

2016

INTERIM REPORT

中期報告



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

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

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公司資料 Corporate Information

董事會

執行董事

高峰先生 (主席)
郭希田先生 (總經理)
劉洪亮先生
王子江先生

獨立非執行董事

高寶玉先生
梁錦雲先生
劉晨光先生

董事會委員會

審核委員會

梁錦雲先生 (主席)
高寶玉先生
劉晨光先生

薪酬委員會

劉晨光先生 (主席)
高寶玉先生
梁錦雲先生
高峰先生 (於二零一六年
七月一日獲委任)
劉洪亮先生 (於二零一六年
七月一日辭任)

提名委員會

高峰先生 (主席) (於二零一六年
七月一日獲委任為主席)
梁錦雲先生
劉晨光先生
劉洪亮先生 (於二零一六年
七月一日辭任主席)

安全及環保委員會

郭希田先生 (主席)
高寶玉先生
孫振民先生

BOARD OF DIRECTORS

Executive Directors

Mr. Gao Feng (Chairman)
Mr. Guo Xitian (General manager)
Mr. Liu Hongliang
Mr. Wang Zijiang

Independent Non-Executive Directors

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

BOARD COMMITTEES

Audit Committee

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

Remuneration Committee

Mr. Liu Chenguang (Chairman)
Mr. Gao Baoyu
Mr. Leung Kam Wan
Mr. Gao Feng (appointed on 1 July 2016)
Mr. Liu Hongliang (resigned on 1 July 2016)

Nomination Committee

Mr. Gao Feng (Chairman) (appointed as a
chairman on 1 July 2016)
Mr. Leung Kam Wan
Mr. Liu Chenguang
Mr. Liu Hongliang (resigned as a chairman
on 1 July 2016)

Safety and Environmental Protection Committee

Mr. Guo Xitian (Chairman)
Mr. Gao Baoyu
Mr. Sun Zhenmin

公司資料 Corporate Information

公司秘書

劉偉珍女士

COMPANY SECRETARY

Ms. Lau Wai Chun

獨立核數師

香港立信德豪會計師事務所
有限公司

INDEPENDENT AUDITOR

BDO Limited

主要往來銀行

中國銀行(香港)有限公司
中國農業銀行股份有限公司
濰坊高新技術產業開發區支行
中國建設銀行股份有限公司
濰坊市分行

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Agricultural Bank of China, Weifang High
Tech Industry Development Zone Branch
China Construction Bank, Weifang Branch

香港股份過戶登記處

香港中央證券登記有限公司

香港
灣仔
皇后大道東 183 號合和中心
17 字樓 1712-1716 室

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註冊辦事處

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Cayman Islands

REGISTERED OFFICE

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Cayman Islands

香港主要營業地點

香港
中環夏慤道 12 號
美國銀行中心
22 字樓 2204A 室

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

公司資料 Corporate Information

總辦事處及
中華人民共和國（「中國」）
主要營業地點

中國
山東省
濰坊市
濰坊高新技術產業開發區

公司網址

www.tdchem.com

股份代號

香港聯合交易所有限公司
（「聯交所」）：609

投資者關係

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

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

COMPANY WEBSITE

www.tdchem.com

STOCK CODE

The Stock Exchange of Hong Kong Limited
(the "Stock Exchange"): 609

INVESTOR RELATIONS

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簡明綜合收益表

Condensed Consolidated Income Statement

		截至六月三十日止六個月 Six months ended 30 June		
			二零一六年 2016	二零一五年 2015
		附註 Notes	人民幣千元 RMB'000 (未經審核) (Unaudited)	人民幣千元 RMB'000 (未經審核) (Unaudited)
營業額	Revenue	4	595,541	584,237
銷貨成本	Cost of sales		(391,236)	(420,577)
毛利	Gross profit		204,305	163,660
其他收入	Other income	4	6,291	6,259
銷售開支	Selling expenses		(22,140)	(18,283)
行政及其他營運開支	Administrative and other operating expenses		(21,985)	(20,545)
財務成本	Finance costs	5	(382)	(355)
衍生金融工具的 公平值收益	Fair value gain on derivative financial instruments		1,544	511
應佔一家合營公司 虧損	Share of loss of a joint venture		(2,307)	(2,993)
除所得稅前溢利	Profit before income tax	6	165,326	128,254
所得稅開支	Income tax expense	7	(49,373)	(35,640)
本期溢利	Profit for the period		115,953	92,614
應佔本期溢利：	Profit for the period attributable to:			
本公司擁有人	Owners of the Company		115,953	92,614
非控制權益	Non-controlling interests		–	–
			115,953	92,614
就計算本公司擁 有人應佔本期溢 利而言之每股盈利	Earnings per share for profit attributable to owners of the Company for the period	9		
– 基本及攤薄	– Basic and diluted		人民幣0.137元 RMB0.137	人民幣0.109元 RMB0.109

簡明綜合全面收益表

Condensed Consolidated Statement of Comprehensive Income

截至六月三十日止六個月
Six months ended 30 June

		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
本期溢利	Profit for the period	115,953	92,614
其他全面收益 其後可能重新分類 至收益表之項目：	Other comprehensive income Items that may be reclassified subsequently to the income statement:		
- 換算海外業務財 務報表產生之匯 兌收益／(虧損)	- Exchange gain/(loss) on translation of financial statements of foreign operations	243	(1,090)
本期其他全面收益	Other comprehensive income for the period	243	(1,090)
本期全面收益總額	Total comprehensive income for the period	116,196	91,524
應佔本期全面收益 總額：	Total comprehensive income attributable to:		
本公司擁有人	Owners of the Company	116,196	91,524
非控制權益	Non-controlling interests	-	-
		116,196	91,524

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

		二零一六年 六月三十日 30 June 2016	二零一五年 十二月三十一日 31 December 2015
	附註 Notes	人民幣千元 RMB'000 (未經審核) (Unaudited)	人民幣千元 RMB'000 (經審核) (Audited)
資產與負債			
非流動資產			
物業、廠房及設備	10	586,294	601,933
預付土地租賃款項		49,475	50,122
投資物業		15,730	15,730
購買物業、廠房及 設備之已付訂金		7,174	3,876
於一家合營公司之 權益		27,647	31,576
應收財務租賃款項		13,015	13,413
遞延稅項資產		2,565	2,422
		701,900	719,072
流動資產			
存貨		106,481	96,301
貿易應收賬及 應收票據	11	431,502	394,631
預付款項及 其他應收款項	12	15,208	13,758
應收一家合營公司 款項		45,938	40,546
應收財務租賃款項		797	797
已抵押銀行存款		3,043	–
銀行與現金結餘		172,473	117,661
		775,442	663,694

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

			二零一六年 六月三十日 30 June 2016 人民幣千元 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 (經審核) (Audited)
流動負債	Current liabilities			
貿易應付賬	Trade payables	13	34,454	23,176
應付未付賬款及 其他應付款項	Accruals and other payables	14	79,368	102,556
銀行借款	Bank borrowings		72,391	32,072
流動稅項負債	Current tax liabilities		23,499	19,780
			209,712	177,584
流動資產淨值	Net current assets		565,730	486,110
總資產減流動負債	Total assets less current liabilities		1,267,630	1,205,182
非流動負債	Non-current liabilities			
遞延收入	Deferred income		10,541	12,361
遞延稅項負債	Deferred tax liabilities		9,523	7,496
衍生金融工具	Derivative financial instruments		5,781	7,325
			25,845	27,182
資產淨值	Net assets		1,241,785	1,178,000
權益	EQUITY			
股本	Share capital	15	7,786	7,786
儲備	Reserves		1,233,997	1,170,214
本公司擁有人 應佔權益	Equity attributable to owners of the Company		1,241,783	1,178,000
非控制權益	Non-controlling interests		2	–
總權益	Total equity		1,241,785	1,178,000

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

截至六月三十日止六個月
Six months ended 30 June

		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
經營業務產生之 現金淨額	Net cash generated from operating activities	117,437	91,037
投資業務產生之 現金流量	Cash flows from investing activities		
購買物業、廠房及 設備	Purchases of property, plant and equipment	(46,359)	(54,876)
興建物業、廠房及 設備之政府補貼	Government grant for construction of property, plant and equipment	–	500
已抵押銀行存款增加	Increase in pledged bank deposits	(3,043)	–
已收利息	Interest received	701	855
合營公司償還貸款	Repayments of loan from a joint venture	373	–
投資業務所用之 現金淨額	Net cash used in investing activities	(48,328)	(53,521)
融資業務產生之 現金流量	Cash flows from financing activities		
已付股息	Dividend paid	(54,293)	(30,610)
已付利息	Interest paid	(359)	(339)
償還銀行借款	Repayments of bank borrowings	(14,492)	–
新增銀行借款	New bank borrowings raised	54,293	30,450
非控股股東出資	Capital contribution by non-controlling shareholder	2	–
融資業務所用之 現金淨額	Net cash used in financing activities	(14,849)	(499)

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

截至六月三十日止六個月
Six months ended 30 June

		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
現金及現金等值 項目增加淨額	Net increase in cash and cash equivalents	54,260	37,017
期初之現金及 現金等值項目	Cash and cash equivalents at the beginning of the period	117,661	62,942
外匯匯率變動之影響	Effect of foreign exchange rate changes	552	(1,095)
期終之現金及 現金等值項目	Cash and cash equivalents at the end of the period	172,473	98,864
現金及現金等值 項目結餘分析 銀行與現金結餘	Analysis of balances of cash and cash equivalents Bank and cash balances	172,473	98,864

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

	未經審核 Unaudited										
	本公司歸有入應佔權益 Equity attributable to owners of the Company										
	股本	股份溢價	特別儲備	盈餘公積金	物業估 值儲備	公益金	外幣匯 兌儲備	購置 物業	保留溢利	總額	非控制 權益
Share capital 人民幣千元 RMB'000	Share premium 人民幣千元 RMB'000	Special reserve 人民幣千元 RMB'000	Surplus reserve fund 人民幣千元 RMB'000	Property revaluation reserve 人民幣千元 RMB'000	Public welfare fund 人民幣千元 RMB'000	Foreign currency translation reserve 人民幣千元 RMB'000	Share option reserve 人民幣千元 RMB'000	Retained profits 人民幣千元 RMB'000	Total 人民幣千元 RMB'000	Non- controlling interests 人民幣千元 RMB'000	Total equity 人民幣千元 RMB'000
於二零一六年一月一日之結餘	7,786	106,333	31,182	68,338	1,653	633	(5,814)	2,736	965,153	-	1,178,000
附屬公司以股份支付之 新集團支	-	-	-	-	-	-	-	1,880	-	-	1,880
非控制股東出資	-	-	-	-	-	-	-	-	-	2	2
已付二零一五年末期股息 (附註8)	-	-	-	-	-	-	-	-	(54,293)	-	(54,293)
與擁有人交易	-	-	-	-	-	-	-	1,880	(54,293)	2	(52,413)
本期溢利	-	-	-	-	-	-	-	-	115,953	-	115,953
其他全面收益	-	-	-	-	-	-	-	-	-	-	-
與境外財務機構採表 產生之匯兌收益	-	-	-	-	-	-	243	-	-	-	243
歸內全年度溢利	-	-	-	-	-	-	243	-	115,953	-	116,196
於二零一六年六月三十日 之結餘	7,786	106,333	31,182	68,338	1,653	633	(5,571)	4,616	1,026,813	2	1,241,785

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

	股本	股份溢價	特別儲備	盈餘公積金	未經審核 Unaudited 物業重估 儲備	公益金	外幣匯兌 儲備	保留溢利	總額
	Share capital 人民幣千元 RMB'000	Share premium 人民幣千元 RMB'000	Special reserve 人民幣千元 RMB'000	Surplus reserve fund 人民幣千元 RMB'000	Property revaluation reserve 人民幣千元 RMB'000	Public welfare fund 人民幣千元 RMB'000	Foreign currency translation reserve 人民幣千元 RMB'000	Retained profits 人民幣千元 RMB'000	Total 人民幣千元 RMB'000
於二零一五年一月一日 之結餘	7,786	106,333	31,182	67,040	1,653	633	(2,304)	842,094	1,054,417
已付二零一四年末期股息 (附註8)	-	-	-	-	-	-	-	(30,610)	(30,610)
與擁有人交易	-	-	-	-	-	-	-	(30,610)	(30,610)
本期溢利	-	-	-	-	-	-	-	92,614	92,614
其他全面收益	-	-	-	-	-	-	-	-	-
換算海外業務財務報表 產生之匯兌虧損	-	-	-	-	-	-	(1,090)	-	(1,090)
期內全面收益總額	-	-	-	-	-	-	(1,090)	92,614	(1,090)
於二零一五年六月三十日 之結餘	7,786	106,333	31,182	67,040	1,653	633	(3,394)	904,098	1,115,331

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

1. 一般資料及編製基準

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

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

本公司董事（「董事」）認為本集團最終控股公司為在英屬處女群島註冊成立之志峰集團有限公司。

截至二零一六年六月三十日止六個月之未經審核簡明綜合中期財務報表（「未經審核簡明財務資料」）乃按香港會計師公會（「香港會計師公會」）刊發之香港會計準則（「香港會計準則」）第34號「中期財務報告」及聯交所證券上市規則（「上市規則」）附錄十六之適用披露規定而編製。

1. General information and basis of preparation

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

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

The directors of the Company (the "Directors") consider the ultimate holding company of the Group to be Cheerhill Group Limited, a company incorporated in the British Virgin Islands.

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2016 (the "Unaudited Condensed Financial Information") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

1. 一般資料及編製基準 (續)

未經審核簡明財務資料並未包括規定須載於年度財務報表的所有資料及披露事項，並應與本集團截至二零一五年十二月三十一日止年度之年度財務報表（「二零一五年度財務報表」）一併閱讀。

除採納新訂或經修訂香港財務報告準則（「香港財務報告準則」）（包括所有由香港會計師公會刊發並適用之個別香港財務報告準則（「香港財務報告準則」）、香港會計準則及詮釋）外，編製未經審核簡明財務資料時所採納之會計政策與編製二零一五年度財務報表時所依循者一致。

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

未經審核簡明財務資料已於二零一六年八月二十五日獲董事會（「董事會」）批准刊發。

1. General information and basis of preparation (Continued)

The Unaudited Condensed Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2015 (the "2015 Annual Financial Statements").

The Unaudited Condensed Financial Information has been prepared in accordance with the same accounting policies adopted in the 2015 Annual Financial Statements, except for the adoption of the new or revised Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards and Interpretations issued by the HKICPA.

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

The Unaudited Condensed Financial Information has been approved for issue by the board of the Directors (the "Board") on 25 August 2016.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

2. 採納新訂或經修訂香港財務報告準則

於本期內，本集團首次應用由香港會計師公會刊發之以下新準則、修訂本及詮釋，以上各項均適用於及對二零一六年一月一日開始之年度期間之本集團財務報表有效。

香港財務報告準則二零一二年至二零一四年週期之年度改進

香港會計準則第1號修訂 – 披露計劃

採納該等新訂或經修訂香港財務報告準則並無改變本集團編製二零一五年度財務報表時所依循之會計政策。

本集團並無提早採納已頒佈但尚未生效的新訂或經修訂香港財務報告準則，且未能說明該等新訂或經修訂香港財務報告準則會否導致本集團的會計政策出現重大變動及對本集團之業績及財務狀況構成重大影響。

2. Adoption of new or amended HKFRSs

In the current period, the Group has applied for the first time the following new standards, amendments and interpretations issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2016.

Annual Improvements to HKFRSs 2012-2014 Cycle

Amendments to HKAS 1 – Disclosure Initiative

The adoption of these new or amended HKFRSs did not change the Group's accounting policies as followed in the preparation of the 2015 Annual Financial Statements.

The Group has not early adopted the new or amended HKFRSs that have been issued but are not yet effective and is not yet in a position to state whether these new or amended HKFRSs will result in substantial changes to the Group's accounting policies and material impact on the results and the financial position of the Group.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

3. 分部資料

本集團按產品及服務類別管理其業務。截至二零一六年六月三十日止六個月，本集團已確定以下四個產品及服務類別為經營分部：

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

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

3. Segment information

The Group manages its businesses by product and service lines. For the six months ended 30 June 2016, the Group has identified the following four product and service lines as its operating segments:

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

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

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

3. 分部資料 (續)

3. Segment information (Continued)

		截至二零一六年六月三十日止六個月 Six months ended 30 June 2016				
		氰基化合物 及其下游產品 Cyanide and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	醇類產品 Alcohol products 人民幣千元 RMB'000 (未經審核) (Unaudited)	氯乙酸及 其下游產品 Chloroacetic acid and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	其他 化工產品 Other chemical products 人民幣千元 RMB'000 (未經審核) (Unaudited)	總額 Total 人民幣千元 RMB'000 (未經審核) (Unaudited)
收益：	Revenue:					
來自外界客戶	From external customers	558,533	13,809	9,305	13,894	595,541
分部間之收益	Inter-segment revenue	-	545	132,272	-	132,817
可呈報分部之收益	Reportable segment revenue	558,533	14,354	141,577	13,894	728,358
可呈報分部之溢利	Reportable segment profit	182,714	1,265	66,850	5,693	256,522
可呈報分部之資產	Reportable segment assets	831,700	7,975	75,447	79,264	994,386

		截至二零一五年六月三十日止六個月 Six months ended 30 June 2015				
		氰基化合物及 其下游產品 Cyanide and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	醇類產品 Alcohol products 人民幣千元 RMB'000 (未經審核) (Unaudited)	氯乙酸及 其下游產品 Chloroacetic acid and its derivative products 人民幣千元 RMB'000 (未經審核) (Unaudited)	其他 化工產品 Other chemical products 人民幣千元 RMB'000 (未經審核) (Unaudited)	總額 Total 人民幣千元 RMB'000 (未經審核) (Unaudited)
收益：	Revenue:					
來自外界客戶	From external customers	510,623	49,977	14,664	8,973	584,237
分部間之收益	Inter-segment revenue	-	8,492	88,666	405	97,563
可呈報分部之收益	Reportable segment revenue	510,623	58,469	103,330	9,378	681,800
可呈報分部之溢利	Reportable segment profit	137,534	4,253	17,540	3,455	162,782
可呈報分部之資產	Reportable segment assets	723,929	18,058	87,798	80,777	910,562

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

3. 分部資料 (續)

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

3. Segment information (Continued)

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

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
可呈報分部之收益	Reportable segment revenue	728,358	681,800
抵銷分部間之收益	Elimination of inter-segment revenue	(132,817)	(97,563)
綜合收益	Consolidated revenue	595,541	584,237

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
可呈報分部之溢利	Reportable segment profit	256,522	162,782
租金收入	Rental income	388	362
財務成本	Finance costs	(382)	(355)
股權結算以股份 支付之款項開支	Equity-settled share-based payment expenses	(1,880)	-
不能分配之企業 收入	Unallocated corporate income	2,471	3,506
不能分配之企業 開支	Unallocated corporate expenses	(23,196)	(21,242)
衍生金融工具的 公平值收益	Fair value gain on derivative financial instruments	1,544	511
應佔一家合營公司 虧損	Share of loss of a joint venture	(2,307)	(2,993)
抵銷分部間之 溢利	Elimination of inter-segment profit	(67,834)	(14,317)
除所得稅前綜合 溢利	Consolidated profit before income tax	165,326	128,254

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

4. 營業額及其他收入

本集團營業額為本集團主要業務之收益，而營業額及在期內已確認之其他收入如下：

4. Revenue and other income

Revenue from the Group's principal activities and other income recognised during the period are as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
營業額	Revenue		
銷售氰基化合物及其下游產品	Sales of cyanide and its derivative products	558,533	510,623
銷售醇類產品	Sales of alcohol products	13,809	49,977
銷售氯乙酸及其下游產品	Sales of chloroacetic acid and its derivative products	9,305	14,664
銷售其他化工產品	Sales of other chemical products	13,894	8,973
		595,541	584,237
其他收入	Other income		
政府補貼	Government grants	402	51
銀行利息收入	Bank interest income	701	855
合營公司利息收入	Interest income from a joint venture	540	493
財務租賃利息收入	Interest income from finance lease	506	534
遞延收入撥回	Release of deferred income	1,820	1,370
租金收入	Rental income	388	362
淨匯兌收益	Exchange gains, net	1,479	2,470
雜項收入	Sundry income	455	124
		6,291	6,259

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

5. 財務成本

5. Finance costs

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
銀行貸款利息	Interest on bank loans	382	355

6. 除所得稅前溢利

6. Profit before income tax

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
除所得稅前溢利已扣除／(計入)：	Profit before income tax is arrived at after charging/(crediting):		
董事酬金	Directors' remuneration		
– 袍金	– Fees	159	151
– 薪金、酌情花紅及其他福利	– Salaries, discretionary bonus and other benefits	1,930	1,882
– 退休福利計劃供款	– Retirement benefit scheme contributions	54	50
		2,143	2,083
其他僱員成本	Other employee costs	43,645	37,471
股權結算以股份支付之款項開支	Equity-settled share-based payment expenses	1,880	–
退休福利計劃供款	Retirement benefit scheme contributions	2,879	2,491
總僱員成本	Total employee costs	50,547	42,045

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

6. 除所得稅前溢利 (續)

6. Profit before income tax (Continued)

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	647	647
確認為開支之存貨成本(附註i), 包括	Cost of inventories recognised as an expense (note i), including	382,652	412,115
- 撇減至可變現淨值之存貨價值之回撥金額	- Reversal of write-down of inventories to net realisable value	(7)	(41)
- 撇減至可變現淨值之存貨價值之金額	- Write-down of inventories to net realisable value	794	-
物業、廠房及設備之折舊	Depreciation on property, plant and equipment	38,418	33,604
淨匯兌收益	Exchange gains, net	(1,479)	(2,470)
貿易應收款減值虧損	Impairment loss on trade receivables	-	1,500
有關租賃土地及樓宇的經營租賃的最低租賃款項	Minimum lease payments under operating leases in respect of leasehold land and buildings	456	443
租金收入減支出	Rental income less outgoing	(384)	(358)
研究成本(附註ii)	Research costs (note ii)	942	2,827

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

6. 除所得稅前溢利 (續)

附註：

- (i) 已確認為開支的存貨成本包括人民幣37,069,000元(截至二零一五年六月三十日止六個月：人民幣32,343,000元)之相關折舊開支及人民幣37,142,000元(截至二零一五年六月三十日止六個月：人民幣32,188,000元)之相關員工成本。該等金額亦包括在上文各自獨立披露的總金額內。

存貨之撇減金額為人民幣7,000元(截至二零一五年六月三十日止六個月：人民幣41,000元)已回撥，原因是有關存貨的市場價格在期內上升。

- (ii) 研究成本包括人民幣345,000元(截至二零一五年六月三十日止六個月：人民幣240,000元)之相關折舊開支及人民幣238,000元(截至二零一五年六月三十日止六個月：人民幣2,379,000元)之相關員工成本。該等金額亦包括在上文各自獨立披露的總金額內。

6. Profit before income tax (Continued)

Notes:

- (i) Cost of inventories recognised as an expense includes RMB37,069,000 (six months ended 30 June 2015: RMB32,343,000) relating to depreciation expenses and RMB37,142,000 (six months ended 30 June 2015: RMB32,188,000) relating to staff costs. These amounts are also included in the respective total amounts disclosed separately above.

The write-down of inventories of RMB7,000 (six months ended 30 June 2015: RMB41,000) was reversed as the market price of these inventories was increased during the period.

- (ii) Research costs include RMB345,000 (six months ended 30 June 2015: RMB240,000) relating to depreciation expenses and RMB238,000 (six months ended 30 June 2015: RMB2,379,000) relating to staff costs. These amounts are also included in the respective total amounts disclosed separately above.

7. 所得稅開支

7. Income tax expense

截至六月三十日止六個月
Six months ended 30 June

	二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
即期稅項 — 中國企業所得稅	Current tax – PRC Enterprise Income Tax	
– 期內稅項	– Tax for the period	45,193
– 中國股息預提稅	– PRC dividend withholding tax	2,297
		33,939
		1,800
		47,490
遞延稅項	Deferred tax	1,883
		(99)
		35,739
		49,373
		35,640

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

7. 所得稅開支 (續)

由於本集團之收入並非在香港產生或來自香港，故並無作出香港利得稅撥備（截至二零一五年六月三十日止六個月：無）。

期內，在中國成立的附屬公司須按中國企業所得稅稅率25%（截至二零一五年六月三十日止六個月：25%）繳納中國企業所得稅。

於截至二零一六年六月三十日止期間內，本集團已就中國預提稅採納10%的預提稅稅率。

濰坊濱海石油化工有限公司獲得政府補貼，以津貼為生產高純度異丁烯、聚異丁烯及氯乙酸而興建之生產線及配套設施，有關補貼已於二零零六年確認為遞延收入。由於興建工程於二零零七年十二月三十一日當日經已完成，故遞延收入已開始按照有關資產之可使用年期撥往損益。有關收入於撥往損益之期間須予課稅。

7. Income tax expense (Continued)

No provision for Hong Kong profits tax has been made as the Group's income neither arises in nor derives from Hong Kong (six months ended 30 June 2015: Nil).

The subsidiaries established in the PRC are subject to PRC Enterprise Income Tax at the rate of 25% for the period (six months ended 30 June 2015: 25%).

The Group has adopted the 10% withholding tax rate for PRC withholding tax purposes during the period ended 30 June 2016.

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

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

9. 每股盈利

本公司擁有人應佔之每股基本及攤薄盈利乃根據以下數據計算：

9. Earnings per share

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

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
本期溢利	Profit for the period	115,953	92,614

		普通股數目 Number of ordinary shares 截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 千股 '000 shares (未經審核) (Unaudited)	二零一五年 2015 千股 '000 shares (未經審核) (Unaudited)
計算每股基本及攤薄盈利之普通股加權平均數	Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	846,878	846,878

截至二零一六年六月三十日止六個月，由於本公司購股權的行使價高於股份市場平均價格，本公司擁有人之每股攤薄盈利並未呈報。截至二零一五年六月三十日止六個月並無潛在攤薄普通股。

For the six months ended 30 June 2016, diluted earnings per share attributable to owners of the Company were not presented because the exercise price of the Company's share options was higher than the average market price for shares. There were no dilutive potential ordinary shares for the six months ended 30 June 2015.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

10. 物業、廠房及設備

於截至二零一六年六月三十日止六個月內，本集團購入約人民幣22,800,000元（截至二零一五年六月三十日止六個月：人民幣52,100,000元）之物業、廠房及設備。

10. Property, plant and equipment

During the six months ended 30 June 2016, the Group acquired property, plant and equipment of approximately RMB22.8 million (six months ended 30 June 2015: RMB52.1 million).

11. 貿易應收賬及應收票據

11. Trade and bills receivable

		二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)
貿易應收賬	Trade receivables	195,056	159,804
應收票據	Bills receivable	236,446	234,827
		431,502	394,631

本集團給予貿易客戶之信貸期一般介乎一個月至六個月不等（二零一五年十二月三十一日：一個月至六個月）。應收票據為不計息之銀行承兌票據，並於發行後一年內期滿。每位客戶均有最高信貸限額。本集團致力對應收賬款結欠作嚴謹之控制。管理層會定期檢討過期欠款。

The Group allows a credit period normally ranging from one month to six months to its trade customers (31 December 2015: one month to six months). Bills receivable are non-interest bearing bank acceptance bills and aged within a year upon issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

11. 貿易應收賬及應收票據 (續)

於報告日期，貿易應收賬及應收票據按發票日期所作之賬齡分析如下：

		二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)
0至90日	0 to 90 days	308,730	286,100
91至180日	91 to 180 days	115,702	99,479
181至365日	181 to 365 days	5,956	8,643
超過365日	Over 365 days	1,114	409
		431,502	394,631

期內貿易應收賬的減值虧損對賬表如下：

11. Trade and bills receivable (Continued)

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

The below table reconciled the impairment loss of trade receivable for the period:

		二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)
於一月一日	At 1 January	3,232	–
已確認減值虧損	Impairment loss recognised	–	3,232
於二零一六年 六月三十日/ 二零一五年 十二月三十一日	At 30 June 2016/ 31 December 2015	3,232	3,232

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

11. 貿易應收賬及應收票據 (續)

貿易應收賬及應收票據與多名來自不同層面的客戶有關，而彼等最近並無拖欠記錄。根據過往的信貸政策，管理層相信，由於信貸質素並無重大變動而結欠仍視作可全數收回，因此毋須為該等結欠作出進一步減值撥備。本集團並無就已逾期未付惟並無減值之貿易應收賬持有任何抵押品。

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

11. Trade and bills receivable (Continued)

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

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

12. 預付款項及其他應收款項

12. Prepayments and other receivables

	二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)	
預付供應商墊款	Advanced to the suppliers	9,462	9,539
預付款項	Prepayments	2,796	1,282
其他應收賬款	Other receivables	1,657	1,644
預付土地租賃款項 – 流動部分	Prepaid land lease payments – current portion	1,293	1,293
	15,208	13,758	

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

13. 貿易應付賬

本集團獲其供應商給予的信貸期介乎30至180日不等(二零一五年十二月三十一日:30至180日)。於報告日期,貿易應付賬按發票日期所作之賬齡分析如下:

13. Trade payables

The Group was granted by its suppliers credit periods ranging from 30 to 180 days (31 December 2015: 30 to 180 days). Ageing analysis of trade payable at the reporting date, based on the invoice date, is as follows:

		二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)
0至90日	0 to 90 days	32,115	21,659
91至180日	91 to 180 days	1,481	199
181至365日	181 to 365 days	103	831
超過365日	Over 365 days	755	487
		34,454	23,176

所有款額均屬短期,故貿易應付賬之賬面值與公平值相若,乃視作合理。

All amounts are short term and hence the carrying amounts of trade payables are considered to be a reasonable approximation of fair values.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

14. 應付未付賬款及其他應付款項

14. Accruals and other payables

		二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)
就收購物業、廠房 及設備之應付 款項	Payables for acquisition of property, plant and equipment	30,834	51,117
預收客戶款項	Advanced from the customers	2,295	6,886
應付未付賬款	Accrued expenses	8,542	6,800
應付工資及福利 款項	Wages and welfare payables	4,750	6,330
其他應付稅項	Other tax payables	5,844	7,701
其他應付款項	Other payables	23,463	20,082
遞延收入 – 流動部分	Deferred income – current portion	3,640	3,640
		79,368	102,556

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

15. 股本

15. Share capital

		金額 Amount	
		港幣千元	人民幣千元
		HK\$'000	RMB'000
		普通股數目 Number of ordinary shares	
法定： 每股面值港幣0.01元普通股	Authorised: Ordinary shares of HK\$0.01 each		
於二零一五年一月一日、 二零一五年十二月三十一日、 二零一六年一月一日及 二零一六年六月三十日 (未經審核)	As at 1 January 2015, 31 December 2015, 1 January 2016 and 30 June 2016 (Unaudited)	100,000,000,000	1,000,000
已發行及繳足： 每股面值港幣0.01元普通股	Issued and fully paid: Ordinary shares of HK\$0.01 each		
於二零一五年一月一日、 二零一五年十二月三十一日、 二零一六年一月一日及 二零一六年六月三十日 (未經審核)	As at 1 January 2015, 31 December 2015, 1 January 2016 and 30 June 2016 (Unaudited)	846,878,000	8,468 7,786

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

16. 承擔

於報告日期，本集團之承擔如下：

16. Commitments

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

	二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)	
有關收購物業、 廠房及設備的 承擔	Commitments for acquisition of property, plant and equipment	133,498	99,209
向一家合營公司借 出的股東貸款 (附註)	Shareholder's loans to a joint venture (note)	61,249	58,926
	194,747	158,135	

附註：根據於二零一一年六月三十日簽署之合營協議所載條款及條件，本公司同意按本公司於合營公司德高投資控股有限公司（「德高投資」）所持之55%股權向德高投資借出股東貸款，金額為11,880,000歐元。截至二零一六年六月三十日，本集團已向德高投資借出股東貸款3,575,000歐元（約為人民幣30,048,000元）。因此，本集團承諾向德高投資作出的股東貸款餘額為8,305,000歐元（約為人民幣61,249,000元）。

Note: The Company agrees to make shareholder's loans of EURO11,880,000 to a joint venture, Dekel Investment Holdings Limited ("Dekel Investment") in accordance with 55% shareholding of the Company in Dekel Investment, which is subject to the terms and conditions set out in the joint venture agreement dated 30 June 2011. As at 30 June 2016, the Group made a shareholder's loan of EURO3,575,000 (approximately RMB30,048,000) to Dekel Investment and therefore, the Group is committed to make the remaining balance of a shareholder's loan of EURO8,305,000 (approximately RMB61,249,000) to Dekel Investment accordingly.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

17. 以股份支付之款項

本公司於二零零六年十月四日採納及批准一項購股權計劃（「二零零六年購股權計劃」），並於二零一六年五月二十日批准及採納另一項購股權計劃（「二零一六年購股權計劃」），旨在獎勵及酬謝對本集團之卓越成就作出貢獻之各方，包括本集團任何成員公司或聯營公司之董事、合資格僱員、供應商、客戶、股東或彼等各自之聯繫人或本集團之顧問或諮詢人。二零零六年購股權計劃由二零零六年十月四日起生效，有效期十年。根據二零零六年購股權計劃可授出最多40,000,000份購股權，賦予其持有人權利認購最多40,000,000股股份。二零零六年購股權計劃已於二零一六年五月二十日終止。已授出但未行使之股權則按照二零零六年購股權計劃之條款繼續有效及可予行使。於二零一六年六月三十日，二零零六年購股權計劃已授出但尚未行使之購股權所涉及股份數目為16,280,000股（二零一五年十二月三十一日：16,940,000股），相當於該日期本公司已發行股本之2.0%。二零一六年購股權計劃由二零一六年五月二十日起生效，有效期十年。根據二零一六年購股權計劃可授出最多84,687,800份購股權，賦予其持有人權利認購最多84,687,800股股份。期內，並無根據二零一六年購股權計劃授出購股權。

17. Share-based payments

The Company has approved and adopted share option schemes on 4 October 2006 (the “2006 Share Option Scheme”) and 20 May 2016 (the “2016 Share Option Scheme”) for the purpose of providing incentives and rewards to the Directors, eligible employees, suppliers, customers, any shareholder of each member of the Group or associated company or any of their respective associates, and advisers or consultants of the Group who contribute to the success of the Group. The 2006 Share Option Scheme has become effective for a period of 10 years commencing on 4 October 2006 and up to 40,000,000 options entitling the holders thereof to subscribe for up to 40,000,000 shares may be granted under the 2006 Share Option Scheme, which was terminated on 20 May 2016. The granted outstanding options continue to be valid and exercisable in accordance with the terms of the 2006 Share Option Scheme. As at 30 June 2016, the number of shares in respect of which options had been granted and remained outstanding under the 2006 Share Option Scheme was 16,280,000 (31 December 2015: 16,940,000), representing 2.0% of the issued share capital of the Company at the date. The 2016 Share Option Scheme has become effective for a period of 10 years commencing on 20 May 2016 and up to 84,687,800 option entitling the holders thereof to subscribe for up to 84,687,800 shares may be granted under the 2016 Share Option Scheme. During the period, there was no share option granted under the 2016 Share Option Scheme.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

17. 以股份支付之款項 (續)

特定類別之購股權詳情刊載如下：

承授人類別 Category of grantee	授出日期 Date of grant	歸屬日期 Vesting date	行使期間 Exercise period	行使價 Exercise price	購股權數目 Number of share options
施惠芳女士 (附註)	二零一五年 七月十日	二零一六年 七月十日	二零一六年 七月十日至 二零二三年 七月九日	港幣 1.45 元	140,000
Ms. Shi Huifang (Note)	10 July 2015	10 July 2016	10 July 2016 to 9 July 2023	HK\$1.45	
	二零一五年 七月十日	二零一七年 七月十日	二零一七年 七月十日至 二零二三年 七月九日	港幣 1.45 元	140,000
	10 July 2015	10 July 2017	10 July 2017 to 9 July 2023	HK\$1.45	
僱員	二零一五年 七月十日	二零一六年 七月十日	二零一六年 七月十日至 二零二三年 七月九日	港幣 1.45 元	8,060,000
Employees	10 July 2015	10 July 2016	10 July 2016 to 9 July 2023	HK\$1.45	
	二零一五年 七月十日	二零一七年 七月十日	二零一七年 七月十日至 二零二三年 七月九日	港幣 1.45 元	7,940,000
	10 July 2015	10 July 2017	10 July 2017 to 9 July 2023	HK\$1.45	
					16,280,000

附註： 施惠芳女士為本集團其中一名僱員，並為執行董事王子江先生之配偶，因此為王子江先生之聯繫人。

Note: Ms. Shi Huifang is one of the employees of the Group and is the spouse of Mr. Wang Zijiang who is an executive Director and therefore an associate of Mr. Wang Zijiang.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

17. 以股份支付之款項 (續)

下表概述本公司購股權的加權平均行使價變動：

		二零一六年六月三十日 30 June 2016		二零一五年十二月三十一日 31 December 2015	
		加權平均 行使價 Weighted average exercise price (未經審核) (Unaudited)	購股權數目 Number of share option (未經審核) (Unaudited)	加權平均 行使價 Weighted average exercise price (經審核) (Audited)	購股權數目 Number of share option (經審核) (Audited)
於期初/年初尚未行使	Outstanding at beginning of the period/year	港幣 1.45 元 HK\$1.45	16,940,000	-	-
期內/年內授出	Granted during the period/year	-	-	港幣 1.45 元 HK\$1.45	17,000,000
期內/年內已沒收	Forfeited during the period/year	港幣 1.45 元 HK\$1.45	(660,000)	港幣 1.45 元 HK\$1.45	(60,000)
於期末/年末尚未行使	Outstanding at the end of the period/year	港幣 1.45 元 HK\$1.45	16,280,000	港幣 1.45 元 HK\$1.45	16,940,000

於本期期末，尚未行使購股權之行使價為港幣 1.45 元（二零一五年十二月三十一日：港幣 1.45 元），加權平均尚餘合約期為 7 年（二零一五年十二月三十一日：7.5 年）。

於本期期末/本年年末，並無購股權已歸屬並可行使。

於二零一五年年內已授出之購股權的加權平均公平值為港幣 0.54 元。

17. Share-based payments (Continued)

The following table discloses movement of weighted average exercise prices of the Company's share options:

The exercise price of share options outstanding at the end of the period was HK\$1.45 (31 December 2015: HK\$1.45) and their weighted average remaining contractual life was 7 years (31 December 2015: 7.5 years).

No share options had vested and were exercisable at the end of the period/year.

The weighted average fair value of each option granted in 2015 is HK\$0.54.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

17. 以股份支付之款項 (續)

以下所載資料乃與於二零一五年年內根據本集團經營之二零零六年購股權計劃所授出期權之公平值判斷有關。

17. Share-based payments (Continued)

The following information is relevant in the determination of the fair value of options granted in 2015 under 2006 Share Option Scheme operated by the Group.

所用的購股權定價模型

Option pricing model used

二項式點陣模型

Binomial lattice

於授出日期的股價	Share price at grant date	港幣 1.45 元 HK\$1.45
行使價	Exercise price	港幣 1.45 元 HK\$1.45
加權平均合約期	Weighted average contractual life	8 年 8 years
預期波幅	Expected volatility	54.445%
預期股息派付率	Expected dividend rate	3%
不帶風險年利率	Risk-free interest rate	1.579%

購股權公平值乃按二項式點陣模型估計。

The binomial option pricing model has been used to estimate the fair value of the share options.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

18. 關聯方交易

於截至二零一六年六月三十日止六個月，本集團與關聯方訂立以下交易：

18. Related party transactions

During the six months ended 30 June 2016, the Group entered into the following transactions with the related parties:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一六年 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 2015 人民幣千元 RMB'000 (未經審核) (Unaudited)
付予一家關聯公司 (所有執行董事均 擁有實益權益並 可行使重大影響 力)的租金開支	Rental expenses to a related company in which all the executive Directors have beneficial interests and can exercise significant influence	264	270
向一家合營公司 銷售貨品	Sale of goods to a joint venture	12,521	4,005
向一家合營公司 採購原材料	Purchase of raw materials from a joint venture	524	140
向一家合營公司 收取租金收入	Rental income from a joint venture	100	100
向一家關聯公司 (所有執行董事均 擁有實益權益並 可以行使重大影 響力)購入物業、 廠房及設備	Acquisition of property, plant and equipment from a related company in which all the executive Directors have beneficial interests and can exercise significant influence	–	13,800
根據財務租賃自 一家合營公司 所得的利息收入	Interest income from finance lease from a joint venture	506	534
向一家合營公司 借出貸款 所得的利息收入	Interest income from loans to a joint venture	540	493

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

19. 金融工具的公平值計量

以下列表為按公平值列賬的金融工具的層級分析：

第一級別：相同資產或負債在活躍市場中的報價（未經調整）；

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

第三級別：並非基於可觀察市場數據的資產及負債輸入值（不可觀察輸入值）。

19. Fair value measurement of financial instruments

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

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

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

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

	第一級別 Level 1	第二級別 Level 2	第三級別 Level 3	合計 Total
	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
二零一六年六月三十日				
負債：				
按公平值計入損益的				
金融負債				
- 衍生金融工具	-	-	5,781	5,781
二零一五年十二月三十一日				
負債：				
按公平值計入損益的				
金融負債				
- 衍生金融工具	-	-	7,325	7,325

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

19. 金融工具的公平值計量 (續)

衍生金融工具的公平值乃使用二項式點陣模型估算。

19. Fair value measurement of financial instruments (Continued)

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

重要的不可觀察輸入值 Significant unobservable inputs

		二零一六年 六月三十日 30 June 2016 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 (經審核) (Audited)
通脹率	Inflation rate	1.5%-2.5%	1.5%-2.5%
加權平均資本成本 (「加權平均資本 成本」)	Weighted average cost of capital ("WACC")	15%	16%
預期波幅	Expected volatility	42%	45%

通脹率上升5%，衍生金融工具的公平值收益將增加人民幣68,000元。通脹率下降5%，衍生金融工具的公平值收益將減少人民幣67,000元。

Increase inflation rate by 5% would increase the fair value gain of derivative financial instruments by RMB68,000 whilst decreased inflation rate by 5% would decrease the fair value gain of derivative financial instruments by RMB67,000.

加權平均資本成本上升5%，衍生金融工具的公平值收益將減少人民幣649,000元。加權平均資本成本下降5%，衍生金融工具的公平值收益將增加人民幣790,000元。

Increase WACC by 5% would decrease the fair value gain of derivative financial instruments by RMB649,000. Lower WACC by 5% would increase the fair value gain of derivative financial instruments by RMB790,000.

預期波幅上升5%，衍生金融工具的公平值收益將增加人民幣22,000元。預期波幅下降5%，衍生金融工具的公平值收益將減少人民幣25,000元。

Increase expected volatility by 5% would increase the fair value gain of derivative financial instruments by RMB22,000. Lower expected volatility by 5% would decrease the fair value gain of derivative financial instruments by RMB25,000.

簡明綜合財務報表附註

Notes to the Condensed Consolidated Financial Statements

19. 金融工具的公平值計量 (續)

估值技術於期內沒有變動。

期內並無級別之間的轉移。

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

19. Fair value measurement of financial instruments (Continued)

There were no changes in valuation techniques during the period.

There were no transfers between levels during the period.

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

		二零一六年 六月三十日 30 June 2016 人民幣千元 RMB'000 (未經審核) (Unaudited)	二零一五年 十二月三十一日 31 December 2015 人民幣千元 RMB'000 (經審核) (Audited)
衍生金融負債： 於一月一日	Derivative financial liabilities: At 1 January	7,325	10,486
衍生金融工具的 公平值收益	Fair value gain on derivative financial instruments	(1,544)	(3,161)
於二零一六年 六月三十日／ 二零一五年 十二月三十一日	At 30 June 2016/ 31 December 2015	5,781	7,325

簡明綜合財務報表附註

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19. 金融工具的公平值計量 (續)

期內，衍生金融工具的公平值收益人民幣1,544,000元（二零一五年十二月三十一日：人民幣3,161,000元）已在綜合收益表中確認。

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

19. Fair value measurement of financial instruments (Continued)

During the period, fair value gain on derivative financial instruments of RMB1,544,000 (31 December 2015: RMB3,161,000) was recognised in the consolidated income statement.

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

管理層討論及分析

Management Discussion and Analysis

經營業績概要

業務回顧

二零一六年上半年，受全球經濟格局不穩定因素加劇的影響，各經濟體復蘇進程波瀾起伏，大宗商品價格持續低迷。中國方面，工業結構在國家加快推進「供給側改革」的大方針中繼續優化，上半年工業生產走穩並有所上升。據國家統計局資料，上半年中國製造業同比增長6.9%，全國規模以上工業增加值按可比價格計算同比增長6.0%，該增速比第一季度的數據加快0.2個百分點。但是，經濟下行壓力持續較大，製造業和實體經濟的復蘇尚未完全擺脫疲態。

Summary of operating results

Business Review

In the first half of 2016, affected by the increasing uncertainties of the global economy, the recovery paces varied and commodity prices were still at the low level. China's industrial structure continued to improve with its stepped up effort on the "Supply-Side Reform", and industrial output became stable and even rose slightly in the first half of the year. According to the data of National Statistics Bureau of China, China's manufacturing industry grew by 6.9% as compared to the corresponding period last year. The value added by sizeable industrial corporations across the country increased by 6.0% in terms of comparable prices as comparable in the corresponding period in last year, which is 0.2 percentage points higher than that of the first quarter. However, downward pressure exerted on the economy remains strong, thus undermining the recovery of manufacturing industry and the real economy.

管理層討論及分析

Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

在回顧期內，本集團的業績表現再次彰顯了本集團良好的盈利能力和既定戰略的有效展開，在經濟環境中存在的多方面不定因素中迎難而上，審時度勢推廣產品組合，積極佔領市場，並取得了滿意成果。一方面，依靠本集團銷售力量的進一步加強和產品優勢的持續鞏固，本集團營業額取得了1.9%的增幅，達約人民幣595,500,000元。其中，來自國內市場的營業額佔本集團總營業額80.1%，來自海外市場的營業額佔總營業額19.9%。另一方面，生產原材料等大宗商品價格的持續低迷，使得本集團在產品生產方面大幅節省了原材料成本，毛利展現可觀增長，達約人民幣204,300,000元，同比增幅24.8%。毛利率達34.3%，上升6.3個百分點。上半年本集團淨利潤為約人民幣116,000,000元，同比增幅25.2%。

Summary of operating results (Continued)

Business Review (Continued)

The Group's results for the period under review once again demonstrated its excellent profitability and effective deployment of established strategies. The Group overcame a number of economic uncertainties and marketed a selected product mix according to market conditions for the purpose of capturing the market share. Fortunately, satisfactory results have been recorded. Thanks to the strengthened sales force and the sustained competitive edges of its products, the Group's revenue increased by 1.9%, reaching approximately RMB595.5 million. Domestic revenue represented 80.1% of the total revenue of the Group, whereas overseas revenue represented the remaining 19.9%. In addition, commodity (e.g. raw materials for production) prices remained low, leading to a significant reduction in costs of raw materials for the Group's production activities. With a remarkable growth rate of 24.8% as comparable in the corresponding period in last year, the gross profit reached approximately RMB204.3 million, while the gross profit margin increased by 6.3 percentage point, reaching 34.3%. The Group's net profit for the first half of the year was approximately RMB116.0 million, representing an increase of 25.2% as comparable in the corresponding period in last year.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

在回顧期內，本集團繼續發揮精細化工上下游垂直整合產業鏈的既有優勢，優化產業鏈中資源的內部調配，並進一步推廣自動化生產程序，有效提高了生產效益，減少浪費，節約成本，成為本集團期內毛利和毛利率明顯上升的另一重要原因。

在產品組合和分類上，本集團依然以靈活穩健的策略調控產能組合，部署重點產品的投入和新產品的推廣。本集團將在時機成熟的時候，將銷量較大的新產品歸入新的產品分類方式並進行具體說明。目前各業務分部的表現分析如下。

氰基化合物及其下游產品

氰基化合物及其衍生出的酯類產品，以及該生產鏈的下游產品是本集團業務的核心優勢所在。在回顧期內，該板塊表現突出，營業額達約人民幣558,500,000元，同比增長9.4%，得益於銷售團隊的有力推廣，和新客戶的成功開發。

Summary of operating results (Continued)

Business Review (Continued)

During the period under review, the Group continued to leverage on the established advantages arising from the vertical integration of the fine chemical industry chain, improved the internal allocation of resources alongside the industrial chain and further advanced automated production, thus enhancing its production efficiency, reducing waste emission and lowering production costs. All these accomplished the growth of its gross profit and gross profit margin for the period.

With respect to the product mix and segmentation, the Group still managed its productivity allocation in a flexible and prudent way, strategically introduced key products to the market and promoted new products. The Group will put its new products with higher sales volume into a new segment in due course and detailed announcements will also be made then. The performance of each segment is analysed below.

Cyanide and its derivative products

Cyanide, esters derived from cyanide and other derivative products from the production chain illustrated the core competence of the Group. Given the effective marketing campaigns launched by the sales team and the expansion of the customer base of the Group, this segment performed remarkably during the period under review, boosting the revenue to approximately RMB558.5 million, representing an increase of 9.4% as comparable in the corresponding period in last year.

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經營業績概要 (續)

業務回顧 (續)

氰基化合物及其下游產品 (續)

該板塊的主要產品，是由本集團自有產業鏈中的氰化鈉等基礎化學產品衍生而出的氰基酯類產品，如氰乙酸酯系列、丙二酸酯系列等，為本集團的競爭優勢產品，也為本集團收入來源的最大貢獻者。該類產品廣泛用於製造膠黏劑、醫藥、染料、香精香料以及農藥和肥料等精細化學中間體，應用領域多元且可替代程度低。由於該類產品以高門檻的氰化鈉為主要原料，擁有供應充足、技術可靠的自有產業鏈一直以來保證著本集團在氰基酸酯類行業的領導地位。在回顧期內，該類產品受益於本集團垂直產業鏈的規模效應和原材料成本的降低，展現出不錯的盈利能力。

Summary of operating results (Continued)

Business Review (Continued)

Cyanide and its derivative products (Continued)

Key products in this segment included cyanoacetic acid esters (e.g. cyanoacetate series and malonate series) derived from sodium cyanide, a kind of base chemical product, produced by the Group's industry chain. They were the most competitive and profitable products of the Group. These products are widely used in the production of adhesives, medicines, dyes, flavour, fragrance, pesticides, fertilisers and other fine chemical intermediates. They could be applied in a wide range of industries, and are of low substitutability. Since these products are mainly based on sodium cyanide (the production of which is featured with a high entry barrier), the self-owned industry chain with adequate supply and reliable technologies has always supported the Group to stay in the leading position of the cyanoacetic acid ester industry. Thanks to the economy of scale of the Group's vertical industry chain and the lowered costs of raw materials, these products manifested outstanding profitability during the period under review.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

氰基化合物及其下游產品 (續)

本集團產業鏈佈局中的關鍵基礎產品氰化鈉和氰乙酸，也為重要工業原料，廣泛使用於貴金屬冶煉等領域，以及食品飲料和制藥行業中的咖啡因合成等。在回顧期內，本集團進一步擴大了該類產品的產能，以滿足擴大的客戶群的需要，還作為本集團下游產品的重要原材料，滿足自用的需求。

此外，在回顧期內，本集團大力加強了潛力新產品EDTA(螯合劑)的戰略配置。不僅專門成立了EDTA產品部，更通過鞏固生產、加強銷售、擴大市場等多手段重點培養該產品。EDTA及其衍生產品為工業生產活動中重要的添加劑，俗稱「工業味精」，應用領域覆蓋日化洗化、食品飲料、農業複合肥、工業清洗等多個行業和用途，其市場需求穩定龐大。本集團有信心將該產品培育為本集團未來新的增長點。

Summary of operating results (Continued)

Business Review (Continued)

Cyanide and its derivative products (Continued)

Sodium cyanide and cyanoacetic acid, key base products of the Group's industry chain, are important industrial raw materials. They were widely used in metallurgical industry (e.g. precious metal smelting), food and beverage, and pharmaceutical industries (e.g. synthesis of caffeine) and other fields. During the period under review, the Group further increased the productivity of such products to meet the external demand of the enlarged customer base as well as the internal demand since such products were important raw materials for the Group's derivative products.

Furthermore, during the period under review, the Group focused on the strategic allocation of EDTA, a chelating agent. The potential for further development of this product has been great. The Group has not only set up a specific product division for EDTA, but also increased its input in this product by various means, such as improving production procedures, enhancing sales effort and exploring new markets. EDTA and its derivative products were essential additives for industrial production, commonly known as "MSG for the manufacturing industry", and were used in various fields, such as household chemical products (e.g. detergents), food and beverage, pesticides and compound fertilisers and industrial cleaning. The demand for such products is steady and strong. The Group is confident in promoting such products as a new driver of its growth in the future.

管理層討論及分析

Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

氰基化合物及其下游產品 (續)

本集團的核心發展策略是 (i) 充分利用既有產品的垂直產業鏈和高壁壘技術平臺；及 (ii) 不斷開發精細化工下游乃至終端產品。目前，以氰基化合物為基礎的下游膠黏劑產品已經陸續投放市場，以不同配方、不同用途的多個品類適應多種終端的客戶需求。本集團管理層相信，膠黏劑產品對於本集團盈利的貢獻也將不斷擴大。

醇類產品

本集團的醇類產品主要包括無水乙醇的生產和銷售，以及叔丁醇產品的貿易。該類產品的用途仍主要作為本集團垂直整合產業鏈中的一項原料，用以提升下游產品成本效益，從而加強本集團的綜合競爭優勢。由於近年市場價格持續低迷，競爭激烈，期內該類產品外部銷售下降，營業額占比僅為2%，主要原因是本集團根據市場行情策略性控制該類產品的產量和銷量。

Summary of operating results (Continued)

Business Review (Continued)

Cyanide and its derivative products (Continued)

The Group's key development strategies include: (i) fully capitalising on the vertical industry chain and the demanding technological platform of its existing products; and (ii) continuously developing fine chemical derivatives towards end products. Currently, various derivative adhesive products based on cyanide have been launched to the market in succession, aiming to meet different end users' demands with products varying in formulae and applications. The Group's management believes that the contribution from the adhesive products to the Group's profitability will play a more important role in the future.

Alcohol products

The business of Group's alcohol products mainly consists of the production and sales of ethanol and the trading of tert-butanol products. These products are mainly used as one of the raw materials for the Group's vertical integration chain to enhance the cost efficiency of derivative products, thereby strengthening the Group's competitive advantages. Due to the sluggish market prices and intense competition in recent years, the external sales of these products decreased, representing only 2% of the Group's revenue. The main reason is that the Group has strategically adjusted the production output and sales of these products with references to market conditions.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

氯乙酸及其下游產品

氯乙酸產品的主要用途是作為中間體產品應用於染料、醫藥和農藥的生產，也是本集團垂直整合產業鏈中一項重要的生產原料。為此，該產品的首要作用是保證穩定充足的內部供應。此外，由於近年化工原料市場競爭激烈，氯乙酸及相關產品的銷售價格走勢持續下落，削弱了該產品的盈利能力。本集團將持續通過提升自動化程度和生產效率的改進優化該類產品的生產力，保證其作為本集團整體產業鏈支撐之一的重要角色。

Summary of operating results (Continued)

Business Review (Continued)

Chloroacetic acid and its derivative products

Chloroacetic acid products are mainly used as intermediates for the production of dyes, medicines and pesticides. They are also one of the key raw materials for the Group's vertical integration industry chain. Accordingly, the Group put the steady and adequate internal supply of such products in the first place. In addition, due to the intense competition in the market of chemical materials over the recent years, the selling prices of chloroacetic acid and relevant products decreased continuously, weakening the profitability of such products. The Group will continue to increase its productivity by advancing automated procedures and enhancing the production efficiency so as to ensure that these products can play a crucial role in supporting the Group's overall industry chain.

管理層討論及分析

Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

合營公司 (「合營公司」)

在回顧期內，合營公司生產的單體膠產品仍然在通過加強渠道滲透、國內外市場雙向開拓等方式努力擴大市場，市場反應正面。部分潛在客戶已經在通過較長時間的性能測試後逐漸接受該產品，並且對產品的品質和技術評價積極，同比銷售錄得正增長。目前國內外客戶正逐步增加，預計未來訂單量會繼續提升。管理層對合營公司的前景仍然充滿信心，並將審時度勢把握經營策略，儘快發揮合營公司的規模經濟效益。

展望

展望下半年，儘管中國經濟保持平穩發展態勢，中國製造業的經營環境仍然存在諸多挑戰。受低迷的大宗商品價格影響，國內外貿易需求持續不振，製造業產能尚未完全走出疲態。然而，處於低位的大宗原料將使本集團繼續受益於成本的降低，而獨特的行業地位和技術水準的持續改進有助保持本集團的議價能力優勢和市場份額，支撐產品的盈利能力。

Summary of operating results (Continued)

Business Review (Continued)

Joint venture company (the "JV")

During the period under review, the JV still endeavoured to expand the marketing channels for adhesive monomers and to develop both the domestic and overseas markets, resulting in promising market feedback. Certain potential customers started to acknowledge the product upon completion of long term performance testings, and positive opinions on product quality and technological specifications were received. The JV recorded growth in sales as comparable in the corresponding period in last year, and the base of domestic and overseas customers expanded gradually. More orders are expected in the future. The management is confident in the JV's prospect, and the Group will timely adjust its business strategies according to prevailing market conditions to unleash the economy scale brought about by the business development of the JV.

Outlook

Looking ahead, although China's economy is expected to stay steady in the second half of the year, the business environment for the manufacturing industry in China remains challenging. With the impact of low commodity prices, the demand of both the domestic and overseas trade is still sluggish and the capacity of the industry sector is still at the low side. However, thanks to the low raw material prices, the Group will benefit from the lowered costs, and its unique position in the industry and continued improvement in technologies will also facilitate the Group to maintain its market share and advantages in pricing, thus supporting the profitability of its products.

管理層討論及分析

Management Discussion and Analysis

經營業績概要 (續)

業務回顧 (續)

展望 (續)

近年，在可持續發展概念逐漸深入的背景下，國家對於環保及生產安全的監管和督查日益嚴格，本集團所處的行業在該趨勢下受到重點關注。面對行業環保和技術要求門檻的不斷提高，化工行業開始了整合和洗牌的過程，部分規格不達標、不具備合格環保投入實力的中小型企業將逐步退出，也為天德化工等核心競爭力穩固的企業帶來了重大行業機遇。本集團將通過產能升級佔領不合格企業退出的市場，而一直以來走在國家環保安全標準前列的技術實力將使本集團在更長期的競爭中鞏固地位，保證企業的長遠發展。

憑藉本集團既定的發展策略，即 (i) 在鞏固既有優勢的同時；(ii) 不斷豐富產品組合；(iii) 以氰化鈉及其下游產品的傳統優勢為基礎，縱向發展下游產品；及 (iv) 物色符合本集團業務標準的合適對象，通過併購或合作擴大下游行業的業務覆蓋範圍，本集團有信心和實力能夠不斷鞏固其盈利能力。

Summary of operating results (Continued)

Business Review (Continued)

Outlook (Continued)

As the concept of sustainable development has become prominent over the recent years, China's supervision and administration of environmental protection and production safety get increasingly stringent and these measures are largely focused on the industry where the Group operates. Given the industry's increasingly demanding requirements and tightened regulations on environmental protection and technology application, the chemical industry has started a process of integration and restructuring. Small and medium enterprises that are unable to meet the required standards or those that cannot afford substantial investment in environmental protection will be phased out gradually, giving enterprises equipped with strong core competence, like Tiande Chemical, plenty room for further development. The Group will capture the market share left behind by unqualified enterprises that had been forced to quit the market by upgrading its productivity. The Group's technical competence has always been at the top of the national standards on environmental protection and safety, ensuring that the Group can maintain a steady position in a longer term competition for its sustainable development.

The established development strategies of the Group are as follows: (i) strengthening existing advantages; (ii) continuously expanding its product mix; (iii) vertically developing derivative products with the help of the traditional advantages of sodium cyanide and its derivative products; and (iv) identifying companies that are able to meet its business standards for merger, acquisition and cooperation for the purpose of expanding the business scope of derivative industries. The Group is confident that it can enhance its profitability on an on-going basis.

管理層討論及分析

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經營業績概要 (續)

業務回顧 (續)

展望 (續)

二零一六年是本集團在港上市的第十周年，也是本集團未來新十年的開端。本集團的管理層在總結過去十年發展經驗的同時，也通過對精細化工行業多年的實戰把握和市場認識，制定出了清晰可行的發展方案。目前，在強化、整合後的銷售團隊的努力下，本集團陸續推出的新產品正在有序擴大市場份額，並可根據客戶實際需求訂制不同功效、不同特點的多種終端產品，有助提升本集團的產品和品牌影響力。本集團還不斷重視研發人才的培育和研發設備的投入，鼓勵創新；在安全、環保、減排方面嚴格把控，領先行業。董事會相信，在追求現有業務卓越運營的努力下，本集團有足夠動力和實力保持本集團穩健、可持續的發展，為股東帶來持續穩定的利益。

Summary of operating results (Continued)

Business Review (Continued)

Outlook (Continued)

The year of 2016 marks the 10th anniversary of the Group's listing in Hong Kong, and also celebrates the beginning of its new decade for development. With the experience accumulated from the business operations of the last ten-year, the management of the Group is able to formulate well-defined and feasible development strategies for the future, after taking into account its market knowledge and practical know-how in the fine chemical industry earned over the years. Currently, with the effort of its strengthened and integrated sales force, the Group is launching new products in a well-planned manner, and is able to gradually expand the market share. The Group also offers a variety of bespoke end-products with different functions and features to meet customers' specific demands, thereby boosting the influence of the Group's products and brand name. The Group also emphasises the training of research and development personnel and the investment of equipment in this regard. Innovation is what the Group is in pursuit of. The Group's strict control on safety, environmental protection and emission reduction is also unparalleled in the industry. The Board believes that, as the Group remains dedicated to carrying on its excellent established business, the Group is well motivated and capable of maintaining its steady and sustainable development, providing its shareholders with continuous and steady returns.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

股息

董事會宣派截至二零一六年六月三十日止六個月的中期股息每股普通股港幣0.04元（截至二零一五年六月三十日止六個月：港幣0.025元）。中期股息將於二零一六年十月二十日向於二零一六年十月六日名列本公司股東名冊（「股東名冊」）的股東派付。

暫停辦理股東登記手續

為確定股東獲派付中期股息的資格，將於二零一六年十月四日至二零一六年十月六日（包括首尾兩天）暫停股東名冊登記，在此期間將不會辦理本公司股份的過戶登記手續。為符合獲派付截至二零一六年六月三十日止六個月的中期股息的資格，所有過戶文件連同有關股票必須於二零一六年十月三日下午四時三十分前送交本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17字樓1712-1716室。

Summary of operating results (Continued)

Dividend

The Board has declared an interim dividend of HK\$0.04 per ordinary share for the six months ended 30 June 2016 (six months ended 30 June 2015: HK\$0.025). The interim dividend will be payable on 20 October 2016 to the Shareholders whose names appear on the register of members of the Company (the "Register of Members") on 6 October 2016.

Closure of Register of Members

For the purpose of ascertaining Shareholders' entitlement to the interim dividend, the Register of Members will be closed from 4 October 2016 to 6 October 2016, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify for the interim dividend for the six months ended 30 June 2016, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716 on the 17th Floor of Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on 3 October 2016.

管理層討論及分析

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經營業績概要 (續)

財務回顧

營業額及毛利

本集團截至二零一六年六月三十日止六個月的營業額及毛利分別約為人民幣595,500,000元及人民幣204,300,000元，較去年同期約人民幣584,200,000元及約人民幣163,700,000元分別上升約人民幣11,300,000元及約人民幣40,600,000元，或上升1.9%及24.8%。儘管在回顧期內中國經濟放緩及平均售價下跌，本集團營業額仍持續增長，主要原因是本集團實施了有效的銷售及市場策略刺激銷量上升。此外，本集團毛利錄得相當增長，毛利率上升6.3個百分點至34.3%（截至二零一五年六月三十日止六個月：28.0%）。出現令人滿意的增長主要歸因於：(i) 原材料價格下降超過產品平均售價的降幅；及(ii) 往年引入先進自動化生產工藝，得以提高整體生產力。

Summary of operating results (Continued)

Financial Review

Revenue and gross profit

Revenue and gross profit of the Group for the six months ended 30 June 2016 amounted to approximately RMB595.5 million and approximately RMB204.3 million respectively, representing an increase of approximately RMB11.3 million and approximately RMB40.6 million or 1.9% and 24.8% as compared with approximately RMB584.2 million and approximately RMB163.7 million recorded in the corresponding period in last year. The Group still consistently delivered a growth in revenue which was mainly attributable to the Group implemented effective sales and marketing strategy stimulating the growth of sales quantity despite the slowdown in the PRC economic and the decrease of average selling price during the period under review. In addition, the gross profit of the Group achieved a fair growth. The gross profit margin increased by 6.3 percentage points to 34.3% (six months ended 30 June 2015: 28.0%). Such satisfactory growth was primarily attributable to (i) the decrease in prices of raw materials, which outpaced the decrease in average selling prices of products sold and (ii) the advanced automation production process introduced in previous years has strengthened the overall productivity.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

財務回顧 (續)

營運開支

銷售開支由去年同期約人民幣18,300,000元增加了約人民幣3,800,000元至約人民幣22,100,000元，主要原因是運輸成本（跟隨銷量增長）及員工成本上漲。銷售開支佔本集團營業額的百分比為3.7%（截至二零一五年六月三十日止六個月：3.1%）。

行政及其他營運開支達約人民幣22,000,000元，與去年同期約人民幣20,500,000元相比，上升約人民幣1,500,000元，主要原因是本集團在回顧期內的員工成本開支增加。行政及其他營運開支佔本集團營業額的3.7%，較去年同期的3.5%輕微上升。

財務成本意指銀行借貸利息。由於加權平均銀行貸款額的水平與去年同期相若，財務成本持平，維持於約人民幣400,000元（截至二零一五年六月三十日止六個月：人民幣400,000元）。

Summary of operating results (Continued)

Financial Review (Continued)

Operating expenses

Selling expenses increased by approximately RMB3.8 million from approximately RMB18.3 million in the corresponding period in last year to approximately RMB22.1 million. Such increase was mainly due to the increase in transportation costs (which was in line with the increased in sales volume) and the staff costs. The selling expenses as a percentage of the Group's revenue was 3.7% (six months ended 30 June 2015: 3.1%).

Administrative and other operating expenses amounted to approximately RMB22.0 million, which was increased by approximately RMB1.5 million from approximately RMB20.5 million in the corresponding period in last year. Such increase was principally due to the increase in staff costs during the period under review. The administrative and other operating expenses accounted for 3.7% of the Group's revenue, which was slightly higher than 3.5% from the corresponding period last year.

Finance costs represented interest on bank borrowings which were flat at approximately RMB0.4 million (six months ended 30 June 2015: RMB0.4 million) due to the similar level of the weighted average bank borrowing amount as compared with the corresponding period in last year.

管理層討論及分析

Management Discussion and Analysis

經營業績概要 (續)

財務回顧 (續)

衍生金融工具的公平值收益

於二零一一年，本公司與漢高香港有限公司（「漢高」）簽訂合營協議（「合營協議」）以成立合營公司。根據合營協議，(i) 本公司已獲授認購期權，可要求漢高按認購期權價格向本公司出售或促成出售漢高及／或其關聯公司所持的全部合營公司權益；及(ii) 漢高已獲授認沽期權，可要求本公司按認沽期權價格買入或促成買入漢高及／或其關聯公司所持的全部合營公司權益。上述期權僅可在指定未來日子確定的期權期間行使（有關詳情，請參考本公司於二零一一年七月三日刊發之公告）。因此，合營協議被視為包含衍生金融工具，根據有關的香港財務報告準則，須按公平值列賬。截至二零一六年六月三十日止六個月，由獨立估值師採用二項式點陣模型確定的衍生金融工具的公平值收益為約人民幣1,500,000元。

期內溢利

鑑於營業額及毛利增長和運營效率改善，純利約人民幣116,000,000元，與去年同期約人民幣92,600,000元比較，上升約人民幣23,400,000元或25.2%。

Summary of operating results (Continued)

Financial Review (Continued)

Fair value gain on derivative financial instruments

In 2011, the Company entered into a joint venture agreement (the "JV Agreement") with Henkel Hong Kong Limited ("Henkel") to set up a joint venture company. Under the JV Agreement, (i) the Company was granted with a call option to require Henkel to sell or cause the sale of all of the equities of the JV held by Henkel and/or its affiliates to the Company at the call option price; and (ii) Henkel was granted with a put option to require the Company to purchase or cause the purchase of all of the equities of the JV held by Henkel and/or its affiliates at the put option price. Such options can only be exercised during the option period which set on a specified future dates (please refer to the announcement of the Company dated 3 July 2011 for details.) Thus, the JV Agreement deemed to contain derivatives financial instruments which are required to be carried at fair value under relevant Hong Kong financial reporting standards. For the six months ended 30 June 2016, the fair value gain on the derivative financial instruments was, being determined by an independent valuer by the adoption of a binomial lattice model, approximately RMB1.5 million.

Profit for the period

In view of the growth of revenue and gross profit and the improved operational efficiency, net profit amounted to approximately RMB116.0 million, representing an increase of approximately RMB23.4 million or 25.2% as compared with approximately RMB92.6 million recorded in the corresponding period in last year.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

財務回顧 (續)

貿易應收賬及應收票據

於二零一六年六月三十日，貿易應收賬增長至約人民幣195,100,000元，與於二零一五年十二月三十一日約人民幣159,800,000元比較，上升約人民幣35,300,000元或22.1%。貿易應收賬中約78%乃於年內第二季產生且並未到期，而貿易應收賬中約19%乃於年內第一季產生。貿易應收賬中只有3%超過180日。截至本簡明財務報表的公告日期，超過48%的貿易應收賬已在期後結算。經評估該等客戶的信用狀況後，董事認為無跡象顯示需要計提壞賬準備。

於二零一六年六月三十日，應收票據款額約為人民幣236,400,000元，與於二零一五年十二月三十一日的結餘約人民幣234,800,000元比較，輕微上升約人民幣1,600,000元或0.7%。由於所有應收票據均為銀行承兌票據，為免息且大部分到期期限最長為六個月，且款項乃由中國持牌銀行支付，違約風險極低，故董事認為沒有計提呆賬撥備的需要。

Summary of operating results (Continued)

Financial Review (Continued)

Trade and bills receivable

As at 30 June 2016, trade receivables increased to approximately RMB195.1 million, representing an increase of approximately RMB35.3 million or 22.1% as compared with approximately RMB159.8 million recorded as at 31 December 2015. About 78% of trade receivables were incurred in the second quarter of this year which are not yet due and 19% of trade receivables were incurred in the first quarter of this year. Only 3% of trade receivables are over 180 days. Up to the date of announcement of these condensed financial statements, over 48% of trade receivables have been subsequently settled. After assessing the creditworthiness of these customers, the Directors considered that no indication of bad debt allowance is required.

As at 30 June 2016, bills receivable amount of approximately RMB236.4 million, slightly increased by approximately RMB1.6 million or 0.7% as compared with the balance of approximately RMB234.8 million as at 31 December 2015. Since all bills receivable are bank acceptance bills, which are non-interest bearing and most of them have a maximum maturity period of six months, the payments of which were made by the licensed banks in the PRC with the lowest default risk. Accordingly, the Directors considered that no allowance for doubtful debt is required.

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經營業績概要 (續)

財務回顧 (續)

短期銀行借款

所有短期銀行借款乃在香港借取，按浮動利率計息及以港幣計值，作為派付本公司股息所需資金。於二零一六年六月三十日，短期銀行借款增加至約人民幣72,400,000元，與於二零一五年十二月三十一日的結餘約人民幣32,100,000元比較，淨增加約人民幣40,300,000元或125.7%。該增長主要歸因於在二零一六年六月支付二零一五年末期股息的資金。

Summary of operating results (Continued)

Financial Review (Continued)

Short term bank borrowings

All short term bank borrowings were arised in Hong Kong at floating interest rates and are denominated in Hong Kong dollars to finance the dividend payments of the Company. As at 30 June 2016, short term bank borrowings increased to approximately RMB72.4 million, representing a net increase of approximately RMB40.3 million or 125.7% as compared with the balance of an approximately RMB32.1 million as at 31 December 2015. Such an increase is mainly attributable to the financing the payment of final dividend of 2015 payable in June 2016.

管理層討論及分析 Management Discussion and Analysis

經營業績概要 (續)

財務回顧 (續)

流動資金及財務資源

截至二零一六年六月三十日止六個月，本集團之主要資金來源包括經營活動產生之淨現金流入約人民幣117,400,000元（截至二零一五年六月三十日止六個月：人民幣91,000,000元）、新增銀行借款約人民幣54,300,000元（截至二零一五年六月三十日止六個月：人民幣30,500,000元）、合營公司償還貸款約人民幣400,000元（截至二零一五年六月三十日止六個月：無）、非控股股東注資約人民幣2,000元（截至二零一五年六月三十日止六個月：無）及已收利息約人民幣700,000元（截至二零一五年六月三十日止六個月：人民幣900,000元）。憑藉本集團營運所得的財務資源，本集團斥資約人民幣46,400,000元（截至二零一五年六月三十日止六個月：人民幣54,900,000元）購入物業、廠房及設備、償還銀行借款約人民幣14,500,000元（截至二零一五年六月三十日止六個月：無）、支付利息約人民幣400,000元（截至二零一五年六月三十日止六個月：人民幣300,000元）以及派付股息約人民幣54,300,000元（截至二零一五年六月三十日止六個月：人民幣30,600,000元）。

Summary of operating results (Continued)

Financial Review (Continued)

Liquidity and financial resources

For the six months ended 30 June 2016, the Group's primary sources of funding included the net cash inflow generated from operating activities of approximately RMB117.4 million (six months ended 30 June 2015: RMB91.0 million); newly raised bank borrowings of approximately RMB54.3 million (six months ended 30 June 2015: RMB30.5 million); repayment of loan from a JV of approximately RMB0.4 million (six months ended 30 June 2015: nil); capital injection from non-controlling interests amount of approximately RMB2,000 (six months ended 30 June 2015: nil); and interest received of approximately RMB0.7 million (six months ended 30 June 2015: RMB0.9 million). With the financial resources obtained from the Group's operations, the Group had spent approximately RMB46.4 million (six months ended 30 June 2015: RMB54.9 million) in the acquisition of the property, plant and equipment, bank borrowing repayments of approximately RMB14.5 million (six months ended 30 June 2015: nil); interest paid of approximately RMB0.4 million (six months ended 30 June 2015: RMB0.3 million) and dividend paid of approximately RMB54.3 million (six months ended 30 June 2015: RMB30.6 million).

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經營業績概要 (續)

財務回顧 (續)

流動資金及財務資源 (續)

於二零一六年六月三十日，本集團已抵押之銀行存款及銀行與現金結餘約人民幣175,500,000元（二零一五年十二月三十一日：人民幣117,700,000元）。未償還借貸總額約人民幣72,400,000元（二零一五年十二月三十一日：人民幣32,100,000元）。本集團承諾保持穩健及可持續的財務狀況，於二零一六年六月三十日，已抵押之銀行存款及銀行與現金結餘淨額（即現金及現金等值項目的總額減去借款總額）達約人民幣103,100,000元（二零一五年十二月三十一日：人民幣85,600,000元）。因此，債務權益比率並不適用。在回顧期內，基於持續正面的經營業績，淨流動資產增加至約人民幣565,700,000元（二零一五年十二月三十一日：人民幣486,100,000元）。

本集團將繼續透過提高生產能力、改良產品組合以及尋求可為本集團帶來長遠增長的合適投資機會，從而擴大業務規模。憑藉本集團穩健的財政狀況，加上來自經營活動和往來銀行提供的銀行信貸額度的穩固現金流入，本集團有能力應付可預見將來的資本承擔及所需的營運資金。然而，本集團將持續密切及謹慎地管理營運資金，並會致力於維持穩健之流動資金狀況，以支持未來業務擴展。

Summary of operating results (Continued)

Financial Review (Continued)

Liquidity and financial resources (Continued)

As at 30 June 2016, the Group had pledged bank deposits and bank and cash balances of approximately RMB175.5 million (31 December 2015: RMB117.7 million). The total amount of outstanding borrowings was approximately RMB72.4 million (31 December 2015: RMB32.1 million). The Group committed to maintain a sound and sustainable financial position, the net pledged bank deposit and bank and cash balance of approximately RMB103.1 million (31 December 2015: RMB85.6 million) (total cash and cash equivalent net of total borrowings) as at 30 June 2016. Hence, gearing ratio is not available. The net current assets also increased to approximately RMB565.7 million (31 December 2015: RMB486.1 million) as a result of the continuous positive operating results during the period under review.

The Group will continue to expand its business scale through enhancing productivity, optimising the products portfolio and seeking suitable investment opportunities that will add momentum to the long term growth of the Group. By virtue of the Group's healthy financial position with promising cash inflow generated from the operating activities and available banking facilities obtained from banks, the Group is capable to meet its foreseeable capital commitments and working capital requirements. Nevertheless, the Group will continue to manage its working capital closely and cautiously, and dedicate to keep a sound liquidity position to support future business expansion.

管理層討論及分析

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經營業績概要 (續)

財務回顧 (續)

流動資金及財務資源 (續)

本集團在回顧期內並無運用任何金融工具作任何對沖用途。

資產抵押

於二零一六年六月三十日，已抵押銀行存款約人民幣3,000,000元（二零一五年十二月三十一日：無）以獲得票據及信用證額度。

或然負債

於二零一六年六月三十日，本集團並無任何重大或然負債。

匯率波動風險

本集團之營運主要位於中國，而且其資產、負債、收入及交易均主要以人民幣、港幣及美元計值。

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

Summary of operating results (Continued)

Financial Review (Continued)

Liquidity and financial resources (Continued)

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

Pledge of assets

As at 30 June 2016, a bank deposit of approximately RMB3.0 million (31 December 2015: Nil) was pledged for bills and letter of credit facilities.

Contingent liabilities

As at 30 June 2016, the Group had no material contingent liabilities.

Exposure to fluctuations in exchange rates

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

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

管理層討論及分析

Management Discussion and Analysis

人力資源

於二零一六年六月三十日，本集團共有1,144名全職僱員（二零一五年十二月三十一日：1,180名全職僱員）。於回顧期內，僱員人數減少乃因先進自動化生產工藝降低勞動力需求所致。

本集團已制定本本身的人力資源政策及體制，務求於薪酬制度中加入更多激勵性的獎勵及獎金，包括為僱員提供多元化之僱員培訓及個人發展計劃。向每位僱員提供之酬金待遇乃按彼等的職務及當時的市場趨勢釐定。本集團亦同時向僱員提供僱員福利，包括醫療保障及公積金。

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

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

Human resources

As at 30 June 2016, the Group had 1,144 full-time employees (31 December 2015: 1,180 full time employees). The decrease in the number of employees was mainly due to the advanced automation production process which reduced the workforce requirement during the period under review.

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

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

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

其他資料 Other Information

董事及主要行政人員之證券權益

於二零一六年六月三十日，本公司董事、主要行政人員及彼等之聯繫人於本公司股份（「股份」）及本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之有關條文任何該等董事或主要行政人員被視作或當作擁有之權益及淡倉），以及已於本公司根據證券及期貨條例第352條規定存置之登記冊中記錄，或已根據聯交所證券上市規則（「上市規則」）附錄十所載上市公司董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益及淡倉如下：

於股份之好倉

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

Directors' and chief executive's interests in securities

As at 30 June 2016, the interests and short positions of the Directors, chief executive of the Company and their associates in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO) and were recorded in the register maintained by the Company pursuant to section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long position in the Shares

其他資料 Other Information

董事及主要行政人員之證券權益 (續)

附註：

1. 584,000,000股股份乃由志峰集團有限公司(「志峰」)持有，而志峰之全部已發行股本分別由劉洪亮先生、王子江先生、郭希田先生、鄭虹女士、郭玉成先生及傅安旭先生最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。除傅安旭先生、郭玉成先生及鄭虹女士(其配偶高峰先生自二零一五年五月二十二日起成為執行董事)外，所有其他人士均為執行董事。
2. 由於劉先生於志峰擁有38%權益，故被視為於上文附註1所述之584,000,000股股份擁有權益。

除上文所披露者外，於二零一六年六月三十日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或根據上市規則所載標準守則已知會本公司和聯交所之資料，本公司各董事及主要行政人員及彼等之聯繫人概無擁有或被視作擁有本公司及其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券之權益或淡倉。

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

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

Notes:

1. The 584,000,000 Shares were held by Cheerhill Group Limited ("Cheerhill"), the entire issued share capital of which is ultimately beneficially owned as to 38% by Mr. Liu Hongliang, 26% by Mr. Wang Zijiang, 11.5% by Mr. Guo Xitian, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu. Except for Mr. Fu Anxu, Mr. Guo Yucheng and Ms. Zheng Hong (her spouse is Mr. Gao Feng, who has become the executive Director since 22 May 2015), all others are the executive Directors.
2. Mr. Liu is deemed to be interested in 584,000,000 Shares referred to in Note 1 above by virtue of his 38% interests in Cheerhill.

Save as disclosed above, as at 30 June 2016, none of the Directors and chief executive of the Company, nor their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which had been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which had been notified to the Company and the Stock Exchange pursuant to the Model Code as set out in the Listing Rules.

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

其他資料 Other Information

主要股東

於二零一六年六月三十日，除董事外，持有本公司已發行股本5%或以上權益之下列人士，已記錄於本公司根據證券及期貨條例第336條存置之股東名冊內：

於股份之好倉

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

附註：

584,000,000股股份乃由志峰持有，而志峰之全部已發行股本分別由劉洪亮先生、王子江先生、郭希田先生、鄭虹女士、郭玉成先生及傅安旭先生最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。除傅安旭先生、郭玉成先生及鄭虹女士（其配偶高峰先生自二零一五年五月二十二日起成為執行董事）外，所有其他人士均為執行董事。

除上文所披露者外，於二零一六年六月三十日，本公司並無獲任何人士知會於股份或相關股份中擁有任何根據證券及期貨條例須知會本公司之權益或淡倉，或擁有本公司根據證券及期貨條例第336條存置之登記冊中記錄之權益或淡倉。

Substantial Shareholders

As at 30 June 2016, the following person who held interests of 5% or more of the issued share capital of the Company, other than the Directors, was recorded in the register of members required to be kept by the Company pursuant to Section 336 of the SFO:

Long position in the Shares

Note:

The 584,000,000 Shares were held by Cheerhill, the entire issued share capital of which is ultimately beneficially owned as to 38% by Mr. Liu Hongliang, 26% by Mr. Wang Zijiang, 11.5% by Mr. Guo Xitian, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu. Except for Mr. Fu Anxu, Mr. Guo Yucheng and Ms. Zheng Hong (her spouse is Mr. Gao Feng, who has become the executive Director since 22 May 2015), all others are the executive Directors.

Save as disclosed above, as at 30 June 2016, the Company has not been notified by any persons who had any interest or short position in the Shares or underlying Shares which are required to be notified to the Company under the SFO or which are recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

其他資料 Other Information

購股權

本公司已分別於二零零六年十月四日（「二零零六年購股權計劃」）及二零一六年五月二十日（「二零一六年購股權計劃」）採納購股權計劃，購股權據此授予若干董事、本公司僱員及其他合資格參與者，使彼等有權認購本公司股本中每股面值港幣0.01元的股份。二零零六年購股權計劃已於二零一六年五月二十日到期及終止。期內根據二零零六年購股權計劃已授出但未行使的購股權變動詳情如下：

承授人類別 Category of grantee	於年初尚未行使 Outstanding at beginning of year	期內授出 Granted during the period	期內沒收 Forfeited during the period	於期末尚未行使 Outstanding at end of period
施惠芳女士（附註） Ms. Shi Huifang (Note)	280,000	-	-	280,000
僱員 Employee	16,660,000	-	(660,000)	16,000,000
	16,940,000	-	(660,000)	16,280,000

附註： 施惠芳女士為董事王子江先生之配偶，因此為王子江先生之聯繫人。

Share options

Under the share option schemes adopted by the Company on 4 October 2006 (the "2006 Share Option Scheme") and 20 May 2016 (the "2016 Share Option Scheme") respectively, share options would granted to certain Directors, employees and other eligible participants of the Company entitling them to subscribe for shares of HK\$0.01 each in the capital of the Company. The 2006 Share Option Scheme was expired and terminated on 20 May 2016. Details of the movement in outstanding share options, which have been granted under the 2006 Share Option Scheme during the period were as follows:

Note: Ms. Shi Huifang is the spouse of Mr. Wang Zijiang who is a Director and therefore an associate of Mr. Wang Zijiang.

於回顧期內，並無根據二零一六年購股權計劃授出購股權。

During the period under review, no share option has been granted under the 2016 Share Option Scheme.

其他資料 Other Information

上市公司董事進行證券交易的標準守則

本公司已就董事進行證券交易採納一套操守準則，其標準不會較上市規則附錄十所載之標準守則的規定寬鬆。經本公司作出書面查詢後，全體董事已確認，彼等於截至二零一六年六月三十日止六個月一直遵守標準守則及本公司有關董事進行證券交易之操守準則所載之規定標準。

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

購買、出售或贖回本公司之上市股份

於截至二零一六年六月三十日止六個月，本公司或其任何附屬公司概無贖回、購買或出售本公司任何上市股份。

企業管治常規

董事並未得悉有任何資料可合理顯示，本公司於截至二零一六年六月三十日止六個月內未有遵守或曾經不遵守載於上市規則附錄十四之企業管治守則。

Model code for securities transactions by directors of listed companies

The Company has adopted a code of conduct with standards no less than those prescribed under the Model Code as set out in Appendix 10 to the Listing Rules for securities transactions by Directors. Upon written enquiry by the Company, all Directors have confirmed that they had complied with the required standards as set out in the Model Code and the Company's code of conduct regarding securities transactions by Directors throughout the six months ended 30 June 2016.

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

Purchase, sale or redemption of the company's listed shares

During the six months ended 30 June 2016, neither the Company nor any of its subsidiaries had redeemed, purchased or sold any of the Company's listed shares.

Corporate governance practices

None of the Directors is aware of information that would reasonably indicate that the Company was not, or had not been during the six months ended 30 June 2016, in compliance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules.

其他資料 Other Information

提名委員會

提名委員會目前由執行董事劉洪亮先生（提名委員會主席）（自二零一六年七月一日起由高峰先生接任）及兩名獨立非執行董事梁錦雲先生及劉晨光先生組成。於回顧期內，提名委員會已：(i) 檢討董事會的架構、人數及成員多元化程度（包括但不限於技能、知識及經驗方面）；(ii) 檢討本公司的多元化政策；(iii) 評核獨立非執行董事的獨立性；(iv) 檢討董事繼任計劃；及(v) 審視和評估退任董事，並向董事會提出續聘建議。

薪酬委員會

薪酬委員會目前由三名獨立非執行董事劉晨光先生（薪酬委員會主席）、高寶玉先生、梁錦雲先生及一名執行董事劉洪亮先生（自二零一六年七月一日起由高峰先生接任）組成。於回顧期內，薪酬委員會已：(i) 檢討執行董事及獨立非執行董事的服務協議條款；(ii) 審閱及批准有關董事及本公司高級管理層之薪酬政策；及(iii) 參考董事職責範疇及本集團之企業目的與目標，並計及可資比較的市場狀況後，檢討和評估董事及本公司高級管理層之薪酬待遇，並向董事會提出建議以供批准。董事一概不得參與討論及決定本身之薪酬。

Nomination committee

The Nomination Committee currently comprises an executive Director, namely, Mr. Liu Hongliang (chairman of the Nomination Committee) (has been replaced by Mr. Gao Feng with effect from 1 July 2016) and the two independent non-executive Directors, namely, Mr. Leung Kam Wan and Mr. Liu Chenguang. During the period under review, the Nomination Committee had (i) reviewed the structure, size and diversity (including but not limited to the skills, knowledge and experience) of the Board; (ii) reviewed the diversity policy of the Company; (iii) assessed the independence of independent non-executive Directors; (iv) reviewed the Director succession plan; and (v) reviewed and assessed the retiring Directors and made recommendation to the Board on the re-appointment.

Remuneration committee

The Remuneration Committee currently comprises three independent non-executive Directors, namely, Mr. Liu Chenguang (chairman of the Remuneration Committee), Mr. Gao Baoyu, Mr. Leung Kam Wan and an executive Director Mr. Liu Hongliang (has been replaced by Mr. Gao Feng with effect from 1 July 2016). During the period under review, the Remuneration Committee had (i) reviewed the terms of services contracts with executive Directors and independent non-executive Directors; (ii) reviewed and approved the remuneration policy of Director and senior management of the Company; and (iii) reviewed and assessed the remuneration package for the all Directors and senior management of the Company by references to the scope of duties and responsibilities of the Directors, corporate goals and objectives of the Group, after taking into account also the comparable market conditions and made recommendation to the Board for approval. No Directors shall participate in any discussion and decision about his own remuneration.

其他資料 Other Information

審核委員會

本公司審核委員會由三名獨立非執行董事梁錦雲先生（審核委員會主席）、高寶玉先生及劉晨光先生組成。於回顧期內，審核委員會已：(i) 審閱本公司採納之會計準則及實務、上市規則、內部監控、法規遵守及財務報告事宜；(ii) 審閱本公司獨立核數師的獨立性及客觀性；(iii) 審閱及批准本公司的持續關連交易；(iv) 與本公司獨立核數師檢討核數工作的性質及範疇及有關申報責任；及(v) 審閱獨立核數師給予管理層的《審核情況說明函件》，並建議董事會作出改善（如有）。審核委員會已與本公司管理層及獨立核數師商討有關編製本集團截至二零一六年六月三十日止六個月未經審核簡明綜合財務報表之內部監控及財務報告事項。審核委員會概無就本公司於回顧期內採納之會計處理方式提出任何異議。

承董事會命
主席
高峰

香港，二零一六年八月二十五日

Audit committee

Audit Committee of the Company comprises the three independent non-executive Directors, namely, Mr. Leung Kam Wan (chairman of the Audit Committee), Mr. Gao Baoyu and Mr. Liu Chenguang. During the period under review, the Audit Committee had (i) reviewed the accounting principles and practices, listing rules, internal controls and statutory compliance, and financial reporting matters adopted by the Company; (ii) reviewed the independence and objectivity of the independent auditor of the Company; (iii) reviewed and approved the continuing connected transactions of the Company; (iv) reviewed with the independent auditor of the Company on the nature and scope of the audit and reporting obligations; and (v) reviewed the independent auditor's management letter and made recommendations to the Board for improvement (if any). Audit Committee had discussed internal controls and financial reporting matters with the management and the independent auditor of the Company relating to the preparation of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2016. There is no disagreement raised by the Audit Committee on the accounting treatment adopted by the Company during the period under review.

By order of the Board
Gao Feng
Chairman

Hong Kong, 25 August 2016



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

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