62% of total purchases for the year. The largest supplier accounted for about 3.41% of the total purchases of the Group for the year.

None of the Directors, Supervisors, their respective associates or any shareholders which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital had any interest in the top five largest suppliers or customers of the Group.

董事會欣然提呈二零零七年年報及本集團截至二零零七年十二月三十一日止年度經審核財務報表。

### 主要業務

本集團主要從事生產及銷售濃縮蘋果汁、濃縮梨汁、蘋果香精、生物飼料等產品，本公司附屬公司之主要業務詳情載於財務報表附註17。

### 業績

本集團截至二零零七年十二月三十一日止年度的業績及財務狀況載於年報第82頁至第168頁。

### 主要客戶與供應商

於本報告期內，本集團的產品主要是銷往美國市場、日本市場和歐洲市場，但已逐步開拓了其他市場。本集團向五大客戶的銷售額佔本集團營業額約68.58%。本集團向最大客戶的銷售額佔本集團營業額約37.51%。

本集團從五大供應商的採購約佔總採購量的5.62%。同期，本集團最大的供應商約佔總採購量的3.41%。

就董事所知概無擁有超過本公司已發行股本5%以上的董事、監事、他們各自的聯繫人士或任何股東，於本集團五大客戶或供應商中擁有權益。

## Dividends

The Board has resolved to recommend a final dividend of approximately RMB29,859,000 (inclusive of tax), or RMB0.007 per share for 2007. The proposal to declare and pay this final dividend will be submitted to the shareholders of the Company at the forthcoming annual general meeting to be held on 19 May 2008. Final dividend for Domestic Shares will be distributed and paid in RMB whereas dividend for H Shares will be declared in RMB and paid in Hong Kong dollars. The register of holders of H Shares of the Company will be closed from 17 April 2008 to 16 May 2008 (both days inclusive) during which no transfers of H Shares will be registered. In order to qualify for entitlement to the proposed final dividend and for attending and for voting in the forthcoming annual general meeting of the Company, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share Registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 16 April 2008 (Wednesday). The final dividend will be distributed within one month from the conclusion of the forthcoming annual general meeting.

## Share Capital

The change(s) in share capital of the Company is set out in note 32 to the Financial Statements.

## Placing of H Shares and Use of Proceeds

The Company entered into a placing agreement on 4 July 2007 with Guotai Junan Securities (Hong Kong) Limited and Mega Capital (Asia) Company Limited as joint placing agents, pursuant to which the joint placing agents agreed to place an aggregate of 130,000,000 new H Shares of the Company (before capitalization issue as set out in the section below) at the price of HK\$1.18 per H Share.

## 股利

董事會提議案派付二零零七年度末期股息約人民幣29,859,000元(含稅)或每股人民幣0.007元。宣告和支付末期股息的建議將於二零零八年五月十九日召開的股東周年大會上提呈予本公司之股東。非流通股股東的末期股息將以人民幣宣告並支付，而H股股東的末期股息將以人民幣宣告並以港幣支付。本公司將於二零零八年四月十七日至二零零八年五月十六日止(首尾兩日包括在內)暫停辦理H股登記手續，期間將不會登記H股過戶。為符合收取末期股息以及可出席股東週年大會並於會上投票之資格，所有H股過戶文件連同有關股票及過戶表格，務必於二零零八年四月十六日(星期三)下午四時前送達本公司之H股股份過戶登記處卓佳登捷時有限公司作出登記，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。末期股息將於即將舉行之股東週年大會結束後之一個月內派付。

## 股本

本公司股本於本年內之變動詳情載於財務報表附註32。

## H股配售及有關所得款項用途

本公司於二零零七年七月四日與聯席配售代理國泰君安證券(香港)有限公司及兆豐資本有限公司簽訂配售協議，聯席配售代理同意以每H股港幣1.18元配售(於以下章節列載之資本化發行前)共130,000,000股本公司新H股。

# Report of Directors

## 董事會報告

The above placing was completed on 16 July 2007. From 16 July 2007, the new H Shares, representing an aggregate of approximately 6.71% of the total share capital of the Company as enlarged by the issue of the new H Shares, are traded on the GEM. Net proceeds from placing which was approximately HK\$145,326,000 (after deducting the relevant expenses) had been fully utilised according to the recommended uses set out in the relevant announcement.

### Capitalization Issue

The resolutions about the capitalization issue to the shareholders of H Shares and Domestic Shares on the basis of six (6) capitalization H Shares for every five (5) H Shares and six (6) capitalization Domestic Shares for every five (5) Domestic Shares in issue on 25 October 2007 were duly passed at the special general meeting, H Shares class meeting and Domestic Shares class meeting of the Company held on 25 October 2007. The capitalization shares issued pursuant to the capitalization issue were credited as fully paid by way of capitalization of the Company's share premium account. Dealing of the capitalization shares commenced on 21 November 2007.

### Reserves

The change(s) in reserves of the Company in the year is set out in the statements of changes in equity of the Group and the Company in the Financial Statements.

The distributable reserves of the Company as at 31 December 2007 amounted to approximately RMB213,417,000 (2006: RMB116,788,000).

### Property, Plant and Equipment

During the year, the Group incurred approximately RMB191,677,000, mainly for the construction of new production line and acquiring plant and equipment.

The change(s) of property, plant and equipment of the Group is set out in note 15 to the Financial Statements.

上述之配售於二零零七年七月十六日完成。共佔經發行新H股後擴大本公司總股本約6.71%的新H股從二零零七年七月十六日起在創業板進行買賣。本公司配售股份募集資金淨額約為港幣145,326,000元(已扣除費用)，現已按有關之公佈內之建議用途使用完畢。

### 資本化發行

本公司股東已於二零零七年十月二十五日舉行之臨時股東大會、H股股東類別大會及非流通股股東類別大會上通過向H股股東及非流通股股東進行資本化發行，基準為於二零零七年十月二十五日持有每五(5)股已發行H股獲發行六(6)股資本化H股及每持有五(5)股已發行非流通股獲發行六(6)股資本化非流通股。根據資本化發行，發行之資本化股份乃透過本公司之股份溢價賬予以資本化之方式入賬列作繳足。資本化股份已於二零零七年十一月二十一日開始買賣。

### 儲備

本公司儲備於本年內之變動詳情載於本集團及本公司股東權益變動表。

於二零零七年十二月三十一日，本公司股東可分配利潤約為人民幣213,417,000元(二零零六年：約人民幣116,788,000元)。

### 物業、廠房及設備

本年度，本集團支出了大約人民幣191,677,000元用於擴建生產線及購買機器設備。

本集團物業、廠房及設備於本年內之變動詳情載於財務報表附註15。

## Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association or the Company Law of the PRC which oblige the Company to offer new shares on a pro rata basis to existing shareholders.

## Purchase, Sale or Redemption of Shares

For the year ended 31 December 2007, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's shares.

## Directors' and Supervisors' Rights to Acquire Shares or Debentures

None of the Directors or Supervisors of the Company or their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporate, or had exercised any such right as at 31 December 2007.

## Material Acquisitions and Disposals During the Year

The Company entered into the following share transfer agreements during the year:

- (i) acquisition of 51% equity interest of Binzhou Anli from Korea Jeong Soo Andre Co., Ltd. and Yantai Anlin Fruit Industry Co., Ltd.\* on 28 April 2007 (such acquisition was completed on 30 June 2007);
- (ii) acquisition of 70% equity interest of Nannan Beverage from Qingdao Nannan Co., Ltd.\* and Korea Nan Yeung Industrial Co., Ltd. on 2 October 2007 (up to the date of issue of this report, such acquisition had not been completed); and
- (iii) acquisition of 9.99% equity interest of Longkou Andre from Mitsui and Co., Ltd. on 2 October 2007 (such acquisition was completed on 31 December 2007).

Apart from the above transactions, no material acquisitions or disposals of subsidiaries and associated companies has been made by the Company during the year ended 31 December 2007.

\* For identification purpose only

## 優先認購權

本公司之公司組織章程或中國法例並無訂明本公司須按比例向現有股東發售新股的優先認購權條文。

## 購買、出售或購回股份

截至二零零七年十二月三十一日止年度，本公司或其任何附屬公司概無購入、出售或購回本公司任何股份。

## 董事及監事購入股份或債券的權利

本公司或其附屬公司概無授出任何權利，以致本公司董事或監事或彼等各自的聯繫人可藉購入本公司或任何其他法人團體的股份或債券而獲益，而彼等亦無於二零零七年十二月三十一日行使任何該等權利。

## 年內重大收購及出售

本公司於本年度訂立以下股權轉讓協議：

- (i) 於二零零七年四月二十八日向韓國正樹安德利株式會社及烟台安林果業有限公司收購濱州安利之51%股權(該收購已於二零零七年六月三十日完成)；
- (ii) 於二零零七年十月二日向青島南南有限公司及韓國南榮產業株式會社收購青島南南之70%股權(截至本報告發出日，該收購仍未完成)；及
- (iii) 於二零零七年十月二日向三井物產株式會社收購龍口安德利之9.99%股權(該收購於二零零七年十二月三十一日完成)。

除上述交易外，截至二零零七年十二月三十一日止年度本公司概無對附屬公司或聯營公司進行重大收購或出售。

\* 僅供識別



# Report of Directors

## 董事會報告

### Significant Investment

No significant investment was held by the Group as at 31 December 2007.

### Employment and Remuneration Policy

As at 31 December 2007, the Group had a total of 1,399 employees (2006: 1,225 employees). Staff costs including directors' remuneration for the year ended 31 December 2007 and 31 December 2006 were approximately RMB19,946,000 and approximately RMB14,984,000 respectively. Details of the emoluments of the Directors and Supervisors and the top five highest paid individuals of the Group are set out in notes 12 and 13 to the financial statements. The Group's employment and remuneration policies remained unchanged from those described in the prospectus of the Company dated 11 April 2003. The salaries and benefits of employees of the Group are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system which is reviewed annually. A wide range of benefits, including statutory compulsory welfare plans, are also provided to the employees.

### Retirement Fund Scheme

The retirement fund scheme is set out in note 7 to the Financial Statements.

### Directors and Supervisors

As at 31 December 2007, the Directors and Supervisors of the Company were as follows:

Executive Directors:	Zheng Yue Wen, Wang An, Zhang Hui, Yu Hui Lin (formerly 于惠霖), Jiang Hong Qi (appointed on 28 May 2007) and Li Ye Sheng (appointed on 28 May 2007)
Non-executive Directors:	Lo Chih-Hsien, Zhang Wan Xin (resigned on 28 May 2007) and Ren Xiao Jian (resigned on 28 May 2007)
Independent non-executive Directors:	Wu Jian Hui, Yu Shou Neng, Qu Wen (appointed on 28 May 2007) and Hu Xiao Song (resigned on 28 May 2007)

### 重大投資

於二零零七年十二月三十一日，本集團概無持有重大投資。

### 僱員及薪酬政策

於二零零七年十二月三十一日，本集團僱用共1,399名員工(二零零六年：1,225名)。截至二零零七年及二零零六年十二月三十一日止年度之員工成本(包括董事酬金)分別約為人民幣19,946,000元及約人民幣14,984,000元。本公司之董事和監事及本集團之五名最高薪酬人士之薪酬詳情載於財務報表附註12及13。本集團僱用及薪酬政策保持與本集團於二零零三年四月十一日的售股章程所述者不變。本集團僱員之薪金及福利維持於具競爭力水準，而僱員之薪酬及福利根據本集團之薪金及花紅制度按僱員表現每年檢討釐定。本集團向僱員提供多種福利(包括法定強制性福利計劃)。

### 退休金計劃

本公司退休金計劃詳情載於財務報表附註7。

### 董事及監事

於二零零七年十二月三十一日，本公司之董事及監事如下：

執行董事：	鄭躍文、王安、張輝、于會林(曾用名于惠霖)、姜洪奇(委任於二零零七年五月二十八日)和李業勝(委任於二零零七年五月二十八日)
非執行董事：	羅智先、張萬欣(於二零零七年五月二十八日辭任)及任曉劍(於二零零七年五月二十八日辭任)
獨立非執行董事：	鄔建輝、俞守能、曲雯(委任於二零零七年五月二十八日)及胡小松(於二零零七年五月二十八日辭任)

# Report of Directors 董事會報告

Supervisors: Mu Gui Sheng, Wang Chun Tang (appointed on 28 May 2007), Qu Wei Jia and Chen Ke Lin (resigned on 28 May 2007)

監事：慕桂盛、王春堂(委任於二零零七年五月二十八日)、曲維佳及胡小松(於二零零七年五月二十八日辭任)

Except for Mr. Wang Chun Tang, each of the Directors and Supervisors (including the independent non-executive Directors and Supervisors) has entered into a service contract with the Company for a term of three years. Mr. Wang Chun Tang has entered into a service contract with the Company commencing from 28 May 2007 until 13 September 2008. None of the Directors or Supervisors had entered into any service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

除王春堂先生外，各董事及監事(包括獨立非執行董事及監事)已分別與本公司訂立服務合約，為期三年。王春堂先生與本公司訂立服務合約之服務期由二零零七年五月二十八日至二零零八年九月十三日。概無董事或監事與本公司訂有任何不可以由本公司於一年內終止而毋須賠償(法定補償除外)之服務合約。

## Exempted Continuing Connected Transactions

On 30 June 2006, the Company entered into an administrative agreement with Create Group (HK) Ltd., pursuant to which Create Group (HK) Ltd. provides administrative services to the Company for its Hong Kong office at a monthly consideration of HKD30,000 from 1 July 2006. The consideration was determined on an arm's length basis. Since Create Group (HK) Ltd. is effectively owned as to 50% by Mr. Zheng Yue Wen and Mr. Zheng Yue Wen is the chairman and executive Director of the Company, the entering into such administrative agreement constitutes an exempted continuing connected transaction of the Company under the GEM Listing Rules. For the year ended 31 December 2007, administrative services fee amounted to HK\$360,000 was payable to Create Group (HK) Ltd (2006: HK\$180,000).

The Directors (including the independent non-executive Directors) confirmed that the administrative expenses made during the year were in the ordinary and usual course of business, on normal commercial terms, in accordance with the terms of the administrative agreement and on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

The Directors confirmed that the Company's auditors have provided a letter to the Board in respect of their factual findings on the abovementioned exempted continuing connected transactions.

## 豁免持續關連交易

於二零零六年六月三十日，本公司與科瑞集團(香港)有限公司簽訂了一份行政服務合同，由科瑞集團(香港)有限公司提供長期行政服務予本公司之香港辦事處，服務費為每月港幣30,000元，由二零零六年七月一日起生效。此代價乃經公平磋商後釐定。由於科瑞集團(香港)有限公司乃由鄭躍文先生持有50%股權及鄭躍文先生為本公司之主席及執行董事，根據創業板上市規則，訂立該協議構成本公司一項豁免持續關連交易。截至二零零七年十二月三十一日止年度，應付予科瑞集團(香港)有限公司之服務費為港幣360,000元(二零零六年：港幣180,000元)。

董事(包括獨立非執行董事)確認，年內應付之服務費乃按一般及日常業務過程進行，屬一般商業條款，並根據相關服務合同之條款，其條款屬公平合理並符合本公司全體股東之利益。

董事確認，本公司核數師已向董事會提供彼等就上述豁免持續關連交易之據實調查結果之函件。

# Report of Directors

## 董事會報告

### Directors' Interests in Contracts

Save as the exempted continuing connected transactions disclosed above, none of the Directors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company was a party in 2007.

### Directors', Supervisors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2007, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); and (b) required to be recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the directors of the Company as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

#### Long positions in the shares of the Company

Name of Directors 董事姓名	Class of Shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares 佔非流通股百分比	Percentage in total share capital 佔總股本百分比
Zheng Yue Wen (Note 1) (Note 3) 鄭躍文 (附註1)(附註3)	Domestic Shares 非流通股	614,585,400 (L) 614,585,400 (長)	Interest of controlled corporation 受控制法團權益	Personal 個人	24.53%	14.41%

### 董事於合約之權益

除於以上披露之豁免持續關連交易外，於二零零七年內，概無董事於對本集團業務具重大影響之本公司所訂合約中直接或間接持有任何重大權益。

### 董事、監事及總裁於本公司股份及債權證中的權益及淡倉

於二零零七年十二月三十一日，董事、監事及總裁於本公司及其相關法團（按《證券及期貨條例》第十五章的涵義）擁有 (i) 根據《證券及期貨條例》第十五章第7及8部份之規定須知會本公司及聯交所（包括根據《證券及期貨條例》之規定被當作或被視作擁有之權益及淡倉）；及 (ii) 根據《證券及期貨條例》第352條須予備存之登記冊所載或根據創業板上市規則第5.46條至第5.67條須知會本公司及聯交所有關董事進行證券交易之股份、基本股份或債券如下：

#### 公司長倉股份

# Report of Directors

## 董事會報告

Name of Directors 董事姓名	Class of Shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares 佔非流通股百分比	Percentage in total share capital 佔總股本百分比
Wang An (Note 2) (Note 3) 王安 (附註2)(附註3)	Domestic Shares 非流通股	1,188,105,006 (L) 1,188,105,006 (長)	Interest of controlled corporation 受控制法團權益	Personal 個人	47.42%	27.85%

Notes:

- (1) As at 31 December 2007, Zheng Yue Wen was taken to be interested in 614,585,400 Domestic Shares through his controlled corporation, Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司). As at 31 December 2007, Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司) was controlled (as to 79%) by Beijing Asia Pacific Century Technology Development Limited Liability Company\* (北京亞太世紀科技發展有限責任公司) which in turn was controlled (as to 80%) by Beijing RAJ Network Sales Co., Ltd.\* (北京瑞澤網絡銷售有限責任公司). As at 31 December 2007, Zheng Yue Wen controlled 43% interest in Beijing RAJ Network Sales Co., Ltd.\* (北京瑞澤網絡銷售有限責任公司).
- (2) As at 31 December 2007, Wang An was taken to be interested in 1,188,105,006 Domestic Shares through his controlled corporations, China Pingan Investment Holdings Limited and Shandong Andre Group Co., Ltd.\* (山東安德利集團有限公司). As at 31 December 2007, Wang An controlled 90% interest in China Pingan Investment Holdings Limited and 80% interest in Shandong Andre Group Co., Ltd.\* (山東安德利集團有限公司).

附註：

- (1) 於二零零七年十二月三十一日，鄭躍文因其控制之法團光彩事業國土綠化整理有限公司而被認為擁有614,585,400股非流通股之權益。於二零零七年十二月三十一日，光彩事業國土綠化整理有限公司乃由北京亞太世紀科技發展有限責任公司控制(79%權益)，而北京亞太世紀科技發展有限責任公司則由北京瑞澤網絡銷售有限責任公司控制(80%權益)。於二零零七年十二月三十一日，鄭躍文控制北京瑞澤網絡銷售有限責任公司之43%權益。
- (2) 於二零零七年十二月三十一日，王安因其控制之法團China Pingan Investment Holdings Limited及山東安德利集團有限公司而被視為擁有1,188,105,006股非流通股。於二零零七年十二月三十一日，王安控制China Pingan Investment Holdings Limited之90%權益及山東安德利集團有限公司之80%權益。

\* For identification purpose only

\* 僅供識別

# Report of Directors

## 董事會報告

(3) As stated in the Company's announcement dated 31 May 2007, Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司) had entered into agreements to sell all of its shareholding in the Company to the following parties:

- (a) 88,000,000 Domestic Shares of the Company to Mr. Yung Ka Hee Titus;
- (b) 132,000,000 Domestic Shares of the Company to Shandong Andre Group Co., Ltd.\* (山東安德利集團有限公司); and
- (c) 394,585,400 Domestic Shares of the Company to Yantai Anlin Fruit Industry Co., Ltd.\* (烟台安林果業有限公司), a Chinese-foreign equity joint venture company established under the laws of the PRC.

The above transfers are conditional upon, among other things, the approval of the relevant PRC authorities and as at 31 December 2007 the above transfers had not been completed.

(4) The letter "L" denotes a long position.

(3) 如本公司日期為二零零七年五月三十一日之公佈，光彩事業國土綠化整理有限公司已訂立協議以出售其於本公司全部股權予以下人士：

- (a) 本公司88,000,000股非流通股予容家禧先生；
- (b) 本公司132,000,000股非流通股予山東安德利集團有限公司；及
- (c) 本公司394,585,400股非流通股予烟台安林果業有限公司(根據中國法律成立之中外合資企業公司)。

上述轉讓須待(其中包括)有關中國機關批准，方告生效，而上述轉讓於二零零七年十二月三十一日仍未完成。

(4) 「長」表示長倉。

\* For identification purpose only

\* 僅供識別

### Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2007, so far as the Directors are aware, the following persons (other than the Directors, Supervisors and chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company which are discloseable under Divisions 2 and 3 of Part XV of the SFO and recorded in the register kept by the Company pursuant to section 336 of the SFO:

#### Long positions in the shares of the Company

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares/ H Shares 佔非流通股/ H股百分比	Percentage in total share capital 佔總股本 百分比
Beijing RAJ Network Sales Co., Ltd.* (Note 1) 北京瑞澤網絡銷售有限責任公司 (附註1)	Domestic Shares 非流通股	614,585,400 (L) 614,585,400 (長)	Interest of controlled corporation (controlling 80% interest of such corporation) 受控制法團權益 (控制該法團的80%權益)	Corporate 公司	24.53%	14.41%
Beijing Asia Pacific Century Technology Development Limited Liability Company* (Note 1) 北京亞太世紀科技發展有限責任公司(附註1)	Domestic Shares 非流通股	614,585,400 (L) 614,585,400 (長)	Interest of controlled corporation (controlling 79% interest of such corporation) 受控制法團權益 (控制該法團的79%權益)	Corporate 公司	24.53%	14.41%

\* For identification purpose only

### 主要股東及其他人士於本公司股份及基本股份的權益及淡倉

據董事所知，於二零零七年十二月三十一日，除本公司董事、監事或總裁外，在本公司之股份及基本股份中擁有須根據《證券及期貨條例》第十五章第2及3部份之規定而須披露，及已記入本公司根據《證券及期貨條例》第336條之規定存置之登記冊中之權益及淡倉之股東及其他人士如下：

#### 公司長倉股份

\* 僅供識別

# Report of Directors

## 董事會報告

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares/ 佔非流通股/ H 股百分比	Percentage in total share capital 佔總股本 百分比
Glory Cause Land Afforestation Co., Ltd* (Note 1) 光彩事業國土綠化整理有限公司(附註1)	Domestic Shares 非流通股	614,585,400 (L) 614,585,400 (長)	Beneficial owner 實益擁有人	Corporate 公司	24.53%	14.41%
China Pingan Investment Holdings Limited (Note 2) (附註2)	Domestic Shares 非流通股	441,519,606 (L) 441,519,606 (長)	Beneficial owner 實益擁有人	Corporate 公司	17.62%	10.35%
Shandong Andre Group Co., Ltd.* (Note 2) 山東安德利集團有限公司(附註2)	Domestic Shares 非流通股	746,585,400 (L) 746,585,400 (長)	Beneficial owner 實益擁有人	Corporate 公司	29.79%	17.50%
HSBC International Trustee Limited (Note 3) (附註3)	Domestic Shares 非流通股	626,340,000 (L) 626,340,000 (長)	Trustee 信託人	Corporate 公司	25.00%	14.68%
Prosper United Limited (Note 3) (附註3)	Domestic Shares 非流通股	626,340,000 (L) 626,340,000 (長)	Interest of controlled corporation (controlling 100% interest of such corporation) 受控制法團權益 (控制該法團的100%權益)	Corporate 公司	25.00%	14.68%
ACME Team International Limited (Note 3) (附註3)	Domestic Shares 非流通股	626,340,000 (L) 626,340,000 (長)	Interest of controlled corporation (controlling 100% interest of such corporation) 受控制法團權益 (控制該法團的100%權益)	Corporate 公司	25.00%	14.68%

\* For identification purpose only

\* 僅供識別

# Report of Directors

## 董事會報告

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares / H Shares 佔非流通股 / H 股百分比	Percentage in total share capital 佔總股本百分比
Donghua Fruit Industry Co., Ltd. (Note 3) (附註3)	Domestic Shares 非流通股	626,340,000 (L) 626,340,000 (長)	Interest of owner 實益擁有人	Corporate 公司	25.00%	14.68%
Uni-President Enterprises Corp. (Note 4) 統一企業股份有限公司(附註4)	Domestic Shares 非流通股	186,329,594 (L) 186,329,594 (長)	Beneficial controlled corporation (controlling 100% interest of such corporation) 受控制法團權益 (控制該法團的 100% 權益)	Corporate 公司	7.43%	4.36%
Cayman President Holdings Ltd. (Note 4) (附註4)	Domestic Shares 非流通股	186,329,594 (L) 186,329,594 (長)	Interest of controlled corporation (controlling 100% interest of such corporation) 受控制法團權益 (控制該法團的 100% 權益)	Corporate 公司	7.43%	4.36%
Uni-President Asia Holdings Limited (Note 4) 統一亞洲控股有限公司(附註4)	Domestic Shares 非流通股	186,329,594 (L) 186,329,594 (長)	Interest of controlled corporation (controlling 100% interest of such corporation) 受控制法團權益 (控制該法團的 100% 權益)	Corporate 公司	7.43%	4.36%



# Report of Directors

## 董事會報告

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares / H Shares 佔非流通股 / H 股百分比	Percentage in total share capital 佔總股本百分比
President Enterprises (China) Investment Co. Ltd. (Note 4) 統一企業(中國)投資有限公司(附註4)	Domestic Shares 非流通股	186,329,594 (L) 186,329,594 (長)	Interest of controlled corporation (controlling 100% interest of such corporation) 受控制法團權益 (控制該法團的100%權益)	Corporate 公司	7.43%	4.36%
Chengdu President Enterprises Food Co., Ltd. (Note 4) 成都統一企業食品有限公司(附註4)	Domestic Shares 非流通股	186,329,594 (L) 186,329,594 (長)	Beneficial Owner 實益擁有人	Corporate 公司	7.43%	4.36%
Yantai Anlin Fruit Industry Co., Ltd.* (Note 5) 烟台安林果業有限公司(附註5)	Domestic Shares 非流通股	394,585,400(L) 394,585,400 (長)	Beneficial Owner 實益擁有人	Corporate 公司	15.74%	9.25%
Atlantis Investment Management Ltd.	H Shares H 股	425,068,000 (L) 425,068,000 (長)	Investment manager 投資經理	Corporate 公司	24.14%	9.96%

\* For identification purpose only

\* 僅供識別

# Report of Directors

## 董事會報告

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Percentage in Domestic Shares / H Shares 佔非流通股 / H 股百分比	Percentage in total share capital 佔總股本百分比
IFC	H Shares H 股	110,000,000 (L) 110,000,000 (長)	Beneficial owner 實益擁有人	Corporate 公司	6.24%	2.57%
INVESCO Hong Kong Limited (previously known as INVESCO Asia Limited) in its capacity as manager/advisor of various accounts INVESCO Hong Kong Limited (曾稱為 INVESCO Asia Limited) 作為多個賬戶之經理 / 顧問身份	H Shares H 股	159,496,000 (L) 159,496,000 (長)	Investment manager 投資經理	Corporate 公司	9.06%	3.73%
Mitsui & Co., Ltd. 三井物產株式會社	H Shares H 股	213,400,000 (L) 213,400,000 (長)	Beneficial owner 實益擁有人	Corporate 公司	12.12%	5.00%
Everest Capital Limited	H Shares H 股	106,172,000 (L) 106,172,000 (長)	Investment manager 投資經理	Corporate 公司	6.03%	2.48%
JP Morgan Chase & Co. (Note 6) (附註6)	H Shares H 股	129,420,820 (L) 129,420,820 (長)	Investment manager and custodian 投資經理及管理人	Corporate 公司	7.35%	3.03%
JP Morgan Chase Bank, N.A. (Note 6) (附註6)	H Shares H 股	129,420,820 (L) 129,420,820 (長)	Custodian 管理人	Corporate 公司	7.35%	3.03%
HSBC Investments (Hong Kong) Limited	H Shares H 股	90,068,000 (L) 90,068,000 (長)	Investment Manager 投資經理	Corporate 公司	5.11%	2.11%

# Report of Directors

## 董事會報告

### Notes:

- (1) As at 31 December 2007, Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司) was controlled (as to 79%) by Beijing Asia Pacific Century Technology Development Limited Liability Company\* (北京亞太世紀科技發展有限責任公司) which in turn was controlled (as to 80%) by Beijing RAJ Network Sales Co., Ltd.\* (北京瑞澤網絡銷售有限責任公司). As at 31 December 2007, Zheng Yue Wen controlled 43% interest in Beijing RAJ Network Sales Co., Ltd.\* (北京瑞澤網絡銷售有限責任公司). Please also refer to Note (3) under the Section of "Directors', supervisors' and chief executive's interests and short positions in the shares of the Company".
- (2) As at 31 December 2007, Wang An controlled 90% interest in China Pingan Investment Holdings Limited and 80% interest in Shandong Andre Group Co., Ltd.\* (山東安德利集團有限公司). Please also refer to Note (3) under the Section of "Directors', supervisors' and chief executive's interests and short positions in the shares of the Company".
- (3) As at the 31 December 2007, Donghua Fruit Industry Co. Ltd. was 100% controlled by ACME Team International Limited, a corporation which was 100% controlled by Prosper United Limited, which was in turn 100% controlled by HSBC International Trustee Limited.
- (4) As at the 31 December 2007, Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司), was 100% controlled by President Enterprises (China) Investment Co. Ltd. (統一企業(中國)投資有限公司), which was in turn 100% controlled by Uni-President Asia Holdings Limited (統一亞洲控股有限公司). Uni-President Asia Holdings Limited (統一亞洲控股有限公司) was 100% controlled by Cayman President Holdings Ltd., which was in turn 100% controlled by Uni-President Enterprises Corp. (統一企業股份有限公司).
- (5) Yantai Anlin Fruit Industry Co., Ltd.\* (烟台安林果業有限公司) had entered into an agreement with Glory Cause Land Afforestation Co., Ltd.\* (光彩事業國土綠化整理有限公司). Please also refer to Note (3) under the Section of "Directors', supervisors' and chief executive's interests and short positions in the shares of the Company".

\* For identification purpose only

### 附註：

- (1) 於二零零七年十二月三十一日，光彩事業國土綠化整理有限公司乃由北京亞太世紀科技發展有限責任公司控制(79%權益)，而北京亞太世紀科技發展有限責任公司則由北京瑞澤網絡銷售有限責任公司控制(80%權益)。於二零零七年十二月三十一日，鄭躍文控制北京瑞澤網絡銷售有限責任公司之43%權益。請亦參閱「董事、監事及總裁於本公司股份的權益及淡倉」一節附註(3)。
- (2) 於二零零七年十二月三十一日，王安控制China Pingan Investment Holdings Limited之90%權益及山東安德利集團有限公司之80%權益。請亦參閱「董事、監事及總裁於本公司股份的權益及淡倉」一節附註(3)。
- (3) 於二零零七年十二月三十一日，Donghua Fruit Industry Co. Ltd.乃由ACME Team International Limited控制(100%權益)，該公司由Prosper United Limited控制100%，而Prosper United Limited則由HSBC International Trustee Limited控制100%。
- (4) 於二零零七年十二月三十一日，成都統一企業食品有限公司乃由統一企業(中國)投資有限公司控制100%，而統一企業(中國)投資有限公司則由統一亞洲控股有限公司控制100%。統一亞洲控股有限公司乃由Cayman President Holdings Ltd.控制100%，而Cayman President Holdings Ltd.則由統一企業股份有限公司控制100%。
- (5) 烟台安林果業有限公司已與光彩事業國土綠化整理有限公司訂立協議。請亦參閱「董事、監事及總裁於本公司股份的權益及淡倉」一節附註(3)。

\* 僅供識別

(6) JP Morgan Chase & Co. held 129,420,820 H Shares representing 7.35% of the total H Shares and 3.03% of the total share capital of the Company respectively. The 129,420,820 H Shares were directly held by JP Morgan Chase Bank, N.A., a corporation 100% controlled by JP Morgan Chase & Co.

(7) The letter (L) denotes a long position.

### Competing Interests

None of the Directors, the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) had any interest in a business which competes or may compete with the businesses of the Group or has or may have any other conflicts of the interest with the Group.

### Practices and Procedures of the Board of Directors

The Company has adopted the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules (“the Required Standard”) as the Company’s code of conduct regarding securities transactions by its Directors. A copy of the Required Standard was sent to each Director one month before the date of the Board meeting to approve the Company’s 2007 annual results, with a reminder that the Directors cannot deal in the securities and derivatives of the Company until after such results have been published.

Under the Required Standard, the Directors are required to notify the chairman of the Company and receive a dated acknowledgement in writing before dealing in the securities and derivatives of the Company and, in the case of the chairman of the Company himself, he must notify the chairman of the Audit Committee and receive a dated acknowledgement in writing before any dealing.

(6) JP Morgan Chase & Co. 持有 129,420,820 股 H 股，即分別佔總 H 股之 7.35% 及總股本之 3.03%。129,420,820 股 H 股乃直接由 JP Morgan Chase Bank, N.A. 持有，該公司由 JP Morgan Chase & Co. 控制 100%。

(7) 「長」表示長倉。

### 競爭權益

本公司董事或管理層股東或彼等各自之聯繫人（定義見創業板上市規則）概無於任何構成或可能構成與本集團業務出現競爭業務中擁有任何權益，亦無本集團產生或可能產生利益衝突。

### 董事會的常規及程式

本公司已採納創業板上市規則第 5.48 至 5.67 條所載之買賣準則作為本公司的董事證券交易守則（「該標準守則」）。公司各董事於通過公司二零零七年度業績的董事會會議前一個月已獲發一份該標準守則以及一份提示，提醒董事不得在公布業績前買賣本公司的證券或衍生工具。

根據該標準守則的規定，董事須於通知主席並接獲註明日期的確認書後，方可買賣本公司的證券或衍生工具。而主席若擬買賣本公司證券或衍生工具，必須在交易前先通知審核委員會主席並獲取註明日期的確認書。

# Report of Directors

## 董事會報告

All Directors, upon specific enquiries, have confirmed that they have complied with the Required Standard during the reporting period.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with the Required Standard. No incident of non-compliance was noted by the Company for the year ended 31 December 2007.

### Length of Term of Non-executive Directors

The existing non-executive Director was appointed for a term of three years from 28 May 2007 to 27 May 2010. The term of the existing independent non-executive Directors is also from 28 May 2007 to 27 May 2010.

### Independence of Independent non-executive Directors

The Company confirms that the Company has received written independence status confirmation from all independent non-executive Directors in accordance with Rule 5.09 of the GEM Listing Rule. All independent non-executive Directors are considered as independent.

經特定查詢後，本公司所有董事確認於本報告期內已遵守該標準守則。

所有特定僱員若可能擁有關於本集團的未公開而又可能影響股價的敏感資料，亦須符合該標準守則。本公司於截至二零零七年十二月三十一日止年內並未發現任何違規事件。

### 非執行董事之服務年期

本公司現任非執行董事之委任期由二零零七年五月二十八日至二零一零年五月二十七日，為期三年。而現任獨立非執行董事之委任期亦是由二零零七年五月二十八日至二零一零年五月二十七日。

### 獨立非執行董事之獨立性

本公司確認已根據創業板上市規則第5.09條向本公司各獨立非執行董事收取獨立地位確認書，而全體獨立非執行董事均被認為獨立。

## Audit Committee

The Company has established an Audit Committee with written terms of reference based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control of the Group, ensuring compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Wu Jian Hui, who is the chairman of the Audit Committee, Qu Wen and Yu Shou Neng.

During the year, the Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters with the Directors, including a review of the annual results for the year ended 31 December 2007. The Audit Committee held 4 meetings during the year.

## Auditors

KPMG shall retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

In the past 3 years, the Company's auditors remained unchanged.

By Order of the Board of Directors  
**Yantai North Andre Juice Co., Ltd.\***  
**Zheng Yue Wen**  
*Chairman*

Hong Kong, 15 March 2008

\* For identification purpose only

## 審核委員會

本公司已設立審核委員會，其書面職權範圍乃參考香港會計師公會刊發之「審核委員會指引」而制訂。審核委員會之主要職責為審核及監管本集團之財務申報程式及內部控制，以符合創業板上市規則第5.28至5.33條。審核委員會由三名獨立非執行董事（即鄔建輝、曲雯和俞守能）組成。鄔建輝為審核委員會主席。

於報告期內，審核委員會已審核本集團所採用的會計原則及慣例，並與董事討論內部控制及財務申報事宜，包括審核本集團截至二零零七年十二月三十一日止之年度業績。本年度審核委員會已舉行四次會議。

## 核數師

在即將召開的股東周年大會中，將提請通過續聘畢馬威會計師事務所為本公司核數師的議案。

本公司於過去三年並無更改核數師。

承董事會命  
**烟台北方安德利果汁股份有限公司**  
**鄭躍文**  
*主席*

香港，二零零八年三月十五日

\* 僅供識別

# Report of Supervisory Committee

## 監事會報告

To the Shareholders:

The Supervisory Committee (the “Supervisory Committee”) of Yantai North Andre Juice Co., Ltd.\*, in compliance with the relevant laws and regulations and the Articles of Association of the Company, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its shareholders.

During the year, the Supervisory Committee had reviewed cautiously the development plans of the Company and provided reasonable suggestions and opinions to the Board. It also strictly and effectively monitored and supervised the Company’s management in making significant policies and decisions to ensure that they are in compliance with the laws and regulations of the PRC and the Articles of Association of the Company, and in the interests of its shareholders.

We have reviewed and agreed to the report of the Directors, audited financial statements and the dividend to be proposed by the Board for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the chief executive and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association of the Company. The operation is becoming more regulated and the internal control is becoming more perfect. The transactions between the Company and connected parties are in the interests of the shareholders as a whole and under fair and reasonable price.

Up till now, none of the Directors, chief executive and senior management staff had been found to

\* For identification purpose only

各位股東：

烟台北方安德利果汁股份有限公司監事會（「本監事會」）遵照有關法律、法規及公司章程的規定，認真履行職權，維護股東權益及維護本公司利益，恪盡職守，合理謹慎、勤勉主動地開展工作。

在本年度內本監事會對本公司的經營及發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及具體決定是否符合國家法律法規以及本公司章程，是否維護股東利益等，進行了嚴格有效的監督。

本監事會認真審閱並同意董事會擬提呈予本次股東週年大會的董事會報告、經審核的財務報表以及股息派發方案，認為本公司董事會成員、總裁及其他高級管理人員，嚴格遵守誠信原則，工作克勤盡職，真誠地以公司最大利益為出發點行使職權，能夠按照公司章程開展各項工作，運作較為規範，內部控制制度日趨完善。本公司與關聯企業交易嚴格按符合本公司股東整體利益之條款及公平合理價格執行。

本監事會至今未發現董事、總裁及高級管理人員濫用職權，損害公司利益及侵犯本公司股東和本公司員工

\* 僅供識別

# Report of Supervisory Committee

## 監事會報告

have abused their authority, damaged the interests of the Company or infringed upon the interests of its shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association of the Company.

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2007 and has great confidence in the future of the Company.

By Order of the Supervisory Committee  
**Yantai North Andre Juice Co., Ltd.\***  
**Mu Gui Sheng**

15 March 2008

權益之行為，亦未發現上述人員有違反法律、法規或本公司公司章程的行為。

本監事會對本公司二零零七年度各項工作和取得的經濟效益表示滿意，對公司未來的發展前景充滿信心。

承監事會命  
**烟台北方安德利果汁股份有限公司**  
**慕桂盛**

二零零八年三月十五日

\* For identification purpose only

\* 僅供識別



# Auditors' Report

## 核數師報告書

Independent auditors' report to the shareholders of  
**Yantai North Andre Juice Co., Ltd.**  
*(Incorporated in the People's Republic of China with limited liability)*

We have audited the consolidated financial statements of Yantai North Andre Juice Co., Ltd. (the "Company") set out on pages 82 to 168, which comprise the consolidated and company balance sheets as at 31 December 2007, and the consolidated income statement, 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 notes.

### Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's responsibility

Our responsibility is to express an opinion on these 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 the report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants.

致**烟台北方安德利果汁股份有限公司**各股東  
(於中華人民共和國成立的有限公司)

本核數師(以下簡稱「我們」)已審核刊載於第82至168頁烟台北方安德利果汁股份有限公司(以下簡稱「貴公司」)的財務報表,此財務報表包括於二零零七年十二月三十一日的合併資產負債表和資產負債表與截至該日止年度的合併利潤表、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財務報表附註。

### 董事對財務報告的責任

貴公司董事須負責根據由國際會計準則委員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及公允地列報該等財務報表。這責任包括設計、實施及維護與編製及公允地列報財務報表相關的內部控制,以使財務報表不存在由於舞弊或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

### 核數師的責任

我們的責任是根據我們的審核對該等財務報表發表意見,並僅向整體股東報告。除此以外,我們的報告書不可用作其他用途。我們概不就本報告書的內容,對任何其他人士負責或承擔法律責任。

我們是按照香港會計師公會頒佈的香港核數準則進行審核工作。這些準則要求我們遵守相關道德規範,並規劃及執行審核,以合理確定該等財務報表是否不存

# Auditors' Report

## 核數師報告書

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion, the 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 2007 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

15 March 2008

有重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露事項有關的審核證據。所選定的程序取決於核數師的判斷，包括評估由於舞弊或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，我們考慮與該公司編製及公允地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價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足和適當的，已為我們的審核意見建立基礎。

### 意見

我們認為，該等財務報表已按照國際財務報告準則真實和公允地反映貴公司及貴集團於二零零七年十二月三十一日的財政狀況和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適當編製。

### 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

二零零八年三月十五日

# Consolidated Income Statement

## 合併損益表

for the year ended 31 December 2007

(Expressed in Renminbi Yuan)

截至二零零七年十二月三十一日止年度

(以人民幣列示)

		Note 附註	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Turnover	收入	4	1,662,976	786,435
Cost of sales	銷售成本		(1,235,581)	(621,794)
<b>Gross profit</b>	<b>毛利</b>		<b>427,395</b>	164,641
Other operating income	其他經營收入	5	15,478	16,631
Distribution expenses	銷售費用		(106,834)	(81,541)
Administrative expenses	管理費用		(38,860)	(35,099)
Other operating expenses	其他經營費用	6	(4,614)	(5,970)
<b>Profit from operations</b>	<b>經營溢利</b>		<b>292,565</b>	58,662
Net finance costs	財務成本淨額	8	(26,462)	(32,877)
Investment income	投資收入	9	-	53,086
Share of profits/(losses) from an associate	應佔聯營公司 溢利/(虧損)		501	(48)
<b>Profit before taxation</b>	<b>除稅前溢利</b>	10	<b>266,604</b>	78,823
Income tax	所得稅	11	(31,451)	(8,589)
<b>Profit for the year</b>	<b>本年度溢利</b>		<b>235,153</b>	70,234
<b>Attributable to:</b>	<b>歸屬於：</b>			
Equity shareholders of the Company	本公司股東		213,874	69,673
Minority interests	少數股東		21,279	561
<b>Profit for the year</b>	<b>本年度溢利</b>		<b>235,153</b>	70,234
<b>Dividends payable to equity shareholders of the Company attributable to the year:</b>	<b>本年度應付本公司 股東股息</b>			
Final dividend proposed after the balance sheet date	結算日後建議分派 末期股息	33	29,859	27,133
<b>Basic and diluted earnings per share</b>	<b>基本及攤薄後 每股盈利</b>	34	RMB 人民幣0.052	RMB 人民幣0.018

The notes on pages 90 to 168 form part of these financial statements.

第90頁至第168頁的附註屬本財務報表的一部份。

# Consolidated Balance Sheet

## 合併資產負債表

at 31 December 2007  
(Expressed in Renminbi Yuan)  
於二零零七年十二月三十一日  
(以人民幣列示)

		Note	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
		附註		
<b>ASSETS</b>	<b>資產</b>			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	<b>774,104</b>	574,043
Lease prepayments	預付土地租賃費	16	<b>68,741</b>	32,722
Interest in an associate	於聯營公司的投資	20	<b>63,196</b>	62,695
Goodwill	商譽	21	<b>1,452</b>	1,452
Total non-current assets	非流動資產合計		<b>907,493</b>	670,912
Current assets	流動資產			
Inventories	存貨	22	<b>1,317,130</b>	699,751
Trade receivables	應收賬款	23	<b>329,626</b>	173,309
Other receivables and prepayments	其他應收款 及預付賬款	24	<b>201,445</b>	250,279
Cash and cash equivalents	現金及現金等價物	27	<b>97,597</b>	58,432
Total current assets	流動資產合計		<b>1,945,798</b>	1,181,771
Total assets	資產合計		<b>2,853,291</b>	1,852,683
<b>EQUITY AND LIABILITIES</b>	<b>股東權益及負債</b>			
Current liabilities	流動負債			
Short-term bank loans	短期銀行貸款	28	<b>1,061,064</b>	505,975
Trade payables	應付賬款	29	<b>215,714</b>	72,598
Other payables and accrued expenses	其他應付款 及預提費用	30	<b>127,405</b>	91,930
Income tax payable	應付所得稅		<b>26,713</b>	5,872
Total current liabilities	流動負債合計		<b>1,430,896</b>	676,375
Net current assets	淨流動資產		<b>514,902</b>	505,396
Total assets less current liabilities	資產合計扣除流動負債		<b>1,422,395</b>	1,176,308

# Consolidated Balance Sheet

## 合併資產負債表

at 31 December 2007

(Expressed in Renminbi Yuan)

於二零零七年十二月三十一日

(以人民幣列示)

		Note	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Long-term bank loans	長期銀行貸款	31	<b>328,707</b>	468,522
Other long-term liabilities	其他長期負債		<b>249</b>	249
Total non-current liabilities	非流動負債合計		<b>328,956</b>	468,771
Total liabilities	負債合計		<b>1,759,852</b>	1,145,146
Capital and reserves	股本及儲備	32		
Paid-in capital	股本		<b>426,554</b>	180,888
Reserves	儲備		<b>595,748</b>	517,062
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益		<b>1,022,302</b>	697,950
Minority interests	少數股東權益		<b>71,137</b>	9,587
Total equity	股東權益合計		<b>1,093,439</b>	707,537
Total equity and liabilities	股東權益及負債合計		<b>2,853,291</b>	1,852,683

Approved and authorised for issue by the board of directors on 15 March 2008.

董事會於二零零八年三月十五日核准並授權發出。

<b>Zheng Yue Wen</b>	)	
<b>鄭躍文</b>	)	Directors
	)	董事
<b>Wang An</b>	)	
<b>王安</b>	)	

The notes on pages 90 to 168 form part of these financial statements.

第90頁至第168頁的附註屬本財務報表的一部份。

# Balance Sheet

## 資產負債表

at 31 December 2007  
(Expressed in Renminbi Yuan)  
於二零零七年十二月三十一日  
(以人民幣列示)

		Note	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
		附註		
<b>ASSETS</b>	<b>資產</b>			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	<b>130,334</b>	128,705
Lease prepayments	預付土地租賃費	16	<b>10,630</b>	11,063
Investments in subsidiaries	於附屬公司的投資	17	<b>426,905</b>	239,795
Interest in a jointly controlled entity	於共同控制實體的投資	19	<b>54,760</b>	54,760
Total non-current assets	非流動資產合計		<b>622,629</b>	434,323
Current assets	流動資產			
Inventories	存貨	22	<b>584,361</b>	462,271
Trade receivables	應收賬款	23	<b>202,473</b>	92,328
Other receivables and prepayments	其他應收款 及預付賬款	24	<b>118,484</b>	208,185
Dividends receivable	應收股息	25	<b>171,355</b>	161,153
Amounts due from subsidiaries and a jointly controlled entity	應收附屬公司及共同 控制實體款項	26	<b>665,254</b>	461,786
Cash and cash equivalents	現金及現金等價物	27	<b>64,271</b>	32,343
Total current assets	流動資產合計		<b>1,806,198</b>	1,418,066
Total assets	資產合計		<b>2,428,827</b>	1,852,389
<b>EQUITY AND LIABILITIES</b>	<b>股東權益及負債</b>			
Current liabilities	流動負債			
Short-term bank loans	短期銀行貸款	28	<b>816,064</b>	445,975
Trade payables	應付賬款	29	<b>28,535</b>	24,595
Other payables and accrued expenses	其他應付款 及預提費用	30	<b>45,949</b>	36,259
Amounts due to subsidiaries and a jointly controlled entity	應付附屬公司及共同 控制實體款項	26	<b>318,822</b>	248,874
Income tax payable	應付所得稅		<b>10,192</b>	-
Total current liabilities	流動負債合計		<b>1,219,562</b>	755,703
Net current assets	淨流動資產		<b>586,636</b>	662,363
Total assets less current liabilities	資產合計扣除流動負債		<b>1,209,265</b>	1,096,686

# Balance Sheet

## 資產負債表

at 31 December 2007  
(Expressed in Renminbi Yuan)  
於二零零七年十二月三十一日  
(以人民幣列示)

		Note	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Long-term bank loans	長期銀行貸款	31	<b>328,707</b>	468,522
Total non-current liabilities	非流動負債合計		<b>328,707</b>	468,522
Total liabilities	負債合計		<b>1,548,269</b>	1,224,225
Capital and reserves	股本及儲備	32		
Paid-in capital	股本		<b>426,554</b>	180,888
Reserves	儲備		<b>454,004</b>	447,276
Total equity	股東權益合計		<b>880,558</b>	628,164
Total equity and liabilities	股東權益及負債合計		<b>2,428,827</b>	1,852,389

Approved and authorised for issue by the board of directors on 15 March 2008.  
董事會於二零零八年三月十五日核准並授權發出。

<b>Zheng Yue Wen</b>	)	
<b>鄭躍文</b>	)	Directors
	)	董事
<b>Wang An</b>	)	
<b>王安</b>	)	

The notes on pages 90 to 168 form part of these financial statements.  
第90頁至第168頁的附註屬本財務報表的一部份。

# Consolidated Cash Flow Statement

## 合併現金流量表

for the year ended 31 December 2007  
(Expressed in Renminbi Yuan)  
截至二零零七年十二月三十一日止年度  
(以人民幣列示)

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動產生的現金流量</b>		
Profit before taxation	除稅前溢利	<b>266,604</b>	78,823
Adjustments for:	調整：		
Depreciation	折舊	<b>68,777</b>	59,506
Amortisation of lease prepayments	預付土地租賃費攤銷	<b>1,282</b>	897
Interest expenses	利息費用	<b>66,269</b>	39,495
Interest income	利息收入	<b>(2,238)</b>	(2,385)
Loss of disposal of property, plant and equipment	出售物業、廠房及設備虧損	-	1,687
Investment income	投資收入	-	(53,086)
Share of (profits)/losses from an associate	應佔聯營公司(溢利)/虧損	<b>(501)</b>	48
Operating profit before changes in working capital	流動資金變動前之經營溢利	<b>400,193</b>	124,985
Increase in inventories	存貨增加	<b>(614,982)</b>	(241,258)
Increase in trade receivables	應收賬款增加	<b>(156,056)</b>	(5,518)
Increase in other receivables and prepayments	其他應收款及預付賬款增加	<b>(3,822)</b>	(111,109)
Increase in trade payables	應付賬款增加	<b>120,446</b>	20,174
Decrease in other payables and accrued expenses	其他應付款及預提費用減少	<b>(25,317)</b>	(20,645)
Cash used in operations	經營所用之現金	<b>(279,538)</b>	(233,371)
Income tax paid	支付的所得稅	<b>(10,610)</b>	(5,881)
Interest paid	支付的利息	<b>(66,269)</b>	(39,495)
Interest received	收到的利息	<b>2,238</b>	2,385
<b>Net cash used in operating activities</b>	<b>經營活動之現金流出淨額</b>	<b>(354,179)</b>	(276,362)



# Consolidated Cash Flow Statement

## 合併現金流量表

for the year ended 31 December 2007

(Expressed in Renminbi Yuan)

截至二零零七年十二月三十一日止年度

(以人民幣列示)

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
<b>Cash flows from investing activities</b>	<b>投資活動產生的現金流量</b>		
Acquisition of property, plant and equipment	購買物業、廠房及設備	(177,680)	(141,407)
Lease prepayments	預付土地租賃費	(6,568)	(3,630)
Acquisition of a subsidiary, net of cash acquired	收購附屬公司 (已扣除收購之現金)	18 (45,875)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	897	577
Proceeds from disposal of a subsidiary's equity interests, net of cash disposed of	出售附屬公司權益所得款項(已扣除出售之現金)	9 -	62,220
Repayments of advances to a jointly controlled entity	共同控制實體還款	61,476	-
Advances to third parties	借款予第三方	(6,375)	(500)
Repayments of advances to third parties	第三方還款	9,109	1,000
<b>Net cash used in investing activities</b>	<b>投資活動之現金流出淨額</b>	<b>(165,016)</b>	<b>(81,740)</b>
<b>Cash flows from financing activities</b>	<b>籌資活動產生的現金流量</b>		
Proceeds from bank loans	新增銀行貸款	1,436,076	1,310,992
Repayments of bank loans and other borrowings	償還銀行貸款及其他借款	(1,020,802)	(1,001,880)
Net proceeds from the issue of share capital	發行股本的所得款項淨額	140,628	73,368
Dividends paid	已付股息	(23,126)	(27,133)
Advances from a shareholder	向股東借款	20,084	-
Advances from third parties	向第三方借款	5,500	-
<b>Net cash from financing activities</b>	<b>籌資活動之現金流入淨額</b>	<b>558,360</b>	<b>355,347</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>	<b>39,165</b>	<b>(2,755)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>年初之現金及現金等價物</b>	<b>58,432</b>	<b>61,187</b>
<b>Cash and cash equivalents at end of year</b>	<b>年末之現金及現金等價物</b>	<b>97,597</b>	<b>58,432</b>

The notes on pages 90 to 168 form part of these financial statements.

第90頁至第168頁的附註屬本財務報表的一部份。

# Consolidated Statement of Changes in Equity

## 合併股東權益變動表

for the year ended 31 December 2007

(Expressed in Renminbi Yuan)

截至二零零七年十二月三十一日止年度

(以人民幣列示)

		Paid-in capital	Capital surplus	Share premium	Statutory reserves	Retained earnings	Total equity attributable to equity shareholders of the Company	Minority interests	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2006	於二零零六年一月一日之結餘	169,730	10	212,606	70,310	129,386	582,042	9,026	591,068
Issuance of shares	發行股本 32(b)	11,158	-	69,838	-	-	80,996	-	80,996
Shares issuance expenses	發行股本之開支	-	-	(7,628)	-	-	(7,628)	-	(7,628)
Profit for the year	本年度溢利	-	-	-	-	69,673	69,673	561	70,234
Appropriations	調撥 32(d)	-	-	-	13,284	(13,284)	-	-	-
Dividends to equity shareholders of the Company	分派股息予本公司股東 33	-	-	-	-	(27,133)	(27,133)	-	(27,133)
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	180,888	10	274,816	83,594	158,642	697,950	9,587	707,537
Balance at 1 January 2007	於二零零七年一月一日之結餘	180,888	10	274,816	83,594	158,642	697,950	9,587	707,537
Issuance of shares	發行股本 32(b)	13,000	-	135,445	-	-	148,445	-	148,445
Shares issuance expenses	發行股本之開支	-	-	(7,817)	-	-	(7,817)	-	(7,817)
Capitalisation issue	資本化發行 32(b)	232,666	-	(232,666)	-	-	-	-	-
Acquisition of a subsidiary	收購附屬公司 18	-	-	-	-	-	-	50,768	50,768
Acquisition of minority interests	收購少數股東權益 18	-	-	(3,017)	-	-	(3,017)	(10,497)	(13,514)
Profit for the year	本年度溢利	-	-	-	-	213,874	213,874	21,279	235,153
Appropriations	調撥 32(d)	-	-	-	23,444	(23,444)	-	-	-
Dividends to equity shareholders of the Company	分派股息予本公司股東 33	-	-	-	-	(27,133)	(27,133)	-	(27,133)
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	426,554	10	166,761	107,038	321,939	1,022,302	71,137	1,093,439

The notes on pages 90 to 168 form part of these financial statements.

第 90 至第 168 頁的附註屬本財務報表的一部份。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 1 Organisation and principal activities

Yantai North Andre Juice Company Limited (the “Company”) was established in the form of a Sino-foreign equity joint venture in Yantai, Shandong province, the People’s Republic of China (the “PRC”) on 30 March 1996.

With the approval from the Ministry of Commerce (formerly the Ministry of Foreign Trade and Economic Cooperation) of the PRC, the legal form of the Company was changed from that of a Sino-foreign equity joint venture to a Sino-foreign joint stock limited company on 26 June 2001.

The group is principally engaged in the production and sale of condensed juice.

### 2 Significant accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) promulgated by the International Accounting Standards Board (“IASB”). IFRS include International Accounting Standards and Interpretations. These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the group is set out below.

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. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the group for the current and prior accounting periods reflected in these financial statements.

### 1 組織和主要活動

烟台北方安德利果汁股份有限公司(「本公司」)是於一九九六年三月三十日在中華人民共和國(「中國」)山東省烟台市註冊成立的中外合資經營企業。

二零零一年六月二十六日經中華人民共和國商務部(原對外貿易經濟合作部)批准，本公司由中外合資經營企業變更為中外合資股份有限公司。

本集團主要從事生產和銷售濃縮果汁。

### 2 主要會計政策

此財務報表是按照國際會計準則委員會所頒布的國際財務報告準則編製。國際財務報告準則包括國際會計準則及解釋。此財務報表亦符合香港《公司條例》的披露規定以及香港聯合交易所有限公司創業板(「創業板」)的《創業板上市規則》中適用的披露條例。本集團所採用之主要會計政策於下列撮要。

國際會計準則委員會已公佈一系列新生效或容許提前於本集團及本公司本期會計期間採用的新及修訂之國際財務報告準則。由於初次採用這些新及修訂且適用之國際財務報告準則引致會計政策變更，對本集團本會計期間及以前會計期間財務報表的影響列於附註3。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

## 2 Significant accounting policies (cont'd)

### (a) Basis of preparation

The consolidated financial statements as at and for the year ended 31 December 2007 comprise the Company and its subsidiaries (collectively the "Group") and the Group's interests in a jointly controlled entity and an associate.

The financial statements are prepared on the historical cost basis.

The preparation of the financial statements in accordance with IFRS requires management to make judgments, 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 judgments 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.

Judgments made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed in Note 39.

## 2 主要會計政策(續)

### (a) 編製基準

截至二零零七年十二月三十一日止年度的合併財務報表包含本公司及其附屬公司(統稱為「集團」)以及本集團於共同控制實體和聯營公司之權益。

本財務報表是以歷史成本作為編製基準。

管理層在編製根據國際財務報告準則的財務報表時需要作出判斷、估計和假設，從而影響政策的採用和資產、負債、收入和支出的匯報數額。該等估計及相關假設是以本集團認為合理的過往經驗和其他不同因素作為基礎，而這些經驗和因素均可為對不能透過其他來源確定的資產和負債賬面值作出判斷提供相應的基準。實際結果可能有別於這些估計。

對這些估計和假設須不斷作出審閱。會計估計的變更在相應的期間內確認，即當變更僅影響作出該變更的當期時，於變更當期確認，但若變更對當期及以後期間均產生影響時，於變更當期及以後期間均確認。

於應用國際財務報告準則時管理層所作對本財務報告具有重大影響的判斷以及可能引致於下年度需作重大調整的估計在附註39中披露。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (b) Basis of consolidation

(i) *Subsidiaries and minority interests*

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

### 2 主要會計政策(續)

#### (b) 合併基準

(i) *附屬公司和少數股東權益*

附屬公司是指被本集團控制的實體。控制是指本集團有能力直接或間接支配一家實體的財務和經營政策，並從其業務取得利益。自控制開始起，至其結束當日，附屬公司的財務報表包含於合併財務報表之中。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

## 2 Significant accounting policies (cont'd)

### (b) Basis of consolidation (cont'd)

#### (i) Subsidiaries and minority interests (cont'd)

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, 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. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company. Any difference between the consideration paid and the carrying amount of minority interests acquired when the Group acquires minority interest is treated as an equity transaction.

## 2 主要會計政策(續)

### (b) 合併基準(續)

#### (i) 附屬公司和少數股東權益(續)

少數股東權益是指非本公司直接或透過附屬公司間接擁有的權益所佔附屬公司資產淨值的部分。另本集團沒有因與這些權益持有人協議任何額外條款而導致本集團整體需就這些權益承擔符合金融負債定義的合約義務。少數股東權益在綜合資產負債表內的權益項目中，與本公司權益股東應佔的權益分開列示。少數股東所佔本集團業績的權益，會按照本年度損益總額在少數股東權益與本公司權益股東之間進行分配，並在綜合損益表中列示。本集團在收購少數股東權益時購入少數股東權益的已付價款與賬面金額之間的差額作為股權交易處理。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (b) Basis of consolidation (cont'd)

##### (i) Subsidiaries and minority interests (cont'd)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

##### (ii) Associates

Associates are those entities in which the Group or the Company has significant influence, but not control or joint control, over their management, including participation in the financial and operating policy decisions. An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the associate's net assets. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associates.

### 2 主要會計政策(續)

#### (b) 合併基準(續)

##### (i) 附屬公司和少數股東權益(續)

如果歸屬少數股東的虧損超過其所佔附屬公司的權益，超額部分和任何歸屬少數股東的進一步損失應沖減本集團所佔權益；但如少數股東須履行具有約束力的義務，並且能夠作出額外投資以彌補該損失則除外。如果附屬公司其後錄得利潤，所有有關利潤應分配予本集團的權益，直至本集團以往所承擔少數股東應佔的損失全部彌補為止。

##### (ii) 聯營公司

聯營公司是指本集團或本公司對其有重大影響但不擁有對其管理(包括參與財務及經營決策)控制權或共同控制權的實體。於聯營公司之投資是按權益法記入合併財務報表，並且先以成本入賬，其後就本集團應佔該聯營公司淨資產在收購後的變動作出調整。合併損益表包括本集團應佔該聯營公司於收購後的稅後業績。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (b) Basis of consolidation (cont'd)

##### (ii) Associates (cont'd)

When the Group's share of losses exceeds its interest in the associate, 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 associate.

##### (iii) Jointly controlled entities

A jointly controlled entity is an entity over which the Group or the Company can exercise joint control with other venturers. Joint control is the contractually agreed sharing of control over an economic activity.

Investments in jointly controlled entities are accounted for in the consolidated financial statements on a proportionate consolidation basis. Under this method, the Group combines its proportionate share of the jointly controlled entity's turnover and expenses with each major turnover and expense caption of the Group's income statement and combines its proportionate share of the jointly controlled entity's assets and liabilities with each major asset and liability caption of the Group's balance sheet, from the date that joint control commences until the date that joint control ceases.

### 2 主要會計政策(續)

#### (b) 合併基準(續)

##### (ii) 聯營公司(續)

當本集團應佔聯營公司虧損超出本集團於該聯營公司的權益時，本集團之權益會減至零，並且不再確認進一步的損失，除非在本集團需承擔法律或推定責任或需代聯營公司支付款項的情況下，以相關金額為限。

##### (iii) 共同控制實體

共同控制實體是指本集團或本公司與其他投資者擁有共同控制權的實體。共同控制是指按合同協定對經濟活動分享的控制權。

於共同控制實體之投資是按比例合併法記入合併財務報告。根據此方法，自共同控制開始起至其結束當日，本集團將其於共同控制實體中按比例分配得之收入及費用分別併入本集團損益表內各主要收入及費用科目，亦將本集團於共同控制實體中按比例分配得之資產及負債分別併入本集團資產負債表內各主要資產及負債科目。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (b) Basis of consolidation (cont'd)

##### (iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Unrealized 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.

#### (c) Investments in subsidiaries and jointly controlled entities

Investments in subsidiaries and jointly controlled entities in the Company's balance sheet are stated at cost less impairment losses (Note 2 (j)).

Profits or losses on disposal of investments in subsidiaries and jointly controlled entities are determined as the difference between the net disposal proceeds and the carrying amount of the investments and are accounted for in the income statement as they arise.

### 2 主要會計政策(續)

#### (b) 合併基準(續)

##### (iv) 編製合併財務報表中的抵銷交易事項

集團內部的交易及其產生的科目餘額，和任何由集團內部的交易所產生的未實現利潤，將在編製合併財務報表中全數抵銷。與聯營公司及共同控制實體進行交易產生的未實現利潤按本集團對其擁有的權益進行抵銷。集團內部的交易所產生的未實現虧損與未實現利潤之抵銷方法相同，但只限於沒有減值虧損證據的部份。

#### (c) 對附屬公司及共同控制實體投資

在本公司資產負債表中，對附屬公司及共同控制實體的投資以成本減減值虧損入賬(附註2(j))。

轉讓對附屬公司及共同控制實體的投資按實際取得的價款與賬面價值的差額計入當期損益。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (Note 2(j)). The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition and location for its intended use. When payment for an item of property, plant and equipment is deferred beyond normal credit terms, its cost is the cash price equivalent; the difference between this amount and the total payments is recognised as interest expense over the period of credit.

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the income statement as incurred.

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

### 2 主要會計政策(續)

#### (d) 物業、廠房及設備

物業、廠房及設備是以成本減累計折舊及減值虧損(附註2(j))入賬。資產的成本包括採購價及為使資產達到其可使用狀態及位置所發生的直接成本。當購買某項物業、廠房及設備的付款期限超過一般的信用期限時，其成本為其現金售價價值，現金售價價值與付款總額的差異確認為信用期間的利息支出。

當替換一項物業、廠房及設備的一部份所發生的成本很有可能為本集團帶來未來經濟效益流入，並且該成本能夠可靠計量時，本集團會把其記入該物業、廠房及設備的賬面值。所有其他成本會在發生時記入當期的損益表。

報廢或出售物業、廠房及設備所產生的損益以估計處理變賣所得淨額與資產的賬面數額之間的差額釐定，並於報廢或出售當日在損益表中列支。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (d) Property, plant and equipment (cont'd)

Depreciation of property, plant and equipment is provided to write off the cost, less their estimated residual values, if any, in equal annual amounts over their estimated useful lives as follows:

	Estimated useful life	Estimated rate of residual value
Buildings	8-20 years	10%
Machinery and equipment	10 years	10%
Motor vehicles	5 years	10%
Office equipment	5 years	10%

In respect of assets which are used for production of goods for only part of the year, due to seasonal factors, the full year's depreciation charge is allocated on a systematic basis to the periods during the year in which the assets are used for production.

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.

Construction in progress represents buildings and various plant and equipment under construction and pending installation, and is stated at cost less impairment losses (Note 2 (j)). Cost comprises direct costs of construction incurred during the periods of construction. Borrowing costs are not capitalised.

Construction in progress is transferred to buildings, and machinery and equipment when the asset is substantially ready for its intended use.

### 2 主要會計政策(續)

#### (d) 物業、廠房及設備(續)

折舊是按物業、廠房及設備的下列預計可使用年限，扣除預計殘值後，以每年相等的金額沖銷其成本計算：

	預計可使用年限	預計殘值率
建築物	8-20年	10%
機器及設備	10年	10%
汽車	5年	10%
辦公室設備	5年	10%

與生產有關的機器設備，由於季節性原因，未在整個會計期間中使用，其年度折舊額是根據系統性的方法分配到該資產投入使用的期間。

當一項物業、廠房及設備的各部分有不同的可使用年限，該資產的成本或估值依照合理的基準分配於其各部分並單獨計提折舊。資產的可使用年限及其殘值(如有)每年作檢討。

在建工程是指興建中和待安裝的建築物、廠房及設備，並按成本減去減值虧損(附註2(j))列示。成本包括建築期間發生的直接建築成本。借款利息未予資本化。

在建工程在資產實質上達到預定可使用狀態時轉入建築物、機器及設備。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (d) Property, plant and equipment (cont'd)

No depreciation is provided for construction in progress.

#### (e) Goodwill

Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired.

Goodwill is stated in the consolidated balance sheet at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (Note 2 (j)).

#### (f) Lease prepayments

Lease prepayments represent amounts paid to the municipal governments to acquire land use rights. Land use rights are stated at cost and are amortised on a straight-line basis over the 50-year period of the rights.

#### (g) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents 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.

The cost of inventories is calculated based on the weighted-average costing method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their existing location and condition.

### 2 主要會計政策(續)

#### (d) 物業、廠房及設備(續)

在建工程不提任何折舊。

#### (e) 商譽

商譽產生於收購時收購成本高於被收購的可辨認淨資產之公允價值。

商譽以成本減累積減值虧損列示於合併資產負債表。商譽會被分配至各現金產出單元，並每年進行減值測試(附註2(j))。

#### (f) 預付土地租賃費

預付土地租賃費是指支付給地方政府的土地使用權費。土地使用權是以成本入賬並按照50年期限，以直線法進行攤銷。

#### (g) 存貨

存貨是以成本及可變現淨值兩者中的較低數額入賬。可變現淨值是以正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之金額。

發出存貨的成本以加權平均成本法計算，其中包括採購存貨所產生的開支及將存貨變成現狀和運輸的成本。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (g) Inventories (cont'd)

When inventories are sold, the carrying amount of those inventories is recognised as an expense of 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, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### (h) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (Note 2(j)), 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 impairment losses for bad and doubtful debts (Note 2 (j)).

#### (i) Cash equivalents

Cash equivalents consist of time deposits with financial institutions with an initial term of less than three months.

### 2 主要會計政策(續)

#### (g) 存貨(續)

所出售存貨的賬面金額在相關收入獲確認的期間內列為支出。存貨金額撇減至可變現淨值及存貨的所有虧損，均在出現減值或虧損的期間內列為支出。因可變現淨值增加引致存貨的任何減值逆轉之數，均在出現逆轉的期間內確認並抵減上述確認的支出。

#### (h) 應收賬款及其他應收款

應收賬款及其他應收款先以公允價值入賬，其後以已攤銷成本減除呆壞賬減值虧損(附註2(j))列示。除非應收款是不含利息、無固定償還期限或折現時沒有重大影響的關聯方貸款，在該情況下，應收款以成本減除呆壞賬減值虧損(附註2(j))列示。

#### (i) 現金等價物

現金等價物包括存於金融機構之短於三個月的定期存款。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (j) Impairment

##### (i) Impairment of trade and other receivables

Trade and other receivables are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, an impairment loss is determined and recognised. 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 current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for trade and other receivables are reversed if in a subsequent period the amount of the impairment loss decreases.

##### (ii) Impairment of non-current assets

The carrying amounts of the Group's non-current assets, other than deferred tax assets (Note 2(p)), are reviewed at each balance sheet date to identify indications that the assets may be impaired. If any such indication exists, the asset's carrying amount is reduced to its recoverable amount. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment. The recoverable amount is the greater of the net selling price and the value in use. In assessing the value in use, the estimated future cash flows generated by the asset are discounted to their present value. The amount of the reduction is recognised as an expense in the income statement.

### 2 主要會計政策(續)

#### (j) 減值虧損

##### (i) 應收賬款及其他應收款之減值虧損

本集團在每個結算日審閱應收賬款及其他應收款，以確定是否有客觀的減值證據。如有任何這類證據存在，便會釐定並確認減值虧損。減值虧損是以資產的賬面金額與以同類金融資產的當時市場回報率折現(如果折現會造成重大的影響)的預計未來現金流量之間的差額計量。如果減值虧損在其後的期間減少，應收賬款和其他應收款的減值虧損會被轉回。

##### (ii) 非流動資產之減值虧損

本集團對除遞延稅項資產(附註2(p))外的非流動資產於各結算日作出審閱以確定是否存在資產減值之跡象。如該跡象存在，該資產之賬面值應減少至其可回收值。此外，不論有否減值跡象，商譽之可回收值會每年作評估。可回收值是以淨售價與使用價值兩者中的較高者計算。在確定使用價值時，由資產產生的預期未來現金流量會折現至其現值。減值的數額在損益表內確認為支出。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (j) Impairment (cont'd)

##### (ii) Impairment of non-current assets (cont'd)

The Group assesses at each balance sheet date whether there is any indication that an impairment loss recognised for an asset, except in the case of goodwill, in prior years may no longer exist. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A subsequent increase in the recoverable amount of an asset, when the circumstances and events that led to the write-down or write-off cease to exist, is credited to the income statement. The reversal is reduced by the amount that would have been recognised as depreciation or amortisation had the write-down or write-off not occurred. An impairment loss in respect of goodwill is not reversed.

#### (k) Trade payables and other payables

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

### 2 主要會計政策(續)

#### (j) 減值虧損(續)

##### (ii) 非流動資產之減值虧損(續)

除商譽外，本集團於各結算日評估是否有任何跡象顯示於以前年度確認的資產減值虧損可能不再存在。假如用以釐定可收回值的估計有回升的轉變，則減值虧損便會逆轉。當引致撤減或撤銷的情況及事項不再存在時，其後增加的資產可收回值會在損益表內確認為收益。逆轉金額會扣除倘沒有撤減或撤銷的情況下原應確認為折舊或攤銷的金額。商譽之減值虧損不會逆轉。

#### (k) 應付賬款及其他應付款

應付賬款及其他應付款先以公允價值入賬，其後以已攤銷成本列示，如折現之影響不重大，則以成本入賬。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (I) 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.

### 2 主要會計政策(續)

#### (I) 準備及或有負債

如果本集團或本公司須就已發生的事件承擔法定或推定義務，因而預期很可能會導致經濟利益流出，在有關金額能夠可靠地估計時，本集團或本公司便會對該時間或金額不確定的其他負債計提準備。如果貨幣時間價值重大，則按預計所需費用的現值計提準備。

如果經濟利益流出的可能性較低，或是無法對有關金額作出可靠的估計，便會將該義務披露為或有負債，但經濟利益流出的可能性極低則除外。如果本集團或本公司的義務須視乎某項或多項未來事件是否發生才能確定是否存在，亦會披露該義務為或有負債，但經濟利益流出的可能性極低則除外。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (m) Revenue recognition

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 the income statement as follows:

(i) *Sale of goods*

Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, or the possible return of goods.

(ii) *Interest income*

Interest income is recognised in the income statement as it accrues using the effective interest method.

(iii) *Royalty income*

Royalty income is recognised in the income statement in equal installment over the periods covered by the royalty agreement.

#### (n) Expenses

(i) *Retirement benefits*

Defined contributions to retirement benefit schemes are recognised as an expense in the income statement as and when incurred.

### 2 主要會計政策(續)

#### (m) 收入確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本(如適用)時，按下列方式在當期損益表內確認：

(i) *銷售收入*

銷售收入會在客戶接收與所有權相關的重大風險及回報時在當期損益表中確認。假如在收回到期價款、相關成本或退貨的可能性方面存在重大的不明朗因素，則不會確認收入。

(ii) *利息收入*

利息收入是以實際利率法，根據權責發生制在當期損益表內確認。

(iii) *特許費收入*

特許費收入按特許合約期間在損益表中以等額分期確認。

#### (n) 支出

(i) *養老保險金*

養老保險金的固定供款於實際發生時在當期損益表中列支。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (n) Expenses (cont'd)

##### (ii) Borrowing costs

Borrowing costs are expensed in the income statement in the period in which they are incurred.

##### (iii) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payment made.

##### (iv) Research and development expenses

Research and development costs are expensed as incurred.

#### (o) Government grants

Unconditional government grants are recognised in the income statement as revenue upon receipt. These grant amounts are determined and paid at the sole discretion of the local government of certain jurisdictions in the PRC.

Grants that compensate the Group for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for cost of an asset are recognised in the income statement as revenue on a systematic basis over the useful life of the asset.

### 2 主要會計政策(續)

#### (n) 支出(續)

##### (ii) 借款費用

借款費用於實際發生時在當期損益表中列支。

##### (iii) 經營租賃付款

經營租賃付款於相關租賃期內以直線法記入損益表。獲得的租賃激勵措施作為經營租賃淨付款額整體的一部份記入損益表。

##### (iv) 研究及開發費用

研究及開發費用在發生時列支。

#### (o) 政府補貼

無限制條件的政府補貼於實際收到時在當期損益表內確認。該等補貼金額的確定及支付全由中國當地政府酌情決定。

用於補償本集團之開支費用的補貼在相關費用發生的當期按系統性的方法配比計入當期損益表。用於補償本集團資產成本的補貼按系統性的方法在相關資產的預計使用年限間分期計入損益表。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (p) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax.

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

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

#### (q) Foreign currency transactions

The presentation currency of the Group is Renminbi, which is also the functional currency of the Company. Transactions in foreign currencies are translated into Renminbi at the foreign exchange rate quoted by the People's Bank of China ("PBOC rates") prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Renminbi at the PBOC rates on that date. Foreign exchange differences arising from translation are recognised in the income statement.

The overseas subsidiaries are considered to be an integral part of the Company's operations. Accordingly, the related foreign exchange differences arising on translation are also recognised in the income statement.

### 2 主要會計政策(續)

#### (p) 所得稅

當期損益表內的所得稅包括本期間稅項及遞延稅項。

本期間稅項包括以結算日施行或實質上施行的稅率計算的本年度應評稅收入的預計應付稅金，以及對以往年度應付稅金作出的任何調整。

遞延稅項是就作財務匯報用的資產與負債的賬面金額與稅務金額之間的暫時差異，按負債法計提準備。不影響會計及應評稅收入的首次資產或負債確認會視為不予計提準備的暫時差額。遞延稅項準備的金額是以相關資產及負債的賬面金額預期實現或結清的方式為基準並按結算日施行或實質上施行的稅率計算。

#### (q) 外幣換算

本集團的列報貨幣是人民幣與本公司功能性貨幣一致。外幣交易按交易日的中國人民銀行頒佈的匯率(「人民銀行之匯率」)換算為人民幣。以外幣計價的貨幣性資產及負債則按該結算日的人民銀行之匯率換算為人民幣。換算所發生的匯兌差額會在當期損益表中確認。

境外附屬公司被計為本公司運營的組成部分。因此，有關交易所產生的匯兌換算差額會在當期損益中確認。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (r) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is related party of the Group.

### 2 主要會計政策(續)

#### (r) 關聯方

就本報告而言，下列人士被視為與本集團有關連：

- (i) 該方有能力直接或間接透過一家或多間中介公司，控制本集團或對本集團之財務及經營決策發揮重大的影響力，或擁有對本集團之共同控制權；
- (ii) 本集團與另一方均受制於共同的控制；
- (iii) 該方為本集團之聯營公司或本集團為其中一個投資方的共同控制實體；
- (iv) 該方為本集團或本集團母公司主要管理人員之一，或與他們關係密切的家庭成員，或受他們控制、共同控制或重大影響之實體；
- (v) 該方與以上(i)所指人士關係密切的家庭成員或受這些家庭成員控制、共同控制或重大影響之實體；或
- (vi) 該方為本集團或為本集團關聯方的任何實體的僱員福利而設的離職後福利計劃。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (r) Related parties (cont'd)

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

#### (s) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and property, plant and equipment. Segment revenue, expenses, assets, are determined before intra-group balances and intra-group transactions that are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

### 2 主要會計政策(續)

#### (r) 關聯方(續)

一方關係密切之家庭成員指該等可能影響該方或受該方影響其與該實體交易的家庭成員。

#### (s) 分部報告

每個分部是本集團一個可以區分的部份，可以根據提供的產品或服務(業務分部)或根據特定的經濟環境下提供產品或服務(地區分部)劃分，但須承受與其他分部不同的風險及取得與其他分部不同的回報。

本集團已按內部財務報告系統，選擇了以業務分部資料為報告分部信息的主要形式，而地區分部則是次要的分部報告形式。

分部收入、費用、業績、資產及負債包括直接歸屬某一分部及可按合理的基礎分配至該分部的項目。如分部資產可能包括存貨、應收賬款及物業、廠房及設備。分部收入、費用、資產及負債包含須在編制合併財務報表時抵銷的集團內部往來的餘額和集團內的交易；但同屬一個分部的集團實體之間的集團內部往來的餘額和交易則除外。分部之間的定價乃按與其他外界人士相若的條款制定。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 2 Significant accounting policies (cont'd)

#### (s) Segment reporting (cont'd)

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one accounting period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

### 3 Changes in accounting policies

The IASB has issued a number of new and revised IFRSs and interpretations that are first effective or available for early adoption for the current accounting period of the Group and the Company.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of IFRS 7, Financial instruments: Disclosures and the amendment to IAS 1, Presentation of financial statements: Capital disclosures, there have been some additional disclosures provided as follows:

As a result of the adoption of IFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by IAS 32, Financial instruments: Disclosure and presentation. These disclosures are provided throughout these financial statements, in particular in Note 36.

### 2 主要會計政策(續)

#### (s) 分部報告(續)

分部資本支出是指在期內購入預計使用超過一個會計期間的分部資產(有形及無形)所發生的總成本。

未能分配項目主要包括金融和企業資產、帶息貸款、借貸、稅務結餘、企業及財務費用。

### 3 會計政策的修訂

國際會計準則委員會頒佈了多項新訂和經修訂的《國際財務報告準則》和詮釋。這些準則和詮釋在本集團和本公司的當前會計期間首次生效或可供提早採用。

在呈示年度的財務報表中採用的會計政策並無因這些準則變化而出現任何重大的修訂。由於採納了《國際財務報告準則》第7號 — 「金融工具：披露」和《國際會計準則》第1號修訂 — 「財務報表的列報：資本披露」，財務報表已披露了若干額外的內容如下：

由於採納了《國際財務報告準則》第7號，與早前根據《國際會計準則》第32號 — 「金融工具：披露和列報」須予披露的資料相比，本財務報表所包含有關本集團金融工具的重要性和這些工具所產生風險的性質及程度的披露內容更加詳盡。這些披露內容載列於本財務報表的各個部分，特別是附註36。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 3 Changes in accounting policies (cont'd)

The amendment to IAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's and the Company's objectives, policies and processes for managing capital. These new disclosures are set out in Note 32(f).

Both IFRS 7 and the amendment to IAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial instruments.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see Note 40).

### 4 Turnover and segment information

Turnover primarily represents income arising from the sale of condensed juice net of value added tax. The directors consider that the Group principally operates within a single business and no business segment information is presented.

The geographical segment information of the Group's turnover based on the geographical location of customers is as follows:

North America	北美
Europe	歐洲
Others	其他
Total	合計

### 3 會計政策的修訂(續)

《國際會計準則》第1號修訂引入了額外的披露要求，以便就資本水平和本集團與本公司管理資本的目標、政策及流程提供資料。這些新的披露內容載列於附註32(f)。

《國際財務報告準則》第7號和《國際會計準則》第1號修訂均沒有對在金融工具中所確認數額的分類、確認和計量構成任何重大的影響。

本集團並無採用任何在當前會計期間尚未生效的新準則或詮釋(參閱附註40)。

### 4 收入及分部資料

收入主要指銷售濃縮果汁所產生之收入，當中已扣除增值稅。董事們認為本集團主要在單一業務分部內經營，因此並無披露業務分部資料。

按客戶地區分析之本集團地區分部收入如下：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
North America	北美	726,507	473,117
Europe	歐洲	593,170	134,380
Others	其他	343,299	178,938
Total	合計	1,662,976	786,435

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 5 Other operating income

Sales of packaging materials	銷售包裝材料
Government grants	政府補貼
Royalty income	特許費收入
Others	其他
Total	合計

#### (i) Sales of packaging materials

This represents the sales of barrels, which are used for the storage of the Group's products, and unused steel materials which are the major materials for the manufacture of barrels.

#### (ii) Government grants

During the year ended 31 December 2007, the Group received a government grant of RMB6,557,000 from Dalian municipal government to reward the Group for its investment in Dalian.

During the year ended 31 December 2006, the Group received an amount of RMB2,020,000 from Yantai Finance Bureau to reward the Company for its contribution to local fruit industry, an amount of RMB6,054,000 from Dalian municipal government to reward the Group for its investment in Dalian, an amount of RMB910,000 from Xuzhou municipal government to reward the Group for its investment in Xuzhou, and an amount of RMB300,000 from Yantai municipal government to subsidise the loan interest of the Company.

### 5 其他經營收入

	2007	2006
	二零零七年	二零零六年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
(i)	6,218	4,398
(ii)	6,557	9,284
(iii)	949	2,392
	1,754	557
	<b>15,478</b>	<b>16,631</b>

#### (i) 銷售包裝材料

指本公司銷售用以儲存本集團產品之圓桶及未用的鋼材，這些鋼材是生產圓桶之主要原料。

#### (ii) 政府補貼

於截至二零零七年十二月三十一日止年度，本集團收到大連市人民政府人民幣6,557,000元補貼獎勵本集團在大連投資。

於截至二零零六年十二月三十一日止年度，本集團收到烟台財政局人民幣2,020,000元補貼獎勵本公司對當地果業產業之貢獻，收到大連市人民政府人民幣6,054,000元補貼獎勵本集團在大連投資，收到徐州市人民政府人民幣910,000元補貼獎勵本集團在徐州投資，並收到烟台市人民政府人民幣300,000元補貼用於補貼本公司之貸款利息。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 5 Other operating income (cont'd)

#### (iii) Royalty income

This represents the royalty fee received from a third party distributor for the exclusive right to distribute products of the Group in the United States of America and Canada.

### 5 其他經營收入(續)

#### (iii) 特許費收入

特許費收入指收取一家第三方分銷商因取得分銷本集團產品至美國及加拿大獨家權利的特許費收入。

### 6 Other operating expenses

### 6 其他經營費用

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of packaging materials sold	包裝材料銷售成本	3,940	3,785
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 虧損	-	1,687
Others	其他	674	498
Total	合計	<u>4,614</u>	<u>5,970</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 7 Personnel expenses

### 7 職工費用

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, wages and staff welfare	薪金、工資及員工福利	17,771	13,514
Contributions to retirement benefit schemes	退休福利計劃供款	2,175	1,470
Total	合計	<u>19,946</u>	<u>14,984</u>
Average number of employees during the year	於年內之 平均僱員數目	<u>1,053</u>	<u>830</u>

As stipulated by the regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal governments for its staff. The Group is required to make contributions to the retirement plans at 20% (2006: 20%) of the salaries, bonuses and certain allowances of its staff of last year. A member of the plan is entitled to a pension, to be paid by the municipal governments, equal to a fixed proportion of the salary prevailing at his retirement date. The Group has no other material obligation for the payment of pension benefits associated with these plans beyond the annual contributions described above.

根據中國有關條例，本集團為其職工參與由地方政府安排之僱員固定供款退休計劃。本集團須就退休計劃按職工上年之薪金、花紅及某些補貼之20%（二零零六年：20%）作出供款。參加計劃的職工有權取得由地方政府支付相等於退休時薪金固定比例之退休金。本集團除上述年度供款以外，毋須就這些計劃承擔其他任何有關支付退休金之重大責任。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 8 Net finance costs

Interest expenses on bank loans repayable wholly within five years	於五年內全數歸還之銀行貸款利息費用
Interest income	利息收入
Bank charges	銀行費用
Net exchange gain	匯兌淨收入
Total	合計

### 9 Investment income

During the year ended 31 December 2006, the Company entered into an agreement in relation to the transfer of a 50% equity interest in its subsidiary, Xianyang Andre Juice Co., Ltd. ("Xianyang Andre"), to AGRANA Juice GmbH, for total consideration of EUR6,800,000. The investment income recognised for the year ended 31 December 2006 arising from this disposal represents the difference between the consideration received and the carrying amount of the interests disposed of. After the completion of this transfer, Xianyang Andre has become a jointly controlled entity of the Company.

### 8 財務成本淨額

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
	<b>66,269</b>	39,495
	<b>(2,238)</b>	(2,384)
	<b>1,747</b>	7,481
	<b>(39,316)</b>	(11,715)
	<b>26,462</b>	32,877

### 9 投資收入

於截至二零零六年十二月三十一日止年度，本公司簽訂一份關於轉讓其一間附屬公司，咸陽安德利果蔬汁有限公司（「咸陽安德利」）50%權益予 AGRANA Juice GmbH 的協議，總代價為 6,800,000 歐元。截至二零零六年十二月三十一日止年度由以上出售產生之投資收入代表收到之代價及出售權益之賬面值的差額。於該轉讓實施完畢後，咸陽安德利成為本公司之一家共同控制實體。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 9 Investment income (cont'd)

The Group's effective interests of assets and liabilities disposed of in 2006 are analysed as follows:

### 9 投資收入(續)

本集團於二零零六年出售之資產及負債之實際權益分析如下：

		2006 二零零六年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	45,964
Lease prepayments	預付土地租賃費	1,267
Inventories	存貨	21,850
Other receivables and prepayments	其他應收款及預付賬款	1,618
Cash and cash equivalents	現金及現金等價物	6,341
Trade payables	應付賬款	(4,099)
Other payables and accrued expenses	其他應付款及預提費用	(57,466)
Net assets	淨資產	<u>15,475</u>
Consideration received, satisfied in cash	收到之代價，以現金形式支付	68,561
Less: cash disposed of	減：出售之現金	(6,341)
Net cash inflow	淨現金流入	<u>62,220</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 10 Profit before taxation

Profit before taxation is arrived at after charging:

Depreciation of property, plant and equipment	物業、 廠房及設備折舊
Auditors' remuneration – audit services	核數師酬金 – 審核服務
Operating lease charge	經營租賃費用
– land use rights	– 土地使用權
– hire of plant and equipment	– 租賃廠房及設備
Research and development expenditure	研究及開發 費用

### 10 除稅前溢利

除稅前溢利已扣除下列項目：

2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
68,777	59,506
1,990	1,880
1,282	897
8,294	7,489
178	476

### 11 Income tax

- (a) Taxation in the consolidated income statements represents provision for PRC income tax.

Provision for PRC income tax 中國企業所得稅費用

The Company is subject to PRC income tax, before any relief or concessions, at a rate of 24%. In accordance with the relevant PRC tax rules and regulations, the Company is entitled to a 50% relief on PRC income tax in 2007 as the Company's export sales account for more than 70% of its total sales for the year. The Company has obtained approval from the local tax authorities on this tax preferential policy for the year ended 31 December 2007.

### 11 所得稅

- (a) 合併損益表中的稅項指中國企業所得稅撥備。

2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
31,451	8,589

在無任何稅務減免或優惠下，本公司適用之中國企業所得稅稅率為24%。根據中國有關稅務規則及規例，本公司於二零零七年度，因出口銷售量佔整體銷售量多於70%而獲減半徵收中國企業所得稅。本公司已自相關稅務機關取得對上述二零零七年度企業所得稅優惠政策的批准。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 11 Income tax (cont'd)

(a) (cont'd)

The subsidiary operating in the United States of America is subject to income tax at the appropriate current rates of taxation ruling in the United States of America.

The other subsidiaries operating in the PRC are subject to PRC income tax, before any relief or concession, at rates of 15% to 33%. In accordance with the relevant PRC tax rules and regulations, certain of these subsidiaries are exempt from PRC income tax for two years starting from their first profit-making year, and are entitled to a 50% relief on PRC income tax for the following three years.

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("new tax law") which takes effect on 1 January 2008. As a result of the new tax law, the applicable tax rate of the Company and certain subsidiaries has been changed to 25% from 1 January 2008 except Baishui Andre Juice Co., Ltd. and Yongji Andre Juice Co., Ltd., who can continue to enjoy a reduced tax rate of 15%.

### 11 所得稅(續)

(a) (續)

在美國經營的附屬公司適用的所得稅稅率為美國稅法規定下現行稅率。

在無任何稅務減免或優惠下，本公司在中國經營的各附屬公司適用之中國企業所得稅稅率為15%至33%。根據中國有關稅務規則及規例，若干附屬公司從開始獲利的年度起，第一年和第二年免徵企業所得稅，第三年至第五年減半徵收企業所得稅。

《中華人民共和國企業所得稅法》(以下簡稱「新稅法」)已由中華人民共和國第十屆全國人民代表大會第五次會議於二零零七年三月十六日通過，自二零零八年一月一日起施行。根據新稅法規定，本公司及除白水安德利果蔬汁有限公司和永濟安德利果蔬汁有限公司以外的附屬公司適用的所得稅率自二零零八年一月一日起變更為25%。根據新稅法規定，白水安德利果蔬汁有限公司和永濟安德利果蔬汁有限公司仍可繼續享有15%優惠稅率。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 11 Income tax (cont'd)

(b) The following is a reconciliation between accounting profit at the applicable tax rate and income tax expense:

### 11 所得稅(續)

(b) 以下乃按適用稅率計算之所得稅與所得稅費用之調節：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	<b>266,604</b>	78,823
Expected PRC income tax expense at a tax rate of 24%	按適用稅率 24% 計算之中國所得稅	<b>63,985</b>	18,918
Tax effect of exemption and relief granted	稅務減免	<b>(37,028)</b>	(10,991)
Tax effect of the difference in tax rates between the Company and the subsidiaries	本公司與附屬公司適用稅率差別之影響	<b>(76)</b>	(3,098)
Tax effect of domestically manufactured equipment purchases deduction*	購買國產設備減免*	<b>(1,323)</b>	-
Others**	其他**	<b>5,893</b>	3,760
Income tax expense	所得稅費用	<b>31,451</b>	8,589

\* The deduction represents the tax deduction for purchases of domestically manufactured equipment approved by the local tax authorities.

\*\* Others primarily represent the tax effect of non-deductible expenses.

\* 此減免指經當地稅務機關批准之購買國產設備稅務減免。

\*\* 其他主要為不可作稅務抵扣支出的稅務影響。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 12 Directors' and supervisors' emoluments

Details of directors' and supervisors' emoluments are as follows:

### 12 董事及監事酬金

董事及監事酬金之詳情如下：

Name	姓名	Fees		Salaries, allowances and benefits in kind		Retirement scheme contributions		Total	
		2007	2006	2007	2006	2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年	二零零七年	二零零六年
(Amounts in RMB'000) (人民幣千元)									
Executive Directors:	執行董事：								
Zheng Yuewen	鄭躍文	50	50	-	-	-	-	50	50
Wang An	王安	50	50	67	79	7	7	124	136
Yu Huilin	于會林	50	50	67	79	7	7	124	136
Zhang Hui	張輝	50	50	67	79	7	7	124	136
Jiang Hongqi*	姜洪奇*	29	-	53	-	-	-	82	-
Li Yesheng*	李業勝*	29	-	56	-	-	-	85	-
Non-executive Directors:	非執行董事：								
Zhang Wanxin**	張萬欣**	21	50	-	-	-	-	21	50
Ren Xiaojian**	任曉劍**	21	50	-	-	-	-	21	50
Lo Chih-Hsien	羅智先	50	50	-	-	-	-	50	50
Independent non-executive Directors:	獨立非執行董事：								
Hu Xiaosong**	胡小松**	21	50	-	-	-	-	21	50
Wu Jianhui	鄒建輝	50	50	-	-	-	-	50	50
Yu Shoungeng	俞守能	50	50	-	-	-	-	50	50
Qu Wen*	曲雯*	29	-	-	-	-	-	29	-
Supervisors:	監事：								
Qu Weijia	曲維佳	30	30	55	63	7	5	92	98
Wang Chuntang*	王春堂*	18	-	-	-	-	-	18	-
Mu Guisheng	慕桂盛	30	30	-	-	-	-	30	30
Chen Kelin	陳克林	13	30	-	-	-	-	13	30
		<b>591</b>	<b>590</b>	<b>365</b>	<b>300</b>	<b>28</b>	<b>26</b>	<b>984</b>	<b>916</b>

\* Appointed on 28 May 2007

\*\* Resigned on 28 May 2007

\* 於二零零七年五月二十八日被委任

\*\* 於二零零七年五月二十八日離任



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 12 Directors' and supervisors' emoluments (cont'd)

For the years ended 31 December 2007 and 2006, no emoluments were paid to the directors or supervisors as an inducement to join or upon joining the Company or as compensation for loss of office. During the years ended 31 December 2007 and 2006, no fee or any other emolument was waived by directors or supervisors.

### 13 Senior management's emoluments

Among the five highest paid individuals, four (2006: three) were executive directors and one (2006: one) was a supervisor whose emoluments are disclosed in Note 12 above. The emoluments of the other one in 2006 individual are as follows:

### 12 董事及監事酬金(續)

於截至二零零七年及二零零六年十二月三十一日止年度，本公司並未向董事及監事支付任何酬金以作為吸引其加入本公司的獎勵或離職補償。於截至二零零七年及二零零六年十二月三十一日止年度，董事或監事概無放棄袍金或其他酬金。

### 13 高級管理層酬金

在五位最高薪高級管理層人士中，四人(二零零六年為三人)為執行董事及一人(二零零六年為一人)為監事，其酬金已在之上的附註12中予以披露。於二零零六年之另一人酬金列示如下：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Basic salaries, allowances and other benefits	基本薪金、津貼及其他福利	—	79
Retirement scheme contributions	退休福利計劃供款	—	4
Total	合計	<u>—</u>	<u>83</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 14 Profit attributable to equity shareholders of the Company

The consolidated profit attributable to equity shareholders of the Company includes a profit of RMB120,059,000 (2006: RMB5,403,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

### 14 歸屬於本公司股東之溢利

歸屬於本公司股東之合併溢利包括已列入本公司財務報表利潤人民幣120,059,000元(二零零六年：人民幣5,403,000元)。

以上金額與本公司之本年度溢利調節表：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Amount of consolidated profit attributable to equity shareholders of the Company dealt with in the Company's financial statements	已列入本公司財務報表的本公司股東應佔合併溢利數額	<b>120,059</b>	5,403
Final dividends from subsidiaries and a jointly controlled entity attributable to the profits of the previous financial year, approved and paid during the year	來自附屬公司及共同控制實體上一財政年度溢利，並於本年度核准及支付的末期股息	<b>18,839</b>	52,699
Company's profit for the year (Note 32(a))	本公司本年度溢利(附註32(a))	<b>138,898</b>	58,102

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 15 Property, plant and equipment

The property, plant and equipment of the Group for the years ended 31 December 2006 and 2007 are as follows:

### 15 物業、廠房及設備

本集團截至二零零六年及二零零七年十二月三十一日止年度的物業、廠房及設備如下：

		Buildings 建築物	Machinery and equipment 機器及設備	Motor vehicles 汽車	Office equipment 辦公室設備	Construction in progress 在建工程	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
<b>Cost:</b>	<b>成本：</b>						
Balance at 1 January 2006	於二零零六年一月一日之結餘	210,105	464,798	13,164	13,215	10,768	712,050
Additions	添置	4,436	57,004	2,140	2,136	61,872	127,588
Transfers	重新分類	55,745	9,696	-	51	(65,492)	-
Disposals of Xianyang Andre	出售咸陽安德利	(19,588)	(29,915)	(325)	(1,168)	(106)	(51,102)
Other disposals	其他處置	(2,317)	(11)	(1,774)	-	-	(4,102)
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	248,381	501,572	13,205	14,234	7,042	784,434
Balance at 1 January 2007	於二零零七年一月一日之結餘	248,381	501,572	13,205	14,234	7,042	784,434
Additions	添置	18,282	91,297	1,781	1,661	78,656	191,677
Transfers	重新分類	34,428	46,067	-	252	(80,747)	-
Additions from acquisition of a subsidiary	收購附屬公司之增加	40,428	34,520	441	626	2,043	78,058
Disposals	處置	(698)	-	(574)	(49)	-	(1,321)
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	340,821	673,456	14,853	16,724	6,994	1,052,848
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
Balance at 1 January 2006	於二零零六年一月一日之結餘	(21,487)	(125,801)	(5,522)	(5,051)	-	(157,861)
Charge for the year	本年度折舊	(12,107)	(42,513)	(2,322)	(2,564)	-	(59,506)
Written back on:	撥回：						
Disposal of Xianyang Andre	出售咸陽安德利	328	4,492	79	239	-	5,138
Other disposals	其他處置	652	3	1,183	-	-	1,838
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	(32,614)	(163,819)	(6,582)	(7,376)	-	(210,391)
Balance at 1 January 2007	於二零零七年一月一日之結餘	(32,614)	(163,819)	(6,582)	(7,376)	-	(210,391)
Charge for the year	本年度折舊	(17,656)	(46,436)	(2,296)	(2,389)	-	(68,777)
Written back on disposals	處置撥回	13	-	385	26	-	424
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	(50,257)	(210,255)	(8,493)	(9,739)	-	(278,744)
<b>Net book value:</b>	<b>賬面值：</b>						
At 31 December 2007	於二零零七年十二月三十一日	290,564	463,201	6,360	6,985	6,994	774,104
At 31 December 2006	於二零零六年十二月三十一日	215,767	337,753	6,623	6,858	7,042	574,043

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 15 Property, plant and equipment (cont'd)

No property, plant and equipment of the Group were pledged as at 31 December 2006 and 2007.

The property, plant and equipment of the Company for the years ended 31 December 2006 and 2007 are as follows:

### 15 物業、廠房及設備(續)

於二零零六年及二零零七年十二月三十一日，本集團概無任何已作抵押的物業、廠房及設備。

本公司截至二零零六年及二零零七年十二月三十一日止年度的物業、廠房及設備如下：

		Machinery					Total
		Buildings	and equipment	Motor vehicles	Office equipment	Construction in progress	
		建築物	機器及設備	汽車	辦公室設備	在建工程	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost:</b>	<b>成本：</b>						
Balance at 1 January 2006	於二零零六年一月一日之結餘	60,074	114,880	7,241	4,568	2,697	189,460
Additions	添置	1,333	1,686	1,284	945	4,399	9,647
Transfers	重新分類	3,277	585	-	43	(3,905)	-
Transfers to subsidiaries	轉至附屬公司	-	(20,070)	(680)	-	-	(20,750)
Disposals	處置	(2,317)	-	(1,322)	-	-	(3,639)
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	62,367	97,081	6,523	5,556	3,191	174,718
Balance at 1 January 2007	於二零零七年一月一日之結餘	62,367	97,081	6,523	5,556	3,191	174,718
Additions	添置	1,757	15,294	633	508	3,881	22,073
Transfers	重新分類	6,461	360	-	251	(7,072)	-
Transfers to subsidiaries	轉至附屬公司	-	(8,946)	-	-	-	(8,946)
Disposals	處置	(698)	-	-	-	-	(698)
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	69,887	103,789	7,156	6,315	-	187,147

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 15 Property, plant and equipment (cont'd)

### 15 物業、廠房及設備(續)

		Buildings	Machinery and equipment	Motor vehicles	Office Construction equipment in progress	Total	
		建築物	機器及設備	汽車	辦公室設備 在建工程	合計	
		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	
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
Balance at 1 January 2006	於二零零六年一月一日之結餘	(9,614)	(34,775)	(3,635)	(1,832)	–	(49,856)
Charge for the year	本年度折舊	(2,783)	(9,215)	(1,073)	(916)	–	(13,987)
Written back on:	撥回：						
Transfer to subsidiaries	轉至附屬公司	–	15,763	358	–	–	16,121
Disposals	處置	652	–	1,057	–	–	1,709
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	(11,745)	(28,227)	(3,293)	(2,748)	–	(46,013)
Balance at 1 January 2007	於二零零七年一月一日之結餘	(11,745)	(28,227)	(3,293)	(2,748)	–	(46,013)
Charge for the year	本年度折舊	(2,855)	(8,772)	(1,168)	(771)	–	(13,566)
Written back on:	撥回：						
Transfer to subsidiaries	轉至附屬公司	–	2,753	–	–	–	2,753
Disposals	處置	13	–	–	–	–	13
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	(14,587)	(34,246)	(4,461)	(3,519)	–	(56,813)
<b>Net book value:</b>	<b>賬面值：</b>						
<b>At 31 December 2007</b>	<b>二零零七年十二月三十一日</b>	<b>55,300</b>	<b>69,543</b>	<b>2,695</b>	<b>2,796</b>	<b>–</b>	<b>130,334</b>
At 31 December 2006	二零零六年十二月三十一日	50,622	68,854	3,230	2,808	3,191	128,705

No property, plant and equipment of the Company were pledged as at 31 December 2006 and 2007.

於二零零六年及二零零七年十二月三十一日，本公司概無任何已作抵押的物業、廠房及設備。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 16 Lease prepayments

### 16 預付土地租賃費

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January	於一月一日結餘	32,722	31,256	11,063	8,522
Additions	增加	6,568	3,630	-	2,799
Additions from acquisition of a subsidiary	收購附屬公司 之增加	30,733	-	-	-
Disposal of Xianyang Andre	出售咸陽 安德利	-	(1,267)	-	-
Amortisation	攤銷	(1,282)	(897)	(433)	(258)
Balance at 31 December	於十二月三十一日 結餘	68,741	32,722	10,630	11,063

Lease prepayments represent payments for land use rights in the PRC.

預付土地租賃費指為中國土地使用權所支付的款項。

### 17 Investments in subsidiaries – the Company

### 17 於附屬公司的投資 – 本公司

		2007 二零零七年	2006 二零零六年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Unlisted shares, at cost	非上市，成本	426,905	239,795

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 17 Investments in subsidiaries – the Company (cont'd)

As at 31 December 2007, the Company held investments in the following subsidiaries:

### 17 於附屬公司的投資 – 本公司(續)

於二零零七年十二月三十一日，本公司投資於以下附屬公司：

Name of company 公司名稱	Place of incorporation 成立地點 及日期	Principal activities 主營業務	Authorised/ Registered capital 法定/ 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Yantai North Andre Juice Inc. ("US Andre") 美國烟台北方安德利 果汁股份有限公司 (「美國安德利」)	The United States of America 美國	Sale of juice 果汁銷售	US\$100,000 100,000美元	US\$100,000 100,000美元	100%	–
Baishui Andre Juice Co., Ltd. 白水安德利果蔬汁有限公司	Shaanxi, PRC 中國陝西省	Manufacture and sale of juice 果汁生產及銷售	US\$17,000,000 17,000,000美元	US\$17,000,000 17,000,000美元	75%	25%
Yantai Longkou Andre Juice Co., Ltd. ("Longkou Andre") 烟台龍口安德利果汁飲料 有限公司(「龍口安德利」)	Shandong, PRC 中國山東省	Manufacture and sale of juice 果汁生產及銷售	US\$12,110,000 12,110,000美元	US\$12,110,000 12,110,000美元	75%	25%
Xuzhou Andre Juice Co., Ltd. ("Xuzhou Andre") 徐州安德利果蔬汁有限公司 (「徐州安德利」)	Jiangsu, PRC 中國江蘇省	Manufacture and sale of juice 果汁生產及銷售	US\$10,000,000 10,000,000美元	US\$10,000,000 10,000,000美元	75%	25%
Andre Juice Co., Ltd. ("BVI Andre") 安德利果汁有限公司	British Virgin Islands 英屬處女島	Investment holding 投資控股	US\$50,000 50,000美元	US\$1 1美元	100%	–

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 17 Investments in subsidiaries – the Company (cont'd)

### 17 於附屬公司的投資 – 本公司(續)

Name of company 公司名稱	Place of incorporation 成立地點 及日期	Principal activities 主營業務	Authorised/ Registered capital 法定/ 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Xuzhou Andre Pomace Production Co., Ltd.* 徐州安德利果渣制品有限公司*	Jiangsu, PRC 中國江蘇省	Manufacture and sale of pomace products 果渣制品生產及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	–	100%
Longkou Andre Bio-feedstuff Co., Ltd. 龍口安德利生物飼料有限公司	Shandong, PRC 中國山東省	Manufacture and sale of bio-feedstuff 生物飼料生產及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	–	100%
Baishui Andre Bio-feedstuff Co., Ltd. 白水安德利生物飼料有限公司	Shaanxi, PRC 中國陝西省	Manufacture and sale of bio-feedstuff 生物飼料生產及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	–	100%
Dalian Andre Juice Co., Ltd. 大連安德利果蔬汁有限公司	Liaoning, PRC 中國遼寧省	Manufacture and sale of juice 果汁生產及銷售	RMB80,000,000 人民幣 80,000,000元	RMB80,000,000 人民幣 80,000,000元	70%	30%
Yongji Andre Juice Co., Ltd. ("Yongji Andre") 永濟安德利果蔬汁有限公司 (「永濟安德利」)	Shanxi, PRC 中國山西省	Manufacture and sale of juice 果汁生產及銷售	US\$10,000,000 10,000,000美元	US\$8,500,000 8,500,000美元	75%	25%
Binzhou Andre Juice Co., Ltd. ("Binzhou Andre") 濱州安德利果汁飲料有限公司 (「濱州安德利」)	Shandong, PRC 中國山東省	Manufacture and sale of juice 果汁生產及銷售	US\$12,100,000 12,100,000美元	US\$12,100,000 12,100,000美元	51%	–

\* Formerly Xuzhou Andre Bio-feedstuff Co., Ltd.

\* 原徐州安德利生物飼料有限公司



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 18 Acquisition of a subsidiary and minority interests

#### Business combination

On 30 June 2007, the Company acquired 21% equity interest of Binzhou Andre from Korea Jeong Soo Andre Co., Ltd. (a company incorporated in Korea) at a cash consideration of RMB21,758,000 and 30% equity interest of Binzhou Andre from Yantai Anlin Fruit Co., Ltd. (a company incorporated in the PRC) at a cash consideration of RMB31,083,000, thereby, the Company totally held 51% equity interest of Binzhou Andre. Binzhou Andre is principally engaged in the production and sale of condensed juice.

### 18 收購附屬公司及少數股東權益

#### 企業合併

於二零零七年六月三十日，本公司以現金對價人民幣21,758,000元向韓國正樹安德利株式會社（一家於韓國註冊成立之公司）收購了濱州安德利之21%的股權，同時以現金對價人民幣31,083,000元向烟台安林果業有限公司（一家於中華人民共和國註冊成立之公司）收購了濱州安德利之30%的股權，股權收購完成後，本公司總共持有濱州安德利之51%的股權。濱州安德利主要從事濃縮果汁的生產及銷售。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 18 Acquisition of a subsidiary and minority interests (cont'd)

#### Business combination (cont'd)

The acquisition had the following effect on the Group's assets and liabilities on the acquisition date:

		Note	Pre-acquisition carrying amounts 收購前的 賬面金額 RMB'000 人民幣千元	Fair value adjustments 公允價值 之調整 RMB'000 人民幣千元	Recognised values on acquisition 於收購時 確認的價值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	15	71,394	6,664	78,058
Lease prepayments	預付土地租賃費	16	19,556	11,177	30,733
Inventories	存貨		2,397	–	2,397
Trade and other receivables	應收及其他應收款		16,093	–	16,093
Cash and cash equivalents	現金及現金等價物		6,966	–	6,966
Trade and other payables	應付及其他應付款		(30,638)	–	(30,638)
Net identifiable assets and liabilities	可辨認資產及負債之淨額		85,768	17,841	103,609
The Company's 51% share of the net identifiable assets and liabilities acquired, satisfied in cash	可辨認資產及負債之淨額中本公司收購而擁有的51%的部分，以現金支付				52,841
Cash acquired	收購的現金				(6,966)
Net cash outflow	現金流出淨額				45,875

### 18 收購附屬公司及少數股東權益(續)

#### 企業合併(續)

該收購於收購日對本集團的資產及負債的影響如下：

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 18 Acquisition of a subsidiary and minority interests (cont'd)

#### Business combination (cont'd)

Pre-acquisition carrying amounts were determined based on applicable IFRS immediately before the acquisition. The values of assets and liabilities recognised on acquisition are their estimated fair values. The fair value of property, plant and equipment and lease prepayment for land use rights recognised as a result of a business combination is based on market values.

The newly acquired subsidiary has contributed profit for the year of RMB41,707,000. If the acquisition had occurred on 1 January 2007, the estimated Group's revenue and profit for the year would be approximately the same as comparing to the actual result.

#### Acquisition of minority interests

On 31 December 2007, the Group acquired the remaining 9.99% equity interest in Lonkou Andre at a consideration of RMB13,514,000, which should be satisfied in cash but not yet paid by 31 December 2007. The carrying amount of the remaining 9.99% equity interest in Longkou Andre in the consolidated financial statements on the date of the acquisition was RMB10,497,000. The Group recognised a decrease in minority interests of RMB10,497,000 and a decrease in share premium of RMB3,017,000.

### 18 收購附屬公司及少數股東權益(續)

#### 企業合併(續)

收購前的賬面金額是在收購當時根據所適用的國際財務報告準則計算得出的。收購所確認的資產及負債的價值為估計之公允價值。因企業合併而確認的物業、廠房及設備以及預付土地租賃費之公允價值是以其市場價值為基礎的。

新收購的附屬公司於本年內貢獻溢利人民幣41,707,000元。假設此收購於二零零七年一月一日即發生，預計本集團本年度收入及溢利與實際結果將會大致相同。

#### 收購少數股東權益

於二零零七年十二月三十一日，本集團以人民幣13,514,000元對價收購了龍口安德利剩餘的9.99%的少數股東權益。該對價以現金支付，但截至二零零七年十二月三十一日尚未支付。於收購日在合併財務報表中龍口安德利之剩餘的9.99%的少數股東權益的賬面金額為人民幣10,497,000元。本集團減記少數股東權益人民幣10,497,000元，同時減記股本溢價人民幣3,017,000元。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 19 Interest in a jointly controlled entity – the Company

### 19 於共同控制實體的投資 – 本公司

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Unlisted shares, at cost	非上市，成本	<b>54,760</b>	54,760

As at 31 December 2007, the Company held an investment in the following jointly controlled entity:

於二零零七年十二月三十一日，本公司投資於以下共同控制實體：

Name of company 公司名稱	Place of incorporation 成立地點	Principal activities 主營業務	Authorised/ Registered capital 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Xianyang Andre Juice Co., Ltd. 咸陽安德利果蔬汁 有限公司	Shaanxi, PRC 中國陝西省	Manufacture and sale of juice 果汁生產及銷售	RMB 109,520,480 人民幣 109,520,480元	RMB 109,520,480 人民幣 109,520,480元	50%	-

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 19 Interest in a jointly controlled entity – the Company (cont'd)

Summary financial information on the jointly controlled entity – Group's effective interest of the joint control:

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Non-current assets	非流動資產	54,274	47,774
Current assets	流動資產	122,329	65,683
Current liabilities	流動負債	(98,859)	(58,833)
Net assets	淨資產	<u>77,744</u>	<u>54,624</u>
Income	收入	188,389	28,148
Expense	費用	(163,777)	(24,204)
Profit for the year	本年利潤	<u>24,612</u>	<u>3,944</u>
Net cash used in operating activities	用於經營活動之淨現金	36,130	33,576
Net cash used in investing activities	用於投資活動之淨現金	8,687	6,295
Net cash from financing activities	籌資活動獲得之淨現金	<u>43,262</u>	<u>37,504</u>

### 19 於共同控制實體的投資 – 本公司(續)

共同控制實體財務資料撮要 – 本集團擁有共同控制權之實際權益：

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 20 Interest in an associate – the Group

### 20 於聯營公司的投資 – 本集團

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Share of net assets	應佔淨資產	<b>63,196</b>	62,695

As at 31 December 2007, the Group held an investment in the following associate:

於二零零七年十二月三十一日，本集團投資於以下聯營公司：

Name of company 公司名稱	Place of incorporation 成立地點	Principal activities 主營業務	Authorized/ Registered capital 註冊資本	Paid-in capital 實收資本	Attributable equity interest % 所佔股權比例	
					Direct 直接	Indirect 間接
Yantai Andre Pectin Co., Ltd. ("Andre Pectin") 烟台安德利果膠有限公司 (「安德利果膠」)	Shandong, PRC 中國山東省	Manufacture and sale of pectin 果膠生產及銷售	US\$20,000,000 20,000,000 美元	US\$20,000,000 20,000,000 美元	-	40%

Summary of financial information on the associate is as follows:

以下為聯營公司之財務報表撮要：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Assets	資產	<b>252,856</b>	205,322
Liabilities	負債	<b>(94,864)</b>	(48,582)
Equity	股東權益	<b>(157,992)</b>	(156,740)
Turnover	收入	<b>23,890</b>	34
Profit/(Loss)	溢利/(虧損)	<b>1,252</b>	(120)

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 21 Goodwill – the Group

### 21 商譽 – 本集團

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
<b>Cost and carrying amount: 成本及賬面值：</b>		
At 1 January and 31 December 於一月一日及十二月三十一日	<b>1,452</b>	1,452

#### Impairment test for the cash-generating unit containing goodwill

The Group's cash-generating unit ("CGU") to which the goodwill is allocated is Longkou Andre.

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on actual operating results and financial forecasts less than five years. Cash flows beyond the period covered by the financial forecasts are kept constant which management determined to be no higher than the long-term growth rate of the industry. A pre-tax discount rate of 10.1 per cent has been used in discounting the projected cash flows.

#### 對包含商譽的現金產出單元的減值測試

本集團分配了商譽的現金產出單元為龍口安德利。

該現金產出單元的可收回值是按使用價值計算來厘定。這些計算採用了以實際經營業績及少於五年的財務預測為基礎的現金流預計。超出該財務預測期間的現金流預計部份維持平穩，管理層確定該水平不會高於行業的長期增長率。運用於現金流量預計的稅前折現率為10.1百分點。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 22 Inventories

### 22 存貨

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		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
Raw materials	原材料	46,754	40,926	13,220	9,428
Finished goods	產成品	1,270,376	658,825	571,141	452,843
Total	合計	1,317,130	699,751	584,361	462,271

No inventories were stated at fair value less costs to sell as at 31 December 2007 and 31 December 2006.

於二零零七年及二零零六年十二月三十一日，存貨概無按公允價值減銷售成本列賬。

The cost of inventories recognised in the consolidated income statement amounted to RMB1,239,521,000 for the year ended 31 December 2007 (2006: RMB625,579,000).

存貨成本在二零零七年之合併損益表內獲確認總額為人民幣1,239,521,000元(二零零六年：人民幣625,579,000元)。

### 23 Trade receivables

### 23 應收賬款

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		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
Amounts due from third parties	應收 第三方	329,626	172,353	202,473	92,328
Amounts due from a jointly controlled entity	應收共同控制 實體	-	956	-	-
Total	合計	329,626	173,309	202,473	92,328



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 23 Trade receivables (cont'd)

An ageing analysis of trade receivables is as follows:

		The Group		The Company	
		本集團		本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
		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
Within 3 months	三個月以內	<b>329,175</b>	163,568	<b>202,189</b>	91,012
Over 3 months but less than 6 months	三個月以上 但少於六個月	<b>284</b>	7,820	<b>284</b>	1,316
Over 6 months	六個月以上	<b>167</b>	1,921	-	-
Total	合計	<b>329,626</b>	173,309	<b>202,473</b>	92,328

Customers are normally granted credit terms of three to six months (2006: three to six months), depending on the credit standing of individual customers.

### 23 應收賬款(續)

應收賬款之賬齡分析如下：

客戶一般享有三個月至六個月賒賬期(二零零六年：三個月至六個月)，視乎個別客戶之信譽程度。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 24 Other receivables and prepayments

### 24 其他應收款及預付賬款

		The Group		The Company	
		本集團		本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
		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
Prepayments in connection with construction work and equipment purchases	建築工程及設備採購預付款	16,004	13,814	6,211	10,784
Prepayments to suppliers	預付供應商款	40,612	67,974	30,490	65,594
Value added tax ("VAT") refunds for export sales	出口銷售之增值稅返還 (i)	11,375	8,007	-	5,290
Restricted deposits for bank loans, letters of credit and bills payable	銀行貸款，信用證及應付票據保證金	8,237	2,536	8,237	2,536
Recoverable input VAT	可抵扣進項增值稅	104,228	80,714	65,293	58,069
Advances to third parties	借款予第三方 (ii)	16,170	9,609	6,000	8,202
Advances to a jointly controlled entity	借款予共同控制實體 (iii)	-	61,476	-	54,895
Others	其他	4,819	6,149	2,253	2,815
Total	合計	201,445	250,279	118,484	208,185

(i) The Group's sales are subject to VAT at the rate of 17% but the Group is entitled to VAT refunds of 13% in respect of export sales.

(i) 本集團銷售產品適用之增值稅稅率為17%，但享受13%的出口銷售退稅。

(ii) As at 31 December 2007, this represented advances of RMB8,780,000 (2006: Nil) to Yantai Anlin Fruit Co., Ltd., RMB515,000 (2006: Nil) to Binzhou Development District Finance Bureau, RMB500,000 (2006: RMB500,000) to Xuzhou Fengcheng Finance Bureau, RMB375,000 (2006: Nil) to Longkou Custom and RMB6,000,000 (2006: Nil) to Yantai Lushun Food Co., Ltd. In addition, the balance as at 31 December 2006 also included advances of RMB8,202,000 to Yantai Muping Finance Bureau and RMB907,000 to Longkou Finance Bureau. These advances were unsecured, interest free and had no fixed terms of repayment.

(ii) 於二零零七年十二月三十一日該餘額包括借予烟台安林果業有限公司借款人民幣8,780,000元(二零零六年：無)，借予濱州開發區財政局借款人民幣515,000元(二零零六年：無)，借予徐州市鳳城財政局借款人民幣500,000元(二零零六年：人民幣500,000元)，借予龍口海關借款人民幣375,000元(二零零六年：無)及借予烟台魯順食品有限公司借款人民幣6,000,000元(二零零六年：無)。此外，於二零零六年十二月三十一日，該等借款餘額還包括借予烟台牟平財政局借款人民幣8,202,000元及借予龍口財政局借款人民幣907,000元。該等借款無抵押、無利息、並且無固定償還期限。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 24 Other receivables and prepayments (cont'd)

(iii) This represents the amounts due from Xianyang Andre, the jointly controlled entity of the Group, which were unsecured, bearing interest at 6.12% per annum as at 31 December 2006 and had no fixed terms of repayment. The amounts were repaid in 2007.

### 25 Dividends receivable – the Company

This represents the dividends receivable from the Company's subsidiaries.

### 26 Amounts due from and due to subsidiaries and a jointly controlled entity – the Company

Amounts due from and due to subsidiaries and a jointly controlled entity are unsecured, interest free and have no fixed terms of repayment. The balance of amounts due to subsidiaries and a jointly controlled entity as at 31 December 2007 included an amount of RMB104,222,000 (2006: Nil) due to the jointly controlled entity.

### 27 Cash and cash equivalents

### 24 其他應收款及預付賬款(續)

(iii) 此為本集團之共同控制實體咸陽安德利之欠款，該欠款無抵押，於二零零六年十二月三十一日帶6.12%年息及無固定償還期限。該欠款已於二零零七年償還。

### 25 應收股息 – 本公司

該餘額為本公司應向附屬公司收取之股息。

### 26 應收及應付附屬公司及共同控制實體款項 – 本公司

應收及應付附屬公司及共同控制實體款項無抵押、無利息，並且無固定的償還期限。於二零零七年十二月三十一日，應付附屬公司及共同控制實體款項餘額包括應付共同控制實體款項人民幣104,222,000元(二零零六年：無)。

### 27 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Cash in hand	現金	733	11,157	151	142
Cash at bank	銀行存款	96,864	47,275	64,120	32,201
Total	合計	97,597	58,432	64,271	32,343

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 28 Short-term bank loans

### 28 短期銀行貸款

		The Group 本集團		The Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Secured bank loans	有擔保銀行貸款 (ii)	313,057	202,670	333,057	172,670
Unsecured bank loans	無擔保銀行貸款	638,438	303,305	373,438	273,305
Long-term bank loans due within one year	一年內到期的 長期銀行貸款 (iii)	109,569	-	109,569	-
Total	合計 (i)	1,061,064	505,975	816,064	445,975

(i) As at 31 December 2007, bank loans of RMB951,495,000 (2006: RMB505,975,000) bore interest at rates ranging from 6.57% to 7.83% (2006: 5.58% to 6.73%) per annum.

(ii) As at 31 December 2007, bank loans of RMB90,000,000 (2006: RMB75,000,000), RMB40,000,000 (2006: RMB50,000,000), RMB50,000,000 (2006: RMB47,670,000) and RMB104,000,000 (2006: Nil) of the Company were guaranteed by a related party of the Group, Create Group Co., Ltd., an unrelated third party of the Group, Yantai Anlin Fruit Co., Ltd., an unrelated third party of the Group, Yantai Andre Packaging Materials Co., Ltd., and a related party of the Group, Shandong Andre Group Co., Ltd., respectively.

As at 31 December 2007, bank loans of RMB29,057,000 (2006: Nil) were secured by the Company's deposits at bank.

(i) 於二零零七年十二月三十一日銀行貸款人民幣951,495,000元(二零零六年: 人民幣505,975,000元), 年利率為6.57%—7.83%(二零零六年: 5.58%—6.73%)。

(ii) 於二零零七年十二月三十一日, 本公司有銀行貸款人民幣90,000,000元(二零零六年: 人民幣75,000,000元), 人民幣40,000,000元(二零零六年: 人民幣50,000,000元), 人民幣50,000,000元(二零零六年: 人民幣47,670,000元)及人民幣104,000,000元(二零零六年: 無)分別由本集團之關聯方科瑞集團有限公司, 本集團之非關聯第三方烟台安林果業有限公司, 本集團之非關聯第三方烟台安德利包裝有限公司, 及本集團之關聯方山東安德利集團提供擔保。

於二零零七年十二月三十一日, 人民幣29,057,000元(二零零六年: 無)銀行貸款由本公司之銀行存款作擔保。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 28 Short-term bank loans (cont'd)

The balance as at 31 December 2006 included bank loans of a subsidiary of RMB30,000,000 guaranteed by a related party of the Group, Create Group Co., Ltd.

As at 31 December 2007, bank loans of RMB20,000,000 (2006: Nil) of the Company were guaranteed by a subsidiary of the Company, Longkou Andre.

(iii) The Group's long-term bank loans are disclosed in Note 31.

### 28 短期銀行貸款(續)

於二零零六年十二月三十一日，該餘額包括一家附屬公司的銀行貸款人民幣30,000,000元，由本集團之關聯方科瑞集團有限公司提供擔保。

於二零零七年十二月三十一日，本公司有銀行貸款人民幣20,000,000元由本公司一家附屬公司，龍口安德利提供擔保。

(iii) 本集團之長期銀行貸款在附註31中披露。

### 29 Trade payables

An ageing analysis of trade payables is as follows:

### 29 應付賬款

應付賬款的賬齡分析如下：

		The Group		The Company	
		本集團		本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
		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
Within 6 months	六個月以內	<b>214,325</b>	68,063	<b>27,597</b>	23,261
Over 6 months but less than 1 year	六個月以上但少於一年	<b>461</b>	3,231	<b>22</b>	636
Over 1 year	一年以上	<b>928</b>	1,304	<b>916</b>	698
Total	合計	<b>215,714</b>	72,598	<b>28,535</b>	24,595

All the trade payables are expected to be settled within one year.

所有應付賬款預計於一年內償還。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 30 Other payables and accrued expenses

### 30 其他應付款及預提費用

		The Group 本集團		The Company 本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
Note		RMB'000	RMB'000	RMB'000	RMB'000
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元
	Staff and workers' bonus and welfare fund				
	職工獎勵及福利基金				
(i)		<b>6,098</b>	5,251	<b>4,266</b>	4,266
	Amounts payable in relation to the acquisition of property, plant and equipment				
	與購入物業、廠房及設備相關之應付款項	<b>26,179</b>	38,924	<b>1,999</b>	23,746
	Amounts payable in relation to the acquisition of minority interests				
	關於收購少數股東權益之應付款項	<b>13,514</b>	–	<b>13,378</b>	–
	Prepayments from customers				
	其他客戶訂金	<b>11,234</b>	4,718	<b>4,188</b>	340
	Other taxes payable				
	應付其他稅金	<b>6,630</b>	24,459	<b>1,114</b>	198
	Advances from third parties				
	向第三方借款	<b>5,500</b>	–	<b>5,000</b>	–
	Advances from a shareholder				
	向股東借款	<b>23,784</b>	–	–	–
	Dividends payable				
	應付股息	<b>4,007</b>	–	<b>4,007</b>	–
	Others				
	其他	<b>30,459</b>	18,578	<b>11,997</b>	7,709
	Total				
	合計	<b>127,405</b>	91,930	<b>45,949</b>	36,259

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 30 Other payables and accrued expenses (cont'd)

- (i) This represents provision for staff and workers' bonus and welfare fund, applicable to the Company being a Sino-foreign equity joint venture enterprise before 26 June 2001 and its subsidiaries in the PRC being Sino-foreign equity joint venture enterprises, provided at a certain percentage of the Company's and the subsidiaries' profit after taxation determined in accordance with the China's Accounting Standards. The percentage for this appropriation was decided by the directors of the Company and the subsidiaries.
- (ii) This represents the interest-free and unsecured borrowings of RMB5,000,000 (2006: Nil) from Administrative Committee of Yantai Muping Development Zone and RMB500,000 (2006: Nil) from Binzhou Finance Bureau.
- (iii) This represents the interest-free and unsecured borrowings of RMB23,784,000 (2006: Nil) from Yantai Donghua Fruit Co., Ltd., a shareholder of the Company.

### 30 其他應付款及預提費用(續)

- (i) 該餘額為本公司於二零零一年六月二十六日以前作為中外合資經營企業及本公司在中國的附屬公司作為中外合資經營企業，以本公司及該等附屬公司按照中國會計準則決算之稅後利潤的一定比例計提之職工獎勵及福利基金準備。該計提比例是本公司及該等附屬公司之董事會決定的。
- (ii) 該款項指欠烟台牟平開發區管理委員會之無利息及無抵押借款人民幣5,000,000元(二零零六年：無)及欠濱州財政局之無利息及無抵押借款人民幣500,000元(二零零六年：無)。
- (iii) 該款項指欠本公司股東之一，烟台東華果業有限責任公司之無利息及無抵押借款人民幣23,784,000元(二零零六年：無)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 31 Long-term bank loans

The analysis of the carrying amount of non-current interest-bearing borrowings is as follows:

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		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
Bank loans	銀行貸款	438,276	468,522	438,276	468,522
Less: Bank loans due within one year	減：一年內到期的銀行貸款	(109,569)	—	(109,569)	—
		<b>328,707</b>	468,522	<b>328,707</b>	468,522

The above bank loans bear floating interest rate of LIBOR + 1.1%. According to the repayment terms, US\$7,500,000, US\$7,500,000 and US\$45,000,000 will be repaid by June 2008, December 2008 and June 2009, respectively.

The terms of the bank loans impose certain specific performance obligations on the two major shareholders, Mr. Zheng Yue Wen and Mr. Wang An, of the Company, who are also the directors of the Company. Under the relevant terms, the bank loans will become due and payable immediately when either (i) Mr. Wang An ceases to have or ceases to be entitled to exercise management over each of the Company and its principal subsidiaries; or (ii) the aggregate shareholding in the Company that is beneficially owned by Mr. Zheng Yue Wen and Mr. Wang An ceases to be larger than the aggregate shareholding in the Company of, and/or held to the order of, any other person or persons acting in concert with such other person.

### 31 長期銀行貸款

非流動帶利息貸款賬面值分析如下：

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		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
Bank loans	銀行貸款	438,276	468,522	438,276	468,522
Less: Bank loans due within one year	減：一年內到期的銀行貸款	(109,569)	—	(109,569)	—
		<b>328,707</b>	468,522	<b>328,707</b>	468,522

以上銀行貸款之浮動息率為倫敦銀行同業拆放利率+1.1%。根據還款條件，7,500,000美元、7,500,000美元及45,000,000美元分別將於二零零八年六月、二零零八年十二月及二零零九年六月到期。

該銀行貸款協議之條款對本公司之兩位主要股東及董事鄭躍文先生及王安先生施加特定之履約責任。根據該銀行貸款協議，以下各項將導致該貸款即時到期清還：(i)王安先生並不再或不再有權行使對本公司及其主要附屬公司之管理控制權；或(ii)由鄭躍文先生及王安先生實益擁有之本公司之持股總額並不再高於其他人士及／或代表其他人士及／或與該等人士一致行動之人士於本公司所持有之持股總額。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves

### 32 股本及儲備

(a) The changes in equity of the Company for the years ended 31 December 2006 and 2007 are as follows:

(a) 截至二零零六及二零零七年十二月三十一日止年度，本公司的權益變動如下：

	Note	Paid-in capital	Capital surplus	Share premium	Statutory reserves	Retained earnings	Total equity
	附註	股本	資本公積	股本溢價	法定儲備	未分配利潤	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2006	於二零零六年一月一日之結餘	169,730	10	212,606	49,016	92,465	523,827
Issuance of shares	發行股本 32(b)	11,158	-	69,838	-	-	80,996
Share issuance expenses	發行股本之開支	-	-	(7,628)	-	-	(7,628)
Profit for the year	本年度溢利	-	-	-	-	58,102	58,102
Appropriations	調撥 32(d)	-	-	-	6,646	(6,646)	-
Dividends to equity shareholders of the Company	分派股息予本公司股東 33	-	-	-	-	(27,133)	(27,133)
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	180,888	10	274,816	55,662	116,788	628,164
Balance at 1 January 2007	於二零零七年一月一日之結餘	180,888	10	274,816	55,662	116,788	628,164
Issuance of shares	發行股本 32(b)	13,000	-	135,445	-	-	148,445
Share issuance expenses	發行股本之開支	-	-	(7,816)	-	-	(7,816)
Capitalisation issue	資本化發行 32(b)	232,666	-	(232,666)	-	-	-
Profit for the year	本年度溢利	-	-	-	-	138,898	138,898
Appropriations	調撥 32(d)	-	-	-	15,136	(15,136)	-
Dividends to equity shareholders of the Company	分派股息予本公司股東 33	-	-	-	-	(27,133)	(27,133)
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	426,554	10	169,779	70,798	213,417	880,558

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

### 32 股本及儲備(續)

#### (b) Paid-in capital

#### (b) 股本

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
<b>Registered:</b>	<b>已註冊：</b>		
1,138,800,000 (2006: 1,138,800,000)	1,138,800,000股(二零零六年： 1,138,800,000股)每股 人民幣0.10元的非流通股 (二零零六年：每股人民幣0.10元)	<b>113,880</b>	113,880
670,080,000 (2006: 670,080,000)	670,080,000股(二零零六年： 670,080,000股)每股 人民幣0.10元的H股(二零零六年： 每股人民幣0.10元)	<b>67,008</b>	67,008
		<b>180,888</b>	180,888
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
2,505,360,000 (2006: 1,138,800,000)	2,505,360,000股(二零零六年： 1,138,800,000股)每股 人民幣0.10元的非流通股 (二零零六年：每股人民幣0.10元)	<b>250,536</b>	113,880
1,760,176,000 (2006: 670,080,000)	1,760,176,000股(二零零六年： 670,080,000股)每股 人民幣0.10元的H股(二零零六年： 每股人民幣0.10元)	<b>176,018</b>	67,008
		<b>426,554</b>	180,888

On 14 July 2004, the Company issued 178,500,000 new H shares with a par value of RMB0.10 each, at a price of HK\$0.80 per H share by placing.

於二零零四年七月十四日，本公司以配售方式按每股H股港幣0.80元之價格增發178,500,000股每股面值人民幣0.10元之H股。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

#### (b) Paid-in capital (cont'd)

On 14 March 2006, the Company issued 111,580,000 new H shares with a par value of RMB0.10 each, at a price of HK\$0.70 per H share by placing.

On 16 July 2007, the Company issued 130,000,000 new H shares with a par value of RMB0.10 each, at a price of HK\$1.18 per H share by placing.

On 19 November 2007, an amount of RMB232,665,600 standing to the credit of the share premium account was applied in paying up in full 960,096,000 H shares and 1,366,560,000 Domestic shares of RMB0.10 each which were allotted and distributed as fully paid to existing shareholders in the proportion of six capitalisation shares for every five existing shares then held.

By 31 December 2007, the Company was still in the process of registering the new shares issued in 2007 with the respective government authorities.

All the shares issued by the Company rank pari passu.

#### (c) Capital surplus

Capital surplus represents the exchange differences arising from the use of different exchange rates in translating the paid-in capital contributed by the investors on different dates.

### 32 股本及儲備(續)

#### (b) 股本(續)

於二零零六年三月十四日，本公司以配售方式按每H股港幣0.70元之價格增發111,580,000股每股面值人民幣0.10元之H股。

於二零零七年七月十六日，本公司以配售方式按每H股港幣1.18元之價格增發130,000,000股每股面值人民幣0.10元之H股。

於二零零七年十一月十九日，於股本溢價中之人民幣232,665,600元已用於繳足960,096,000股資本化發行的每股面值人民幣0.10元之H股及1,366,560,000股資本化發行的每股面值人民幣0.10元之非流通股，且按基準每五股當時已發行之股份送六股資本化發行的新股經已發行並已分派至相關股東。

直至二零零七年十二月三十一日，本公司仍在與有關政府部門就在二零零七年發行的新股進行註冊程序。

本公司發行之所有股份均享有同等權益。

#### (c) 資本公積

資本公積為資本換算差額，即有關資本賬戶於不同日期收到投資人出資時所採用的換算匯率不同而產生的匯兌差額。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

### 32 股本及儲備(續)

#### (d) Statutory reserves

#### (d) 法定儲備

		The Group 本集團						
		The Company 本公司			The subsidiaries 附屬公司		Total 合計	
		Statutory			Statutory	Enterprise		
		surplus	public		surplus	Reserve	expansion	
		reserve	welfare	Total	reserve	fund	fund	
		法定	法定	合計	法定	儲備基金	企業	
		公積金	公益金		公積金	儲備基金	發展基金	
		(i)	(ii)		(i)	(iii)	(iv)	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2006	於二零零六年一月一日之結餘	32,976	16,040	49,016	-	10,647	10,647	70,310
Appropriations from retained earnings	未分配利潤中作調撥	6,646	-	6,646	-	3,319	3,319	13,284
Transfer (ii)	轉撥(ii)	16,040	(16,040)	-	-	-	-	-
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	55,662	-	55,662	-	13,966	13,966	83,594
Balance at 1 January 2007	於二零零七年一月一日之結餘	55,662	-	55,662	-	13,966	13,966	83,594
Appropriations from retained earnings	未分配利潤中作調撥	15,136	-	15,136	1,596	3,356	3,356	23,444
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	70,798	-	70,798	1,596	17,322	17,322	107,038

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

#### (d) Statutory reserves (cont'd)

- (i) According to the Company's and Dalian Andre's Articles of Association, the Company and Dalian Andre are required to transfer 10% of their net profits, as determined in accordance with the China's Accounting Standards, to statutory surplus reserve. The transfer to this reserve must be made before distributing dividends to shareholders.

The statutory surplus reserve can be used to make up for prior years' losses, if any. It may be converted into share capital by issuing new shares to shareholders proportionate to their existing shareholdings, provided that the balance after such issue is not less than 25% of the registered capital.

- (ii) Before 1 January 2006, according to the Company's Articles of Association, the Company is required to transfer 5% of its net profit, as determined in accordance with the China's Accounting Standards, to the statutory public welfare fund. This fund could only be used on capital items for the collective benefit of the Company's employees (such as for the construction of dormitories, canteens and other staff welfare facilities). This fund was non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to shareholders.

### 32 股本及儲備(續)

#### (d) 法定儲備(續)

- (i) 按照本公司及大連安德利章程的規定，本公司及大連安德利須按中國會計準則計算的淨利潤的10%提取法定公積金。提取法定公積金須在向股東分配股息前進行。

法定公積金可用作彌補以往年度虧損(如有)，並可藉向股東按現有所持股權比重發行新股份轉換為股本，惟於發行股份後之結餘不得少於註冊股本25%。

- (ii) 在二零零六年一月一日前，根據本公司章程的規定，本公司須按中國會計準則計算的淨利潤的5%提取法定公益金。此項基金僅可用於本公司僱員集體福利之資本項目，如興建宿舍、食堂及其他員工福利設施。除於清盤時外，此項基金不可作為股息分派。本公司須於分派股息予股東前將有關款項調撥作法定公益金。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

#### (d) Statutory reserves (cont'd)

##### (ii) (cont'd)

According to the Company Law of the PRC which was revised on 27 October 2005, the Company is no longer required to make profit appropriation to the statutory public welfare fund commencing from 1 January 2006. Pursuant to the notice "Cai Qi [2006] No. 67" issued by the Ministry of Finance of the PRC, the balance of this fund as at 31 December 2005 was transferred to the statutory surplus reserve.

- (iii) According to the Articles of Association of the subsidiaries incorporated in the PRC, the subsidiaries are required to transfer a certain percentage of their net profits, as determined in accordance with the China's Accounting Standards to the reserve fund. The percentage of this appropriation was decided by the directors of the subsidiaries.

The reserve fund can be used for the subsidiaries' working capital purposes and to make up for prior years' losses, if any. This fund can also be used to increase the capital of the subsidiaries, if approved. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to the Company.

### 32 股本及儲備(續)

#### (d) 法定儲備(續)

##### (iii) (續)

根據二零零五年十月二十七日修改後的中國公司法，本公司自二零零六年一月一日起，已毋須提取利潤至法定公益金，根據財政部的財企[2006]67號文，於二零零五年十二月三十一日此公益金的餘額已轉撥至法定公積金。

- (iii) 根據本公司在中國境內設立之附屬公司的章程規定，該等附屬公司須按各自按中國會計準則計算的淨利潤的一定比例提取儲備基金。該調撥比例是由該等附屬公司之董事會決定的。

儲備基金可用作該等附屬公司補充運營資金之目的，並可彌補以往年度虧損(如有)。此項基金亦可用作增加該等附屬公司之資本金(如經批准)。除於清盤時外，此項基金不可用作股息分派。本公司須於分派股息予股東前將有關款項調撥作儲備基金。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

#### (d) Statutory reserves (cont'd)

- (iv) According to the Articles of Association of the subsidiaries incorporated in the PRC, the subsidiaries are required to transfer a certain percentage of their net profits, as determined in accordance with the China's Accounting Standards, to the enterprise expansion fund. The percentage of this appropriation was decided by the directors of the subsidiaries.

The enterprise expansion fund can be used for the subsidiaries' business development purposes and for working capital purposes. This fund can also be used to increase the capital of the subsidiaries, if approved. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to the Company.

#### (e) Distributable reserves

Pursuant to the Company's Articles of Association, the Company's retained earnings available for the purpose of profit distribution to equity shareholders of the Company will be the lesser of (i) the retained earnings determined in accordance with the China's Accounting Standards; or (ii) the retained earnings determined in accordance with IFRS.

### 32 股本及儲備(續)

#### (d) 法定儲備(續)

- (iv) 根據本公司在中國境內設立之附屬公司的章程規定，該等附屬公司須按各自按中國會計準則計算的淨利潤的一定比例提取企業發展基金。該調撥比例是該等附屬公司之董事會決定的。

企業發展基金可用作該等附屬公司業務發展及補充運營資金之目的。此項基金亦可用作增加該等附屬公司之資本金(如經批准)。除於清盤時外，此項基金不可用作股息分派。本公司須於分派股息予股東前將有關款項調撥作企業發展基金。

#### (e) 可分派儲備

根據本公司採用的章程，本公司為利潤分配而可供分配予本公司股東之未分配利潤為下列較低者(i)按照中國會計準則計算之未分配利潤；或(ii)按照國際財務報告準則計算之未分配利潤。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

#### (e) Distributable reserves (cont'd)

Under the Company Law of the PRC and the Company's Articles of Association, net profit can be distributed as dividends after allowance has been made for:

- (i) making up cumulative prior years' losses, if any;
- (ii) allocations of 10% net profit for the year, as determined in accordance with the China's Accounting Standards, to the Company's statutory surplus reserve; and
- (iii) allocations to the discretionary surplus reserve, if approved by the shareholders.

As at 31 December 2007, the Company's distributable reserve amounted to RMB213,417,000 (2006: RMB116,788,000), being the amount determined according to IFRS.

### 32 股本及儲備(續)

#### (e) 可分派儲備(續)

根據中國公司法及本公司之章程，淨利潤須支付下列各項後方可作為股息分派：

- (i) 彌補以前年度累計虧損(如有)；
- (ii) 將按中國會計準則計算的淨利潤之10%提取本公司之法定公積金；及
- (iii) 倘獲得股東大會批准，提取任意盈餘公積金。

於二零零七年十二月三十一日，本公司按照國際財務報告準則計算之可分派儲備為人民幣213,417,000元(二零零六年：人民幣116,788,000元)。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 32 Capital and reserves (cont'd)

#### (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 fund its production and development, and continue to provide returns for shareholders by pricing products 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.

Consistent with industry practice, the Group monitors its capital structure on the basis of a gearing ratio, as defined by the Group, being the total liabilities divided by the total assets. As at 31 December 2007, the gearing ratio of the Group was 61.68% (2006: 61.81%).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

### 32 股本及儲備(續)

#### (f) 資本管理

本集團管理資本的主要目的是維護本集團的持續經營能力，從而使其能夠透過按風險水平為產品進行適當的定價，以及憑藉以合理的成本取得融資，可以支持本集團的生產及發展，並且繼續為股東提供回報。

本集團積極及定期審核和管理其資本架構，以便保持與更高水平借款相對應的更高股東回報，與可靠的資本定位所帶來的優勢及安全之間的平衡，並且調整資本架構以應對經濟環境的變化。

與行業的慣常做法一致，本集團是以本集團所界定的資產負債比率為基礎監管其資本架構。該比率為本集團之負債總值除以資產總值。於二零零七年十二月三十一日，本集團的資產負債比率為61.68%(二零零六年：61.81%)。

本公司或其任何附屬公司並無受制於任何外部施加的資本管制。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 33 Dividends

### 33 股息

(a) Dividends payable to equity shareholders of the Company attributable to the year:

(a) 本年度分派股息予本公司股東：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Final dividend proposed after the balance sheet date of RMB0.007 per share (2006: RMB0.015 per share)	於結算日後建議分派末期股息每股人民幣0.007元 (二零零六年：每股人民幣0.015元)	<u>29,859</u>	<u>27,133</u>

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

(b) 屬於上一財政年度，並於本年度核准及支付予本公司股東的股息：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.015 per share (2006: RMB0.015 per share)	屬於上一財政年度，並於本年度核准及支付之末期股息為每股人民幣0.015元 (二零零六年：每股人民幣0.015元)	<u>27,133</u>	<u>27,133</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 34 Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB213,874,000 (2006: RMB69,673,000) and the weighted average of 4,121,361,000 shares (2006: 3,933,131,000 shares after adjusting for the capitalisation issue in 2007) in issue during the year, calculated as follows:

Issued shares at 1 January	一月一日已發行之股票
Effect of shares issued	股份發行之影響
Effect of capitalisation issue	資本化發行之影響
Weighted average number of shares at 31 December	十二月三十一日加權平均股數

There was no difference between basic and diluted earnings per share as there were no dilutive potential shares outstanding during the year.

### 34 基本及攤薄後每股盈利

本年每股基本及攤薄盈利的計算基礎為本公司股東應佔溢利人民幣213,874,000元(二零零六年：人民幣69,673,000元)及本年已發行股份加權平均數4,121,361,000股(二零零六年：經二零零七年資本化發行調整後3,933,131,000股)，計算如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Note 附註		
	<b>1,808,880</b>	1,697,300
	<b>64,466</b>	90,487
	<b>2,248,015</b>	2,145,344
	<b>4,121,361</b>	3,933,131

由於期內並無潛在攤薄普通股，因此每股基本盈利與每股攤薄盈利並無差別。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 35 Related party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

#### (a) Transactions with the associate and the jointly controlled entity

Sales to the jointly controlled entity	銷售予共同控制實體
Purchases from the jointly controlled entity	採購自共同控制實體
Sales to the associate	銷售予聯營公司

#### (b) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors and supervisors as disclosed in Note 12 and the senior management as disclosed in Note 13, is as follows:

Short-term employee benefits	日常在職報酬
Retirement scheme contributions	退休福利計劃供款
Total	合計

### 35 關聯方交易

除於財務報表其他部份披露之交易和餘額外，本集團有以下重大關聯方交易：

#### (a) 與聯營公司及共同控制實體之交易

2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
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4,793 4,370

84,458 17,807

3,533 765

#### (b) 主要管理人員薪酬

主要管理人員薪酬(包括支付予附註12披露之本公司董事及監事和附註13披露之高級管理層之金額)如下：

2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

1,868 1,856

28 30

1,896 1,886

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments

The Group's financial assets include cash and cash equivalents, trade and other receivables. The Group's financial liabilities include bank loans, trade and other payables. The Group does not hold nor has it issued financial instruments for trading purposes.

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

#### (a) Credit risk

The Group's credit risk is primarily attributable to trade receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay. Trade receivables are due within three to six months from the date of billing. Debtors with balances past due are requested to settle all outstanding balances before any further credit is granted.

As at 31 December 2007, 99.8% of the total trade receivables was due within three months (2006: 94.4%).

### 36 金融工具

本集團之金融資產包括現金及現金等價物、應收賬款及其他應收款。本集團之金融負債包括銀行貸款、應付賬款及其他應付款。本集團並無持有或發行金融工具供買賣用途。

本集團在正常業務過程中承受信貸、流動資金、利率和貨幣風險。本集團透過下述財務管理政策和慣常做法，對這些風險加以限制。

#### (a) 信貸風險

本集團的信貸風險主要來自應收賬款。管理層已制定適當的信貸政策，並且不斷監察這些信貸風險的敞口。

就應收賬款而言，所有要求就超過某一數額的賬款獲得賒賬安排的客戶均須接受個別的信貨評估。這些評估著重於客戶以往在到期時的還款記錄和目前的還款能力。應收賬款在出具賬單日起計三至六個月內到期。逾期賬款的債務人會被要求先清償所有未償還餘額，才可以獲得進一步的信貨安排。

於二零零七年十二月三十一日，99.8%的應收賬款總額將於未來三個月內被支付(二零零六年：94.4%)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (a) Credit risk (cont'd)

As at 31 December 2007, the Group's most significant customer, an exclusive distributor for sales to the United States of America and Canada, and another four largest customers accounted for 70% of the trade receivables carrying amount (2006: 63%).

The maximum exposure to credit risk is represented by the carrying amount of trade receivables in the consolidated balance sheet.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 23.

#### (b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, subject to approval by the Company's 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, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

### 36 金融工具(續)

#### (a) 信貸風險(續)

於二零零七年十二月三十一日，應收賬款賬面金額中有70%來自於本集團最大的客戶，某一美國及加拿大獨家分銷商，以及其他四個最大之客戶(二零零六年：63%)。

信貸風險敞口上限為合併資產負債表中應收賬款的賬面金額。

更多有關本集團的應收賬款的信貸風險敞口的信息已在附註23披露。

#### (b) 流動資金風險

本集團內的個別經營實體須負責本身的現金管理工作，包括籌借貸款以應付預計現金需求(如果借款額超過某些預設授權上限，便需尋求本公司董事會的批核)。本集團的政策是定期監察流動資金需求，以及是否符合借款契諾的規定，以確保維持充裕的現金儲備，同時獲得主要金融機構承諾提供足夠的備用資金，以滿足短期和較長期的流動資金需求。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (b) Liquidity risk (cont'd)

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's 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 balance sheet date) and the earliest date the Group and the Company can be required to pay:

#### The Group

		2007 二零零七年				
		Total contractual amount	Carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		貼現現金 貼現現金 貼現現金	貼現現金 貼現現金 貼現現金	1年內或 接獲通知時 1年內或 接獲通知時	1年後 但2年內 1年後 但2年內	2年後 但5年內 2年後 但5年內
		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
Bank loans	銀行貸款	1,389,771	1,461,539	1,123,931	337,608	-
Trade payables	應付賬款	215,714	215,714	215,714	-	-
Other payables and accrued expenses	其他應付款及預提費用	127,405	127,405	127,405	-	-
Total	合計	1,732,890	1,804,658	1,467,050	337,608	-

### 36 金融工具(續)

#### (b) 流動資金風險(續)

下表載列了本集團和本公司的金融負債於結算日以合約未貼現現金流量(包括按照合約利率或(如屬浮動利率)結算日的現行利率計算的利息付款)和本集團及本公司可能需要付款的最早日期為準的剩餘合約到期情況:

#### 本集團

		2007 二零零七年				
		Total contractual amount	Carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
		貼現現金 貼現現金 貼現現金	貼現現金 貼現現金 貼現現金	1年內或 接獲通知時 1年內或 接獲通知時	1年後 但2年內 1年後 但2年內	2年後 但5年內 2年後 但5年內
		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
Bank loans	銀行貸款	1,389,771	1,461,539	1,123,931	337,608	-
Trade payables	應付賬款	215,714	215,714	215,714	-	-
Other payables and accrued expenses	其他應付款及預提費用	127,405	127,405	127,405	-	-
Total	合計	1,732,890	1,804,658	1,467,050	337,608	-

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (b) Liquidity risk (cont'd)

		2006 二零零六年				
		Total contractual carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	
		貼現現金 流量總額	1年內或 接獲通知時	1年後 但2年內	2年後 但5年內	
		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
Bank loans	銀行貸款	974,497	1,029,172	532,925	149,456	346,791
Trade payables	應付賬款	72,598	72,598	72,598	-	-
Other payables and accrued expenses	其他應付款及預提費用	91,930	91,930	91,930	-	-
<b>Total</b>	<b>合計</b>	<b>1,139,025</b>	<b>1,193,700</b>	<b>697,453</b>	<b>149,456</b>	<b>346,791</b>

#### The Company

#### 本公司

		2007 二零零七年				
		Total contractual carrying amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	
		貼現現金 流量總額	1年內或 接獲通知時	1年後 但2年內	2年後 但5年內	
		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
Bank loans	銀行貸款	1,144,771	1,209,391	871,783	337,608	-
Trade payables	應付賬款	28,535	28,535	28,535	-	-
Other payables and accrued expenses	其他應付款及預提費用	45,949	45,949	45,949	-	-
Amounts due to subsidiaries and a jointly controlled entity	應付附屬公司及共同控制實體款項	318,822	318,822	318,822	-	-
<b>Total</b>	<b>合計</b>	<b>1,538,077</b>	<b>1,602,697</b>	<b>1,265,089</b>	<b>337,608</b>	<b>-</b>



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (b) Liquidity risk (cont'd)

		2006 二零零六年				
		Total contractual amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	
		Carrying amount	cash flow	contractual	contractual	contractual
		賬面金額	貼現現金	1年內或	1年後	2年後
		RMB'000	流量總額	接獲通知時	但2年內	但5年內
		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
Bank loans	銀行貸款	914,497	967,959	471,712	149,456	346,791
Trade payables	應付賬款	24,595	24,595	24,595	-	-
Other payables and accrued expenses	其它應付款及預提費用	36,259	36,259	36,259	-	-
Amounts due to subsidiaries and a jointly controlled entity	應付附屬公司及共同控制實體款項	248,874	248,874	248,874	-	-
<b>Total</b>	<b>合計</b>	<b>1,224,225</b>	<b>1,277,687</b>	<b>781,440</b>	<b>149,456</b>	<b>346,791</b>

#### (c) Interest rate risk

The interest rates of the Group's bank loans are disclosed in Note 28 and Note 31. The annual interest rates of the Group's deposits at bank ranged from 0.72% to 1.15% as at 31 December 2007 (2006: 0.72% to 1.15%)

As at 31 December 2007, it is estimated that a general increase/decrease of 50 basis points in bank borrowing interest rates for bank loans with all other variables held constant, would decrease/increase the profit after taxation by approximately RMB3,777,000 (2006: RMB3,475,000).

### 36 金融工具(續)

#### (b) 流動資金風險(續)

		2006 二零零六年				
		Total contractual amount	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	
		Carrying amount	cash flow	contractual	contractual	contractual
		賬面金額	貼現現金	1年內或	1年後	2年後
		RMB'000	流量總額	接獲通知時	但2年內	但5年內
		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
Bank loans	銀行貸款	914,497	967,959	471,712	149,456	346,791
Trade payables	應付賬款	24,595	24,595	24,595	-	-
Other payables and accrued expenses	其它應付款及預提費用	36,259	36,259	36,259	-	-
Amounts due to subsidiaries and a jointly controlled entity	應付附屬公司及共同控制實體款項	248,874	248,874	248,874	-	-
<b>Total</b>	<b>合計</b>	<b>1,224,225</b>	<b>1,277,687</b>	<b>781,440</b>	<b>149,456</b>	<b>346,791</b>

#### (c) 利率風險

本集團銀行貸款的利率已於附註28及附註31披露。於二零零七年十二月三十一日，本集團的銀行存款的年利率介乎0.72%至1.15% (二零零六年：0.72%至1.15%)。

於二零零七年十二月三十一日，估計銀行貸款的利率普遍上升/下降50個基準點，如果所有其他變量保持不變，除稅後利潤會減少/增加約人民幣3,777,000元 (二零零六年：人民幣3,475,000元)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (c) Interest rate risk (cont'd)

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The 50 basis-point increase or decrease represents management's assessment of a reasonably possible change in respective interest rates over the period until the next annual balance sheet date. Management does not expect any reasonably possible change in bank deposit interest rates for bank deposit over the period until the next annual balance sheet date will have a significant impact on the Group's result or financial position. The analysis is performed on the same basis for 2006.

#### (d) Foreign currency risk

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through PBOC or other institutions authorised to buy and sell foreign exchange. The exchange rate adopted for the foreign exchange transactions are the rates of exchange quoted by the PBOC that would be subject to a managed float against an unspecified basket of currencies.

### 36 金融工具(續)

#### (c) 利率風險(續)

上述敏感度分析的釐定已假設利率變動在結算日已經發生，並且應用在該日已存在的非衍生金融工具的利率風險敞口上。該50個基準點的升幅或降幅是代表管理層對直至下一個年度結算日止的期間內，相關利率可能出現的合理變動所作出的評估。管理層預期，銀行存款利率在直至下一個年度結算日止的期間可能出現的任何合理變動，將不會對本集團的業績或財務狀況構成重大的影響。這項分析是以與二零零六年相同的基準進行。

#### (d) 外幣風險

由於人民幣不可自由兌換為外幣，所以涉及人民幣的外匯交易必須通過中國人民銀行或其他法定機構進行外匯買賣。外匯交易所採用的匯率為中國人民銀行所公佈的匯率，該匯率可能受非特定貨幣籃子的有限制浮動匯率所限。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (d) Foreign currency risk (cont'd)

(i) *Exposure to foreign currency risk*

The following table details the Group's and the Company's exposure at the balance sheet date to significant currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate:

### 36 金融工具(續)

#### (d) 外幣風險(續)

(i) *外幣風險敞口*

下表載列了本集團和本公司於結算日所承受的來自以相關實體的功能貨幣以外的其他貨幣計價的已確認資產和負債所產生的重大貨幣風險敞口：

		The Group		The Company	
		本集團		本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
		United States	United States	United States	United States
		Dollar '000	Dollar '000	Dollar '000	Dollar '000
		美元千元	美元千元	美元千元	美元千元
Trade receivables	應收賬款	29,494	21,420	21,726	11,995
Cash and cash equivalents	現金及現金等價物	470	1,125	240	855
Short-term bank loans	短期銀行貸款	(53,852)	(41,105)	(53,852)	(41,105)
Long-term bank loans	長期銀行貸款	(45,000)	(60,000)	(45,000)	(60,000)
Trade payables	應付賬款	(2,014)	(1,950)	(725)	(1,514)
Overall net exposure	外幣風險敞口淨值	<u>(70,902)</u>	<u>(80,510)</u>	<u>(77,611)</u>	<u>(89,769)</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (d) Foreign currency risk (cont'd)

(ii) *Sensitivity analysis*

A 5% strengthening/weakening of RMB against USD (United States Dollars) as at the respective balance sheet dates would increase/(decrease) profit after taxation by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

### 36 金融工具(續)

#### (d) 外幣風險(續)

(i) *敏感度分析*

在各個相關結算日，如果人民幣對美元升值／貶值5%，則除稅後利潤將會增加／(減少)下表所示金額。本分析所基於的假設是所有其他變量(特別是利率)保持不變。

		The Group 本集團		The Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Profit for the year:	本年度溢利：				
5% strengthening in RMB	人民幣 升值5%	<u>19,681</u>	<u>23,890</u>	<u>21,543</u>	<u>26,637</u>
5% weakening in RMB	人民幣 貶值5%	<u>(19,681)</u>	<u>(23,890)</u>	<u>(21,543)</u>	<u>(26,637)</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 36 Financial instruments (cont'd)

#### (e) Fair Values

The carrying amounts of significant financial assets and liabilities approximates their respective fair values as at 31 December 2007 and 31 December 2006.

(i) *Cash and cash equivalents, trade and other receivables, trade and other payables (current portion)*

The carrying amounts approximate their fair values because of the short maturities of these items.

(ii) *Bank loans*

The carrying amounts of bank loans approximate their fair values based on the borrowing rates currently available for bank loans with similar terms and maturities.

### 37 Commitments

(a) As at 31 December 2007, the Group and the Company had capital commitments in respect of property, plant and equipment not provided for in the financial statements as follows:

Contracted for	已簽約
Authorised but not contracted for	已授權 未簽約
Total	合計

		The Group 本集團		The Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Contracted for	已簽約	15,476	112,946	1,612	748
Authorised but not contracted for	已授權 未簽約	–	100,000	–	100,000
Total	合計	15,476	212,946	1,612	100,748

### 36 金融工具(續)

#### (e) 公允價值

於二零零七年及二零零六年十二月三十一日，重大金融資產及負債之賬面金額約為其公允價值。

(i) 現金及現金等價物、應收賬款及其他應收款、應付賬款及其他應付款(一年內到期部分)

鑒於此等工具之到期日短暫，因此賬面金額約為其公允價值。

(ii) 銀行貸款

以現行相若貸款條件及到期日之銀行貸款利率為依據，銀行貸款之賬面金額約為其公允價值。

### 37 承擔

(a) 於二零零七年十二月三十一日，本集團及本公司就購置物業、廠房及設備而未在財務報表撥備的資本承擔如下：

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 37 Commitments (cont'd)

(b) As at 31 December 2007, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		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
Within 1 year	一年內到期	-	6,980	-	6,980
After 1 year but within 5 years	一年以上至 五年以內	-	-	-	-
Over 5 years	五年以上	848	848	-	-
Total	合計	848	7,828	-	6,980

The Group leases certain land use rights, buildings, and machinery and equipment under operating leases. For the land use rights, the lease period is fifty years. For buildings, and machinery and equipment, the leases typically run for an initial period of one to three years. None of the leases includes contingent rentals.

### 38 Contingent liabilities

As at 31 December 2007, a bank loan of Xuzhou Andre, amounting to RMB48,000,000 (2006: RMB30,000,000), a bank loan of Baishui Andre, amounting to RMB100,000,000 (2006: Nil), and a bank loan of Xianyang Andre, amounting to RMB50,000,000 (2006: Nil) were guaranteed by the Company.

### 37 承擔(續)

(b) 於二零零七年十二月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額總數如下：

		The Group 本集團		The Company 本公司	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
		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
Within 1 year	一年內到期	-	6,980	-	6,980
After 1 year but within 5 years	一年以上至 五年以內	-	-	-	-
Over 5 years	五年以上	848	848	-	-
Total	合計	848	7,828	-	6,980

本集團以經營租賃租用部分土地使用權、物業及機器設備。土地使用權的租賃期為五十年。物業及機器設備的租賃一般初步為期一年至三年。各項經營租賃均不包含或有租金。

### 38 或有負債

於二零零七年十二月三十一日，本公司對徐州安德利的一筆銀行貸款人民幣48,000,000元(二零零六年：人民幣30,000,000元)，白水安德利的一筆銀行貸款人民幣100,000,000元(二零零六年：無)及咸陽安德利的一筆銀行貸款人民幣50,000,000元(二零零六年：無)提供了擔保。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 39 Accounting estimates and judgements

#### (a) Impairment for bad and doubtful debts

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers to make the required payments. The Group bases the estimates on the ageing of the accounts receivable balance, customer credit-worthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual write-offs would be higher than estimated.

#### (b) Impairment for non-current assets

If circumstances indicate that the net book value of a non-current asset may not be recoverable, the asset may be considered “impaired”, and an impairment loss may be recognised in accordance with IAS 36 “Impairment of Assets”. The carrying amounts of non-current assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for the Group’s assets are not 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 level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sale volume, selling price and amount of operating costs.

### 39 會計估計及判斷

#### (a) 呆壞帳減值虧損

本集團就客戶無法作出所需付款時產生的估計虧損計提呆壞賬減值虧損。本集團以應收賬款的賬齡、客戶的信譽和歷史沖銷記錄等資料作為估計的基礎。如果該等客戶的財務狀況惡化，實際沖銷數額將會高於估計數額。

#### (b) 非流動資產的減值虧損

倘若情況顯示非流動資產的賬面淨值可能無法收回，有關資產便會視為「已減值」，並可能根據《國際會計準則》第36號「資產減值」確認減值虧損。非流動資產資產的賬面值會被定期評估，以確定可收回數額是否下跌至低於賬面值。當事項或環境變動顯示資產的賬面值可能無法收回時，有關資產便會進行減值測試。如果出現下跌跡象，賬面值便會減至可收回值。可收回值是以淨售價與使用價值兩者中的較高者計算。由於本集團難以獲得資產的公開市價，因此難以準確地估計售價。在釐定使用價值時，該資產所產生的預期現金流量會貼現至其現值，因而需要對銷售額、售價和經營成本等作出重大判斷。本集團在釐定與可收回數額相若的合理數額時會采用所有現存可供使用的資料，包括根據合理和可支持的假設所作出的估計和銷售額、售價及經營成本的預測。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 39 Accounting estimates and judgements (cont'd)

#### (c) Provision for diminution in value of inventories

If the costs of inventories fall below their net realisable values, a provision for diminution in value of inventories is recognised. Net realisable value represents 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. The Group bases the estimates on all available information, including the current market prices of the finished goods and raw materials, and historical operating costs. If the actual selling prices were to be lower or the costs of completion and other distribution costs were to be higher than estimated, the actual provision for diminution in value of inventories could be higher than estimated.

### 39 會計估計及判斷(續)

#### (c) 存貨跌價減值準備

當存貨的賬面值跌至其可變現淨值以下時，便會確認存貨跌價減值準備。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之金額。本集團以所有可取得的資料(包括市場上最新的產成品及原材料售價，以及過往的生產成本)為估計的基礎。如果實際售價比估計低或實際生產成本及銷售費用比估計高，實際的存貨跌價減值準備將會高於估計數額。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

### 40 Possible impacts of amendments, new standards and interpretations issued but not yet effective for the annual accounting period ended 31 December 2007

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2007 and which have not been adopted in these financial statements:

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application and has so far concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

In addition, IFRS 8, Operating segments, which is effective for annual periods beginning on or after 1 January 2009, may result in new or amended disclosures in the financial statements.

### 41 Subsequent events

On 28 February 2008, the Company and BVI Andre entered into a Share Purchase Agreement with AGRANA Juice GmbH ("AGRANA") for the sale of 50% equity interest in Yongji Andre to AGRANA at a consideration of EUR11,000,000. Upon completion, each of the Company and AGRANA shall have 50% and 50% equity interest in Yongji, and each of the Company and AGRANA shall contribute a further registered capital of USD1,480,000 into Yongji Andre.

At the date of issue of these financial statements, the above transaction had not been completed.

### 40 頒佈但尚未在截至二零零七年十二月三十一日止年度生效的修訂、新準則和詮釋可能帶來的影響

截至本財務報表刊發日，國際會計準則委員會已頒佈多項在截至二零零七年十二月三十一日止年度尚未生效，亦沒有在本財務報表採用的修訂、新準則和詮釋。

本集團正在評估這些修訂、新準則和新詮釋對開始採用期間的預計影響。到目前為止，本集團相信，採納這些修訂、新準則和新詮釋對本集團的經營業績和財政狀況應該不會構成重大影響。

此外，在二零零九年一月一日或以後開始的年度期間生效的《國際財務報告準則》第8號 — 「經營分部」可能引致財務報表須披露新的或經修訂的內容。

### 41 期後事項

於二零零八年二月二十八日，本公司及BVI Andre與AGRANA Juice GmbH(「阿格那」)訂立購股協議，據此以11,000,000歐元之代價出售永濟安德利的50%股權予阿格那。於轉讓完成之後，本公司將持有永濟安德利之50%股權，其餘50%股權由阿格那持有，同時，本公司及阿格那將各自向永濟安德利增資1,480,000美元。

直至本財務報告發出日，以上交易仍未完成。

# Notice of Annual General Meeting

## 股東週年大會通告

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**AGM**”) of 烟台北方安德利果汁股份有限公司 (Yantai North Andre Juice Co., Ltd.)\* (the “**Company**”) and together with its subsidiaries, the “**Group**”) will be held at 3rd Floor, No. 18 Andre Avenue, Muping Economic Development Zone, Yantai City, Shandong Province, the PRC on Monday, 19 May 2007 at 10:00 a.m. for the following purposes:

### As ordinary resolutions:

1. To consider and approve the report of the board of directors of the Company (the “**Board**”) for the year ended 31 December 2007.
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2007.
3. To consider and approve the audited consolidated financial statements of the Company and the report of the auditors for the year ended 31 December 2007.
4. To consider and approve the profit distribution plan for the year ended 31 December 2007, and the final dividend distribution plan for the year ended 31 December 2007 (if any), and to authorize the Board for the distribution of the final dividends (if any) to the shareholders of the Company.

\* For identification purpose only

**茲通告**烟台北方安德利果汁股份有限公司(「**本公司**」，連同其附屬公司，合稱「**本集團**」)謹訂於二零零八年五月十九日(星期一)上午十時正假座中國山東省烟台市牟平經濟開發區安德利大街18號3樓舉行股東週年大會(「**股東週年大會**」)，藉以處理下列事項：

### 作為普通決議案：

1. 審議及通過截至二零零七年十二月三十一日止年度的本公司董事會(「**董事會**」)報告。
2. 審議及通過截至二零零七年十二月三十一日止年度的本公司監事會報告。
3. 審議及通過截至二零零七年十二月三十一日止年度的本公司經審核合併財務報表及核數師報告。
4. 審議及通過截至二零零七年十二月三十一日止年度的利潤分配計劃及截至二零零七年十二月三十一日止年度之末期股息分派計劃(如有)，並授權董事會分派末期股息(如有)予本公司股東。

\* 僅供識別

# Notice of Annual General Meeting

## 股東週年大會通告

5. (a) To consider and approve the resignation of Mr. Yu Hui Lin as the executive director of the Company, which will become effective after the completion of this AGM (the reason of resignation is set out in the Appendix 1 of this notice);
  6. To consider and approve the re-appointment of Mr. Mu Gui Sheng, Mr. Wang Chun Tang and Mr. Qu Wei Jia (particulars of the appointment of each supervisors is set out in the Appendix 2 of this notice) to be the supervisors of the third session of the supervisor committee for a term of three years commencing from 14 September 2008 and expiring on 13 September 2011 and to authorize the Board to determine their remuneration. Both Mr. Mu Gui Sheng and Mr. Wang Chun Tang will be the shareholders representatives while Mr. Qu Wei Jia will be the employee representative.
  7. To consider and determine (if appropriate) the remuneration of the directors and supervisors of the Company for the year ending 31 December 2008.
  8. To consider and approve the re-appointment of KPMG and KPMG Huazhen as the auditors of the Company (international and PRC auditors, respectively) for the year ending 31 December 2008 and to authorize the Board to fix their remunerations.
5. (a) 審議及通過于會林先生辭任本公司執行董事，於本股東周年大會結束時生效（辭任原因載於本通告附錄一）；
  6. 審議及通過重新委任慕桂盛先生、王春堂先生和曲維佳先生（各監事人選的簡歷載於本通告附錄二）為本公司第三屆監事會監事，其中，慕桂盛先生和王春堂先生為股東推薦的代表，曲維佳先生為公司職工代表；上述監事任期由二零零八年九月十四日至二零一一年九月十三日止，為期三年，並授權董事會釐定其監事酬金。
  7. 審議及釐定（如適當）本公司董事及監事於截至二零零八年十二月三十一日止年度之酬金。
  8. 審議及通過續聘畢馬威會計師事務所及畢馬威華振會計師事務所為截至二零零八年十二月三十一日止年度的本公司核數師（分別為國際及中國核數師），並授權董事會釐定其酬金。

### As special resolution:

9. To consider and approve the following amendments due to the change in number of directors:

### 作為特別決議案：

9. 審議及通過因董事人數變化而修改本公司章程：

# Notice of Annual General Meeting

## 股東週年大會通告

- (a) Art. 90 of the articles of association of the Company be amended by deleting the following paragraph in Art. 90:

“The Company establishes board of directors. The board of directors comprises 10 directors, of which 6 are executive directors and 4 are external directors. External directors mean directors not working in the Company. External directors include 1 non-executive director and 3 independent non-executive directors. Independent non-executive directors are directors not working in the Company and are independent of the shareholders of the Company. There are 1 chairman and 2 vice chairmen in the board of directors.”

and adding the following paragraph:

“The Company establishes board of directors. The board of directors comprises 9 directors, of which 5 are executive directors and 4 are external directors. External directors mean directors not working in the Company. External directors include 1 non-executive director and 3 independent non-executive directors. Independent non-executive directors are directors not working in the Company and are independent of the shareholders of the Company. There are 1 chairman and 2 vice chairmen in the board of directors.”

- (b) The Board be authorized to do all such acts or things and to take all such steps relating to or in connection with the above amendments of the article of association of the Company as the Board may consider necessary and appropriate.

- (a) 修訂本公司章程第九十條，方式為刪除第九十條下列段落：

「公司設董事會，董事會由十名董事組成，其中執行董事六人，外部董事（指不在本公司內部任職的董事）四人。外部董事包括非執行董事一人及獨立非執行董事（指不在本公司內部任職且獨立於本公司股東的董事）三人。董事會設董事長一人及副董事長二人。」

並由下列段落取代：

「公司設董事會，董事會由九名董事組成，其中執行董事五人，外部董事（指不在本公司內部任職的董事）四人。外部董事包括非執行董事一人及獨立非執行董事（指不在本公司內部任職且獨立於本公司股東的董事）三人。董事會設董事長一人及副董事長二人。」

- (b) 授權本公司董事會以其認為必須、恰當的方式，辦理與上述修改本公司章程相關的事宜。

# Notice of Annual General Meeting

## 股東週年大會通告

10. To consider and, if thought fit, pass the following resolution:

**THAT:**

(1) there be granted to the Board an unconditional general mandate to issue, allot and deal with additional shares in the capital of the Company (whether Domestic Shares or H Shares) and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

(a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;

(b) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board otherwise than pursuant to the share option scheme (if any) adopted by the Company for the grant or issue of shares of the Company, shall not exceed:

i. 20% of the aggregate nominal amount of Domestic Shares of the Company in issue; and/or

ii. 20% of the aggregate nominal amount of H Shares of the Company in issue,

in each case as at the date of this resolution; and

(c) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;

10. 審議並酌情通過下列決議案：

**動議：**

(1) 授予董事會無條件的一般授權以發行、配發及處置本公司股本中的額外股份（不論是流通股或H股），以及就此作出或授予要約、協議及購股權，惟須受以下條件規限：

(a) 有關授權不可超越有關期間，惟董事會在有關期間作出或授予要約、協議或購股權而需要在有關期間完結後行使有關權力者除外；

(b) 除卻本公司根據購股權計劃（如有）所授予或發行股份外，董事會可配發或有條件或無條件同意配發的股份（不論是否按購股權或其他方式）的總面值，不可超過：

i. 本公司已發行的非流通股的總面值的20%；及／或

ii. 本公司已發行的H股的總面值的20%，

以上兩種情況均以本決議案當日為準；及

(c) 董事會僅可按照（不時修訂之）中國公司法以及香港聯合交易所有限公司創業板證券上市規則行使獲授予的權力，且必須向中國證券監督管理委員會及／或中國政府其他有關機構取得各項所需批准後方可行使；

# Notice of Annual General Meeting

## 股東週年大會通告

For the purposes of this resolution:

“**Domestic Shares**” mean the domestic invested shares in the share capital of the Company, of nominal value of RMB0.10 each, which are held in Renminbi;

“**H Shares**” mean the overseas-listed foreign invested shares in the share capital of the Company, with a nominal value of RMB0.10 each, which are held and traded in Hong Kong dollars;

“**PRC**” means the People’s Republic of China, excluding, for the purpose of this resolution only, the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan;

“**Relevant Period**” means the period from the date of passing this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiry date of the 12-month period following the passing of this resolution; or
- (c) the passing of a special resolution of the Company in general meeting revoking or varying the authority set out in this resolution.

“**RMB**” means Renminbi, the lawful currency of the PRC.

就本決議案而言：

「**非流通股**」指本公司按人民幣計價認購的本公司股本中每股面值人民幣0.10元的境內投資的股份；

「**H股**」指本公司股本中每股面值人民幣0.10元的境外上市外資股，以港元為單位持有及買賣；

「**中國**」指中華人民共和國，僅就本決議案而言，並不包括中國香港特別行政區、中國澳門特別行政區及台灣；

「**有關期間**」指本決議案通過之日起至以下最早發生者為止：

- (a) 本決議案通過後，本公司下屆股東週年大會結束；或
- (b) 本決議案通過後十二個月屆滿之後；或
- (c) 本公司股東大會上通過特別決議案撤銷或更改本決議案所述的權力。

「**人民幣**」指人民幣，中國的法定貨幣。

# Notice of Annual General Meeting

## 股東週年大會通告

- (2) contingent on the Board resolving to issue shares pursuant to paragraph (1) of this resolution, the Board be and is hereby authorized:
- (a) to approve, execute and do or procure to be executed and done all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares of the Company, including, without limitation, determining the time and place of issue, making all necessary applications to the relevant authorities, entering into underwriting agreement (or any other agreements);
  - (b) to determine the use of proceeds and to make necessary filings and registration with the PRC, the Hong Kong Special Administrative Region of the PRC and other relevant authorities;
  - (c) to make amendments to the articles of association of the Company as it may deem appropriate for the increase of the registered capital of the Company and to reflect the new share capital structure of the Company under the intended allotment and issue of the shares of the Company pursuant to the resolution under paragraph (1) of this resolution.
- (2) 待董事會議決根據本決議案第(1)段發行股份後，授權董事會：
- (a) 批准、簽訂、作出、促使簽訂及作出所有其認為有關於發行本公司新股份的各項文件、契約及事宜，包括但不限於發行時間和地點、向有關機關提出所有必須之申請、訂立承銷協議或任何其他協議等；
  - (b) 議定收益的用途，並須向中國、中國香港特別行政區及其他有關機關申報及登記；
  - (c) 以其認為適當的情況下，修訂本公司組織章程，以增加本公司的註冊資本及反映本決議案第(1)段配發和發行股份後本公司新的股本結構。

# Notice of Annual General Meeting

## 股東週年大會通告

### As an ordinary resolution:

11. To consider and approve any written proposals (if any) put forward by shareholders having voting rights of 5 per cent. or more at the meeting.

By Order of the Board

**Yantai North Andre Juice Co., Ltd.\***

**Zheng Yue Wen**

*Chairman*

Yantai, the PRC, 31 March 2008

Registered Office:

No. 18 Andre Avenue

Muping Economic Development Zone

Yantai City

Shandong Province

The PRC

Principal Place of Business in Hong Kong:

Room 1905-08

Sun Hung Kai Centre

30 Harbour Road

Wanchai

Hong Kong

### 作為普通決議案：

11. 審議通過持有5%或以上股東大會投票權的股東所提呈的書面建議(如有)。

承董事會命

**烟台北方安德利果汁股份有限公司**

*主席*

**鄭躍文**

中國烟台市，二零零八年三月三十一日

註冊辦事處：

中國

山東省

烟台市

牟平經濟開發區

安德利大街18號

香港主要營業地點：

香港

灣仔

港灣道30號

新鴻基中心

1905-8室

\* For identification purpose only

\* 僅供識別



# Notice of Annual General Meeting

## 股東週年大會通告

Notes:

(A) **Closure of Register of Members in Entitlement for Final Dividend and Attending AGM**

The register of holders of H Shares of the Company will be closed from 17 April 2008 (Thursday) to 16 May 2008 (Friday) (both days inclusive) during which period no transfer of H Shares will be registered. Any holder of the H Shares of the Company and whose name appears in the Company's register of holders of H Shares with Tricor Tengis Limited by 4:00 p.m. on 16 April 2008 (Wednesday) and have completed the registration process, will be entitled to final dividend, and to attend and vote at the AGM.

The address of Tricor Tengis Limited is as follows:

26th Floor  
Tesbury Centre  
28 Queen's Road East,  
Wanchai  
Hong Kong  
Fax: (852) 2810 8185

- (B) Holders of Domestic Shares or H Shares, who intend to attend the AGM, must complete and return the reply slips for attending the AGM and return them to the Company's principal place of business in Hong Kong (as set out above in this notice) (for holders of H Shares) or to the registered office of the Company (as set out above in this notice) (for holders of Domestic Shares) not later than 20 days before the date of the AGM.
- (C) Each holder of H Shares entitled to attend the AGM and having voting rights is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM. For shareholders appointing more than one proxy, its proxy may exercise its voting right by polling only.
- (D) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, in the case of a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing such attorney to sign or other authorization documents must be notarially certified.

附註

(A) **有權收取末期股息及出席股東週年大會股份截止過戶登記**

本公司將於二零零八年四月十七日(星期四)起至二零零八年五月十六日(星期五)止(首尾兩日包括在內)暫停辦理H股登記手續,期間將不會登記H股過戶。於二零零八年四月十六日(星期三)下午四時正時,名列本公司設於卓佳登捷時有限公司的登記冊並辦妥登記手續的H股股東,可有權收取末期股息,以及可出席股東週年大會並於會上投票。

卓佳登捷時有限公司的地址為:

香港  
灣仔  
皇后大道東28號  
金鐘滙中心26樓  
傳真:(852) 2810 8185

- (B) 擬出席股東週年大會的非流通股或H股股東,必須於股東週年大會舉行之日前20日內,將填妥的出席股東週年大會回條,交回本公司在香港的主要營業地點(地址載於上述本通告)(H股持有人)或本公司的註冊辦事處(地址載於上述本通告)(非流通股股份持有人)。
- (C) 每名有權出席股東週年大會並於會上投票之H股股東有權以書面委派一名或多名代表(不論是否股東),代其出席股東週年大會並於會上投票。若股東委派的代表多於一人,有關的代表只可於表決時投票。
- (D) 委派代表的文據必須以書面提出,並由委派人或其以書面正式授權的代表簽署作實。如股東為一間公司,則該文據須蓋上公司印鑑,或由公司負責人或其授權人或獲授權簽署之其他人士簽署。若該文據由委派人授權的代表簽署,則該授權書或授權文件必須經公證人核實。

# Notice of Annual General Meeting

## 股東週年大會通告

- (E) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H Share registrar, Tengis Limited, the address of which is set out in Note (A) above, not less than 24 hours before the time for holding the AGM or any adjournment thereof in order for such documents to be valid.
- (F) Each holder of Domestic Shares is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on its behalf at the AGM, Notes (C) to (E) also apply to holders of Domestic Shares, except that a notarially certified copy of the proxy form or other documents of authority must be delivered to the registered office of the Company, the address of which is set out above in this Notice, not less than 24 hours before the time for holding the AGM or any adjournment thereof in order for such documents to be valid.
- (G) If a proxy attends the AGM on behalf of a shareholder, he/she should produce his/her ID card and the instrument signed by the proxy or his/her legal representative, and specifying the date of its issuance. If a legal person shareholder appoints its corporate representative to attend the AGM, such representative should produce his/her ID card and the notarised copy of the resolution passed by the board of directors or other authorities or other notarised copy of the licence issued by such legal person shareholder.
- (H) In the case of joint registered holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the AGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose seniority shall be determined by the order in which the names stand in the register of member in respect of the joint holding.
- (I) The AGM is expected to last for half a day. Shareholders and their proxies attending the AGM are responsible for their own transportation and accommodation expenses.
- (E) 代表委任表格(如委任表格由根據授權書或其他授權文件代表委派人之人士簽署,則須連同授權書或其他授權文件的公證文件一併提交)必須於股東週年大會或其任何續會舉行前24小時內送達本公司在香港的H股登記處登捷時有限公司後方為有效,登捷時有限公司的地址列於以上附註(A)。
- (F) 每名非流通股股東有權委派一名或多於一名代表代為出席股東週年大會及於大會上投票(不論股東是否出席)。附註(C)及(E)亦適用於非流通股股東,除非流通股股東的代表委任表格或其他授權文件必須於股東週年大會或其任何續會舉行前24小時內交回本通告上文所示本公司註冊地址後方為有效。
- (G) 若委派代表出席股東週年大會,有關的代表必須出示身份證明文件以及委派人或其法定代表所簽署的授權書或授權文件,其上應註明文件簽發的日期。若法人股東委派公司代表出席股東週年大會,則有關的代表必須出示身份證明文件以及董事會決議的公證副本或其他授權書的公證副本或法人股東所簽發的執照的公證副本。
- (H) 如屬任何股份之聯名登記持有人,該等人士任何一位均可就該等股份親身或由受委代表代表其於大會上投票,猶如其為唯一有權投票之股東,惟倘超過一位此等聯名持有人親身或委派代表出席,則此等出席之持有人中,只有在股東名冊內排名首位之聯名持有人方有權就該等股份投票。
- (I) 預期股東週年大會歷時半日。出席大會的股東及彼等之代表自行承擔交通和住宿費用。

# Appendix 1

## 附錄一

Mr. Yu Hui Lin has tendered his resignation as an executive director of the Company due to attaining the age of retirement.

The Board and Mr. Yu confirm that:

- (i) there has been no dispute between Mr. Yu, the supervisory committee, the Board and the Company; and
- (ii) in relation to his resignation, there are no matters that need to be brought to the attention of the shareholders of the Company.

基於于會林先生已屆退休年齡，于先生已呈辭執行董事職務。

董事會及于先生確認：

- (i) 于先生、監事會、董事會與本公司之間並無任何糾紛；及
- (ii) 並無有關其辭任而須知會本公司股東之事宜。

### Mr. Mu Gui Sheng

Mr. Mu Gui Sheng (慕桂盛), aged 67, is the Chairman and an independent representative in the supervisory committee of the Company. Mr. Mu graduated from Shandong Industrial University (山東工業大學) in August 1965 with a major in the profession of machinery design, Mr. Mu worked in the Muping Agricultural Machinery Factory (牟平縣農業機械廠) from August 1965 to July 1971. From July 1971 to November 1980, Mr. Mu worked as the vice chairman of Muping Ministry of Economic Affairs (牟平縣工業局). He was the head of the Muping Generator Factory (牟平發動機廠) from November 1980 to April 1984. From April 1984 to 2001, he acted as the minister of Muping Economic and Trade Commission (牟平縣經濟貿易委員會主任), minister of Development and Reform Commission (發展和改革委員會主任) and vice minister of the Muping National People's Congress (牟平區人大常委會).

Mr. Mu did not hold any directorship in other listed public companies and any title in the Company and its subsidiaries in the last three years, except acting as supervisor of the Company. According to the definition of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Mu did not have interests in the shares or underlying shares of the Company, and did not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Within three years following the approval of the aforesaid resolution no.6, Mr. Mu will be the supervisor of the Company.

### Mr. Wang Chun Tang

Mr. Wang Chun Tang (王春堂), aged 55. Mr. Wang has university academic qualification. Mr. Wang was the officer of the Communications Bureau of Muping Yantai, Shandong Province from May 1973 to December 1987. He studies the economic and management profession in the Chinese Communist Party School and Shandong Province Party School from 1991 to 1996. From January 1988 to January 2006, Mr. Wang was the supervisor, deputy chief, managing deputy chief of Publishing Officer of Muping Yantai, Shandong Province. Since January 2006 up till now, Mr. Wang is the member of the Executive Committee of the Yantai Muping National People's Congress.

### 慕桂盛先生

慕桂盛先生，67歲，本公司監事會主席兼獨立代表，慕先生於一九六五年八月畢業於山東工業大學，主修機械設計製造專業。一九六五年八月至一九七一年七月在牟平縣農業機械廠工作，一九七一年七月至一九八零年十一月出任牟平縣工業局副局長，一九八零年十一月至一九八四年四月出任牟平發動機廠廠長，一九八四年四月至二零零一年出任牟平縣經濟貿易委員會主任、發展和改革委員會主任及牟平區人大常委會副主任。

慕先生於過去三年並無在其它上市公眾公司擔任董事職務，或在本公司及其附屬公司出任任何職位（除擔任本公司監事外）。按照香港法例第571章《證券及期貨條例》第XV部所界定，慕先生並無持有本公司之任何股份或相關股份之權益，另與本公司之任何董事、高級管理層、主要股東或控股股東並無任何關係。待本通告上文所載第6條之決議通過後三年內，慕先生將出任本公司之監事。

### 王春堂先生

王春堂先生，55歲。王先生為大學學歷。王先生一九七三年五月至一九八七年十二月曾於山東省烟台市牟平區交通局工作，擔任辦公室主任等職。一九九一至一九九六年先後在中央黨校和山東省委黨校學習經濟管理專業。一九八八年一月至二零零六年一月，王先生在山東省烟台市牟平區委宣傳部工作，先後擔任科長、副部長、常務副部長等職。二零零六年一月至今，王先生任烟台市牟平區人大常委。

## Appendix 2

### 附錄二

Mr. Wang did not hold any directorship in other listed public companies and any title in the Company and its subsidiaries in the last three years, except acting as supervisor of the Company. According to the definition of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Wang did not have interests in the shares or underlying shares of the Company, and did not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Within three years following the approval of the aforesaid resolution no.6, Mr. Wang will be the supervisor of the Company.

#### Mr. Qu Wei Jia

Mr. Qu Wei Jia (曲維佳), aged 60 is an employee representative in the supervisory committee of the Company. In 1991, he graduated from the Shandong Muping Teachers Training Institute (山東牟平縣教師進修學校). Since October 1991, Mr. Qu worked in Yangma Resort (養馬島渡假村). Mr. Qu joined the Company in October 1999 as the manager of the administration department. Mr. Qu is currently the deputy general manager of a subsidiary of the Company.

Mr. Qu did not hold any directorship in other listed public companies and any title in the Company and its subsidiaries in the last three years, except acting as supervisor of the Company. According to the definition of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Qu did not have interests in the shares or underlying shares of the Company, and did not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. Within three years following the approval of the aforesaid resolution no.6, Mr. Qu will be the supervisor of the Company.

王先生於過去三年並無在其它上市公眾公司擔任董事職務，或在本公司及其附屬公司出任任何職位（除擔任本公司監事外）。按照香港法例第571章《證券及期貨條例》第XV部所界定，王先生並無持有本公司之任何股份或相關股份之權益，另與本公司之任何董事、高級管理層、主要股東或控股股東並無任何關係。待本通告上文所載第6條之決議通過後三年內，王先生將出任本公司之監事。

#### 曲維佳先生

曲維佳先生，60歲，本公司監事僱員代表。曲先生於一九九一年在山東牟平縣教師進修學校畢業。一九九一年十月開始在養馬島渡假村工作。一九九九年十月加入本公司，擔任公司行政部經理，目前為本公司一間附屬公司副總經理。

曲先生於過去三年並無在其它上市公眾公司擔任董事職務，或在本公司及其附屬公司出任任何職位（除擔任本公司監事外）。按照香港法例第571章《證券及期貨條例》第XV部所界定，曲先生並無持有本公司之任何股份或相關股份或相關股份之權益，另與本公司之任何董事、高級管理層、主要股東或控股股東並無任何關係。待本通告上文所載第6條之決議通過後三年內，曲先生將出任本公司之監事。