



Qunxing Paper Holdings Company Limited
群星紙業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 3868)



2013
INTERIM REPORT
中期報告

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. ZHU Yu Guo (*Chairman*)
Mr. ZHU Mo Qun (*Vice-chairman*)
Mr. SUN Zhen Shui

Non-executive Director

Ms. SUN Rui Fang

Independent Non-executive Directors

Mr. ZHAO Wei
Mr. WANG Lu
Mr. KWONG Kwan Tong

BOARD COMMITTEES

Audit Committee

Mr. KWONG Kwan Tong (*Committee Chairman*)
Mr. ZHAO Wei
Mr. WANG Lu

Executive Committee

Dr. ZHU Yu Guo (*Committee Chairman*)
Mr. ZHU Mo Qun
Mr. SUN Zhen Shui

Nomination Committee

Dr. ZHU Yu Guo (*Committee Chairman*)
Mr. ZHAO Wei
Mr. WANG Lu
Mr. KWONG Kwan Tong

Remuneration Committee

Mr. WANG Lu (*Committee Chairman*)
Dr. ZHU Yu Guo
Mr. ZHAO Wei
Mr. KWONG Kwan Tong

COMPANY SECRETARY

Ms. LAM Wai Yee, Sophie

AUTHORISED REPRESENTATIVES

Dr. ZHU Yu Guo
Ms. LAM Wai Yee, Sophie

董事會

執行董事

朱玉國博士(主席)
朱墨群先生(副主席)
孫振水先生

非執行董事

孫瑞芳女士

獨立非執行董事

趙偉先生
王魯先生
鄭焜堂先生

董事委員會

審核委員會

鄭焜堂先生(委員會主席)
趙偉先生
王魯先生

執行委員會

朱玉國博士(委員會主席)
朱墨群先生
孫振水先生

提名委員會

朱玉國博士(委員會主席)
趙偉先生
王魯先生
鄭焜堂先生

薪酬委員會

王魯先生(委員會主席)
朱玉國博士
趙偉先生
鄭焜堂先生

公司秘書

林慧怡女士

授權代表

朱玉國博士
林慧怡女士

LEGAL ADVISERS

As to Hong Kong laws

DLA Piper Hong Kong

As to Cayman Islands laws

Conyers Dill & Pearman

PRINCIPAL BANKERS IN HONG KONG

Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited

PRINCIPAL BANKERS IN THE PRC

Agricultural Bank of China, Changshan Sub-branch
Shandong Zouping Rural Commercial Bank,
Changshan Sub-branch
Industrial and Commercial Bank of China,
Zouping Sub-branch

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2102, Exchange Tower
33 Wang Chiu Road
Kowloon Bay
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

San Li He
Chang Shan Town
Zouping County
Shandong Province
The PRC

法律顧問

香港法律
歐華律師事務所

開曼群島法律
康德明律師事務所

香港主要往來銀行

恒生銀行有限公司
中國工商銀行(亞洲)有限公司

中國主要往來銀行

中國農業銀行，長山支行
山東鄒平農村商業銀行，
長山支行
中國工商銀行，
鄒平支行

核數師

國衛會計師事務所有限公司
香港執業會計師

註冊辦事處

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

香港主要營業地點

香港
九龍灣
宏照道33號
國際交易中心2102室

中國總辦事處及主要營業地點

中國
山東省
鄒平縣
長山鎮
三里河

CORPORATE INFORMATION

公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4/F, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KYI-1110
Cayman Islands

主要股份過戶登記處

加拿大皇家銀行信託(開曼)有限公司*
4/F, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KYI-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26/F Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記分處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

STOCK CODE

The Stock Exchange of Hong Kong Limited: 3868

股份代號

香港聯合交易所有限公司：3868

WEBSITES

www.qxpaper.com
www.irasia.com/listco/hk/qxpaper/

網址

www.qxpaper.com
www.irasia.com/listco/hk/qxpaper/

INVESTOR AND MEDIA RELATIONS CONSULTANT

iPR Ogilvy Ltd.

投資者及傳媒關係顧問

iPR 奧美公關

FINANCIAL CALENDAR

Announcement of 2013 Interim Results:
26 August 2013

財務日誌

二零一三年中期業績公佈：
二零一三年八月二十六日

Announcement of 2013 Annual Results:
March 2014 (*tentative date*)

二零一三年全年業績公佈：
二零一四年三月(暫定日期)

* *for identification purpose only*
僅供識別

“Board” 「董事會」	指	the board of Directors 董事會
“Company” or “QX Paper” 「本公司」或「群星紙業」	指	Qunxing Paper Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange 群星紙業控股有限公司，一間在開曼群島註冊成立的有限責任公司，其已發行股份於聯交所主板上市
“Director(s)” 「董事」	指	director(s) of the Company 本公司董事
“Group”, “QX Group”, “we”, “our” or “us” 「本集團」或「群星集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	指	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 《聯交所證券上市規則》
“PRC” 「中國」	指	the People’s Republic of China, which for the purpose of this interim report, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan 中華人民共和國，就本中期報告而言，不包括香港、中國澳門特別行政區及台灣
“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣

DEFINITIONS

釋義

“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) 《證券及期貨條例》(香港法例第571章)
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“substantial shareholder(s)” 「主要股東」	指	has the same meaning ascribed to it under the Listing Rules 具有上市規則所賦予的相同涵義
“tonne” 「噸」	指	a metric tonne, equivalent to 1,000 kilograms 一公噸，相當於1,000公斤
“%” 「%」	指	per cent. 百分比

BUSINESS REVIEW

On behalf of the Board of QX Paper, I would like to present to you the audited interim results of the Group for the six months ended 30 June 2013.

In the first half of 2013, China's import and export trade and domestic consumption decelerated, leading to a slowdown in its economic growth. According to the National Bureau of Statistics of China, China's gross domestic product (GDP) grew by 7.6% year on year to RMB24.8 trillion in the first half of 2013. The GDP growth was 0.2 percentage point lower than that for the same period of 2012.

During the period, although the PRC central government did not relax its control measures to rein in the property market, the housing market gradually recovered with a significant year-on-year increase of 28.7% in sales of commodity properties to 514.33 million square metres in terms of floor area. In particular, sales of residential properties grew by 30.4% while that of office buildings increased by 31.7% year on year in terms of floor area. Such developments helped stimulate the demand for interior decoration products. However, the Further Investigation (as defined below) affected its sales.

Turnover of the Group decreased by approximately 20.3% from RMB974,635,000 for the six months ended 30 June 2012 to approximately RMB776,828,000 for the six months ended 30 June 2013. Gross profit decreased by 10.1% from RMB117,110,000 for the first half of 2012 to approximately RMB105,269,000 for the first half of 2013. Profit for the Period increased by 26.2% from RMB40,829,000 for the first half of 2012 to RMB51,512,000 for the first half of 2013. Basic earnings per share were RMB3.2 cents (1H2012: RMB2.6 cents). The Board does not recommend the payment of an interim dividend (1H2012: Nil).

業務回顧

本人謹代表群星紙業董事會呈報本集團截至二零一三年六月三十日止六個月的經審核中期業績。

二零一三年上半年，中國進出口貿易增速回落，內部消費增長減慢，使中國經濟增長步伐持續放緩。中國國家統計局公佈，二零一三年上半年中國國內生產總值為人民幣24.8萬億元，同比增長7.6%，增速較二零一二年同期減少0.2個百分點。

期內，縱使中央政府對房地產市場的調控政策的基調未見改變，然而房地產市場逐步回暖，商品房銷售面積比去年同期顯著增長28.7%至51,433萬平方米，其中住宅和辦公樓的銷售面積分別上升30.4%及31.7%，對房屋裝飾用品的需求起正面作用，惟進一步調查(定義見下文)對銷售造成一定影響。

本集團之營業額由截至二零一二年六月三十日止六個月約人民幣974,635,000元下跌約20.3%至截至二零一三年六月三十日止六個月約人民幣776,828,000元。毛利由二零一二年上半年約人民幣117,110,000元減少10.1%至二零一三年上半年約人民幣105,269,000元。期內溢利由二零一二年上半年約人民幣40,829,000元上升26.2%至二零一三年上半年約人民幣51,512,000元。每股基本盈利為人民幣3.2分(二零一二年上半年：人民幣2.6分)。董事會不建議派發中期股息(二零一二年上半年：無)。

CHAIRMAN'S STATEMENT

主席報告書

BUSINESS REVIEW (Continued)

The increase in profit of the Group mainly reflected the combined effect of the following factors: 1) new customers were less inclined to place orders as affected by the Further Investigation (as defined below). This depressed the overall sales volume during the period; 2) the prices of the Group's products declined to a lesser degree compared to the raw material prices, resulting in an increase in profit margin during the period by 1.6 percentage points to 13.6% as compared to the same period last year; and 3) the Group, as required by the Stock Exchange, appointed another investigation team at the end of 2011 to carry out further investigation (the "Further Investigation") into the Audit Issues (as defined below). The Further Investigation resulted in an additional expense of approximately RMB7,600,000 for the first half of 2012, while no such expenses were incurred during the period, leading to the lower expenditure for the period.

SALES PERFORMANCE

During the period, both the selling prices of our products and overall sales volume decreased. The decrease in sales volume mainly reflected that our customers tended to be more cautious in placing orders amid the macro-economic conditions and intensive competition of the decorative base paper industry. In addition, the Further Investigation also affected the client's sentiment of placing orders. Average selling price of our products decreased by approximately 8.2%, mainly as a result of downward adjustment of the product prices under lower raw material prices.

During the period, overall sales volume of the Group dropped by 12.8% from 79,885 tonnes for the first half of last year to 69,691 tonnes for the first half of 2013. Of which, sales volume of decorative base paper, our principal product, was down by 12.3% from 66,563 tonnes for the first half of 2012 to 58,391 tonnes for the first half of 2013. Income from the sales of decorative base paper decreased by 19.5%, and accounted for 91.1% of the total revenue.

業務回顧(續)

本集團利潤上升，主要反映以下因素的綜合結果：1) 進一步調查(定義見下文)影響了客戶落單的意欲，使期內整體銷量下跌；2) 本集團產品降價幅度小於原材料價格回落幅度，使期內毛利率較去年同期上升1.6個百分點至13.6%；及3) 本集團於二零一一年底應聯交所要求聘請另一調查隊伍就審計事宜(定義見下文)作進一步調查(「進一步調查」)，於二零一二年上半年產生額外費用約人民幣7,600,000元，而期內並沒有相關費用產生，使期內行政開支有所減省。

銷售表現

期內，本集團產品的平均售價及整體銷量均有所下降。銷量減少，主要反映宏觀經濟環境的影響，以及中國裝飾原紙市場競爭日趨激烈，客戶訂單態度趨於審慎，加上進一步調查影響客戶落單意欲。產品的平均售價下降約8.2%，主要反映產品價格隨原材料價格下降而有所調整。

期內，本集團整體銷售量由去年上半年的79,885噸下跌約12.8%至二零一三年上半年的69,691噸，其中主要產品裝飾原紙銷售量由二零一二年上半年66,563噸減少12.3%至二零一三年上半年58,391噸，裝飾原紙銷售收入減少19.5%，佔總營業額91.1%。

EXPANSION OF PRODUCTION CAPACITY

There was no increase in production capacity during the period. The reconstruction of production line no. 3 was still ongoing, and is expected to complete in 2014. The reconstruction of production line no. 3 was aimed at upgrading the production technology for long-term development. The existing production line no. 3 would remain in operation during the reconstruction period.

DIVERSE PRODUCT PORTFOLIO

The Group has always committed to developing quality decorative base paper products that have wide applications. At present, we produce and sell over 80 types of products catering to different needs of the markets. Our products are used in furniture, office and home products, as well as larger facilities stadiums, community halls, exhibition centres, and interior decoration of vehicles and aircraft. The Group will continue to increase the proportion of premium decorative paper base products in sales to enhance its profitability.

ENVIRONMENTAL PROTECTION

We are committed to environmental protection. The premium wood pulp that we use to produce decorative base paper products causes almost no environmental pollution during the production process. In addition, we have two waste water treatment systems with a combined processing capacity of approximately 5,350,000 cubic metres. Waste water treated by our waste water treatment systems is reused for irrigation at the Group's production base in Shandong Province.

擴充產能

本集團於期內並沒有新增產能，第3號生產線的重建工程則在繼續進行當中，預期將於二零一四年竣工。重建第3號生產線旨在提升製造技術，及早為長遠發展作出部署。現有的第3號生產線於重建期間仍會如常運作。

多元化的產品組合

本集團一直致力開發用途廣泛的優質裝飾原紙產品，現時生產及銷售逾80種產品，以迎合市場的不同需要。本集團之產品應用範圍甚廣，其中包括傢具、辦公室及家居用品，以至大型設施如體育館、小區會堂、展覽場館及汽車和飛機等運輸工具的內部裝飾均適用。本集團亦將繼續增加高檔裝飾原紙產品的銷售比例，以提高盈利。

環境保護

本集團十分注重環境保護工作，我們生產裝飾原紙產品時所使用的高級木漿，在生產過程中幾乎完全不會對環境造成污染。此外，本集團現時擁有兩個污水處理系統，合共可處理約5,350,000立方米污水。經本集團污水處理系統處理後的污水將用作本集團山東生產基地之灌溉系統的水源。

CHAIRMAN'S STATEMENT

主席報告書

INDEPENDENT REVIEW AND INVESTIGATION REPORTS

In response to the audit issues (the “**Audit Issues**”) raised by the Company’s former auditors in respect of the financial statements of the Group for the year ended 31 December 2010, the Audit Committee (the “**Audit Committee**”) under the Board set up a special investigation team on 20 March 2011 to investigate matters relating to the Audit Issues. The Group subsequently appointed ZHONGLEI Risk Advisory Services Limited (“**Zhonglei**”) and JLA Asia Limited (“**JLA Asia**”) to carry out independent reviews and investigations. Zhonglei and JLA Asia have submitted their independent investigation reports to the Audit Committee in July 2011 and November 2012 respectively.

The Audit Committee and the Board concluded that there has already been adequate clarification of the Audit Issues through the independent investigations which have been carried out by JLA Asia and Zhonglei respectively. In addition, through the necessary actions taken by the Group in response to the recommendations made by JLA Asia and Zhonglei, the Group has established proper internal control systems to discharge its obligations under the Listing Rules. There are no areas of concern which can reasonably be expected to affect adversely and materially the interests of the Company and its shareholders as a whole.

At the meeting of the Audit Committee held on 22 November 2012, JLA Asia confirmed that it has found no evidence of manipulation of the financial data on the Group’s revenue or misappropriation of the Group’s assets in their investigation as evidenced by an extract of the minutes of the meeting certified by both the chairman of the Audit Committee and a director of JLA Asia. The Company has also submitted the aforesaid certified extract of the minutes to the Stock Exchange in July 2013.

獨立審查及調查報告

為了應對前任核數師就本集團截至二零一零年十二月三十一日止年度的財務報表所提出的審計事宜(「**審計事宜**」)，董事會旗下的審核委員會(「**審核委員會**」)於二零一一年三月二十日成立專責調查小組以就審計事宜進行調查，並先後委任中磊風險顧問有限公司(「**中磊**」)及李約翰企業管理諮詢有限公司(「**李約翰**」)進行獨立審查及調查。中磊及李約翰分別於二零一一年七月及二零一二年十一月向審核委員會提交相關調查報告。

審核委員會及董事會認為審計事宜已透過李約翰及中磊分別所作的獨立調查得到充份澄清。此外，本集團已就李約翰及中磊分別所作出的建議採取所須行動，並已制定恰當的內部監控制度以履行上市規則中的責任，且認為概無關注範疇或會對公司及其股東整體利益造成不利及重大影響。

李約翰亦於二零一二年十一月二十二日召開的審核委員會會議上，向審核委員會確認在其調查過程中，並無找到證據證明本集團有竄改收益或資產遭侵吞等情況，由審核委員會主席及李約翰的一名董事所核證的該會議之會議記錄摘要可作證明，本公司亦已於二零一三年七月將上述會議記錄摘要的核證本呈交聯交所。

INDEPENDENT REVIEW AND INVESTIGATION REPORTS *(Continued)*

The investigation report of Zhonglei and the audits subsequent to the year ended 31 December 2010 also indicated that there was no evidence of the above issues or other irregularities.

Audit opinions issued by HLB Hodgson Impey Cheng Limited, the Company's current auditors, on the Group's 2011/2012/2013 interim results and 2011/2012 annual results confirmed that the financial information gave a true and fair view of the state of affairs of the Group and of its profit and cash flows for the respective periods.

Prolonged suspension of trading in the Company's shares has prevented our shareholders and investors from dealing in the Company's shares. Continuous investigations have also adversely affected the Group's business and financial performance. In view of the above, the Board considers that it is in the interests of the Company and its shareholders to resume trading in the Company's shares. The Company will make continuous efforts to resume trading in its shares and make further announcement as and when appropriate.

獨立審查及調查報告(續)

中磊的調查報告及截至二零一零年十二月三十一日止年度後的審計工作亦表明並無證據顯示本集團出現上述情況或其他違規事項。

本公司現任核數師國衛會計師事務所有限公司就本集團二零一一年度／二零一二年度／二零一三年度的中期業績及二零一一年度／二零一二年度的全年業績所出具的審計意見均確認相關財務資料真實而公允地反映本集團於相應期間的事務狀況及溢利和現金流量。

本公司股份長時期停牌令其股東及投資者未能在市場上買賣本公司的股份。持續的調查工作亦對本集團的業務及財務表現均構成負面影響。鑒於以上原因，董事會認為本公司股份能恢復買賣乃符合本公司及股東的利益。本公司將繼續致力使其股份可恢復買賣，並將於適當時候刊發進一步公告。

CHAIRMAN'S STATEMENT

主席報告書

OUTLOOK

Looking ahead, China's economic growth will continue to slow down and its economic structure will change under the government's macroeconomic control measures. However, the PRC's steady economic growth for the long term, the steady progression of urbanization, and the continuous increase in the citizens' income will stimulate the demand for commodity properties and thus the demand for decorative base products in the long term. The plan to increase construction of social security housing according to the "Twelfth Five-Year Plan" was one of the major government policies for satisfying the citizens' demand for residential housing, forming an important driver of the development of the decorative base paper market. The Board is cautiously optimistic about the Group's development in the second half of 2013, leveraging on its advanced technology in producing decorative base paper products and solid foundation.

The Group will further enhance its product quality by improving its existing production facilities. In addition, the Group will also strive to strengthen its leading market position and customer base in its existing sales regions so as to improve its sales. It will also continue to adjust its product mix by raising the proportion of higher-margin products with an aim of expanding its market share. Furthermore, it will continue implementing its rigorous cost-control measures with a view to increasing the products' gross margins and generating better returns for its shareholders.

前景

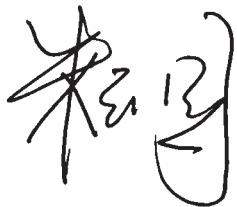
展望未來，儘管中國的經濟增長將繼續放緩，經濟結構亦會隨政府的調控而有所改變，然而中國經濟長遠保持穩定增長、城鎮化積極穩妥地推進、國民收入持續提升，長遠將推動商品房以至裝飾原紙的需求。「十二五」規劃中以增加興建保障房仍為主要國策之一，以滿足國民對住房的需求，亦繼續成為裝飾原紙市場發展的重要動力。憑藉本集團生產裝飾原紙產品的高端技術及穩固基礎，董事會對本集團在二零一三年下半年的發展審慎樂觀。

本集團將繼續通過改善現有生產設施以進一步完善產品質量。同時，本集團致力鞏固現有銷售地區的市場領導地位及客戶基礎，以增加銷售。另外，本集團將繼續調整產品組合，增加毛利率較高的高檔次產品之銷售比重及市場份額。最後，本集團會貫徹執行嚴格的成本控制措施，從而提高產品的毛利率，為股東帶來更佳回報。

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to our management and staff for their hard work and contributions during the period, and thank our shareholders, business partners and investors for their continued support.

By Order of the Board
承董事會命



ZHU Yu Guo 朱玉國
Chairman 主席

Shandong, the PRC, 26 August 2013
中國山東，二零一三年八月二十六日

致謝

本人謹此代表董事會向管理層及員工於期內的辛勤工作及傑出貢獻致以衷心的謝意，並向股東、業務合作夥伴及投資者的一直支持表示感謝。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Turnover

Turnover decreased by approximately 20.3% from RMB974.6 million for the six months ended 30 June 2012 to RMB776.8 million for the six months ended 30 June 2013. The decrease in turnover for the six months ended 30 June 2013 was mainly attributable to the combined effects of (i) the decrease in sales volumes of the decorative base paper products by approximately 12.3% from 66,563 tonnes in 2012 to 58,391 tonnes in 2013; and (ii) the decrease in the average selling prices of the decorative base paper products by approximately 8.2% from RMB13,322 per tonne in 2012 to RMB12,225 per tonne in 2013. The sales volume of printing paper product decreased by approximately 15.2% from 13,322 tonnes in 2012 to 11,300 tonnes in 2013 with the average selling price of approximately RMB6,600 and RMB5,573 per tonne for the periods under review respectively.

Cost of sales

Cost of sales represents the production costs of goods sold during the periods. Our production costs comprise costs of raw materials, direct labour costs and manufacturing overheads, which include depreciation charges, utility expenses, consumables, repairs and maintenance and other overhead related expenses.

財務回顧

營業額

營業額由截至二零一二年六月三十日止六個月之人民幣974,600,000元下降約20.3%至截至二零一三年六月三十日止六個月之人民幣776,800,000元。營業額於截至二零一三年六月三十日止六個月有所下降，主要由於下列因素之綜合影響所致：(i)裝飾原紙產品之銷售量由二零一二年之66,563噸下降約12.3%至二零一三年之58,391噸；及(ii)裝飾原紙產品之平均售價由二零一二年之每噸人民幣13,322元下降約8.2%至二零一三年之每噸人民幣12,225元。印刷用紙產品銷售量由二零一二年之13,322噸下降約15.2%至二零一三年之11,300噸，平均售價於回顧期內分別約為每噸人民幣6,600元及人民幣5,573元。

銷售成本

銷售成本指於期內出售貨品之生產成本。本集團之生產成本包括原料成本、直接勞工成本及製造成本，包括折舊費用、公用事業費用、消耗品、維修及保養以及其他相關經常性開支。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Cost of sales (Continued)

Overall cost of sales decreased by approximately 21.7% from RMB857.5 million for the six months ended 30 June 2012 to RMB671.6 million for the six months ended 30 June 2013. The decrease in cost of sales was primarily due to the combined effects of (i) the decrease in usage of raw materials, which are the major component of our cost of sales, as a result of the decreased sales volume, (ii) the decrease in average purchasing costs of wood pulp and titanium dioxide powder, our principal raw materials for production, during the six months ended 30 June 2013 as compared to the corresponding period in 2012 (as discussed below), (iii) the decrease in production overheads, such as electricity and steam expenses, in line with the decrease in production volume; and (iv) the increase in direct labour costs and depreciation expenses due to the commercial production of rebuilt Production lines nos. 1 to 2 since March 2012.

Principal raw materials

Our results of operations are subject to the price fluctuations of raw materials used in the production process. The principal raw materials for our production are wood pulp and titanium dioxide powder.

For each of the six months ended 30 June 2012 and 2013, the purchase of wood pulp amounted to approximately RMB283.3 million and RMB175.8 million, respectively, representing approximately 33.0% and 26.2% of the total cost of sales for the respective periods. The decrease was due to the decrease in usage of wood pulp, in line with the decreased sales volume and the decrease in the average purchase price (value added tax inclusive) of wood pulp from approximately RMB6,512 per tonne in 2012 to approximately RMB4,611 per tonne in 2013.

財務回顧(續)

銷售成本(續)

整體銷售成本由截至二零一二年六月三十日止六個月人民幣857,500,000元減少約21.7%至截至二零一三年六月三十日止六個月之人民幣671,600,000元。銷售成本減少主要因為下列因素之綜合影響所致：(i)作為本集團之銷售成本主要部分之原料耗用量隨銷售量下降而減少；(ii)生產所需主要原料木漿及鈦白粉於截至二零一三年六月三十日止六個月之平均採購成本較二零一二年同期下降(後文另有闡述)；(iii)經常性生產開支如電力及蒸汽等費用因產量減少而相應減少；及(iv)直接勞工成本與折舊費用亦因重建後第1至第2號生產線於二零一二年三月起進行商業生產而增加。

主要原料

經營業績受制於用於生產過程之原料價格之波動，生產所需之主要原料是木漿及鈦白粉。

截至二零一二年及二零一三年六月三十日止各六個月，購買木漿分別耗資約人民幣283,300,000元及人民幣175,800,000元，分別佔各期間總銷售成本約33.0%及26.2%。減少是因為木漿之耗用量隨銷售量減少而下降，以及木漿之平均採購價(包括增值稅)由二零一二年約每噸人民幣6,512元減少至二零一三年約每噸人民幣4,611元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Cost of sales (Continued)

Principal raw materials (Continued)

For each of the six months ended 30 June 2012 and 2013, the purchase of titanium dioxide powder amounted to approximately RMB291.2 million and RMB212.3 million, respectively, representing approximately 34.0% and 31.6% of the total cost of sales for the respective periods. The decrease was mainly due to the combined effect of (i) the decrease in usage of titanium dioxide powder as a result of the decreased sales volume in decorative base paper products; and (ii) the decrease in the average purchase price (value added tax inclusive) of titanium dioxide powder by approximately 14.1% from approximately RMB17,735 per tonne in 2012 to approximately RMB15,228 per tonne in 2013.

Utilities and steam expenses

Our electricity and steam expenses decreased by approximately 11.9% from RMB79.8 million in the six months ended 30 June 2012 to RMB70.3 million in the six months ended 30 June 2013, which was mainly due to the decrease in production volume as a result of decrease in sales. The electricity and steam expenses accounted for approximately 9.3% and 10.5% of the total cost of sales for the respective periods.

Depreciation charges

Our depreciation charges included in cost of sales increased by approximately 9.5% from RMB110.1 million in the six months ended 30 June 2012 to RMB120.6 million in the six months ended 30 June 2013, which was mainly due to the commercial operation of rebuilt Production lines nos. 1 to 2 since March 2012. The depreciation charges accounted for approximately 12.8% and 17.9% of the total cost of sales for the respective periods.

財務回顧(續)

銷售成本(續)

主要原料(續)

截至二零一二年及二零一三年六月三十日止各六個月，購買鈦白粉分別耗資約人民幣291,200,000元及人民幣212,300,000元，分別佔各期間總銷售成本約34.0%及31.6%。減少主要是因為下列因素之綜合影響所致：(i) 鈦白粉之耗用量隨裝飾原紙產品銷量減少而下降；及(ii) 鈦白粉之平均採購價(包括增值稅)由二零一二年每噸約人民幣17,735元下降約14.1%至二零一三年約每噸人民幣15,228元。

公用事業及蒸汽費用

電力及蒸汽費用由截至二零一二年六月三十日止六個月人民幣79,800,000元下降約11.9%至截至二零一三年六月三十日止六個月人民幣70,300,000元，下降主要由於銷售下降而使產量減少所致。電力及蒸汽費用分別佔各期間總銷售成本約9.3%及10.5%。

折舊費用

計入銷售成本之折舊費用由截至二零一二年六月三十日止六個月人民幣110,100,000元增加約9.5%至截至二零一三年六月三十日止六個月人民幣120,600,000元，增加主要是因為重建後第1至第2號生產線於二零一二年三月起進行商業生產所致。折舊費用佔各期間的總銷售成本約12.8%及17.9%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Gross profit and gross profit margin

The gross profit of our Group decreased by approximately 10.1% from RMB117.1 million for the six months ended 30 June 2012 to RMB105.3 million for the six months ended 30 June 2013.

The following table sets forth the gross profit margin of each category of the products for the six months ended 30 June 2012 and 2013:

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
Products	產品		
Decorative base paper products	裝飾原紙產品	14.6%	12.5%
Printing paper product	印刷用紙產品	1.2%	7.0%
Overall	總計	13.6%	12.0%

The increase in overall gross profit margin of our decorative base paper products in 2013 was mainly attributable to the decrease in the average purchase costs of raw materials in 2013. As a result, the average unit cost for decorative base paper products was comparatively lower in the six months ended 30 June 2013.

The gross profit margin of printing paper product decreased from 7.0% in 2012 to 1.2% in 2013 mainly due to the low economies of scale in operating the printing paper product segment under the decrease in sales of printing paper products. The Group continues to make its utmost effort in soliciting new customers with an aim to effectively utilize the resources of the Group to maximize returns for shareholders.

財務回顧(續)

毛利及毛利率

本集團之毛利由截至二零一二年六月三十日止六個月之人民幣117,100,000元下降約10.1%至截至二零一三年六月三十日止六個月之人民幣105,300,000元。

下表載列截至二零一二年及二零一三年六月三十日止六個月各產品類別之毛利率：

二零一三年，裝飾原紙產品的整體毛利率上升，主要由於二零一三年之原料平均採購成本下降所致。因此，裝飾原紙產品的平均單位成本於截至二零一三年六月三十日止六個月相對較低。

印刷用紙產品的毛利率由二零一二年之7.0%下降至二零一三年之1.2%，主要由於印刷用紙產品銷售下降，導致經營印刷用紙產品分部的低規模經濟效益所致。本集團繼續全力招攬新客戶，務求有效利用本集團的資源，為股東爭取最大回報。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Gross profit and gross profit margin (Continued)

Nonetheless, our overall gross profit margin improved from approximately 12.0% for the six months ended 30 June 2012 to approximately 13.6% for the six months ended 30 June 2013.

Other revenue and other net loss

Other revenue, which represented the interest income earned from bank deposits, decreased by approximately 23.1% from RMB1.3 million for the six months ended 30 June 2012 to RMB1.0 million for the six months ended 30 June 2013 mainly due to the persistent low bank deposit interest rates during the period.

Upon the commercial operation of rebuilt Production line no. 2 in March 2012, the aged Production line no. 2 was disposed and a loss on disposal of RMB12.6 million was recognized during the six months ended 30 June 2012.

Selling expenses

As at 30 June 2013, our Group had 43 sales and marketing staff to carry out various promotional activities in an attempt to solicit new customer in the six designated sales regions in the PRC. The selling expenses decreased by approximately 58.2% from RMB13.4 million for the six months ended 30 June 2012 to RMB5.6 million for the six months ended 30 June 2013 and represented approximately 1.4% and 0.7% as a percentage of turnover for the six months ended 30 June 2012 and 2013 respectively.

財務回顧(續)

毛利及毛利率(續)

然而，本集團整體毛利率由截至二零一二年六月三十日止六個月約12.0%改善至截至二零一三年六月三十日止六個月約13.6%。

其他收益及其他虧損淨額

其他收益乃指銀行存款所賺取之利息收入，由截至二零一二年六月三十日止六個月之人民幣1,300,000元下降約23.1%至截至二零一三年六月三十日止六個月的人民幣1,000,000元，主要由於期內之銀行存款息率持續低企所致。

重建後的第2號生產線於二零一二年三月進行商業生產後，舊有的第2號生產線已經處置，錄得的清理虧損為人民幣12,600,000元，已於截至二零一二年六月三十日止六個月確認。

銷售開支

於二零一三年六月三十日，本集團有43名銷售及市場推廣員工，負責進行多項宣傳活動，務求於中國六個指定銷售地區招覽新客戶。銷售開支由截至二零一二年六月三十日止六個月之人民幣13,400,000元下降約58.2%至截至二零一三年六月三十日止六個月之人民幣5,600,000元。截至二零一二年及二零一三年六月三十日止六個月，銷售開支分別佔營業額約1.4%及0.7%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Administrative expenses

The administrative expenses consist primarily of administrative and management staff salaries and benefits, depreciation of non-production related fixed assets, research and development costs, and pension contributions.

Administrative expenses decreased by approximately 13.2% from RMB32.6 million for the six months ended 30 June 2012 to RMB28.3 million for the six months ended 30 June 2013 mainly due to the payment of approximately RMB7.6 million during the six months ended 30 June 2012 to an investigation team to investigate audit issues raised by the Group's preceding former auditors. No such costs incurred during the six months ended 30 June 2013 since the investigation was completed and the investigation report was submitted to the Stock Exchange on 30 November 2012.

Finance costs

Our Group did not incur any finance costs during the six months ended 30 June 2012 and 2013.

Income tax

Members of the Group are incorporated in different jurisdictions, with different taxation requirements. Shandong QX, our principal operating subsidiary in the PRC, is liable to pay PRC income tax at the applicable tax rate of 25%.

No provision has been made for Hong Kong Profits Tax as the Group did not earn assessable profits subject to Hong Kong Profits Tax for the six months ended 30 June 2012 and 2013.

財務回顧(續)

行政開支

行政開支主要包括行政及管理員工之薪金及福利、非生產相關固定資產之折舊、研究及開發成本，以及退休金供款。

行政開支由截至二零一二年六月三十日止六個月之人民幣32,600,000元減少約13.2%至截至二零一三年六月三十日止六個月之人民幣28,300,000元。減少主要是由於截至二零一二年六月三十日止六個月就審查本集團前任核數師提出的審計事宜而向一隊審查團隊支付約人民幣7,600,000元所致。由於審查已完成，故截至二零一三年六月三十日止六個月並無產生該等成本，調查報告已於二零一二年十一月三十日提交聯交所。

融資成本

截至二零一二年及二零一三年六月三十日止六個月，本集團並無任何融資成本。

所得稅

本集團之成員公司於不同司法權區註冊成立，而不同司法權區擁有不同之稅務規定。本集團於中國之主要營運附屬公司山東群星須按適用稅率25%繳納中國所得稅。

鑒於本集團截至二零一二年及二零一三年六月三十日止六個月並無賺取須繳納香港利得稅之應課稅溢利，故毋須就有關期間之香港利得稅計提撥備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and financial resources

Current and quick ratio

The current ratio of the Group decreased from 6.4 as at 31 December 2012 to 5.3 as at 30 June 2013 and the quick ratio of the Group decreased from 6.0 as at 31 December 2012 to 5.0 as at 30 June 2013, respectively, which was mainly due to the 2012 final dividends approved but not yet paid as at 30 June 2013.

Financial resources

The financial resources of the Group continued to be strong. As at 30 June 2013, shareholders' fund of the Group totalled approximately RMB3,267.8 million (31 December 2012: RMB3,234.3 million). The Group had cash and cash equivalents of approximately RMB655.3 million as at 30 June 2013 (31 December 2012: RMB539.5 million).

The Group continues to enjoy a stable and strong net cash inflow from operations. During the six months ended 30 June 2012 and 2013, the net cash generated from operations was RMB209.7 million and RMB195.5 million, respectively.

Financial management and treasury policies

The Group adopts a conservative approach for cash management and investment of uncommitted funds with an objective of enhancing the practicable returns for shareholders and maintaining adequate liquidity and preservation of capital. The Group's financing and treasury activities are centrally managed and controlled at the corporate level and aim to ensure that adequate financial resources are available for refinancing and business growth. The Group reviews its liquidity and financing arrangements periodically. The Group's policy is to manage its interest rate risk to ensure there are no undue exposures to significant interest rate movements and rates are approximately fixed.

財務回顧(續)

流動資金及財務資源

流動比率及速動比率

本集團之流動比率由二零一二年十二月三十一日之6.4下降至二零一三年六月三十日之5.3，而本集團之速動比率由二零一二年十二月三十一日之6.0下降至二零一三年六月三十日之5.0，主要由於二零一二年末期股息已獲批准但截至二零一三年六月三十日尚未派付所致。

財務資源

本集團之財務資源仍然穩健。於二零一三年六月三十日，本集團之股東資金總額約為人民幣3,267,800,000元(二零一二年十二月三十一日：人民幣3,234,300,000元)。本集團於二零一三年六月三十日之現金及現金等價物約為人民幣655,300,000元(二零一二年十二月三十一日：人民幣539,500,000元)。

本集團繼續享有穩定及強勁經營業務現金流入淨額。於截至二零一二年及二零一三年六月三十日止六個月，經營業務所得現金淨額分別為人民幣209,700,000元及人民幣195,500,000元。

財務管理及庫務政策

本集團對現金管理及未定用途資金投資採取保守方法，旨在提高股東之實際回報、維持足夠流動資金及保留資本。本集團之融資及庫務活動集中管理，按公司控制，目的在於確保有足夠財務資源以供再融資及業務增長。本集團定期檢討其流動資金及融資安排。本集團管理利率風險之政策是確保在出現重大利率變動時不會承受過高風險及確保利率大致固定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Financial management and treasury policies

(Continued)

As at 30 June 2013, the Group did not have any borrowings. The Group conducts its business transactions principally in the PRC. All of the Group's turnover and cost of sales and most of the Group's monetary assets and liabilities are denominated in RMB. RMB is the functional currency of the Group's principal operating subsidiary and used as the reporting currency in the preparation of the consolidated financial statements of the Group.

As such, the fluctuation of RMB against foreign currencies during the periods did not have significant impact on the results of the Group.

Capital expenditure

During the six months ended 30 June 2013, the Group recorded aggregate additions to property, plant and equipment, prepayment for the acquisition of plant and equipment and construction in progress of approximately RMB77.9 million (six months ended 30 June 2012: RMB127.2 million).

Capital commitments and contingencies

The Group will further invest to improve the production capacity and reengineering and modify the existing production facilities to enhance production efficiency. Such capital commitments will be financed by the internal resource of the Group.

財務回顧(續)

財務管理及庫務政策(續)

於二零一三年六月三十日，本集團並無任何借貸。本集團主要在中國進行其業務交易。本集團所有營業額及銷售成本以及本集團絕大部分貨幣性資產及負債均以人民幣計值，人民幣乃本集團主要營運附屬公司之功能貨幣並於編製本集團綜合財務報表中用作呈報貨幣。

因此，期內人民幣兌外幣之波動對本集團之業績並無重大影響。

資本開支

截至二零一三年六月三十日止六個月，本集團之物業、廠房及設備、收購廠房及設備之預付款項及在建工程開支增加合共為約人民幣77,900,000元(截至二零一二年六月三十日止六個月：人民幣127,200,000元)。

資本承擔及或然項目

本集團將進一步投資於改善產能，以及重整及改善現有生產設施以提升生產效率。有關資本承擔將以本集團內部資源撥付。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Capital commitments and contingencies (Continued)

The Group has environmental contingencies under the increasingly stringent environmental protection laws and regulations in the PRC. However, as at the date hereof, the Group has not incurred any significant expenditure for environmental remediation and is currently not involved in any environmental remediation. In addition, the outcome of environmental liabilities under proposed or future environmental legislation cannot be reasonably estimated at present. As such, the Group has not accrued any amounts for environmental remediation relating to its operations. Saved as disclosed above, the Group had no material contingent liabilities as at 30 June 2013.

HUMAN RESOURCES

As at 30 June 2013, our Group employed approximately 1,700 employees in the PRC and Hong Kong. Key components of the Group's remuneration packages include basic salary, medical insurance, discretionary cash bonus and retirement benefit scheme. Promotion and salary increments are assessed based on performance.

The Group has neither experienced any significant problems with its employees or disruptions to its operations due to labour disputes, nor experienced any difficulties in the recruitment and retention of experienced employees. The Group maintains a good working relationship with its employees.

財務回顧(續)

資本承擔及或然項目(續)

本集團在中國日益嚴格之環保法律及法規下有環保或然項目。然而，於本公告日期，本集團並未因環境修復問題產生任何重大支出，現時亦無涉及任何環境修復事件。此外，目前無法合理估計建議中或將來推出之環保法律規定可能導致在環保方面之負債。因此，本集團未就任何與業務相關之環境修復提任何金額。除上文所披露者外，本集團於二零一三年六月三十日並無重大或然負債。

人力資源

於二零一三年六月三十日，本集團於中國及香港共聘用約1,700名員工。本集團薪酬福利的主要組成部分包括基本薪金、醫療保險、酌情現金花紅及退休福利計劃供款。晉升機會及加薪以個別表現作評估基準。

本集團並無遇到任何重大勞資問題，過往亦無因勞資糾紛以致業務受到任何干擾或於招聘及挽留富經驗僱員時亦不曾遇到任何困難。本集團與其僱員保持良好工作關係。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

To the Directors of Qunxing Paper Holdings Company Limited

(Incorporated in the Cayman Island with limited liability)

We have audited the interim financial information set out on pages 26 to 51, which comprise the condensed consolidated statement of financial position of Qunxing Paper Holdings Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 June 2013, and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board.

致群星紙業控股有限公司董事

(於開曼群島註冊成立之有限公司)

我們已審核第26至第51頁所載的中期財務資料，其中包含群星紙業控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於二零一三年六月三十日的簡明綜合財務狀況表、截至該日止六個月期間的相關簡明綜合損益表、簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及主要會計政策概要及其他闡釋附註。香港聯合交易所有限公司證券上市規則規定編製中期財務資料的報告須遵守其中相關的條文以及國際會計準則委員會頒佈的國際會計準則第34號「中期財務報告」（「國際會計準則第34號」）。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

DIRECTORS' RESPONSIBILITY FOR THE INTERIM FINANCIAL INFORMATION

The directors of the Company are responsible for the preparation of interim financial information that gives a true and fair view in accordance with IAS 34, and for such internal control as the directors determine is necessary to enable the preparation of interim financial information that is free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on this interim financial information based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the interim financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim financial information. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the interim financial information, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of interim financial information that give a true and fair view in order to design audit procedures that are appropriate in the circumstances,

董事就中期財務資料須承擔之責任

貴公司董事負責根據國際會計準則第34號編製及真實而公允地列報中期財務資料及落實董事認為編製中期財務資料所必要之內部控制，以使中期財務資料不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

我們之責任是根據我們之審核對中期財務資料作出意見，並按照我們協定的委聘條款僅向閣下(作為一個團體)滙報，別無其他用途。我們並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理保證中期財務資料是否不存有重大錯誤陳述。

審核範圍包括進程序以取得與中期財務資料所載數額及披露事項有關之審核憑證。選用之程序須視乎核數師之判斷，包括評估中期財務資料之重大錯誤陳述(不論其由欺詐或錯誤引起)之風險。在作出該等風險評估時，核數師將考慮與公司編製並真實而公允地列報中期財務資料有關之內部監控，以為不同情況設計適當審核程序，但並非旨在就公司內部監控是否

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

AUDITORS' RESPONSIBILITY (Continued)

but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the interim financial information.

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

BASIS OF OPINION

In our opinion, the interim financial information gives a true and fair view of the state of affairs of the Group as at 30 June 2013 and of its profit and cash flows for the six-month period then ended in accordance with IAS 34 "Interim Financial Reporting".

EMPHASIS OF MATTER

We draw attention to note 1 to the interim financial statements which describes the progress of an independent review and investigation conducted by an independent professional advisor appointed by the Company in respect of certain audit issues raised by the Company's previous auditor in its report dated 30 March 2011 on the consolidated financial statements of the Group for the year ended 31 December 2010. Our opinion is not qualified in respect of this matter.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Hon Koon Fai, Alex

Practising Certificate Number: P05029

Hong Kong, 26 August 2013

核數師之責任(續)

有效表達意見。審核範圍亦包括評估所用會計政策之恰當性，董事所作會計估算之合理性，並就中期財務資料之整體呈列方式作出評估。

我們相信我們取得足夠適當審核憑證，作為審核意見之基準。

意見基準

我們認為，中期財務資料按國際會計準則第34號「中期財務報告」真實而公允地反映貴集團於二零一三年六月三十日的事務狀況及截至該日止六個月期間的溢利及現金流量。

強調事宜

我們注意到中期財務報表附註1所述，貴公司委任獨立專業顧問就其前任核數師於二零一一年三月三十日發出有關貴集團截至二零一零年十二月三十一日止年度綜合財務報表之報告內提出的若干審計事宜進行獨立審查及調查的進度。我們對上述事宜並無保留意見。

國衛會計師事務所有限公司

香港執業會計師

韓冠輝

執業證書編號：P05029

香港，二零一三年八月二十六日

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合損益表

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

		For the six months ended		
		30 June		
		截至六月三十日止六個月		
		2013	2012	
		二零一三年	二零一二年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
		(Audited)	(Audited)	
		(經審核)	(經審核)	
Turnover	營業額	6	776,828	974,635
Cost of sales	銷售成本		(671,559)	(857,525)
Gross profit	毛利		105,269	117,110
Other revenue	其他收益	7	1,024	1,332
Other net loss	其他虧損淨額	7	(5)	(12,549)
Selling expenses	銷售開支		(5,595)	(13,357)
Administrative expenses	行政開支		(28,281)	(32,644)
Profit before taxation	除稅前溢利	8	72,412	59,892
Income tax expense	所得稅開支	9	(20,900)	(19,063)
Profit for the period	期內溢利		51,512	40,829
Attributable to:	應佔：			
Equity shareholders of the Company	本公司權益持有人		51,512	40,829
Earnings per share	每股盈利			
(RMB cents)	(人民幣分)	11		
Basic and diluted	基本及攤薄		3.2	2.6

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收益表

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

		For the six months ended	
		30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Profit for the period	期內溢利	51,512	40,829
Other comprehensive (loss)/income for the period	期內其他全面(虧損)/收益		
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目：		
Exchange differences on translation of financial statements of operations outside the People's Republic of China (the "PRC")	換算中華人民共和國(「中國」)境外業務財務報表產生的滙兌差額	(2,186)	1,835
Total comprehensive income for the period	期內全面收益總額	49,326	42,664
Total comprehensive income for the period attributable to:	應佔期內全面收益總額：		
Equity shareholders of the Company	本公司權益持有人	49,326	42,664

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2013

於二零一三年六月三十日

			As at 30 June 2013 於二零一三年 六月三十日	As at 31 December 2012 於二零一二年 十二月三十一日
	Note 附註		RMB'000 人民幣千元 (Audited) (經審核)	RMB'000 人民幣千元 (Audited) (經審核)
Non-current assets		非流動資產		
Property, plant and equipment	12	物業、廠房及設備	2,404,658	2,473,224
Construction in progress	12	在建工程	111,832	111,832
Lease prepayments		租賃預付款項	13,616	13,786
Prepayment for flood prevention expenses		防洪開支預付款項	39,100	39,525
			2,569,206	2,638,367
Current assets		流動資產		
Inventories	13	存貨	41,052	41,319
Trade and other receivables, prepayments and deposits	14	應收貿易賬款及其他應收款項、預付款項及按金	164,964	126,061
Cash and cash equivalents		現金及現金等價物	655,317	539,535
			861,333	706,915
Current liabilities		流動負債		
Trade and other payables	15	應付貿易賬款及其他應付款項	118,031	101,094
Dividends payable		應付股息	15,559	29
Current taxation		即期稅項	29,196	9,868
			162,786	110,991
Net current assets		流動資產淨值	698,547	595,924
NET ASSETS		資產淨值	3,267,753	3,234,291
Capital and reserves		資本及儲備		
Share capital	16	股本	147,562	147,562
Reserves		儲備	3,120,191	3,086,729
TOTAL EQUITY		權益總值	3,267,753	3,234,291

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

		Attributable to equity shareholders of the Company 本公司權益持有人應佔							
		Share capital	Share premium	Warrant reserve	Other reserve	Statutory surplus reserves	Exchange reserve	Retained profits	Total equity
		股本	股份溢價	認股權證儲備	其他儲備	法定盈餘儲備	滙兌儲備	保留溢利	權益總計
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2012 (Audited)	於二零一二年一月一日之結餘(經審核)	147,562	1,454,114	8,589	(10,323)	182,092	(63,047)	1,483,409	3,202,396
Profit for the period	期內溢利	—	—	—	—	—	—	40,829	40,829
Other comprehensive income for the period	期內其他全面收益	—	—	—	—	—	1,835	—	1,835
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	1,835	40,829	42,664
Dividends declared and approved in respect of the previous year	宣派及批准上一年度股息	—	(44,394)	—	—	—	—	—	(44,394)
Release of warrant reserve upon expiry of warrants	認股權證屆滿時解除認股權證儲備	—	—	(8,589)	—	—	—	8,589	—
Balance at 30 June 2012 (Audited)	於二零一二年六月三十日之結餘(經審核)	147,562	1,409,720	—	(10,323)	182,092	(61,212)	1,532,827	3,200,666
Balance at 1 January 2013 (Audited)	於二零一三年一月一日之結餘(經審核)	147,562	1,409,720	—	(10,323)	192,110	(62,011)	1,557,233	3,234,291
Profit for the period	期內溢利	—	—	—	—	—	—	51,512	51,512
Other comprehensive loss for the period	期內其他全面虧損	—	—	—	—	—	(2,186)	—	(2,186)
Total comprehensive income for the period	期內全面收益總額	—	—	—	—	—	(2,186)	51,512	49,326
Dividends declared and approved in respect of the previous year	宣派及批准上一年度股息	—	(15,864)	—	—	—	—	—	(15,864)
Balance at 30 June 2013 (Audited)	於二零一三年六月三十日之結餘(經審核)	147,562	1,393,856	—	(10,323)	192,110	(64,197)	1,608,745	3,267,753

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

Note:

On 14 January 2011, the Group entered a subscription agreement with an independent third party to subscribe for warrants of up to HK\$609,352,000 at a warrant subscription price of HK\$0.05 per warrant, the aggregate of which amounting to HK\$10,328,000 (equivalent to approximately RMB8,762,000). The expenses related to issuance of warrants were approximately RMB173,000.

The warrant entitle the Subscriber to subscribe for a total of 206,560,000 warrant shares at the warrant exercise price of HK\$2.95 per warrant share (subject to adjustment as provided in the subscription agreement) at any time during a period of 12 months commencing from the completion date of the subscription of the warrants. The subscription of the warrants was completed on 21 January 2011.

All warrants were expired as at 20 January 2012.

附註：

二零一一年一月十四日，本集團與獨立第三方訂立認購協議，按認股權證認購價每份0.05港元認購最多609,352,000港元的認股權證，總額為10,328,000港元(約相當於人民幣8,762,000元)。有關發行認股權證的開支約為人民幣173,000元。

認股權證授權認購人於認股權證認購完成日期起12個月內隨時按每股認股權證股份2.95港元的認股權證行使價(可按認購協議所載者予以調整)認購合共206,560,000股認股權證股份。認股權證認購事項已於二零一一年一月二十一日完成。

所有認股權證已於二零一二年一月二十日期滿。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Net cash generated from operating activities	經營活動所得現金淨額	195,470	209,655
Net cash used in investing activities	投資活動所用現金淨額	(76,864)	(125,846)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	118,606	83,809
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	539,535	488,934
Effect of foreign exchange rate changes	外匯匯率變動影響	(2,824)	1,267
Cash and cash equivalents at end of the period	期末現金及現金等價物	655,317	574,010

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 5 September 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Group is principally engaged in manufacturing and trading of decorative base paper products and printing paper product. The shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 2 October 2007.

The condensed consolidated interim financial statements are presented in Renminbi ("RMB") unless otherwise stated, rounded to the nearest thousand.

The consolidated financial statements of the Group for the year ended 31 December 2010 were audited by another auditor, whose report dated 30 March 2011 contained a disclaimer of opinion arising from inability to obtain sufficient appropriate audit evidence in relation to certain audit issues (the "Audit Issues"). Since 2011, the Company has appointed an independent professional advisor to undertake an independent review and investigation in respect of the Audit Issues.

The independent review and investigation report in respect of the Audit Issues carried out by the independent professional advisor has been issued on 20 November 2012.

The key findings and observation of the investigation conducted by the independent professional advisor has been stated in the Company's announcements on 22 April 2013, 17 July 2013 and 9 August 2013.

1. 一般資料

本公司於二零零六年九月五日根據開曼群島公司法第22章(一九六一年法例3，經綜合及修訂)，在開曼群島註冊成立為一間獲豁免有限公司。本集團主要從事製造及銷售裝飾原紙產品及印刷用紙產品。本公司之股份於二零零七年十月二日在香港聯合交易所有限公司(「聯交所」)主板上市。

除另有指明外，簡明綜合中期財務報表以人民幣(「人民幣」)呈列，湊整至最接近千元計算。

本集團截至二零一零年十二月三十一日止年度綜合財務報表經另一名核數師審核，該核數師基於無法就若干審計事宜(「審計事宜」)取得充分合適的審計憑證而於二零一一年三月三十日發出拒絕發表意見的報告。自二零一一年開始，本公司委聘獨立專業顧問就審計事宜進行獨立審查及調查。

獨立專業顧問就審計事宜作出的獨立審查及調查報告已於二零一二年十一月二十日發出。

獨立專業顧問進行的調查的主要結果及觀察所得載於本公司日期為二零一三年四月二十二日、二零一三年七月十七日及二零一三年八月九日的公告。

1. GENERAL INFORMATION (Continued)

The board of directors and audit committee of the Company consider that the Audit Issues raised by the Company's former auditor have been addressed. The Company has made and will make continuous efforts to reinforce the internal control system and corporate governance mechanism.

As at the date of approval of these condensed consolidated interim financial statements, the Group's business has been operating as usual and the Company is not aware of any possible impact on the Group's operations and financial position arising from the investigation result.

The Company has applied to the Stock Exchange for the resumption of trading in the shares of the Company. Announcement will be made by the Company as and when appropriate informing the shareholders on the progress of the application for the resumption of trading.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 June 2012 and 2013 have been prepared in accordance with the applicable disclosure requirements set out in Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB").

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual report for the year ended 31 December 2012 (the "2012 Annual Report").

1. 一般資料(續)

本公司董事會及審核委員會認為，本公司前核數師提出的審計事宜已獲處理。本公司已作出並將繼續作出努力加強內部監控系統及企業管治機制。

於批准此等簡明綜合中期財務報表當日，本集團業務一直如常運作，及本公司並不知悉調查結果對本集團營運及財務狀況構成的任何潛在影響。

本公司已向聯交所申請本公司股份恢復買賣。本公司將於適當時候就申請恢復買賣的進展作出公告知會股東。

2. 編製基準

截至二零一二年及二零一三年六月三十日止六個月之簡明綜合中期財務報表乃根據《聯交所證券上市規則》(「上市規則」)附錄16所載之適用披露規定及國際會計準則委員會(「國際會計準則委員會」)頒佈之國際會計準則(「國際會計準則」)第34號「中期財務報告」而編製。

簡明綜合中期財務報表不包括年度財務報表規定之一切資料及披露，並應與本集團截至二零一二年十二月三十一日止年度之年報(「二零一二年年報」)一併閱讀。

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簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the condensed consolidated interim financial statements for the six months ended 30 June 2013 are consistent with those in the preparation of the Group's 2012 Annual Report.

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The following new and revised standards, interpretations and amendments ("new IFRSs") issued by IASB have been applied by the Group in the current period which are or have become effective.

IAS 1 (Amendments)	<i>Presentation of Items of Other Comprehensive Income</i>
IAS 16 (Amendments)	<i>Property, Plant and Equipment</i>
IAS 19 (Amendments) (as revised in 2011)	<i>Employee Benefits</i>
IAS 27 (As revised in 2011)	<i>Separate Financial Statements</i>
IAS 28 (As revised in 2011)	<i>Investments in Associates and Joint Ventures</i>
IAS 34 (Amendments)	<i>Interim Financial Reporting</i>
IFRIC – Int 20	<i>Stripping Cost in Production Phase of a Surface Mine</i>

3. 主要會計政策

編製截至二零一三年六月三十日止六個月簡明綜合中期財務報表所用的會計政策與編製本集團二零一二年年報的相同。

4. 應用新增及經修訂之國際財務報告準則(「國際財務報告準則」)

於本期間，本集團應用以下由國際會計準則委員會頒佈並已生效之新增及經修訂準則、詮釋及修訂(「新國際財務報告準則」)。

國際會計準則第1號 (修訂本)	其他全面收益項目之 呈列
國際會計準則第16號 (修訂本)	物業、廠房及設備
國際會計準則第19號 (修訂本) (二零一一年 經修訂)	僱員福利
國際會計準則第27號 (二零一一年 經修訂)	獨立財務報表
國際會計準則第28號 (二零一一年 經修訂)	於聯營公司及合營 公司之權益
國際會計準則第34號 (修訂本)	中期財務報告
國際財務報告詮釋委 員會 – 詮釋 第20號	露天礦場生產階段之剝 採成本

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(Continued)

IFRS 7 (Amendments)	<i>Disclosures – Offsetting Financial Assets and Financial Liabilities</i>
IFRS 10 (Amendments)	<i>Consolidated Financial Statements</i>
IFRS 11 (Amendments)	<i>Joint Arrangements</i>
IFRS 12 (Amendments)	<i>Disclosures of Interests in Other Entities</i>
IFRS 13	<i>Fair Value Measurement</i>
IFRS 10, IFRS 11 and IFRS 12	<i>Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transitional Guidance</i>
IFRSs (Amendments)	<i>Annual Improvements to IFRSs 2009-2011 Cycle</i>

The application of the above new IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated interim financial statements and/or disclosures set out in these condensed consolidated interim financial statements.

4. 應用新增及經修訂之國際財務報告準則(「國際財務報告準則」) (續)

國際財務報告準則 第7號(修訂本)	披露 – 抵銷金融資產及 金融負債
國際財務報告準則 第10號(修訂本)	綜合財務報表
國際財務報告準則 第11號(修訂本)	聯合安排
國際財務報告準則 第12號(修訂本)	披露於其他實體之權益
國際財務報告準則 第13號	公平值計量
國際財務報告準則 第10號、國際財 務報告準則第11 號及國際財務報 告準則第12號	綜合財務報表、聯合安 排及披露於其他實體之 權益：過渡指引
國際財務報告準則 (修訂本)	國際財務報告準則年度 改進(二零零九年至 二零一一年周期)

於本中期應用上述新增國際財務報告準則對此等簡明綜合中期財務報表所呈報的數據及／或此等簡明綜合中期財務報表所載的披露事項並無重大影響。

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簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(Continued)

IFRSs issued but not effective

The Group has not early adopted the new and revised IFRSs that have been issued but not yet effective.

IAS 32 (as revised in 2011)	<i>Financial Instrument: Offsetting Financial Assets and Financial Liabilities²</i>
IFRS 9	<i>Financial Instruments¹</i>
IFRS 7, IFRS 9 (Amendments)	<i>Deferral of Mandatory Effective Date of IFRS 9 and Amendments to Transition Disclosures¹</i>
IFRS 10, IFRS 12 and IAS 27 (Amendments)	<i>Investment Entities²</i>
IAS 32 (Amendments)	<i>Offsetting Financial Assets and Financial Liabilities²</i>
IAS 36 (Amendments)	<i>Recoverable Amount Disclosures for Non-Financial Assets²</i>
IAS 39 (Amendments)	<i>Novation of Derivatives²</i>

¹ Effective for annual periods beginning on or after 1 January 2015

² Effective for annual periods beginning on or after 1 January 2014

The directors of the Company anticipate that the application of the above new and revised IFRSs will have no material impact on the results and the financial position of the Group.

4. 應用新增及經修訂之國際財務報告準則(「國際財務報告準則」)

(續)

已頒佈但尚未生效的國際財務報告準則

本集團並無提前採納已頒佈但尚未生效的新增及經修訂國際財務報告準則。

國際會計準則第32號 (二零一一年經修訂)	<i>金融工具：抵銷金融資產及金融負債²</i>
國際財務報告準則第9號	<i>金融工具¹</i>
國際財務報告準則第7號 及國際財務報告準則 第9號(修訂本)	<i>推遲國際財務報告準則第9號之 強制生效日期及過渡披露之 修訂¹</i>
國際財務報告準則第10 號、國際財務報告準 則第12號及國際會計 準則第27號(修訂本)	<i>投資實體²</i>
國際會計準則第32號 (修訂本)	<i>抵銷金融資產及金融負債²</i>
國際會計準則第36號 (修訂本)	<i>非金融資產之可收回金額披露²</i>
國際會計準則第39號 (修訂本)	<i>衍生工具更替²</i>

¹ 於二零一五年一月一日或之後開始的年度期間生效

² 於二零一四年一月一日或之後開始的年度期間生效

本公司董事預期應用上述新增及經修訂國際財務報告準則對本集團業績及財務狀況並無重大影響。

5. SEGMENT REPORTING

The Group operates in a single business segment, the manufacturing and trading of decorative base paper products and printing paper product in the PRC. The Group's chief operating decision maker regards and manages the Group based on the information of this single business segment, for the purposes of assessing performance and making decisions about operating matters. Accordingly, no segmental analysis is presented. All of the Group's revenues are generated in the PRC and substantially all of the Group's assets are located in the PRC and therefore no geographical segment information has been disclosed.

6. TURNOVER

The principal activities of the Group are the manufacturing and sales of decorative base paper product and printing paper product in the PRC. Turnover represents the sales value of goods sold less returns, discounts and value added taxes and other sales taxes, which may be analysed as follows:

5. 分部報告

本集團的業務涉及單一業務分部，即在中國製造及銷售裝飾原紙產品及印刷用紙產品。本集團主要經營決策者按這單一業務分部的資料考慮及管理本集團，旨在針對經營事宜評核績效及作出決定。因此，本集團並無呈列分部分析。由於本集團全部收入源自中國，而本集團絕大部分的資產亦位於中國境內，故此，本集團並無披露地區分部資料。

6. 營業額

本集團主要於中國從業製造及銷售裝飾原紙產品及印刷用紙產品的業務。營業額指已售貨品銷售額扣除退貨、折扣、增值稅及其他銷售稅，其可分析如下：

		For the six months ended	
		30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Decorative base paper products	裝飾原紙產品	713,855	886,730
Printing paper product	印刷用紙產品	62,973	87,905
		776,828	974,635

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簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

7. OTHER REVENUE AND OTHER NET LOSS

7. 其他收益及其他虧損淨額

		For the six months ended	
		30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Other revenue	其他收益		
Bank interest income	銀行利息收入	1,005	1,312
Other	其他	19	20
		1,024	1,332
Other net loss	其他虧損淨額		
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(43)	(12,608)
Net foreign exchange gain	外匯收益淨額	38	59
		(5)	(12,549)

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簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

8. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

8. 除稅前溢利

除稅前溢利已扣除：

		For the six months ended	
		30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
(a) Staff costs	(a) 員工成本		
Contributions to defined contribution retirement plans	定額供款退休金計劃供款	3,926	3,607
Salaries, wages and other benefits	薪金、工資及其他福利	31,586	29,723
		35,512	33,330
(b) Other items	(b) 其他項目		
Amortisation of lease prepayments	租賃預付款項攤銷	170	170
Amortisation of prepayment for flood prevention expenses	防洪開支預付款項攤銷	425	425
Auditors' remuneration	核數師酬金		
— audit services	— 審計服務		
— current interim period	— 本中期	1,000	500
— under provision in prior year's annual audit	— 以前年度之年度審核撥備不足	300	800
Depreciation	折舊	121,968	111,540
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	43	12,608
Operating lease charges in respect of	有關的經營租賃費用		
— leasehold land and properties	— 租賃土地及物業	5,323	4,402
— others	— 其他	85	85
Sewage disposal expenses	排污費	219	219
Research and development cost	研發成本	59	59

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

9. INCOME TAX EXPENSES IN THE CONDENSED CONSOLIDATED INCOME STATEMENT

9. 簡明綜合損益表內之所得稅開支

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Current tax – PRC corporate income tax	即期稅項 – 中國企業所得稅		
Provision for the period	本期間計提	20,480	18,574
Under-provision in respect of the prior period	過往期間撥備不足	420	489
		20,900	19,063

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

(ii) No provision has been made for Hong Kong Profits Tax as the Group did not have assessable profits subject to Hong Kong Profits Tax for the six months ended 30 June 2013 (2012: Nil).

(iii) The applicable tax rate for Shandong Qunxing Paper Limited (“Shandong QX”) for the six months ended 30 June 2013 and 2012 are 25%.

(i) 根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

(ii) 於截至二零一三年六月三十日止六個月，由於本集團並無賺取任何須繳納香港利得稅之應課稅溢利，因此並無就香港利得稅計提撥備(二零一二年：無)。

(iii) 山東群星紙業有限公司(「山東群星」)於截至二零一三年及二零一二年六月三十日止六個月的適用稅率為25%。

9. INCOME TAX EXPENSES IN THE CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

In addition, the Group would be subject to withholding tax at the rate of 5% if profits generated by Shandong QX after 31 December 2007 were to be distributed. As Shandong QX is wholly owned by the Company, the Company can control the payments of dividends by Shandong QX and the Company's directors have confirmed that it is unlikely that Shandong QX will pay dividends in the foreseeable future.

10. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the interim period

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2013 (2012: Nil).

(b) Dividends payable to equity shareholders of the Company attributable to previous financial year approved during the interim period

Final dividend in respect of the year ended 31 December 2012, approved during the interim period, of HK1.229 cents (equivalent to approximately RMB1 cent) per ordinary share (year ended 31 December 2011: HK3.38 cents, equivalent to approximately RMB2.798 cents, per ordinary share)

9. 簡明綜合損益表內之所得稅開支 (續)

此外，倘山東群星從二零零七年十二月三十一日起將其賺取的溢利分派，本集團須就此按稅率5%繳納預扣稅。鑒於本公司全資擁有山東群星，本公司可控制山東群星派付的股息，而本公司董事確認，山東群星不太可能在可見將來派付股息。

10. 股息

(a) 應付本公司權益持有人中期應佔股息

董事會不建議派發截至二零一三年六月三十日止六個月的中期股息(二零一二年：無)。

(b) 應付本公司權益持有人上一財政年度應佔股息，已於中期內批准

For the six months ended 30 June	
截至六月三十日止六個月	
2013	2012
二零一三年	二零一二年
RMB'000	RMB'000
人民幣千元	人民幣千元
(Audited)	(Audited)
(經審核)	(經審核)

已於中期內批准截至二零一二年十二月三十一日止年度末期股息每股普通股1.229港仙(約相當於人民幣1分)(截至二零一一年十二月三十一日止年度：每股普通股3.38港仙，約相當於人民幣2.798分)

15,864

44,394

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

11. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2013 is based on the profit attributable to ordinary equity shareholders of the Company of RMB51,512,000 (2012: RMB40,829,000) and the weighted average number of 1,586,391,450 ordinary shares (2012: 1,586,391,450 ordinary shares) in issue during the period.

(b) Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2013 and 2012 are the same as the basic earnings per share. There was no dilutive events existed during the six months ended 30 June 2013 and 2012.

12. CAPITAL EXPENDITURE

Capital expenditure comprises additions to property, plant and equipment, prepayment for the acquisition of plant and equipment and construction in progress. During the six months ended 30 June 2013, the Group incurred aggregate capital expenditure of RMB77,879,000 (2012: RMB127,158,000).

11. 每股盈利

(a) 每股基本盈利

截至二零一三年六月三十日止六個月之每股基本盈利乃根據本公司普通股權益持有人應佔溢利人民幣51,512,000元(二零一二年：人民幣40,829,000元)及期內已發行之1,586,391,450股普通股(二零一二年：1,586,391,450股普通股)之加權平均數計算。

(b) 每股攤薄盈利

截至二零一三年及二零一二年六月三十日止六個月之每股攤薄盈利與每股基本盈利相同。於截至二零一三年及二零一二年六月三十日止六個月內並無攤薄事項。

12. 資本開支

資本開支包括物業、廠房及設備、收購廠房及設備之預付款項及在建工程之增加。截至二零一三年六月三十日止六個月，本集團總資本開支為人民幣77,879,000元(二零一二年：人民幣127,158,000元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

13. INVENTORIES

(a) Inventories in the condensed consolidated statement of financial position comprise:

		At	At
		30 June	31 December
		2013	2012
		於二零一三年	於二零一二年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Raw materials and consumables	原材料及消耗品	22,292	24,762
Finished goods	製成品	18,760	16,557
		41,052	41,319

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

13. 存貨

(a) 簡明綜合財務狀況表內的存貨包括：

(b) 在損益中確認為開支的存貨金額分析如下：

		For the six months ended	
		30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Carrying amount of inventories sold	已售存貨賬面值	671,559	857,525

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

14. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

14. 應收貿易賬款及其他應收款項、預付款項及按金

		At 30 June 2013 於二零一三年 六月三十日 RMB'000 人民幣千元 (Audited) (經審核)	At 31 December 2012 於二零一二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收貿易賬款	71,080	53,999
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	93,884	72,062
		164,964	126,061

At 30 June 2013, prepayments, deposits and other receivables mainly comprises of prepayments for acquisition of plant and machinery of RMB92,080,000 (At 31 December 2012: RMB67,200,000) and current portion relating to the prepayment for flood prevention expenses of RMB850,000 (At 31 December 2012: RMB850,000).

All of the trade and other receivables are expected to be recovered or recognised as an expense within one year.

於二零一三年六月三十日，預付款項、按金及其他應收款項主要包括收購廠房及機器之預付款項人民幣92,080,000元（於二零一二年十二月三十一日：人民幣67,200,000元）及防洪開支預付款項即期部分人民幣850,000元（於二零一二年十二月三十一日：人民幣850,000元）。

所有應收貿易賬款及其他應收款項預期於一年內收回或確認為開支。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 30 June 2013

截至二零一三年六月三十日止六個月

14. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

(Continued)

(a) Ageing analysis

Included in trade and other receivables are trade receivables with the following ageing analysis as of the end of the reporting period:

	At 30 June 2013 於二零一三年 六月三十日 RMB'000 人民幣千元 (Audited) (經審核)	At 31 December 2012 於二零一二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Current	71,080	53,999

14. 應收貿易賬款及其他應收款項、預付款項及按金(續)

(a) 賬齡分析

包括在應收貿易賬款及其他應收款項之應收貿易賬款於報告期末之賬齡分析如下：

15. TRADE AND OTHER PAYABLES

15. 應付貿易賬款及其他應付款項

	At 30 June 2013 於二零一三年 六月三十日 RMB'000 人民幣千元 (Audited) (經審核)	At 31 December 2012 於二零一二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	92,306	78,120
Other payables and accruals	25,725	22,974
	118,031	101,094

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截至二零一三年六月三十日止六個月

15. TRADE AND OTHER PAYABLES

(Continued)

Included in trade and other payables are trade payables with the following ageing analysis as of the end of the reporting period. The credit period granted by suppliers generally is not more than 30 days.

15. 應付貿易賬款及其他應付款項

(續)

包括在應付貿易賬款及其他應付款項中之應付貿易賬款於報告期末的賬齡分析如下。各供應商授予的信貸期一般不多於30日。

	At 30 June 2013 於二零一三年 六月三十日 RMB'000 人民幣千元 (Audited) (經審核)	At 31 December 2012 於二零一二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
0-30 days	92,306	78,120

All of the trade and other payables are expected to be settled within one year.

所有應付貿易賬款及其他應付款項預期於一年內償付。

16. SHARE CAPITAL

16. 股本

	2013 二零一三年		2012 二零一二年	
	Number of shares 股份數目 '000 千股 (Audited) (經審核)	RMB'000 人民幣千元 (Audited) (經審核)	Number of shares 股份數目 '000 千股 (Audited) (經審核)	RMB'000 人民幣千元 (Audited) (經審核)
Ordinary shares issued and fully paid, At 1 January and at 30 June	已發行及繳足 普通股 於一月一日及 於六月三十日	1,586,391	147,562	1,586,391
		147,562		147,562

17. COMMITMENTS AND CONTINGENT LIABILITIES**(a) Operating leases**

At 30 June 2013, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		At 30 June 2013	At 31 December 2012
		於二零一三年 六月三十日	於二零一二年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Within one year	一年內	7,089	6,239
After one year but within five years	一年後但在五年內	17,665	18,654
After five years	五年以上	155,655	157,524
		180,409	182,417

The Group is the lessee in respect of leasehold land and properties held under operating leases. The leases run for an initial period of two to fifty years, with an option to renew the leases upon expiry when all terms are renegotiated. Lease payments for the leasehold land situated in PRC are renegotiated every five years to reflect market rentals. None of the lease includes contingent rentals.

17. 承擔及或然負債**(a) 經營租賃**

於二零一三年六月三十日，根據不可撤銷的經營租賃在日後應付的最低經營租賃費用總額如下：

本集團是為以經營租賃形式租賃土地及物業的承租人。該等租賃初步為期二至五十年，並可於租賃期滿時選擇續租並重新磋商所有條款。位於中國租賃土地的租賃費用每五年重新磋商，以反映市場租值。所有租賃不包括或然租金。

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簡明綜合中期財務報表附註

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17. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

(b) Capital commitments

Capital commitments outstanding at 30 June 2013 and 31 December 2012 not provided for in the condensed consolidated interim financial statements were as follows:

	At 30 June 2013 於二零一三年 六月三十日 RMB'000 人民幣千元 (Audited) (經審核)	At 31 December 2012 於二零一二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Contracted for	131,920	160,496

At 30 June 2013 and 31 December 2012, the Group was committed to certain construction contracts for the acquisition of plant and machinery and buildings.

17. 承擔及或然負債(續)

(b) 資本承擔

於二零一三年六月三十日及二零一二年十二月三十一日尚未償付且未在簡明綜合中期財務報表作出撥備的資本承擔如下：

於二零一三年六月三十日及二零一二年十二月三十一日，本集團承擔若干購置廠房與機器及樓宇之建設合約。

17. COMMITMENTS AND CONTINGENT LIABILITIES (Continued)**(c) Environmental contingencies**

To date, the Group has not incurred any significant expenditure for environmental remediation and is currently not involved in any environmental remediation. As such, the Group has not accrued any amounts for environmental remediation relating to its operations. Under existing legislation, management believes that there are no probable liabilities that could have a material adverse effect on the financial position or operating results of the Group. The PRC government, however, has moved, and may move further towards more rigorous enforcement of applicable laws, and towards the adoption of more stringent environmental standards. Environmental liabilities are subject to considerable uncertainties which affect the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include (i) the exact nature and extent of the contamination, (ii) the extent of required clean up efforts, (iii) varying costs of alternative remediation strategies, (iv) changes in environmental remediation requirements and (v) the identification of new remediation sites. The amount of such future cost is indeterminable due to such factors as the unknown magnitude of possible contamination and the unknown timing and extent of the corrective actions that may be required. Accordingly, the outcome of environmental liabilities under proposed or future environmental legislation cannot reasonably be estimated at present and could be material.

17. 承擔及或然負債(續)**(c) 環保或然項目**

迄今，本集團並未因環境修復問題產生任何重大支出，現時並無涉及任何環境修復事件，故此亦未就任何與業務相關的環境修復計提任何金額。在現行法例下，管理層相信不會發生任何可能對本集團財務狀況或經營業績有重大負面影響的負債。然而，中國政府已經並有可能進一步實施更為嚴格的適用法律及採納更為嚴格的環境保護標準。環保負債的不確定因素較大，可影響本集團估計環境修復最終成本的能力。這些不確定因素包括(i)相關地點所發生污染的實際性質和程度；(ii)所需清除工作的程度；(iii)各種補救措施的成本不同；(iv)環境修復要求的變化；及(v)新確認需要實施環保修復的地點。由於可能發生污染的程度和所需採取的補救措施的確切時間和程度等因素尚未確定，因此無法確定未來可能產生此類費用的金額，故無法在目前合理估計建議中的或將來的環境保護法律規定可能導致在環保方面的負債，而有關負債可能十分重大。

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18. MATERIAL RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2013 and 2012, transactions with the following party are considered to be related party transactions:

Name of related party

關連方名稱

Shandong Changxing Group Limited
("SD Changxing")*

山東長星集團有限公司(「山東長星」)

* The English translation of the company name is for reference only. The official name of this company is in Chinese.

18. 重大關連方交易

於截至二零一三年及二零一二年六月三十日止六個月，與下列各方進行的交易被視為關連方交易：

Relationship

關係

Effectively 55% owned by Dr. Zhu Yu Guo, 30% by Mr. Zhu Mo Qun and 15% by Ms. Sun Rui Fang, the Directors
董事朱玉國博士、朱墨群先生及孫瑞芳女士分別實際擁有55%、30%及15%權益

* 該公司之中文名稱為正式名稱，英文譯名僅供參考。

(a) Recurring transaction

(a) 經常性交易

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Lease of leasehold land and properties from:	向以下一方租用租賃土地及物業：		
— SD Changxing	— 山東長星	1,185	1,135

The directors are of the opinion that the above related party transaction was conducted on normal commercial terms and in the ordinary course of business.

董事認為，上述關連方交易乃根據一般商業條款在日常業務過程中進行。

18. MATERIAL RELATED PARTY TRANSACTIONS (Continued)**(b) Key management personnel remuneration**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and certain of the highest paid employees is as follows:

18. 重大關連方交易 (續)**(b) 主要管理人員酬金**

本集團主要管理人員之酬金(包括已付本公司董事及已付若干最高薪酬僱員之金額)如下:

		For the six months ended	
		30 June	
		截至六月三十日止六個月	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Audited)	(Audited)
		(經審核)	(經審核)
Short-term employee benefits	短期僱員福利	1,994	1,593
Contribution to defined contribution retirement plans	定額供款退休金計劃供款	15	13
		2,009	1,606

19. EVENTS AFTER THE REPORTING PERIOD

The Group did not have any significant events after the reporting period.

19. 報告期後事項

於報告期後，本集團並無任何重大事項。

DISCLOSURE OF INTERESTS

權益披露

DIRECTORS' INTERESTS IN SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2013, the interests of the Directors in the shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were set out below:

Long Positions in Shares of the Company

董事於本公司及其相聯法團股份之權益

於二零一三年六月三十日，董事於本公司或其相聯法團(具證券及期貨條例第XV部之涵義)的股份中擁有根據證券及期貨條例第352條須登記於本公司備存的登記冊內的權益，或根據標準守則須知會本公司及聯交所的權益載列如下：

於本公司股份之好倉

Name of Director 董事名稱	Capacity 身份	Nature of interest 權益性質	Number of ordinary shares held 持有的普通股數目	Approximate percentage of issued ordinary shares 佔已發行普通股之概約百分比
Dr. ZHU Yu Guo 朱玉國博士	Interest of controlled corporation 受控制公司權益	Corporate 公司	1,075,207,218 (Note) (附註)	67.78%
Ms. SUN Rui Fang 孫瑞芳女士	Interest of spouse 配偶權益	Family 家族	1,075,207,218 (Note) (附註)	67.78%

Note:

All these shares were beneficially owned by Boom Instant Limited which was owned as to 80% by Addinsight Limited. By virtue of his 87.5% direct interest in Addinsight Limited, Dr. Zhu Yu Guo, a chairman of the Board, was deemed to be interested in the same parcel of shares held by Boom Instant Limited under the SFO.

Ms. Sun Rui Fang, a non-executive Director and the spouse of Dr. Zhu Yu Guo, was deemed to be interested in the same parcel of shares held by Dr. Zhu Yu Guo under the SFO.

These shares were same as those shares held by Boom Instant Limited as disclosed in the section headed "Substantial Shareholders' Interests in Shares of the Company" below.

附註：

該等股份全部由 Boom Instant Limited 實益擁有，Addinsight Limited 擁有 Boom Instant Limited 80% 權益。鑑於董事會主席朱玉國博士擁有 Addinsight Limited 的 87.5% 直接權益，根據證券及期貨條例，彼被視為擁有 Boom Instant Limited 持有的同一批股份之權益。

根據證券及期貨條例，非執行董事孫瑞芳女士(為朱玉國博士之配偶)被視為擁有朱玉國博士持有的同一批股份之權益。

該等股份與下文「主要股東於本公司股份之權益」一節所披露的由 Boom Instant Limited 持有之股份相同。

DISCLOSURE OF INTERESTS

權益披露

DIRECTORS' INTERESTS IN SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (Continued)

董事於本公司及其相聯法團股份之權益(續)

Long Positions in Shares of Associated Corporations of the Company

於本公司相聯法團股份之好倉

Name of Director 董事名稱	Name of associated corporation 相聯法團名稱	Capacity 身份	Nature of interest 權益性質	Number of ordinary shares held 持有的普通股數目	Approximate percentage of issued ordinary shares 佔已發行普通股之概約百分比
Dr. ZHU Yu Guo 朱玉國博士	Boom Instant Limited	Interest of controlled corporation 受控制公司權益	Corporate 公司	80	80%
	Addinsight Limited	Beneficial owner/ Interest of spouse 實益擁有人/ 配偶權益	Personal/ Family 個人/家族	87.5/12.5	87.5%/12.5%
Ms. SUN Rui Fang 孫瑞芳女士	Boom Instant Limited	Interest of spouse 配偶權益	Family 家族	80	80%
	Addinsight Limited	Beneficial owner/ Interest of spouse 實益擁有人/ 配偶權益	Personal/ Family 個人/家族	12.5/87.5	12.5%/87.5%
Mr. ZHU Mo Qun 朱墨群先生	Boom Instant Limited	Interest of controlled corporation 受控制公司權益	Corporate 公司	20 (Note) (附註)	20%
	Be Broad Limited	Beneficial owner 實益擁有人	Corporate 公司	100	100%

DISCLOSURE OF INTERESTS

權益披露

DIRECTORS' INTERESTS IN SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (Continued)

Long Positions in Shares of Associated Corporations of the Company (Continued)

Note:

All these shares were beneficially owned by Be Broad Limited. By virtue of his 100% shareholding interest in Be Broad Limited, Mr. Zhu Mo Qun, a vice-chairman of the Board, was deemed to be interested in the same parcel of shares in Boom Instant Limited held by Be Broad Limited under the SFO.

Save as disclosed above, as at 30 June 2013, none of the Directors has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding companies, subsidiaries or other associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period was the Company or any of its subsidiaries a party to arrangements enabling the Directors to acquire benefits by means of the acquisitions of shares in or debentures of the Company or any other body corporate, and none of the Directors or their spouse or children under the age of 18 had any right to subscribe for securities of the Company, or had exercised any such right during the period.

董事於本公司及其相聯法團股份之權益(續)

於本公司相聯法團股份之好倉(續)

附註：

該等股份全部由 Be Broad Limited 實益擁有。根據證券及期貨條例，鑑於董事會副主席朱墨群先生透過其於 Be Broad Limited 的 100% 權益，被視為擁有 Be Broad Limited 持有的同一批 Boom Instant Limited 股份之權益。

除上文所披露者外，於二零一三年六月三十日，董事概無於本公司或其任何控股公司、附屬公司或其他相聯法團(具證券及期貨條例第 XV 部之涵義)的股份、相關股份或債券中擁有根據證券及期貨條例第 352 條須登記於本公司備存的登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

董事購買股份或債券之權利

本公司或其任何附屬公司於期內任何時間，並無訂立任何安排致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲益，而董事或彼等之配偶或未滿 18 歲之子女於期內概無擁有可認購本公司證券之任何權利，亦無行使任何該等權利。

DISCLOSURE OF INTERESTS

權益披露

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES OF THE COMPANY

As at 30 June 2013, so far as is known to the Directors, the interests of substantial shareholders/ other persons (other than the Directors) in the shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were set out below:

主要股東於本公司股份之權益

於二零一三年六月三十日，就董事所知，根據證券及期貨條例第336條備存的本公司登記冊所記錄之主要股東／其他人士(董事除外)於本公司股份的權益載列如下：

Name of substantial shareholder 主要股東名稱	Number of ordinary shares held 持有的普通股數目	Approximate percentage of the issued ordinary shares 佔已發行普通股的 概約百分比
Boom Instant Limited	1,075,207,218 (Note) (附註)	67.78%
Addinsight Limited	1,075,207,218 (Note) (附註)	67.78%

Note:

All these shares were beneficially owned by Boom Instant Limited. By virtue of its 80% shareholding interest in Boom Instant Limited, Addinsight Limited was deemed to be interested in all the shares held by Boom Instant Limited under the SFO. Dr. Zhu Yu Guo, Mr. Zhu Mo Qun and Ms. Sun Rui Fang are the directors of both Boom Instant Limited and Addinsight Limited.

Save as disclosed above, as at 30 June 2013, no other persons (other than the Directors) were recorded in the register of the Company required to be kept under Section 336 of the SFO as having interests or short positions in the shares and underlying shares of the Company.

附註：

該等股份全部由 Boom Instant Limited 實益擁有。Addinsight Limited 透過其於 Boom Instant Limited 的 80% 股權，根據證券及期貨條例被視為擁有 Boom Instant Limited 持有的所有股份的權益。朱玉國博士、朱墨群先生及孫瑞芳女士均為 Boom Instant Limited 及 Addinsight Limited 之董事。

除上文所披露者外，於二零一三年六月三十日，根據證券及期貨條例第336條本公司須予備存的登記冊所記錄，概無其他人士(董事除外)擁有本公司股份及相關股份的權益或淡倉。

OTHER INFORMATION

其他資料

INTERIM DIVIDEND

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2013 (1H2012: Nil).

CORPORATE GOVERNANCE

During the six months ended 30 June 2013, the Company has complied with the relevant code provisions (the “**Code Provision(s)**”) under the Corporate Governance Code as set out in Appendix 14 to the Listing Rules except the following deviation:

Code Provision A.2.1: Currently, the Company does not have any person holding the title of CEO. Dr. Zhu Yu Guo, who apart from being an executive Director and the chairman of the Board, also assumed responsibilities which are comparable to those of a CEO. Dr. Zhu is responsible for overseeing and planning the business strategies of the Group as well as providing leadership and management to the Board. The role of the chairman is separated from that of the general manager of the Company. Mr. Zhu Mo Qun, an executive Director, a general manager of the Company as well as a vice-chairman of the Board, is responsible for the overall management of the Group’s business operation and implementing business strategies formulated by the Board. The Board considers that this management structure can provide the Group with consistent leadership and enables the Group to make and implement the Board’s decisions promptly and efficiently. The Board will regularly review the effectiveness of this structure to ensure that such structure is appropriate in view of the Group’s prevailing circumstances.

中期股息

董事不建議派付截至二零一三年六月三十日止六個月的中期股息(二零一二年上半年：無)。

企業管治

於截至二零一三年六月三十日止六個月，本公司一直遵守上市規則附錄14所載之《企業管治守則》之相關守則條文(「守則條文」)，惟下述偏離者除外：

守則條文第A.2.1條：現時，本公司並無任何人士擔任行政總裁一職。朱玉國博士除身為執行董事兼董事會主席外，亦擔任與行政總裁相若之職務。朱博士負責監察及策劃本集團之業務策略，並率領及管理董事會。惟本公司主席與總經理之職責分開。本公司之執行董事、總經理兼董事會副主席朱墨群先生負責本集團業務營運之整體管理，以及執行董事會所制訂之業務策略。董事會認為此管理架構令本集團之領導具一致性，並讓本集團能迅速及有效地作出及執行董事會之決定。董事會將定期檢討此架構之成效，以確保該架構切合本集團當時之情況。

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTION

The Company has adopted a securities dealing code (the “**QX Securities Dealing Code**”) regarding Directors’ and employees’ securities transactions on terms no less exacting than the required standard as set out in Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix 10 to the Listing Rules. The QX Securities Dealing Code also applies to the relevant employees who may be in possession of unpublished price sensitive information. Having made specific enquiry of all the Directors, the Directors confirmed that they have complied with the required standard as set out in both the QX Securities Dealing Code and the Model Code throughout the six months ended 30 June 2013.

DIRECTORS' INFORMATION

Having made specific enquiry of all the Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B of the Listing Rules since the publication of the Company’s 2012 annual report.

AUDIT COMMITTEE

The Audit Committee is currently comprised of all three independent non-executive Directors. The Audit Committee has reviewed with our management, the audited consolidated interim financial statements of the Group for the six months ended 30 June 2013 and the accounting principles and practices adopted by the Group during the period.

董事進行證券交易之標準守則

本公司已採納一套有關董事及僱員進行證券交易之《證券買賣守則》(「**群星證券買賣守則**」)，其條款不比上市規則附錄10所載之《上市發行人董事進行證券交易的標準守則》(「**標準守則**」)所載的規定標準寬鬆。群星證券買賣守則亦適用於可能擁有未公開股價敏感資料之有關僱員。經向所有董事作出特定查詢後，董事確認彼等於截至二零一三年六月三十日止六個月內一直遵守群星證券買賣守則及標準守則兩者所載之規定標準。

董事資料

經向所有董事作出特定查詢後，自本公司刊發二零一二年年報以來，董事資料並無任何變動，而須根據上市規則第13.51B條予以披露。

審核委員會

審核委員會現時由全體三名獨立非執行董事組成。審核委員會經已與管理層審閱本集團截至二零一三年六月三十日止六個月之經審核綜合中期財務報表，以及本集團於期內所採納之會計原則及準則。

OTHER INFORMATION

其他資料

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2013, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

SHARE OPTION SCHEME

The following is a summary of the principal terms of a share option scheme (the “**Share Option Scheme**”) adopted by the Company on 8 September 2007.

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group.

(b) Who may join

The Directors may, at their discretion, invite (i) any directors and employees of any members of the Group and any entity (“**Invested Entity**”) in which the Group holds an equity interest; and (ii) any advisors, consultants, customers, business partners, joint venture partners, supplier of goods and service providers of any member of the Group or any Invested Entity to participate in the Share Option Scheme.

購買、出售或贖回股份

於截至二零一三年六月三十日止六個月，本公司及其任何附屬公司概無購買、出售或贖回任何本公司股份。

購股權計劃

以下為本公司於二零零七年九月八日採納之購股權計劃(「**購股權計劃**」)的主要條款概要。

(a) 購股權計劃之目的

購股權計劃旨在使本集團能向選定參與者授予購股權，以作為彼等對本集團所作貢獻之獎勵或回報。

(b) 可參與之人士

董事可酌情邀請 (i) 本集團任何成員公司或本集團持有股本權益之任何實體(「**投資實體**」)之任何董事及僱員；及 (ii) 任何顧問、諮詢人、客戶、業務夥伴、合資經營夥伴、本集團任何成員公司之貨品供應商及服務提供者或任何投資實體參與購股權計劃。

SHARE OPTION SCHEME (Continued)

(c) Maximum number of the Company's shares which may be issued

The maximum number of the Company's shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 30% of the issued share capital of the Company from time to time.

The total number of the Company's shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group shall not in aggregate exceed 10% of the issued share capital of the Company on 2 October 2007 (the day on which dealings in the Company's shares first commenced on the Stock Exchange) but excluding such shares issued upon the exercise of the over-allotment option as referred to in the Prospectus. Such limit may be refreshed at any time provided that the new limit must not in aggregate exceed 10% of the issued share capital of the Company as at the date of the Company's shareholders' approval of the refreshed limit in general meeting.

(d) Maximum entitlement of each participant

The total number of the Company's shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being.

購股權計劃(續)

(c) 可予發行之本公司股份的最高數目

因行使根據購股權計劃及本集團任何其他購股權計劃所有授出而尚未行使之購股權而將予發行之本公司股份最高數目，合共不得超過本公司不時已發行股本之30%。

因行使根據購股權計劃及本集團任何其他購股權計劃將予授出之所有購股權而可予配發及發行之本公司股份總數，合共不得超過本公司於二零零七年十月二日(本公司股份於聯交所開始買賣首日)已發行股本之10%，惟不包括因行使在招股章程所述之超額配售權而發行之該等股份。該上限可於任何時間予以更新，惟新上限合共不得超過本公司股東在股東大會上批准更新上限當日本公司已發行股本之10%。

(d) 每位參與者之最高配額

已發行及因行使根據購股權計劃及本集團任何其他購股權計劃而於任何12個月期間向每位參與者授出之購股權(包括已行使或尚未行使之購股權)而須予發行之本公司股份總數，不得超過本公司當時已發行股本之1%。

OTHER INFORMATION

其他資料

SHARE OPTION SCHEME (Continued)

(e) Time of acceptance and exercise of option

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof.

(f) Subscription price for Shares and consideration for the option

The subscription price per share of the Company under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price per share of the Company as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant; (ii) the average closing price per share of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of a share of the Company.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

(g) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which it is adopted.

No options were granted, cancelled or lapsed under the Share Option Scheme as at 30 June 2013.

購股權計劃(續)

(e) 接納及行使購股權之時間

參與者可於建議授出購股權當日起計21日內接納購股權。

承授人可根據購股權計劃之條款於董事釐定及通知各承授人之期限內隨時行使購股權，該期限可由提出授予購股權建議日期後翌日起計，惟無論如何不得超過自購股權授出當日起計10年，且須受有關購股權提前終止之條文所規限。

(f) 股份之認購價及購股權之代價

根據購股權計劃，本公司每股股份之認購價將由董事釐定，惟不得少於(以下列中最高者為準)(i)建議授出當日聯交所每日報價表中所列之本公司每股股份收市價；(ii)緊接建議授出日期前5個交易日聯交所每日報價表中所列之本公司每股股份平均收市價；及(iii)本公司每股股份面值。

接納獲授購股權時須繳付1港元之象徵式代價。

(g) 購股權計劃之期限

購股權計劃自其獲採納當日起計10年期內均屬有效。

於二零一三年六月三十日，概無購股權根據購股權計劃授出、註銷或失效。



Qunxing Paper Holdings Company Limited
群星紙業控股有限公司

www.qxpaper.com

