



China Starch Holdings Limited 中國澱粉控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 3838)

CHINA STARCH

2013 ANNUAL REPORT 年報

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FINANCIAL HIGHLIGHTS AND SUMMARY

財務摘要及概要

		2009	2010	2011	2012	2013
		二零零九年	二零一零年	二零一一年	二零一二年	二零一三年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Results		業績				
Turnover	營業額	1,957,525	2,504,733	3,018,871	3,301,498	3,422,033
Gross profit	毛利	211,941	284,697	449,808	388,282	300,352
Operating profit	經營利潤	124,765	181,985	303,392	258,796	141,361
Profit for the year	本年度利潤	126,814	163,345	230,177	221,921	124,161
Profit attributable to shareholders	股東應佔利潤	126,659	161,711	228,990	219,647	122,198
Assets and Liabilities		資產及負債				
Total assets	總資產	1,339,495	1,782,107	2,013,379	2,441,812	3,005,589
Total liabilities	總負債	351,238	324,001	357,242	575,512	1,026,783
Non-controlling interests	非控股股東權益	16,375	18,009	19,196	21,470	23,433
Shareholder's equity	股東權益	971,882	1,440,097	1,636,941	1,844,830	1,955,373
Major financial data		主要財務數據				
Current ratio (Times)	流動比率(倍)	2.2	3.9	4.1	2.5	1.6
Quick ratio (Times)	速動比率(倍)	1.6	3.3	3.5	2.2	1.2
Gearing – borrowings to total assets	槓桿比率 – 借款 除以總資產	5.7%	2.1%	0.4%	0.3%	14.3%
Debtors turnover (Days)	應收賬款週轉(天數)	30	40	37	35	45
Creditors turnover (Days)	應付賬款週轉(天數)	15	13	10	10	11
Inventories turnover (Days)	存貨週轉(天數)	34	32	29	24	33
Cash conversion (Days)	現金轉換(天數)	49	59	56	49	67

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yue Kwai Wa, Ken
Mr. Chen Zhijun (*appointed on 5 September 2013*)
Mr. Sun Mingdao (*appointed on 5 September 2013*)
Mr. Cao Zenggong (*resigned on 5 September 2013*)
Ms. Dong Yanfeng (*retired on 5 September 2013*)

COMPANY SECRETARY

Mr. Leung Siu Hong, FCCA, FCPA, FCIS, FCS

AUTHORISED REPRESENTATIVES

Mr. Yu Yingquan
Mr. Leung Siu Hong

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 3312, Tower 1
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

AUDITOR

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

執行董事

田其祥先生 (主席)
高世軍先生 (行政總裁)
于英全先生
劉象剛先生

獨立非執行董事

余季華先生
陳志軍先生 (於二零一三年九月五日獲委任)
孫明導先生 (於二零一三年九月五日獲委任)
曹增功先生 (於二零一三年九月五日辭任)
董延豐女士 (於二零一三年九月五日退任)

公司秘書

梁兆康先生 · FCCA, FCPA, FCIS, FCS

授權代表

于英全先生
梁兆康先生

註冊辦事處

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

總辦事處及香港主要營業地點

香港
銅鑼灣
勿地臣街一號
時代廣場
一座3312室

核數師

羅兵咸永道會計師事務所
香港
中環
太子大廈22樓

CORPORATE INFORMATION

公司資料

LEGAL ADVISERS

As to Hong Kong Law:
Chiu & Partners

As to Cayman Islands Law:
Conyers Dill & Pearman

PRINCIPAL BANKERS

Bank of China
China Construction Bank Corporation
China Merchants Bank
China Minsheng Bank Corporation Limited
Huaxia Bank
Industrial and Commercial Bank of China
Industrial Bank Company Limited
Shandong Shouguang Rural Commercial Bank

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITE

www.chinastarch.com.hk

法律顧問

香港法律：
趙不渝 馬國強律師事務所

開曼群島法律：
康德明律師事務所

主要往來銀行

中國銀行
中國建設銀行
招商銀行
民生銀行
華夏銀行
中國工商銀行
興業銀行
山東壽光農村商業銀行

開曼群島股份過戶及登記處

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶及登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
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www.chinastarch.com.hk

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China Starch Holdings Limited (the "Company"). I am pleased to present the annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2013.

Business Review

This year, the global economy remained full of uncertainties especially the sovereign debt crisis in Europe and the slow recovery in the U.S. together with the tense geopolitical situation in Asia, which generated concerns over the global economy. The economic growth of emerging and developing market is experiencing a dramatic medium term slowdown, in particular, the growth of the Chinese economy has slowed down after decades of double-digit expansion. As the global economy continues to undergo slow recovery, demand for our products also experienced marginal growth this year. During the year of 2013, although the Group recorded an increase in the sales volume, lower average selling price caused a decrease in turnover and a reduction in gross profit of the Group. Even with the contribution of the new business segment, the modified starch, the Group's performance of the year is still less favorable as compared with that of 2012.

Financial Performance

In 2013, the Group's turnover amounted to approximately RMB3,422,033,000 (2012: RMB3,301,498,000), representing a growth of approximately 3.7% as compared with that of 2012. Gross profit amounted to RMB300,352,000 (2012: 388,282,000), representing a decrease of 22.6% over 2012. The slight increase in turnover was mainly due to the contribution of Shouguang Golden Far East Modified Starch Company Limited ("Golden Far East"), which became our subsidiary upon completion of the acquisition in November 2012. Excluding the modified starch segment, turnover decreased by 2.9%, which was the result of an increase in sales volume offset by the decrease in average selling prices compared to the prior year, which also resulted in a reduction in gross profit.

Considering the upcoming capital expenditure related to the expansion and relocation plan of the Group, the Board recommends the final dividend for the year ended 31 December 2013 shall remain at HK0.67 cents per share.

致各位股東：

本人謹代表中國澱粉控股有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一三年十二月三十一日止年度之全年業績。

業務回顧

今年全球經濟仍然不穩，在歐債危機、美國經濟復甦乏力及亞洲地緣政治局勢緊張等不利消息主導下，市場對全球經濟增長的憂慮重燃。新興及發展中市場經濟增長出現中期急速放緩的情況，中國失去近幾十年來一直錄得雙位數字經濟增長的光環，增速已見放緩。鑒於全球經濟復甦速度緩慢，本公司的產品需求只有輕微增長。本集團二零一三年的銷量雖然錄得增長，但平均售價下跌，拖累本集團的營業額及毛利減少。即使受新開拓的變性澱粉業務分部帶動，本集團今年的業績與二零一二年同期仍不可同日而語。

財務表現

於二零一三年，本集團的營業額約為人民幣3,422,033,000元(二零一二年：人民幣3,301,498,000元)，較二零一二年增長約3.7%。毛利為人民幣300,352,000元(二零一二年：人民幣388,282,000元)，較二零一二年下跌22.6%。營業額微升主要是由於二零一二年十一月完成收購後被本集團收歸旗下的壽光金遠東變性澱粉有限公司(「金遠東」)的貢獻所致。若撇除變性澱粉業務，營業額將減少2.9%，主要由於銷量的增幅被平均售價的跌幅抵銷所致，此之所以，毛利亦同時受壓。

考慮到本集團擴建及搬遷計劃即將產生的資本開支，董事會建議就截至二零一三年十二月三十一日止年度派發的末期股息仍為每股0.67港仙。

CHAIRMAN'S STATEMENT

主席報告

Prospects

Looking forward to 2014, the Group remains positive to the Chinese market. Even with a relatively modest growth, China continues to exert strong economic influence as a whole. Meanwhile, a series of measures and recommendations are highlighted from the Third Plenum, which we believe the coming year will be about implementing the economic and structural reforms that will transform China into a healthier, consumption driven economy with greater opportunities in the foreseeable future.

As 2014 will be another challenging year, the Group will continue its strategy of prudent expansion and maintaining sufficient financial flexibility. The relocation and expansion plan will be implemented as scheduled. In the meantime, we will strive for organic growth of our existing business segments as well as pursuing new opportunities according to market conditions with a vision to delivering long-term value to our shareholders. We are cautiously optimistic that the Group is well positioned to adapt to the dynamic market conditions and will continue to grow in a healthy manner as we have done in the past.

Appreciation

2013 has been a challenging year, on behalf of the Board, I wish to extend my heartfelt thanks for the dedications and contributions of the management and all employees and the supports from our shareholders and business partners. In addition, this year, I am delighted to welcome Mr. Chen Zhijun and Mr. Sun Mingdao who joined the Board as independent non-executive Directors in September 2013. We would also like to take this opportunity to bid farewell to our former independent non-executive Directors, Ms. Dong Yanfeng and Mr. Cao Zengong, who resigned from the Board due to her retirement and his other business commitments respectively, and thank you for their valuable contributions to the Group during their tenure.

Tian Qixiang

Chairman

Shouguang, the People's Republic of China, 21 March 2014

展望

展望二零一四年，本集團對中國市場仍抱持樂觀的態度。雖然中國經濟增長稍為放緩，但對全球市場仍然舉足輕重。另外，中共十八大三中全會出台一系列措施及建議，本集團相信來年將會是經濟及結構改革年，中國市場將轉型為更健康的內需型經濟，於可見將來帶來更大的發展機遇。

二零一四年仍然充滿挑戰，本集團將繼續奉行審慎擴展的策略，維持足夠的財務彈性。搬遷及擴建計劃如期進行。與此同時，我們將致力刺激現有業務的內部增長，亦會審視市場形勢，尋找新的投資機遇，為股東帶來長期價值。本集團處於有利位置適應幻變的市場形勢，且一如既往繼續壯大業務，本集團對此表示審慎樂觀。

致謝

二零一三年荊棘滿途，本人謹代表董事會衷心感謝管理層及員工全寅的努力及貢獻，並感謝各位股東及業務夥伴的支持。此外，本人熱烈歡迎陳志軍先生及孫明導先生於二零一三年九月加入董事會出任獨立非執行董事。本人亦借此機會歡送兩位前獨立非執行董事董延豐女士及曹增功先生，兩位分別因退休及處理其他事務向董事會請辭，本人對兩位在任內對本集團所作出的寶貴貢獻表示衷心感謝。

主席

田其祥

中華人民共和國，壽光，二零一四年三月二十一日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

GENERAL REVIEW AND OUTLOOK

Review

The manufacturing sector in China has been affected by stagnant demand and manufacturing contraction. As the Group's operation is primarily located in China, our performance this year was inevitably affected by the poor economic atmosphere.

Our management team endeavored to maintain long-term profitability and growth, unfortunately under current economic environment, turnover of the Group increased slightly by 3.7% to approximately RMB3,422,033,000 (2012: RMB3,301,498,000), while gross profit of the Group decreased substantially by 22.6% to approximately RMB300,352,000 (2012: RMB388,282,000). During the year under review, the Group recorded a remarkable growth in term of sales volume, which was attributable to an increase in sales of lysine and the introduction of the new modified starch business segment. However, gross profit margin decreased even the cost of corn kernel remained relatively stable, as the overall selling price of our other products was substantially lower than that of the previous year, due to the stagnant market condition in China. Profit for the year also decreased significantly by 44.1% to approximately RMB124,161,000 (2012: RMB221,921,000).

Basic earnings per share of the Company was RMB0.0206 per share based on the weighted average number of 5,941,049,000 shares (2012: RMB0.0377 per share based on the weighted average number of 5,825,455,000 shares).

Future plan and prospect

Although there is a lot of uncertainty in the present Chinese economic environment, the Group, being one of the leading cornstarch manufacturers in China, is generally optimistic about the future. In order to enhance competitiveness, the Group's strategy is to maintain a high level of sales volume which enables the Group to enjoy the advantage of economies of scale and to support it to sell its core products at competitive cost for a period of time. As product price is being pushed down in the industry, this becomes a natural barrier for new entrants and an obstacle for expansion in this industry. With strong financial background, the Group considers this as an opportunity to consolidate our leading position during the recession.

The Group entered into two transfer contracts with the Shouguang Provincial Department of Land and Resources in November 2013 for the acquisition, at a total consideration of RMB47,340,000, of the land use right of two pieces of industrial land with a total site area of approximately 133,333 square metres (the "Lands"). The Lands are adjacent to each other and both situated next to the land which was acquired by the Group in October 2012 (the "Existing Land"). As disclosed in the announcement dated 31 October 2012, the Group may relocate the whole of its production plants and facilities at the existing Shouguang production complex to a new production site as may be granted by the Municipal Government of Shouguang to facilitate and in furtherance of the Group's expansion plan.

The Board plans to develop the Lands together with the Existing Land as the Group's new production site, which is expected to include production facilities with annual cornstarch, lysine and modified starch production capacities of approximately 450,000 tonnes, 55,000 tonnes and 100,000 tonnes respectively.

For the avoidance of doubt, the acquisition of the Lands did not constitute any notifiable transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as all the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) are less than 5%.

概覽及前景

回顧

需求呆滯，加上製造業收縮，對中國製造業造成影響。本集團主要於中國經營業務，經濟不景氣將無可避免拖累本年度的業績表現。

管理層一直致力保持長期盈利能力及增長，可惜在現時的經濟環境下，本集團的營業額僅微升3.7%至約人民幣3,422,033,000元（二零一二年：人民幣3,301,498,000元），但本集團的毛利則大幅減少22.6%至約人民幣300,352,000元（二零一二年：人民幣388,282,000元）。於回顧年度，由於賴氨酸銷售量上升及開展新的變性澱粉業務分部，本集團的銷售量錄得顯著增長。然而，由於中國市場疲弱，令其他產品整體售價遠低於去年，儘管玉米粒成本相對穩定，但毛利率仍然下降。本年度利潤亦大幅減少44.1%至約人民幣124,161,000元（二零一二年：人民幣221,921,000元）。

根據加權平均股數5,941,049,000股計算，本公司的每股基本盈利為每股人民幣0.0206元（二零一二年：根據加權平均股數5,825,455,000股計算，每股人民幣0.0377元）。

未來計劃及前景

儘管中國經濟環境現時仍有大量不明朗因素，但作為中國龍頭玉米澱粉製造商之一，本集團對前景大致樂觀。為加強競爭力，本集團的策略為維持高銷售量，使本集團能享受規模經濟帶來的優勢，使其能於一段期間內以具競爭力的價格銷售其核心產品。由於業內產品價格受壓，成為新業者加入市場的天然門檻，亦是彼等於業內擴展的障礙。憑藉雄厚的財力，本集團認為經濟衰退期間正是我們鞏固領導地位的機會。

於二零一三年十一月，本集團與壽光市國土資源局訂立兩項轉讓合同，以總代價人民幣47,340,000元，收購兩幅總地盤面積約133,333平方米的工業用地（「該等土地」）的土地使用權。該等土地為相連地塊，毗鄰於本集團在二零一二年十月收購的土地（「現有土地」）。誠如日期為二零一二年十月三十一日的公佈所披露，本集團可能將其現有壽光生產廠房大樓內的全部生產機器及設施遷往壽光市政府可能批授的新生產廠址，藉以推動本集團之擴充計劃。

董事會計劃將該等土地與現有土地合併發展為本集團的新生產廠址，預期當中將設有玉米澱粉、賴氨酸及變性澱粉生產設施，年產能分別約為450,000噸、55,000噸及100,000噸。

為免除疑慮，由於適用百分比率（定義見香港聯合交易所有限公司證券上市規則（「上市規則」）第14.07條）均少於5%，收購該等土地並不構成上市規則第十四章項下本公司的須予知會交易。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group is still negotiating with the Municipal Government of Shouguang for the possible grant of additional land use rights of land in Shouguang for the further development of the Group's new production site. It is expected that the expansion will be funded by the internal resources of the Group.

Apart from the expansion of the Shouguang production site, the Group has also launched a project to upgrade the cornstarch production facilities with annual production capacity to increase from 500,000 tonnes to 600,000 tonnes in the Linqing plant. During the process of facilities upgrade, the production of cornstarch and starch-based sweetener will be carried out as usual. It is expected that the project will be completed by the end of 2014.

BUSINESS REVIEW

Cornstarch and ancillary corn-refined products

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover	營業額	2,395,323	2,435,829
Gross profit	毛利	149,585	185,906
Gross profit margin	毛利率	6.2%	7.6%

Turnover of cornstarch and ancillary corn-refined products decreased slightly by 1.7% to approximately RMB2,395,323,000 (2012: RMB2,435,829,000). This business segment represented about 70.0% (2012: 73.8%) of total turnover of the Group for year under review.

As the cornstarch domestic market was sluggish in 2013, both the sales volume and selling price were lower than those of the previous year. The average selling price of cornstarch was approximately RMB2,494 per tonne (2012: RMB2,624 per tonne), decreased by 5%. Cost of corn kernel was stable over these two years, which was approximately RMB2,028 per tonne (2012: RMB2,042 per tonne).

The Board regards that the global economic environment has slowed down the pace of recovery in China, hence the domestic demand of cornstarch will take a longer period of time to resume than it originally expected at the beginning of the year. In the foreseeable future, the selling price of cornstarch is expected to be maintained at the current level with a minimal operating profit margin. To take a positive view on the challenge to the cornstarch industry in China, it is an opportunity for the Group to consolidate the market position and increase our future profitability by leveraging up operation efficiency. We have confidence in the cornstarch industry because cornstarch is of a wide application with low substitutability, and is non-reusable. It is part of modern prosperous life.

The decrease in gross profit margin of this business segment was mainly attributable to the reduction of selling price of cornstarch.

本集團亦在與壽光市政府就可能授出更多壽光土地的土地使用權，供本集團進一步發展新生產廠址進行磋商。預期擴展的資金將以本集團的內部資源撥付。

除壽光生產廠址之擴充計劃外，本集團於臨清廠房的玉米澱粉生產設施升級項目亦已展開，將設施年產能由500,000噸提升至600,000噸。於設施進行升級期間，玉米澱粉及澱粉糖的生產將如常進行。預期項目將於二零一四年年底前竣工。

業務回顧

玉米澱粉及玉米深加工副產品

玉米澱粉及玉米深加工副產品的營業額微跌1.7%至約人民幣2,395,323,000元(二零一二年：人民幣2,435,829,000元)。此業務分部佔本集團回顧年度總營業額約70.0%(二零一二年：73.8%)。

於二零一三年，本地玉米澱粉市場疲弱，銷售量及售價均低於去年的水平。玉米澱粉的平均售價下跌5%至每噸約人民幣2,494元(二零一二年：每噸人民幣2,624元)。玉米粒成本於過去兩年保持穩定，處於每噸約人民幣2,028元(二零一二年：每噸人民幣2,042元)的水平。

董事會注意到中國的復甦步伐已被全球經濟環境拖慢，故本地玉米澱粉需求需要較年初時預計更長的時間方能回復。於可見將來，玉米澱粉的售價預期會維持在現有水平，只有極微薄的經營利潤。從正面方向看，本集團正好利用中國玉米澱粉業艱難時期所帶來的機遇，鞏固自身的市場地位，以及透過大幅提升營運效益提高未來盈利能力。由於玉米澱粉的應用廣泛，替代品少，且不可重複使用，故我們對玉米澱粉業充滿信心。玉米澱粉已成為現代豐盛生活的必需品。

此業務分部毛利率下跌主要由於玉米澱粉售價下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Lysine and fertilisers

賴氨酸及肥料

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover	營業額	516,418	569,462
Gross profit	毛利	85,770	183,828
Gross profit margin	毛利率	16.6%	32.3%

Turnover of lysine and fertilisers decreased by 9.3% to approximately RMB516,418,000 (2012: RMB569,462,000). This business segment represented about 15.1% (2012: 17.2%) of total turnover of the Group for year under review.

賴氨酸及肥料的營業額下跌9.3%至約人民幣516,418,000元(二零一二年：人民幣569,462,000元)。此業務分部佔本集團回顧年度總營業額約15.1%(二零一二年：17.2%)。

Given the domestic demand of lysine products was deeply affected by the new bird flu strain in China throughout the year, our marketing team concentrated on putting more effort in developing overseas markets. During the year under review, the sales volume of lysine increased significantly by 26.1% to approximately 71,182 tonnes (2012: 56,461 tonnes). The average selling price of lysine, however, decreased significantly by 27.9% to RMB7,219 per tonne (2012: RMB10,006 per tonne), which outweighed the benefit of the increase in sales volume. The percentage of export sales of lysine products represented about 32.4% (2012: 19.8%) of turnover in this segment.

中國出現新型禽流感，嚴重影響賴氨酸產品整個年度的本地需求，市場部團隊已轉投更多精力發展海外市場。於回顧年度，賴氨酸銷售量大幅上升26.1%至約71,182噸(二零一二年：56,461噸)。然而，賴氨酸的平均售價大幅下跌27.9%至每噸人民幣7,219元(二零一二年：每噸人民幣10,006元)，完全蓋過銷售量上升的利好影響。賴氨酸出口銷售額佔此分部營業額的百分比約32.4%(二零一二年：19.8%)。

The decrease in gross profit margin in this segment was mainly due to the decrease in selling price of lysine products resulted from the slackening domestic demand and keen competition in export sales.

此分部毛利率下跌乃主要由於本地需求疲弱，加上出口銷售競爭激烈，令賴氨酸產品售價下跌所致。

Starch-based sweetener

澱粉糖

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover	營業額	217,336	208,862
Gross profit	毛利	7,691	8,706
Gross profit margin	毛利率	3.5%	4.2%

Turnover of starch-based sweetener increased slightly by 4.1% to approximately RMB217,336,000 (2012: RMB208,862,000). This business segment represented about 6.4% (2012: 6.3%) of total turnover of the Group for year under review.

澱粉糖的營業額微升4.1%至約人民幣217,336,000元(二零一二年：人民幣208,862,000元)。此業務分部佔本集團回顧年度總營業額約6.4%(二零一二年：6.3%)。

During the year under review, the operation of the Linqing plant, which is the production plant of starch-based sweetener, was temporarily suspended in April and May due to the regular repair and maintenance work in, as well as the accidental failures in the supplies of steam and electricity to the Linqing plant. The operation of Linqing plant was resumed and returned to its normal production capacity subsequently.

於回顧年度，由於澱粉糖生產基地臨清廠房需要進行定期維修及維護工程，加上蒸氣及電力供應出現意外事故，令臨清廠房於四月及五月暫時停產。事故過後，臨清廠房回復正常運作，並恢復正常產能。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The average selling price and sales volume of starch-based sweetener were approximately RMB2,336 per tonne (2012: RMB2,426 per tonne) and 93,055 tonnes (2012: 86,801 tonnes) respectively. The increase in turnover and sales volume of starch-based sweetener was mainly attributable to the increase in ability of changing product mix of starch-based sweetener during the year under review.

澱粉糖的平均售價及銷售量分別約為每噸人民幣2,336元(二零一二年：每噸人民幣2,426元)及93,055噸(二零一二年：86,801噸)。澱粉糖的營業額及銷售量上升主要由於改變澱粉糖產品組合的能力於回顧年度有所提升。

Modified starch

變性澱粉

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Turnover	營業額	235,269	21,167
Gross profit	毛利	46,269	4,607
Gross profit margin	毛利率	19.7%	21.8%

During the year under review, the Group's turnover was benefited from the acquisition of the modified starch business, through the acquisition of Golden Far East Modified Starch Co., Ltd ("Golden Far East"), completion of which took place in November 2012. Turnover of modified starch was approximately RMB235,269,000 (2012: RMB21,167,000), which represented about 6.8% (2012: 0.7%) of total turnover of the Group. In addition, most of the customers of modified starch were originated from overseas. This acquisition of Golden Far East provided an opportunity for the Group to consolidate the sales team and distribution network.

於回顧年度，本集團的營業額因於二零一二年十一月完成收購壽光金遠東變性澱粉有限公司(「金遠東」)取得變性澱粉業務而受惠。變性澱粉營業額約為人民幣235,269,000元(二零一二年：人民幣21,167,000元)，佔本集團總營業額約6.8%(二零一二年：0.7%)。此外，變性澱粉的客戶大部分來自海外。收購金遠東為本集團整合銷售團隊及分銷網絡的機會。

Electricity and steam

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Turnover	營業額	57,687	66,178
Gross profit	毛利	11,037	5,235
Gross profit margin	毛利率	19.1%	7.9%

Turnover of electricity and steam decreased by 12.8% to approximately RMB57,687,000 (2012: RMB66,178,000). This business segment represented about 1.7% (2012: 2.0%) of total turnover of the Group for year under review.

電力及蒸汽的營業額下跌12.8%至約人民幣57,687,000元(二零一二年：人民幣66,178,000元)。此業務分部佔本集團回顧年度總營業額約1.7%(二零一二年：2.0%)。

The operation of this business segment was affected by a combination of the following factors during the year under review:

於回顧年度，此業務分部的運作受下列因素共同影響：

- (i) Turnover contributed by Golden Far East was eliminated in the Group's consolidated accounts subsequent to the completion of the acquisition of Golden Far East at the end of November 2012.
 - (ii) Turnover of electricity increased due to the reconnection of power supply to the Shouguang local electricity union network since August 2013.
 - (iii) The industrial demand of steam decreased significantly in the area around the existing Shouguang production site.
- (i) 於二零一二年十一月底完成收購金遠東後，金遠東所帶來的營業額貢獻已於本集團綜合賬目內對銷。
 - (ii) 基於自二零一三年八月起重新接入壽光地方電力聯網，令電力的營業額上升。
 - (iii) 現有壽光生產廠房附近地區的工業蒸汽需求大幅下跌。

The increase in gross profit margin in this business segment was mainly due to the decrease in coal price during the year under review.

本業務分部毛利率上升乃主要由於回顧年度內煤價下降所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

REVIEW OF OTHER OPERATIONS

Other income and gains

Other income and gains mainly represented government grants, sales of scrap materials and steam connection income. Other income and gains decreased substantially during the year under review because the Group recognised a one-off gain on bargain purchase and the loss on re-measurement of previously held equity interest upon the acquisition of Golden Far East in 2012.

Distribution and administrative expenses

During the year under review, the increase in distribution and administration expenses was mainly due to the full year expenditure effect subsequent to the completion of the acquisition of Golden Far East in November 2012.

Besides, the increase in distribution expenses was attributable to the increase in marketing expenses and wages and its related expenses. In the meantime, the increase in administrative expenses was attributable to the increase in staff costs, research and development expenses, depreciation and exchange difference.

Income tax

Income tax expenses was approximately RMB38,675,000 (2012: RMB66,655,000) and the Group's effective tax rate was 23.8% (2012: 23.1%) for the year under review.

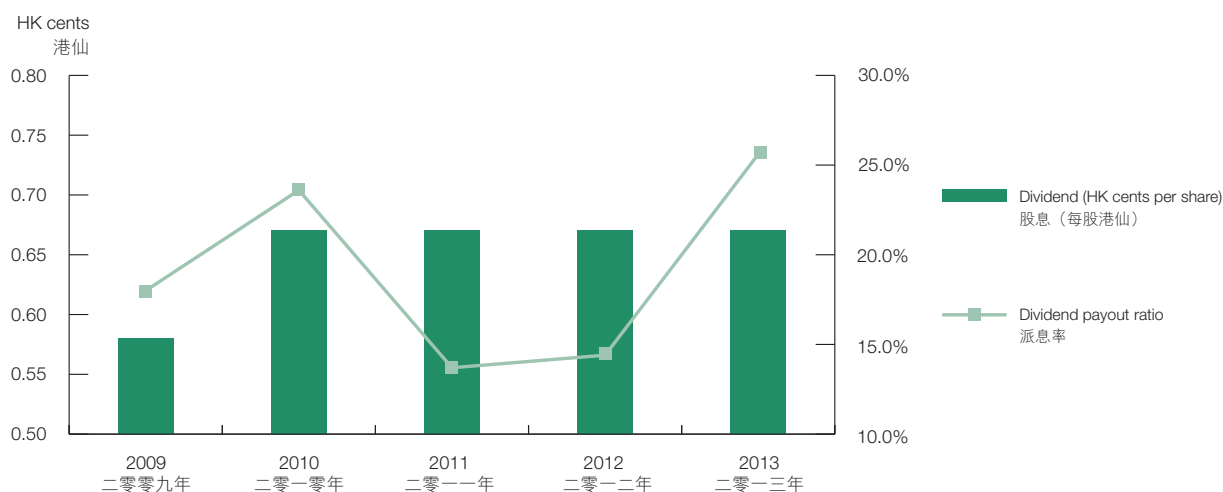
We were not liable for income tax in Hong Kong as we did not have any assessable income arising in/derived from Hong Kong.

Dividends

In view of the global and the Chinese economic uncertainty as well as the increasing cornstarch and lysine market volatility, the Board adopts a conservative approach in the determination of interim and final dividend of the Company. The Board will consider the availability of distributable profits, earnings, financial positions, funding requirement, potential investment opportunity and other relevant factors, such as the expansion and relocation plan of the Group, when considering the payment of any dividend.

A final dividend (with scrip alternative) of HK0.67 cents per share has been recommended by the Board for the year ended 31 December 2013.

The graph below illustrates the level of dividend and the dividend payout ratio of the Company for the last five years.



其他營運回顧

其他收入及收益

其他收入及收益主要為政府補助、銷售廢棄物料以及蒸汽接駁收入。由於本集團於二零一二年收購金遠東後確認一次性議價收購收益及重新計量過往所持股本權益產生的虧損，於回顧年度的其他收入及收益因而大幅減少。

分銷及行政費用

於回顧年度，分銷及行政費用增加主要由於在二零一二年十一月完成收購金遠東後所產生之全年支出影響。

除此之外，分銷費用增加乃由於市場推廣及工資以及其相關費用增加所致。與此同時，行政費用增加乃由於員工成本、研發費用、折舊及匯兌差額上升所致。

所得稅

於回顧年度，所得稅開支約為人民幣38,675,000元（二零一二年：人民幣66,655,000元），而本集團的有效稅率為23.8%（二零一二年：23.1%）。

由於本集團並無在香港產生／賺取任何應課稅收入，故本集團毋須繳納香港所得稅。

股息

鑒於全球及中國經濟不穩，加上玉米澱粉及賴氨酸市場越見波動，董事會於釐定本公司中期及末期股息時採取保守策略。於考慮派付任何股息時，董事會考慮是否有可供分派利潤、盈利、財政狀況、資金需求、潛在投資機會及其他相關因素（如本集團之擴展及搬遷計劃）。

截至二零一三年十二月三十一日止年度，董事會建議宣派末期股息每股0.67港仙（可選擇以股代息）。

下表載列本公司過往五年的股息及派息率水平。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Human resources and remuneration policies

As at 31 December 2013, the Group had approximately 2,284 full time staff (2012: 2,407). Total staff costs, including Directors' emoluments, of the Group were approximately RMB119,616,000 (2012: RMB96,641,000). The Group considers the experience, responsibility, and performance of the Directors and employees of the Group in order to determine their respective remuneration packages. The Company has also adopted a share option scheme (the "Share Option Scheme") with a primary purpose of motivating our employees and other eligible persons entitled under the Share Option Scheme to optimise their contributions to the Group and to reward them for their contribution to the Group. In addition, a remuneration committee is delegated by the Board to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

As at 31 December 2013, no share options have been granted under the Share Option Scheme.

FINANCIAL REVIEW

Financial management and treasury policy

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

Foreign currency exposure

The Directors do not consider the exposure to foreign exchange risk is significant to the Group's operation as the Group operated mainly in the PRC and most of the Group's transactions, assets and liabilities were denominated in Renminbi. Foreign currencies were however received from export sales and bank loan. Such proceeds were subject to foreign exchange risk before converting into Renminbi. The foreign currencies received from export sales were converted into Renminbi upon receipt from overseas customers. The Group manages foreign exchange risk by monitoring the exchange rates closely instead of entering into any foreign exchange hedging arrangement.

人力資源及薪酬政策

於二零一三年十二月三十一日，本集團聘用約2,284名全職員工(二零一二年：2,407名)。本集團的員工總成本(包括董事酬金)約為人民幣119,616,000元(二零一二年：人民幣96,641,000元)。本集團按本集團董事及僱員的經驗、責任及表現釐定其各自的薪酬待遇。本公司已採納一項購股權計劃(「購股權計劃」)，主要目的為激勵本集團僱員及有權參與購股權計劃的其他合資格人士積極為本集團作出貢獻，並對彼等為本集團所作出的貢獻予以獎勵。此外，薪酬委員會獲董事會委派審閱及釐定薪酬待遇的條款、花紅及應付予董事及高級管理層的其他報酬。

於二零一三年十二月三十一日，本公司並無根據購股權計劃授出任何購股權。

財務回顧

財務管理及庫務政策

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

外匯風險

鑒於本集團主要於中國經營業務，而大部分交易、資產及負債以人民幣計值，故董事認為本集團業務並無承受重大外匯風險。然而，進行出口銷售及取得銀行貸款時會收取外幣，有關款項於兌換為人民幣前須承受外匯風險。向海外客戶進行出口銷售收取的外幣，均已於收取時兌換為人民幣。本集團並無訂立外匯對沖安排管理外匯風險，而是透過密切留意匯率管理風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity, financial resources and capital structure

As at 31 December 2013, the available and unutilised banking facilities of the Group amounted to approximately RMB1,290 million and RMB866 million respectively. The Directors are of the opinion that the working capital available to the Group is sufficient to meet its present requirements. The major financial figures and key financial ratios are summarised as follows:

流動資金、財務資源及資本架構

於二零一三年十二月三十一日，本集團的可提用及未動用銀行信貸分別約為人民幣1,290,000,000元及人民幣866,000,000元。董事認為，本集團可動用的營運資金足以應付其現有需要。主要財務數據及關鍵財務比率概列如下：

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash advances for discounted bills, secured	貼現票據現金墊款，有抵押	44,033	—
Bank borrowings, secured	銀行借款，有抵押	60,000	—
Bank borrowings, unsecured	銀行借款，無抵押	319,565	—
Government loan, interest-free and unsecured	政府貸款，免息及無抵押	7,091	7,091
		430,689	7,091
Carrying amount payables:	應付賬面值：		
Within 1 year	一年以內	426,921	2,437
1 to 2 years	一年至兩年	886	886
2 to 5 years	兩年至五年	2,659	2,659
Over 5 years	超過五年	223	1,109
		430,689	7,091
Debtors turnover (days)	應收賬款週轉(天數)	45	35
Creditors turnover (days)	應付賬款週轉(天數)	11	10
Inventories turnover (days)	存貨週轉(天數)	33	24
Current ratio	流動比率	1.6	2.5
Quick ratio	速動比率	1.2	2.2
Gearing ratio — borrowings to total assets	槓桿比率 — 借款除以總資產	14.3%	0.3%

The bank borrowings carried interest at fixed rates ranging from 5.3% to 6.3% per annum, of which the bank borrowings amounting to approximately RMB79,565,000 were denominated in United States dollar. The cash advances for discounted bills and bank borrowings were secured by bank acceptance bills and pledged bank deposits in the amount of approximately RMB44,033,000 and RMB10,000,000 respectively.

銀行借款按介乎5.3厘至6.3厘的固定年利率計息，當中約人民幣79,565,000元以美元計值。貼現票據現金墊款及銀行借款乃分別以約人民幣44,033,000元的銀行承兌票據及人民幣10,000,000元的已抵押銀行存款作抵押。

Pledge of assets and contingent liabilities

As at 31 December 2013, bills payables were secured by bank acceptance bills in the amount of RMB9,000,000. Save as disclosed above, the Group did not pledge any leasehold land and building to secure banking facilities and did not have any material contingent liabilities as at 31 December 2013.

資產抵押及或然負債

於二零一三年十二月三十一日，應付票據以人民幣9,000,000元的銀行承兌票據作抵押。除上文所披露者外，於二零一三年十二月三十一日，本集團並無將任何租賃土地及樓宇抵押以擔保銀行信貸，亦無任何重大或然負債。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理人員簡介

Executive Directors

Mr. Tian Qixiang, aged 50, is the chairman of the Board principally responsible for the Group's strategic positioning. He is also responsible for formulating the Group's business development objectives and ensuring that such objectives are implemented by the Board accordingly. Mr. Tian was the chairman of the board of directors of Shandong Shouguang Juneng Golden Corn Development Co., Ltd. ("Golden Corn"), an indirect wholly-owned subsidiary of the Company, during the period from July 2003 (when he first joined the Group) to October 2005. He was re-appointed as a director of Golden Corn in December 2005 and was the chairman of the board of Golden Corn from August 2006 to July 2012. Mr. Tian has been the authorised representative and chairman of the board of directors of Shandong Shouguang Juneng Holding Group Co., Ltd. ("Juneng Holding Group") since its establishment in October 2005. Mr. Tian has been working for Electricity Supply Company of Shouguang City ("Shouguang Electricity Supply Company") since 1984. He was appointed as the deputy manager of Shouguang Electricity Supply Company in October 1985, and was further appointed as its deputy party secretary in May 1990. Mr. Tian has been the manager and party member of Shouguang Electricity Supply Company since March 2000. Mr. Tian possesses substantial experience in corporate management.

Mr. Tian completed his study of Electricity and Water Irrigation from Water and Electricity Machinery School in 1981 and graduated from The Shandong Province Party Committee School of the People's Republic of China with a diploma in Economics Management in 1996. Mr. Tian obtained the qualification as a senior economist in December 2002.

Mr. Tian is beneficially interested in approximately 54.58% of the issued share capital of Merry Boom Group Limited ("Merry Boom"), a substantial shareholder of the Company, and is also a director of Merry Boom.

Mr. Gao Shijun, aged 46, is the chief executive officer of the Company. Mr. Gao is principally responsible for overseeing the Group's operations and business management. Mr. Gao joined Golden Corn in August 1998, and was later appointed as the deputy manager of Golden Corn in January 2000. Mr. Gao has been a director of Golden Corn since July 2003 and its general manager since May 2005. Mr. Gao is also a director of Linqing Deneng Golden Corn Bio Limited ("Deneng Golden Corn") and Shouguang Golden Far East Modified Starch Co., Ltd. Mr. Gao obtained an undergraduate degree in Physics in 1989 and a Master of Business Administration degree in 2012 from Shandong University. He was also awarded the qualification of senior engineer in 2010. Mr. Gao was appointed as one of the vice-presidents of China Starch Industry Association for a term from November 2011 to November 2015.

執行董事

田其祥先生，50歲，董事會主席，主要負責本集團的戰略部署。他同時亦負責本集團發展目標的規劃並確保這些目標會由董事會相應執行。田先生於二零零三年七月（彼首次加入本集團時）至二零零五年十月止期間出任本公司間接全資附屬公司山東壽光巨能金玉米開發有限公司（「金玉米」）董事會的主席。彼於二零零五年十二月再獲委任為金玉米的董事，並於二零零六年八月至二零一二年七月出任金玉米董事會主席。自山東壽光巨能控股集團有限公司（「巨能控股集團」）於二零零五年十月成立起，田先生是該公司的授權代表及董事會主席。田先生自一九八四年起於壽光市供電公司（「壽光市供電公司」）工作。他於一九八五年十月獲委任為壽光市供電公司副經理，更於一九九零年五月獲委任為黨副書記。田先生於二零零零年三月起便成為壽光市供電公司的經理及黨委委員。田先生擁有豐富的企業管理經驗。

田先生於一九八一年在山東省水利機電學校完成電力排灌專業課程，一九九六年畢業於中國共產黨山東省委員會黨校，持有經濟管理專業文憑。田先生於二零零二年十二月取得高級經濟師資格。

田先生於本公司的主要股東怡興集團有限公司（「怡興」）的已發行股本中實益擁有約54.58%權益，其亦為怡興的董事。

高世軍先生，46歲，本公司行政總裁。高先生主要負責監督本集團的經營和業務管理。高先生於一九九八年八月加入金玉米，其後於二零零零年一月獲委任為金玉米的副總經理。自二零零三年七月起高先生為金玉米的董事，二零零五年五月起更成為總經理。高先生亦為臨清德能金玉米生物有限公司（「德能金玉米」）及壽光金遠東變性澱粉有限公司的董事。高先生於一九八九年自山東大學畢業，並獲得物理學士學位，隨後於二零一二年取得山東大學工商管理碩士學位。彼亦於二零一零年獲授高級工程師資格。高先生獲委任為中國澱粉工業協會其中一名副會長，任期為二零一一年十一月至二零一五年十一月。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理人員簡介

Mr. Yu Yingquan, aged 45, is principally responsible for the overall management in investment and corporate finance of the Group. Mr. Yu first joined the Group as a director of Golden Corn during the period from July 2003 to October 2005, and was re-appointed as director in March 2007. Mr. Yu had worked in the accounting and internal audit departments of Shouguang Electricity Supply Company since August 1990 holding positions as deputy supervisor of audit department, deputy supervisor and supervisor of finance department and deputy chief accountant. Mr. Yu took up the position as chief accountant of Juneng Holding Group upon its establishment to oversee the financial reporting and performance of all its investments. Mr. Yu is also a director of Juneng Holding Group since October 2005. Mr. Yu graduated from Shandong Hydro Institute in 1990 with a diploma in Hydro Economic and Financial Management, and obtained a diploma in Finance Management from Shandong Economics Management Institute in 1998. Mr. Yu obtained the Certificate of Accounting Professional of the People's Republic of China issued by Finance Bureau of Shouguang City in 1997.

Mr. Liu Xianggang, aged 45, joined Golden Corn as a factory supervisor in 1998 and has been a director of Golden Corn since October 2005. Mr. Liu has been as a director of Deneng Golden Corn since March 2008 and was the general manager from March 2008 to December 2012. He is responsible for the Group's production technology developments and cornstarch production. Mr. Liu had worked in the production technology department of Shouguang Electricity Supply Company from July 1990 to July 1997 as technical staff responsible for production management and production route design. Mr. Liu graduated from Shandong Industrial University (subsequently amalgamated into Shandong University in 2000) in 1990 with an undergraduate degree in Industrial Management, and obtained a postgraduate diploma in Industrial Economics from the Economics School of Shandong University in 2003. Mr. Liu also obtained a Master of Business Administration degree from Shandong University in 2012. Mr. Liu obtained the qualification as senior engineer in 2002. Mr. Liu is the deputy supervisor of the Cornstarch Professionals Committee of China Starch Industry Association.

Independent non-executive Directors

Mr. Chen Zhijun, aged 48, is a professor and the Vice-Dean of the School of Management of Shandong University. Mr. Chen obtained a doctoral degree in Business Management from Nankai University in 2006. He has been the Chief Academic Consultant (Group's Management) of China Centre for Enterprise Group Research at Central South University since June 2011 for a term of three years. Mr. Chen is a part-time professor of Anhui University of Finance & Economics and also serves as a distinguished lecturer for the Advanced Strategy Management Programme for Outstanding Teachers organised by the National Higher Education Institutions Teacher Online Training Center under the Ministry of Education of the People's Republic of China.

Mr. Chen has been appointed as an independent director of Shandong Geo-mineral Co., Ltd. ("Shandong Geo-mineral") (formerly known as Taifu Industry Co., Ltd.) on 24 January 2013. Mr. Chen was also an independent director of Huayi Compressor Co., Ltd. ("Huayi") for the period from May 2011 to March 2012. The shares of Shandong Geo-mineral and Huayi are listed on the Shenzhen Stock Exchange.

于英全先生，45歲，主要負責本集團的整體投資管理和企業融資。于先生於二零零三年七月至二零零五年十月期間首次加盟本集團為金玉米董事，其後於二零零七年三月再獲委任為董事。自一九九零年八月起，于先生在壽光市供電公司的會計及內部審核科工作，曾擔任的職位有審核科副科長、財務科副科長、主管及副總會計師。于先生自巨能控股集團成立起即擔任其總會計師，監管財務報告及其所有投資的表現。自二零零五年十月，于先生為巨能控股集團董事。于先生於一九九零年畢業於山東水利專科學校，獲水利經濟與財務管理文憑，及於一九九八年由山東省經濟管理幹部學校院獲得財務管理文憑。于先生於一九九七年取得由壽光市財政局發出的中華人民共和國會計從業資格證書。

劉象剛先生，45歲，於一九九八年加盟金玉米出任工廠主管，並由二零零五年十月起出任金玉米董事。自二零零八年三月起，劉先生獲委任為德能金玉米的董事，並於二零零八年三月至二零一二年十二月擔任該公司總經理。他負責本集團的生產技術開發及玉米澱粉的生產。劉先生由一九九零年七月至一九九七年七月於壽光市供電公司生產技術部門工作，出任技術員，負責生產管理及生產線設計。劉先生於一九九零年畢業於山東工業大學（隨後於二零零零年併入山東大學），持有工業管理工程學士學位，並於二零零三年獲山東大學經濟學院頒發產業經濟學研究生文憑。彼亦於二零一二年取得山東大學工商管理碩士學位。於二零零二年，劉先生獲取高級工程師的資格。劉先生是中國澱粉工業協會玉米澱粉專業委員會的副主任。

獨立非執行董事

陳志軍先生，48歲，山東大學教授和管理學院副院長。陳先生於二零零六年在南開大學取得企業管理學博士學位。彼於二零一一年六月擔任中南大學中國企業集團研究中心首席集團公司管理學術顧問，任期為三年。陳先生為安徽財經大學兼職教授，並同時為中華人民共和國教育部全國高校教師網絡培訓中心《戰略管理骨幹教師高級研修班》的特聘主講教授。

陳先生於二零一三年一月二十四日獲委任為山東地礦股份有限公司（「山東地礦」，前稱「泰復實業股份有限公司」）的獨立董事。於二零一一年五月起至二零一二年三月止期間，陳先生亦為華意壓縮機股份有限公司（「華意」）的獨立董事。山東地礦及華意的股份於深圳證券交易所上市。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理人員簡介

Mr. Sun Mingdao, aged 65, was appointed as the chief secretary of China Starch Industry Association in November 2011 for a term of four years. Mr. Sun had been a deputy director of the research centre and a vice general manager of Wuhan Huali Environmental Technology Co., Ltd. from 2001 to 2007.

Mr. Yue Kwai Wa, Ken, aged 48, has been appointed as an independent non-executive Director on 5 September 2007. Mr. Yue is also an executive director, the company secretary and the compliance officer of Roma Group Limited ("Roma"). He has also been appointed as an independent non-executive director of Major Holdings Limited ("Major") on 30 December 2013. Both Roma and Major are listed on The Stock Exchange of Hong Kong Limited. Mr. Yue is a certified public accountant with solid experience in accounting, auditing and corporate finance. Mr. Yue is also a member of the American Institute of Certified Public Accountants and the Colorado State Society of Certified Public Accountants. He is also holding a specialist certificate and a practising certificate in corporate finance of the Hong Kong Securities Institute.

Senior Management

All the executive Directors are responsible for the various aspects of the business and operation of the Group. These executive Directors are regarded as the members of the senior management team of the Group.

孫明導先生，65歲，於二零一一年十一月獲委任為中國澱粉工業協會秘書長，任期為四年。孫先生於二零零一年至二零零七年分別為武漢華麗環保科技有限公司研究所副所長及該公司副總經理。

余季華先生，48歲，於二零零七年九月五日獲委任為獨立非執行董事。余先生亦為羅馬集團有限公司（「羅馬」）的執行董事、公司秘書兼監察主任。彼亦於二零一三年十二月三十日獲委任為美捷滙控股有限公司（「美捷滙」）的獨立非執行董事。羅馬及美捷滙均於香港聯合交易所有限公司上市。余先生是執業會計師，在會計、核數和企業融資方面經驗豐富，同時亦是美國會計師協會會員、科羅拉多州註冊會計師協會會員。彼亦持有香港證券專業學會的專業證書及企業融資執業證書。

高級管理層

所有執行董事負責本集團各方面的業務及營運。此等執行董事乃被視為本集團的高級管理隊伍。

REPORT OF THE DIRECTORS

董事會報告書

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2013.

Principal Activities

The principal activity of the Company is investment holding. The Company’s subsidiaries are principally engaged in the manufacture and sale of cornstarch, lysine, starch-based sweetener, modified starch, and ancillary corn-based and corn-refined products and sales of electricity and steam. Details of the principal activities of the Company’s subsidiaries are set out in note 18 to the consolidated financial statements.

Results and Dividends

The results of the Group for the year ended 31 December 2013 are set out in the consolidated statement of comprehensive income on page 34.

The Board is pleased to recommend the payment of a final dividend of HK0.67 cents per share, in a total of approximately HK\$40,147,000. Subject to the approval of the shareholders of the Company in the forthcoming annual general meeting (the “AGM”) of the Company to be held on 20 May 2014, the final dividend is expected to be paid in June 2014 in cash with a scrip dividend option. The details of the scrip dividend scheme will be set out in the circular to the shareholders after the approval of the final dividend in the AGM.

Share Capital

Details of movements of the share capital of the Company during the year are set out in note 24 to the consolidated financial statements and in the consolidated statement of changes in equity.

Non-Current Assets

Details of movements of the Group’s non-current assets (including property, plant and equipment and prepaid lease payments) during the year are set out in notes 16 and 17 to the consolidated financial statements.

Five-Year Financial Summary

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 2. The summary does not form part of the audited consolidated financial statements.

董事欣然提呈其年報及本公司及其附屬公司(統稱「本集團」)截至二零一三年十二月三十一日止年度的經審核合併財務報表。

主要業務

本公司的主要業務為投資控股。本公司的附屬公司主要從事製造及銷售玉米澱粉、賴氨酸、澱粉糖、變性澱粉、玉米製副產品及玉米深加工產品以及銷售電力和蒸汽。有關本公司附屬公司的主要業務詳情載於合併財務報表附註18。

業績及股息

本集團截至二零一三年十二月三十一日止年度的業績載於第34頁的合併綜合收益表內。

董事會欣然建議派付末期股息每股0.67港仙(合共約40,147,000港元)，惟須經由本公司股東於本公司即將於二零一四年五月二十日舉行之股東週年大會(「股東週年大會」)上批准，方可作實。末期股息預期將於二零一四年六月以現金派付，並附有以股代息選擇權。有關以股代息計劃之詳情將於股東在股東週年大會批准派發末期股息後，載於寄發予股東之通函內。

股本

本公司股本於年內的變動詳情載於合併財務報表附註24及合併權益變動表。

非流動資產

本集團之非流動資產(包括物業、廠房及設備以及預付租賃款)於年內的變動詳情載於合併財務報表附註16及17。

五年財務概要

本集團於最近五個財政年度的已刊發業績及資產與負債的概要載於第2頁。該概要並不構成經審核合併財務報表的一部分。

REPORT OF THE DIRECTORS

董事會報告書

Distributable Reserves

As at 31 December 2013, the Company's reserves available for distribution to shareholders amounted to approximately RMB225,281,000. The amount of distributable reserves included the Company's share premium of approximately RMB201,704,000, which may be distributed provided that the Company will remain solvent after the distribution of dividend. Movements in the reserves of the Company are set out in note 25 to the consolidated financial statements.

Major Customers and Suppliers

During the year, sales to the Group's five largest customers accounted for less than 30% of the Group's turnover and purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases of the Group.

Directors

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

Executive Directors

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

Independent non-executive Directors

Mr. Yue Kwai Wa, Ken
Ms. Dong Yanfeng (retired with effect from 5 September 2013)
Mr. Cao Zengong (resigned with effect from 5 September 2013)
Mr. Chen Zhijun (appointed with effect from 5 September 2013)
Mr. Sun Mingdao (appointed with effect from 5 September 2013)

Mr. Chen Zhijun and Mr. Sun Mingdao, both being new independent non-executive Directors appointed by the Board with effect from 5 September 2013, will hold office until the forthcoming AGM in accordance with Article 112 of the Company's articles of association (the "Articles") and, being eligible, offer themselves for election by shareholders.

By virtue of Article 108(A) of the Articles, Mr. Tian Qixiang and Mr. Liu Xianggang will retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

Independent Non-executive Directors' Independence Confirmation

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and as at the date of this report still considers all of them to be independent.

可供分派儲備

於二零一三年十二月三十一日，本公司可供分派予股東之儲備約人民幣225,281,000元。可供分派儲備金額包括本公司股份溢價約人民幣201,704,000元，有關金額在本公司分派股息後仍有力償債的情況下可予分派。本公司儲備之變動載於合併財務報表附註25。

主要客戶及供應商

年內，向本集團五大客戶作出的銷售額佔本集團營業額不足30%，而本集團五大供應商作出的採購額佔本集團採購總額不足30%。

董事

年內及直至本報告日期止，本公司董事如下：

執行董事

田其祥先生(主席)
高世軍先生(行政總裁)
于英全先生
劉象剛先生

獨立非執行董事

余季華先生
董延豐女士(於二零一三年九月五日退任)
曹增功先生(於二零一三年九月五日辭任)
陳志軍先生(於二零一三年九月五日獲委任)
孫明導先生(於二零一三年九月五日獲委任)

陳志軍先生及孫明導先生均為由董事會於二零一三年九月五日新委任的獨立非執行董事，根據本公司的公司章程細則(「章程細則」)第112條，彼等的任期至應屆股東週年大會屆滿，惟彼等均符合資格並願意獲股東選舉出任。

根據章程細則第108(A)條，田其祥先生及劉象剛先生將退任，惟彼等均符合資格並願於應屆股東週年大會膺選連任。

獨立非執行董事的獨立性確認函

本公司已收到每位獨立非執行董事根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第3.13條發出的年度獨立性確認函，而於報告日期仍認為彼等全部具獨立性。

REPORT OF THE DIRECTORS

董事會報告書

Directors' Service Contracts

As at 31 December 2013, none of the Directors proposed for re-election at the AGM has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Emolument Policy

The emolument policies of the Group are formulated based on the Group's operating results, individual performance, working experience and responsibility, merit, qualifications and competence of individual employees and comparable market statistics and are reviewed regularly.

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments of Directors are determined based on the Group's operating results, individual performance, duties, responsibilities and comparable market statistics.

Emoluments of Directors and Five Highest Paid Individuals

Details of the emoluments of the Directors and the five highest paid individuals of the Group during the year under review are set out in note 12 to the consolidated financial statements.

Directors' Interest in Contract of Significance

As disclosed in the announcement of the Company dated 23 November 2012, the Group entered into three purchase agreements with Shandong Shouguang Juneng Electric Co., Ltd ("Juneng Electric") on 3 May 2012, 29 May 2012 and 23 November 2012 respectively. During the year under review, these three purchase agreements were still subsisting because the balance of consideration is to be settled according to the payment schedule which depends on the construction progress of the new Shouguang production site. Please refer to the announcement dated 23 November 2012 and note 33(a) to the consolidated financial statements for details of these transactions.

Juneng Electric was an associate of Mr. Tian Qixiang ("Mr. Tian"), an executive Director, and a connected person of the Company. Mr. Yu Yingquan ("Mr. Yu"), an executive Director, also had 5% beneficial interest in Shandong Shouguang Juneng Holding Group Co. Ltd ("Juneng Holding Group"), the 32% (2012: 54%) beneficial shareholder of Juneng Electric. As Mr. Tian had ceased to have any interest in Juneng Holding Group since January 2014, Juneng Holding Group and Juneng Electric are no longer connected persons of the Company. Mr. Yu had also ceased to have any interest in Juneng Holding Group since January 2014.

Save as disclosed, no contracts of significance in relation to the Group's business to which the Company or any of its fellow subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted during or at the end of the financial year.

董事服務合約

於二零一三年十二月三十一日，擬於股東週年大會上膺選連任的董事，概無與本公司訂立本公司不可於一年內由本公司終止而毋須支付賠償（法定賠償除外）的服務合約。

酬金政策

本集團的酬金政策乃根據本集團的經營業績、個別表現、工作經驗與責任、個別僱員的專長、資歷及能力及可資比較市場數據制定，並定期進行檢討。

董事袍金須於股東大會上獲得股東批准。董事的其他酬金乃根據本集團的經營業績、個別表現、職責、責任及可資比較市場數據釐定。

董事及五位最高薪人士的酬金

有關董事及本集團五位最高薪人士於回顧年度的酬金詳情載於合併財務報表附註12。

董事於重大合約的權益

誠如本公司日期為二零一二年十一月二十三日的公佈所披露，本集團與山東壽光巨能電氣有限公司（「巨能電氣」）分別於二零一二年五月三日、二零一二年五月二十九日及二零一二年十一月二十三日訂立三份購買協議。於回顧年度內，由於餘下代價將按照付款時間表支付，而付款時間表乃取決於新壽光生產廠址工程進度，該三份協議仍然有效。有關該等交易的詳情請參閱日期為二零一二年十一月二十三日的公佈及綜合財務報表附註33(a)。

巨能電氣為本公司執行董事田其祥先生（「田先生」）的聯繫人，並為本公司的關連人士。執行董事于英全先生（「于先生」）亦於山東壽光巨能控股集團有限公司（「巨能控股集團」）（擁有巨能電氣32%（二零一二年：54%）實益權益的股東）中擁有5%實益權益。田先生自二零一四年一月起不再持有巨能控股集團任何權益，而巨能控股集團及巨能電氣則不再為本公司的關連人士。于先生自二零一四年一月起亦不再持有巨能控股集團任何權益。

除所披露者外，本公司或任何其同系附屬公司概無訂立任何與本集團業務有關而本公司董事直接或間接擁有重大權益且於本財政年度內或本財政年度結束時依然生效的重大合約。

REPORT OF THE DIRECTORS

董事會報告書

Related Party Transactions

Details of the material related party transactions undertaken in the normal course of business are provided under note 33(b) to the consolidated financial statements. None of them constitutes a connected transaction as defined under the Listing Rules.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its Associated Corporations

As at 31 December 2013, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") as recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

關連方交易

在正常業務過程中進行的重大關連方交易詳情載於合併財務報表附註33(b)。該等交易並不構成上市規則界定的關連交易。

董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉

於二零一三年十二月三十一日，董事及本公司主要行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據上市規則所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及聯交所的權益及淡倉如下：

Name of Director 董事姓名	The Company/ associated corporation 本公司／相聯法團	Capacity/ nature of interest 身份／權益性質	Number and class of securities held (note 1) 持有證券數目及類別(附註1)	Percentage of shareholding 佔股權概約百分比
Mr. Tian 田先生	The Company 本公司	Interest in a controlled corporation 受控制法團權益	3,705,385,194 ordinary shares of HK\$0.10 each (L) (note 2) 3,705,385,194股 每股面值0.10港元的 普通股(L)(附註2)	61.83%
	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	131 ordinary shares of US\$1 each (L) 131股每股面值1美元的普通股(L)	54.58%
Mr. Gao Shijun 高世軍先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	60 ordinary shares of US\$1 each (L) 60股每股面值1美元的普通股(L)	25.00%
Mr. Yu 于先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	1 ordinary share of US\$1 each (L) 1股每股面值1美元的普通股(L)	0.42%

Notes:

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

附註：

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

Save as disclosed above, as at 31 December 2013, none of the Directors and the chief executive of the Company nor their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一三年十二月三十一日，董事及本公司主要行政人員或彼等各自的聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告書

Share Option Scheme

The Company adopted a share option scheme (the “Share Option Scheme”) on 5 September 2007. The major terms of the Share Option Scheme are as follows:

1. The primary purpose of the Share Option Scheme is to motivate our employees and other eligible persons entitled under the Share Option Scheme to optimise their contributions to the Group and to reward them for their contribution to the Group.
2. Eligible participants of the Share Option Scheme are (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity (“Invested Entity”) in which any member of the Group holds an equity interest; (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.
3. The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the share capital of the Company in issue from time to time. The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue on the date on which the Shares are listed on the Main Board of the Stock Exchange.

購股權計劃

本公司於二零零七年九月五日採納一項購股權計劃（「該購股權計劃」）。該購股權計劃的主要條款如下：

1. 該購股權計劃的主要目的為激勵本公司的僱員及該購股權計劃項下的其他合資格人士，務求令本集團從彼等的貢獻中得到最大裨益，並回報彼等對本集團作出的貢獻。
2. 該購股權計劃的合資格參與者為：(a) 本公司、其任何附屬公司或本集團任何成員公司擁有股權的任何實體（「投資實體」）的任何僱員（無論全職或兼職，包括執行董事，但不包括非執行董事）；(b) 本公司、其任何附屬公司或任何投資實體的任何非執行董事（包括獨立非執行董事）；(c) 向本集團任何成員公司或任何投資實體提供貨物或服務的供應商；(d) 本集團任何成員公司或任何投資實體的任何客戶；(e) 向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支援的任何人士或實體；(f) 本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體所發行的任何證券的任何持有人；(g) 本集團任何成員公司或投資實體的任何業務領域或業務發展的任何顧問（專業或其他）或諮詢人；(h) 任何其他已經或可能透過合資、業務聯合或其他業務安排而對本集團的發展及增長作出貢獻的參與者小組或類別。
3. 因行使根據該購股權計劃和本集團採納的其他購股權計劃授出而尚未行使的購股權而可能發行的股份上限，合計不得超過本公司不時已發行股本的30%。因行使根據該購股權計劃和本集團任何其他購股權計劃授出的全部購股權（就此而言，不包括根據該購股權計劃及本集團任何其他購股權計劃的條款已失效的購股權）而可能配發及發行的股份數目總額，合計不得超過股份於聯交所主板上市日期已發行股份的10%。

REPORT OF THE DIRECTORS

董事會報告書

4. The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the shareholders of the Company in general meeting with such grantee and his associates abstaining from voting.
 5. Any grant of options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors of the Company (excluding independent non-executive director of the Company who or whose associates is the proposed grantee of the options). In addition, any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, in excess of 0.1% of the Shares in issue at any time or with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval of the Company in a general meeting.
 6. The exercise period of the share options granted under the Share Option Scheme is determined by the directors of the Company, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of the offer for the grant of the option or the expiry date of the Share Option Scheme, whichever is earlier, subject to the provisions for early termination as stated in the Share Option Scheme.
 7. The acceptance of an offer of the grant of the option must be made within 21 days from the date of the offer for the grant with a non-refundable payment of HK\$1.00 from the grantee.
 8. The exercise price of the share option is determined by the Board but shall not be less than the higher of (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares.
 9. The Share Option Scheme shall be valid and effective till 4 September 2017.
4. 於任何十二個月期間內因行使根據該購股權計劃及本集團任何其他購股權計劃所授出的購股權(同時包括已行使或尚未行使購股權兩者)已向各承授人發行及將予發行的股份總數,不得超過本公司當時已發行股本1%(「個別上限」)。倘於直至再授出購股權之日(包括該日)止之任何十二個月期間進一步授出超過個別上限的購股權,須待於股東大會上另行取得本公司股東的批准,而承授人及其聯繫人須於會上放棄投票。
 5. 根據該購股權計劃授予本公司董事、主要行政人員或主要股東或彼等任何各自的聯繫人的購股權必須經本公司獨立非執行董事(不包括身為購股權建議承授人或其聯繫人為購股權建議承授人的本公司獨立非執行董事)的批准。此外,倘於十二個月期間內向本公司主要股東或獨立非執行董事或彼等任何各自的聯繫人授出購股權,但超過任何時間已發行股份0.1%,或按授出日期股份的收市價計算總值超過5,000,000港元,則須待股東於本公司股東大會上批准,方可作實。
 6. 根據該購股權計劃授出的購股權的行使期限由本公司董事釐定,該期間可由授出購股權建議日期起計,至授出購股權建議日期後十年止,或該購股權計劃屆滿日期止(以較早者為準),惟可根據該購股權計劃所載有關條文提早終止。
 7. 授出購股權建議須於授出建議日期起計二十一日內接納,而承授人於接納時須支付不可退回款項1.00港元。
 8. 購股權的行使價由董事會釐定,但不得少於以下較高者:(i)股份於授出日期在聯交所日報表上所列的收市價;(ii)股份於緊接授出日期前五個營業日在聯交所日報表上所列的平均收市價;及(iii)股份面值。
 9. 該購股權計劃有效至二零一七年九月四日止。

As at 31 December 2013, no share options were granted under the Share Option Scheme of the Company.

於二零一三年十二月三十一日,概無根據本公司該購股權計劃而授出購股權。

REPORT OF THE DIRECTORS

董事會報告書

Interests of the Substantial Shareholders in Shares and Underlying Shares of the Company

As at 31 December 2013, so far as is known to the Directors, the following persons, other than a Director or chief executive of the Company, have an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

主要股東於本公司股份及相關股份中的權益

於二零一三年十二月三十一日，據董事所知，按本公司根據證券及期貨條例第336條本公司須存置的登記冊所記錄，以下人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有權益或淡倉：

Name of shareholder 股東名稱	Capacity/nature of interest 身份／權益性質	Number of shares/ underlying shares (note 1) 股份／相關股份數目（附註1）	Percentage of issued share capital (note 5) 佔已發行股本百分比 （附註5）
Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	3,705,385,194 (L)	61.83% (note 2) (附註2)
Victory Investment China Group Limited ("VICGL")	Beneficial owner 實益擁有人	292,000,000 (L)	6.52% (note 3, 4) (附註3、4)
	Person having a security interest 持有保證權益的人士	99,000,000 (L)	
Wang Ruiyun 王瑞雲	Interest in a controlled corporation (VICGL) 受控制法團權益 (VICGL)	391,000,000 (L)	6.52% (note 3) (附註3)

Notes:

- The letter "L" denotes the long position in the shares of the Company.
- These shares were held by Merry Boom Group Limited. Merry Boom Group Limited is owned as to approximately 54.58% by Mr. Tian, an executive Director and Chairman of the Company. Mr. Tian is deemed to be interested in all the shares held by Merry Boom Group Limited under the SFO as disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its Associated Corporations" above.
- In accordance with the corporate and individual substantial shareholder notices of VICGL and Wang Ruiyun filed on 17 August 2010, they are interested in 145,000,000 underlying shares through the holding of certain unlisted cash-settled equity derivatives.
- In accordance with the corporate substantial shareholder notice of VICGL filed on 17 August 2010, VICGL holds a long position in 99,000,000 shares jointly with another corporate shareholder named "Goldstone Fund Ltd".
- The percentage of shareholding is calculated on the basis of 5,992,129,668 shares of the Company in issue as at 31 December 2013.

附註：

- 字母「L」指於本公司股份的好倉。
- 此等股份由怡興集團有限公司持有。怡興集團有限公司由本公司執行董事兼主席田先生擁有約54.58%權益。根據證券及期貨條例，如上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段所披露，田先生被視為於怡興集團有限公司持有的所有股份中擁有權益。
- 根據VICGL及王瑞雲於二零一零年八月十七日提交的法團及個人大股東通知，彼等透過持有若干非上市現金結算權益衍生工具而擁有145,000,000股相關股份權益。
- 根據VICGL於二零一零年八月十七日提交的法團大股東通知，VICGL與另一名法團股東「Goldstone Fund Ltd」共同持有99,000,000股股份的好倉。
- 持股比例乃根據二零一三年十二月三十一日本公司有5,992,129,668股已發行股份計算。

Save as disclosed above, as at 31 December 2013, other than the Directors and chief executive of the Company whose interests or short positions are set out in the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its Associated Corporations" above, the Directors and the chief executive of the Company were not aware of any person who had an interest or a short position in the shares, or underlying shares of the Company which were required to be recorded in the register kept by the Company pursuant to section 336 of the SFO.

除上文所披露者外，於二零一三年十二月三十一日，除上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段所載董事及本公司主要行政人員的權益或淡倉外，董事及本公司主要行政人員概不知悉任何人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊內的權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告書

Directors' Rights to Acquire Shares or Debentures

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

Purchase, Sale or Redemption of the Company's Listed Securities

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2013.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's total issued shares as required under the Listing Rules.

Corporate Governance

The Group is committed to maintaining a high level of corporate governance. A detailed Corporate Governance Report is set out on pages 25 to 31 of this annual report.

Auditor

The consolidated financial statements have been audited by PricewaterhouseCoopers who shall retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM.

On behalf of the Board

Tian Qixiang

Chairman

Shouguang, The People's Republic of China

21 March 2014

董事購入股份或債券的權利

除上文所披露者之本公司該購股權計劃外，於年內任何時間本公司、其控股公司、其附屬公司或同系附屬公司概無參與任何目的為或其中一個目的為令董事可藉購入本公司或任何其他法人團體的股份或債券而獲益的安排。

購買、出售或贖回本公司的上市證券

截至二零一三年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

優先購買權

章程細則或開曼群島法例概無載列有關本公司須按比例基準向現有股東發售新股份的優先購買權條文。

公眾持股量

根據本公司公開可得的資料及就其董事所知，於本報告日期，本公司按上市規則規定維持不少於本公司已發行股份總數25%的足夠公眾持股量。

企業管治

本集團承諾維持高水平的企業管治。詳盡的企業管治報告載列於本年報第25至31頁。

核數師

合併財務報表已由羅兵咸永道會計師事務所審核，惟羅兵咸永道會計師事務所須退任並符合資格及願於應屆股東週年大會上獲重新委聘。

代表董事會

田其祥

主席

中華人民共和國，壽光

二零一四年三月二十一日

CORPORATE GOVERNANCE REPORT

企業管治報告

The board (the “Board”) of directors (the “Directors”) of the Company understands maintaining high corporate governance standard is crucial to success in the future. The Board and its dedicated executive management teams always demonstrate its commitment in upholding sound internal control standard, accountability and integrity to the shareholders and stakeholders of the Company.

Corporate Governance Practices

The Company has complied with the applicable code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the year under review and has applied the principles as laid down with the aim of achieving a high level of governance, except that Mr. Tian Qixiang, the chairman of the Board, did not attend the 2013 annual general meeting (the “2013 AGM”) because of his other business engagement.

Developments in corporate governance practices

The Board reviews the code provisions as set out in the CG Code and evaluates the application and feasibility of the CG Code regularly. During the year, the Company has the following developments in corporate governance:

In May 2013, the Company facilitated and carried out an in-house training in respect of the updates of the Listing Rules, the Securities and Futures Ordinance, and the obligation of disclosure of insider information, etc. for the Directors.

In August 2013, the Company adopted the Board Diversity Policy. The purpose of the Board Diversity Policy aims to set out the approach to achieve diversity of the Board.

In September 2013, the Company arranged an insurance cover in respect of legal action against the directors and officers of the Company and its subsidiaries. The Board are of the opinion that, with sufficient insurance coverage, it is easier to attract talent to join the Group. In the same month, the Company appointed two new independent non-executive Directors.

Business Model and Strategy

The Group has the mission to capturing an increasing market share and expanding our business scope to become a market leader in the corn-refinery industry in the People’s Republic of China (the “PRC”). To achieve this goal, the Directors and its executive management teams are engaged in expanding our production capacity of cornstarch and lysine products, expanding our product pipeline, expanding our marketing force and our market coverage, and enhancing our research and development capability. In addition, the Directors regard that food safety and production safety are also the keys to success. The Directors are keen to promote working environment safety in all production sites and the use of non-genetically modified corn kernel for our products. Details of the Group’s future plan and prospect are set out in the “Management Discussion and Analysis” section of this annual report.

本公司董事(「董事」)會(「董事會」)深明保持高水平企業管治對本公司於未來取得成功的重要性。董事會與專責的執行管理團隊一直銳意向本公司股東及利益相關者展示對維持良好的內部控制標準、問責性及誠實守信的承諾。

企業管治常規

本公司已於回顧年度遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載的企業管治守則(「企業管治守則」)載列的適用守則條文，並應用已訂明的原則以實現高水平企業管治，惟董事會主席田其祥先生因另有公務而並未出席二零一三年股東週年大會(「二零一三年股東週年大會」)除外。

企業管治常規的發展

董事會已檢討企業管治守則所載的管治條文，並定期評估其應用及可行性。年內，本公司的企業管治有以下變動：

於二零一三年五月，本公司促成並對董事進行內部培訓，內容有關上市規則、證券及期貨條例及有關內幕信息披露責任等方面的最新資訊。

於二零一三年八月，本公司已採納董事會成員多元化政策。董事會成員多元化政策的宗旨是闡述實現董事會成員多元化的方式。

於二零一三年九月，本公司已就本公司及其附屬公司董事及高級人員可能會面對的法律行動作出投保安排。董事會認為，透過充分投保，更容易吸引人才加盟本集團。同月，本公司委任兩名新獨立非執行董事。

業務模式及策略

本集團現致力增加市場份額及擴大業務範疇，以成為中華人民共和國(「中國」)玉米深加工行業的市場領導者。為實現此目標，董事及其執行管理團隊積極擴大玉米澱粉及賴氨酸產品的產能、拓展產品管道、增強市場推廣力度及拓展市場覆蓋率，並提升研究及開發能力。此外，董事亦視食品安全及安全生產為獲得成功的關鍵。董事積極於所有生產基地提升工作環境安全，並使用非基因改造玉米粒進行產品生產。有關本集團未來計劃及前景的詳情，請參閱本年報「管理層討論及分析」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' Securities Transactions

The Company has adopted its own Securities Dealing Code (the "Dealing Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in the Appendix 10 of the Listing Rules. The Dealing Code applies to all Directors and to all employees who are informed that they are subject to its provisions. The Company has made specific enquiry of all Directors and that all the Directors confirmed their compliance with the required standard set out in the Dealing Code throughout the year under review.

The Board

The Company is governed by the Board, which is responsible for strategic leadership, approving annual budget, formulating business plans and long term strategy, evaluating the performance of the Group and supervising the management. The Board is also responsible for the integrity of financial information and the effectiveness of the Group's internal control systems. The Board has, with the assistance of the internal audit department and its Audit Committee, conducted a review on the Group's internal control system including the adequacy of the resources, qualifications and experience of the staff of the Group's accounting and financial reporting function, and the relevant training programmes and budget. In addition, the Board also recognise the function of corporate governance in accordance with the CG Code, including developing, reviewing and monitoring the Group's policies and practices on corporate governance and compliance with legal and regulatory requirements.

To facilitate effective management, the Board has delegated certain functions to various Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee. Each of these Board committees operates under their respective written terms of reference on terms no less exacting than the code provisions. Suggestions and conclusions of the Board committees will be reported to the Board in its subsequent meeting.

In addition, the Board also delegates the day-to-day operational responsibilities to the executive management teams under the leadership of the Chief Executive Officer. The Chief Executive Officer, working with the executive management teams, is responsible for the operations and business development of the Group.

Four regular Board meetings are scheduled one year in advance to facilitate maximum attendance by Directors. Additional Board meetings are convened as and when required.

董事的證券交易

本公司已採納其自訂的證券買賣守則(「買賣守則」)，其條款不比上市規則附錄十所載的上市發行人董事進行證券交易的標準守則寬鬆。買賣守則適用於所有董事及所有獲通知須遵守該守則規定的僱員。本公司已向全體董事作出具體查詢，全體董事確認彼等於整個回顧年度一直遵守買賣守則所載的規定標準。

董事會

本公司由董事會管理，董事會負責策略領導、批准年度預算、制訂業務計劃及長期策略、評估本集團的表現及監督管理層。董事會亦須對財務信息的完整性及本集團內部控制系統的成效負責。董事會在內部核數部門及審核委員會的協助下，審閱本集團的內部控制系統，包括本集團負責會計及財務報告職能的員工的資源、資歷及經驗是否足夠，以及相關培訓計劃及預算是否足夠。此外，董事會亦根據企業管治守則確認企業管治職能，包括制訂、檢討及監察本集團在企業管治及遵守法律及監管規定方面的政策及常規。

為方便有效管理，董事會將若干職能授予不同的董事會委員會，即審核委員會、薪酬委員會及提名委員會。各董事會委員會均依據各自的書面職權範圍運作，其條款並不較守則條文寬鬆。各董事會委員會將於其後的董事會會議中，向董事會匯報其建議及結論。

此外，董事會亦授權行政管理團隊在行政總裁的領導下負責集團的日常營運。行政總裁與行政管理團隊共同負責本集團的營運及業務發展。

董事會預早一年計劃來年四個定期董事會會議的時間表，藉以盡量提高董事出席董事會會議的比率。如有需要，亦會召開其他董事會會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance record of the Directors at the 2013 AGM, Board meetings and Board committee meetings held in 2013 are as follows:

各董事於二零一三年股東週年大會、二零一三年舉行的董事會會議及董事會委員會會議的出席記錄如下：

	Board					Annual General Meeting
	董事會		Audit Committee	Remuneration Committee	Nomination Committee	
	Regular	Others	審核委員會	薪酬委員會	提名委員會	
	定期會議	其他會議				股東週年大會

Executive Directors:

執行董事：

Mr. Tian Qixiang (Chairman)	田其祥先生(主席)	4/4	2/2	N/A 不適用	1/1	2/2	X
Mr. Gao Shijun (Chief Executive Officer)	高世軍先生(行政總裁)	4/4	2/2	N/A 不適用	N/A 不適用	N/A 不適用	✓
Mr. Liu Xianggang	劉象剛先生	4/4	2/2	N/A 不適用	N/A 不適用	N/A 不適用	✓
Mr. Yu Yingquan	于英全先生	4/4	2/2	N/A 不適用	N/A 不適用	N/A 不適用	X

Independent non-executive Directors:

獨立非執行董事：

Mr. Cao Zengcong*	曹增功先生*	3/3	2/2	2/2	1/1	2/2	X
Mr. Chen Zhijun [^]	陳志軍先生 [^]	1/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Ms. Dong Yanfeng [#]	董延豐女士 [#]	3/3	2/2	2/2	1/1	2/2	X
Mr. Sun Mingdao [^]	孫明導先生 [^]	1/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Yue Kwai Wa, Ken	余季華先生	4/4	2/2	2/2	1/1	2/2	✓

* Resigned with effect from 5 September 2013

[#] Retired with effect from 5 September 2013

[^] Appointed with effect from 5 September 2013

* 自二零一三年九月五日起辭任

[#] 自二零一三年九月五日起退休

[^] 自二零一三年九月五日起獲委任

There is no relationship (including financial, business, family or other material/relevant relationship(s)) among the Directors and in particular, between Mr. Tian Qixiang (Chairman) and Mr. Gao Shijun (Chief Executive Officer). The biographies of the Directors are set out in the section named "Directors and Senior Management Profile" of this Annual Report.

董事之間(尤其是田其祥先生(主席)與高世軍先生(行政總裁)之間)概無任何關係(包括財務、業務、家族或其他重大/相關關係)。董事的履歷詳情載於本年報「董事及高級管理人員簡介」一節。

During the year under review, all Directors have participated in continuous professional development to develop and refresh their knowledge and skills by attending in-house director's training, seminar or course and reading materials relevant to the Company's business and director's duties and responsibilities. The Company has provided a comprehensive, formal and tailored induction programme for the newly appointed independent non-executive Directors. In addition, in order to allow the Directors to understand the latest development of regulatory and compliance issues, they are also provided with market news and regulatory updates from time to time.

於回顧年度，全體董事已透過參與與本公司業務及董事的職務及責任有關的董事內部培訓、研討會或課程及閱覽相關資料作持續專業發展，從而發展及更新知識與技能。本公司已為新委任的獨立非執行董事提供全面、正式及特為其而設的就任須知計劃。此外，本公司亦不時向董事提供市場消息及最新的監管資訊，讓董事了解監管及合規事宜的最新發展。

CORPORATE GOVERNANCE REPORT

企業管治報告

Chairman and Chief Executive Officer

The roles of the Chairman and Chief Executive Officer are separate and not performed by the same individual. Mr. Tian Qixiang holds the position of the Chairman, primarily responsible for strategic positioning. Mr. Gao Shijun serves as the Chief Executive Officer, primarily responsible for the operations and business development of the Group.

Company Secretary

Mr. Leung Siu Hong ("Mr. Leung") is a full-time employee and is appointed as the company secretary of the Company from February 2008. He also serves as the secretary of Audit Committee, Nomination Committee, Remuneration Committee and other board committees as organised by the Board from time to time. Mr. Leung is responsible for advising the Board through the Chairman and/or the Chief Executive Officer on governance matters, for example, to ensure Board procedures and applicable laws and regulations are followed.

Mr. Leung is a fellow member of the Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountant. Mr. Leung is also a fellow member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.

During the year under review, Mr. Leung took no less than 15 hours professional training to update his skills and knowledge.

Director's Appointments, Re-election and Removal

Pursuant to the Articles, every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed to fill a casual vacancy or as an additional Director shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that general meeting.

Independent non-executive Directors are appointed for a term of one year subject to retirement by rotation and re-election in accordance with the Articles. Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect his independence and must provide an annual confirmation of his independence to the Company.

Changes in Information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of a director of the Company subsequent to the date of the 2013 Interim Report are set out below:

Mr. Yue Kwai Wa, Ken, has entered into a letter of appointment with the Company for a fixed term of one year commencing from 5 September 2013 and is automatically renewable by both parties each year, for successive terms of one year, upon expiry. Mr. Yue has been appointed as an independent non-executive director of Major Holdings Ltd (Stock code: 8209) on 30 December 2013.

主席與行政總裁

主席與行政總裁的角色明確區分，且並非由一人同時兼任。田其祥先生擔任主席一職，主要負責戰略部署。高世軍先生擔任行政總裁一職，主要負責集團的經營和業務發展。

公司秘書

梁兆康先生（「梁先生」）為全職僱員，自二零零八年二月起獲委任為本公司公司秘書。彼亦擔任審核委員會、提名委員會、薪酬委員會及董事會不時成立的其他董事會委員會的秘書。梁先生負責透過主席及／或行政總裁向董事會提供有關管治事宜的建議，例如確保董事會程序及適用法律及法規獲得遵從。

梁先生為香港會計師公會及英國特許公認會計師公會的資深會員，亦為英國特許秘書及行政人員公會與香港特許秘書公會的資深會員。

於回顧年度，梁先生已接受不少於15小時專業培訓以提升其技能及知識。

董事的委任、重選及罷免

根據章程細則，每名董事須至少每三年輪流退任一次。所有為填補臨時空缺或作為新增董事而獲委任的董事的任期，僅至本公司下屆股東大會為止，且屆時須在該股東大會上膺選連任。

獨立非執行董事的任期為一年，並須根據章程細則規定輪流退任及膺選連任。倘出現任何可能影響獨立非執行董事獨立性的變動，各獨立非執行董事均須在切實可行的情況下盡快通知本公司，並須向本公司作出有關其獨立性的年度確認。

董事資料的變動

根據上市規則第13.51B(1)條，本公司董事資料於二零一三年中期報告日期後的變動如下：

余季華先生已與本公司訂立委任書，自二零一三年九月五日起按固定任期為期一年，並可於屆滿時，雙方自動按年續期，每次接續委任年期為一年。余先生於二零一三年十二月三十日獲委任為美捷滙控股有限公司（股份代號：8209）的獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

Audit Committee

The major roles and functions of the Audit Committee are to review and supervise the financial reporting process, financial controls, internal control and risk management system of the Group and to provide recommendations and advices to the Board on the appointment, re-appointment and removal of external auditor as well as their terms of appointment.

The Audit Committee of the Company currently consists of all independent non-executive Directors, namely Mr. Chen Zhijun, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken. Mr. Yue Kwai Wa, Ken is the chairman of the Audit Committee.

During the year under review, the Audit Committee reviewed the results and the financial reports with the management, discussed the annual audit issues with the external auditor and made recommendation to the Board on the re-appointment of the external auditor.

Remuneration Committee

The major function of the Remuneration Committee is to make recommendation to the Board on the remuneration policy and remuneration structure for all Directors of the Company. The Remuneration Committee of the Company currently consists of all independent non-executive Directors namely, Mr. Chen Zhijun, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken, and the Chairman of the Company, Mr. Tian Qixiang. Mr. Yue Kwai Wa, Ken is the chairman of the Remuneration Committee.

During the year under review, the Remuneration Committee reviewed and made recommendation on the remuneration, including discretionary bonus, of the Directors and the remuneration policies.

Nomination Committee

The major functions of the Nomination Committee are to review the structure and composition of the Board, to implement and review the Board Diversity Policy, to review and provide recommendations on the terms of Director's service contract, and to assess the independence of the independent non-executive Directors.

The Nomination Committee of the Company currently consists of all independent non-executive Directors namely, Mr. Chen Zhijun, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken and the Chairman of the Company, Mr. Tian Qixiang. Mr. Yue Kwai Wa, Ken is the chairman of the Nomination Committee.

During the year under review, the Nomination Committee made recommendation to the Board for the re-election of Directors at the 2013 AGM and reviewed the independence of the independent non-executive Directors and evaluated the structure and composition of the Board. In addition, the Nomination Committee nominated and recommended Mr. Chen Zhijun and Mr. Sun Mingdao to the Board in order to fill the causal vacancy following the resignation and retirement of Mr. Cao Zeng Gong and Ms. Dong Yanfeng respectively. The nomination procedures were made in accordance with the Board Diversity Policy of the Company adopted in August 2013.

審核委員會

審核委員會的主要職責及職能為檢討及監察本集團的財務報告程序、財務控制、內部監控及風險管理制度，並就外聘核數師的委任、續聘及罷免以及彼等的委任條款向董事會作出建議及提供意見。

目前，本公司審核委員會成員包括全體獨立非執行董事，計有陳志軍先生、孫明導先生及余季華先生。余季華先生為審核委員會主席。

於回顧年度，審核委員會與管理層審閱業績及財務報告、與外聘核數師討論有關年度審核的事宜及就續聘外聘核數師向董事會作出建議。

薪酬委員會

薪酬委員會的主要職能為就本公司全體董事的薪酬政策及薪酬架構向董事會作出建議。目前，本公司薪酬委員會成員包括全體獨立非執行董事，計有陳志軍先生、孫明導先生、余季華先生及本公司主席田其祥先生。余季華先生為薪酬委員會主席。

於回顧年度，薪酬委員會就酌情花紅等董事薪酬及薪酬政策事宜作出檢討及提供建議。

提名委員會

提名委員會的主要職能為檢討董事會的架構及組成、執行及檢討董事會成員多元化政策、審閱及就董事服務合約的條款作出建議，並評估獨立非執行董事的獨立性。

目前，本公司提名委員會成員包括全體獨立非執行董事，計有陳志軍先生、孫明導先生、余季華先生及本公司主席田其祥先生。余季華先生為提名委員會主席。

於回顧年度，提名委員會就於二零一三年股東週年大會上重選董事及審視獨立非執行董事的獨立性，以及評估董事會的架構及組成，向董事會作出建議。此外，提名委員會提名及推薦陳志軍先生及孫明博先生加入董事會，以填補曹增功先生辭任及董延豐女士退任所產生的臨時空缺。提名程序乃根據本公司於二零一三年八月採納的董事會成員多元化政策進行。

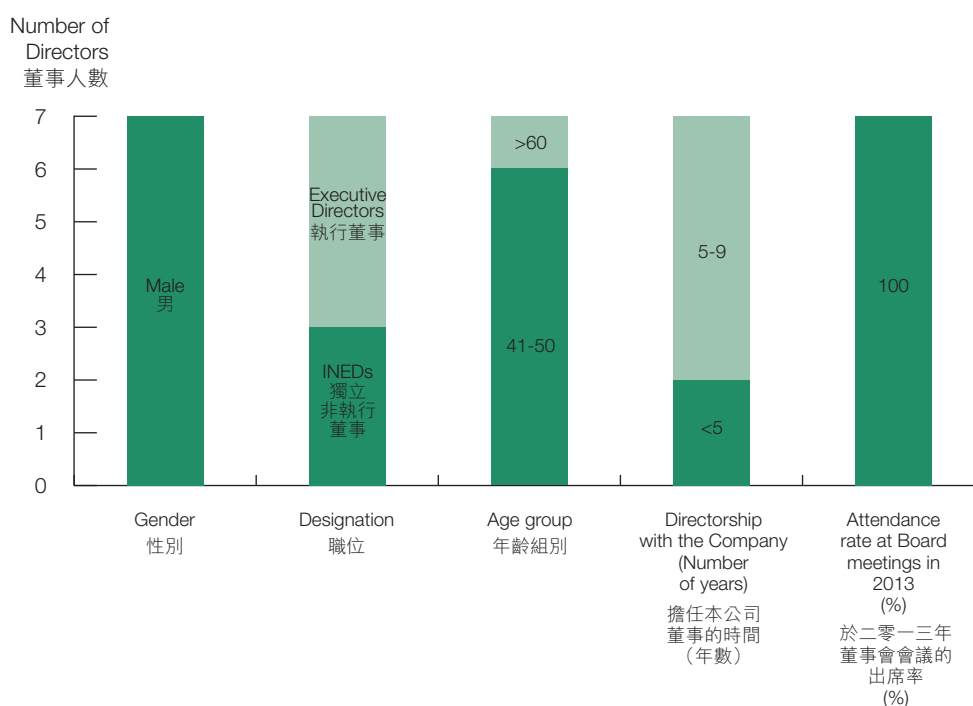
CORPORATE GOVERNANCE REPORT

企業管治報告

Board Diversity

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, culture, race, educational background, professional experience, skills, knowledge and independence. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The following graph provides an analysis on the composition of the Board:



Accountability and Audit

The Directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards have been adopted, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made. The Board is not aware of any material uncertainties relating to events or conditions that may affect the business of the Company or cast doubts on its ability to continue as a going concern.

The financial information and plans were discussed in the regular Board meetings. The Chairman of the Company is responsible for explaining the latest business development and financial projections to the Directors.

董事會多元化

為達致可持續的均衡發展，本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵元素。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、技能、知識及獨立性。董事會所有委任均以用人唯才為原則，並在考慮入選時以客觀條件充分顧及董事會成員多元化的裨益。

下表提供董事會組成的分析：

問責及核數

董事已確認，彼等有責任根據所採納的香港財務報告準則及香港會計準則編製及真實而公平地列報該等合併財務報表，並已貫徹使用及應用適當的會計政策以及作出合理和審慎的判斷及估計。董事會至今沒有發現任何重大不明朗事件或情況可能會影響本公司的業務或其持續經營的能力。

董事會在定期會議中討論財務資料和計劃，本公司主席負責向各董事解釋最新的業務發展及財務計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

For the year ended 31 December 2013, the fee payable to the external auditor of the Company, PricewaterhouseCoopers, in respect of audit and non-audit services is set out below:

Audit:	HK\$1,369,000
Tax representative service:	HK\$31,000

截至二零一三年十二月三十一日止年度，本公司就審核及非審核服務應付外聘核數師羅兵咸永道會計師事務所的費用載列如下：

審核：	1,369,000 港元
稅務代表服務：	31,000 港元

Internal Control

The Board is ultimately responsible for the effectiveness of the internal control system of the Group. The management of the Group has dedicated to improving the efficiency of accounting and financial reporting. During the year under review, the Board, through the internal audit department, has performed internal control review on major operations of the Group. The scope of review is determined by the Board and the Audit Committee. The results, with potential control, operational, compliance and financial impact, are discussed in the Board meeting. The Group is not aware of any material internal control weaknesses affecting the overall operation.

內部監控

董事會須最終負責本集團內部監控系統的成效。本集團管理層一直致力改善會計及財務匯報方面的效率。於回顧年度，董事會透過內部核數部門對本集團主要業務進行內部監控審閱。審閱範圍由董事會及審核委員會釐定。審閱結果以及在監控、營運、合規及財務方面的潛在影響會在董事會會議上討論。本集團並無發現會對整體營運構成影響的重大內部監控缺失。

Relationship with Shareholders

Pursuant to the Articles of the Company, shareholder(s) holding not less than one tenth (10%) of the paid up capital of the Company can convene an extraordinary general meeting (the "EGM") by depositing the requisition in writing to the Directors or the Company Secretary for the purpose of requiring the EGM. The requisition in writing should be sent to the Company's office at Suite 3312, Tower 1, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. The same procedure also applies to any proposal to be tabled at shareholders' meetings for adoption.

與股東的關係

根據本公司的章程細則，持有本公司不少於十分一(10%)繳足股本的股東可透過向董事或公司秘書寄發有關召開股東特別大會(「股東特別大會」)的書面要求而召開股東特別大會。書面要求須寄交本公司辦事處，地址為香港銅鑼灣勿地臣街1號時代廣場一座3312室。同一程序亦適用於任何於股東大會上提出以供採納的決議案。

The Company welcomes enquires from shareholders. The Board will review shareholders' enquires on a regular basis. Specific enquiries and suggestions by shareholders can be sent in writing to the Board or the Company Secretary at the above address or by email (ir@chinastarch.com.hk).

本公司歡迎股東垂詢。董事會亦會定期查閱股東所作查詢。股東如有任何具體查詢及意見，可致函上述地址或透過電郵(ir@chinastarch.com.hk)向董事會或公司秘書提出。

In case of shareholding enquires, shareholders should direct their enquiries to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, via its website at www.tricoris.com, or by email to is-enquiries@hk.tricorglobal.com or dial its hotline at (852) 2980 1333 or go in person at its public counter at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

股東可直接向本公司香港股份登記分處卓佳證券登記有限公司查詢持股權，股東可透過www.tricoris.com的網上股權查詢服務，或寄發電郵至is-enquiries@hk.tricorglobal.com，或致電熱線(852) 2980 1333，或親臨公開櫃檯(地址為香港皇后大道東183號合和中心22樓)作出查詢。

The Company recognises the importance of shareholders' privacy and will not disclose shareholders' information without their consent, unless required by law to do so.

本公司明白保障股東私隱的重要性，除法例規定者外，不會在未經股東同意的情况下擅自披露股東資料。

Constitutional Documents

The Company did not make any changes to its constitutional document during the year under review.

組織章程文件

於回顧年度，本公司的組織章程文件並無任何變動。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHINA STARCH HOLDINGS LIMITED (incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Starch Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 34 to 92, which comprise the consolidated and company statements of financial position as at 31 December 2013, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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 and to report our opinion 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 致中國澱粉控股有限公司股東 (於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計列載於第34至92頁中國澱粉控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的合併財務報表,此合併財務報表包括於二零一三年十二月三十一日的合併和公司財務狀況表與截至該日止年度的合併綜合收益表、合併權益變動表及合併現金流量表,以及主要會計政策概要及其他註釋資料。

董事就合併財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港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平的反映,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計對該等合併財務報表作出意見,並僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

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

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INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 judgment, 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 2013, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 21 March 2014

審計涉及執行程序以獲取有關合併財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險。在評估該等風險時，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，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價合併財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等合併財務報表已根據香港財務報告準則真實而公平地反映 貴公司及貴集團於二零一三年十二月三十一日的事務狀況，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。

羅兵咸永道會計師事務所
執業會計師

香港，二零一四年三月二十一日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Note	2013	2012
		附註	二零一三年	二零一二年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Turnover	營業額	5	3,422,033	3,301,498
Cost of sales	銷售成本		(3,121,681)	(2,913,216)
Gross profit	毛利		300,352	388,282
Distribution expenses	分銷費用		(86,666)	(78,184)
Administrative expenses	行政費用		(92,716)	(82,152)
Other income and gains, net	其他收入及收益淨額	6	20,391	30,850
Operating profit	經營利潤		141,361	258,796
Finance income	融資收入	7	29,356	32,563
Finance expenses	融資費用	8	(7,881)	(318)
Share of result of an associate	應佔一家聯營公司業績		-	(2,465)
Profit before taxation	除稅前利潤	9	162,836	288,576
Income tax expenses	所得稅支出	10	(38,675)	(66,655)
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額		124,161	221,921
Attributable to:	以下各項應佔：			
Owners of the Company	本公司擁有人		122,198	219,647
Non-controlling interests	非控股股東權益		1,963	2,274
			124,161	221,921
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利(人民幣)	13	0.0206	0.0377

The notes on pages 41 to 92 are an integral part of these consolidated financial statements. Details of proposed final dividend payable to owners of the Company are set out in note 14.

第41至92頁的附註乃合併財務報表的其中部分。有關應付本公司擁有人的擬派末期股息詳情載於附註14內。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

		Note	2013	2012
		附註	二零一三年	二零一二年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	1,208,295	778,319
Prepaid lease payments	預付租賃款	17	148,452	103,259
Deposits for acquisition of prepaid lease payments	收購預付租賃款的保證金	19	60,945	80,000
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備的保證金		29,684	103,977
Deferred tax assets	遞延稅項資產	26	1,091	1,254
			1,448,467	1,066,809
Current assets	流動資產			
Prepaid lease payments	預付租賃款	17	3,467	2,500
Inventories	存貨	20	384,881	182,506
Trade and other receivables	貿易及其他應收款	21	523,574	387,188
Income tax recoverable	可收回所得稅		–	1,043
Pledged bank deposits	已抵押銀行存款	22	10,000	2,500
Fixed deposits with maturity period over three months	三個月以上定期存款	23	480,000	340,000
Cash and cash equivalents	現金及現金等價物	23	155,200	459,266
			1,557,122	1,375,003
Total assets	總資產		3,005,589	2,441,812
Equity and liabilities	權益及負債			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	24	532,357	523,670
Reserves	儲備		1,423,016	1,321,160
			1,955,373	1,844,830
Non-controlling interests	非控股股東權益		23,433	21,470
Total equity	權益總額		1,978,806	1,866,300

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

合併財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

		Note	2013	2012
		附註	二零一三年	二零一二年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current liabilities	非流動負債			
Borrowings	借款	27	3,768	4,654
Deferred income	遞延收入	28	37,845	26,630
			41,613	31,284
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	29	510,656	495,989
Income tax payable	應付所得稅		21,314	19,495
Borrowings	借款	27	426,921	2,437
Employee housing deposits	員工房屋保證金	30	26,279	26,307
			985,170	544,228
Total liabilities	總負債		1,026,783	575,512
Total equity and liabilities	權益及負債總額		3,005,589	2,441,812
Net current assets	流動資產淨額		571,952	830,775
Total assets less current liabilities	總資產減流動負債		2,020,419	1,897,584

Tian Qixiang

田其祥

Director

董事

Yu Yingquan

于英全

Director

董事

The notes on pages 41 to 92 are an integral part of these consolidated financial statements.

第41至92頁的附註乃合併財務報表的其中部分。

STATEMENT OF FINANCIAL POSITION

財務狀況表

As at 31 December 2013 於二零一三年十二月三十一日

		Note 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Assets	資產			
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資	18	159,121	159,121
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	18	592,112	629,185
Prepayment	預付款項	21	353	–
Cash and cash equivalents	現金及現金等價物	23	6,807	3,152
			599,272	632,337
Total assets	總資產		758,393	791,458
Equity and liabilities	權益及負債			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	24	532,357	523,670
Reserves	儲備	25	225,281	266,279
Total equity	權益總額		757,638	789,949
Current liabilities	流動負債			
Other payables	其他應付款	29	755	1,509
Total equity and liabilities	權益及負債總額		758,393	791,458
Net current assets	流動資產淨額		598,517	630,828
Total assets less current liabilities	總資產減流動負債		757,638	789,949

Tian Qixiang
田其祥
Director
董事

Yu Yingquan
于英全
Director
董事

The notes on pages 41 to 92 are an integral part of these consolidated financial statements. 第41至92頁的附註乃合併財務報表的其中部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

合併權益變動表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests 非控股股東權益		Total
		Share capital	Share premium	Special reserve	Capital reserve	Statutory reserve	Retained earnings	Total		Total	
		股本	股份溢價	特別儲備	資本儲備	法定儲備	留存盈利	總計	股東權益	合計	
Note		RMB'000	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	人民幣千元	
			(note 25(i)) (附註 25(i))	(note 25(ii)) (附註 25(ii))							
At 1 January 2012	於二零一二年一月一日	515,234	242,240	27,080	56,196	116,865	679,326	1,636,941	19,196	1,656,137	
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額	-	-	-	-	-	219,647	219,647	2,274	221,921	
2011 final dividend	二零一一年末期股息	14	(31,582)	-	-	-	-	(31,582)	-	(31,582)	
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	24	8,436	11,388	-	-	-	19,824	-	19,824	
Transfer to statutory reserves	轉入法定儲備	-	-	-	-	20,538	(20,538)	-	-	-	
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及二零一三年一月一日	523,670	222,046	27,080	56,196	137,403	878,435	1,844,830	21,470	1,866,300	
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額	-	-	-	-	-	122,198	122,198	1,963	124,161	
2012 final dividend	二零一二年末期股息	14	(31,496)	-	-	-	-	(31,496)	-	(31,496)	
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	24	8,687	11,154	-	-	-	19,841	-	19,841	
Transfer to statutory reserves	轉入法定儲備	-	-	-	-	12,033	(12,033)	-	-	-	
At 31 December 2013	於二零一三年十二月三十一日	532,357	201,704	27,080	56,196	149,436	988,600	1,955,373	23,433	1,978,806	

The notes on pages 41 to 92 are an integral part of these consolidated financial statements. 第41至92頁的附註乃合併財務報表的其中部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

	Note 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cash flows from operating activities			
Profit before taxation		162,836	288,576
Adjustments for:			
Finance income	7	(29,356)	(32,563)
Finance expenses	8	7,881	318
Share of result of an associate		–	2,465
Depreciation of property, plant and equipment	16	91,485	67,571
Realised gain arising from injecting property, plant and equipment and land use right as capital to an associate	6	–	(379)
Gain on disposal of property, plant and equipment	6	(238)	(214)
Loss on re-measurement of previously held interest upon step acquisition of a subsidiary		–	4,012
Gain on a bargain purchase of a subsidiary		–	(15,833)
Amortisation of prepaid lease payments	17	2,623	1,566
Amortisation of steam connection income and government grants	28	(3,742)	(3,205)
Operating cash flows before movements in working capital		231,489	312,314
Increase in deferred income attributable to steam connection income	28	1,357	3,142
Increase in deferred income attributable to government grants	28	13,600	–
(Increase)/decrease in inventories		(202,375)	31,659
Increase in trade and other receivables		(136,386)	(43,790)
Increase in trade and other payables		14,667	218,722
Cash (used in)/generated from operations		(77,648)	522,047
Income taxes paid		(35,650)	(79,566)
Net cash (used in)/generated from operating activities		(113,298)	442,481

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

For the year ended 31 December 2013 截至二零一三年十二月三十一日止年度

	Note 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cash flows from investing activities			
Interest received		29,356	32,563
Purchases of property, plant and equipment		(422,641)	(301,399)
Deposits for acquisition of prepaid lease payments		(28,285)	(40,000)
Deposits for acquisition of property, plant and equipment		(25,290)	(103,977)
Increase in prepaid lease payments	17	(1,443)	(35,194)
Proceeds on disposal of property, plant and equipment		1,001	1,537
Step acquisition of a subsidiary, net of cash acquired		-	(9,391)
(Increase)/decrease in fixed deposits with maturity period over three months		(140,000)	110,000
(Increase)/decrease in pledged bank deposits		(7,500)	183
Net cash used in investing activities		(594,802)	(345,678)
Cash flows from financing activities			
Interest paid		(7,881)	(318)
Dividends paid	24	(11,655)	(11,758)
Proceeds from borrowings		494,068	-
Repayments of borrowings		(70,470)	-
Decrease in employee housing deposits		(28)	-
Net cash generated from/(used in) financing activities		404,034	(12,076)
Net (decrease)/increase in cash and cash equivalents		(304,066)	84,727
Cash and cash equivalents at the beginning of the year		459,266	374,539
Cash and cash equivalents at the end of the year represented by bank balances and cash	23	155,200	459,266

The notes on pages 41 to 92 are an integral part of these consolidated financial statements.

第41至92頁的附註乃合併財務報表的其中部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

1 General information

China Starch Holdings Limited (the “Company”) was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability on 29 November 2006. Its ultimate holding company is Merry Boom Group Limited (incorporated in the British Virgin Islands). The address of its registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal activities of the Company and its subsidiaries (collectively, the “Group”) are the manufacture and sale of cornstarch, lysine, starch-based sweetener, modified starch and its related products and generation and sales of electricity and steam.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated, and are approved for issue by the Board of Directors (the “Board”) on 21 March 2014.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

1 一般資料

中國澱粉控股有限公司(以下簡稱「本公司」)為於二零零六年十一月二十九日根據開曼群島公司法在開曼群島註冊成立的獲豁免有限公司，其最終控股公司為怡興集團有限公司(於英屬維爾京群島註冊成立)。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司及其附屬公司(統稱「本集團」)的主要業務為製造及銷售玉米澱粉、賴氨酸、澱粉糖、變性澱粉及其相關產品，以及生產及銷售電力及蒸汽。

本公司以香港聯合交易所有限公司(「聯交所」)主板為第一上市地。

除另有說明者外，此等合併財務報表乃以人民幣(「人民幣」)計值，並於二零一四年三月二十一日獲董事會(「董事會」)批准刊發。

2 主要會計政策概要

編製此等合併財務報表所應用的主要會計政策載列如下。除另有說明者外，該等政策已於所有呈列年度貫徹應用。

2.1 編製基準

本公司的合併財務報表已根據香港會計師公會頒佈的香港財務報告準則(「香港財務報告準則」)編製。合併財務報表乃以歷史成本基準編製。

編製符合香港財務報告準則要求的財務報表需要使用若干關鍵的會計估計。管理層在運用本集團會計政策過程中亦須行使其判斷。涉及較高程度判斷或複雜性的範圍或如假設及估計對合併財務報表而言屬重大的範圍於附註4中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

The following new standards, new interpretations and amendments to existing standards that are relevant to the Group's operations and are mandatory for accounting periods beginning on or after 1 January 2013:

HKAS 1 (amendment)	Presentation of financial statements on other comprehensive income
HKAS 19 (amendment)	Employee benefits
HKAS 27 (revised 2011)	Separate financial statements
HKFRS 1 (amendment)	First time adoption — government loans
HKFRS 7 (amendment)	Financial instruments: disclosures — offsetting financial assets and financial liabilities
HKFRS 10	Consolidated financial statements
HKFRS 10, HKFRS 11 and HKFRS 12 (amendments)	Transition guidance
HKFRS 12	Disclosures of interests in other entities
HKFRS 13	Fair value measurements
HKFRSs	Annual improvements to HKFRS 2011

The adoption of these new standards, new interpretations and amendments to existing standards does not have material impact on the Group's results and financial position nor any substantial changes to the Group's accounting policies and presentation of the consolidated financial statements.

2 主要會計政策概要(續)

2.1 編製基準(續)

下列與本集團營運相關之新訂準則、新詮釋及現有準則的修訂於二零一三年一月一日或之後開始的會計期間強制使用：

香港會計準則 第1號(修訂本)	財務報表之其他綜合 收益呈報
香港會計準則 第19號(修訂本)	僱員福利
香港會計準則第27號 (二零一一年經修訂)	單獨財務報表
香港財務報告準則 第1號(修訂本)	首次採納 — 政府貸款
香港財務報告準則 第7號(修訂本)	金融工具：披露 — 抵銷 金融資產和金融負債
香港財務報告準則 第10號	合併財務報表
香港財務報告準則 第10號、第11號 及第12號 (修訂本)	過渡性指引
香港財務報告準則 第12號	披露於其他實體的權益
香港財務報告準則 第13號	公平值計量
香港財務報告準則	二零一一年香港財務報告 準則之年度改進

採納該等新訂準則、新詮釋及現有準則修訂本對本集團的業績及財務狀況並無重大影響，亦並無令本集團的會計政策及合併財務報表的呈列方式出現任何重大變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

The following new standards, new interpretations and amendments for existing standards potentially relevant to the Group's operations, have been issued, are mandatory, and will be adopted by the Group for accounting periods beginning on or after 1 January 2014:

HKAS 32 (amendment)	Financial instruments: presentation — offsetting financial assets and financial liabilities ¹
HKAS 36 (amendment)	Impairment of assets on recoverable amount disclosures ¹
HKAS 39 (amendment)	Financial instruments: recognition and measurement — novation of derivatives ¹
HKFRSs (amendments)	Annual improvements to HKFRSs 2010–2012 cycle ²
HKFRSs (amendments)	Annual improvements to HKFRSs 2011–2013 cycle ²
HKFRS 7 and HKFRS 9 (amendments)	Mandatory effective date of HKFRS 9 and transition disclosures ³
HKFRS 9	Financial instruments ³
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (amendments)	Consolidation for investment entities ¹
HK(IFRIC) 21	Levies ¹

¹ Effective for annual reporting periods beginning on or after 1 January 2014

² Effective for annual reporting period beginning on or after 1 July 2014

³ Available for application — the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised

The Group has not early adopted these new standards, new interpretations and amendments for existing standards in the consolidated financial statements for the year ended 31 December 2013. The Group is in the process of making an assessment of the impact of these new standards, new interpretations and amendments for existing standards and has so far concluded that the adoption of these new/revised standards and amendments to standards would not have a significant impact on its results of operations and financial position.

2 主要會計政策概要(續)

2.1 編製基準(續)

以下為已頒佈且可能與本集團營運相關的新訂準則、新詮釋及現有準則修訂本，其需強制採納，而本集團將於二零一四年一月一日或之後開始的會計期間採納：

香港會計準則第32號(修訂本)	金融工具：呈報－抵銷金融資產和金融負債 ¹
香港會計準則第36號(修訂本)	資產可收回金額之披露 ¹
香港會計準則第39號(修訂本)	金融工具：確認及計量－衍生工具之更替 ¹
香港財務報告準則(修訂本)	香港財務報告準則二零一零年至二零一二年週期之年度改進 ²
香港財務報告準則(修訂本)	香港財務報告準則二零一一年至二零一三年週期之年度改進 ²
香港財務報告準則第7號及第9號(修訂本)	香港財務報告準則第9號強制性生效日期和過渡性披露 ³
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第10號、第12號及香港會計準則第27號(二零一一年)(修訂本)	綜合投資實體之賬目 ¹
香港(國際財務報告詮釋委員會)第21號	徵費 ¹

¹ 於二零一四年一月一日或之後開始的年度報告期間生效

² 於二零一四年七月一日或之後開始的年度報告期間生效

³ 可供應用－強制生效日期將於落實香港財務報告準則第9號之餘下階段時釐定

本集團並未就截至二零一三年十二月三十一日止年度的合併財務報表提前採納該等新訂準則、新詮釋及現有準則修訂本。本集團正評估該等新訂準則、新詮釋及現有準則修訂本的影響，迄今認為採納該等新訂／經修訂準則及準則修訂本將不會對經營業績及財務狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries

2.2.1 Consolidation

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) Business combination

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

2 主要會計政策概要(續)

2.2 附屬公司

2.2.1 合併賬目

附屬公司為本集團對其存有控制權的實體。倘本集團須承擔或享有參與實體之可變回報風險及權力，以及可運用其對該實體之權力以影響有關回報時，則對實體存有控制權。附屬公司於控制權轉移至本集團日期起合併入賬，並於控制權終止日期起不再合併入賬。

(a) 業務合併

本集團使用購買法作為業務合併的入賬方法。就收購附屬公司而已轉讓的代價按已轉讓資產、對被收購方前擁有人所產生之負債及本集團發行的股權的公平值計量。已轉讓代價包括因或然代價安排而產生的任何資產或負債的公平值。於業務合併過程中所收購的可識別資產以及承擔的負債及或然負債，均按收購日期的公平值作初步計量。本集團可就個別收購按公平值或非控股股東權益應佔被收購方的可識別資產淨值已確認金額，確認於被收購方的任何非控股股東權益。

收購相關成本在產生時列為開支。

如果分階段進行業務合併，收購方原先持有被收購方之權益的收購日賬面值會於收購日重新計量公平值；任何由重新計量產生的收益或虧損於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business combination (Continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2 主要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 合併賬目(續)

(a) 業務合併(續)

本集團所轉讓的任何或然代價將在購買當日按公平值確認。被視為一項資產或負債的或然代價公平值的後續變動，將按照香港會計準則第39號的規定，確認為損益或其他全面收益變動。分類為權益的或然代價毋須重新計量，而其後結算會於權益入賬。

轉讓代價、被收購方任何非控股股東權益金額及被收購方任何先前股權於收購日期的公平值超出所購入可識別淨資產的部分作為商譽入賬。倘轉讓代價、已確認的非控股股東權益及已計量的先前持有股權的總和低於議價購入所收購附屬公司淨資產的公平值，該差額直接在損益中確認。

集團內公司間交易、結餘及集團內公司間交易的未變現收益均予對銷。未變現虧損亦會對銷。如有需要，附屬公司呈報的金額已經進行調整，以與本集團的會計政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

- (b) *Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

- (c) *Disposal of subsidiaries*

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2 主要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 合併賬目(續)

- (b) *於附屬公司擁有權的變動(不會導致控制權變動)*

集團將其與非控股股東權益進行且不導致失去控制權的交易入賬為權益交易 — 即與擁有人以其作為擁有人身份進行的交易。所支付任何代價的公平值與相關應佔所收購附屬公司淨資產賬面值的差額記錄為權益。向非控制性權益的出售的盈虧亦記錄在權益中。

- (c) *出售附屬公司*

當本集團失去對實體的控制權或重大影響力，於該實體的任何保留權益會按公平值重新計量，而賬面值變動會於損益內確認。為了其後以聯營公司、合營公司或金融資產方式將保留權益入賬，公平值指最初賬面值。此外，之前就該實體於其他全面收益中確認的任何金額會以猶如本集團已直接出售相關資產或負債的方式入賬。此舉或表示之前於其他綜合收益中確認的金額會重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company (the "Executive Directors").

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

2 主要會計政策概要(續)

2.3 獨立財務報表

於附屬公司的投資按成本扣除減值列賬。成本亦包括投資的直接成本。本公司基於已收股息及應收款項呈列附屬公司業績。

倘股息超逾附屬公司宣派股息期間的綜合收益總額或獨立財務報表內投資賬面值超逾被投資方合併財務報表資產淨值(包括商譽)的賬面值,則收取該等投資的股息後須對附屬公司投資進行減值測試。

2.4 分部報告

經營分部的呈報方式與給予主要營運決策者的內部報告一致。主要營運決策人(負責分配資源及評估經營分部表現)已確定為本公司執行董事(「執行董事」)。

2.5 外幣換算

(a) 功能及呈報貨幣

計入本集團各實體財務報表的項目均以該實體業務所在的主要經濟環境的貨幣(「功能貨幣」)計量。合併財務報表乃以人民幣呈列,人民幣為本公司的功能貨幣及本集團的呈報貨幣。

(b) 交易及結餘

外幣交易按交易日期或重新計量項目估值日期當時的匯率換算為功能貨幣。因結算此等交易及按年終匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於損益內確認,惟於權益內遞延作為合資格現金流量對沖及合資格投資淨額對沖除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.5 Foreign currency translation (Continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- (ii) income and expenses for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting current translation differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2.6 Property, plant and equipment

Property, plant and equipment, other than those under construction, are stated at historical cost less accumulated depreciation and impairment losses. Property, plant and equipment under construction for production or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Property, plant and equipment under construction is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2 主要會計政策概要(續)

2.5 外幣換算(續)

(c) 集團公司

本集團旗下所有實體(全部均非採用高通脹經濟體系的貨幣)的功能貨幣倘有別於呈報貨幣,其業績及財務狀況須按如下方式兌換為呈報貨幣:

- (i) 各財務狀況表所列資產及負債按其報告期末的收市匯率換算;
- (ii) 各項損益所列收入及開支按平均匯率換算,除非此平均匯率不足以合理地概括反映於交易日期適用匯率的累計影響,則在此情況下,收入及開支則按交易日期的匯率換算;及
- (iii) 所有因此而產生的貨幣換算差額均於其他綜合收益內確認。

在合併賬目時,換算海外業務淨投資產生的匯兌差額,均列入其他綜合收益內。當處置或出售部分海外業務時,計入權益的匯兌差額於損益內確認為出售收益或虧損的一部分。

因收購海外實體而產生的商譽及公平值調整,均視作為該海外實體的資產及負債處理,並按收市匯率換算。產生的貨幣換算差額在其他綜合收益中確認。

2.6 物業、廠房及設備

除在建項目之外,物業、廠房及設備均會按歷史成本減累計折舊及減值虧損列賬。作生產或行政用途或尚未決定用途的在建物業、廠房及設備會按成本減任何已確認減值虧損入賬。在建物業、廠房及設備乃當完成並可作擬定用途時分類為物業、廠房及設備的適當類別。該等資產的折舊於資產可供用作擬定用途時開始,採用的基準與其他物業資產的基準相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.6 Property, plant and equipment (Continued)

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over the estimated useful lives, as follows:

Buildings	15–35 years
Plant and machinery	5–12 years
Motor vehicles	6 years
Other machinery	4–10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other income and gains" in the profit or loss.

2.7 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2 主要會計政策概要(續)

2.6 物業、廠房及設備(續)

歷史成本包括收購該等項目直接應佔的開支。成本亦可能包括由外幣購置物業、廠房和設備的合資格現金流量對沖轉撥的權益的任何溢利／虧損。

只有在與項目相關的未來經濟利益可能流入本集團，而項目成本能可靠地計量時，項目的其後成本才會計入資產賬面值，或在適當情況下確認為獨立資產。已取代部分的賬面值會被終止確認。其他所有維修保養費用於產生的財務期間內在損益表內扣除。

物業、廠房及設備的折舊採用直線法按以下的估計可使用年期將成本分配至其殘值計算：

樓宇	15至35年
廠房及機器	5至12年
汽車	6年
其他機器	4至10年

資產的殘值及可使用年期於各報告期末進行檢討，並於適當時作出調整。

倘資產賬面值高於其估計可收回金額，則資產賬面值會即時撇減至其可收回金額(附註2.7)。

出售收益及虧損以比較所得款與賬面值而釐定，並於損益表內的「其他收入及收益」中確認。

2.7 非金融資產的減值

當有事件出現或情況改變顯示賬面值可能無法收回時，會就資產減值進行檢討。減值虧損按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公平值扣除銷售成本或使用價值兩者中的較高者為準。於評估減值時，資產按可分開識別現金流量(現金產生單位)的最低層次分組。商譽以外的非金融資產如出現減值，會於各報告日期檢討其減值撥回的可能性。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.8 Financial assets

(a) Classification

The Group classifies its financial assets as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'pledged bank deposits', 'fixed deposits with maturity period over three months', 'trade and other receivables' and 'cash and cash equivalents' in the consolidated statement of financial position (notes 2.10 and 2.11).

(b) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date — the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(d) Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

2 主要會計政策概要(續)

2.8 金融資產

(a) 分類

本集團將其金融資產分為貸款及應收款。

貸款及應收款是在活躍市場沒有報價的固定或待付款的非衍生金融資產。其於流動資產項下入賬，惟已償還或預期將於報告期末後十二個月後償還的金額除外。其分類為非流動資產。本集團的貸款及應收款由合併財務狀況表的「已抵押銀行存款」、「到期日超過三個月的定期存款」、「貿易及其他應收款」及「現金及現金等價物」(附註2.10及2.11)組成。

(b) 確認及計量

常規購買及出售金融資產於交易日期(即本集團承諾購買或出售資產的日期)確認。投資初步按公平值加交易成本確認。當自投資收取現金流量的權利屆滿或已經轉讓，而本集團已轉移擁有權的絕大部分風險及回報時，金融資產被終止確認。貸款及應收款其後按實際利率法以攤銷成本入賬。

(c) 抵銷金融工具

若有抵銷已確認金額的法定權利，且計劃以淨額基準結算或將資產變現以償還負債，該金融資產和金融負債將在財務狀況表內互相抵銷並以淨額列示。

(d) 金融資產的減值

本集團於各報告期末評估是否有客觀證據顯示金融資產或一組金融資產出現減值。只當有客觀證據證明於初步確認資產後發生一宗或多宗事件導致出現減值(「虧損事件」)，而該宗(或該等)虧損事件對該項或該組金融資產的未來估計現金流量構成可以合理估計的影響，有關金融資產方會減值及產生減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.8 Financial assets (Continued)

(d) Impairment of financial assets (Continued)

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 主要會計政策概要(續)

2.8 金融資產(續)

(d) 金融資產的減值(續)

減值跡象可包括一名或一組債務人正面臨重大財務困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

至於貸款及應收款項類別，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生的未來信貸損失)的現值兩者間的差額計量。資產賬面值將予削減，而虧損金額則在損益確認。倘貸款或持至到期投資的利率浮動，則計量減值虧損所用的折現率為根據合約釐定之當時實際利率。在實際運作上，本集團可能採用可觀察的市價基於工具的公平值計量減值。

如於繼後期間，減值虧損的金額減少，而此減少可客觀地聯繫至減值確認後才發生的事件(例如債務人的信貸評級有所改善)，則之前已確認的減值虧損可在損益中撥回。

2.9 存貨

存貨以成本及可變現淨值兩者的較低者入賬，而成本按加權平均法釐定。製成品及在製品的成本包括原材料、直接勞工、其他直接成本及相關生產間接成本(基於正常營運能力)，但不包括借貸成本。可變現淨值乃於日常業務過程中的估計售價，減去適用的可變銷售開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.10 Trade and other receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.11 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.12 Share capital

Ordinary shares are classified as equity. Incremental costs, directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.13 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

2 主要會計政策概要(續)

2.10 貿易及其他應收款

貿易應收款為於日常業務過程中就已售貨品應收客戶的款項。倘貿易及其他應收款預期於一年或之內收回(或倘時間更長,則於業務的正常營運週期內),則被分類為流動資產,否則以非流動資產呈列。

貿易及其他應收款初步按公平值確認,其後使用實際利率法按攤銷成本減去減值撥備計量。

2.11 現金及現金等價物

在合併現金流量表內,現金及現金等價物包括手頭現金,銀行通知存款以及其他原到期日為三個月或以下的短期高流動性投資。

2.12 股本

普通股分類為權益。與發行新股或購股權直接有關的增量成本(扣除稅項),列入權益作為所得款的減值。

2.13 貿易應付款

貿易應付款為於日常業務過程中就向供應商購買貨品或服務而付款的責任。倘貿易應付款於一年或之內到期(或倘時間更長,則於業務的正常營運週期內),則被分類為流動負債,否則以非流動負債呈列。

貿易應付款按公平值初步確認,其後採用實際利率法按攤銷成本計量。

2.14 借款

借款按公平值初步確認,並扣除已產生的交易成本。借款隨後按攤銷成本列賬;所得款(扣除交易成本)與贖回值之間的任何差額,使用實際利率法於借款期內在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.14 Borrowings (Continued)

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.16 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要(續)

2.14 借款(續)

倘可能會提取部分或全部融資，設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下，費用遞延至貸款提取為止。如沒有證據證明可能會提取部分或全部融資，則該費用撥作資本列為流動資金服務的預付款項，於有關融資期間攤銷。

除非本集團有權無條件將債務結算日期延遲至報告期結束後至少12個月，否則借款歸類為流動負債。

2.15 借款成本

收購、建造或生產須長時間方能作擬定用途或出售前的資產所直接應佔的一般及特殊借款成本，會加入該等資產的成本內，直至該等資產已大致備可作擬定用途或出售為止。

以特別就合資格資產借入的未動用款項作臨時投資，其投資所得收入會從合資格撥作資本的借款成本中扣除。

所有其他借款成本在產生期間於損益中確認。

2.16 當期及遞延所得稅

本期的稅項支出包括當期和遞延稅項。稅項在損益確認，但與在其他綜合收益或直接在權益確認的項目有關者則除外。在此情況下，稅項亦分別在其他綜合收益或直接在權益確認。

(a) 當期所得稅

當期所得稅支出根據本公司及附屬公司經營業務及產生應課稅收入所在的國家於報告期末已頒佈或實質上已頒佈的稅務法例計算。對於有待詮釋的相關稅務規則，管理層定期評估報稅表所採取的立場，如認為適當會基於預期須向稅務機關支付的稅款提撥準備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.16 Current and deferred income tax (Continued)

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 主要會計政策概要(續)

2.16 當期及遞延所得稅(續)

(b) 遞延所得稅

內部基礎差異

因應資產和負債的稅基與資產和負債在合併財務報表的賬面值之間的暫時差額，採用負債法確認遞延所得稅。然而，若遞延所得稅源於交易（非業務合併）的資產或負債的初步確認，而在交易時不影響會計損益及稅務損益，則不記賬。遞延所得稅採用在報告期末已頒佈或實質上已頒佈並預期在有關的遞延所得稅資產變現或遞延所得稅負債結算時將會使用的稅率（及法例）釐定。

遞延所得稅資產在未來可能有應課稅溢利而就此可使用暫時性差異的情況下會確認入賬。

外部基礎差異

於附屬公司的投資所產生之應課稅暫時性差異作遞延所得稅負債準備，惟本集團可以控制暫時性差異的撥回時間，且暫時性差異在可預見將來可能不會撥回的遞延所得稅負債除外。一般而言，本集團無法控制聯營公司暫時性差異的撥回時間。本集團僅會於有協議賦予本集團權力時方可控制未確認暫時性差異的撥回。

因投資於附屬公司而產生的可扣減暫時性差異，僅會於暫時性差異可在將來撥回，且有充足應課稅溢利可用作抵銷暫時性差異時確認為遞延所得稅資產。

(c) 抵銷

當有法定可執行權力將當期稅項資產與當期稅項負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅實體或有意以淨額基準結算所得稅結餘的不同應課稅實體徵收的所得稅，則可將遞延所得稅資產與負債互相抵銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.17 Employee benefits

(a) Pension obligations

The Group operates defined contributions pension plans in Hong Kong and the Mainland China. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

In Hong Kong, the Group's contributions to the Mandatory Provident Fund Scheme are expensed as incurred. Both the Group and its employees in Hong Kong are required to contribute 5% of each individual's relevant income with a maximum amount of HK\$1,250 per month as a mandatory contribution. The assets of the scheme are held separately from those of the Group and managed by independent professional fund managers.

For employees in Mainland China, the Group contributes on a monthly basis to various defined contribution plans organised by the relevant municipal and provincial governments in the People's Republic of China (the "PRC") based on certain percentage of the relevant employees' monthly salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further constructive obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred.

(b) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities of bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

2 主要會計政策概要(續)

2.17 僱員福利

(a) 退休金責任

本集團於香港和中國大陸設立界定供款計劃。界定供款計劃是本集團向獨立實體支付固定供款的退休金計劃。倘基金沒有充足資產向全體僱員支付與當期或過往期間僱員服務有關的福利，則本集團亦無法定或推定責任作額外供款。供款於到期時確認為僱員福利開支。預付供款於有現金可退回時或可扣減未來付款時確認為資產。

在香港，本集團將強制性公積金計劃供款列作開支。本集團與其香港僱員需負責佔各員工每月相關入息5%的供款，最高金額為每月1,250港元的強制性供款。該計劃的資產與本集團的資產分開持有，並由獨立專業基金經理人管理。

對於中國大陸僱員，本集團基於相關僱員月薪之特定百分比每月向中華人民共和國（「中國」）相關省市級政府多個界定供款計劃供款。市級及省級政府承諾根據這些計劃為所有現有及未來退休僱員承擔退休福利責任。除作出供款外，本集團就退休後利益並無進一步的推定責任。這些計劃供款於產生時列為開支。

(b) 花紅

預期支付的花紅乃於本集團須承擔因僱員所提供服務而產生的現有法定或推定性責任，並在可合理估計有關責任的金額時確認為負債。花紅計劃的負債預期將於十二個月內償還，並根據在償付時預期會支付的金額計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.17 Employee benefits (Continued)

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets) and including that of non-vesting conditions (for example, the requirement for employees to save). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At the reporting date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 主要會計政策概要(續)

2.17 僱員福利(續)

(c) 以股份支付的報酬

本集團設立一項按股權計算、以股份為基礎的報酬計劃。本集團就授出購股權而取得之僱員服務的公平值乃確認為費用。購股權歸屬期間支銷之總額乃參考已授出購股權之公平值而釐定，惟不計及任何非市場歸屬條件之影響(例如盈利能力及銷售增長目標)，但包括非歸屬條件(例如要求員工儲蓄)之影響。非市場歸屬條件包括於有關預期可予歸屬之購股權數目之假設內。於報告日期，實體會修改其估計預期可予歸屬之購股權之數目。修改原來估計數字如有影響，則於損益內確認，並對權益作相應調整。

當購股權獲行使時，收取之所得款項於扣除任何直接應佔之交易成本後計入股本(面值)及股份溢價賬。

2.18 撥備

當本集團因過往事件而須負上現有的法定或推定責任，並且可能須流失資源以履行責任，而金額亦能夠可靠估計時，會確認撥備。未來經營虧損撥備不會確認入賬。

倘有多項類似責任出現，則會整體考慮責任所屬類別以釐定履行責任會否導致資源流失。即使同一類別責任內任何一項造成資源流失的可能性不高，仍會確認撥備。

撥備按為履行責任預計所需開支的現值計量，計算此等現值使用的稅前貼現率能夠反映對貨幣時間價值及該責任特有的風險的市場評估。時間流逝導致撥備金額的增加會確認為利息開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivables for goods supplied, stated net of returns and value added taxes.

The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales of goods are recognised when a group entity has delivered goods to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Sales of steam and electricity are recognised when steam and electricity are generated and transmitted.

Steam connection income received from customers for the provision of steam supply are deferred and amortised into the profit or loss over the estimated usage period.

2.20 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

2 主要會計政策概要(續)

2.19 收入確認

收入按已收或應收代價之公平值計量，並相當於所供應之貨品之應收金額，在扣除退貨及增值稅後入賬。

當收入的金額能夠可靠計量；當未來經濟利益有可能流入實體；及當本集團每項活動均符合下文所述的具體條件時，本集團會確認收入。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

貨品銷售於集團實體向客戶交付貨物、客戶對銷售渠道及出售貨品價格有全權酌情權及並無任何可能會對客戶接納貨品造成影響的未履行責任時確認。交付指貨品已運輸到指定位置、貨品過時或虧損風險已轉移給客戶，或本集團有客觀證據顯示已達成驗收標準。

蒸汽及電力的出售於蒸汽及電力生產與傳輸時確認。

就供應蒸汽向客戶收取的蒸汽接駁收益會於預計使用期內於損益內遞延及分攤。

2.20 利息收入

利息收入採用實際利息法確認。倘貸款及應收款項出現減值，本集團會將賬面值減至可收回金額，即按工具的原實際利率折現的估計未來現金流，並繼續將折現金額作為利息收益入賬。減值貸款及應收款項的利息收入使用原實際利率確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.21 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

(a) The Group as lessee

Rental payable under operating leases are charged to the profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) Land use rights

Land use rights are accounted for as operating leases and amortised over the lease term on a straight-line basis.

2.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit or loss on a straight-line basis over the expected lives of the related assets.

2 主要會計政策概要(續)

2.21 租賃

擁有權的大部分風險及回報由出租人保留的租賃，歸類為經營租賃。根據經營租賃支付的款項(扣除出租人給予的任何優惠)按直線法在租期自損益扣除。

(a) 本集團作為承租人

來自經營租賃的應付租金按直線法在有關租期自損益扣除。作為訂立經營租賃獎勵之已收及應收利益按直線法在租期確認為租金開支減少。

(b) 土地使用權

土地使用權計入經營租賃，並按直線法在租賃期內攤銷。

2.22 政府補助

政府補助於可合理保證將會收到補助及將遵守相關附帶條件時，按其公平值確認。

有關成本之政府補助會作遞延，並在須將該補助與該補助擬補償之成本配對所需的期間，於損益確認。

與物業、廠房及設備有關的政府補助計入非流動負債作為遞延收入，並於相關資產的預計年內按直線法計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

2 Summary of significant accounting policies (Continued)

2.23 Research and development expenditure

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when all of the following criteria are fulfilled:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (b) management intends to complete the intangible asset and use or sell it;
- (c) there is an ability to use or sell the intangible asset;
- (d) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (f) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding five years.

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 主要會計政策概要(續)

2.23 研究及開發開支

研究開支於產生期間確認為開支。開發項目(涉及新產品或改良產品的設計及測試)產生的成本於符合以下所有條件時確認為無形資產：

- (a) 完成無形資產在技術上可行，致使該無形資產可供使用或銷售；
- (b) 管理層有意完成及使用或銷售該無形資產；
- (c) 能夠使用或銷售無形資產；
- (d) 能呈現該無形資產如何產生可能的未來經濟利益；
- (e) 具備充裕的技術、財務及其他資源，以完成開發工作及使用或銷售該無形資產；以及
- (f) 能夠可靠計量該無形資產於開發時應佔的開支。

其他不符合上述要求的開發開支產生期間確認為開支。之前確認為開支的開發成本於之後的期間不會被確認為資產。資本化開發成本被列為無形資產，並於該資產可供使用時按直線法於不超過五年的可使用年期攤銷。

2.24 股息分派

向本公司股東分派的股息在股息獲本公司股東或董事(如合適)批准當期於本集團及本公司的財務報表確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 Financial risk management

(a) Financial risk management objectives and policies

The Group's major financial instruments include borrowings, trade and bills receivables, trade and bills payables, employee housing deposits, pledged bank deposits, fixed deposits with maturity period over three months, cash and cash equivalents and amounts due from/to related companies. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(b) Market risk

(i) Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arise. Approximately 13% (2012: 9%) of the Group's sales are denominated in currencies other than the functional currency of the Group entity.

The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rate.

The Group mainly operates in the PRC with most of the transactions settled in RMB. Foreign exchange risk arises when future commercial translation or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk primarily with respect to United States Dollars and Hong Kong Dollars. The management considers the foreign exchange risk with respect to United States Dollars and Hong Kong Dollars is not material as the net exposure of the financial assets and liabilities denominated in these currencies is insignificant.

The Group's assets and liabilities, and transactions arising from its operations primarily do not expose to material foreign exchange risk as the Group's assets and liabilities are primarily denominated in RMB. The Group generates RMB from sales in the PRC to meet its liabilities denominated in RMB. The Group has not used any forward contracts or currency borrowings to hedge its exposure as the cost-benefit is considered not effective.

3 財務風險管理

(a) 財務風險管理目標與政策

本集團的主要金融工具包括借款、貿易應收款及應收票據、貿易應付款及應付票據、員工房屋保證金、已抵押銀行存款、三個月以上定期存款、現金及現金等價物及應收／應付關連公司款項。該等金融工具的詳情已在相關的附註披露。該等金融工具的相關風險及減低該等風險的政策在下文載述。管理層會管理及監督該等風險以確保能及時並有效地實施適當措施。

(b) 市場風險

(i) 外匯風險

本集團進行的若干交易以外幣計值，因此須承擔匯率波動的風險。本集團銷售額約13%（二零一二年：9%）乃以本集團實體的功能貨幣以外的貨幣計值。

本集團透過密切監測外幣匯率的變動管理其外匯風險。

本集團業務主要位於中國，大部分交易以人民幣結算。倘日後商業匯兌或已確認資產及負債以非實體功能貨幣的貨幣計值，將會產生外匯風險。本集團主要面臨美元及港元的外匯風險。管理層認為有關美元及港元的外匯風險並不重大，原因為以該等貨幣計值的金融資產及負債的淨風險微不足道。

本集團的資產及負債以及業務交易基本不涉及重大外匯風險，原因為本集團的資產及負債主要以人民幣計值。本集團透過在中國的銷售獲取人民幣，以應付以人民幣計值的負債。由於認為成本效益不高，故本集團並無利用任何遠期合約或貨幣借款對沖其風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 Financial risk management (Continued)

(b) Market risk (Continued)

(ii) Price risk

Corn kernels are the major raw materials of the product of the Group and they are subject to price changes in the commodity market. During the year, management did not use any commodity futures to control the exposure of the Group to price fluctuations of corn kernel. Instead, purchases are made in bulk at the time when the market price of corn kernel is considered as low.

(iii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates and the Group has no significant interest-bearing assets except for the bank balances, and fixed deposits, details of which have been disclosed in note 23. As at 31 December 2013, all of the Group's interest-bearing financial liabilities are carried at fixed rate which exposes the Group to fair value interest rate risk. The management considers the cash flow interest rate risk is not material as the net exposure of the interest-bearing assets and liabilities is insignificant.

(c) Credit risk

The Group's credit risk is primarily attributable to trade receivables from third parties. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Before accepting any new customer, the Group assesses the creditability of each of the potential customer's credit quality and defines credit limit to each customer. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In determining whether allowance for bad and doubtful debts is required, the Group takes into consideration the aging status and the likelihood of collection. Following the identification of doubtful debts, the responsible sales personnel discuss with the relevant customers and report on the recoverability, specific allowance is only made for trade receivable that is unlikely to be collected. In this regards, the directors of the Company are satisfied that this risk is minimal and adequate allowance for doubtful debts, if any, has been made in the consolidated financial statements after assessing the collectability of individual debts.

3 財務風險管理 (續)

(b) 市場風險 (續)

(ii) 價格風險

玉米粒為本集團產品的主要原材料，須面對商品市場的價格變動。本年度內，管理層並無使用商品期貨控制本集團因玉米粒價格波動而承受的風險。反之，於玉米粒市價被認為低時大量採購玉米粒。

(iii) 利率風險

本集團的收入及經營現金流量大致上不受市場利率變動影響，除銀行結餘及定期存款(詳情於附註23披露)外，本集團並無重大的計息資產。於二零一三年十二月三十一日，所有本集團計息金融負債按固定利率計息，因此本集團須承擔公平值利率風險。管理層認為現金流利率風險並不重大，原因為計息資產及負債的淨風險微不足道。

(c) 信貸風險

本集團的信貸風險主要來自第三方貿易應收款。管理層已制訂信貸政策，並不斷監察所承擔的信貸風險。

在接納任何新客戶前，本集團會評估每名潛在客戶的信用度及為每名客戶設定信貸限額。為盡量減低信貸風險，本集團的管理層已委派一組人員負責釐定信貸限額、信貸批核及其他監督程序，確保能採取跟進行動以討回逾期欠債。在確定是否須為呆壞賬作出備抵時，本集團會考慮賬齡狀況及討回債項的可能性。倘確定債項屬於呆賬，經辦的營銷人員會與有關客戶商討，就債項的可討回性作呈報，而且只會為不可能收回的貿易應收款作出特定備抵。就此而言，本公司的董事均信納該方面的風險極低，而且在評估個別債項的可收回性之後在合併財務報表中所作的呆賬備抵(若有)亦已充足。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 Financial risk management (Continued)

(c) Credit risk (Continued)

The credit risk on cash at bank deposited in the PRC and bills receivables is monitored closely by management of the Group who will assess the reputation, the risk of recoverability and the financial information, if any, of the counterparties before the placing of deposits or accepting the bills receivables.

The Group has no significant concentration of credit risk in respect of the trade and other receivables, with exposures spread over a number of counterparties and customers.

(d) Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

As at 31 December 2013, the Group has available unutilised bank loan facilities of approximately RMB866,403,000 (2012: RMB640,000,000).

At the reporting date, the Group held liquid assets including trade and other receivables of RMB215,113,000 (2012: RMB166,835,000) that are expected to readily generate cash flow for managing liquidity risk.

3 財務風險管理(續)

(c) 信貸風險(續)

本集團管理層會密切監察中國銀行現金存款及應收票據的信貸風險，並會在存款或接納應收票據前先評估對方的信譽、收回風險及財務資料(如有)。

就貿易及其他應收款而言，本集團並無高度集中的信貸風險，風險均分散於多名對方及客戶。

(d) 流動資金風險

為管理流動資金風險，本集團會作出監督，將現金及現金等價物保持在管理層認為充足的水平，以應付本集團的經營所需及減低現金流量波動的影響。

於二零一三年十二月三十一日，本集團的未動用銀行貸款融資約為人民幣866,403,000元(二零一二年：人民幣640,000,000元)。

於報告日期，本集團持有的流動資產包括貿易及其他應收款人民幣215,113,000元(二零一二年：人民幣166,835,000元)，預期可即時產生現金流量以管理流動資金風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Liquidity table

The following table details the Group's contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The amounts disclosed in the table are the contractual undiscounted cash flows:

		Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total undiscounted cash flow
		一年以內	一年至兩年	兩年至五年	超過五年	未貼現現金 流量總額
		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
Group	本集團					
2013	二零一三年					
Trade and other payables	貿易及其他應付款	429,097	-	-	-	429,097
Loans	貸款					
- interest free	- 免息	3,323	886	2,659	223	7,091
- interest-bearing	- 計息	436,854	-	-	-	436,854
Employee housing deposits	員工房屋保證金	26,279	-	-	-	26,279
		895,553	886	2,659	223	899,321
2012	二零一二年					
Trade and other payables	貿易及其他應付款	360,149	-	-	-	360,149
Loans	貸款					
- interest free	- 免息	2,437	886	2,659	1,109	7,091
Employee housing deposits	員工房屋保證金	26,307	-	-	-	26,307
		388,893	886	2,659	1,109	393,547
Company	本公司					
2013	二零一三年					
Other payables	其他應付款	755	-	-	-	755
2012	二零一二年					
Other payables	其他應付款	1,509	-	-	-	1,509

3 財務風險管理 (續)

(d) 流動資金風險 (續)

流動資金表

下表詳述本集團的非衍生金融負債的合同到期日。該表基於本集團可被要求付款的最早日期的財務負債未貼現現金流量而編製。下表中披露金額是合同中未貼現現金流：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

3 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions.

The directors consider that the carrying amounts of financial assets and financial liabilities at amortised cost in the consolidated financial statements approximate to their fair values.

(e) Capital management

The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce the cost of capital.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirement.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of trade and bills receivables

Note 2.8(d) describes that trade and bills receivables are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in the profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows as expected by management discounted at the original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise.

3 財務風險管理(續)

(d) 流動資金風險(續)

金融工具的公平值

金融資產及金融負債的公平值根據一般公認定價模式，以貼現現金流量分析或利用可觀察的現行市場交易價格而釐定。

董事認為，於合併財務報表內按攤銷成本列賬的金融資產及金融負債的賬面值與其公平值相若。

(e) 資本管理

本集團管理資本的目標為保障本集團可持續經營，為股東帶來回報，以及令其他利益相關人受惠。為了維持或調整資本架構，本集團可能調整向股東支付的股息金額、向股東退回資本、發行新股或出售資產，藉以減低資金成本。

本公司或其任何附屬公司均毋須遵守任何外部實施的資本要求。

4 重大會計估計及判斷

以下為涉及日後的主要假設及於報告期末估計及判斷會持續進行評估，並根據過往經驗及其他因素，包括在有關情況下對未來事件的合理預期。

本集團對未來作出若干估計及假設。所得的會計估計如其定義，極少與相關的實際結果相同。有很大機會引致下一個財政年度內對資產及負債賬面值作出重大調整風險的估計及假設討論如下。

(a) 貿易應收款及應收票據減值

附註2.8(d)載述貿易應收款及應收票據均採用實際利率法按攤銷成本減任何已辨識減值虧損入賬。倘有客觀證據顯示資產已經減值，會在損益中確認減值虧損，金額按資產賬面值與以原實際利率貼現管理層預期的估計未來現金流量現值之間的差額計算。如實際未來現金流量少於預期，則可能出現重大減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

4 Critical accounting estimates and judgements (Continued)

(b) Valuation on inventories

The Group assesses periodically if the inventories have been suffered from any impairment in accordance with the accounting policy stated in note 2.9. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete and slow-moving items. The management estimates the net realisable value for such finished goods, work-in-progress and raw materials primarily on the estimated future selling price and market conditions. Where the estimates of the net realisable value are less than expected, a material allowance may arise.

(c) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will adjust the depreciation charge where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(d) Impairment of non-financial assets

The Group assess whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an assets or a cash-generating unit exceeds its recoverable amount, which is higher of its fair value less cost of sell and its value in use. The calculation of the fair value less costs to sell is based on the available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of asset. When value in the use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

4 重大會計估計及判斷(續)

(b) 存貨估值

本集團會定期根據附註2.9所載述的會計政策評估存貨是否已經出現任何減值。本集團會於各報告期末檢討每類產品的存貨，為陳舊及滯銷項目作出備抵。管理層主要根據估計的未來售價和市場情況估計該等製成品、在製品及原材料的可變現淨值。如可變現淨值估計少於預期，可能需作出重大備抵。

(c) 物業、廠房及設備的可使用年期

本集團的管理層決定其物業、廠房及設備的估計可使用年期及有關折舊開支。該估計乃根據性質及功能相近的物業、廠房及設備過往的實際可使用年期而作出。該估計可能因科技進步及競爭者對嚴重行業週期的行動而出現重大變動。管理層將於可使用年期與先前估計年期不同時調整折舊開支，或撤銷或撇減經已廢棄或出售的技術上已過時或非策略性資產。

(d) 非金融資產之減值

本集團在各報告期末評估全部非金融資產是否有任何減值跡象。其他非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘資產或現金產生單位的賬面值超過其可收回金額時，則存在減值，而可收回金額為其公平值減銷售成本與其使用價值之較高者。公平值減銷售成本乃按類似資產之公平交易中具約束力銷售交易的所得數據或可觀察市場價格減出售資產的增加成本計算。倘以使用價值進行計算，管理層須估計資產或現金產生單位的預期未來現金流量，並且選用合適的貼現率以計算該等現金流量現值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

5 Turnover and segments information

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

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cornstarch and ancillary corn-refined products	玉米澱粉及玉米深加工副產品	2,395,323	2,435,829
Lysine and its related products	賴氨酸及其相關產品	516,418	569,462
Starch-based sweetener	澱粉糖	217,336	208,862
Modified starch	變性澱粉	235,269	21,167
Electricity and steam	電力及蒸汽	57,687	66,178
		3,422,033	3,301,498

The chief operating decision maker of the Group has been identified as the Executive Directors. The Executive Directors review the Group's internal report in order to assess performance of and allocate resources to the operating segments. Management has determined the operating segments based on these reports.

The Executive Directors consider the business segmentation from product perspective. Management assesses the performance of cornstarch, lysine, starch-based sweetener, modified starch and electricity and steam.

Cornstarch	—	the manufacture and sale of cornstarch and ancillary corn-refined products
Lysine	—	the manufacture and sale of lysine and its related products
Starch-based sweetener	—	the manufacture and sale of starch-based sweetener
Modified starch	—	the manufacture and sale of modified starch
Electricity and steam	—	the production and sale of electricity and steam

The Executive Directors assess the performance of the operating segments based on a measure of adjusted operating profit. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as impairments when the impairment is the result of an isolated, non-recurring event.

Interest income and expense are not included in the result for each operating segment as these are managed on a group basis and are not allocated to reportable segments.

Unallocated income and expenses mainly consist of certain government grants and corporate costs respectively which cannot be allocated to individual segments.

Sales between segments are charged at cost or with reference to the selling prices used for sales made to third parties at the then prevailing market prices. The revenue from external parties reported to the management is measured in a manner consistent with that in the consolidated statement of comprehensive income.

5 營業額及分部資料

本集團於本年度的營業額分析如下：

本集團主要營運決策人確定為執行董事。執行董事會審閱本集團的內部報告，以評估經營分部的表現及分配資源至各經營分部。管理層已根據該等報告釐定經營分部。

執行董事從產品觀點考慮業務分部。管理層已評估玉米澱粉、賴氨酸、澱粉糖、變性澱粉和電力及蒸汽的業務表現。

玉米澱粉	—	生產及銷售玉米澱粉及玉米深加工副產品
賴氨酸	—	生產及銷售賴氨酸及其相關產品
澱粉糖	—	生產及銷售澱粉糖
變性澱粉	—	生產及銷售變性澱粉
電力及蒸汽	—	生產及銷售電力及蒸汽

執行董事根據計量經調整經營利潤評估經營分部的表現。此計量基準並無計入經營分部的非經常性開支的影響，例如：減值（因個別非經常性事件而產生的減值）。

利息收入及開支由於以集團基準管理，並未分配至可報告分部，故不會計入各經營分部業績內。

未分配收入及開支分別主要包括未能分配至個別分部的若干政府補助及企業成本。

分部間銷售乃按成本或參考向第三方銷售所採用的售價按當時的當前市價收費。向管理層報告的外部收入的計量基準與合併綜合收益表所採用者一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

5 Turnover and segments information (Continued)

5 營業額及分部資料(續)

		Cornstarch	Lysine	Starch-based sweetener	Modified starch	Electricity and steam	Total
		玉米澱粉	賴氨酸	澱粉糖	變性澱粉	電力及蒸汽	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2013	二零一三年						
Sales to external customers	向外來客戶銷售	2,395,323	516,418	217,336	235,269	57,687	3,422,033
Inter-segment sales	分部間銷售	174,431	370	136	-	110,220	285,157
Reportable segment results	可報告分部業績	149,585	85,770	9,768	27,335	16,062	288,520
Unallocated income	未分配收入						13,330
Unallocated expenses	未分配開支						(160,489)
Finance income	融資收入						29,356
Finance expenses	融資費用						(7,881)
Profit before taxation	除稅前利潤						162,836
Other segment information:	其他分部資料：						
Depreciation and amortisation	折舊及攤銷	31,288	23,485	9,187	688	13,247	77,895
2012	二零一二年						
Sales to external customers	向外來客戶銷售	2,435,829	569,462	208,862	21,167	66,178	3,301,498
Inter-segment sales	分部間銷售	13,227	-	-	-	147,379	160,606
Reportable segment results	可報告分部業績	185,906	183,828	8,705	4,714	10,010	393,163
Unallocated income	未分配收入						30,073
Unallocated expenses	未分配開支						(164,440)
Finance income	融資收入						32,563
Finance expenses	融資費用						(318)
Share of result of an associate	應佔一家聯營公司業績						(2,465)
Profit before taxation	除稅前利潤						288,576
Other segment information:	其他分部資料：						
Depreciation and amortisation	折舊及攤銷	20,906	20,305	5,827	54	15,916	63,008

The revenue from external customers in the PRC for the year ended 31 December 2013 is RMB2,992,667,000 (2012: RMB2,999,644,000), and the revenue from external customers from other countries is RMB429,366,000 (2012: RMB301,854,000).

Given the manufacturing processes of the Group's business are in a form of vertical integration, the chief operating decision maker considered segment assets and liabilities information was not relevant in assessing performance of and allocating resources to the operating segments. In the second half of 2013, such information was not reviewed by the chief operating decision maker. Accordingly, no segment assets and liabilities are presented.

截至二零一三年十二月三十一日止年度，來自中國的外來客戶收入為人民幣2,992,667,000元(二零一二年：人民幣2,999,644,000元)，而來自其他國家外來客戶的收入為人民幣429,366,000元(二零一二年：人民幣301,854,000元)。

鑑於本集團業務的生產過程以垂直整合形式進行，主要營運決策人因此認為分部資產及負債的資料對評估業績表現及分配資源至營運分部而言並不相關。於二零一三年下半年，該等資產並未經主要營運決策人審閱。因此，並無呈列分部資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

6 Other income and gains, net

6 其他收入及收益淨額

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Government grants (note)	政府補助(附註)	4,734	4,152
Amortisation of steam connection income and government grants (note 28)	蒸汽接駁收入及政府補助攤銷(附註28)	3,742	3,205
Realised gain arising from injecting property, plant and equipment and land use right as capital to an associate	向一家聯營公司注入物業、廠房及設備和土地使用權作為注資而產生的已變現收益	-	379
Gain on sales of scrap coal and oil	銷售煤屑及廢油之收益	2,572	3,443
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	238	214
Loss on re-measurement of previously held equity interest upon step acquisition of a subsidiary	分階段收購一家附屬公司後重新計量先前持有股本權益之虧損	-	(4,012)
Gain on a bargain purchase of a subsidiary	議價收購一家附屬公司之收益	-	15,833
Others	其他	9,105	7,636
		20,391	30,850

Note:

For the year ended 31 December 2013, the government grants mainly represented the government subsidy or grant from local government in connection to the Group's business for, inter alia, the supply of steam to domestic households in winter and for supporting domestic business of the Group. The government grants were granted at the discretion of the government and were not recurring in nature.

附註：

截至二零一三年十二月三十一日止年度，政府補助主要包括地方政府就本集團業務，其中包括於冬季為當地家庭供應蒸汽及就支持本集團國內業務而作出的政府資助或補助。政府補助乃由政府酌情決定，並屬非經常性質。

7 Finance income

7 融資收入

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income on bank deposits	銀行存款的利息收入	29,356	32,563

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

8 Finance expenses

8 融資費用

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on	以下項目的利息：		
— Bank borrowings wholly repayable within 5 years	— 須於五年內悉數償還的銀行借款	6,921	—
— Discounted bills receivables	— 應收貼現票據	960	318
		7,881	318

9 Profit before taxation

9 除稅前利潤

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

除稅前利潤已扣除/(計入)下列各項：

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Depreciation of property, plant and equipment (note 16)	物業、廠房及設備折舊(附註16)	91,485	67,571
Amortisation of prepaid lease payments (note 17)	預付租賃款的攤銷(附註17)	2,623	1,566
Total depreciation and amortisation	折舊及攤銷總額	94,108	69,137
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(238)	(214)
Net foreign exchange loss	匯兌虧損淨額	4,258	873
Cost of inventories recognised as expenses (note 20)	確認為支出的存貨成本(附註20)	2,914,034	2,755,757
Operating lease payments	經營租賃款	567	301
Employee benefits expense including directors' emoluments (note 11)	僱員福利開支，包括董事酬金(附註11)	119,616	96,641
Research and development expenses (note)	研究及開發費用(附註)	6,927	4,269
Auditor's remuneration	核數師薪酬		
— Audit services	— 審核服務	1,080	1,259
— Non-audit services	— 非審核服務	24	40

Note:

Research and development costs include staff costs of employees in the research and development department, which are included in the employee benefits expenses as disclosed above.

附註：

研究及開發成本包括研發部僱員之員工成本，並已計入上表所披露之僱員福利開支中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

10 Income tax expenses

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

10 所得稅支出

由於本集團的實體於兩個年度內並無在香港產生或賺取利潤，故並無就香港利得稅作出撥備。海外利得稅則按照年內估計應課稅利潤依本集團經營業務國家的現行稅率計算。

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
PRC corporate income tax	中國企業所得稅		
— Current year	— 本年度	39,772	68,367
— (Over)/under provision in prior years	— 過往年度(超額撥備)/撥備不足	(1,260)	161
Deferred taxation (note 26)	遞延稅項(附註26)	163	(1,873)
		38,675	66,655

The tax expense for the year can be reconciled to the profit before taxation as follows:

本年度稅項支出可與除稅前利潤對賬如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	162,836	288,576
Tax at the corporate income tax rate at 25% (2012: 25%)	以企業所得稅率25% (二零一二年：25%)計算的稅項	40,709	72,144
Tax effects of	下列各項的稅務影響：		
— An associate's result reported net of tax	— 聯營公司呈報業績(扣除稅項)	—	616
— Different tax rate	— 不同稅率	422	(956)
— Expenses that are not deductible for tax purpose	— 不可扣稅開支	1,640	1,883
— Income not subject to tax	— 毋須課稅收入	(2,755)	(6,391)
— Utilisation of previously unrecognised tax losses	— 動用先前未經確認之稅務虧損	(476)	(802)
— Temporary difference not recognised	— 未確認暫時差異	395	—
— Adjustments in respect of prior years	— 過往年度調整	(1,260)	161
		38,675	66,655

As at 31 December 2013, deferred tax liabilities of approximately RMB44,212,000 (2012: RMB39,056,000) have not been recognised in respect of the tax that would be payable on the distribution of the retained profits of the Company's PRC subsidiaries as the Company controls the dividend policy of these PRC subsidiaries and it is probable that such differences will not be reversed in the foreseeable future.

於二零一三年十二月三十一日，由於本公司控制該等中國附屬公司的股息政策，而有關差異不大可能在可預見未來撥回，故並無就分派本公司中國附屬公司留存利潤時應付的稅項確認遞延稅項負債約人民幣44,212,000元(二零一二年：人民幣39,056,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

11 Employee benefit expenses (including directors' emoluments)

11 僱員福利開支(包括董事酬金)

		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages and salaries	工資及薪金	83,067	67,408
Pension cost	退休金費用	16,234	13,782
Staff welfares	員工福利	20,315	15,451
		119,616	96,641

No forfeited contributions are available to reduce the contribution payable by the Group in future years.

並無被沒收的供款可用作扣減本集團未來年度的應付供款。

12 Emoluments for directors and five highest paid individuals

12 董事及五名最高薪人士的酬金

(a) Directors' emoluments

(a) 董事酬金

		Basic salaries and allowance		Discretionary bonus	Retirement benefit scheme contribution	Total	Total
		Fees					
		基本薪金及津貼	袍金	酌情花紅	退休福利計劃供款	2013	2012
		RMB'000	RMB'000	RMB'000	RMB'000	二零一三年	二零一二年
		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
Executive directors:	執行董事:						
Mr. Tian Qixiang	田其祥先生	516	-	500	-	1,016	1,266
Mr. Yu Yingquan	于英全先生	300	-	500	-	800	1,050
Mr. Gao Shijun	高世軍先生	396	-	500	47	943	1,157
Mr. Liu Xianggang	劉象剛先生	277	-	500	47	824	1,048
Independent non-executive directors:	獨立非執行董事:						
Ms. Dong Yanfeng [#]	董延豐女士 [#]	-	34	-	-	34	50
Mr. Cao Zenggong [*]	曹增功先生 [*]	-	20	-	-	20	30
Mr. Chen Zhijun [^]	陳志軍先生 [^]	-	16	-	-	16	-
Mr. Sun Mingdao [^]	孫明導先生 [^]	-	16	-	-	16	-
Mr. Yue Kwai Wa, Ken	余季華先生	-	88	-	-	88	81
		1,489	174	2,000	94	3,757	4,682

[#] Retired with effect from 5 September 2013

^{*} Resigned with effect from 5 September 2013

[^] Appointed on 5 September 2013

[#] 於二零一三年九月五日起退休

^{*} 於二零一三年九月五日起辭任

[^] 於二零一三年九月五日獲委任

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

12 Emoluments for directors and five highest paid individuals (Continued)

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, four (2012: four) were directors of the Company whose emoluments are reflected in the analysis presented above. The emoluments of the remaining one (2012: one) individual were as follows:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Basic salaries and allowance	基本薪金及津貼	666	683
Retirement benefits scheme contributions	退休福利計劃供款	12	12
		678	695

The emolument was within RMB1,000,000.

(c) During the year ended 31 December 2013 and 2012, no emoluments have been paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13 Earnings per share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of calculating basic earnings per share (Profit for the year attributable to owners of the Company)	用以計算每股基本盈利的盈利 (本公司擁有人應佔 本年度利潤)	122,198	219,647

12 董事及五名最高薪人士的酬金(續)

(b) 五名最高薪人士

本集團五名最高薪人士中，四名(二零一二年：四名)為本公司的董事，彼等的酬金於上文的分析呈列。餘下一名(二零一二年：一名)最高薪人士的酬金如下：

(c) 截至二零一三年及二零一二年十二月三十一日止年度，本集團概無向董事或五名最高薪人士支付酬金，作為吸引加入或加入本集團時的獎勵或作為失去職位的補償。

13 每股盈利

本公司擁有人應佔每股基本盈利乃按以下數據計算：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

13 Earnings per share (Continued)

13 每股盈利(續)

		2013 二零一三年	2012 二零一二年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用以計算每股基本盈利的普通股加權平均數	5,941,049,000	5,825,455,000

No diluted earnings per share has been presented because no dilutive potential ordinary shares exist for both 2013 and 2012.

由於二零一三年及二零一二年均無具攤薄效用的潛在普通股，故並無呈列每股攤薄盈利。

14 Dividends

14 股息

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Proposed final dividend of HK0.67 cents (2012: HK0.67 cents) per share	擬派末期股息每股0.67港仙 (二零一二年：0.67港仙)	31,565	31,961

A final dividend of HK0.67 cents per share has been proposed by the Directors and is subject to approval by the shareholders at the forthcoming annual general meeting. The final dividend proposed after the end of the year has not been recognised as a liability as at the end of the reporting period.

董事建議宣派末期股息每股0.67港仙，惟須待股東於應屆股東週年大會上批准後，方可作實。於年終後建議宣派的末期股息並未確認為報告期末的負債。

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Final dividend in respect of previous financial year, approved and paid during the year of HK0.67 cents (2012: HK0.67 cents) per share	於本年度批准及支付有關上一財政年度的末期股息每股0.67港仙 (二零一二年：0.67港仙)	31,496	31,582

15 Loss attributable to owners of the Company

15 本公司擁有人應佔虧損

The loss attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of RMB20,656,000 (2012: RMB5,146,000).

本公司擁有人應佔虧損人民幣20,656,000元(二零一二年：人民幣5,146,000元)已在本公司財務報表中處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

16 Property, plant and equipment

16 物業、廠房及設備

		Group 本集團					
		Buildings	Plant and machinery	Motor vehicles	Other machinery	Plant and equipment under construction	Total
		樓宇	廠房及機器	汽車	其他機器	在建廠房及設備	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本						
At 1 January 2012	於二零一二年一月一日	311,644	599,832	10,527	37,364	34,788	994,155
Additions upon acquisition	收購添置	5,400	1,566	663	271	254	8,154
Additions	添置	–	2,963	2,832	4,962	290,642	301,399
Transfer upon completion	完成時轉讓	7,363	52,627	1,220	2,310	(63,520)	–
Disposals	出售	–	(2,451)	(576)	(210)	–	(3,237)
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及二零一三年一月一日	324,407	654,537	14,666	44,697	262,164	1,300,471
Additions	添置	179	7,120	1,868	1,573	511,484	522,224
Transfer upon completion	完成時轉讓	177,233	462,296	–	2,560	(642,089)	–
Disposals	出售	(141)	(885)	(1,320)	(927)	–	(3,273)
At 31 December 2013	於二零一三年十二月三十一日	501,678	1,123,068	15,214	47,903	131,559	1,819,422
Accumulated depreciation and impairment	累計折舊及減值						
At 1 January 2012	於二零一二年一月一日	110,579	321,285	5,084	19,547	–	456,495
Depreciation charge for the year	年內折舊費用	11,956	49,043	1,742	4,830	–	67,571
Disposals	出售	–	(1,175)	(533)	(206)	–	(1,914)
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及二零一三年一月一日	122,535	369,153	6,293	24,171	–	522,152
Depreciation charge for the year	年內折舊費用	14,513	69,199	2,267	5,506	–	91,485
Disposals	出售	(75)	(290)	(1,239)	(906)	–	(2,510)
At 31 December 2013	於二零一三年十二月三十一日	136,973	438,062	7,321	28,771	–	611,127
Net carrying value	賬面淨值						
At 31 December 2013	於二零一三年十二月三十一日	364,705	685,006	7,893	19,132	131,559	1,208,295
At 31 December 2012	於二零一二年十二月三十一日	201,872	285,384	8,373	20,526	262,164	778,319

During the year ended 31 December 2013, additions of property, plant and equipment included an amount of RMB99,583,000 (2012: nil) transferred from deposits for acquisition of property, plant and equipment.

截至二零一三年十二月三十一日止年度，添置物業、廠房及設備包括一筆自收購物業、廠房及設備的保證金轉出的金額人民幣99,583,000元(二零一二年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

17 Prepaid lease payments

17 預付租賃款

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cost	成本		
At 1 January	於一月一日	117,342	69,099
Additions upon acquisition	收購添置	–	5,800
Additions	添置	48,783	42,443
At 31 December	於十二月三十一日	166,125	117,342
Accumulated amortisation	累計攤銷		
At 1 January	於一月一日	11,583	10,017
Amortisation charge for the year	年內攤銷費用	2,623	1,566
At 31 December	於十二月三十一日	14,206	11,583
Net book amount	賬面淨值		
At 31 December	於十二月三十一日	151,919	105,759
Land in the PRC held under medium-term lease	按中期租賃於中國持有的土地	151,919	105,759
Analysed for reporting purposes:	作呈報用途的分析：		
Current asset	流動資產	3,467	2,500
Non-current asset	非流動資產	148,452	103,259
		151,919	105,759

During the year ended 31 December 2013, additions of prepaid lease payments included an amount of RMB47,340,000 (2012: RMB7,249,000) transferred from deposits for acquisition of prepaid lease payments.

截至二零一三年十二月三十一日止年度，預付租賃款的增加包括自收購預付租賃款的保證金轉出的人民幣47,340,000元(二零一二年：人民幣7,249,000元)。

18 Subsidiaries

18 附屬公司

(a) Investments in subsidiaries

(a) 於附屬公司的投資

		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Unlisted investments, at cost	非上市投資(按成本)	159,121	159,121

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

18 Subsidiaries (Continued)

(a) Investments in subsidiaries (Continued)

The following is a list of subsidiaries at 31 December 2013:

Name of companies 公司名稱	Place of incorporation 註冊成立地點	Place of operation 經營地點	Issued and fully paid up/ registered capital 已發行及繳足/ 註冊資本	Interest held (%) 所持權益 (%)	Principal activities 主要業務
Sourcestar Worldwide Inc. Sourcestar Worldwide Inc. 英屬維爾京群島	British Virgin Islands 英屬維爾京群島	Hong Kong 香港	US\$240 ordinary shares 240美元的普通股	100	Investment holding 投資控股
China Starch Group Limited ("China Starch Group") 中國澱粉集團有限公司 (「中國澱粉集團」)	Hong Kong 香港	Hong Kong 香港	HK\$1 ordinary share 1港元的普通股	100	Investment holding 投資控股
Shandong Shouguang Juneng Golden Corn Development Co., Ltd. ^{1,2} ("Golden Corn") 山東壽光巨能金玉米發展 有限公司 ^{1,2} (「金玉米」)	PRC 中國	PRC 中國	RMB480,000,000 人民幣480,000,000元	100	Manufacturing and sale of cornstarch, lysine and related products 製造及銷售玉米澱粉、 賴氨酸及其相關產品
Shouguang Golden Far East Modified Starch Company Limited ^{1,4} ("Golden Far East") 壽光金遠東變性澱粉有限公司 ^{1,4} (「金遠東」)	PRC 中國	PRC 中國	US\$9,600,000 9,600,000美元	100	Research, development, manufacture and sale of modified starch and related products 研發、生產及銷售變性 澱粉及相關產品
Linqing Deneng Golden Corn Bio Limited ^{1,3} 臨清德能金玉米生物有限公司 ^{1,3}	PRC 中國	PRC 中國	RMB200,000,000 人民幣200,000,000元	91	Manufacturing and sale of cornstarch, starch-based sweetener and related products 製造及銷售玉米澱粉、 澱粉糖及相關產品

- ¹ Interests are held indirectly by the Company.
² The entity is a wholly foreign owned enterprise.
³ The entity is an equity joint venture enterprise.
⁴ The entity was acquired by step-acquisition in 2012

(b) Amounts due from subsidiaries

The amounts due from subsidiaries are denominated in Hong Kong Dollars, non-trade, interest-free, unsecured and repayable on demand.

18 附屬公司(續)

(a) 於附屬公司的投資(續)

於二零一三年十二月三十一日的附屬公司表列如下：

(b) 應收附屬公司款項

應收附屬公司款項以港元計值，為非貿易、免息、無抵押及須於要求時償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

19 Deposits for acquisition of prepaid lease payments

The amount represents the initial deposit paid to the Municipal Government of Shouguang and Linqing for the acquisition of land located in Shouguang and Linqing respectively.

19 收購預付租賃款的保證金

有關款項指就收購位於壽光及臨清的土地而分別向壽光及臨清市政府支付的初步保證金。

20 Inventories

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Raw materials	原材料	222,748	96,750
Work in progress	在製品	27,155	19,478
Finished goods	製成品	134,978	66,278
		384,881	182,506

The cost of inventories recognised as expense and included in "cost of sales" amounted to RMB2,914,034,000 (2012: RMB2,755,757,000).

確認為開支及包含在「銷售成本」的存貨成本為人民幣2,914,034,000元(二零一二年：人民幣2,755,757,000元)。

21 Trade and other receivables

		Group 本集團		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Trade receivables	貿易應收款	165,181	142,925	-	-
Bank acceptance bills	銀行承兌票據	308,461	220,353	-	-
Other receivables and prepayments	其他應收款及預付款	49,932	23,910	353	-
		523,574	387,188	353	-

The Group normally grants credit period ranging from 0 to 120 days (2012: 0 to 60 days) to customers.

本集團一般給予客戶的信貸期由零至一百二十日(二零一二年：零至六十日)不等。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 Trade and other receivables (Continued)

An ageing analysis of trade receivables at the end of the reporting period is shown as follows:

		Group 本集團		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
0-30 days	零至三十日	110,794	109,230	-	-
31-60 days	三十一至六十日	21,314	9,387	-	-
61-90 days	六十一至九十日	12,478	10,862	-	-
Over 90 days	九十日以上	20,595	13,446	-	-
		165,181	142,925	-	-

Before accepting any new customer, the Group assesses the creditability of each of the potential customer and defines their respective credit limits accordingly. Credit limit of each customer is reviewed monthly. Credit qualities of trade receivables neither past due nor impaired have been assessed with reference to historical information on the default rates, based on which no impairment provision is considered to be necessary.

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of RMB28,068,000 (2012: RMB33,695,000) which are past due but not impaired. These relate to a number of independent customers of whom there is no recent history of default.

Ageing analysis of trade receivables which are past due but not impaired is shown as follows:

		Group 本集團		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
1-30 days	一至三十日	15,143	9,387	-	-
31-60 days	三十一至六十日	2,817	10,862	-	-
61-90 days	六十一至九十日	1,928	5,036	-	-
Over 90 days	九十日以上	8,180	8,410	-	-
		28,068	33,695	-	-

21 貿易及其他應收款(續)

以下為於報告期末貿易應收款的賬齡分析：

在接納任何新客戶前，本集團會評估每名潛在客戶的信用度及相應為每名客戶設定信貸限額。客戶的信貸限額會每月作出檢討。並無逾期或減值的貿易應收款的信貸質素參照過往的違約率資料進行評估，而依據有關資料，認為毋須作出減值撥備。

本集團貿易應收款結餘包括賬面總值為人民幣28,068,000元(二零一二年：人民幣33,695,000元)的應收賬款，有關款項為已到期但並無減值。該等結餘與過往並無違約紀錄的多名獨立客戶有關。

已到期但並無減值的貿易應收款的賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

21 Trade and other receivables (Continued)

Included in other receivables and prepayments is an amount due from non-controlling interests of RMB11,833,000 (2012: RMB12,284,000). Detail of balances with related companies are set out in note 33(b)(iii). No impairment has been made to receivables from related companies.

Bank acceptance bills

		Group 本集團		Company 本公司	
		2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Endorsed bills	背書票據	123,970	186,784	-	-
Bills on hand	手頭票據	140,458	33,569	-	-
Discounted bills	貼現票據	44,033	-	-	-
		308,461	220,353	-	-

The bank acceptance bills are normally with maturity period of 180 days (2012: 180 days). There is no recent history of default on bank acceptance bills. As at 31 December 2013, bank acceptance bills of RMB9,000,000 (2012: nil) and of RMB44,033,000 (2012: nil) were pledged to banks for securing bills payables and cash advances for discounted bills respectively.

As at 31 December 2013 and 2012, all other receivables aged between 0 and 30 days.

The carrying amounts of trade and other receivables are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Renminbi	人民幣	518,040	361,049	-	-
United States Dollars	美元	5,037	26,042	-	-
Hong Kong Dollars	港元	497	97	353	-
		523,574	387,188	353	-

21 貿易及其他應收款(續)

其他應收款及預付款包括應收非控股股東權益款項人民幣11,833,000元(二零一二年: 人民幣12,284,000元)。關連公司結餘之詳情載於附註33(b)(iii)。應收關連公司的款項並無作出任何減值。

銀行承兌票據

銀行承兌票據一般到期期限為一百八十日(二零一二年: 一百八十日)。銀行承兌票據近期並無違約紀錄。於二零一三年十二月三十一日的人民幣9,000,000元(二零一二年: 無)及人民幣44,033,000元(二零一二年: 無)的銀行承兌票據已抵押予銀行, 分別作為應付票據及貼現票據現金墊款的抵押。

於二零一三年及二零一二年十二月三十一日, 其他應收款的賬齡全部均為零至三十日。

貿易及其他應收款的賬面值以下列貨幣計值:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

22 Pledged bank deposits

At 31 December 2013, the pledged bank deposits were pledged to a bank for securing a bank borrowing (note 27). At 31 December 2012, the pledged bank deposits were pledged to a bank for securing bills payables (note 29). The deposits were denominated in Renminbi.

22 已抵押銀行存款

於二零一三年十二月三十一日，已向一家銀行抵押已抵押銀行存款作為銀行借款(附註27)的抵押。於二零一二年十二月三十一日，已向一家銀行抵押已抵押銀行存款作為應付票據(附註29)的抵押。存款乃以人民幣計值。

23 Cash and cash equivalents and fixed deposits with maturity period over three months

23 現金及現金等價物及三個月以上定期存款

		Group 本集團		Company 本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Cash at bank and in hand (notes (i) and (iii))	銀行現金及手頭現金 (附註(i)及(iii))	155,200	279,266	6,807	3,152
Short-term bank deposits (notes (ii) and (iii))	短期銀行存款 (附註(ii)及(iii))	–	180,000	–	–
Cash and cash equivalents	現金及現金等價物	155,200	459,266	6,807	3,152
Fixed deposits with initial maturity period over three months (notes (ii) and (iii))	原到期日為三個月以上的 定期存款(附註(ii)及(iii))	480,000	340,000	–	–
		635,200	799,266	6,807	3,152

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

23 Cash and cash equivalents and fixed deposits with maturity period over three months (Continued)

Cash and cash equivalents and fixed deposits with maturity period over three months are denominated in the following currencies:

23 現金及現金等價物及三個月以上定期存款(續)

現金及現金等價物及三個月以上定期存款以下列貨幣計值：

		Group 本集團		Company 本公司	
		2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Renminbi (note (iv))	人民幣(附註(iv))	625,499	785,395	–	–
United States Dollars	美元	2,532	10,354	–	–
Hong Kong Dollars	港元	7,169	3,517	6,807	3,152
		635,200	799,266	6,807	3,152

Notes:

- (i) Cash at banks earns interest at daily floating rates of bank deposit.
- (ii) These fixed deposits earn interest of 6.6%–6.8% (2012: 4.6%–4.8%) per annum.
- (iii) The bank balances are deposited with credit worthy banks with no recent history of defaults. The carrying amounts of the cash and cash equivalents approximate to their fair values.
- (iv) The Group's bank balances and deposits denominated in RMB are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the government of the PRC.

附註：

- (i) 銀行現金乃按銀行存款的日浮息賺取利息。
- (ii) 此等定期存款按年利率6.6至6.8厘(二零一二年：4.6至4.8厘)賺取利息。
- (iii) 銀行結餘乃存放於過往並無違約記錄的有信譽銀行。現金及現金等價物的賬面值與其公平值相若。
- (iv) 本集團以人民幣計值的銀行結餘及存款乃存入中國的銀行。將該等以人民幣計值的結餘兌換為外幣及將資金匯出中國須遵守中國政府頒佈的外匯管制規則及規例。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

24 Share capital

24 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Authorised	法定		
Ordinary shares of HK\$0.10 each At 31 December 2012 and 2013	每股面值0.10港元之普通股 於二零一二年及二零一三年 十二月三十一日	10,000,000	1,000,000

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元	RMB'000 人民幣千元
Issued and fully paid	已發行及繳足			
Ordinary shares of HK\$0.10 each At 31 December 2011	每股面值0.10港元之普通股 於二零一一年十二月三十一日	5,779,680	577,968	515,234
Shares issued under scrip dividend scheme	根據以股代息計劃發行 之股份	103,417	10,341	8,436
At 31 December 2012	於二零一二年十二月三十一日	5,883,097	588,309	523,670
Shares issued under scrip dividend scheme	根據以股代息計劃發行 之股份	109,032	10,903	8,687
At 31 December 2013	於二零一三年十二月三十一日	5,992,129	599,212	532,357

The following shares were issued to shareholders who elected scrip shares in lieu of cash dividend pursuant to the scrip dividend scheme in 2013 and 2012. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

以下為於二零一三年及二零一二年根據以股代息計劃發行予選擇收取代息股份替代每股股息的股東的股份。新普通股於各方面與本公司現有普通股享有同等地位。

		Number of shares 股份數目	Scrip price 代息價格 HK\$ 港元	Share Capital 股本 RMB'000 人民幣千元	Share Premium 股份溢價 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Share issued in 2013 as 2012 final scrip dividend	於二零一三年發行作為 二零一二年末期 代息股份	109,032,203	0.2284	8,687	11,154	19,841
Shares issued in 2012 as 2011 final scrip dividend	於二零一二年發行作為 二零一一年末期 代息股份	103,417,465	0.2350	8,436	11,388	19,824

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合併財務報表附註

25 Reserves

25 儲備

		Share premium 股份溢價 RMB'000 人民幣千元 (note (i)) (附註(i))	Special reserve 特別儲備 RMB'000 人民幣千元 (note (ii)) (附註(ii))	Capital reserve 資本儲備 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 2012	於二零一二年一月一日	242,240	108,651	16,730	(76,002)	291,619
Loss for the year	本年度虧損	-	-	-	(5,146)	(5,146)
2011 final dividend	二零一一年末期股息	(31,582)	-	-	-	(31,582)
Issue of shares under scrip dividend scheme	根據以股代息計劃發行之股份	11,388	-	-	-	11,388
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及二零一三年一月一日	222,046	108,651	16,730	(81,148)	266,279
Loss for the year	本年度虧損	-	-	-	(20,656)	(20,656)
2012 final dividend	二零一二年末期股息	(31,496)	-	-	-	(31,496)
Issue of shares under scrip dividend scheme	根據以股代息計劃發行之股份	11,154	-	-	-	11,154
At 31 December 2013	於二零一三年十二月三十一日	201,704	108,651	16,730	(101,804)	225,281

Notes:

- (i) Under the Cayman Companies Law, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Association and provided that immediately following the distribution of dividends, the Company is able to pay its debts as they fall due in the ordinary course of business.
- (ii) Special reserve of the Company and the Group represents (a) the difference between the nominal value of the share capital and share premium issued by the Company and the aggregate of the share capital and share premium of the subsidiaries acquired upon the Group's reorganisation; and (b) the difference between the consideration paid by the direct subsidiary for the entire registered capital of the indirect subsidiary and the amount of registered capital of the indirect subsidiary.

附註：

- (i) 根據開曼群島公司法，在組織章程大綱或細則的條文規限下，本公司的股份溢價可供向股東分派或派付股息，惟於緊隨股息分派後，本公司須有能力償還其於日常業務中到期的債務。
- (ii) 本公司及本集團的特別儲備指：(a) 本公司所發行股本的面值及股份溢價值與本集團重組時所收購的附屬公司股本及股份溢價值總值之間的差額；及(b) 直接附屬公司就間接附屬公司全部註冊資本支付的代價與間接附屬公司的註冊資本之間的差額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

26 Deferred income tax

Deferred income taxes are calculated in respect of temporary differences under the liability method using the tax rates enacted or substantively enacted by the end of the reporting period.

The movements on deferred income tax are as follows:

26 遞延所得稅

遞延所得稅乃就暫時性差額根據負債法採用於報告期末之前已經頒佈或實際上已經頒佈的稅率計算。

遞延所得稅的變動如下：

		Group 本集團		
		Impairment of property, plant and equipment 物業、廠房及 設備減值 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	1,415	(2,034)	(619)
Charged to the profit or loss	於損益扣除	(161)	(98)	(259)
Disposal upon step acquisition of a subsidiary	分階段收購一家附屬公司時處置	–	2,132	2,132
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及 二零一三年一月一日	1,254	–	1,254
Charged to the profit or loss	於損益扣除	(163)	–	(163)
At 31 December 2013	於二零一三年十二月三十一日	1,091	–	1,091

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

27 Borrowings

27 借款

		Group 本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash advances for discounted bills, secured (note (i))	貼現票據現金墊款，有抵押 (附註(i))	44,033	-
Bank borrowings, secured (note (ii))	銀行借款，有抵押(附註(ii))	60,000	-
Bank borrowings, unsecured (note (ii))	銀行借款，無抵押(附註(ii))	319,565	-
Government loan, unsecured (note (iii))	政府貸款，無抵押(附註(iii))	7,091	7,091
		430,689	7,091
Less: Amount due within one year shown under current liabilities	減：在流動負債項下一年內到期的金額	(426,921)	(2,437)
		3,768	4,654

Notes:

附註：

- | | |
|--|--|
| <p>(i) The Group discounted bills receivables of RMB44,033,000 (2012: nil) to a bank in exchange for cash as at 31 December 2013. The transactions have been accounted for as collateralised bank advances (note 21).</p> | <p>(i) 於二零一三年十二月三十一日，本集團向銀行貼現人民幣44,033,000元(二零一二年：無)的應收票據換取現金。有關交易已作為有抵押銀行墊款入賬(附註21)。</p> |
| <p>(ii) Bank borrowing of RMB60,000,000 (2012: nil) is secured by pledged bank deposits of RMB10,000,000 (2012: nil) (note 22).</p> | <p>(ii) 銀行借款人民幣60,000,000元(二零一二年：無)以人民幣10,000,000元(二零一二年：無)的已抵押銀行存款(附註22)作抵押。</p> |
| <p>(iii) Government loan represented government assistance provided to Golden Corn, for its corn refinery production by Finance Bureau of Shouguang City in April 2004. The balance is unsecured, interest-free and fully repayable by 6 April 2019. According to the loan agreement, the loan is repayable by 11 annual instalments commencing from 6 April 2009.</p> | <p>(iii) 政府貸款指壽光市財政局於二零零四年四月就玉米深加工生產向金玉米提供的政府資助。該結餘為無抵押、免息及須於二零一九年四月六日前悉數償還。根據貸款協議，貸款須於二零零九年四月六日起按年分十一期償還。</p> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

27 Borrowings (Continued)

At 31 December 2013 and 2012, the Group's borrowings were repayable as follows:

27 借款(續)

於二零一三年及二零一二年十二月三十一日，本集團的借款須於以下期間償還：

		Group 本集團					
		Bank borrowings and cash advances for discounted bills 銀行借款及貼現票據現金墊款		Government loan 政府貸款		Total 合計	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Within 1 year	一年內	423,598	–	3,323	2,437	426,921	2,437
1–2 years	一年至兩年	–	–	886	886	886	886
2–5 years	兩年至五年	–	–	2,659	2,659	2,659	2,659
Over 5 years	超過五年	–	–	223	1,109	223	1,109
		423,598	–	7,091	7,091	430,689	7,091
Wholly repayable within 5 years	須於五年內悉數償還	423,598	–	6,868	5,982	430,466	5,982
Wholly repayable after 5 years	須於五年後悉數償還	–	–	223	1,109	223	1,109
		423,598	–	7,091	7,091	430,689	7,091

The government loan was non-interest bearing. The cash advances for discounted bills and bank borrowings carried interest at fixed rates ranging from 5.3% to 6.3% per annum.

政府貸款為免息。貼現票據現金墊款及銀行借款按5.3厘至6.3厘的固定年利率計算利息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

27 Borrowings (Continued)

The carrying amounts of the Group's borrowings are approximate their fair value. The carrying amounts of the Group's borrowings are denominated in the following currencies:

		Group 本集團	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Renminbi	人民幣	351,124	7,091
United States Dollars	美元	79,565	–
		430,689	7,091

27 借款(續)

本集團借款的賬面值與其公平值相若。本集團借款的賬面值以下列貨幣計值：

28 Deferred income

		Group 本集團		
		Steam connection income 蒸汽接駁收入 RMB'000 人民幣千元	Government grants 政府補助 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2012	於二零一二年一月一日	17,598	9,095	26,693
Additions	增加	3,142	–	3,142
Amortisation for the year	年度攤銷	(3,018)	(187)	(3,205)
At 31 December 2012 and 1 January 2013	於二零一二年十二月三十一日及 二零一三年一月一日	17,722	8,908	26,630
Additions	增加	1,357	13,600	14,957
Amortisation for the year	年度攤銷	(3,283)	(459)	(3,742)
At 31 December 2013	於二零一三年十二月三十一日	15,796	22,049	37,845

Steam connection income represents the payment received/receivable from customers for the connection of steam pipelines.

蒸汽接駁收入指就接駁蒸汽管道而向客戶的已收/應收款。

Government grants represent the payments received from Shouguang City Finance Bureau and Linqing City Finance Bureau for the development of the production complex in Shouguang and Linqing respectively.

政府補助指為於壽光及臨清建設生產綜合大樓而分別收取壽光市財政局及臨清市財政局的款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 Trade and other payables

29 貿易及其他應付款

		Group 本集團		Company 本公司	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade payables	貿易應付款	89,784	83,162	-	-
Bills payables	應付票據	9,000	2,500	-	-
Total trade and bills payables	貿易應付款及應付票據總額	98,784	85,662	-	-
Advances from customers	客戶墊款	63,430	106,555	-	-
Deposits	訂金	11,458	15,229	-	-
Sales commission	銷售佣金	2,327	2,165	-	-
Other tax payables	其他應付稅項	16,129	26,285	-	-
Accrued expenses	應計費用	13,540	7,190	755	1,285
Payroll and welfare payables	應付薪金及福利	9,101	11,028	-	224
Payable for construction and equipment	建築及設備應付款	292,403	209,980	-	-
Others	其他	3,484	31,895	-	-
		411,872	410,327	755	1,509
		510,656	495,989	755	1,509

As at 31 December 2013, bills payables are secured by bank acceptance bills of RMB9,000,000 (note 21). As at 31 December 2012, bills payables were secured by pledged bank deposits of RMB2,500,000 (note 22).

於二零一三年十二月三十一日，應付票據以人民幣9,000,000元的銀行承兌票據(附註21)作抵押。於二零一二年十二月三十一日，應付票據以人民幣2,500,000元的已抵押銀行存款(附註22)作抵押。

The following is the ageing analysis for the trade and bills payables at the end of the reporting period:

以下為報告期末貿易應付款及應付票據的賬齡分析：

		Group 本集團		Company 本公司	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
0-60 days	零至六十日	81,427	64,899	-	-
61-90 days	六十一至九十日	2,555	3,809	-	-
Over 90 days	九十日以上	14,802	16,954	-	-
		98,784	85,662	-	-

The average credit period on purchases is 80 days (2012: 80 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

採購的平均信貸期為八十日(二零一二年：八十日)。本集團已制定財務風險管理政策，以確保所有應付款於有關信貸期內獲得支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

29 Trade and other payables (Continued)

The carrying amounts of trade and other payables are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2013 二零一三年	2012 二零一二年	2013 二零一三年	2012 二零一二年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Renminbi	人民幣	496,806	467,206	-	-
United States Dollars	美元	13,041	27,231	-	-
Hong Kong Dollars	港元	809	1,552	755	1,509
		510,656	495,989	755	1,509

29 貿易及其他應付款(續)

貿易及其他應付款的賬面值以下列貨幣計值：

30 Employee housing deposits

The Group offers quarters to the staff with the aim of promoting long service with the Group. These quarters are constructed by the Group and offered to staff for application on a periodic basis. Due to the excess demand of staff quarters and the relatively substantial construction costs involved, the staff are required to place housing deposit to the Group. The Group utilises the amount received from staff as general working capital.

The employee housing deposits are interest-free, unsecured and repayable one month upon the return of the staff quarters by the employee or termination of employment.

30 員工房屋保證金

本集團向員工提供宿舍，旨在令員工樂於長期服務本集團。這些宿舍由本集團建造，定期供員工申請。由於員工宿舍求過於供，且涉及龐大建設成本，員工須向本集團繳付房屋保證金。本集團利用來自員工的款項作為一般營運資金。

員工房屋保證金乃免息、無抵押及於員工交回員工宿舍後或終止僱用員工後一個月內退還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

31 Commitments

31 承擔

(a) Commitments for total future minimum lease payments under a non-cancellable operating lease

(a) 根據不可撤銷經營租賃的日後最低租賃付款承擔總額

		Group 本集團		Company 本公司	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
No later than 1 year	一年內	834	480	488	232
Later than 1 year and no later than 5 years	一年後及五年內	1,188	493	854	–
		2,022	973	1,342	232

(b) Commitments in respect of capital expenditure

(b) 資本開支承擔

		Group 本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Authorised but not contracted for in respect of:	已授權但未訂約：		
– property, plant and equipment	– 物業、廠房及設備	296,800	165,496
– prepaid lease payments	– 預付租賃款	18,820	38,560
		315,620	204,056
Contracted but not provided for in respect of:	已訂約但未撥備：		
– property, plant and equipment	– 物業、廠房及設備	210,226	267,038

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

32 Share-based payment transactions

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed on 5 September 2007 for the primary purpose of providing incentives to directors and eligible employees. Under the Share Option Scheme, the Board may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted. The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 30% of share capital of the Company in issue from time to time.

As at 31 December 2013 and 2012, no options have been granted under the Share Option Scheme of the Company.

33 Related party transactions

(a) Connected transactions

The following transactions fall under the definition of "connected transactions" in Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), in respect of which the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Group entered into three purchase agreements with Shandong Shouguang Juneng Electric Co., Ltd. ("Juneng Electric") on 3 May 2012, 29 May 2012 and 23 November 2012 respectively. During the year, the Group acquired certain electric equipment of RMB33,064,000 (including value added tax) (2012: RMB3,627,000 (including value added tax)) from Juneng Electric pursuant to these purchase agreements. Juneng Electric was beneficially held as to approximately 32% (2012: 54%) by Shandong Shouguang Juneng Holding Co., Ltd. ("Juneng Holding Group") which was in turn owned as to 55% by Mr. Tian. In addition, Mr. Yu Yingquan, a Director of the Company, also has 5% beneficial interest in Juneng Holding Group.

As at 31 December 2013, the amount due to Juneng Electric is RMB3,389,000. As at 31 December 2012, the amount due from Juneng Electric is RMB5,015,000. The balance is unsecured, interest-free and shall be settled in accordance with the respective contract terms.

32 以股份支付款項的交易

本公司的購股權計劃(「購股權計劃」)乃根據於二零零七年九月五日通過的一項決議案而採納，主要目的為向董事及合資格僱員提供獎勵。根據購股權計劃，董事會可向合資格僱員(包括本公司及其附屬公司的董事)授出購股權以認購本公司的股份。購股權計劃將於採納之日起計十年內有效。因行使根據購股權計劃及本公司採納的任何其他購股權計劃的所有已授出但尚未行使購股權而可能發行的股份數目上限，合共不得超過本公司不時已發行股本的30%。

於二零一三年及二零一二年十二月三十一日，概無根據本公司購股權計劃授出任何購股權。

33 關連交易及關連方交易

(a) 關連交易

以下交易屬香港聯合交易所有限公司證券上市規則(「上市規則」)第十四A章所界定之「關連交易」，而本公司已就此遵守上市規則第十四A章的披露規定。

本集團已於二零一二年五月三日、二零一二年五月二十九日及二零一二年十一月二十三日與山東壽光巨能電氣有限公司(「巨能電氣」)分別訂立三份購買協議。於本年度，本集團根據該等購買協議自巨能電氣收購若干電機設備，價值人民幣33,064,000元(包括增值稅)(二零一二年：人民幣3,627,000元(包括增值稅))。巨能電氣由山東壽光巨能控股集團有限公司(「巨能控股集團」)實益擁有約32%(二零一二年：54%)權益，而巨能控股集團則由田先生擁有55%權益。此外，本公司董事于英全先生亦擁有巨能控股集團的5%實益權益。

於二零一三年十二月三十一日，應付巨能電氣款項為人民幣3,389,000元。於二零一二年十二月三十一日，應收巨能電氣款項為人民幣5,015,000元。結餘乃無抵押、免息，並須根據各自的合約條款償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

合併財務報表附註

33 Related party transactions (Continued)

(b) Related party transactions

In addition to above, the Group entered into the following material related party which are not regarded as connected transactions as defined under the Listing Rules:

(i) Transactions with related parties

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Sales of cornstarch to an associate	向一家聯營公司銷售玉米澱粉	-	124,642
Sales of electricity and steam to an associate	向一家聯營公司銷售電力和蒸汽	-	6,706
Purchase of electricity and steam from non-controlling interests	自非控股股東權益購買電力和蒸汽	75,225	100,015
Provision of staffing services to non-controlling interests	向非控股股東權益提供人力資源服務	2,946	3,366
Compensation from non-controlling interests for accidental failures in the supplies of electricity and steam	非控股股東權益就電力及蒸氣意外中斷所作出的補償	1,291	-

These transactions are conducted in accordance with their respective contract prices.

該等交易乃根據其各自的合約價格進行。

(ii) Key management compensation

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Short-term benefits	短期福利	3,489	4,428
Retirement benefit scheme contributions	退休福利計劃供款	94	93
		3,583	4,521

(iii) Balance with a related party

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Amount due from non-controlling interests	應收非控股股東權益的款項	11,833	12,284

Balance is unsecured, interest-free and shall be settled in accordance with the respective credit terms.

結餘乃無抵押、免息，並須根據各自的信貸條款償還。

33 關連交易及關連方交易(續)

(b) 關連方交易

除上述者外，本集團已訂立下列按上市規則的定義不會被視作關連交易之重大關連方交易：

(i) 與關連方進行交易

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Sales of cornstarch to an associate	向一家聯營公司銷售玉米澱粉	-	124,642
Sales of electricity and steam to an associate	向一家聯營公司銷售電力和蒸汽	-	6,706
Purchase of electricity and steam from non-controlling interests	自非控股股東權益購買電力和蒸汽	75,225	100,015
Provision of staffing services to non-controlling interests	向非控股股東權益提供人力資源服務	2,946	3,366
Compensation from non-controlling interests for accidental failures in the supplies of electricity and steam	非控股股東權益就電力及蒸氣意外中斷所作出的補償	1,291	-

該等交易乃根據其各自的合約價格進行。

(ii) 主要管理層的報酬

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Short-term benefits	短期福利	3,489	4,428
Retirement benefit scheme contributions	退休福利計劃供款	94	93
		3,583	4,521

(iii) 與關連方的結餘

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Amount due from non-controlling interests	應收非控股股東權益的款項	11,833	12,284

結餘乃無抵押、免息，並須根據各自的信貸條款償還。

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