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)

2014

ANNUAL REPORT
年報

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FINANCIAL HIGHLIGHTS AND SUMMARY
財務摘要及概要

		2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 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	**2014** **二零一四年** **RMB'000** **人民幣千元**
Results	**業績**					
Revenue	收入	2,504,733	3,018,871	3,301,498	3,422,033	**4,169,785**
Gross profit	毛利	284,697	449,808	388,282	300,352	**363,519**
Operating profit	經營利潤	181,985	303,392	258,796	141,361	**67,969**
Profit for the year	本年度利潤	163,345	230,177	221,921	124,161	**66,345**
Profit attributable to shareholders	股東應佔利潤	161,711	228,990	219,647	122,198	**62,725**
Assets and Liabilities	**資產及負債**					
Total assets	總資產	1,782,107	2,013,379	2,441,812	3,005,589	**2,845,196**
Total liabilities	總負債	324,001	357,242	575,512	1,026,783	**831,359**
Non-controlling interests	非控股股東權益	18,009	19,196	21,470	23,433	**27,053**
Shareholder's equity	股東權益	1,440,097	1,636,941	1,844,830	1,955,373	**1,986,784**
Major financial data	**主要財務數據**					
Current ratio (Times)	流動比率(倍)	3.9	4.1	2.5	1.6	**1.6**
Quick ratio (Times)	速動比率(倍)	3.3	3.5	2.2	1.2	**1.3**
Gearing – borrowings to total assets	槓桿比率-借款除以總資產	2.1%	0.4%	0.3%	14.3%	**10.0%**
Debtors turnover (Days)	應收賬款週轉(天數)	40	37	35	45	**35**
Creditors turnover (Days)	應付賬款週轉(天數)	13	10	10	11	**13**
Inventories turnover (Days)	存貨週轉(天數)	32	29	24	33	**32**
Cash conversion (Days)	現金轉換(天數)	59	56	49	67	**54**

CORPORATE INFORMATION
公司資料

EXECUTIVE DIRECTORS

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

執行董事

田其祥先生*（主席）*
高世軍先生*（行政總裁）*
劉象剛先生
于英全先生

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chen Zhijun
Mr. Sun Mingdao
Mr. Yue Kwai Wa, Ken

獨立非執行董事

陳志軍先生
孫明導先生
余季華先生

COMPANY SECRETARY

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

公司秘書

梁兆康先生，FCCA, FCPA, FCIS, FCS

AUTHORISED REPRESENTATIVES

Mr. Leung Siu Hong
Mr. Yu Yingquan

授權代表

梁兆康先生
于英全先生

REGISTERED OFFICE

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

註冊辦事處

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Causeway Bay
Hong Kong

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AUDITOR

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

核數師

羅兵咸永道會計師事務所
香港
中環
太子大廈22樓

CORPORATE INFORMATION
公司資料

LEGAL ADVISERS

As to Hong Kong Law:
Chiu & Partners

As to Cayman Islands Law:
Conyers Dill & Pearman

PRINCIPAL BANKERS

Bank of China
China Construction Bank
China Everbright Bank
Industrial and Commercial Bank of China
Industrial Bank Company Limited

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
中國光大銀行
中國工商銀行
興業銀行

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

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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 2014.

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」)截至二零一四年十二月三十一日止年度之全年業績。

BUSINESS REVIEW

In 2014, as part of plans to rebalance the economy, China's annual GDP growth was shaved to around 7.4%, which was considered as the weakest growth rate in decades. The slowdown in China's GDP growth reflected the Chinese Government's intensified policy efforts to place the economy on a more sustainable growth path and to create a healthy environment for the long-term development of the economy. The Chinese Government has pledged to transform its economic growth model to be less driven by exports and investment but more by domestic consumption, on the other hand, they have sought to avoid large-scale stimulating programs that would spur short-term growth at the expense of long-term reform efforts. Since the Chinese Government intended to keep its economic growth within a reasonable range and had weaken short-term economic growth, we believe that a slower pace of growth would be an expected consequence of economic reforms. Although a 7.4% growth seems to be very impressive when compared with those sluggish western economies like the United States ("US") and Europe, the manufacturing sector has definitely gotten hit, and the recovery of the US economy and European economy are going to continue to slow down further.

業務回顧

於二零一四年，作為重新平衡經濟計劃的其中一步，中國國內生產總值的年增長率下降至約7.4%的水平，被認為是近數十年來增長最弱的一年。中國國內生產總值增長放緩，反映中國政府加大力度以政策手段令經濟重回可持續增長的軌道，為經濟的長遠發展締造健康的環境。中國政府鋭意改變國家的經濟增長模式，減少依賴出口及投資帶動，而增加以內需拉動增長；另一方面，中國政府亦盡量不使用大規模刺激措施，避免為了刺激短期增長而使長期改革的努力付之流水。鑒於中國政府有意將經濟增長維持在合理的範圍，並已削弱短期內的經濟增長，因此，本集團相信增長放緩將會是經濟改革的預期後果。儘管與仍然未見起色的美國和歐洲等西方國家相比，7.4%的增長看似相當亮麗，但製造業肯定已受到打擊，而美國和歐洲的經濟復甦速度將繼續進一步放慢。

OVERVIEW OF FINAL RESULTS

This year, we are fortunate to report that our business was generally resilient to economic slowdown, with revenue of approximately RMB4,169,785,000 (2013: RMB3,422,033,000) and gross profit of RMB363,519,000 (2013: RMB300,352,000), representing an increase of approximately 21.9% and 21.0% respectively over last year. The Group however recorded a significant decrease in net profit after making a provision of RMB86,437,000 against impairment losses of property, plant and equipment resulting from the cessation of production lines in the old production plant. Without taking the impact of the aforementioned impairment provision into consideration, net profit should increase 5.6% from approximately RMB124,161,000 last year to RMB131,173,000 this year.

末期業績概覽

於本年度，本集團的整體業務幸而未有受到經濟放緩影響，錄得收入約人民幣4,169,785,000元(二零一三年：人民幣3,422,033,000元)及毛利人民幣363,519,000元(二零一三年：人民幣300,352,000元)，分別較去年上升約21.9%和21.0%。然而，由於舊生產廠房的生產線停用，在就此對物業、廠房及設備的減值虧損作出人民幣86,437,000元的撥備後，本集團的溢利淨額大幅減少。倘不考慮前述減值撥備的影響，溢利淨額由去年約人民幣124,161,000元上升5.6%至人民幣131,173,000元。

CHAIRMAN'S STATEMENT
主席報告

PROSPECTS

Three decades of impressive growth has turned China's economy into the world's most powerful growth engine, in recent years, the world has been counting on China and others emerging countries to uphold the global growth while the US and Europe have stayed mired in heavy debts and joblessness. However, under the current macro environment, economic growth rate is likely to slow down further in the short run, as China will continue to focus on boosting the quality and efficiency of economic growth in 2015 and adhere to the aim of seeking progress while maintaining stability. In the year ahead, we will remain alert to the economic uncertainty that continues to impact the domestic spending patterns and manufacturing sectors, in the meantime, we will concentrate on our core cornstarch business for going through another challenging year by expanding our geographic coverage, product range, overhead control and customer bases. We believe the innovation and dedication that we have will continue to strengthen our position in the market, soften the negative impact in respect of any potential downturn and also enable us to capture new opportunities under the current changing and volatile environment.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank you, our shareholders, business partners, management and employees for their ongoing support and trust towards to our Group during another challenging year.

Tian Qixiang
Chairman

Shouguang, the People's Republic of China, 12 March 2015

展望

經歷三十餘年的驚人增長，中國經濟已成為全球最強大的增長動力。近幾年來，美國和歐洲受龐大債務及失業問題困擾，全球一直依靠中國和其他新興國家支持全球增長。然而，由於中國在二零一五年將繼續專注於提升經濟增長的質量和效率，並堅持穩中求進的宗旨，故在目前的宏觀環境下，經濟增長步伐很有可能在短期內進一步放緩。經濟不明朗因素持續對國內消費模式和製造業造成影響，本集團會於未來一年將繼續對此保持警覺；與此同時，我們將專注於集團的核心玉米澱粉業務，透過擴展地域覆蓋、擴大產品範圍、控制間接成本和吸納新客源基礎闖過另一個充滿挑戰的年頭。我們相信集團可憑藉創新思維和不懈努力繼續鞏固於市場的地位，緩和可能出現的逆境所帶來的影響，並有助集團在目前瞬息萬變且動盪不定的環境中捕捉新機遇。

致謝

本人謹借此機會代表董事會衷心感謝各位股東、業務夥伴、管理層及員工，在另一個充滿挑戰的年度繼續對本集團給予支持和信任。

主席
田其祥

中華人民共和國，壽光，二零一五年三月十二日

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

GENERAL REVIEW AND OUTLOOK

Review

The Chinese Government sets a gross domestic product ("GDP") growth target at around 7% for 2015, which is the lowest growth rate in two decades in China and becomes a "new normal" under the economic reforms. A year ago, the GDP growth target was set at 7.5% and turned out to be 7.4%. Under this "new normal" economic situation, the growth is expected to be achieved with certain market correction policies implemented by the Chinese Government in order to sustain a healthier economic development in the future. As it is a sharp decline from last year's GDP target, it is not difficult to imagine that the adjustment period of Chinese economy would take a slower pace than expected. The current slowdown accelerates industry consolidation, fades out inefficient market players and offers more opportunities of the reallocation of resources amongst the industry.

The Group is a witness of the consolidation of Chinese corn-refinery industry. During the year under review, many market players have quitted the industry due to several negative impacts caused by the economic recession, such as losing competitiveness, continuous operating losses and serious financial difficulties. As a result, only resilient market players can survive in this long haul economic recession.

This year is full of challenges. As the Group's business is mainly carried out in the People's Republic of China (the "PRC"), the profitability of the Group was inevitably affected by the economic slowdown. With the effort of our management team, the Group's revenue had benefited from the increase in sales volume, but the profitability had decreased to a lower rate as compared with that in last year.

During the year under review, revenue recorded a remarkable growth of 21.9% to approximately RMB4,169,785,000 (2013: RMB3,422,033,000). Gross profit margin of the Group decreased marginally from 8.8 percentage point to 8.7 percentage point. An impairment provision of approximately RMB86,437,000 was provided for the idle production facilities and buildings as a result of cessation of production lines in the old production plant, details of which are set out in the paragraph headed "Relocation of production site in Shouguang" on page 8. Therefore, profit for the year decreased significantly from approximately RMB124,161,000 to RMB66,345,000. Basic earnings per share of the Company was RMB0.0105 per share based on the weighted average number of 5,994,109,000 ordinary shares (2013: RMB0.0206 per share based on the weighted average number of 5,941,049,000 ordinary shares).

概覽及前景

回顧

中國政府為二零一五年訂定國內生產總值(「GDP」)的增長目標約為7%，乃中國二十年以來最低的增長率，並且成為經濟改革下的「新常態」。一年前的GDP增長目標為7.5%，最終為7.4%。在「新常態」經濟情況下，預期能取得上述增長全賴中國政府為保持中國經濟在未來更健康發展所實行的若干市場調整政策。由於較去年GDP目標急劇調低，不難預見中國經濟的調整期將較預期更漫長。目前經濟放緩加速了行業整合，淘汰市場內效益欠佳的公司，並為行業之間重新分配資源帶來更多機會。

本集團見證了中國玉米深加工行業的整合。於回顧年度，經濟衰退帶來若干負面影響，如失去競爭力、持續錄得經營虧損及嚴重財務困難等，業內已有不少公司因此退出市場。因此，只有能因時制宜的公司才能在經濟長期衰退中生存。

本年度是充滿挑戰的一年。本集團主要於中華人民共和國(「中國」)進行業務，經濟放緩無可避免對本集團的盈利能力造成影響。在管理團隊的努力下，銷量上升令本集團的收入受惠，但盈利能力比率則下跌至低於去年的水平。

於回顧年度，收入顯著增長21.9%至約人民幣4,169,785,000元(二零一三年：人民幣3,422,033,000元)。本集團毛利率由8.8個百分點輕微下降至8.7個百分點。由於舊生產廠房的生產線停止運作，已就閒置生產設施及樓宇計提減值撥備約人民幣86,437,000元，詳情載列於第8頁「搬遷位於壽光的生產廠房」一段。因此，本年度利潤由約人民幣124,161,000元大幅下降至人民幣66,345,000元。根據加權平均股數5,994,109,000股普通股計算，本公司的每股基本盈利為每股人民幣0.0105元(二零一三年：根據加權平均股數5,941,049,000股普通股計算為每股人民幣0.0206元)。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

LATEST DEVELOPMENT AND OUTLOOK

To become one of the leading cornstarch manufacturers in the PRC, we are committed to expand our businesses by using cornstarch as raw material and to produce our products at competitive prices. During the year under review, we have completed the relocation (the "Relocation") of the production plants and facilities (the "Old Plant") located in Shouguang to the new production site (the "New Plant") as granted by the Municipal Government of Shouguang (the "Shouguang Government"). In addition, we have also substantially completed the upgrade of cornstarch production facilities and cost improvement project in Linqing plant.

Relocation of production site in Shouguang

As at the date of this report, the New Plant has an annual cornstarch, lysine and modified starch production capacities of approximately 450,000 tonnes, 55,000 tonnes and 100,000 tonnes respectively, which are the same as the production capacities of the Old Plant. The production facilities located in the Old Plant will be demolished or relocated to other production site depending on their conditions and our future development plan from time to time.

The land on which the Old Plant is located will be resumed by the Shouguang Government with a subsidy to be provided by the latter to the Group as a result of or in connection with the Relocation. The amount of subsidy is to be principally determined by the final sale price of the land at its listing-for-sale by the Shouguang Land Reserve Centre, a third party independent of the Group.

As at the date of this report, the management does not have and has not committed to any plan to sell any asset located in the Old Plant (other than those arising from the ordinary course of business).

最新發展及前景

為成為中國龍頭玉米澱粉製造商之一，本集團致力利用玉米澱粉作為原材料拓展業務，並以具競爭力的價格生產產品。於回顧年度，本集團已完成將位於壽光的生產廠房及設施(「舊廠房」)搬遷(「搬遷」)至壽光市政府(「壽光市政府」)批授的新生產工地(「新廠房」)。此外，本集團亦已大致完成臨清廠房玉米澱粉生產設施的升級工程改善及成本項目。

搬遷位於壽光的生產廠房

於本報告日期，新廠房的玉米澱粉、賴氨酸及變性玉米澱粉的年度產能分別約為450,000噸、55,000噸及100,000噸，與舊廠房的產能相同。視乎其狀況及我們不時的未來發展計劃，舊廠房內之生產設施將會拆除或搬遷至其他生產廠房。

壽光市政府將收回舊廠房所在的土地，同時壽光市政府將因搬遷或與之相關的事宜向本集團提供補助。補助的金額將主要按照由壽光土地儲備中心(獨立於本集團之第三方)掛牌出售該土地的最終售價釐定。

於本報告日期，管理層並無且尚未根據搬遷計劃就出售任何舊廠房的資產的計劃作出承諾(於日常業務過程中發生者除外)。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

Upgrade of production facilities in Linqing

The Group has substantially completed the upgrade of the cornstarch production facilities in the Linqing plant by the end of 2014. The annual cornstarch production capacity has increased from 400,000 to 600,000 tonnes. It is expected that the benefit of the production facilities upgrade in the Linqing plant will be crystallised in 2015.

Besides, the Group has completed certain improvement on reducing production overheads of starch-based sweetener. It is expected the unit cost of starch-based sweetener would be reduced in future if other costs remain unchanged.

升級位於臨清的生產設施

本集團已於二零一四年底前大致完成臨清廠房玉米澱粉生產設施的升級工作。玉米澱粉的年產能由400,000噸增至600,000噸。預期臨清廠房生產設施升級所帶來的好處將於二零一五年顯現。

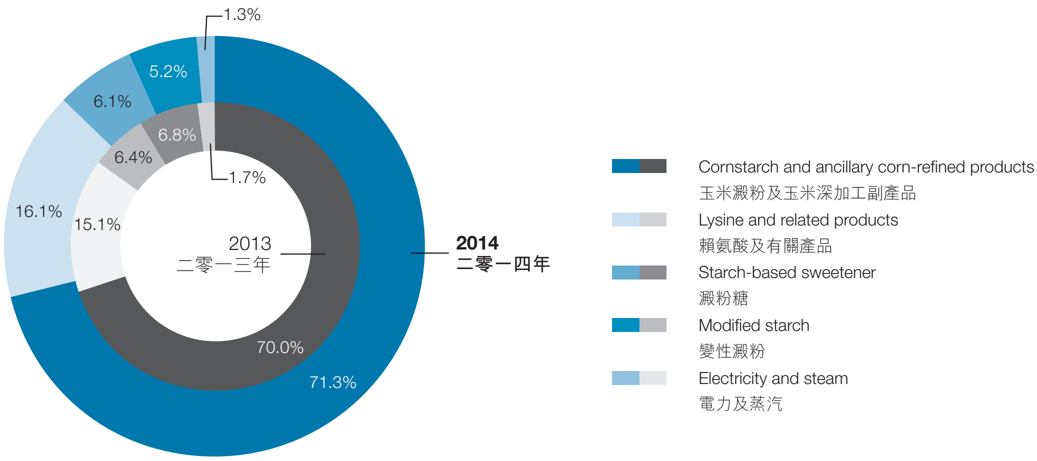
除此之外，本集團已完成為降低澱粉糖的生產成本而進行若干改進。倘其他成本維持不變，預期澱粉糖的單位成本可望於未來有所下降。

BUSINESS ANALYSIS

The following chart shows the contribution of each of our business segments to the Group's revenue in the past two years:

業務分析

下圖顯示本公司各業務分部在過去兩年對本集團收入的貢獻：



Cornstarch and ancillary corn-refined products

玉米澱粉及玉米深加工副產品

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	**2,971,862**	2,395,323
Gross profit	毛利	**252,848**	149,585
Gross profit margin	毛利率	**8.5%**	6.2%

Cornstarch and ancillary corn-refined products include cornstarch (a major component of corn kernel), corn gluten meal, corn fibre, corn germ and corn slurry. The application of cornstarch is widely spread in different industries. Corn gluten meal and corn fibre can be produced as animal feeds.

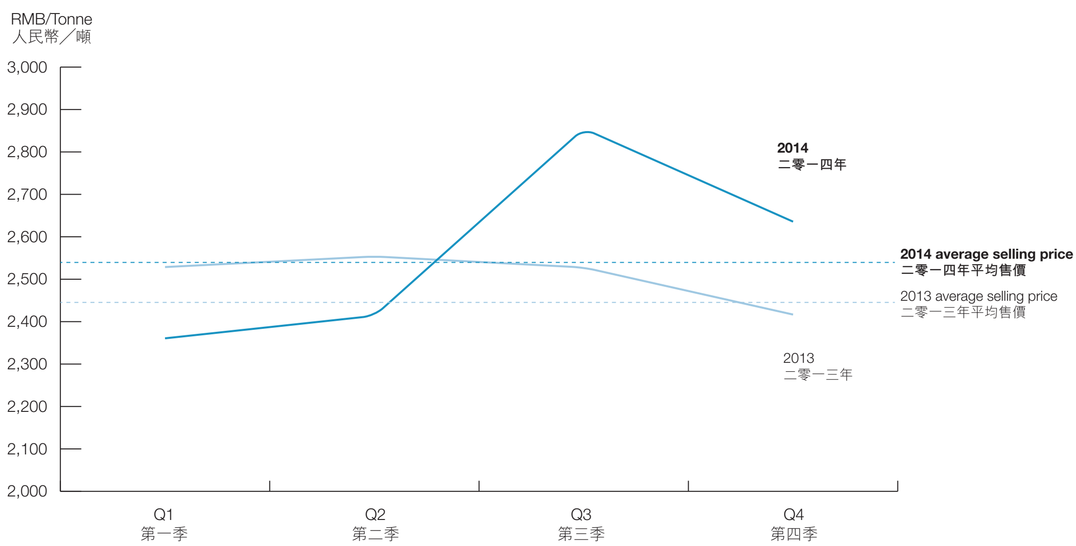
玉米澱粉及玉米深加工副產品包括玉米澱粉（玉米粒的主要成分）、玉米蛋白粉、玉米糠麩、玉米胚芽及玉米漿。玉米澱粉廣泛應用於多種工業。玉米蛋白粉及玉米糠麩可製成動物飼料。

Revenue of this business segment increased substantially by 24.1% to approximately RMB2,971,862,000 (2013: RMB2,395,323,000). Sales volume of cornstarch increased by 23.2% to approximately 773,079 tonnes (2013: 627,603 tonnes). The increase in sales volume was mainly attributable to an increase in sales orders from customers during the year under review. The Group had relocated the production facilities located in the Old Plant to the New Plant in July 2014.

此業務分部的收入大幅增加24.1%至約人民幣2,971,862,000元（二零一三年：人民幣2,395,323,000元）。玉米澱粉的銷量增加23.2%至約773,079噸（二零一三年：627,603噸）。銷量增加主要由於在回顧年度來自客戶的銷售訂單增加。本集團已於二零一四年七月將舊廠房內的生產設施搬遷至新廠房。

Gross profit margin of this business segment increased from 6.2% in 2013 to 8.5% in 2014. The increase in gross profit margin was due to (i) an increase in average selling price of cornstarch, and (ii) the reduction of production costs resulted from the use of modern production facilities and automatic machineries in the New Plant.

此業務分部的毛利率由二零一三年6.2%上升至二零一四年8.5%。毛利率上升乃由於(i)玉米澱粉的平均售價上升；及(ii)在新廠房中廣泛使用現代化生產設施及配置自動化機器使生產成本下降。



Cornstarch selling price movement (net of value-added tax)
玉米澱粉售價走勢（扣除增值稅）

Lysine and related products

賴氨酸及有關產品

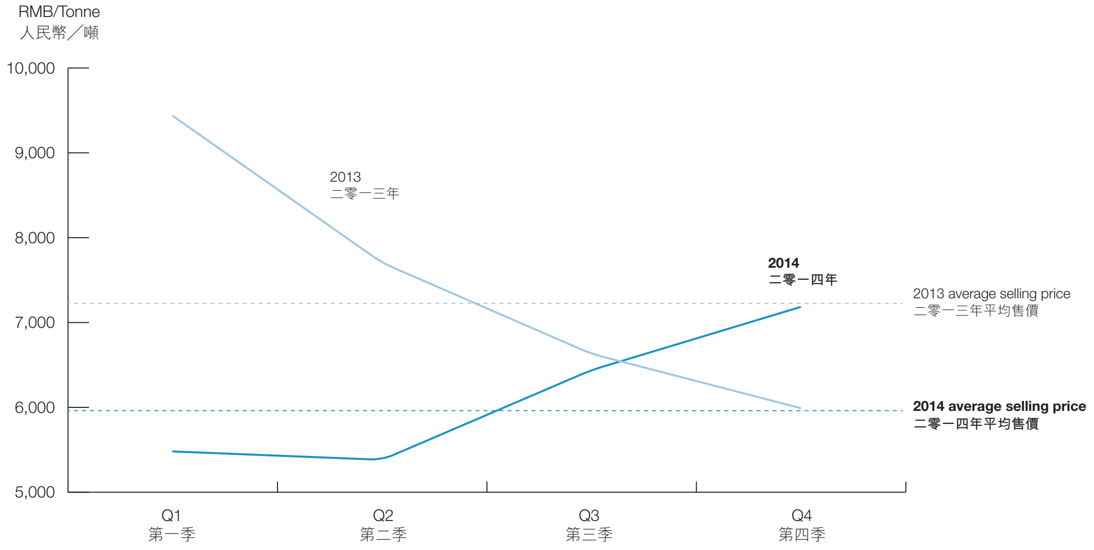
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	**671,206**	516,418
Gross profit	毛利	**43,287**	85,770
Gross profit margin	毛利率	**6.4%**	16.6%

The products of this business segment include lysine, fertilisers and other deep-processing products. Revenue of this segment increased substantially by 30.0% to approximately RMB671,206,000 (2013: RMB516,418,000). The sales performance was disappointing in the first half of 2014 due to the overcapacity of lysine and the depressed animal feed market leading to significant decrease in the selling prices of lysine products. Some of the market players had even suspended their operations during the slump which subsequently led to a decrease in supply in the market. Owing to this, the average selling price of lysine started to pick up from the downward trend since mid-2014.

此業務分部的產品包括賴氨酸、肥料及其他深加工產品。此分部的收入大幅增加30.0%至約人民幣671,206,000元(二零一三年：人民幣516,418,000元)。由於賴氨酸的產能過剩以及動物飼料市場不景導致賴氨酸產品售價大幅下跌，二零一四年上半年的銷售表現未如理想。於經濟不景氣的期間，部分公司甚至暫停營運，因而導致市場供應隨之減少。由於此原因，賴氨酸的平均售價自二零一四年中開始走跌勢中回升。

The Group recorded a substantial growth in lysine products from 71,182 tonnes to 112,351 tonnes. The increase was mainly attributable to an increase in sales orders from customers during the year under review, in line with the continuous exploration of the overseas markets.

本集團的賴氨酸產品繼續錄得大幅增長，由71,182噸上升至112,351噸。上升乃主要由於隨著不斷開拓海外市場，在回顧年度來自客戶的銷售訂單有所增加。



Lysine selling price movement (net of value-added tax)
賴氨酸售價走勢(扣除增值稅)

Starch-based sweetener

澱粉糖

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	**253,025**	217,336
Gross profit	毛利	**21,194**	7,691
Gross profit margin	毛利率	**8.4%**	3.5%

Starch-based sweetener consists of various liquid and crystallised sweeteners. These products are mainly used in food and beverage industries, which can provide a synergy effect through our existing distribution network and extend the value chain of the Group. This is a good business development because we can diversify our high value products by using cornstarch as raw material. Revenue increased by 16.4% to approximately RMB253,025,000 (2013: RMB217,336,000). Gross profit margin set a new record of 8.4% (2013: 3.5%) in this business segment's trading history. A diversified clientele and a strong distribution network have been established by our Linqing production plant over years.

澱粉糖包括多種液態及結晶甜味劑。該等產品主要用於食品及飲料工業，可通過我們現有的分銷網絡產生協同效應，並延伸本集團的價值鏈。此業務為一項優質的業務發展，因我們可利用玉米澱粉作原材料生產多元化的高價值產品。收入上升16.4%至約人民幣253,025,000元（二零一三年：人民幣217,336,000元）。毛利率為8.4%（二零一三年：3.5%），創出此業務分部交易歷史的新高。臨清廠房已於近年建立一個多元化的客戶群體及強大的分銷網絡。

Modified starch

變性澱粉

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	**218,123**	235,269
Gross profit	毛利	**43,442**	46,269
Gross profit margin	毛利率	**19.9%**	19.7%

Revenue for the year under review was approximately RMB218,123,000 (2013: RMB235,269,000). The production facilities of modified starch in the Old Plant had ceased since July 2014 because of the Relocation. The construction of the production facilities in the New Plant was completed in late September 2014. By the end of 2014, the production of modified starch in the New Plant had resumed at its normal capacity.

回顧年度的收入約為人民幣218,123,000元（二零一三年：人民幣235,269,000元）。由於進行搬遷，舊廠房的變性澱粉生產設施自二零一四年七月起已停止運作。新廠房生產設施的建設工程已於二零一四年九月底完成。於二零一四年年底，新廠房生產變性澱粉的產能已恢復正常。

Electricity and steam

電力及蒸汽

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	**55,569**	57,687
Gross profit	毛利	**2,748**	11,037
Gross profit margin	毛利率	**4.9%**	19.1%

Revenue of electricity and steam decreased by 3.7% to approximately RMB55,569,000 (2013: RMB57,687,000). As a result of the Relocation, the production and sale of electricity and steam had ceased since July and December 2014 respectively. Gross profit decreased significantly because the fixed production overheads of this business segment were still incurring subsequent to the cessation.

電力及蒸汽的收入下降3.7%至約人民幣55,569,000元（二零一三年：人民幣57,687,000元）。由於進行搬遷，電力及蒸汽的生產及銷售已分別於二零一四年七月及十二月停止。由於此業務分部在停產後仍產生固定生產成本，因而令毛利大幅下降。

Cost of sales

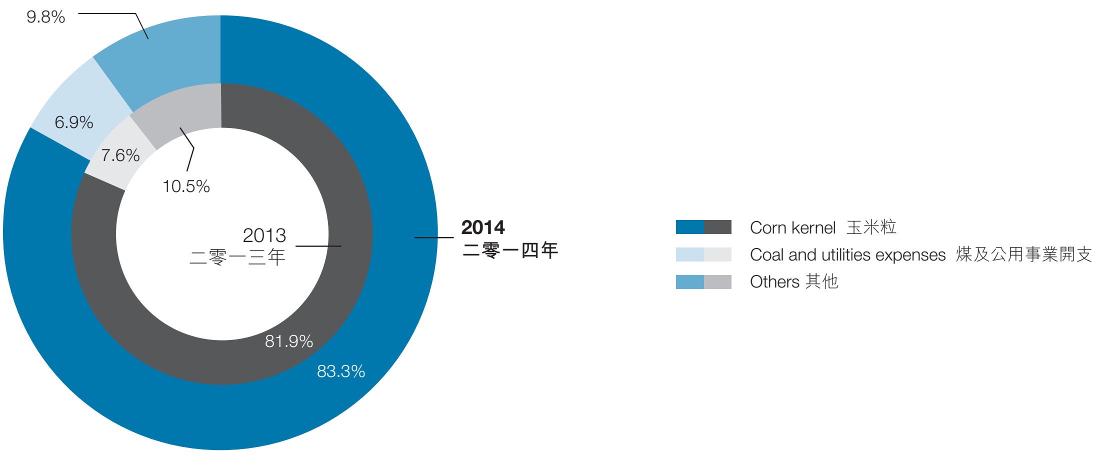
The major cost components of cost of sales are corn kernel, coal and utilities expenses. Costs of sales increased in line with revenue by 21.9% to approximately RMB3,806,266,000 (2013: RMB3,121,681,000). The increase in cost of sales was mainly attributable to an increase in sales volume during the year under review. The average corn kernel price in 2014 was approximately RMB2,051/tonne (2013: RMB2,028/tonne). Instead of entering into any forward contract to hedge the price fluctuation of corn kernel, the Group makes bulk purchases from the spot market when the management considers the price of corn kernel is low. Details of risk of acquisition of corn kernel and relationship with our suppliers are set out in the Environmental and Sustainability Report contained in this Annual Report.

Coal was mainly used for generating electricity and steam for internal usage in the past two years. Subsequent to the completion of Relocation, we have stopped purchasing coal to generate electricity and steam in the Old Plant. Our New Plant has been consuming electricity and steam from a nearby power plant, which is a third party independent of the Group.

銷售成本

銷售成本的主要組成部分為玉米粒、煤及公用事業開支。銷售成本隨收入上升21.9%至約人民幣3,806,266,000元（二零一三年：人民幣3,121,681,000元）。銷售成本上升的主因是銷量於於回顧年度內上升。於二零一四年，玉米粒的平均價格約為每噸人民幣2,051元（二零一三年：每噸人民幣2,028元）。本集團並無訂立任何遠期合約對沖玉米粒的價格波動，取而代之的是本集團會於管理層認為玉米粒的價格處於低位時在現貨市場作大量採購。有關購買玉米粒的風險及我們與供應商間之關係詳情載於本年度報告之環境及可持續發展報告。

於過去兩年，煤主要用於生產供內部使用的電力及蒸汽。於完成搬遷後，我們已停止就於舊廠房生產電力及蒸汽購買煤。新廠房一直使用鄰近發電廠（為獨立於本集團的第三方）提供的電力及蒸汽。



MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

DIVIDENDS

In view of the global and mainland China's economy 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 at the time of considering the payment of any dividend.

A final dividend of HK0.69 cents per share has been recommended by the Board for the year ended 31 December 2014.

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。

截至二零一四年十二月三十一日止年度，董事會建議宣派末期股息每股0.69港仙。

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2014, the Group had 2,241 (2013: 2,284) full time staff. Total staff costs, including Directors' emoluments, of the Group were approximately RMB130,225,000 (2013: RMB119,616,000). Human resources are the Group's valuable assets. Our human resources department is responsible for providing on-the-job trainings to our staff in order to enhance their skills and capabilities. The Group will also outsource our staff training programmes to external professional training services providers from time to time. The remuneration policy of the Group is 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 is reviewed regularly. The remuneration policy is applicable to both employees and the Directors. 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 2014, no share options had been granted under the Share Option Scheme.

人力資源及薪酬政策

於二零一四年十二月三十一日，本集團聘用2,241名（二零一三年：2,284名）全職員工。本集團的員工總成本（包括董事酬金）約為人民幣130,225,000元（二零一三年：人民幣119,616,000元）。人力資源為本集團之寶貴資產。人力資源部門負責向員工提供在職培訓以提升彼等之技術及能力。本集團亦將不時向外聘專業訓練服務提供商外包本集團之員工培訓項目。本集團的薪酬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。薪酬政策對僱員及董事均適用。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購股權計劃下的其他合資格人士繼續積極為本集團作出貢獻，並對彼等為本集團所作出的貢獻予以獎勵。此外，薪酬委員會獲董事會委派審閱及釐定薪酬待遇的條款、花紅及應付予董事及高級管理層的其他報酬。

於二零一四年十二月三十一日，本公司並無根據購股權計劃授出任何購股權。

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 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. 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.

Finance expenses

As a result of an increase in average borrowings during the year under review, finance expenses increased significantly from approximately RMB7,881,000 to RMB22,196,000. Therefore, the interest cover (which equals profit before income tax and interest divided by the sum of interest charges) was approximately 5 times (2013: 22 times).

財務回顧

財務管理及庫務政策

本集團對並無指定用途的資金採取保守的現金管理及投資策略。任何尚未動用的資金擬存放於香港及／或中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。

財務開支

由於回顧年度內的平均借款增加，財務開支由約人民幣7,881,000元大幅增加至人民幣22,196,000元。因此，利息倍數（相當於除所得稅前溢利及利息除以利息開支之總和）約為5倍（二零一三年：22倍）。

Liquidity, financial resources and capital structure

The Directors are of the opinion that the working capital available to the Group is sufficient for its present requirements. As at 31 December 2014, the borrowings were approximately RMB284 million (2013: RMB431 million) and carried interest at fixed rates.

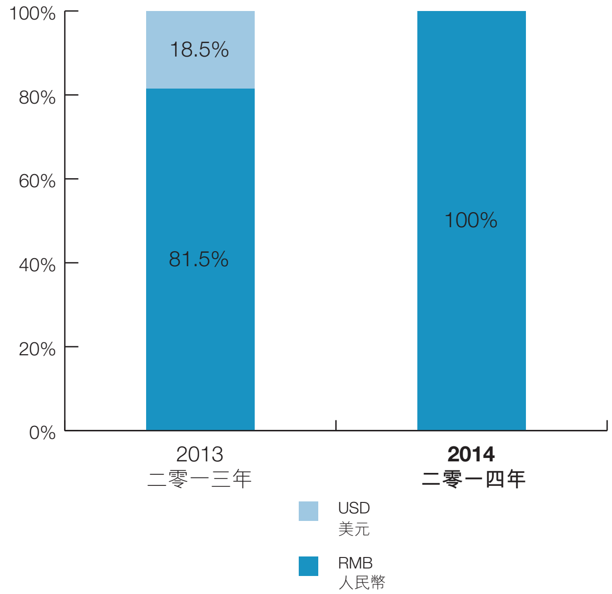
流動資金、財務資源及資本架構

董事認為，本集團可動用的營運資金足以應付其現有需要。於二零一四年十二月三十一日，借款約為人民幣284,000,000元（二零一三年：人民幣431,000,000元）並以固定利率計息。

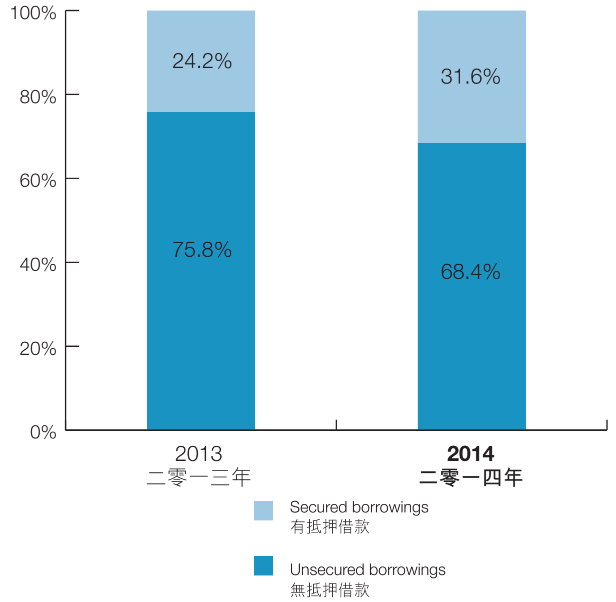
The portfolio of borrowings and key financial ratios are summarised as follows:

借款組合主要財務數據及關鍵財務比率概述如下：

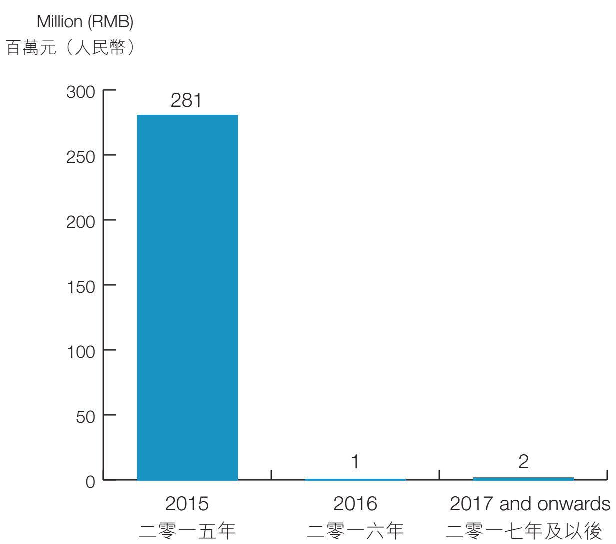
Currency of borrowings
借款貨幣



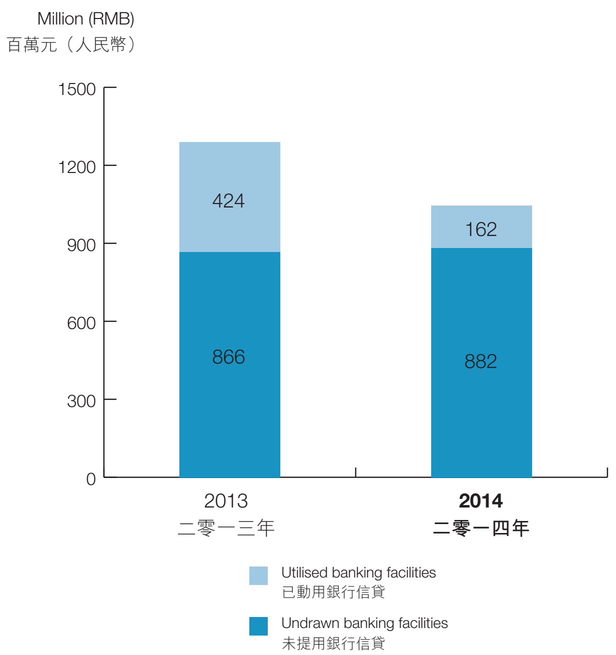
Secured and unsecured borrowings
有抵押及無抵押借款



Maturity profile of borrowings as at 31 December 2014
於二零一四年十二月三十一日的借款到期情況



Banking facilities
銀行信貸



		2014 二零一四年	2013 二零一三年
Borrowings (RMB'000)	借款（人民幣千元）	**284,432**	430,689
Debtors turnover (days)	應收賬款週轉（天數）	**35**	45
Creditors turnover (days)	應付賬款週轉（天數）	**13**	11
Inventories turnover (days)	存貨週轉（天數）	**32**	33
Current ratio	流動比率	**1.6**	1.6
Quick ratio	速動比率	**1.3**	1.2
Gearing ratio — borrowings to total assets	槓桿比率 — 借款除以總資產	**10.0%**	14.3%

Pledge of Assets

As at 31 December 2014, bills payables were secured by bank acceptance bills and bank deposits in the amounts of RMB4,692,000 and RMB6,000,000 respectively. As at 31 December 2013, bills payables were secured by bank acceptance bills in the amount of RMB9,000,000. The Group did not pledge any leasehold land and building to secure banking facilities as at 31 December 2014.

資產抵押

於二零一四年十二月三十一日，應付票據分別以人民幣4,692,000元的銀行承兌票據及人民幣6,000,000元的銀行存款作抵押。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。於二零一四年十二月三十一日，本集團並無質押任何租賃土地及樓宇作為銀行信貸的抵押。

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 December 2014.

或然負債

於二零一四年十二月三十一日，本集團並無任何或然負債。

DIRECTORS AND SENIOR MANAGEMENT PROFILES
董事及高級管理人員簡介

Executive Directors

Mr. Tian Qixiang, aged 51, 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 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 had been the manager and party member of Shouguang Electricity Supply Company since March 2000. He resigned from all his positions in Shouguang Electricity Supply Company on 3 December 2014. 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 47, 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，51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。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。彼已於二零一四年十二月三日辭去其於壽光市供電公司的所有職務。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，47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。

Mr. Liu Xianggang, aged 46, 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.

劉象剛先生，46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。

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.

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。

Mr. Yu Yingquan, aged 46, 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.

于英全先生，46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。

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.

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。

Independent non-executive Directors

獨立非執行董事

Mr. Chen Zhijun, aged 49, has been appointed as an independent non-executive Director on 5 September 2013. Mr. Chen 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 had 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.

陳志軍先生，49歲，於二零一三年九月五日獲委任為獨立非執行董事。陳先生為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。

Mr. Chen was appointed as an independent director of Shandong Geo-mineral Co., Ltd. ("Shandong Geo-mineral") 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.

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」）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。

Mr. Sun Mingdao, aged 66, has been appointed as an independent non-executive Director on 5 September 2013. Mr. Sun 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.

孫明導先生，66歲，於二零一三年九月五日獲委任為獨立非執行董事。孫先生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。

Mr. Yue Kwai Wa, Ken, aged 49, 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 is also an independent non-executive director of Major Holdings Limited ("Major"). During the period from 4 July 2014 to 18 November 2014, Mr. Yue was appointed as an executive director of Legend Strategy International Holdings Group Company Limited ("Legend Strategy"). Roma, Major and Legend Strategy 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 practicing certificate in corporate finance of the Hong Kong Securities Institute.

余季華先生，49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。彼亦為美捷滙控股有限公司(「美捷滙」)的獨立非執行董事。余先生於二零一四年七月四日至二零一四年十一月十八日期間獲委任為朸濬國際集團控股有限公司(「朸濬」)的執行董事。羅馬、美捷滙及朸濬國際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。

Senior Management

高級管理層

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.

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 2014.

董事欣然提呈其年報及本公司及其附屬公司(統稱「本集團」)截至二零一四年十二月三十一日止年度的經審核合併財務報表。

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.

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。

BUSINESS REVIEW

The Management Discussion and Analysis set out on pages 7 to 16 provides a comprehensive review of the operations, financial performance, and prospects of the Group during the year under review.

The Environmental and Sustainability Report set out on pages 28 to 38 provides a review on the Group's major key performance indicators, environmental policies, and risks and uncertainties.

業務回顧

管理層討論及分析載於第7至16頁，就本集團於回顧年度的營運、財務表現及前景進行全面檢討。

環境及可持續發展報告載於第28至38頁，就本集團的主要表現指標、環境政策以及風險及不明朗因素進行檢討。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2014 are set out in the consolidated statement of comprehensive income on page 49.

The Board is pleased to recommend the payment of a final dividend of HK0.69 cents per share. 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 2015, the final dividend is expected to be paid in June 2015 in cash.

業績及股息

本集團截至二零一四年十二月三十一日止年度的業績載於第49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0.69港仙，惟須經由本公司股東於本公司即將於二零一五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。末期股息預期將於二零一五年六月以現金派付。

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 on page 53.

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及第53頁的合併權益變動表。

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.

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。

REPORT OF THE DIRECTORS
董事會報告書

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.

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。

DISTRIBUTABLE RESERVES

As at 31 December 2014, the Company's reserves available for distribution to shareholders amounted to approximately RMB191,811,000. The amount of distributable reserves included the Company's share premium of approximately RMB170,091,000, 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.

可供分派儲備

於二零一四年十二月三十一日，本公司可供分派予股東之儲備約人民幣191,811,000元。可供分派儲備金額包括本公司股份溢價約人民幣170,091,000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。

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.

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%。

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. Liu Xianggang
Mr. Yu Yingquan

Independent non-executive Directors
Mr. Chen Zhijun
Mr. Sun Mingdao
Mr. Yue Kwai Wa, Ken

By virtue of Article 108(A) of the Articles, Mr. Gao Shijun, Mr. Yu Yingquan and Mr. Yue Kwai Wa, Ken will retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

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）*
劉象剛先生
于英全先生

獨立非執行董事
陳志軍先生
孫明導先生
余季華先生

根據章程細則第108(A)條，高世軍先生、于英全先生及余季華先生將退任，惟彼等均符合資格並願於應屆股東週年大會膺選連任。

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 Governing the Listing of Securities (the "Listing Rules") 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.

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，而於本報告日期仍認為彼等全部具獨立性。

DIRECTORS' SERVICE CONTRACTS

As at 31 December 2014, 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.

董事服務合約

於二零一四年十二月三十一日，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。

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.

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。

DIRECTORS' INTEREST IN CONTRACT OF SIGNIFICANCE

At no time during the year had the Group and the Directors entered into any contract of significance and there was also no contract of significance, to which the Group was a party, in which a Director had, whether directly or indirectly, a material interest.

董事於重大合約的權益

於年內任何時間，本集團及董事概無訂立任何重大合約，本集團亦概無訂立任何重大合約而董事於其中直接或間接擁有重大權益。

RELATED PARTY TRANSACTIONS

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

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。該等交易並不構成上市規則界定的關連交易。

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 2014, 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:

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

於二零一四年十二月三十一日，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 Qixiang 田其祥先生	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)	61.79%
	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	131 ordinary shares of US$1 each (L) 131股每股面值1美元的普通股(L)	54.58%
Mr. Gao Shijun 高世軍先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	60 ordinary shares of US$1 each (L) 60股每股面值1美元的普通股(L)	25.00%
Mr. Yu Yingquan 于英全先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	1 ordinary share of US$1 each (L) 1股每股面值1美元的普通股(L)	0.42%

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 Qixiang. 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其祥先生擁有約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 2014, 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，於二零一四年十二月三十一日，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。

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 of the Company (the "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本公司股份(「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%。

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.

As at 31 December 2014, no share options had been granted under the Share Option Scheme of the Company.

4. 於任何十二個月期間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逾個別上限的購股權，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。

於二零一四年十二月三十一日，概無根據本公司該購股權計劃而授出購股權。

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

As at 31 December 2014, 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

於二零一四年十二月三十一日，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)	61.79% (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:

(1) The letter "L" denotes the long position in the shares of the Company.

(2) These shares were held by Merry Boom Group Limited. Merry Boom Group Limited is owned as to approximately 54.58% by Mr. Tian Qixiang, 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.

(3) 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.

(4) 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".

(5) The percentage of shareholding is calculated on the basis of 5,995,892,043 issued shares of the Company as at 31 December 2014.

附註：

(1) 字母「L」指於本公司股份的好倉。

(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本公司執行董事兼主席田其祥先生擁有約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。

(3) 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。

(4) 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。

(5) 持股百分比乃根據二零一四年十二月三十一日本公司有5,995,892,043股已發行股份計算。

Save as disclosed above, as at 31 December 2014, 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，於二零一四年十二月三十一日，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。

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.

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。

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 2014.

購買、出售或贖回本公司的上市證券

截至二零一四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。

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.

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。

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.

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。

CORPORATE GOVERNANCE

The Group is committed to maintaining a high level of corporate governance. A detailed Corporate Governance Report is set out on pages 39 to 46 of this annual report.

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39至46頁。

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.

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。

On behalf of the Board
Tian Qixiang
Chairman
Shouguang, The People's Republic of China

12 March 2015

代表董事會
田其祥
主席
中華人民共和國，壽光

二零一五年三月十二日

ENVIRONMENTAL AND SUSTAINABILITY REPORT
環境及可持續發展報告

GROUP STRATEGY

Business objective

Cornstarch is one of the most versatile, renewable and easily workable resources which also has a wide range of application in various industries. From the clothing we wear to the food and beverage served in the restaurant, cornstarch becomes one of the most commonly used components of tens of thousands of manufactured products nowadays. Thus, the demand of our products, which mainly consist of cornstarch, lysine, modified starch and starch-based sweeteners, are less exposed to the adverse effects of the economic down cycle. The slowdown in the Chinese economic activities is expected to continue, which bring a short term risk on the profitability of our business. The Group's response to this risk is to make determined efforts on cost control and cash flow management; in the meantime we have also implemented appropriate measures to lower the risk of losing competitiveness and flexibility in the market. In addition, the Group is also committed to deploying more research and development resources in the aspect of production technology and new products. In the long run, we maintain a positive view in our business because of the following reasons:

1. The cornstarch consumption per capita in China is far less than the developed countries in the world which represents a sparking prospect in future.

2. The application of cornstarch is a blue ocean because the potential application of cornstarch is still being developed by scientists.

3. We are located in a major corn-belt and are close to customers.

4. Cornstarch has low substitutability and are non-reusable.

集團策略

業務目標

玉米澱粉是其中一種用途最多、可再生及可輕易成形的資源，並獲不同行業廣泛應用。時至今日，玉米澱粉已成為最常用的產品材料之一，用於生產數以萬計的產品，在我們身上的衣服以至餐廳所供應的飲料，都可以發現玉米澱粉的蹤跡。因此，經濟向下週期對我們產品(主要為玉米澱粉、賴氨酸、變性玉米澱粉及澱粉糖)需求造成的負面影響不大。中國經濟活動放緩的情況預期將會持續，使我們業務的盈利能力面對短期風險。為應對有關風險，本集團將堅定做好成本控制及現金流管理工作。與此同時，我們亦已落實合適的措施，以降低於市場失去競爭力及靈活性的風險。此外，本集團亦承諾分配更多資源進行生產技術及新產品方面的研發工作。我們對業務的長遠前景繼續持正面看法，原因如下：

1. 中國玉米澱粉的人均消耗量遠低於全球其他發達國家，顯示未來前景一片光明。

2. 科學家仍在發掘玉米澱粉的潛在用途，可見玉米澱粉尚有很多未被發現的用處。

3. 我們位處主要玉米帶，並毗鄰客戶。

4. 玉米澱粉替代性低，且不能被重複使用。

ENVIRONMENTAL AND SUSTAINABILITY REPORT
環境及可持續發展報告

With our strong platform, we are positioned to capture the benefits of an increasing market share and well prepared for further sustainable growth. Even though we are facing the current tough global environment, our objective remains unchanged, which is to be in a leading position 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.

憑藉我們強大的平台，我們已作好準備，把握市場份額上升所帶來的好處，並已為達到進一步可持續增長作好部署。雖然我們現時所面對的全球環境十分嚴峻，但我們成為中華人民共和國(「中國」)玉米深加工業領導者的目標並未因而改變。為達到有關目標，董事及其執行管理團隊已全力提升玉米澱粉及賴氨酸產品的產能、拓展產品渠道、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。

GOAL
目標

Become a market leader in the corn-refinery industry in China

成為中國玉米深加工業的市場領導者

METHODS
方法

Cost control

Strengthen the balance sheet

Research and development

成本控制

加強資產負債狀況

研究及開發

OUTCOME
結果

Creat value to our shareholders

為股東創造價值

ENVIRONMENTAL AND SUSTAINABILITY REPORT
環境及可持續發展報告

Activities taken against strategy

In 2014, the Group had taken the following activities towards implementing the Group's strategy and creating value to our shareholders.

實際行動與戰略

於二零一四年，本集團已採取下列行動落實本集團的策略，並為股東創造價值。

	What we did in 2014? 於二零一四年的實際行動	What we plan to do in 2015? 於二零一五年計劃進行的行動
Cost control	✓ Used automatic machineries extensively in the new production site in Shouguang ✓ Increased the overall product output ratio (note) by 0.67 percentage point ✓ Reduced the energy consumption ratio by about 22% for lysine products	✓ Increase the overall product output ratio by 0.27 percentage point ✓ Further reduce the energy consumption ratio by about 7% for lysine products
成本控制	✓ 在壽光新生產工地內大量運用自動化機器 ✓ 將整體產出率（附註）提高0.67個百分點 ✓ 將賴氨酸產品的能源消耗率降低約22%	✓ 將整體產出率提高0.27個百分點 ✓ 將賴氨酸產品的能源消耗率進一步降低約7%
Strengthen the balance sheet	✓ Monitored debt level ✓ Reduced cash conversion days by 13 days	✓ Reduce the gearing ratio ✓ Maintain the cash conversion days within 60 days
加強資產負債狀況	✓ 監察債務水平 ✓ 將現金轉換天數減少13天	✓ 降低槓桿比率 ✓ 將現金轉換天數維持在60天以內
Research and development	✓ Entered into a research and development agreement with a research centre managed by Chinese Academy of Sciences for the development and marketization of a new product (the "New Project") ✓ Set up a pilot-scale production line for the New Project	✓ Complete the pilot-scale production line and obtain pilot experiment results from the New Project
研究及開發	✓ 與中國科學院所管理的研究中心訂立一項研發協議，以開發及推廣新產品（「新項目」） ✓ 為新項目設立一條試驗性生產線	✓ 完成試驗性生產線並取得新項目的試驗結果

Note:

Product output ratio is calculated by tonnes of physical products produced to the tonnes of corn kernels used for a period of time.

附註：

產出率乃以一段時期內所生產的實質產品之噸數除以所耗之玉米粒噸數計算得出。

ENVIRONMENTAL AND SUSTAINABILITY REPORT
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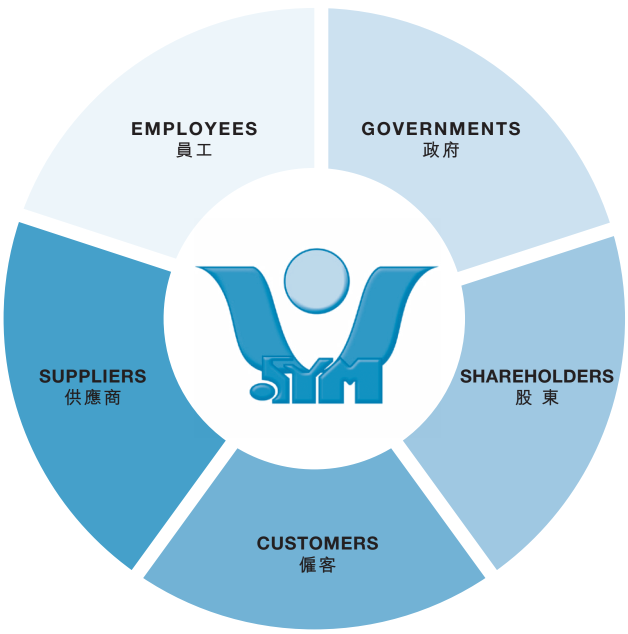
MAJOR STAKEHOLDERS TO THE GROUP

The Group's sustainability is highly depended on the relationship with it stakeholders. Besides creating value to our shareholders of the Company, we also create value to our stakeholders beyond monetary terms. We are committed to balancing financial performance with how we do business, how we treat our people, how we live the values in our business relationships and how we care for the community and environment which we rely on. The following diagram shows the Group's major stakeholder groups which can participate in our decision-making process and influence our business outcomes.

本集團的主要持份者

本集團的可持續性很大程度取決於其與持份者的關係。除為本公司股東創造價值外，我們亦為持份者創造金錢以外的價值。我們致力在財務現與經營、員工待遇、於業務關係中體現我們價值及關愛我們賴以維生的社區及環境的方式間取得平衡。下圖顯示可參與我們決策過程及對業務結果造成影響的本集團主要持份人群組。



Employees

We recognise that the health and safety of our people come first as they are key to our long-term success. This is core to us and to every aspect of our business. We believe the achievement of positive workplace relations is mutually beneficial to the Group and our employees as workplace efficiency is achieved when labour relationships allow for a culture of continuous improvement and acceptance of change. To understand, manage and, where possible, minimise occupational injuries or illnesses in our business, we have appropriate controls in place and provide our people with appropriate training. On-the-job trainings related to individual development are also provided to our people to enhance skills and capabilities. Meanwhile, we encourage communication at all levels. Apart from regular meetings with the representative of the Group's labour union, we also obtain opinions from and provide feedbacks within our workgroups in order to ensure continual improvement aimed at the work environment and other staff-related matters. In April 2014, we have entered into a continuous development programme agreement with Shandong University for providing internal courses to our managerial staff. This programme consists of different courses in business administration and management. The programme's tuition fee is borne by the Group. The total learning hours of this programme are 368 hours and are expected to be completed in one year.

僱員

我們深明將員工的安全及健康放於首位的重要性，因為彼等是我們取得長遠成功的關鍵。這亦是我們及業務所有方面的核心。我們認為維持積極的員工關係對本集團及僱員雙方均有益處，倘勞資關係能夠成就不斷改進並接受轉變的文化，即能達到職場效率。我們已有合適的監控措施，並為員工提供合適培訓，使彼等能清楚明白及應付職業傷病問題，及於可行情況下將發生職業傷病的機會降至最低。我們亦為員工提供與其個人發展有關的在職培訓，以提升彼等的技能及能力。與此同時，我們鼓勵不同級別的員工進行溝通。除與本集團工會代表舉行定期會議，我們亦會聽取不同工作小組的意見及作出回應，以確保持續改進工作環境及其他員工相關事宜。我們於二零一四年四月與山東大學訂立持續發展計劃協議，為我們的管理人員提供內部課程，當中包括有關工商行政及管理的不同課程。課程計劃的學費由本集團承擔，總研習時數為368小時，預計將於一年內完成。

Suppliers

We have developed trust with our suppliers. We, as a leading cornstarch manufacturer, play an important role in the procurement of corn kernel in Shouguang and Linqing districts, which are located in Shandong province. Our suppliers mainly consist of farmers, cooperatives, agents and traders. We provide our corn kernel offer price to our suppliers by using mobile technology. While our procurement is carried out on 24/7 basis, we propose corn kernel offer prices to our suppliers through mobile technology to increase efficiency. We believe that our suppliers will deliver the best corn kernel to us at their first priority because our offer prices are transparent and we show commitment to purchase at our initial offer prices. We also adopt a tender policy and procedure for choosing service providers and subcontractors in a fair and transparent manner.

供應商

我們與供應商之間已建立互信關係。作為龍頭玉米澱粉製造商，我們於山東省壽光及臨清區玉米粒採購上扮演重要角色。我們的供應商主要為農民、合作社、代理商及貿易商。我們利用移動科技向供應商提供玉米粒收購價。基於採購工作全年無休止進行，我們利用移動科技術向供應商提出玉米粒收購價。由於我們的收購價具透明度，加上我們承諾按最初提供的收購價購貨，我們相信供應商將優先向我們提供最優質的玉米粒。我們亦採用招標政策及程序以公平及具透明度的方法挑選服務供應商及分包商。

Customers

Product safety is a great issue as we produce raw materials for our customers. Our quality assurance programme ensures that our product standards can be identified precisely in accordance with the Chinese national standards issued by The Standardization Administration of the PRC. In addition, we also work closely with our customers to develop our order book and provide the required products at the right time.

In December 2014, Dalian Commodity Exchange has introduced a new futures product, namely Cornstarch Futures, to the market. Our indirect wholly-owned subsidiary, Shandong Shouguang Golden Corn Development Co., Ltd is one of the six designated clearing warehouses as at the date of the establishment of the cornstarch futures market. In addition, we also sell our cornstarch by entering into cornstarch futures contracts. The benefits of using futures contracts by the Group are as follows:

(i) Our transportation cost can be reduced because our products are settled by delivery in our warehouse.

(ii) Cornstarch price movement becomes more manageable.

(iii) We can have a more precise planning on procurement and production.

(iv) We can develop a new distribution network outside the spot market.

客戶

由於我們為客戶生產原材料，產品安全是我們的重大議題。我們的質量保證計劃確保產品標準能精準地符合國家標準化管理委員會發出的中國國家標準。此外，我們亦與客戶緊密合作安排訂單，並適時提供所需產品。

於二零一四年十二月，大連商品交易所向市場推出一項名為玉米澱粉期貨的新型期貨產品。我們的間接全資附屬公司山東壽光金玉米開發有限公司於玉米澱粉期貨市場成立當日獲指定的六間交割倉庫之一。此外，我們亦通過訂立玉米澱粉期貨合約出售玉米澱粉。本集團運用期貨合約可獲得以下裨益：

(i) 由於我們的產品可於我們的倉庫中交付結算，運輸成本得以減少。

(ii) 更容易掌控玉米澱粉價格波動。

(iii) 我們可為採購及生產制訂更精準的計劃。

(iv) 我們可在現貨市場外發展新的分銷網絡。

Governments

One of our major stakeholders is the government agencies. With the support of the Municipal Government of Shouguang (the "Shouguang Government"), we have relocated our existing production plants and facilities to a new production site as granted by the Shouguang Government at the end of 2014. In addition, subsidy is also expected to be granted to the Group by the Shouguang Government as a result of or in connection with the relocation. Besides that, we have worked closely with other government bureaus, such as Environmental Protection Bureau and Tax Bureau. Our continuous commitments and supports to the government agencies allow them to provide adequate public services to the communities.

政府

政府機關是我們主要持份者之一。在壽光市人民政府(「壽光市政府」)的支持下，我們已於二零一四年年底將廠房及設施遷往壽光市政府批授的新生產廠址。此外，預期壽光市政府亦會因搬遷或就此向本集團作出補貼。除此以外，我們亦與其他政府機關(如環境保護局及稅務局)緊密合作。我們長久以來對政府機關的承諾及支持，讓其可為社區提供足夠的公眾服務。

Shareholders

In 2014, we launched some investor relation meetings to answer their enquiries and share our view on the industry. We also hosted the 2014 annual general meeting in Hong Kong to allow the local shareholders to provide their feedback and comments on the development of the business.

股東

於二零一四年，我們舉行數次投資者關係會議，以解答投資者的查詢及分享我們對行業的看法。我們亦於香港舉行二零一四年股東週年大會，讓本地股東就業務發展作出回應及提供意見。

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KEY PERFORMANCE INDICATORS

Our key performance indicators ("KPI") enable us to measure our financial and operational performance that is critical to our success in the industry.

主要表現指標

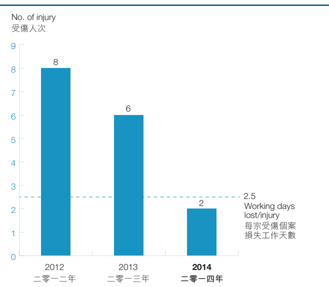
主要表現指標令我們可計量財務及營運表現，對我們於業內取得成功至關重要。

<table>
<tr><th>Indicator
指標</th><th>Workplace safety
工作地點安全</th><th>Development and training
研究及培訓</th><th>Environmental protection
環境保護</th></tr>
<tr><td>Relevance to strategy

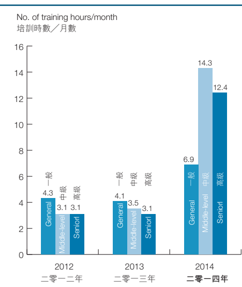
戰略相關性</td><td>Workplace safety is the first priority in all of our production sites. It is zero tolerance to accident during production.

工作地點安全是我們所有生產廠房最重要的一環。我們對生產期間發生意外持「零」容忍態度。</td><td>We are committed to upholding a work-safe culture. The provision of suitable training to our employees can protect them from work and increase production efficiency.

我們致力鼓勵安全工作的文化。為僱員提供合適培訓可保障彼等的工作安全，並可提升生產效益。</td><td>We are a responsible user of natural resources. We are committed to meeting the environmental standards, rules and regulations.

我們是負責任的大自然資源使用者。我們致力遵守各項環保標準、規則及條例。</td></tr>
<tr><td>Performance
表現</td><td>

The Group provides continuous commitment on improving work safety.

本集團不斷致力提升工作安全。</td><td>

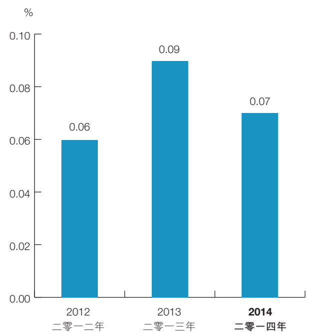
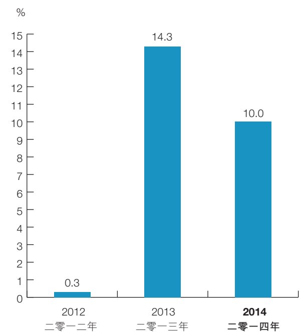
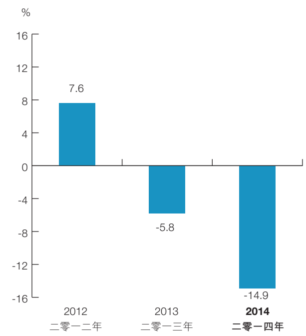
Our human resources department is responsible for providing trainings to our staff the result of which is a component of their performance review.

人力資源部門負責向員工提供培訓，培訓成績為評核員工表現的一環。</td><td>Please refer to the paragraph heading "Use of Resources" on page 37 for details.
詳情請參閱第37頁「資源使用」一段。</td></tr>
<tr><td>Definition

釋義</td><td>The average working days lost per injury.

每宗受傷個案損失的平均工作天數。</td><td>The average number of training hours per employee is calculated as the total internal training hours to different employee categories.

每名僱員的平均培訓時數乃按內部總培訓時數除以不同僱員層級計算。</td><td></td></tr>
<tr><td>Related stakeholders
相關持份者</td><td>Employees
僱員</td><td>Employees
僱員</td><td>Suppliers, Government
供應商、政府</td></tr>
</table>

Indicator 指標	Product responsibility 產品責任	Gearing ratio 槓桿比率	Total shareholder return ("TSR") 總股東回報率
Principle **主旨**	Our products can be reproduced for animal feeds or other products for human intake. The maintenance of high product quality is the only key of customers' loyalty. 我們的產品可加工製成動物飼料或供人類食用的其他產品。要挽留客戶，保持產品高質量是唯一方法。	A suitable level of debt can increase the capital efficiency and the effectiveness of cash flow management. We will monitor our gearing ratio amongst the peers. 適量債務可提升資本效益及現金流管理的成效。我們會根據同業的槓桿比率監察自身的槓桿比率。	The aim of our strategy is to maximise total shareholder return. 我們的策略是讓股東獲得最大的總回報。
Performance **表現**	 Complaint ratio 投訴率 The product quality complaints were not related to product recalls or food poisoning in past three years. 過往三年的產品質量投訴與產品召回或食品中毒無關。	 Gearing ratio 槓桿比率 The Group is keen to maintain a suitable level of debt in order to meet its operating commitments, such as purchase of raw materials. 本集團致力於維持適當的負債水平，以兑現其運營承擔（如購買原材料）。	 TSR 總股東回報率 The Company's share price is affected by various factors, such as volatility of capital market, economic atmosphere and investors' expectation on commodity prices. We are keen to maintain a suitable dividend payout ratio which can balance the future funding requirement and return to shareholders. 本公司股價受多項因素影響，如資本市場波動、經濟氣氛及投資者對商品價格的預期。我們有意維持可在未來資金需求及股東回報方面取得平衡的合適派息率。
Definition **釋義**	Complaint ratio is calculated as the quantity of product which is subject to quality issue to the total quantity of product sold in the reporting period. 投訴率乃按報告期內出現質量問題的產品數量除以所出售產品總數計算。	Gearing ratio is calculated as the borrowings to total assets. 槓桿比率乃按借款除以資產總值計算。	TSR combines share price appreciation and dividends paid to show the total return to shareholders. 總股東回報率包括股價升幅及已付股息，以反映為股東帶來的總回報。
Related stakeholders **相關持份者**	Customers, Government 客戶、政府	Shareholders 股東	Shareholders 股東

RISKS AND UNCERTAINTIES

The Board of Directors (the "Board") is responsible for monitoring the business risks and formulating plans to mitigate potential risks and uncertainties that materially affect the business of the Group. The following risks and uncertainties may occur individually or simultaneously. There may be additional risks unknown and other risks which we currently believe to be immaterial, but turn out to be material. If the management team identifies any other risk to be material, the management team will report such risk to the Board and consider to implement a mitigation plan when appropriate.

The following risks and uncertainties are considered as material that may adversely affect the business and financial position of the Group.

風險及不明朗因素

董事會負責監察業務風險及制訂計劃，藉此減低對本集團業務構成重大影響的潛在風險及不明朗因素。下列風險及不明朗因素可能個別出現或同時出現，亦可能存在我們目前相信影響不大，但最終造成重大影響的未知額外風險及其他風險。倘管理團隊發現任何其他其認為屬影響重大的風險，管理團隊將就其向董事會匯報，並且考慮於適當時候實行風險緩解計劃。

下列風險及不明朗因素被認為屬影響重大，可能對本集團的業務及財務狀況造成不利影響。

Operational risks **營運風險** Factor 因素	Nature 性質
Commodity price is unpredictable. 商品價格不可預測。	Commodity price is volatile and strongly affected by the PRC economic environment. It is a characteristic that the domestic corn kernel market is run by numerous individuals which are relatively small and without a dominant position. It is the Group's policy to manage the commodity price risk by monitoring the corn kernel price on a daily basis instead of entering into any forward contract. 商品價格反覆無常，且極容易受中國經濟環境影響。國內玉米粒市場的特色是由無數個體戶經營，彼等的規模相對較小，並無主導地位。本集團管控商品價格風險的策略是每日監察玉米粒價格，而不會訂立任何遠期合約。
The PRC government's policies may affect the Group's operation and expansion plans. 中國政府政策可能影響本集團的經營及擴充計劃。	Some production projects may or may not be recommended by the PRC government because of administrative issues or public interest issues. The Group will launch a feasibility study and discuss any potential project with the government before launching those relevant project. In addition, our management team, on behalf of the Group, plays an active role in China Starch Industry Association, who can represent our peers to provide opinions and feedback to government agencies. 基於行政管理問題或公眾利益問題，某些生產項目可能得到或可能不會得到中國政府推薦。本集團在推行任何潛在項目前，將會先就有關項目進行可行性研究並且與政府討論。此外，我們的管理團隊(代表本集團)在中國澱粉工業協會中擔當活躍角色，能夠代表同業向政府機構發表意見及作出回應。
The Chinese economy is generally a planned economy, in which periodic economic plans and measures are promulgated and implemented by the PRC government. 中國經濟總體上為計劃經濟，中國政府會定期頒佈並實行經濟計劃及措施。	The Group's business is conducted in the PRC and our products are sold mostly in the PRC. As such, our operations, financial results and future prospects are subject to, to a material extent, the economic, social and political developments of the PRC. 本集團的業務在中國進行，而我們的產品大部分均於中國出售。因此，我們的營運、財務業績及未來前景很大程度受中國的經濟、社會及政治發展所影響。
Increased rules and regulations on environmental related matter may adversely affect the Group's cost of operation. 與環境事宜相關的規則及條例增加可能會對本集團的經營成本造成不利影響。	It is a trend that environment related rules and regulations will be more stringent year by year. Evolving standards, rules and regulations could result in increased costs, regulatory actions, or in extreme cases, litigation or plant closure. 與環境相關的規則及條例越見嚴緊已是大勢所趨。標準、規則及條例不斷轉變，可導致成本增加或引發規管行動，而在極端情況下，更會引發訴訟或廠房關閉。

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Operational risks
營運風險

Factor 因素	Nature 性質
The success of the Group is highly dependent on the continued services of the management. 本集團的成功非常依賴管理人員持續提供服務。	Our historical success is attributable, to a large extent, to the in-depth industry knowledge and experience of our executives and senior management. Nonetheless, there is no assurance that we will be able to retain or recruit qualified and experienced staff to support our existing operation as well as the business expansion or development of new products. 我們過往的成功很大程度上有賴於執行人員及高級管理層對行業的深入認識及豐富經驗。儘管如此，我們無法保證將能夠挽留或聘請合資格且富經驗的人員支援現有業務運作及業務擴展或新產品的開發工作。

Strategic risks
策略風險

Factor 因素	Nature 性質
The Group's expansion plan or development of new products may be unsuccessful. 本集團可能無法成功完成擴展計劃或開發新產品。	Research and development process takes long periods of time. We cannot guarantee the success of new product upon implementation or the project execution may not be executed as planned, both of which may have negative impact on the Group's profitability. 研究及開發是需要長時間進行的過程。我們無法保證新產品於推出時能取得成功，而項目亦可能無法按計劃落實執行，兩者均會對本集團的盈利能力造成負面影響。
The Group may not successfully execute divestments or acquisitions. 本集團可能無法成功撤出投資或進行收購。	All business combinations, acquisitions or formation of joint ventures entail a number of risks. Significant write-off of assets, restructuring charges or unanticipated costs and liabilities would affect the Group's financial performance. In addition, the Group may be liable for past acts, commitments, omissions or liabilities pertaining to the acquiree, which are unforeseen or greater than anticipated. 所有業務合併、收購或成立合營企業均存在若干風險。大幅撇減資產價值、重組費用或未能預計的成本及負債會對本集團的財務表現造成影響。此外，本集團可能需就與被收購方有關的過往行動、承諾、疏忽或負債承擔未能預見或超過預期的責任。

Financial risks
財務風險

Factor 因素	Nature 性質
The Group's working capital may be adversely affected by the economic environment. 經濟環境或會對本集團的營運資金造成不利影響。	The economic environment will affect the repayment ability of our customers and have negative impact on our cash flow cycle. If the Group is required to raise additional funds through bank borrowings and/or the debt markets, it will inevitably incur additional finance costs and result in a higher gearing ratio. 經濟環境會對影響客戶的還款能力，因而對現金流週期造成負面影響。倘本集團需要透過銀行借款及／或債務市場籌集額外資金，將無可避免產生額外融資成本，令槓桿比率上升。
The cost of operation may still be higher than expected upon completion of technology upgrade projects. 於技術升級項目完成後，營運成本仍可能高於預期。	We cannot guarantee that a cost reduction programme can be successfully implemented as planned. New technology or production knowhow may not be tested amongst the peers and the final costs of production are subject to various factors at the time of implementation. 我們無法保證削減成本項目可按計劃成功落實。新技術或生產專門知識可能未經同業測試，最終生產成本須視乎落實執行時的多個因素。

ENVIRONMENTAL POLICIES

The Group understands that our business has an impact on the environment and we recognise the importance of sound environmental management practices and sustainable business operations. We are committed to meeting all environmental standards and policies as set by government. Our environmental strategy is to achieve a balance between cost of production on one hand, and greenhouse gas ("GHG") emissions and sewage disposal on the other hand. Our business is both energy and water intensive, the Group has its own facilities to reduce GHG emissions and treat sewage before disposal to city sewage network. A perpetual monitoring system on GHG emissions and sewage disposal are reported to local environmental protection bureau and open to public inspection. In order to protect our environment and reduce the cost of production, we use methane generated from sewage treatment to produce steam for internal use. In addition, we will also produce fertiliser by using sewage in order to minimise the volume of sewage disposal.

環境政策

本集團明白我們的業務對環境造成一定影響，並深明良好的環境管理常規及可持續的業務營運的重要性。我們致力遵守政府所制定的所有環保標準及政策。我們的環境策略為在生產成本、溫室氣體排放及污水排放方面取得平衡。我們的業務需要使用大量能源及食水，本集團已有設施減少溫室氣體排放及於污水排入城市污水網絡前進行處理。本集團已有一套全天候運作的系統監察溫室氣體排放及污水排放，並向地方環保當局報告有關數據，並公開予公眾人士查閱。為保護環境及降低生產成本，我們利用處理污水時所產生的甲烷產生蒸汽供內部使用。此外，為盡量減少污水排放量，我們亦會利用污水生產肥料。

USE OF RESOURCES

Other than corn kernel, coal and water are the other two major costs amongst the costs of production. Such costs ranged from approximately 7% to 10% of the costs of production in the past three years. Coal is a fossil fuel which is abundant in the Shandong and Shanxi provinces. The electricity we used is generated from coal. Although the Group does not have any option to choose the source of energy, we spend much effort to improve production efficiency and, in return, we can reduce the GHG intensity indirectly. Water is a vital resource for our planet. It is used to grow crops, feed animals and people, generate electricity and steam, and produce our products. We are committed to using water responsibly. The percentage of recycled water used during production was approximately 25% to 28%.

資源使用

除玉米粒外，煤和食水是生產成本中另外兩大主要成本。於過去三個年度，有關成本佔生產成本約7%至10%之間。煤為一種化石原料，於山東及山西省有充足供應。我們使用以煤產生的電力。儘管本集團不能選擇使用何種能源，我們會致力改善生產效益，從而間接減少溫室氣體排放強度。水是地球的重要資源。水可以栽種莊稼、供動物及人類飲用、發電及產生蒸汽，以及生產我們的產品。我們承諾以負責任的態度使用食水。生產期間中的用水有約25%至28%為循環再用水。

ENVIRONMENTAL AND SUSTAINABILITY REPORT
環境及可持續發展報告

The followings are the statistics for the usage of coal and fresh water, GHG emissions and water discharged in the past three years:

以下為過往三年的煤及食水用量、溫室氣體排放及污水排放統計數字：

KPI	主要表現指標	2014 二零一四年	2013 二零一三年	2012 二零一二年
Resources used:	***所用資源：***			
Coal (tonne)	煤(噸)	**117,952**	183,452	212,992
Fresh water (in cubic metre)	食水(立方米)	**1,318,507**	1,336,024	1,016,596
GHG emissions (in tonne of CO_2 equivalent)[1]:	***溫室氣體排放(噸等值二氧化碳)[1]：***			
Scope 1[2]	範圍1[2]	**249,978**	447,113	492,280
Scope 2[3]	範圍2[3]	**447,324**	259,628	178,143
Total GHG emissions[4]	溫室氣體總排放[4]	**590,342**	599,867	557,029
GHG emission intensity index[5]	溫室氣體排放強度指數[5]	**100**	125	133
Water discharged (in cubic metre):	***水排放量(立方米)：***			
Waste water to recycled water	廢水轉化為循環再用水	**520,304**	434,260	468,950
Waste water to sewage network	排放至污水網絡的廢水	**1,592,844**	1,442,847	1,423,171

The above KPI data have neither been audited nor verified.

上述主要表現指標並未經審核或核證。

Notes:

1 The methodology used for the determination of emissions is based on various documents, such as 2006 IPCC Guidelines for National Greenhouse Gas Inventories, and the 2010 Baseline Emission Factors for Regional Power Grids in China issued by the Department of Climate Change and IPCC Fourth Assessment Report.

2 Scope 1 emissions represent the emissions from combustion of fuels at stationary sources to generate electricity, steam, or heat which are owned or controlled by the Group and transportation emissions from owned or operated vehicles.

3 Scope 2 emissions are emissions from consumption of purchased electricity, steam and heat.

4 Total GHG emissions are direct emissions, plus emissions from the net change of purchasing and selling of electricity and steam.

5 GHG emission intensity index is calculated as the GHG emissions from physical products produced in the reporting period relative to the intensity in the 2014 base year (set to 100).

附註：

1 釐定排放量所使用的方法乃以多份文件為根據，如二零零六年IPCC國家溫室氣體清單指南、國家氣候應對變化司發出《二零一零年中國區域電網基準綫排放因子》及IPCC第四次評估報告。

2 範圍1排放指由本集團擁有或控制的固定污染來源燃料燃燒發電、生產蒸汽或熱力時的排放，以及擁有或操作車輛的交通運輸排放。

3 範圍2排放為耗用所購買電力、蒸汽及熱力的排放。

4 溫室氣體排放總量為直接排放，另加來自購買及出售電力及蒸汽淨變動所產生的排放。

5 溫室氣體排放強度指數按報告期間所生產實質產品所排放的溫室係氣體，相對二零一四基準年的強度(設定為100)計算。

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.

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。

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 2014 annual general meeting (the "2014 AGM") because of his other business engagement.

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二零一四年股東週年大會(「二零一四年股東週年大會」)除外。

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.

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。

CORPORATE GOVERNANCE REPORT
企業管治報告

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 has also recognised 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，董事會亦已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。

The attendance record of the Directors at the 2014 AGM, Board meetings and Board committee meetings held in 2014 are as follows:

各董事於二零一四年股東週年大會、二零一四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 董事會 Regular 定期會議	Others 其他會議	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會
Executive Directors:	**執行董事：**						
Mr. Tian Qixiang *(Chairman)*	田其祥先生*(主席)*	3/4	1/1	N/A	1/1	1/1	x
Mr. Gao Shijun *(Chief Executive Officer)*	高世軍先生*(行政總裁)*	4/4	1/1	N/A	N/A	N/A	√
Mr. Liu Xianggang	劉象剛先生	4/4	1/1	N/A	N/A	N/A	√
Mr. Yu Yingquan	于英全先生	3/4	1/1	N/A	N/A	N/A	x
Independent non-executive Directors:	**獨立非執行董事：**						
Mr. Chen Zhijun	陳志軍先生	4/4	1/1	2/2	1/1	1/1	√
Mr. Sun Mingdao	孫明導先生	4/4	1/1	2/2	1/1	1/1	√
Mr. Yue Kwai Wa, Ken	余季華先生	4/4	1/1	1/2	0/1	0/1	√

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 Profiles" 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 had participated in continuous professional development (the "CPD") to develop and refresh their knowledge and skills by attending seminar or course and reading materials relevant to the Company's business and director's duties and responsibilities. In addition, in order to allow the Directors to understand the latest development of regulatory and compliance issues, they were 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研討會或課程及閱覽相關資料作持續專業發展(「持續專業發展」)，從而發展及更新知識與技能。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。

The type of training received by each Director during the year under review is summarised as follows:

各董事於回顧年度已接受之培訓類別概述如下：

		Type of CPD 持續專業發展類別
Executive Directors:	**執行董事：**	
Mr. Tian Qixiang *(Chairman)*	田其祥先生*(主席)*	A, B
Mr. Gao Shijun *(Chief Executive Officer)*	高世軍先生*(行政總裁)*	A, B
Mr. Liu Xianggang	劉象剛先生	A, B
Mr. Yu Yingquan	于英全先生	A, B
Independent non-executive Directors:	**獨立非執行董事：**	
Mr. Chen Zhijun	陳志軍先生	A, B
Mr. Sun Mingdao	孫明導先生	B
Mr. Yue Kwai Wa, Ken	余季華先生	B

A: attending briefings/seminars/forums/workshops/conferences relating to director's duties or other relevant topics

B: reading materials, such as newspapers, journals, business updates and regulatory updates relating to business, economy or directors' duties

A: 出席與董事的職務或其他相關主題有關的簡報會／研討會／論壇／工作坊／會議等

B: 閱覽與業務、經濟形勢或董事職務有關的報章、期刊、業務進展及監管資訊等

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.

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。

COMPANY SECRETARY

Mr. Leung Siu Hong is a full-time employee and has been appointed as the company secretary of the Company since 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.

公司秘書

梁兆康先生為全職僱員，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。

DIRECTOR'S APPOINTMENTS, RE-ELECTION AND REMOVAL

Pursuant to the articles of the Company (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.

董事的委任、重選及罷免

根據本公司章程細則(「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。

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the 2014 Interim Report are set out below:

Mr. Tian Qixiang, an executive Director, tendered his resignation for all his positions in Electricity Supply Company of Shouguang City on 3 December 2014.

Mr. Yue Kwai Wa, Ken, an independent non-executive Director, was appointed as an executive director of Legend Strategy International Holdings Group Company Limited, the shares of which are listed on the main board of the Stock Exchange, on 4 July 2014. He resigned from this position with effect from 18 November 2014.

董事資料的變動

根據上市規則第13.51B(1)條，董事資料於二零一四年中期報告日期後的變動如下：

執行董事田其祥先生已於二零一四年十二月三日辭去其於壽光市供電公司的所有職務。

獨立非執行董事余季華先生於二零一四年七月四日獲委任為朸濬國際集團控股有限公司的執行董事，而該公司的股份於聯交所主板上市。彼於二零一四年十一月十八日起辭任該職位。

On 27 February 2015, each of the following executive Directors entered into a supplemental agreement with the Company revising his annual salary as director of the Company with effect from 1 March 2015. The original and revised annual salary of each executive Directors are shown below:

於二零一五年二月二十七日，下列各執行董事與本公司訂立補充協議，以修訂彼等作為本公司董事的年度薪金，自二零一五年三月一日起生效。各執行董事的原訂及經修訂年度薪金呈列如下：

		Original (RMB) 原訂年薪（人民幣）	Revised (RMB) 經修訂年薪（人民幣）
Mr. Tian Qixiang *(Chairman)*	田其祥先生*（主席）*	516,000	264,000
Mr. Gao Shijun *(Chief Executive Officer)*	高世軍先生*（行政總裁）*	396,000	264,000
Mr. Liu Xianggang	劉象剛先生	277,200	210,000
Mr. Yu Yingquan	于英全先生	300,000	210,000

The salary increment of the executive Directors by not more than 10% per annum will no longer be applicable subsequent to 1 March 2015.

自二零一五年三月一日起，執行董事的薪金調升每年不得高於10%將不再適用。

AUDIT COMMITTEE

審核委員會

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 advice to the Board on the appointment, re-appointment and removal of external auditor as well as their terms of appointment.

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。

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 is the chairman of the Audit Committee.

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。余先生為審核委員會主席。

During the year under review, the Audit Committee reviewed the results and the financial reports and internal control measures 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.

於回顧年度，審核委員會與管理層審閱業績及財務報告以及內部監控措施、並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。

REMUNERATION COMMITTEE

薪酬委員會

The major function of the Remuneration Committee is to make recommendation to the Board on the remuneration policy and remuneration structure for all Directors. 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 is the chairman of the Remuneration Committee.

薪酬委員會的主要職能為就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。余先生為薪酬委員會主席。

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

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。

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 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 2014 AGM, reviewed the independence of the independent non-executive Directors and evaluated the structure and composition of the Board.

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，提名委員會就於二零一四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。

BOARD DIVERSITY

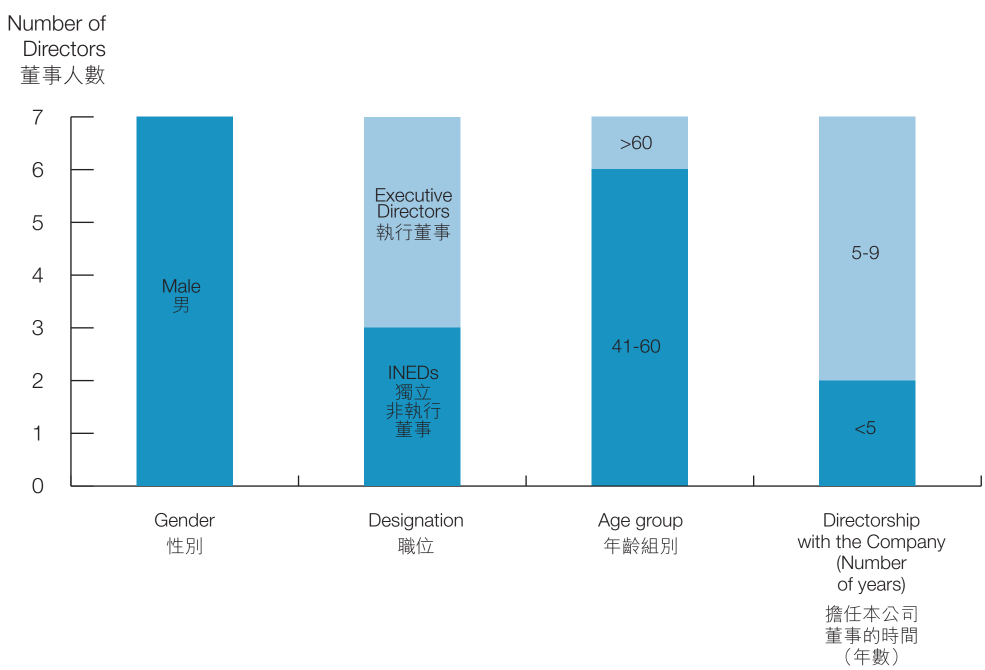
With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, board diversity has been considered 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 of the Board.

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

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，並在考慮人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：



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, using and applying consistently suitable accounting policies, and making reasonable and prudent judgement and estimates. 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.

The work scope and responsibilities of the Company's external auditor, PricewaterhouseCoopers, are set out in the Independent Auditor's Report on pages 47 to 48. For the year ended 31 December 2014, the fee payable to the external auditor in respect of audit and non-audit services is set out below:

Audit:	HK$1,466,900
Tax representative service:	HK$33,100

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.

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.

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).

問責及核數

董事已確認，彼等有責任根據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，並且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。

本公司之外聘核數師羅兵咸永道會計師事務所之工作範圍及職責載於第47至48頁之獨立核數師報告。截至二零一四年十二月三十一日止年度，就審核及非審核服務應付外聘核數師的費用載列如下：

審核：	1,466,900港元
稅務代表服務：	33,100港元

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。

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。

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況下擅自披露股東資料。

CONSTITUTIONAL DOCUMENTS

組織章程文件

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

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

pwc

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 49 to 104, which comprise the consolidated and company statements of financial position as at 31 December 2014, 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49至104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二零一四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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香港中環太子大廈廿二樓
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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.

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。

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

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。

OPINION

意見

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 2014, 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.

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　貴集團於二零一四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。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 12 March 2015

羅兵咸永道會計師事務所
執業會計師

香港，二零一五年三月十二日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
合併綜合收益表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		Note 附註	**2014** **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Revenue	收入	5	**4,169,785**	3,422,033
Cost of sales	銷售成本		**(3,806,266)**	(3,121,681)
Gross profit	毛利		**363,519**	300,352
Distribution expenses	分銷費用		**(110,953)**	(86,666)
Administrative expenses	行政費用		**(117,164)**	(92,716)
Other income and gains, net	其他收入及收益淨額虧損	6	**19,004**	20,391
Provision for impairment losses of property, plant and equipment	物業、廠房及設備的減值虧損撥備	16	**(86,437)**	–
Operating profit	經營利潤		**67,969**	141,361
Finance income	融資收入	7	**38,184**	29,356
Finance expenses	融資費用	8	**(22,196)**	(7,881)
Profit before taxation	除稅前利潤	9	**83,957**	162,836
Income tax expenses	所得稅支出	10	**(17,612)**	(38,675)
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額		**66,345**	124,161
Attributable to:	以下各項應佔：			
Owners of the Company	本公司擁有人		**62,725**	122,198
Non-controlling interests	非控股股東權益		**3,620**	1,963
			66,345	124,161
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利(人民幣)	13	**0.0105**	0.0206

The notes on pages 56 to 104 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56至104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 2014 於二零一四年十二月三十一日

		Note 附註	**2014** **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 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	**1,263,365**	1,208,295
Prepaid lease payments	預付租賃款	17	**215,253**	148,452
Deposits for acquisition of prepaid lease payments	收購預付租賃款的保證金	19	**20,830**	60,945
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備的保證金		**39,779**	29,684
Deferred tax assets	遞延税項資產	26	**22,537**	1,091
			1,561,764	1,448,467
Current assets	**流動資產**			
Prepaid lease payments	預付租賃款	17	**4,917**	3,467
Inventories	存貨	20	**276,679**	384,881
Trade and other receivables	貿易及其他應收款	21	**381,268**	523,574
Pledged bank deposits	已抵押銀行存款	22	**6,000**	10,000
Fixed deposits with maturity period over three months	三個月以上定期存款	23	**430,000**	480,000
Cash and cash equivalents	現金及現金等價物	23	**184,568**	155,200
			1,283,432	1,557,122
Total assets	總資產		**2,845,196**	3,005,589
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	**532,656**	532,357
Reserves	儲備	25	**1,454,128**	1,423,016
			1,986,784	1,955,373
Non-controlling interests	非控股股東權益		**27,053**	23,433
Total equity	**權益總額**		**2,013,837**	1,978,806

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
合併財務狀況表

As at 31 December 2014 於二零一四年十二月三十一日

		Note 附註	**2014** **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Non-current liabilities	**非流動負債**			
Borrowings	借款	27	**2,882**	3,768
Deferred income	遞延收入	28	**34,067**	37,845
			36,949	41,613
Current liabilities	**流動負債**			
Trade and other payables	貿易及其他應付款	29	**465,609**	510,656
Income tax payable	應付所得稅		**20,972**	21,314
Borrowings	借款	27	**281,550**	426,921
Employee housing deposits	員工房屋保證金	30	**26,279**	26,279
			794,410	985,170
Total liabilities	**總負債**		**831,359**	1,026,783
Total equity and liabilities	**權益及負債總額**		**2,845,196**	3,005,589
Net current assets	**流動資產淨額**		**489,022**	571,952
Total assets less current liabilities	**總資產減流動負債**		**2,050,786**	2,020,419

Tian Qixiang
田其祥
Director
董事

Yu Yingquan
于英全
Director
董事

The notes on pages 56 to 104 are an integral part of these consolidated financial statements.

第56至104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 2014 於二零一四年十二月三十一日

		Note 附註	**2014** **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 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	**564,135**	592,112
Prepayments	預付款項	21	**354**	353
Cash and cash equivalents	現金及現金等價物	23	**2,003**	6,807
			566,492	599,272
Total assets	**總資產**		**725,613**	758,393
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	**532,656**	532,357
Reserves	儲備	25	**191,811**	225,281
Total equity	**權益總額**		**724,467**	757,638
Current liabilities	**流動負債**			
Other payables	其他應付款	29	**1,146**	755
Total equity and liabilities	**權益及負債總額**		**725,613**	758,393
Net current assets	**流動資產淨額**		**565,346**	598,517
Total assets less current liabilities	**總資產減流動負債**		**724,467**	757,638

Tian Qixiang
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第56至104頁的附註乃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 2014　截至二零一四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								
		Note 附註	Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元 (note 25(i)) （附註25(i)）	Special reserve 特別儲備 RMB'000 人民幣千元 (note 25(ii)) （附註25(ii)）	Capital reserve 資本儲備 RMB'000 人民幣千元	Statutory reserve 法定儲備 RMB'000 人民幣千元	Retained earnings 留存盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控股股東權益 RMB'000 人民幣千元	Total equity 權益合計 RMB'000 人民幣千元
At 1 January 2013	於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 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日		532,357	201,704	27,080	56,196	149,436	988,600	1,955,373	23,433	1,978,806
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額		–	–	–	–	–	62,725	62,725	3,620	66,345
2013 final dividend	二零一三年末期股息	14	–	(31,882)	–	–	–	–	(31,882)	–	(31,882)
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	24	299	269	–	–	–	–	568	–	568
Transfer to statutory reserves	轉入法定儲備		–	–	–	–	12,616	(12,616)	–	–	–
At 31 December 2014	於二零一四年十二月三十一日		532,656	170,091	27,080	56,196	162,052	1,038,709	1,986,784	27,053	2,013,837

The notes on pages 56 to 104 are an integral part of these consolidated financial statements.

第56至104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 2014 截至二零一四年十二月三十一日止年度

		Note 附註	**2014** **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Cash flows from operating activities	**經營活動的現金流量**			
Profit before taxation	除稅前利潤		**83,957**	162,836
Adjustments for:	經調整以下項目：			
Finance income	融資收入		**(38,184)**	(29,356)
Finance expenses	融資費用		**22,196**	7,881
Provision for impairment losses of property, plant and equipment	物業、廠房及設備的減值虧損撥備		**86,437**	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊		**117,474**	91,485
Losses/(gains) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	6	**6,142**	(238)
Amortisation of prepaid lease payments	預付租賃款的攤銷		**3,820**	2,623
Amortisation of steam connection income and government grants	蒸汽接駁收入及政府補助的攤銷	6	**(3,778)**	(3,742)
Operating cash flows before movements in working capital	營運資金出現變動之前的經營現金流量		**278,064**	231,489
Increase in deferred income attributable to steam connection income	蒸汽接駁收入應佔的遞延收入增加		**–**	1,357
Increase in deferred income attributable to government grants	政府補助應佔的遞延收入增加		**–**	13,600
Decrease/(increase) in inventories	存貨減少／(增加)		**108,202**	(202,375)
Decrease/(increase) in trade and other receivables	貿易及其他應收款減少／(增加)		**142,306**	(136,386)
(Decrease)/increase in trade and other payables	貿易及其他應付款(減少)／增加		**(45,047)**	14,667
Cash generated from/(used in) operations	經營產生／(使用)的現金		**483,525**	(77,648)
Income taxes paid	已繳納所得稅		**(39,400)**	(35,650)
Net cash generated from/(used in) operating activities	經營活動產生／(使用)的現金淨額		**444,125**	(113,298)

CONSOLIDATED STATEMENT OF CASH FLOWS
合併現金流量表

For the year ended 31 December 2014 截至二零一四年十二月三十一日止年度

		Note 附註	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Cash flows from investing activities	**投資活動的現金流量**			
Interest received	已收利息		**38,184**	29,356
Purchases of property, plant and equipment	購置物業、廠房及設備		**(266,867)**	(422,641)
Deposits for acquisition of prepaid lease payments	收購預付租賃款的保證金		**–**	(28,285)
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備的保證金		**(16,731)**	(25,290)
Increase in prepaid lease payments	預付租賃款增加		**(31,956)**	(1,443)
Proceeds on disposals of property, plant and equipment	出售物業、廠房及設備所得款		**8,380**	1,001
Decrease/(increase) in fixed deposits with maturity period over three months	三個月以上定期存款減少／(增加)		**50,000**	(140,000)
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少／(增加)		**4,000**	(7,500)
Net cash used in investing activities	投資活動使用的現金淨額		**(214,990)**	(594,802)
Cash flows from financing activities	**融資活動的現金流量**			
Interest paid	已付利息		**(22,196)**	(7,881)
Dividends paid	已付股息		**(31,314)**	(11,655)
Proceeds from borrowings	借款所得款項		**390,950**	494,068
Repayments of borrowings	償還借款		**(537,207)**	(70,470)
Decrease in employee housing deposits	員工房屋保證金減少		**–**	(28)
Net cash (used in)/generated from financing activities	融資活動(使用)／產生的現金淨額		**(199,767)**	404,034
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額		**29,368**	(304,066)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		**155,200**	459,266
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物	23	**184,568**	155,200

The notes on pages 56 to 104 are an integral part of these consolidated financial statements.

第56至104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, a company 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 12 March 2015 .

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(一間於英屬維爾京群島註冊成立之公司)。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，並於二零一五年三月十二日獲董事會(「董事會」)批准刊發。

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.

The Group has adopted HKAS 36 (amendment), "Impairment of assets on the recoverable amount disclosures" for non-financial assets. This amendment removed certain disclosures of the recoverable amount of cash generating units which had been included in HKAS 36 by the issue of HKFRS 13.

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。

本集團已就非金融資產採用香港會計準則第36號(修訂本)「資產減值：非金融資產可回收金額披露」。該項修訂透過頒佈香港財務報告準則第13號取消過往包括在香港會計準則第36號對現金產生單位可收回金額之若干披露規定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

The adoption of HKAS 36 (amendment) 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.

Other new standards, new interpretations and amendments for existing standards which are effective for the financial year beginning on 1 January 2014 have no material impact to the Group.

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

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 financial years beginning on or after 1 January 2015:

HKAS 16 and HKAS 38 (amendment)	Clarification of acceptable methods of depreciation and amortisation[2]
HKAS 27 (amendment)	Equity method in separate financial statements[2]
HKFRS 9	Financial instruments[4]
HKFRS 15	Revenue from contracts with customers[3]
Annual improvements to HKFRSs 2010–2012 cycle	Amendment to a number of HKFRSs[1]
Annual improvements to HKFRSs 2011–2013 cycle	Amendment to a number of HKFRSs[1]
Annual improvements to HKFRSs 2012–2014 cycle	Amendment to a number of HKFRSs[2]

1 Effective for financial years beginning on or after 1 July 2014

2 Effective for financial years beginning on or after 1 January 2016

3 Effective for financial years beginning on or after 1 January 2017

4 Effective for financial years beginning on or after 1 January 2018

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application and is not yet in a position to state whether these new and revised HKFRSs have any significant impact on the Group's results of operations and financial position.

2 主要會計政策概要(續)

2.1 編製基準(續)

採納香港會計準則第36號(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。

於二零一四年一月一日開始之財政年度起生效的其他新訂準則、新詮釋及現有準則修訂本對本集團並無重大影響。

此外,根據新香港公司條例(法例第622章)第358條,公司條例第9部「帳目及審計」的規定於本公司在二零一四年三月三日或之後開始的首個財政年度實施。本集團正評估公司條例的變動對首次應用新香港公司條例(法例第622章)第9部期間之合併財務報表之預期影響。就目前所確認,應該不會產生重大影響,並將僅主要對合併財務報表內資料的呈列及披露造成影響。

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,而本集團將於二零一五年一月一日或之後開始的財政年度採納:

香港會計準則第16號及香港會計準則第38號(修訂本)	對可接受的折舊及攤銷方法的釐清[2]
香港會計準則第27號(修訂本)	獨立財務報表的權益法[2]
香港財務報告準則第9號	金融工具[4]
香港財務報告準則第15號	來自客戶合約的收益[3]
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	修訂多項香港財務報告準則[1]
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	修訂多項香港財務報告準則[1]
香港財務報告準則二零一二年至二零一四年週期之年度改進	修訂多項香港財務報告準則[2]

1 於二零一四年七月一日或之後開始的財政年度生效

2 於二零一六年一月一日或之後開始的財政年度生效

3 於二零一七年一月一日或之後開始的財政年度生效

4 於二零一八年一月一日或之後開始的財政年度生效

本集團正在評估此等新訂及經修訂香港財務報告準則於首次採用時之影響,但仍未能確定此等新訂及經修訂香港財務報告準則會否對本集團之經營業績及財務狀況構成重大影響。

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 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撥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。已轉撥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。

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。

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。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost 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"). Information relating to segment assets and liabilities is not disclosed as such information is not regularly reported to the chief operating decision maker.

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 currency 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.

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」)。有關分部資產及負債的資料並無披露，此乃由於該等資料並非定期向主要營運決策人呈報。

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。

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 currency 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兑換為呈報貨幣：

(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兑差額，均列入其他綜合收益內。當處置或出售部分海外業務時，計入權益的匯兑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。

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.

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, net' 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。

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「其他收入及收益淨額」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,資產按可分開識辨現金流量(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。

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', 'cash and cash equivalents' and 'trade and other receivables' 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(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定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」、「現金及現金等價物」及「貿易及其他應收款」(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。可依法強制執行之權利必須不可取決於未來事件，且必須可於本公司或對手方的日常業務過程中，以及於彼等出現違約事件、無力償債或破產之情況下強制執行。

(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。

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.

2.10 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.

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），但不包括借款成本。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。

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。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Trade and other receivables *(Continued)*

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 and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables 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 and other 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.

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 pre-payment 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 主要會計政策概要（*續*）

2.10 貿易及其他應收款（*續*）

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 貿易及其他應付款

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。倘貿易及其他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。

貿易及其他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。

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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 Group operates and generates 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.

(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.

2 主要會計政策概要（續）

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集團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。

(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。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.16 Current and deferred income tax *(Continued)*

(b) Deferred income tax *(Continued)*

Inside basis differences (Continued)

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.

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.

2.17 Employee benefits

(a) Pension obligations

The Group sponsors 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. Contributions made to the defined contributions pension plans are expenses as incurred. Prepaid contributions are recognised as asset to the extent that a cash refund or a reduction in future payment is available.

2 主要會計政策概要（續）

2.16 當期及遞延所得稅

(b) 遞延所得稅（續）

內部基礎差異（續）

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方會確認入賬。

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。

因投資於附屬公司而產生的可扣減暫時差異，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。

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。向界定供款退休金計劃作出之供款於作出時支銷。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。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.17 Employee benefits *(Continued)*

(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.

(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.

2 主要會計政策概要（*續*）

2.17 僱員福利（*續*）

(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。

(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。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 Provisions *(Continued)*

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.

2.19 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 cornstarch, lysine, starch-based sweetener, and modified starch 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 主要會計政策概要*(續)*

2.18 撥備*(續)*

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。

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。

玉米澱粉、賴氨酸、澱粉糖及變性澱粉的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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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.

2.21 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 prepaid leases payments 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）

2.20 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。

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

土地使用權作為預付租賃款入賬，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期內按直線法計入損益。

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.

2.25 Exceptional items

Exceptional items are disclosed and described separately in the consolidated financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expenses that have been separately due to the significance of their nature or amount.

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。

2.25 特殊項目

如有必要，特殊項目在合併財務報表中獨立披露及説明，藉以讓閱讀者更深入了解本集團的財務表現。由於項目性質或金額的重要性，重大收入或開支項目經已分開呈列。

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's major financial instruments include trade and other receivables, pledged bank deposits, fixed deposits with maturity period over three months, cash and cash equivalents, borrowings, trade and other payables, and employee housing deposits. 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.

(a) Market risk

(i) Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arise. Approximately 13% (2013: 13%) of the Group's sales are denominated in currencies other than the functional currency of the entities of the Group.

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

The Group mainly operates in the People's Republic of China (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 ("US$") and Hong Kong Dollars ("HK$"). The management considers the foreign exchange risk with respect to US$ and HK$ 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

3.1 財務風險因素

本集團的主要金融工具包括貿易及其他應收款、已抵押銀行存款、三個月以上定期存款、現金及現金等價物、借款、貿易及其他應付款及員工房屋保證金。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。

(a) 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。本集團約13%（二零一三年：13%）的銷售額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華人民共和國（「中國」），大部分交易以人民幣結算。倘日後商業匯兑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。

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) 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 as exposure to cash flows interest rate risk arisen from borrowings obtained at variable rates is substantially offset by cash held at variable rates. The Group's interest-free government loan and bank loans issued at fixed rates expose the Group to fair value interest rate risk. The management considers the fair value interest rate risk insignificant as majority of these borrowings are repayable within one year.

(b) 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. Credit limit of each customer is reviewed monthly. 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 of 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 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）

3.1 財務風險管理目標與政策（續）

(a) 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，於玉米粒市價被認定為低時大量採購玉米粒。

(iii) 利率風險

由於按浮動利率取得的借款所產生的現金流利率風險大部份被按浮動利率持有的現金所抵銷，故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。本集團的免息政府貸款及按固定利率取得的銀行貸款令本集團承擔公平值利率風險。由於該等借款大部分須於一年內償還，管理層認為公平值利率風險並不重大。

(b) 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。每名客戶之信貸限額每月均作出檢討。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，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。

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) 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.

(c) 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 2014, the Group has available unutilised bank loan facilities of approximately RMB881,910,000 (2013: RMB866,403,000).

At the reporting date, the Group held liquid assets including trade and other receivables of RMB195,765,000 (2013: RMB215,113,000) that are expected to readily generate cash flow for managing liquidity risk.

3 財務風險管理（續）

3.1 財務風險管理目標與政策（續）

(b) 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。

(c) 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。

於二零一四年十二月三十一日，本集團的未動用銀行貸款融資約為人民幣881,910,000元（二零一三年：人民幣866,403,000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195,765,000元（二零一三年：人民幣215,113,000元），預期可即時產生現金流量以管理流動資金風險。

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(c) 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:

3 財務風險管理（續）

3.1 財務風險管理目標與政策（續）

(c) 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：

		Within 1 year 一年以內 RMB'000 人民幣千元	Between 1–2 years 一年至兩年 RMB'000 人民幣千元	Between 2–5 years 兩年至五年 RMB'000 人民幣千元	Over 5 years 超過五年 RMB'000 人民幣千元	Total undiscounted cash flow 未貼現現金流量總額 RMB'000 人民幣千元
Group	**本集團**					
2014	**二零一四年**					
Trade and other payables	貿易及其他應付款	**391,120**	**–**	**–**	**–**	**391,120**
Borrowings	借款					
— interest-free	— 免息	**1,550**	**886**	**1,996**	**–**	**4,432**
— interest-bearing	— 計息	**290,939**	**–**	**–**	**–**	**290,939**
Employee housing deposits	員工房屋保證金	**26,279**	**–**	**–**	**–**	**26,279**
		709,888	**886**	**1,996**	**–**	**712,770**
2013	**二零一三年**					
Trade and other payables	貿易及其他應付款	429,097	–	–	–	429,097
Borrowings	借款					
— 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
Company	**本公司**					
2014	**二零一四年**					
Other payables	其他應付款	**1,146**	**–**	**–**	**–**	**1,146**
2013	**二零一三年**					
Other payables	其他應付款	755	–	–	–	755

3 FINANCIAL RISK MANAGEMENT *(Continued)*

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain a suitable capital structure which maximises shareholders' value. 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.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings (note 27) divided by total assets. The gearing ratios as at 31 December 2014 and 2013 were as follows:

3 財務風險管理（續）

3.2 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的能力並維持適當資本結構，以使股東價值達致最大化。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。

本集團根據槓桿比率監控資本。該比率以借款總額（附註27）除以總資產計算得出。於二零一四年及二零一三年十二月三十一日之槓桿比率如下：

		2014 **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Total borrowings	借款總額	**284,432**	430,689
Total assets	總資產	**2,845,196**	3,005,589
Gearing ratio	槓桿比率	**10.0%**	14.3%

3.3 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.

3.3 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。

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.

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。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(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.

(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) Estimated impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period in accordance with the accounting policy stated in note 2.7. If such an indication exists, the recoverable amount of the asset is estimated using the higher of its fair value less costs of disposal and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit or loss.

During the year, certain property, plant and equipment have been impaired by RMB86,437,000, details of which are set out in note 16.

4 重大會計估計及判斷（續）

(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。

(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，或撇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) 非金融資產之估計減值

本集團在各報告期末根據附註2.7中所述之會計政策評估全部非金融資產是否有任何減值跡象。倘存在有關跡象，則以公平值減出售成本，及／或計算使用價值之較高者估計資產之可收回金額。倘資產的賬面值高於其可收回金額，則會確認減值虧損將資產之賬面值降至其可收回金額。有關減值虧損於損益中確認。

於本年度，若干物業、廠房及設備減值人民幣86,437,000元，有關詳情載於附註16。

5 REVENUE AND SEGMENT INFORMATION

5 收入及分部資料

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

本集團於本年度的收入分析如下：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cornstarch and ancillary corn-refined products	玉米澱粉及玉米深加工副產品	**2,971,862**	2,395,323
Lysine and its related products	賴氨酸及其相關產品	**671,206**	516,418
Starch-based sweetener	澱粉糖	**253,025**	217,336
Modified starch	變性澱粉	**218,123**	235,269
Electricity and steam	電力及蒸汽	**55,569**	57,687
		4,169,785	3,422,033

The Executive Directors, being the chief operating decision maker of the Group, consider the business segmentation from product perspective. The Executive Directors assess the performance of operating segments based on a measure of adjusted operating profit. The Group's operating segments are as follows:

作為本集團主要營運決策人，執行董事會從產品觀點考慮業務分部。執行董事已根據計量經調整經營利潤評估業務分部的表現。本集團之業務分部如下：

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

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

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.

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。

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

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。

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.

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。

5 REVENUE AND SEGMENT INFORMATION *(Continued)*

5 收入及分部資料(續)

		Cornstarch 玉米澱粉 RMB'000 人民幣千元	Lysine 賴氨酸 RMB'000 人民幣千元	Starch-based sweetener 澱粉糖 RMB'000 人民幣千元	Modified starch 變性澱粉 RMB'000 人民幣千元	Electricity and steam 電力及蒸汽 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
2014	**二零一四年**						
Sales to external customers	向外來客戶銷售	**2,971,862**	**671,206**	**253,025**	**218,123**	**55,569**	**4,169,785**
Inter-segment sales	分部間銷售	**147,149**	**11,601**	**–**	**–**	**47,582**	**206,332**
Reportable segment results	**可報告分部業績**	**232,542**	**27,682**	**21,194**	**18,617**	**(21,987)**	**278,048**
Unallocated income	未分配收入						**15,723**
Unallocated expenses (note)	未分配開支(附註)						**(225,802)**
Finance income	融資收入						**38,184**
Finance expenses	融資費用						**(22,196)**
Profit before taxation	**除税前利潤**						**83,957**
Other segment information:	**其他分部資料:**						
Depreciation and amortisation	折舊及攤銷	**42,995**	**31,970**	**9,228**	**2,113**	**13,544**	**99,850**
Provision for impairment losses of property, plant and equipment	物業、廠房及設備的減值虧損撥備	**20,306**	**15,605**	**–**	**4,907**	**28,053**	**68,871**
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 (note)	未分配開支(附註)						(160,489)
Finance income	融資收入						29,356
Finance expenses	融資費用						(7,881)
Profit before taxation	**除税前利潤**						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

Note:

The unallocated expenses for the year ended 31 December 2014 include unallocated provision for impairment losses of property, plant and equipment of RMB17,566,000 (2013: nil) and unallocated depreciation and amortisation charges of RMB21,444,000 (2013: RMB16,213,000).

附註:

截至二零一四年十二月三十一日止年度,未分配開支包括物業、廠房及設備的未分配減值虧損撥備人民幣17,566,000元(二零一三年:無),以及未分配折舊及攤銷費用人民幣21,444,000元(二零一三年:人民幣16,213,000元)。

The revenue from external customers in the PRC for the year ended 31 December 2014 is RMB3,609,279,000 (2013: RMB2,992,667,000), and the revenue from external customers from other countries is RMB560,506,000 (2013: RMB429,366,000).

截至二零一四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3,609,279,000元(二零一三年:人民幣2,992,667,000元),而來自其他國家外來客戶的收入為人民幣560,506,000元(二零一三年:人民幣429,366,000元)。

6 OTHER INCOME AND GAINS, NET

6 其他收入及收益淨額

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Government grants (note)	政府補助(附註)	**8,102**	4,734
Amortisation of steam connection income and government grants (note 28)	蒸汽接駁收入及政府補助的攤銷(附註28)	**3,778**	3,742
Gain on sales of scrap materials	銷售廢料之收益	**4,324**	2,572
(Losses)/gains on disposals of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	**(6,142)**	238
Others	其他	**8,942**	9,105
		19,004	20,391

Note:

For the year ended 31 December 2014, the government grants mainly represented the subsidies from local government for, inter alia, supporting the application of energy-saving technology and domestic business of the Group. The government grants were granted at the discretion of the government and were not recurring in nature.

附註：

截至二零一四年十二月三十一日止年度，政府補助主要包括地方政府就(其中包括)支持本集團採用節能技術及國內業務提供的資助。政府補助乃由政府酌情授出，並屬非經常性質。

7 FINANCE INCOME

7 融資收入

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Interest income on bank deposits	銀行存款的利息收入	**38,184**	29,356

8 FINANCE EXPENSES

8 融資費用

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 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	**21,976**	6,921
— Discounted bills receivables	— 應收貼現票據	**220**	960
		22,196	7,881

9 PROFIT BEFORE TAXATION

9 除稅前利潤

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

除稅前利潤已扣除／(計入)下列各項：

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 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)	**117,474**	91,485
Amortisation of prepaid lease payments (note 17)	預付租賃款的攤銷(附註17)	**3,820**	2,623
Total depreciation and amortisation	折舊及攤銷總額	**121,294**	94,108
Provision for impairment losses of property, plant and equipment (note 16)	物業、廠房及設備減值虧損撥備(附註16)	**86,437**	–
Losses/(gains) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	**6,142**	(238)
Net foreign exchange (gains)/losses	匯兑(收益)／虧損淨額	**(69)**	4,258
Cost of inventories recognised as expenses (note 20)	確認為支出的存貨成本(附註20)	**3,751,919**	2,914,034
Operating lease payments	經營租賃款	**659**	567
Employee benefit expenses (including directors' emoluments) (note 11)	僱員福利開支，包括董事酬金(附註11)	**130,225**	119,616
Research and development expenses (note)	研究及開發費用(附註)	**10,215**	6,927
Auditor's remuneration	核數師薪酬		
— Audit services	— 審核服務	**1,162**	1,080
— Non-audit services	— 非審核服務	**38**	24

Note:

Research and development costs include staff costs of employees in the research and development department, which are included in the employee benefit 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。

10 INCOME TAX EXPENSES

10 所得稅支出

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
PRC Enterprises Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
— Current year	— 本年度	**42,821**	39,772
— Over-provision in prior years	— 過往年度超額撥備	**(3,763)**	(1,260)
Deferred income tax (note 26)	遞延所得稅(附註26)	**(21,446)**	163
		17,612	38,675

The Group's major business is in the PRC. Under the law of the PRC on EIT and its Implementation Regulation, the tax rate of the PRC subsidiaries is 25% for both years.

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.

本集團之主要業務於中國進行。根據中國有關企業所得稅法之法律及其實施細則，中國附屬公司於兩個年度之稅率均為25%。

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。

10 INCOME TAX EXPENSES *(Continued)*

10 所得稅支出（續）

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：

		2014 **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	**83,957**	162,836
Income tax expenses calculated at applicable tax rate at 25% (2013: 25%)	以適用稅率25%（二零一三年：25%）計算的所得稅開支	**20,989**	40,709
Tax effects of	下列各項的稅務影響：		
— Different tax rate	一 不同稅率	**91**	422
— Expenses not deductible for tax purpose	一 不可扣稅開支	**798**	1,640
— Income not subject to tax	一 毋須課稅收入	**(982)**	(2,755)
— Utilisation of previously unrecognised tax losses	一 動用先前未經確認之稅務虧損	**–**	(476)
— Temporally differences not recognised	一 未確認暫時差異淨額	**(170)**	395
— Tax losses not recognised	一 未確認之稅務虧損	**649**	–
— Over-provision in prior years	一 過往年度超額撥備	**(3,763)**	(1,260)
		17,612	38,675

As at 31 December 2014, deferred tax liabilities of approximately RMB49,753,000 (2013: RMB44,212,000) 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.

於二零一四年十二月三十一日，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49,753,000元（二零一三年：人民幣44,212,000元）。

11 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

11 僱員福利開支（包括董事酬金）

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	**90,563**	83,067
Pension cost (note)	退休金費用（附註）	**12,661**	16,234
Staff welfares	員工福利	**27,001**	20,315
		130,225	119,616

Note:

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

The Group has sponsored a defined contribution scheme which is managed by an approved trustee registered under Mandatory Provident Fund Schemes Ordinance (the "MPF Ordinance") for its employees in Hong Kong. Both the Group and its employees in Hong Kong are required to contribute a maximum of 5% of each individual's relevant income or a limited amount (the limit was adjusted from HK$1,250 to HK$1,500 per month with effect from 1 June 2014) as prescribed by the MPF Ordinance. The assets of the scheme are held separately from those of the Group and independently administered.

The Group has also sponsored various defined contribution plans for its employees in the PRC. These plans are organised by the relevant municipal and provincial governments 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.

附註：

並無已沒收供款可用作扣減本集團於未來年度應付的供款。

本集團已為其於香港的僱員設立界定供款計劃，有關計劃由根據強制性公積金計劃條例（「強積金條例」）註冊的核准受託人管理。本集團及其香港僱員均須按強積金條例所訂明按僱員相關收入最多5%或上限金額（由二零一四年六月一日起，有關上限已由1,250港元調整為1,500港元）作出供款。計劃的資產與本集團的資產分開持有，並獨立管理。

本集團亦為其中國僱員參與多個界定供款計劃。該等計劃由相關省市政府管理，按相關僱員月收入之若干百分比作出供款。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無進一步的推定責任。

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 基本薪金及津貼 RMB'000 人民幣千元	Fees 袍金 RMB'000 人民幣千元	Discretionary bonus 酌情花紅 RMB'000 人民幣千元	Retirement benefit scheme contribution 退休福利計劃供款 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
2014	**二零一四年**					
Executive directors:	執行董事：					
Tian Qixiang	田其祥	**516**	**–**	**–**	**–**	**516**
Gao Shijun	高世軍	**396**	**–**	**–**	**53**	**449**
Liu Xianggang	劉象剛	**277**	**–**	**–**	**53**	**330**
Yu Yingquan	于英全	**300**	**–**	**–**	**–**	**300**
Independent non-executive directors:	獨立非執行董事：					
Chen Zhijun^	陳志軍^	**–**	**50**	**–**	**–**	**50**
Sun Mingdao^	孫明導^	**–**	**50**	**–**	**–**	**50**
Yue Kwai Wa, Ken	余季華	**–**	**87**	**–**	**–**	**87**
		1,489	**187**	**–**	**106**	**1,782**
2013	二零一三年					
Executive directors:	執行董事：					
Tian Qixiang	田其祥	516	–	500	–	1,016
Gao Shijun	高世軍	396	–	500	47	943
Liu Xianggang	劉象剛	277	–	500	47	824
Yu Yingquan	于英全	300	–	500	–	800
Independent non-executive directors:	獨立非執行董事：					
Cao Zenggong*	曹增功*	–	20	–	–	20
Chen Zhijun^	陳志軍^	–	16	–	–	16
Dong Yanfeng#	董延豐#	–	34	–	–	34
Sun Mingdao^	孫明導^	–	16	–	–	16
Yue Kwai Wa, Ken	余季華	–	88	–	–	88
		1,489	174	2,000	94	3,757

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

12 EMOLUMENTS FOR DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS *(Continued)*

12 董事及五名最高薪人士的酬金（續）

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, four (2013: four) were directors of the Company whose emoluments are reflected in the analysis presented above. The emoluments of the remaining one (2013: one) individual were as follows:

(b) 五名最高薪人士

本集團五名最高薪人士中，四名（二零一三年：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（二零一三年：一名）最高薪人士的酬金如下：

		2014 **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Basic salaries and allowance	基本薪金及津貼	**649**	666
Retirement benefit scheme contribution	退休福利計劃供款	**13**	12
		662	678

The emolument was within RMB1,000,000.

彼等的酬金在人民幣1,000,000元以內。

(c) During the year ended 31 December 2014 and 2013, 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.

(c) 截至二零一四年及二零一三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 EARNINGS PER SHARE

13 每股盈利

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

本公司普通股擁有人應佔每股基本盈利乃按以下數據計算：

		2014 **二零一四年** **RMB'000** **人民幣千元**	2013 二零一三年 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）	**62,725**	122,198

		2014 **二零一四年**	2013 二零一三年
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	**5,994,109,000**	5,941,049,000

No diluted earnings per share has been presented because no dilutive potential ordinary shares exist for both 2014 and 2013.

由於二零一四年及二零一三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

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Proposed final dividend of HK0.69 cents (2013: HK0.67 cents) per share	擬派末期股息每股0.69港仙（二零一三年：0.67港仙）	**32,638**	31,565
Final dividend in respect of year ended 31 December 2013, approved and paid during the year, of HK0.67 cents (2012: HK0.67 cents) per share	於年內批准並支付之截至二零一三年十二月三十一日止年度末期股息每股0.67港仙（二零一二年：0.67港仙）	**31,882**	31,496

A final dividend of HK0.69 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0.69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。

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 RMB1,857,000 (2013: RMB20,656,000).

本公司擁有人應佔虧損人民幣1,857,000元（二零一三年：人民幣20,656,000元）已在本公司財務報表中處理。

16 PROPERTY, PLANT AND EQUIPMENT

16 物業、廠房及設備

		Group 本集團					
		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Other machinery 其他機器 RMB'000 人民幣千元	Plant and equipment under construction 在建廠房及設備 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost	**成本**						
At 1 January 2013	於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
Transfers upon completion	完成時轉撥	177,233	462,296	–	2,560	(642,089)	–
Disposals	出售	(141)	(885)	(1,320)	(927)	–	(3,273)
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日	501,678	1,123,068	15,214	47,903	131,559	1,819,422
Additions	添置	–	3,992	1,779	668	267,064	273,503
Transfers upon completion	完成時轉撥	–	33,324	–	–	(33,324)	–
Disposals/written-off	出售／撇銷	(4,884)	(56,678)	(1,052)	(3,003)	–	(65,617)
Reclassification	重新分類	(19,974)	(3,318)	55	23,237	–	–
At 31 December 2014	於二零一四年十二月三十一日	476,820	1,100,388	15,996	68,805	365,299	2,027,308
Accumulated depreciation and impairment	**累計折舊及減值**						
At 1 January 2013	於二零一三年一月一日	122,535	369,153	6,293	24,171	–	522,152
Depreciation charge for the year (note 9)	年內折舊費用（附註9）	14,513	69,199	2,267	5,506	–	91,485
Disposals	出售	(75)	(290)	(1,239)	(906)	–	(2,510)
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日	136,973	438,062	7,321	28,771	–	611,127
Depreciation charge for the year (note 9)	年內折舊費用（附註9）	20,077	89,640	2,468	5,289	–	117,474
Impairment charge for the year (note 9)	年內減值費用（附註9）	77,556	8,042	35	804	–	86,437
Disposals/written-off	出售／撇銷	(1,042)	(46,781)	(1,040)	(2,232)	–	(51,095)
Reclassification	重新分類	(14,819)	(3,318)	35	18,102	–	–
At 31 December 2014	於二零一四年十二月三十一日	218,745	485,645	8,819	50,734	–	763,943
Net carrying value	**賬面淨值**						
At 31 December 2014	於二零一四年十二月三十一日	258,075	614,743	7,177	18,071	365,299	1,263,365
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

16 PROPERTY, PLANT AND EQUIPMENT *(Continued)*

During the year ended 31 December 2014, additions of property, plant and equipment included an amount of RMB6,636,000 (2013: RMB99,583,000) transferred from deposits for acquisition of property, plant and equipment.

Due to the cessation of manufacturing operations of the previous production base located in Shouguang and relocation of the production to the new production base during the second half of 2014, the management carried out an impairment review on the manufacturing plant, machinery and other equipment remained in the previous production base. The recoverable amounts of these assets are determined as (i) their fair value less cost of disposal or (ii) their value in use, whichever is higher. These assets include manufacturing plant, machinery and other equipment that are unmovable (amounted to RMB68,872,000 as to manufacturing assets and RMB17,565,000 as to non-manufacturing assets respectively). Considering (i) the physical condition of these unmovable machinery and other equipment and (ii) the fact that the land on which the manufacturing plant is situated is not going to be used for industrial purpose, according to the future development plan of the region in which the previous production base was located, the management considered the fair value less cost of disposal of these assets immaterial and made a full provision of RMB86,437,000.

In connection to the relocation, the management revisited the nature of certain property, plant and equipment and reclassified those items within the different categories of property, plant and equipment for better presentation purpose.

16 物業、廠房及設備（續）

截至二零一四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6,636,000元（二零一三年：人民幣99,583,000元）。

由於二零一四年下半年終止先前位於壽光的生產基地之生產運作，並將生產工序移至新生產基地進行，管理層已對先前生產基地內餘下的生產廠房、機器及其他設備進行減值檢討。該等資產的可收回金額乃按照(i)其公平值減出售成本或(ii)其使用價值（以較高者為準）而釐定。該等資產包括生產廠房、不能移動的機器及其他設備（生產資產及非生產資產分別價值人民幣68,872,000元及人民幣17,565,000元）。鑒於(i)該等不能移動機器及其他設備的實際狀況，且(ii)根據先前生產基地所處地區的未來發展規劃，生產廠房所在土地將不會用作工業用途，管理層認為該等資產之公平值減出售成本數額極微，並已作出全數撥備人民幣86,437,000元。

由於進行搬遷，管理層已重新檢視若干物業、廠房及設備的性質，並將該等項目重新分類至物業、廠房及設備之不同類別，以作出更佳的呈列。

17 PREPAID LEASE PAYMENTS

17 預付租賃款

		Group 本集團	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Cost	**成本**		
At 1 January	於一月一日	**166,125**	117,342
Additions	添置	**72,071**	48,783
At 31 December	於十二月三十一日	**238,196**	166,125
Accumulated amortisation	**累計攤銷**		
At 1 January	於一月一日	**14,206**	11,583
Amortisation charge for the year (note 9)	年內攤銷費用（附註9）	**3,820**	2,623
At 31 December	於十二月三十一日	**18,026**	14,206
Net book amount	**賬面淨值**		
At 31 December	於十二月三十一日	**220,170**	151,919
Land in the PRC held under medium-term lease	按中期租賃於中國持有的土地	**220,170**	151,919
Analysed for reporting purposes:	作呈報用途的分析：		
Current assets	流動資產	**4,917**	3,467
Non-current assets	非流動資產	**215,253**	148,452
		220,170	151,919

During the year ended 31 December 2014, additions of prepaid lease payments included an amount of RMB40,115,000 (2013: RMB47,340,000) transferred from deposits for acquisition of prepaid lease payments.

於截至二零一四年十二月三十一日止年度，預付租賃款的增加金額包括轉自收購預付租賃款的保證金的人民幣40,115,000元（二零一三年：人民幣47,340,000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 2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Unlisted investments, at cost	非上市投資(按成本)	**159,121**	159,121

The following is a list of subsidiaries at 31 December 2014:

於二零一四年十二月三十一日的附屬公司表列如下：

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.	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 中國澱粉集團有限公司	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] 壽光金遠東變性澱粉有限公司[1]	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

18 SUBSIDIARIES *(Continued)*

(a) Investments in subsidiaries *(Continued)*

[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.

(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.

19 DEPOSITS FOR ACQUISITION OF PREPAID LEASE PAYMENTS

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

20 INVENTORIES

		Group 本集團 2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Raw materials	原材料	**197,795**	222,748
Work in progress	在製品	**21,341**	27,155
Finished goods	製成品	**57,543**	134,978
		276,679	384,881

The cost of inventories recognised as expenses and included in "cost of sales" amounted to RMB3,751,919,000 (2013: RMB2,914,034,000).

21 TRADE AND OTHER RECEIVABLES

		Group 本集團		Company 本公司	
		2014 二零一四年 RMB' 000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trade receivables	貿易應收款	**147,116**	165,181	**–**	–
Bank acceptance bills	銀行承兑票據	**185,503**	308,461	**–**	–
Other receivables and prepayments	其他應收款及預付款	**48,649**	49,932	**354**	353
		381,268	523,574	**354**	353

18 附屬公司(續)

(a) 於附屬公司的投資(續)

[1] 本公司間接持有權益。
[2] 該實體為一家全外資企業。
[3] 該實體為一家合資經營企業。

(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。

19 收購預付租賃款的保證金

有關款項指就收購位於壽光的土地而向壽光市政府支付的初步保證金。

20 存貨

確認為開支及計入「銷售成本」的存貨成本為人民幣3,751,919,000元(二零一三年：人民幣2,914,034,000元)。

21 貿易及其他應收款

21 TRADE AND OTHER RECEIVABLES *(Continued)*

21 貿易及其他應收款（續）

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

貿易及其他應收款的賬面值以下列貨幣計值：

		Group 本集團		Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
RMB	人民幣	**372,871**	518,040	**–**	–
HK$	港元	**498**	497	**354**	353
US$	美元	**7,899**	5,037	**–**	–
		381,268	523,574	**354**	353

(a) Trade and other receivables

The Group normally grants credit period ranging from 0 to 120 days (2013: 0 to 120 days) to customers.

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

(a) 貿易及其他應收款

本集團一般給予客戶的信貸期由零至一百二十日（二零一三年：零至一百二十日）不等。

以下為於報告期末貿易應收款的賬齡分析：

		Group 本集團		Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
0–30 days	零至三十日	**102,828**	110,794	**–**	–
31–60 days	三十一至六十日	**21,621**	21,314	**–**	–
61–90 days	六十一至九十日	**6,711**	12,478	**–**	–
Over 90 days	九十日以上	**15,956**	20,595	**–**	–
		147,116	165,181	**–**	–

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of RMB25,992,000 (2013: RMB28,068,000) which are past due but not impaired. These relate to a number of independent customers of whom there is no recent history of default.

本集團貿易應收款結餘包括賬面總值為人民幣25,992,000元（二零一三年：人民幣28,068,000元）的應收賬款，有關款項為已到期但並無減值。該等結餘與近期並無違約紀錄的多名獨立客戶有關。

21 TRADE AND OTHER RECEIVABLES *(Continued)*

21 貿易及其他應收款（續）

(a) Trade and other receivables *(Continued)*

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

(a) 貿易及其他應收款（續）

已到期但並無減值的貿易應收款的賬齡分析如下：

		Group 本集團		Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
1–30 days	一至三十日	**13,916**	15,143	**–**	–
31–60 days	三十一至六十日	**2,229**	2,817	**–**	–
61–90 days	六十一至九十日	**1,560**	1,928	**–**	–
Over 90 days	九十日以上	**8,287**	8,180	**–**	–
		25,992	28,068	**–**	–

As at 31 December 2014 and 2013, all other receivables aged between 0–30 days.

於二零一四年及二零一三年十二月三十一日，其他應收款的賬齡全部均為零至三十日。

Included in trade and other receivables is an amount due from non-controlling interests of RMB7,683,000 (2013: RMB11,833,000). Detail of balances with related companies are set out in note 33(iii). No impairment has been made for receivables from related companies.

貿易及其他應收款包括應收非控股股東權益款項人民幣7,683,000元（二零一三年：人民幣11,833,000元）。關連公司結餘之詳情載於附註33(iii)。應收關聯公司款項並無減值。

(b) Bank acceptance bills

(b) 銀行承兑票據

		Group 本集團		Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Endorsed bills	背書票據	**131,055**	123,970	**–**	–
Bills on hand	手頭票據	**54,448**	140,458	**–**	–
Discounted bills	貼現票據	**–**	44,033	**–**	–
		185,503	308,461	**–**	–

The bank acceptance bills are normally with maturity period of 180 days (2013: 180 days). There is no recent history of default on bank acceptance bills.

銀行承兑票據一般到期期限為一百八十日（二零一三年：一百八十日）。銀行承兑票據近期並無違約紀錄。

As at 31 December 2014, bank acceptance bills of RMB4,692,000 were pledged to banks for securing bills payables. As at 31 December 2013, bank acceptance bills of RMB9,000,000 and RMB44,033,000 were pledged to banks for securing bills payables and cash advances for discounted bills respectively.

於二零一四年十二月三十一日，人民幣4,692,000元的銀行承兑票據已抵押予銀行，作為應付票據的抵押。於二零一三年十二月三十一日，人民幣9,000,000元及44,033,000元的銀行承兑票據已抵押予銀行，分別作為應付票據及貼現票據現金墊款的抵押。

22 PLEDGED BANK DEPOSITS

At 31 December 2014, the pledged bank deposits were pledged to a bank for securing bills payables (note 29). At 31 December 2013, the pledged bank deposits were pledged to a bank for securing a bank borrowing (note 27). The deposits were denominated in RMB.

22 已抵押銀行存款

於二零一四年十二月三十一日，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。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。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	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 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)）	**184,568**	155,200	**2,003**	6,807
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)）	**430,000**	480,000	**–**	–
		614,568	635,200	**2,003**	6,807

23 CASH AND CASH EQUIVALENTS AND FIXED DEPOSITS WITH MATURITY PERIOD OVER THREE MONTHS *(Continued)*

23 現金及現金等價物及三個月以上定期存款*(續)*

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

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	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
RMB	人民幣	**612,076**	625,499	**–**	–
HK$	港元	**2,286**	7,169	**2,003**	6,807
US$	美元	**206**	2,532	**–**	–
		614,568	635,200	**2,003**	6,807

Notes:

(i) Cash at banks earns interest at daily floating rates of bank deposit.

(ii) These fixed deposits earn interest of 6.8%–6.85% (2013: 6.6%–6.8%) 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 and fixed deposits with maturity period over three months approximate to their fair values.

(iv) As at 31 December 2014, the Group's bank balances of RMB612,278,000 (2013: RMB628,031,000) are deposited with banks in the PRC. The remittance of these funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

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6.8至6.85厘(二零一三年：6.6至6.8厘)賺取利息。

(iii) 銀行結餘乃存放於近期並無違約記錄的有信譽銀行。現金及現金等價物及三個月以上定期存款的賬面值與其公平值相若。

(iv) 於二零一四年十二月三十一日，本集團銀行結餘人民幣612,278,000元(二零一三年：人民幣628,031,000元)乃存入中國的銀行。將該等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。

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	每股面值0.10港元之普通股		
At 31 December 2013 and 2014	於二零一三年及二零一四年十二月三十一日	10,000,000	1,000,000

24 SHARE CAPITAL *(Continued)*

24 股本(續)

		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	每股面值0.10港元之普通股			
At 1 January 2013	於二零一三年一月一日	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 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日	5,992,129	599,212	532,357
Shares issued under scrip dividend scheme	根據以股代息計劃發行之股份	3,763	377	299
At 31 December 2014	於二零一四年十二月三十一日	5,995,892	599,589	532,656

The following shares were issued to shareholders who elected scrip shares in lieu of cash dividend pursuant to the scrip dividend scheme in 2014 and 2013 respectively. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

以下為於二零一四年及二零一三年根據以股代息計劃發行予選擇收取代息股份替代現金股息的股東的股份。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 '000 千股	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 2014 as 2013 final scrip dividend	於二零一四年發行作為二零一三年末期代息股份	3,763	0.1898	299	269	568
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	0.2284	8,687	11,154	19,841

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 2013	於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 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日	201,704	108,651	16,730	(101,804)	225,281
Loss for the year	本年度虧損	–	–	–	(1,857)	(1,857)
2013 final dividend	二零一三年末期股息	(31,882)	–	–	–	(31,882)
Issue of shares under scrip dividend scheme	根據以股代息計劃發行之股份	269	–	–	–	269
At 31 December 2014	於二零一四年十二月三十一日	170,091	108,651	16,730	(103,661)	191,811

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。

26 DEFERRED TAX ASSETS

Deferred taxes assets 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.

26 遞延稅項資產

遞延稅項資產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。

26 DEFERRED TAX ASSETS *(Continued)*

26 遞延稅項資產*（續）*

The movements on deferred tax assets in respect of impairment of property, plant and equipment are as follows:

就物業、廠房及設備減值的遞延稅項資產的變動如下：

		Group 本集團 2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
At 1 January	於一月一日	**1,091**	1,254
Credited/(charged) to the profit or loss	計入損益╱（於損益扣除）	**21,446**	(163)
At 31 December	於十二月三十一日	**22,537**	1,091

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred tax assets of RMB1,396,000 (2013: RMB865,000) in respect of losses amounting to RMB8,461,080 (2013: RMB5,243,768) that can be carried forward indefinitely against future taxable income.

遞延稅項資產乃就稅項虧損結轉確認，惟以相關稅務利益可透過未來應課稅溢利實現在為限。本集團並無就人民幣8,461,080元（二零一三年：人民幣5,243,768元）可無限期結轉的虧損確認遞延稅項資產人民幣1,396,000元（二零一三年：人民幣865,000元）。

27 BORROWINGS

27 借款

		Group 本集團 2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 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 (note (i))	銀行借款，有抵押（附註(i)）	**90,000**	60,000
Bank borrowings, unsecured (note (i))	銀行借款，無抵押（附註(i)）	**190,000**	319,565
Government loan, unsecured (note (ii))	政府貸款，無抵押（附註(ii)）	**4,432**	7,091
		284,432	430,689
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	**(281,550)**	(426,921)
Non-current liabilities	非流動資產負債	**2,882**	3,768

Notes:

(i) At 31 December 2014, bank borrowings of RMB90,000,000 were secured by guarantee provided by a subsidiary of the Group. At 31 December 2013, bank borrowing of RMB60,000,000 was secured by pledged bank deposits of RMB10,000,000 (note 22).

(ii) 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 instalment commencing from 6 April 2009.

附註：

(i) 於二零一四年十二月三十一日，銀行借款人民幣90,000,000元以本集團一間附屬公司所提供擔保作抵押。於二零一三年十二月三十一日，銀行借款人民幣60,000,000元以人民幣10,000,000元的已抵押銀行存款作抵押（附註22）。

(ii) 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。

27 BORROWINGS *(Continued)*

27 借款(續)

At 31 December 2014 and 2013, the Group's borrowings were repayable as follows:

於二零一四年及二零一三年十二月三十一日，本集團的借款須於以下期間償還：

		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	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
Wholly repayable within 5 years	**須於五年內悉數償還**						
Within 1 year	一年內	**280,000**	423,598	**1,550**	3,323	**281,550**	426,921
Between 1 and 2 years	一年至兩年	**–**	–	**886**	886	**886**	886
Between 2 and 5 years	兩年至五年	**–**	–	**1,996**	2,659	**1,996**	2,659
		280,000	423,598	**4,432**	6,868	**284,432**	430,466
Wholly repayable after 5 years	**須於五年後悉數償還**	**–**	–	**–**	223	**–**	223
		280,000	423,598	**4,432**	7,091	**284,432**	430,689

The government loan was non-interest bearing. The cash advances for discounted bills and bank borrowings carried interest ranging from 5.7% to 6.1% (2013: 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5.7厘至6.1厘(二零一三年：5.3厘至6.3厘)的年利率計算利息。

27 BORROWINGS *(Continued)*

27 借款（續）

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

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：

		Group 本集團 2014 二零一四年 RMB'000 人民幣千元	Group 本集團 2013 二零一三年 RMB'000 人民幣千元
RMB	人民幣	**284,432**	351,124
US$	美元	**–**	79,565
		284,432	430,689

28 DEFERRED INCOME

28 遞延收入

		Group 本集團 Steam connection income 蒸汽接駁收入 RMB'000 人民幣千元	Group 本集團 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 2013	於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 (note 6)	年度攤銷（附註6）	(3,283)	(459)	(3,742)
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日	15,796	22,049	37,845
Amortisation for the year (note 6)	年度攤銷（附註6）	(3,319)	(459)	(3,778)
At 31 December 2014	於二零一四年十二月三十一日	12,477	21,590	34,067

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已收／應收客戶的款項。

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。

29 TRADE AND OTHER PAYABLES

29 貿易及其他應付款

		Group 本集團 2014 二零一四年 RMB'000 人民幣千元	Group 本集團 2013 二零一三年 RMB'000 人民幣千元	Company 本公司 2014 二零一四年 RMB'000 人民幣千元	Company 本公司 2013 二零一三年 RMB'000 人民幣千元
Trade payables	貿易應付款	**113,801**	89,784	**–**	–
Bills payables	應付票據	**10,692**	9,000	**–**	–
Total trade and bills payables	貿易應付款及應付票據總額	**124,493**	98,784	**–**	–
Advances from customers	客戶墊款	**51,813**	63,430	**–**	–
Deposits	訂金	**11,742**	11,458	**–**	–
Sales commission	銷售佣金	**2,358**	2,327	**–**	–
Other tax payables	其他應付稅項	**22,676**	16,129	**–**	–
Accrued expenses	應計費用	**13,170**	13,540	**1,146**	755
Payroll and welfare payables	應付薪金及福利	**6,709**	9,101	**–**	–
Payable for construction and equipment	建築及設備應付款	**230,328**	292,403	**–**	–
Others	其他	**2,320**	3,484	**–**	–
		341,116	411,872	**1,146**	755
		465,609	510,656	**1,146**	755

Included in trade payables is an amount due to non-controlling interests of RMB29,729,000 (2013: nil).

貿易應付款包括應付非控股股東權益的款項人民幣29,729,000元(二零一三年：無)。

As at 31 December 2014, bills payables are secured by bank acceptance bills of RMB4,692,000 (2013: RMB9,000,000) (note 21(b)) and pledged bank deposits of RMB6,000,000 (2013: nil) (note 22).

於二零一四年十二月三十一日，應付票據以人民幣4,692,000元(二零一三年：人民幣9,000,000元)的銀行承兑票據(附註21(b))及人民幣6,000,000元(二零一三年：無)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 2014 二零一四年 RMB'000 人民幣千元	Group 本集團 2013 二零一三年 RMB'000 人民幣千元	Company 本公司 2014 二零一四年 RMB'000 人民幣千元	Company 本公司 2013 二零一三年 RMB'000 人民幣千元
0–60 days	零至六十日	**77,520**	81,427	**–**	–
61–90 days	六十一至九十日	**22,963**	2,555	**–**	–
Over 90 days	九十日以上	**24,010**	14,802	**–**	–
		124,493	98,784	**–**	–

29 TRADE AND OTHER PAYABLES *(Continued)*

The average credit period on purchases is 80 days (2013: 80 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

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

29 貿易及其他應付款（續）

採購的平均信貸期為八十日（二零一三年：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。

貿易及其他應付款的賬面值以下列貨幣計值：

		Group 本集團		Company 本公司	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
RMB	人民幣	**448,774**	496,806	**–**	–
HK$	港元	**1,192**	809	**1,146**	755
US$	美元	**15,643**	13,041	**–**	–
		465,609	510,656	**1,146**	755

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 is 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後一個月內退還。

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	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	**2014 二零一四年 RMB'000 人民幣千元**	2013 二零一三年 RMB'000 人民幣千元
No later than 1 year	一年內	**814**	834	**492**	488
Later than 1 year and no later than 5 years	一年後及五年內	**743**	1,188	**369**	854
Later than 5 years	五年之後	**452**	–	**–**	–
		2,009	2,022	**861**	1,342

(b) Commitments in respect of capital expenditure

(b) 資本開支承擔

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 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	**101,668**	296,800
— prepaid lease payments	— 預付租賃款	**38,160**	18,820
		139,828	315,620
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	**145,661**	210,226

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 2014 and 2013, no options have been granted under the Share Option Scheme.

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%。

於二零一四年及二零一三年十二月三十一日，概無根據購股權計劃授出任何購股權。

33 RELATED PARTY TRANSACTIONS

33 關連方交易

The Group entered into the following material transactions with related parties which are not regarded as connected transactions as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:

本集團已與關連方進行下列按香港聯合交易所有限公司證券上市規則的定義不會被視作關連交易之重大交易：

(i) Transactions with related parties

(i) 與關連方進行之交易

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Purchase of electricity and steam from non-controlling interests	自非控股股東權益購買電力和蒸汽	**68,331**	75,225
Provision of staffing and staff messing services to non-controlling interests	向非控股股東權益提供人力資源及員工伙食服務	**1,029**	2,946
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汽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

(ii) 主要管理層的報酬

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Short-term benefits	短期福利	**1,489**	3,489
Retirement benefit scheme contributions	退休福利計劃供款	**106**	94
		1,595	3,583

(iii) Balances with a related party

(iii) 與關連方的結餘

		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 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	**7,683**	11,833
Amount due to non-controlling interests	應付非控股股東權益的款項	**(29,729)**	–

The balances are 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。

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