



CHINA STARCH HOLDINGS LIMITED 中國澱粉控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 3838)



INTERIM REPORT
中期報告 **2010**



CONTENTS 目錄

Financial Highlights 財務摘要	2
Corporate Information 公司資料	3
Letter to Shareholders 致股東函件	5
Management Discussion and Analysis 管理層討論及分析	7
Disclosure of Additional Information 其他資料的披露	19
Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表	24
Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表	25
Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	27
Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表	28
Notes to the Condensed Interim Financial Report 簡明中期財務報告附註	29

Financial Highlights

財務摘要

		Six months ended 30 June 2010 截至二零一零年 六月三十日止六個月 RMB'000 人民幣千元	Six months ended 30 June 2009 截至二零零九年 六月三十日止六個月 RMB'000 人民幣千元
RESULTS	業績		
Turnover	營業額	1,146,108	820,223
Gross profit	毛利	151,865	91,104
Profit before taxation	除稅前利潤	103,641	57,563
Net profit	純利	88,728	59,730
Earnings per share (Basic) (RMB)*	每股盈利(基本)(人民幣)*	0.0154	0.0116
Gross profit margin	毛利率	13.3%	11.1%
Operating profit margin	經營利潤率	8.9%	6.7%
Net profit margin	純利率	7.7%	7.3%

		As at 30 June 2010 於二零一零年 六月三十日 RMB'000 人民幣千元	As at 31 December 2009 於二零零九年 十二月三十一日 RMB'000 人民幣千元
FINANCIAL POSITION	財務狀況		
Bank and cash	銀行及現金	508,263	293,300
Total assets	總資產	1,667,442	1,339,495
Total liabilities	總負債	283,951	351,238
Total equity	權益總額	1,383,491	988,257
Current ratio	流動比率	4.0	2.2
Quick ratio	速動比率	3.1	1.6
Gearing – borrowings to total assets	槓桿比率 – 借款除以總資產	3.3%	5.7%
Efficiency ratios	效益比率		
Debtors turnover (days)	應收賬款週轉天數	38	30
Creditors turnover (days)	應付賬款週轉天數	16	15
Inventories turnover (days)	存貨週轉天數	39	34
Cash Conversion (days)	現金轉換天數	61	49

* Adjusted for the bonus issue (1 for 1) during the six months ended 30 June 2010.

* 已就截至二零一零年六月三十日止六個月的紅股發行(一送一)而作出調整。

Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mr. Tian Qixiang (*Chairman*)
Mr. Gao Shijun (*Chief Executive Officer*)
Mr. Yu Yingquan
Mr. Liu Xianggang

執行董事

田其祥先生(主席)
高世軍先生(行政總裁)
于英全先生
劉象剛先生

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Dong Yanfeng
Ms. Yu Shumin
Mr. Cao Zenggong
Mr. Yue Kwai Wa, Ken

獨立非執行董事

董延豐女士
余淑敏女士
曹增功先生
余季華先生

COMPANY SECRETARY

Mr. Leung Siu Hong, FCCA, FCPA

公司秘書

梁兆康先生 · FCCA, FCPA

AUTHORISED REPRESENTATIVES

Mr. Yu Yingquan
Mr. Leung Siu Hong

授權代表

于英全先生
梁兆康先生

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2408, 24/F
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

總辦事處及香港主要營業地點

香港
灣仔
皇后大道東183號
合和中心
24樓2408室

AUDITOR

PricewaterhouseCoopers
22/F, Prince's Building
Central
Hong Kong

核數師

羅兵咸永道會計師事務所
香港
中環
太子大廈22樓

Corporate Information

公司資料

LEGAL ADVISERS

Chiu & Partners
40th Floor
Jardine House
1 Connaught Place
Hong Kong

法律顧問

趙不渝 馬國強律師事務所
香港
康樂廣場1號
怡和大廈
40樓

PRINCIPAL BANKERS

China Construction Bank Corporation
Agricultural Bank of China
Industrial and Commercial Bank of China

主要往來銀行

中國建設銀行
中國農業銀行
中國工商銀行

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

開曼群島股份過戶及登記處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶及登記分處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

WEBSITE

www.chinastarch.com.hk

網址

www.chinastarch.com.hk

Letter to Shareholders

致股東函件

Dear shareholders,

On behalf of China Starch Holdings Limited (the "Company"), I am pleased to present the interim report of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2010.

Benefited from the recovery of domestic and overseas economies, the Group recorded remarkable improvement in its overall business performance in the first half of 2010 as compared to the corresponding period of last year. During the period under review, the turnover of the Group amounted to approximately RMB1,146,108,000 (2009: RMB820,223,000), representing an increase of approximately 39.7% as compared to the corresponding period of last year. The overall gross profit increased significantly to approximately RMB151,865,000 (2009: RMB91,104,000), representing a growth of 66.7%. The net profit during the period increased to RMB88,728,000 (2009: RMB59,730,000), representing a growth of 48.5%. Although the board of directors considered the above results to be encouraging, the Group will continue to adopt a cautious strategy in future development in view of certain uncertain factors (e.g. decrease in export volume from China and slowdown of economic growth) of the economy in the second half of the year.

With regard to individual businesses, the results of cornstarch and ancillary corn-refined products returned to a reasonable level. Reaping the benefit from the increase in average unit price, the gross profit of this business section of the Group increased substantially to approximately RMB95,397,000 (2009: RMB29,615,000), representing a growth of 2.2 times. The sales volume of cornstarch in the first half of the year increased to 264,757 tonnes (2009: 229,265 tonnes), representing a growth of 15.5%. The management is confident in reaching the production target of 650,000 tonnes of cornstarch in this year.

The overall results of lysine and fertilisers remained steady. Although obvious increases in the average unit price and export volume were recorded, an increase in the cost of lysine production due to a rise in the price of coal, caused the gross profit margin to remain at approximately 21.3% (2009: 21.1%).

致各位股東：

本人謹代表中國澱粉控股有限公司(「本公司」)董事會，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一零年六月三十日六個月止的中期業績報告。

二零一零年上半年與去年同期比較，因受惠於國內外經濟復甦，本集團整體業務有顯著改善。於回顧期內，本集團的營業額約為人民幣1,146,108,000元(二零零九年：人民幣820,223,000元)，比去年同期上升約39.7%。整體毛利大幅上升66.7%至約人民幣151,865,000元(二零零九年：人民幣91,104,000元)。本期淨利潤上升48.5%至約人民幣88,728,000元(二零零九年：人民幣59,730,000元)。儘管董事會認為以上成績都令人鼓舞，但觀乎下半年經濟仍存在不穩定因素(例如：中國出口數量回落、經濟增長放緩等等)，本集團仍會以保守的策略進行發展。

以個別業務來看，玉米澱粉及玉米深加工副產品的表現已回復至合理水平。本集團這業務分部因受惠平均單價上升，毛利大幅上升2.2倍至約人民幣95,397,000元(二零零九年：人民幣29,615,000元)。玉米澱粉的上半年銷售數量上升15.5%至264,757噸(二零零九年：229,265噸)。管理層對於本年可以生產650,000噸玉米澱粉之目標，充滿信心。

賴氨酸及肥料的整體表現持平。雖然賴氨酸的平均銷售單價及出口量都有顯著的改善，但由於煤價上升令賴氨酸生產成本上升，導致毛利率只維持在約21.3%(二零零九年：21.1%)。

Letter to Shareholders 致股東函件

The production costs of electricity and steam rose due to the increase in the price of coal, causing a decrease in gross profit margin to 19.6% (2009: 34.7%). The Group will monitor the trend of the price of coal closely and raise its efficiency to control the production costs of electricity and steam.

The Group's starch-based sweetener business was at the preliminary stage. In the first half of 2010, the utilization rate was approximately 18.7%, representing a notable growth as compared to the trial production stage in the fourth quarter of last year. The management expected the business to generate profits for the Group in the second half of the year as the utilisation rate of production capacity increases gradually.

In respect of future development, Shouguang Juneng Golden Corn Development Co., Ltd. ("Golden Corn"), our indirect wholly-owned subsidiary of the Company, signed a project development memorandum of understanding with the Municipal Government of Shouguang (the "Municipal Government") in August 2010. The production capacity expansion project will be launched with the support of the Municipal Government. Despite the resulting change in the proposed timetable of the production capacity expansion project, the Directors believe the support and coordination of the Municipal Government will consequently result in a smooth and successful development of the Group.

On behalf of the board of directors, I would like to extend my sincere gratitude to all the Directors and staff. I believe that after overcoming the financial crisis with perseverance and sedulity, the Group will further develop and flourish.

Tian Qixiang
Chairman

Hong Kong, 23 August 2010

電力及蒸汽因煤價上升令生產成本增加，於回顧期內毛利率下跌至19.6%（二零零九年：34.7%）。本集團未來會密切留意煤價走勢及提升效率來控制電力及蒸汽的生產成本。

本集團之澱粉糖業務正在起步階段。二零一零年上半年之產能使用率約為18.7%，與去年第四季試產階段比較有顯著上升。管理層預期下半年因產能使用率逐步提升而可為集團帶來盈利。

在未來發展方面，本公司之間接全資附屬公司山東壽光巨能金玉米開發有限公司（「金玉米」）在二零一零年八月與壽光市政府（「市政府」）簽署項目發展備忘錄。本集團之擴充產能計劃將在市政府配合及支持下而進行。雖然整個擴充產能計劃的建議時間表將因此而改變，但董事相信本集團得到市政府支持和配合可以令本集團發展更順利和成功。

本人謹代表董事會全人向各董事和員工表示謝意。在經歷過去的金融危機當中勤勉不息的讓本集團渡過難關，本人相信本集團在歷煉後將更能茁壯成長。

主席
田其祥

香港，二零一零年八月二十三日

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

During the period under review, the cornstarch and lysine markets had a turnaround change from last year. The cornstarch's market price reached the highest record in the Group's trading history. The lysine market was still in the recovery process and was highly influenced by the condition of animal feeds market. Through a tight cost control and continuous improvement on production efficiency, especially the production of electricity and steam, the Group maintained its competitive edge on each of our products.

Our new product, starch-based sweetener, was launched in the last quarter of 2009. The utilisation rate of these production facilities was about 18.7% during the period under review. Some new customers base were also developed for this product.

Total turnover of the Group during the period under review was approximately RMB1,146,108,000, increased by 39.7% as compared with past corresponding period (2009: RMB820,223,000). Gross profit surged by 66.7% to approximately RMB151,865,000 (2009: RMB91,104,000). Basic earnings per share of the Company was RMB0.0154 per share based on the weighted average number of 5,721,932,000 shares (2009: RMB0.0116 per share based on the weighted average number of 5,225,000,000 shares).

概覽

於回顧期內，玉米澱粉及賴氨酸市場較去年好轉。玉米澱粉市場價格錄得本集團貿易業務的歷史新高。賴氨酸市場仍正在復甦，而動物飼料市場的狀況對其影響甚大。透過嚴格控制成本並持續改善生產效率（特別是電力及蒸汽生產），本集團成功保持各項產品的競爭優勢。

我們的新產品澱粉糖於二零零九年最後一季推出。於回顧期內，該等生產廠房的使用率為約18.7%。此產品亦吸引了一些新客戶群。

於回顧期內，本集團的總營業額約為人民幣1,146,108,000元，較去年同期增加39.7%（二零零九年：人民幣820,223,000元）。毛利急升66.7%至約人民幣151,865,000元（二零零九年：人民幣91,104,000元）。根據加權平均數5,721,932,000股計算，本公司的每股基本盈利為每股人民幣0.0154元（二零零九年：根據加權平均數5,225,000,000股計算，每股人民幣0.0116元）。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Turnover analysis by products

Cornstarch and ancillary corn-refined products

Six months ended 30 June 截至六月三十日止六個月		2010			2009		
		RMB'000 人民幣千元	RMB'000 人民幣千元	+ / (-) %	Tonnes 噸	Tonnes 噸	+ / (-) %
Cornstarch	玉米澱粉	614,819	387,498	58.7%	264,757	229,265	15.5%
Corn gluten meal	玉米蛋白粉	90,368	73,819	22.4%	20,669	18,650	10.8%
Corn fibre	玉米糠麩	50,415	37,320	35.1%	44,660	48,081	(7.1%)
Corn germ	玉米胚芽	98,691	72,090	36.9%	35,733	28,427	25.7%
Corn slurry	玉米漿	1,789	941	90.1%	10,643	6,947	53.2%
		856,082	571,668	49.8%	376,462	331,370	13.6%

業務回顧

按產品劃分的營業額

玉米澱粉及玉米深加工副產品

Six months ended 30 June 截至六月三十日止六個月		2010		2009	
		RMB 人民幣	RMB 人民幣	RMB 人民幣	+ / (-) %
Average selling price (per tonne) 平均售價(每噸)					
Cornstarch	玉米澱粉	2,322	1,690	37.4%	
Corn gluten meal	玉米蛋白粉	4,372	3,958	10.5%	
Corn fibre	玉米糠麩	1,129	776	45.5%	
Corn germ	玉米胚芽	2,762	2,536	8.9%	
Corn slurry	玉米漿	168	135	24.4%	

Management Discussion and Analysis

管理層討論及分析

Sales of cornstarch and ancillary corn-refined products for the period ended 30 June 2010 increased by 49.8% to approximately RMB856,082,000 (2009: RMB571,668,000). This business segment represented about 74.7% of total turnover of the Group (2009: 69.7%).

Sales of cornstarch increased by 58.7% to approximately RMB614,819,000 (2009: RMB387,498,000). During the period under review, the average selling price of cornstarch increased significantly to RMB2,322 per tonne (2009: RMB1,690 per tonne). The sales volume of cornstarch increased to 264,757 tonnes (2009: 229,265 tonnes). The Directors believe that the cornstarch market is flourishing in the second half of year 2010.

Corn gluten meal and corn fibre are raw materials for the production of animal feeds. Sales volume and sales amount of corn gluten meal increased to 20,669 tonnes (2009: 18,650 tonnes) and approximately RMB90,368,000 (2009: RMB73,819,000) respectively. The increase was attributable to the strong demand of overseas market.

Sales of corn fibre increased by 35.1% to approximately RMB50,415,000 (2009: RMB37,320,000). Such increase was mainly due to the significant increase in average selling price. However, the sale volume slightly decreased by 7.1% to 44,660 tonnes (2009: 48,081 tonnes) as the southern China flooding disaster affect the distribution of corn fibre during the period under review.

Corn germ was a raw material for the production of cooking oil. Sales of corn germ during the period under review was approximately RMB98,691,000 (2009: RMB72,090,000). The increase in sales of corn germ was attributable to the increase in the utilisation rate of Linqing Deneng Golden Corn Bio Limited ("Deneng Golden Corn"), a subsidiary of the Company.

Sales of corn slurry surged by 90.1% to RMB1,789,000 (2009: RMB941,000). The increase in sales of corn slurry was mainly due to the increase in the production output ratio of Deneng Golden Corn during the period under review.

截至二零一零年六月三十日止期間的玉米澱粉及玉米深加工副產品銷售上升49.8%至約人民幣856,082,000元(二零零九年: 人民幣571,668,000元)。此業務分部佔本集團總營業額約74.7%(二零零九年: 69.7%)。

玉米澱粉的銷售增加58.7%至約人民幣614,819,000元(二零零九年: 人民幣387,498,000元)。於回顧期內, 玉米澱粉的平均售價大幅增加至每噸人民幣2,322元(二零零九年: 每噸人民幣1,690元)。玉米澱粉的銷售量增加至264,757噸(二零零九年: 229,265噸)。董事相信玉米澱粉市場將於二零一零年下半年蓬勃發展。

玉米蛋白粉及玉米糠麩為生產動物飼料的原材料。玉米蛋白粉的銷售量及銷售額分別增加至20,669噸(二零零九年: 18,650噸)及約人民幣90,368,000元(二零零九年: 人民幣73,819,000元)。錄得增幅乃由於海外市場需求強勁。

玉米糠麩的銷售增加35.1%至約人民幣50,415,000元(二零零九年: 人民幣37,320,000元)。銷售增加主要是由於平均售價大幅飆升。然而, 由於在回顧期內中國南部水災影響玉米糠麩的分銷, 故銷售量輕微下跌7.1%至44,660噸(二零零九年: 48,081噸)。

玉米胚芽為生產食用油的原材料。回顧期內, 玉米胚芽的銷售約為人民幣98,691,000元(二零零九年: 人民幣72,090,000元)。玉米胚芽的銷售增加乃由於本公司一家附屬公司臨清德能金玉米生物有限公司(「德能金玉米」)的使用率增加。

玉米漿的銷售急升90.1%至人民幣1,789,000元(二零零九年: 人民幣941,000元)。玉米漿的銷售額上升主要由於德能金玉米於回顧期內的產出率增加。

Management Discussion and Analysis

管理層討論及分析

Lysine and fertilisers

賴氨酸及肥料

Six months ended 30 June 截至六月三十日止六個月		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	+ / (-) %	2010 二零一零年 Tonnes 噸	2009 二零零九年 Tonnes 噸	+ / (-) %
Lysine Fertilisers	賴氨酸 肥料	195,712 6,168	174,060 7,484	12.4% (17.6%)	22,357 13,098	24,683 12,188	(9.4%) 7.5%
		201,880	181,544	11.2%	35,455	36,871	(3.8%)

Six months ended 30 June 截至六月三十日止六個月		2010 二零一零年 RMB 人民幣	2009 二零零九年 RMB 人民幣	+ / (-) %
Average selling price (per tonne) 平均售價 (每噸)				
Lysine Fertilisers	賴氨酸 肥料	8,754 471	7,052 614	24.1% (23.3%)

Sales of lysine and related products was approximately RMB201,880,000 (2009: RMB181,544,000) which represented about 17.6% of total turnover of the Group (2009: 22.1%).

賴氨酸及相關產品的銷售為約人民幣201,880,000元(二零零九年：人民幣181,544,000元)，相當於本集團總營業額約17.6%(二零零九年：22.1%)。

Lysine is a raw material for the production of animal feeds. The sales volume decreased by 9.4% to 22,357 tonnes (2009: 24,683 tonnes) while the average selling price increased by 24.1% to RMB8,754 per tonne (2009: RMB7,052 per tonne). The Directors regard that the market condition was improving, especially export sales, during the period under review. The decrease in sales volume was mainly attributable to the repair and maintenance schedules of the Group.

賴氨酸為生產動物飼料的原材料。賴氨酸的銷售量減少9.4%至22,357噸(二零零九年：24,683噸)，而平均售價則增加24.1%至每噸人民幣8,754元(二零零九年：每噸人民幣7,052元)。於回顧期內，董事注意到市況正逐漸好轉，其中在出口銷售方面尤為顯著。銷售量減少主要由於本集團進行維修和保養所致。

Sales of fertilisers for the six months ended 30 June 2010 decreased from approximately RMB7,484,000 to approximately RMB6,168,000. The decrease in sales of fertilisers was mainly due to the lower average selling price as compared with that of corresponding period in 2009.

截至二零一零年六月三十日止六個月的肥料銷售由約人民幣7,484,000元減少至約人民幣6,168,000元。肥料銷售減少主要由於平均售價較二零零九年同期較低所致。

Management Discussion and Analysis

管理層討論及分析

Electricity and steam

電力及蒸汽

Six months ended 30 June 截至六月三十日止六個月		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	+ / (-) %
Electricity	電力	27,700	26,289	5.4%
Steam	蒸氣	43,230	40,722	6.2%
		70,930	67,011	5.8%

Sales of electricity and steam was approximately RMB70,930,000 (2009: RMB67,011,000) which represented about 6.2% of turnover of the Group.

電力及蒸汽的銷售為約人民幣70,930,000元（二零零九年：人民幣67,011,000元），相當於本集團營業額約6.2%。

Starch-based sweetener

Sales of starch-based sweetener was approximately RMB17,216,000 (2009: Nil) which represented about 1.5% of turnover of the Group. Starch-based sweetener is the Group's new product which was launched in October 2009. The utilisation rate of starch-based sweetener plant was 18.7% in the first half of year 2010. The Directors believe that the utilisation rate of starch-based sweetener plant will be further improved in the second half of year 2010 upon the completion of pilot-run production and the development of new customer base of starch-based sweetener.

澱粉糖

澱粉糖的銷售為約人民幣17,216,000元（二零零九年：無），相當於本集團營業額約1.5%。澱粉糖為本集團於二零零九年十月推出的新產品。於二零一零年上半年，澱粉糖廠房的使用率為18.7%。董事認為澱粉糖廠房的使用率於二零一零年下半年在完成試產及建立澱粉糖的新客戶基礎後將進一步提高。

Management Discussion and Analysis

管理層討論及分析

Export sales analysis

出口銷售分析

Export sales amount 出口銷售額		Cornstarch 玉米澱粉 RMB'000 人民幣千元	Corn gluten meal 玉米蛋白粉 RMB'000 人民幣千元	Corn fibre 玉米糠麩 RMB'000 人民幣千元	Lysine 賴氨酸 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Six month ended 30 June 截至六月三十日止六個月						
2010 (Export sales to total sales)	二零一零年 (出口銷售佔 銷售總額)	31,833 (2.8%)	43,386 (3.8%)	14,517 (1.3%)	51,057 (4.4%)	140,793 (12.3%)
2009 (Export sales to total sales)	二零零九年 (出口銷售佔 銷售總額)	33,568 (4.1%)	21,049 (2.6%)	7,079 (0.9%)	8,523 (1.0%)	70,219 (8.6%)

Export sale of cornstarch was lower than that of corresponding period in 2009. It is because domestic cornstarch demand increased significantly during the period under review. The Directors believe that the cancellation of export tax rebate on the export sale of cornstarch effected on 15 July 2010 will have limited impact since currently the Group mainly focuses on domestic sales.

玉米澱粉的出口銷售較二零零九年同期為低，是由於國內玉米澱粉的需求於回顧期內大幅增加。董事認為於二零一零年七月十五日起取消玉米澱粉出口銷售出口退稅的影響有限，原因為本集團目前主要專注於國內銷售。

Corn gluten meal, corn fibre and lysine were raw materials of animal feeds. The overseas market of animal feeds has recovered after the financial crisis in 2009.

玉米蛋白粉、玉米糠麩及賴氨酸為動物飼料的原材料。動物飼料的海外市場已於二零零九年的金融危機中復甦。

Management Discussion and Analysis

管理層討論及分析

Cost of goods sold analysis

銷貨成本分析

Six months ended 30 June 截至六月三十日止六個月		2010 二零一零年		2009 二零零九年	
		RMB'000 人民幣千元	%	RMB'000 人民幣千元	%
Corn kernel	玉米粒	742,370	74.7%	523,271	71.8%
Coal and utilities	煤炭及水電	138,984	14.0%	115,005	15.8%
Other materials	其他材料	29,458	3.0%	28,922	4.0%
Direct labour	直接勞工	19,440	2.0%	14,818	2.0%
Manufacturing overheads	生產間接成本	21,349	2.1%	20,367	2.8%
Depreciation	折舊	19,461	2.0%	19,549	2.7%
Others	其他	23,181	2.2%	7,187	0.9%
Total	合計	994,243	100.0%	729,119	100.0%

Corn kernel, coal and utilities were the major costs of the Group. They attributed to 88.7% (2009: 87.6%) of the total cost of goods sold for the period under review. During the first half of 2010, the average corn kernel price increased by 25.6% to RMB1,694 per tonne (2009: RMB1,349 per tonne). In the meantime, the average coal price increased by 23.0% to RMB817 per tonne (2009: RMB664 per tonne).

玉米粒、煤炭及水電為本集團的主要成本。該等成本佔回顧期內銷貨成本總額88.7%（二零零九年：87.6%）。於二零一零年上半年，玉米粒平均價格上升25.6%至每噸人民幣1,694元（二零零九年：每噸人民幣1,349元）。與此同時，煤炭平均價格增加23.0%至每噸人民幣817元（二零零九年：每噸人民幣664元）。

Management Discussion and Analysis

管理層討論及分析

Gross profit margin analysis

毛利率分析

Six months ended 30 June 截至六月三十日止六個月		2010	2009	+ / (-) % 人民幣千元
		二零一零年 RMB'000	二零零九年 RMB'000 人民幣千元	
Cornstarch and ancillary corn-refined products	玉米澱粉及玉米深加工 副產品	95,397	29,615	222.1%
Lysine and fertilisers	賴氨酸及肥料	43,023	38,262	12.4%
Electricity and steam	電力及蒸氣	13,885	23,227	(40.2%)
Starch-based sweetener	澱粉糖	(440)	-	-
		151,865	91,104	66.7%

Cornstarch and ancillary corn-refined products

Gross profit increased significantly by 222.1% to approximately RMB95,397,000 (2009: RMB29,615,000) for the period under review. The increase in average selling price of cornstarch and its related products outweighed the pressure of the increased corn kernel cost. Therefore, the Group's gross margin in this business segment increased to 11.1% (2009: 5.2%).

Lysine and fertilisers

Gross profit increased by 12.4% to approximately RMB43,023,000 (2009: RMB38,262,000) for the period under review. Benefited from the strict control on the electricity and steam usage for the production, the gross profit margin of this business segment was about 21.3% which was similar to corresponding period in 2009 (2009: 21.1%).

Electricity and steam

Gross profit margin of electricity and steam decreased significantly from 34.7% to 19.6% during the period under review. Such decrease was mainly attributable to the increase in coal price.

玉米澱粉及玉米深加工副產品

於回顧期內，毛利大幅增加222.1%至約人民幣95,397,000元(二零零九年：人民幣29,615,000元)。玉米澱粉及其相關產品的平均售價增幅超過玉米粒成本上漲的壓力。因此，本集團於此業務分部的毛利率增加至11.1%(二零零九年：5.2%)。

賴氨酸及肥料

於回顧期內，毛利增加12.4%至約人民幣43,023,000元(二零零九年：人民幣38,262,000元)。受惠於對生產所用電力及蒸氣的嚴格控制，此業務分部的毛利率為約21.3%，與二零零九年同期相若(二零零九年：21.1%)。

電力及蒸氣

於回顧期內，電力及蒸氣的毛利率由34.7%大幅減少至19.6%。有關減幅主要由於煤炭價格上升所致。

Management Discussion and Analysis

管理層討論及分析

Starch-based sweetener

The Group recorded a minimal loss of approximately RMB440,000 on starch-based sweetener business. The performance of starch-based sweetener was satisfactory and the profitability will be improved followed by the increase in the utilisation rate in the second half of the year.

REVIEW OF OTHER OPERATIONS

Other income

Other income increased significantly from approximately RMB4,917,000 to approximately RMB13,434,000. The increase in other income was mainly attributable to the increase in the receipt of government grants and sale of scrap oil and coal for the period under review.

Distribution expenses

Distribution expenses increased by 71.9% to approximately RMB37,119,000 (2009: RMB21,597,000). The increase was mainly attributable to the increase in transportation expenses.

Administrative expenses

Administrative expenses increased by 32.0% to approximately RMB25,904,000 (2009: RMB19,624,000). The increase was mainly due to the increase in salary and number of staff during the period under review.

Taxation

Tax expenses for the period under review was approximately RMB14,913,000 (2009: RMB2,167,000). The increase in tax expenses was mainly attributable to the amortisation of deferred tax assets in respect of losses incurred in previous years. Our indirectly wholly-owned subsidiary, 山東壽光巨能金玉米開發有限公司(Shandong Shouguang Juneng Golden Corn Development Co., Ltd.) ("Golden Corn") was in the final year of enjoying 50% tax relief on the PRC enterprise income tax.

We were not liable for income tax in Hong Kong as we did not have any assessable income arising in/derived from Hong Kong.

澱粉糖

本集團的澱粉糖業務錄得輕微虧損約人民幣440,000元。澱粉糖表現令人滿意，而盈利將於使用率在下半年增加後有所提升。

其他業務回顧

其他收入

其他收入由約人民幣4,917,000元大幅增加至約人民幣13,434,000元。其他收入增加主要由於回顧期內所收的政府補助及廢油和煤屑銷售增加所致。

分銷費用

分銷費用增加71.9%至約人民幣37,119,000元(二零零九年：人民幣21,597,000元)。增幅主要由於運輸費用增加所致。

行政費用

行政費用增加32.0%至約人民幣25,904,000元(二零零九年：人民幣19,624,000元)。增幅主要由於回顧期內的員工薪酬及人數增加所致。

稅項

於回顧期內，稅項開支為約人民幣14,913,000元(二零零九年：人民幣2,167,000元)。稅項開支增加主要由於就過往年度產生的虧損攤銷遞延稅項資產所致。我們的間接全資附屬公司山東壽光巨能金玉米開發有限公司(「金玉米」)為最後一年享有中國企業所得稅減半優惠。

由於本集團並無在香港產生或賺取任何應課稅收入，故本集團毋須繳納香港所得稅。

Management Discussion and Analysis

管理層討論及分析

Human resources and remuneration policies

As at 30 June 2010, the Group had approximately 2,190 full time staff (2009: 2,122). Total staff costs, including Directors' emoluments, of the Group was approximately RMB32,834,000 (2009: RMB24,716,000).

The Group considers the experience, responsibility, and performance of the Directors and employees of the Group in order to determine their respective remuneration packages. The Company has also adopted a share option scheme (the "Scheme") with a primary purpose of motivating our employees and other eligible persons entitled under the Scheme to optimise their contributions to the Group and to reward them for their contribution to the Group. In addition, a remuneration committee is delegated by the Board to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

As at 30 June 2010, no share options have been granted under the Scheme.

FINANCIAL REVIEW

Financial management and treasury policy

The Group adopts a conservative approach for cash management and investment on uncommitted funds. Any unused fund is intended to be placed on short term/fixed deposits with authorised financial institutions in Hong Kong and/or the People's Republic of China (the "PRC").

Foreign currency exposure

The Directors consider that the Group has limited foreign currency exposure because our operations are mainly conducted in the PRC. Sales and purchases are mainly denominated in Renminbi and the foreign currency risk associated with export sales is not material. In view of the minimal foreign currency exchange risk, we monitored the exchange rate closely instead of entering into any foreign exchange hedging arrangement.

人力資源及薪酬政策

於二零一零年六月三十日，本集團聘用約2,190名全職員工(二零零九年：2,122名)。本集團的員工總成本(包括董事酬金)約為人民幣32,834,000元(二零零九年：人民幣24,716,000元)。

本集團以本集團董事及僱員的經驗、責任及表現釐定其各自的薪酬待遇。本公司已採納一項購股權計劃(「該計劃」)，主要目的是激勵本集團僱員及該計劃下所界定的其他合資格人士繼續積極為本集團作出貢獻，並對彼等為本集團所作出的貢獻予以獎勵。此外，薪酬委員會獲董事會委派審閱及釐定薪酬待遇的條款、花紅及應付予董事及高級管理層的其他報酬。

於二零一零年六月三十日，本公司並無根據該計劃授出任何購股權。

財務回顧

財務管理及庫務政策

本集團對並無指定用途的資金採取保守的現金管理及投資策略。任何尚未動用的資金擬存放於香港及／或中華人民共和國(「中國」)的認可財務機構作短期／定期存款。

外匯風險

董事認為，由於本集團的營運主要在中國進行，因此本集團承受的外匯風險有限。買賣主要以人民幣結算，而與出口銷售有關的外匯風險並不重大。由於外匯風險極微，故本集團只密切監察匯率而不訂立任何外匯對沖安排。

Management Discussion and Analysis

管理層討論及分析

Liquidity, financial resources and capital structure

As at 30 June 2010, the available and unutilised banking facilities of the Group amounted to approximately RMB410,000,000. The Directors are of the opinion that the working capital available to the Group is sufficient for its present requirements.

The major financial figures and key financial ratios are summarised as follows:

流動資金、財務資源及資本架構

於二零一零年六月三十日，本集團的可提用及未動用銀行信貸約為人民幣410,000,000元。董事認為，本集團可動用的營運資金足以應付其現有需要。

主要財務數據及關鍵財務比率概述如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Borrowings:	借款：		
– Within 1 year	– 一年以內	47,625	69,509
– Between 1 and 2 years	– 一年至兩年	886	886
– Between 2 and 5 years	– 兩年至五年	2,659	2,659
– Over 5 years	– 超過五年	3,324	3,767
Total	總計	54,494	76,821
Included:	包括：		
Fixed-rate borrowings	定息借款		
– Government grants	– 政府補助	9,750	9,750
– Cash advances for discounted bills	– 貼現票據的現金墊款	44,744	67,071
		54,494	76,821
Debtors turnover (days)	應收賬款週轉（天數）	38	30
Creditors turnover (days)	應付賬款週轉（天數）	16	15
Inventories turnover (days)	存貨週轉（天數）	39	34
Current ratio	流動比率	4.0	2.2
Quick ratio	速動比率	3.1	1.6
Gearing ratio – borrowings divided by total assets	槓桿比率 – 借款除以總資產	3.3%	5.7%

Management Discussion and Analysis

管理層討論及分析

Finance costs

The increase in finance costs was mainly attributable to the interests incurred on discounted bills.

Pledge of assets and contingent liabilities

As at 30 June 2010, bills payable were secured by bank deposits of approximately RMB2,070,000. The Group did not pledge any leasehold land and building to secure banking facilities and have any material contingent liabilities at the period ended 30 June 2010.

Use of net proceeds from placing

In February 2010, the Group placed 277,340,000 new shares at HK\$1.4 per share and raised net proceeds of approximately RMB335,678,000 from the equity market. The net proceeds will be used for the expansion of production capacity and as general working capital.

As at 30 June 2010, the group utilised approximately RMB3,100,000 for the expansion construction project of 100,000 tonnes cornstarch production capacity and associated sewage facility in Deneng Golden Corn.

FUTURE PLAN AND PROSPECTS

As disclosed in the announcement of the Company dated 20 August 2010, Golden Corn signed a project development memorandum of understanding (the "MOU") with the Municipal Government of Shouguang (the "Municipal Government") on 20 August 2010. Pursuant to the terms of the MOU, a site of not less than approximately 400,000 square metres as the new production site of the Group together with preferential policies will be offered by the Municipal Government to Golden Corn. The Group intended to use this new site to facilitate part of the expansion plan as disclosed in the announcement of the Company dated 19 January 2010 (the "First Announcement"). The Group planned to set up a cornstarch and lysine production facilities of approximately 400,000 tonnes and 50,000 tonnes per annum respectively at the new site that may be offered under the MOU. For avoidance of doubt, the Group's expansion plan of increasing its annual production capacity of cornstarch, lysine and starch-based sweetener from 850,000 tonnes, 55,000 tonnes, and 100,000 tonnes per annum to 1,600,000 tonnes, 105,000 tonnes and 300,000 tonnes respectively as disclosed in the First Announcement is still ongoing subject to changes in the proposed timetable for achieving the proposed annual production capacity as a result of (among other factors) the time required in seeking appropriate new production site.

融資成本

融資成本增加主要由於貼現票據產生的利息所致。

資產抵押及或然負債

於二零一零年六月三十日，應付票據以銀行存款約人民幣2,070,000元作抵押。於截至二零一零年六月三十日止期間，本集團並無將任何租賃土地及樓宇抵押以擔保銀行信貸，亦無任何重大或然負債。

配售的所得款項淨額用途

於二零一零年二月，本集團以每股1.4港元配售277,340,000股新股份，並從股票市場募集所得款項淨額約人民幣335,678,000元。所得款項淨額將會用作擴展生產能力及作為一般營運資金。

於二零一零年六月三十日，本集團已就德能金玉米擴展100,000噸玉米澱粉產能及興建有關污水設施動用約人民幣3,100,000元。

未來計劃及前景

誠如二零一零年八月二十日本公司的公佈所披露，金玉米在二零一零年八月二十日與壽光市政府（「市政府」）簽署項目發展備忘錄（「備忘錄」）。根據備忘錄的條款，市政府會向金玉米提供一個面積不少於約400,000平方米的土地作為本集團的新生產廠址，並會提供其他優惠政策。本集團有意利用該新廠址以方便推行日期為二零一零年一月十九日本公司的公佈（「首份公佈」）所披露的擴充計劃。本集團計劃根據備忘錄所提供的新廠址設立年度產能分別約為400,000噸及50,000噸的玉米澱粉及賴氨酸生產廠房。為免除疑問，本集團首份公佈所披露將其玉米澱粉、賴氨酸及澱粉糖的年度產能由每年850,000噸、55,000噸及100,000噸分別提升至每年1,600,000噸、105,000噸及300,000噸的擴充計劃仍在進行中，惟可能因需時尋找合適新生產廠址等因素而令達致建議年度產能的建議時間表有變。

Disclosure of Additional Information

其他資料的披露

INTERIM DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2010 (2009: Nil).

CHANGE OF DIRECTOR'S BIOGRAPHICAL INFORMATION

Ms. Yu Shumin, an independent non-executive Director of the Company, resigned as the Deputy General Manager of the China Fermentation Industry Association (the "Association") with effect from 24 June 2010. For avoidance of doubt, Ms. Yu currently holds the position of consultant of Cornstarch Sweetener Sub-association and Polyol Sub-association of the Association as at the date of this interim report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2010, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") as recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

中期股息

董事會建議截至二零一零年六月三十日止六個月不派發中期股息(二零零九年：無)。

董事履歷資料變動

本公司的獨立非執行董事余淑敏女士已辭任中國發酵工業協會(「協會」)的副理事長，自二零一零年六月二十四日起生效。為免生疑問，於本中期報告日期，余女士仍出任協會的澱粉糖分會及多元醇分會的顧問。

董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉

於二零一零年六月三十日，董事及本公司主要行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中，擁有於根據證券及期貨條例第352條本公司存置的登記冊所記錄或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及聯交所的權益及淡倉如下：

Disclosure of Additional Information 其他資料的披露

Name of Director 董事姓名	The Company/ associated corporation 本公司／相聯法團	Capacity/nature of interest 身份／權益性質	Number and class of securities held 持有證券數目及類別 (Note 1) (附註1)	Approximate percentage of shareholding 佔股權概約百分比
Mr. Tian Qixiang ("Mr. Tian") 田其祥先生(「田先生」)	The Company 本公司	Interest of a controlled corporation 受控制法團權益	3,500,000,000 ordinary shares (each, a "Share") of HK\$0.10 each (L) (Note 2) 3,500,000,000每股面值0.10港元 的普通股(各為「股份」)(L)(附註2)	60.56%
	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	131 ordinary shares of US\$1 each (L) 131股每股面值1美元的普通股(L)	54.58%
Mr. Gao Shijun 高世軍先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	60 ordinary shares of US\$1 each (L) 60股每股面值1美元的普通股(L)	25.00%
Mr. Yu Yingquan 于英全先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	1 ordinary share of US\$1 each (L) 1股每股面值1美元的普通股(L)	0.42%

Note:

- (1) The letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation.
- (2) These Shares were held by Merry Boom Group Limited. Merry Boom Group Limited is owned as to approximately 54.58% by Mr. Tian. Mr. Tian is deemed to be interested in all the Shares held by Merry Boom Group Limited under the SFO.

附註：

- (1) 字母「L」表示董事於本公司或有關相聯法團股份的好倉。
- (2) 此等股份由怡興集團有限公司持有。怡興集團有限公司由田先生擁有約54.58%權益。根據證券及期貨條例，田先生被視為於怡興集團有限公司持有的所有股份中擁有權益。

Save as disclosed above, as at 30 June 2010, none of the Directors and the chief executive of the Company nor their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were 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 Model Code.

除上文所披露者外，於二零一零年六月三十日，董事及本公司主要行政人員或彼等各自的聯繫人士概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有於根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

Disclosure of Additional Information

其他資料的披露

INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2010, so far as is known to the Directors, the following persons, other than a Director or chief executive of the Company, have an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

主要股東於本公司股份及相關股份中的權益

於二零一零年六月三十日，據董事所知，按本公司根據證券及期貨條例第336條須存置的登記冊所記錄，以下人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有權益或淡倉：

Name of shareholder 股東名稱	Capacity/nature of interest 身份／權益性質	Number of shares/ underlying shares 持有股份／ 相關股份數目 (Note 1) (附註1)	Approximate percentage of shareholding 佔股權概約百分比
Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	3,500,000,000 (L) (Note 2) (附註2)	60.56%
Victory Investment China Group Limited	Beneficial owner 實益擁有人	575,000,000 (L)	9.95%
Wang Rui Yun 王瑞雲	Interest in controlled corporation, Victory Investment China Group Limited 受控制法團Victory Investment China Group Limited的權益	575,000,000 (L)	9.95%

Note:

附註：

- (1) The letter "L" denotes the long position in the shares of the Company. (1) 字母「L」指於本公司股份的好倉。
- (2) These Shares were held by Merry Boom Group Limited. Merry Boom Group Limited is owned as to approximately 54.58% by Mr. Tian, an executive Director and Chairman of the Company. Mr. Tian is deemed to be interested in all the Shares held by Merry Boom Group Limited under the SFO as disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its associated corporations" above. (2) 此等股份由怡興集團有限公司持有。怡興集團有限公司由本公司執行董事兼主席田先生擁有約54.58%權益。如上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段所披露，根據證券及期貨條例，田先生被視為於怡興集團有限公司持有的所有股份中擁有權益。

Disclosure of Additional Information 其他資料的披露

Save as disclosed above, as at 30 June 2010, other than the Directors and chief executive of the Company whose interests or short positions are set out in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its associated corporations" above, the Directors and the chief executive of the Company were not aware of any person who had an interest or a short position in the shares, or underlying shares of the Company which were required to be recorded in the register kept by the Company pursuant to section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period under review was the Company, its holding company, its subsidiaries or fellow subsidiaries a party to any arrangements whose objects are, or one of whose objects is, to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the period under review, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

CORPORATE GOVERNANCE

The Directors are of the opinion that the Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2010.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own Securities Dealing Code (the "Dealing Code") on terms no less exacting than the Model Code. The Dealing Code applies to all Directors and to all employees who have received it are informed that they are subject to its provisions. Having made specific enquiry by the Company, all Directors confirmed that they have complied with the required standard set out in the Dealing Code throughout the period under review.

除上文所披露者外，於二零一零年六月三十日，除權益或淡倉載於上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段的本公司董事及主要行政人員外，董事及本公司主要行政人員概不知悉任何人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊的權益或淡倉。

董事購入股份或債券的權利

除上文披露者外，於回顧期內任何時間，本公司、其控股公司、其附屬公司或同系附屬公司概無參與任何目的為或其中一個目的為令董事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的安排。

購買、出售或贖回本公司的上市證券

於回顧期內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

企業管治

董事認為，截至二零一零年六月三十日止六個月整個期間，本公司一直遵守上市規則附錄14中企業管治常規守則所載的守則條文。

董事進行證券交易的標準守則

本公司已採納其自訂的證券買賣守則（「買賣守則」），其條款不比標準守則寬鬆。買賣守則適用於已收到該守則的所有董事及所有獲通知須遵守該守則規定的僱員。經本公司作出具體查詢後，全體董事確認彼等於整個回顧期內一直遵守買賣守則所載的規定標準。

Disclosure of Additional Information

其他資料的披露

AUDIT COMMITTEE

The audit committee of the Company ("Audit Committee") has reviewed and discussed with the management of the Company the unaudited consolidated interim results for the six months ended 30 June 2010.

The Audit Committee comprises Mr. Yue Kwai Wa, Ken (Chairman), Ms. Dong Yanfeng, Ms. Yu Shumin, and Mr. Cao Zenggong.

By Order of the Board

Tian Qixiang
Chairman

Hong Kong, 23 August 2010

審核委員會

本公司審核委員會(「審核委員會」)已審閱並與本公司管理層討論截至二零一零年六月三十日止六個月的未經審核綜合中期業績。

審核委員會由余季華先生(主席)、董延豐女士、余淑敏女士及曹增功先生組成。

承董事會命

主席
田其祥

香港，二零一零年八月二十三日

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

Unaudited
Six months ended 30 June
未經審核
截至六月三十日止六個月

		Note 附註	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Turnover	營業額	4	1,146,108	820,223
Cost of goods sold	銷貨成本		(994,243)	(729,119)
Gross profit	毛利		151,865	91,104
Other income	其他收入		13,434	4,917
Distribution and selling expenses	分銷及銷售		(37,119)	(21,597)
Administrative expenses	行政費用		(25,904)	(19,624)
Operating profit	經營利潤		102,276	54,800
Finance income	融資收入		2,370	1,285
Finance costs	融資成本		(1,092)	(477)
Share of results of an associate	應佔一家聯營公司業績		87	1,955
Profit before taxation	除稅前利潤	5	103,641	57,563
Income tax (expenses)/credit	所得稅(支出)/抵免	6	(14,913)	2,167
Profit for the period	期內利潤		88,728	59,730
Attributable to:	以下各項應佔:			
Equity holders of the Company	本公司權益持有人		87,876	60,534
Non-controlling interests	非控股股東權益		852	(804)
			88,728	59,730
Basic and diluted earnings per share for profit attributable to the equity holders of the Company (RMB)	本公司權益持有人應佔利潤的每股基本及攤薄盈利(人民幣)	8	0.0154	0.0116

The notes on page 29 to 48 form an integral part of this condensed interim financial report.

第29頁至第48頁的附註乃本簡明中期財務報告之其中部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

			30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
		Note 附註	Unaudited 未經審核	Audited 經審核
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	538,037	548,014
Prepaid lease payments	預付租賃款	9	50,116	43,564
Interest in an associate	於一家聯營公司的權益		39,397	39,094
Deferred tax assets	遞延稅項資產	10	4,830	6,019
			632,380	636,691
Current assets	流動資產			
Inventories	存貨		231,735	194,223
Prepaid lease payments	預付租賃款	9	469	1,175
Trade and other receivables	貿易及其他應收款	11	294,595	214,106
Pledged bank deposits	已抵押銀行存款		2,070	2,004
Bank deposits over three months	三個月以上銀行存款		350,000	-
Cash and cash equivalents	現金及現金等價物		156,193	291,296
			1,035,062	702,804
Total assets	總資產		1,667,442	1,339,495

The notes on page 29 to 48 form an integral part of this condensed interim financial report.

第29頁至第48頁的附註乃本簡明中期財務報告之其中部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

		Note 附註	30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 Unaudited 未經審核	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 Audited 經審核
Equity	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	14	515,234	237,762
Other reserves	其他儲備		434,674	405,645
Retained earnings	留存盈利		416,356	328,475
			1,366,264	971,882
Non-controlling interests	非控股股東權益		17,227	16,375
Total equity	權益總額		1,383,491	988,257
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	10	1,874	75
Borrowing	借款	13	6,869	7,312
Deferred income	遞延收入		18,855	19,602
			27,598	26,989
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	12	169,712	217,984
Income tax payable	應付所得稅		12,635	10,375
Employee housing deposits	員工房屋保證金		26,381	26,381
Borrowing	借款	13	47,625	69,509
			256,353	324,249
Total liabilities	總負債		283,951	351,238
Total equity and liabilities	權益及負債總額		1,667,442	1,339,495
Net current assets	流動資產淨額		778,709	378,555
Total assets less current liabilities	總資產減流動負債		1,411,089	1,015,246

The notes on page 29 to 48 form an integral part of this condensed interim financial report.

第29頁至第48頁的附註乃本簡明中期財務報告之其中部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

		Attributable to equity holders of the Company 本公司權益持有人應佔							Non-controlling interests 非控股股東權益	Total
		Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Capital reserve 資本儲備	Statutory reserves 法定儲備	Retained profits 留存利潤	Total	Total	
At 1 January 2009	於二零零九年一月一日	237,762	271,608	27,080	57,424	64,853	213,978	872,705	14,992	887,697
Net profit for the period	本期間純利	-	-	-	-	-	60,534	60,534	(804)	59,730
Dividends paid	已付股息	-	(26,254)	-	-	-	-	(26,254)	-	(26,254)
At 30 June 2009 (unaudited)	於二零零九年六月三十日 (未經審核)	237,762	245,354	27,080	57,424	64,853	274,512	906,985	14,188	921,173
At 1 January 2010	於二零一零年一月一日	237,762	245,354	27,080	56,196	77,015	328,475	971,882	16,375	988,257
Net profit for the period	本期間純利	-	-	-	-	-	87,876	87,876	852	88,728
Shares placed (Note 14)	配售股份 (附註14)	24,446	317,796	-	-	-	-	342,242	-	342,242
Shares placing expenses	配售股份開支	-	(6,385)	-	-	-	-	(6,385)	-	(6,385)
Dividends paid	已付股息	-	(29,351)	-	-	-	-	(29,351)	-	(29,351)
Issue of bonus shares (Note 14)	發行紅股 (附註14)	253,026	(253,026)	-	-	-	-	-	-	-
At 30 June 2009 (unaudited)	於二零零九年六月三十日 (未經審核)	515,234	274,388	27,080	56,196	77,015	416,351	1,366,264	17,227	1,383,491

The notes on page 29 to 48 form an integral part of this condensed interim financial report.

第29頁至第48頁的附註乃本簡明中期財務報告之其中部分。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

Unaudited
Six months ended 30 June
未經審核
截至六月三十日止六個月

		2010 二零一零年 RMB'000 人民幣	2009 二零零九年 RMB'000 人民幣
Net cash used in operating activities	經營活動使用的現金淨額	(44,189)	(3,139)
Net cash used in investing activities	投資活動使用的現金淨額	(377,461)	(19,428)
Net cash generated from/(used in) financing activities	融資活動產生/(使用)的現金淨額	286,547	(5,267)
Net decrease in cash and cash equivalent	現金及現金等價物減少淨額	(135,103)	(27,834)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	291,296	242,825
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	156,193	214,991

The notes on page 29 to 48 form an integral part of this condensed interim financial report.

第29頁至第48頁的附註乃本簡明中期財務報告之其中部分。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

1. REVIEW OF UNAUDITED INTERIM FINANCIAL REPORT

This condensed interim financial report has been reviewed by the Audit Committee and is approved for issue by the Board of Directors on 23 August 2010.

2. BASIS OF PREPARATION

The condensed interim financial report for the six months ended 30 June 2010 has been prepared in accordance with the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Hong Kong Accounting Standard 34 ("HKAS 34") Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The condensed interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The accounting policies used in the condensed consolidated financial statements are consistent with those of the annual audited financial statements for the year ended 31 December 2009, except for the accounting policy changes that are expected to be reflected in the 2010 annual audited financial statements. Details of these changes in accounting policies are set out in note 3.

The condensed interim financial report is presented in Renminbi ("RMB"), unless otherwise stated. The condensed interim financial report has not been audited.

1. 審閱未經審核中期財務報告

此簡明中期財務報告已經由審核委員會審閱，並於二零一零年八月二十三日獲董事會批准刊發。

2. 編製基準

截至二零一零年六月三十日止六個月之簡明中期財務報告乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)之披露規定及香港會計師公會(「香港會計師公會」)頒佈的香港會計準則第34號(「香港會計準則第34號」)「中期財務報告」而編製。簡明中期財務報告應與截至二零零九年十二月三十一日止年度的年度財務報表(根據香港財務報告準則(「香港財務報告準則」)編製)一併閱讀。

簡明綜合財務報表所採用的會計政策與編製截至二零零九年十二月三十一日止年度的年度經審核財務報表所採用者一致，惟預期於二零一零年年度經審核財務報表內反映之會計政策變動除外。此等會計政策變動之詳情載於附註3。

除另有說明外，簡明中期財務報告以人民幣(「人民幣」)列賬。簡明中期財務報告乃未經審核。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

3. CHANGES IN ACCOUNTING POLICIES

During the period ended 30 June 2010, the Group has applied the following significant changes to HKFRSs issued by the HKICPA, which are effective for the Group's financial year beginning 1 January 2010.

HKAS 27 (Revised)	"Consolidated and Separate Financial Statements"
HKFRS 3 (Revised)	"Business Combinations"
HKFRSs (Amendments)	"Improvements to HKFRSs 2009"

The adoption of these amendments to standards has no material financial effect on the Group's results and financial position for the current or prior periods.

4. SEGMENT INFORMATION

An analysis of the Group's turnover for the period is as follows:

		Cornstarch 玉米澱粉	Lysine 賴氨酸	Electricity and steam 電力及蒸汽	Starch-based sweetener 澱粉糖	Reportable segments 可報告分部	Unallocated 未分配	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	RMB'000 人民幣千元
Six months ended 30 June 2010	截至二零一零年 六月三十日止六個月							
TURNOVER	營業額							
Total sales	銷售總額	856,082	201,880	146,998	17,216	1,222,176	-	1,222,176
Inter-segment sales	分部間銷售	-	-	(76,068)	-	(76,068)	-	(76,068)
External Sales	對外銷售	856,082	201,880	70,930	17,216	1,146,108	-	1,146,108
Segment Results	分部業績	95,397	43,023	15,232	(441)	153,211	(50,935)	102,276

3. 會計政策之變動

於截至二零一零年六月三十日止期間，本集團應用以下香港會計師公會頒佈的香港財務報告準則重大變動，有關變動於本集團二零一零年一月一日開始之財政年度生效。

香港會計準則	「綜合及獨立財務報 第27號(經修訂) 表」
香港財務報告準則	「業務合併」 第3號(經修訂)
香港財務報告 準則(修訂本)	「二零零九年香港財 務報告準則的改 進」

採用該等修訂準則並無對本集團即期或過往期間之業績及財務狀況造成重大財務影響。

4. 分部資料

期內本集團的營業額分析如下：

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

4. SEGMENT INFORMATION (Continued)

4. 分部資料(續)

		Cornstarch 玉米澱粉 RMB'000 人民幣千元	Lysine 賴氨酸 RMB'000 人民幣千元	Electricity and steam 電力及蒸汽 RMB'000 人民幣千元	Starch-based sweetener 澱粉糖 RMB'000 人民幣千元	Reportable segments 可報告分部 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Six months ended 30 June 2009	截至二零零九年 六月三十日止六個月							
TURNOVER	營業額							
Total sales	銷售總額	571,668	181,544	134,588	-	887,800	-	887,800
Inter-segment sales	分部間銷售	-	-	(67,577)	-	(67,577)	-	(67,577)
External Sales	對外銷售	571,668	181,544	67,011	-	820,223	-	820,223
Segment Results	分部業績	19,789	37,244	25,179	-	82,212	(27,412)	54,800
Total Assets	總資產							
At 30 June 2010	於二零一零年六月三十日	588,211	162,409	161,745	55,031	967,396	695,216	1,662,612
At 31 December 2009	於二零零九年十二月三十一日	474,021	154,492	199,730	52,270	880,513	452,963	1,333,476

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

4. SEGMENT INFORMATION (Continued)

A reconciliation of results of reportable segments to total profit before taxation is provided as follows:

4. 分部資料(續)

可報告分部業績與除稅前利潤總額的對賬如下：

		Six months ended	
		30 June	
		截至六月三十日止六個月	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Results of reportable segments	可報告分部業績	153,211	82,212
Unallocated income	未分配收入	12,087	3,742
Unallocated expenses	未分配開支	(63,022)	(31,154)
Total segment results	分部總業績	102,276	54,800
Finance income	融資收入	2,370	1,285
Finance costs	融資成本	(1,092)	(477)
Share of result of an associate	應佔一家聯營公司業績	87	1,955
Profit before taxation	除稅前利潤	103,641	57,563

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

4. SEGMENT INFORMATION (Continued)

Reportable segments' assets are reconciled to total assets as follows:

4. 分部資料(續)

可報告分部的資產與總資產的對賬如下:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Reportable segments' assets	可報告分部資產	967,396	880,513
Unallocated:	未分配:		
Prepaid lease payments	預付租賃款	50,585	44,739
Interest in an associate	於一家聯營公司的權益	39,397	39,094
Pledged bank deposits	已抵押銀行存款	2,070	2,004
Bank deposits over three months	三個月以上銀行存款	350,000	-
Cash and cash equivalents	現金及現金等價物	156,193	291,296
Other unallocated assets	其他未分配資產	96,971	75,830
Total segment assets	分部總資產	1,662,612	1,333,476
Deferred tax assets	遞延稅項資產	4,830	6,019
Total assets as per condensed consolidated statement of financial position	簡明綜合財務狀況表下的總資產	1,667,442	1,339,495

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

5. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging/
(crediting)

5. 除稅前利潤

除稅前利潤已扣除／(計入)下列各項

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	28,056	30,559
Amortisation of prepaid lease payments	預付租賃款攤銷	416	416
Total depreciation and amortisation	折舊及攤銷總額	28,472	30,975
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 的收益	(6)	(192)
Net foreign exchange loss	匯兌虧損淨額	1,474	117
Cost of inventories recognised as expenses	確認為支出的存貨成本	935,959	666,502
Employee benefits expenses including directors' emoluments	僱員福利開支， 包括董事酬金	32,834	24,716
Research and development expenses	研究及開發費用	1,203	701

6. INCOME TAX EXPENSES/(CREDIT)

No provision for Hong Kong profits tax has been made as the Group entities' profit neither arose in nor was derived from Hong Kong during both periods. Taxation on overseas profits has been calculated on the estimated assessable profits for the periods at the rates of taxation prevailing in the countries in which the Group operates.

6. 所得稅支出／(抵免)

由於本集團於兩段期間均無在香港產生或賺取利潤，故並無就香港利得稅作出撥備。海外利得稅則就期內估計應課稅利潤按本集團經營業務國家的現行稅率計算。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

6. INCOME TAX EXPENSES/(CREDIT) (Continued) 6. 所得稅支出／(抵免)(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
PRC enterprise income tax	中國企業所得稅		
– Current year	– 本年度	11,924	2,982
– Overprovision in prior year	– 過往年度超額撥備	–	(5,285)
Deferred tax (Note 10)	遞延稅項 (附註10)	2,989	136
		14,913	(2,167)

7. DIVIDEND

The final dividend for the year ended 31 December 2009 amounting to HK\$1.16 cents per share was paid on 24 June 2010. The amount of the final dividend paid was approximately RMB29,351,000 (2008: RMB26,254,000).

The directors do not further propose any interim dividend for the six months ended 30 June 2010.

7. 股息

截至二零零九年十二月三十一日止年度之末期股息為每股1.16港仙，已於二零一零年六月二十四日派付。已派付末期股息金額約為人民幣29,351,000元(二零零八年：人民幣26,254,000元)。

董事不另行建議就截至二零一零年六月三十日止六個月派發任何中期股息。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

8. EARNINGS PER SHARE

8. 每股盈利

Six months ended 30 June

截至六月三十日止六個月

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the period attributable to equity holders of the Company)	用以計算每股基本盈利的盈利 (本公司權益持有人應佔本期間利潤)	87,876	60,534
Number of shares	股份數目	'000 千股	'000 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利的普通股加權平均數	5,721,932	5,225,000

The weighted average number of ordinary shares for the purpose of basic earnings per share for 2009 has been adjusted for the bonus issue made on 24 June 2010.

No diluted earnings per share has been presented because no dilutive potential ordinary shares exist for both six months ended 30 June 2010 and 2009.

用以計算二零零九年每股基本盈利的普通股加權平均數已就於二零一零年六月二十四日發行的紅股作出調整。

由於截至二零一零年及二零零九年六月三十日止六個月均無具攤薄效用的潛在普通股，故並無呈列每股攤薄盈利。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND PREPAID LEASE PAYMENTS 9. 物業、廠房及設備及預付租賃款之變動

		Property, plant and equipment 物業、廠房及設備 RMB'000 人民幣千元	Prepaid lease payments 預付租賃款 RMB'000 人民幣千元
Six months ended 30 June 2010 截至二零一零年六月三十日止六個月			
Opening net book amount at 1 January 2010	於二零一零年一月一日年初 賬面淨值	548,014	44,739
Additions	添置	20,041	6,262
Disposals	出售	(1,962)	-
Depreciation and amortisations	折舊及攤銷	(28,056)	(416)
Closing net book amount at 30 June 2010	於二零一零年六月三十日期末 賬面淨值	538,037	50,585
Six months ended 30 June 2009 截至二零零九年六月三十日止六個月			
Opening net book amount at 1 January 2009	於二零零九年一月一日年初 賬面淨值	539,706	28,370
Additions	添置	20,786	-
Disposals	出售	(228)	-
Depreciation and amortisations	折舊及攤銷	(30,559)	(416)
Closing net book amount at 30 June 2009	於二零零九年六月三十日期末 賬面淨值	529,705	27,954

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

10. DEFERRED TAXATION

The balances shown in the condensed consolidated statement of financial position are, after appropriate offsetting, as follows:

10. 遞延稅項

經適當抵銷後，簡明綜合財務狀況表的結餘如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Deferred tax liabilities	遞延稅項負債	(1,874)	(75)
Deferred tax assets	遞延稅項資產	4,830	6,019
		2,956	5,944

The movement on the net deferred tax is as follows:

遞延稅項淨額的變動如下：

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
At 1 January	於一月一日	5,944	206
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	(2,988)	(136)
At 30 June	於六月三十日	2,956	70

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

10. DEFERRED TAXATION (Continued)

The movement of deferred tax assets and liabilities prior to offsetting of balances within the same taxation jurisdiction is as follows:

Deferred tax liabilities

		Realised gain on injecting property, plant and equipment and land use right as capital contribution 注入物業、廠房及設備和土地使用權作為注資產生的已變現收益	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
At 1 January	於一月一日	(1,820)	(1,713)
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	(54)	(54)
At 30 June	於六月三十日	(1,874)	(1,767)

Deferred tax assets

		Tax loss			Impairment of property, plant and equipment			Total		
		稅務虧損			物業、廠房及設備的減值			合計		
		RMB'000			RMB'000			RMB'000		
		人民幣千元			人民幣千元			人民幣千元		
At 1 January 2010	於二零一零年一月一日	6,019	1,745	7,764						
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	(2,852)	(82)	(2,934)						
At 30 June 2010	於二零一零年六月三十日	3,167	1,663	4,830						
At 1 January 2009	於二零零九年一月一日	–	1,919	1,919						
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	–	(82)	(82)						
At 30 June 2009	於二零零九年六月三十日	–	1,837	1,837						

10. 遞延稅項(續)

於抵銷同一稅務司法權區的結餘前，遞延稅項資產及負債的變動如下：

遞延稅項負債

		Realised gain on injecting property, plant and equipment and land use right as capital contribution 注入物業、廠房及設備和土地使用權作為注資產生的已變現收益	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
At 1 January	於一月一日	(1,820)	(1,713)
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	(54)	(54)
At 30 June	於六月三十日	(1,874)	(1,767)

遞延稅項資產

		Tax loss			Impairment of property, plant and equipment			Total		
		稅務虧損			物業、廠房及設備的減值			合計		
		RMB'000			RMB'000			RMB'000		
		人民幣千元			人民幣千元			人民幣千元		
At 1 January 2010	於二零一零年一月一日	6,019	1,745	7,764						
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	(2,852)	(82)	(2,934)						
At 30 June 2010	於二零一零年六月三十日	3,167	1,663	4,830						
At 1 January 2009	於二零零九年一月一日	–	1,919	1,919						
Charged to the condensed consolidated statement of comprehensive income	於簡明綜合全面收益表扣除	–	(82)	(82)						
At 30 June 2009	於二零零九年六月三十日	–	1,837	1,837						

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

11. TRADE AND OTHER RECEIVABLES

11. 貿易及其他應收款

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Trade receivables	貿易應收款	128,565	57,187
Bank acceptance bills	銀行承兌票據	139,280	153,054
Other receivables	其他應收款	26,750	3,865
		294,595	214,106

The Group normally grants 0 to 60 days credit period to customers.

本集團一般給予客戶零至六十日的信貸期。

An ageing analysis of trade receivables at the balance sheet date is shown as follows:

以下為於結算日貿易應收款的賬齡分析：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
0-30 days	零至三十日	91,843	49,008
31-60 days	三十一至六十日	25,751	928
61-90 days	六十一至九十日	3,042	689
Over 90 days	九十日以上	7,929	6,562
		128,565	57,187

Included in the trade receivables are amounts due from a related company and an associate amounting to RMB40,696,000 (31 December 2009: RMB23,239,000) (Note 16).

貿易應收款包括應收一家關連公司及一家聯營公司款項人民幣40,696,000元(二零零九年十二月三十一日：人民幣23,239,000元)(附註16)。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

11. TRADE AND OTHER RECEIVABLES (Continued)

Bank acceptance bills

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Discounted bills (Note 13)	貼現票據 (附註13)	44,744	67,071
Endorsed bills	背書票據	21,942	27,555
Bills on hand	其他票據	72,594	58,428
		139,280	153,054

The bank acceptance bills are normally with maturity period of 180 days (2009: 180 days).

As at 30 June 2010 and 31 December 2009, the other receivables aged between 0-30 days.

11. 貿易及其他應收款(續)

銀行承兌票據

銀行承兌票據一般到期期限為一百八十日(二零零九年：一百八十日)。

於二零一零年六月三十日及二零零九年十二月三十一日，其他應收款的賬齡介乎零至三十日。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

12. TRADE AND OTHER PAYABLES

12. 貿易及其他應付款

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Trade payables (Note (a))	貿易應付款 (附註(a))		
0-60 days	零至六十日	57,329	62,055
61-90 days	六十一至九十日	5,560	6,723
Over 90 days	九十日以上	18,176	16,750
		81,065	85,528
Bills payable (Note (b))	應付票據 (附註(b))	2,065	2,712
Advances from customers	客戶墊款	34,712	60,389
Others	其他	51,870	69,355
		169,712	217,984

Note:

- (a) Included in the trade payables are payables to related companies and a minority shareholder amounting to RMB5,037,000 (31 December 2009: RMB4,566,000) (Note 16).
- (b) Bills payable are secured by pledged bank deposits of RMB2,070,000 (31 December 2009: RMB2,004,000).

附註：

- (a) 貿易應付款包括應付關連公司及一名少數股東的款項人民幣5,037,000元(二零零九年十二月三十一日：人民幣4,566,000元)(附註16)。
- (b) 應付票據以已抵押銀行存款人民幣2,070,000元(二零零九年十二月三十一日：人民幣2,004,000元)作抵押。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

13. BORROWINGS

13. 借款

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Cash advances for discounted bills, secured (Note (a))	貼現票據的現金墊款 (有抵押) (附註(a))	44,744	67,071
Government loan, unsecured (Note (b))	政府貸款 (無抵押) (附註(b))	9,750	9,750
		54,494	76,821
Carrying amount payables	應付賬面值		
Within 1 year	一年內	47,625	69,509
Between 1 and 2 years	一年至兩年	886	886
Between 2 and 5 years	兩年至五年	2,659	2,659
Over 5 years	超過五年	3,324	3,767
		54,494	76,821
Less: Amount due within one year shown under current liabilities	減：在流動負債項下一年 內到期之金額	(47,625)	(69,509)
		6,869	7,312

Note:

- (a) The Group discounted bills receivables of RMB44,744,000 (31 December 2009: 67,071,000) to banks in exchange for cash as at 30 June 2010. The transactions have been accounted for as collateralised bank advances. The cash advances for discounted bills are repayable within one year and bear interest at 4.25% per annum. Interest expense on cash advances for discounted bills for the six months ended 30 June 2010 is RMB1,045,000 (30 June 2009: RMB142,000).

附註：

- (a) 於二零一零年六月三十日，本集團貼現應收票據款人民幣44,744,000元(二零零九年十二月三十一日：人民幣67,071,000元)已向銀行兌換為現金。有關交易已列為有抵押銀行墊款。貼現票據的現金墊款須於一年內償還，並以年利率4.25厘計息。截至二零一零年六月三十日止六個月，貼現票據的現金墊款的利息開支為人民幣1,045,000元(二零零九年六月三十日：人民幣142,000元)。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

13. BORROWINGS (Continued)

Note: (Continued)

- (b) Government loan represents government assistance provided to a subsidiary, Shandong Shouguang Juneng Golden Corn Development Co., Ltd., for its corn refinery production by Finance Bureau of Shouguang City in April 2004. The balance is unsecured, interest free and fully repayable by 6 April 2019. According to the loan agreement, the loan is repayable by 11 annual instalments commencing from 6 April 2008.

14. SHARE CAPITAL

Issued and fully paid	已發行及繳足
At 1 January 2010	於二零一零年一月一日
Shares placed on 10 February 2010 (Note(i))	於二零一零年二月十日 配售股份 (附註(i))
Bonus shares issued on 24 June 2010 (Note(ii))	於二零一零六月二十四日 發行紅股 (附註(ii))
At 30 June 2010	於二零一零年六月三十日
At 1 January 2009 and 30 June 2009	於二零零九年一月一日及 二零零九年六月三十日

Note:

- (i) On 4 February 2010, the Company entered into a placing agreement (the "Placing Agreement") with a Placing Agent, an independent third party. Pursuant to the Placing Agreement, the Company issued a total of 277,340,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$1.40 each. The issued share capital of the Company was thus increased from HK\$261,250,000 (equivalent to RMB237,762,000) to HK\$288,984,000 (equivalent to RMB262,208,000). On 8 February 2010, the placing was completed. The excess of the placement proceeds over the nominal value of share capital issued was credited as share premium.

13. 借款(續)

附註:(續)

- (b) 政府貸款指壽光市財政局於二零零四年四月就玉米深加工生產向一家附屬公司山東壽光巨能金玉米開發有限公司提供的政府資助。該結餘乃無抵押、免息及須於二零一九年四月六日前悉數償還。根據貸款協議，貸款須於二零零八年四月六日起按年分十一期償還。

14. 股本

	Number of shares 股份數目 '000 千股	Share capital 股本	
		HK\$'000 千港元	RMB'000 人民幣千元
Issued and fully paid			
At 1 January 2010	2,612,500	261,250	237,762
Shares placed on 10 February 2010 (Note(i))	277,340	27,734	24,446
Bonus shares issued on 24 June 2010 (Note(ii))	2,889,840	288,984	253,026
At 30 June 2010	5,779,680	577,968	515,234
At 1 January 2009 and 30 June 2009	2,612,500	261,250	237,762

附註：

- (i) 於二零一零年二月四日，本公司與配售代理(一名獨立第三方)訂立配售協議(「配售協議」)。根據配售協議，本公司按每股1.40港元的價格發行合共277,340,000股每股面值0.10港元的普通股。本公司的已發行股本因而由261,250,000港元(相等於人民幣237,762,000元)增加至288,984,000港元(相等於人民幣262,208,000元)。配售經已於二零一零年二月八日完成。配售所得款項較已發行股本的面值多出的金額將計入股份溢價。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

14. SHARE CAPITAL (Continued)

Note: (Continued)

- (ii) Pursuant to the resolution passed at the annual general meeting of the Company held on 17 June 2010, 2,889,840,000 bonus shares were issued at nil consideration. The issued and fully paid capital has been increased from HK\$288,984,000 (equivalent to RMB262,208,000) to HK\$577,968,000 (equivalent to RMB515,234,000) by the creation of an additional 2,889,840,000 shares of HK\$0.10 each. The bonus shares were credited as fully paid by way of capitalization of HK\$288,984,000 (equivalent to RMB253,026,000) in the share premium account of the Company.

14. 股本(續)

附註：(續)

- (ii) 根據在本公司於二零一零年六月十七日舉行的股東週年大會上通過的決議案，2,889,840,000股紅股已按零代價發行。透過增設額外2,889,840,000股每股面值0.10港元的股份，已發行及繳足股本已由288,984,000港元(相等於人民幣262,208,000元)增加至577,968,000港元(相等於人民幣515,234,000元)。紅股已透過於股份溢價賬撥充資本288,984,000港元(相等於人民幣253,026,000元)入賬列作繳足股份。

15. CAPITAL COMMITMENTS

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元
Capital expenditure contracted for but not provided for in the financial report in respect of:	有關以下項目的已訂約但未在財務報告內撥備的資本開支：		
– property, plant and equipment	– 物業、廠房及設備	4,717	3,963

15. 資本承擔

16. RELATED PARTY TRANSACTIONS

During the period, the Group entered into the following transactions with the related parties:

i. Sales and purchases

	Trade sales 貿易銷售額		Trade Purchases 貿易採購額	
	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
A related company (Note) 關連公司(附註)	–	–	125	53
An associate 一家聯營公司	75,107	40,713	–	–
	75,107	40,713	125	53

Sales were based on contract price.

銷售額根據合約價格計算。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

16. RELATED PARTY TRANSACTIONS (Continued)

ii. Sales of electricity and steam

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	4,111	1,922
Related companies (Note)	關連公司 (附註)	–	19,861
		4,111	21,783

Sales of electricity and steam were based on contract price.

電力及蒸汽銷售額根據合約價格計算。

iii. Purchase of electricity and steam

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
A related company	一家關連公司	32,380	12,854

The purchase of electricity and steam was based on contract price.

採購電力及蒸汽根據合約價格計算。

16. 關連方交易 (續)

ii. 電力及蒸汽銷售額

Six months ended 30 June
截至六月三十日止六個月

	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	4,111	1,922
Related companies (Note)	–	19,861
	4,111	21,783

電力及蒸汽銷售額根據合約價格計算。

iii. 電力及蒸汽採購額

Six months ended 30 June
截至六月三十日止六個月

	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
A related company	32,380	12,854

採購電力及蒸汽根據合約價格計算。

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

16. RELATED PARTY TRANSACTIONS (Continued)

iv. Rental income

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	45	45

The rental income charged represents the rental income for plant and office based on contract price.

v. Service charge income

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	217	221

The service charge income represents the provision of purchasing facilities to an associate based on contract price.

vi. Key management compensation

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Short-term benefits	短期利益	714	714
Retirement benefits scheme contribution	退休福利計劃供款	24	19
		738	733

16. 關連方交易(續)

iv. 租金收入

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	45	45

收取的租金收入指根據合約價格就廠房及辦公室收取的租金收入。

v. 服務費收入

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	217	221

服務費收入指根據合約價格向一家聯營公司提供購買設施。

vi. 主要管理人員酬金

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Short-term benefits	短期利益	714	714
Retirement benefits scheme contribution	退休福利計劃供款	24	19
		738	733

Notes to the Condensed Interim Financial Report

簡明中期財務報告附註

30 June 2010

二零一零年六月三十日

16. RELATED PARTY TRANSACTIONS (Continued)

iv. Rental income

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	45	45

The rental income charged represents the rental income for plant and office based on contract price.

v. Service charge income

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	217	221

The service charge income represents the provision of purchasing facilities to an associate based on contract price.

vi. Key management compensation

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Short-term benefits	短期利益	714	714
Retirement benefits scheme contribution	退休福利計劃供款	24	19
		738	733

16. 關連方交易(續)

iv. 租金收入

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	45	45

收取的租金收入指根據合約價格就廠房及辦公室收取的租金收入。

v. 服務費收入

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
An associate	一家聯營公司	217	221

服務費收入指根據合約價格向一家聯營公司提供購買設施。

vi. 主要管理人員酬金

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Short-term benefits	短期利益	714	714
Retirement benefits scheme contribution	退休福利計劃供款	24	19
		738	733

CHINA STARCH HOLDINGS LIMITED
中國澱粉控股有限公司

Room 2408, 24/F., Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

香港灣仔皇后大道東183號
合和中心24樓2408室