



天德化工控股有限公司
Tiande Chemical Holdings Limited

(於開曼群島註冊成立之有限公司)(股份代號：609)
(incorporated in the Cayman Islands with limited liability) (Stock Code: 609)

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公司資料

Corporate Information

董事會

執行董事

劉洪亮先生(主席)
王子江先生(總經理)
郭希田先生
郭玉成先生

獨立非執行董事

高寶玉先生
梁錦雲先生
劉晨光先生

董事會委員會

審核委員會

梁錦雲先生(主席)
高寶玉先生
劉晨光先生

薪酬委員會

劉晨光先生(主席)
高寶玉先生
梁錦雲先生
劉洪亮先生

提名委員會

劉洪亮先生(主席)
梁錦雲先生
劉晨光先生

安全及環保委員會

郭玉成先生(主席)
傅安旭先生
高寶玉先生

BOARD OF DIRECTORS

Executive Directors

Mr. Liu Hongliang (*Chairman*)
Mr. Wang Zijiang (*General Manager*)
Mr. Guo Xitian
Mr. Guo Yucheng

Independent Non-Executive Directors

Mr. Gao Baoyu
Mr. Leung Kam Wan
Mr. Liu Chenguang

BOARD COMMITTEES

Audit Committee

Mr. Leung Kam Wan (*Chairman*)
Mr. Gao Baoyu
Mr. Liu Chenguang

Remuneration Committee

Mr. Liu Chenguang (*Chairman*)
Mr. Gao Baoyu
Mr. Leung Kam Wan
Mr. Liu Hongliang

Nomination Committee

Mr. Liu Hongliang (*Chairman*)
Mr. Leung Kam Wan
Mr. Liu Chenguang

Safety and Environmental Protection Committee

Mr. Guo Yucheng (*Chairman*)
Mr. Fu Anxu
Mr. Gao Baoyu

公司資料 Corporate Information

公司秘書

劉偉珍女士

COMPANY SECRETARY

Ms. Lau Wai Chun

獨立核數師

香港立信德豪會計師事務所有限公司

INDEPENDENT AUDITOR

BDO Limited

主要往來銀行

中國銀行(香港)有限公司
中國工商銀行濰坊市分行

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Industrial and Commercial Bank of China,
Weifang Branch

香港股份過戶

登記處

香港中央證券登記有限公司

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services
Limited

香港

灣仔

皇后大道東183號合和中心
17字樓1712-1716室

Shops 1712-1716 on the 17th Floor

Hopewell Centre 183 Queen's Road East

Wan Chai

Hong Kong

註冊辦事處

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

REGISTERED OFFICE

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

香港

主要營業地點

香港
中環夏慤道12號
美國銀行中心
22字樓
2204A室

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2204A
22nd Floor
Bank of America Tower
12 Harcourt Road, Central
Hong Kong

公司資料

Corporate Information

總辦事處及
中華人民共和國(「中國」)
主要營業地點

中國
山東省
濰坊市
濰坊高新技術產業開發區

公司網址

www.tdchem.com

股份代號

聯交所：609

HEAD OFFICE AND PRINCIPAL PLACE
OF BUSINESS IN THE PEOPLE'S
REPUBLIC OF CHINA (THE "PRC")

Weifang High Tech Industry Development Zone
Weifang City
Shandong Province
The PRC

COMPANY WEBSITE

www.tdchem.com

STOCK CODE

The Stock Exchange: 609

簡明綜合收益表

Condensed Consolidated Income Statement

		截至六月三十日止六個月 Six months ended 30 June		
		二零一四年 2014	二零一三年 2013	
		人民幣千元 RMB'000	人民幣千元 RMB'000	
		(未經審核) (Unaudited)	(未經審核) (Unaudited)	
	附註 Notes			
營業額	Turnover	4	561,741	621,474
銷貨成本	Cost of sales		(406,612)	(445,757)
毛利	Gross profit		155,129	175,717
其他收入	Other income	4	8,265	2,149
銷售開支	Selling expenses		(18,157)	(14,416)
行政開支	Administrative expenses		(21,747)	(20,341)
財務成本	Finance costs	5	(289)	(3,107)
衍生金融工具的 公平值虧損	Fair value loss on derivative financial instruments		(504)	-
應佔一家合營公司 虧損	Share of loss of a joint venture		(1,812)	(1,586)
除所得稅前溢利	Profit before income tax	6	120,885	138,416
所得稅開支	Income tax expense	7	(31,864)	(38,624)
本期溢利	Profit for the period		89,021	99,792
本公司擁有人應佔 本期溢利	Profit for the period attributable to owners of the Company		89,021	99,792
就計算本公司擁有人 應佔本期溢利而言之 每股盈利	Earnings per share for profit attributable to owners of the Company for the period	9	人民幣0.105 RMB0.105	人民幣0.118 RMB0.118
— 基本及攤薄	– Basic and diluted			

簡明綜合全面收益表

Condensed Consolidated Statement of Comprehensive Income

		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 2013 人民幣千元 RMB'000 (未經審核) (Unaudited)
本期溢利	Profit for the period	89,021	99,792
其他全面收益 其後可能重新分類至 收益表之項目：	Other comprehensive income Items that may be reclassified subsequent to the income statement:		
– 換算海外業務財務報表 產生之匯兌收益	– Exchange gains on translation of financial statements of foreign operations	88	41
本期其他全面收益	Other comprehensive income for the period	88	41
本公司擁有人應佔 本期全面收益總額	Total comprehensive income for the period attributable to owners of the Company	89,109	99,833

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
	附註 Notes		
資產與負債	ASSETS AND LIABILITIES		
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	10 527,506	537,269
預付土地租賃款項	Prepaid land lease payments	52,061	52,708
投資物業	Investment properties	14,200	14,200
購買物業、廠房及設備之已付訂金	Deposits paid for acquisition of property, plant and equipment	11,625	2,514
於一家合營公司之權益	Interests in a joint venture	44,008	45,824
借予一家合營公司之貸款	Loan to a joint venture	354	-
應收財務租賃款項	Finance lease receivable	15,658	16,085
遞延稅項資產	Deferred tax assets	-	1,488
		665,412	670,088
流動資產	Current assets		
存貨	Inventories	96,100	82,477
貿易應收賬及應收票據	Trade and bills receivable	11 287,173	280,379
預付款項及其他應收款項	Prepayments and other receivables	12 29,506	21,594
應收一家合營公司款項	Amount due from a joint venture	1,742	522
應收財務租賃款項	Finance lease receivable	854	854
已抵押銀行存款	Pledged bank deposits	10,286	-
銀行與現金結餘	Bank and cash balances	63,220	49,551
		488,881	435,377

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

			二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
流動負債	Current liabilities			
貿易應付賬及應付 票據	Trade and bills payable	13	19,357	25,072
應付未付賬款及其他 應付款項	Accruals and other payables	14	72,945	77,607
銀行借款	Bank borrowings		30,571	33,297
流動稅項負債	Current tax liabilities		17,356	13,352
			140,229	149,328
流動資產淨值	Net current assets		348,652	286,049
總資產減流動負債	Total assets less current liabilities		1,014,064	956,137
非流動負債	Non-current liabilities			
遞延收入	Deferred income		9,080	10,451
遞延稅項負債	Deferred tax liabilities		3,035	3,008
衍生金融工具	Derivative financial instruments		13,100	12,596
			25,215	26,055
資產淨值	Net assets		988,849	930,082
權益	EQUITY			
本公司擁有人應佔權益	Equity attributable to the Company's owners			
股本	Share capital	15	7,786	7,786
儲備	Reserves		981,063	922,296
總權益	Total equity		988,849	930,082

劉洪亮
LIU HONGLIANG
董事
Director

王子江
WANG ZIJIANG
董事
Director

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一四年	二零一三年
		2014	2013
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
經營業務產生之現金淨額	Net cash generated from operating activities	95,518	83,212
投資業務產生之現金流量	Cash flows from investing activities		
購買物業、廠房及設備	Purchases of property, plant and equipment	(40,626)	(67,886)
借予一家合營公司之貸款	Loan to a joint venture	(354)	–
出售物業、廠房及設備之所得款項	Proceeds on disposals of property, plant and equipment	2,900	400
出售物業、廠房及設備之開支	Expenses for disposals of property, plant and equipment	(258)	–
已抵押銀行存款增加	Increase in pledged bank deposits	(10,286)	(13,456)
已收利息	Interest received	80	70
投資業務所用之現金淨額	Net cash used in investing activities	(48,544)	(80,872)
融資業務產生之現金流量	Cash flows from financing activities		
已付股息	Dividend paid	(30,342)	(25,750)
已付利息	Interest paid	(329)	(3,142)
償還銀行借款	Repayments of bank borrowings	(33,297)	(16,000)
新增銀行借款	New bank borrowings raised	30,571	38,640
融資業務所用之現金淨額	Net cash used in financing activities	(33,397)	(6,252)

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 2013 人民幣千元 RMB'000 (未經審核) (Unaudited)
現金及現金等值項目 增加/(減少)淨額	Net increase/(decrease) in cash and cash equivalents	13,577	(3,912)
期初之現金及現金等值 項目	Cash and cash equivalents at the beginning of the period	49,551	49,962
外匯匯率變動之影響	Effect of foreign exchange rate changes	92	41
期終之現金及現金等值 項目	Cash and cash equivalents at the end of the period	63,220	46,091
現金及現金等值項目結餘 分析	Analysis of balances of cash and cash equivalents		
銀行及現金結餘	Bank and cash balances	63,220	46,091

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至二零一四年六月三十日止六個月

For the six months ended 30 June 2014

		未經審核									總額
		股本	股份溢價	特別儲備	盈餘公積金	物業 重估儲備	公益金	外幣 匯兌儲備	保留溢利	建議股息	
		Share capital	Share premium	Special reserve	Surplus reserve fund	Property revaluation reserve	Public welfare fund	Foreign currency translation reserve	Retained profits	Proposed dividend	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零一四年一月一日結餘	Balance as at 1 January 2014	7,786	106,333	31,182	60,241	1,653	633	(2,476)	694,388	30,342	930,082
已付股息(附註8)	Dividend paid (note 8)	-	-	-	-	-	-	-	-	(30,342)	(30,342)
與擁有人交易	Transactions with owners	-	-	-	-	-	-	-	-	(30,342)	(30,342)
本期溢利	Profit for the period	-	-	-	-	-	-	-	89,021	-	89,021
其他全面收益 —換算海外業務財務報表產生之 匯兌收益	Other comprehensive income — Exchange gain on translation of financial statements of foreign operations	-	-	-	-	-	-	88	-	-	88
期內全面收益總額	Total comprehensive income for the period	-	-	-	-	-	-	88	89,021	-	89,109
於二零一四年六月三十日結餘	Balance as at 30 June 2014	7,786	106,333	31,182	60,241	1,653	633	(2,388)	783,409	-	988,849

截至二零一三年六月三十日止六個月

For the six months ended 30 June 2013

		未經審核									總額
		股本	股份溢價	特別儲備	盈餘公積金	物業 重估儲備	公益金	外幣 匯兌儲備	保留溢利	建議股息	
		Share capital	Share premium	Special reserve	Surplus reserve fund	Property revaluation reserve	Public welfare fund	Foreign currency translation reserve	Retained profits	Proposed dividend	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零一三年一月一日結餘	Balance as at 1 January 2013	7,786	106,333	31,182	48,453	1,653	633	(2,431)	648,432	25,750	767,791
已付股息(附註8)	Dividend paid (note 8)	-	-	-	-	-	-	-	-	(25,750)	(25,750)
與擁有人交易	Transactions with owners	-	-	-	-	-	-	-	-	(25,750)	(25,750)
本期溢利	Profit for the period	-	-	-	-	-	-	-	99,792	-	99,792
其他全面收益 —換算海外業務財務報表產生之 匯兌收益	Other comprehensive income — Exchange gain on translation of financial statements of foreign operations	-	-	-	-	-	-	41	-	-	41
期內全面收益總額	Total comprehensive income for the period	-	-	-	-	-	-	41	99,792	-	99,833
於二零一三年六月三十日結餘	Balance as at 30 June 2013	7,786	106,333	31,182	48,453	1,653	633	(2,390)	648,224	-	841,674

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

1. 一般資料及編製基準

天德化工控股有限公司(「本公司」)為一間在開曼群島根據開曼群島公司法註冊成立之獲豁免有限公司。本公司註冊辦事處之地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司之股份於香港聯合交易所有限公司(「聯交所」)上市。

本公司主要業務為投資控股。本公司之附屬公司(連同本公司統稱為「本集團」)的主要業務為研發、製造及銷售精細化工產品。

本集團最終控股公司為在英屬處女群島註冊成立之志峰集團有限公司。

本集團截至二零一四年六月三十日止六個月之未經審核簡明綜合中期財務報表(「未經審核簡明財務資料」)乃按香港會計師公會(「香港會計師公會」)刊發之香港會計準則(「香港會計準則」)第34號「中期財務報告」及聯交所證券上市規則(「上市規則」)附錄十六之適用披露規定而編製。

1. General information and basis of preparation

Tiande Chemical Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries (together with the Company referred to as the “Group”) are research and development, manufacture and sales of fine chemical products.

The ultimate holding company of the Group is Cheerhill Group Limited, a company incorporated in the British Virgin Islands.

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2014 (the “Unaudited Condensed Financial Information”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

1. 一般資料及編製基準(續)

未經審核簡明財務資料並未包括年度財務報表所規定的所有資料及披露事項，並應與本集團截至二零一三年十二月三十一日止年度之年度財務報表(「二零一三年度財務報表」)一併閱讀。

除採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(包括所有由香港會計師公會刊發並適用之個別香港財務報告準則(「香港財務報告準則」)、香港會計準則及詮釋)外，編製未經審核簡明財務資料時所採納之會計政策與編製二零一三年度財務報表時所依循者一致。

本公司的功能貨幣為港元(「港元」)。由於本集團的主要運作位於中華人民共和國(「中國」)，未經審核簡明財務資料乃以人民幣(「人民幣」)呈列。除另有說明者外，所載之數額已四捨五入至最接近的千位。

未經審核簡明財務資料已於二零一四年八月二十二日獲本公司董事(「董事」)組成之董事會(「董事會」)批准刊發。

1. General information and basis of preparation (Continued)

The Unaudited Condensed Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2013 (the "2013 Annual Financial Statements").

The Unaudited Condensed Financial Information has been prepared in accordance with the same accounting policies adopted in the 2013 Annual Financial Statements, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards and Interpretations issued by the HKICPA.

The functional currency of the Company is Hong Kong Dollars ("HK\$"). The Unaudited Condensed Financial Information is presented in Renminbi ("RMB") because the main operations of the Group are located in the People's Republic of China (the "PRC"). All values are rounded to the nearest thousands except when otherwise stated.

The Unaudited Condensed Financial Information has been approved for issue by the board (the "Board") of directors (the "Directors") of the Company on 22 August 2014.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

2. 採納新訂或經修訂香港財務報告準則

於本期內，本集團首次應用由香港會計師公會刊發之以下新準則、經修訂準則、修訂本及詮釋，以上各項均適用於及對二零一四年一月一日開始之年度期間之本集團財務報表有效：

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)	投資實體
香港會計準則第32號(修訂本)	抵銷金融資產及金融負債
香港會計準則第36號(修訂本)	非金融資產之可收回金額披露
香港會計準則第39號(修訂本)	衍生工具之更替及對沖會計法之延續
香港(國際財務報告詮釋委員會)－詮釋第21號	徵費

除以下註明者外，採納該等新訂及經修訂香港財務報告準則並無改變本集團編製二零一三年度財務報表時所依據之會計政策。

2. Adoption of new or amended HKFRSs

In the current period, the Group has applied for the first time the following new and revised standards, amendments and interpretations issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2014:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
Amendments to HKAS 32	Offsetting financial assets and financial liabilities
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting
HK(IFRIC) 21	Levies

Other than as noted below, the adoption of these new and revised HKFRSs did not change the Group's accounting policies as followed in the preparation of the 2013 Annual Financial Statements.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

2. 採納新訂或經修訂香港財務報告準則(續)

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(修訂本)－投資實體該等修訂豁免符合經修訂香港財務報告準則第10號的投資實體定義的母公司遵守綜合賬目的要求。投資實體須透過損益計量屬下附屬公司的公平值。此修訂對未經審核簡明財務資料並無影響，因為本公司不符合投資實體的規定。

香港會計準則第32號(修訂本)－抵銷金融資產及金融負債

香港會計準則第32號之該等修訂釐清了香港會計準則第32號的抵銷基準。此修訂對未經審核簡明財務資料並無影響，因為此修訂與本集團已採納的政策一致。

香港會計準則第36號(修訂本)－非金融資產之可收回金額披露

香港會計準則第36號之該等修訂調整了關於已減值非金融資產的披露規定。此修訂的其中一項規定是擴大可收回金額乃按公平值減出售成本計算的已減值資產或現金產生單位的披露規定。此修訂對未經審核簡明財務資料並無影響。

2. Adoption of new or amended HKFRSs (Continued)

Amendments to HKFRS 10, HKFRS 12 and HKAS 27, Investment entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on the Unaudited Condensed Financial Information as the Company does not qualify to be an investment entity.

Amendments to HKAS 32, Offsetting financial assets and financial liabilities

The amendments to HKAS 32 clarify the offsetting criteria in HKAS 32. The amendments do not have an impact on the Unaudited Condensed Financial Information as they are consistent with the policies already adopted by the Group.

Amendments to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired assets or the cash-generating unit whose recoverable amount is based on fair value less costs of disposal. These amendments do not have an impact on the Unaudited Condensed Financial Information.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

2. 採納新訂或經修訂香港財務報告準則(續)

香港會計準則第39號(修訂本) – 衍生工具之更替及對沖會計法之延續

香港會計準則第39號之該等修訂是在指定為對沖工具的衍生工具的更替符合若干標準的情況下，放寬有關不延續對沖會計法的規定。此修訂對未經審核簡明財務資料並無影響，因為本集團並無更替其任何衍生工具。

香港(國際財務報告詮釋委員會) – 詮釋第21號 – 徵費

該詮釋就何時將政府規定支付的稅項責任確認為負債提供指引。該等修訂對未經審核簡明財務資料並無影響，因為該指引與本集團的現行會計政策一致。

董事預期，應用尚未生效之新訂及經修訂香港財務報告準則將不會對本集團之業績及財務狀況構成重大影響。

2. Adoption of new or amended HKFRSs (Continued)

Amendments to HKAS 39, Novation of derivatives and continuation of hedge accounting

The amendments to HKAS 39 provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The amendments do not have an impact on the Unaudited Condensed Financial Information as the Group has not novated any of its derivatives.

HK(IFRIC) 21, Levies

The interpretation provides guidance on when a liability to pay a levy imposed by a government should be recognised. The amendments do not have an impact on the Unaudited Condensed Financial Information as the guidance is consistent with the Group's existing accounting policies.

The Director anticipate that the application of new and revised HKFRSs but not yet effective will have no material impact on the results and the financial position of the Group.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

3. 分部資料

本集團按產品及服務類別管理其業務。截至二零一四年六月三十日止六個月，本集團已確定以下五個產品及服務類別為經營分部：

- (i) 氰基化合物及其下游產品：研發、製造及銷售氰基化合物及其下游產品；
- (ii) 醇類產品：研發、製造及銷售醇類產品；
- (iii) 氯乙酸及其下游產品：研發、製造及銷售氯乙酸及其下游產品；
- (iv) 精細石油化工產品：研發、製造及銷售精細石油化工產品；及
- (v) 其他副產品：銷售其他副產品，例如蒸氣。

經營分部乃按經調整分部經營業績監察，而策略決定亦是按同一基準作出。各經營分部均分類管理，原因是各個產品及服務類別所需的資源以及市場推廣方式並不相同。所有分部間銷售的價格乃參照就同類訂單向外界收取的價格而釐定。

於截至二零一四年六月三十日止六個月內，用來確定經營分部及已呈報分部溢利或虧損之計量方法，與過往期間比較並無改變。

3. Segment information

The Group manages its businesses by product and service lines. For the six months ended 30 June 2014, the Group has identified the following five product and service lines as its operating segments:

- (i) Cyanide and its derivative products: Research and development, manufacture and sale of cyanide and its derivative products;
- (ii) Alcohol products: Research and development, manufacture and sale of alcohol products;
- (iii) Chloroacetic acid and its derivative products: Research and development, manufacture and sale of chloroacetic acid and its derivative products;
- (iv) Fine petrochemical products: Research and development, manufacture and sale of fine petrochemical products; and
- (v) Other by-products: Sale of other by-products, e.g. steam.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results. Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

During the six months ended 30 June 2014, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

3. 分部資料(續)

3. Segment information (Continued)

截至二零一四年六月三十日止六個月

Six months ended 30 June 2014

	氰基化合物及其下游產品 Cyanide and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	醇類產品 Alcohol products 人民幣千元 RMB'000 (未經審核) (Unaudited)	氯乙酸及其下游產品 Chloroacetic acid and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	精細石油化工產品 Fine petrochemical products 人民幣千元 RMB'000 (未經審核) (Unaudited)	其他副產品 Other by-products 人民幣千元 RMB'000 (未經審核) (Unaudited)	總額 Total 人民幣千元 RMB'000 (未經審核) (Unaudited)	
收益：	Revenue:						
來自外界客戶	External customers	500,135	33,126	16,775	-	11,705	561,741
分部間之收益	Inter-segment revenue	-	29,104	146,684	-	496	176,284
可呈報分部之收益	Reportable segment revenue	500,135	62,230	163,459	-	12,201	738,025
可呈報分部之溢利	Reportable segment profit	124,473	9,092	75,148	-	6,123	214,836
可呈報分部之資產	Reportable segment assets	577,643	29,044	96,909	9,803	79,386	792,785

截至二零一三年六月三十日止六個月

Six months ended 30 June 2013

	氰基化合物及其下游產品 Cyanide and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	醇類產品 Alcohol products 人民幣千元 RMB'000 (未經審核) (Unaudited)	氯乙酸及其下游產品 Chloroacetic acid and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	精細石油化工產品 Fine petrochemical products 人民幣千元 RMB'000 (未經審核) (Unaudited)	其他副產品 Other by-products 人民幣千元 RMB'000 (未經審核) (Unaudited)	總額 Total 人民幣千元 RMB'000 (未經審核) (Unaudited)	
收益：	Revenue:						
來自外界客戶	External customers	538,100	34,633	10,088	26,867	11,786	621,474
分部間之收益	Inter-segment revenue	-	45,351	145,941	-	19,657	210,949
可呈報分部之收益	Reportable segment revenue	538,100	79,984	156,029	26,867	31,443	832,423
可呈報分部之溢利/ (虧損)	Reportable segment profit/ (loss)	156,825	9,833	72,247	(2,073)	4,431	241,263
可呈報分部之資產	Reportable segment assets	554,704	18,764	107,139	40,063	62,696	783,366

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

3. 分部資料(續)

就本集團經營分部所呈列之各項總數與本集團財務報表中呈列的主要財務數據之對賬如下：

3. Segment information (Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 2013 人民幣千元 RMB'000 (未經審核) (Unaudited)
可呈報分部之收益	Reportable segment revenue	738,025	832,423
抵銷分部間之收益	Elimination of inter-segment revenue	(176,284)	(210,949)
綜合收益	Consolidated revenue	561,741	621,474

		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 2013 人民幣千元 RMB'000 (未經審核) (Unaudited)
可呈報分部之溢利	Reportable segment profit	214,836	241,263
租金收入	Rental income	432	437
財務成本	Finance costs	(289)	(3,107)
企業不能分配之收入	Corporate unallocated income	4,425	338
企業不能分配之開支	Corporate unallocated expenses	(23,628)	(20,449)
衍生金融工具的公平值虧損	Fair value loss on derivative financial instruments	(504)	-
應佔一家合營公司虧損	Share of loss of a joint venture	(1,812)	(1,586)
抵銷分部間之溢利	Elimination of inter-segment profit	(72,575)	(78,480)
除所得稅前綜合溢利	Consolidated profit before income tax	120,885	138,416

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

4. 營業額及其他收入

本集團營業額為本集團主要業務之收益，而營業額及在期內已確認之其他收入如下：

4. Turnover and other income

Turnover of the Group, which is the revenue from the Group's principal activities, and other income recognised during the period are as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014	二零一三年 2013
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (Unaudited)	(未經審核) (Unaudited)
營業額	Turnover		
銷售氰基化合物及其下游產品	Sales of cyanide and its derivative products	500,135	538,100
銷售醇類產品	Sales of alcohol products	33,126	34,633
銷售氯乙酸及其下游產品	Sales of chloroacetic acid and its derivative products	16,775	10,088
銷售精細石油化工產品	Sales of fine petrochemical products	–	26,867
銷售其他副產品	Sales of other by-products	11,705	11,786
		561,741	621,474
其他收入	Other income		
政府補貼	Government grants	1,905	212
利息收入	Interest income	685	70
遞延收入撥回	Release of deferred income	1,370	1,370
租金收入	Rental income	432	437
變賣物業、廠房及設備收益	Gain on disposals of property, plant and equipment	1,998	17
淨匯兌收益	Exchange gain, net	1,674	–
雜項收入	Sundry income	201	43
		8,265	2,149

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

5. 財務成本

5. Finance costs

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一四年	二零一三年
		2014	2013
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
以下各項之利息開支：	Interest charges on:		
－於五年內全數償還之銀行貸款	－ Bank loans wholly repayable within five years	289	2,239
－貼現票據	－ Discounted bills	–	868
		289	3,107

6. 除所得稅前溢利

6. Profit before income tax

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一四年	二零一三年
		2014	2013
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
除所得稅前溢利已扣除／(計入)：	Profit before income tax is arrived at after charging/ (crediting):		
董事酬金	Directors' remuneration		
－袍金	－ Fees	150	150
－薪金、酌情花紅及其他福利	－ Salaries, discretionary bonus and other benefits	1,799	1,828
－退休福利計劃供款	－ Retirement benefit scheme contributions	47	42
		1,996	2,020
其他員工成本	Other staff costs	31,833	29,859
退休福利計劃供款	Retirement benefit scheme contributions	2,244	1,797
總員工成本	Total staff costs	36,073	33,676

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

6. 除所得稅前溢利(續)

6. Profit before income tax (Continued)

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一四年	二零一三年
		2014	2013
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	647	647
確認為開支之存貨金額 (附註i)，包括	Cost of inventories recognised as an expense (note i), including	397,874	437,209
– 撇減至可變現淨值之存貨	– Write-down of inventories to net realisable value	–	33
– 撇減至可變現淨值之存貨價值之回撥金額	– Reversal of write-down of inventories to net realisable value	(33)	(186)
物業、廠房及設備之折舊	Depreciation on property, plant and equipment	31,469	26,520
淨匯兌(收益)/損失	Exchange (gain)/loss, net	(1,674)	1,337
有關租賃土地及樓宇的經營租賃的最低租賃款項	Minimum lease payments under operating leases in respect of leasehold land and buildings	269	263
租金收入減支出	Rental income less outgoings	(429)	(434)
帶來租金收入之投資物業所產生的直接經營開支	Direct operating expenses arising from investment properties that generated rental income	3	3
研究成本(附註ii)	Research costs (note ii)	8,398	1,065

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

6. 除所得稅前溢利(續)

附註：

- (i) 存貨金額中包括約人民幣30,239,000元(截至二零一三年六月三十日止六個月：人民幣25,251,000元)之相關折舊開支及約人民幣26,507,000元(截至二零一三年六月三十日止六個月：人民幣25,898,000元)之相關員工成本。該等金額亦包括在上文各自獨立披露的總金額內。

存貨價值之撇減金額約人民幣33,000元(截至二零一三年六月三十日止六個月：人民幣186,000元)已回撥，原因是有關存貨的市場價格在期內回升。

- (ii) 研究成本包括約人民幣169,000元(截至二零一三年六月三十日止六個月：人民幣84,000元)之相關折舊開支及約人民幣2,929,000元(截至二零一三年六月三十日止六個月：人民幣374,000元)之相關員工成本。該等金額亦包括在上文各自獨立披露的總金額內。

6. Profit before income tax (Continued)

Notes:

- (i) Amount of inventories includes approximately RMB30,239,000 (six months ended 30 June 2013: RMB25,251,000) relating to depreciation expenses and approximately RMB26,507,000 (six months ended 30 June 2013: RMB25,898,000) relating to staff costs. These amounts are also included in the respective total amounts disclosed separately above.

The write-down of inventories of approximately RMB33,000 (six months ended 30 June 2013: RMB186,000) was reversed as the market price of these inventories was increased during the period.

- (ii) Research costs include approximately RMB169,000 (six months ended 30 June 2013: RMB84,000) relating to depreciation expenses and approximately RMB2,929,000 (six months ended 30 June 2013: RMB374,000) relating to staff costs. These amounts are also included in the respective total amounts disclosed separately above.

7. 所得稅開支

7. Income tax expense

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一四年	二零一三年
		2014	2013
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
即期稅項－中國企業	Current tax – PRC Enterprise		
所得稅	Income Tax	30,349	38,598
遞延稅項	Deferred tax	1,515	26
		31,864	38,624

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

7. 所得稅開支(續)

由於本集團之收入並非在香港產生或來自香港，故並無作出香港利得稅撥備(截至二零一三年六月三十日止六個月：無)。

濰坊同業化學有限公司、上海德弘化工有限公司、濰坊柏立化學有限公司及濰坊濱海石油化工有限公司(「濰坊濱海」)須按期內之中國企業所得稅率25%(截至二零一三年六月三十日止六個月：25%)繳納中國企業所得稅。

濰坊濱海取得政府補貼，以津貼為製造高純度異丁烯、聚異丁烯及氯乙酸而興建之生產線及配套設施，該補貼已於二零零六年確認為遞延收入。由於興建工程截至二零零七年十二月三十一日為止已經完成，故開始按照有關資產的可使用年期將遞延收入撥往損益。有關收入於其撥往損益之年度須予課稅。

8. 股息

期內，截至二零一三年十二月三十一日止年度之末期股息為每股普通股4.5港仙(截至二零一三年六月三十日止六個月：每股普通股3.8港仙)，共約人民幣30,342,000元(截至二零一三年六月三十日止六個月：人民幣25,750,000元)支付給本公司股東。

董事不建議就截至二零一四年六月三十日止六個月派發任何中期股息(截至二零一三年六月三十日止六個月：無)。

7. Income tax expense (Continued)

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in nor derives from Hong Kong (six months ended 30 June 2013: Nil).

Weifang Common Chem Co., Ltd., Shanghai Dehong Chemical Company Limited, Weifang Parasia Chem Co., Ltd. and Weifang Binhai Petro-Chem Co., Ltd. ("Weifang Binhai") are subject to PRC Enterprise Income Tax at the rate of 25% for the period (six months ended 30 June 2013: 25%).

A government grant obtained by Weifang Binhai for subsidising the construction of the production lines and ancillary facilities for manufacturing of high purity isobutylene, polyisobutylene and chloroacetic acid which was recognised as a deferred income in 2006. As the construction has been completed as at 31 December 2007, the deferred income commenced to release to profit or loss over the useful lives of the relevant assets. Such income is taxable for the year in which it is released to profit or loss.

8. Dividends

During the period, a final dividend for the year ended 31 December 2013 of 4.5 HKcents per ordinary share (six months ended 30 June 2013: 3.8 HKcents per ordinary share), amounting to approximately RMB30,342,000 (six months ended 30 June 2013: RMB25,750,000) was paid to the shareholders of the Company.

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: Nil).

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

9. 每股盈利

本公司擁有人應佔之每股基本及攤薄盈利乃根據以下數據計算：

9. Earnings per share

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

		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014	二零一三年 2013
		人民幣千元 RMB'000	人民幣千元 RMB'000
		(未經審核) (Unaudited)	(未經審核) (Unaudited)
本期溢利	Profit for the period	89,021	99,792

		普通股數目 Number of ordinary shares	
		截至六月三十日止六個月 Six months ended 30 June	
		二零一四年 2014	二零一三年 2013
		千股 '000 shares	千股 '000 shares
		(未經審核) (Unaudited)	(未經審核) (Unaudited)
計算每股基本及攤薄 盈利之普通股加權 平均數	Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	846,878	846,878

截至二零一四年及二零一三年六月三十日止六個月並無潛在攤薄普通股。

There were no dilutive potential ordinary shares for the six months ended 30 June 2014 and 2013.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

10. 物業、廠房及設備

於截至二零一四年六月三十日止六個月內，本集團購入約人民幣22,300,000元(截至二零一三年六月三十日止六個月：人民幣84,900,000元)之物業、廠房及設備，並變賣賬面淨值約人民幣644,000元(截至二零一三年六月三十日止六個月：人民幣383,000元)之若干物業、廠房及設備項目。

10. Property, plant and equipment

During the six months ended 30 June 2014, the Group acquired property, plant and equipment of approximately RMB22.3 million (six months ended 30 June 2013: RMB84.9 million) and disposed of certain items of property, plant and equipment with net carrying amount of approximately RMB644,000 (six months ended 30 June 2013: RMB383,000).

11. 貿易應收賬及應收票據

11. Trade and bills receivable

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
貿易應收賬	Trade receivables	133,660	111,179
應收票據	Bills receivable	153,513	169,200
		287,173	280,379

本集團給予貿易客戶之信貸期一般介乎一個月至六個月不等(二零一三年十二月三十一日：介乎一個月至六個月)。應收票據為不計息之銀行承兌票據，並於發行後六個月內期滿。每位客戶均有最高信貸限額。本集團致力維持對應收賬款結欠作出嚴謹之控制。管理層會定期檢討過期欠款。

The Group allows a credit period normally ranging from one month to six months to its trade customers (31 December 2013: ranging from one month to six months). The bills receivable are non-interest bearing bank acceptance bills and expired in six months upon issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

11. 貿易應收賬及應收票據
(續)

於報告日期，貿易應收賬及應收票據按發票日期所作之賬齡分析如下：

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
0至90日	0 to 90 days	219,433	206,678
91至180日	91 to 180 days	63,035	70,032
181至365日	181 to 365 days	4,419	3,630
超過365日	Over 365 days	286	39
		287,173	280,379

貿易應收賬及應收票據與多名來自不同層面的客戶有關，而彼等最近並無拖欠紀錄。根據過往的信貨政策，管理層相信，由於信貨質素並無重大變動而結欠仍視作可全數收回，因此毋須為該等結欠作減值撥備。本集團並無就已逾期未付惟並無減值之貿易應收賬持有任何抵押品。

董事認為，貿易應收賬及應收票據之公平值與其賬面值之間並無重大差異，原因是該等金額的到期期限較短。

11. Trade and bills receivable (Continued)

The ageing analysis of trade and bills receivable at the reporting date, based on the invoice date, is as follows:

Trade and bills receivable related to a large number of diversified customers for whom there was no recent history of default. Based on past credit policy, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered to be fully recoverable. The Group did not hold any collateral in respect of trade receivables past due but not impaired.

The Directors considered that the fair values of trade and bills receivable are not materially different from their carrying amounts because these amounts have short maturity periods.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

11. 貿易應收賬及應收票據

(續)

期內並無向金融機構貼現應收票據。於截至二零一三年十二月三十一日止年度，本集團向金融機構貼現部分具有全面追索權的應收票據。在債務人違約的情況下，本集團須向金融機構支付拖欠的款項。從金融機構取得之款項乃按介乎4.69%至7.35%之年利率計算利息，直到債務人支付為止。因此，本集團就貼現應收票據承受信貸虧損及逾期付款的風險。

基於本集團保留貼現應收票據擁有權涉及的絕大部分風險和回報，貼現交易並不符合香港會計準則第39號有關終止確認金融資產的規定。於二零一三年十二月三十一日，即使約人民幣2,341,000元的應收票據已合法轉讓予金融機構，惟仍繼續在本集團的財務報表中確認。貼現交易的所得款項已計入銀行借款，直至應收票據到期或本集團償付金融機構蒙受的任何損失為止。於二零一三年十二月三十一日，就未到期應收貼現票據從金融機構取得並已包括在銀行借款內的預收款項約達人民幣2,341,000元。

11. Trade and bills receivable (Continued)

During the period, no bills receivable was discounted to the financial institutions. For the year ended 31 December 2013, the Group discounted part of its bills receivable with full recourse to financial institutions. In the event of default by the debtors, the Group is obliged to pay the financial institutions the amount in default. Interest was charged ranging from 4.69% to 7.35% per annum on the proceeds received from the financial institutions until the date the debtors pay. The Group is therefore exposed to the risks of credit losses and late payment in respect of the discounted bills receivable.

The discounting transactions do not meet the requirements in HKAS 39 for de-recognition of financial assets as the Group retains substantially all of the risks and rewards of ownership of the discounted bills receivable. As at 31 December 2013, bills receivable of approximately RMB2,341,000 continued to be recognised in the Group's financial statements even though they have been legally transferred to the financial institutions. The proceeds of the discounting transactions are included in bank borrowings until the bills receivable is expired or the Group settles any losses suffered by the financial institutions. As at 31 December 2013, the advances obtained from the financial institutions in respect of the unexpired discounted bills receivables included in bank borrowings amounted to approximately RMB2,341,000.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

12. 預付款項及其他應收款項

12. Prepayments and other receivables

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
預付供應商	Advanced to the suppliers	23,153	17,687
預付款項	Prepayments	4,276	1,832
其他應收賬款	Other receivables	784	782
預付土地租賃款項 — 流動部分	Prepaid land lease payments — current portion	1,293	1,293
		29,506	21,594

13. 貿易應付賬及應付票據

本集團獲其供應商給予的信貸期介乎30至365日不等(二零一三年十二月三十一日:介乎30至365日不等)。於報告日期,貿易應付賬及應付票據按發票日期所作之賬齡分析如下:

13. Trade and bills payable

The Group was granted by its suppliers credit periods ranging from 30 to 365 days (31 December 2013: ranging from 30 to 365 days). The ageing analysis of trade and bills payable at the reporting date, based on the invoice date, is as follows:

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
0至90日	0 to 90 days	13,481	22,491
91至180日	91 to 180 days	3,609	1,503
181至365日	181 to 365 days	1,911	868
超過365日	Over 365 days	356	210
		19,357	25,072

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

13. 貿易應付賬及應付票據
(續)

貿易應付賬及應付票據之賬面值按人民幣及美元計值。所有款額均屬短期，故貿易應付賬及應付票據之賬面值與公平值相若，乃視作合理。

13. Trade and bills payable (Continued)

The carrying amounts of trade and bills payable are denominated in RMB and United States Dollars. All amounts are short term and hence the carrying amounts of trade and bills payables are considered to be a reasonable approximation of fair values.

14. 應付未付賬款及其他應付款項

14. Accruals and other payables

	二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)	
應付物業、廠房及設備款項	Payables for property, plant and equipment	26,019	34,938
預收客戶款項	Advanced from the customers	9,535	6,616
應付未付賬款	Accrued expenses	7,855	6,709
應付工資及福利款項	Wages and welfare payables	3,304	6,319
應付其他稅項	Other tax payables	5,363	3,610
其他應付款項	Other payables	18,129	16,675
遞延收入－流動部分	Deferred income – current portion	2,740	2,740
		72,945	77,607

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

15. 股本

15. Share capital

		金額 Amount	
		千港元	人民幣千元
		Number of ordinary shares	HK\$'000 RMB'000
法定： 每股面值0.01港元普通股 於二零一三年一月一日、二零一三年 十二月三十一日、二零一四年一月 一日及二零一四年六月三十日 (未經審核)	Authorised: Ordinary shares of HK\$0.01 each As at 1 January 2013, 31 December 2013, 1 January 2014 and 30 June 2014 (Unaudited)	100,000,000,000	1,000,000
已發行及繳足： 每股面值0.01港元普通股 於二零一三年一月一日、二零一三年 十二月三十一日、二零一四年一月 一日及二零一四年六月三十日 (未經審核)	Issued and fully paid: Ordinary shares of HK\$0.01 each As at 1 January 2013, 31 December 2013, 1 January 2014 and 30 June 2014 (Unaudited)	846,878,000	8,468 7,786

16. 資本承擔

於報告日期，本集團之資本承擔如下：

16. Capital commitments

The Group's capital commitments at the reporting date are as follows:

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
已訂約 但未撥備 物業、廠房及設備	Contracted but not provided for Property, plant and equipment	29,751	4,539
已授權 但未訂約 物業、廠房及設備	Authorised but not contracted for Property, plant and equipment	134,621	115,759
		164,372	120,298

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

17. 關聯方交易

於截至二零一四年六月三十日止六個月，本集團與關聯方訂立以下交易：

17. Related party transactions

During the six months ended 30 June 2014, the Group entered into the following transactions with the related parties:

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一四年	二零一三年
		2014	2013
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
向一家關聯公司(所有執行董事均擁有實益權益並可行使重大影響力)銷售貨品	Sales of goods to a related company in which all the executive Directors have beneficial interests and can exercise significant influence	-	301
予一家關聯公司(所有執行董事均擁有實益權益並可行使重大影響力)的租金開支	Rental expenses to a related company in which all the executive Directors have beneficial interests and can exercise significant influence	90	90
向合營公司收取的租金收入	Rental income received from a joint venture	100	100
向一家關聯公司(所有執行董事均擁有實益權益並可行使重大影響力)收購物業、廠房及設備	Acquisition of the property, plant and equipment from a related company in which all the executive Directors have beneficial interests and can exercise significant influence	-	26,900
根據財務租賃向一家合營公司收取的利息收入	Interest income from finance lease from a joint venture	603	-
向一家合營公司借出貸款而收取的利息收入	Interest income from loan to a joint venture	2	-
向一家關聯公司(所有執行董事均擁有實益權益並可行使重大影響力)出售物業、廠房及設備	Disposals of property, plant and equipment to a related company in which all the executive Directors have beneficial interests and can exercise significant influence	2,900	-

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

18. 金融工具的公平值計量

以下列表為按公平值列賬的金融工具的層級水平分析：

第一級別：相同資產或負債在活躍市場中的報價(未經調整)；

第二級別：除第一級別包括的報價外，該資產或負債的可觀察輸入值，可為直接(即價格)或間接(即來自價格)的輸入值；及

第三級別：並非基於可觀察市場數據的資產或負債輸入值(不可觀察輸入值)。

18. Fair value measurement of financial instruments

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset and liability that are not based on observable market data (unobservable inputs).

		第一級別 Level 1 人民幣千元 RMB'000	第二級別 Level 2 人民幣千元 RMB'000	第三級別 Level 3 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
二零一四年六月三十日	30 June 2014				
負債：	Liabilities:				
按公平值計入損益的金融負債	Financial liabilities at fair value through profit or loss				
- 衍生金融工具	- Derivative financial instruments	-	-	13,100	13,100
二零一三年十二月三十一日	31 December 2013				
負債：	Liabilities:				
按公平值計入損益的金融負債	Financial liabilities at fair value through profit or loss				
- 衍生金融工具	- Derivative financial instruments	-	-	12,596	12,596

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

18. 金融工具的公平值計量

(續)

衍生金融工具的公平值乃使用二項式點陣模型估算。

重要的不可觀察輸入值

		二零一四年 六月三十日 30 June 2014 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 (經審核) (Audited)
通脹率	Inflation rate	1.5%-2.5%	1.5%-2.5%
加權平均資本成本(「加權平均資本成本」)	Weighted average cost of capital ("WACC")	17.4%	15.0%
預期波幅	Expected volatility	45.6%	45.5%

通脹率上升5%，衍生金融工具公平值虧損將減少人民幣546,000元(二零一三年十二月三十一日：人民幣3,705,000元)；而通脹率下降5%，衍生金融工具公平值虧損將增加人民幣216,000元(二零一三年十二月三十一日：人民幣3,858,000元)。

加權平均資本成本上升5%，衍生金融工具公平值虧損將增加人民幣1,096,000元(二零一三年十二月三十一日：人民幣1,868,000元)。加權平均資本成本下降5%，衍生金融工具公平值虧損將減少人民幣1,219,000元(二零一三年十二月三十一日：人民幣2,151,000元)。

18. Fair value measurement of financial instruments (Continued)

The fair value of derivative financial instruments is estimated using a binomial lattice model.

Significant unobservable inputs

Increase inflation rate by 5% would decrease the fair value loss of derivative financial instruments by RMB546,000 (31 December 2013: RMB3,705,000) while decreased inflation rate by 5% would increase the fair value loss of derivative financial instruments by RMB216,000 (31 December 2013: RMB3,858,000).

Increase WACC by 5% would increase the fair value loss of derivative financial instruments by RMB1,096,000 (31 December 2013: RMB1,868,000). Lower WACC by 5% would decrease the fair value loss of derivative financial instruments by RMB1,219,000 (31 December 2013: RMB2,151,000).

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

18. 金融工具的公平值計量 (續)

預期波幅上升5%，衍生金融工具公平值虧損將增加人民幣63,000元(二零一三年十二月三十一日：人民幣62,000元)。預期波幅下降5%，衍生金融工具公平值虧損將增加人民幣49,000元(二零一三年十二月三十一日：衍生金融工具公平值虧損減少人民幣52,000元)。

期內的估值技術沒有變動。

期內並無級別之間的轉移。

分類為第三級別和金融負債所使用的估值技術乃以非基於可觀察市場數據的重大輸入值為依據。此級別和金融工具期初結餘與期末結餘的對賬如下：

18. Fair value measurement of financial instruments (Continued)

Increase expected volatility by 5% would increase the fair value loss of derivative financial instruments by RMB63,000 (31 December 2013: RMB62,000). Lower expected volatility by 5% would increase the fair value loss of derivative financial instruments by RMB49,000 (31 December 2013: decrease the fair value loss of derivative financial instruments by RMB52,000).

There were no changes in valuation techniques during the period.

There were no transfers between levels during the period.

The financial liabilities classified in Level 3 use valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level are reconciled from opening to closing balances as follows:

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

18. 金融工具的公平值計量
(續)18. Fair value measurement of
financial instruments (Continued)

		二零一四年 六月三十日 30 June 2014 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一三年 十二月三十一日 31 December 2013 人民幣千元 RMB'000 (經審核) (Audited)
衍生金融負債：	Derivative financial liabilities:		
於一月一日	At 1 January	12,596	6,990
衍生金融工具的公平值 虧損	Fair value loss on derivative financial instruments	504	5,606
於二零一四年六月三十 日／二零一三年十二 月三十一日	At 30 June 2014/31 December 2013	13,100	12,596

期內，衍生金融工具的公平值虧損人民幣504,000元(二零一三年十二月三十一日：人民幣5,606,000元)已在綜合收益表中確認。

本集團的財務團隊為財務申報目的而對金融工具進行估值，包括第三級別的公允價值，而估值時已諮詢獨立第三方估值師的意見。選擇估值方法時乃以各種金融工具的特點為依據，總體目標是儘量利用建基於市場的信息。財務團隊直接向董事和本公司審核委員會匯報。本公司審核委員會及估值團隊至少每六個月(與本集團的報告日期一致)討論估值流程和公平值的變動一次。

During the period, fair value loss on derivative financial instruments of RMB504,000 (31 December 2013: RMB5,606,000) was recognised in the consolidated income statement.

The Group's finance team performs valuations of financial instruments for financial reporting purposes, including Level 3 fair values, in consultation with independent third party valuer. Valuation techniques are selected based the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the Directors and to the audit committee of the Company. Valuation processes and fair value changes are discussed among the audit committee of the Company and the valuation team at least six months, in line with the Group's reporting dates.

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經營業績概要

業務回顧

於回顧期內，中國政府實行了一系列措施以避免中國經濟過熱，因而導致中國製造業萎縮。鑑於市場需求下降，大多數客戶均不願意維持較高的庫存水平，而且呆滯的需求亦導致銷售價格下降，繼而使本集團的毛利率降低，這些不利因素有損本集團的營業額。與去年同期比較，本集團來自國內市場的營業額下降了15.1%，但來自海外市場的營業額則有23.0%的增長。從國內獲得的營業額佔本集團總營業額80.3%（二零一三年：85.5%）。憑藉本集團已決定採取措施，包括不斷推出新產品及提升其生產效益，負面的市場環境並無對本集團整體業務造成顯著的不良影響。本集團亦採取了謹慎的成本控制措施以抵禦在回顧期內充滿挑戰的營商環境，因此，儘管面對不利的市況，本集團仍錄得合理業績。

Summary of operating results

Business Review

During the period under review, the PRC government imposed a series of measures to avoid overheating of the Chinese economy, thus causing the contraction of PRC's manufacturing sector. Most customers were reluctant to keep a high inventory level due to shrinkage of market demand. Besides, the sluggish demand also entailed decrease in the selling price which reduced the gross profit margin of the Group. These negative factors were of detriment to the turnover of the Group. The turnover of the Group derived from the domestic market was decreased by 15.1% but the turnover of the Group derived from the overseas market was increased by 23.0% as compared with the corresponding period last year. The turnover arising from the PRC accounted for 80.3% (2013: 85.5%) of the total turnover of the Group. By virtue of the Group's determination to implement, including, the launching of new products and the raising of its production effectiveness continuously, the negative market environment did not cause significant adverse impact to the overall business of the Group. The Group has also taken prudent cost control steps to withstand the challenging business environment throughout the period under review. Thus, the Group achieved fair results albeit facing unfavorable market conditions.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

業務回顧(續)

儘管營商環境充滿挑戰，本集團在產品開發及生產改進方面的投資，將繼續奉行其可持續經營實務。本集團已認定若干具理想前景的產品，並已計劃下一階段的產能擴張。此外，本集團繼續增加投資於提高和改進生產力，例如提升生產設施以達至節能、資源循環再用、減少廢物和污水等的生產工藝改造，目的是提高能源效益、減少排放、節省成本及制定可持續發展的措施，以滿足不斷增長的業務。除此之外，於回顧期內，本集團亦專注於產品開發，並已向市場推出新產品，市場反應令人鼓舞。於本報告日，本集團正在實施擴大這些新產品產能的工作。還有，另一新產品的設計、試制和市場研究已完成，商業化生產將在生產線建設完成後的短期內展開。更多新產品的開發工作將在今個財政年度內的剩餘時間內實行，這將進一步提升本集團的產品組合，並將成為本集團業務增長的催化劑。本集團會致力於開發新產品及擴大產品範圍，以確保業務在可見未來能與新市場和新客戶一起持續增長。

Summary of operating results (Continued)

Business Review (Continued)

Despite facing a challenging business environment, the Group continues to pursue its sustainable business practices to invest in product development and production advancement. The Group has identified some promising products and planned for the next phase of productivity capacity expansion. Besides, additional investment was allocated in productivity enhancement and advancement, such as upgrading production facilities to conserve energy, recycle and reuse resources, reduce wastes and polluted water etc., with an aim to improve energy efficiency, mitigate emission, save costs and provide sustainable initiatives to meet the continuous growth of business. Apart from these, the Group has also dedicated to the product development. The Group has launched new products to the market and received encouraging market response during the period under review. Expansions of production capacity of these new products are being implemented as at the reporting date. Besides, the design, prototype and market research for another new product has been completed. Commercial production will be commenced soon after the completion of production line construction in the near future. More new product development will be implemented in the remainder of the fiscal year which will further enhance the product portfolio of the Group and will be a catalyst for the business growth of the Group. The Group will strive to develop new products and expand product range to secure continuous business growth with new markets and customers in foreseeable future.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

業務回顧(續)

氰基化合物及其下游產品

氰基化合物及其下游產品仍是本集團的主要收入來源和增長動力。於回顧期內，營業額及分部溢利下跌的主要原因是，即使新產品的良好表現已在一定程度上緩解了原有產品下降了的營業額及溢利，但無法彌補售價下降及市場需求減少的影響。於回顧期內推出的新產品有能力在市場立足，並有望在未來一段時間內帶動本集團營業額增長。於本報告日，這些新產品的產能擴張項目正處於施工階段。由於這產品分部的潛在商機還沒有充分發揮，董事會仍對其長遠前景非常樂觀。故此，為了增加未來新收入來源和同時減低各種不利及不明朗因素所帶來的影響，本集團將繼續努力開發產品和投入更多資源。通過不斷改進、提升和擴大大具潛力產品的產能，這類產品的競爭力將進一步增強。本集團亦作好準備，把握未來市場商機。

Summary of operating results (Continued)

Business Review (Continued)

Cyanide and its derivative products

Cyanide and its derivative products remains the major revenue contributor and growth engine of the Group. The decrease of turnover and segment profit was mainly attributable to the decline in selling price and a diminishing market demand though the satisfactory performance of new products had partially mitigated the loss in turnover and profit from established products during the period under review. The new products introduced during the period under review gained market foothold and are expected to boost the growth in turnover of the Group in the forthcoming periods. The capacity expansion project of such new products is in the construction stage as at the reporting date. Since the potential business opportunity of this product segment has not yet fully tapped, the Board remains highly optimistic about its long term prospects. Hence, the Group will keep devoting additional effort and resources in product development in order to create new revenue streams and minimise the impacts of various detrimental and uncertain factors in the future. Through continuous improvement, advancement and expansion of the production capacities for potential products, the competitive edge of this category of products will be enhanced further. The Group is poised to capture emerging business opportunities ahead.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

業務回顧(續)

醇類產品

與去年同期相比，這類產品的銷售價格平穩，故醇類產品的營業額表現穩定。分部溢利下降主要是運輸成本較高所致。由於進一步發展的空間有限，這類產品的首要任務是保持穩固的內部供應，而多餘的產量則作外銷。

氯乙酸及其下游產品

於回顧期內，氯乙酸及其下游產品錄得營業額增長，主要是由於生產工藝改進和設施提升，因而改善了資源的利用情況和提升了生產力，滿足更廣大的市場需求。這分部的溢利僅輕微上升，主要是原材料成本增加，對利潤構成壓力所致。根據目前估計，預計原材料成本在今年下半年將保持平穩，故這產品類別的表現有可能進一步提高。這產品類別仍對本集團整體的產品鏈發揮關鍵的支撐角色。本集團將繼續專注於提高這產品類別的生產力，以應付在可預見將來的需求增長。

Summary of operating results (Continued)

Business Review (Continued)

Alcohol products

The turnover of alcohol products remained steady as the selling price of this category of products was flattened as compared with the corresponding period last year. The dropped in segment profit was mainly attributable to the higher transportation costs. As there is limited room for further development, the priority of this category of products is to maintain a secured internal supply, and external sales will only be for excess production of products.

Chloroacetic acid and its derivative products

During the period under review, chloroacetic acid and its derivative products recorded a growth of turnover as the advancement of production process and facilities allowed better utilisation of resources and uplifting of productivity to meet a broader market demand. This segment profit has only increased marginally mainly due to the increase of raw material costs which held the profit margin. Based on the current estimation, raw material costs are anticipated to stay flat in the second half of this year, the performance of this category of products would be able to improve further. This category of products still plays a pivotal supportive role of the Group's products chain as a whole. The Group will continuously focus on enhancement of productivity of this category of products to cope with the boost in demand in the foreseeable future.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

業務回顧(續)

精細石油化工產品

由於持續和更廣泛的不明朗市場狀況，管理層已因應策略將本集團的資源轉移到其他產品領域。因此，這類產品在回顧期內並無產生營業額。在材料成本下降到可使這類產品有利可圖之時，本集團將重新啟動相關業務。這類產品的未來發展在很大程度上依賴於一個穩定而具成本效益的採購程序來改善其未來前景。話雖如此，這產品類別的前景仍然黯淡及脆弱。本集團將密切留意市場變化情況，以為這類產品尋求解決之道。

合營公司(「合營公司」)

於回顧期內，營運前期的設置已按有序步伐建設，試產預期在今年下半年展開，而合營公司的管理層正在積極準備商業運作及市場營銷活動。由於在啟動階段，業務運作不會達到設定的最高能力，本集團相信，於本財政年度內合營公司不會帶來重大的經濟利益，但認為其產品具理想的市場潛力，並會在業內帶來刺激。合營公司開展商業運作後，將使本集團的發展路途呈現新的一面，並能夠在可見將來為本集團帶來新的收入。

Summary of operating results (Continued)

Business Review (Continued)

Fine petrochemical products

Due to a persistent and a broader uncertainty of the market conditions, the management has strategically diverted the Group's resources to other product segments. Accordingly, no turnover was generated from this category of products during the period under review. The Group will re-launch the business activity when the material costs decline to a level enabling this category of products to become profitable again. The future development of this category of products heavily relies on a stable cost effectiveness sourcing to improve its future prospect. Having said that, the future prospect of this category of products remains bleak and fragile. The Group will closely monitor the ever-changing market conditions and seek a remedy for this category of products.

Joint venture company (the "JV Company")

The pre-operating setup was under construction in an orderly pace during the period under review. The trial production is expected to be commenced in the second half of this year and the management of JV Company is gearing up for the commercial operation and marketing activities aggressively. The business operation will not reach full capacity during the startup phase, and the Group believes there will be no significant economic benefits arising from the JV Company during the fiscal year. However, it is believed that the market potential of its product is promising and will bring excitement to the industry. The launching of JV Company's commercial operation will add new dimensions to the Group's growth path and bring new revenue for the Group in the foreseeable future.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

業務回顧(續)

展望

儘管於回顧期內嚴峻的營商環境拖累營業額及溢利，但本集團的業務平台已因應策略作出改善，尤其是在產品開發和生產技術改進方面。本集團仍然堅持既定的業務發展戰略，即延伸產品鏈以拓展業務覆蓋範圍及鞏固業務競爭力，從而緩解市場波動的風險和加強抵禦風險的能力。由於持續改進生產力，使本集團資源得以全面利用。為了可持續改善生產力，本集團將確立進一步的自動化生產體系以提升生產效益及降低成本壓力。本集團亦將採取適當行動來抵禦未來動盪的營商環境，以鞏固和保持本集團可持續競爭的業務優勢。

鑑於近期中國經濟相對穩定，而製造業的動力預計將保持目前的走勢，本集團對本財政年度的前景期望屬於中性。儘管目前中國經濟有放緩跡象，本集團的營業額和利潤在過去幾年錄得穩定增長，因此，董事會仍對本集團中期至長遠的發展前景持樂觀態度，原因是本集團擁有穩固的市場份額、最理想的生產力及強大的產品研發能力。本集團已奠定了全面發展所需的堅實基礎，目的是實現可持續發展及為股東創造更大價值。

Summary of operating results (Continued)

Business Review (Continued)

Outlook

Despite the tough business environment dragging down the turnover and profit during the period under review, the Group has achieved strategic improvement in its business platform, especially in product development and production technology advancement. The Group still adheres to its business development strategies to extend its product chain to expand business coverage and to consolidate its business competitive ability so as to alleviate market volatility risk and to intensify its risk defensive ability. Continuous improvements in productivity allow comprehensive utilisation of the Group's resources. The Group will implement further automotive manufacturing system to enhance production efficiency and to mitigate cost pressure in order to achieve continuous improvement of productivity. The Group will also take appropriate actions to withstand a volatile business environment ahead in order to uphold and retain the Group's sustainable competitive business advantages.

Given that the PRC economy is relatively stabilised recently and the momentum of the manufacturing industry is forecasted to keep at the current trend, the outlook of the Group is neutral for the fiscal year. The Group experienced stable growth in turnover and profit over the past few years in spite of the slowdown in the PRC economy currently. The Board remains optimistic about the medium to long term prospects of the Group on the back of its solid market share, optimum productivity and strong product development ability. The Group has laid a solid foundation for comprehensive development with the aim to achieve sustainable growth and creating more value for the Shareholders.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

財務回顧

本集團截至二零一四年六月三十日止六個月的營業額及毛利分別約為人民幣561,700,000元及人民幣155,100,000元，較去年同期約人民幣621,500,000元及人民幣175,700,000元分別減少約人民幣59,800,000元及人民幣20,600,000元，或9.6%及11.7%。毛利率亦輕微下跌0.7個百分點至27.6%（截至二零一三年六月三十日止六個月：28.3%）。本集團之整體表現遜於去年同期，乃主要歸因於疲弱的市況帶來售價壓力，對本集團之營業額及毛利造成負面影響；不過，於回顧期內新推出的產品表現良好，緩解了遜於去年同期的表現的部分影響。

銷售開支由去年同期約人民幣14,400,000元增加了約人民幣3,800,000元至約人民幣18,200,000元，主要原因是在回顧期內海外銷售增加，導致海外運輸成本上升。銷售開支佔本集團營業額的百分比為3.2%（截至二零一三年六月三十日止六個月：2.3%）。

Summary of operating results (Continued)

Financial Review

Turnover and gross profit of the Group for the six months ended 30 June 2014 amounted to approximately RMB561.7 million and RMB155.1 million respectively, representing a decrease of approximately RMB59.8 million and RMB20.6 million or 9.6% and 11.7% as compared with approximately RMB621.5 million and RMB175.7 million recorded in the corresponding period last year. The gross profit margin was slightly decreased by 0.7 percentage points to 27.6% (six months ended 30 June 2013: 28.3%). The overall performance of the Group was fallen behind the same period last year which is mainly attributable to the subdued market conditions have put pressure on the selling price that negatively impacted the turnover and gross profit of the Group although this shortfall has been partially mitigated by the good performance of newly launched products during the period under review.

The selling expenses increased by approximately RMB3.8 million from approximately RMB14.4 million in the corresponding period last year to approximately RMB18.2 million. It was mainly attributable to the increase in overseas transportation costs as a result of the increase in overseas sales during the period under review. The selling expenses as a percentage of the Group's turnover was 3.2% (six months ended 30 June 2013: 2.3%).

管理層討論及分析

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經營業績概要(續)

財務回顧(續)

行政開支達約人民幣21,700,000元，與去年同期約人民幣20,300,000元相比，上升約人民幣1,400,000元。行政開支上升的主要原因是本集團在回顧期內繼續擴大於產品開發的投資，因而導致研發開支上升。行政開支佔本集團營業額的3.9%，較去年同期的3.3%為高。

財務成本為銀行借貸利息，減少約人民幣2,800,000元至約人民幣300,000元(截至二零一三年六月三十日止六個月：人民幣3,100,000元)。財務成本降低主要是回顧期內的加權平均銀行借貸額減少所致。

Summary of operating results (Continued)

Financial Review (Continued)

The administrative expenses amounted to approximately RMB21.7 million, which was increased by approximately RMB1.4 million from approximately RMB20.3 million in the corresponding period last year. Such increase was principally due to the increase in research and development expenses as the Group has kept investing significantly in new products development during the period under review. The administrative expenses accounted for 3.9% of the Group's turnover, which was higher than 3.3% from the corresponding period last year.

The finance costs represented interest on bank borrowings which were decreased by approximately RMB2.8 million to approximately RMB0.3 million (six months ended 30 June 2013: RMB3.1 million). The decrease was mainly due to decrease in weighted average bank borrowing amounts during the period under review.

管理層討論及分析

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經營業績概要(續)

財務回顧(續)

於二零一一年六月三十日，本公司與漢高香港有限公司(「漢高」)簽訂合營協議(「合營協議」)以成本合營公司。根據合營協議，(i)本公司已獲授認購期權，可要求漢高按認購期權價格向本公司出售或促成漢高向本公司出售漢高及／或其關聯公司所持的全部合營公司權益；及(ii)漢高已獲授認沽期權，可要求本公司按認沽期權價格買入或促成本公司買入漢高及／或其關聯公司所持的全部合營公司權益。上述期權僅可在指定未來日子確定的期權期間行使(有關詳細情況，請參考本公司於二零一一年七月三日刊發之公佈)。因此，合營協議被視為包含衍生金融工具，根據有關的香港財務報告準則，須按公平值列賬。截至二零一四年六月三十日止六個月，由獨立估值師採用二項式點陣模型確定的衍生金融工具之公平值虧損為約人民幣500,000元。

鑑於營業額及毛利減少，純利約為人民幣89,000,000元，與去年同期約人民幣99,800,000元比較，下跌約人民幣10,800,000元或10.8%。

Summary of operating results (Continued)

Financial Review (Continued)

On 30 June 2011, the Company entered into a joint venture agreement (the "JV Agreement") with Henkel Hong Kong Limited ("Henkel") to set up a joint venture company. Under the JV Agreement, (i) the Company was granted with a call option to require Henkel to sell or cause the sale of all of the equities of the JV Company held by Henkel and/or its affiliates to the Company at the call option price; and (ii) Henkel was granted with a put option to require the Company to purchase or cause the purchase of all of the equities of the JV Company held by Henkel and/or its affiliates at the put option price. Such options can only be exercised during the option period which set on a specified future dates (please refer to the announcement of the Company dated 3 July 2011 for details.) Thus, the JV Agreement deemed to contain derivatives financial instruments which are required to be carried at fair value under relevant Hong Kong financial reporting standard. For the six months ended 30 June 2014, the fair value loss on the derivative financial instruments was, determined by an independent valuer by adoption of a binomial latic model, approximately RMB0.5 million.

In line with the decrease of turnover and gross profit, the net profit amounted to approximately RMB89.0 million, representing a decrease of approximately RMB10.8 million or 10.8% as compared with approximately RMB99.8 million recorded in the corresponding period last year.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

財務回顧(續)

流動資金及財務資源

截至二零一四年六月三十日止六個月，本集團之主要資金來源包括經營活動產生之淨現金流入約人民幣95,500,000元(截至二零一三年六月三十日止六個月：人民幣83,200,000元)、新增銀行借貸約人民幣30,600,000元(截至二零一三年六月三十日止六個月：人民幣38,600,000元)、出售物業、廠房及設備所得款項淨額約人民幣2,600,000元(截至二零一三年六月三十日止六個月：人民幣400,000元)及已收利息約人民幣100,000元(截至二零一三年六月三十日止六個月：人民幣100,000元)。憑藉本集團營運所得的財務資源，本集團斥資約人民幣40,600,000元(截至二零一三年六月三十日止六個月：人民幣67,900,000元)購入物業、廠房及設備、償還銀行借貸約人民幣33,300,000元(截至二零一三年六月三十日止六個月：人民幣16,000,000元)、向一家合營公司借出貸款約人民幣400,000元(截至二零一三年六月三十日止六個月：無)、支付利息約人民幣300,000元(截至二零一三年六月三十日止六個月：人民幣3,100,000元)以及派付股息約人民幣30,300,000元(截至二零一三年六月三十日止六個月：人民幣25,800,000元)。

Summary of operating results (Continued)

Financial Review (Continued)

Liquidity and financial resources

For the six months ended 30 June 2014, the Group's primary source of funding included the net cash inflow generated from operating activities of approximately RMB95.5 million (six months ended 30 June 2013: RMB83.2 million); newly raised bank borrowings of approximately RMB30.6 million (six months ended 30 June 2013: RMB38.6 million); net proceeds on disposal of property, plant and equipment of approximately RMB2.6 million (six months ended 30 June 2013: RMB0.4 million) and interest received of approximately RMB0.1 million (six months ended 30 June 2013: RMB0.1 million). With the financial resources obtained from the Group's operations, the Group had spent approximately RMB40.6 million (six months ended 30 June 2013: RMB67.9 million) in the acquisition of the property, plant and equipment, bank borrowing repayments of approximately RMB33.3 million (six months ended 30 June 2013: RMB16.0 million); loan to a joint venture approximately RMB0.4 million (six months ended 30 June 2013: Nil); interest paid of approximately RMB0.3 million (six months ended 30 June 2013: RMB3.1 million) and dividend paid of approximately RMB30.3 million (six months ended 30 June 2013: RMB25.8 million).

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

財務回顧(續)

流動資金及財務資源(續)

於二零一四年六月三十日，本集團已抵押之銀行存款及銀行與現金結餘約為人民幣73,500,000元(二零一三年十二月三十一日：人民幣49,600,000元)。未償還借貸總額約人民幣30,600,000元(二零一三年十二月三十一日：人民幣33,300,000元)。本集團保持穩健的財務狀況，於二零一四年六月三十日，淨銀行及現金結餘(即現金及現金等值項目的總額減去借款總額)達約人民幣42,900,000元(二零一三年十二月三十一日：人民幣16,300,000元)。在回顧期內，基於持續正面的經營業績，淨流動資產進一步增加至約人民幣348,700,000元(二零一三年十二月三十一日：人民幣286,000,000元)。

在可預見未來，本集團將繼續投資於若干資本項目以擴大業務規模及提高其長遠的經營業績。憑藉本集團健康的財政狀況與來自經營活動的穩固現金流入，加上來自往來銀行的銀行信貸額度，本集團得以應付其可預見的承擔及所需的營運資金。然而，本集團將持續密切及謹慎地管理其營運資金，並致力維持穩健之流動資金狀況，為股東帶來最佳的股本回報。

本集團在回顧期內並無運用任何金融工具作任何對沖用途。

Summary of operating results (Continued)

Financial Review (Continued)

Liquidity and financial resources (Continued)

As at 30 June 2014, the Group had pledged bank deposits and bank and cash balances of approximately RMB73.5 million (31 December 2013: RMB49.6 million). The total amount of outstanding borrowings was approximately RMB30.6 million (31 December 2013: RMB33.3 million). The Group maintained a sound financial position, the net bank and cash balance of approximately RMB42.9 million (31 December 2013: RMB16.3 million) (total cash and cash equivalent net of total borrowings) as at 30 June 2014. The net current assets also further increased to approximately RMB348.7 million (31 December 2013: RMB286.0 million) as a result of the continuous positive operating results during the period under review.

The Group will continue to invest in several capital projects in the foreseeable future to expand its business scale and improve its long term operating results. By virtue of the Group's healthy financial position with promising cash inflow generated from the operating activities and available banking facilities obtained from banks, the Group is enabled to meet its foreseeable commitments and working capital requirements. Nevertheless, the Group will continue to manage its working capital closely and cautiously, and dedicate to keep a sound liquidity position to optimise the equity return to its shareholders.

During the period under review, the Group did not use any financial instruments for any hedging purposes.

管理層討論及分析

Management Discussion and Analysis

經營業績概要(續)

財務回顧(續)

資產抵押

於二零一四年六月三十日，本集團就銀行承兌票據額度而將銀行存款約人民幣10,300,000元(二零一三年十二月三十一日：無)抵押。本集團並無抵押預付土地租賃款項(二零一三年十二月三十一日：人民幣29,600,000元)作為本集團銀行借貸之抵押品。

或然負債

於二零一四年六月三十日，本集團並無任何重大或然負債。

匯率波動風險

本集團之營運主要位於中國，而且其資產、負債、收入及交易主要以人民幣、港元及美元結算。

本集團所承擔之最大外匯風險乃源自回顧期內之人民幣匯率波動。除本集團之出口銷售主要以美元結算外，本集團大部分之收入及開支均以人民幣結算。本集團於回顧期內並無因外幣匯率波動而在營運或資金流動狀況方面遇上任何重大困難，亦未因此而受任何影響。另外，於適當之時，本集團將考慮利用具成本效益之對沖方法應付日後之外幣交易。

Summary of operating results (Continued)

Financial Review (Continued)

Pledge of assets

As at 30 June 2014, bank deposits of approximately RMB10.3 million (31 December 2013: Nil) were pledged for bank acceptance bills facilities. No prepaid land lease payments of the Group (31 December 2013: RMB29.6 million) were pledged to secure the Group's bank borrowings.

Contingent liabilities

As at 30 June 2014, the Group had no material contingent liabilities.

Exposure to fluctuations in exchange rates

The Group's operation is mainly in the PRC and its assets, liabilities, revenues and transactions are mainly denominated in RMB, Hong Kong dollars and United States dollars.

The Group's foremost exposure to the foreign exchange risk was caused by the fluctuation of RMB during the period under review. Most of the Group's income and expenses are denominated in RMB except for the Group's export sales which were, in majority, denominated in United States dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the period under review. Besides, the Group will consider cost-efficient hedging methods to cope with future foreign currency transactions when appropriate.

管理層討論及分析

Management Discussion and Analysis

人力資源

於二零一四年六月三十日，本集團共有957名全職僱員(二零一三年十二月三十一日：997名全職僱員)。

本集團已制定其人力資源政策及體制，務求於薪酬制度中加入更多激勵性的獎勵及獎金，以及為僱員提供多元化之僱員培訓及個人發展計劃。向僱員提供之酬金待遇乃按其職務及當時市場趨勢釐定，本集團亦同時向僱員提供僱員福利，包括醫療保障及公積金。

本集團員工將根據年度工作表現評核的評分，獲酌情發放花紅及獎金。本集團亦會給予僱員獎金或其他獎勵，以推動僱員個人成長及事業發展，例如向僱員提供持續培訓，以提升彼等之技術、產品知識以及對行業品質標準之認識。本集團所有新僱員均須參加入職課程以及各類可供本集團所有僱員參加之培訓課程。

本集團亦已採納購股權計劃，以獎勵及獎賞曾對本集團在業務方面的成就作出貢獻之合資格參與人士。於回顧期內，本公司並無授出購股權。

Human resources

As at 30 June 2014, the Group has 957 full time employees (31 December 2013: 997 full time employees).

The Group has established its human resources policies and scheme with a view to deploy more motivated incentives and rewards of the remuneration system which includes a wide range of training and personal development programs to the employees. The remuneration package offered to the staff was in line with their duties and the prevailing market trends. Staff benefits, including medical coverage and provident funds, have also been provided to the employees of the Group.

Employees of the Group would receive discretionary bonuses and monetary rewards based on their ratings in annual performance appraisals. The Group also offered rewards or other incentives to the employees in order to motivate their personal growth and career development, such as ongoing training to enhance their technical and product knowledge as well as their knowledge of industry quality standards. All new employees of the Group are required to attend an introduction course and there are also various types of training courses available to all the Group's employees.

The Group has also adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. No share option of the Company has been granted during the period under review.

其他資料

Other Information

董事及主要行政人員之證券權益

於二零一四年六月三十日，本公司董事、主要行政人員及彼等之聯繫人於本公司股份（「股份」）及本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之有關條文任何該等董事或主要行政人員擁有或被視作擁有之權益及淡倉），以及本公司根據證券及期貨條例第352條規定存置之登記冊所記錄，或已根據聯交所證券上市規則附錄十所載上市公司董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益及淡倉如下：

Directors' and chief executive's interests in securities

As at 30 June 2014, the interests and short positions of the Directors, chief executive of the Company and their associates in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO) and were recorded in the register maintained by the Company pursuant to section 352 of the SFO, or which were 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 Appendix 10 to the Listing Rules, were as follows:

於股份之好倉

Long position in the Shares

董事姓名	公司／相聯法團名稱 Name of company/ associated corporation	所持股份數目／股份權益 Number of Shares held/ interest in the Shares	身份 Capacity	佔已發行股本總數概約百分比(%) Approximate % in the total issued share capital
劉洪亮先生 Mr. Liu Hongliang	志峰集團有限公司 Cheerhill Group Limited (附註1) (Note 1)	584,000,000 (附註2) (Note 2)	受控法團之權益 Interest of controlled corporation	69.00%

其他資料

Other Information

董事及主要行政人員之證券權益(續)

附註：

- 584,000,000股股份乃由志峰集團有限公司(「志峰」)持有，而志峰之全部已發行股本分別由劉洪亮先生、王子江先生、郭希田先生、鄭虹女士、郭玉成先生及傅安旭先生最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。除鄭虹女士和傅安旭先生外，所有其他人士均為執行董事。
- 由於劉先生於志峰擁有38%權益，故被視為於上文附註1所述之584,000,000股股份擁有權益。

除上文所披露者外，於二零一四年六月三十日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或根據上市規則所載標準守則已知會本公司和聯交所之資料，本公司各董事及主要行政人員及彼等之聯繫人概無擁有或被視作擁有本公司及其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券之權益或淡倉。

本公司或其任何控股公司、附屬公司或同系附屬公司於回顧期內任何時間概無訂立任何安排，令本公司董事及主要行政人員或彼等之配偶及未滿十八歲之子女可購入本公司或其相聯法團任何股份、相關股份或債券。

Directors' and chief executive's interests in securities (Continued)

Notes:

- The 584,000,000 Shares were held by Cheerhill Group Limited ("Cheerhill"), the entire issued share capital of which is ultimately beneficially owned as to 38% by Mr. Liu Hongliang, 26% by Mr. Wang Zijiang, 11.5% by Mr. Guo Xitian, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu. Except Ms. Zheng Hong and Mr. Fu Anxu, all others are the executive Directors.
- Mr. Liu is deemed to be interested in 584,000,000 Shares referred to in Note 1 above by virtue of his 38% interests in Cheerhill.

Save as disclosed above, as at 30 June 2014, none of the Directors and chief executive of the Company, nor their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code as set out in the Listing Rules.

At no time during the period under review, was the Company or any of its holding companies, its subsidiaries or its fellow subsidiaries a party to any arrangement that enables the Directors and chief executive of the Company or their spouse and children under 18 years of age to purchase any shares or underlying shares in, or debentures of, the Company or its associated corporation.

其他資料 Other Information

主要股東

於二零一四年六月三十日，除董事外，持有本公司已發行股本5%或以上權益之下列人士，已記錄於本公司根據證券及期貨條例第336條存置之股東名冊內：

於股份之好倉

Substantial shareholders

As at 30 June 2014, the following person who held interests of 5% or more of the issued share capital of the Company, other than the Directors, was recorded in the register of members required to be kept by the Company pursuant to Section 336 of the SFO:

Long position in the Shares

股東名稱 Name of shareholder	所持股份數目／ 股份權益及權益總額 Number of Shares held/interest in the Shares and aggregated interest	身份 Capacity	佔已發行股本總數 概約百分比(%) Approximate % in the total issued share capital
志峰(附註) Cheerhill (Note)	584,000,000	實益擁有人 Beneficiary owner	69.00%

附註：

584,000,000股股份乃由志峰持有，而志峰之全部已發行股本分別由劉洪亮先生、王子江先生、郭希田先生、鄭虹女士、郭玉成先生及傅安旭先生最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。除鄭虹女士和傅安旭先生外，所有其他人士均為執行董事。

除上文所披露者外，於二零一四年六月三十日，本公司並無獲任何人士知會於股份或相關股份中擁有任何根據證券及期貨條例須知會本公司之權益或淡倉，或擁有本公司根據證券及期貨條例第336條存置之登記冊中記錄之權益或淡倉。

Note:

The 584,000,000 Shares were held by Cheerhill, the entire issued share capital of which is ultimately beneficially owned as to 38% by Mr. Liu Hongliang, 26% by Mr. Wang Zijiang, 11.5% by Mr. Guo Xitian, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu. Except Ms. Zheng Hong and Mr. Fu Anxu, all others are the executive Directors.

Save as disclosed above, as at 30 June 2014, the Company has not been notified by any persons who had any interest or short position in the Shares or underlying Shares which are required to be notified to the Company under the SFO or which are recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

其他資料 Other Information

購股權

本公司已於二零零六年十月四日批准及採納購股權計劃(「購股權計劃」)，旨在獎勵及酬謝對本集團之成就作出貢獻之本集團任何成員公司或聯營公司之董事、合資格僱員、供應商、客戶、任何股東或彼等各自之聯繫人或本集團之顧問或諮詢人。購股權計劃由二零零六年十月四日起生效，有效期為十年，根據購股權計劃可授出最多40,000,000份購股權，購股權賦予其持有人權利，可認購最多40,000,000股股份。

在回顧期內，本公司並無根據購股權計劃授出、行使或註銷任何購股權。於二零一四年一月一日及二零一四年六月三十日，並無購股權計劃項下之未行使購股權。

上市公司董事進行證券交易的標準守則

本公司已採納一套操守準則，其標準不寬鬆於上市規則附錄十所載有關董事進行證券交易之標準守則的規定。經本公司作出查詢後，全體董事已確認，彼等於截至二零一四年六月三十日止六個月一直遵守標準守則及本公司有關董事進行證券交易之操守準則所載之規定標準。

高級管理層因其在本公司所擔任之職務而可能擁有未公佈之股價敏感資料，故已應要求遵守標準守則及本公司有關董事進行證券交易之操守準則之規定。

Share options

The Company has approved and adopted a share option scheme (the "Share Option Scheme") on 4 October 2006 for the purpose of providing incentives and rewards to directors, eligible employees, suppliers, customers, any shareholder of each member of the Group or associated company or any of their respective associates, and advisers or consultants of the Group who contribute to the success of the Group. The Share Option Scheme has become effective for a period of 10 years commencing on 4 October 2006 and up to 40,000,000 options entitling the holders thereof to subscribe for up to 40,000,000 Shares may be granted under the Share Option Scheme.

During the period under review, no share options were granted, exercised or cancelled by the Company under the Share Option Scheme. There were no outstanding share options under the Share Option Scheme as at 1 January 2014 and 30 June 2014.

Model code for securities transactions by directors of listed companies

The Company has adopted a code of conduct with standards no less than those prescribed under the Model Code as set out in Appendix 10 to the Listing Rules for securities transactions by Directors. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards as set out in the Model Code and the Company's code of conduct regarding securities transactions by Directors throughout the six months ended 30 June 2014.

The senior management, who, because of their office in the Company, are likely to be in possession of unpublished price sensitive information, have been requested to comply with the provisions of the Model Code and the Company's code of conduct regarding securities transactions by Directors.

其他資料

Other Information

購買、出售或贖回本公司之上市證券

於截至二零一四年六月三十日止六個月，本公司或其任何附屬公司概無贖回、購買或出售本公司任何上市股份。

企業管治常規

董事並無獲悉任何資料可合理顯示，於截至二零一四年六月三十日止六個月內，本公司未有遵守或曾經不遵守載於上市規則附錄十四之企業管治守則。

提名委員會

提名委員會目前由執行董事劉洪亮先生(提名委員會主席)及兩名獨立非執行董事梁錦雲先生及劉晨光先生組成。於回顧期內，提名委員會已：(i) 檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)；(ii) 檢討本公司的多元化政策；(iii) 評核獨立非執行董事的獨立性；及(iv) 批准及建議董事會採納經修訂之董事繼任計劃。

Purchase, sale or redemption of the Company's listed securities

During the six months ended 30 June 2014, neither the Company nor any of its subsidiaries had redeemed, purchased or sold any of the Company's listed shares.

Corporate governance practices

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not during the six months ended 30 June 2014, in compliance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

Nomination committee

The Nomination Committee currently comprises an executive Director, namely Mr. Liu Hongliang (chairman of the Nomination Committee) and the two independent non-executive Directors, namely Mr. Leung Kam Wan and Mr. Liu Chenguang. During the period under review, the Nomination Committee has (i) reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board; (ii) reviewed the diversity policy of the Company; (iii) assessed the independence of independent non-executive Directors; and (iv) approved and recommended a revised Director succession plan for the Board to approve.

其他資料 Other Information

薪酬委員會

薪酬委員會目前由三名獨立非執行董事劉晨光先生(薪酬委員會主席)、高寶玉先生、梁錦雲先生及一名執行董事劉洪亮先生組成。於回顧期內，薪酬委員會已：(i)檢討執行董事的服務協議條款；及(ii)參考董事職責範疇及本集團之企業目的與目標，並計及可資比較的市場狀況後，審閱及批准所有董事及本公司高級管理層之薪酬待遇。董事一概不得參與討論及決定本身之薪酬。

Remuneration committee

The Remuneration Committee currently comprises three independent non-executive Directors, namely Mr. Liu Chenguang (chairman of the Remuneration Committee), Mr. Guo Baoyu, Mr. Leung Kam Wan and an executive Director Mr. Liu Hongliang. During the period under review, the Remuneration Committee has (i) reviewed the terms of services contract with executive Director; and (ii) reviewed and approved the remuneration package of all Directors and senior management of the Company by reference to the scope duties and responsibilities of the Directors, corporate goals and objectives of the Group, after taking into account also the comparable market conditions. No Director shall participate in any discussion and decision about his own remuneration.

其他資料 Other Information

審核委員會

本公司審核委員會由三名獨立非執行董事組成，包括梁錦雲先生(審核委員會主席)、高寶玉先生及劉晨光先生。於回顧期內，審核委員會已：(i)審閱本公司採納之會計準則及實務；(ii)審閱本公司外聘核數師的獨立性及客觀性，並向董事會建議續聘本公司外聘核數師；(iii)批准本公司的持續關連交易；(iv)與本公司獨立核數師討論核數工作的性質及範疇及有關申報責任；及(v)檢討獨立核數師給予管理層的《審核情況說明函件》，並建議董事會作出改善。審核委員會已與本公司管理層及獨立核數師討論有關編製本集團截至二零一四年六月三十日止六個月未經審核簡明綜合財務報表之內部監控及財務報告事項。審核委員會概無就本公司於回顧期內採納之會計處理方式提出任何異議。

承董事會命
主席
劉洪亮

香港，二零一四年八月二十二日

Audit committee

The Audit Committee of the Company comprises the three independent non-executive Directors, namely Mr. Leung Kam Wan (chairman of the Audit Committee), Mr. Guo Baoyu and Mr. Liu Chenguang. During the period under review. The Audit Committee has (i) reviewed the accounting principles and practices adopted by the Company; (ii) reviewed the external auditor's independence and objectivity of the Company and made recommendation to the Board for reappointment of the independent auditor of the Company; (iii) approved the continue connected transactions of the Company; (iv) discussed with the independent auditor of the Company the nature and scope of the audit and reporting obligations; and (v) reviewed the independent auditor's management letter and made recommendations to the Board for improvement. Audit Committee has discussed internal control and financial reporting matters with management and the independent auditor of the Company relating to the preparation of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2014. There is no disagreement raised by the Audit Committee on the accounting treatment adopted by the Company during the period under review.

By order of the Board
Liu Hongliang
Chairman

Hong Kong, 22 August 2014



天德化工控股有限公司
Tiande Chemical Holdings Limited

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