



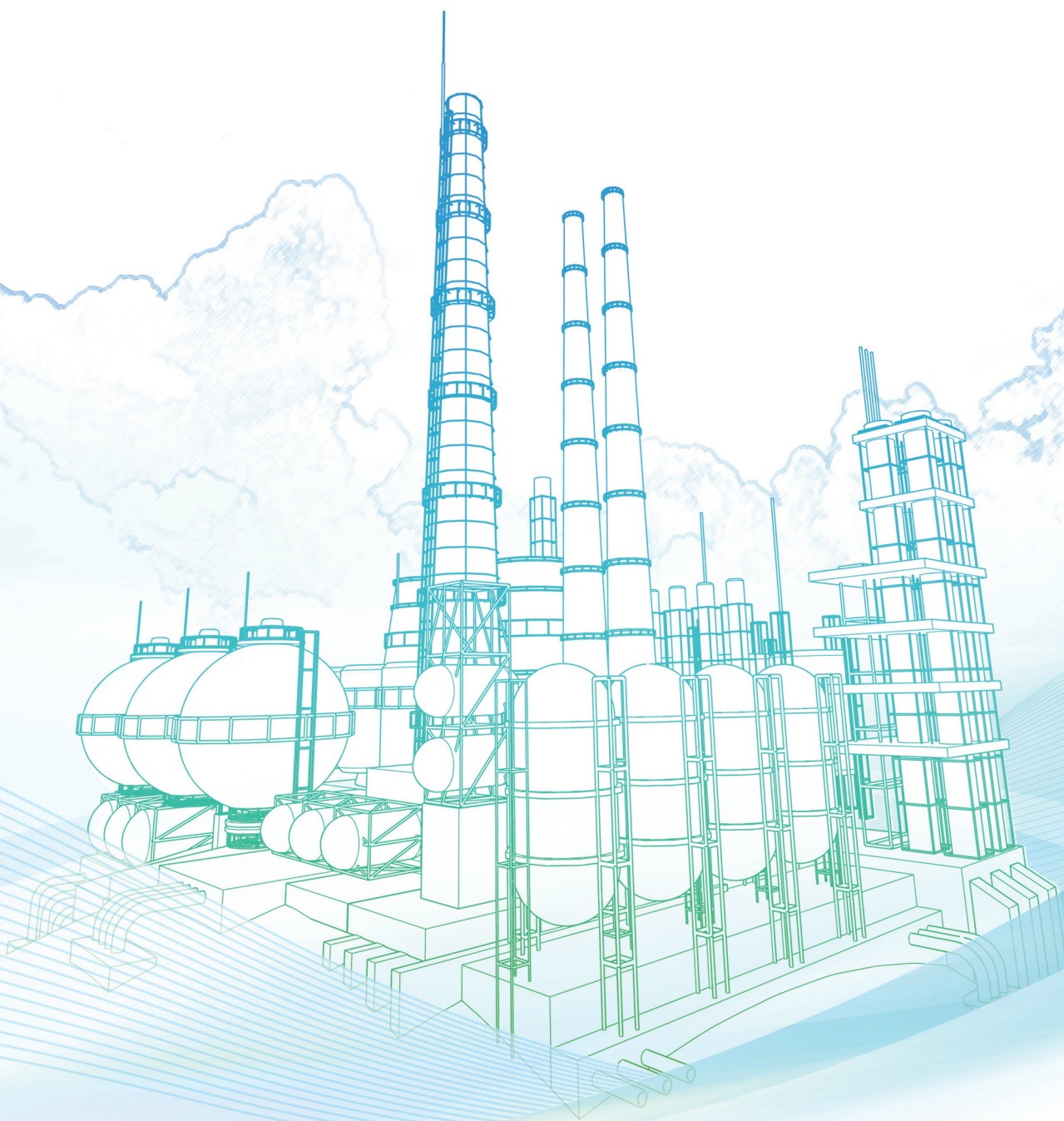
YINGDE GASES GROUP COMPANY LIMITED

盈德氣體集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：02168



Annual Report 年報

2012

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Corporate Profile

公司簡介

Our Company was established in the Cayman Islands on 25 September 2007. Our Group's history dates back to 2001 when Hunan Yingde was established in the PRC. Our Company's Shares were listed on the Main Board of the Hong Kong Stock Exchange on 8 October 2009. Our Company wholly owns Yingde BVI which is incorporated in the British Virgin Islands and is an investment holding company of our Group.

Based on the research information in the SAI Report, we were the largest domestic independent industrial gas supplier specialized in on-site gas supply in China in terms of total revenue for the year ended 31 December 2012.

We produce, supply and distribute a variety of industrial gas products to our on-site and merchant customers from a number of locations in the PRC, with oxygen, nitrogen and argon being our main gas products. Our on-site customers are those whose premises are located on or in close proximity to our gas production facilities and to whom we supply industrial gases directly. Our merchant customers generally include liquid gas distributors and other industrial companies who purchase industrial gases from us on a spot market basis from time to time.

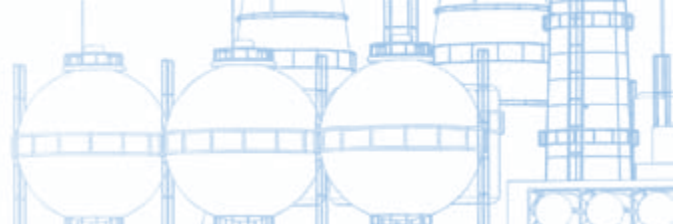
We differentiate our on-site operation and merchant operation as well as the revenue generated from the respective operations in accordance with the type of customers to which we sell our gas products. In relation to the on-site operation, we generate revenue by selling our gas products to those customers with whom we have entered into long-term gas supply contracts. In relation to the merchant operation, we generally generate revenue by selling our gas products (which are produced from the remaining available capacity of our on-site production facilities as well as our dedicated merchant production facilities) to local distributors on the spot market. We also enter into gas supply contracts with a selected number of merchant customers who have a stable and regular demand for our gas products. Pursuant to such contracts, we supply gas products on a regular basis during the term of the relevant gas supply contracts. The on-site production facilities referred to in this report relate to those which we construct after having entered into long-term gas supply contracts with industrial companies. The merchant production facilities referred to in this report relate to those which we generally operate without entering into long-term gas supply contracts with customers.

本公司於2007年9月25日在開曼群島註冊成立。本集團的歷史可追溯至2001年湖南盈德在中國成立。本公司股份於2009年10月8日在香港聯交所主板上市。本公司全資擁有於英屬處女群島註冊成立的盈德（英屬處女群島），並為本集團的投資控股公司。

根據SAI報告的研究資料，按截至2012年12月31日止年度的總收入計算，我們是中國境內最大的專門從事現場供氣的獨立工業氣體供應商。

我們向位於中國多個地區的現場供氣客戶及零售客戶，生產、供應及分銷多種工業氣體產品，我們的主要氣體產品為氧氣、氮氣及氬氣。我們的現場供氣客戶指我們氣體生產設施設置於其廠房內或毗鄰位置並由我們直接供應工業氣體的客戶。我們的零售客戶包括不時於現貨市場向我們購買工業氣體的液態氣體分銷商及其他的工業公司。

我們按銷售氣體產品的客戶類別，區分現場供氣業務及零售業務，以及來自其兩者的收益。就現場供氣業務而言，我們乃透過向該等與我們訂立長期供氣合約的客戶銷售氣體產品獲取收益。就零售業務而言，我們一般透過於現貨市場向當地分銷商銷售氣體產品（以我們於現場生產設施的剩餘可用產能及專門用作零售生產的生產設施生產）獲取收益。我們亦與選定對我們的氣體產品有穩定及定期的需求的零售客戶簽訂供氣合約。根據該等合約，我們於有關供氣合約年內定期供應氣體產品。本報告所指的現場生產設施指我們與工業公司訂立長期供氣合約後建設的現場供氣設施。本報告所指的零售生產設施指在沒有與客戶訂立長期供氣合約下，我們一般營運的生產設施。



Dear shareholders,

On behalf of Yingde Gases Group Company Limited (our "Company", together with its subsidiaries, referred to as our "Group"), I am pleased to present the annual results for the year ended 31 December 2012. I would like to express my gratitude to our shareholders for your continuous support and concern.

Due to the negative impact of the global economic crisis which occurred around the end of 2011, the global economic growth slowed down in 2012, resulting in a recession across all sectors worldwide. The manufacturing industry underperformed in the first half of 2012 due to keen competition in the industry and substantially weaker demand from downstream industries. The overall market is yet to recover fully despite the improved conditions for the second half of 2012.

As certain improvements were made in technologies across manufacturing industries, industrial gas are widely used in most of them. According to the SAI Report of 2012, China's Gross Industrial Gas reaches US \$7.2 billion and it is expected to reach US \$11.3 billion by 2017.

In addition, there have been a growing number of end users in China switching their gas operations to independent gas companies, they can benefit from the professional services and technical expertise, which will help to reduce their operation costs and risks and allow them to focus more on their core business operations. As a result, the industrial outsourcing market grows rapidly. The industrial outsourcing market accounts for 24% of the total industrial gas market now and it is expected to increase to 25% by 2017.

BUSINESS REVIEW

According to the SAI Report of 2012, our Group is the largest independent industrial gas supplier specialized in on-site gas supply in the PRC. In 2012, China's macro economy slowed down its pace of growth, our Group, with its extensive market experience and excellent professional teams, has established itself as a reliable gas provider and was awarded with premium projects. As at the end of 2012, our Group had 41 production facilities in operation with a total installed oxygen capacity of 1,042,400 Nm³/hr.

尊敬的各位股東：

本人謹此代表盈德氣體集團有限公司(「本公司」，連同其附屬公司統稱為「本集團」)呈報截至二零一二年十二月三十一日止之全年業績，並對各位股東長期以來的支持與關心表示誠摯的謝意！

繼2011年底全球經濟出現危機後，2012年的經濟增長放緩，全球各行業因此經營不景。在行業競爭激烈及下游需求大幅減少的情況下，製造業於2012年上半年的發展未如理想。儘管2012年下半年經濟情況稍有改善，但市場仍未完全復甦。

隨著工業現代化的進程，工業氣體廣泛應用於多種工業。根據2012年SAI報告，中國工業氣體總值於去年達72億美元，預計於2017年增長至113億美元。

此外，中國近年越來越多最終用戶將工業氣體工作外包給獨立氣體供應商，最終用戶將受惠於專業的服務及技術，從而幫助他們降低營運成本、風險及使他們更專注於核心業務的運作。因此，工業氣體外包市場加速增長。現時，工業氣體外包市場佔總體的24%，預計於2017年將增至25%。

業務回顧

根據2012年SAI報告指，本集團現時為中國最大專門從事現場供氣的獨立工業氣體供應商。儘管2012年我國宏觀經濟放緩，本集團憑藉多年的市場經驗及優秀的專業團隊，贏得客戶的信心及優秀的項目。截至2012年底，本集團營運的生產設施共41個，總裝機氧氣容量為1,042,400標準立方米/小時。

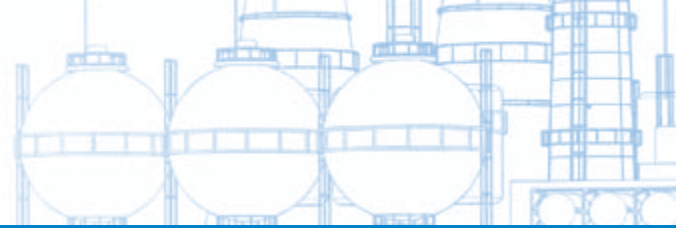


During the year, we steadily developed our on-site gas supply business and constructed more production bases in strategic locations in the PRC while focusing on the research and development of new technologies. Apart from iron and steel makers in recent years, our customer network was expanded to include coal chemical and nonferrous metal producers. Nowadays, we have 38 on-site gas supply facilities in operation with a total installed oxygen capacity of 1,039,400 Nm³/hr.

For the merchant business, we have more than 1,000 merchant customers, most of them are located in highly-industrialised regions, including Jiangsu, Shandong and Guangdong, which have an enormous demand for industrial gas. The price and the market demand of oxygen decreased due to the economic downturn in 2012. Besides, the market demand and the price of nitrogen remained stable while the demand of argon decrease as the photovoltaic market kept dampened.

本集團的現場供氣業務在過去一年發展穩定，並於國內策略性地擴展生產基地網路及專注研發新技術。本集團近年除了鋼鐵行業的客戶外，亦積極吸納其他行業的客戶如煤化工及有色金屬。現時，本集團有38個正在營運的現場供氣設施，總裝機氧氣容量達1,039,400標準立方米/小時。

零售氣體業務方面，本集團現時有多於1,000個零售客戶，該些用戶大多位於發展高度工業化的包括江蘇、山東和廣東這些對工業氣體需求非常巨大的地區。氧氣價格及市場需求因今年經濟不景氣而減少。另外，氮氣的市場需求穩步上揚，價格亦相對穩定；氬氣因光伏市場仍然低迷而需求下降。



OUTLOOK

Looking forward to 2013, our Group will grow our business steadily. More facilities will be put into operation to further expand our business coverage in 2013. In addition, the Group will aim to identify more quality customers and maintain its leading position in the industry by adopting appropriate strategies in light of market changes.

Finally, I would like to take this opportunity to thank our business partners and customers for their continuous support and trust. Meanwhile, I would like to express my sincere gratitude to our staff for their efforts over the past year. We will strive to maximise the return to our shareholders and Directors.

Zhongguo Sun

Chairman and chief executive officer

28 March 2013

展望

展望2013年，本集團會以穩中求進的態度發展業務。本集團於2013年將會有更多的設備投入生產，並擴大現有的業務網絡。此外，本集團會關注市場變化作出相應的策略，以物色更多優質客戶及保持在行業內的領頭企業地位為目標。

最後，本人藉此機會，感謝本集團的商業夥伴及客戶多年的支持和信任。同時，亦十分感謝全體員工於過去一年來的辛勞，我們會繼續努力為本集團的股東及董事帶來最大的回報。

Zhongguo Sun

主席及行政總裁

二零一三年三月二十八日

CEO's Report and Management Discussion & Analysis

行政總裁報告及管理層討論及分析

On behalf of our Company's management team, I am pleased to report our Group's 2012 results to our shareholders as follows:

INDUSTRY REVIEW

The booming industrial gas market was due to the rapid development of industries such as steel and coal chemical in recent years with increasing capacity which boosted the demand for industrial gas. According to the SAI Report of 2012, the CAGR of China industrial gas market from 2012 to 2017 is 9.6%, China's gross industrial gas will reach US \$11.3 billion by 2017.

On the other hand, the trend of phasing out backward production capacity in industries such as steel and coal chemical became more apparent as the direction of the energy conservation and discharge reduction policy is clearer which encouraged the outsourcing trend of industrial gas. Also, as the industry is full of opportunities, more new industrial gas companies have entered the market in recent years, leading to more intense competition in the industry.

BUSINESS REVIEW

The global economy remained volatile following the recession in 2011. China's iron and steel industry finally rallied in the fourth quarter from an overall weakness in 2012. Despite slowing economic growth, our Group still maintained stable development and signed a total of 11 new on-site gas supply contracts in 2012.

As at 31 December 2012, our Group had a total of 41 facilities in operation and 30 facilities under development. The total installed capacity amounted to 1,042,400 Nm³/hr in terms of installed oxygen capacity, representing an increase of 10.8% as compared with the corresponding period last year. During the year, our Group sold 13,267 million Nm³ of industrial gases, representing a growth of 29.4% as compared with the corresponding period last year. The total sales volume of oxygen products, nitrogen products and argon products were 6,725 million Nm³, 5,808 million Nm³ and 127 million Nm³, respectively. It is expected that the total installed capacity will exceed 1,800,000 Nm³/hr in 2015 when construction of all facilities under development will be completed.

本人謹此代表本公司管理層，欣然向股東報告本集團2012年的業績如下：

行業回顧

工業氣體市場發展蓬勃是由於鋼鐵、煤化工等行業於近年快速發展，產能持續膨脹，因此對工業氣體的需求也是迅速提振。根據2012年SAI報告估計，中國工業氣體市場於2012至2017年的複合年增長率達9.6%，工業氣體總值於2017年將達113億美元。

另一方面，節能減排產業政策導向較為清晰，使鋼鐵、煤化工等行業淘汰落後產能的趨勢也較為明顯，促進工業氣體外包態勢。亦因行業發展充滿機遇，近年有更多新工業氣體公司加入市場，行業競爭更為激烈。

業務回顧

承接2011年的不景氣，全球經濟繼續不穩，國內鋼鐵市場於2012年持續低迷，終於第四季度略有好轉。儘管經濟增長放慢，本集團於2012年的發展仍十分穩定，全年共簽定11份新的現場供氣合約。

截至2012年12月31日止，本集團有41個正在營運的生產設施及30個正在興建的生產設施。以裝機氧氣容量計算，總裝機容量達到1,042,400標準立方米／小時，同比上升10.8%。回顧期內，本集團共銷售13,267百萬標準立方米工業氣體，同比上升29.4%，氧氣產品、氮氣產品及氬氣產品的總銷量分別為6,725百萬標準立方米、5,808百萬標準立方米及127百萬標準立方米。預計在2015年所有在建項目完成後，總裝機容量將超過1,800,000標準立方米／小時。

REVIEW OF ON-SITE GAS SUPPLY OPERATION

We are principally engaged in on-site gas supply. After years of continuing development and with our professional management, we currently possess a stable and quality customer base and have an established professional reputation in the industrial gas industry. To ensure reliable and stable gas supply to our customers, we provided on-site services such as design, construction, operation and maintenance for production facilities at our customers' premises or in close proximity.

According to the SAI Report of 2012, our Group, further increasing its market share from 36.9% in 2011 to 40.9% in 2012, is the largest independent on-site industrial gas supplier in the PRC, and its major gas products include oxygen, nitrogen and argon. As at 31 December 2012, the turnover of our Group's on-site gas supply business amounted to RMB4,357 million, representing an increase of 24.9% as compared with the corresponding period last year. On-site gas supply accounted for approximately 87.9% of the turnover of our Group, mainly contributed by customers from the steel, chemical and nonferrous metals industries. To secure stable stream of income, our Group has been stringent in the selection of customers, and will normally enter into long-term take-or-pay on-site gas supply contracts of 15 to 30 years with on-site customers, and long-term on-site gas supply contracts including terms of minimum gas supply with customers of on-site gas supply.

現場氣體供應業務回顧

本集團主要從事現場氣體供應，在多年持續發展及專業管理領導下，本集團現時擁有穩定的優質客戶基礎，成為工業氣體行業內的專業代表。為確保向客戶提供可靠穩定的氣體，本集團在客戶廠房實地現場或毗鄰位置提供氣體生產設施設計、建設、營運及保養等現場服務。

根據2012年SAI報告研究指，本集團市場佔有率進一步從2011年的36.9%提升至2012年的40.9%，為現時中國最大獨立現場工業氣體供應商，其主要氣體產品為氧氣、氮氣及氬氣。截至2012年12月31日止，本集團現場供氣業務的收入為人民幣4,357百萬元，同比增加24.9%。現場氣體供應佔本集團業務收入約87.9%，主要是來自鋼鐵、化工及有色金屬行業的客戶群。本集團一向嚴格挑選客戶，一般與現場客戶訂立為期15至30年的長期照付不議供氣合約，並與現場供氣客戶簽定長期及包括最低供氣量條款的合約，以確保本集團收入穩定。



EXPANSION BY NEW PROJECTS

As at 31 December 2012, we signed new long-term on-site gas supply contracts as follows:

透過新項目拓展業務

截至2012年12月31日止，本集團簽訂的新長期現場供氣合約如下：

Location 所屬區域	Industry of customer 用氣方所屬行業	Expected installed capacity (Nm ³ /hr) 預計裝機容量 (標準立方米/小時)
Anhui 安徽	Chemical 化工	45,000 (oxygen)(氧氣)
Guangdong 廣東	Steel 鋼鐵	60,000 (oxygen)(氧氣)
Hebei 河北	Steel 鋼鐵	15,000 (oxygen)(氧氣)
Hebei 河北	Chemical 化工	40,000 (hydrogen)(氫氣)
Henan 河南	Nonferrous metal 有色金屬	6,400 (oxygen)(氧氣)
Jiangsu 江蘇	Steel 鋼鐵	30,000 (oxygen)(氧氣)
Shandong 山東	Steel 鋼鐵	40,000 (oxygen)(氧氣)
Shandong 山東	Chemical 化工	5,000 (hydrogen)(氫氣)
Shandong 山東	Chemical 化工	6,500 (hydrogen)(氫氣)
Shanxi 山西	Steel 鋼鐵	20,000 (oxygen)(氧氣)
Xinjiang 新疆	Steel 鋼鐵	20,000 (oxygen)(氧氣)

REVIEW OF MERCHANT GAS OPERATION

As at 31 December 2012, affected by factors such as prolonged downturn of the manufacturing sector and shrinking demand from downstream industries due to poor operation, the turnover of our Group's merchant gas operation amounted to RMB599 million, representing a decrease of 20.3% as compared with the corresponding period last year, and accounting for approximately 12.1% of the turnover of our Group. The dropping demand of oxygen was affected by the slowdown of economic growth, while the price of and demand for argon was still feeble due to the sluggish photovoltaic market in the PRC.

FINANCIAL REVIEW

Leveraging on our comprehensive market policy, effective control over cost and expenditure, development of business, and devotion from our management and staff, we recorded an increase in our production and sales in 2012. Our Group recorded a steady growth in 2012.

For the year ended 31 December 2012, our turnover increased by RMB716 million to RMB4,956 million from RMB4,240 million in 2011. The increase in turnover is mainly attributable to the commencement of 5 on-site facilities during the year and the full ramp-up of facilities that commenced operation in 2011, which was however partially offset by lower merchant sales revenue.

In addition, our Group recorded profit attributable to equity shareholders of our Company of RMB770 million (2011: RMB831 million). The earnings per share were RMB0.426 (2011: RMB0.460).

零售氣體業務回顧

受製造業持續疲軟，下游經營不善以致需求萎縮等因素的影響，截至2012年12月31日止，本集團零售氣體業務的營業收入為人民幣599百萬元，同比減少20.3%，佔本集團業務收入比例的12.1%。其中，氧氣受經濟增長放緩影響，需求下跌；氬氣因國內光伏市場未有起色，價格及需求依然疲弱。

財務回顧

憑藉我們全面的市場策略、有效的成本及開支控制、於業務上的發展、管理層及員工盡心的表現，本集團的產量及銷售額均於2012年有所增長。本集團於2012錄得穩健增長的業績。

截至2012年12月31日止年度，本集團的收入為人民幣4,956百萬元，較2011年的人民幣4,240百萬元增加人民幣716百萬元。收入增長主要是由於2011年投產的項目已進入全面生產，而今年亦有5個現場供氣項目投產。另一方面，因為零售收入下滑抵銷了部份收入增長。

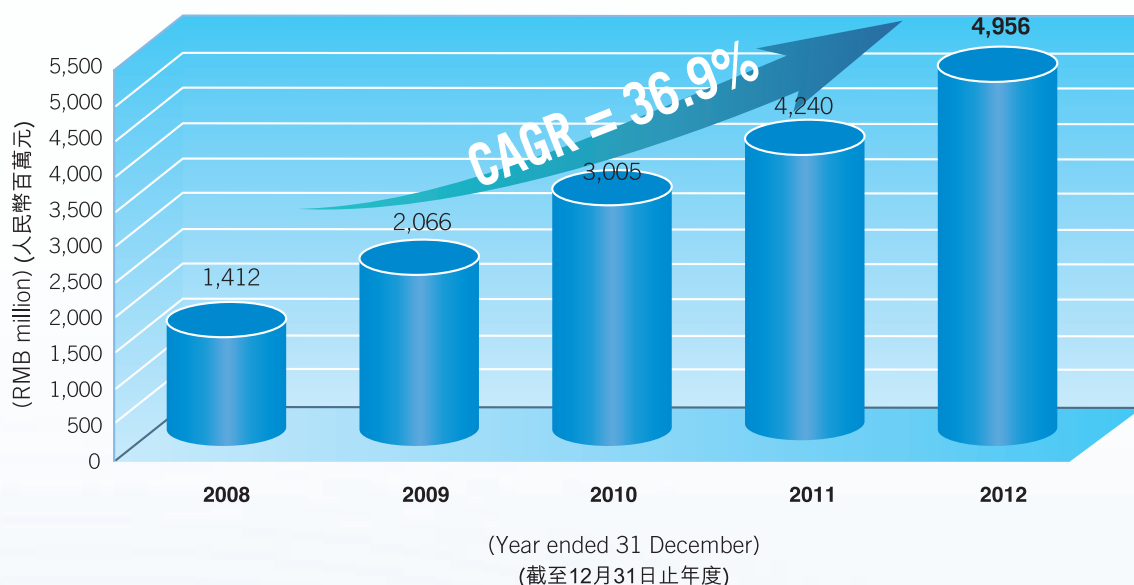
此外，本集團錄得本公司權益持有人應佔利潤為人民幣770百萬元(2011年：人民幣831百萬元)。每股盈利為人民幣0.426元(2011年：人民幣0.460元)。

TURNOVER

Our turnover consists of proceeds from the sale of industrial gas products. Our turnover is recognized when our gas products are delivered to a customer's premises and such customer has accepted the goods in which we have transferred the related risks and rewards of ownership. The turnover figures represent the aggregation of the invoiced value of goods sold, net of value-added tax. Our turnover increased by 16.9% from RMB4,240 million for the year ended 31 December 2011 to RMB4,956 million for the year ended 31 December 2012.

收入

我們的收入包括銷售工業氣體產品的所得款項。我們的收入於我們的氣體產品付運至客戶的物業而客戶確認接受貨品且本公司已轉讓有關貨品風險及擁有權時確認。收入數字為扣減增值稅後的銷售貨品發票總值。本公司的收入由截至2011年12月31日止年度的人民幣4,240百萬元增加16.9%至截至2012年12月31日止年度的人民幣4,956百萬元。



The table below sets out turnover generated from our on-site and merchant customers for the years indicated:

下表載列於所示年份自現場供氣及零售客戶得的收入：

		Year ended 31 December 截至12月31日止年度			
		2012		2011	
		RMB'000	(%)	RMB'000	(%)
		人民幣千元	(%)	人民幣千元	(%)
Turnover	收入				
On-site	現場	4,356,677	87.9	3,487,923	82.3
Merchant	零售	599,256	12.1	752,352	17.7
Total	總計	4,955,933	100.0	4,240,275	100.0

The table below sets out the weighted average unit price of gases sold to our merchant customers for the years indicated:

下表載列於所示年份向我們的零售客戶銷售的加權平均單位價格：

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
		Unit price (RMB/Nm ³)	
		單位價格(人民幣/標準立方米)	
Oxygen	氧氣	0.92	1.05
Nitrogen	氮氣	0.78	0.83
Argon	氬氣	1.98	3.37
Weighted Average Price	加權平均單位價格	1.10	1.36

COST OF SALES

Our cost of sales comprises utility expenses, depreciation expenses for property, plant and equipment related to production, staff costs for our production team and other expenses. Utility expenses, mainly consisting of electricity expenses and steam expenses, represented 85.0% and 85.5% of our total cost of sales for the years ended 31 December 2012 and 2011 respectively. Depreciation and amortization expenses relate primarily to property, plant and equipment and intangible assets we own and are calculated on a straight-line basis over the estimated useful lives of these assets. Staff costs mainly relate to salaries, bonuses, benefits and contributions that we pay to our employees or make for the benefit of our employees in our production team. Other expenses primarily consist of other consumables as well as repair and maintenance.

Cost of sales increased by 21.3% from RMB2,789 million for the year ended 31 December 2011 to RMB3,383 million for the year ended 31 December 2012 which was mainly driven by increased turnover. Cost of sales as a percentage of turnover increased from 65.8% for the year ended 31 December 2011 to 68.3% for the year ended 31 December 2012, mainly as a result of lowered selling prices in the retail market and sluggish demand.

銷售成本

我們的銷售成本主要包括公用費用、生產有關物業、廠房及設備的折舊開支、生產團隊的員工成本以及其他開支。公用費用主要包括電費和蒸汽費用，截至2012年和2011年12月31日止分別佔我們總銷售成本85.0%及85.5%。折舊及攤銷開支主要與我們擁有的物業、廠房及設備以及無形資產有關，以直線法按該等資產的估計可使用年限計算。員工成本主要與我們向僱員支付的薪金、花紅、福利及供款或向本公司生產團隊員工提供的福利有關。其他開支主要包括其他消耗品及維修及保養。

銷售成本由截至2011年12月31日止的人民幣2,789百萬元增加21.3%至截至2012年12月31日止的人民幣3,383百萬元，主要是由於收入增加所致。銷售成本佔收入的百分比由截至2011年12月31日止的65.8%上升至截至2012年12月31日止的68.3%，主要由於零售市場的售價下降及需求衰退。

GROSS PROFIT AND GROSS PROFIT MARGIN

Our gross profit increased by 8.4% from RMB1,451 million for the year ended 31 December 2011 to RMB1,573 million for the year ended 31 December 2012. Our gross profit margin decreased from 34.2% for the year ended 31 December 2011 to 31.7% for the year ended 31 December 2012. The decrease in gross profit margin was mainly due to decrease in demand and average selling price of merchant gases.

OTHER REVENUE AND NET INCOME

Other revenue and net income mainly includes subsidies and grants from local government authorities.

SELLING EXPENSES

Our selling expenses primarily consist of freight charges for distribution and logistics, travelling expenses and staff costs in connection with hiring and maintaining our sales team across different regions in the PRC. Selling expenses increased by 37.1% from RMB132 million for the year ended 31 December 2011 to RMB181 million for the year ended 31 December 2012, mainly due to our continued investment in expanding the sales team.

ADMINISTRATIVE EXPENSES

Our administrative expenses primarily consist of staff costs in connection with hiring and retaining our management and administrative staff at our headquarters and production plant level, travel and entertainment expenses, external consulting fees and impairment loss of accounts receivable and other non-current assets. Administrative expenses increased RMB71 million from RMB239 million for the year ended 31 December 2011 to RMB310 million for the year ended 31 December 2012.

PROFIT FROM OPERATIONS AND OPERATING PROFIT MARGIN

As a result of the foregoing, our profit from operations increased by 1.0% from RMB1,091 million for the year ended 31 December 2011 to RMB1,102 million for the year ended 31 December 2012, while our operating profit margin decreased from 25.7% for the year ended 31 December 2011 to 22.2% for the year ended 31 December 2012.

毛利及毛利率

毛利由截至2011年12月31日止年度的人民幣1,451百萬元增加8.4%至截至2012年12月31日止年度的人民幣1,573百萬元。毛利率由截至2011年12月31日止年度的34.2%減少至截至2012年12月31日止年度的31.7%。毛利率的下降主要是由於零售氣體需求及平均價格下降所致。

其它收益及淨收入

其它收益及淨收入主要包括地方政府機關授予的補貼收入和補助金。

銷售費用

本公司的銷售費用主要包括分銷及物流的運費、差旅費用及有關於中國各地區聘用及留任銷售團隊的員工成本。銷售費用由截至2011年12月31日止年度的人民幣132百萬元增加37.1%至截至2012年12月31日止年度的人民幣181萬元，主要由於我們持續投資擴充銷售團隊所致。

管理費用

本公司的管理費用主要包括有關聘用、留任總部、工廠管理層及行政員工的員工成本、差旅及招待費用、外聘顧問費用以及應收賬款及其它非流動資產的減值虧損。管理費用由截至2011年12月31日止年度的人民幣239百萬元增加人民幣71百萬元至截至2012年12月31日止年度的人民幣310萬元。

經營收益及經營收益率

基於上文所述，本集團的經營收益由截至2011年12月31日止年度的人民幣1,091百萬元增加1.0%至截至2012年12月31日止年度的人民幣1,102百萬元，經營收益率由截至2011年12月31日止年度的25.7%減少至截至2012年12月31日止年度的22.2%。

FINANCE INCOME

Our finance income mainly consists of interest income from bank deposits, finance income on receivables under finance lease and exchange gain.

Finance income increased by 11.8% from RMB17 million for the year ended 31 December 2011 to RMB19 million for the year ended 31 December 2012, mainly as a result of increase in bank saving interest.

FINANCE COSTS

Our finance costs primarily consist of interest payments for our loans granted by banks and other financial institutions as well as finance charges on obligations under finance lease.

Finance costs increased by 65.4% from RMB127 million for the year ended 31 December 2011 to RMB210 million for the year ended 31 December 2012, mainly as a result of increase in bank borrowing.

INCOME TAX EXPENSES

Income tax expenses decreased by 6.8% from RMB146 million for the year ended 31 December 2011 to RMB136 million for the year ended 31 December 2012, primarily due to decrease in profit before taxation.

PROFIT ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF OUR COMPANY

As a result of the foregoing, profit attributable to the equity shareholders of our Company decreased by 7.3% from RMB831 million for the year ended 31 December 2011 to RMB770 million for the year ended 31 December 2012.

PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Profit attributable to non-controlling interests decreased from RMB5 million for the year ended 31 December 2011 to a profit of RMB1 million for the year ended 31 December 2012.

財務收入

我們的財務收入主要包括銀行存款的利息收入，應收融資租賃貸款的融資收入以及匯兌收益。

財務收入由截至2011年12月31日止年度的人民幣17百萬元增加11.8%至截至2012年12月31日止年度的人民幣19百萬元，主要因為銀行存款利息增加。

財務成本

我們的財務成本主要包括銀行及其它財務機構貸款的利息開支及融資租賃負債的融資費用。

財務成本由截至2011年12月31日止年度的人民幣127百萬元增加65.4%至截至2012年12月31日止年度的人民幣210百萬元，主要因為銀行貸款增加所致。

所得稅費用

所得稅費用由截至2011年12月31日止年度的人民幣146百萬元減少6.8%至截至2012年12月31日止年度的人民幣136百萬元，主要是由於除稅前利潤減少。

本公司權益持有人應佔利潤

基於上文所述，本公司的權益持有人應佔利潤由截至2011年12月31日止年度的人民幣831百萬元減少7.3%至截至2012年12月31日止年度的人民幣770百萬元。

非控股股東應佔利潤

非控股股東應佔權益由截至2011年12月31日止年度的人民幣5百萬元減少至截至2012年12月31日止年度的收益人民幣1百萬元。

TRADE AND OTHER RECEIVABLES

應收賬款及其它應收款項

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade Receivables	應收賬款	623,906	447,964
Bills receivable	應收票據	204,174	238,519
Less: allowance for doubtful debts	減：呆賬準備	(38,999)	(20,508)
Deposits and other receivables	押金及其他應收款項	530,586	363,256
		1,319,667	1,029,231

Our trade and other receivables increased from RMB1,029 million as at 31 December 2011 to RMB1,320 million as at 31 December 2012, primarily due to the increase in turnover and the fact that the number of our production facilities in operation increased from 36 as at 31 December 2011 to 41 as at 31 December 2012.

應收賬款及其它應收款項由2011年12月31日的人民幣1,029百萬元增至2012年12月31日的人民幣1,320萬元，主要由於營運收入增加，加上本集團投產營運的生產設備由2011年12月31日的36個增加至2012年12月31日的41個。

Turnover of trade receivables increased from 33 days for the year ended 31 December 2011 to 39 days for the year ended 31 December 2012 which was in line with the payment terms for our trade receivables due from on-site customers.

應收賬款周轉期由截至2011年12月31日止年度的33天增至截至2012年12月31日止年度的39天，與應收現場供氣客戶款項的付款期相符。

The following table sets forth the turnover of our trade receivables for the years indicated:

下表載列於所示年度的應收賬款的周轉天數：

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
Turnover of trade receivables (days)*	應收賬款周轉(天數)*	39	33

Note:

備註：

* Calculated on the average of the beginning and ending trade receivables balances for the year, divided by turnover for the year, multiplied by 360 days for a year in respect of the years indicated.

* 就所示年度而言，按該年度年初與年終的應收賬款平均結餘，除以該年度的收益，再乘以一年360日計算。

BORROWINGS

借款

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term borrowings	短期借款	905,358	320,000
Current portion of long-term borrowings	長期借款的即期部份	2,357,959	795,520
		3,263,317	1,115,520
Long-term portion of long-term borrowings	長期借款的長期部份	2,864,774	2,084,823
		6,128,091	3,200,343

Certain bank loans of our Group are subject to the fulfilment of covenants relating to certain of our Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If our Group were to breach the covenants the drawn down loan balances would become payable on demand. At 31 December 2012, our Group had breached certain financial covenants in respect of certain loans amounting to RMB1,618,014,000, of which RMB1,060,841,000 were classified as current as our Group had breached certain financial covenants at 31 December 2012. Subsequent to 31 December 2012, our Group received unconditional waivers from compliance with the relevant financial covenants at 31 December 2012 from the lenders concerned.

The following table sets forth our borrowings at 31 December 2012 on an actual basis and as adjusted at 31 December 2012 to give effect to formal unconditional waivers by the lenders concerned of certain loans:

本集團若干銀行貸款須遵守若干有關本集團的財務比率之契約，而該等契約於金融機構之貸借安排中屬常見。倘本集團違反契約，則貸款須按要求償還。於2012年12月31日，本集團違反了總額為人民幣1,618,014,000元的部份貸款的若干財務契約，其中因本集團違反了相關財務契約而於2012年12月31日人民幣1,060,841,000元被劃分為流動負債。於2012年12月31日期後，本集團收到了相關放款人對其於2012年12月31日違反相關財務契約的無條件豁免函。

下述列表詳述在2012年12月31日實際及按在收到部份貸款的相關放款人的正式無條件豁免函在2012年12月31日的調整後數字：

		Year ended 31 December 截至 12 月 31 日止年度			
		Actual 實際	As adjusted 調整後	Actual 實際	As adjusted 調整後
		2012		2011	
		RMB'000		RMB'000	
		人民幣千元		人民幣千元	
Short-term borrowings	短期借款	905,358	905,358	320,000	320,000
Current portion of long-term borrowings	長期借款的即期部份	2,357,959	1,297,118	795,520	795,520
		3,263,317	2,202,476	1,115,520	1,115,520
Long-term portion of long-term borrowings	長期借款的長期部份	2,864,774	3,925,615	2,084,823	2,084,823
		6,128,091	6,128,091	3,200,343	3,200,343

As at 31 December 2012, the carrying value of assets pledged to secure bank and other loans was RMB2,467 million (2011: RMB2,346 million).

於 2012 年 12 月 31 日，就銀行及其他貸款抵押的資產帳面價值為人民幣 2,467 百萬元(2011 年：人民幣 2,346 百萬元)。

LIQUIDITY AND CAPITAL RESOURCES

We have historically met our working capital and other capital requirements principally from equity provided by our shareholders, cash generated from operations, cash at bank and in hand and through short-term and long-term borrowings from banks.

流動資金及資本資源

我們過往主要以股東提供的股本、營運提供的現金、銀行存款及現金及來自銀行的短期及長期借款迎合我們的營運資金及其它資本需求。

As at 31 December 2012, the total assets of our Group were approximately RMB14,793 million, representing an increase of RMB4,968 million from 31 December 2011. The cash at bank and in hand was RMB847 million, representing a decrease of RMB111 million from 31 December 2011. The current ratio of our Group was 47.0%. The gearing ratio of our Group which is calculated at total liabilities divided by total assets was 62.5%.

於 2012 年 12 月 31 日，本集團總資產約為人民幣 14,793 百萬元，比 2011 年 12 月 31 日增加人民幣 4,968 百萬元。銀行及手頭現金為人民幣 847 百萬元，比 2011 年 12 月 31 日減少人民幣 111 百萬元；本集團流動比率為 47.0%。本集團按總負債除以總資產計算的槓杆比率為 62.5%。

As at 31 December 2012, the carrying value of assets pledged to secure for borrowings were RMB2,467 million (31 December 2011: RMB2,346 million).

於 2012 年 12 月 31 日，就借款抵押的資產賬面價值為人民幣 2,467 百萬(2011 年 12 月 31 日：人民幣 2,346 百萬元)。

CAPITAL EXPENDITURE

Capital expenditures principally comprise expenditures for the construction of new production facilities and purchase of property, plant and equipment. The annual total capital expenditure for 2012 was RMB3,782 million (2011: RMB2,178 million), principally comprised expenditures for the construction of new production facilities and purchase of property, plant and equipment, which were financed by a combination of our internal cash flows and bank borrowings.

INTERESTS

We have entered into an interest rate swap contract to achieve a targeted mix of fixed and floating rate debts. In this interest rate swap contract, we principally receive interests at floating rates based on London Interbank Offered Rate and pay interests at fixed rate. The swap is designated as a cash flow hedge to hedge against changes in the interest rates of our debt portfolio.

CONTINGENT LIABILITIES

Details of the contingent liabilities of our Group and our Company are set out in notes 30(c) and 30(d) to the consolidated financial statements.

STRATEGIES AND PROSPECTS

Our Company aims to consolidate and further strengthen our position as the leading domestic independent on-site industrial gas supplier in the PRC.

In order to achieve this, we intend to pursue the following strategies:

- capitalize on the outsourcing trend and consolidate and further strengthen our leading position in the outsourcing on-site industrial gas market in China;
- “Go Deep” and “Go Wide” to develop our business and expand our business network;
- further enhance and expand our target markets through industry diversification;
- enhance our competitive strength in providing customized, unique and efficient solutions to our customers through continuous innovation and research and development; and
- continue to attract and retain highly skilled professionals.

資本開支

資本開支主要包括興建新生產設施及購買物業、廠房及設備的支出。2012年的全年資本開支總額為人民幣3,782百萬元(2011年：人民幣2,178百萬元)，主要包括建設新生產設施及購買物業、廠房及設備的支出，以內部現金流及銀行借款支付。

利息

我們訂立了利率掉期合約，以實現預定之固定及浮動利率的債務組合。在合約中我們以倫敦銀行同業拆息為基準的浮動利率收取利息而以固定利率支付利息。此利率掉期旨在對沖現金流及對沖債務組合浮動利率變動的影響。

或有負債

本集團及本公司之或有負債詳情載於合併財務報表附註30(c)和30(d)。

戰略及前景

本公司旨在鞏固並進一步加強中國境內獨立現場工業氣體供應商的領軍地位。

為達致此目標，本公司將貫徹執行下列戰略：

- 把握外包趨勢而得益及鞏固並進一步加強本公司在中國外包現場工業氣體市場的領軍地位；
- 深入及開拓市場，進一步發展業務及擴大業務網路；
- 透過行業多元化，進一步提升及拓展本公司的目標市場；
- 透過不斷革新和研發，向本公司的客戶提供度身訂造、獨特並高效的解決方案，以提升本公司的競爭優勢；及
- 繼續吸納及留任高技術的專業人員。

EMPLOYEE AND REMUNERATION POLICY AND INFORMATION TECHNOLOGY

Human resources and information technology have been essential to our Group's success. Our staff is crucial assets of our Company. As such, we review our remuneration policy and welfare from time to time to ensure it remains competitive. Our Company has a balanced appraisal system to evaluate the staff's performance. For the long-term development of all concerned, we provide relevant training to our staff, such as providing financial supports to our staff for their further education and carrying out relevant trainings for our management. We have operated a training and research centre in Hangzhou, where our staff could acquire more knowledge on industry safety and technology.

As at 31 December 2012, our Group had 3,698 (31 December 2011: 2,597) employees. The increase in headcount was mainly a result of the commencement of production at 5 new production facilities in 2012 and the recruitment of talents for the development of our Company.

We believe that our Company's strong growth and maturity is credited to the expertise of our high-calibre staff and their full support to our Company's development strategy. Our Company values every staff member, and therefore put forward a people-oriented governance philosophy, endeavouring to provide our staff with an excellent working environment and a sound promotion system, and to offer newly promoted staff comprehensive on-the-job training, with a view to fostering a sense of belonging among staff members and propping up their passion at work so that they may provide clients with higher quality services.

僱員、薪酬政策及資訊科技

人力資源與資訊科技一直是本集團的成功關鍵。本公司員工是公司重要的資產，因此，本公司不時檢討薪酬政策及福利以維持競爭力。本公司採用平衡評估制度，評估員工績效。為促進員工各方面及業務上長遠的發展，本集團為員工提供相關培訓，例如：資助員工持續進修及對管理層作出相對的培訓。本集團更於杭州設有培訓及研究中心，讓員工在行業安全及技術方面有更多的認知。

截止2012年12月31日，本集團有3,698名員工（2011年12月31日：2,597名），員工人數增加主要是由於2012年共有5套新設備投入生產及為本公司發展儲備人才所致。

我們相信，本公司的增長及成熟有賴於幹練員工的專業知識及其對本公司發展策略的鼎力支持。本公司重視每名員工，故此貫徹以人為本的管理哲學，致力為員工提供理想的工作環境及完善的晉升制度，並為新晉升的員工提供全面在職培訓，使員工增加歸屬感及培養工作熱誠，為客戶提供更優質的服務。

EXCELLENT MANAGEMENT

Our senior management and senior technicians have extensive experience in the operation of industrial gas enterprises, as well as industry knowledge and know-how, thereby leading our Group's businesses to head towards greater success. In addition to retaining management personnel, we also continue recruiting high-calibre technicians and improving our operation systems and production technologies, in order to provide customers with the best gas supply management solutions and other professional services.

DIVIDENDS

The Directors have proposed a final dividend of RMB0.15 per share for the year ended 31 December 2012 (2011: RMB0.13 per share).

INVESTOR RELATIONS

Communication with Stakeholders

Our Group's investor relations team is devoted to enable the most effective communication between our Company, shareholders, the financial community and other stakeholders. Our Company adheres to the best practices of high transparency and consistency in the disclosure of information whether the market is favourable to the industrial gas sector or otherwise. Our investor relations team has earned the recognition from shareholders, investors and analysts on our Group's integrity in continuing to communicate our Company's strategies and performance at the earliest date in 2012. Our Company's investor relations team frequently reported to management and relevant departments on stakeholders' comments and opinions so that we could keep improving our efficiency and performance, with the ultimate goal of generating higher returns for our shareholders. Communication between the stakeholders and our Company is a two-way process. Our Company had made the following efforts in 2012:

優秀管理

我們的高級管理人員及高級技術員均擁有豐富的工業氣體企業營運經驗以及行業知識和技巧，帶領本集團業務取得更大成就。除留用管理人員外，本集團亦不斷招攬幹練的技術員及改良營運系統與生產技術，為客戶提供最優質的氣體供應管理解決方案及其他專業服務。

股息

董事建議分配截至2012年12月31日止年度的末期股息每股人民幣0.15元(2011：每股人民幣0.13元)。

投資者關係

與利益相關者的溝通

本集團的投資者關係團隊致力於實現本公司、股東、金融界及其它利益相關者之間的最有效溝通。不論市場是否有利於工業氣體行業，在資訊披露方面，本公司堅持最高透明度及一致性。本集團的投資者關係團隊在2012年繼續堅持就本公司策略及業績第一時間作出披露，表現出本集團的誠信，贏得股東、投資者及分析師的認同。本公司投資者關係團隊經常向管理團隊及相關部門匯報利益相關者的意見及建議，不斷提高效率及業績，以達致為股東帶來更高回報的最終目標。本公司與利益相關者之間的溝通是雙向的。於2012年，本公司所作努力包括：

Providing updates to stakeholders through the following channels:

- announcements and notices published on the website of the Hong Kong Stock Exchange, our Company's website, and/or dispatched to our shareholders pursuant to the requirements of the Listing Rules;
- our Company's financial reports;
- our annual and extraordinary general meeting, attended by top management representatives and Directors; and
- investors conferences and meetings.

Encouraging feedback from stakeholders through channels such as:

- face-to-face dialogue at our annual and extraordinary general meeting;
- communication with stakeholders via email or telephone. Our Company also replied email and telephone enquiries from stakeholders directly. If it was a matter of general interest to stakeholders, we would seek to address it in subsequent corporate communication to all stakeholders; and
- site visits. Our Company has organized a few site visits for the stakeholders to inspect our production facilities across China in 2012.

Our Company collected and reported to the management team regularly about stakeholders' comments and suggestions on our operations.

We are grateful to all stakeholders who offered us support and provided us with feedback during 2012. If any stakeholder has questions or comments on our work, please contact us at ir@yingdegas.com.

透過下列管道向利益相關者提供最新資料：

- 按上市規則規定，於香港聯交所網站及本公司網站刊登及／或向股東寄發的公告及通告；
- 本公司財務報告；
- 高層管理代表及董事出席的本公司股東周年大會及股東特別大會；及
- 投資者會議及會面。

鼓勵利益相關者透過下列管道回饋意見：

- 在股東周年大會及股東特別大會面對面對話；
- 與利益相關者透過電郵及電話溝通。本公司亦會直接回復利益相關者的電郵及電話諮詢。倘諮詢內容涉及利益相關者的廣泛關注，則本公司將在其後的公司通訊中答覆全體利益相關者；及
- 實地考察。於2012年，本公司組織了數次實地考察，安排利益相關者考察本公司於中國的生產設施。

本公司定期收集並向管理團隊匯報利益相關者對本公司經營的意見及建議。

我們向在2012年為本公司提供支援及回饋的所有利益相關者致謝。任何利益相關者對本公司的工作如有任何疑問或意見，請電郵 ir@yingdegas.com 聯絡我們。

PROSPECTS

With the introduction of various measures following the new leadership of the Chinese government, the Chinese economy has showed a sign of recovery and is set to record faster growth in 2013, which will benefit the manufacturing industry. With more facilities scheduled to be put into operation in the coming year, our Group will further expand its business presence and share of the outsourcing market. Our Group will endeavour to secure suitable, good customers in the market in order to maintain its leading position in the industry while continuing to consolidate its business.

Pursuing the above goals, we will strive for outstanding performance in 2013 and reciprocate our shareholders with admirable return.

展望

2013年，中國經濟於新政府領導班子上任推出多項措施繼而漸現曙光及加快增長，製造業亦會因此得益。本集團於來年將有更多設備投產，進一步擴大業務版圖及外包市場份額。本集團必定繼續穩守業務，並同時積極於市場物色優質及合適的客戶以保持行業內的領頭企業地位。

秉承上述目標，本集團於2013年努力爭取優越的表現，以可觀的回報回饋股東。

Biographies of Directors and Senior Management

董事及高級管理層簡歷

EXECUTIVE DIRECTOR AND CHAIRMAN

Mr. Zhongguo Sun, aged 49, was initially appointed as the chairman, chief executive officer and an executive director of our Company on 12 November 2007 and was subsequently re-elected as a director of our Company on 19 May 2010. Mr. Sun was one of the founders of our Group and has been a director and the general manager of our Group since 2001. Mr. Sun is responsible for the overall management and strategy of our Group. Mr. Sun has more than ten years experience in the industrial gas industry. Prior to establishing our Group, Mr. Sun was the business manager of applied gas solution at BOC Group Plc., Mr. Sun received a Master of Science in Mechanical Engineering from the University of Pittsburgh in 1989.

EXECUTIVE DIRECTORS

Mr. Zhao Xiangti, aged 54, was initially appointed as an executive director of our Company on 12 November 2007 and was subsequently re-elected as a director of our Company on 15 June 2012. Mr. Zhao was one of the founders of our Group and has participated in our management, business development and expansion since October 2001. Mr. Zhao is responsible for domestic finance planning and support in the PRC within our Group. Mr. Zhao has years of experience in the industrial gas industry. Mr. Zhao received a Bachelor of Engineering from Hebei Science and Technology University in 1982.

Mr. Trevor Raymond Strutt, aged 61, was appointed as an executive director of our Company on 20 May 2010 and was subsequently re-elected as a director of our Company on 26 May 2011. He is also the chief operating officer of our Company. Mr. Strutt was one of the founders of our Group and has been the deputy general manager responsible for the overall operational aspects of our Group since establishment. Mr. Strutt has more than 20 years experience in the industrial gas industry. Prior to establishing our Group, he held various positions at BOC Group Plc., Mr. Strutt received a Bachelor of Science with Honors in Materials Science from the University of Sussex in 1975 and a Master of Business Administration from the University of Leeds in 2001. Mr. Strutt is a member of the Institute of Materials, Minerals and Mining, and is a registered member of the United Kingdom Engineering Council – Chartered Engineer.

執行董事兼主席

Zhongguo Sun 先生，49歲，於2007年11月12日首次獲委任為本公司主席、行政總裁兼執行董事，繼而於2010年5月19日再次獲重選為公司董事。Sun先生為本集團創辦人之一，自2001年起擔任本集團董事兼總經理。Sun先生負責本集團整體管理及戰略。Sun先生於工業氣體行業有逾10年經驗。在本集團成立前，Sun先生曾擔任比歐西集團應用氣體解決方案業務經理。Sun先生於1989年獲得匹茲堡大學機械工程理學碩士學位。

執行董事

趙項題 先生，54歲，於2007年11月12日首次獲委任為本公司執行董事，繼而於2012年6月15日再次獲重選為公司董事。趙先生為本集團創辦人之一，自2001年10月起參與本集團管理、業務發展及擴展。趙先生負責本集團內中國國內融資計劃及支援。趙先生於工業氣體行業有多年經驗。趙先生於1982年獲得河北科技大學工程學士學位。

Trevor Raymond Strutt 先生，61歲，於2010年5月20日獲任為本公司執行董事，繼而於2011年5月26日再次重選為公司董事。他同時也是公司的營運總監。Strutt先生為本集團創辦人之一，自成立起擔任副總經理，負責本集團整體經營。Strutt先生於工業氣體行業有逾20年經驗。本集團成立前，彼曾於比歐西集團擔任多個職位。Strutt先生於1975年獲得蘇塞克斯大學材料科學榮譽理學學士學位及於2001年獲得利茲大學工商管理碩士學位。Strutt先生為英國材料、礦物及採礦學會會員及英國工程委員會—執業工程師的註冊會員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Xu Zhao, aged 44, was initially appointed as an independent non-executive director of our Company on 12 September 2009 and was subsequently re-elected as a director of our Company on 15 June 2012. Mr. Xu is currently the chairman of Cathay Life Insurance Company Limited, which is a joint venture in the PRC between China Eastern Air Holding Company and Cathay Life Insurance Company Limited, a publicly listed company in Taiwan. Mr. Xu is also currently the chief financial officer of China Eastern Air Holding Company and a director of China Eastern Airlines Corporation Limited, a company listed on the Hong Kong Stock Exchange and Shanghai Stock Exchange. Mr. Xu has more than ten years experience in the accounting and finance areas. Mr. Xu received a Bachelor degree in Molding from Chongqing University in 1991 and a Master degree in Professional Accountancy from The Chinese University of Hong Kong in 2005. Mr. Xu is a certified public accountant in the PRC.

Mr. Zheng Fuya, aged 46, was initially appointed as an independent non-executive director of our Company on 12 September 2009 and was subsequently re-elected as a director of our Company on 26 May 2011. Mr. Zheng was a director of Cogo Group, Inc., a company listed on the NASDAQ and has since 1 January 2008 served as the chief financial officer of the same company. Mr. Zheng was previously vice president of travel service at eLong, Inc., one of the leading online travel service companies in China and listed on the NASDAQ, where Mr. Zheng was responsible for the overall operation of eLong Inc.'s travel services. Mr. Zheng has more than ten years experience in the service industry. Mr. Zheng received a Bachelor of Business Administration majoring in accounting from City University of New York in 1994.

獨立非執行董事

徐昭先生，44歲，於2009年9月12日首次委任為本公司獨立非執行董事，並於2012年6月15日再次獲重選為公司董事。徐先生現時為國泰人壽保險股份有限公司主席，該公司為中國東方航空集團公司及台灣公眾上市公司國泰人壽保險股份有限公司於中國成立的合營企業。徐先生現時亦為中國東方航空集團公司總會計師及香港聯交所及上海證券交易所上市公司中國東方航空股份有限公司的董事。徐先生於會計及金融領域有逾10年經驗。徐先生於1991年獲得重慶大學鑄造學士學位並於2005年獲得香港中文大學專業會計碩士學位，徐先生現為中國註冊會計師。

鄭富亞先生，46歲，於2009年9月12日首次委任為本公司獨立非執行董事，並於2011年5月26日再次獲重選為公司董事。鄭先生曾任一間於納斯達克上市公司Cogo Group, Inc.的董事，並自2008年1月1日起出任該公司財務總監。鄭先生之前曾任一間於納斯達克上市公司藝龍旅行網(中國最大的網上旅遊服務公司之一)的旅遊服務副總裁，負責藝龍旅行網旅遊服務整體經營。鄭先生於服務行業有逾10年經驗。鄭先生於1994年獲得紐約市立大學工商管理學士學位，主修會計。

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Dr. Wang Ching, aged 58, was initially appointed as an independent non-executive director of our Company on 4 December 2009 and was subsequently re-elected as a director of our Company on 15 June 2012. Dr. Wang has more than 20 years of working experience in global financial industry specialising in asset management, direct investment, corporate finance, equity and fixed income trading/sales with particular focus in the U.S. and the Greater China region. Dr. Wang is currently the managing director of Shanghai International Asset Management (HK) Co. Ltd., a licensed corporation registered with Hong Kong Securities and Futures Commission(HKSFC), the executive director of Shanghai International Shanghai Growth Investment Limited, an investment fund company listed on the Hong Kong Stock Exchange(HKEX Stock Code: 770.HK). He also serves as independent non-executive directors for several HKEX listed firms, in which he advises the top management on business strategies, financial development and internal control. Dr. Wang had served as the CEO of the Investment & Proprietary Trading Group for Jih Sun Financial Holding CO., Ltd. in Taiwan, Chairman of FENB Securities, Inc. in U.S., Managing Director of SinoPac Securities (Asia) Hong Kong, Managing Director of JS Cresvale International Securities, Director of Investment Banking of Standard Chartered Bank in Hong Kong, and Associate Director of Bear Stearns & Co., Inc. in New York. Dr. Wang received his Ph.D. in Finance from Columbia University in New York.

獨立非執行董事(續)

王京博士，58歲，於2009年12月4日首次委任為本公司獨立非執行董事，並於2012年6月15日再次獲重選為公司董事。王博士在全球金融市場，特別是美國與大中華區域，對於資產管理、直接投資、企業融資、以及證券交易等領域，有逾二十年豐富經驗。王博士目前為香港滙光國際投資管理有限公司董事總經理、香港聯交所上市之上海發展投資基金(股份代號：770.HK)執行董事，同時也擔任數家香港上市公司的獨立非執行董事，就業務策略、財務發展及內部控制向最高管理層提供建議。王博士曾任職台灣日盛金融控股有限公司投資管理事業群執行長、美國洛杉磯遠東銀證券有限公司董事長、香港建華證券(亞洲)有限公司董事總經理、香港日盛嘉富證券國際有限公司董事總經理、香港渣打銀行投資銀行部董事，紐約Bear Stearns & Co.Ltd. 聯席董事等。王博士獲得美國紐約哥倫比亞大學財務金融博士學位。

Biographies of Directors and Senior Management (continued) 董事及高級管理層簡歷 (續)

SENIOR MANAGEMENT

Mr. Zhongguo Sun - please refer to his biography under the sub-section headed - "Executive Director and Chairman".

Mr. Zhao Xiangti - please refer to his biography under the sub-section headed - "Executive Directors".

Mr. Trevor Raymond Strutt - please refer to his biography under the sub-section headed - "Executive Directors".

Ms. Wong Sze Wing, aged 34, joined our Group on 1 July 2008 and is chief financial officer and company secretary of our Group. Ms. Wong has over ten years of accounting experience in the industrial sector. Prior to joining our Company, Ms. Wong was the group chief financial officer of Orange Sky Entertainment Group (International) Holdings Limited, an investment holding company with subsidiaries engaging in media business in the PRC. She was previously employed as the financial controller of Avex China Company Limited, a PRC joint venture company established by Orange Sky Entertainment (International) Holdings Limited and Avex Group Holdings Inc., which is a company listed on the Tokyo Stock Exchange. Ms. Wong was also previously employed as a manager at PricewaterhouseCoopers. Ms. Wong holds a Bachelor of Business Administration from the University of Hong Kong. She received her EMBA from China Europe International Business School. Ms. Wong became a chartered member of the Hong Kong Institute of Certified Public Accountants in 2003.

COMPANY SECRETARY

Ms. Wong Sze Wing - please refer to her biography under the sub-section headed - "Senior Management".

高級管理層

Zhongguo Sun先生，關於他的履歷請參見「執行董事兼主席」部份。

趙項題先生，關於他的履歷請參見「執行董事」部份。

Trevor Raymond Strutt先生，關於他的履歷請參見「執行董事」部份。

黃斯穎女士，34歲，為本集團首席財務官及公司秘書，於2008年7月1日加入本集團。黃女士在工業界擁有逾10年會計經驗。加入本公司前，黃女士曾任橙天娛樂集團(國際)控股有限公司(一間投資及控股公司，其附屬公司於中國從事媒體業務)的集團首席財務官。彼曾於一間由橙天娛樂集團(國際)控股有限公司與東京證券交易所上市公司Avex Group Holdings Inc.成立的中國合營公司艾迴音樂影像製作(中國)有限公司的財務總監。黃女士先前亦於羅兵咸永道會計師事務所受聘為經理。黃女士持有香港大學工商管理學士學位，彼亦於中歐國際商學院獲得EMBA(高層管理人員工商管理碩士)。黃女士於2003年成為香港會計師公會會員。

公司秘書

黃斯穎女士，關於她的履歷請參見「高級管理層」部份。

Directors' Report

董事會報告

The Board is pleased to present its report and the audited consolidated financial statements of our Company and of our Group for the year ended 31 December 2012.

PRINCIPAL PLACE OF BUSINESS

Our Company's principal place of business in Hong Kong is at Room 3212-13, 32/F., Tower Two, Times Square, Causeway Bay, Hong Kong and has its registered office at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

PRINCIPAL OPERATIONS AND ANALYSIS OF OPERATIONS

Based on the research information in the SAI Report, we were the largest domestic independent industrial gas supplier specializing in on-site gas supply in China in terms of total revenue for the year ended 31 December 2012.

We produce, supply and distribute a variety of industrial gas products to our on-site and merchant customers from a number of locations in the PRC, with oxygen, nitrogen and argon being our main gas products. Our on-site customers are those whose premises are located on or in close proximity to our gas production facilities and to whom we supply industrial gases directly. Our merchant customers are generally liquid gas distributors who purchase industrial gases from us on a spot market basis from time to time.

The analysis of our Group's turnover is set out in note 4 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

Results of our Group for the year ended 31 December 2012 are set out in the consolidated statement of comprehensive income on page 57.

FINAL DIVIDENDS

Our Directors have proposed a final dividend of RMB0.15 per share for the year ended 31 December 2012 (2011: RMB0.13).

董事會欣然提呈董事會報告以及本公司及本集團截至2012年12月31日止年度經審核合併財務報表。

主要營業地點

本公司於香港主要營業地點位於香港銅鑼灣時代廣場二座三十二層3212-13室，而註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

主要業務及業務分析

根據SAI報告的研究資料，按截至2012年12月31日止年度的總收益計算，我們是中國境內最大的專門從事現場供氣的獨立工業氣體供應商。

我們向位於中國多個地區的現場供氣客戶及零售客戶生產、供應及分銷多種工業氣體產品，我們主要氣體產品為氧氣、氮氣及氫氣。我們的現場供氣客戶指廠房設置於我們氣體生產設施或毗鄰位置並由我們直接供應工業氣體的客戶。本公司零售客戶一般為不時於現貨市場向本公司購買工業氣體的液態氣體分銷商。

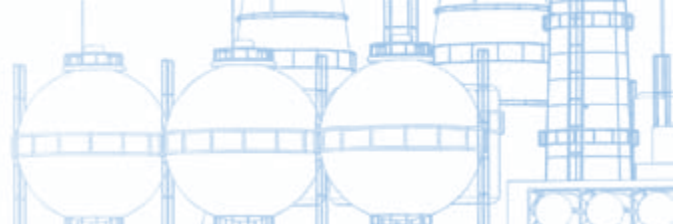
本集團收入的分析載於合併財務報表附註4。

業績及分派

本集團截至2012年12月31日止年度業績載於第57頁的合併綜合收益表。

末期股息

董事建議分配截至2012年12月31日止年度的末期股息每股人民幣0.15元(2011年：人民幣0.13元)。



FINANCIAL SUMMARY

A five-year financial summary of the results and of the assets and liabilities of our Group is set out on page 168.

RESERVES

Movements in the reserves of our Group and our Company during the year are set out in consolidated statement of changes in equity and note 28(a) to the consolidated financial statements, respectively.

DISTRIBUTABLE RESERVES

Our Company's total distributable reserves at 31 December 2012 amounted to RMB2,381 million (2011: RMB2,709 million).

SHARE CAPITAL

Movements in the share capital of our Company during the year ended 31 December 2012 are set out in note 27 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Movements in our Group's property, plant and equipment are set out in note 11 to the consolidated financial statements.

BORROWINGS AND CAPITALIZATION OF INTERESTS

Details of borrowings of our Group during the year are set out in note 24 to the consolidated financial statements. Details of our Group's capitalized interests expenses and other borrowing costs during the year are set out in note 5(a) to the consolidated financial statements.

RETIREMENT BENEFITS

Details of the retirement benefit plans of our Group are set out in note 5(b) to the consolidated financial statements.

財務摘要

本集團過去五個財政年度的業績、資產及負債概要載於第168頁。

儲備

年內本集團及本公司儲備變動詳情分別載於合併權益變動表和合併財務報表附註28(a)。

可分派儲備

於2012年12月31日，本公司可分派儲備總額為人民幣2,381百萬元(2011年：人民幣2,709百萬元)。

股本

本公司截至2012年12月31日止年度的股本變動詳情載於合併財務報表附註27。

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於合併財務報表附註11。

借款及利息資本化

本集團年內借款詳情載於合併財務報表附註24。本集團年內資本化的利息開支及其他借款成本詳情載於合併財務報表附註5(a)。

退休福利

本集團退休福利計劃詳情載於合併財務報表附註5(b)。

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY'S LISTED SECURITIES

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

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved by a resolution of the shareholders on 12 September 2009 and adopted by a resolution of the Board on 12 September 2009. Unless it is terminated by the Board or our shareholders in general meeting in accordance with the terms of the Share Option Scheme, the Share Option Scheme shall be valid and effective for a period of ten years on the date which it becomes unconditional. After the period, no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in full force and effect to exercise any subsisting options granted prior to the expiry of this ten year period or otherwise as handled in accordance with the provisions of the Share Option Scheme. The amount payable by a participant upon acceptance of a grant of option is RMB1.00. The Board may, at its absolute discretion, offer any employee, management member or Director, or any of our subsidiaries and third party service providers the options to subscribe for shares on the terms set out in the Share Option Scheme. The purpose of the Share Option Scheme is to attract and retain skilled and experienced personnel, to incentivize them to remain with us and to give effect to our customer-focused corporate culture, and to motivate them to strive for our future development and expansion, by providing them with the opportunity to acquire equity interests in our Company.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme shall not in aggregate exceed 10% of the issued shares as at the date of approval of the Share Options Scheme (ie. a total of 180,923,250 shares).

購買、出售或贖回本公司上市證券

於回顧年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

購股權計劃

2009年9月12日，股東通過決議案有條件批准購股權計劃，同日，董事會通過決議案採納該購股權計劃。除非本公司董事會或股東在股東大會上根據購股權計劃的條款終止購股權計劃，否則購股權計劃將於當日起計生效並無條件在當日起計十年內有效，屆滿後不得再授出或提呈購股權，惟購股權計劃條文仍具十足效力及作用，使十年期屆滿前已授出的任何現有購股權仍可行使或根據購股權計劃條文另行處理。參與者接納購股權時須支付人民幣1.00元。董事會可全權酌情根據購股權計劃所載條款，向本公司或任何附屬公司的任何僱員、管理人員或董事及第三方服務供應商授出可認購股份的購股權。購股權計劃旨在招攬及留用技術熟練及經驗豐富的人士，為彼等提供購買本公司股權的機會，藉此激勵彼等留任本公司、促進本公司以客戶為本的企業文化，並推動彼等為本公司的未來發展及擴展作出努力。

根據購股權計劃授出的購股權所涉及的股份數目合共不得超過批准購股權計劃當日已發行股本的10% (即合共180,923,250股)。



No option may be granted to any one person such that the total number of shares issued and to be issued upon the exercise of options granted and to be granted to that person in any 12 month period up to the date of the latest grant exceeds 1% of our issued share capital from time to time, unless the approval of our shareholders is obtained.

The amount payable for each share to be subscribed for under an option upon exercise shall be determined by the Board and notified to a proposed beneficiary at the time of offer of the option and shall be not less than the higher of:

- (a) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheet on the date of grant, which must be a Business Day;
- (b) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheet for the five Business Days immediately preceding the date of grant; and
- (c) the nominal value of the Shares.

The Share Option Scheme does not contain any minimum period(s) for which an option must be held before it can be exercised. However, at the time of grant of the options, our Company may specify any such minimum period(s).

As at 31 December 2012, no options have been granted pursuant to the Share Option Scheme.

我們不得向任何人士授出購股權而致使於截至最近授出日期止之任何12個月內已授予及將授予該人士的購股權獲行使而發行及將發行的股份總數超過我們的不時已發行股本的1%，惟獲我們的股東批准則除外。

行使購股權認購每股股份應付的金額須由董事會於提出購股權要約時釐定，並知會建議受益人，且不得低於下列的較高者：

- (a) 股份於授出日期(須為營業日)在香港聯交所每日報價表所列的收市價；
- (b) 股份於緊接授出日期前五個營業日在香港聯交所每日報價表所列的平均收市價；及
- (c) 股份的面值。

購股權計劃並無載列購股權可獲行使前須持有的任何最短期限。然而，於授出購股權時，本公司可具體規定任何有關最短期限。

截至2012年12月31日，本公司並無根據購股權計劃授出任何購股權。

DIRECTORS

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

Executive Directors

Mr. Zhongguo Sun (chairman and chief executive officer, re-elected/appointed on 19 May 2010)

Mr. Zhao Xiangti (re-elected/appointed on 15 June 2012)

Mr. Trevor Raymond Strutt (re-elected/appointed on 26 May 2011)

Independent Non-executive Directors

Mr. Xu Zhao (re-elected/appointed on 19 May 2010)

Mr. Zheng Fuya (re-elected/appointed on 26 May 2011)

Dr. Wang Ching (re-elected/appointed on 15 June 2012)

In accordance with Article 84 of the Articles of Association, Mr. Zhongguo Sun and Mr. Xu Zhao shall retire by rotation and being eligible, have offered themselves for re-election at the forthcoming annual general meeting.

Brief biographical details of Directors are set out on pages 22 to 24.

董事

本公司年內及截至本年報日期之董事如下：

執行董事

Zhongguo Sun 先生 (主席兼行政總裁，於2010年5月19日重選／獲委任)

趙項題先生 (於2012年6月15日重選／獲委任)

Trevor Raymond Strutt 先生 (於2011年5月26日重選／獲委任)

獨立非執行董事

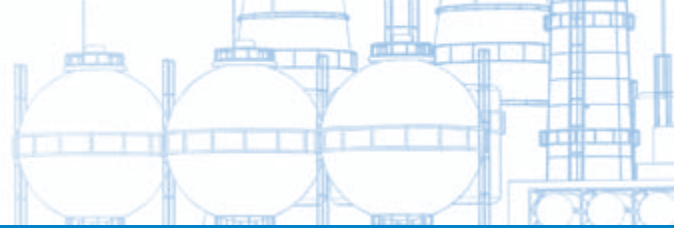
徐昭先生 (於2010年5月19日重選／獲委任)

鄭富亞先生 (於2011年5月26日重選／獲委任)

王京博士 (於2012年6月15日重選／獲委任)

根據公司章程第84條，Zhongguo Sun 先生及徐昭先生將於應屆股東週年大會上輪值退任，惟符合資格並願意膺選連任。

董事履歷簡介載於第22至24頁。



DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with our Company or any member of our Company which is not determinable by our Company within one year without the payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance in relation to our Group's business to which our Company, any of its subsidiaries, its fellow subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the financial year or at any time during the financial year under review.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year under review was our Company or any of its subsidiaries or fellow subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, our Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18, were granted any right to subscribe for the equity or debt securities of our Company or any other body corporate or had exercised any such right.

董事服務合約

擬於應屆股東週年大會上膺選連任的董事概無與本公司或其任何成員公司訂立任何本公司不可於一年內毋須支付賠償(法定賠償除外)即終止的服務合約。

董事於重大合約之權益

於回顧財政年度結束時或回顧財政年度內任何時間，概無本公司、其任何附屬公司、同系附屬公司或其母公司作為合約方訂立任何與本集團業務有關，且董事直接或間接擁有重大權益的重大合約的存續。

董事收購股份或債券之權利

於回顧年度內任何時間，本公司或其任何附屬公司或同系附屬公司概無訂立令董事可藉收購本公司或任何其他法團股份或債券獲利的任何安排，而董事或彼等各自的配偶或十八歲以下子女亦概無獲授或行使任何可認購本公司或任何其他法團股權或債務證券的權利。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES OR DEBENTURES OF OUR COMPANY AND OUR ASSOCIATED CORPORATIONS

As at 31 December 2012, the interests and short positions of the Directors and chief executive of our Company in the Shares, underlying Shares or debentures of our Company and our associated corporations (within the meaning of Part XV of the SFO), which were required to be entered in the register kept by our Company under Section 352 of the SFO or as otherwise notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code of the Listing Rules contained in Appendix 10 were as follows:

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於2012年12月31日，本公司董事及最高行政人員於本公司及其相聯法團(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須記錄於本公司根據《證券及期貨條例》第352條須存置之登記冊，或根據上市規則附錄十所載之標準守則須知會本公司及香港聯交所的權益及淡倉如下：

Name 名稱	Nature of interest 權益性質	Number of Shares 所擁有股份數目	Approximate percentage of shareholding 持股概約百分比 (Note) (附註)
Mr. Zhongguo Sun Zhongguo Sun先生	Beneficiary of a trust 信託受益人	334,200,000 (long position) 334,200,000股 (好倉)	18.50%
Mr. Zhao Xiangti 趙項題先生	Deemed interest, interest of controlled company 視作擁有權益 (控制公司權益) Beneficial owner 實業擁有人	253,129,585 (long position) 253,129,585股 (好倉) 892,000 (long position) 892,000股 (好倉)	
		254,021,585 (long position) 254,021,585股 (好倉)	14.06%
Mr. Trevor Raymond Strutt Trevor Raymond Strutt先生	Founder of a discretionary trust 全權信託的成立人	183,352,961 (long position) 183,352,961股 (好倉)	10.15%

Note: There were 1,806,830,000 Shares in issue as at 31 December 2012.

附註：截至2012年12月31日，已發行1,806,830,000股股份。

Save as disclosed above, as at 31 December 2012, none of the Directors and the chief executive of our Company or their associates (including their spouses and children under 18 years of age) had any interest or short positions in the Shares, underlying Shares or debentures of our Company or our associated corporations, recorded in the register required to be kept under section 352 of the SFO or required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2012年12月31日，本公司董事、最高行政人員或彼等之聯繫人(包括彼等的配偶及未滿18歲的子女)概無於本公司或相聯法團之股份、相關股份及債券中擁有須記錄於根據證券及期貨條例第352條存置之登記冊內或根據標準守則須知會本公司及香港聯交所的權益或淡倉。



SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF OUR COMPANY

As at 31 December 2012, to the best knowledge and behalf of the Director, the following persons (other than the Directors and chief executive of our Company) had interests or short positions in the Shares or underlying Shares of our Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 pursuant to Section 336 of Part XV of the SFO as follows:

主要股東及其他人士於股份及相關股份的權益及淡倉

於2012年12月31日，就董事所知及代表董事，下列人士(本公司的董事及最高行政人員除外)擁有須根據《證券及期貨條例》第XV部第336條第2及3分部條文向本公司披露的本公司股份或相關股份權益或淡倉如下：

Name 名稱	Nature of interest 權益性質	Number of Shares 所擁有股份數目	Approximate percentage of shareholding 持股概約百分比 (Note) (附註)
Baslow Technology Limited	Beneficial owner 實益擁有人	183,352,961 (long position) 183,352,961股 (好倉)	10.15%
Baslow Resources Limited	Deemed interest, interest of controlled company 視作擁有權益 (控制公司權益)	183,352,961 (long position) 183,352,961股 (好倉)	10.15%
Bubbly Brooke Holdings Limited	Beneficial owner 實益擁有人	334,200,000 (long position) 334,200,000股 (好倉)	18.50%
Li Hongmei 李洪妹	Founder of a discretionary trust 全權信託的成立人	334,200,000 (long position) 334,200,000股 (好倉)	18.50%
Yang Yonggang 楊永剛	Deemed interest, interest of controlled company 視作擁有權益 (控制公司權益)	261,129,585 (long position) 261,129,585股 (好倉)	
	Beneficial owner 實益擁有人	892,000 (long position) 892,000股 (好倉)	
		262,021,585 (long position) 262,021,585股 (好倉)	14.50%
Rongton Investments Limited 榮滔投資有限公司	Beneficial owner 實益擁有人	261,129,585 (long position) 261,129,585股 (好倉)	14.43%

Directors' Report (continued)

董事會報告 (續)

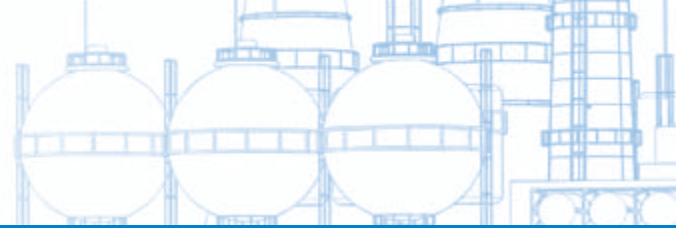
Name 名稱	Nature of interest 權益性質	Number of Shares 所擁有股份數目	Approximate percentage of shareholding 持股概約百分比 (Note) (附註)
Equity Trustee Limited	Trustee (other than a bare trustee) 受託人 (被動受託人除外)	517,552,961 (long position) 517,552,961股 (好倉)	28.64%
Rouser Investments Inc.	Deemed interest, interest of controlled company 視作擁有權益 (控制公司權益)	334,200,000 (long position) 334,200,000股 (好倉)	18.50%
JPMorgan Chase & Co.	Beneficial owner 實益擁有人	1,831,845 (long position) 1,831,845股 (好倉)	
	Investment manager 投資經理	30,979,000 (long position) 30,979,000股 (好倉)	
	Custodian corporation/ approved lending agent 保管人法團/核准借出代理人	93,951,719 (long position) 93,951,719股 (好倉)	
		126,762,564 (long position) 126,762,564股 (好倉)	7.02%
	Custodian corporation/ approved lending agent 保管人法團/核准借出代理人	93,951,719 (lending pool) 93,951,719股 (可供借出股份)	5.20%
Prudential Plc	Deemed interest, interest of controlled company 視作擁有權益 (控制公司權益)	91,081,500 (long position) 91,081,500股 (好倉)	5.04%
Aberdeen Asset Management Plc and its Associates (together "The Aberdeen Group") on behalf of Accounts managed by the Aberdeen Group	Investment manager 投資經理	145,038,000 (long position) 145,038,000股 (好倉)	8.03%

Note: There were 1,806,830,000 shares in issue as at 31 December 2012.

附註：截至2012年12月31日，已發行1,806,830,000股股份。

Save as disclosed above, as at 31 December 2012, our Company were not aware of any person (other than the Directors and chief executive of our Company) who had an interest or a short position in the Shares or underlying Shares of our Company as recorded in the register required to be kept by our Company under Section 336 of Part XV of the SFO.

除上文所披露者外，根據《證券及期貨條例》第XV部第336條規定存置的本公司登記冊所示，於2012年12月31日，就本公司所知，並無任何人士(本公司的董事及最高行政人員除外)擁有本公司股份或相關股份的權益或淡倉。



PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association of our Company and there is no restriction against such rights which would oblige our Company to offer new shares on a pro-rata basis to existing shareholders.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors have any ownership in other businesses which competes or is likely to compete, either directly or indirectly, with the businesses of our Group.

MANAGEMENT CONTRACTS

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

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Our Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and our Company considers that Mr. Xu Zhao, Mr. Zheng Fuya and Dr. Wang Ching to be independent.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2012, our Group had a total of 3,698 employees (2011: 2,597 employees). Total staff costs (including directors' emoluments) incurred for the year ended 31 December 2012 amounted to approximately RMB226 million (2011: RMB176 million). Remuneration packages of the Directors are recommended by the remuneration committee and approved by the Board. Employee remuneration will be determined by the management with reference to individual performance and experience and industry practice.

None of the Directors waived any emoluments during the year ended 31 December 2012.

優先購買權

本公司章程並無載有關於優先購買權之規定，亦無限制優先購股權規定本公司須按比例向現有股東發售新股份。

董事在競爭業務中的權益

本公司概無董事擁有任何與本集團業務直接或間接競爭或可能競爭的業務。

管理合約

於本年內，本公司並無訂立或訂有涉及全部或大部份業務的管理及行政合約。

獨立非執行董事的獨立性確認函

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性發出的年度確認函。本公司認為徐昭先生、鄭富亞先生及王京博士均屬獨立人士。

僱員及薪酬政策

截至2012年12月31日，本集團共有3,698名僱員(2011年：2,597名)。截至2012年12月31日止年度的總員工成本(包括董事酬金)約為人民幣226百萬元(2011年：人民幣176百萬元)。董事薪酬待遇由薪酬委員會建議並經董事會批准。管理層將參考工作表現、經驗及行業慣例釐定僱員薪酬。

截至2012年12月31日止年度，概無董事放棄任何酬金。

MAJOR SUPPLIERS AND CUSTOMERS

As we obtain our major raw material, air, at no cost, electricity, which comprises over 60% of our total cost of sales, is therefore the largest item of our total purchases. As we normally secure our electricity supply for our on-site gas operations through contractual arrangements with our on-site customers, our current five largest suppliers are all our on-site customers. We generally obtain electricity from our on-site customers at the market rate set by state-owned electricity grid companies. Electricity is usually supplied to our on-site customers by local electricity companies which are state-owned enterprises. As we generally collect our receivables from our on-site customers and make payment to on-site customers for our electricity usage at or around the same time, their payments to us are generally netted off to take into account our electricity expenses to our on-site customers. Our five largest suppliers together accounted for approximately 55.4% (2011: 62.6%) of the total purchases for the year ended 31 December 2012. For the year ended 31 December 2012, our largest supplier accounted for approximately 18.3% (2011: 19.7%) of our total purchases.

Our five largest customers together accounted for approximately 52.1% (2011: 57.0%) of our total revenues for the year ended 31 December 2012. For the year ended 31 December 2012, our largest customer accounted for approximately 17.1% (2011: 18.0%) of our total turnover.

As far as our Company is aware, neither the Directors, their associates, nor those substantial shareholders who are interested in more than 5% of the Shares or underlying Shares of our Company had any interest in the five largest customers and suppliers of our Group.

CONTINUING CONNECTED TRANSACTIONS

The following continuing connected transactions of our Company are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

主要供應商及客戶

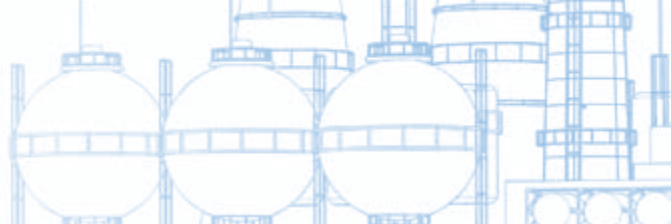
由於本集團的主要原材料空氣毋須成本便可取得，故電力成為採購總額的最大項目，佔本集團總銷售成本的60%以上。由於本集團一般透過與現場供氣客戶訂立的合約安排，保障本集團對現場供氣業務的電力供應，故本集團目前五大供應商均為現場供氣客戶。本集團一般按國有電網公司釐定的市價自本集團現場供氣客戶獲取電力。電力通常由國有電力公司向本集團的現場供氣客戶供應。由於本集團一般收取現場供氣客戶的應收款項的時間與本集團支付予現場供氣客戶的電力費用的時間相若，故此客戶向本集團支付的款項一般與本集團支付予現場供氣客戶的電力費用抵銷。我們的五大供應商合共佔我們截至2012年12月31日止年度採購總額約55.4%(2011年：62.6%)。截至2012年12月31日止年度，我們的最大供應商佔採購總額約18.3%(2011年：19.7%)。

我們的五大客戶合共佔我們截至2012年12月31日止年度總收益約52.1%(2011年：57.0%)。截至2012年12月31日止年度，我們的最大客戶佔總收入約17.1%(2011年：18.0%)。

就本公司所知，董事、彼等的聯繫人及擁有本公司股份或相關股份超過5%權益的主要股東概無於本集團五大客戶及供應商擁有權益。

持續關連交易

下述本公司持續關連交易須遵守上市規則第14A章的申報、公告及獨立股東批准規定。



BACKGROUND

On 28 November 2008, our Group entered into a joint venture agreement with Hengyang Valin to establish a joint venture with industrial gas supply company, Hengyang Yingde, in Hengyang city, Hunan province in the PRC. As we own 70% interest in Hengyang Yingde and have the right to appoint two out of three members of its board of directors, we have control of Hengyang Yingde. Therefore, our Company accounts for Hengyang Yingde as our subsidiary. Hengyang Valin owns the remaining 30% interest in Hengyang Yingde.

As Hengyang Valin is a substantial shareholder of our Company's subsidiary, Hengyang Valin is a connected person of our Company pursuant to Rule 14A.11(1) of the Listing Rules. Therefore, any transaction between our Group and Hengyang Valin (including its associates) are connected transactions of our Company pursuant to Rule 14A.13(1)(a) of the Listing Rules which will be subject to the requirements under Chapter 14A of the Listing Rules.

DESCRIPTION OF THE TRANSACTIONS

Hengyang Gas Supply Contract

On 28 November 2008, Yingde BVI (on behalf of Hengyang Yingde) entered into a gas supply contract with Hengyang Valin, or the Hengyang Gas Supply Contract, pursuant to which Yingde BVI agreed to transfer the benefits and obligations under the Hengyang Gas Supply Contract to Hengyang Yingde upon its establishment, and Hengyang Yingde would supply and Hengyang Valin would purchase a specified minimum volume of industrial gases. The industrial gases supplied to Hengyang Valin by Hengyang Yingde include oxygen, nitrogen and argon which are the major industrial gas products offered by our Company. The duration of the Hengyang Gas Supply Contract is 20 years. The end date of the gas supply contract is 30 October 2029. Under the Hengyang Gas Supply Contract, Hengyang Valin is required to provide utilities (such as electricity) to Hengyang Yingde for its gas production facilities located on the site of Hengyang Valin. Hengyang Yingde would in turn be required to pay Hengyang Valin for those costs of gas production, such as the utility costs and rents for occupation of the site.

背景

於2008年11月28日，本集團與衡陽華菱訂立合營協議，於中國湖南省衡陽市設立一間工業氣體供應合營公司衡陽盈德。由於本公司擁有衡陽盈德70%權益，並有權在三名董事會成員中委任其中兩名，故本公司擁有衡陽盈德的控制權。因此，本公司將衡陽盈德入賬列作附屬公司。衡陽華菱擁有衡陽盈德餘下30%權益。

由於衡陽華菱乃本公司附屬公司的主要股東，故根據上市規則第14A.11(1)條，衡陽華菱乃本公司的關連人士。因此，根據上市規則第14A.13(1)(a)條，本公司與衡陽華菱(包括其聯屬公司)進行的任何交易均屬關連交易，並須遵守上市規則第14A章的規定。

交易詳情

衡陽供氣合約

於2008年11月28日，盈德(英屬處女群島)代表衡陽盈德與衡陽華菱訂立供氣合約(即衡陽供氣合約)，盈德(英屬處女群島)同意在衡陽盈德成立後向其轉讓衡陽供氣合約的利益及責任，而衡陽盈德會供應及衡陽華菱會購買指定最低用量的工業氣體。衡陽盈德向衡陽華菱供應的工業氣體包括氧氣、氮氣及氫氣，均為本公司供應的主要工業氣體產品。衡陽供氣合約的期限為20年。供氣合約的終止日期為2029年10月30日。根據衡陽供氣合約，衡陽華菱須向衡陽盈德在衡陽華菱現場範圍內的氣體生產設施提供公用設施(如電力)，而衡陽盈德須就此向衡陽華菱支付氣體生產成本，如公用設施費用及佔用該地的租金。

Gas Supply Transactions and Supply-related Transactions

The gas supply transactions from Hengyang Yingde to Hengyang Valin are referred to as the Gas Supply Transactions. The basis of pricing of the Gas Supply Transactions was reached between our Group and Hengyang Valin through arm's length negotiations taking into account factors including the price offered by competitors, our Company's investment in capital expenditure, the costs of gas production (including the costs charged by Hengyang Valin for the Supply-related Transactions described below), reputation and quality of Hengyang Valin, and the likely return to the shareholders of our Company. In connection with the Gas Supply Transactions, our Group will enter into certain related transactions with Hengyang Valin. These transactions involve payment of expenses (including but not limited to electricity expense, steam expense and rental expense) from Hengyang Yingde to Hengyang Valin under the Hengyang Gas Supply Contract, or the Supply-related Transactions. The basis of pricing of the Supply-related Transactions was reached between our Company and Hengyang Valin through arm's length negotiations taking into account factors including the price charged by the local utility companies and the rentals charged by landlords of adjacent properties.

Transaction Amounts for the Year Ended 31 December 2012

Prior to the commencement of gas supplies by Hengyang Yingde to Hengyang Valin in April 2009, there were no transactions between our Group and Hengyang Valin. The amount for the Gas Supply Transactions for the year ended 31 December 2012 was approximately RMB83 million (2011: RMB87 million), which represented the on-site sales revenue of Hengyang Yingde. The amount for the Supply-related Transactions for the year ended 31 December 2012 of gas supply by Hengyang Yingde to Hengyang Valin was approximately RMB39 million (2011: RMB51 million), which represented the electricity and water expenses of Hengyang Yingde.

The annual cap set for the total Supply-related Transactions for the year ended 31 December 2012 was RMB65 million (2011: RMB65 million). The actual aggregate amount Supply-related Transactions for the year ended 31 December 2012 was RMB39 million (2011: RMB51 million).

The annual cap set for the total Gas Supply Transactions for the year ended 31 December 2012 was RMB110 million (2011: RMB110 million). The actual aggregate amount Gas Supply Transactions for the year ended 31 December 2012 was RMB83 million (2011: RMB87 million).

供氣交易及供氣相關交易

衡陽盈德向衡陽華菱供應氣體的交易所指供氣交易。供氣交易的定價基準由本集團與衡陽華菱公平磋商協定，並已考慮多項因素，包括競爭對手的定價、本集團於資本開支的投資、氣體生產成本(包括衡陽華菱就下述供氣相關交易所收取的費用)、衡陽華菱的聲譽及質量以及本公司股東的潛在回報。就供氣交易而言，本集團將與衡陽華菱進行若干相關交易。該等交易涉及衡陽盈德根據衡陽供氣合約或供氣相關交易所向衡陽華菱支付開支(包括但不限於電力開支、蒸氣開支及租金開支)。供氣相關交易的定價基準由本公司與衡陽華菱公平磋商協定，並已考慮當地公用事業公司的收費及周邊物業業主收取的租金等因素。

截至2012年12月31日止年度的交易金額

衡陽盈德於2009年4月開始向衡陽華菱供應氣體前，本集團與衡陽華菱並無任何交易。截至2012年12月31日止年度，供氣交易金額約為人民幣83百萬元(2011年：人民幣87百萬元)，即衡陽盈德的現場供氣銷售收益。截至2012年12月31日止年度，衡陽盈德向衡陽華菱供應氣體的供氣相關交易金額約為人民幣39百萬元(2011年：人民幣51百萬元)，即衡陽盈德的水電費。

截至2012年12月31日止年度，供應相關交易總額的年度上限為人民幣65百萬元(2011年：人民幣65百萬元)。截至2012年12月31日止年度的實際交易總額為人民幣39百萬元(2011年：人民幣51百萬元)。

截至2012年12月31日止年度，供氣交易總額的年度上限為人民幣110百萬元(2011年：人民幣110百萬元)。截至2012年12月31日止年度的實際供氣交易總額為人民幣83百萬元(2011年：人民幣87百萬元)。



In respect of the above continuing connected transactions, the Hong Kong Stock Exchange has granted a waiver to our Company from strict compliance with the disclosure or where appropriate, the shareholders' approval requirements stipulated in Chapter 14A of the Listing Rules subject to certain conditions.

Our independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that the transactions have been entered into:

- (1) in the ordinary and usual course of business of our Group;
- (2) on normal commercial terms; and
- (3) in accordance with the relevant agreements entered into on terms which are fair and reasonable and in the interests of the shareholders of our Company as a whole.

The Board has received a letter from the auditors of the Company stating that the continuing connected transactions:

- have received the approval of the Board;
- were in accordance with the pricing policy as stated on page 38 of this annual report;
- have been entered into in accordance with the relevant agreement governing the continuing connected transactions; and
- have not exceeded the annual cap amounts as set out above for the year ended 31 December 2012.

CONNECTED TRANSACTIONS

Transactions with Bubbly Brooke Holdings Limited ("Bubbly Brooke"), a substantial shareholder of our Company, and Mr. Zhongguo Sun, a director of our Company

- (i) Cash advances to Bubbly Brooke

During the year ended 31 December 2012, our Group, through a wholly-owned subsidiary, Ace Turbo Group Limited, advanced cash of RMB38 million and RMB73 million approximately to Bubbly Brooke on 19 September 2012 and 25 October 2012, respectively. Bubbly Brooke is a substantial shareholder of our Company. It is also an associate of our Director Mr. Zhongguo Sun by virtue of being an

香港聯交所已就上述持續關連交易豁免本公司嚴格遵守上市規則第14A章的披露規定或(如適用)股東批准規定，惟須受限於若干條件。

獨立非執行董事已檢討上述持續關連交易，並確認該等交易：

- (1) 於本集團日常及一般業務過程訂立；
- (2) 按一般商業條款訂立；及
- (3) 根據條款公平合理且符合本公司股東整體利益的有關協議訂立。

董事會已收到由本公司核數師出具的函件，說明持續關連交易：

- 已獲董事會核准；
- 符合本年報第38頁所述的定價政策；
- 根據持續關連交易的有關協定的條款進行；及
- 並無超逾上述截至2012年12月31日止年度的上限金額。

關連交易

與本公司主要股東Bubbly Brooke Holdings Limited (「Bubbly Brooke」) 和一名本公司董事，Zhongguo Sun先生的交易

- (i) 向Bubbly Brooke借出現金

截至2012年12月31日止年度，本集團通過其一家全資附屬公司Ace Turbo Group Limited於2012年9月19日及2012年10月25日分別將現金約人民幣38百萬及人民幣73百萬借予Bubbly

investment holding company wholly-owned by a trustee with Mr. Zhongguo Sun being a trust beneficiary. Accordingly, Bubbly Brooke is a connected person of our Company as defined under Rule 14A.11 of the Listing Rules and the advances described above constituted connected transactions of our Company under Chapter 14A of the Listing Rules. The maximum balance outstanding during 2012 was RMB73,216,000 (2011: Nil). The amounts were bearing interest of RMB549,859 in total at 5% per annum and fully repaid in 2012.

(ii) Cash advances from Bubbly Brooke and Mr. Zhongguo Sun

During the year ended 31 December 2012, Bubbly Brooke advanced certain cash to our Group. The maximum balance outstanding during 2012 was RMB66,172,000 (2011: Nil).

During the year ended 31 December 2011, Mr. Zhongguo Sun advanced certain cash to our Group. The maximum balance outstanding during 2011 was RMB27,700,000. There was no cash advance from Mr. Zhongguo Sun during the year ended 31 December 2012.

(iii) The outstanding balances with Bubbly Brooke and Mr. Zhongguo Sun at 31 December are as follows:

Amount due to Bubbly Brooke	應付Bubbly Brooke款項
Bonus payable to Mr. Zhongguo Sun	應付Zhongguo Sun先生獎金

The Directors conducted review of related party transactions of the Group during the year under review and were not aware of any other transactions which were required to be disclosed in accordance with Chapter 14A of the Listing Rules saved as those transactions already disclosed by our Company.

Brooke。Bubbly Brooke為本公司一名主要股東。由於Bubbly Brooke係一間由本公司董事Zhongguo Sun先生為信託受益人之受託人所全資持有的投資控股公司，故Bubbly Brooke亦為Zhongguo Sun先生的聯繫人。因此根據上市規則第14A.11的定義，Bubbly Brooke為本公司的關連人士。前述現金借出構成上市規則第14A章下本公司的關連交易。2012年，該借款的最大餘額為人民幣73,216,000元(2011年：零)。該金額以約5%的年利率計息共人民幣549,859元並於2012年全額償還。

(ii) 從Bubbly Brooke和Zhongguo Sun先生借入現金

截至2012年12月31日止年度，Bubbly Brooke將若干現金借予本集團。2012年，借款的最大餘額為人民幣66,172,000元(2011年：零)。

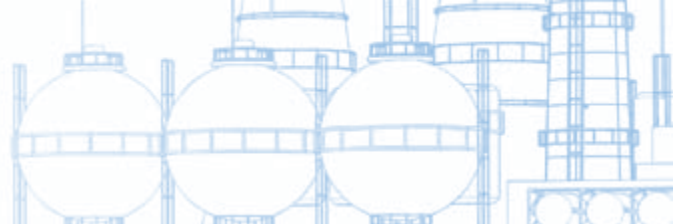
截至2011年12月31日止年度，Zhongguo Sun先生將若干現金借予本集團。2012年，借款的最大餘額為人民幣27,700,000元。截至2012年12月31日Zhongguo Sun先生未提供現金借款。

(iii) 與Bubbly Brooke和Zhongguo Sun先生於12月31日的餘額為：

2012	2011
RMB'000	RMB'000
人民幣千元	人民幣千元

8,050	–
1,000	1,600

董事已對本集團回顧年度內的關聯方交易進行審閱，且除本公司已經披露的相關交易外，並不知悉任何其他根據上市規則第14A章需要披露的交易。



SUFFICIENT PUBLIC FLOAT

As at the date of this annual report, based on the information that is publicly available to our Company and within the knowledge of the Directors, our Company has maintained a sufficient public float of more than 25% of our Company's issued Shares as required under the Listing Rules during the year.

OTHER REQUIRED DISCLOSURE PURSUANT TO RULE 13.18 AND RULE 13.21 OF THE LISTING RULES

Our Company entered into a facility agreement with a syndicate of banks on 4 March 2011 (the "2011 Facility Agreement") for a 3-year term loan facility of up to USD150 million. Pursuant to the 2011 Facility Agreement, it will be an event triggering mandatory prepayment, inter alia, if: (a) any one or more of Peace & Smooth (Hong Kong) Investment Limited, Rongton, Baslow and Bubbly Brooke solely (where there is only one controlling shareholder) or jointly (where there is more than one controlling shareholder) cease to control the Company or cease to own legally and beneficially directly or indirectly through wholly owned subsidiaries 35% or more of the issued share capital of the Company; or (b) either of Baslow and Bubbly Brooke ceases to own legally and beneficially directly or indirectly through wholly owned subsidiaries any issued share capital of the Company.

Our Company further entered into a facility agreement with a syndicate of banks on 16 April 2012 (the "2012 Facility Agreement") for a 3-year term loan facility of up to USD 150 million. Pursuant to the 2012 Facility Agreement, it will be an event triggering mandatory prepayment, inter alia, if: (a) any one or more of Peace & Smooth (Hong Kong) Investment Limited, Rongton, Baslow and Bubbly Brooke, jointly cease to control the Company or cease to own legally and beneficially directly or indirectly through wholly owned subsidiaries 35% or more of the issued share capital of the Company; (b) either of Baslow and Bubbly Brooke sells more than 5% of the issued share capital of the Company that it owned as at 16 April 2012; or (c) Mr. Zhongguo Sun ceases to be the chief executive officer or the chairman of the Company, or Mr. Trevor Raymond Strutt ceases to be the chief operating officer of the Company.

足夠公眾持股量

根據本公司所獲公開資料及就董事所知，截至本年報日期，本公司於本年度一直維持上市規則所規定超過已發行股份25%的足夠公眾持股量。

遵照上市規則第13.18條及第13.21條之規定須作出的其他披露

本公司於2011年3月4日與一組銀團簽訂最高一億五千萬美元為期3年的融資協議（「2011年融資協議」）。根據2011年融資協議，若出現（其中包括）以下情況，即屬觸發強制預付款的事件：(a) 和順(香港)投資有限公司、榮滔、Baslow及Bubbly Brooke中任何一方或多方單獨（僅有一個控股股東時）或共同（有一個以上控股股東時）不再控制本公司或不再直接或透過全資附屬公司間接法定實益擁有本公司已發行股本中35%或以上權益；或(b) Baslow或Bubbly Brooke不再直接或透過全資附屬公司間接法定實益擁有本公司已發行股本之權益。

本公司於2012年4月16日進一步與一組銀團簽訂最高一億五千萬美元為期3年的融資協議（「2012年融資協議」）。根據2012年融資協議，若出現（其中包括）以下情況，即屬觸發強制預付款的事件：(a) 和順(香港)投資有限公司、榮滔、Baslow及Bubbly Brooke中任何一方或多方共同不再控制本公司或不再直接或透過全資附屬公司間接法定實益擁有本公司已發行股本中35%或以上權益；(b) Baslow或Bubbly Brooke任何一方出售於2012年4月16日所持本公司已發行股本中5%以上權益；或(c) Zhongguo Sun先生不再擔任本公司行政總裁或主席，或者Trevor Raymond Strutt先生不再擔任本公司的營運總監。

COMPLIANCE WITH THE MODEL CODE

Our Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the "Model Code") as the code of conduct regarding the securities transactions by the Directors.

The Board is pleased to confirm, after specific enquiries with all Directors, that all Directors have fully complied with standards required according to the Model Code during the year ended 31 December 2012.

CORPORATE GOVERNANCE

Our Company is committed to maintaining a high level of corporate governance practices. Corporate governance practices adopted by our Company are set out in the Corporate Governance Report on pages 43 to 54.

AUDIT COMMITTEE

Our Company has established an audit committee (the "Audit Committee") comprising all three existing independent non-executive Directors, namely Mr. Xu Zhao (Chairman of the Audit Committee), Mr. Zheng Fuya and Dr. Wang Ching.

The Audit Committee has reviewed the consolidated financial statements for the year ended 31 December 2012, and is of the view that our Group's consolidated financial statements for the year ended 31 December 2012 are prepared in accordance with the applicable accounting standard, laws and regulations, and appropriate disclosures have already been made.

AUDITORS

The consolidated financial statements of our Group for the year ended 31 December 2012 have been audited by KPMG, Certified Public Accountants. A resolution for their re-appointment as auditors of our Company for the ensuring year will be proposed at the forthcoming annual general meeting.

By order of the Board

Zhongguo Sun

Chairman

Hong Kong, 28 March 2013

遵守標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則(「標準守則」)作為董事進行證券交易的行為守則。

在向全體董事作出具體查詢後，董事會謹此確認，全體董事於截至2012年12月31日止年度全面遵照標準守則規定的標準。

企業管治

本公司奉行高水平企業管治標準。本公司所採用的企業管治常規載於第43至54頁的企業管治報告。

審核委員會

本公司已成立審核委員會(「審核委員會」)，成員包括三名現任獨立非執行董事徐昭先生(審核委員會主席)、鄭富亞先生及王京博士。

審核委員會已審閱截至2012年12月31日止年度的合併財務報表，認為本集團截至2012年12月31日止年度的合併財務報表乃根據適用會計準則、法律及法規編製，並已進行適當披露。

核數師

截至2012年12月31日止年度的本集團合併財務報表由註冊會計師畢馬威會計師事務所審核，本公司將於即將召開的股東週年大會上提呈決議案，再度委任其為本公司來年的核數師。

承董事會命

Zhongguo Sun

主席

香港，2013年3月28日



The Board of Directors of the Company is committed to achieving high standard of corporate governance to ensure effective and responsible leadership for the Company and the protection of shareholders' interests.

CORPORATE GOVERNANCE PRACTICES

For the year ended 31 December 2012, our Company has complied with the code provisions set out in the Corporate Governance Code (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") except for the deviation from the code provision A.2.1 of the Code which stipulates that the roles of chairman and chief executive officer should be segregated. As at the date of this annual report, the chairman and the chief executive officer of our Company is Mr. Zhongguo Sun. However, the Board considers that this structure will not impair the balance of power and the authority of the Board. The Board currently comprises of three executive Directors and three independent non-executive Directors, with independent non-executive Directors representing 50% of the Board, which is higher than the requirements under the Listing Rules. Such a high percentage of independent non-executive Directors on the Board can ensure that their views carry significant weight and reflects the independence of the Board.

Mr. Sun was one of the main founders of our Group. He has been responsible for operational management since the establishment of our Group. He has played an important role during our expansion. Mr. Sun possesses rich working experience in the industrial gas industry business and excellent operational management ability. At present, the Board believes that it is beneficial to the management and development of our Group's businesses for Mr. Sun to be both the chairman and chief executive officer as it helps to fasten the Board's decision-making. The Board would still consider segregating the role of chairman and chief executive officer to comply with the Code if appropriate.

本公司董事會承諾達致高水平的企業管治，確保有效負責引領本公司及保護股東權益。

企業管治常規

截至2012年12月31日止年度，除偏離聯交所證券上市規則(「上市規則」)附錄14的企業管治守則(「守則」)第A.2.1條有關主席與行政總裁的角色須分開擔任的規定外，本公司已遵守守則所載守則條文。於本年報日期，本公司主席兼行政總裁為Zhongguo Sun先生。然而，董事會認為此架構不會損害董事會的權力平衡與權限。董事會現有兩名執行董事及三名獨立非執行董事，獨立非執行董事人數佔董事會50%，高於上市規則之要求。獨立非執行董事佔董事會人數如此高的比例可確保彼等的意見具重大影響力，顯示董事會的獨立性。

Sun先生為本集團主要創辦人之一，自本集團成立起一直負責本集團的營運管理，於本集團擴展業務方面舉足輕重。Sun先生擁有豐富的工業氣體行業經驗及良好的營運管理實力。目前，董事會認為由Sun先生兼任本公司的主席和行政總裁，可加強董事會的決策能力，對本集團業務的管理及發展有利。董事會仍會考慮於適當時將主席與行政總裁的角色分離以符合守則要求。

DIRECTORS' SECURITIES TRANSACTIONS

Our Company has adopted the Model Code as the code of conduct regarding the securities transactions by the Directors.

The Board is pleased to confirm, after specific enquiries with all Directors, that all Directors have fully complied with standards required according to the Model Code during the year ended 31 December 2012.

Independent Non-executive Director

For the year ended 31 December 2012, the Board at all times met Rule 3.10 of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise.

Our Company has received annual confirmations from each of the three independent non-executive Directors in respect of their independence pursuant to Rule 3.13 of the Listing Rules. Our Company considers that all existing independent non-executive Directors are independent parties in accordance with the independence guidelines set out in the Listing Rules and are free of any relationship that could materially interfere with the exercise of their independent judgements.

董事的證券交易

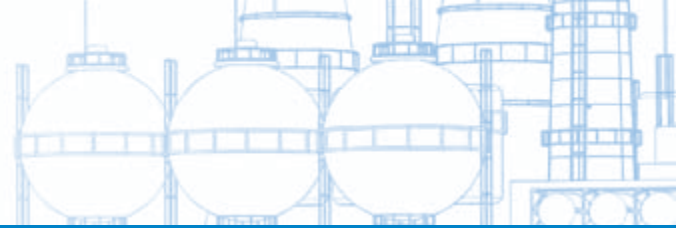
本公司已採納標準守則作為董事進行證券交易的行為守則。

在向全體董事作出具體查詢後，董事會謹此確認，全體董事於截至2012年12月31日止年度全面遵照標準守則規定的標準。

獨立非執行董事

截至2012年12月31日止年度，董事會一直符合上市規則第3.10條有關委任不少於三名獨立非執行董事的規定，其中一名獨立非執行董事須具備適當的會計及財務管理專業資格。

本公司已收到三名獨立非執行董事根據上市規則第3.13條就彼等各自的獨立性發出的年度確認書。本公司認為，根據上市規則所載獨立性指引，所有現任獨立非執行董事均為獨立人士，亦概無可能對彼等作出獨立判斷造成重大干擾的任何關係。



THE BOARD

Responsibilities

The Board is responsible for achieving the corporate goals, formulating the development strategy, regularly reviewing the organizational structure, and monitoring the business activities and the performance of management so as to protect and maximize the interests of our Company and our shareholders. Matters relating to the daily operations of our Group are delegated to the management. During the year, the Board considered and approved the annual budget and its performance under management supervision together with the business reports from the management. The Board also reviewed and approved the final results for the year ended 31 December 2012 and other critical business operations. The Board also assessed the internal control and the financial matters of our Group.

Board Composition

The Board currently consists of six members, including:

Executive Directors

Mr. Zhongguo Sun (chairman and chief executive officer)
Mr. Zhao Xiangti
Mr. Trevor Raymond Strutt

Independent Non-executive Directors

Mr. Xu Zhao
Mr. Zheng Fuya
Dr. Wang Ching

Mr. Zhongguo Sun and Mr. Xu Zhao being eligible, have offered themselves for re-election at the forthcoming annual general meeting.

董事會

職責

董事會的職責是達致公司目標，制訂發展戰略，定期檢討組織架構及監察業務活動及管理層表現，以保障並提升本公司及股東的利益。有關本集團日常運營的事務授權予管理層處理。年內，董事會已審議並批准年度預算及在管理層監察下的預算表現，連同管理層的業務報告。董事會亦已審閱並批准截至2012年12月31日止年度的年度業績、批准其他重要業務經營以及評核本集團的內部監控及財務事宜。

董事會的組成

董事會現時包括六名董事，包括：

執行董事

Zhongguo Sun 先生(主席兼行政總裁)
趙項題先生
Trevor Raymond Strutt 先生

獨立非執行董事

徐昭先生
鄭富亞先生
王京博士

Zhongguo Sun 先生及徐昭先生符合資格並願意於應屆股東週年大會膺選連任。

Corporate Governance Report (continued)

企業管治報告(續)

The members of the Board represent a diverse and rich industry background with appropriate professional qualifications. Please refer to the section headed "Biographies of Directors and Senior Management" for the profiles of our Directors.

To the best knowledge of the Board, there is no financial, business, family or other material/relevant relationship among members of the Board. Board members are free to exercise their independent judgment.

Under code provision A.4.1 of the Code contained in Appendix 14 to the Listing Rules, non-executive Directors should be appointed for a specific term, subject to re-election. Our three independent non-executive directors are each appointed for a term of three years, subject to re-election when appropriate by our Company in general meeting.

ATTENDANCE RECORD OF DIRECTORS AND BOARD COMMITTEE MEMBERS

The attendance record of each Director at the Board and Board Committee meetings and the general meeting of our Company held during the year ended 31 December 2012 is set out in the table below:

董事會成員具有豐富的行業經驗和多元化的背景，且具有適當的專業資格。有關各董事的履歷資料請參閱「董事及高級管理層簡歷」一節。

就董事會所知，董事會成員之間概無財務、業務及家庭或其他重大／相關關係。彼等可自由作出獨立判斷。

根據守則第A.4.1條守則條文，非執行董事須按特定任期委任，並須重選。本公司三名獨立非執行董事各自任期為三年，可由本公司於股東大會重選連任(如適合)。

董事及董事委員會成員的出席紀錄

各位董事於2012年12月31日止年度的董事會及董事委員會會議及本公司股東大會會議的出席紀錄載列如下：

Name of Directors	董事姓名	2012 AGM 2012 股東 週年大會	Board Committees 董事委員會						
			Board Meetings 董事會會議	Attendance Rate of Board Meeting 會議出席率	Attendance				
					Audit Committee 審核 委員會會議	Remuneration Committee 薪酬 委員會會議	Nomination Committee 提名 委員會會議	Compliance Committee 合規 委員會會議	
Executive Directors 執行董事									
Mr. Zhongguo Sun	Zhongguo Sun先生	1/1	4/4	100%	-	-	-	1/1	
Mr. Zhao Xiangti	趙項題先生	1/1	4/4	100%	-	-	1/1	1/1	
Mr. Trevor Raymond Strutt	Trevor Raymond Strutt先生	1/1	4/4	100%	-	-	-	-	
INEDs 獨立非執行董事									
Mr. Xu Zhao	徐昭先生	1/1	3/4	75%	1/2	1/1	1/1	-	
Mr. Zheng Fuya	鄭富亞先生	1/1	4/4	100%	2/2	1/1	1/1	1/1	
Dr. Wang Ching	王京博士	1/1	4/4	100%	2/2	1/1	-	-	



Notices of regular Board meetings are given to all Directors at least 14 days before the meetings. For other Board committee meetings, reasonable notice is generally given.

The agendas and accompanying Board papers were given to all Directors in a timely manner. All Directors are properly discussed on issues arising at Board meetings by the chairman.

All Directors have full and timely access to all relevant information with the advice of the company secretary, to ensure that Board procedures and all applicable rules and regulations are followed. Upon making request to the Board, all Directors may obtain independent professional advice at our Company's expense for carrying out their functions.

The company secretary is responsible for advising the Board through the chairman and the chief executive on governance matters, facilitating induction and professional development of Director, and taking and keeping minutes of all Board committee meetings. Draft and final versions of minutes are normally circulated to the Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

Training for Directors

For each newly appointed Director, he/she will be provided with an induction course so as to ensure that he/she has appropriate understanding of the business and operations of our Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and the relevant regulatory requirements.

There are also arrangements in place for providing continuing briefing and professional development to Directors whenever necessary. To assist their continuous professional development, the company secretary recommends Directors to attend relevant seminars and courses.

董事會定期會議的通知須於會議舉行前至少14天向全體董事發出。對於其他董事委員會會議，一般會發出合理通知。

議程及相關董事會文件會按時向全體董事發出。主席會就董事會會議上提出的事項向全體董事作適當討論。

為確保遵守董事會程序及所有適用規則及規定，所有董事均可全面及時查閱所有相關資料，並可獲公司秘書提供意見。向董事會提出要求後，所有董事均可就履行其職務獲取獨立專業意見，費用由本公司承擔。

公司秘書負責透過主席及行政總裁向董事會提供管治事宜方面意見，安排董事的入職培訓及專業發展；以及記錄並保管董事委員會所有會議的會議紀錄。會議紀錄初稿及最終稿一般於會議結束後合理時間內提交董事供提出意見，而最終稿可供董事查閱。

董事培訓

當有任何新董事獲委任將向其提供入職課程，以確保其適當了解本公司的業務及營運以及完全知悉其根據上市規則及相關監管規定須履行的職責及義務。

必要時亦向董事提供持續簡要及專業發展安排。為協助董事的持續專業發展，公司秘書推薦董事參加相關研討會及課程。

As a part of our training program for the Board, all Directors were provided with reports from time to time the latest changes and development of the Listing Rules, corporate governance practices and other regulatory regime during the year under review. A number of reading materials were also provided to all Directors to develop and refresh the Directors' knowledge and skills. In the future, our Company will continue to organize various training and seminars for the Directors on the professional knowledge and latest development of regulatory requirements related to director's duties and responsibilities.

Directors' and Officers' Liability Insurance and Indemnity

Our Company has arranged for appropriate liability insurance to indemnify our Directors and senior officers for their liabilities arising out of corporate activities. For the year ended 31 December 2012, no claim has been made against our Directors and senior officers.

Board Committees

The Board has set up four Board committees, namely, the Audit Committee, the remuneration committee, the nomination committee and the compliance committee (collectively the "Board Committees"), for overseeing particular aspects of our Company's affairs.

The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at our Company's expense.

作為本公司董事會培訓計劃的一部份，在回顧期內所有董事不時被提供有關上市規則、公司治理常規及其他規管制度最新變更及發展的報告。許多閱讀材料也同時提供於全體董事，以供全體董事發展提升其知識技能。未來，本公司將就與董事職責相關的法律規定、最新發展及專業知識，繼續為董事舉辦各種培訓及研討會。

董事及高級職員的責任保險及彌償保證

本公司已安排適當責任保險以就董事及高級職員因公司活動產生的責任向彼等作出彌償保證。截至2012年12月31日止年度，董事及高級職員並無遭索償。

董事委員會

董事會設有四個董事委員會，即審核委員會、薪酬委員會、提名委員會及合規委員會(統稱「董事委員會」)，監督本公司特定的具體事務。

董事委員會獲提供履行職責的充足資源，並可在適當情況下提出合理要求後徵詢獨立專業意見，費用由本公司承擔。



Audit Committee

The Board established the Audit Committee on 12 September 2009, with the written terms of reference in compliance with the Listing Rules. It is chaired by Mr. Xu Zhao and comprises two other members, namely Mr. Zheng Fuya and Dr. Wang Ching, all of whom are independent non-executive Directors.

The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of the external auditors, review the financial statements, oversee and provide material advice in respect our financial reporting system and oversee the internal control procedures of our Company.

During the year under review, the Audit Committee together with the management has reviewed, the accounting principles and practices adopted by the Group and discussed the Group's internal control and financial reporting matters, including review of the annual results for the year ended 31 December 2011 and the interim results for the six months ended 30 June 2012, with recommendation to the Board for approval. The Audit Committee has also recommended to the Board that, subject to our shareholders' approval at the forthcoming annual general meeting, KPMG, be re-appointed as the external auditors of our Company.

Remuneration Committee

The Board established the remuneration committee on 12 September 2009, with the written terms of reference in compliance with the Listing Rules. During the year under review, Dr. Wang Ching was the chairman of the remuneration committee and Mr. Xu Zhao and Mr. Zheng Fuya were the other two members of the remuneration committee, all of whom are independent non-executive Directors.

The primary functions of the remuneration committee are to evaluate the performance and make recommendations on the remuneration package of our Directors and senior management, our retirement scheme and our performance assessment system and bonus and commission policies.

The remuneration of Directors are based on their skills, knowledge, involvement in our Company's affairs and the performance, together with reference to the profitability of our Company, remuneration benchmarks in the industry, and prevailing market conditions.

審核委員會

董事會於2009年9月12日根據上市規則設立審核委員會，並書面訂明其職權範圍。審核委員會主席為徐昭先生，另有兩名成員，鄭富亞先生及王京博士，全部為獨立非執行董事。

審核委員會的主要職責為就委任及罷免外聘核數師向董事會提出建議、審閱財務報表、監督財務申報系統並提供重要建議以及監督本公司內部監控程序。

於回顧年度內，審核委員會與管理層審閱本集團所採納之會計政策及慣例，並就審核本集團的內部監控及財務報告等事宜(包括審閱本公司截至2011年12月31日止之年度業績及截至2012年6月30日止6個月之中期業績)進行討論，並建議董事會批准。審核委員會向董事會建議，待股東於應屆股東週年大會批准後重新委任畢馬威會計師事務所為本公司外聘核數師。

薪酬委員會

董事會於2009年9月12日根據上市規則設立薪酬委員會，並書面訂明其職權範圍。於回顧年度內，薪酬委員會主席為王京博士，另有兩名成員，徐昭先生及鄭富亞先生，全部為獨立非執行董事。

薪酬委員會的主要職責為評估董事及高級管理層的表現，並就彼等的薪酬待遇提出建議、評估本公司退休計劃、表現評估制度、紅利及佣金政策並提出建議。

董事酬金乃按各董事的技能、知識水平及參與本公司事務的程度及表現，並參照本公司盈利狀況、同業薪酬水平及當前市況而釐定。

No Director or senior executive will be involved in any discussion in connection with his or her own remuneration. The remuneration committee may also consult the chairman about their proposals relating to the remuneration of other executive Directors and has access to professional advice if necessary. The major objective of the remuneration policy is to ensure that our Company is able to attract, retain, and motivate a high caliber team which is essential to the success of our Company.

During the year under review, the remuneration committee reviewed, amongst others, the performance and remuneration policy of the executive Directors.

Nomination Committee

The Board established the nomination committee on 12 September 2009, with the written terms of reference in compliance with the Listing Rules. It is chaired by Mr. Zheng Fuya and comprises two other members, namely Mr. Xu Zhao and Mr. Zhao Xiangti.

The primary functions of the nomination committee are to make recommendations to our Board regarding candidates to fill vacancies on our Board.

The duties of the nomination committee also includes reviewing the structure, number and composition of the Board; submitting proposals to the Board on the appointment of chief executive officer; reviewing the independence of the independent non-executive Directors and submitting proposals to the Board. The authority and duties of the nomination committee are clearly sets out in its terms of reference.

During the year under review, the nomination committee recommended to the Board the matters concerning the re-election of Directors by shareholders pursuant to the Articles of Association having due regard to their performance and ability to continue to contribute to the Board. The Nomination Committee also reviewed the structure, number and composition of the Board and the independence of the independent non-executive Directors.

Compliance Committee

The Board established the compliance committee on 12 September 2009 with the written terms of reference in compliance with the Listing Rules. It is chaired by Mr. Zhongguo Sun and comprises two other members, namely Mr. Zhao Xiangti and Mr. Zheng Fuya. The primary functions of the compliance committee are to ensure compliance on regulatory matters and corporate governance.

董事或高級行政人員不會參與有關其酬金的任何討論。薪酬委員會亦可向主席諮詢有關其他執行董事酬金的意見，並於必要時徵詢專業意見。薪酬政策之首要目標為確保本公司能夠吸引、留任及激勵高質素工作團隊，對本公司的成功至關重要。

在回顧年內，薪酬委員會審閱了執行董事之表現及薪酬政策等。

提名委員會

董事會於2009年9月12日根據上市規則設立提名委員會，並書面訂明其職權範圍。提名委員會主席為鄭富亞先生，另有兩名成員，徐昭先生及趙項題先生。

提名委員會的主要職責為就本公司董事會職位空缺的提名向董事會作出推薦建議。

提名委員會的職責亦包括審閱董事會的架構、人數及組成；就委任行政總裁向董事會提出建議；檢討獨立非執行董事的獨立性以及向董事會提交建議。提名委員會的職權範圍已清楚載列其權限及職責。

於回顧年度內，提名委員會根據公司章程並考慮各位董事之表現及繼續為董事會作貢獻的能力向董事會建議由股東重選董事之事宜。提名委員會亦已審閱董事會之結構、人數及組成以及各獨立非執行董事的獨立性。

合規委員會

董事會於2009年9月12日設立合規委員會，並書面訂明其職權範圍。合規委員會主席為Zhongguo Sun先生，另有兩名成員，趙項題先生及鄭富亞先生。合規委員會的主要職責為確保遵守監管事宜及企業管治。



The work performed by the compliance committee during the year under review included review of the adequacy and effectiveness of the internal control system and making recommendation to the Board for improvement of internal control, credit control and risk management. In addition, the compliance committee reviewed our Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, our Company's policies and practices on compliance with legal and regulatory requirements, the compliance by the Directors of the Model Code and our Company's compliance with the Code and disclosure in the Corporate Governance Report.

ACCOUNTABILITY

The Directors acknowledged their responsibility to present a balanced, clear and understandable assessment in the consolidated financial statements of the annual and interim reports. When the Directors were aware of material uncertainties relating to events or conditions that might cast significant doubt upon our Company's ability to continue as a going concern, such uncertainties would be clearly and prominently set out and discussed in detail in this Corporate Governance Report.

INTERNAL CONTROL

The internal controls of our Group are designed to help our Group protect its assets and information. The presence of internal controls empowers our Group to implement best business practices in challenging business environments. Our Group's internal controls cover a number of in-house procedures and policies. The system comprises, among others, the relevant financial, operational and compliance controls and risk management procedures.

The Board is responsible for our Group's system of internal control and its effectiveness. It has established an ongoing process for identifying, evaluating and managing the significant risks faced by our Group, including strategic planning, corporate governance, financial reporting, core business processes, and compliance and risk management. Our Group has conducted a high level review on the significant risks faced by our Group and the effectiveness of the internal control system for the year ended 31 December 2012.

The Board is not aware of any significant internal control weaknesses nor significant breach of limits or risk management policies.

合規委員會於回顧年內的工作包括檢討內部監控系統是否準確有效，以及就改善內部監控、信貸控制及風險管理向董事會提出建議。此外，合規委員會已審閱本公司的企業管治政策及常規、各董事和高級管理人員的培訓和持續專業發展、本公司在遵守法律及監管規定方面的政策及常規、董事遵守標準守則的情況、本公司遵守守則的情況及在企業管治報告內的披露。

問責

董事知悉彼等有責任於年報及中期報告的合併財務報表中提供客觀持平、清晰及易於明白的評估。倘董事知悉有重大不明朗事件或情況可能會嚴重影響本公司持續經營能力，則須在本企業管治報告中清楚披露及詳細討論該等不明朗因素。

內部監控

本集團的內部監控旨在幫助本集團保護資產及資料。內部監控可令本集團在充滿挑戰的營商環境中實踐最佳的營商措施。本集團的內部監控涵蓋多個內部程序及政策。該制度包括相關財務、營運及合規監控，以及風險管理程序。

董事會負責管理本集團的內部監控系統及其成效。本集團已制訂可持續識別、評估及管理本集團所面對之重大風險的程序，包括戰略規劃、公司治理、財務報告、營運及合規監控和風險管理。本集團已經對本集團所面臨的重大風險進行了高層次風險評價並且已檢討了截至2012年12月31日止年度內部監控系統的有效性。

董事會並無發現重大內部監控缺陷及重大違反限制或風險管理政策的情形。

INDEPENDENT AUDITOR'S REMUNERATION

Our Group's independent auditors is KPMG. KPMG is responsible for auditing and forming an independent opinion on our Group's annual consolidated financial statements.

During the year under review, the remunerations paid or payable to our Company's auditors, KPMG, are as follows:

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Audit service (including annual audit and interim review)	審核服務(包括年度審核和中期審閱服務)	4,647	4,298
Non-audit service	非審核服務	690	71
		5,337	4,369

Non-audit service includes tax service.

COMPANY SECRETARY

Ms. Wong Sze Wing is our Company's company secretary and has taken no less than 15 hours of relevant professional training during the year ended 31 December 2012.

SHAREHOLDERS' RIGHTS

As one of the measures to safeguard shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting.

Resolutions put forward at our shareholders' meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of our Company and of the Stock Exchange after each shareholders' meeting.

獨立核數師酬金

本集團的獨立核數師為畢馬威會計師事務所。畢馬威會計師事務所負責審核本集團年度合併財務報表及提供獨立意見。

在回顧年內，已付或應付本公司核數師畢馬威會計師事務所的酬金如下：

		Year ended 31 December	
		截至12月31日止年度	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Audit service (including annual audit and interim review)	審核服務(包括年度審核和中期審閱服務)	4,647	4,298
Non-audit service	非審核服務	690	71
		5,337	4,369

非審核服務包括稅務相關服務。

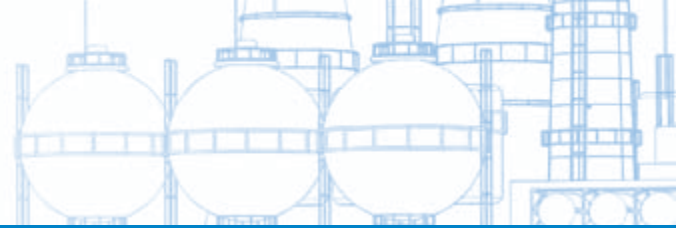
公司秘書

黃斯穎女士是本公司的公司秘書，於2012年12月31日止年內參加了不少於15小時的相關專業培訓。

股東權利

作為保障股東權益及權利的一項措施，可於股東大會上就各重大事項(包括選舉個別董事)提呈個別決議案以供股東考慮及投票。

於本公司的股東大會上提出之決議案將根據上市規則以投票表決方式進行投票表決，投票結果將於個別股東大會後在本公司及聯交所網站上的公佈。



(i) Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 58 of our Company's Articles of Association, an extraordinary general meetings (the "EGM") may be convened by the Board on requisition of one or more shareholders holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of our Company. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of the deposit of the requisition, the Board fails to proceed to convene such EGM the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) concerned as a result of the failure of the Board shall be reimbursed to the requisitioner(s) concerned by the Company.

The requisitioner(s) must state the objects clearly in the requisition, sign the requisition and deposit the same to the Board or the company secretary or the primary contact person of our Company.

(ii) Putting Forward Proposals at General Meetings

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Cayman Islands Companies Law (2012 Revision) or the Articles of Association of our Company. However, shareholders who wish to put forward proposals at general meetings may achieve so by means of convening an extraordinary general meeting following the procedures set out in paragraph (i) above.

As regards the procedures for shareholders to propose a person for election as a Director, they are available on our Company's website (www.yingdegas.com).

(iii) Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send written enquires to our Company.

Note: Our Company will not normally deal with verbal or anonymous enquires.

(i) 股東召開股東特別大會

根據本公司章程細則第58條，一名或多名持有不少於十分之一投票權的已繳足股本之股東，可以要求董事會召開股東特別大會。這樣的會議，應在接收到請求書後2個月內舉行。如果在接收到請求書的21天內，董事會未能召開該股東特別大會，他(他們)可以以同樣的方式去召開。因董事會未能召開會議而由提出要求者付出的所有合理費用將由本公司承擔。

提出要求者必須於請求書清楚說明會議的目的，簽署請求書並提交該請求書與董事會或公司秘書或本公司的主要聯繫人。

(ii) 在股東大會上提出建議

在開曼群島公司法(2012年修訂版)或本公司之組織章程細則並沒有規定允許股東於股東大會上提出新的決議。但希望在股東大會上提出建議的股東可通過載於上文第(i)段所述的程序召開股東特別大會提出。

關於股東提名董事候選人的程序，已載於本公司的網站(www.yingdegas.com)。

(iii) 向董事會提出的查詢

股東可以書面向董事會提出對本公司的任何查詢。

註：本公司將不會處理口頭或匿名查詢。

Primary Contact Person

Shareholders may send their requisitions, proposed resolutions or enquiries as mentioned in (i), (ii) and (iii) above to the primary contact person of our Company as set out below:

Name: Ms. Wong Sze Wing
Address: Room 3212-13, 32/F Tower Two, Times Square,
Causeway Bay, Hong Kong
Fax: 852-3100 0069
Email: huangsiying@yingdegas.com

For the avoidance of doubt, shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

INVESTOR RELATIONS

During the year under review, our Company made no changes to the Articles of Association. An up-to-date version of our Company's Articles of Association is available on our Company's website and the Stock Exchange's website.

Further information about investor relations are set out on page 19.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of our Group and ensure that financial statements are in accordance with statutory requirements and applicable accounting standards.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon our Company's ability to continue as a going concern.

主要聯繫人

股東可將以上提到第(i)、(ii)及(iii)項的正式要求、提呈的決議案或查詢寄予本公司以下的主要聯繫人：

名稱：黃斯穎女士
地址：香港銅鑼灣時代廣場二座三十二層
3212-13室
傳真：852-3100 0069
電子郵件：huangsiying@yingdegas.com

為免產生疑問，股東必須提交已正式簽署的書面要求、通知或聲明、或查詢(視乎情況而定)到上述地址，並提供其全名、聯繫方式及身份證明以使之生效。股東信息有可能因法律要求而被披露。

投資者關係

在回顧年內，本公司並未修改章程細則。本公司最新的章程細則可於本公司及聯交所網站取得。

有關投資者關係的更多資料載列於第19頁。

董事就財務報表承擔的責任

董事確認彼等知悉就編製本集團財務報表所須承擔的責任，並確保財務報表乃根據法例規定及適用會計準則編製。

董事確認，經作出一切合理查詢後，就彼等所知、所悉及所信，概無任何重大不確定事件或情況可能嚴重影響本公司持續經營能力。

Independent Auditor's Report

獨立核數師報告



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF YINGDE GASES GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Yingde Gases Group Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 57 to 167, which comprise the consolidated and company statements of financial position as at 31 December 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

獨立核數師報告

致盈德氣體集團有限公司各股東

(於開曼群島註冊成立的有限公司)

我們已審核列載於第57頁至第167頁盈德氣體集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的合併財務報表，包括於2012年12月31日的合併及公司財務狀況表，與截至該日止年度的合併綜合收益表、合併權益變動表和合併現金流量表，以及主要會計政策概要及其他附註解釋資料。

董事對合併財務報表須承擔的責任

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

核數師的責任

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

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

Independent Auditor's Report (continued)

獨立核數師報告 (續)

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2012 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

28 March 2013

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

我們相信，我們所獲得的審核證據是充分和適當地為我們的審核意見提供了基礎。

意見

我們認為，該等合併財務報表已按照《國際財務報告準則》真實而公允地反映貴公司及貴集團於2012年12月31日的財務狀況及貴集團截至該日止年度的利潤及現金流量，並已按照香港公司條例的披露規定妥為編製。

畢馬威會計師事務所

執業會計師

香港中環

遮打道10號

太子大廈8樓

2013年3月28日

Consolidated Statement of Comprehensive Income

合併綜合收益表

for the year ended 31 December 2012

截至2012年12月31日止年度

		Note	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
		附註		
Turnover	收入	4	4,955,933	4,240,275
Cost of sales	銷售成本		(3,382,812)	(2,789,384)
Gross profit	毛利		1,573,121	1,450,891
Other revenue and net income	其他收益及淨收入		20,231	10,835
Selling expenses	銷售費用		(181,262)	(131,844)
Administrative expenses	管理費用		(310,373)	(238,562)
Profit from operations	經營收益		1,101,717	1,091,320
Finance income	財務收入	5(a)	18,961	17,055
Finance costs	財務成本	5(a)	(209,811)	(126,684)
Share of results of associates	應佔聯營公司業績		(3,459)	(244)
Share of results of jointly controlled entities	應佔合營公司業績		(279)	–
Profit before taxation	除稅前利潤	5	907,129	981,447
Income tax	所得稅	6	(135,844)	(145,800)
Profit and total comprehensive income for the year	本年利潤及綜合收益總額		771,285	835,647
Attributable to:	以下各方應佔：			
Equity shareholders of the Company	本公司權益持有人	9	770,117	830,819
Non-controlling interests	非控股股東權益		1,168	4,828
Profit and total comprehensive income for the year	本年利潤及綜合收益總額		771,285	835,647
Earnings per share (RMB)	每股盈利(人民幣元)	10		
Basic	基本		0.426	0.460
Diluted	攤薄		0.426	0.460

The notes on pages 65 to 167 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 28(b).

第65頁至第167頁的附註為本財務報表的組成部份。本年利潤應付予本公司股東的股息詳情載於附註28(b)。

Consolidated Statement of Financial Position

合併財務狀況表

at 31 December 2012

於2012年12月31日

		Note	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment, net	物業、廠房及設備，淨額	11	5,966,758	5,076,177
Construction in progress	在建工程	12	3,793,763	992,681
Lease prepayments	租賃預付款項	13	311,331	126,243
Intangible assets	無形資產	14	59,265	61,563
Receivables under finance lease	應收融資租賃款	15	13,048	13,683
Interest in associates	於聯營公司的權益	17	706,155	399,756
Interest in jointly controlled entities	於合營公司的權益	18	38,505	–
Other non-current assets	其他非流動資產	19	1,111,255	939,738
Deferred tax assets	遞延稅項資產	6(d)	59,766	27,574
Total non-current assets	非流動資產總額		12,059,846	7,637,415
Current assets	流動資產			
Inventories	存貨	20	61,018	32,323
Trade and other receivables	應收賬款及其他應收款項	21	1,319,667	1,029,231
Receivables under finance lease	應收融資租賃款	15	2,117	2,117
Income tax recoverable	可收回所得稅	6(c)	362	6,463
Pledged bank deposits	已抵押銀行存款	22	503,491	158,951
Cash and cash equivalents	現金及現金等價物	23	846,600	958,280
Total current assets	流動資產總額		2,733,255	2,187,365
Current liabilities	流動負債			
Borrowings	借款	24	3,263,317	1,115,520
Trade and other payables	應付賬款及其他應付款項	25	2,448,711	1,363,016
Obligations under finance lease	融資租賃負債	26	37,099	10,525
Income tax payable	應付所得稅	6(c)	70,221	73,913
Total current liabilities	流動負債總額		5,819,348	2,562,974
Net current liabilities	流動負債淨額		(3,086,093)	(375,609)
Total assets less current liabilities	資產總額減流動負債		8,973,753	7,261,806

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Consolidated Statement of Financial Position (continued)

合併財務狀況表 (續)

at 31 December 2012

於2012年12月31日

		Note	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Borrowings	借款	24	2,864,774	2,084,823
Obligations under finance lease	融資租賃負債	26	487,267	119,836
Deferred tax liabilities	遞延稅項負債	6(d)	74,561	53,796
Total non-current liabilities	非流動負債總額		3,426,602	2,258,455
Net assets	資產淨值		5,547,151	5,003,351
Equity	權益			
Share capital	股本	27	12	12
Reserves	儲備		5,485,967	4,991,271
Total equity attributable to equity shareholders of the Company	本公司權益持有人 應佔權益總額		5,485,979	4,991,283
Non-controlling interests	非控股股東權益		61,172	12,068
Total equity	權益總額		5,547,151	5,003,351

Approved and authorised for issue by the board of directors on 28 March 2013.

董事會於2013年3月28日批准及授權刊發。

Zhongguo Sun

Zhongguo Sun

Director

董事

Zhao Xiangti

趙項題

Director

董事

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Statement of Financial Position

財務狀況表

at 31 December 2012

於2012年12月31日

		Note	2012	2011
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment, net	物業、廠房及設備，淨額		112	340
Interest in subsidiaries	對附屬公司的權益	16	4,011,033	3,616,354
Total non-current assets	非流動資產總額		4,011,145	3,616,694
Current assets	流動資產			
Other receivables	其他應收款項	21	1,251	1,204
Pledged bank deposits	已抵押銀行存款	22	34,009	–
Cash and cash equivalents	現金及現金等價物	23	4,987	51,860
Total current assets	流動資產總額		40,247	53,064
Current liabilities	流動負債			
Borrowings	借款	24	1,618,014	231,917
Other payables	其他應付款項	25	52,568	32,852
Total current liabilities	流動負債總額		1,670,582	264,769
Net current liabilities	流動負債淨額		(1,630,335)	(211,705)
Total assets less current liabilities	資產總額減流動負債		2,380,810	3,404,989
Non-current liabilities	非流動負債			
Borrowings	借款	24	–	695,751
Total non-current liabilities	非流動負債總額		–	695,751
Net assets	資產淨值		2,380,810	2,709,238

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Statement of Financial Position (continued)

財務狀況表 (續)

at 31 December 2012

於2012年12月31日

		Note	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
		附註		
Equity	權益			
Share capital	股本	27	12	12
Reserves	儲備	28(a)	2,380,798	2,709,226
Total equity	權益總額		2,380,810	2,709,238

Approved and authorised for issue by the board of directors on 28 March 2013.

董事會於2013年3月28日批准及授權刊發。

Zhongguo Sun

Zhongguo Sun

Director

董事

Zhao Xiangti

趙項題

Director

董事

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Consolidated Statement of Changes in Equity

合併權益變動表

for the year ended 31 December 2012

截至2012年12月31日止年度

		Attributable to equity shareholders of the Company 本公司權益持有人應佔					Non-controlling interests 非控股股東權益		Total equity
		Share capital	Share premium	Statutory reserve	Other reserve	Retained earnings	Total		
		股本	股份溢價	法定儲備	其他儲備	保留盈利	總計	股東權益	權益總額
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
		(Note 27)	(Note 28(c))	(Note 28(d))	(Note 28(e))				
		(附註27)	(附註28(c))	(附註28(d))	(附註28(e))				
At 1 January 2011	於2011年1月1日	12	2,995,502	308,238	(313,696)	1,362,775	4,352,831	13,720	4,366,551
Total comprehensive income for the year	本年綜合收益總額	-	-	-	-	830,819	830,819	4,828	835,647
Appropriations	轉撥	-	-	93,624	-	(93,624)	-	-	-
Dividends approved in respect of the previous year	有關上年度的已宣派股息	28(b)	-	-	-	(180,683)	(180,683)	-	(180,683)
Purchase of own shares	股份回購	27	-	(11,684)	-	-	(11,684)	-	(11,684)
Distributions to a non-controlling shareholder	分配給非控股股東	-	-	-	-	-	-	(6,480)	(6,480)
At 31 December 2011	於2011年12月31日	12	2,983,818	401,862	(313,696)	1,919,287	4,991,283	12,068	5,003,351
At 1 January 2012	於2012年1月1日	12	2,983,818	401,862	(313,696)	1,919,287	4,991,283	12,068	5,003,351
Total comprehensive income for the year	本年綜合收益總額	-	-	-	-	770,117	770,117	1,168	771,285
Appropriations	轉撥	-	-	89,228	-	(89,228)	-	-	-
Dividends approved in respect of the previous year	有關上年度的已宣派股息	28(b)	-	-	-	(234,888)	(234,888)	-	(234,888)
Capital contribution from non-controlling shareholders	非控股股東注資	-	-	-	-	-	-	7,403	7,403
Effect on equity arising from the acquisition of non-controlling interest	收購非控股股東權益產生的影響	-	-	-	(40,533)	-	(40,533)	40,533	-
At 31 December 2012	於2012年12月31日	12	2,983,818	491,090	(354,229)	2,365,288	5,485,979	61,172	5,547,151

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Consolidated Cash Flow Statement

合併現金流量表

for the year ended 31 December 2012

截至2012年12月31日止年度

	Note	2012	2011
	附註	RMB'000	RMB'000
		人民幣千元	人民幣千元
Operating activities	經營活動		
Profit before taxation	除稅前利潤	907,129	981,447
Adjustments for:	調整項目：		
Depreciation	折舊	348,451	275,728
Amortisation	攤銷	9,153	3,652
Finance income	財務收入	(18,961)	(17,055)
Finance costs	財務成本	209,811	126,684
Net loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備的虧損/(收益)淨額	433	(114)
Share of results of associates	應佔聯營公司業績	3,459	244
Share of results of jointly controlled entities	應佔合營公司業績	279	–
Increase in inventories	存貨增加	(28,695)	(2,248)
Increase in trade and other receivables	應收賬款及其他應收款項增加	(99,800)	(197,715)
(Decrease) /increase in trade and other payables	應付賬款及其他應付款項(減少)/增加	(20,953)	79,710
		1,310,306	1,250,333
Interest received	已收利息	16,057	12,819
Interest paid	已付利息	(262,406)	(167,748)
Income tax paid	已付所得稅	(165,605)	(161,999)
Income tax refund	所得稅退稅	20,743	41,241
Net cash generated from operating activities	經營活動所得的現金淨額	919,095	974,646
Investing activities	投資活動		
Capital expenditure	資本開支	(3,782,046)	(2,178,115)
(Increase) /decrease in pledged bank deposits	已抵押銀行存款(增加)/減少	(344,540)	308,617
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	3,813	667
Collection of receivables under finance lease	收到應收融資租賃款	2,245	2,245
Payment to a shareholder	向股東支付款項	111,285	–
Repayment from a shareholder	股東償還款項	(111,285)	–
Payment for other investment in equity securities	其他股本證券投資支付款項	(8,400)	–
Payment for investment in associates	投資聯營公司支付款項	(309,858)	(300,000)
Payment for investment in jointly controlled entities	投資合營公司支付款項	(38,784)	–
Advance to an associate	向聯營公司借出款項	(74,193)	–
Loan to a jointly controlled entity	向合營公司借出款項	(21,070)	–
Net cash used in investing activities	投資活動所用的現金淨額	(4,572,833)	(2,166,586)

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Consolidated Cash Flow Statement (continued)

合併現金流量表 (續)

for the year ended 31 December 2012

截至2012年12月31日止年度

		2012	2011
	Note	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元
Financing activities	融資活動		
Proceeds from borrowings	借款所得款項	4,173,563	2,112,776
Repayment of borrowings	償還借款	(1,245,815)	(828,533)
Proceeds from finance lease transactions	融資租賃交易所得款項	400,000	100,000
Payment of obligations under finance lease	償還融資租賃負債支付款項	(10,025)	(3,200)
Advances from associates	從聯營公司借入款項	450,000	-
Advances from a shareholder	從股東借入款項	66,172	-
Repayment to a shareholder	償還股東款項	(58,122)	-
Advances from a director	從董事借入款項	-	27,700
Repayment to a director	償還董事款項	-	(27,700)
Payment for repurchase of shares	支付股份回購款項	-	(11,684)
Capital injection from non-controlling shareholders	非控股股東注資所得款項	7,403	-
Dividend paid to a non-controlling shareholder	支付給非控股股東的股息	(6,480)	-
Dividend paid to equity shareholders of the Company	支付給本公司股東的股息	(234,888)	(180,683)
Net cash generated from financing activities	融資活動所得的現金淨額	3,541,808	1,188,676
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(111,930)	(3,264)
Cash and cash equivalents at 1 January	於1月1日現金及現金等價物	958,280	970,458
Effect of foreign exchange rate changes	外匯匯率變動的影響	250	(8,914)
Cash and cash equivalents at 31 December	於12月31日現金及現金等價物	846,600	958,280

The notes on pages 65 to 167 form part of these financial statements.

第65頁至第167頁的附註為本財務報表的組成部份。

Notes to the Financial Statements

財務報表附註

I CORPORATE INFORMATION AND GROUP REORGANISATION

Yingde Gases Group Company Limited (the “Company”) was incorporated in the Cayman Islands on 25 September 2007 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company and its subsidiaries (the “Group”) are principally engaged in the production and sales of industrial gases in the People’s Republic of China (the “PRC”).

Pursuant to a group reorganisation completed on 10 July 2009 (the “Reorganisation”) to rationalise the group structure for the public listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Company became the holding company of the subsidiaries comprising the Group. Details of the Reorganisation are set out in the prospectus of the Company dated 24 September 2009. The Company issued 339,232,500 ordinary shares with par value of USD0.000001 each at a price of HKD7.00 per share by way of public offering of the Company’s ordinary shares to Hong Kong and overseas investors. The Company’s shares have been listed on the Stock Exchange since 8 October 2009.

I 公司資料及集團重組

盈德氣體集團有限公司(「本公司」)於2007年9月25日根據開曼群島法律第22章(經綜合及修訂的1961年第三號法律)公司法在開曼群島註冊成立為豁免有限責任公司。本公司及其附屬公司(以下統稱為「本集團」)主要在中華人民共和國(「中國」)從事工業氣體生產及銷售。

為籌備本公司股份在香港聯合交易所有限公司(「聯交所」)主板公開上市，本集團進行了重組(「重組」)，以優化本集團的架構。重組於2009年7月10日完成，據此本公司成為本集團旗下各附屬公司的控股公司。有關重組的詳情載於本公司2009年9月24日刊發的招股章程中。本公司以每股7.00港元的價格，將339,232,500股每股面值0.000001美元的普通股通過公開發行普通股的方式發售給香港及海外投資者。本公司股份已於2009年10月8日在聯交所上市。

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations promulgated by the International Accounting Standards Board (“IASB”). These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on 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 2(c) 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.

2 主要會計政策

(a) 合規聲明

本財務報表是按照國際會計準則理事會頒佈的所有適用的《國際財務報告準則》(「國際財務報告準則」)編製。國際財務報告準則包括所有適用的個別國際財務報告準則、《國際會計準則》(「國際會計準則」)及其詮釋。本財務報表亦符合香港公司條例的披露規定和香港聯合交易所有限公司證券上市規則的適用披露條文。本集團採納的主要會計政策概要如下列示。

國際會計準則理事會頒佈了於本集團及本公司於本會計期間首次生效或可提早採納的若干新訂和經修訂的國際財務報告準則。附註2(c)列示了因首次採用這些與本集團有關的準則而反映於本財務報表當前及以前會計期間的會計政策變更。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements

At 31 December 2012, the Group had total borrowings of RMB6,128,091,000, including certain loans amounting to RMB1,618,014,000 of which RMB1,060,841,000 were classified as current as the Group had breached certain financial covenants at 31 December 2012. Consequently, at 31 December 2012 the Group had net current liabilities of RMB3,086,093,000.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, the directors are of the opinion that the Group will be able to finance its future working capital and financing requirements in view of the following:

- (i) subsequent to 31 December 2012, the Group received waivers from compliance with the relevant financial covenants at 31 December 2012 from the lenders concerned;
- (ii) subsequent to 31 December 2012, the Group obtained the additional loans and bank facilities of RMB995,798,000 from certain PRC banks and a director;

2 主要會計政策(續)

(b) 財務報表的編製基準

本集團於2012年12月31日之借款總額為人民幣6,128,091,000元，其中包括本集團於2012年12月31日總額為人民幣1,618,014,000元的部份貸款，由於違反若干財務契約，其中人民幣1,060,841,000元被劃分為流動部份。因此，本集團於2012年12月31日之淨流動負債為人民幣3,086,093,000元。

上述情況顯示本集團持續經營的能力可能存在重大的不確定性，因此相應的資產和負債亦可能無法按照常規商業條款進行計量。然而，本集團董事認為基於以下原因本集團能夠滿足其未來經營資本和財務需求：

- (i) 於2012年12月31日期後，本集團收到了相關放款人對其於2012年12月31日違反相關財務契約的豁免函；
- (ii) 於2012年12月31日期後，本集團已從若干中國境內銀行和一位董事取得新增借款和銀行授信共計人民幣995,798,000元；

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

- (iii) the Group has been actively discussing with bankers to obtain new funding for development of production facilities and will actively discuss with its bankers for renewal of certain short term banking facilities when they fall due in 2013; and
- (iv) the directors are considering other alternatives to raise external funds for the Group. The Group has received commitment for approximately RMB1,200,000,000 of financing, which is subject to certain conditions, including but not limited to the completion of due diligence and execution and delivery of legal documentation.

Accordingly, the directors are of the opinion that it is appropriate to prepare the Group's financial statements for the year ended 31 December 2012 on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the financial statements.

The consolidated financial statements for the year ended 31 December 2012 comprise the Company and its subsidiaries and the Group's interest in associates and jointly controlled entities.

2 主要會計政策(續)

(b) 財務報表的編製基準(續)

- (iii) 本集團正積極與銀行商討獲得為建生產設施所需的新借款和續簽若干於2013年到期的短期銀行授信合同。
- (iv) 同時，本集團董事亦在考慮其他外部融資渠道。本集團已經取得金額約為人民幣1,200,000,000元的財務承諾。此承諾在特定條件下生效，包括但不限於完成盡職調查及簽署並發行法律文件。

因此，董事認為截至2012年12月31日止年度財務報表以持續經營的基礎編製是合適的。假使本集團無法持續經營，相應的資產價值將被調低至其可收回金額，需要的撥備將被計提，非流動資產和非流動負債劃分為流動資產和流動負債。該等調整的影響未在財務報表中反映。

截至2012年12月31日止年度的合併財務報表包括本公司及其附屬公司和本集團於聯營公司及合營公司的權益的財務報表。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as available-for-sale or as trading securities (see Note 2(f)); and
- derivative financial instruments (see Note 2(g)).

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

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

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

2 主要會計政策(續)

(b) 財務報表的編製基準(續)

財務報表以歷史成本作為編製基準，除了如下在會計政策中解釋的資產和負債以公允價值列賬列示如下：

- 被分類為可供出售的金融工具或交易性證券(見附註2(f))；及
- 衍生金融工具(見附註2(g))。

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

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

在應用國際財務報告準則時，管理層對合併財務報表有重大影響的判斷，及對不確定性進行估計的主要方法已於附註3論述。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies

The IASB has issued a few amendments to IFRSs that are first effective for the current accounting period of the Group and the Company. None of these developments are relevant to the Group's and the Company's financial statements. The Group and the Company have not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

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

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

2 主要會計政策(續)

(c) 會計政策變更

國際會計準則委員會頒佈了在本集團及本公司本會計期間開始生效的若干國際財務報告準則的修訂。以上更新與本集團及本公司的財務報表並不相關。本集團及本公司並未採用任何於當前會計期間未生效的新訂會計準則、修訂或詮釋。

(d) 附屬公司和非控股股東權益

附屬公司是指由本集團控制的實體。當本集團有權支配一間實體的財務和經營決策，並藉此從其活動中取得利益，即存在控制權。在評估控制存在與否時，將會考慮目前可予行使的潛在投票權。

於附屬公司的投資由控制開始日起至控制結束日止合併計入合併財務報表中。集團內部的結餘和交易，以及集團內部交易所產生的任何未實現利潤，會在編製合併財務報表時全數抵銷。集團內部交易所產生的未實現虧損的抵銷方法與未實現利潤相同，但僅以沒有證據顯示已出現減值為限。

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

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Subsidiaries and non-controlling interests (continued)

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

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

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

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

2 主要會計政策(續)

(d) 附屬公司和非控股股東權益(續)

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

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

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

在本公司財務狀況表中，除分類至持有至出售的投資外，於附屬公司的投資以成本減減值虧損(參見附註2(k))呈列。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Associates and jointly controlled entities

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

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or the Company and other parties, where the contractual arrangement establishes that the Group or the Company and one or more of the other parties share joint control over the economic activity of the entity.

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

2 主要會計政策(續)

(e) 聯營公司與合營公司

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

合營公司是指本集團或本公司與其他投資方根據合約安排對其實施共同控制的實體。有關的合約安排確定，本集團或本公司與一名或以上的其他投資方共同控制該實體的經濟活動。

除分類至持有至出售的投資外，於聯營公司或合營公司的投資是按權益法記入合併財務報表。該投資在權益法下先以成本入賬，然後就本集團應佔該被投資方可辨認淨資產的公允價值超過投資成本(如有)作出調整。然後，投資就本集團佔該被投資方淨資產在收購後的變動和任何與投資相關的減值虧損(參見附註2(k))作出調整。如於收購日超過成本，年內本集團所佔被投資方於收購後的稅後業績及任何減值虧損確認於損益，而本集團的佔被投資方於收購後的其他稅後綜合收益的項目則確認於合併綜合收益表的其他綜合收益。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Associates and jointly controlled entities (continued)

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

Unrealised profits and losses resulting from transactions between the Group and its associates and jointly controlled entities are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

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

2 主要會計政策(續)

(e) 聯營公司與合營公司(續)

當本集團對聯營公司或合營公司虧損的承擔額超出本集團於該聯營公司的權益時，本集團的權益將會減至零，並且不再確認其後虧損；但如本集團須向該聯營公司承擔法定或推定義務，或代該被投資方付款則除外。因此，本集團的權益是按權益法投資的賬面金額及本集團長期權益，等同本集團實質上於聯營公司或合營公司的淨投資。

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

當本集團不再對聯營公司有重大影響力或者不再對合營公司有共同控制，於該被投資方的全部權益會被視為處置，其導致的收益或虧損於損益確認。任何保留在原被投資方的權益於喪失重大影響力或共同控制之日以公允價值確認，該金額為金融資產初始確認的公允價值(參見附註2(f))或如適用，確認於聯營公司的投資初始確認的成本。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in equity securities

The Group's policies for investments in equity securities, other than investments in associates and jointly controlled entities, are as follows:

Investments in equity securities are initially stated at fair value, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

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

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the statement of financial position at cost less impairment losses (see Note 2(k)).

2 主要會計政策(續)

(f) 其他股本證券投資

本集團有關股本證券投資(於聯營公司和合營公司的投資除外)的政策如下：

股本證券投資的價值是以初始公允價值列示，其一般是指成交價，除非該等投資的公允價值可以可靠計量(其變數只包括可觀察市場的資料)，否則按交易價格入賬。除以下說明外，該成本包括所有可歸屬的交易成本。該等投資在期後是根據下述分類計算：

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

在活躍市場中並無市場報價及其公允價值無法可靠計量時，股本證券投資於財務狀況表中按成本減減值虧損確認(參見附註2(k))。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Other investments in equity securities (continued)

Investments in equity securities which do not fall into any of the above categories are classified as available-for-sale equity securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. Dividend income from these investments is recognised in profit or loss in accordance with the policy set out in Note 2(t)(ii). When these investments are derecognised or impaired (see Note 2(k)), the cumulative gain or loss is reclassified from equity to profit or loss.

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(g) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

2 主要會計政策(續)

(f) 其他股本證券投資(續)

不屬於上述類別的股本證券投資會被列為可供出售股本證券。於每個報告期末，其公允價值會被重新計量，因重估所產生的任何損益均於其他綜合收益中確認，並分別累計在權益中的公允價值儲備。該等投資的股息收入根據附註2(t)(ii)列示的政策於損益中確認。當該等投資終止確認或已減值(參見附註2(k))，累計損益將由權益重分類至損益。

投資會於本集團承諾購買/出售該等投資或到期當日確認/終止確認。

(g) 衍生金融工具

衍生金融工具以公允價值初始確認。公允價值會於每個報告期末重計。由於重計導致的公允價值變化而產生的盈虧會即時確認於損益。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Property, plant and equipment

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

Construction in progress represents property, plant and equipment under construction and equipment pending installation, and is initially recognised at cost. Cost comprises cost of materials, direct labour and an appropriate proportion of production overheads and borrowing costs (see Note 2(v)). The construction in progress is transferred to property, plant and equipment when the asset is substantially ready for its intended use, notwithstanding any delays in the issue of the relevant commissioning certificates by the relevant PRC authorities.

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

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

Buildings	15 - 35 years
Plant and machinery	10 - 20 years
Motor vehicles and other equipment	5 - 10 years

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

2 主要會計政策(續)

(h) 物業、廠房及設備

物業、廠房及設備，以成本減累計折舊和減值虧損(參見附註2(k))後呈列。

在建工程是指興建中的物業、廠房和設備，以及有待安裝的設備，以成本初始確認。成本包括材料成本、直接人工以及按適當比例分攤的生產經常費用和借款成本(參見附註2(v))。縱使中國有關當局所簽發的相關證明書有任何延誤，當資產實質上可作既定用途時，在建工程仍轉撥至物業、廠房及設備。

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

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

房屋	15 - 35年
廠房及機器	10 - 20年
汽車及其他設備	5 - 10年

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

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources and the intention to complete development. The expenditure capitalised includes the costs of materials, direct labour, and an appropriate proportion of overheads and borrowing costs, where applicable (see Note 2(v)). Capitalised development costs are stated at cost less accumulated amortisation and impairment losses (see Note 2(k)). Other development expenditure is recognised as an expense in the period in which it is incurred.

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(k)). Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives of 5 to 10 years. Both the period and method of amortisation are reviewed annually.

2 主要會計政策(續)

(i) 無形資產

研究活動產生的成本在產生時確認為當期費用。開發活動產生的成本僅於證明有關產品或程序在技術上及商業上是可行的及本集團有足夠資源及意願完成開發的情況下才會被資本化。資本化的成本包括原材料成本，直接人工成本及適當比例の間接成本及借貸成本(如適用)(見附註2(v))。資本化的開發成本以成本減累計攤銷及減值虧損列賬(見附註2(k))。其他開發成本在產生時確認為當期費用。

由本集團購買的無形資產以成本減累計攤銷(倘估計可使用年限有限)和減值虧損(參見附註2(k))計量。可使用年限有限的無形資產攤銷是於資產估計可使用年限的5至10年內以直線法在損益中確認。攤銷年限及方法均每年進行審閱。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Leased assets

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

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except for land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

2 主要會計政策(續)

(j) 租賃資產

如本集團釐定，一項安排賦予於一段協議期間內使用一項或多項指定資產的權利，並以付款或系列付款作為交換，該項安排(包括交易或系列交易)為或包涵一項租賃。本集團經評估該項安排的實際內容後，作出上述決定，並不會考慮該項安排是否屬租賃的法定形式。

(i) 本集團租賃資產的分類

本集團以租賃持有，且將所有權的絕大部份風險及報酬轉移至本集團的資產歸類為以融資租賃方式持有。未將所有權的絕大部份風險及報酬轉移至本集團的租賃歸類為經營租賃，但是以經營租賃方式持作自用的土地除外；無法在租賃開始時將其公允價值與建於其上房屋的公允價值分開計量的土地是以融資租賃方式入賬，除非該房屋也清楚地以經營租賃方式持有。就此而言，租賃開始時間指本集團首次訂立租約或自前承租人接收之時。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Leased assets (continued)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in Note 2(h). Impairment losses are accounted for in accordance with the accounting policy as set out in Note 2(k). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(iii) Operating lease charges

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

2 主要會計政策(續)

(j) 租賃資產(續)

(ii) 以融資租賃所收購的資產

如本集團以融資租賃收購資產的使用權，會按照租賃資產公允價值或該資產最低租賃付款的現值(如為較低者)計入物業、廠房及設備，而扣除融資費用後的相應負債則列為融資租賃負債。折舊是在相關的租賃期或資產的可用期限(如本集團可能取得資產的所有權)內按沖銷資產成本的比率計提；有關的資產可用期限載列於附註2(h)。減值虧損按照附註2(k)所載的會計政策入賬。租賃付款內含的融資費用於租賃期內於損益中扣除，使每個會計期間所佔負債餘額的比率大致相同。或有租金在其發生的會計期間內於損益中扣除。

(iii) 經營租賃費用

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

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Leased assets (continued)

(iv) Receivables under finance lease

Where the Group leased out assets under finance lease, the initial direct costs incurred on such assets are recorded as receivables under finance lease. Finance income implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the receivables for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(v) Lease prepayments

Lease prepayments represent the purchase costs of land use rights. Land use rights are carried at cost less accumulated amortisation and impairment losses (see Note 2(k)). Amortisation is charged to profit or loss on a straight-line basis over the period of the land use rights.

2 主要會計政策(續)

(j) 租賃資產(續)

(iv) 應收融資租賃款

當本集團以融資租賃方式出租資產，該等資產的初始直接成本作為應收融資租賃款記錄。租賃付款內含的融資收入於租賃期內於損益中扣除，使每個會計期間的應收款項餘額的比率大致相同。或有租金在其發生的會計期間內於損益中扣除。

(v) 租賃預付款項

租賃預付款項是指土地使用權的購買成本。土地使用權按成本減累計攤銷和減值虧損(參見附註2(k))後呈列。攤銷於土地使用權期限內以直線法於損益中扣除。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets

(i) Impairment of investments in equity securities and receivables

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

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

2 主要會計政策(續)

(k) 資產減值

(i) 股本證券投資及應收款項的減值虧損

以成本或攤銷成本呈列的股本證券投資及應收款項，會於每個報告期末進行審閱，以確定是否有減值的客觀跡象。減值的客觀跡象包括本集團從可觀察數據中注意到以下一項或多項虧損事項：

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

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(i) Impairment of investments in equity securities and receivables (continued)

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

- For investments in subsidiaries, associates and jointly controlled entities (including those recognised using the equity method (see Note 2(e))), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with Note 2(k)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with Note 2(k)(ii).

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2 主要會計政策(續)

(k) 資產減值(續)

(i) 股本證券投資及應收款項的減值虧損(續)

如任何該等跡象存在，任何確定的減值虧損會被確認如下：

- 於附屬公司及聯營公司、合營公司的投資(包括以權益法確認的投資(參見附註2(e)))，根據附註2(k)(ii)，減值虧損是以整體投資的可收回金額比較其賬面價值計算的。根據附註2(k)(ii)，假若用作釐定可收回金額的估計出現正面的變化，減值虧損會被轉回。

- 以成本列示的非上市股本證券，其減值虧損是以金融資產的賬面價值及估計的未來現金流(如貼現的影響重大，以類似的金融資產的現行市場回報率貼現)的差額計算。以成本列示的股本證券的減值虧損不會被轉回。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(i) Impairment of investments in equity securities and receivables (continued)

- For trade and other receivables carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

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

2 主要會計政策(續)

(k) 資產減值(續)

(i) 股本證券投資及應收款項的減值虧損(續)

- 以攤銷成本列示的應收賬款及其他流動應收款，減值虧損是以資產的賬面價值及估計未來現金流的現值（若貼現的影響重大，以金融資產的原有效利率貼現，即初始確認該資產計算的有效利率）的差額計算。金融資產具有類似的風險特質，如類似的以往到期狀況，及未有被個別評估為減值的，是以整體進行減值評估。整體進行減值評估的金融資產的未來現金流乃根據與本集團擁有類似信貸風險特質的資產的歷史虧損經驗作參考。

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

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(i) Impairment of investments in equity securities and receivables (continued)

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

2 主要會計政策(續)

(k) 資產減值(續)

(i) 股本證券投資及應收款項的減值虧損(續)

減值虧損一般直接於相關資產科目沖銷，除有關回收的可能性有疑問但不是極低的應收賬款及應收票據的減值虧損，在此情況下，呆帳的減值虧損在準備賬計提。當本集團認為收回款項的可能性極低，不能收回的部份則會直接於應收賬款及應收票據沖銷，並轉回於呆帳準備科目中已計提的有關該賬款的準備。其後收回過往已計入準備賬的金額，會於準備賬中轉回。準備賬中的其他變動和其後收回過往已直接沖銷的金額會於損益中確認。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets

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

- property, plant and equipment;
- construction in progress;
- lease prepayments;
- intangible assets; and
- other non-current assets (excluding receivables).

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

2 主要會計政策(續)

(k) 資產減值(續)

(ii) 其他資產的減值

於每個報告期末，內部和外部信息將被審閱以確定下列資產是否出現減值跡象，或以往確認的減值虧損是否不再存在或可能已經減少：

- 物業、廠房及設備；
- 在建工程；
- 租賃預付款項；
- 無形資產；及
- 其他非流動資產(不包括應收款項)。

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

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

– Calculation of recoverable amount

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

– Recognition of impairment losses

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

2 主要會計政策(續)

(k) 資產減值(續)

(ii) 其他資產的減值(續)

– 計算可收回金額

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

– 確認減值虧損

如果資產或其所屬現金產生單位的賬面價值高於其可收回金額，便會於損益中確認減值虧損。有關現金產生單位的已確認的減值虧損會予以分配，以按比例減少該現金產生單位(或單位組別)中資產的賬面價值，但一項資產的賬面價值不會減至低於其個別公允價值減銷售成本或其使用價值(如能確定)。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

– Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

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

(iii) Interim financial reporting and impairment

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

Impairment losses recognised in an interim period in respect of unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

2 主要會計政策(續)

(k) 資產減值(續)

(ii) 其他資產的減值(續)

– 轉回減值虧損

如果用作確定資產可收回金額的估計出現有利變化，則轉回減值虧損。

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

(iii) 中期財務報表及減值

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

已在中期確認的以成本列示的非上市股本證券的減值虧損，不會在期後沖回。即使在年末時評估是沒有或較少的減值虧損，該中期確認的減值虧損均不會被沖回。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Inventories

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

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

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

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

2 主要會計政策(續)

(l) 存貨

存貨以成本和可變現淨值兩者中的較低者呈列。

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

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

所出售存貨的賬面價值在確認相關收益的期間內確認為支出。存貨金額沖減至可變現淨值，而所有存貨虧損在沖減或虧損產生期間確認為支出。存貨的任何沖減值轉回在轉回期間沖減確認為支出的存貨金額。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Trade and other receivables

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

(n) Interest-bearing borrowings

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

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with Note 2(s)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) Cash and cash equivalents

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

2 主要會計政策(續)

(m) 應收賬款及其他應收款項

應收賬款及其他應收款項按公允價值初始確認，其後以有效利息方法確認的攤餘成本減呆賬減值準備(參見附註2(k))呈列；但如應收款項為提供給關聯方的免息且無固定還款期的貸款或貼現的影響並不重大則除外。在此情況下，應收款項按成本減呆賬減值準備呈列。

(n) 計息借款

計息借款按公允價值減去應佔交易成本初始確認。初始確認後，計息借款以攤餘成本呈列，而初始確認的金額與贖回價值之間的任何差額，連同任何應付利息和費用，按實際利率法在借款期間於損益確認。

(o) 應付賬款及其他應付款項

應付賬款及其他應付款項按公允價值初始確認。除財務擔保負債依據附註2(s)(i)計量外，應付賬款及其他應付款項其後以攤餘成本呈列，除非貼現的影響並不重大，則以成本呈列。

(p) 現金及現金等價物

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

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Obligations for contributions to PRC local government defined contribution retirement plans pursuant to the relevant labour rules and regulations in the PRC and Mandatory Provident Fund Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance, which is a defined contribution retirement plan administered by independent trustees, are recognised as an expense in profit or loss when incurred.

(r) Income tax

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

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

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

2 主要會計政策(續)

(q) 僱員福利

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

依照中國相關勞動規則與規定向由中國地方政府管理的定額供款退休計劃支付供款，亦根據香港強制性公積金計劃條例為受香港僱傭條例管轄的司法權區的受聘僱員設立一項強制性公積金計劃支付供款，由獨立受託人管理該供款退休計劃。在發生時於損益中確認為費用。

(r) 所得稅

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

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

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

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax (continued)

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

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

2 主要會計政策(續)

(r) 所得稅(續)

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

確認遞延稅項資產和負債的有限例外指那些由於資產或者負債的初始確認而產生的既不影響會計利潤也不影響應課稅利潤(倘若它們不是企業合併的一部份)的暫時性差異；以及與對附屬公司的投資相聯繫的暫時性差異，對於應課稅暫時性差異，本集團控制該暫時性差異轉回的時間安排，並且該暫時性差異在可預見的未來很可能不會轉回；或者對於可抵扣差異，除非它們在未來很可能轉回。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax (continued)

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

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

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

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

2 主要會計政策(續)

(r) 所得稅(續)

遞延稅項金額是按照資產和負債賬面價值的預期實現或償還方式，根據已執行或在報告期末實質上已執行的稅率計量。遞延稅項資產和負債均不貼現計算。

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

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

- 就即期稅項資產和負債而言，本公司或本集團計劃按淨額基準結算，或同時變現該資產和償還該負債；或

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax (continued)

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

(s) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

2 主要會計政策(續)

(r) 所得稅(續)

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

(s) 所作出的財務擔保、準備及或有負債

(i) 所作出的財務擔保

財務擔保是指那些規定發行人(即擔保人)根據債務工具的條款支付指定款項，以補償擔保受益人(「持有人」)因某一特定債務人不能償付到期債務而產生的虧損的合約。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial guarantees issued, provisions and contingent liabilities (continued)

(i) Financial guarantees issued (continued)

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with Note 2(s)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

2 主要會計政策(續)

(s) 所作出的財務擔保、準備及或有負債(續)

(i) 所作出的財務擔保(續)

如果本集團作出財務擔保，該擔保的公允價值(即交易價格，除非該公允價值能可靠地估計)在應付賬款及其他應付款項內初始確認為遞延收入。如就作出財務擔保已收或應收的代價，會根據本集團有關資產類別適用的政策確認。如沒有已收或應收代價，即期費用會於任何遞延收入初始確認時於損益中確認。

初始確認為遞延收入的擔保金額會在擔保期內於損益中攤銷為已作出財務擔保的收入。此外，倘若(i)擔保持有人有可能根據該項擔保向本集團進行索償；及(ii)向本集團申索的金額預期會超出現時在應付賬款及其他應付款項中就該擔保入賬的金額(即初始確認金額減累計攤銷)，準備便會根據附註2(s)(ii)予以確認。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Financial guarantees issued, provisions and contingent liabilities (continued)

(ii) Other 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)

(s) 所作出的財務擔保、準備及或有負債(續)

(ii) 其他準備及或有負債

如果本集團或本公司須就已發生的事件承擔法定或推定責任，因而預期會導致經濟利益流出，在可以做出可靠估計時，須為該時間或金額不確定的負債確認準備。如果貨幣時間價值重大，則按預計償付責任所需支出的現值計入準備。

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，便會將該責任披露為或有負債，但經濟利益流出的可能性極低的情況則除外。如果本集團的責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或有負債，但經濟利益流出的可能性極低的情況則除外。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue recognition

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

(i) Sale of goods

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

(ii) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(iii) Interest income

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

2 主要會計政策(續)

(t) 收益確認

收益是已收或應收代價的公允價值來計量的。如果經濟利益可能會流入本集團，而收益及成本(如適用)又能夠可靠地計量時，收益便會根據下列基準於損益確認：

(i) 銷售貨品

收益在氣體產品被運抵客戶處或客戶提貨時，即客戶已接收該氣體產品及其所有權相關的風險和回報時予以確認。收益不含增值稅及其他營業稅，並已扣除任何商業折扣。

(ii) 股息

非上市投資的股息收入於股東收取款項的權利確立時確認。

(iii) 利息收入

利息收入於計提時按實際利率法予以確認。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Translation of foreign currencies

Foreign currency transactions during the year are translated into RMB at the applicable rates of exchange quoted by the People's Bank of China ("PBOC") prevailing on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into RMB at the applicable PBOC rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using applicable PBOC rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the applicable PBOC rates ruling at the dates the fair value was determined.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2 主要會計政策(續)

(u) 外幣換算

本年的外幣交易按交易當日中國人民銀行所報的適用匯率換算為人民幣。以外幣為單位的各項貨幣性資產及負債按報告期末適用的中國人民銀行匯率換算為人民幣。匯兌收益和虧損於損益確認。

以歷史成本計量的非貨幣性外幣資產及負債依據交易日適用的中國人民銀行匯率換算為人民幣。以公允價值計量的非貨幣性外幣資產及負債按公允價值確定日適用的中國人民銀行匯率換算為人民幣。

(v) 借款成本

與收購、建設或生產需要長時間才可以投入擬定用途或銷售的資產直接相關的借款成本會被資本化為該項資產成本的一部份。其他借款成本則在發生當期費用化。

作為合資格資產成本一部份的借款成本會在為資產發生支出、產生借款成本及使資產投入擬定用途或銷售所必須的活動進行時開始資本化。當使合資格資產投入其擬定用途或銷售所必需的活動大致上中止或完成時，則會暫停或停止將借款成本資本化。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

2 主要會計政策(續)

(w) 關聯方

- (a) 符合以下條件之一的人士或其直系家庭成員將被視為本集團的關聯方：
- (i) 對本集團有控制或共同控制；
 - (ii) 對本集團有重大影響；或
 - (iii) 本集團或本集團母公司主要管理人員的成員。
- (b) 符合以下條件之一的企業將被視為本集團的關聯方：
- (i) 企業和集團為同一集團下的成員(即母公司和各附屬公司均為相互的關聯方)。
 - (ii) 企業為另外一家企業的聯營公司或合營公司(或企業為該另外一家企業的集團成員的聯營公司或合營公司)。

Notes to the Financial Statements (continued)

財務報表附註 (續)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies: (continued)

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

2 主要會計政策(續)

(w) 關聯方(續)

(b) 符合以下條件之一的企業將被視為本集團的關聯方：
(續)

(iii) 兩家企業同為一個第三方的合營公司。

(iv) 企業為一家第三方企業的合營公司及另一家企業為該第三方企業的聯營公司。

(v) 企業為一僱員退休福利計劃，且該福利計劃的受益人為本集團的僱員或本集團任何關聯方。

(vi) 企業被在註釋(a)下認定的人士控制或共同控制。

(vii) 在註釋(a)(i)下認定的人士對企業有重大影響，或該人士為企業(或企業的母公司)的主要管理人員。

個人的直系家庭成員是指預期他們在與企業的交易中，可能會影響該個人或受其影響的家屬。

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group is engaged in the production and sales of industrial gases in the PRC. Although the industrial gases are sold to on-site and merchant customers, the Group's most senior executive management regularly review their consolidated financial statements to assess the performance and make resource allocation decisions. Accordingly, no segment information is presented.

Substantially all of the Group's external customers and non-current assets are located in the PRC.

2 主要會計政策(續)

(x) 分部報告

經營分部和財務報表中匯報的各分部項目的金額是由定期提供給本集團的最高行政管理層以作資源分配，及對不同的經營行業和地區進行表現評價的財務資料中分辨出來的。

除非分部有相似的經濟特徵以及對於產品和服務的性質、生產過程的性質、客戶的類型或分類、分銷產品或提供服務的方法和監管環境的性質是相類似的，否則個別重大的經營分部在財務匯報中不會合併。如有不屬於個別重大的經營分部大致符合這些標準，他們可能會被合併呈列。

本集團於中國境內生產和銷售工業氣體。雖然工業氣體分別銷售給現場供氣客戶和零售客戶，本集團的最高行政管理層定期審閱其合併財務報表以進行表現評價和作出資源分配決策。因此，並無分部資料呈列。

本集團內絕大部份外部客戶和非流動資產均在中國。

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

The Group's financial position and results of operations are sensitive to accounting methods, assumptions and estimates that underlie the preparation of these financial statements. The Group bases the assumptions and estimates on historical experience and on various other assumptions that the Group believes to be reasonable and which form the basis for making judgements about matters that are not readily apparent from other sources. On an on-going basis, management evaluates its estimates. Actual results may differ from those estimates as facts, circumstances and conditions change.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in condition and assumptions are factors to be considered when reviewing these financial statements. The principal accounting policies are set forth in Note 2. The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of these financial statements.

(a) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

3 會計判斷及估計

本集團的財務狀況和經營業績容易受到與編製本財務報表有關的會計方法、假設和估計的影響。本集團依據歷史經驗和其認為合理的其他各種假設作為相關假設和估計的基礎，而這些經驗和假設均為對未能從其他來源確定的事宜作出判斷的基礎。管理層會持續評估這些估計。隨著實際情況、環境和狀況轉變，實際結果可能與這些估計有差異。

在審閱本財務報表時，須考慮的因素包括主要會計政策的選擇、影響應用這些政策的判斷和其他不確定因素，以及已呈報業績對狀況和假設變動的敏感度等。主要會計政策載列於附註2。本集團相信，下列主要會計政策為編製本財務報表時所採用的最重要判斷和估計。

(a) 折舊

物業、廠房及設備在考慮其估計剩餘價值後，於估計可使用年限內按直線法折舊。本集團定期審閱資產的估計可使用年限，以確定於任何報告期內記錄的折舊費用金額。可使用年限是本集團根據對同類資產的歷史經驗並考慮預期的技術轉變計算得出。倘與過往估計相比發生重大變化，則會對未來期間的折舊費用進行調整。

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(b) Impairment of assets

If circumstances indicate that the carrying amount of an asset may not be recoverable, this asset may be considered “impaired”, and an impairment loss may be recognised in profit or loss. The carrying amounts of 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 fair value less costs to sell and the value in use. 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 the level of sales revenue 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 sales revenue and amount of operating costs.

(c) Determining whether an arrangement contains a lease

The Group has entered into long-term gas supply contracts with on-site customers for periods up to 30 years. The production facilities are built on or in close proximity to the on-site customers for the supply of industrial gases to such customers (“on-site facilities”). The Group receives fixed annual amounts over the terms of the long-term gas supply contracts plus variable charges based on the quantity of industrial gases supplied. The Group also sells gas products produced from the on-site facilities to merchant customers.

3 會計判斷及估計 (續)

(b) 資產減值

倘情況顯示某資產的賬面價值可能無法收回時，該資產會被視為發生「減值」，而減值虧損會於損益確認。資產的賬面價值會經定期審閱，以評估可收回金額是否已跌至低於賬面價值。當有事件或情況變動顯示該等資產的記錄賬面價值可能無法收回時，會對該等資產做減值測試。在減值發生時，賬面價值會減至可收回金額。可收回金額為公允價值減銷售成本或使用價值兩者中的較高者。確定使用價值時，該資產產生的預期現金流量會貼現至其現值，而此需要對銷售收益水平及營運成本金額作出重大判斷。本集團在確定可收回金額的合理約數時會利用所有隨時可用的資料，包括根據合理有力的假設所作的估計和對銷售收益及營運成本金額的預測。

(c) 確定一項安排是否包含租賃

本集團與現場供氣客戶簽訂長期氣體供應合約，最長期限為30年。這些生產設施位於現場供氣客戶的物業或毗鄰以供應工業氣體給現場供氣客戶（「現場供氣設施」）。本集團在該長期供氣合約期限內每年收到定額加上根據供應的工業氣體量計算的變動費用。本集團也用這些現場供氣設施向零售客戶銷售所生產的氣體產品。

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(c) Determining whether an arrangement contains a lease (continued)

In determining whether the arrangement contains a lease, the Group has considered the terms of the long-term gas supply contracts. Pursuant to the terms of the long-term gas supply contracts, the on-site customers do not have the right to operate or control physical access to the on-site facilities. In addition, gas products produced from the on-site facilities are also sold to merchant customers. The amounts sold to the merchant customers are more than an insignificant amount of the total gas products produced from the on-site facilities. Accordingly, the Group concluded that the arrangement of long-term gas supply contracts does not contain any lease.

4 TURNOVER

The Group is principally engaged in the production and sales of industrial gases in the PRC. Turnover represents the aggregate of the invoiced value of goods sold, net of value added tax.

During the year ended 31 December 2012, the Group had two customers that individually exceeded 10% of the Group's turnover, being RMB845,123,000 and RMB546,080,000 respectively.

During the year ended 31 December 2011, the Group had three customers that individually exceeded 10% of the Group's turnover, being RMB761,669,000, RMB558,470,000 and RMB532,863,000 respectively.

Details of concentration of credit risk arising from the customers are set out in Note 31(b).

3 會計判斷及估計 (續)

(c) 確定一項安排是否包含租賃(續)

在確定一項安排是否包含租賃時，本集團已考慮長期氣體供應合約的條款。根據長期氣體供應合約的條款，現場供氣客戶無權運營現場供氣設施或控制其實質接觸。此外，現場供氣設施生產的氣體產品也銷售給零售客戶。銷售給零售客戶的金額與現場供氣設施生產的所有氣體產品相比並非不重要。因此，本集團認為長期氣體供應合約這項安排不包含任何租賃。

4 收入

本集團主要在中國從事工業氣體生產及銷售。收入代表銷售商品的發票總額，不含增值稅。

截至2012年12月31日止年度，本集團有兩名客戶的個別交易額超過本集團收入10%，其交易額分別為人民幣845,123,000元以及人民幣546,080,000元。

截至2011年12月31日止年度，本集團有三名客戶的個別交易額超過本集團收入10%，其交易額分別為人民幣761,669,000元，人民幣558,470,000元以及人民幣532,863,000元。

有關客戶的信貸集中風險詳載於附註31(b)。

Notes to the Financial Statements (continued)

財務報表附註 (續)

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/ (crediting):

5 除稅前利潤

除稅前利潤已扣除/(計入)：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(a) Finance (income)/costs:	(a) 財務(收入)/成本：		
Interest income	利息收入	(16,057)	(12,819)
Finance income on receivables under finance lease	應收融資租賃款的融資收入	(1,610)	(1,680)
Total interest income	利息收入總計	(17,667)	(14,499)
Foreign currency exchange gain	匯兌收益	(1,294)	(2,556)
Finance income	財務收入	(18,961)	(17,055)
Interest on borrowings	借款利息	314,567	177,352
Finance charges on obligations under finance lease	融資租賃負債的融資費用	4,030	2,486
Total interest expenses	利息支出總計	318,597	179,838
Less: borrowing costs capitalised	減：資本化借款成本	(108,786)	(53,154)
Finance costs	財務成本	209,811	126,684
		190,850	109,629
Borrowing costs have been capitalised at the following rates:	借款成本按以下利率資本化：		
Capitalisation rate (per annum)	資本化比率 (每年)	5.0% -7.7%	5.4% -7.8%

Notes to the Financial Statements (continued)

財務報表附註 (續)

5 PROFIT BEFORE TAXATION (continued)

Profit before taxation is arrived at after charging/(crediting) (continued):

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(b) Staff costs:	(b) 員工成本：		
Salaries, wages, bonuses and benefits	薪金、工資、花紅及福利	204,450	164,393
Contributions to defined contribution retirement schemes	定額供款退休計劃的供款	21,176	11,960
		225,626	176,353

Staff costs included directors' remuneration (see Note 7).

Pursuant to the relevant labour rules and regulations in the PRC, the Group's PRC subsidiaries participate in defined contribution retirement benefit schemes (the "Schemes") organised by the respective local government authorities whereby the Group is required to make contributions to the Schemes at rates in the range of 10% to 22% of the eligible employees' salaries during the year.

The Group also operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HKD25,000 (HKD20,000 prior to June 2012). Contributions to the plan vest immediately.

The Group has no other material obligation for the payment of pension benefits beyond the annual contributions described above.

5 除稅前利潤(續)

除稅前利潤已扣除/(計入)(續)：

	2012	2011
	RMB'000	RMB'000
	人民幣千元	人民幣千元
(b) 員工成本：		
薪金、工資、花紅及福利	204,450	164,393
定額供款退休計劃的供款	21,176	11,960
	225,626	176,353

員工成本包含董事薪酬(參見附註7)。

根據中國有關勞動規則及規例，各本集團的中國附屬公司參與一項由中國當地政府主管部門組織的定額供款退休福利計劃(「該計劃」)，據此，本集團須按合資格僱員本年度薪金的10%到22%向該計劃作出供款。

本集團亦根據香港強制性公積金計劃條例為受香港僱傭條例管轄的司法權區的受聘僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員須按僱員相關收入的5%向計劃供款，最高為每月相關收入的25,000港元(2012年6月前為20,000港元)。計劃供款即時歸屬。

除上述年度供款外，本集團並無其他重大退休福利支付責任。

Notes to the Financial Statements (continued)

財務報表附註 (續)

5 PROFIT BEFORE TAXATION (continued)

Profit before taxation is arrived at after charging/(crediting) (continued):

5 除稅前利潤(續)

除稅前利潤已扣除/(計入)(續)：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(c) Other items:	(c) 其他項目：		
Utilities	公用費用		
– Electricity	– 電費	2,292,962	1,872,088
– Steam	– 蒸汽	514,585	451,592
Depreciation	折舊	348,451	275,728
Amortisation	攤銷		
– Land lease premium	– 租賃預付款項	4,899	1,777
– Intangible assets	– 無形資產	4,254	1,875
Auditors' remuneration	核數師酬金		
– Audit service	– 審核服務	4,647	4,298
– Non-audit service	– 非審核服務	690	71
Operating lease charges: minimum	經營租賃費用：		
lease payment (land and buildings)	最低租賃款項(土地及房屋)	16,567	10,399
Net loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及 設備的虧損/(收益)淨額	433	(114)
Impairment losses on trade and other receivables	應收賬款及其他應收款項 減值虧損	18,491	71

Notes to the Financial Statements (continued)

財務報表附註 (續)

6 INCOME TAX

(a) Taxation in profit or loss

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Provision of PRC income tax for the year	年度中國所得稅	147,271	132,968
Deferred tax	遞延稅項	(11,427)	12,832
		135,844	145,800

(b) Reconciliation between tax expense and accounting profit at applicable tax rates

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	907,129	981,447
Expected PRC income tax expense at the statutory tax rate of 25%	按25%法定稅率計算的預期中國所得稅費用	226,782	245,362
Tax effect of non-deductible expenses	不可抵扣費用的稅務影響	6,220	6,435
Tax effect of non-taxable income	非應稅收入的稅務影響	(3,172)	-
Effect of tax losses	稅務虧損的影響	2,376	3,219
Differential tax rate on subsidiaries' results	附屬公司收入的稅率差別	(73,909)	(84,390)
Tax effect arising from the change in tax rate (Note (i))	稅率變化的稅務影響 (附註(i))	(18,897)	-
Tax credit of domestic equipment purchases (Note (ii))	購買國產設備的稅項抵扣(附註(ii))	(25,423)	(57,875)
Tax on distributable profits of subsidiaries in the PRC (Note (iii))	就中國附屬公司可分派利潤的稅項(附註(iii))	20,932	32,988
Tax effect in respect of share of results of associates and jointly controlled entities	應佔聯營公司及合營公司業績的稅務影響	935	61
Actual income tax expense	實際所得稅開支	135,844	145,800

6 所得稅

(a) 計入損益的稅項

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Provision of PRC income tax for the year	年度中國所得稅	147,271	132,968
Deferred tax	遞延稅項	(11,427)	12,832
		135,844	145,800

(b) 所得稅支出與按適用稅率計算的會計利潤的調節表

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	907,129	981,447
Expected PRC income tax expense at the statutory tax rate of 25%	按25%法定稅率計算的預期中國所得稅費用	226,782	245,362
Tax effect of non-deductible expenses	不可抵扣費用的稅務影響	6,220	6,435
Tax effect of non-taxable income	非應稅收入的稅務影響	(3,172)	-
Effect of tax losses	稅務虧損的影響	2,376	3,219
Differential tax rate on subsidiaries' results	附屬公司收入的稅率差別	(73,909)	(84,390)
Tax effect arising from the change in tax rate (Note (i))	稅率變化的稅務影響 (附註(i))	(18,897)	-
Tax credit of domestic equipment purchases (Note (ii))	購買國產設備的稅項抵扣(附註(ii))	(25,423)	(57,875)
Tax on distributable profits of subsidiaries in the PRC (Note (iii))	就中國附屬公司可分派利潤的稅項(附註(iii))	20,932	32,988
Tax effect in respect of share of results of associates and jointly controlled entities	應佔聯營公司及合營公司業績的稅務影響	935	61
Actual income tax expense	實際所得稅開支	135,844	145,800

6 INCOME TAX (continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates (continued)

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and BVI.

No provision has been made for Hong Kong profits tax as the Group sustained losses for the purposes of Hong Kong profits tax during the current and prior years.

The provision for current PRC income tax is based on a statutory rate of 25% (2011: 25%) of the assessable profit as determined in accordance with the relevant income tax rules and regulations of the PRC, except for certain subsidiaries of the Group, which are entitled to 50% exemption of the income tax pursuant to the grandfathering arrangement under the Corporate Income Tax Law of the PRC. In addition, pursuant to the relevant documents issued by the state and local tax bureau of the PRC during 2012, certain of the Group's subsidiaries operating in the western developing region of the PRC are granted the preferential tax rate of 15%.

- (ii) Before 31 December 2007, certain subsidiaries of the Group in the PRC obtained the approval of income tax credit for purchasing qualified domestic equipment from the local tax authorities in accordance with the relevant tax regulations issued by the State Administration of Taxation. Pursuant to Guoshuifa [2008] No.52 issued by the State Administration of Taxation in May 2008, such tax credit policy ceased to be effective since 1 January 2008. During the year ended 31 December 2012, certain subsidiaries utilised the unused tax credit of RMB25,423,000 granted by the relevant local tax authorities prior to 31 December 2007 (2011: RMB57,875,000).

6 所得稅 (續)

(b) 所得稅支出與按適用稅率計算的會計利潤的調節表 (續)

附註：

- (i) 根據開曼群島及英屬處女群島的規則及規定，本集團無需支付任何開曼群島及英屬處女群島的所得稅。

本集團於年內及以前年度於香港的業務在香港利得稅而言均為虧損，故毋須繳納香港利得稅。

除本集團若干附屬公司享受根據《中國企業所得稅法》的過渡條款按法定稅率50%豁免計稅，根據中國所得稅相關規則及規定，當期中國所得稅是按應課稅利潤的25%(2011年：25%)法定稅率計算。此外，於2012年，根據國家及地方稅務機關發佈的相關條例，本集團若干位於中國西部大開發地區的附屬公司享受15%的優惠稅率。

- (ii) 於2007年12月31日前，本集團若干中國附屬公司根據國家稅務總局頒發的相關稅收法規從當地稅務局獲得了購買合資格國產設備所得稅抵免的批覆。根據國家稅務總局於2008年5月頒發的國稅發[2008]52號文，自2008年1月1日起，此稅收抵扣政策不再生效。截至2012年12月31日止年度，若干附屬公司從相關當地稅務局取得了允許使用於2007年12月31日前獲得的尚未使用的稅項抵扣人民幣25,423,000元(2011年：人民幣57,875,000元)。

Notes to the Financial Statements (continued)

財務報表附註(續)

6 INCOME TAX (continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates (continued)

Notes (continued):

- (iii) Withholding tax at 10%, unless reduced by a treaty or agreement, is imposed when dividends are distributed by a PRC-resident enterprise to its immediate holding company outside mainland China for earnings generated beginning on 1 January 2008. Undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax.

(c) Income tax (recoverable)/payable in the consolidated statement of financial position

6 所得稅(續)

(b) 所得稅支出與按適用稅率計算的會計利潤的調節表(續)

附註(續):

- (iii) 中國居民企業分派於2008年1月1日後取得的盈利給其中國大陸以外的直接控股公司按照10%的稅率徵收預扣稅，除非有相關條約或協議對有關稅率予以減免。於2008年1月1日之前取得但仍未分派的盈利免徵該等預扣稅。

(c) 合併財務狀況表內(可收回)/應付所得稅

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	67,450	55,240
Provision for PRC income tax for the year	年度中國所得稅	147,271	132,968
PRC income tax paid	已付中國所得稅	(165,605)	(161,999)
PRC income tax refund	中國所得稅退稅	20,743	41,241
At 31 December	於12月31日	69,859	67,450
<i>Representing:</i>	<i>代表:</i>		
Income tax recoverable	可收回所得稅	(362)	(6,463)
Income tax payable	應付所得稅	70,221	73,913
		69,859	67,450

Notes to the Financial Statements (continued)

財務報表附註 (續)

6 INCOME TAX (continued)

(d) Deferred tax assets and liabilities recognised

- (i) The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements are as follows:

The Group	Property, plant and equipment	Allowance for doubtful debts	Tax loss carry forwards	Profits expected to distribute (Note)	Total	
本集團	物業、 廠房及設備	呆賬準備	稅務 虧損結轉額	預期 分派利潤 (附註)	總計	
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
<i>Deferred tax arising from: 遞延稅項由以下各項產生：</i>						
At 1 January 2011	於2011年1月1日	2,533	(2,248)	(5,341)	18,446	13,390
Charged/(credited) to profit or loss	於損益扣除/(計入)	(171)	(841)	(19,144)	32,988	12,832
At 31 December 2011	於2011年12月31日	2,362	(3,089)	(24,485)	51,434	26,222
At 1 January 2012	於2012年1月1日	2,362	(3,089)	(24,485)	51,434	26,222
Charged/(credited) to profit or loss	於損益扣除/(計入)	(167)	(2,350)	(29,842)	20,932	(11,427)
At 31 December 2012	於2012年12月31日	2,195	(5,439)	(54,327)	72,366	14,795

Note: Deferred tax liabilities on undistributed profits represent temporary differences relating to the distributable profits accumulated since 1 January 2008 of the Group's subsidiaries in the PRC that are expected to be distributed in the foreseeable future.

附註：未分派利潤的遞延稅項負債是指本集團各中國附屬公司在可預見的未來預期分派的自2008年1月1日起累計的可分派利潤相關的暫時性差異。

Notes to the Financial Statements (continued)

財務報表附註 (續)

6 INCOME TAX (continued)

(d) Deferred tax assets and liabilities recognised (continued)

(ii) Reconciliation to the consolidated statement of financial position:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net deferred tax asset recognised in the statement of financial position	於財務狀況表中確認的遞延稅項資產淨額	59,766	27,574
Net deferred tax liability recognised in the statement of financial position	於財務狀況表中確認的遞延稅項負債淨額	(74,561)	(53,796)
		(14,795)	(26,222)

(e) Deferred tax liabilities not recognised

At 31 December 2012, temporary differences relating to the distributable profits accumulated since 1 January 2008 of the Group's subsidiaries in the PRC, that are not expected to be distributed in the foreseeable future, amounted to approximately RMB2,470,532,000 (2011: RMB1,774,284,000). Deferred tax liabilities have not been recognised in respect of the tax that would be payable on distribution of these retained earnings as the Group controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

6 所得稅 (續)

(d) 確認遞延稅項資產及負債 (續)

(ii) 合併財務狀況表的調節表：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net deferred tax asset recognised in the statement of financial position	於財務狀況表中確認的遞延稅項資產淨額	59,766	27,574
Net deferred tax liability recognised in the statement of financial position	於財務狀況表中確認的遞延稅項負債淨額	(74,561)	(53,796)
		(14,795)	(26,222)

(e) 未確認遞延稅項負債

於2012年12月31日，本集團各中國附屬公司在可預見的未來預期不予分派的自2008年1月1日起累計的可分派利潤相關的暫時性差異約為人民幣2,470,532,000元(2011年：人民幣1,774,284,000元)。由於本集團控制此等附屬公司的股息政策，且本集團預計在可預見的未來不會分派該等利潤，故並未確認與分派該等保留盈利應付的稅項相關的遞延稅項負債。

Notes to the Financial Statements (continued)

財務報表附註 (續)

7 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance are as follows:

7 董事薪酬

根據香港公司條例第161條披露的董事薪酬詳情呈列如下：

		2012				
		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total	
		Directors' fees				
		薪金、津貼及 袍金	酌情花紅	退休福利 計劃供款	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<i>Executive directors</i>	<i>執行董事</i>					
Zhongguo Sun	Zhongguo Sun	–	1,030	4,000	–	5,030
Zhao Xiangti	趙項題	–	807	–	47	854
Trevor Raymond Strutt	Trevor Raymond Strutt	–	1,215	1,000	–	2,215
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Xu Zhao	徐昭	272	–	–	–	272
Zheng Fuya	鄭富亞	224	–	–	–	224
Wang Ching	王京	212	–	–	–	212
Total	總計	708	3,052	5,000	47	8,807

Notes to the Financial Statements (continued)

財務報表附註 (續)

7 DIRECTORS' REMUNERATION (continued)

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance are as follows (continued):

7 董事薪酬(續)

根據香港公司條例第161條披露的董事薪酬詳情呈列如下(續)：

		2011				
		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total	
		Directors' fees				
		薪金、津貼及 袍金	酌情花紅	退休福利 計劃供款	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<i>Executive directors</i>	<i>執行董事</i>					
Zhongguo Sun	Zhongguo Sun	–	1,203	4,000	–	5,203
Zhao Xiangti	趙項題	–	688	–	40	728
Chen Yan (resigned on 30 August 2011)	陳岩(於2011年8月30日辭任)	–	390	–	–	390
Trevor Raymond Strutt	Trevor Raymond Strutt	–	1,203	960	–	2,163
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Xu Zhao	徐昭	292	–	–	–	292
Zheng Fuya	鄭富亞	243	–	–	–	243
Wang Ching	王京	195	–	–	–	195
Total	總計	730	3,484	4,960	40	9,214

Notes to the Financial Statements (continued)

財務報表附註 (續)

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with highest emoluments, two (2011: two) are directors whose emoluments are disclosed in Note 7. The aggregate of the emoluments in respect of the other three (2011: three) individuals are as follows:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	薪金及其他福利	3,925	3,658
Discretionary bonuses	酌情花紅	–	2,971
Retirement scheme contributions	退休福利計劃供款	85	79
		4,010	6,708

The emoluments of the three (2011: three) individuals with the highest emoluments are within the following bands:

		Number of individuals	
		人數	
		2012	2011
HKD1,500,001 to HKD2,000,000 (RMB1,216,000 to RMB1,622,000)	1,500,001 港元至 2,000,000 港元 (人民幣 1,216,000 元至人民幣 1,622,000 元)	3	–
HKD2,000,001 to HKD2,500,000 (RMB1,622,001 to RMB2,027,000)	2,000,001 港元至 2,500,000 港元 (人民幣 1,622,001 元至人民幣 2,027,000 元)	–	–
HKD2,500,001 to HKD3,000,000 (RMB2,027,001 to RMB2,433,000)	2,500,001 港元至 3,000,000 港元 (人民幣 2,027,001 元至人民幣 2,433,000 元)	–	3
		3	3

8 最高薪酬人士

五名最高薪酬人士中有兩名(2011年：兩名)為董事，其薪酬於附註7中披露。其餘三名(2011年：三名)人士的薪酬總額如下：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other emoluments	薪金及其他福利	3,925	3,658
Discretionary bonuses	酌情花紅	–	2,971
Retirement scheme contributions	退休福利計劃供款	85	79
		4,010	6,708

該三名(2011年：三名)最高薪酬人士的薪酬介乎下列範圍：

		Number of individuals	
		人數	
		2012	2011
HKD1,500,001 to HKD2,000,000 (RMB1,216,000 to RMB1,622,000)	1,500,001 港元至 2,000,000 港元 (人民幣 1,216,000 元至人民幣 1,622,000 元)	3	–
HKD2,000,001 to HKD2,500,000 (RMB1,622,001 to RMB2,027,000)	2,000,001 港元至 2,500,000 港元 (人民幣 1,622,001 元至人民幣 2,027,000 元)	–	–
HKD2,500,001 to HKD3,000,000 (RMB2,027,001 to RMB2,433,000)	2,500,001 港元至 3,000,000 港元 (人民幣 2,027,001 元至人民幣 2,433,000 元)	–	3
		3	3

Notes to the Financial Statements (continued)

財務報表附註 (續)

9 PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a loss of RMB93,540,000 (2011: RMB13,488,000) which has been dealt with in the financial statements of the Company.

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB770,117,000 (2011: RMB830,819,000) and the weighted average number of shares of 1,806,830,000 ordinary shares (2011: 1,806,983,275 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares:

		2012	2011
Issued ordinary shares as at 1 January	於1月1日已發行普通股	1,806,830,000	1,809,232,500
Effect of shares repurchased	股票回購的影響	-	(2,249,225)
Weighted average number of ordinary shares as at 31 December	於12月31日普通股加權平均數目	1,806,830,000	1,806,983,275

(b) Diluted earnings per share

The amount of diluted earnings per share is the same as basic earnings per share as there were no dilutive potential ordinary shares in existence during both the current and prior years.

9 本公司權益持有人應佔利潤

本公司權益持有人應佔合併利潤包括已於本公司財務報表確認的虧損為人民幣93,540,000元(2011年：人民幣13,488,000元)。

10 每股盈利

(a) 每股基本盈利

每股基本盈利是按本公司普通股權益持有人應佔利潤人民幣770,117,000元(2011年：人民幣830,819,000元)，以及年內已發行加權平均普通股1,806,830,000股(2011年：1,806,983,275普通股)計算如下：

普通股加權平均數目：

(b) 每股攤薄盈利

由於本公司在本年度及以前年度均沒有潛在攤薄普通股，每股攤薄盈利與每股基本盈利是相同的。

Notes to the Financial Statements (continued)

財務報表附註 (續)

II PROPERTY, PLANT AND EQUIPMENT

II 物業、廠房及設備

		The Group 本集團			
		Buildings	Plant and machinery	Motor vehicles and other equipment	Total
		房屋	廠房及機器	其他設備 汽車及	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Costs:	成本：				
At 1 January 2011	於2011年1月1日	213,675	4,066,720	80,924	4,361,319
Additions	增加	1,685	34,881	60,967	97,533
Transferred from construction in progress	由在建工程轉入	63,215	1,369,013	–	1,432,228
Disposal	出售	–	(87)	(1,393)	(1,480)
At 31 December 2011	於2011年12月31日	278,575	5,470,527	140,498	5,889,600
At 1 January 2012	於2012年1月1日	278,575	5,470,527	140,498	5,889,600
Additions	增加	532	163,149	31,312	194,993
Transferred from construction in progress	由在建工程轉入	100,088	948,197	–	1,048,285
Disposal	出售	–	(6,384)	(2,100)	(8,484)
At 31 December 2012	於2012年12月31日	379,195	6,575,489	169,710	7,124,394

Notes to the Financial Statements (continued)

財務報表附註 (續)

II PROPERTY, PLANT AND EQUIPMENT (continued)

II 物業、廠房及設備(續)

The Group (continued)

本集團(續)

		Buildings	Plant and machinery	Motor vehicles and other equipment	Total
		房屋	廠房及機器	汽車及其他設備	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Accumulated depreciation and impairment losses:		累計折舊和減值虧損：			
At 1 January 2011	於2011年1月1日	(58,105)	(459,575)	(20,942)	(538,622)
Charge for the year	本年計提折舊	(9,219)	(250,236)	(16,273)	(275,728)
Written back on disposal	於出售時轉回	–	4	923	927
At 31 December 2011	於2011年12月31日	(67,324)	(709,807)	(36,292)	(813,423)
At 1 January 2012	於2012年1月1日	(67,324)	(709,807)	(36,292)	(813,423)
Charge for the year	本年計提折舊	(13,701)	(309,323)	(25,427)	(348,451)
Written back on disposal	於出售時轉回	–	2,365	1,873	4,238
At 31 December 2012	於2012年12月31日	(81,025)	(1,016,765)	(59,846)	(1,157,636)
Carrying amounts:		賬面價值：			
At 31 December 2012	於2012年12月31日	298,170	5,558,724	109,864	5,966,758
At 31 December 2011	於2011年12月31日	211,251	4,760,720	104,206	5,076,177

(a) The Group's property, plant and equipment are mainly located in the PRC.

(a) 本集團物業、廠房及設備主要在中國。

(b) At 31 December 2012, certain of the Group's borrowings and bills payable were secured by the Group's plant and machinery with carrying amount of RMB1,666,884,000 (2011: RMB2,334,932,000).

(b) 於2012年12月31日，賬面價值為人民幣1,666,884,000元(2011年：人民幣2,334,932,000元)的廠房及機器已就本集團獲授的若干借款以及應付票據作抵押。

Notes to the Financial Statements (continued)

財務報表附註 (續)

II PROPERTY, PLANT AND EQUIPMENT (continued)

- (c) Certain of the Group's leased plant and machinery are considered as being held under finance lease. Net book value of plant and machinery held under finance lease was as follows:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Carrying amount of plant and machinery held under finance lease	以融資租賃方式持有的廠房及機器賬面價值	154,779	23,613

- (d) The Group has entered into long-term gas supply agreements with certain customers for periods up to 30 years. Certain of the Group's buildings are located on land leased from these customers. Accordingly, building ownership certificate is not obtained in respect of such buildings. The carrying amount of such buildings amounted to RMB155,250,000 at 31 December 2012 (2011: RMB101,594,000).
- (e) At 31 December 2012, the Group was in the process of applying for the ownership certificate for certain buildings with an aggregate carrying amount amounting to RMB18,051,000 (2011: RMB29,503,000). The directors of the Company are of the opinion that the Group is entitled to lawfully and validly occupy and use of the above mentioned buildings.

II 物業、廠房及設備(續)

- (c) 本集團承租的若干廠房及機器被視為以融資租賃方式持有。以融資租賃方式持有的廠房及機器的賬面價值呈列如下：

	2012	2011
	RMB'000	RMB'000
	人民幣千元	人民幣千元

Carrying amount of plant and machinery held under finance lease	154,779	23,613
-----------------------------------------------------------------	---------	--------

- (d) 本集團與若干客戶簽訂長期氣體供應協議，最長期限為30年。本集團若干房屋位於向這些客戶租入的土地上。因此，上述房屋尚未取得房屋所有權證。於2012年12月31日，上述房屋賬面價值為人民幣155,250,000元(2011年：人民幣101,594,000元)。
- (e) 於2012年12月31日，本集團正在辦理房屋所有權證的若干房屋時賬面價值總計為人民幣18,051,000元(2011年：人民幣29,503,000元)。本公司董事認為，本集團有權合法及有效佔用及使用以上所述房屋。

Notes to the Financial Statements (continued)

財務報表附註 (續)

11 PROPERTY, PLANT AND EQUIPMENT (continued)

- (f) At 31 December 2012, impairment losses were recognised in respect of the non-current assets of the Group's subsidiary, Zhangjiagang Yingde Gases Co., Ltd. ("Zhangjiagang Yingde"), as follows:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	物業、廠房及設備	78,085	78,085
Construction in progress	在建工程	92,170	92,170
Intangible assets	無形資產	8,751	8,751
		179,006	179,006

Zhangjiagang Yingde was engaged in the business of producing fluorine related gas products. The production plant of Zhangjiagang Yingde was temporarily closed down in 2010 since it did not have the required technical know-how for commercial production of fluorine related gas products. To date, the Group has no plan to reactivate Zhangjiagang Yingde's production in the foreseeable future.

張家港盈德致力於生產氟氣相關製品。2010年，由於張家港盈德沒有獲得所需氟氣相關製品專有技術支持以進行商業化生產，張家港盈德的生產廠暫時關閉。截至目前，本集團在可預見的未來沒有計劃恢復張家港盈德的生產。

12 CONSTRUCTION IN PROGRESS

		The Group	
		本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	992,681	1,024,363
Additions	增加	3,849,367	1,400,546
Transferred to property, plant and equipment	轉入物業、廠房及設備	(1,048,285)	(1,432,228)
At 31 December	於12月31日	3,793,763	992,681

11 物業、廠房及設備(續)

- (f) 於2012年12月31日，已對張家港盈德氣體有限公司(「張家港盈德」)非流動資產確認的減值虧損確認如下：

12 在建工程

Notes to the Financial Statements (continued)

財務報表附註 (續)

12 CONSTRUCTION IN PROGRESS (continued)

At 31 December 2012, certain equipment included in construction in progress were held under finance lease. The lease term is 5 years, and at the end of the lease term the Group has the option to purchase the leased equipment at a price deemed to be a bargain purchase option. Net book value of construction in progress held under finance lease as at 31 December 2012 was RMB406,570,000 (2011: RMB143,000,000).

At 31 December 2012, certain of the Group's borrowings and bills payable were secured by the Group's construction in progress with carrying amount of RMB524,675,000 (2011: Nil).

13 LEASE PREPAYMENTS

Lease prepayments comprise interests in leasehold land held for own use under operating leases located in the PRC as follows:

The land use rights are amortised on a straight-line basis over the operating lease periods of 50 years.

At 31 December 2012, certain of the Group's borrowings were secured by the Group's land use rights with the carrying amount of RMB45,069,000 (2011: RMB10,792,000).

12 在建工程(續)

於2012年12月31日，在建工程中若干機器設備被視為以融資租賃方式持有。該租賃期限為5年，在租賃期滿時本集團享有以協議價購買租賃設備的選擇權。於2012年12月31日，在建工程中的融資租賃機器賬面價值為人民幣406,570,000元(2011年：人民幣143,000,000元)。

於2012年12月31日，賬面價值為人民幣524,675,000元(2011年：零)的在建工程已就本集團獲授的若干借款和應付票據作抵押。

13 租賃預付款項

租賃預付款項包括經營租賃項下持作自用的在中國租賃土地權益，呈列如下：

		The Group	
		本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Land use rights held under long term leases	長期租賃項下持有的土地使用權	311,331	126,243

土地使用權於50年經營租賃期內以直線法攤銷。

於2012年12月31日，賬面價值為人民幣45,069,000元(2011年：人民幣10,792,000元)的土地使用權已就本集團獲授的借款作抵押。

Notes to the Financial Statements (continued)

財務報表附註 (續)

14 INTANGIBLE ASSETS

14 無形資產

		The Group 本集團		
		Know-how 專有技術	Software 軟件	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<i>Cost:</i>	<i>成本：</i>			
At 1 January 2011	於2011年1月1日	24,607	612	25,219
Additions	增加	49,800	699	50,499
At 31 December 2011	於2011年12月31日	74,407	1,311	75,718
At 1 January 2012	於2012年1月1日	74,407	1,311	75,718
Additions	增加	–	1,956	1,956
At 31 December 2012	於2012年12月31日	74,407	3,267	77,674
<i>Accumulated amortisation and impairment losses:</i>	<i>累計攤銷和減值虧損：</i>			
At 1 January 2011	於2011年1月1日	(12,172)	(108)	(12,280)
Charge for the year	本年攤銷	(1,781)	(94)	(1,875)
At 31 December 2011	於2011年12月31日	(13,953)	(202)	(14,155)
At 1 January 2012	於2012年1月1日	(13,953)	(202)	(14,155)
Charge for the year	本年攤銷	(3,982)	(272)	(4,254)
At 31 December 2012	於2012年12月31日	(17,935)	(474)	(18,409)
<i>Carrying amounts:</i>	<i>賬面價值：</i>			
At 31 December 2012	於2012年12月31日	56,472	2,793	59,265
At 31 December 2011	於2011年12月31日	60,454	1,109	61,563

Notes to the Financial Statements (continued)

財務報表附註 (續)

15 RECEIVABLES UNDER FINANCE LEASE

The gross investment and present value of receivables relating to future minimum lease payments under non-cancellable finance lease agreement or arrangement accounted for as finance lease are as follows:

15 應收融資租賃款

根據不可撤銷的融資租賃協議或入賬為融資租賃的安排，與未來最低租賃付款相關的總投資金額和應收款項現值呈列如下：

		The Group 本集團			
		2012		2011	
		Present value of the minimum lease payments	Gross investment	Present value of the minimum lease payments	Gross Investment
		最低租賃 付款現值	總投資	最低租賃 付款現值	總投資
		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 1 year	一年內	2,117	2,245	2,117	2,245
After 1 year but within 2 years	一年後但兩年內	1,898	2,245	1,898	2,245
After 2 years but within 5 years	兩年後但五年內	4,603	6,734	4,603	6,734
After 5 years	五年後	6,547	16,405	7,182	18,650
		13,048	25,384	13,683	27,629
Total	合計	15,165	27,629	15,800	29,874
Less: total future interest income	減：未來利息收入總額		(12,464)		(14,074)
Present value of lease receivables	租賃應收款項現值		15,165		15,800

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Investments in subsidiaries	於附屬公司的投資		
– unlisted shares, at cost	– 非上市股份，按成本值	1,044,169	1,044,169
Amounts due from subsidiaries (Note)	於附屬公司款項(附註)	2,966,864	2,572,185
		4,011,033	3,616,354

Note: The amounts due from subsidiaries are unsecured, interest free and have no fixed term of repayment.

附註：於附屬公司款項為無抵押、無息且無固定還款期限。

The following list contains the subsidiaries of the Group at 31 December 2012:

以下列表包含於2012年12月31日本集團的附屬公司：

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Yingde Gases Investment Limited 盈德氣體投資有限公司	BVI 英屬處女群島	USD 14,700 14,700 美元	100%	–	Investment holding 投資控股
Yingde Gases (Hong Kong) Company Limited 盈德氣體(香港)有限公司	Hong Kong 香港	HKD 154,234,275 154,234,275 港元	–	100%	Investment holding 投資控股
Yingde Investment (Shanghai) Co., Ltd. 盈德投資(上海)有限公司	PRC 中國	USD 148,000,000 148,000,000 美元	–	100%	Investment holding 投資控股
Baotou Yingde Investment Co., Ltd. 包頭盈德投資有限公司	PRC 中國	RMB 100,000,000 人民幣 100,000,000 元	–	100%	Investment holding 投資控股

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

16 對附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Yingde New Energy Group Company Limited 盈德新能源集團有限公司	BVI 英屬處女群島	USD 1 1 美元	100%	–	Investment holding 投資控股
Yingde New Energy Company Limited 盈德新能源有限公司	BVI 英屬處女群島	USD 1 1 美元	–	100%	Investment holding 投資控股
Yingde New Energy (Hong Kong) Company Limited 盈德新能源(香港)有限公司	Hong Kong 香港	HKD 1 1 港元	–	100%	Investment holding 投資控股
Prize Million Limited	BVI 英屬處女群島	USD 2,040,000 2,040,000 美元	–	70%	Investment holding 投資控股
Million Rich Technology Limited 萬盈科技有限公司	Hong Kong 香港	HKD 10,000 10,000 港元	–	70%	Investment holding 投資控股
Baotou Yingde Gases Co., Ltd. 包頭盈德氣體有限公司	PRC 中國	RMB 520,000,000 人民幣 520,000,000 元	–	100%	Production and sales of industrial gases 生產及銷售工業氣體
Changshu Yingde Gases Co., Ltd. 常熟盈德氣體有限公司	PRC 中國	USD 12,000,000 12,000,000 美元	–	100%	Production and sales of industrial gases 生產及銷售工業氣體
Changzhi Yingde Gases Co., Ltd. 長治盈德氣體有限公司	PRC 中國	USD 12,000,000 12,000,000 美元	–	100%	Production and sales of industrial gases 生產及銷售工業氣體
Changzhou Yingde Gases Co., Ltd. 常州盈德氣體有限公司	PRC 中國	USD 14,700,000 14,700,000 美元	–	100%	Production and sales of industrial gases 生產及銷售工業氣體

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

Name of company 公司名稱	Place of incorporation/ 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Chongqing Da'an Yingde Special Gases Co., Ltd. 重慶大安盈德特種氣體有限公司	PRC 中國	RMB21,800,000 人民幣 21,800,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Gaoyou Yingda Gases Co., Ltd. 高郵盈達氣體有限公司	PRC 中國	USD3,300,000 3,300,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Guizhou Yingde Gases Co., Ltd. 貴州盈德氣體有限公司	PRC 中國	USD20,000,000 20,000,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Hancheng Yingda Gases Co., Ltd. 韓城盈達氣體有限公司	PRC 中國	USD26,400,000 26,400,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Hanzhong Yingde Gases Co., Ltd. 漢中盈德氣體有限公司	PRC 中國	USD20,000,000 20,000,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Hebei Yingde Gases Co., Ltd. 河北盈德氣體有限公司	PRC 中國	RMB282,000,000 人民幣 282,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Hengyang Yingde Gases Co., Ltd. 衡陽盈德氣體有限公司	PRC 中國	RMB120,000,000 人民幣 120,000,000 元	—	70%	Production and sales of industrial gases 生產及銷售工業氣體
Huai'an Yingda Gases Co., Ltd. 淮安盈達氣體有限公司	PRC 中國	RMB64,000,000 人民幣 64,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體

16 對附屬公司的權益(續)

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

16 對附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Hunan Yingde Gases Co., Ltd. 湖南盈德氣體有限公司	PRC 中國	RMB246,000,000 人民幣 246,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Jiangsu Yingde Gases Co., Ltd. 江蘇盈德氣體有限公司	PRC 中國	RMB44,000,000 人民幣 44,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Laiwu Yingde Gases Co., Ltd. 萊蕪盈德氣體有限公司	PRC 中國	USD10,049,964 10,049,964 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Nanjing Yingde Gases Co., Ltd. 南京盈德氣體有限公司	PRC 中國	USD2,100,000 2,100,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Neijiang Yingde Gases Co., Ltd. 內江盈德氣體有限公司	PRC 中國	USD33,000,000 33,000,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Rizhao Yingde Gases Co., Ltd. 日照盈德氣體有限公司	PRC 中國	RMB219,400,000 人民幣 219,400,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Shaanxi Yingde Gases Co., Ltd. 陝西盈德氣體有限公司	PRC 中國	RMB110,000,000 人民幣 110,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Shanxi Yingde Gases Co., Ltd. 山西盈德氣體有限公司	PRC 中國	USD32,000,000 32,000,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Tianjin Yingde Gases Co., Ltd. 天津盈德氣體有限公司	PRC 中國	RMB60,000,000 人民幣 60,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

16 對附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Yangzhou Yingde Gases Co., Ltd. 揚州盈德氣體有限公司	PRC 中國	USD26,500,000 26,500,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Zhangjiagang Yingda Gases Co., Ltd 張家港盈達氣體有限公司	PRC 中國	USD20,000,000 20,000,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Zhuhai Yingde Gases Co., Ltd. 珠海盈德氣體有限公司	PRC 中國	RMB140,000,000 人民幣 140,000,000 元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Zhuzhou Yingde Gases Co., Ltd. 株洲盈德氣體有限公司	PRC 中國	USD8,000,000 8,000,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Zibo Yingde Gases Co., Ltd. 淄博盈德氣體有限公司	PRC 中國	USD9,750,000 9,750,000 美元	—	100%	Production and sales of industrial gases 生產及銷售工業氣體
Anyang Yingde Gases Co., Ltd. 安陽盈德氣體有限公司	PRC 中國	USD62,500,000 62,500,000 美元	—	100%	Under construction 在建
Binzhou Beihai Metallurgy Yingde Gases Co., Ltd. 濱州北海冶金盈德氣體有限公司	PRC 中國	USD6,000,000 6,000,000 美元	—	90%	Under construction 在建
Changji Yingda Energy Chemical Co., Ltd. 昌吉盈大能源化工有限公司	PRC 中國	RMB1,000,000 人民幣 1,000,000 元	—	100%	Under construction 在建

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Chaohu Yingde Gases Co., Ltd. 巢湖盈德氣體有限公司	PRC 中國	USD3,750,000 3,750,000 美元	–	100%	Under construction 在建
Chizhou Yingde Gases Co., Ltd. 池州盈德氣體有限公司	PRC 中國	USD4,200,000 4,200,000 美元	–	100%	Under construction 在建
Hejin Wanying Industrial Gases Co., Ltd. 河津市萬盈工業氣體有限責任公司	PRC 中國	RMB7,595,354 人民幣 7,595,354	–	70%	Under construction 在建
Jining Yingde Gases Co., Ltd. 濟寧盈德氣體有限公司	PRC 中國	RMB200,000,000 人民幣 200,000,000	–	100%	Under construction 在建
Karamay Yingde Gases Co., Ltd. 克拉瑪依盈德氣體有限公司	PRC 中國	USD33,200,000 33,200,000 美元	–	100%	Under construction 在建
Kashi Yingde Gases Co., Ltd. 喀什盈德氣體有限公司	PRC 中國	USD5,400,000 5,400,000 美元	–	100%	Under construction 在建
Liangshan Yingde Gases Co., Ltd. 涼山盈德氣體有限公司	PRC 中國	USD2,100,000 2,100,000 美元	–	100%	Under construction 在建
Luohe Wanying Industrial Gases Co., Ltd. 漯河萬盈工業氣體有限公司	PRC 中國	USD499,994 499,994 美元	–	70%	Under construction 在建
Ningde Yingde Gases Co., Ltd. 寧德盈德氣體有限公司	PRC 中國	USD7,200,000 7,200,000 美元	–	100%	Under construction 在建
Pinghu Yingde Gases Co., Ltd. 平湖盈德氣體有限公司	PRC 中國	USD20,000,000 20,000,000 美元	–	100%	Under construction 在建
Qinzhou Yingde Gases Co., Ltd. 欽州盈德氣體有限公司	PRC 中國	USD950,000 950,000 美元	–	100%	Under construction 在建
Qiqihar Yingde Gases Co., Ltd. 齊齊哈爾盈德氣體有限公司	PRC 中國	USD10,000,000 10,000,000 美元	–	100%	Under construction 在建

16 對附屬公司的權益(續)

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

16 對附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Shijiazhuang Yingding Gases Co., Ltd. 石家莊盈鼎氣體有限公司	PRC 中國	USD27,454,741 27,454,741 美元	—	100%	Under construction 在建
Tangshan Caofeidian Yingde Gases Co., Ltd. 唐山曹妃甸盈德氣體有限公司	PRC 中國	RMB40,000,000 人民幣 40,000,000 元	—	100%	Under construction 在建
Tianjin Yingda Gases Co., Ltd. 天津盈達氣體有限公司	PRC 中國	USD15,000,000 15,000,000 美元	—	100%	Under construction 在建
Tongling Yingde Gases Co., Ltd. 銅陵盈德氣體有限公司	PRC 中國	USD12,000,000 12,000,000 美元	—	100%	Under construction 在建
Weifang Yingde Gases Co., Ltd. 濰坊盈德氣體有限公司	PRC 中國	USD4,980,000 4,980,000 美元	—	100%	Under construction 在建
Wuhai Yingde Gases Co., Ltd. 烏海盈德氣體有限公司	PRC 中國	RMB100,000,000 人民幣 100,000,000 元	—	100%	Under construction 在建
Wujiaqu Yingde Gases Co., Ltd. 五家渠盈德氣體有限公司	PRC 中國	USD8,000,000 8,000,000 美元	—	100%	Under construction 在建
Xuzhou Yingde Energy Chemical Co., Ltd. 徐州盈德能源化工有限公司	PRC 中國	RMB42,500,000 人民幣 42,500,000 元	—	80%	Under construction 在建
Yancheng Yingde Gases Co., Ltd. 鹽城盈德氣體有限公司	PRC 中國	USD12,000,000 12,000,000 美元	—	100%	Under construction 在建
Yingkou Yingde Gases Co., Ltd. 營口盈德氣體有限公司	PRC 中國	USD25,000,000 25,000,000 美元	—	100%	Under construction 在建
Zhangjiagang Yingdi Special Gases Co., Ltd. 張家港盈迪特種氣體有限公司	PRC 中國	USD5,000,000 5,000,000 美元	—	100%	Under construction 在建

Notes to the Financial Statements (continued)

財務報表附註 (續)

16 INTEREST IN SUBSIDIARIES (continued)

16 對附屬公司的權益(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid up capital 已發行和 繳足資本	Ownership interest held by 所有權權益比例		Principal activities 主要業務
			Company 本公司 持有	Subsidiary 附屬公司 持有	
Zhangjiagang Yingding Gases Co., Ltd. 張家港盈鼎氣體有限公司	PRC 中國	USD60,000,000 60,000,000 美元	—	100%	Under construction 在建
Zhejiang Zhihai Chemical Engineering Equipment Construction Co., Ltd. 浙江智海化工設備工程有限公司	PRC 中國	USD20,000,000 20,000,000 美元	—	100%	Construction service 工程服務
Ace Turbo Group Limited	BVI 英屬處女群島	USD1 1 美元	—	100%	Import of equipment 進口設備採購
Baotou Haiding Logistics Co., Ltd. 包頭海鼎物流有限公司	PRC 中國	RMB7,000,000 人民幣 7,000,000 元	—	100%	Transportation 運輸
Jiangsu Wanteng Logistics Co., Ltd. 江蘇萬騰物流有限公司	PRC 中國	RMB5,000,000 人民幣 5,000,000 元	—	100%	Transportation 運輸
Beijing Yingde Qingda Technical Co., Ltd. 北京盈德清大科技有限責任公司	PRC 中國	RMB20,000,000 人民幣 20,000,000 元	—	85%	Consulting service 諮詢服務
Zhangjiagang Yingde Gases Co., Ltd. 張家港盈德氣體有限公司	PRC 中國	USD10,000,000 10,000,000 美元	—	100%	Inactive 暫停

Notes to the Financial Statements (continued)

財務報表附註 (續)

17 INTEREST IN ASSOCIATES

17 於聯營公司的權益

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share of net assets	應佔淨資產	706,155	399,756

Details of the Group's associates at 31 December 2012 are as follows:

於2012年12月31日，本集團的聯營公司呈列如下：

Name of associate 聯營公司名稱	Place of incorporation and operation 成立及 業務地點	Particulars of issued and paid up capital 已發行和 繳足資本詳情 RMB'000 人民幣千元	The Group's effective interest 本集團 有效權益	Principal activities 主要業務
Anyang Zhongying Fertilizer Co., Ltd. ("Anyang Zhongying") (Note (i)) 安陽中盈化肥有限公司 (「安陽中盈」)(附註(i))	PRC 中國	490,000	37%	Production and sale of chemical products 生產及銷售化工產品
Gansu Hongsheng New Energy Co., Ltd. 甘肅宏昇新能源有限公司	PRC 中國	666,670	45%	Production and sale of chemical products 生產及銷售化工產品
China National Air Separation Plant Co., Ltd. (Note (ii)) 中國空分設備有限公司(附註(ii))	PRC 中國	50,000	30%	Manufacturing and sale of air separation equipment 空分設備的製造和銷售
Xing'an Meng Wulan Tai'an Energy Chemical Co., Ltd. ("Wulan Tai'an") (Note (iii)) 興安盟烏蘭泰安能源化工有限公司 (附註(iii))	PRC 中國	392,157	49%	production and sale of coal chemical products and minerals 生產及銷售煤化工產品 和礦產品

Notes to the Financial Statements (continued)

財務報表附註 (續)

17 INTEREST IN ASSOCIATES (continued)

Notes:

- (i) The Group injected addition capital of RMB80 million to Anyang Zhongying during the year ended 31 December 2012. The Group held 37% equity interest of Anyang Zhongying as at 31 December 2012 (2011: 22%).
- (ii) In 2012, the Group acquired 30% equity interest in China National Air Separation Plant Co., Ltd. from certain third parties for cash consideration of RMB37,701,000.
- (iii) In 2012, the Group signed an agreement with Ordos Wulan Coal Group Corporation Limited, the sole shareholder of Wulan Tai'an for enlarging the paid-in capital of Wulan Tai'an. Pursuant to the agreement, the Group made a capital contribution of RMB192,157,000 in cash to Wulan Tai'an and obtained 49% equity interest in Wulan Tai'an.

Summary financial information on associates:

17 於聯營公司的權益(續)

附註：

- (i) 截至2012年12月31日止年度，本集團向安陽中盈增資人民幣80百萬元。於2012年12月31日，本集團擁有安陽中盈37%的權益(2011年：22%)。
- (ii) 2012年，本集團以現金對價人民幣37,701,000元向若干第三方購買了中國空分設備有限公司30%的權益。
- (iii) 2012年，本集團與烏蘭泰安的唯一股東鄂爾多斯烏蘭煤炭集團有限責任公司簽訂了增資協議。根據協議規定，本集團以現金人民幣192,157,000元向烏蘭泰安注資以取得烏蘭泰安49%的權益。

聯營公司財務信息概要：

		Assets	Liabilities	Equity	Revenues	Loss
		資產	負債	權益	收入	虧損
		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
2012	2012					
100 per cent	100%	2,831,404	(1,166,336)	1,665,068	520,647	(6,332)
Group's effective interest	本集團應佔份額	1,090,458	(384,303)	706,155	156,194	(3,459)
2011	2011					
100 per cent	100%	968,244	(2,512)	965,732	—	(1,627)
Group's effective interest	本集團應佔份額	400,695	(939)	399,756	—	(244)

Notes to the Financial Statements (continued)

財務報表附註 (續)

18 INTEREST IN JOINTLY CONTROLLED ENTITIES

18 於合營公司的權益

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share of net assets	應佔淨資產	38,505	—

Details of the Group's jointly controlled entities at 31 December 2012 are as follows:

於2012年12月31日，本集團的合營公司呈列如下：

Name of jointly controlled entity	Place of incorporation and operation	Particulars of issued and paid up capital	The Group's effective interest	Principal activities
合營公司名稱	成立及業務地點	已發行和繳足資本詳情	本集團有效權益	主要業務
Shandong Bositeng Chunye Co., Ltd. ("Shandong Bositeng") (Note (i))	PRC	USD19,181,100	40%	Production and sale of chemical products
山東博斯騰醇業有限公司 ("山東博斯騰")(附註(i))	中國	19,181,100美元		生產及銷售化工產品
Panzhuhua Kaiyuan Gases Co., Ltd. ("Panzhuhua Kaiyuan") (Note (ii))	PRC	RMB30,400,000	49%	Production and sale of industrial gases
攀枝花開元氣體有限公司 ("攀枝花開元")(附註(ii))	中國	人民幣30,400,000元		生產及銷售工業氣體

Notes:

- (i) In 2012, the Group signed an agreement with the sole shareholder of Shandong Bositeng for enlarging the paid-in capital of Shandong Bositeng. Pursuant to the agreement, the Group shall contribute USD18,810,000 in cash for 40% equity interest in Shandong Bositeng, of which USD3,770,000 (equivalent to RMB23,800,000) was injected during the year.
- (ii) Panzhuhua Kaiyuan was established by the Group and a third party joint venture partner during the year ended 31 December 2012.
- (iii) The Group's interest in jointly controlled entities are individually and in aggregate not material to the Group's financial condition or results of operations for the year.

附註：

- (i) 2012年，本集團與山東博斯騰的唯一股東簽訂了增資協議。根據協議規定，本集團應向山東博斯騰注資18,810,000美元以取得山東博斯騰40%權益。截至2012年12月31日止年度，已注資3,770,000美元(相當於人民幣23,800,000元)。
- (ii) 於截至2012年12月31日止年度，本集團與一家第三方合營企業合作方成立了攀枝花開元。
- (iii) 本集團於合營公司的權益無論個別或合計均不會對本集團本年的財務狀況或經營業績構成重大影響。

Notes to the Financial Statements (continued)

財務報表附註 (續)

19 OTHER NON-CURRENT ASSETS

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepayment for property, plant and equipment and land use right	物業、廠房及設備和 土地使用權的預付款	914,730	903,393
Value-added tax recoverable	可收回增值稅	154,328	–
Loan to a jointly controlled entity	向合營公司借出款項	21,070	–
Other long-term receivables	其他長期應收款	–	23,618
Other investment in equity securities	其他股本證券投資	21,127	12,727
		1,111,255	939,738

The loan to a jointly controlled entity is unsecured, bearing interest at 8.32% per annum and repayable during 2014 to 2017.

向合營公司借出款項為無抵押，以年利率8.32%計息並於2014至2017年間到期。

20 INVENTORIES

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials and consumables	原材料及低值易耗品	39,381	15,521
Finished goods	產成品	21,637	16,802
		61,018	32,323

20 存貨

Notes to the Financial Statements (continued)

財務報表附註 (續)

21 TRADE AND OTHER RECEIVABLES

21 應收賬款及其他應收款項

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		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
Trade receivables	應收賬款	623,906	447,964	–	–
Bills receivable	應收票據	204,174	238,519	–	–
Less: allowance for doubtful debts	減：呆賬準備	(38,999)	(20,508)	–	–
		789,081	665,975	–	–
Deposits and other receivables	押金及其他應收款項				
– associate	– 聯營公司	74,193	–	–	–
– third parties	– 第三方	456,393	363,256	1,251	1,204
		1,319,667	1,029,231	1,251	1,204

All of the trade and other receivables are expected to be recovered within one year. Credit terms may be granted to customers, depending on the credit assessment carried out by the management on an individual basis.

Amount due from an associate is unsecured, interest free and is repayable within 6 months.

At 31 December 2012, certain of the Group's trade receivables with total carrying amount of RMB76,050,000 (2011: Nil) were pledged to secure the Group's borrowing amounting to RMB60,000,000 (2011: Nil).

預期所有應收賬款及其他應收款項將於一年內收回。管理層會根據對個別客戶所作的信貸評估，授予其相應的信貸期。

應收聯營公司款項為無抵押、免息及將於6個月內到期。

於2012年12月31日，本集團賬面價值為人民幣76,050,000元(2011年：零)的應收賬款已就本集團人民幣60,000,000元(2011年：零)的借款作抵押。

Notes to the Financial Statements (continued)

財務報表附註 (續)

21 TRADE AND OTHER RECEIVABLES (continued)

(a) Ageing analysis

Included in trade and other receivables are trade receivables and bills receivable (net of allowance for doubtful debts) with the ageing analysis as of the year end date:

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Neither past due nor impaired	既未逾期也不存在減值	579,333	555,218
Less than 1 month past due	逾期不超過一個月	66,521	86,016
1 to 3 months past due	逾期一至三個月	96,693	11,906
More than 3 months but less than 12 months past due	逾期三至十二個月	46,534	12,835
Amounts past due	逾期金額	209,748	110,757
		789,081	665,975

The credit terms for trade receivables are generally 30 to 45 days. The bills receivable are normally due within 180 days from the date of issuing. Further details on the Group's credit policy are set out in Note 31(b).

21 應收賬款及其他應收款項(續)

(a) 賬齡分析

應收賬款及其他應收款項包括以下應收賬款及應收票據(扣除呆賬準備後)，於結算日賬齡分析呈列如下：

應收賬款信貸期一般為30至45日。應收票據一般自開票日起180日內到期。本集團信貸政策詳情載於附註31(b)。

Notes to the Financial Statements (continued)

財務報表附註 (續)

21 TRADE AND OTHER RECEIVABLES (continued)

(b) Impairment of trade and bills receivables

Impairment losses in respect of trade and bills receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade and bills receivables directly (see Note 2(k)(i)).

The movement in the allowance for doubtful debts during the year is as follows:

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	20,508	20,437
Impairment loss recognised	確認的減值虧損	18,491	7,253
Write-back of impairment loss	減值虧損沖回	–	(7,182)
At 31 December	於12月31日	38,999	20,508

During the year ended 31 December 2012, trade receivables of the Group, related to certain customers that were in financial difficulty and debt disputes, amounting to RMB18,491,000 was determined to be impaired (2011: RMB7,253,000).

Trade and bills receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Trade and bills receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

21 應收賬款及其他應收款項(續)

(b) 應收賬款及應收票據的減值

應收賬款及應收票據的減值虧損計入準備賬，除非本集團認為收回款項的可能性極低，在此情況下，減值虧損將直接沖減應收賬款及應收票據(參見附註2(k)(i))。

呆賬準備本年度的變動呈列如下：

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	20,508	20,437
Impairment loss recognised	確認的減值虧損	18,491	7,253
Write-back of impairment loss	減值虧損沖回	–	(7,182)
At 31 December	於12月31日	38,999	20,508

截至2012年12月31日止年度，本集團的某些零售客戶的應收賬款共計人民幣18,491,000元(2011年：人民幣7,253,000元)因財務困難以及債務糾紛已發生減值。

既未逾期也不存在減值的應收賬款及應收票據是應收廣大的客戶群，這些客戶近期並沒有未付款的情況。

已經逾期但是不存在減值的應收賬款及應收票據涉及多位與本集團有良好的過往記錄的獨立客戶。根據以往經驗，管理層認為由於信貸質量不存在重大變化且相關餘額被視為能夠全額收回，因此就該等餘額毋須計提減值準備。

Notes to the Financial Statements (continued)

財務報表附註 (續)

22 PLEDGED BANK DEPOSITS

At 31 December 2012, certain bank deposits were pledged to secure credit and loan facilities granted to the Group.

22 已抵押銀行存款

於2012年12月31日，若干銀行存款已為本集團的信用證及貸款授信而抵押予銀行。

23 CASH AND CASH EQUIVALENTS

23 現金及現金等價物

		The Group		The Company	
		本集團		本公司	
		2012	2011	2012	2011
		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
Cash at bank and in hand	銀行存款及現金	846,600	958,280	4,987	51,860

The Group's cash and bank balances in the PRC amounted to RMB701,924,000 at 31 December 2012 (2011: RMB761,618,000). RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restriction imposed by the PRC government.

本集團於2012年12月31日在中國的現金及銀行結餘為人民幣701,924,000元(2011年：人民幣761,618,000元)。人民幣並不是可自由轉換的貨幣，將資金匯出中國須受中國政府實施的外匯管制所限。

24 BORROWINGS

(a) The borrowings comprise:

24 借款

(a) 借款包括：

		The Group		The Company	
		本集團		本公司	
		2012	2011	2012	2011
		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
Short-term borrowings	短期借款	905,358	320,000	–	–
Current portion of long-term borrowings	長期借款的即期部份	2,357,959	795,520	1,618,014	231,917
		3,263,317	1,115,520	1,618,014	231,917
Non-current portion of long-term borrowings	長期借款的長期部份	2,864,774	2,084,823	–	695,751
		6,128,091	3,200,343	1,618,014	927,668

Notes to the Financial Statements (continued)

財務報表附註 (續)

24 BORROWINGS (continued)

(a) The borrowings comprise (continued):

The interest rates per annum of borrowings were:

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
Short-term loans	短期貸款	LIBOR+5.0% or 5.0%-7.2% 倫敦銀行同業 拆息利率+5.0% 或5.0%-7.2%	6.6%-7.9%	—	—
Long-term loans	長期貸款	LIBOR+ 2.25%-6.0% or 6.4%-10.4% 倫敦銀行同業 拆息利率 +2.25%-6.0% 或6.4%-10.4%	LIBOR+2.25% or 5.4%-10.4% 倫敦銀行同業 拆息利率 +2.25% 或 5.4%-10.4%	LIBOR+ 2.25%-3.55% 倫敦銀行同業 拆息利率 +2.25%-3.55%	LIBOR+ 2.25% 倫敦銀行同業 拆息利率 +2.25%
Medium-term notes	中期票據	5.5%	—	—	—

Interest rates comprise fixed rates and floating rates based on the London Interbank Offered Rate ("LIBOR").

利率包括固定利率及與倫敦銀行同業市場拆借(「倫敦銀行同業拆息利率」)有關的浮動利率。

24 借款(續)

(a) 借款包括(續)：

借款的年利率為：

Notes to the Financial Statements (continued)

財務報表附註 (續)

24 BORROWINGS (continued)

(b) The borrowings were repayable as follows:

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		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
On demand (note (e))	按要求償還(附註(e))	1,618,014	–	1,618,014	–
Within 1 year	一年內	1,645,303	1,115,520	–	231,917
After 1 year but within 2 years	一年後但兩年內	661,046	998,558	–	463,834
After 2 years but within 5 years	兩年後但五年內	2,203,728	1,019,602	–	231,917
After 5 years	五年後	–	66,663	–	–
		6,128,091	3,200,343	1,618,014	927,668

(c) The borrowings were secured as follows:

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		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
Bank loans	銀行貸款				
– secured	– 有抵押	3,457,696	2,222,675	–	–
– unsecured	– 無抵押	1,633,014	927,668	1,618,014	927,668
Other loans	其他貸款				
– secured	– 有抵押	50,000	50,000	–	–
– unsecured	– 無抵押	110,000	–	–	–
Medium-term notes	中期票據				
– unsecured	– 無抵押	877,381	–	–	–
		6,128,091	3,200,343	1,618,014	927,668

24 借款(續)

(b) 借款償還期限如下：

(c) 借款抵押情況如下：

Notes to the Financial Statements (continued)

財務報表附註 (續)

24 BORROWINGS (continued)

(d) The carrying value of assets secured for borrowings were as follows:

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		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
Property, plant and equipment	物業、廠房及設備	1,666,884	2,334,932	–	–
Construction in progress	在建工程	524,675	–	–	–
Lease prepayments	租賃預付款項	45,069	10,792	–	–
Trade and other receivables	應收賬款及其他應收款項	76,050	–	–	–
Pledged bank deposits	已抵押銀行存款	154,009	–	34,009	–
		2,466,687	2,345,724	34,009	–

(e) Certain bank loans of the Group are subject to the fulfilment of covenants relating to certain of the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down loan balances would become payable on demand. At 31 December 2012, the Group had breached certain financial covenants in respect of certain loans amounting to RMB1,618,014,000, of which RMB1,060,841,000 were classified as current as the Group had breached certain financial covenants at 31 December 2012. Subsequent to 31 December 2012, the Group received waivers from compliance with the relevant financial covenants at 31 December 2012 from the lenders concerned. Further details of the Group's management of liquidity risk are set out in Note 31(a).

24 借款(續)

(d) 就借款抵押的資產賬面價值如下：

(e) 本集團若干銀行貸款須遵守若干有關本集團的財務比率之契約，而該等契約於金融機構之貸借安排中屬常見。倘本集團違反契約，則貸款須按要求償還。於2012年12月31日，本集團違反了總額為人民幣1,618,014,000元的部份貸款的若干財務契約，其中因本集團違反了相關財務契約而於2012年12月31日人民幣1,060,841,000元被劃分為流動負債。於2012年12月31日期後，本集團收到了相關放款人對於其於2012年12月31日違反相關財務契約的豁免函。本集團關於流動資金風險管理的詳述見附註31(a)。

Notes to the Financial Statements (continued)

財務報表附註 (續)

25 TRADE AND OTHER PAYABLES

25 應付賬款及其他應付款項

		The Group 本集團		The Company 本公司	
		2012	2011	2012	2011
		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
Trade payables	應付賬款	48,492	25,364	–	–
Bills payable	應付票據	648,000	269,500	–	–
Payable for property, plant and equipment	物業、廠房及設備應付款項	1,136,670	911,209	–	–
Dividends payable to a non-controlling shareholder	應付非控股股東的股息	–	6,480	–	–
Amounts due to associates	應付聯營公司款項	450,000	–	–	–
Amount due to a subsidiary	應付附屬公司款項	–	–	16,744	16,744
Amount due to a shareholder	應付股東款項	8,050	–	–	–
Accrued expenses and other payables	預提費用及其他應付款項	149,278	150,463	27,603	16,108
Derivative financial instruments	衍生金融工具	8,221	–	8,221	–
		2,448,711	1,363,016	52,568	32,852

All the trade and other payables are expected to be settled within one year or repayable on demand.

所有應付賬款及其他應付款項預期將於一年內或按要求償還。

The amounts due to associates, a shareholder and a subsidiary are unsecured, interest free and have no fixed term of repayable.

應付聯營公司、股東和附屬公司款項為無抵押、免息及無固定還款期。

Notes to the Financial Statements (continued)

財務報表附註 (續)

26 OBLIGATIONS UNDER FINANCE LEASE

At 31 December 2012, the Group had obligations under finance lease repayable as follows:

26 融資租賃負債

於2012年12月31日，本集團的應付的融資租賃負債呈列如下：

		2012		2011	
		Present	Total	Present	Total
		value of the	minimum	value of the	minimum
		lease	lease	lease	lease
		payments	payments	payments	payments
		最低租賃	最低租賃	最低租賃	最低租賃
		付款現值	付款額總額	付款現值	付款額總額
		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 1 year	一年內	37,099	65,701	10,525	12,497
After 1 year but within 2 years	一年後但兩年內	126,987	126,564	34,327	40,388
After 2 years but within 5 years	兩年後但五年內	343,466	379,703	67,924	74,689
After 5 years	五年後	16,814	40,000	17,585	43,200
		487,267	546,267	119,836	158,277
Total	總計	524,366	611,968	130,361	170,774
Less: total future interest expenses	減：未來利息費用總額		(87,602)		(40,413)
Present value of lease obligations	租賃負債現值		524,366		130,361

Notes to the Financial Statements (continued)

財務報表附註 (續)

27 SHARE CAPITAL

27 股本

		2012		2011	
		Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元	Number of shares 股份數目	Amount 金額 RMB'000 人民幣千元
Authorised:	法定：				
Ordinary shares of USD0.000001 each	每股面值0.000001美元的普通股	50,000,000,000		50,000,000,000	
Issued and fully paid:	已發行和繳足：				
At 1 January	於1月1日	1,806,830,000	12	1,809,232,500	12
Shares repurchased	股份回購	-	-	(2,402,500)	-
At 31 December	於12月31日	1,806,830,000	12	1,806,830,000	12

Pursuant to the written resolution passed by the board of directors on 7 January 2011, the Company repurchased 2,402,500 shares of its own ordinary shares on the Stock Exchange at an aggregate consideration of HKD13,683,000 (equivalent to RMB11,684,000) in January 2011. The lowest and the highest price paid were HKD5.60 per share and HKD5.70 per share respectively. All the shares repurchased have been cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The premium paid on the repurchase of the shares of RMB11,684,000 was charged to the share premium.

根據2011年1月7日的董事會決議，本公司於2011年1月以總額13,683,000港元(相當於人民幣11,684,000元)的對價在聯交所回購了2,402,500股普通股，支付的最低和最高回購價分別為每股5.60港元和5.70港元。該等股份已於回購後被註銷，而本公司之已發行股本亦相應減去相關之面值。回購股份所支付之溢價人民幣11,684,000元已於股份溢價中扣除。

Notes to the Financial Statements (continued)

財務報表附註 (續)

28 RESERVES AND DIVIDENDS

(a) Components of Company's capital and reserves

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2011	於2011年1月1日	12	2,995,502	(80,421)	2,915,093
Total comprehensive income for the year	本年綜合收益總額	–	–	(13,488)	(13,488)
Dividends approved in respect of the previous year	於上年度批准的股息	–	–	(180,683)	(180,683)
Purchase of own shares	股份回購	–	(11,684)	–	(11,684)
At 31 December 2011	於2011年12月31日	12	2,983,818	(274,592)	2,709,238
At 1 January 2012	於2012年1月1日	12	2,983,818	(274,592)	2,709,238
Total comprehensive income for the year	本年綜合收益總額	–	–	(93,540)	(93,540)
Dividends approved in respect of the previous year	於上年度批准的股息	–	–	(234,888)	(234,888)
At 31 December 2012	於2012年12月31日	12	2,983,818	(603,020)	2,380,810

Details of movements of the Company's share capital are set out in Note 27.

28 儲備及股息

(a) 本公司股本及儲備

本集團合併權益各組成部份的期初和期末的調節表已呈列在合併權益變動表中。本公司權益各組成部份的年初和年末的變動詳情呈列如下：

就本公司股本變動詳情已呈報於附註27。

Notes to the Financial Statements (continued)

財務報表附註 (續)

28 RESERVES AND DIVIDENDS (continued)

(b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Final dividend proposed after the end of the reporting period of RMB0.15 (2011: RMB0.13) per ordinary share	於報告期末後提議分派每股普通股人民幣0.15元 (2011年：人民幣0.13元) 的末期股息	271,025	234,888

The final dividend proposed after the end of the reporting period date has not been recognised as a liability at the end of the reporting period.

報告期末後提議分派的末期股息並未於報告期末確認為負債。

- (ii) Dividends payable to equity shareholders of the company attributable to the previous financial year, approved and paid during the year:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.13 (2011: RMB0.10) per ordinary share	於本年內批准及已支付的上年度末期股息，每股普通股人民幣0.13元 (2011年：人民幣0.10元)	234,888	180,683

28 儲備及股息(續)

(b) 股息

- (i) 本年應付予本公司股東的股息：

	2012	2011
	RMB'000	RMB'000
	人民幣千元	人民幣千元

Final dividend proposed after the end of the reporting period of RMB0.15 (2011: RMB0.13) per ordinary share	271,025	234,888
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報告期末後提議分派的末期股息並未於報告期末確認為負債。

- (ii) 於本年內批准及已支付予本公司股東上年度的股息：

	2012	2011
	RMB'000	RMB'000
	人民幣千元	人民幣千元

Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.13 (2011: RMB0.10) per ordinary share	234,888	180,683
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Notes to the Financial Statements (continued)

財務報表附註 (續)

28 RESERVES AND DIVIDENDS (continued)

(c) Share premium

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary courses of business.

(d) Statutory reserve

Pursuant to the Articles of Association of the Company's subsidiaries in the PRC, appropriations to the statutory reserve were made at a certain percentage of profit after taxation determined in accordance with the accounting rules and regulations of the PRC. The statutory reserve can be utilised in setting off accumulated losses or increasing capital of the subsidiaries and is non-distributable other than in liquidation.

(e) Other reserve

Other reserve mainly included the difference between the carrying value of non-controlling interest previously acquired and the consideration paid, and the amount recognised within equity in respect of conversion of loan in prior years.

(f) Distributability of reserves

At 31 December 2012, the aggregate amount of reserves available for distribution to equity shareholders of the Company was RMB2,380,798,000 (2011: RMB2,709,226,000).

28 儲備及股息(續)

(c) 股份溢價

根據開曼群島公司法，本公司的股份溢價賬可用作支付應派予股東的分派或股息，惟緊隨擬支付分派或派付股息日期後，本公司仍可在日常業務過程中償付其到期債務。

(d) 法定儲備

根據本公司在中國的附屬公司的組織章程細則，該等公司須按中國會計規則及規例的要求，將除稅後利潤的若干百分比分配至法定儲備。法定儲備可用於彌補累計虧損或增加附屬公司資本。除清盤外，該儲備不得用於分派。

(e) 其他儲備

其他儲備主要為以前收購非控股股東權益和支付對價的賬面價值的差額以及以前年度轉換貸款於權益中確認的金額。

(f) 可供分派儲備

於2012年12月31日，可供分派予本公司權益持有人的儲備總額為人民幣2,380,798,000元(2011年：人民幣2,709,226,000元)。

28 RESERVES AND DIVIDENDS (continued)

(g) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, and obligations under finance leases) plus accrued proposed dividends, less cash and cash equivalents. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

During 2012, the Group's strategy, which was unchanged from 2011, was to maintain the adjusted net debt-to-capital at reasonable level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raised new debt financing or sell assets to reduce debt.

28 儲備及股息(續)

(g) 資本管理

本集團管理資本的主要目標是保障本集團持續營運的能力，使其通過制定與風險水平相當的產品價格及按合理成本取得融資，能繼續為股東提供回報及為其他利益相關者提供利益。

本集團主動定期評估及管理其資本架構，旨在維持高股東回報(可能提高借款水平)與良好的資本狀況所帶來的裨益及保障間的平衡，並就經濟狀況變動調整資本架構。

本集團按照經調整淨負債資本比率的基準觀察資本架構。就此而言，經調整債務淨額界定為債務總額(包括計息貸款及借款，及融資租賃負債)，加上累計擬派股息減現金及現金等價物。經調整資本包括股東權益減非累計擬派股息。

於2012年，本集團秉承2011年之策略，維持經調整淨負債資本比率於一個合理水平。為維持或調整比率，本集團會對派付予股東的股息金額作出調整、發行新股份、籌措新的債務融資或出售資產以減債。

Notes to the Financial Statements (continued)

財務報表附註 (續)

28 RESERVES AND DIVIDENDS (continued)

(g) Capital management (continued)

The adjusted net debt-to-capital ratio of the Group at 31 December 2012 and 2011 was as follows:

		Note	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
		附註		
Current liabilities:	流動負債：			
Borrowings	借款	24	3,263,317	1,115,520
Amounts due to associates	應付聯營公司款項	25	450,000	–
Obligations under finance leases	融資租賃負債	26	37,099	10,525
			3,750,416	1,126,045
Non-current liabilities:	非流動負債：			
Borrowings	借款	24	2,864,774	2,084,823
Obligations under finance leases	融資租賃負債	26	487,267	119,836
Total debt	債務總額		7,102,457	3,330,704
Add: proposed dividends	加：建議股息	28(b)	271,025	234,888
Less: cash and cash equivalents	減：現金及現金等價物		(846,600)	(958,280)
Adjusted net debt	經調整債務淨額		6,526,882	2,607,312
Total equity	權益總額		5,547,151	5,003,351
Less: proposed dividends	減：建議股息		(271,025)	(234,888)
Adjusted capital	經調整資本		5,276,126	4,768,463
Adjusted net debt-to-capital ratio	經調整淨負債資本比率		124%	55%

Except for the bank loans which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in Note 24(e) to the financial statements, neither the Company nor any of its subsidiaries is subject to externally imposed capital requirements.

除須遵守於財務報表附註24(e)披露之有關若干本集團財務比率之契約的銀行貸款外，本公司或其他任何附屬公司概不受外部資本規定限制。

28 儲備及股息(續)

(g) 資本管理(續)

於2011年及2012年12月31日本集團經調整淨負債資本比率如下：

Notes to the Financial Statements (continued)

財務報表附註 (續)

29 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 7 and certain of the highest paid employees as disclosed in Note 8, is as follows:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Short-term employee benefits	一年內	12,377	11,475
Post-employment benefits	一年後但五年內	85	40
		12,462	11,515

Total remuneration is included in "staff costs" (see Note 5(b)).

29 重大關聯方交易(續)

(a) 關鍵管理人員薪酬

本集團關鍵管理人員薪酬，包括在附註7披露的支付予本公司董事的款項及在附註8披露的支付予若干最高薪酬人士的款項，如下：

	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Short-term employee benefits	12,377	11,475
Post-employment benefits	85	40
	12,462	11,515

薪酬總額計入「員工成本」(參見附註5(b))。

Notes to the Financial Statements (continued)

財務報表附註 (續)

29 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with associates and a jointly controlled entity of the Group

During the year ended 31 December 2012, the Group had the following transactions with associates and a jointly controlled entity:

		Advances from/(to) the Group 本集團借出/ (借入) 款項		Related interest income/(expense) 相關利息 收入/(費用)	
		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Loan to a jointly controlled entity	向合營公司借出款項	21,070	–	695	–
Advance to an associate	向聯營公司借出款項	74,193	–	–	–
Advances from associates	借款於聯營公司	(450,000)	–	–	–

As at 31 December 2012, amounts due from/(to) associates and a jointly controlled entity:

29 重大關聯方交易(續)

(b) 與本集團的聯營公司及合營公司的交易

截至2012年12月31日止年度，本集團有如下與聯營公司及合營公司的交易：

於2012年12月31日，應收/(應付)聯營公司及合營公司的款項：

		Note 附註	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Non-current assets	非流動資產			
Loan to a jointly controlled entity	向合營公司借出款項	19	21,070	–
Trade and other receivables	應收賬款及其它應收款項			
Amount due from an associate	應收聯營公司款項	21	74,193	–
Trade and other payables	應付帳款及其它應付款項			
Amounts due to associates	應付聯營公司款項	25	(450,000)	–

29 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Transactions with Bubbly Brooke Holdings Limited (“Bubbly Brooke”), a substantial shareholder of the Company, and Mr. Zhongguo Sun, a director of the Company

(i) Cash advances to Bubbly Brooke

During the year ended 31 December 2012, the Group, through a wholly-owned subsidiary, advanced certain cash to Bubbly Brooke. The maximum balance outstanding during 2012 was RMB73,216,000 (2011: Nil). The amounts were bearing interest at 5% per annum and fully repaid in 2012. This transaction also constitutes connected transaction as defined in Chapter 14A of the Listing Rules.

(ii) Cash advances from Bubbly Brooke and Mr. Zhongguo Sun

During the year ended 31 December 2012, Bubbly Brooke advanced certain cash to the Group. The maximum balance outstanding during 2012 was RMB66,172,000 (2011: Nil).

During the year ended 31 December 2011, Mr. Zhongguo Sun advanced certain cash to the Group. The maximum balance outstanding during 2011 was RMB27,700,000. There was no cash advance from Mr. Zhongguo Sun during the year ended 31 December 2012.

29 重大關聯方交易(續)

(c) 與本公司主要股東Bubbly Brooke Holdings Limited(「Bubbly Brooke」)和一名公司董事，Zhongguo Sun先生的交易

(i) 向Bubbly Brooke借出現金

截至2012年12月31日止年度，本集團通過其一家全資附屬公司將若干現金借予Bubbly Brooke。2012年，該借款的最大餘額為人民幣73,216,000元(2011年：零)。該金額以約5%的年利率計息並於2012年全額償還。該交易亦構成上市規則第14A章定義的關連交易。

(ii) 從Bubbly Brooke和Zhongguo Sun先生借入現金

截至2012年12月31日止年度，Bubbly Brooke將若干現金借予本集團。2012年，借款的最大餘額為人民幣66,172,000元(2011年：零)。

截至2011年12月31日止年度，Zhongguo Sun先生將若干現金借予本集團。2012年，借款的最大餘額為人民幣27,700,000元。截至2012年12月31日Zhongguo Sun先生未提供現金借款。

Notes to the Financial Statements (continued)

財務報表附註 (續)

29 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Transactions with Bubbly Brooke Holdings limited (“Bubbly Brooke”), a substantial shareholder of the Company, and Mr. Zhongguo Sun, a director of the Company (continued)

(iii) The outstanding balances with Bubbly Brooke and Mr. Zhongguo Sun at 31 December are as follows:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount due to Bubbly Brooke	應付Bubbly Brooke款項	8,050	—
Bonus payable to Mr. Zhongguo Sun	應付Zhongguo Sun先生獎金	1,000	1,600

(iv) Bubbly Brooke is 100% held by a discretionary trust (the “Trust”). Mr. Zhongguo Sun is one of the specified beneficiaries of the Trust.

29 重大關聯方交易(續)

(c) 與本公司主要股東Bubbly Brooke Holdings limited(「Bubbly Brooke」)和一名公司董事，Zhongguo Sun先生的交易(續)

(iii) 與Bubbly Brooke和Zhongguo Sun先生於12月31日的餘額為：

	2012	2011
	RMB'000	RMB'000
	人民幣千元	人民幣千元

Amount due to Bubbly Brooke	應付Bubbly Brooke款項	8,050	—
Bonus payable to Mr. Zhongguo Sun	應付Zhongguo Sun先生獎金	1,000	1,600

(iv) Bubbly Brooke由一家全權信託(「信託」)100%持有。Zhongguo Sun先生為該信託的指定受益人之一。

Notes to the Financial Statements (continued)

財務報表附註 (續)

30 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital commitments

At 31 December 2012, the Group had capital commitments for acquisition and construction of properties and equipment, and other investments as follows:

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Authorised and contracted for	已授權且已訂約	3,448,296	2,861,007
Authorised but not contracted for	已授權但未訂約	3,718,074	3,853,080
		7,166,370	6,714,087

(b) Operating lease commitments

At 31 December 2012, the Group's total future minimum lease payments under non-cancellable operating leases in respect of land and properties, are payable as follows:

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year	一年內	12,781	12,133
After 1 year but within 5 years	一年後但五年內	27,929	18,355
After 5 years	五年後	37,131	46,287
		77,841	76,775

None of the leases includes contingent rentals.

該等租賃不包括或有租金。

30 承擔及或有負債

(a) 資本承擔

於2012年12月31日，本集團就物業及設備的購置和建設及其他投資的資本承擔呈列如下：

(b) 經營租賃承擔

於2012年12月31日，根據不可撤銷經營租約本集團應付有關土地和物業的未來最低租賃付款總值呈列如下：

Notes to the Financial Statements (continued)

財務報表附註 (續)

30 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(c) Contingent liabilities

The Group had no material contingent liabilities at 31 December 2012 and 2011.

At 31 December 2012, contingent liabilities of the Company were as follows:

		The Company	
		本公司	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guarantees given to banks	本公司就若干附屬公司		
by the Company in respect of bank	關於銀行貸款而向		
loans utilised by certain subsidiaries	銀行提供的擔保	1,345,873	1,120,000

(d) Legal contingencies

The Group is the defendant in certain lawsuit as well as the plaintiff in other proceedings arising in the ordinary course of business. While the outcomes of such contingencies, lawsuit or other proceedings cannot be estimated at present, management believes that any resulting liabilities will not have a material adverse effect on the financial position or operating results of the Group.

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to liquidity, credit, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

30 承擔及或有負債(續)

(c) 或有負債

於2011年及2012年12月31日，本集團並無重大或有負債。

於2012年12月31日，本公司的或有負債如下：

		The Company	
		本公司	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guarantees given to banks	本公司就若干附屬公司		
by the Company in respect of bank	關於銀行貸款而向		
loans utilised by certain subsidiaries	銀行提供的擔保	1,345,873	1,120,000

(d) 或有法律事項

本集團是若干法律訴訟中的被告，也是日常業務中出現的其他訴訟中的原告。儘管目前無法確定這些或有事項、法律訴訟或其他訴訟的結果，管理層相信任何由此引起的負債將不會對本集團的財務狀況或經營業績造成重大的負面影響。

31 財務風險管理及公允價值

本集團所承擔的流動資金風險、信貸風險、利率風險以及貨幣風險在日常業務過程中產生。

本集團所承擔的該等風險和本集團用於管理這些風險的財務風險管理政策和慣例描述如下。

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(a) Liquidity risk

As at 31 December 2012, the Group's current liabilities exceeded its current assets by RMB3,086,093,000. During the year ended 31 December 2012, the Group recorded a net cash inflows from operating activities of RMB919,095,000, a net cash outflow from investing activities of RMB4,572,833,000 and a net cash inflow from financing activities of RMB3,541,808,000, which in total resulted in a net decrease in cash and cash equivalents of RMB111,930,000.

In 2013 and thereafter, the Group is primarily dependent on its ability to maintain adequate cash inflow from operations and its ability to obtain adequate external financing to meet its debt obligations as they fall due and to meet its committed future capital expenditures. The directors of the Company have carried out a detailed review of the cash flow forecast of the Group for the twelve months ending 31 December 2013. Based on such forecast, the directors have determined that adequate liquidity exists to finance the working capital and capital expenditure requirements during that period. In preparing the cash flow forecast, the directors have considered historical cash requirements of the Group as well as other key factors including new financing and certain commitment from bank, which may impact the operations of the Group during the next twelve-month period. The directors are of the opinion that the assumptions and sensitivities which are included in the cash flow forecast are reasonable. However, as with all assumptions in regard to future events, these are subject to inherent limitations and uncertainties and some or all of these assumptions may not be realised.

31 財務風險管理及公允價值(續)

(a) 流動資金風險

本集團於2012年12月31日之流動負債超出其流動資產人民幣3,086,093,000元。截至2012年12月31日止年度，本集團經營活動的淨現金流入金額為人民幣919,095,000元，投資活動的淨現金流出金額為人民幣4,572,833,000元，融資活動的淨現金流入金額為人民幣3,541,808,000元，總計現金及現金等價物減少淨額為人民幣111,930,000元。

2013年及之後，本集團主要通過保持充足的經營活動所得的現金以及獲取足夠的外部資金來償還其到期負債並滿足其未來資本支出。本公司董事對本集團截至2013年12月31日止12個月的現金流量預測進行了詳盡的審閱。根據這些預測，董事認為本集團的流動資金足以應付該期間的營運資金及資本性開支需求。在編製現金流量預測時，董事已充分考慮了本集團的歷史現金需求和可能會影響本集團未來12個月期間營運的其他主要因素，其中包括上述新增融資及若干銀行承諾。董事會認為，現金流量預測所包括的假設及敏感度是合理的。但是鑒於所有假設受不明朗因素所限，部份或全部的假設是有可能不會實現的。

Notes to the Financial Statements (continued)

財務報表附註 (續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(a) Liquidity risk (continued)

The following tables show details the remaining contractual maturities at the end of the reporting period of the Group'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 end of the reporting period) and the earliest date the Group can be required to pay.

		2012						
		Total contractual carrying amount			Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years
		Contractual cash flow	On demand					
		賬面價值	按要求的	1年內	1年以上但2年內	2年以上但5年內	5年以上	
		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
Borrowings	借款	6,128,091	6,792,591	1,618,014	1,893,903	825,150	2,455,524	-
Trade and other payables	應付帳款及其他應付款項	2,435,893	2,435,893	-	2,435,893	-	-	-
Obligations under finance lease	融資租賃負債	524,366	611,968	-	65,701	126,564	379,703	40,000
		9,088,350	9,840,452	1,618,014	4,395,497	951,714	2,835,227	40,000

31 財務風險管理及公允價值(續)

(a) 流動資金風險(續)

根據合同約定的非貼現現金流量(包括根據合約利率計算的利息支付, 或如屬浮動利率, 按報告期末的利率計算)及要求本集團償付的最早日期, 下表詳述了於報告期末本集團的金融負債的餘下合約到期情況。

Notes to the Financial Statements (continued)

財務報表附註 (續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(a) Liquidity risk (continued)

		2011						
		Total contractual			More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
Carrying amount	undiscounted cash flow	On demand	Within 1 year	Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
合同約定的	非貼現現金	按要求的	1年內	1年內	1年以上但2年內	2年以上但5年內	5年以上	
RMB'000	RMB'000	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	人民幣千元	人民幣千元
Borrowings	借款	3,200,343	3,583,464	–	1,286,297	1,103,831	1,124,688	68,648
Trade and other payables	應付帳款及其他應付款項	1,363,016	1,363,016	–	1,363,016	–	–	–
Obligations under finance lease	融資租賃負債	130,361	170,774	–	12,497	40,388	74,689	43,200
		4,693,720	5,117,254	–	2,661,810	1,144,219	1,199,377	111,848

31 財務風險管理及公允價值(續)

(a) 流動資金風險(續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(b) Credit risk and concentration risk

The Group's credit risk is primarily attributable to trade and other receivables. The management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

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, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are generally due within 30 to 45 days from the date of billing. Moreover, extended credit terms are granted to certain on-site customers depending on the credit assessment carried out by the management on an individual basis.

Significant amounts of revenue are derived from a limited number of on-site customers. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At 31 December 2012, 22% (2011: 28%) and 34% (2011: 46%) of the total trade and bills receivables were due from the Group's largest customer and the five largest customers, respectively. The Group has no significant credit risk with any of these customers since the Group maintains stable business relationships with these large customers. Trade receivables are denominated in RMB and are derived from revenues earned from operations arising in the PRC. The Group performs ongoing credit evaluations of its customers' financial condition and generally does not require collateral on trade receivables.

31 財務風險管理及公允價值(續)

(b) 信貸風險及信貸集中風險

本集團的信貸風險主要源於應收賬款及其他應收款項。管理層有適當的信貸政策，並持續監督該等信貸風險。

本集團會對所有要求就超過某一金額賬款獲得信貸的客戶進行個別信貸評估。信貸評估主要關注客戶的歷史到期付款記錄及目前的償付能力，並考慮其他與客戶特定的會計資料和客戶業務所在的經濟環境。應收賬款通常由結算單發出日期起30至45日內到期。此外，管理層會根據對若干現場供氣客戶所作的個別信貸評估，延長授予其信貸期。

主要收益來源於數目有限的現場供氣客戶。本集團信貸風險主要受每個客戶的個別特徵所影響。客戶所處行業及國家的違約風險對信用風險也會產生影響，但影響較前者小。於2012年12月31日，本集團最大以及前五大客戶應收賬款及應收票據的餘額分別佔應收賬款及應收票據的合計金額的22%(2011年：28%)及34%(2011年：46%)。本集團和該等大客戶保持有穩定的合作關係，因此對該等客戶沒有重大信貸風險。應收賬款以人民幣計價且由來自於中國業務所賺取的收益。本集團對其客戶的財務狀況持續進行信貸評估，一般而言不對應收賬款收取抵押品。

Notes to the Financial Statements (continued)

財務報表附註 (續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(b) Credit risk and concentration risk (continued)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Note 21.

The Group does not provide any guarantees which would expose the Group to credit risk.

(c) Interest rate risk

The interest rates and terms of repayment of the Group's borrowings are disclosed in Note 24.

It is estimated that a general increase of 100 basis points in interest rates, with all other variables held constant, would decrease the Group's profit after tax and retained earnings by the amount as shown below:

		The Group	
		本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Effect on profit after tax and retained earnings	除稅後利潤及保留盈利影響	20,595	24,791

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and retained profits) that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. The analysis is performed on the same basis for 2011.

31 財務風險管理及公允價值(續)

(b) 信貸風險及信貸集中風險(續)

最大信貸風險為合併財務狀況表中每項金融資產的賬面價值。

本集團源於應收賬款及其他應收款項的信貸風險的定量披露詳載於附註21。

本集團並無提供任何可能令本集團承受信貸風險的擔保。

(c) 利率風險

本集團借款的利率及償還條款已於附註24中披露。

估計利率每增加100個基點，在其他所有變量不變的情況下本集團除稅後利潤及保留盈利會減少的金額呈列如下：

		The Group	
		本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元

對於報告期末持有的使本集團面臨公允價值利率風險的金融工具，上述敏感性分析中除稅後利潤及保留盈利影響是假設在報告期末利率發生變動，按照新利率對上述金融工具進行重新計量後的影響。2011年的分析基於同樣的假設和方法。

Notes to the Financial Statements (continued)

財務報表附註 (續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(d) Currency risk

Renminbi is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi 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.

Foreign currency payments, including the remittance of earnings outside the PRC, are subject to the availability of foreign currency (which depends on the foreign currency denominated earnings of the Group) or must be arranged through the PBOC with government approval.

All the revenue-generating operations of the Group are transacted in Renminbi. The Group is exposed to foreign currency risk on financial assets and financial liabilities that are denominated in currencies other than Renminbi. Depreciation or appreciation of the Renminbi against foreign currencies can affect the Group's results. The Group did not hedge its foreign currency exposure.

31 財務風險管理及公允價值(續)

(d) 貨幣風險

人民幣不可自由兌換為外幣。所有涉及人民幣的外匯交易均須通過中國人民銀行或其他經授權機構進行外匯買賣。外匯交易所採納的匯率為中國人民銀行所報的匯率，該匯率會因一籃子非特定貨幣的受控波動所規限。

外幣付款，包括中國境外盈利的匯款，均受外幣可用性(取決於本集團以外幣列值的盈利)的限制，或須經政府批准通過中國人民銀行安排。

本集團所有產生收益的經營活動都用人民幣交易。本集團用人民幣以外的其他貨幣計價的金融資產和金融負債需要承受外幣匯兌風險。人民幣對外幣貶值和升值均會影響本集團的業績。本集團未對沖其外幣風險。

Notes to the Financial Statements (continued)

財務報表附註 (續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(d) Currency risk (continued)

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the end of the reporting date.

		Exposure to foreign currencies (expressed in RMB)					
		2012			2011		
		United States	Hong Kong		United States	Hong Kong	
		Dollars	Euros	Dollars	Dollars	Euros	Dollars
		美元	歐元	港元	美元	歐元	港元
		'000	'000	'000	'000	'000	'000
		千元	千元	千元	千元	千元	千元
Cash and cash equivalents	現金及現金等價物	154,810	2,445	2,905	275,677	24,055	8,125
Borrowings	借款	(2,026,410)	(108,284)	-	(945,135)	-	-
Trade and other payables	應付賬款及其他 應付款項	(54,024)	-	(1,318)	(10,938)	-	(1,317)
Gross exposure arising from recognised assets and liabilities	資產及負債所產生 風險總額	(1,925,624)	(105,839)	1,587	(680,396)	24,055	6,808

31 財務風險管理及公允價值(續)

(d) 貨幣風險(續)

(i) 外幣風險承擔

下表詳列本集團於報告期末有關以實體功能貨幣以外的貨幣計值之資產或負債所產生的貨幣風險承擔。就呈列目的而言，風險承擔之金額以人民幣列示，並以報告期末即時匯率換算。

Notes to the Financial Statements (continued)

財務報表附註 (續)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(d) Currency risk (continued)

(ii) Sensitivity analysis

A 5 percent strengthening of Renminbi against the respective foreign currencies at the respective reporting period end dates would increase profit after tax and retained earnings by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

		The Group 本集團	
		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Effect on profit after tax and retained earnings	除稅後利潤及保留盈利影響	(96,089)	(33,688)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis excludes differences that would result from the translation of financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2011.

31 財務風險管理及公允價值(續)

(d) 貨幣風險(續)

(ii) 敏感性分析

於各報告期末，人民幣對各貨幣增值5%會使除稅後利潤及保留盈利增加的金額呈列如下。該分析假設其他所有變量，尤其是利率，保持不變。

上述敏感性分析是假設報告期末匯率發生變動，以變動後的匯率對報告期末本集團持有的、面臨外匯風險的金融工具進行重新計量得出的。上述分析不包括由境外業務的外幣報表折算至本集團列報貨幣的折算差額。2011年的分析基於同樣的假設和方法。

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

(e) Fair values

In respect of cash and cash equivalents, pledged bank deposits, trade and other receivables, and trade and other payables, the carrying amounts approximate fair value due to the relatively short term nature of these financial instruments.

In respect of borrowings, receivables/obligations under finance lease and long-term receivables, the carrying amounts are not materially different from their fair values at 31 December 2012 and 2011. The fair values are estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

In respect of derivative financial instruments, the fair value of which are measured using valuation techniques in which all significant inputs are directly or indirectly based on observable market data.

Unlisted investments for which their fair values cannot be reliably measured are stated at cost less impairment losses.

32 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in Note 28(b).

31 財務風險管理及公允價值(續)

(e) 公允價值

就現金及現金等價物、已抵押銀行存款、應收賬款及其他應收款項以及應付賬款及其他應付款項而言，由於該等金融工具的到期日相對較短，其賬面價值接近公允價值。

就借款、應收融資租賃款／融資租賃負債和長期應收款而言，於2011年及2012年12月31日賬面價值與公允價值無重大差異。公允價值以未來現金流量按相似金融工具的現行市場利率進行貼現估計。

就衍生金融工具而言，利用估值技術計量公允價值的重要輸入均直接或間接基於可觀察到的市場報價。

對於公允價值無法可靠計量的非上市投資，按原值減減值虧損列示。

32 期後非調整事項

於報告期末後，董事提議分配末期股利。詳情附註載於28(b)。

Notes to the Financial Statements (continued)

財務報表附註 (續)

33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012

Up to the date of issue of these financial statements, the IASB has issued the following amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2012 and which have not been adopted in these financial statements.

33 已頒佈但於截至2012年12月31日止年度尚未生效的修訂、新準則和詮釋可能帶來的影響

於本財務報表日期，國際會計準則理事會已頒佈以下修訂、新準則和詮釋，該等修訂和新準則於截至2012年12月31日止年度尚未生效，於編製本財務報表時並未獲採用。

	Effective for accounting periods beginning on or after		由以下時間或 之後開始的 會計期間生效
Amendments to IAS 1, <i>Presentation of financial statements – Presentation of items of other comprehensive income</i>	1 July 2012	國際會計準則第1號的 修訂《財務報表的列報 – 其他綜合收益的列報》	2012年7月1日
IFRS 10, <i>Consolidated financial statements</i>	1 January 2013	國際財務報告準則第10號 《合併財務報表》	2013年1月1日
IFRS 11, <i>Joint arrangements</i>	1 January 2013	國際財務報告準則第11號 《合營安排》	2013年1月1日
IFRS 12, <i>Disclosure of interests in other entities</i>	1 January 2013	國際財務報告準則第12號 《在其他主體中所享有 權益的披露》	2013年1月1日
IFRS 13, <i>Fair value measurement</i>	1 January 2013	國際財務報告準則第13號 《公允價值計量》	2013年1月1日
IAS 27, <i>Separate financial statements (2011)</i>	1 January 2013	國際會計準則第27號 《單獨財務報表(2011年)》	2013年1月1日
IAS 28, <i>Investments in associates and joint ventures</i>	1 January 2013	國際會計準則第28號《對聯營 及合營企業的投資》	2013年1月1日
Revised IAS 19, <i>Employee benefits</i>	1 January 2013	國際會計準則第19號 (修訂)《僱員福利》	2013年1月1日
IFRIC 20, <i>Stripping costs in the production phase of a surface mine</i>	1 January 2013	國際財務報告解釋公告 第20號《地表採礦生產 階段的剝離成本》	2013年1月1日

Notes to the Financial Statements (continued)

財務報表附註 (續)

33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

33 已頒佈但於截至2012年12月31日止年度尚未生效的修訂、新準則和詮釋可能帶來的影響(續)

	Effective for accounting periods beginning on or after		由以下時間或 之後開始的 會計期間生效
Amendments to IFRS 7, <i>Financial instruments: Disclosures – Disclosures – Offsetting financial assets and financial liabilities</i>	1 January 2013	國際財務報告準則第7號的修訂 《金融工具：披露－披露－ 金融資產和金融負債的抵銷》	2013年1月1日
Amendments to IFRS 1, <i>First-time adoption of International Financial reporting Standards – Government loans</i>	1 January 2013	國際財務報告準則第1號的 修訂《首次採用國際財務 報告準則－政府貸款》	2013年1月1日
Amendments to IFRS 10, <i>Consolidated financial statements</i> , IFRS 11, <i>Joint arrangements</i> and IFRS 12, <i>Disclosure of interests in other entities – Transition guidance</i>	1 January 2013	國際財務報告準則第10號的 修訂《合併財務報表》、國際 財務報告準則第11號的修訂 《合營安排》及國際財務報告 準則第12號的修訂《在其他 主體中所享有權益的 披露－過渡指引》	2013年1月1日
Amendments to IFRS 10, IFRS 12 and IAS 27, <i>Investment entities</i>	1 January 2014	國際財務報告準則第10號、 國際財務報告準則第12號 及國際會計準則第27號 的修訂《投資主體》	2014年1月1日
Amendments to IAS 32, <i>Financial instruments: Presentation – Offsetting financial assets and financial liabilities</i>	1 January 2014	國際會計準則第32號的修訂 《金融工具：列報－金融 資產和金融負債的抵銷》	2014年1月1日
IFRS 9, <i>Financial instruments</i>	1 January 2015	國際財務報告準則第9號 《金融工具》	2015年1月1日
Amendments to IFRS 9, <i>Financial instruments</i> and IFRS 7, <i>Financial instruments: Disclosures – Mandatory effective date and transition disclosures</i>	1 January 2015	國際財務報告準則第9號的 修訂《金融工具》和國際 財務報告準則第7號的修訂 《金融工具：披露－強制性 生效日期及過渡性披露》	2015年1月1日

Notes to the Financial Statements (continued)

財務報表附註 (續)

33 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2012 (continued)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's or the Company's results of operations and financial position.

33 已頒佈但於截至2012年12月31日止年度尚未生效的修訂、新準則和詮釋可能帶來的影響(續)

本集團正在評估以上新訂及經修訂的會計準則和詮釋於首次採用時對財務報表的影響。至目前為止，採用這些會計準則及詮釋被認為不太可能會對本集團或本公司的營運表現和財務狀況發生重大影響。

Financial Summary

財務摘要

SUMMARY DATA OF CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME 簡明合併綜合收益表數據摘要

		Year ended 31 December 截至12月31日止年度				
		2008	2009	2010	2011	2012
		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	1,411,713	2,065,685	3,004,933	4,240,275	4,955,933
Gross profit	毛利	583,557	775,180	1,164,143	1,450,891	1,573,121
Profit from operations	經營收益	489,875	620,388	786,244	1,091,320	1,101,717
Profit before taxation	除稅前利潤	467,852	565,521	668,379	981,447	907,129
Profit and total comprehensive income for the year	本年利潤及綜合收益總額	428,660	531,575	533,216	835,647	771,285
Attributable to:	應佔：					
Equity Shareholders of the Company	本公司權益持有人	430,133	530,037	577,281	830,819	770,117
Non-controlling interests	非控股股東權益	(1,473)	1,538	(44,065)	4,828	1,168

Financial Summary (continued)

財務摘要 (續)

SUMMARY DATA OF CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION 簡明合併財務狀況表數據摘要

		As at 31 December 於12月31日				
		2008	2009	2010	2011	2012
		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 non-current assets	非流動資產總額	2,415,609	3,073,188	5,415,098	7,637,415	12,059,846
Total current assets	流動資產總額	394,209	2,601,013	2,219,575	2,187,365	2,733,255
Total assets	資產總額	2,809,818	5,674,201	7,634,673	9,824,780	14,793,101
Total current liabilities	流動負債總額	(1,224,216)	(1,274,772)	(2,086,894)	(2,562,974)	5,819,348
Total assets less current liabilities	資產總額減流動負債	1,585,602	4,399,429	5,547,779	7,261,806	8,973,753
Total non-current liabilities	非流動負債總額	(440,726)	(574,594)	(1,181,228)	(2,258,455)	3,426,602
Net assets	資產淨值	1,144,876	3,824,835	4,366,551	5,003,351	5,547,151
Total equity	權益總額	1,144,876	3,824,835	4,366,551	5,003,351	5,547,151

Corporate Information

公司資料

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LISTING DATE

8 October 2009

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Ms. Wong Sze Wing

ALTERNATE AUTHORIZED REPRESENTATIVE

Mr. Trevor Raymond Strutt

外聘核數師

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香港證券登記處

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上市日期

2009年10月8日

授權代表

Zhongguo Sun先生
黃斯穎女士

替任授權代表

Trevor Raymond Strutt先生

Corporate Information (continued)

公司資料 (續)

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Cayman Islands

Definitions

釋義

“Board”	the board of directors of our Company	「董事會」	指 本公司董事會
“Business Day”	a day that is not a Saturday, Sunday or public holiday in Hong Kong	「營業日」	指 在香港除星期六、星期日及公眾假期以外的日期
“CAGR”	Compound annual growth rate	「CAGR」	指 年複合成長率
“China” or “PRC”	the People’s Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires, references in this annual report to “China” and the “PRC” do not include Taiwan, the Macau Special Administrative Region and Hong Kong	「中國」	指 中華人民共和國，僅就本年報及作地區參考而言，除文義另有所指外，本年報對於「中國」的提述並不包括台灣、澳門特別行政區及香港
“Director(s)”	directors of the Company	「董事」	指 本公司董事
“Hebei Yingde”	Hebei Yingde Gases Company Limited* (河北盈德氣體有限公司), a company established in the PRC on 4 December 2006 and a wholly-owned subsidiary of our Company	「河北盈德」	指 河北盈德氣體有限公司，一間於2006年12月4日在中國成立的公司，為本公司的全資附屬公司
“Hengyang Valin”	Hengyang Hualing Lianzhaguan Company Limited* (衡陽華菱連軋管有限公司), a subsidiary of Hunan Valin Steel Company Limited* (湖南華菱鋼鐵股份有限公司), a company whose shares are listed on the Shenzhen Stock Exchange	「衡陽華菱」	指 衡陽華菱連軋管有限公司，為湖南華菱鋼鐵股份有限公司(其股份於深圳證券交易所上市)之附屬公司
“Hengyang Yingde”	Hengyang Yingde Gases Company Limited* (衡陽盈德氣體有限公司) incorporated in the PRC on 23 December 2008 pursuant to a joint venture agreement between Yingde BVI, Hunan Yingde and Hengyang Valin, which is a joint venture company owned as to 70% by us and 30% by Hengyang Valin	「衡陽盈德」	指 衡陽盈德氣體有限公司，一間根據盈德(英屬處女群島)、湖南盈德及衡陽華菱訂立的合營協議於2008年12月23日在中國註冊成立的公司，為我們擁有70%權益及衡陽華菱擁有30%權益的合營公司

Definitions (continued)

釋義 (續)

“HK\$”, “HKD” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong	「港元」	指 港元，香港法定貨幣
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC	「香港」	指 中國香港特別行政區
“Hong Kong Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (as amended from time to time)	「香港公司條例」	指 香港法例第32章公司條例 (經不時修訂)
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited	「香港聯交所」	指 香港聯合交易所有限公司
“Huai’an Yingda”	Huai’an Yingda Gases Company Limited* (淮安盈達氣體有限公司), a company established in the PRC on 26 January 2007 and a wholly-owned subsidiary of our Company	「淮安盈達」	指 淮安盈達氣體有限公司，一間於2007年1月26日在中國成立的公司，為本公司的全資附屬公司
“Hunan Yingde”	Hunan Yingde Gases Company Limited* (湖南盈德氣體有限公司), a company established in the PRC on 29 October 2001 and a wholly-owned subsidiary of our Company	「湖南盈德」	指 湖南盈德氣體有限公司，一間於2001年10月29日在中國成立的公司，為本公司的全資附屬公司
“IFRS”	International Financial Reporting Standards	「國際財務報告準則」	指 國際財務報告準則
“independent third party”	a person or entity which is not a connected person of our Company	「獨立第三方」	指 並非本公司關連人士的人士或實體
“Laiwu Yingde”	Laiwu Yingde Gases Company Limited* (萊蕪盈德氣體有限公司), a company established in the PRC on 30 January 2007 and a wholly-owned subsidiary of our Company	「萊蕪盈德」	指 萊蕪盈德氣體有限公司，一間於2007年1月30日在中國成立的公司，為本公司的全資附屬公司

Definitions (continued)

釋義 (續)

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)	「上市規則」	指 香港聯合交易所有限公司證券上市規則(經不時修訂)
“Nm ³ /hr”	normal cubic meter/hour	「標準立方米 /小時」	指 標準立方米/小時
“Prospectus”	the prospectus of our Company dated 24 September 2009	「招股章程」	指 本公司於2009年9月24日刊發的招股章程
“Renminbi” or “RMB”	the lawful currency of the PRC	「人民幣」	指 中國法定貨幣
“Rizhao Yingde”	Rizhao Yingde Gases Company Limited* (日照盈德氣體有限公司), a company established in the PRC on 30 October 2006 and a wholly-owned subsidiary of our Company	「日照盈德」	指 日照盈德氣體有限公司，一間於2006年10月30日在中國成立的公司，為本公司的全資附屬公司
“SAI Report”	the industry report dated 13 March 2013 entitled China Industrial Gas Market Analysis published by Strategic Analysis Inc.	「SAI報告」	指 由Strategic Analysis Inc.於2013年3月13日刊發的中國工業氣體市場分析的行業報告
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)	「證券及期貨 條例」	指 香港法例第571章證券及期貨條例(經不時修訂)
“Share(s)”	ordinary share(s) with nominal value of US\$0.000001 each in the share capital of our Company	「股份」	指 本公司股本中每股面值0.000001美元的普通股
“Share Option Scheme”	the share option scheme conditionally approved by our shareholders on 12 September 2009 and approved and adopted by the board of directors of our Company on 12 September 2009	「購股權計劃」	指 我們的股東於2009年9月12日有條件地批准且由本公司董事會於2009年9月12日批准並採納的購股權計劃
“United States” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction	「美國」	指 美利堅合眾國、其領土、屬地及其司法管轄範圍內的所有地區

Definitions (continued)

釋義 (續)

“US\$”, “USD” or “US dollars”	United States dollars, the lawful currency of the United States	「美元」	指 美元，美國法定貨幣
“Yingde BVI”	Yingde Gases Investment Limited* (盈德氣體投資有限公司), a company incorporated in the British Virgin Islands on 18 April 2006 and a wholly-owned subsidiary of our Company and investment holding company in our Group	「盈德(英屬處女群島)」	指 盈德氣體投資有限公司，一間於2006年4月18日在英屬處女群島註冊成立的公司，為本公司的全資附屬公司及本集團的投資控股公司
“Zhangjiagang Yingde”	Zhangjiagang Yingde Gases Company Limited* (張家港盈德氣體有限公司), a company established in the PRC on 31 December 2004 and a subsidiary of our Company in which we own 75% of the equity interest	「張家港盈德」	指 張家港盈德氣體有限公司，一間於2004年12月31日在中國註冊成立的公司，為本公司擁有75%股本權益的附屬公司
“Zhuhai Yingde”	Zhuhai Yingde Gases Company Limited* (珠海盈德氣體有限公司), a company established in the PRC on 8 April 2003 and a wholly-owned subsidiary of our Company	「珠海盈德」	指 珠海盈德氣體有限公司，一間於2003年4月8日在中國成立的公司，為本公司的全資附屬公司
“Zibo Yingde”	Zibo Yingde Gases Company Limited* (淄博盈德氣體有限公司), a company established in the PRC on 8 November 2006 and a wholly-owned subsidiary of our Company	「淄博盈德」	指 淄博盈德氣體有限公司，一間於2006年11月8日在中國成立的公司，為本公司的全資附屬公司

Definitions (continued)

釋義 (續)

In this annual report:

- “Company”, “our Company”, “our”, “we” and “us” refer to Yingde Gases Group Company Limited 盈德氣體集團有限公司, an exempted company incorporated in the Cayman Islands with limited liability on 25 September 2007 and, except where the context otherwise requires, include all of its subsidiaries or where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by it;
- “Group” means our Company and its subsidiaries from time to time; and
- the terms “associate”, “connected person”, “connected transaction”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.
- * denotes English translation of the name of a Chinese company or entity, or vice versa, and is provided for identification purposes only

於本年報內：

- 「公司」、「本公司」、「我們的」及「我們」指盈德氣體集團有限公司，一間於2007年9月25日在開曼群島註冊成立的獲豁免有限公司，除文義另有所指外，包括其所有附屬公司，或如文義所指其註冊成立之前的任何時間，則指其前身或其現有附屬公司的前身所從事且其於隨後承擔的業務；
- 「本集團」指本公司及其不時的附屬公司；及
- 除文義另有所指外，「聯繫人」、「關連人士」、「關連交易」、「控股股東」、「附屬公司」及「主要股東」等詞彙具備上市規則所賦予的涵義。
- * 表示中國公司或實體的英文譯名(反之亦然)，僅供識別。



YINGDE GASES GROUP COMPANY LIMITED
盈德氣體集團有限公司