



CHINA STARCH HOLDINGS LIMITED
中國澱粉控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 3838)



Contents

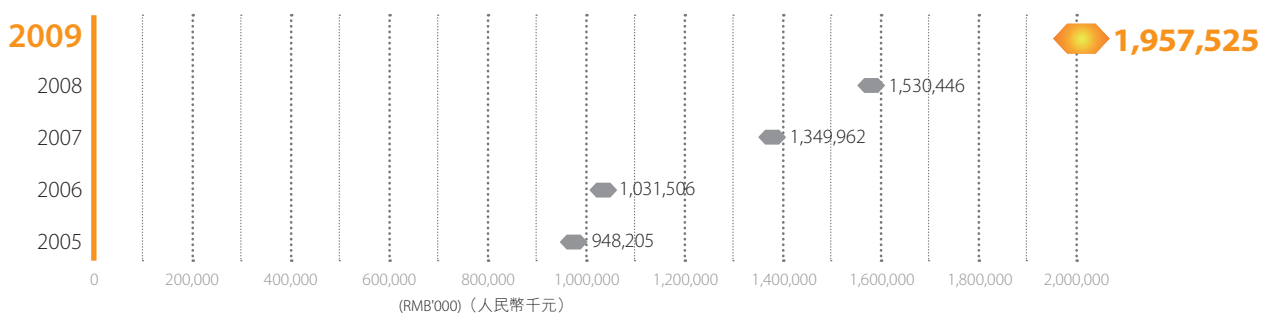
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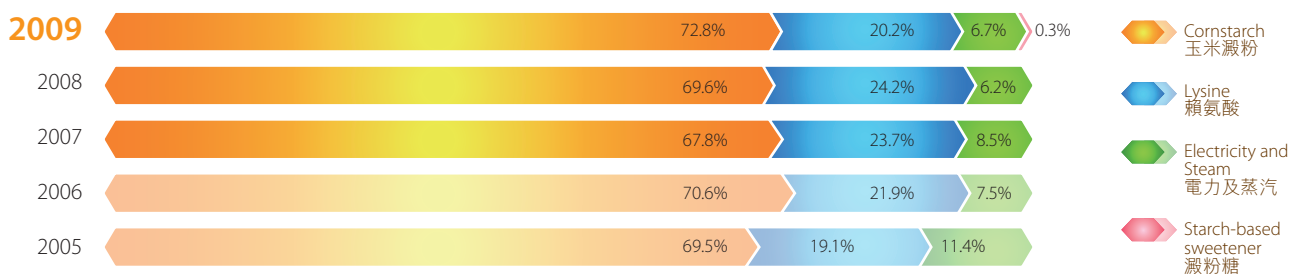
FINANCIAL HIGHLIGHTS

財務摘要

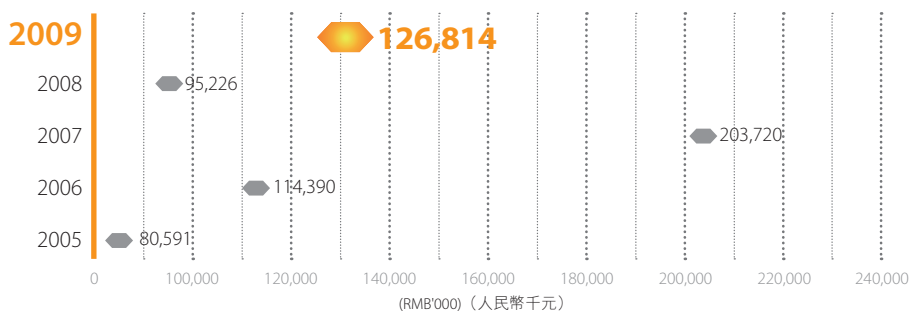
TURNOVER 營業額



TURNOVER BY BUSINESS SEGMENT 業務分部營業額



PROFIT FOR THE YEAR 本年度利潤



FINANCIAL HIGHLIGHTS
財務摘要

		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Results	業績		
Turnover	營業額	1,957,525	1,530,446
Gross profit	毛利	211,941	189,163
Profit before taxation	除稅前利潤	127,476	105,981
Net profit	純利	126,814	95,226
Basic earnings per share (RMB)	每股基本盈利 (人民幣)	0.0485	0.0376
Gross profit margin	毛利率	10.8%	12.4%
Net profit margin	純利率	6.5%	6.2%
Financial position	財務狀況		
Cash and cash equivalents	現金及現金等價物	291,296	242,825
Total assets	總資產	1,339,495	1,111,471
Total debts	總負債	351,238	223,774
Total equity	權益總額	988,257	887,697
Current ratio (Times)	流動比率 (倍)	2.2	2.5
Quick ratio (Times)	速動比率 (倍)	1.6	1.8
Gearing – borrowings to total assets	槓桿比率 – 借款 除以總資產	5.7%	0.9%
Efficiency ratios	效益比率		
Debtors turnover (Days)	應收賬款週轉 (天數)	30	30
Creditors turnover (Days)	應付賬款週轉 (天數)	15	16
Inventories turnover (Days)	存貨週轉 (天數)	34	34
Cash conversion (Days)	現金轉換 (天數)	49	48

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Dong Yanfeng
 Ms. Yu Shumin
 Mr. Cao Zenggong
 Mr. Yue Kwai Wa, Ken

COMPANY SECRETARY

Mr. Leung Siu Hong, FCCA, FCPA

AUTHORISED REPRESENTATIVES

Mr. Yu Yingquan
 Mr. Leung Siu Hong

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2408, 24/F
 Hopewell Centre
 183 Queen's Road East
 Wanchai
 Hong Kong

AUDITOR

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

執行董事

田其祥先生(主席)
 高世軍先生(行政總裁)
 于英全先生
 劉象剛先生

獨立非執行董事

董延豐女士
 余淑敏女士
 曹增功先生
 余季華先生

公司秘書

梁兆康先生，FCCA, FCPA

授權代表

于英全先生
 梁兆康先生

註冊辦事處

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

總辦事處及香港主要營業地點

香港
 灣仔
 皇后大道東183號
 合和中心
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核數師

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 香港
 中環
 太子大廈22樓

LEGAL ADVISERS

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40th Floor
Jardine House
1 Connaught Place
Hong Kong

INTERNAL CONTROL REVIEW ADVISOR

SHINEWING Risk Services Limited

PRINCIPAL BANKERS

China Construction Bank Corporation
Agricultural Bank of China
Industrial and Commercial Bank of China

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
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內部監控審閱顧問

信永方略風險管理有限公司

主要往來銀行

中國建設銀行
中國農業銀行
中國工商銀行

開曼群島股份過戶及登記處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

香港股份過戶及登記分處

卓佳證券登記有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

網址

www.chinastarch.com.hk



Chairman's Statement

主席報告

CHAIRMAN'S STATEMENT

主席報告



Dear shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China Starch Holdings Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2009.

BUSINESS REVIEW

Cornstarch is a raw material for a wide range of products and is generally used in daily diet and daily consumer goods, such as soft drinks, beer, yarn, papermaking, medicine, natural sweeteners and food, etc. Therefore, cornstarch and its derivatives are daily consumer goods and are characterised by their non-reusable nature.

致各位股東：

本人謹代表中國澱粉控股有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱為「本集團」)截至二零零九年十二月三十一日止的年度業績報告。

業務回顧

以玉米澱粉為原材料的產品種類繁多，大多應用於人的日常飲食和日用消費品，例如，軟性飲料、啤酒、紡紗、造紙、醫葯、天然甜味劑、食品等。所以玉米澱粉及其衍生的產品為日常消費品且具有不可重複使用之特性。

Amid the global economic downturn and an operating environment with a lessened demand, the Group has inevitably been affected by reduced sales growth and falling average unit prices. Nevertheless, our management regarded this financial tsunami as a challenge to their operational foundations and competence, and it also brought new development opportunities for the Group. During the year under review, the Group offset the impact on the falling average price of cornstarch by exploring new markets for cornstarch and exercising strict cost control. Thanks to our remarkable business management and prudent capital management, the Group did not incur any monthly loss and was not subject to any operating cash shortage in 2009.

Furthermore, 臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited) ("Deneng Golden Corn"), established by the Group in 2008, has an average utilisation rate of 48.5%. It also started generating profits for the Group in May 2009. Moreover, the Group's starch-based sweetener project was completed earlier and has commenced trial production in October 2009.

FINANCIAL PERFORMANCE

The Group's overall turnover for the year 2009 amounted to approximately RMB1,957,525,000, representing a surge of 27.9% over the previous year. Gross profit margin slightly dropped 1.6% to 10.8%. Net profit margin for the year was 6.5%, which is fairly similar as compared to last year (2008: 6.2%). Profit attributable to shareholders substantially increased by 28.9% to approximately RMB126,659,000 (2008: RMB98,234,000). Since the Group planned to significantly increase its production capacity in the next two years, the Board considers that it is in the long term interests of the shareholders and the Company as a whole to reserve part of its capital for the purpose of expansion and liquidity. Therefore, the Board recommends the payment of a final dividend of HK1.16 cents per share, totalling approximately HK\$33,522,000, and a bonus issue of shares on the basis of a one new ordinary share for every one ordinary share held to the shareholders of the Company whose names are on the register of members on 17 June 2010, subject to the approval of the shareholders of the Company in the forthcoming annual general meeting of the Company. The dividend payout ratio is 23.3%.

在全球經濟萎縮及對各種產品需求放緩之經營環境下，本集團無可避免地在短時間內受到銷售增長放緩及平均單價下跌之影響。但管理層視這次金融風暴為本集團的經營基礎及管理層能力的考驗，同時亦為本集團帶來新發展機遇。在二零零九年回顧年度內，本集團透過開拓玉米澱粉新市場及嚴格控制成本來抵消平均單價下降之影響。總括而言，本集團在二零零九年並沒有出現單月虧損或營運資金緊拙之情況。這全賴於我們優秀的管理團隊及保守的資金管理態度成果。

除此之外，本集團於去年成立之臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited) (「德能金玉米」) 的平均使用率達到 48.5%，並且在二零零九年五月開始為本集團帶來盈利貢獻。另外，本集團之澱粉糖工程亦提早於二零零九年十月完成並開始試產。

財務表現

二零零九年本集團的整體營業額約為人民幣 1,957,525,000 元與去年比較大幅上升 27.9%。毛利率輕微下跌 1.6% 至 10.8%，全年的淨利率則與去年相若為 6.5% (二零零八年：6.2%)。股東應佔利潤大幅上升 28.9% 至約為人民幣 126,659,000 元 (二零零八年：人民幣 98,234,000 元)。鑒於本集團計劃在未來二年將會大幅增加其產能，董事會認為保留部份資金作為擴產及流動資金之用更合乎股東及公司長遠利益。因此，董事建議派付末期股息每股 1.16 港仙 (合共約 33,522,000 港元) 及按每持有一股普通股獲發一股新普通股的基準發行紅股予於二零一零年六月十七日名列本公司股東名冊的股東，惟須待本公司股東於本公司即將舉行的股東週年大會上批准，方可作實。派息比率為 23.3%。

Affected by falling average unit prices but benefited from the expansion of facilities, the turnover of cornstarch and ancillary corn-refined products for the year 2009 significantly increased 33.8% to RMB1,425,700,000 (2008: RMB1,065,915,000). Though the average gross profit margin of the year (6.7%) was lower than that of previous year (2008: 9.8%), a comparison of the first half and the second half of the year shows that the gross profit margin of this business segment is rising from the bottom.

As for lysine, the Company has set an annual sales target of 15,000 tonnes for 65% lysine at the beginning of the year and the actual annual sales volume recorded 19,666 tonnes, which was much higher than our expectations. As the annual performance of lysine and related products was still influenced by the decrease in unit prices, sales slightly increased by 6.8% to approximately RMB394,984,000 (2008: RMB369,832,000).

Sales of electricity and steam substantially increased by 38.7% to approximately RMB131,339,000 (2008: RMB94,699,000) and the gross profit margin significantly climbed from 18.4% to 35.9%. The increase was primarily due to the price adjustment of electricity and steam of last year.

Starch-based sweetener is a new product of our Group. Since it was under trial production stage and was sold as a sample product, it did not generate any profit for the Group during the year under review.

玉米澱粉及玉米深加工副產品雖然受平均單價下降影響，但由於產能上升，所以二零零九年的營業額仍大幅上升33.8%至人民幣1,425,700,000元(二零零八年：人民幣1,065,915,000元)。雖然本年的平均毛利率(6.7%)比去年低(二零零八年：9.8%)，但以下半年與上半年比較，該業務板塊的毛利率正在由谷低回升。

賴氨酸方面，我們於年初為65%賴氨酸訂立之全年銷售目標為15,000噸，而全年實際銷售量大高於預期為19,666噸。由於賴氨酸及相關產品全年表現仍受單價影響，所以銷售額只輕微上升6.8%至約人民幣394,984,000元(二零零八年：人民幣369,832,000元)。

電力及蒸汽銷售額大幅上升38.7%至約人民幣131,339,000元(二零零八年：人民幣94,699,000元)。毛利率亦由18.4%大幅上升至35.9%。這是受惠於去年電力及蒸汽價格調整所致。

澱粉糖產品為本集團之新產品。由於在試產階段及把產品作為樣品銷售之用，該產品於回顧年度內暫未能為本集團帶來盈利貢獻。

PROSPECTS AND DEVELOPMENT PLANS

We notice that the global economy has been slowly recovering since the end of 2009. Average market prices of cornstarch and 98.5% lysine at the end of the year were even higher than the level reached in the first quarter of 2008. Currently, the Company has an annual production capacity of 850,000 tonnes and 55,000 tonnes for cornstarch and lysine respectively with the addition of 100,000 tonnes of liquid starch-based sweetener. We are confident that with the gaining momentum of economic recovery and rising unit prices, the results for the year 2010 will record a remarkable growth.

In addition, since the domestic and overseas consumer markets restored positive growth, the demand for cornstarch and its by-products will likely increase. As disclosed in the announcement of the Company dated 19 January 2010, the Group plans to, within two years, increase the annual production capacity of cornstarch, lysine and starch-based sweetener to 1,650,000 tonnes, 105,000 tonnes and 300,000 tonnes respectively in order to satisfy and cope with current and future needs of the market.

展望及發展計劃

我們留意到全球經濟在二零零九年年底開始有復甦跡像，玉米澱粉及98.5%賴氨酸在年末的市場單價甚至超越二零零八年第一季度水平。目前，本公司的玉米澱粉及賴氨酸年產能分別為850,000噸及55,000噸並新增加了液態澱粉糖100,000噸的年產能，我們有信心在經濟復甦及單價提升的良好勢頭下，二零一零年的業績會有顯著的增長。

除此之外，由於國內外消費品市場回復了正增長，這必然對玉米澱粉及副產品需求更為殷切。誠如本公司在二零一零年一月十九日刊發之擴產計劃公佈，本集團計劃在二年內，將玉米澱粉、賴氨酸及澱粉糖之年度產能分別提升至每年1,650,000噸、105,000噸及300,000噸，以滿足及應付目前與未來之市場需求。

APPRECIATION

I would like to express my deepest gratitude to the Board and the employees for their loyalty and commitment in spite of the economic crisis, which has not only realised but exceeded our Group's expectation.

Tian Qixiang

Chairman

Hong Kong, 23 April 2010

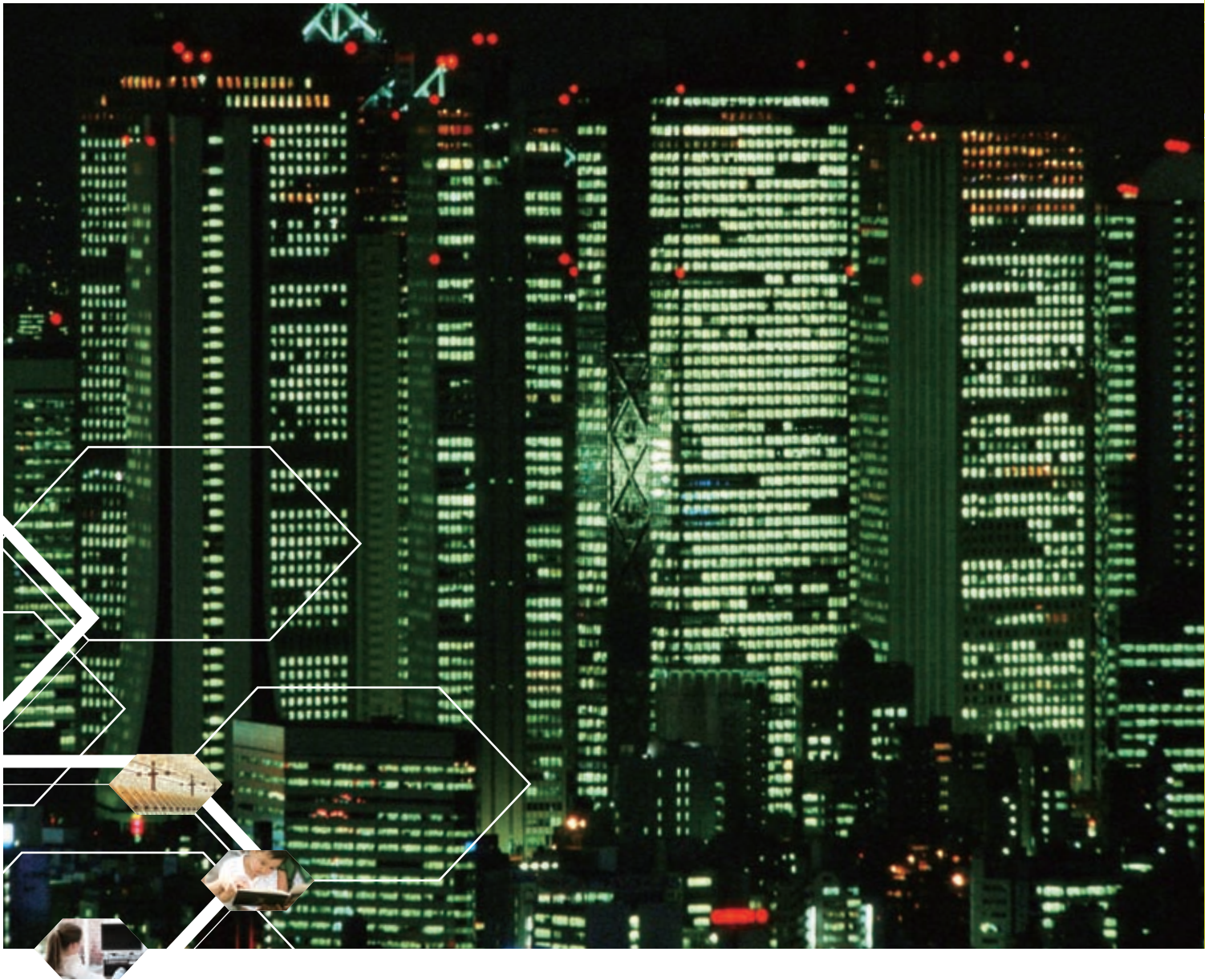
致謝

本人十分感謝董事會和全體員工在經濟危機之中盡心及努力堅守崗位，實現並超越本集團訂立之目標。

主席

田其祥

香港，二零一零年四月二十三日



Management Discussion and Analysis

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



OVERVIEW

Turnover of the Group for the year was approximately RMB1,957,525,000 (2008: RMB1,530,446,000). In the face of decreasing demand and selling price of products during the year under review, it was not easy for the Group to pursue a substantial growth of turnover and maintain profitability amongst other market players.

During the year under review, we introduced a new product, starch-based sweetener, to the market. It is expected this new business segment will be our growth driver in the next two years. We also formulated a two-year expansion plan on each segment of the Group. With a solid financial position and improved worldwide economic condition, the Group will benefit from its leading position and the expansion plan in future.

概覽

本集團於本年度的營業額約為人民幣1,957,525,000元(二零零八年：人民幣1,530,446,000元)。回顧年度內，面對需求減少及產品售價下跌，本集團要達致營業額顯著增長及在其他市場對手中保持盈利能力殊非易事。

於回顧年度，本集團在市場上推出新產品—澱粉糖。預期此新業務分部將會是本集團未來兩年的增長動力。本集團亦已就其各分部制定兩年擴充計劃。憑藉雄厚的財政實力及全球經濟情況改善，本集團日後將可因其領導地位及擴充計劃而受惠。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross profit increased slightly to approximately RMB211,941,000 (2008: RMB189,163,000) while the gross profit margin decreased slightly by 1.6% point to 10.8% (2008: 12.4%). Profit after taxation for the year increased significantly by 33.2% to approximately RMB126,814,000 (2008: RMB95,226,000). Basic earnings per share of the equity holders of the Company was RMB0.0485 per share (2008: RMB0.0376 per share).

毛利輕微增長至約人民幣211,941,000元(二零零八年：人民幣189,163,000元)，而毛利率則略為下降，減少1.6%至10.8%(二零零八年：12.4%)。年內除稅後利潤大幅增加33.2%至約人民幣126,814,000元(二零零八年：人民幣95,226,000元)。本公司權益持有人應佔每股基本盈利為每股人民幣0.0485元(二零零八年：每股人民幣0.0376元)。

BUSINESS REVIEW

Cornstarch and ancillary corn-refined products

Turnover

Sales of cornstarch and ancillary corn-refined products for the year ended 31 December 2009 surged by 33.8% to approximately RMB1,425,700,000 (2008: RMB1,065,915,000). This business segment represented about 72.8% of total turnover of the Group (2008: 69.6%).

業務回顧

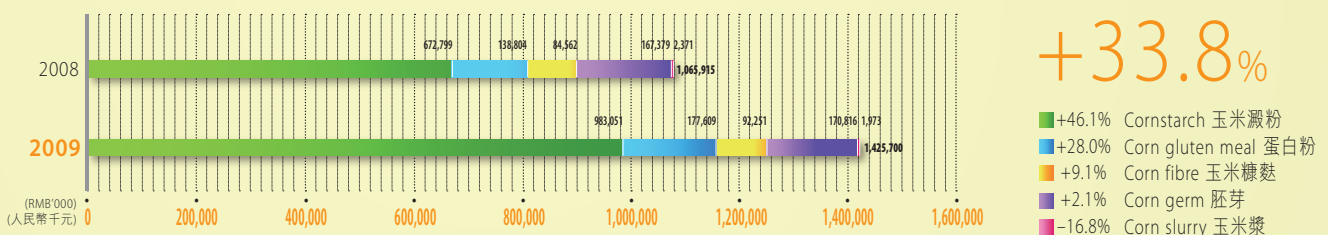
玉米澱粉及玉米深加工副產品

營業額

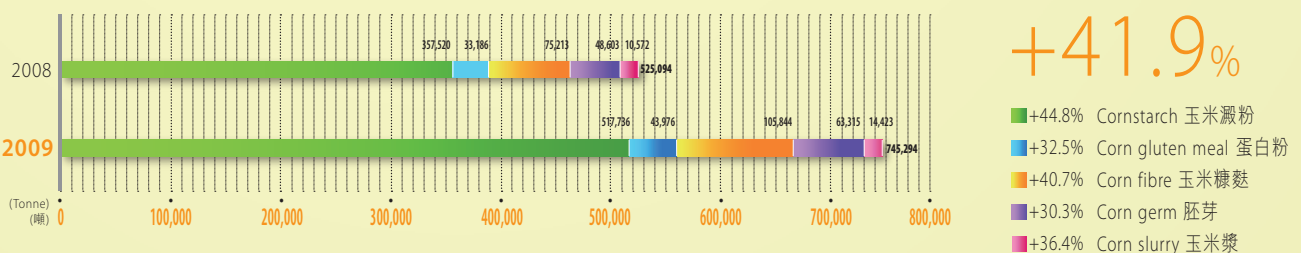
截至二零零九年十二月三十一日止年度，玉米澱粉及玉米深加工副產品的銷售飆升33.8%至約人民幣1,425,700,000元(二零零八年：人民幣1,065,915,000元)。此業務分部佔本集團總營業額約72.8%(二零零八年：69.6%)。

Cornstarch and ancillary corn-refined products 玉米澱粉及玉米深加工副產品

Turnover 營業額



Quantity 數量



During the year under review, sales volume of cornstarch increased significantly by 44.8% to 517,736 tonnes (2008: 357,520 tonnes). Meanwhile, sales amount of cornstarch surged from RMB672,799,000 to RMB983,051,000. The average selling price of cornstarch in the second half of 2009 increased by 22.2% to RMB2,065 per tonne as compared with the average selling price of RMB1,690 in the first half of 2009. The average selling price of current year was RMB1,899 per tonne (2008: RMB1,882). The market of cornstarch in the second half of the year improved as the global economic market trended to stabilise.

於回顧年度，玉米澱粉的銷售量大幅增加44.8%至517,736噸(二零零八年：357,520噸)。與此同時，玉米澱粉的銷售金額亦由人民幣672,799,000元急增至人民幣983,051,000元。於二零零九年下半年，玉米澱粉的平均售價增加22.2%至每噸人民幣2,065元，而二零零九年上半年的平均售價則為人民幣1,690元。本年度的平均售價為每噸人民幣1,899元(二零零八年：人民幣1,882元)。由於全球經濟市場轉趨穩定，玉米澱粉市場於下半年亦見回暖。

Corn gluten meal and corn fibre were mainly used for the production of animal feeds. Average selling prices of these two products were affected by the poor performance of animal feeds market. In addition, the export sales of these two products decreased significantly during the year under review.

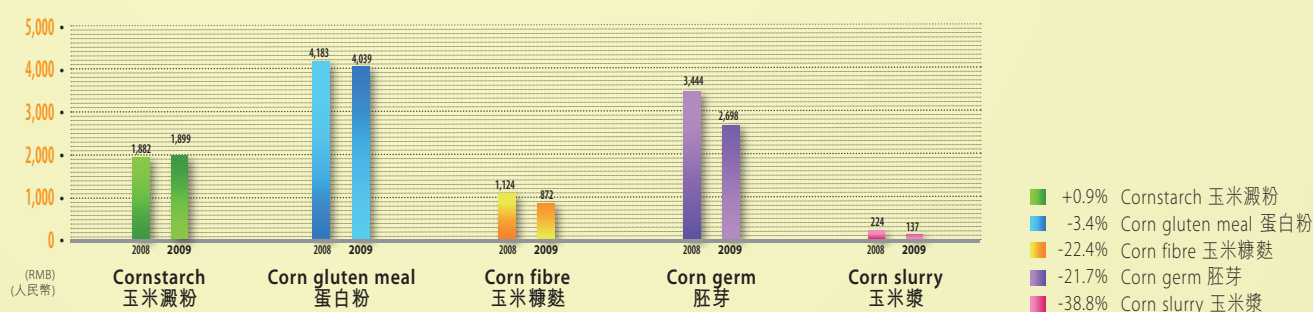
蛋白粉及玉米糠麩主要用作生產動物飼料。這兩種產品的平均售價因動物飼料市場表現疲弱而受影響。此外，這兩種產品於回顧年度的出口銷售亦大幅下滑。

Corn germ is a major material for the production of cooking oil. Sales of corn germ was affected by the decrease in prices of soybean and soybean oil throughout the year.

胚芽是生產食用油的主要材料，而胚芽於年內的銷售因大豆及大豆油價格下降而受影響。

Cornstarch and ancillary corn-refined products 玉米澱粉玉米深加工副產品

Average selling price (Per tonne) 平均售價 (每噸)



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The increase in utilisation ratio and full year effect of annual production capacity of 臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited) ("Deneng Golden Corn") increased the production volume of cornstarch and ancillary corn-refined products during the year under review. Sales of cornstarch and ancillary corn-refined products of Deneng Golden Corn to customers was approximately RMB514,295,000 (2008: RMB120,531,000).

Cost of goods sold and gross profit margin

Cost of goods sold of cornstarch and ancillary corn-refined products increased by 38.4% to approximately RMB1,330,399,000 (2008: RMB960,949,000). During the year under review, the average corn kernel and coal prices were RMB1,506 per tonne and RMB693 per tonne (corn kernel and coal prices in 2008: RMB1,537 per tonne and RMB797 per tonne) respectively.

Gross profit margin for this business segment was about 6.7% (2008: 9.8%). The decrease in gross profit margin was mainly due to the decrease in overall selling prices during the year under review. The Directors regard that the market condition of cornstarch started to rebound in the last quarter of 2009 because the selling price of cornstarch increased to RMB2,065 per tonne and the average gross profit margin increased from 5.2% in the first half of 2009 to 8.1% in the second half of 2009.

臨清德能金玉米生物有限公司(「德能金玉米」)的使用率提升及其整個年度的年產能之影響令玉米澱粉及玉米深加工副產品於回顧年度的產量有所增加。德能金玉米的玉米澱粉及玉米深加工副產品向客戶的銷售約為人民幣514,295,000元(二零零八年：人民幣120,531,000元)。

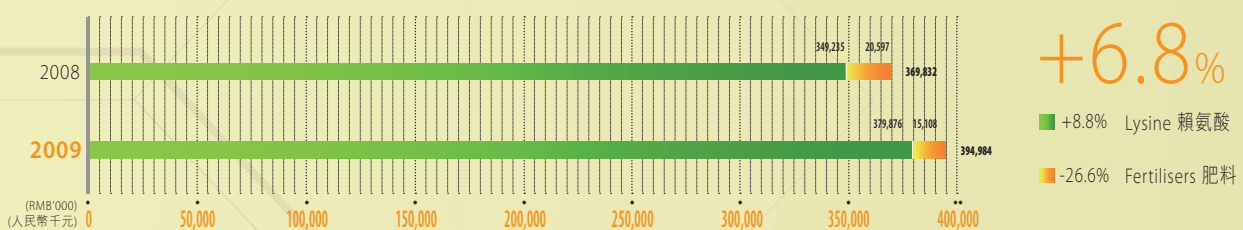
銷貨成本及毛利率

玉米澱粉及玉米深加工副產品的銷貨成本增加38.4%至約人民幣1,330,399,000元(二零零八年：人民幣960,949,000元)。於回顧年度，玉米粒及煤炭的平均價格分別為每噸人民幣1,506元及每噸人民幣693元(二零零八年的玉米粒及煤炭價格：每噸人民幣1,537元及每噸人民幣797元)。

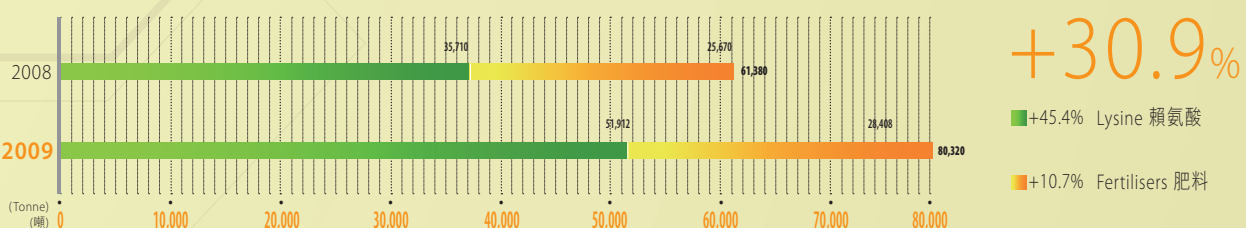
此項業務分部的毛利率約為6.7%(二零零八年：9.8%)。毛利率減少主要是由於回顧年度內的整體售價下跌。董事認為玉米澱粉的市場狀況會於二零零九年最後一季復甦，原因為玉米澱粉的售價增至每噸人民幣2,065元，而平均毛利率則由二零零九年上半年的5.2%增加至二零零九年下半年的8.1%。

Lysine and fertilisers 賴氨酸及肥料

Turnover 營業額



Quantity 數量



Lysine and fertilisers*Turnover*

Sales of lysine and related products increased slightly by 6.8% to approximately RMB394,984,000 (2008: RMB369,832,000) which represented about 20.2% of turnover of the Group (2008: 24.2%).

During the year under review, sales volume of lysine increased to 51,912 tonnes (2008: 35,710 tonnes). The increase in sales volume was mainly due to the outstanding performance of 65% lysine. The average selling price of lysine decreased to RMB7,318 per tonne (2008: RMB9,780). Both the domestic and overseas market of lysine started to rebound in the last quarter of 2009. The market average selling price of 98.5% lysine started to go upward in December 2009 and in the meantime export sales increased to 32.6% of total sales of lysine in the second half of 2009.

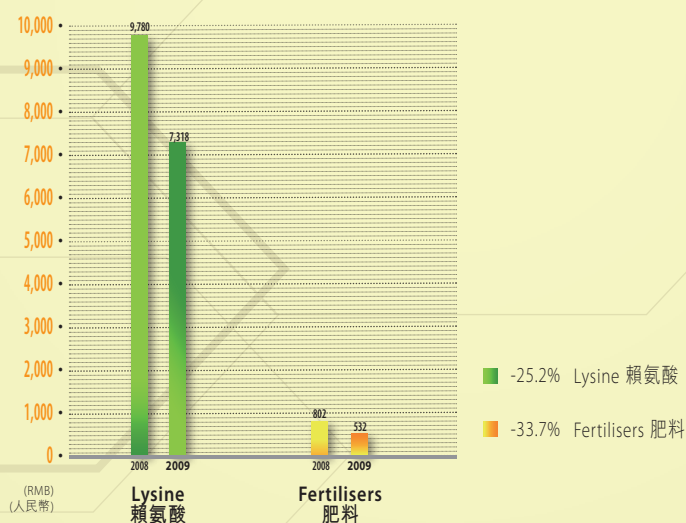
Sales volume of fertilisers increased by 10.7% to 28,408 tonnes, which was lower than the average increase in sales volume of other products of the Group. The pace of increase was slower because less sewage was left as raw material for the production of fertilisers resulted from the increased output ratio of lysine products.

賴氨酸及肥料*營業額*

賴氨酸及相關產品的銷售微增6.8%至約人民幣394,984,000元(二零零八年：人民幣369,832,000元)，佔本集團營業額約20.2%(二零零八年：24.2%)。

於回顧年度，賴氨酸的銷售量增加至51,912噸(二零零八年：35,710噸)。銷售量增加主要是由於65%賴氨酸的銷售表現亮麗所致。賴氨酸的平均售價降至每噸人民幣7,318元(二零零八年：人民幣9,780元)。賴氨酸的本地及海外市場於二零零九年最後一季均開始回升，98.5%賴氨酸的市場平均售價於二零零九年十二月已見上升，同時於二零零九年下半年其出口銷售亦增至賴氨酸總銷售的32.6%。

肥料的銷售量增加10.7%至28,408噸，較本集團其他產品的平均銷售量增幅略為遜色，增長速度落後是因為賴氨酸產品的產出率提高而令用作生產肥料原材料的污水供應減少。

Lysine and fertilisers 賴氨酸及肥料**Average selling price (Per tonne) 平均售價 (每噸)**

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of goods sold and gross profit margin

The cost of production of lysine and fertilisers was lower due to the decreased corn kernel and allocated electricity and steam costs from our own power plant during the year under review. As a result of the same percentage increase in both turnover and cost of goods sold in this business segment, the gross profit margin remained at 18.0% (2008: 18.0%) for the year under review.

Electricity and steam

Turnover

Sales of electricity and steam for the year under review was approximately RMB131,339,000 (2008: RMB94,699,000). It represented about 6.7% (2008: 6.2%) of the turnover of the Group. The increase was mainly due to adjustment of unit price of electricity and steam by their respective local Price Bureau in 2008.

Cost of goods sold and gross profit margin

During the year under review, the average coal price decreased by about 13.0% to RMB693 per tonne.

As a result of the increase in average selling price of electricity and steam and the decrease in average coal price during the year under review, the gross profit margin of this business segment increased significantly from 18.4% to 35.9%.

銷貨成本及毛利率

於回顧年度，玉米粒成本及本公司本身的發電廠的配電及蒸氣成本下降，令賴氨酸及肥料的生產成本下降。由於此業務分部的營業額及銷貨成本同比增加，故於回顧年度的毛利率維持於18.0%(二零零八年：18.0%)。

電力及蒸汽

營業額

於回顧年度，電力及蒸汽的銷售約為人民幣131,339,000元(二零零八年：人民幣94,699,000元)，佔本集團營業額約6.7%(二零零八年：6.2%)。銷售增加主要是由於各地方物價局於二零零八年調整電力及蒸汽的單位價格所致。

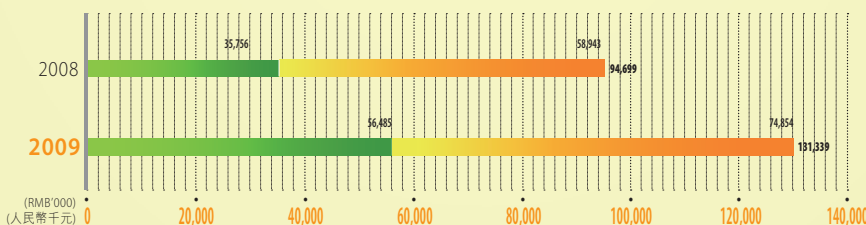
銷貨成本及毛利率

於回顧年度，平均煤價下挫約13.0%至每噸人民幣693元。

由於在回顧年度內電力及蒸汽的平均售價上升及平均煤價下跌，故此業務分部的毛利率由18.4%攀升至35.9%。

Electricity and steam 電力及蒸汽

Turnover 營業額



+38.7%

■ +58.0% Electricity 電力

■ +27.0% Steam 蒸汽

Starch-based sweetener*Turnover*

The Group's starch-based sweetener production plant was located in Deneng Golden Corn. This production plant was early-completed in the last quarter of 2009. During the year under review, the Group started to introduce maltose syrup and sold samples to our customers in Shandong and Hebei. Total sales amount was approximately RMB5,502,000.

The Directors expected the introduction of this new product will enhance our product base and improve the utilisation rate of Deneng Golden Corn production plant in future.

Cost of goods sold and gross profit margin

As the product was in the pilot-run production stage, the Group did not record any profit for this business segment for the year under review.

Other income

Other income mainly represented government grants, sales of scrap oil and coal and steam connection income. During the year under review, other income decreased by 32.2% to approximately RMB11,023,000 (2008: RMB16,269,000) because of the decrease in government grant and amortisation of staff quarter rental income.

Distribution and administrative expenses

During the year under review, the Group strengthened control over expenses and budget. Although the sales volume increased significantly, our distribution and administrative expenses did not increase. The decrease in administrative expenses was mainly attributable to the reduction of foreign exchange loss.

Share of result from an associate

The share of profit from our associate, 壽光金遠東變性澱粉有限公司 (Shouguang Golden Far East Modified Starch Co., Ltd) was approximately RMB2,147,000 (2008: RMB6,444,000) for the year ended 31 December 2009.

澱粉糖*營業額*

本集團的澱粉糖生產廠房位於德能金玉米。此生產廠房提早於二零零九年最後一季完工。於回顧年度，本集團開始推出麥芽糖漿，並向山東及河北客戶銷售樣品。總銷售額約為人民幣5,502,000元。

董事預期推出此新產品可令本公司產品更為豐富，並可改善德能金玉米生產廠房日後的使用率。

銷貨成本及毛利率

由於該產品仍在試產階段，所以本集團於回顧年度並未在此業務分部錄得任何利潤。

其他收入

其他收入主要為政府補助、銷售廢油及煤屑以及蒸汽接駁收入。於回顧年度，其他收入減少32.2%至約人民幣11,023,000元(二零零八年：人民幣16,269,000元)，原因為政府補助及攤銷員工宿舍租金收入減少所致。

分銷及行政費用

於回顧年度，本集團加強對費用及預算的控制。雖然銷售量大幅提升，但本公司的分銷及行政費用並無增加。行政費用縮減主要是因為匯兌虧損減少所致。

應佔一家聯營公司業績

截至二零零九年十二月三十一日止年度，應佔本集團聯營公司壽光金遠東變性澱粉有限公司的利潤約為人民幣2,147,000元(二零零八年：人民幣6,444,000元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Taxation

The decrease in tax expenses to approximately RMB662,000 (2008: RMB10,755,000) for the year under review was mainly attributable to the recognition of deferred income tax assets in respect of losses in previous years.

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

DIVIDEND POLICY

The Directors expect that dividends will be paid as interim and/or final dividends. Our long term dividend policy is to pay annual cash dividends of not less than 30% of our distributable profit in each financial year.

However, the payment of such dividends will be made at the discretion of the Board and will be based upon the availability of distributable profits, earnings, financial positions, funding requirements and other relevant factors from time to time.

As disclosed in the announcement of the Company dated 19 January 2010, the Group will increase its annual production capacity of cornstarch, lysine, starch-based sweetener from 850,000 tonnes, 55,000 tonnes and 100,000 tonnes per annum to 1,650,000 tonnes, 105,000 tonnes and 300,000 tonnes per annum respectively in a span of approximately two years to satisfy and cater for current and future market demands. Therefore, the Board is pleased to recommend the payment of a final dividend of HK1.16 cents per share, totalling approximately HK\$33,522,000, and a bonus issue of shares on the basis of one new ordinary share for every one ordinary share held to the shareholders of the Company whose names are on the register of members on 17 June 2010, subject to the approval of the shareholders of the Company in the forthcoming annual general meeting of the Company, and if passed, dividend and share certificates will be paid and posted respectively on 24 June 2010. The dividend payout ratio is 23.3%.

稅項

於回顧年度，稅項開支減少至約人民幣662,000元(二零零八年：人民幣10,755,000元)，主要歸因於就過往年度之虧損確認遞延所得稅資產所致。

由於本集團並無在香港產生或賺取任何應課稅收入，故本集團毋須繳納香港所得稅。

股息政策

董事預期，股息將作為中期及／或末期股息派付。本公司的長期股息政策為支付不少於各財政年度可供分派利潤30%的年度現金股息。

然而，該等股息將由董事會酌情根據可供分派利潤的水平、本集團盈利、財務狀況、資金需求及其他有關因素而不時派付。

誠如本公司日期為二零一零年一月十九日的公佈所披露，本集團會在約兩年期內，將其玉米澱粉、賴氨酸及澱粉糖的年產能由每年850,000噸、55,000噸及100,000噸分別提升至每年1,650,000噸、105,000噸及300,000噸，以滿足及應付目前與未來的市場需求。因此，董事會欣然建議派付末期股息每股1.16港仙(合共約33,522,000港元)及按每持有一股普通股獲發一股新普通股之基準發行紅股予於二零一零年六月十七日名列本公司股東名冊的股東，惟須待本公司股東於本公司即將舉行之股東週年大會上批准，方可作實。倘建議獲股東通過，股息及股票將於二零一零年六月二十四日派付及寄出。派息比率為23.3%。

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2009, the Group had approximately 2,181 full time staff (2008: 2,064). Total staff costs, including Directors' emoluments, of the Group was approximately RMB57,357,000 (2008: RMB45,948,000). The Group considers the experience, responsibility, and performance of the Directors and employees of the Group in order to determine their respective remuneration packages. The Company has also adopted a share option scheme (the "Scheme") with a primary purpose of motivating our employees and other eligible persons entitled under the Scheme to optimise their contributions to the Group and to reward them for their contribution to the Group. In addition, a remuneration committee is delegated by the Board to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

As at 31 December 2009, no share options have been granted under the Scheme.

FINANCIAL REVIEW

Financial management and treasury policy

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

Foreign currency exposure

The Directors consider that the Group has limited foreign currency exposure because our operations are mainly conducted in the PRC. Sales and purchases are mainly denominated in Renminbi and the foreign currency risk associated with export sales is not material. In view of the minimal foreign currency exchange risk, we monitored the exchange rate closely instead of entering into any foreign exchange hedging arrangement.

Liquidity, financial resources and capital structure

As at 31 December 2009, the available and unutilised banking facilities of the Group amounted to approximately RMB401,000,000.

The Directors are of the opinion that the working capital available to the Group is sufficient for its present requirements.

人力資源及薪酬政策

於二零零九年十二月三十一日，本集團聘用約2,181名全職員工(二零零八年：2,064名)。本集團的員工總成本(包括董事酬金)約為人民幣57,357,000元(二零零八年：人民幣45,948,000元)。本集團按本集團董事及僱員的經驗、責任及表現釐定其各自的薪酬待遇。本公司亦已採納一項購股權計劃(「該計劃」)，主要目的是激勵本集團僱員及該計劃下所界定的其他合資格人士繼續積極為本集團作出貢獻，並對彼等為本集團所作出的貢獻予以獎勵。此外，薪酬委員會獲董事會委派審閱及釐定薪酬待遇的條款、花紅及應付予董事及高級管理層的其他報酬。

於二零零九年十二月三十一日，本公司並無根據該計劃授出任何購股權。

財務回顧

財務管理及庫務政策

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

外匯風險

董事認為，由於本集團的營運主要在中國進行，因此本集團承受的外匯風險有限。買賣主要以人民幣結算，而與出口銷售有關的外匯風險並不重大。由於外匯風險極微，故本集團只密切監察匯率而不訂立任何外匯對沖安排。

流動資金、財務資源及資本架構

於二零零九年十二月三十一日，本集團的可提用及未動用銀行信貸約為人民幣401,000,000元。

董事認為，本集團可動用的營運資金足以應付其現有需要。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The major financial figures and key financial ratios are summarised as follows: 主要財務數據及關鍵財務比率概述如下：

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Borrowings:	借款：		
– Within 1 year	– 一年以內	69,509	1,551
– Between 1 and 2 years	– 一年至兩年	886	886
– Between 2 and 5 years	– 兩年至五年	2,659	2,659
– Over 5 years	– 超過五年	3,767	4,654
Total	總計	76,821	9,750
Included:	包括：		
Fixed-rate borrowings	定息借款		
– Government grants	– 政府補助	9,750	9,750
– Cash advances for discounted bills	– 貼現票據的現金墊款	67,071	–
		76,821	9,750
Debtors turnover (days)	應收賬款週轉(天數)	30	30
Creditors turnover (days)	應付賬款週轉(天數)	15	16
Inventories turnover (days)	存貨週轉(天數)	34	34
Current ratio	流動比率	2.2	2.5
Quick ratio	速動比率	1.6	1.8
Gearing ratio – borrowings divided by total assets	槓桿比率 – 借款除以總資產	5.7%	0.9%

Pledge of assets and contingent liabilities

As at 31 December 2009, bills payable were secured by bank deposits and bank acceptance bills at the amount of approximately RMB2,004,000 and RMB708,000 respectively. The Group did not pledge any leasehold land and building to secure banking facilities and have any material contingent liabilities at the year ended 31 December 2009.

資產抵押及或然負債

於二零零九年十二月三十一日，應付票據以銀行存款及銀行承兌票據分別約人民幣2,004,000元及人民幣708,000元作抵押。截至二零零九年十二月三十一日止年度，本集團並無將任何租賃土地及樓宇作抵押，以擔保本集團所獲授的銀行信貸，亦並無任何重大或然負債。

Use of net proceeds

As disclosed in the announcement of the Company dated 16 December 2009, the Group fully utilised the net proceeds from the global offering of the shares of the Company in 2007 (the "Global Offering") after the capital injection of RMB72,000,000 (RMB67,000,000 from the Global Offering and RMB5,000,000 from internally generated funds) to Deneng Golden Corn in December 2009 to increase the shareholding interest from 85.94% to 91%.

FUTURE PLAN AND PROSPECT

As disclosed in the announcement of the Company dated 19 January 2010, the Group will increase its annual production capacity of cornstarch, lysine, starch-based sweetener from 850,000 tonnes, 55,000 tonnes and 100,000 tonnes per annum to 1,650,000 tonnes, 105,000 tonnes and 300,000 tonnes per annum respectively in a span of approximately two years to satisfy and cater for current and future market demands. On 10 February 2010, the Group announced the completion of placing of 277,340,000 shares of the Company. The Group has raised a new fund of approximately RMB335,678,000, net of expenses, from the equity market and will use the fund for the expansion of production capacity and as general working capital.

The current development of new business in starch-based sweetener and the market turnaround in each sector of cornstarch and its related products are encouraging. It is believed that the outbreak of global financial crisis speeded up the consolidation of cornstarch industry in the PRC. The Group as a leading market player in the cornstarch industry in the PRC will have an advantage on the economies of scales on the production of cornstarch and the development of new downstream products with lower cost as compared with others.

所得款項淨額用途

誠如本公司日期為二零零九年十二月十六日的公佈所披露，於二零零九年十二月向德能金玉米注資人民幣72,000,000元(人民幣67,000,000元來自於二零零七年本公司股份的全球發售(「全球發售」)及人民幣5,000,000元來自內部產生資金)，以將其股權由85.94%增至91%後，本集團於二零零七年已悉數動用全球發售的所得款項淨額。

未來計劃及前景

誠如本公司日期為二零一零年一月十九日的公佈所披露，本集團會在約兩年期內，將其玉米澱粉、賴氨酸及澱粉糖的年產能由每年850,000噸、55,000噸及100,000噸分別提升至每年1,650,000噸、105,000噸及300,000噸，以滿足及應付目前與未來的市場需求。於二零一零年二月十日，本集團宣佈完成配售277,340,000股本公司股份。本集團已在股本市場上新集資約人民幣335,678,000元(扣除開支後)，資金將用作擴充產能及用作一般營運資金。

澱粉糖新業務的現有發展以及玉米澱粉及其相關產品各項目的市況好轉，情況令人鼓舞。相信爆發全球金融危機會加速中國玉米澱粉行業的整合。本集團作為中國玉米澱粉行業的龍頭企業，將可受惠於生產玉米澱粉的經濟規模及以較其他對手低之成本發展新下游產品。



Directors and Senior Management Profiles

董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理人員簡介

EXECUTIVE DIRECTORS

Mr. Tian Qixiang, aged 46, is the chairman of the Board principally responsible for the Group's strategic positioning. He is also responsible for formulating the Group's business development objectives and ensuring that such objectives are implemented by the Board accordingly. Mr. Tian was the chairman of the board of directors of 山東壽光巨能金玉米開發有限公司 (Shandong Shouguang Juneng Golden Corn Development Co., Ltd.) ("Golden Corn"), an indirectly wholly-owned subsidiary of the Company, during the period from July 2003 (when he first joined the Group) up to October 2005. He was re-appointed as director of Golden Corn in December 2005 and has been the chairman of the board of Golden Corn since August 2006. Mr. Tian has been the authorised representative and chairman of the board of directors of 山東壽光巨能控股集團有限公司 (Shandong Shouguang Juneng Holding Group Co., Ltd.) ("Juneng Holding Group") since its establishment in October 2005. Mr. Tian has been working for 壽光市供電公司 (Electricity Supply Company of Shouguang City) ("Shouguang Electricity Supply Company") since 1984. He was appointed as the deputy manager of Shouguang Electricity Supply Company in October 1985, and was further appointed as its deputy party secretary in May 1990. Mr. Tian has been the manager and party member of Shouguang Electricity Supply Company since March 2000. Mr. Tian possesses substantial experience in corporate management.

Mr. Tian completed his study of 電力排灌 (Electricity and Water Irrigation) from 山東省水利機電學校 (Water and Electricity Machinery School) in 1981 and graduated from 中國共產黨山東省委員會黨校 (The Shandong Province Party Committee School of the People's Republic of China) with a diploma in 經濟管理 (Economics Management) in 1996. Mr. Tian obtained the qualification as a senior economist in December 2002.

Mr. Tian is beneficially interested in approximately 54.5833% of the issued share capital of Merry Boom Group Limited ("Merry Boom"), a substantial shareholder of the Company, and is also a director of Merry Boom.

執行董事

田其祥先生，46歲，董事會主席，主要負責本集團的戰略部署。他同時亦負責本集團發展目標的規劃並確保這些目標會由董事會相應執行。田先生於二零零三年七月(他剛加入本集團時)至二零零五年十月期間是本公司間接全資附屬公司山東壽光巨能金玉米開發有限公司(「金玉米」)董事會的主席，於二零零五年十二月再獲委任為金玉米董事，並自二零零六年八月起擔任金玉米董事會主席。自山東壽光巨能控股集團有限公司(「巨能控股集團」)於二零零五年十月成立起，田先生是該公司的授權代表及董事會主席。田先生自一九八四年起於壽光市供電公司(「壽光市供電公司」)工作。他於一九八五年十月獲委任為壽光市供電公司副經理，更於一九九零年五月獲委任為黨書記。田先生於二零零零年三月起便成為壽光市供電公司的經理及黨委委員。田先生擁有豐富的企業管理經驗。

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

田先生於本公司的主要股東怡興集團有限公司(「怡興」)的已發行股本中實益擁有約54.5833%權益，其亦為怡興的董事。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理人員簡介

Mr. Gao Shijun, aged 42, is the chief executive officer of the Company. Mr. Gao is principally responsible for overseeing the Group's operations and business management. Mr. Gao joined Golden Corn in August 1998, and was later appointed as the deputy manager of Golden Corn in January 2000. Mr. Gao has been a director of Golden Corn since July 2003 and its general manager since May 2005. Mr. Gao is also a director of 臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited) ("Deneng Golden Corn"), a non-wholly-owned subsidiary of Golden Corn. Mr. Gao graduated from 山東大學 (Shandong University) in 1989 with an undergraduate degree in Physics.

Mr. Yu Yingquan, aged 41, is principally responsible for the overall management in investment and corporate finance of the Group. Mr. Yu first joined the Group as a director of Golden Corn during the period from July 2003 to October 2005, and was re-appointed as director on 17 March 2007. Mr. Yu had worked in the accounting and internal audit departments of Shouguang Electricity Supply Company (壽光市供電公司) since August 1990 holding positions as deputy supervisor of audit department, deputy supervisor and supervisor of finance department and deputy chief accountant. Mr. Yu took up the position as chief accountant of Juneng Holding Group upon its establishment to oversee the financial reporting and performance of all its investments. Mr. Yu is also a director of Juneng Holding Group since October 2005. Mr. Yu graduated from 山東水利專科學校 (Shandong Hydro Institute) in 1990 with a diploma in 水利經濟與財務管理 (Hydro Economic and Financial Management), and obtained a diploma in 財務管理 (Finance Management) from 山東省經濟管理幹部學校院 (Shandong Economics Management Institute) in 1998. Mr. Yu obtained the 中華人民共和國會計從業資格證書 (Certificate of Accounting Professional of the People's Republic of China) issued by 壽光市財政局 (Finance Bureau of Shouguang City) in 1997.

高世軍先生，42歲，是本公司的行政總裁。高先生主要負責監督本集團的經營和業務管理。高先生於一九九八年八月加入金玉米，其後於二零零零年一月被任命為金玉米的副總經理。自二零零三年七月起高先生為金玉米的董事，二零零五年五月起更成為總經理。高先生亦是金玉米非全資附屬公司臨清德能金玉米生物有限公司(「德能金玉米」)的董事。高先生於一九八九年畢業於山東大學，持有物理學學士學位。

于英全先生，41歲，主要負責本集團的整體投資管理和企業融資。于先生於二零零三年七月至二零零五年十月期間首次加盟本集團為金玉米董事，其後於二零零七年三月十七日再獲委任為董事。自一九九零年八月起，于先生在壽光市供電公司的會計及內部審核科工作，曾擔任的職位有審核科副科長、財務科副科長、主管及副總會計師。于先生自巨能控股集團成立起擔任其總會計師，監管財務報告及其所有投資的表現。自二零零五年十月，于先生為巨能控股集團董事。于先生一九九零年畢業於山東水利專科學校，獲水利經濟與財務管理文憑，及於一九九八年由山東省經濟管理幹部學校院獲得財務管理文憑。于先生於一九九七年取得由壽光市財政局發出的中華人民共和國會計從業資格證書。

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

Mr. Liu Xianggang, aged 41, first joined Golden Corn as a factory supervisor in 1998 and has been a director of Golden Corn since October 2005. In March 2008, Mr Liu was also appointed as the general manager and a director of Deneng Golden Corn. He is responsible for the Group's production technology developments, cornstarch production and Linqing production plant. Mr. Liu had worked in the production technology department of Shouguang Electricity Supply Company from July 1990 to July 1997 as technical staff responsible for production management and production route design. Mr. Liu graduated from 山東工業大學 (Shandong Industrial University) in 1990 with an undergraduate degree in 工業管理工程 (Industrial Management), and obtained a post-graduate diploma in 產業經濟學 (Industrial Economics) from 山東大學經濟學院 (the Economics School of Shandong University) in 2003. Mr. Liu also obtained the qualification as senior engineer in December 2002. Mr. Liu is the deputy supervisor of 玉米澱粉專業委員會 (the Cornstarch Professionals Committee) of 中國澱粉工業協會 (China Starch Industry Association).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Dong Yanfeng, aged 73, has been appointed as an independent non-executive Director on 5 September 2007. Ms. Dong was granted the qualification as senior engineer by 國家醫藥管理局 (State Medical Control Bureau) in 1988, and is currently the standing deputy chief secretary of 中國澱粉工業協會 (China Starch Industry Association) responsible for its general management as well as organizing and supervising the execution of its annual plans. Over the years, Ms. Dong had won several technology awards, including 科技成果三等獎 (Third Level Award on Technology Results) and 科技進步三等獎 (Third Level Award on Technology Advancement) in 1984 and 1986 respectively granted by 河北省科學技術委員會 (Science and Technology Committee of Hebei Province), 科技進步一等獎 (First Level Award on Technology Advancement) in 1986 granted by 河北省醫藥總公司 (Chief Medical Company of Hebei Province) and 三等獎 (Third Level Award) in 1987 granted by 國家科學技術進步獎評審委員會 (Evaluation Committee of the State Science and Technology Advancement Awards). Ms. Dong's achievements in technologies was also evidenced by the grant of a special financial grant from the State Council in 1993 for her contributions in engineering technologies.

劉象剛先生，41歲，於一九九八年首次加盟金玉米出任工廠主管，並由二零零五年十月起出任金玉米董事。二零零八年三月，劉先生亦獲委任為德能金玉米的總經理及董事。他負責本集團的生產技術開發、玉米澱粉的生產及臨清生產廠房。劉先生由一九九零年七月至一九九七年七月於壽光市供電公司生產技術部門工作，出任技術員，負責生產管理及生產線設計。劉先生於一九九零年畢業於山東工業大學，持有工業管理工程學士學位，並於二零零三年獲山東大學經濟學院頒發產業經濟學研究生文憑。二零零二年十二月，劉先生獲取高級工程師的資格。劉先生是中國澱粉工業協會玉米澱粉專業委員會的副主任。

獨立非執行董事

董延豐女士，73歲，於二零零七年九月五日獲委任為獨立非執行董事。董女士於一九八八年獲國家醫藥管理局授予高級工程師資格，目前是中國澱粉工業協會的常務副秘書長，負責綜合管理及組織及監管執行其年度計劃。於過去數年，董女士獲得多個技術獎項，包括於一九八四年及一九八六年分別獲河北省科學技術委員會頒發科技成果三等獎及科技進步三等獎、一九八六年獲河北省醫藥總公司頒發科技進步一等獎及一九八七年獲國家科學技術進步獎評審委員會頒發三等獎。董女士的技術成就亦可從一九九三年獲國務院就其對工程技術的貢獻頒發特殊津貼可見一斑。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高級管理人員簡介

Ms. Yu Shumin, aged 68, has been appointed as an independent non-executive Director on 5 September 2007. Ms. Yu graduated from 北京化學工業學校 (Beijing Chemical Technical Institute) in 1963 with a diploma in 分析化學 (Chemical Analysis). Ms. Yu obtained the qualification as engineer in 分析化學 (Chemical Analysis) in 1988. Ms. Yu is a consultant and the General Manager of Cornstarch Sweetener Sub-association and Polyol Sub-association respectively in the China Fermentation Industry Association.

Mr. Cao Zengong, aged 47, has been appointed as an independent non-executive Director on 5 September 2007. Mr. Cao graduated from 清華大學 (Qinghua University) in 1984 with an undergraduate degree in 電力系統及其自動化 (electrical engineering specialising in power system and automation). Mr. Cao is the 副主任 (deputy director) of 發展策劃部 (the development planning department) of 山東電力集團公司 (Shandong Electric Power Corporation) principally responsible for power system planning, project feasibility analysis and electricity network management, and has been appointed as a specialist of the specialist committee of Shandong Electric Power Corporation in October 2006. Mr. Cao was awarded the 三等獎 (Third Level Award) for his thesis on 標準化設計—城網建設與改造的關鍵 (Standardised Design – Keys to City Electricity Network Construction and Re-modeling) by 山東電機工程學會 (Shandong Society for Electrical Engineering) in 2001. Mr. Cao was also granted honorary certificates by 中國電力規劃設計協會 (Electric Power Design Association) in 2003 and 2004 for his participation in two award-winning projects, namely the 濟南城市電網發展規劃 (Jinan City Electricity Network Development Plan) and the 黃河北(濱州)500kv變電所工程 (Yellow River North (Bingzhou) 500kv Transformer Station Project), respectively.

Mr. Yue Kwai Wa, Ken, aged 44, has been appointed as an independent non-executive Director on 5 September 2007. Mr. Yue is a Certified Public Accountant with over 17 years of experience in accounting, auditing and corporate finance. Mr. Yue is also a member of the American Institute of Certified Public Accountants, a member of the Colorado State Society of Certified Public Accountants and a member of the Hong Kong Securities Institute holding a specialist certificate and a practising certificate in corporate finance.

SENIOR MANAGEMENT

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

余淑敏女士，68歲，於二零零七年九月五日獲委任為獨立非執行董事。余女士於一九六三年畢業於北京化學工業學校，獲得分析化學文憑。余女士於一九八八年獲取分析化學工程師資格。余女士亦於中國發酵工業協會（「協會」）的澱粉糖分會及多元醇分會分別擔任顧問及理事長。

曹增功先生，現年47歲，於二零零七年九月五日被委任為獨立非執行董事。曹先生於一九八四年畢業於清華大學，並取得電力工程學士學位，專修電力系統及其自動化。曹先生為山東電力集團公司的發展策劃部副主任，主要負責電力系統規劃、項目可行性分析及電網管理，並於二零零六年十月獲委任為山東電力集團公司專家委員會的專家。於二零零一年，曹先生的論文獲山東電機工程學會頒授「標準化設計—城網建設與改造的關鍵」三等獎。曹先生亦分別於二零零三年及二零零四年獲中國電力規劃設計協會頒授榮譽證書表揚他參與兩項獲獎項目「濟南城市電網發展規劃」及「黃河北(濱州)500kv變電所工程」。

余季華先生，44歲，於二零零七年九月五日獲委任為非執行董事。余先生是執業會計師，在會計、核數和企業融資方面經驗超過十七年，同時亦是美國會計師協會會員、科羅拉多州註冊會計師協會會員和香港證券專業學會會員，持有專業證書及企業融資執業證書。

高級管理層

本公司所有執行董事分別負責本集團各方面的業務及營運。此等本公司執行董事乃被視為本集團的高級管理隊伍。

REPORT OF THE DIRECTORS

董事會報告書

The Directors have pleasure in presenting their annual report and the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the manufacture and sale of cornstarch, lysine, starch-based sweetener, and ancillary corn-based and corn-refined products and sales of electricity and steam. Details of the principal activities of the Company's subsidiaries are set out in note 18 to the consolidated financial statements. There were no significant changes in the nature of the principal activities of the Group during the year.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2009 are set out in the consolidated statement of comprehensive income on page 103.

The Board is pleased to recommend the payment of a final dividend of HK1.16 cents per share, totalling approximately HK\$33,522,000, and a bonus issue of shares on the basis of one new ordinary share for every one ordinary share held to the shareholders of the Company whose names are on the register of members on 17 June 2010, subject to the approval of the shareholders of the Company in the forthcoming annual general meeting (the "AGM") of the Company, and if passed, dividend and share certificates will be paid and posted respectively on 24 June 2010.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from 14 June 2010 to 17 June 2010 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, bonus share issue and to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 11 June 2010.

SHARE CAPITAL

Details of the share capital of the Company during the year are set out in note 28 to the consolidated financial statements and in the consolidated statement of changes in equity.

董事欣然提呈其年報及本公司及其附屬公司（統稱「本集團」）截至二零零九年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司的附屬公司主要從事製造及銷售玉米澱粉、賴氨酸、澱粉糖、玉米製副產品及玉米深加工產品以及銷售電力和蒸汽。有關本公司附屬公司的主要業務詳情載於綜合財務報表附註18。年內，本集團的主要業務性質並無任何重大變動。

業績及股息

本集團截至二零零九年十二月三十一日止年度的業績載於第103頁的綜合全面收益表內。

董事會欣然建議派付末期股息每股1.16港仙（合共約33,522,000港元）及按每持有一股普通股獲發一股新普通股之基準發行紅股予於二零一零年六月十七日名列本公司股東名冊的股東，惟須待本公司股東於本公司即將舉行之股東週年大會（「股東週年大會」）上批准，方可作實。倘建議獲股東通過，股息及股票將於二零一零年六月二十四日派付及寄出。

暫停辦理股份過戶登記手續

本公司將於二零一零年六月十四日至二零一零年六月十七日（首尾兩日包括在內）暫停辦理股份過戶登記手續，期內將不會辦理任何股份過戶。為符合資格獲享擬派末期股息、發行紅股及出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票必須最遲於二零一零年六月十一日下午四時三十分前送交本公司的香港股份過戶及登記分處卓佳證券登記有限公司（地址為香港灣仔皇后大道東28號金鐘匯中心26樓），以進行登記。

股本

本公司股本於年內的詳情載於綜合財務報表附註28及綜合權益變動表。

REPORT OF THE DIRECTORS 董事會報告書

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately RMB73,134,000 on additions of property, plant and equipment mainly for the expansion and enhancement of its production capability.

Details of movements in the Group's property, plant and equipment during the year are set out in note 16 to the consolidated financial statements.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 184. The summary does not form part of the audited consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2009, the Company's reserves available for distribution to shareholders amounted to approximately RMB373,264,000. Movements in the reserves of the Company are set out in note 29 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

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

DIRECTORS

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

Executive Directors

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

Independent non-executive Directors

Ms. Dong Yanfeng
Ms. Yu Shumin
Mr. Cao Zenggong
Mr. Yue Kwai Wa, Ken

物業、廠房及設備

年內，本集團花費約人民幣73,134,000元用於添置物業、廠房及設備，主要為擴展及提升其產能。

本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註16。

財務資料概要

本集團於最近五個財政年度的已刊發業績及資產與負債的概要載於第184頁。該概要並不構成經審核綜合財務報表的一部分。

可供分派儲備

於二零零九年十二月三十一日，本公司可供分派予股東之儲備約人民幣373,264,000元。本公司儲備之變動載於綜合財務報表附註29。

主要客戶及供應商

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

董事

年內及直至本報告日期止，本公司董事如下：

執行董事

田其祥先生(*主席*)
高世軍先生(*行政總裁*)
于英全先生
劉象剛先生

獨立非執行董事

董延豐女士
余淑敏女士
曹增功先生
余季華先生

By virtue of Article 108 of the Company's Articles of Association, Mr. Tian Qixiang, Mr. Gao Shijun and Ms. Yu Shumin will retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

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

DIRECTORS' SERVICE CONTRACTS

On 1 August 2009, each of the independent non-executive Directors has entered into a renewal appointment letter for his/her appointment as an independent non-executive Director for a term of two years commencing from 5 September 2009, subject to termination by either party giving to the other not less than three months' advance written notice of termination and the provisions of the Company's articles of association.

As at 31 December 2009, none of the Directors proposed for re-election at the AGM has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EMOLUMENT POLICY

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

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

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

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

根據本公司的公司章程第108條，田其祥先生、高世軍先生及余淑敏女士將退任，惟彼等均符合資格並願於應屆股東週年大會膺選連任。

獨立非執行董事的確認函

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

董事服務合約

於二零零九年八月一日，每位獨立非執行董事已就其獲委任為獨立非執行董事而簽訂一份更新委任書，任期自二零零九年九月五日起計為期兩年，且可由其中一方事先發出不少於三個月書面通知並根據本公司的公司章程條文而予以終止。

於二零零九年十二月三十一日，擬於週年股東大會上膺選連選的董事，概無與本公司訂立本公司不可於一年內由本公司終止而毋須支付賠償(法定賠償除外)的服務合約。

酬金政策

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

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

董事及五位最高薪人士的酬金

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

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS' AND CHIEF EXECUTIVE' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2009, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") as recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:-

Name of Director 董事姓名	The Company/ associated corporation 本公司/相聯法團	Capacity/nature of interest 身份/權益性質	Number and class of securities held 持有證券數目及類別 (Note 1) (附註1)	Percentage of shareholding 佔股權概約百分比 (Note 3) (附註3)
Mr. Tian Qixiang ("Mr. Tian") 田其祥先生 (「田先生」)	The Company 本公司	Interest of a controlled corporation 受控制法團權益	1,750,000,000 Shares (L) (Note 2) 1,750,000,000股股份(L) (附註2)	66.99%
	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	131 ordinary shares of US\$1 each (L) 131股每股面值1美元的普通股(L)	54.58%
Mr. Gao Shijun 高世軍先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	60 ordinary shares of US\$1 each (L) 60股每股面值1美元的普通股(L)	25.00%
Mr. Yu Yingquan 于英全先生	Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	1 ordinary share of US\$1 each (L) 1股每股面值1美元的普通股(L)	0.42%

Note:

- (1) The letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation.
- (2) These Shares were held by Merry Boom Group Limited. Merry Boom Group Limited is owned as to approximately 54.58% by Mr. Tian. Mr. Tian is deemed to be interested in all the Shares held by Merry Boom Group Limited under the SFO.
- (3) The percentage of shareholding was based on the total issued share capital of the Company before the placing of the existing shares and top-up subscription of the new shares of the Company which were completed on 8 February 2010 and 10 February 2010 respectively.

董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉

於二零零九年十二月三十一日，董事及本公司主要行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部份)的股份、相關股份及債券中，擁有於根據證券及期貨條例第352條本公司存置的登記冊所記錄或根據上市規則所載的上市發行人進行證券交易的標準守則(「標準守則」)須另行知會本公司及聯交所的權益及淡倉如下：—

附註：

- (1) 字母「L」表示董事於本公司或有關相聯法團股份的好倉。
- (2) 此等股份由怡興集團有限公司持有。怡興集團有限公司由田先生擁有約54.58%權益。根據證券及期貨條例，田先生被視為於怡興集團有限公司持有的所有股份中擁有權益。
- (3) 持股比例以配售現有股份及以先舊後新方式認購本公司新股份(分別於二零一零年二月八日及二零一零年二月十日完成)前的本公司已發行股本為依據。

Save as disclosed above, as at 31 December 2009, none of the Directors and the chief executive of the Company nor their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

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

1. The primary purpose of the Scheme is to motivate our employees and other eligible persons entitled under the scheme to optimise their contributions to the Group and to reward them for their contribution to the Group.
2. Eligible participants of the Scheme are (a) any employee (whether fulltime or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity ("Invested Entity") in which any member of the Group holds an equity interest; (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

除上文所披露者外，於二零零九年十二月三十一日，董事及本公司主要行政人員或彼等各自的聯繫人士概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部分)的股份、相關股份及債券中，擁有於根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

購股權計劃

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

1. 該計劃的要目的為激勵本公司的僱員及該計劃項下的其他合資格人士，務求令本集團從彼等的貢獻中得到最大裨益，並回報彼等對本集團做出的貢獻。
2. 該計劃的合資格參與者為(a)本公司、其任何附屬公司或本集團任何成員公司於其擁有股權的任何實體(「投資實體」)的任何僱員(無論全職或兼職，包括執行董事，但不包括非執行董事)；(b)本公司、其任何附屬公司或任何投資實體的任何非執行董事(包括獨立非執行董事)；(c)向本集團任何成員公司或任何投資實體提供貨物或服務的供應商；(d)本集團任何成員公司或任何投資實體的任何客戶；(e)向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支持的任何人士或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體所發行的任何證券的任何持有人；(g)本集團任何成員公司或投資實體的任何業務領域或業務發展的任何顧問(專業或其他)或諮詢師；(h)任何其他已經或可能透過合資、業務聯合或其他業務安排而對本集團的發展及成長作出貢獻的參與者小組或類別。

3. The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the share capital of the Company in issue from time to time. The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Scheme and any other share option scheme of the Group) to be granted under the Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue on the date on which the Shares are listed on the Main Board of the Stock Exchange.
4. The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the shareholders of the Company in general meeting with such grantee and his associates abstaining from voting.
5. Any grant of options under the Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors of the Company (excluding independent non-executive director of the Company who or whose associates is the proposed grantee of the options). In addition, any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, in excess of 0.1% of the Shares in issue at any time or with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval of the Company in a general meeting.
3. 因行使根據該計劃和本集團採納的其他購股權計劃授出而尚未行使的購股權而可能發行的股份上限，合計不得超過本公司不時已發行股本的30%。因行使根據該計劃和本集團的任何其他購股權計劃授出的全部購股權(就此而言，不包括根據該計劃及本集團的任何其他購股權計劃的條款已失效的購股權)而可能配發及發行的股份數目總額，合計不得超過股份於聯交所主板上市日期已發行股份的10%。
4. 於任何十二個月期間因行使根據該計劃及本集團任何其他購股權計劃所授出的購股權(同時包括已行使或尚未行使購股權兩者)已向各承授人發行及將予發行的股份總數不得超過本公司當時已發行股本1%(「個別上限」)。於任何十二個月期間直至再授出購股權之日(包括該日)止進一步授予超逾個別上限的購股權須待於股東大會上取得本公司的股東的批准而受讓人及其聯繫人士須放棄投票。
5. 根據該計劃授予本公司董事、行政總裁或主要股東或他們任何各自的聯繫人士的購股權必須經本公司獨立非執行董事(不包括身為購股權建議承授人或其聯繫人士為購股權建議承授人的本公司的獨立非執行董事)的批准。此外，倘向本公司主要股東或獨立非執行董事，或彼等任何各自的聯繫人士授予購股權，於十二個月期間內，超過任何時間已發行股份0.1%，或按授出日期股份的收市價計算，總值超過5,000,000港元，則須待股東於本公司的股東大會上批准，方可作實。

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|--|---|
| <p>6. The exercise period of the share options granted under the Scheme is determined by the directors of the Company, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of the offer for the grant of the option or the expiry date of the Scheme, if earlier, subject to the provisions for early termination as stated in the Scheme.</p> | <p>6. 根據該計劃授出的購股權的行使期限由本公司董事釐定，該期間可由授出購股權建議日期起計，至授出購股權建議日期後十年止，或該計劃屆滿日期止（以較早者為準），惟可如該計劃所載根據有關條文提早終止。</p> |
| <p>7. The acceptance of an offer of the grant of the option must be made within 21 days from the date of the offer for the grant with a nonrefundable payment of HK\$1.00 from the grantee.</p> | <p>7. 授出購股權建議須於授出建議日期起計二十一日內接納，而承授人於接納時須支付不可退回款1.00港元。</p> |
| <p>8. The exercise price of the share option is determined by the Board but shall not be less than the higher of (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares.</p> | <p>8. 購股權的行使價由董事會釐定，但不得少於以下較高者：(i)股份於授出日期在聯交所日報表上所列的收市價；(ii)股份於緊接授出日期前五個營業日在聯交所日報表上的列的平均收市價；及(iii)股份面值。</p> |
| <p>9. The Scheme shall be valid and effective till 4 September 2017.</p> | <p>9. 該計劃將有效至二零一七年九月四日止。</p> |

As at 31 December 2009, no share options have been granted under the Scheme of the Company.

於二零零九年十二月三十一日，並無根據本公司該計劃而授出購股權。

REPORT OF THE DIRECTORS 董事會報告書

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

As at 31 December 2009, so far as is known to the Directors, the following persons, other than a Director or chief executive of the Company, have an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder 股東名稱	Capacity/nature of interest 身份／權益性質	Number of shares/ underlying shares 股份／相關股份數目	Percentage of issued share capital 佔已發行股本百分比
		(Note 1) (附註1)	(Note 3) (附註3)
Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	1,750,000,000 (L) (Note 2) (附註2)	66.99%
Victory Investment China Group Limited	Beneficial owner 實益擁有人	173,120,000 (L)	6.63%
Wang RuiYun 王瑞雲	Interest in controlled corporation, Victory Investment China Group Limited 受控制法團權益，Victory Investment China Group Limited	173,120,000 (L)	6.63%
	Beneficial owner 實益擁有人	34,510,000 (L)	1.32%

Note:

- (1) The letter "L" denotes the long position in the shares of the Company.
- (2) These Shares were held by Merry Boom Group Limited. Merry Boom Group Limited is owned as to approximately 54.58% by Mr. Tian, an executive Director and Chairman of the Company. Mr. Tian is deemed to be interested in all the Shares held by Merry Boom Group Limited under the SFO as disclosed under the paragraph headed "Directors' and Chief Executive' Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its associated corporations" above.
- (3) The percentage of shareholding was based on the total issued share capital of the Company before the placing of the existing shares and top-up subscription of the new shares of the Company which were completed on 8 February 2010 and 10 February 2010 respectively.

主要股東於本公司股份及相關股份 中的權益

於二零零九年十二月三十一日，據董事所知，按本公司根據證券及期貨條例第336條本公司須存置的登記冊所記錄，以下人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有權益或淡倉：

附註：

- (1) 字母「L」指於本公司股份的好倉。
- (2) 此等股份由怡興集團有限公司持有。怡興集團有限公司由本公司執行董事兼主席田先生擁有約54.58%權益。根據證券及期貨條例，田先生被視為於怡興集團有限公司持有的所有股份中擁有權益，如上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段所披露。
- (3) 持股比例以配售現有股份及以先舊後新方式認購本公司新股份（分別於二零一零年二月八日及二零一零年二月十日完成）前的本公司已發行股本為依據。

Save as disclosed above, as at 31 December 2009, other than the directors and chief executive of the Company whose interests or short positions are set out in the paragraph headed "Directors' and Chief Executive' Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company or its associated corporations" above, the Directors and the chief executive of the Company were not aware of any person who had an interest or a short position in the Shares, or underlying Shares of the Company which were required to be recorded in the register kept by the Company pursuant to section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2009.

CONNECTED TRANSACTIONS

Sales of bank acceptance bills

As disclosed in the announcement of the Company dated 14 April 2010, on 16 December 2009, 17 December 2009 and 23 December 2009, 山東壽光巨能金玉米開發有限公司(Shandong Shouguang Juneng Golden Corn Development Co., Ltd.) ("Golden Corn") sold certain bank acceptance bills (the "Bills") which it received from its customers to 山東壽光巨能控股集團有限公司(Shandong Shouguang Juneng Holding Group Co., Ltd.) ("Juneng Holding Group") and 山東壽光巨能特鋼有限公司(Shandong Shouguang Juneng Special Steel Co., Ltd) ("Juneng Special Steel") respectively at an aggregate consideration of approximately RMB42,400,000 in cash which is equivalent to the face value of the Bills (the "Sales").

除上文所披露者外，於二零零九年十二月三十一日，除權益或淡倉載於上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段的本公司董事及主要行政人員外，董事及本公司行政人員概不知悉任何人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊的權益或淡倉。

董事購入股份或債券的權利

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

購買、出售或贖回本公司的上市證券

截至二零零九年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

關連交易

銷售銀行承兌票據

誠如本公司日期為二零一零年四月十四日的公佈所披露，於二零零九年十二月十六日、二零零九年十二月十七日及二零零九年十二月二十三日，山東壽光巨能金玉米開發有限公司(「金玉米」)分別向山東壽光巨能控股集團有限公司(「巨能控股集團」)及山東壽光巨能特鋼有限公司(「巨能特鋼」)銷售來自其客戶的若干銀行承兌票據(「有關票據」)，現金總代價約人民幣42,400,000元相當於有關票據的票面值(「銷售事項」)。

REPORT OF THE DIRECTORS 董事會報告書

Juneng Holding Group is owned as to 55% by Mr. Tian Qixiang (“Mr. Tian”), an executive Director, and an associate of Mr. Tian and accordingly, a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. Juneng Special Steel is owned as to 59% by Juneng Holding Group. As Juneng Special Steel is a subsidiary of Juneng Holding Group which is in turn an associate of Mr. Tian, Juneng Special Steel is a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. Accordingly, the Sales constituted connected of the Company under Chapter 14A of the Listing Rules.

The principal raw material of the Group's products is corn kernels. The Group sources corn kernels principally from individual farmers and settles these purchases on a cash-on-delivery basis. It is the Group's policy to keep high level of corn kernels near to the year end and Chinese New Year in order to ensure having abundant inventories for the production in holidays and winter. The Sales provided the Group with immediately available cash for payment of its suppliers on the one hand and on the other hand, minimized the interest expenses of the Group by minimizing the amount of the Group's bank borrowings for payment of its suppliers.

COMPETING INTERESTS

As at the date of this report, Juneng Holding Group, an investment holding company established in the PRC, was 55% owned by Mr. Tian (who is a Director and a controlling shareholder of the Company) and accordingly is an associate of Mr. Tian for the purpose of the Listing Rules. As at the date of this report, Juneng Holding Group was interested in approximately 33% of the equity interest of 山東壽光巨能熱電發展有限公司 (Shandong Shouguang Juneng Heat and Electricity Development Co., Ltd.) (“Juneng Heat and Electricity Development”), a company established in the PRC and is principally engaged in the provision of electricity to the provincial power grid of Shandong Province. Each of Juneng Holding Group and Juneng Heat and Electricity Development has given an irrevocable non-competition undertaking in favour of the Company. For further details, please refer to the paragraph headed “Competing business of controlling shareholders” under the section headed “Business” in the prospectus of the Company dated 12 September 2007.

Save as disclosed above, as at 31 December 2009, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business apart from the Group's businesses that competed or was likely to compete, either directly or indirectly, with the businesses of the Group.

巨能控股集團由執行董事田其祥先生(「田先生」)及田先生的聯繫人士擁有55%權益，而該聯繫人士則據此根據上市規則第14A章為本公司的關連人士。巨能特鋼由巨能控股集團擁有59%權益。由於巨能特鋼為巨能控股集團的附屬公司，而巨能控股集團為田先生的聯繫人士，故巨能特鋼根據上市規則第14A章為本公司的關連人士。據此，銷售事項根據上市規則第14A章構成本公司的關連交易。

本集團產品的主要原材料為玉米粒。本集團的玉米粒主要來自個別農民，而購買玉米粒的款項則於交付時以現金結算。本集團的政策為於接近年底及春節前儲備大量玉米粒，確保有足夠存量供給假期與冬季生產之用。銷售事項一方面為本集團提供即時現金向供應商付款，另一方面則可藉著減少本集團為向供應商付款而向銀行借款以盡量降低本集團的利息開支。

競爭權益

於本報告日期，巨能控股集團乃一間於中國成立的投資控股公司，由田先生(為董事及本公司控股股東)擁有55%權益，因此就上市規則而言屬田先生的聯繫人士。於本報告日期，巨能控股集團於山東壽光巨能熱電發展有限公司(「巨能熱電發展」)擁有約33%股權，巨能熱電發展乃一間於中國成立的公司，主要從事向山東省電力網絡提供電力。巨能控股集團及巨能熱電發展各自已不可撤回地向本公司作出不競爭承諾。有關進一步詳情，請參閱本公司日期為二零零七年九月十二日的招股章程內「業務」一節「控股股東的競爭業務」一段。

除上文所披露者外，於二零零九年十二月三十一日，據董事所知，概無董事或彼等各自的聯繫人士在與本集團業務直接或間接構成或可能構成競爭的業務(本集團業務除外)中擁有任何權益。

PRE-EMPTIVE RIGHTS

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

EVENTS AFTER THE REPORTING PERIOD

Details of the events after the reporting period of the Group are set out in the note 34 to the financial statements.

PUBLIC FLOAT

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

CORPORATE GOVERNANCE

The Directors are of the opinion that the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Listing Rules throughout the year except the following:

Pursuant to code provision E.1.2 of the CG Code, the chairman of the independent board committee (if any) should be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval. However, as disclosed in the announcement of the Company dated 14 April 2010, the Company was in breach of the independent shareholders' approval requirements under Rule 14A.48 of the Listing Rules in relation to a series of connected transactions entered into by the Company on 16 December 2009, 17 December 2009 and 23 December 2009 (the "Transactions"). As a result, the Company should have but had not held a shareholders' meeting to approve the Transactions.

優先購買權

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

報告期後事項

有關本集團報告期後事項的詳情載於財務報表附註34。

公眾持股量

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

企業管治

董事認為，本公司於整個年度一直遵守上市規則附錄十四中企業管治常規守則(「企業管治守則」)所載的守則條文，惟下列者除外：

根據企業管治守則的守則條文第E.1.2條，獨立董事委員會(如有)的主席應在任何批准關連交易或任何其他須經獨立股東批准的交易股東大會上回應問題。然而，誠如本公司日期為二零一零年四月十四日的公佈所披露，本公司於二零零九年十二月十六日、二零零九年十二月十七日及二零零九年十二月二十三日進行的連串關連交易(「該等交易」)中，違反上市規則第14A.48條的獨立股東批准規定。因此，本公司本應惟概無舉行股東大會批准該等交易。

REPORT OF THE DIRECTORS 董事會報告書

In April 2010, the Board has convened a Board meeting to approve and rectify the Transactions. On the other hand, the Board is determined to uphold a high level of internal control within the Group and to strengthen the Group's internal control and corporate governance by:

- providing additional training courses to the Directors, the senior management and personnel at the operation level involved in financial matters of the Group on a regularly basis;
- closely monitoring the level of connected transactions and/or continuing connected transactions of the Group by the senior financial officers of members of the Group and making monthly report thereon to the Board;
- seeking instruction from the Board whenever an obligation or possible obligations under Chapter 14A of the Listing Rules should arise;
- seeking advice and assistance from professional advisers in reviewing the Group's internal control and making recommendations on any improvements that are required; and
- seeking advice from professional advisers and the Stock Exchange in the event of queries or doubts on the application of the Listing Rules.

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 41 to 100 of this annual report.

AUDITOR

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

On behalf of the Board

Tian Qixiang

Chairman

Hong Kong

23 April 2010

於二零一零年四月，董事會召開董事會會議，以批准及修正該等交易。另一方面，董事會決定於本集團內維持高水平的內部監控，並按下列方式加強本集團的內部監控及企業管治：

- 定期向於營運層面參與本集團財政事務的董事、高級管理層及員工提供額外培訓課程；
- 由本集團成員公司高級財務主管密切監測本集團關連交易及／或持續關連交易的水平，並就此每月向董事會提交報告；
- 倘須根據上市規則第14A章而承擔或可能承擔責任，即向董事會尋求指引；
- 檢討本集團的內部監控及就任何改善作出建議時，向專業顧問徵詢意見及尋求協助；及
- 倘對上市規則適用與否存有疑問，即向專業顧問及聯交所徵詢意見。

本公司的企業管治常規守則載於本年報第41至100頁的企業管治報告。

核數師

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

代表董事會

田其祥

主席

香港

二零一零年四月二十三日

CORPORATE GOVERNANCE REPORT

企業管治報告

The board (the “Board”) of directors (the “Directors”) of the Company is mindful of the importance of good corporate governance practices and procedures in safeguarding shareholders’ interests and enhancing the performance of the Group. With this objective in mind, the Company is committed to the establishment and implementation of good corporate governance practices and procedures.

CORPORATE GOVERNANCE PRACTICES

During the year under review, the Company has complied with the code provisions prescribed in the Code on Corporate Governance Practices (the “CG Code”) set out in Appendix 14 of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) which are adopted by the Company as its own code of corporate governance practices.

The Board is pleased to present the major principles in the CG Code that were applied by the Group during the year. The recommended best practices of the CG Code as mentioned below are not part of the Company’s code of corporate governance practices.

本公司董事(「董事」)會(「董事會」)一直深明良好之企業管治常規及程序對保障股東權益及改善本集團表現之重要性。為達致此目標，本公司致力訂立及推行良好之企業管治常規及程序。

企業管治常規

於回顧年度，本公司已遵守及採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「企業管治常規守則」)之守則條文，作為本身之企業管治常規守則。

董事會欣然呈列本集團年內所應用之企業管治常規守則之主要原則。下文所述企業管治常規守則之建議最佳常規並非本公司企業管治常規守則之一部分。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A. DIRECTORS 董事			
Principle: The Company should be led by an effective Board which shall assume responsibility of leadership and control of the Company and take collective responsibilities for directing and supervising the Company's affairs. Directors should, in the interest of the Company, make decisions objectively.			
原則： 本公司應以一個行之有效的董事會為首；董事會應負有領導及監控本公司的責任，並應集體負責統管並監督本公司事務。董事應該客觀行事，所作決策須符合本公司之利益。			
A.1 The Board 董事會			
Code Provision 守則條文			
A.1.1	<p>The Board should meet regularly and Board meetings should be held at least four times a year at approximately quarterly intervals. It is expected that such regular Board meetings will normally involve the active participation, either in person or through other electronic means of communication, of a majority of Directors entitled to be present. Accordingly, a regular Board meeting does not include the practice of obtaining consent from the Board through circulation of written resolutions.</p> <p>董事會應定期開會，董事會會議應每年召開至少四次，大約每季一次。預計每次召開此等董事會定期會議皆有大部分有權出席會議的董事親身出席，或透過其他電子通訊方法積極參與。因此，董事會定期會議並不包括以傳閱書面決議方式取得董事會批准。</p>	✓	<p>Since 1 January 2009 until 31 December 2009 (the "year under review"), the Company has convened a total of six Board meetings, of which four meetings were regular meetings pre-scheduled in last year.</p> <p>由二零零九年一月一日至二零零九年十二月三十一日為止(「回顧年度」)，本公司合共召開了六次董事會議，其中四次乃去年預先計劃之定期會議。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況																																	
A.1.1 (Cont'd) (續)			<p>Details of the Directors' attendance record in Board meetings as of 31 December 2009 are as follows:</p> <p>董事於截至二零零九年十二月三十一日止的董事會議出席率詳情如下：</p> <table border="1"> <thead> <tr> <th colspan="3" style="text-align: center;">Attendance 出席次數</th> </tr> <tr> <th style="text-align: center;">Executive Directors 執行董事</th> <th style="text-align: center;">Regular meetings 定期會議</th> <th style="text-align: center;">Other meetings 其他會議</th> </tr> </thead> <tbody> <tr> <td>TIAN Qixiang (<i>Chairman</i>) 田其祥(主席)</td> <td style="text-align: center;">3/4</td> <td style="text-align: center;">1/2</td> </tr> <tr> <td>GAO Shijun (<i>Chief Executive Officer</i>) 高世軍(行政總裁)</td> <td style="text-align: center;">4/4</td> <td style="text-align: center;">2/2</td> </tr> <tr> <td>YU Yingquan 于英全</td> <td style="text-align: center;">4/4</td> <td style="text-align: center;">2/2</td> </tr> <tr> <td>LIU Xianggang 劉象剛</td> <td style="text-align: center;">4/4</td> <td style="text-align: center;">1/2</td> </tr> <tr> <th colspan="3" style="text-align: center;">Independent Non-Executive Directors 獨立非執行董事</th> </tr> <tr> <td>YU Shumin 余淑敏</td> <td style="text-align: center;">4/4</td> <td style="text-align: center;">0/2</td> </tr> <tr> <td>DONG Yanfeng 董延豐</td> <td style="text-align: center;">4/4</td> <td style="text-align: center;">0/2</td> </tr> <tr> <td>CAO Zenggong 曹增功</td> <td style="text-align: center;">3/4</td> <td style="text-align: center;">0/2</td> </tr> <tr> <td>YUE Kwai Wa, Ken 余季華</td> <td style="text-align: center;">4/4</td> <td style="text-align: center;">1/2</td> </tr> </tbody> </table> <p>Such meetings involved the participation, either in person or through other electronic means of communication, of the Directors.</p> <p>以上會議均由董事親身出席或透過其他電子通訊方法參與。</p>	Attendance 出席次數			Executive Directors 執行董事	Regular meetings 定期會議	Other meetings 其他會議	TIAN Qixiang (<i>Chairman</i>) 田其祥(主席)	3/4	1/2	GAO Shijun (<i>Chief Executive Officer</i>) 高世軍(行政總裁)	4/4	2/2	YU Yingquan 于英全	4/4	2/2	LIU Xianggang 劉象剛	4/4	1/2	Independent Non-Executive Directors 獨立非執行董事			YU Shumin 余淑敏	4/4	0/2	DONG Yanfeng 董延豐	4/4	0/2	CAO Zenggong 曹增功	3/4	0/2	YUE Kwai Wa, Ken 余季華	4/4	1/2
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GAO Shijun (<i>Chief Executive Officer</i>) 高世軍(行政總裁)	4/4	2/2																																		
YU Yingquan 于英全	4/4	2/2																																		
LIU Xianggang 劉象剛	4/4	1/2																																		
Independent Non-Executive Directors 獨立非執行董事																																				
YU Shumin 余淑敏	4/4	0/2																																		
DONG Yanfeng 董延豐	4/4	0/2																																		
CAO Zenggong 曹增功	3/4	0/2																																		
YUE Kwai Wa, Ken 余季華	4/4	1/2																																		

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.1.2	<p>Arrangements should be in place to ensure that all Directors are given an opportunity to include matters in the agenda for regular Board meetings.</p> <p>董事會應訂有安排，以確保全體董事皆有機會提出商討事項列入董事會定期會議議程。</p>	✓	<p>Prior to convening the meetings, the company secretary has consulted with each of the Directors if there are certain matters to be discussed before incorporating in and issuance of the formal agenda.</p> <p>在會議前，公司秘書都會諮詢各董事是否要商討若干事項才加入並發出正式會議議程。</p>
A.1.3	<p>Notice of at least 14 days for convening a regular Board meeting should be issued to give all Directors an opportunity to attend.</p> <p>召開董事會定期會議應發出至少十四天通知，以讓所有董事皆有機會騰空出席。</p> <p>For all other Board meetings, reasonable notice should be issued.</p> <p>至於召開其他所有董事會會議，應發出合理通知。</p>	<p>✓</p> <p>✓</p>	<p>The schedule of the four regular Board meetings will be made available by the company secretary in December every year to encourage the Directors to actively participate in Board meetings.</p> <p>於每年十二月，公司秘書將計劃四次定期會議的時間表，目的是鼓勵各董事積極參與討論董事會會議。</p> <p>Notices of regular Board meetings were given to the Directors at least fourteen days prior to the actual dates of convening such meetings.</p> <p>會議通知亦會在實際舉行定期會議至少十四天以前通知各董事。</p> <p>For other Board meetings, reasonable notices have been given in compliance with the relevant provisions under the Company's Articles of Association and the Listing Rules.</p> <p>就其他董事會會議而言，已遵守本公司的公司章程及上市規則的有關規定給予合理通知。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.1.4	<p>All Directors should have access to the advice and services of the company secretary with a view to ensuring that procedures of the Board and all applicable rules and regulations are complied.</p> <p>所有董事應可取得公司秘書的意見和享用他的服務，目的是為了確保董事會程序及所有適用規則及規例均獲得遵守。</p>	✓	<p>The Directors may make enquiry to the company secretary at any time in respect of the agenda or other matters of the meetings as well as updates on rules and regulations.</p> <p>公司秘書隨時接受各董事查詢會議議程或其他事項以及規則及已更新的規例。</p>
A.1.5	<p>Minutes of Board meetings and of meetings of Board committees should be kept by a duly appointed secretary of the meeting and such minutes shall be available for inspection at any reasonable time upon reasonable notice by any director.</p> <p>經正式委任的會議秘書應備存董事會及轄下委員會的會議紀錄，若有任何董事發出合理通知，應公開有關會議紀錄供其在任何合理的時段查閱。</p>	✓	<p>The company secretary is responsible for preparing draft minutes of Board meetings, which shall be circulated to and reviewed by all Directors before signing by the chairman of the Board meetings for the Company's and the Directors' record purpose.</p> <p>公司秘書負責編寫會議記錄(初稿)並且會先給各列席董事審閱後才讓會議主席簽署確認以供本公司及董事作記錄用途。</p> <p>The Directors are entitled to request the company secretary for a copy of any minute(s) of Board meeting(s).</p> <p>董事有權要求公司秘書提供任何會議記錄之副本。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.1.6	<p>Minutes of Board meetings and meetings of Board committee meetings should record in sufficient details the matters considered and decisions made by the Directors, including any concerns raised or dissenting views expressed by the Directors.</p> <p>董事會及其轄下委員會的會議紀錄，應對各董事所考慮事項及達致的決定作足夠詳細的記錄，其中應該包括董事提出的任何疑慮或表達的反對意見。</p> <p>Draft and final versions of minutes of Board meetings should be sent to all Directors for their comments and records respectively, in both cases, within a reasonable time after the Board meeting having been held.</p> <p>董事會會議結束後，應於合理時段內先後將會議紀錄的初稿及最終定稿發送全體董事，初稿供董事表達意見，最後定稿則作其紀錄之用。</p>	✓	<p>Please refer to A.1.5</p> <p>請參考A.1.5</p> <p>The final version of the minute of Board meeting has been signed by the Chairman of the Board meetings upon confirmation for record purpose.</p> <p>由董事會會議主席簽署作實董事會會議最終定稿為記錄。</p>
A.1.7	<p>There should be a procedure agreed by the Board to enable the Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expense.</p> <p>董事會應該商定程序，讓董事按合理要求，可在適當的情況下尋求獨立專業意見，費用由公司支付。</p> <p>The Board should resolve to provide separate independent professional advice to the Directors to assist the relevant director(s) to discharge his/ their duties to the Company.</p> <p>董事會應議決另外為董事提供獨立專業意見，以協助有關董事履行其對公司的責任。</p>	✓	<p>The Directors may seek for independent professional advice at the expense of the Company as and when necessary upon making request and obtaining approval at the Board meetings</p> <p>董事若認為需要尋求獨立專業意見，可以在董事會議上提出要求及批准，費用亦由本公司支付。</p> <p>In addition, as stated in Article 101 under the Company's Articles of Association, the Company bore all expenses reasonably incurred by the Directors while executing their duties.</p> <p>除此之外，公司章程第101條指出，董事在履行其職責時發生的全部合理費用皆由本公司負責。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.1.8	<p>If a substantial shareholder or a director has a conflict of interests in a matter to be considered by the Board which the Board has determined to be material, such matter shall neither be dealt with by way of circulation nor by a committee (except a committee of the Board specially set up for that purpose pursuant to a resolution passed at a Board meeting) but a Board meeting shall be held.</p> <p>若有大股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項不應以傳閱文件方式處理或交由轄下委員會處理(根據董事會會議上通過的決議而特別就此事項成立的委員會除外)，而應舉行董事會。</p> <p>Independent non-executive Directors who, and whose associates, have no material interest in the transaction should be present at such Board meeting.</p> <p>在交易中本身及其聯繫人均沒有重大利益的獨立非執行董事應該出席有關的董事會會議。</p>	✓	<p>During the year under review, if there were a conflict of interest in a matter to be resolved by the Board and such conflict is determined to be material and required to be considered by the Board, a Board meeting should be held by physical meeting.</p> <p>於回顧年度，若在董事會將予議決的事項中存有利益衝突及董事會釐定該利益衝突事宜屬重大且須由董事會考慮，則須舉行實質董事會會議。</p> <p>If such Directors or shareholders were present at the meeting, disclosure would be made before, and as the case may be, request for absence of such Directors would be made when voting on the resolutions.</p> <p>若該董事或股東列席在大會上，在進行決議必先作出披露及按個別情況要求有關董事在進行決議時避席。</p>

Recommended Best Practices

建議最佳常規

A.1.9	<p>The Company should arrange appropriate insurance cover in respect of possible legal actions against its Directors.</p> <p>公司應就其董事可能會面對的法律行動作適當的投保安排。</p>	E	<p>The Board considered there is no practical need to arrange such insurance.</p> <p>董事會認為有關保險並沒有實際需要。</p>
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No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.1.10	<p>Committees of the Board should, to the extent of practicable, adopt the principles, procedures and arrangements set out in A.1.1 to A.1.8.</p> <p>董事會轄下委員會應在切實可行的範圍內採納A.1.1至A.1.8條所列的原則、程序及安排。</p>	E	<p>Audit Committee, Remuneration Committee and Nomination Committee (collectively referred to as the "Committees") have been established by the Board. Meeting schedules for the year of 2009 of the Committees were proposed and made available to the members in December 2008.</p> <p>董事會轄下設有審核委員會、薪酬委員會及提名委員會(統稱「委員會」)。有關委員會的二零零九年會議時間亦在二零零八年十二月擬定並通知各成員。</p> <p>Audit Committee shall convene meetings at least twice a year in accordance with the terms of reference of the Audit Committee. Remuneration Committee and Nomination Committee shall convene meeting at least once a year. Unless having been agreed by all members of the relevant Committees, period for notice of meeting of all of the Committees shall be no less than 7 days. The requirement for four regular meetings under Code A.1.1 of Corporate Governance was not adopted with respect to the Committees as the Directors considered that it was not necessary for the proper and efficient performance of their respective duties. The right of any member or the secretary of the Committees to convene a committee meeting has been sufficient to cater for the need to convene one in case of necessity.</p> <p>根據審核委員會職權範圍規定，審核委員會每年最少開會兩次。薪酬委員會及提名委員會每年最少開會一次。除非有關的委員會全體成員同意，所有委員會的會議通知期應不少於七日。本公司並無就委員會採納企業管治常規守則A.1.1有關4次定期會議的規定，此乃由於董事認為此舉對妥善及有效履行其各自的職責而言並非必要。委員會任何成員或秘書可召開委員會會議的權利足以應付在有需要的情況下召開會議的需要。</p> <p>CG Codes A.1.2 to A.1.8 shall be applicable to the Committees.</p> <p>企業管治常規守則A.1.2至A.1.8適用於委員會。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.2	Chairman and Chief Executive Officer 主席及行政總裁		
Principle:	There should be a clear division of the responsibilities between the Chairman and the Chief Executive Officer of the Company to ensure a balance of power and authority.		
原則：	本公司主席及行政總裁之間的職責必須清楚區分，以確保權力和授權分布均衡。		
Code Provision 守則條文			
A.2.1	<p>The roles of the Chairman and the Chief Executive Officer should be separate and not be performed by the same individual.</p> <p>主席與行政總裁的角色應有區分，並不應由一人同時兼任。</p> <p>The division of responsibilities between the Chairman and the Chief Executive Officer should be clearly defined and set out in writing.</p> <p>主席與行政總裁之間職責的分工應清楚界定並以書面列載。</p>	✓	<p>Mr. Tian Qixiang is the Chairman, and Mr. Gao Shijun is the Chief Executive Officer, of the Company.</p> <p>田其祥先生為本公司主席；高世軍先生為本公司的行政總裁。</p> <p>The Chairman is primarily responsible for the strategic positioning, and the Chief Executive Officer is primarily responsible for the operations and business development, of the Group.</p> <p>主席主要負責集團的戰略步署；行政總裁主要負責集團的經營和業務發展。</p>
A.2.2	<p>The Chairman should ensure that all Directors are properly briefed on issues arising at Board meetings.</p> <p>主席應確保董事會會議上所有董事均適當知悉當前的事項。</p>	✓	<p>In respect of regular Board meetings and, so far as practicable, other Board meetings, the company secretary provides necessary information on relevant issues to all Directors at least three days before the date of convening of the Board meeting.</p> <p>就定期董事會會議及(在切實可行的情況下)其他董事會會議而言，公司秘書會在董事會舉行會議日期前最少三日向全體董事提供有關事項的所需數據。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.2.3	<p>The Chairman should be responsible for ensuring the Directors receive adequate information, which must be complete and reliable, in a timely manner.</p> <p>主席應負責確保董事及時收到充分的信息，而有關信息亦必須完備可靠。</p>	✓	<p>Please refer to A.2.2.</p> <p>請參考A.2.2。</p>

Recommended Best Practices

建議最佳常規

A.2.4	<p>One of the important roles of the Chairman is to provide leadership for the Board.</p> <p>主席其中一個重要角色是領導董事會。</p> <p>The Chairman should ensure that the Board works effectively and discharges appropriate responsibilities, and that all key and appropriate issues are discussed by the Board in a timely manner.</p> <p>主席應確保董事會有效地運作，且履行應有職責，並及時就所有重要的適当事項進行討論。</p> <p>The Chairman should be primarily responsible for drawing up and approving the agenda for each Board meeting and taking into account, where appropriate, any matters proposed by other Directors for inclusion in the agenda. The Chairman may delegate such responsibility to a designated Director or the company secretary.</p> <p>主席應主要負責釐定並批准每次董事會會議的議程，在適當情況下，這過程中應計及其他董事提議加入議程的任何事項。主席可將這項責任轉授指定的董事或公司秘書。</p>	✓	<p>The Chairman of the Board is held by an executive Director, whose functions including the assurance of the development objectives being executed by the Board.</p> <p>董事會主席由執行董事擔任，其中的工作包括確保發展目標會由董事會執行。</p> <p>The company secretary is responsible for assisting the Chairman in the preparation of agenda for each Board meeting and ensuring matters for discussions proposed by other Directors being included in the agenda.</p> <p>公司秘書負責協助主席釐定每次董事會會議的議程，並確保由其他董事提出之討論事項皆列入議程項目之中。</p>
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No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.2.5	<p>The Chairman should take responsibility for ensuring that good practices and procedures for corporate governance are established.</p> <p>主席應有責任確保公司制定良好的企業管治常規及程序。</p>	✓	<p>The Chairman, with assistance of the company secretary, is responsible for evaluating the effectiveness of the practices and procedures of the Company's corporate governance and making recommendations on any changes as considered necessary by the Chairman, the Directors or the company secretary.</p> <p>在公司秘書協助下，主席負責評估本公司企業管治常規及程序的有效程度，並就主席、董事或公司秘書認為必要的任何變動作出建議。</p>
A.2.6	<p>The Chairman should encourage all Directors to mark a full and active contribution to the Board's affairs and to play a role model to ensuring the Board acts in the best interest of the Company.</p> <p>主席應鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合公司最佳利益。</p>	✓	<p>During the year under review, there is satisfactory attendance for the Board and the Board meetings of the Committees.</p> <p>於回顧年度，董事會及轄下委員會的出勤記錄都良好。</p>
A.2.7	<p>The Chairman should, at least annually, hold meetings with the non-executive Directors (including independent non-executive Directors), without the executive Directors' present.</p> <p>主席應至少每年與非執行董事(包括獨立非執行董事)舉行一次沒有執行董事出席的會議。</p>	E	<p>The Chairman, Mr. Tian Qixiang, is a member of the Remuneration Committee and of the Nomination Committee. Therefore, it is considered that the Chairman has opportunity to discuss all relevant issues with the independent non-executive Directors annually without the need of a formal requirement in this regard.</p> <p>主席田其祥先生是薪酬委員會及提名委員會成員。因此認為已經有機會讓主席與獨立非執行董事每年討論所有有關事項，而毋須就此提出正式要求。</p>

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A.2.8	<p>The Chairman should ensure that appropriate steps are taken to provide effective communication with shareholders and opinions of shareholders are submitted to the Board as a whole.</p> <p>主席應確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會。</p>	✓	<p>The Company has provided effective means of communication through:</p> <p>本公司已經透過以下各項提供有效的溝通渠道：</p> <p>(1) providing shareholders and potential investors with the corporate information by annual reports/interim reports/announcements/circulars; and</p> <p>年報／中報／通告／通函向股東及潛在投資者提供公司信息；及</p> <p>(2) releasing its latest news to shareholders and potential investors through websites of the Company and the Stock Exchange; and</p> <p>公司和聯交所的網站向股東及潛在投資者發放最新消息；及</p> <p>(3) publishing the latest development of the Company, subject to the actual needs.</p> <p>按實際需要不定期發布本公司最新發展情況。</p>
A.2.9	<p>The Chairman should facilitate the effective contributions of non-executive Directors in particular and ensure constructive relations between the executive and non-executive Directors.</p> <p>主席應促進特別是非執行董事對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。</p>	✓	<p>Please refer to A.2.6.</p> <p>請參考A.2.6。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
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A.3 Composition of the Board 董事會組成

Principle: The Board should have a balance of skills and experience appropriate for the requirements of the business of the Company. The Board should ensure a balanced composition of the executive Directors and the independent non-executive Directors so that strong and independent judgment can be made.

原則： 董事會應根據公司業務而具備適當所需技巧和經驗。董事會應確保執行與獨立非執行董事的組合保持均衡，以使能夠作出強大及獨立判斷。

Code Provision
守則條文

A.3.1	The independent non-executive Directors shall be expressly identified as such in all corporate communications that disclosing the names of the Directors of the Company. 公司所有載有董事姓名的公司通訊中，應該明確說明獨立非執行董事身份。	✓	All corporate communications of the Company, such as announcements/circulars/financial reports/website of the Company that disclosing the names of the Directors have expressly identified each independent non-executive Director of the Company. 本公司的公佈／通函／財務報告／網站等所有溝通渠道都披露董事姓名，並列明本公司各獨立非執行董事身份。
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Recommended Best Practices
建議最佳常規

A.3.2	The Company shall appoint independent non-executive Directors, representing at least one-third of the Board. 公司所委任的獨立非執行董事應佔董事會成員人數至少三分之一。	✓	The Board comprises of four executive Directors and four independent non-executive Directors. Independent non-executive Directors represents 50% (i.e. more than one-third) of the Board. 董事會成員由四名執行董事及四名獨立非執行董事組成，獨立非執行董事佔董事會人數50%(即超過三分之一)。
A.3.3	The Company shall maintain on its website an updated list of its Directors identifying their roles and functions and whether they are independent non-executive Directors. 公司應在其網站上設存及提供最新的董事會成員名單，並列明其角色和職能，以及注明其是否獨立非執行董事	✓	The Company has maintained on its website an updated profile of each member of the Board, and identified all independent non-executive Directors. 本公司的網站已經載列各董事會成員最新數據並註明全體獨立非執行董事。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.4 Appointments, Re-election and Removal 委任、重選和罷免			
Principle: There should be a formal, considered and transparent procedure for the appointments of new Directors to the Board. All Directors should be subject to re-election at regular intervals.			
原則： 董事會應制定正式、經審慎考慮並具透明度的新董事委任程序。所有董事均應每隔若干時距即重新選舉。			
Code Provision 守則條文			
A.4.1	Non-executive Directors should be appointed for a specific term, and subject to re-election. 非執行董事的委任應有指定任期，並須接受重新選舉。	✓	Independent non-executive Directors are appointed for a term of two years subject to retirement by rotation at least once every three years according to Article 108 of the Company's Articles of Association. 獨立非執行董事的任期為兩年及根據公司章程108條規定應輪流退任，至少每三年一次。 At the annual general meeting of the Company held on 1 June 2009, Ms. DONG Yangfeng (an independent non-executive Director) retired and was re-elected as an independent non-executive Director. 在二零零九年六月一日舉行的本公司股東週年大會上，董延豐女士(獨立非執行董事)退任並重選擔任獨立非執行董事。
A.4.2	All Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. 所有為填補臨時空缺而被委任的董事應在接受委任後的首次股東大會上接受股東選舉。每名董事(包括有指定任期的董事)應輪流退任，至少每三年一次。	✓	The related matters are provided for under the Company's Articles of Association and the terms of appointment of each Director. 有關事宜已根據本公司公司章程及各董事的委任條款作出規定。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
Recommended Best Practices 建議最佳常規			
A.4.3	<p>"Serving more than nine years" could be relevant to the determination of a non-executive Director's independence.</p> <p>在釐定非執行董事的獨立性時，「擔任董事超過九年」足以作為一個考慮界線。</p> <p>If an independent non-executive Director serves more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by shareholders.</p> <p>若獨立非執行董事在任已過九年，任何擬繼續委任該名獨立非執行董事均應以獨立決議案形式由股東審議通過。</p> <p>The Board should set out to shareholders in the papers accompanying a resolution to elect such an independent non-executive Director the reasons they believe that the individual continues to be independent and why he should be re-elected.</p> <p>董事會應在提議選任該名獨立非執行董事的決議案隨附的文件中，向股東列明董事會認為該名人士仍屬獨立人士的理由以及他們認為應重新選任其為董事的原因。</p>	✓	<p>All independent non-executive Directors of the Company were appointed on 5 September 2007, therefore none of their independence are at this stage was affected due to serving for more than nine years of terms of office.</p> <p>所有本公司獨立非執行董事都在二零零七年九月五日委任的，因此暫無因在任時間超過九年而影響其獨立性的問題。</p> <p>The Nomination Committee may, howsoever, consider other factors in the determination of the independence of each independent non-executive Director.</p> <p>但提名委員會仍然會考慮其他因素來釐定各獨立非執行董事的獨立性。</p> <p>Each of the independent non-executive Directors had provided their annual confirmations on their independence in accordance with the Listing Rules.</p> <p>各獨立非執行董事根據上市規則提供有關其獨立性的年度確認。</p>

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A.4.4	<p>The Company should establish a Nomination Committee.</p> <p>公司應設立提名委員會。</p> <p>A majority of the members of the Nomination Committee shall be independent non-executive Directors.</p> <p>提名委員會須以獨立非執行董事佔大多數。</p>	✓	<p>The Nomination Committee was established by the Company on 5 September 2007.</p> <p>本公司在二零零七年九月五日成立了提名委員會。</p> <p>The Nomination Committee comprises of four independent non-executive Directors and an executive Director.</p> <p>提名委員會成員由四位獨立非執行董事及一名執行董事組成。</p> <p>The Company held one Nomination Committee meeting during the year under review. Details of attendance of the meeting is as follows:</p> <p>本公司於回顧年度舉行了一次提名委員會會議，有關會議出席率詳情如下：</p> <table border="1" data-bbox="917 1299 1385 1729"> <thead> <tr> <th data-bbox="917 1299 1252 1400">Members of the Nomination Committee 提名委員會成員</th> <th data-bbox="1252 1299 1385 1400">Attendance 出席次數</th> </tr> </thead> <tbody> <tr> <td data-bbox="917 1400 1252 1467">YUE Kwai Wa, Ken (Chairman) 余季華(主席)</td> <td data-bbox="1252 1400 1385 1467">1/1</td> </tr> <tr> <td data-bbox="917 1467 1252 1534">TIAN Qixiang 田其祥</td> <td data-bbox="1252 1467 1385 1534">1/1</td> </tr> <tr> <td data-bbox="917 1534 1252 1601">YU Shumin 余淑敏</td> <td data-bbox="1252 1534 1385 1601">1/1</td> </tr> <tr> <td data-bbox="917 1601 1252 1668">DONG Yanfeng 董延豐</td> <td data-bbox="1252 1601 1385 1668">1/1</td> </tr> <tr> <td data-bbox="917 1668 1252 1729">CAO Zenggong 曹增功</td> <td data-bbox="1252 1668 1385 1729">1/1</td> </tr> </tbody> </table> <p>Such meeting involved the participation, either in person or through other electronic means of communication, of the committee members.</p> <p>以上會議均由董事親身出席或透過其他電子通訊方法參與。</p>	Members of the Nomination Committee 提名委員會成員	Attendance 出席次數	YUE Kwai Wa, Ken (Chairman) 余季華(主席)	1/1	TIAN Qixiang 田其祥	1/1	YU Shumin 余淑敏	1/1	DONG Yanfeng 董延豐	1/1	CAO Zenggong 曹增功	1/1
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A.4.5	<p>The Nomination Committee should be established with specific written terms of reference which deal clearly with the committee's authority and duties.</p> <p>公司應書面訂明提名委員會具體的職權範圍，清楚說明委員會的職權和責任。</p> <p>The Nomination Committee should discharge the following duties:</p> <p>提名委員會應履行以下責任：</p> <p>(a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;</p> <p>定期檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何擬作出的變動向董事會提出建議；</p> <p>(b) to identify individuals suitably qualified to become board members, and select or make recommendations to the Board on the selection of individuals nominated for directorships;</p> <p>物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；</p> <p>(c) to assess the independence of independent non-executive Directors; and</p> <p>評核獨立非執行董事的獨立性；及</p> <p>(d) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of the Directors and succession planning for the Directors in particular the Chairman and the Chief Executive Officer.</p> <p>就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃的有關事宜向董事會提出建議。</p>	✓	<p>The Company has established written terms of reference of the Nomination Committee with reference to and no less exacting than this recommended best practice.</p> <p>本公司已參考建議最佳常規制定不比其寬鬆的提名委員會成文職權範圍。</p> <p>During the year, the Nomination Committee discharged the following duties:</p> <p>於本年度，提名委員會執行了以下工作：</p> <ul style="list-style-type: none"> - making recommendation to the Board for the re-election of Directors at the annual general meeting of the Company held on 1 June 2009; and - reviewing the independence of the independent non-executive Directors and the annual written independence confirmation provided by each of them. <p>審閱獨立非執行董事的獨立性及彼等提供的年度書面獨立性確認。</p>

CORPORATE GOVERNANCE REPORT
企業管治報告

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.4.6	<p>The Nomination Committee should make available its terms of reference explaining its role and the authority delegated to it by the Board.</p> <p>提名委員會應公開其職權範圍，解釋其角色以及董事會轉授予其的權力。</p>	✓	<p>The major duties of the Nomination Committee are to review the structure and composition of the Board, to review and provide recommendations to the shareholders of the Company on the terms of Director's service contract, and to assess the independence of the independent non-executive Directors.</p> <p>提名委員會的主要職責為檢討董事會的架構及組成，審閱及就董事的服務合約條款向本公司股東提供建議，並評估獨立非執行董事的獨立性。</p> <p>The Nomination Committee considered each individual's professional knowledge, industry experience, personal ethic and personal skills when it makes recommendation to the Board as to whether that individual is suitably qualified to become a member of the Board.</p> <p>就有關人士是否合符資格加入董事會而向董事會作出建議時，提名委員會考慮各人士的專業知識、行業經驗、個人道德以及個人技能。</p> <p>Details of the terms of reference of the Nomination Committee are available at the Company's website.</p> <p>詳細的提名委員會職權範圍內容已經在本公司網站公開。</p>

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A.4.7	<p>The Nomination Committee should be provided with sufficient resources to discharge its duties.</p> <p>提名委員會應獲供給充足資源以履行其職責。</p>	✓	<p>This is part of the rights and powers of the Nomination Committee under its terms of reference.</p> <p>此乃提名委員會於職權範圍項下的權利及權力的一部分。</p>
A.4.8	<p>Where the Board proposes a resolution to elect an individual as an independent non-executive Director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe the individual shall be elected and the reasons why they consider the individual to be independent.</p> <p>若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，有關股東大會通告所隨附的致股東通函及／或說明函件中，應該列明董事會認為應選任該名人士的理由以及他們認為該名人士屬獨立人士的原因。</p>	N/A	<p>No independent non-executive Director was newly appointed during the year under review.</p> <p>於回顧年度，概無新獨立非執行董事獲委任。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.5	Responsibilities of Directors 董事責任		
Principle:	Every Director is required to keep abreast of his responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.		
原則：	每名董事須不時了解其作為本公司董事的職責，以及本公司的經營方式、業務活動及發展。		
Code Provision 守則條文			
A.5.1	<p>Every newly appointed director of a company should receive a comprehensive, formal and tailored induction on the first occasion of his appointment, and subsequently such briefing and professional development as is necessary, to ensure that he has a proper understanding of the operations and business of the Company and that he is fully aware of his responsibilities under the statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the Company.</p> <p>每名新委任的董事均應在首次接受委任時獲得全面、正式兼特為其而設的就任須知，其後亦應獲得所需的介紹及專業發展，以確保他們對公司的運作及業務均有適當的理解，以及完全知道本身在法規及普通法、《上市規則》、適用的法律規定及其他監管規定以及公司的業務及管治政策下的職責。</p>	✓	<p>No Director was newly appointed during the year under review.</p> <p>於回顧年度，概無新董事獲委任。</p> <p>For understanding the latest development of the relevant rules and regulations, the Directors were provided with regular updates on the rules and regulations and so far as practicable, individual training provided by professional organisations.</p> <p>為了解有關規則及規例的最新發展，董事獲定期提供規則及規例更新以及(在切實可行的情況下)由專業機構提供個別培訓。</p>

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A.5.2	<p>The functions of non-executive directors should include but should not be limited to the following:</p> <p>非執行董事的職能應包括但不限於下列各項：</p> <p>(a) participating in Board meetings of the Company to bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;</p> <p>參與公司董事會會議，在涉及策略、政策、公司表現、問責性、資源、主要委任及操守準則等事宜上，提供獨立的判斷；</p> <p>(b) taking the lead where potential conflicts of interests arise;</p> <p>在出現潛在利益衝突時發揮牽頭引導作用；</p> <p>(c) serving on the audit, remuneration, nomination and other governance committees, if invited; and</p> <p>應邀出任審核委員會、薪酬委員會、提名委員會及其他管治委員會成員；及</p> <p>(d) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.</p> <p>仔細檢查公司的表現是否達到既定的企業目標和目的，並監察匯報公司表現的事宜。</p>	✓	<p>All independent non-executive Directors are members of the Audit Committee.</p> <p>獨立非執行董事全部皆為審核委員會成員。</p> <p>During the year under review, the independent non-executive Directors participated in Board meetings (including those when there were matters involving conflicts of interest to be considered).</p> <p>於回顧年度，獨立非執行董事已參與董事會會議(包括將予考慮涉及利益衝突事宜的會議)。</p> <p>In addition, the independent non-executive Directors had reviewed the comparison of profit forecast for the year with actual performance in the regular Board meetings of the Company.</p> <p>此外，獨立非執行董事已於本公司的定期董事會會議中審閱全年盈利預測與實際表現情況的比較。</p>

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A.5.3	<p>Every Director should ensure that he can give sufficient time and attention to the affairs of the Company and should not accept the appointment if he may not do so.</p> <p>每名董事應確保能付出足夠時間及精神以處理公司的事務，否則不應接受委任。</p>	✓	<p>During the year under review, the Directors have been actively participating in the Board meetings. For details, please refer to A.1.1.</p> <p>於回顧年度內，各董事都積極參與董事會議。詳情請參考A.1.1。</p>
A.5.4	<p>Directors must comply with their obligations under the Model Code set out in Appendix 10 and, in addition, the Board should establish written guidelines on no less exacting terms than the Model Code for relevant employees in respect of their dealings in the securities of the Company. For this purpose, "relevant employee" includes any employee of the Company or a director or employee of a subsidiary or holding company of the Company who, because of such office or employment, is likely to be in possession of unpublished price sensitive information in relation to the Company or its securities.</p> <p>董事必須遵守附錄十的《標準守則》；董事會亦應就有關僱員買賣公司證券事宜設定書面指引，指引內容應該不比《標準守則》寬鬆。就此而言，「有關僱員」包括公司任何因其職務或僱員關係而可能會擁有關於公司或其證券的未公開股價敏感資料的僱員，又或公司附屬公司或母公司的此等董事或僱員。</p>	✓	<p>The Company has established its own code of conduct governing securities transaction by the Directors of the Company ("Securities Dealing Code") on no less exacting terms than the Model Code set out in Appendix 10 to the Listing Rules.</p> <p>本公司制定了本身規管本公司董事進行證券交易的行為守則(《證券買賣守則》)，其內容不比上市規則附錄十的《標準守則》寬鬆。</p> <p>At the Board meeting held on 31 March 2009, all Directors approved the amendments to the Securities Dealing Code in compliance with the modification of the blackout period made by the Stock Exchange in February 2009.</p> <p>在二零零九年三月三十一日舉行的董事會中，全體董事通過《證券買賣守則》修訂以符合聯交所於二零零九年二月就禁制期作出的修改。</p> <p>Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the Securities Dealing Code during the year under review and up to the date of this report.</p> <p>經向所有董事作出具體查詢後，所有董事已確認在回顧年度及截至本報告日期，一直遵守《證券買賣守則》。</p>

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Recommended Best Practices 建議最佳常規			
A.5.5	<p>All Directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to help ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding a suitable development programme.</p> <p>所有董事應參與持續專業發展計劃，發展並更新其知識及技能，以助確保其繼續在知情及具備相關信息的情況下對董事會作出貢獻。公司應負責安排合適的發展計劃並提供有關資金。</p>	✓	<p>Since talent is the most valuable asset of the Company, the Company has encouraged Directors and senior management to further their studies. The Company will offer support, such as subsidies of tuition fee, news with regard to rule enforcement and latest Listing Rules with the assistance of the company secretary, to Directors and staff.</p> <p>本公司一直鼓勵董事和其他高管人員持續進修，因為人材是本公司最重要資產之一。本公司會為董事和員工提供進修的協助，例如學費補貼、在公司秘書整理的執法新聞和最新上市規則數據等等。</p> <p>Please refer to E.1.2</p> <p>請參考E.1.2。</p>
A.5.6	<p>Each director should disclose to the Company at the time of his appointment, and on a periodic basis, the number and nature of offices held in public companies or organisations and other significant commitments, with the identity of the public companies or organisations and an indication of the time involved. The Board should determine for itself how frequently such disclosure should be made.</p> <p>每名董事應於接受委任時向公司披露(並於其後定期披露)其於公眾公司或組織擔任職位的數目及性質以及其他重大承擔，其中必須提供公眾公司或組織的名稱以及顯示其擔任有關職務所涉及的時間。董事會應自行決定相隔多久作出一次披露。</p>	✓	<p>The Directors have disclosed to the Company at the time of their appointment and are reminded to keep the Company updated with regard to the number and nature of offices held in public companies or organisations and other significant commitments.</p> <p>董事在接受委任時已向本公司披露其於公眾公司或組織擔任職位的數目及性質以及其他重大承擔。</p> <p>The company secretary is responsible for updating the disclosed information from time to time when necessary.</p> <p>公司秘書負責於有需要時不時更新已披露數據。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.5.7	<p>Non-executive Directors, as equal board members, should give the Board and any committees on which they serve such as the Audit Committee, Remuneration Committee or Nomination Committee the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation.</p> <p>非執行董事作為與其他董事擁有同等地位的董事會成員，應定期出席董事會及其同時出任委員會成員的委員會(例如審核委員會、薪酬委員會或提名委員會)的會議並積極參與會務，以其技能、專業知識及不同的背景及資格作出貢獻。</p> <p>They should also attend general meetings and develop a balanced understanding of the views of shareholders.</p> <p>非執行董事並應出席股東大會，對公司股東的意見有平衡的了解。</p>		<p>Attendance of the independent non-executive Directors at Board meetings and meetings of the Board during the year under review is satisfactory.</p> <p>獨立非執行董事於本回顧年度的董事會及轄下委員會之會議出席記錄令人滿意。</p> <p>Mr. Yue Kwai Wa, Ken, an independent non-executive Director, attended the annual general meeting of the Company held on 1 June 2009 on behalf of other independent non-executive Directors.</p> <p>獨立非執行董事余季華先生代表其他獨立非執行董事出席了本公司於二零零九年六月一日舉行之股東週年大會。</p>
A.5.8	<p>Non-executive Directors should make a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments.</p> <p>非執行董事須透過提供獨立、富建設性及有根據的意見對公司制定策略及政策作出正面貢獻。</p>	✓	<p>Independent non-executive Directors had made such contributions through meetings of the Board and the Board committees with all relevant information provided to them in a timely manner prior to the meetings in order that they can provide informed comments.</p> <p>獨立非執行董事在董事會及轄下委員會會議上作出貢獻，其在會議前獲適時提供所有有關數據，致使其提供知情意見。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
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A.6 Provision of and Access to Information
數據提供及使用

Principle: Directors should be provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an decision and to discharge their duties and responsibilities as Directors of the Company.

原則： 董事應獲提供適當的適時資料，其形式及素質須使董事能夠在掌握有關資料的情況下作出決定，並能履行其作為公司董事的職責及責任。

Code Provision
守則條文

A.6.1	<p>In respect of regular Board meetings, an agenda and accompanying board papers should be sent in full to all Directors in a timely manner and at least 3 days before the intended date of a board or Board committee meeting (or such other period as agreed).</p> <p>董事會定期會議的議程及相關董事會文件應全部及時送交全體董事，並至少在計劃舉行董事會或其轄下委員會會議日期的三天前(或協議的其他時間內)送出。</p>	✓	<p>The documents of regular Board meetings and Committee meetings (and so far as practicable in other Board meetings) are sent out to all Directors three days before the date of the meeting.</p> <p>董事會定期會議及其轄下委員會會議(及在切實可行的情況下其他董事會會議)文件都在會議日期前三日送出予全體董事。</p>
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No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.6.2	<p>Management has an obligation to supply the Board and its committees with adequate information in a timely manner to enable it to make informed decisions.</p> <p>管理層有責任向董事會及其轄下委員會提供充足的適時資料，以使董事能夠在掌握有關資料的情況下作出知情決定。</p> <p>The date provided for the management must be complete and reliable. To fulfill their duties properly, Directors may not in all circumstances be able to rely purely on what is volunteered by management and further enquiries may be required.</p> <p>管理層所提供的數據必須完整可靠。董事要恰當履行董事職責，他們並不能在所有情況下皆單靠管理層主動提供的數據，有時他們還需自行作進一步查詢。</p> <p>Where any director requires more information than is volunteered by management, he should make further enquiries where necessary.</p> <p>任何董事若需要管理層提供額外(管理層主動提供以外)的數據，應該按需要再作進一步查詢。</p> <p>The Board and each director should have separate and independent access to the Company's senior management.</p> <p>董事會及每名董事應有自行接觸公司高級管理人員的獨立途徑。</p>	✓	<p>The company secretary will attend relevant Board meetings and Board committee meetings while other persons may be invited to provide explanations on issues to be discussed where necessary in order to provide the Directors with adequate information for making informed decisions.</p> <p>公司秘書都會出席有關的董事會及轄下委員會會議，於有需要時亦會邀請其他人士向董事解釋將予討論的有關事項，以使董事能夠充份掌握資作出知情決定。</p> <p>The company secretary acts as the communication channel among the Directors and his responsibilities include accessing to the Company's senior management as per the request of the Directors.</p> <p>公司秘書為各董事之間的溝通管道，這包括董事要求接觸本公司高級管理層。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
A.6.3	<p>All Directors are entitled to have access to board papers and related materials.</p> <p>所有董事均有權查閱董事會文件及相關數據。</p> <p>Such papers and related materials should be prepared in such form and quality as will enable the Board to make an informed decision on matters placed before it.</p> <p>此等文件及相關數據的編備形式及素質應使董事會能就提呈董事會商議事項作出知情有根據的決定。</p> <p>Where queries are raised by Directors, steps must be taken to respond as promptly and fully as possible.</p> <p>若有董事提出問題，公司必須採取步驟以盡快作出盡量全面的回應。</p>	✓	<p>The Directors may request the company secretary to provide access to the Board papers and related materials.</p> <p>董事可以向公司秘書要求查閱董事會文件及相關資料。</p> <p>The company secretary and the Chairman should respond to the queries raised by the Directors in a timely manner.</p> <p>公司秘書和主席必須在收到董事有關提問後，在適當時間內提供回覆。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
B.1 Level and Make-up of Remuneration and Disclosure 薪酬及披露的水平及組成			
<p>Principle: There should be a formal and transparent procedure for setting policy on executive Directors' remuneration and for fixing the remuneration packages for all Directors of the Company. No Director should be involved in deciding his own remuneration.</p>			
<p>原則： 公司應設有正規而具透明度的程序，以制訂有關執行董事酬金的政策及厘訂各公司董事的薪酬待遇。任何董事不得參與訂定本身的酬金。</p>			
<p>Code Provision 守則條文</p>			
B.1.1	<p>Companies shall establish a Remuneration Committee with specific written terms of reference which deal clearly with its authority and duties. A majority of the members of the Remuneration Committee shall be independent non-executive Directors.</p> <p>公司應設立具有特定成文權責範圍的薪酬委員會；有關權責範圍應清楚說明委員會的權限及職責。薪酬委員會的大部分成員應為獨立非執行董事。</p>	✓	<p>The Remuneration Committee was established on 5 September 2007 with written terms of reference.</p> <p>薪酬委員會在二零零七年九月五日成立並採納了成文職權範圍。</p> <p>The Remuneration Committee of the Company consists of all independent non-executive Directors and the Chairman of the Company.</p> <p>本公司的薪酬委員會成員由全體獨立非執行董事及本公司主席組成。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況												
B.1.1 (Cont'd) (續)			<p>The Remuneration Committee held one Remuneration Committee meeting during the year under review. The attendance of the meeting is as follows:</p> <p>本公司於回顧年度，舉行了一次薪酬委員會會議，有關會議出席率詳情如下：</p> <table border="1" data-bbox="986 958 1453 1489"> <thead> <tr> <th data-bbox="986 958 1321 1104">Members of the Remuneration Committee 薪酬委員會成員</th> <th data-bbox="1321 958 1453 1104">Attendance 出席次數</th> </tr> </thead> <tbody> <tr> <td data-bbox="986 1104 1321 1193">YUE Kwai Wa, Ken (<i>Chairman</i>) 余季華(主席)</td> <td data-bbox="1321 1104 1453 1193">1/1</td> </tr> <tr> <td data-bbox="986 1193 1321 1261">TIAN Qixiang 田其祥</td> <td data-bbox="1321 1193 1453 1261">1/1</td> </tr> <tr> <td data-bbox="986 1261 1321 1328">YU Shumin 余淑敏</td> <td data-bbox="1321 1261 1453 1328">1/1</td> </tr> <tr> <td data-bbox="986 1328 1321 1395">DONG Yanfeng 董延豐</td> <td data-bbox="1321 1328 1453 1395">1/1</td> </tr> <tr> <td data-bbox="986 1395 1321 1489">CAO Zengong 曹增功</td> <td data-bbox="1321 1395 1453 1489">1/1</td> </tr> </tbody> </table> <p>Such meeting involved the participation, either in person or through other electronic means of communication, of the committee members.</p> <p>以上會議均由董事親身出席或透過其他電子通訊方法參與。</p>	Members of the Remuneration Committee 薪酬委員會成員	Attendance 出席次數	YUE Kwai Wa, Ken (<i>Chairman</i>) 余季華(主席)	1/1	TIAN Qixiang 田其祥	1/1	YU Shumin 余淑敏	1/1	DONG Yanfeng 董延豐	1/1	CAO Zengong 曹增功	1/1
Members of the Remuneration Committee 薪酬委員會成員	Attendance 出席次數														
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No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
B.1.2	<p>The Remuneration Committee shall consult the Chairman and/or Chief Executive Officer about their proposals relating to the remuneration of other executive Directors and have access to professional advice if considered necessary.</p> <p>薪酬委員會應就其他執行董事的薪酬建議諮詢主席及／或行政總裁，如認為有需要，亦可索取專業意見。</p>	✓	<p>To ensure good communications, the Chairman of the Company also acts as one of the members of the Remuneration Committee.</p> <p>為了有良好溝通，本公司主席亦是薪酬委員會成員之一。</p> <p>The Remuneration Committee has the rights to seek advice from professional consultants at the Company's expense under its terms of reference.</p> <p>職權範圍項下包括薪酬委員會有權向專業顧問詢查意見，費用由本公司支付。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
B.1.3	<p>The terms of reference of the Remuneration Committee should include, as a minimum, the following specific duties:</p> <p>薪酬委員會在權責範圍方面應最低限度包括下列特定職責：</p> <p>(a) to make recommendations to the Board on the Company's policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;</p> <p>就公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂此等薪酬政策，向董事會提出建議；</p> <p>(b) to have the delegated responsibility to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors; and</p> <p>獲董事會轉授以下職責，即釐訂全體執行董事及高級管理人員的特定薪酬待遇，包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償），並就非執行董事的薪酬向董事會提出建議；</p>	✓	<p>The Remuneration Committee has been established by the Company with a written terms of reference in accordance with the requirements as set out in the CG Code.</p> <p>本公司成立薪酬委員會，其成文職權範圍乃根據企業管治常規守則所載要求制定。</p> <p>During the year under review, the Remuneration Committee discharged the following duties:</p> <p>於回顧年度，薪酬委員會執行了以下職責：</p> <ul style="list-style-type: none"> – reviewing the remuneration of the Directors and its adjustments and make recommendations to the Board; and – reviewing and making recommendations to the Board on the remuneration policies. <p>審閱董事的薪酬以及其薪酬調整，並向董事會作出建議；及</p> <p>審閱及向董事會就薪酬政策作出建議。</p> <p>During the year under review, there was no loss or termination or removal of office or appointment of Directors or senior management</p> <p>於回顧年度，概無董事或高級管理人員喪失或終止或免除職務或獲委任。</p>

CORPORATE GOVERNANCE REPORT
企業管治報告

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
B.1.3 (Cont'd) (續)	<p>(c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;</p> <p>透過參照董事會不時通過的公司目標及目的，檢討及批准按表現而釐定的薪酬；</p> <p>(d) to review and approve the compensation arrangements relating to any loss or termination of the offices or dismissal or removal of Directors or senior management to ensure that such compensation is determined in accordance with relevant contract terms, and is reasonable and appropriate; and</p> <p>檢討及批准因董事或高級管理人員喪失或終止或免除職務所涉及的賠償安排，以確保該等賠償按有關合約條款釐定或屬合理適當；及</p> <p>(e) to ensure that no director or any of his associates is involved in deciding his own remuneration;</p> <p>確保任何董事或其任何聯繫人不得自行釐訂薪酬；</p>		

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
B.1.4	<p>The Remuneration Committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board.</p> <p>薪酬委員會應公開其職權範圍，解釋其角色及董事會轉授予其的權力。</p>	✓	<p>The major duties of the Remuneration Committee are to review and make recommendations to the Board on the Company's remuneration policy and structure compensation scheme of the Directors and senior management as well as to determine the specific remuneration packages of all executive Directors and senior management.</p> <p>薪酬委員會的主要職責為審閱及就本公司有關董事及高級管理層的薪酬政策及結構性酬勞計劃提出意見，以及釐定所有執行董事及高級管理層的薪酬待遇。</p> <p>Details of the terms of reference of the Remuneration Committee are available at the Company's website.</p> <p>薪酬委員會的職權範圍詳情已在本公司網站內公開。</p>
B.1.5	<p>The Remuneration Committee should be provided with sufficient resources to discharge its duties.</p> <p>薪酬委員會應獲供給充足資源以履行其職責。</p>	✓	<p>This is part of the rights and powers of the Remuneration Committee under its terms of reference.</p> <p>此乃薪酬委員會職權範圍項下其權利及權力的一部分。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
Recommended Best Practices 建議最佳常規			
B.1.6	<p>A significant proportion of Executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance.</p> <p>執行董事的薪酬結構中，應有頗大部分的報酬與公司及個人表現掛鉤。</p>	✓	<p>Under the service contracts of the executive Directors, all executive Directors are entitled to a discretionary bonus representing up to 5% of the audited consolidated profit of the Group (after taxation and minority interest and payment of such bonuses).</p> <p>執行董事的服務合同內指明全體執行董事可以領取不超過本集團經審核綜合利潤(除稅及少數股東權益以及支付該等花紅後)5%之酌情花紅。</p> <p>Resolution approving the bonus to executive Directors would be discussed by the Remuneration Committee before being submitted to the Board for discussion. To avoid any conflict of interests, the executive Director receiving the bonus is not allowed to vote in the relevant resolution.</p> <p>有關給予執行董事花紅的決議需要事前經過薪酬委員會的討論後才提交董事會討論，為免利益衝突，有關接受花紅的執行董事不可以在討論其花紅的決議案中投票。</p> <p>Bonus for the executive Directors in 2008 was discussed at the meeting of Remuneration Committee held in 16 April 2009, and specific disclosure was made in the annual report of the Company.</p> <p>在二零零九年四月十六日舉行的薪酬委員會會議中討論了向執行董事派發二零零八年的花紅，而且已經在本公司年報中作出具體的披露。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
B.1.7	<p>The Company should disclose any remuneration payable to members of senior management, on an individual and named basis, in their annual reports and accounts.</p> <p>公司應在其年度報告及賬目內披露向高級管理人員支付的任何酬金，並列出每名高級管理人員的姓名。</p>	E	<p>The management believes that:</p> <p>管理層認為：</p> <p>1) the remuneration payable to senior management comprises an insignificant portion of the expenses; and</p> <p>高級管理人員的薪酬佔開支的比例很少；及</p> <p>2) disclosing remuneration payable to individual staff on named basis may affect overall staff morale,</p> <p>披露個別員工的酬金及其計算基準會影響全體員工士氣</p> <p>thus will not consider disclosing the name and remuneration of senior management on an individual basis.</p> <p>所以不考慮列出每名高級管理人員的姓名和酬金。</p>
B.1.8	<p>Where the Board resolves to approve any remuneration or compensation arrangements which the Remuneration Committee has previously resolved not to approve, the Board must disclose the reasons for its resolution in its next annual report.</p> <p>凡董事會議決通過的薪酬或酬金安排為薪酬委員會先前議決不予通過者，董事會須在下一份年報中披露其通過該項決議的原因。</p>	N/A 不適用	<p>The Board has never approved any matters which have previously been rejected by the Remuneration Committee during the year under review.</p> <p>於回顧年度內，董事會並無通過薪酬委員會先前議決不予通過的事項。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C. Accountability and Audit 問責及核數			
Principle: The Board should present a balanced, clear and comprehensible assessment of the Company's performance, position and prospects.			
原則： 董事會應平衡、清晰及全面地評核公司的表現、情況及前景。			
C.1 Financial Reporting 財務匯報			
Code Provision 守則條文			
C.1.1	Management should provide such explanation and sufficient information to the Board as will enable the Board to make an informed assessment of the financial and other information put before the Board for approval. 管理層應向董事會提供充分的解釋及足夠的資料，讓董事會可以就提交給他們批准的財務及其他資料，作出有根據的評審。	✓	The financial information and plans of the period were discussed in the regular Board meetings. The Chairman was responsible for explaining the latest business developments to the Directors. 在董事會的定期會議中，董事會討論期內的財務資料和計劃，並由主席負責向各董事解釋最新的業務發展。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.1.2	<p>The Directors should acknowledge in the Corporate Governance Report their responsibility for preparing the accounts, and there shall be a statement by the auditors about their reporting responsibilities in the auditors' report on the financial statements.</p> <p>董事應在《企業管治報告》中承認他們有編製賬目的責任，核數師亦應在有關財務報表的核數師報告中就他們的申報責任作出聲明。</p> <p>Unless it is inappropriate to assume that the Company will continue in business, the Directors should prepare the accounts on a going concern basis, with supporting assumptions or qualifications as necessary.</p> <p>除非假設公司將會持續經營業務並不恰當，否則，董事擬備的賬目應以公司持續經營為基礎，有需要時更應輔以假設或保留意見。</p> <p>When the Directors are aware of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, such uncertainties should be clearly and prominently set out and discussed at length in the Corporate Governance Report.</p> <p>若董事知道有重大不明朗事件或情況可能會嚴重影響公司持續經營的能力，董事應在《企業管治報告》清楚顯著披露及詳細討論此等不明朗因素。</p>	✓	<p>The Directors hereby acknowledge their responsibility for preparing the accounts of the Company. For the statement by the auditors about their reporting responsibilities in the auditor's report, please refer to pages 101 to 102.</p> <p>董事謹此承認他們有編製賬目的責任。核數師於核數師報告中就申報責任作出的聲明，請參閱第101至102頁。</p> <p>As at 31 December 2009, the Company continued to prepare its financial report on a going concern basis.</p> <p>本公司截至二零零九年十二月三十一日止仍然以持續經營為基礎編製其財務報告。</p> <p>The Board is not aware of any material uncertainties relating to events or conditions that may affect the business of the Company or cast doubts on its ability to continue as an ongoing concern.</p> <p>董事會至今沒有發現任何重大不明朗事件或情況會影響本公司之業務或影響其持續經營的能力。</p>

CORPORATE GOVERNANCE REPORT
企業管治報告

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.1.3	<p>The Board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.</p> <p>有關董事會應平衡、清晰及明白地評審公司表現的責任，適用於年度報告及中期報告、其他涉及股價敏感資料的通告及根據《上市規則》規定須予披露的其他財務數據，以及向監管者提交的報告書以至根據法例規定須予披露的資料。</p>	✓	<p>The management discussion and analysis section in the annual report of the Company has provided an analysis on the business during the year.</p> <p>本公司的年度報告的管理討論及分析已經對本年度業務作了分析。</p>
<p>Recommended Best Practices 建議最佳常規</p>			
C.1.4	<p>The Company should announce and publish quarterly financial results within 45 days after the end of the relevant quarter, disclosing such information as would enable shareholders to assess the performance, financial position and prospects of the Company.</p> <p>公司應於有關季度結束後45天內公佈及刊發季度財務業績，而所披露的數據，必須能夠讓股東評核公司的表現、財務狀況及前景。</p> <p>Any such quarterly financial reports should be prepared using the accounting policies applied to the Company's half-year and annual accounts.</p> <p>公司擬備任何此等季度財務報告時，應使用那些適用於其半年度及年度賬目的會計政策。</p>	E	<p>The Company has no intention to issue quarterly financial report for the time being.</p> <p>本公司暫無計劃刊發季度財務報告。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.1.5	<p>Once the Company decides to announce and publish its quarterly financial results, it shall continue to adopt quarterly reporting for each of the first 3 and 9 months periods of subsequent financial years.</p> <p>公司一旦決定公佈及刊發季度財務業績，即應於其後的財政年度繼續匯報截至第三個月及第九個月的季度業績。</p> <p>Where the Company decides not to announce and publish its financial results for a particular quarter, it shall publish an announcement to disclose the reason(s) for such decision.</p> <p>若公司決定不公佈及刊發某一季度的財務業績，即應刊發公佈，解釋這項決定的原因。</p>	E	<p>Please refer to C.1.4.</p> <p>請參考C.1.4。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.2 Internal Control 內部監控			
Principle: The Board should ensure that the Company maintains sound and effective internal controls to safeguard the shareholders' investment and the Company's assets.			
原則： 董事會應確保公司的內部監控系統穩健妥善而且有效，以保障股東的投資及公司的資產。			
Code Provision 守則條文			
C.2.1	<p>The Directors should at least annually conduct a review of the effectiveness of the system of internal control of the Company and its subsidiaries and report to shareholders that they have done so in their Corporate Governance Report. The review shall cover all material controls, including financial, operational and compliance controls and risk management functions.</p> <p>董事應最少每年檢討一次公司及其附屬公司的內部監控系統是否有效，並在《企業管治報告》中向股東匯報已經完成有關檢討。有關檢討應涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控以及風險管理功能。</p>	✓	<p>The Board is ultimately responsible for the internal control of the Group.</p> <p>董事會是負責集團內部監控的最終責任者。</p> <p>On 1 June 2009, the Board has engaged SHINEWING Risk Services Limited to review the internal control system of the Group. The report has been completed by December 2009 and submitted to the Audit Committee and the Board for discussion.</p> <p>董事會在二零零九年六月一日通過聘用信永方略風險管理有限公司為本集團內部監控系統進行檢討，有關報告已經在二零零九年十二月完成並提交給審核委員會和董事會作討論。</p> <p>The Group has performed risk evaluations on human resources, financial, budget control, internal audit and capital usage functions and the Group is not aware of any material weaknesses.</p> <p>就本集團已經對人力資源、財務、預算監管、內部審核和資金運用等作出了風險評估，並無發現重大缺失。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.2.2	<p>The Board, when making annual review, should particularly consider whether the resources, employees' qualification and experience in respect of the functions of accounting and financial reporting, and the training programmes given to the employees and the relevant budget, are adequate.</p> <p>董事會每年進行檢討時，應特別考慮公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足。</p>	✓	<p>The management of the Group has dedicated to improving the efficiency of accounting and financial reporting. During the year of review, the Group has replaced the accounting software and given relevant training programmes to the relevant employees. The Board considers that the employee's qualification, experience and the budget, etc. are sufficient.</p> <p>本集團管理層一直致力改善會計及財務匯報方面的效率。於回顧年度內，本集團更換了會計軟件系統並對有關員工提供相關培訓。董事會認為員工資歷、經驗及預算等皆足夠。</p>

CORPORATE GOVERNANCE REPORT
企業管治報告

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
<p>Recommended Best Practices 建議最佳常規</p>			
C.2.3	<p>The Board's annual review should, in particular, consider:</p> <p>董事會每年檢討的事項應特別包括下列各項：</p> <p>(a) the changes since the last annual review in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and the external environment;</p> <p>自上年檢討後，重大風險的性質及嚴重程度的轉變、以及公司應付其業務轉變及外在環境轉變的能力；</p> <p>(b) the scope and quality of management's ongoing monitoring of risks and of the system of internal control, and where applicable, the work of its internal audit function and other providers of assurance;</p> <p>管理層持續監察風險及內部監控系統的工作範疇及素質，及(如適用)內部核數功能及其他保證提供者的工作；</p> <p>(c) the extent and frequency of the communication of the results of the monitoring to the Board (or Board committee(s)) which enables it to build up a cumulative assessment of the state of control in the Company and the effectiveness with which risk is being managed;</p> <p>向董事會(或轄下委員會)傳達監控結果的詳盡程度及次數；透過有關傳達，董事會得以對公司的監控情況及風險管理的有效程度建立累積的評審結果；</p>	✓	<p>The Board conducted annual review for the Group's exposure to risks (including operating environment and financial situation).</p> <p>董事會每年均會檢討集團的風險(包括經營環境及財務情況)。</p> <p>Audit Committee formulated review proposal at the beginning of the year and external and internal auditors performed relevant works according to the proposal.</p> <p>審核委員會在年初會制定檢討計劃並由外聘的內部核數師按計劃進行有關的工作。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.2.3 (Cont'd) (續)	<p>(d) the incidence of significant control failings or weakness that has been identified at any time during the period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or conditions; and</p> <p>期內任何時候發生重大監控失誤或發現重大監控弱項的次數，及因此導致未能預見的後果或緊急情況的嚴重程度，而該等後果或情況對公司的財務表現或情況已產生、可能已產生或將來可能會產生的重大影響；及</p> <p>(e) the effectiveness of the Company's processes relating to financial reporting and Listing Rule compliance.</p> <p>公司有關財務報告及遵守《上市規則》規定的程序是否有效。</p>	✓	

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.2.4	<p>The Company should disclose as part of the Corporate Governance Report a narrative statement how they have complied with the code provisions on internal control during the reporting period. The disclosures shall also include the following items:</p> <p>作為《企業管治報告》的部分內容，公司應以陳述形式披露其如何在報告期內遵守有關內部監控的守則條文。有關披露內容也應包括下列事項：</p> <p>(a) the process that the Company has applied for identifying, evaluating and managing the significant risks faced by it;</p> <p>公司賴以辨認、評估及管理所面對的重大風險所採取的程序；</p> <p>(b) any additional information to assist understanding of the Company's risk management processes and system of internal control;</p> <p>任何有助了解公司風險管理程序及內部監控系統的額外數據；</p> <p>(c) an acknowledgement by the Board that it is responsible for the Company's system of internal control and for reviewing its effectiveness;</p> <p>董事會承認其須對公司的內部監控系統負責，並有責任檢討該制度的有效性；</p>	✓	<p>The Board hereby acknowledges in this report that it is responsible for the effectiveness of the internal control system of the Group.</p> <p>董事會在本報告中承認須負責本集團內部監控系統的有效性。</p> <p>The Audit Committee is satisfied with the internal control system of the Company during the year under review and did not reveal any significant defects of the internal control system.</p> <p>審核委員會滿意回顧年度本公司內部監控系統，並無發現內部監控系統存在重大問題缺失。</p> <p>On 1 June 2009, the Board engaged SHINEWING Risk Services Limited to review the internal control system of the Group. The report was completed by December 2009 and submitted to the Audit Committee and the Board for discussion.</p> <p>董事會在二零零九年六月一日聘用信永方略風險管理有限公司為本集團內部監控系統進行檢討，有關報告已經在二零零九年十二月完成並提交給審核委員會和董事會作討論。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.2.4 (Cont'd) (續)	<p>(d) the process that the Company has applied in reviewing the effectiveness of the system of internal control; and</p> <p>公司檢討內部監控系統是否有效所採取的程序；及</p> <p>(e) the process that the Company has applied to deal with material internal control aspects of any significant problems disclosed in its annual reports and accounts.</p> <p>公司就處理於年度報告及賬目內所披露的有關重要內部監控事項的重大問題所採取的程序。</p>		
C.2.5	<p>The Company should ensure that their disclosures provide meaningful information and do not give a misleading impression.</p> <p>公司應確保所披露的是有意義的數據，而且沒有給人誤導的感覺。</p>	✓	<p>The Company aims to ensure disclosures provide meaningful information and do not give a misleading impression.</p> <p>本公司盡力確保所披露的是有意義的數據，而且不會予人誤導的感覺。</p>
C.2.6	<p>The Company without an internal audit function should review the need for one on an annual basis and should disclose the outcome of such review in the Company's Corporate Governance Report.</p> <p>沒有內部核數功能的公司應每年檢討是否需要增設此項功能，然後在其《企業管治報告》內披露檢討結果。</p>	E	<p>The Board believes that, considering the scale of the Company, it is more efficient to engage independent internal auditor to conduct annual review rather than establishing a dedicated internal audit department.</p> <p>董事會認為以本公司規模，外聘獨立內部核數師來進行年度檢討比成立專職核數部門更有效率。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.3	Audit Committee 審核委員會		
Principle:	The Board should establish formal and transparent arrangements for considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Company's auditors.		
原則：	董事會應就如何應用財務匯報及內部監控原則及如何維持與公司核數師適當的關係作出正規及具透明度的安排。		
Code Provision 守則條文			
C.3.1	<p>Full minutes of Audit Committee meetings should be kept by a duly appointed secretary of the meeting (who should normally be the company secretary). Draft and final versions of minutes of the meetings of Audit Committee should be sent to all members of the committee for their comment and records respectively, in both cases within a reasonable time after the meeting.</p> <p>審核委員會的完整會議紀錄應由正式委任的會議秘書(通常為公司秘書)保存。審核委員會會議紀錄的初稿及最後定稿應在會議後一段合理時間內先後發送委員會全體成員，初稿供成員表達意見，最後定稿作其紀錄之用。</p>	✓	<p>The company secretary is responsible for preparing minutes of the Audit Committee meetings. The draft minutes is circulated to and verified by the participants, then signed by the chairman of the meeting for final confirmation and duly kept by the company secretary.</p> <p>公司秘書負責編寫審核委員會的會議記錄，有關草稿先會給各與會者傳閱確認無誤後，最後由會議主席簽署作實，並由公司秘書存檔。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況																	
C.3.1 (Cont'd) (續)			<p>The Audit Committee held four meetings during the year under review, of which two were regular meetings. Details of the attendance of the meeting is as follows:</p> <p>審核委員會於回顧年度內，舉行了四次會議，其中兩次為定期會議，有關會議出席率詳情如下：</p> <table border="1" data-bbox="981 996 1455 1518"> <thead> <tr> <th rowspan="2">Members of the Audit Committee 審核委員會成員</th> <th colspan="2">Attendance 出席次數</th> </tr> <tr> <th>Regular meetings 定期會議</th> <th>Other meetings 其他會議</th> </tr> </thead> <tbody> <tr> <td>YUE Kwai Wa, Ken (Chairman) 余季華 (主席)</td> <td>2/2</td> <td>2/2</td> </tr> <tr> <td>YU Shumin 余淑敏</td> <td>2/2</td> <td>2/2</td> </tr> <tr> <td>DONG Yanfeng 董延豐</td> <td>2/2</td> <td>2/2</td> </tr> <tr> <td>CAO Zeng Gong 曹增功</td> <td>2/2</td> <td>1/2</td> </tr> </tbody> </table> <p>Such meetings involved the participation, either in person or through other electronic means of communication, of the Directors.</p> <p>以上會議均由董事親身出席或透過其他電子通訊方法參與。</p>	Members of the Audit Committee 審核委員會成員	Attendance 出席次數		Regular meetings 定期會議	Other meetings 其他會議	YUE Kwai Wa, Ken (Chairman) 余季華 (主席)	2/2	2/2	YU Shumin 余淑敏	2/2	2/2	DONG Yanfeng 董延豐	2/2	2/2	CAO Zeng Gong 曹增功	2/2	1/2
Members of the Audit Committee 審核委員會成員	Attendance 出席次數																			
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YUE Kwai Wa, Ken (Chairman) 余季華 (主席)	2/2	2/2																		
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CAO Zeng Gong 曹增功	2/2	1/2																		

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.3.2	<p>A former partner of the Company's existing auditing firm should be prohibited from acting as a member of the Company's Audit Committee for a period of 1 year commencing on the date of his ceasing:</p> <p>現時負責審核公司賬目的核數公司的前任合夥人在以下日期(以日期較後者為準)起計一年內，不得擔任公司審核委員會的成員：</p> <p>(a) to be a partner of the firm; or</p> <p>他終止成為該公司合夥人的日期；或</p> <p>(b) to have any financial interest in the firm, whichever is the later.</p> <p>他不再享有該公司財務利益的日期。</p>	✓	<p>No employee of the auditing firm, including partner of the firm, was appointed by the Company as a member of the Audit Committee.</p> <p>本公司並無委任核數公司的任何僱員(包括合夥人)作為審核委員會成員。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.3.3	<p>The terms of reference of the audit committee should include at least the following duties:</p> <p>審核委員會的職權範圍須至少包括下列工作：</p> <p>(a) to be primarily responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor;</p> <p>主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；</p> <p>(b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard and discuss with the auditor the nature and scope of the audit;</p> <p>按照適用準則審閱及監察外聘核數師的獨立性及客觀性以及審核過程的有效性，並與核數師討論核數性質及範疇；</p> <p>(c) to develop and implement on the engagement of an external auditor to supply non-audit services;</p> <p>就外聘核數師提供非核數服務制定政策，並予以發展及執行；</p>	✓	<p>The Audit Committee has established its written terms of reference on no less exacting terms with reference to the CG Code.</p> <p>審核委員會乃參考企業管治常規守則制定不比守則條文寬鬆的職權範圍。</p> <p>Details of the terms of reference of the Audit Committee are available at the Company's website.</p> <p>審核委員會職權範圍詳情已經在本公司網站公開。</p> <p>During the year under review, the Audit Committee discharged the following duties:</p> <p>於回顧年度內，審核委員會執行了以下職責：</p> <ul style="list-style-type: none"> - reviewing the results and the financial reporting during the year under review with the management; and 與管理層審閱回顧年度的業績及財務報告事宜；及 - discussing the annual audit issues with the external auditor; and 與外聘核數師討論有關年度審核之事宜；及 - making recommendation to the Board on the re-appointment of the external auditor. 就續聘外聘核數師向董事會作出建議。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況										
C.3.3 (Cont'd) (續)	<p>(d) to monitor integrity of the Company's financial statements and the Company's annual report and accounts and half-year report, and to review significant financial reporting judgments contained in them;</p> <p>監察公司的財務報表及公司年度報告及賬目、半年度報告的完整性，並審閱報表及報告所載有關財務申報的重大判斷；</p> <p>(e) to communicate with the Board, and the senior management and the Audit Committee of the Company must meet at least once a year with the auditor of the Company, and consider any significant or unusual matters reflected or required to be reflected on such reports and accounts, as well as properly review those matters proposed by the accounting and financial reporting staff under the Company, the compliance officer or the auditor; and</p> <p>必須與公司董事會和高層管理人員及審核委員會以及公司核數師至少每年會晤一次；委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並須適當考慮任何由公司屬下會計及財務匯報職員、合規主任或核數師提出的事項；及</p> <p>(f) to review the Company's financial controls, internal control and risk management systems.</p> <p>檢討公司的財務監控、內部監控及風險管理制度。</p>		<p>For the year ended 31 December 2009, the fees payable to PricewaterhouseCoopers below by the Company is as follows:</p> <p>截至二零零九年十二月三十一日止年度，本公司應付羅兵咸永道會計師事務所的費用：</p> <table border="1" data-bbox="916 931 1386 1323"> <thead> <tr> <th></th> <th style="text-align: right;">HK\$'000 千港元</th> </tr> </thead> <tbody> <tr> <td>Audit 審核</td> <td style="text-align: right;">1,356</td> </tr> <tr> <td>Interim review 中期審閱</td> <td style="text-align: right;">200</td> </tr> <tr> <td>Tax representative service 稅務代表服務</td> <td style="text-align: right;">24</td> </tr> <tr> <td>Total 合計</td> <td style="text-align: right;">1,580</td> </tr> </tbody> </table>		HK\$'000 千港元	Audit 審核	1,356	Interim review 中期審閱	200	Tax representative service 稅務代表服務	24	Total 合計	1,580
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No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.3.4	<p>The audit committee should make available its terms of reference, explaining its role and the authority delegated to it by the Board.</p> <p>審核委員會應公開其職權範圍，解釋其角色及董事會轉授予其的權力。</p>	✓	<p>The major roles and functions of the Audit Committee are to review and supervise the financial reporting process, financial controls, internal control and risk management system of the Group and to provide recommendations and advices to the Board on the appointment, reappointment and removal of external auditor as well as their terms of appointment.</p> <p>審核委員會的主要職責及功能為檢討及監察本集團的財務報告程序、財務控制、內部監控及風險管理制度，並就外聘核數師的委任、重新委任及罷免以及彼等的委任條款向董事會作出建議及提供意見。</p> <p>Details of the terms of reference of the Audit Committee are available at the Company's website.</p> <p>審核委員會職權範圍詳情已經在本公司網站公開。</p>
C.3.5	<p>Where the Board disagrees with the audit committee's view on the selection, appointment, resignation or dismissal of the external auditors, the Company should include in the Corporate Governance Report a statement from the audit committee explaining its recommendation and also the reason(s) why the Board has taken a different view.</p> <p>凡董事會不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見，公司應在《企業管治報告》中列載審核委員會闡述其建議的聲明，以及董事會持不同意見的原因。</p>	✓	<p>The Audit Committee has approved and recommended the Board to re-appoint PricewaterhouseCoopers as the auditor of the Company on 16 April 2009 (which was then passed at the annual general meeting of the Company held on 1 June 2009) until the conclusion of the forthcoming annual general meeting.</p> <p>審核委員會於二零零九年四月十六日通過向董事會提出續聘羅兵咸永道會計師事務所(當時獲得股東在二零零九年六月一日舉行的本公司股東週年大會上通過)為本公司之核數師至下屆股東週年大會結束為止。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
C.3.6	<p>The Audit Committee should be provided with sufficient resources to execute its duties.</p> <p>審核委員會應獲供給充足資源以履行其職責。</p>	✓	<p>This is part of the rights and powers of the Audit Committee under its terms of reference.</p> <p>此乃審核委員會職權範圍項下其權利及權力的一部分。</p>

Recommended Best Practices
建議最佳常規

C.3.7	<p>The terms of reference of the audit committee should also require the audit committee:</p> <p>審核委員會的職權範圍亦須包括：</p> <p>(a) to review arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The audit committee shall ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action; and</p> <p>檢討公司設定的以下安排：公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。審核委員會應確保有適當安排，讓公司對此等事宜作出公平獨立的調查及採取適當行動；及</p> <p>(b) to act as the key representative body for overseeing the Company's relation with the external auditor.</p> <p>擔任公司與外聘核數師之間的主要代表，負責監察二者之間的關係。</p>	✓	<p>The Audit Committee has adopted measures (such as exit interviews with Directors/financial controller/general manager) to facilitate appropriate investigation or action by the management.</p> <p>審核委員會已採納了一些措施(例如：董事／財務總監／總經理等的離職面談)好讓管理層作出適當調查或行動。</p> <p>The Audit Committee meets the external auditor annually without the presence of the management to discuss issues including their cooperation and problems.</p> <p>審核委員會每年在沒有管理層出現的情況下與外聘核師會談，其中內容包括二者的合作關係和發生的問題。</p>
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No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
D.	Delegation by the Board 董事會權力的轉授		
Principle:	The Company should have a formal schedule of matters specifically reserved to the Board for its decision and the Board should give clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company.		
原則：	公司應有一個正式的預定計劃表，列載特別要董事會作決定的事項及應明確指示管理層有哪些事項須在代表公司作出決定前由董事會批准。		
D.1	Management Functions 管理功能		
Code Provision 守則條文			
D.1.1	<p>When the Board delegates aspects of its management and administration functions to management, it must at the same time give clear directions as to the powers of management, in particular, with respect to the circumstances where management should report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.</p> <p>當董事會將其管理及行政功能方面的權力轉授予管理層時，必須同時就管理層的權力，給予清晰的指引，特別是在何種情況下管理層應向董事會匯報以及在代表公司作出任何決定或訂立任何承諾前應取得董事會批准等事宜方面。</p>	✓	<p>Four executive Directors with different expertise and defined roles are responsible for the daily operations of various aspects of the Company. Prior approval from the Board has to be obtained for all significant matters of the Company.</p> <p>四位執行董事都按其專長各施其職並領導公司各部門的日常運作。若公司有任何重大事項，都須經過董事會預先審批。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
D.1.2	<p>A company should formalise the functions reserved to the Board and those delegated to management. It should review those arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Company.</p> <p>公司應將那些保留予董事會的職能及那些轉授予管理層的職能分別確定下來；公司也應定期作檢討那些安排，以確保有關安排符合公司的需要。</p>	✓	<p>The Chairman is responsible for the strategic positioning of the Group, formulating the development objectives and ensuring that such objectives are implemented by the Board accordingly. The Chief Executive Officer is responsible for overseeing the operations and business development of the Group.</p> <p>主席負責集團的戰略部署及發展目標的規劃並確保這些目標由董事會相應執行。行政總裁負責監督本集團的經營和業務發展。</p> <p>The Board is also responsible for reviewing the structure of organisation and Board regularly to ensure that the Company can operate properly.</p> <p>董事會亦負責定期檢討組織及董事會架構以確保本公司妥善營運。</p>
Recommended Best Practices 建議最佳常規			
D.1.3	<p>The Company should disclose the division of responsibility between the Board and management to assist those affected by corporate decisions to better understand the respective accountabilities and contributions of the Board and management.</p> <p>公司應披露董事會與管理層之間的職責分工，以協助那些受企業決策影響者更了解董事會與管理層各自如何對公司負責及作出貢獻。</p>	✓	<p>Please refer to D.1.1.</p> <p>請參考D.1.1。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
D.1.4	<p>Directors shall clearly understand delegation arrangements in place. To that end, the Company shall have formal letters of appointment for Directors setting out the key terms and conditions relative to their appointment.</p> <p>董事應清楚了解既定的權力轉授安排。為此，公司應有正式的董事委任書，訂明有關委任的主要條款及條件。</p>	✓	<p>Each of the Directors has a formal letter of appointment setting out the key terms and conditions in respect of his appointment. They also maintain a copy of the terms of reference of their respective Committees for reference purpose in the future.</p> <p>各董事都有正式委任書，訂明主要條款及條件。同時，他們亦會保留其所屬委員會之職權範圍作為日後參考之用。</p>

D.2 Board committees 董事委員會

Principle: Board committees should be formed with specific written terms of reference which deal clearly with the committees' authority and duties.

原則： 董事委員會的成立應訂有書面的特定職權範圍，清楚列載委員會權力及職責。

Code Provision
守則條文

D.2.1	<p>Where Board committees are established to deal with matters, the Board should prescribe sufficiently clear terms of reference to enable such committees to discharge their functions properly.</p> <p>若要成立董事委員會處理事宜，董事會應充分清楚的訂明該等委員會的職權範圍，讓有關委員會能適當地履行其職能。</p>	✓	<p>The Board has established the Audit Committee, the Remuneration Committee and the Nomination Committee with their own terms of reference.</p> <p>董事會分別成立了審核委員會、薪酬委員會及提名委員會，各委員會都有其職權範圍。</p>
D.2.2	<p>The terms of reference of the Board committees should require such committees to report to the Board on their decisions or recommendations, unless there are legal or regulatory restrictions on their ability to do so (such as a restriction on disclosure due to regulatory requirements).</p> <p>董事委員會的職權範圍應規定該等委員會要向董事會匯報其決定或建議，除非該等委員會受法律或監管限制所限而不能作此匯報(例如因監管規定而限制披露)。</p>	✓	<p>This is part of the terms of reference of each Committees.</p> <p>此乃各委員會職權範圍的一部分。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
E. Communication with Shareholders 與股東的溝通			
Principle: The Board should endeavour to maintain an on-going dialogue with shareholders and, in particular, through annual general meetings or other general meetings to communicate with shareholders and encourage their participation.			
原則： 董事會應盡力與股東持續保持對話，尤其是藉股東週年大會或其他股東大會與股東溝通及鼓勵他們的參與。			
E.1 Effective Communication 有效溝通			
Code Provision 守則條文			
E.1.1	In respect of each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairman of that meeting. 在股東大會上，會議主席應就每項實際獨立的事宜個別提出決議案。	✓	Each substantially separate issue (including re-election of Directors) was proposed by separate resolution at the annual general meeting of the Company held on 1 June 2009. 本公司在二零零九年六月一日舉行的股東週年大會，每項實際獨立的事宜(包括重選董事)都是個別提出決議案。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
E.1.2	<p>The Chairman of the Board should attend the annual general meeting and arrange for the chairmen of the Audit Committee, Remuneration Committee and Nomination Committee (as appropriate) or, in the absence of the chairman of such committees, another member of the committee or, failing this, his duly appointed delegate, to be available to answer questions at the annual general meeting.</p> <p>董事會主席應出席股東週年大會，並安排審核委員會、薪酬委員會及提名委員會(視何者適用而定)的主席，或在該等委員會的主席缺席時由另一名委員(或如該名委員未能出席，則其適當委任的代表)在股東週年大會上回答提問。</p> <p>The chairman of the independent Board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval.</p> <p>董事會轄下獨立委員會(如有)的主席亦應在任何股東大會上回應問題，以批准關連交易或任何其他須經獨立股東批准的交易。</p>	E	<p>The Board opts to hold the 2009 annual general meeting in Hong Kong in order to encourage shareholders participating actively the annual general meeting and to allow the Directors to communicate with shareholders directly.</p> <p>為了鼓勵股東積極參予股東週年大會及讓董事可以直接與股東溝通，董事會選擇在香港舉行二零零九年股東週年大會。</p> <p>The Chairman of the Board, Mr. Tian Qixiang, and the chairman of the Audit Committee, the Remuneration Committee and the Nomination Committee, Mr. Yue Kwai Wa, Ken, attended the 2009 annual general meeting and was available to answer questions.</p> <p>董事會主席田其祥先生及審核委員會、薪酬委員會及提名委員會的主席余季華先生都有出席二零零九年股東週年大會並接受提問。</p>

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
			<p>However, as disclosed in the announcement of the Company dated 14 April 2010, the Company was in breach of the independent shareholders' approval requirements under Rule 14A.48 of the Listing Rules in relation to a series of connected transactions entered into by the Company on 16 December 2009, 17 December 2009 and 23 December 2009 (the "Transactions"). As a result, the Company should have but had not held a shareholders' meeting to approve the Transactions.</p> <p>然而，誠如本公司日期為二零一零年四月十四日的公佈所披露，本公司於二零零九年十二月十六日、二零零九年十二月十七日及二零零九年十二月二十三日進行的連串關連交易(「該等交易」)中，違反上市規則第14A.48條的獨立股東批准規定。因此，本公司本應惟概無舉行股東大會批准該等交易。</p> <p>In April 2010, the Board has convened a Board meeting to approve and rectify the Transactions. On the other hand, the Board is determined to uphold a high level of internal control within the Group and to strengthen the Group's internal control and corporate governance by:</p> <p>於二零一零年四月，董事會召開董事會會議，以批准及修正該等交易。另一方面，董事會決定於本集團內維持高水平的內部監控，並按下列方式加強本集團的內部監控及企業管治：</p> <ul style="list-style-type: none"> • providing additional training courses to the Directors, the senior management and personnel at the operation level involved in financial matters of the Group on a regularly basis; • 定期向於營運層面參與本集團財政事務的董事、高級管理層及員工提供額外培訓課程；

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
			<ul style="list-style-type: none"> • closely monitoring the level of connected transactions and/or continuing connected transactions of the Group by the senior financial officers of members of the Group and making monthly report thereon to the Board; • 由本集團成員公司高級財務主管密切監測本集團關連交易及／或持續關連交易的水平，並就此每月向董事會提交報告； • seeking instruction from the Board whenever an obligation or possible obligations under Chapter 14A of the Listing Rules should arise; • 倘須根據上市規則第14A章而承擔或可能承擔責任，即向董事會尋求指引； • seeking advice and assistance from professional advisers in reviewing the Group's internal control and making recommendations on any improvements that are required; and • 檢討本集團的內部監控及就任何改善作出建議時，向專業顧問徵詢意見及尋求協助；及 • seeking advice from professional advisers and the Stock Exchange in the event of queries or doubts on the application of the Listing Rules. • 倘對上市規則適用與否存有疑問，即向專業顧問及聯交所徵詢意見。

No. 編號	Details 事項	Complied with (✓)/ Explanation (E) 遵守(✓)/ 解釋(E)	Implementation 實行情況
E.1.3	<p>Where general meeting to be held, the Company should arrange for issuance of notice to shareholders at least 20 business days, and, in respect of all other general meetings, at least 10 business days, before the meeting held.</p> <p>如召開股東大會，公司應安排在大會舉行至少20個營業日向股東發送通知，而就所有其他股東大會而言，則須在大會舉行前至少10個營業日發送通知。</p>	✓	<p>The Company issued notice to shareholders on 24 April 2009 (exceeding 20 business days) prior to the annual general meeting of the Company held on 1 June 2009.</p> <p>本公司在二零零九年六月一日舉行本公司股東週年大會前，已於二零零九年四月二十四日(多於20個營業日前)向股東發送通知。</p> <p>Save as the abovementioned annual general meeting, the Company has held no other general meeting during the year under review.</p> <p>除上述股東週年大會以外，本公司於回顧年度內沒有舉行其他股東大會。</p>

E.2 Voting by Poll 以投票方式表決

Principle: The Company should ensure shareholders are familiar with the detailed procedures for conducting a poll.

原則： 公司應確保股東熟悉以投票方式進行表決的詳細程序。

Code Provision
守則條文

E.2.1	<p>The chairman of the meeting should at the commencement of the meeting ensure that an explanation is provided of the detailed procedures for conducting a poll and then answer any questions from shareholders regarding voting by way of a poll.</p> <p>大會主席應確保在會議開始時已解釋以投票方式進行表決的詳細程序，然後回答股東有關以投票方式表決的任何提問。</p>	✓	<p>Procedures for voting by polls are set out as per the notice of annual general meeting of the Company dated 24 April 2009. At the annual general meeting, the chairman conducted voting only after having confirmed with shareholders at the annual general meeting that they have no problem about the procedures of voting by poll.</p> <p>如本公司日期為二零零九年四月二十四日的股東週年大會通函內，已經載列以投票方式表決的程序。於股東週年大會上，大會主席僅在向股東週年大會上的各股東確認彼等對投票程序沒有任何問題下才進行投票表決。</p>
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INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道會計師事務所

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHINA STARCH HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Starch Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 103 to 183, which comprise the consolidated and company statements of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

獨立核數師報告

致中國澱粉控股有限公司股東

(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第103至183頁中國澱粉控股有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零零九年十二月三十一日的綜合及公司財務狀況報表與截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23 April 2010

我們已根據香港會計師公會頒佈的香港審核準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零九年十二月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零零九年四月二十三日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December
截至十二月三十一日止年度

		Note 附註	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Turnover	營業額	5	1,957,525	1,530,446
Cost of goods sold	銷貨成本		(1,745,584)	(1,341,283)
Gross profit	毛利		211,941	189,163
Distribution expenses	分銷費用		(50,981)	(51,640)
Administrative expenses	行政費用		(47,218)	(54,379)
Other income	其他收入	6	11,023	16,269
Operating profit	經營利潤		124,765	99,413
Finance income	融資收入	7	2,733	3,852
Finance costs	融資成本	8	(2,169)	(3,728)
Share of result of an associate	應佔一家聯營公司業績		2,147	6,444
Profit before taxation	除稅前利潤	9	127,476	105,981
Income tax expenses	所得稅支出	10	(662)	(10,755)
Profit for the year	本年度利潤		126,814	95,226
Attributable to:	以下各項應佔：			
Equity holders of the Company	本公司權益持有人		126,659	98,234
Minority interests	少數股東權益		155	(3,008)
			126,814	95,226
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利 (人民幣)	13	0.0485	0.0376
Proposed final dividends	擬派末期股息	14	26,682	26,265

The notes on pages 110 to 183 are an integral part of these financial statements. 第110至183頁的附註乃財務報表之其中部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

As at 31 December
於十二月三十一日

		Note 附註	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	548,014	539,706
Prepaid lease payments	預付租賃款	17	43,564	27,539
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備 已付按金	16	–	18,000
Interest in an associate	於一家聯營公司的權益	19	39,094	36,517
Deferred tax assets	遞延稅項資產	26	6,019	206
			636,691	621,968
Current assets	流動資產			
Inventories	存貨	20	194,223	132,292
Prepaid lease payments	預付租賃款	17	1,175	831
Trade and other receivables	貿易及其他應收款	21	214,106	113,555
Pledged bank deposits	已抵押銀行存款	22	2,004	–
Cash and cash equivalents	現金及現金等價物	22	291,296	242,825
			702,804	489,503
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	23	217,984	152,463
Income tax payable	應付所得稅		10,375	5,128
Employee housing deposits	員工房屋保證金			
– Basic deposit portion	– 基本保證金部分	24	26,381	26,499
– Instalment portion	– 分期付款部分	24	–	12,407
Borrowings	借款	25	69,509	1,551
			324,249	198,048
Net current assets	流動資產淨額		378,555	291,455
Total assets less current liabilities	總資產減流動負債		1,015,246	913,423

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

As at 31 December
於十二月三十一日

		Note 附註	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	26	75	–
Borrowings	借款	25	7,312	8,199
Deferred income	遞延收入	27	19,602	17,527
			26,989	25,726
Net assets	資產淨值		988,257	887,697
Capital and reserves	資本及儲備			
Share capital	股本	28	237,762	237,762
Reserves	儲備		734,120	634,943
Attributable to equity holders	權益持有人應佔		971,882	872,705
Minority interests	少數股東權益		16,375	14,992
Total equity	權益總額		988,257	887,697

Tian Qixiang
田其祥
Director
董事

Yu Yingquan
于英全
Director
董事

The notes on pages 110 to 183 are an integral part of these financial statements.

第110至183頁的附註乃財務報表之其中部分。

STATEMENT OF FINANCIAL POSITION

財務狀況報表

As at 31 December
於十二月三十一日

		Note 附註	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資	18	159,121	159,121
Current assets	流動資產			
Other receivables	其他應收款	21	-	259
Amounts due from subsidiaries	應收附屬公司款項	18	454,688	480,851
Cash and cash equivalents	現金及現金等價物	22	833	9,060
			455,521	490,170
Current liabilities	流動負債			
Other payables	其他應付款	23	3,616	3,698
Net current assets	流動資產淨額		451,905	486,472
Total assets less current liabilities	總資產減流動負債		611,026	645,593
Capital and reserves	資本及儲備			
Share capital	股本	28	237,762	237,762
Reserves	儲備	29	373,264	407,831
Total equity	權益總額		611,026	645,593

Tian Qixiang
田其祥
Director
董事

Yu Yingquan
于英全
Director
董事

The notes on pages 110 to 183 are an integral part of these financial statements. 第110至183頁的附註乃財務報表之其中部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December
截至十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Share capital	Share premium	Special reserve	Capital reserve	Statutory reserve	Retained profits	Total	Minority interests	Total
		股本	股份溢價	特別儲備	資本儲備	法定儲備	留存利潤	總計	少數股東 權益	合計
Note		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 29(ii)) (附註29(ii))								
At 1 January 2008	於二零零八年一月一日	50,477	458,893	27,080	57,424	52,965	145,502	792,341	-	792,341
Profit for the year	本年度利潤	-	-	-	-	-	98,234	98,234	(3,008)	95,226
Dividends	股息	14	-	-	-	-	(17,870)	(17,870)	-	(17,870)
Transfer to statutory reserves	轉入法定儲備	-	-	-	-	11,888	(11,888)	-	-	-
Contribution from a minority shareholder of a subsidiary	一家附屬公司一名少數股東注資	-	-	-	-	-	-	-	18,000	18,000
Issue of bonus shares	發行紅股	28(ii)	187,285	(187,285)	-	-	-	-	-	-
At 31 December 2008	於二零零八年十二月三十一日	237,762	271,608	27,080	57,424	64,853	213,978	872,705	14,992	887,697
At 1 January 2009	於二零零九年一月一日	237,762	271,608	27,080	57,424	64,853	213,978	872,705	14,992	887,697
Profit for the year	本年度利潤	-	-	-	-	-	126,659	126,659	155	126,814
Dividends	股息	14	(26,254)	-	-	-	-	(26,254)	-	(26,254)
Transfer to statutory reserves	轉入法定儲備	-	-	-	-	12,162	(12,162)	-	-	-
Capital injection to non-wholly owned subsidiary	注資予非全資附屬公司	-	-	-	(1,228)	-	-	(1,228)	1,228	-
At 31 December 2009	於二零零九年十二月三十一日	237,762	245,354	27,080	56,196	77,015	328,475	971,882	16,375	988,257

The notes on pages 110 to 183 are an integral part of these financial statements.

第110至183頁的附註乃財務報表之其中部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December
截至十二月三十一日止年度

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash flows from operating activities	經營活動產生之現金流量		
Profit before taxation	除稅前利潤	127,476	105,981
Adjustments for:	經調整以下項目：		
Finance income	融資收入	(2,733)	(3,852)
Finance costs	融資成本	2,169	3,728
Share of result of an associate	應佔一家聯營公司業績	(2,147)	(6,444)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	61,233	53,353
Realised gain arising on injecting property, plant and equipment and land use right as capital to an associate	向一家聯營公司注入物業、 廠房及設備和土地使用權作 為注資產生的已變現收益	(430)	(430)
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備 虧損/(收益)	1,762	(173)
Amortisation of prepaid lease payments	預付租賃款的攤銷	831	830
Amortisation of staff quarter rental income and steam connection income	員工宿舍租金收入及蒸汽 接駁收入攤銷	(2,384)	(4,408)
Net foreign exchange loss	匯兌虧損淨額	-	6,708
Operating cash flows before movements in working capital	營運資金出現變動之前的 經營現金流量	185,777	155,293
Increase in deferred steam connection income	蒸汽接駁遞延收入的增加	4,459	4,512
Increase in inventories	存貨增加	(61,931)	(14,597)
(Increase)/decrease in trade and other receivables	貿易及其他應收款(增加)/減少	(100,551)	19,620
Increase in trade and other payables	貿易及其他應付款增加	55,941	30,572
Cash generated from operations	經營產生的現金	83,695	195,400
Income taxes paid	已繳納所得稅	(1,153)	(16,029)
Net cash generated from operating activities	經營活動所產生的現金淨額	82,542	179,371

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December
截至十二月三十一日止年度

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash flows from investing activities	投資活動產生之現金流量		
Interest received	已收利息	2,733	3,852
Purchases of property, plant and equipment	購置物業、廠房及設備	(55,134)	(168,293)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備已付按金	-	(18,000)
Increase in prepaid lease payments	預付租賃款增加	(7,620)	(191)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款	1,831	925
Repayments from related companies	關連公司還款	-	230
(Increase)/decrease in pledged bank deposits	已抵押銀行存款（增加）／減少	(2,004)	2,000
Net cash used in investing activities	投資活動使用現金淨額	(60,194)	(179,477)
Cash flows from financing activities	融資活動產生之現金流量		
Interest paid	已付利息	(2,169)	(1,694)
Dividends paid	已付股息	(26,254)	(17,870)
Proceeds from borrowings	借款所得款	67,071	-
Repayments of borrowings	償還借款	-	(102,220)
Decrease in employee housing deposits	員工房屋保證金減少	(12,525)	(9,240)
Capital contribution by minority interests	少數股東權益注資	-	18,000
Net cash generated from/(used in) financing activities	融資活動產生／（使用）的現金淨額	26,123	(113,024)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／（減少）淨額	48,471	(113,130)
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	242,825	362,648
Effect of foreign exchange rate changes	匯率變動的影響	-	(6,693)
Cash and cash equivalents at the end of the year represented by bank balances and cash	年終的現金及現金等價物（以銀行結餘及現金列示）	291,296	242,825

The notes on pages 110 to 183 are an integral part of these financial statements.

第110至183頁的附註乃財務報表之其中部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

1 General information

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

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

These consolidated financial statements are presented in Renminbi ("RMB"), unless otherwise stated, and are approved for issue by the Board of Directors (the "Board") on 23 April 2010.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

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

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

1 一般資料

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

本公司的股份主要在香港聯合交易所有限公司(「聯交所」)主板上市。

除另有說明者外，此等綜合財務報表乃以人民幣(「人民幣」)列值，並於二零一零年四月二十三日獲董事會批准刊發。

2 主要會計政策概要

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

2.1 編製基準

本公司的綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製，其乃以歷史成本基準編製。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

2 Summary of significant accounting policies

(Continued)

2.1 Basis of preparation (Continued)

The Group has adopted the following new/revised standards and interpretations:

- HKAS 1 (Revised), "Presentation of Financial Statements"
- HKFRS 8, "Operating Segments"

The adoption of such new and revised standards does not have material impact on the financial statements and does not result in substantial changes to the Group's accounting policies except certain changes on the presentation of the financial statements.

HKAS 1 (revised), "Presentation of financial statements" prohibits the presentation of items of income and expenses (that is "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity. All "non-owner changes in equity" are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present one performance statement. The financial statements have been prepared under the revised disclosure requirements.

2 主要會計政策概要(續)

2.1 編製基準(續)

本集團已採用下列新訂／經修訂準則及詮釋：

- 香港會計準則第1號(修訂)「財務報表的呈列」
- 香港財務報告準則第8號「經營分部」

採納該等新訂及經修訂準則不會對財務報表造成任何重大影響。除了財務報表的呈列方式有若干轉變外，並不會對本集團的會計政策構成重大轉變。

香港會計準則第1號(修訂)「財務報表的呈列」禁止收支項目(即「非所有者權益變動」)於權益變動表呈列，規定「非所有者權益變動」與所有者權益變動分開呈列。所有「非所有者權益變動」須列於一份業績報表上。

實體可選擇呈列一份業績報表(全面收益表)或兩份報表(收益表及全面收益表)。本集團已選擇呈列一份業績報表。財務報表已根據經修訂披露規定而編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

2 Summary of significant accounting policies

(Continued)

2.1 Basis of preparation (Continued)

HKFRS 8, "Operating segments" replaces HKAS 14, "Segment reporting". It requires a "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes. Operating segments are reported in a manner consistent with the internal reporting provided to management.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not relevant to the Group:

- HKAS 23 (Amendment), "Borrowing Costs"
- HKFRS 2 (Amendment), "Share-based Payment"
- HKAS 32 and HKAS 1 (Amendments), "Puttable Financial Instruments and Obligations Arising on Liquidation"
- HKFRS 1 and HKAS 27 (Amendments), "Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate"
- HKFRS 7 (Amendment), "Financial Instruments: Disclosures"
- HK(IFRIC)-Int 9, "Reassessment of Embedded Derivatives" and HKAS 39, "Financial Instruments: Recognition and Measurement – Embedded Derivatives"
- HK(IFRIC) – Int 13, "Customer Loyalty Programmes"
- HK(IFRIC) – Int 15, "Agreements for the Construction of Real Estate"
- HK(IFRIC) – Int 16, "Hedges of a Net Investment in a Foreign Operation"
- HK(IFRIC) – Int 18, "Transfer of Assets from Customers"
- HKAS 39 (Amendment), "Financial Instruments: Recognition and Measurement"
- HKICPA's improvements to HKFRS published in October 2008

2 主要會計政策概要(續)

2.1 編製基準(續)

香港財務報告準則第8號「經營分部」取代香港會計準則第14號「分部報告」。該準則規定採用「管理方法」，據此，分部資料按內部報告採用之相同基準呈列。經營分部的報告方式與向管理層提供之內部報告所採用者貫徹一致。

以下新準則，準則修訂及詮釋須於二零零九年一月一日開始之財政年度首次強制採納，惟並不適用於本集團：

- 香港會計準則第23號(修訂本)「借款成本」
- 香港財務報告準則第2號(修訂本)「以股份支付款項」
- 香港會計準則第32號及香港會計準則第1號(修訂本)「可沽售金融工具及清盤時產生的責任」
- 香港財務報告準則第1號及香港財務報告準則第27號(修訂本)「投資於一家附屬公司、共同控制實體或聯營公司的成本」
- 香港財務報告準則第7號(修訂本)「金融工具：披露」
- 香港(國際財務報告詮釋委員會)－詮釋第9號「重估嵌入式衍生工具」及香港會計準則第39號「金融工具：確認及計量－嵌入式衍生工具」
- 香港(國際財務報告詮釋委員會)－詮釋第13號「客戶忠誠度計劃」
- 香港(國際財務報告詮釋委員會)－詮釋第15號「房地產建築協議」
- 香港(國際財務報告詮釋委員會)－詮釋第16號「海外業務淨投資對沖」
- 香港(國際財務報告詮釋委員會)－詮釋第18號「自客戶轉移資產」
- 香港會計準則第39號(修訂本)「金融工具：確認及計量」
- 香港會計師公會於二零零八年十月公佈對香港財務報告準則的改進

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

2 Summary of significant accounting policies

(Continued)

2.1 Basis of preparation (Continued)

The following new / revised HKFRS, potentially relevant to the Group's operations, have been issued, are mandatory, and will be adopted by the Group for accounting periods beginning on or after 1 January 2010:

- HKAS 24 (Revised), "Related Party Transactions"⁵
- HKAS 27 (Revised), "Consolidated and Separate Financial Statements"¹
- HKAS 32 (Amendment), "Classification of Rights Issues"³
- HKAS 39 (Amendment), "Eligible Hedged Items"¹
- HKFRS 1 (Revised), "First-time Adoption of Hong Kong Financial Reporting Standards"¹
- HKFRS 1 (Amendment), "First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters"²
- HKFRS 2 (Amendment), "Group Cash-settled Share-based Payment Transactions"²
- HKFRS 3 (Revised), "Business Combinations"¹
- HKFRS 9, "Financial Instruments"⁶
- HK(IFRIC) – Int 14 (Amendment), "Prepayments of a Minimum Funding Requirement"⁵
- HK(IFRIC) – Int 17, "Distributions of Non-cash Assets to Owners"¹
- HK(IFRIC) – Int 19, "Extinguishing Financial Liabilities with Equity Instruments"⁴

¹ Effective for annual periods beginning on or after 1 July 2009

² Effective for annual periods beginning on or after 1 January 2010

³ Effective for annual periods beginning on or after 1 February 2010

⁴ Effective for annual periods beginning on or after 1 July 2010

⁵ Effective for annual periods beginning on or after 1 January 2011

⁶ Effective for annual periods beginning on or after 1 January 2013

2 主要會計政策概要(續)

2.1 編製基準(續)

以下對本集團營運具潛在關係的新訂／經修訂香港財務報告準則經已頒佈並需強制採納，而本集團將於二零一零年一月一日或以後開始的會計期間採納：

- 香港會計準則第24號(修訂)「關連方交易」⁵
- 香港會計準則第27號(修訂)「綜合及獨立財務報表」¹
- 香港會計準則第32號(修訂本)「供股分類」³
- 香港會計準則第39號(修訂本)「合資格對沖項目」¹
- 香港財務報告準則第1號(修訂)「首次採納香港財務報告準則」¹
- 香港財務報告準則第1號(修訂本)「首次採納香港財務報告準則—首次採納者的額外豁免」²
- 香港財務報告準則第2號(修訂本)「集團以現金結算以股份為基礎的付款交易」²
- 香港財務報告準則第3號(修訂)「業務合併」¹
- 香港財務報告準則第9號「金融工具」⁶
- 香港(國際財務報告詮釋委員會)—詮釋第14號(修訂本)「最低資金要求的預付款」⁵
- 香港(國際財務報告詮釋委員會)—詮釋第17號「向所有者分派非現金資產」¹
- 香港(國際財務報告詮釋委員會)—詮釋第19號「以股本工具抵銷金融負債」⁴

¹ 於二零零九年七月一日或之後開始的年度期間生效

² 於二零一零年一月一日或之後開始的年度期間生效

³ 於二零一零年二月一日或之後開始的年度期間生效

⁴ 於二零一零年七月一日或之後開始的年度期間生效

⁵ 於二零一一年一月一日或之後開始的年度期間生效

⁶ 於二零一三年一月一日或之後開始的年度期間生效

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

2 Summary of significant accounting policies

(Continued)

2.1 Basis of preparation (Continued)

The adoption of HKAS 27 (Revised) "Consolidated and Separate Financial Statements" and HKFRS 3 (Revised) "Business Combinations" may have an effect on the accounting of future business combinations, if any.

Otherwise, save for the above-mentioned, and apart from certain presentational changes, the adoption of these HKFRS will have no significant impact on the results and the financial position of the Group.

In addition, HKICPA also published a number of amendments for the existing standards under its annual improvement projects issued in October 2008 and May 2009, certain of which has not yet become effective in 2009. These amendments have not been early adopted by the Group and are not expected to have a significant financial impact on the results and financial position of the Group.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2 主要會計政策概要(續)

2.1 編製基準(續)

採納香港會計準則第27號(修訂)「綜合及獨立財務報表」及香港財務報告準則第3號(修訂)「業務合併」或會對將來的業務合併(如有)的會計處理構成影響。

相反，除上文所述及若干呈列方式有所改變外，採用該等香港財務報告準則不會對本集團的業績及財務狀況構成重大影響。

此外，香港會計師公會亦根據其二零零八年十月及二零零九年五月的年度改進項目頒佈多項對現行準則的修訂，其中若干項目在二零零九年尚未生效。本集團並無提早採納該等修訂，且預期該等修訂不會對本集團的業績及財務狀況造成重大財務影響。

2.2 綜合賬目

(a) 附屬公司

附屬公司為本集團有權監控其財務及營運政策的實體(包括特殊目的主體)，且一般擁有其半數以上投票權的股權。於評估本集團是否控制另一實體時，會考慮當時可行使或可轉換的潛在投票權的存在及其影響。附屬公司於控制權轉移至本集團日期起全面綜合入賬，並於控制權終止日期起不再綜合入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

2 Summary of significant accounting policies

(Continued)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position the investments in subsidiaries are stated at cost less provision for impairment losses, if any (note 2.12). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group and are recorded in the statement of comprehensive income. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

2 主要會計政策概要(續)

2.2 綜合賬目(續)

(a) 附屬公司(續)

本集團採用會計收購法為本集團收購附屬公司的入賬方式。收購成本按交易當日所給予資產所發行股本工具及所產生或承擔負債的公平值計算，另加該收購的直接應佔成本計量。於企業合併過程中所收購的可識別資產以及承擔的負債及或然負債，均按收購日期的公平值作初步計量，而毋須計入任何少數股東權益。收購成本超出本集團應佔所收購可識別淨資產公平值的差額列為商譽。倘收購成本低於所收購附屬公司淨資產的公平值，則有關差額將直接於全面收益表中確認。

本集團內公司間交易、結餘及未變現收益的交易均予以對銷。未變現虧損亦會予以對銷。附屬公司的會計政策已按需要作出變更，以確保與本集團所採納的會計政策一致。

在本公司的財務狀況報表中，於附屬公司的投資按成本減去減值虧損(如有)撥備(附註2.12)列賬。附屬公司的業績由本公司根據已收及應收股息入賬。

(b) 與少數股東權益的交易

本集團政策是將與少數股東進行的交易視作本集團對外交易。向少數股東權益出售而令本集團出現的收益及虧損，記入全面收益表中。向少數股東權益購買則出現商譽，即任何已付代價與相關應佔附屬公司資產淨值的賬面值之間的差異。

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2 Summary of significant accounting policies

(Continued)

2.3 Investment in associate

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. See note 2.12 for the impairment of non-financial assets including goodwill.

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position, the investments in associates are stated at cost less provision for impairment losses, if any (note 2.12). The results of associates are accounted for by the Company on the basis of dividend received and receivable.

2 主要會計政策概要(續)

2.3 於聯營公司的投資

聯營公司為所有本集團對其有重大影響力而無控制權的實體，一般附帶持有20%至50%投票權的股權。於聯營公司的投資以權益會計法入賬，並初步按成本確認。本集團於聯營公司的投資包括於收購時已識別的商譽(扣除任何累計減值虧損)。有關非金融資產(包括商譽)的減值請參閱附註2.12。

本集團應佔收購後聯營公司的利潤或虧損於綜合全面收益表內確認，而應佔收購後儲備的變動則於儲備內確認。投資賬面值會根據收購後的累計變動而作出調整。如本集團應佔聯營公司的虧損等於或超過其於該聯營公司的權益(包括任何其他無抵押應收款)，本集團不會進一步確認虧損，除非其已代聯營公司承擔責任或作出付款。

本集團與其聯營公司進行交易的未變現收益，按本集團於聯營公司的權益對銷。除非交易顯示已轉讓資產出現減值跡象，否則未變現虧損亦予以對銷。聯營公司的會計政策在需要時經已作修改，以確保與本集團採納的政策一致。

在本公司的財務狀況報表中，於聯營公司的投資按成本減去減值虧損(如有)撥備(附註2.12)列賬。聯營公司的業績由本公司根據已收及應收股息入賬。

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2 Summary of significant accounting policies

(Continued)

2.4 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns and after eliminating sales within the Group.

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

Sales of goods are recognised when goods are delivered and title has passed. Delivery does not occur until the goods have been transported to the specified locations, the risk of obsolescence and loss has been transferred to the customers and the Group has the objective evidence that all criteria for acceptance have been satisfied.

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

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

2.5 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2 主要會計政策概要(續)

2.4 收入確認

收入包括本集團日常業務過程中的已收或應收的貨品及服務銷售而產生的公平價值代價。收入經扣除增值稅、退貨以及與本集團內的銷售額對銷後呈列。

當收入數額能可靠地計量、而未來經濟利益可能流入該實體，且符合以下本集團各業務的特定準則時，本集團便會確認收入。本公司基於其以往業績，考慮客戶類型、交易方法及各項安排細節作出估計。

貨品銷售會在貨物已交付及擁有權已轉交時確認。直到貨物已經運到指定地點，廢棄和損失風險已經轉移到客戶，及本集團有客觀證據顯示所有接收條款已經履行後，貨品交付才算產生。

蒸汽及電力銷售於產生及輸送蒸汽及電力時確認。

向客戶提供蒸汽而收取蒸汽接駁收入於估計使用期間內於全面收益表內遞延及攤銷。

2.5 租賃

倘租賃條款實質上將擁有權的絕大部分風險及回報轉讓予承租人，則有關租賃會歸類為融資租賃。其餘租賃一律歸類為經營租賃。

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2 Summary of significant accounting policies

(Continued)

2.5 Leases (Continued)

(i) The Group as lessee

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

(ii) Land use rights

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

2.6 Foreign currency

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2 主要會計政策概要(續)

2.5 租賃(續)

(i) 本集團作為承租人

根據經營租賃支付的租金會按相關租賃的租期以直線法於全面收益表扣除。作為訂立經營租賃獎勵的已收及應收利益則按租期以直線法確認為租金支出的減少。

(ii) 土地使用權

列作經營租賃的土地使用權，在租賃期內以直線法攤銷。

2.6 外幣

(i) 功能及呈報貨幣

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

(ii) 交易及結餘

外幣交易按交易日期的當時匯率換算為功能貨幣。因結算此等交易及按年終匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於全面收益表內確認。

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2 Summary of significant accounting policies

(Continued)

2.6 Foreign currency (Continued)

(iii) Group companies

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

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

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2 主要會計政策概要(續)

2.6 外幣(續)

(iii) 集團公司

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

- 各財務狀況報表所列資產及負債按其報告期末的收市匯率換算;
- 各全面收益表所列收入及開支按平均匯率換算,除非此平均匯率不足以合理地概括反映於交易日期適用匯率的累計影響,則在此情況下,收入及開支則按交易日期的匯率換算;及
- 所有因此而產生的匯兌差額均確認為權益項下的一個獨立分項。

在綜合賬目時,換算海外業務淨投資產生的匯兌差額,均列入股東權益賬內。當處置或出售部分海外業務時,計入權益的匯兌差額於全面收益表內確認為出售收益或虧損的一部分。

因收購海外實體而產生的商譽及公平值調整,均視作為該海外實體的資產及負債處理,並按收市匯率換算。

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2 Summary of significant accounting policies

(Continued)

2.7 Borrowing costs

All borrowing costs are recognised as and included in finance costs in the statement of comprehensive income in the period in which they are incurred.

2.8 Government grants

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

Grants related to depreciable assets are deducted in arriving at the carrying amount of the relevant assets. Grants related to the expense items are recognised in the same periods as those expenses charged in the statement of comprehensive income and are reported separately as "other income".

2.9 Employee benefits

(i) Pension obligations

The Group operates defined contributions pension plans in Hong Kong and the Mainland China. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

2 主要會計政策概要(續)

2.7 借款成本

所有借款成本乃於產生期間內於全面收益表確認為融資成本並計入該項目。

2.8 政府補助

政府補助於可合理地保證可收取補助及本集團將遵守所有附帶條件時按公平值確認。

與可折舊資產相關的補助會於計算相關資產賬面值時扣除。與支出項目相關的補助會於該等支出在全面收益表中扣除的同一期間確認，並獨立呈報為「其他收入」。

2.9 僱員福利

(i) 退休金責任

本集團在香港和中國內地設立界定供款退休金計劃。界定供款計劃是一個退休金計劃，據此，本集團向獨立實體作定額供款。如果該基金並無足夠資產支付所有僱員在當期和以前期間的員工福利，本集團並無法律或推定責任進一步支付供款。

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2 Summary of significant accounting policies

(Continued)

2.9 Employee benefits (Continued)

(i) Pension obligations (Continued)

In Hong Kong, the Group's contributions to the Mandatory Provident Fund Scheme are expensed as incurred. Both the Group and its employees in Hong Kong are required to contribute 5% of each individual's relevant income with a maximum amount of HK\$1,000 per month as a mandatory contribution. The assets of the scheme are held separately from those of the Group and managed by independent professional fund managers.

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

(ii) Bonus entitlements

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

2 主要會計政策概要(續)

2.9 僱員福利(續)

(i) 退休金責任(續)

在香港，本集團的強制性公積金計劃供款於產生時列為開支。本集團及其香港僱員均須就各名人士的有關收入作出5%的供款，每月強制性供款最高金額為1,000港元。計劃的資產與本集團的資產分開持有，並由獨立專業基金經理管理。

就中國大陸的僱員而言，本集團就多項由中國有關市政府及省政府設立的界定供款計劃，根據有關僱員月薪的若干百分比每月支付供款。市政府及省政府承諾為所有參與該等計劃的現有及未來退休僱員承擔應付的退休福利責任，而除所作的供款外，本集團就退休後福利並無進一步的推定責任。就以上計劃作出的供款於產生時列作開支。

(ii) 花紅

支付花紅的預期成本於本集團因僱員提供的服務及可對責任作出可靠估計而產生當前法律或推定責任時確認為負債。花紅計劃的負債預期於十二個月內清償，並以清償時預期支付的金額計量。

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2 Summary of significant accounting policies 2 主要會計政策概要(續)

(Continued)

2.9 Employee benefits (Continued)

(iii) Share-based compensation

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

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

2.10 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9 僱員福利(續)

(iii) 以股份支付的報酬

本集團設有以權益結算、以股份支付的報酬計劃。以授出購股權作為報酬所獲取僱員服務的公平值乃確認為開支。在歸屬期間內將予支銷的總金額參考所授出購股權的公平值而釐定，不包括任何非市場歸屬條件(例如盈利能力和銷售增長目標)而包括非歸屬條件(例如規定僱員儲蓄)的影響。非市場歸屬條件包括在有關預期可予以歸屬的購股權數目的假設中。於報告期末，公司修訂其對預期可予以歸屬購股權數目的估計。該公司在全面收益表確認對原估算修訂(如有)的影響，並對權益作出相應調整。

在購股權行使時，收取的所得款扣除任何直接應佔的交易成本後，撥入股本(面值)及股份溢價賬。

2.10 稅項

所得稅支出是指當期應付的稅款及遞延稅項總額。

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2 Summary of significant accounting policies

(Continued)

2.10 Taxation (Continued)

(i) Current tax

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

(ii) Deferred tax

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

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associate, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2 主要會計政策概要(續)

2.10 稅項(續)

(i) 當期稅項

當期稅項按於報告期末本公司及其附屬公司經營及產生應課稅收入的所在國家已實施或實質上已實施的稅法計算。管理層就適用稅務法例受詮釋所規限的情況定期評估報稅表的狀況。管理層亦在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

(ii) 遞延稅項

遞延稅項以債務法按資產及負債稅基與其於綜合財務報表賬面值之間的暫時性差額作出確認。然而，倘遞延稅項是由對會計處理或應課稅利潤或虧損無影響的交易中之資產或負債初步確認時(業務合併以外者)產生，則遞延稅項不會入賬。遞延稅項是按報告期末前已實施或實質上已實施，並預期於有關遞延稅項資產變現或遞延所得稅負債清償時適用的稅率(及法律)釐定。

遞延稅項資產僅於可能有未來應課稅利潤能用以抵銷暫時性差額時才會確認。

遞延所得稅乃就附屬公司及聯營公司投資產生的暫時性差額而撥備，但倘若本集團可以控制暫時性差額的撥回，並有可能在可預見未來不會撥回暫時性差額則除外。

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2 Summary of significant accounting policies

(Continued)

2.10 Taxation (Continued)

(ii) Deferred tax (Continued)

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

2.11 Property, plant and equipment

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

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

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

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

2 主要會計政策概要(續)

2.10 稅項(續)

(ii) 遞延稅項(續)

當法律可強制以當期稅項資產抵銷當期稅項負債時，以及當遞延稅項資產及負債涉及同一個稅務機關就課稅實體或有意以淨值基準償還結餘的不同課稅實體而徵收所得稅，遞延稅項資產及負債即被抵銷。

2.11 物業、廠房及設備

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

物業，廠房及設備的折舊採用直線法按估計可使用年期將成本分配至其殘值計算如下：

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

資產的殘值及可使用年期於各報告期末進行檢討，並於適當時作出調整。

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2 Summary of significant accounting policies

(Continued)

2.11 Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the period in which the item is derecognised.

2.12 Impairment of investments in subsidiaries and associate and non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment.

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

Impairment testing of the investments in subsidiaries and associate is required if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2 主要會計政策概要(續)

2.11 物業、廠房及設備(續)

物業、廠房及設備會於出售之後或預期繼續使用該項資產而不會再產生未來經濟利益時終止確認。因終止確認資產而產生的任何收益或虧損(計算為出售所得淨額和項目賬面值的差異)會包括在項目終止確認期間的全面收益表內。

2.12 於附屬公司及聯營公司的投資以及非金融資產的減值

可使用年期並無限定的資產(如商譽)不作攤銷，且於每年測試其減值。

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

倘在獨立財務報表的投資賬面值超出被投資公司淨資產(包括商譽)於綜合財務報表的賬面值，則須就於附屬公司及聯營公司的投資進行減值測試。

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2 Summary of significant accounting policies

(Continued)

2.13 Research and development expenditure

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

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

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

2 主要會計政策概要(續)

2.13 研發開支

研究開支於產生時確認為支出。開發項目產生的成本(有關新產品或已改良產品的設計及測試)若符合下列所有條件，則確認為無形資產：

- (a) 完成該無形資產乃技術上可行，以致其將可供使用或銷售；
- (b) 管理層有意完成無形資產及使用或銷售該無形資產；
- (c) 有能力使用或銷售該無形資產；
- (d) 能夠證明該無形資產如何產生可能的未來經濟利益；
- (e) 具備足夠的技術、財政及其他資源完成開發，並使用或銷售該無形資產；及
- (f) 該無形資產在開發期內應佔的開支能可靠地計量。

不符合上述條件的其他開發開支在產生時確認為支出。以往確認為支出的開發成本於往後期間不會確認為資產。資本化開發成本記錄為無形資產，並由資產可供使用時開始，在其可使用期間內(不超過五年)以直線法攤銷。

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2 Summary of significant accounting policies

(Continued)

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method, comprises materials, direct labour and production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.15 Financial instruments

Financial assets

(i) Classification

The Group classifies its financial assets into loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'cash and bank balances' and 'trade and other receivables' in the statement of financial position (notes 2.17 and 2.19).

(ii) Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Loans and receivables are carried at amortised cost using the effective interest method.

The Group assesses at the end of the reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade and other receivables is described in note 2.19.

2 主要會計政策概要(續)

2.14 存貨

存貨是按成本及可變現淨值兩者中的較低者列示。成本會以加權平均法計算，包括材料、直接勞工及生產間接成本。可變現淨值乃估計日常業務過程中的售價，減去適用的可變銷售開支。

2.15 金融工具

金融資產

(i) 分類

本集團將其金融資產分為貸款及應收款。

貸款及應收款是在活躍市場沒有報價的定期或可終止付款的非衍生金融資產。其於流動資產項下入賬，惟年期超過報告期末後十二個月者除外。其分類為非流動資產。本集團的貸款及應收款由財務狀況報表的「現金及銀行結餘」及「貿易及其他應收款」(附註2.17及2.19)組成。

(ii) 確認及計量

常規購買及出售金融資產於交易日期(即本集團承諾購買或出售資產的日期)確認。貸款及應收款按實際利率法以攤銷成本入賬。

本集團於各報告期末評估是否有客觀證據顯示金融資產或一組金融資產減值。貿易及其他應收款的減值測試於附註2.19闡述。

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2 Summary of significant accounting policies 2 主要會計政策概要(續)

(Continued)

2.16 Dividend distribution

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

2.17 Cash and cash equivalents

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

2.18 Segment reporting

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

2.19 Trade and other receivables

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

2.16 股息分配

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

2.17 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款及原到期日為三個月或以下的其他短期高流動性投資。

2.18 分部報告

經營分部的報告方式與向主要經營決策者提供的內部報告所採用者貫徹一致。主要營運決策者(已確定為董事會)負責分配資源和評估經營分部的績效。

2.19 貿易及其他應收款

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

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2 Summary of significant accounting policies

(Continued)

2.19 Trade and other receivables (Continued)

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within administrative expenses. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the statement of comprehensive income.

2.20 Share capital

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

2.21 Trade payables

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

2 主要會計政策概要(續)

2.19 貿易及其他應收款(續)

貿易及其他應收款初始以公平值確認，並其後採用實際利率法按攤銷成本減去減值撥備計量。當有客觀證據顯示本集團將不能根據應收款原定期限收回所有到期款項時，會為貿易及其他應收款作出減值撥備。債務人遭遇重大財務困難、債務人可能將陷入破產或財務重組，以及拖欠或延遲付款均視為應收款減值的跡象。撥備金額為資產賬面值與按原實際利率貼現的估計日後現金流量現值的差額。資產賬面值會透過撥備賬作出扣減，虧損金額則於全面收益表的行政費用內確認。應收款不能收回時，將於應收款撥備賬內撇銷。先前已撇銷的款項如其後收回，將計入全面收益表的行政費用。

2.20 股本

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

2.21 貿易應付款

貿易應付款以公平值初始確認，並其後採用實際利率法按攤銷成本計量。

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3 Financial risk management

(a) Financial risk management objectives and policies

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

(b) Market risk

(i) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arise. Approximately 10% of the Group's sales are denominated in currencies other than the functional currency of the Group entity.

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

The Group mainly operates in the PRC with most of the transactions settled in RMB. Foreign exchange risk arises when future commercial transaction or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk primarily with respect to United States Dollars and Hong Kong Dollars.

3 財務風險管理

(a) 財務風險管理目標與政策

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

(b) 市場風險

(i) 外幣風險管理

本集團進行的若干交易以外幣計值，因此須承擔匯率波動的風險。本集團銷售額約10%乃以本集團實體的功能貨幣以外之貨幣列值。

本集團透過密切監測外幣匯率的變動管理其外幣風險。

本集團業務主要位於中國，大部分交易以人民幣結算。倘日後商業匯兌或已確認資產及負債以非公司功能貨幣的貨幣計值，將會產生外匯風險。本集團主要面臨美元及港元的外匯風險。

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3 Financial risk management (Continued)

(b) Market risk (Continued)

(i) Foreign currency risk management (Continued)

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

At 31 December 2009, if RMB had strengthened/weakened by 5% (2008: 5%) against United States Dollars with all other variables held constant, pre-tax profit for the year would have been RMB159,000 lower/higher (2008: RMB125,000 higher/lower), mainly as a result of foreign exchange losses/gains (2008: gains/losses) on translation of United States Dollars-denominated other payables and cash at bank.

At 31 December 2009, if RMB had strengthened/weakened by 5% (2008: 5%) against Hong Kong Dollars with all other variables held constant, pre-tax profit for the year would have been RMB231,000 (2008: RMB1,606,000) lower/higher, mainly as a result of foreign exchange losses/gains on translation of Hong Kong Dollars-denominated other receivables, other payables and cash at bank.

3 財務風險管理(續)

(b) 市場風險(續)

(i) 外幣風險管理(續)

本集團的資產及負債以及業務交易基本不涉及重大外匯風險。除若干現金及銀行結餘、貿易及其他應收款與貿易及其他應付款外，本集團的資產及負債主要以人民幣計值。本集團透過在中國的銷售獲取人民幣，以應付人民幣負債。由於認為成本效益不高，故本集團並無利用任何遠期合約或貨幣借款對沖其風險。

於二零零九年十二月三十一日，倘人民幣兌美元升值／貶值5%（二零零八年：5%），而所有其他變數保持不變，本年度除稅前利潤將減少／增加人民幣159,000元（二零零八年：增加／減少人民幣125,000元），主要由於換算以美元計值的其他應付款及銀行現金的外匯虧損／收益（二零零八年：收益／虧損）所致。

於二零零九年十二月三十一日，倘人民幣兌港元升值／貶值5%（二零零八年：5%），而所有其他變數保持不變，本年度除稅前利潤將減少／增加人民幣231,000元（二零零八年：人民幣1,606,000元），主要由於換算以港元計值的其他應收款、其他應付款及銀行現金的外匯虧損／收益所致。

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3 Financial risk management (Continued)

(b) Market risk (Continued)

(ii) Price risk management

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

(iii) Interest rate risk management

The Group's income and operating cash flows are substantially independent of changes in market interest rates and the Group has no significant interest-bearing assets except for the bank balances and deposits, details of which have been disclosed in note 22. As at 31 December 2009, all of the Group's interest-bearing financial liabilities are carried at fixed rate which exposes the Group to fair value interest rate risk.

The sensitivity analyses below have been determined based on the exposure to variable interest rates for variable-rate cash at bank, bank deposits and bank borrowing. Interest rates had been increased/decreased by 50 basis points is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

As at 31 December 2009, if interest rates had been increased/decreased by 50 basis points and all other variables were held constant, the Group's profit after tax for the year ended 31 December 2009 would increase/decrease by RMB1,266,000 (2008: RMB1,082,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate cash at bank and bank deposits.

3 財務風險管理(續)

(b) 市場風險(續)

(ii) 價格風險管理

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

(iii) 利率風險管理

本集團的收入及經營現金流量大致上不受市場利率變化的影響，除銀行結餘及存款外，本集團並無重大的計息資產，詳情披露於附註22。於二零零九年十二月三十一日，所有本集團計息金融負債按固定利率計息，因此本集團須承擔公平值利率風險。

以下敏感度分析乃基於浮息銀行現金、銀行存款及銀行借款所承受的浮動利率風險釐定。向主要管理人員內部匯報利率風險時，已採用調高／調低50個基點的利率，代表管理層對利率的合理潛在變動作出的評估。

於二零零九年十二月三十一日，倘利率調高／調低50個基點，而所有其他變數保持不變，則本集團截至二零零九年十二月三十一日止年度的除稅後利潤將增加／減少人民幣1,266,000元(二零零八年：人民幣1,082,000元)。此乃主要由於本集團就其浮息銀行現金及銀行存款承擔利率風險。

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3 Financial risk management (Continued)

(c) Credit risk

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

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

The credit risk on liquid funds is limited because the counterparties are reputable banks in the PRC.

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

(d) Liquidity risk

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

3 財務風險管理(續)

(c) 信貸風險

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

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

由於對手均是中國有信譽的銀行，故此流動資金的信貸風險有限。

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

(d) 流動資金風險

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

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3 Financial risk management (Continued)

(d) Liquidity risk (Continued)

As at 31 December 2009, the Group has available unutilised bank loan facilities of approximately RMB401,000,000 (2008: RMB370,000,000).

Liquidity table

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

		Within 1 year	Between 1 – 2 years	Between 2 – 5 years	Over 5 years	Total undiscounted cash flow
		一年以內 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	超過五年 RMB'000 人民幣千元	未折現現金 流量總額 RMB'000 人民幣千元
2009	二零零九年					
Trade and other payables	貿易及其他應付款	217,984	-	-	-	217,984
Loans	貸款					
- interest free	- 免息	2,438	886	2,659	3,767	9,750
- interest-bearing	- 計息	67,071	-	-	-	67,071
Employee housing deposits	員工房屋保證金	26,381	-	-	-	26,381
		313,874	886	2,659	3,767	321,186
2008	二零零八年					
Trade and other payables	貿易及其他應付款	152,463	-	-	-	152,463
Loans	貸款					
- interest free	- 免息	1,551	886	2,659	4,654	9,750
Employee housing deposits	員工房屋保證金	38,906	-	-	-	38,906
		192,920	886	2,659	4,654	201,119

3 財務風險管理(續)

(d) 流動資金風險(續)

於二零零九年十二月三十一日，本集團之未動用銀行貸款融資約為人民幣401,000,000元(二零零八年：人民幣370,000,000元)。

流動資金表

下表詳載本集團的非衍生金融負債的合約期限。該表乃基於本集團須作出支付的最早日期根據金融負債的未折現現金流量制定。表內披露的金額為合約未折現現金流量：

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3 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Fair value of financial instruments

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

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

(e) Capital risk management

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

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

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions on the carrying amounts of assets and liabilities based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 財務風險管理(續)

(d) 流動資金風險(續)

金融工具的公平值

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

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

(e) 資本風險管理

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

本公司或其任何附屬公司均毋須遵守任何外間實施的資本要求。

4 重大會計判斷及估計不明朗因素的主要來源

管理層在實施附註2載述的本集團會計政策時，需根據以往經驗及其認為相關的其他因素就資產及負債賬面值作出判斷、估計及假設。實際業績可能會與該等估計不同。

估計及有關假設會持續予以檢討。會計估計修訂只會當修訂僅影響該期間時在檢討估計的期間確認，倘修訂同時影響現時及未來期間，則會在修訂期間及未來期間確認。

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4 Critical accounting judgements and key sources of estimation uncertainty *(Continued)*

4.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) *Impairment of trade and bills receivables*

Note 2.19 describes that trade and bills receivables are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows as expected by management discounted at the original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise.

(b) *Valuation on inventories*

The Group assesses periodically if the inventories have been suffered from any impairment in accordance with the accounting policy stated in note 2.12. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete and slow-moving items. The management estimates the net realisable value for such finished goods, work in progress and raw materials primarily on the estimated future selling price and market conditions. Where the estimates of the net realisable value are less than expected, a material allowance may arise.

4 重大會計判斷及估計不明朗因素的主要來源 *(續)*

4.1 估計不明朗因素的主要來源

以下為涉及日後的主要假設及於報告期末估計不明朗因素的其他主要來源，彼等均擁有導致下個財政年度的資產及負債的賬面值出現大幅調整的重大風險。

(a) *貿易應收款及應收票據減值*

附註2.19載述貿易應收款及應收票據均採用實際利息法按攤銷成本減任何已辨識減值虧損入賬。倘有客觀證據顯示資產已經減值，減值虧損會在全面收益表中確認，並按資產賬面值與以原實際利率貼現管理層預期的估計未來現金流量現值之間的差額計算。當實際未來現金流動少於預期，則可能出現重大減值虧損。

(b) *存貨估值*

本集團會定時根據附註2.12所載述的會計政策評估存貨是否已經出現任何減值。本集團會於各報告期末對每類產品檢對存貨，為陳舊及滯銷存貨項目作出備抵。管理層主要根據估計的未來售價和市場情況以估計該等製成品、在製品及原材料的可變現淨值。如可變現淨值估計少於預期，可能需作出重大撥備。

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4 Critical accounting judgements and key sources of estimation uncertainty (Continued)

4.1 Key sources of estimation uncertainty (Continued)

(c) Income taxes and deferred tax

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax loss are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation charges in the period in which such estimate is changed.

(d) Useful lives of property, plant and equipment

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

4 重大會計判斷及估計不明朗因素的主要來源(續)

4.1 估計不明朗因素的主要來源(續)

(c) 所得稅及遞延稅項

本集團須繳納多個司法管轄區的所得稅。在確定就該等各個司法管轄區的所得稅作出撥備時，須作出重大判斷。若干交易及計算難以明確作出最終的稅務釐定。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜的責任。倘該等事宜的最終稅務結果與起初入賬的金額不同，該等差額將影響稅務釐定期內當期及遞延所得稅資產及負債。

若干暫時性差額及稅項虧損有關的遞延稅項資產不予確認，是由於管理層認為日後不大可能有應課稅利潤用作抵銷暫時性差額或稅項虧損。倘預期金額與原定估計不同，則該差額將會影響該估計出現變動期間內的遞延稅項資產及稅項支出的確認。

(d) 物業、廠房及設備的可使用年期

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

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5 Turnover and segments information

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

Cornstarch and corn-refined products	玉米澱粉及玉米深加工產品
Lysine and its related products	賴氨酸及其相關產品
Electricity and steam	電力及蒸汽
Starch-based sweetener	澱粉糖

5 營業額及分部資料

本集團於本年度的營業額分析如下：

2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
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Cornstarch and corn-refined products	玉米澱粉及玉米深加工產品	1,425,700	1,065,915
Lysine and its related products	賴氨酸及其相關產品	394,984	369,832
Electricity and steam	電力及蒸汽	131,339	94,699
Starch-based sweetener	澱粉糖	5,502	-
		1,957,525	1,530,446

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

主要營運決策人確定為董事會。董事會會審閱本集團之內部報告，以評估表現及分配資源。管理層已根據該等報告釐定經營分部。

The Board considers the business segmentation from product perspective. Management assesses the performance of cornstarch, lysine, starch-based sweetener and electricity and steam.

董事會從產品觀點考慮業務分部。管理層評估玉米澱粉、賴氨酸、澱粉糖以及電力及蒸汽業務之表現。

Cornstarch	- the manufacture and sale of cornstarch and its related products
Lysine	- the manufacture and sale of lysine and its related products
Electricity and steam	- the production and sale of electricity and steam
Starch-based sweetener	- the manufacture and sale of starch-based sweetener

玉米澱粉	- 生產及銷售玉米澱粉及其相關產品
賴氨酸	- 生產及銷售賴氨酸及其相關產品
電力及蒸汽	- 生產及銷售電力及蒸汽
澱粉糖	- 生產及銷售澱粉糖

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5 Turnover and segments information (Continued)

The Board assesses the performance of the operating segments based on a measure of segment results. This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as impairments when the impairment is the result of an isolated, non-recurring event. Interest income and expense are not included in the result for each operating segment that is reviewed by the management. Other information provided, except as noted below, to the management is measured in a manner consistent with that in the financial statements.

Total segment assets exclude deferred tax assets and total segment liabilities exclude income tax payable and deferred tax liabilities as these are managed on a central basis. These form part of the reconciliation to total assets and total liabilities per consolidated statement of financial position.

Sales between segments are charged at cost. The revenue from external parties reported to the management is measured in a manner consistent with that in the consolidated statement of comprehensive income.

5 營業額及分部資料(續)

董事會根據計量分部業績評估經營分部之表現。此計量基準並無計入經營分部的非經常性開支，例如：減值（因個別非經常性事件而產生之減值）。利息收入及支出不會計入經管理層審閱的各經營分部業績內。除下述者外，提供予管理層之其他資料的計量方法與財務報表所採用者一致。

分部總資產不包括遞延稅項資產，而分部總負債則不包括應付所得稅及遞延稅項負債，原因為該等項目乃集中管理，並作為綜合財務狀況報表總資產及總負債的對賬部分。

分部間銷售以成本扣減。向管理層報告之外部收益的計量基準與綜合全面收益表所採用者一致。

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5 Turnover and segments information (Continued) 5 營業額及分部資料(續)

		Cornstarch	Lysine	Electricity and steam	Starch- based sweetener	Reportable segments total	Unallocated	Total
		玉米澱粉	賴氨酸	電力及蒸汽	澱粉糖	可報告 分部合計	未分配	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
							(Note)	
							(附註)	
For the year ended	截至二零零九年十二月							
31 December 2009	三十一日止年度							
TURNOVER	營業額							
Total sales	銷售總額	1,425,700	394,984	272,659	5,502	2,098,845	-	2,098,845
Inter-segment sales	分部間銷售	-	-	(141,320)	-	(141,320)	-	(141,320)
External Sales	對外銷售	1,425,700	394,984	131,339	5,502	1,957,525	-	1,957,525
Segment results	分部業績	95,301	70,929	49,473	(1,378)	214,325	(89,560)	124,765
Depreciation and amortisation	折舊及攤銷	20,306	19,701	17,238	425	57,670	4,394	62,064
For the year ended	截至二零零八年十二月							
31 December 2008	三十一日止年度							
TURNOVER	營業額							
Total sales	銷售總額	1,072,815	369,832	235,288	-	1,677,935	-	1,677,935
Inter-segment sales	分部間銷售	(6,900)	-	(140,589)	-	(147,489)	-	(147,489)
External Sales	對外銷售	1,065,915	369,832	94,699	-	1,530,446	-	1,530,446
Segment results	分部業績	89,941	66,831	19,396	-	176,168	(76,755)	99,413
Depreciation and amortisation	折舊及攤銷	14,745	17,798	15,914	-	48,457	5,726	54,183

Note: Unallocated items mainly include government grants and corporate costs which cannot be allocated to individual segments.

附註：未分配項目主要包括未能分配至個別分部的政府補助及企業成本。

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5 Turnover and segments information (Continued) 5 營業額及分部資料(續)

		Cornstarch	Lysine	Electricity and steam	Starch- based sweetener	Reportable segments total	Unallocated	Total
		玉米澱粉	賴氨酸	電力及蒸汽	澱粉糖	可報告 分部合計	未分配	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
							(Note)	
							(附註)	
As at 31 December 2009	於二零零九年 十二月三十一日							
Segment assets	分部資產	474,021	154,492	199,730	52,270	880,513	452,963	1,333,476
Including:	包括:							
Interest in an associate	於一家聯營公司的權益	-	-	-	-	-	39,094	39,094
Additions to property, plant and equipment and prepaid lease payments	添置物業、 廠房及設備 以及預付租賃款	28,363	8,636	1,773	30,430	69,202	21,132	90,334
Segment liabilities	分部負債	83,235	31,862	33,795	7,113	156,005	184,783	340,788
Including:	包括:							
Borrowings	借款	-	-	-	-	-	76,821	76,821
Employee housing deposits	員工房屋保證金	-	-	-	-	-	26,381	26,381
Deferred income	遞延收入	-	-	19,602	-	19,602	-	19,602
As at 31 December 2008	於二零零八年 十二月三十一日							
Segment assets	分部資產	380,321	164,481	170,709	-	715,511	395,754	1,111,265
Including:	包括:							
Interest in an associate	於一家聯營公司的權益	-	-	-	-	-	36,517	36,517
Additions to property, plant and equipment and prepaid lease payments	添置物業、 廠房及設備 以及預付租賃款	144,319	7,503	12,867	-	164,689	3,795	168,484
Segment liabilities	分部負債	43,716	25,414	27,000	-	96,130	122,516	218,646
Including:	包括:							
Borrowings	借款	-	-	-	-	-	9,750	9,750
Employee housing deposits	員工房屋保證金	-	-	-	-	-	38,906	38,906
Deferred income	遞延收入	-	-	17,527	-	17,527	-	17,527

Note: Unallocated items mainly include assets and liabilities that are not directly attributable to any reportable segment.

附註：未分配項目主要包括不直接歸屬任何可報告分部的資產及負債。

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5 Turnover and segments information (Continued)

A reconciliation of results of reportable segments to total profit before taxation is provided as follows:

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Results of reportable segments	可報告分部業績	214,325	176,168
Unallocated income	未分配收入	8,639	9,336
Unallocated expenses	未分配開支	(98,199)	(86,091)
Total segment results	分部總業績	124,765	99,413
Finance income	融資收入	2,733	3,852
Finance costs	融資成本	(2,169)	(3,728)
Share of result of an associate	應佔一家聯營公司業績	2,147	6,444
Profit before taxation	除稅前利潤	127,476	105,981

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment.

Reportable segments' assets are reconciled to total assets as follows:

		As at 31 December	
		於十二月三十一日	
		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Reportable segments' assets	可報告分部資產	880,513	715,511
Unallocated:	未分配：		
Prepaid lease payments	預付租賃款	44,739	28,370
Interest in an associate	於一家聯營公司的權益	39,094	36,517
Pledged bank deposits	已抵押銀行存款	2,004	-
Cash and cash equivalents	現金及現金等價物	291,296	242,825
Other unallocated assets	其他未分配資產	75,830	88,042
Total segment assets	分部總資產	1,333,476	1,111,265
Deferred tax assets	遞延稅項資產	6,019	206
Total assets as per consolidated statement of financial position	綜合財務狀況報表下的總資產	1,339,495	1,111,471

5 營業額及分部資料(續)

可報告分部的業績與除稅前利潤總額的對賬如下：

向董事會提供有關總資產的金額，其計量方式與財務報表所使用者一致。該等資產以分部的營運作分配。

可報告分部的資產與總資產的對賬如下：

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5 Turnover and segments information (Continued)

The amounts provided to the Board with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

Reportable segments' liabilities are reconciled to total liabilities as follows:

5 營業額及分部資料(續)

向董事會提供有關總負債的金額，其計量方式與財務報表所使用者一致。該等負債以分部的營運作分配。

可報告分部的負債與總負債的對賬如下：

		As at 31 December	
		於十二月三十一日	
		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Reportable segments' liabilities	可報告分部負債	156,005	96,130
Unallocated:	未分配：		
Employee housing deposits	員工房屋保證金	26,381	38,906
Borrowings	借款	76,821	9,750
Other unallocated liabilities	其他未分配負債	81,581	73,860
Total segment liabilities	分部總負債	340,788	218,646
Income tax payable	應付所得稅	10,375	5,128
Deferred tax liabilities	遞延稅項負債	75	-
Total liabilities as per consolidated statement of financial position	綜合財務狀況報表下的總負債	351,238	223,774

The result of its revenue from external customers in the People's Republic of China (the "PRC") for 2009 is RMB1,753,206,000 (2008: RMB1,296,381,000), and the total of its revenue from external customers from other countries is RMB204,319,000 (2008: RMB234,065,000).

At 31 December 2009, the total of non-current assets other than interest in an associate and deferred tax assets (there are no employment benefit assets and rights arising under insurance contracts) located in the PRC is RMB591,462,000 (2008: RMB585,156,000), and the total of these non-current assets located in other countries is RMB116,000 (2008: RMB89,000).

於二零零九年，來自中華人民共和國（「中國」）的外來客戶收入業績為人民幣1,753,206,000元（二零零八年：人民幣1,296,381,000元），而來自其他國家外來客戶的收入總額為人民幣204,319,000元（二零零八年：人民幣234,065,000元）。

於二零零九年十二月三十一日，除於一家聯營公司的權益及遞延稅項資產（並無於保險合約下產生僱員福利資產及權利）外，位於中國的非流動資產總值為人民幣591,462,000元（二零零八年：人民幣585,156,000元），而位於其他國家的非流動資產總值為人民幣116,000元（二零零八年：人民幣89,000元）。

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6 Other income

6 其他收入

		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Government grants (Note (i),(ii),(iii))	政府補助(附註(i)、(ii)及(iii))	3,060	5,737
Amortisation of staff quarter rental income (Note 27)	員工宿舍租金收入攤銷(附註27)	-	2,476
Amortisation of steam connection income (Note 27)	蒸汽接駁收入攤銷(附註27)	2,384	1,932
Realised gain arising on injecting property, plant and equipment and land use right as capital to an associate	向一家聯營公司注入物業、廠房及設備和土地使用權作為注資產生的已變現收益	430	430
Gain on sales of scrap of coal and oil	銷售煤屑及廢油的收益	2,251	1,744
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備(虧損)/收益	(1,762)	173
Others	其他	4,660	3,777
		11,023	16,269

Note:

- (i) For the year ended 31 December 2009, government grants of approximately RMB3,060,000 was paid by 壽光市財政局 (Shouguang City Finance Bureau) for the purpose of the encouragement in replacing aged machineries, prevention of air pollution; and provision of heat supply subsidy. They were granted at the discretion of the government and were not recurring in nature.
- (ii) Government grant of RMB5,000,000 was paid by 壽光市科學技術局 (Shouguang Technology Bureau) for the year ended 31 December 2008 in respect of the development of 65% lysine technology. It was granted at the discretion of the government and was not recurring in nature.

附註：

- (i) 截至二零零九年十二月三十一日止年度，壽光市財政局就鼓勵更換老化機件、防止空氣污染及提供熱能補貼支付政府補助人民幣3,060,000元。授出的補助乃由政府酌情決定並屬非經常性質。
- (ii) 壽光市科學技術局於截至二零零八年十二月三十一日止年度就開發65%賴氨酸技術支付政府補助人民幣5,000,000元。授出的補助乃由政府酌情決定並屬非經常性質。

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綜合財務報表附註

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6 Other income (Continued)

Note: (Continued)

- (iii) Government grant of RMB737,000 was paid by 壽光市財政局 (Shouguang City Finance Bureau) for the year ended 31 December 2008 to support a subsidiary, 山東壽光巨能金玉米開發有限公司 (Shandong Shouguang Juneng Golden Corn Development Co., Ltd.) ("Golden Corn"), being one of the largest agricultural businesses in the city and the application of environmental-friendly and energy-saving facilities. It was granted at the discretion of the government and was not recurring in nature.

7 Finance income

6 其他收入(續)

附註:(續)

- (iii) 壽光市財政局於截至二零零八年十二月三十一日止年度支付政府補助人民幣737,000元，以支持附屬公司山東壽光巨能金玉米開發有限公司(「金玉米」)，為市內最大的農務企業之一及環保及節能設施的應用。授出的補助乃由政府酌情決定並屬非經常性質。

7 融資收入

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Interest income on bank deposits 銀行存款的利息收入	2,733	3,852

8 Finance costs

8 融資成本

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Imputed interest on employee housing deposits 員工房屋保證金的估算利息	-	2,034
Interest on loan from a minority shareholder 一名少數股東的貸款利息	79	-
Interest on discounted bills 貼現票據的利息	2,090	1,694
	2,169	3,728

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9 Profit before taxation

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

9 除稅前利潤

除稅前利潤已扣除／(計入)下列各項：

		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	61,233	53,353
Amortisation of prepaid lease payments	預付租賃款的攤銷	831	830
Total depreciation and amortisation	折舊及攤銷總額	62,064	54,183
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備 虧損／(收益)	1,762	(173)
Net foreign exchange loss	匯兌虧損淨額	335	7,406
Cost of inventories recognised as expenses	確認為支出的 存貨成本	1,634,599	1,224,103
(Write-back of provision)/ provision for impairment of inventories	存貨減值 (撥回撥備)／撥備	(3,839)	3,839
Operating lease payments	經營租賃金額	559	552
Employee benefits expenses including directors' emoluments (Note 11)	僱員福利開支 包括董事酬金 (附註11)	57,357	45,948
Research and development expenses	研究及開發費用	1,092	1,151
Auditor's remuneration	核數師薪酬	1,391	1,737

10 Income tax expenses

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

10 所得稅支出

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

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10 Income tax expenses (Continued)

10 所得稅支出(續)

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
PRC corporate income tax	中國企業所得稅		
– Current year	– 本年度	11,685	9,778
– Over provision in prior years	– 過往年度超額撥備	(5,285)	–
Deferred tax (Note 26)	遞延稅項(附註26)	(5,738)	977
		662	10,755

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

本年度稅項支出可與除稅前利潤對賬如下：

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before taxation	除稅前利潤	127,476	105,981
Tax at the corporate income tax rate at 25% (2008: 25%)	以企業所得稅率25% (二零零八年: 25%)計算的稅項	31,869	26,495
Tax effect of share of result of an associate net of tax	應佔一家聯營公司業績(扣除稅項)的稅務影響	(537)	(1,611)
Effect of different tax rate	不同稅率的影響	576	384
Effect of tax holiday	優惠稅率的影響	(16,795)	(16,103)
Tax effect of expenses that are not deductible in determining taxable profits	釐定應課稅利潤時不可扣減的開支的稅務影響	1,529	5,187
Tax effect of income not taxable	毋須課稅收入的稅務影響	(1,360)	(548)
Tax loss for which no deferred tax asset was recognised	無確認遞延稅項資產下的稅務虧損	–	4,357
Over provision in prior years	過往年度超額撥備	(5,285)	–
Recognition of previously unrecognised tax loss	過往未確認稅務虧損的確認	(4,357)	–
Reduction of income tax in respect of tax benefit	就稅務利益減少所得稅	(4,978)	(7,406)
		662	10,755

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10 Income tax expenses (Continued)

Note:

On 16 March 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Tax Law") by Order No. 63 of the President of the People's Republic of China. On 26 December 2007, the State Council of the PRC issued the Notice of the Implementation of the Grandfathering Preferential Policies under the New Tax Law (the "Notice"), (Guofa [2007] No. 39) the applicable tax rate for all the PRC enterprises will change to 25% from 1 January 2008. The Notice provides a five-year transition period from its effective date for those enterprises which were established before the promulgation date of the New Tax Law and which were entitled to a preferential lower tax rate under the then effective tax laws or regulations. Thus, Golden Corn can still entitle to 50% relief of PRC Foreign Enterprise Income Tax for the next three years from 2008.

Further under the New Tax Law, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax (depending on the applicable tax rate on the treaty) on various types of passive income such as dividends derived from sources within the PRC.

According to the notice Caishui 2008 No. 1 released by the Ministry of Finance and the State Administration of Taxation, distributions of the pre-2008 retained profits of a foreign-invested enterprise to a foreign investor in 2008 or after are exempt from withholding tax. Therefore, the retained profits at 31 December 2007 in the Group's foreign-invested enterprises' books and accounts will not be subject to withholding tax on future distributions.

As at 31 December 2009, no deferred tax liabilities have been recognised in respect of the tax that would be payable on the distribution of the retained profits of the Group's foreign-invested enterprises as the Company controls the dividend policy of these foreign-invested enterprises and it is probable that such differences will not be reversed in the foreseeable future.

11 Employee benefit expenses (including directors' emoluments)

Wages and salaries	工資及薪金
Pension cost	退休金費用
Staff welfares	員工福利

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

10 所得稅支出(續)

附註：

於二零零七年三月十六日，中國根據中華人民共和國主席令第63號頒佈了中華人民共和國企業所得稅法(「新稅法」)。於二零零七年十二月二十六日，中國國務院發佈《關於實施企業所得稅過渡優惠政策的通知》(「通知」)(國發[2007]第39號)，由二零零八年一月一日起，所有中國企業的適用稅率將改為25%。對於在新稅法頒佈日期前成立及根據成立當時的有效稅法或規例享有較低稅率優惠的企業，新稅法自生效日期起給予為期五年的過渡期。因此，金玉米由二零零八年起往後三年仍獲享中國外資企業所得稅減半。

此外，根據新稅法，非居民企業於中國並無成立或業務地點，或於中國有成立或業務地點但有關收入與中國成立或業務地點並無有效關連，將須就各種被動收入(例如來自中國境內的股息)繳納預提稅(視乎契約訂明的適用稅率)。

根據財政部及國家稅務總局下發的通知財稅2008第1號，如外資企業將二零零八年前的留存利潤於二零零八年或以後分配予境外投資者，則免繳預提稅。因此，本集團外資企業於二零零七年十二月三十一日的賬冊及賬目內的留存利潤將毋須於將來分派時繳納預提稅。

於二零零九年十二月三十一日，由於本公司控制該等外資企業的股息政策，而有關差異有可能在可預見未來不會撥回，故並無就分派本集團外資企業留存利潤時應付的稅項確認遞延稅項負債。

11 僱員福利開支(包括董事酬金)

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages and salaries	工資及薪金	42,721	34,162
Pension cost	退休金費用	6,458	6,767
Staff welfares	員工福利	8,178	5,019
		57,357	45,948

並無被沒收的供款可用作扣減本集團未來年度的應付供款。

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12 Emoluments for directors and five highest paid individuals 12 董事及五名最高薪人士的酬金

(a) Directors' emoluments

(a) 董事酬金

		Basic salaries and Fees	Discretionary bonus	Retirement benefit contribution	Total	
		allowance 基本薪金 費用	酌情花紅	退休 福利供款	總額	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
2009	二零零九年					
Executive directors	執行董事					
Tian Qixiang	田其祥	-	516	500	-	1,016
Yu Yingquan	于英全	-	300	500	-	800
Gao Shijun	高世軍	-	360	500	20	880
Liu Xianggang	劉象剛	-	252	500	20	772
		-	1,428	2,000	40	3,468
Independent non-executive directors	獨立非執行董事					
Dong Yanfeng	董延豐	50	-	-	-	50
Yu Shumin	余淑敏	50	-	-	-	50
Cao Zenggong	曹增功	30	-	-	-	30
Yue Kwai Wa, Ken	余季華	89	-	-	-	89
		219	-	-	-	219
		219	1,428	2,000	40	3,687

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

12 董事及五名最高薪人士的酬金(續)

(a) Directors' emoluments (Continued)

(a) 董事酬金(續)

		Fees	Basic salaries and allowance	Discretionary bonus	Retirement benefit contribution	Total
		費用	基本薪金及津貼	酌情花紅	退休福利供款	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2008	二零零八年					
Executive directors	執行董事					
Tian Qixiang	田其祥	-	516	500	-	1,016
Yu Yingquan	于英全	-	300	500	-	800
Gao Shijun	高世軍	-	360	500	16	876
Liu Xianggang	劉象剛	-	252	500	16	768
		-	1,428	2,000	32	3,460
Independent non-executive directors	獨立非執行董事					
Dong Yanfeng	董延豐	50	-	-	-	50
Yu Shumin	余淑敏	50	-	-	-	50
Cao Zengong	曹增功	30	-	-	-	30
Yue Kwai Wa, Ken	余季華	89	-	-	-	89
		219	-	-	-	219
		219	1,428	2,000	32	3,679

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

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, four (2008: four) were directors of the Company whose emoluments are presented above. The emoluments of the remaining one (2008: one) individual were as follows:

		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Employee	僱員		
– basic salaries and allowance	– 基本薪金及津貼	596	551
– retirement benefits scheme contribution	– 退休福利計劃供款	11	8
		607	559

The emolument was within RMB1,000,000.

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

12 董事及五名最高薪人士的酬金(續)

(b) 五名最高薪人士

本集團五名最高薪人士中，四名(二零零八年：四名)為本公司的董事，彼等的酬金於上文呈列。餘下一名(二零零八年：一名)最高薪人士的酬金如下：

		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Employee	僱員		
– basic salaries and allowance	– 基本薪金及津貼	596	551
– retirement benefits scheme contribution	– 退休福利計劃供款	11	8
		607	559

彼等的酬金在人民幣1,000,000元以內。

- (c) 年內，本集團概無向董事或五名最高薪人士支付酬金，作為吸引加入或加入本集團時的獎勵或作為失去職位的補償。

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13 Earnings per share

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

13 每股盈利

本公司普通權益持有人應佔每股基本盈利乃按以下基準計算：

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Earnings		
Earnings for the purpose of basic earnings per share (profit for the year attributable to equity holders of the Company)	126,659	98,234

Earnings

Earnings for the purpose of basic earnings per share (profit for the year attributable to equity holders of the Company)

盈利

用以計算每股基本盈利的盈利 (本公司權益持有人應佔本年度利潤)

2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
126,659	98,234

Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings per share

股份數目

用以計算每股基本盈利的普通股加權平均數

2009 二零零九年	2008 二零零八年
2,612,500,000	2,612,500,000

No diluted earnings per share has been presented because no dilutive potential ordinary shares exist for both 2009 and 2008.

由於二零零九年及二零零八年均無具攤薄效用的潛在普通股，故並無呈列每股攤薄盈利。

14 Dividends

Dividend paid during the year: Final dividend, paid at HK1.14 cents (2008: HK3.83 cents) per ordinary share

14 股息

年內已付股息：末期股息，已支付每股普通股1.14港仙 (二零零八年：3.83港仙)

2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
26,254	17,870

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14 Dividends (Continued)

A final dividend of HK1.16 cents per share has been proposed by the directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

14 股息(續)

董事擬派發末期股息每股1.16港仙，惟須待股東於即將舉行的股東週年大會上批准，方可作實。

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Dividend payable to the shareholders of the company:		
Final dividend proposed after the end of the reporting period of HK1.16 cents per ordinary share (2008 : HK 1.14 cents per ordinary share)	26,682	26,265

The final dividend proposed after the end of the year has not been recognised as a liability as at the end of the reporting period.

於年終後擬派的末期股息於報告期終並未確認為負債。

15 (Loss)/profit attributable to equity holders of the Company

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of RMB8,313,000 (2008: profit of RMB43,009,000).

15 本公司權益持有人應佔(虧損)/利潤

本公司權益持有人應佔虧損人民幣8,313,000元(二零零八年:利潤人民幣43,009,000元)已在本公司財務報表中處理。

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16 Property, plant and equipment

16 物業、廠房及設備

		Group 本集團					Total 合計				
		Buildings 樓宇	Plant and machinery 廠房及機器	Motor vehicles 汽車	Other machinery 其他機器	Plant and equipment under construction 在建 廠房及設備					
						RMB'000		RMB'000	RMB'000	RMB'000	RMB'000
						人民幣千元		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本										
At 1 January 2008	於二零零八年一月一日	251,467	395,575	5,008	9,671	195	661,916				
Additions	添置	12,271	55,618	2,042	14,729	83,633	168,293				
Transfers	轉讓	11,505	39,577	-	7,977	(59,059)	-				
Disposals	出售	(74)	(2,344)	(156)	(200)	-	(2,774)				
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日 及二零零九年一月一日	275,169	488,426	6,894	32,177	24,769	827,435				
Additions	添置	19,005	8,264	1,621	3,824	40,420	73,134				
Transfers	轉讓	9,269	48,999	-	1,297	(59,565)	-				
Disposals	出售	(336)	(5,775)	(874)	(2,262)	(448)	(9,695)				
At 31 December 2009	於二零零九年十二月三十一日	303,107	539,914	7,641	35,036	5,176	890,874				
Accumulated depreciation and impairment	累計折舊及減值										
At 1 January 2008	於二零零八年一月一日	69,967	159,135	1,911	5,385	-	236,398				
Depreciation charge for the year	年內折舊費用	9,142	40,394	974	2,843	-	53,353				
Disposals	出售	(74)	(1,685)	(65)	(198)	-	(2,022)				
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日 及二零零九年一月一日	79,035	197,844	2,820	8,030	-	287,729				
Depreciation charge for the year	年內折舊費用	10,205	44,939	1,175	4,914	-	61,233				
Disposals	出售	(226)	(3,345)	(484)	(2,047)	-	(6,102)				
At 31 December 2009	於二零零九年十二月三十一日	89,014	239,438	3,511	10,897	-	342,860				
Net carrying value	賬面淨值										
At 31 December 2009	於二零零九年十二月三十一日	214,093	300,476	4,130	24,139	5,176	548,014				
At 31 December 2008	於二零零八年十二月三十一日	196,134	290,582	4,074	24,147	24,769	539,706				

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16 Property, plant and equipment (Continued)

Pursuant to the provisional sales and purchase agreement (“Agreement”) entered into between a subsidiary, namely, 臨清德能金玉米生物有限公司 (Linqing Deneng Golden Corn Bio Limited) (“Deneng Golden Corn”), and a minority shareholder of Deneng Golden Corn, 臨清德能生物科技有限公司 (Linqing Deneng Bio Technology Limited) (“Denang Bio Tech”), on 9 April 2008, the Group has paid a deposit of RMB18,000,000 for additional purchase of property and building from Deneng Bio Tech. In addition, the Group has also agreed to acquire the land use right (the same location of property and building) from Deneng Bio Tech at the lower of the costs incurred by Deneng Bio Tech and RMB20,000,000 (Note 31).

In 2009, the Group has obtained the land use rights for RMB17,200,000 (Note 17) and the related property and building have been capitalised as property, plant and equipment at RMB18,000,000. Although the Group is in the application process for the title of property and building, the directors of the Company are of the view that the Group is entitled to lawfully and validly occupy and use the above-mentioned buildings. The directors of the Company are of the opinion that the aforesaid matter will not have any significant impact on the Group’s financial position as at 31 December 2009.

16 物業、廠房及設備(續)

根據附屬公司臨清德能金玉米生物有限公司(「德能金玉米」)與德能金玉米少數股東臨清德能生物科技有限公司(「德能生物科技」)於二零零八年四月九日訂立的臨時買賣協議(「該協議」)，本集團已就向德能生物科技購買額外物業及樓宇而支付按金人民幣18,000,000元。此外，本集團亦已同意向德能生物科技收購土地使用權(於物業及樓宇的相同地點)，代價為德能生物科技涉及的費用與人民幣20,000,000元兩者中的較低者(附註31)。

本集團於二零零九年已取得人民幣17,200,000元的土地使用權(附註17)，而相關物業及樓宇已以人民幣18,000,000元列作物業、廠房及設備之資本。儘管本集團仍在辦理申請物業及樓宇名稱的手續，本公司董事認為本集團已有權合法地及有效地佔用及使用以上樓宇。本公司董事亦認為，以上事項對本集團於二零零九年十二月三十一日的財務狀況並無重大影響。

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17 Prepaid lease payments

17 預付租賃款

		Group 本集團	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Cost	成本		
At 1 January	於一月一日	35,081	34,890
Additions	添置	17,200	191
At 31 December	於十二月三十一日	52,281	35,081
Accumulated amortisation	累計攤銷		
At 1 January	於一月一日	6,711	5,881
Amortisation charge for the year	年內攤銷費用	831	830
At 31 December	於十二月三十一日	7,542	6,711
Net book amount	賬面淨值		
At 31 December	於十二月三十一日	44,739	28,370
Land in the PRC held under medium-term lease	按中期租賃於中國持有的土地	44,739	28,370
Analysed for reporting purposes:	作呈報用途的分析：		
Current	流動	1,175	831
Non-current	非流動	43,564	27,539
		44,739	28,370

18 Subsidiaries

18 附屬公司

(a) Investments in subsidiaries

(a) 於附屬公司的投資

		Company 本公司	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Unlisted investments, at cost	非上市投資(按成本)	159,121	159,121

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18 Subsidiaries (Continued)

(a) Investments in subsidiaries (Continued)

The following is a list of subsidiaries at 31 December 2009:

Name of companies 公司名稱	Place of incorporation 註冊成立地點	Place of operation 經營地點	Issued and fully paid up/ registered capital 已發行及繳足/ 註冊資本	Interest held (%) 所持權益 (%)	Principal activities 主要業務
Sourcestar Worldwide Inc. Sourcestar Worldwide Inc.	BVI 英屬維爾京群島	Hong Kong 香港	US\$240 ordinary shares 240美元的普通股	100	Investment holding 投資控股
China Starch Group Limited 中國澱粉集團有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1 ordinary share 1港元的普通股	100	Investment holding 投資控股
Golden Corn ^{1,2} 金玉米 ^{1,2}	PRC 中國	PRC 中國	RMB380,000,000 人民幣380,000,000元	100	Manufacturing and sale of cornstarch, lysine and related products 製造及銷售玉米澱粉、 賴氨酸及其相關產品
Deneng Golden Corn ^{1,3} 德能金玉米 ^{1,3}	PRC 中國	PRC 中國	RMB200,000,000 人民幣200,000,000元	91	Manufacturing and sale of cornstarch, starch-based sweetener and related products 製造及銷售玉米澱粉、 澱粉糖及相關產品

¹ Subsidiaries are held indirectly by the Company.

² The entity is a wholly foreign owned enterprise.

³ The entity is an equity joint venture enterprise.

(b) Amounts due from subsidiaries

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

18 附屬公司(續)

(a) 於附屬公司的投資(續)

於二零零九年十二月三十一日的附屬公司表列如下：

¹ 本公司間接持有的附屬公司。

² 該實體為一家全外資企業。

³ 該實體為一家合資經營企業。

(b) 應收附屬公司款項

應收附屬公司款項以港元列值，為非貿易、免息、無抵押及須於要求時償還。

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19 Interest in an associate

19 於一家聯營公司的權益

		Group 本集團	
		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Unlisted investment, at cost	非上市投資(按成本)	38,186	38,186
Less: Unrealised gain arising on injecting property, plant and equipment and land use right as capital contribution	減：注入物業、廠房及設備及土地使用權作為注資的未變現收益	(2,703)	(3,133)
Share of post-acquisition profits	分佔收購後利潤	3,611	1,464
		39,094	36,517

As at 31 December 2009 and 2008, details of the Group's interest in the associate, 壽光金遠東變性澱粉有限公司 (Shouguang Golden Far East Modified Starch Co., Ltd.) are as follows:

於二零零九年及二零零八年十二月三十一日，本集團於聯營公司壽光金遠東變性澱粉有限公司的權益詳情如下：

Place and date of incorporation 註冊成立地點 及日期	Issued and fully paid registered capital 已發行及 繳足註冊資本	Attributable equity interest of the Group 本集團應佔股權	Principal activities 主要業務
PRC 中國 25 September 2004 二零零四年九月二十五日	US\$9,600,000 9,600,000美元	49%	Research, development, manufacture and sale of modified starch and their related products 研究、開發、製造及銷售變性澱粉及其相關產品

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19 Interest in an associate (Continued)

Summarised financial information of the Group's associate is as follows:

19 於一家聯營公司的權益(續)

本集團聯營公司的財務資料概述如下：

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total assets	總資產	112,637	105,446
Total liabilities	總負債	(27,337)	(24,527)

Net assets	資產淨值	85,300	80,919
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		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入	170,257	216,229
Profit for the year	本年度利潤	4,382	13,151

20 Inventories

20 存貨

		Group	
		本集團	
		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	143,635	61,226
Work in progress	在製品	16,405	7,168
Finished goods	製成品	34,183	63,898
		194,223	132,292

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20 Inventories (Continued)

The cost of inventories recognised as expense and included in "cost of goods sold" amounted to RMB1,634,599,000 (2008: RMB1,224,103,000).

For the year ended 31 December 2009, write-back of provision for inventories of RMB3,839,000 (2008: provision for inventories of RMB3,839,000) has been recognised and included in "cost of goods sold".

21 Trade and other receivables

		Group 本集團		Company 本公司	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Trade receivables	貿易應收款	57,187	43,105	-	-
Bank acceptance bills	銀行承兌票據	153,054	63,548	-	-
Other receivables	其他應收款	3,865	6,902	-	259
		214,106	113,555	-	259

The Group normally grants credit period ranging from 0 to 60 days to customers.

20 存貨(續)

確認為支出及包含在「銷貨成本」的存貨成本為人民幣1,634,599,000元(二零零八年：人民幣1,224,103,000元)。

截至二零零九年十二月三十一日止年度，已確認撥回存貨撥備人民幣3,839,000元(二零零八年：存貨撥備人民幣3,839,000元)，並已包括在「銷貨成本」內。

21 貿易及其他應收款

本集團一般給予客戶的信貸期由零至六十日不等。

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21 Trade and other receivables (Continued)

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

21 貿易及其他應收款(續)

以下為於報告期終貿易應收款的賬齡分析：

		Group		Company	
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
0 – 30 days	零至三十日	49,008	38,138	-	-
31 – 60 days	三十一至六十日	928	1,474	-	-
61 – 90 days	六十一至九十日	689	51	-	-
Over 90 days	九十日以上	6,562	3,442	-	-
		57,187	43,105	-	-

Before accepting any new customer, the Group assesses the credit quality of each of the potential customer and defines credit limits of each customer. Credit limits attributed to customers are reviewed monthly. Credit qualities of trade receivables neither past due nor impaired have been assessed by reference to historical information about the counterparty default rates, based on which no impairment provision is considered to require.

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB6,668,000 (2008: RMB4,316,000) which are past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

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

本集團的貿易應收款結餘包括賬面總值為人民幣6,668,000元(二零零八年：人民幣4,316,000元)的應收賬款，有關款項為已到期但並無減值。該等結餘與過往並無違責紀錄的多名獨立客戶有關。

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21 Trade and other receivables (Continued)

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

		Group 本集團		Company 本公司	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
0 – 30 days	零至三十日	-	110	-	-
31 – 60 days	三十一至六十日	106	713	-	-
61 – 90 days	六十一至九十日	-	51	-	-
Over 90 days	九十日以上	6,562	3,442	-	-
		6,668	4,316	-	-

Included in the trade receivables are amounts due from related companies of RMB6,397,000 (2008: Nil) and an associate of RMB16,842,000 (2008: RMB6,428,000). No impairment has been made to receivables from related companies.

21 貿易及其他應收款(續)

已到期但並無減值的貿易應收款的賬齡分析如下：

貿易應收款包括應收關連公司款項人民幣6,397,000元(二零零八年：無)及應收聯營公司款項人民幣16,842,000元(二零零八年：人民幣6,428,000元)。應收關連公司的款項並無作出任何減值。

Bank acceptance bills

		Group 本集團		Company 本公司	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Discounted bills (Note 25(a))	貼現票據(附註25(a))	67,071	-	-	-
Endorsed bills	背書票據	27,555	27,651	-	-
Bills on hand	手頭票據	58,428	35,897	-	-
		153,054	63,548	-	-

The bank acceptance bills are normally with maturity period of 180 days (2008: 180 days). There is no recent history of default on bank acceptance bills.

銀行承兌票據

銀行承兌票據一般到期期限為一百八十日(二零零八年：一百八十日)。銀行承兌票據近期並無違責紀錄。

As at 31 December 2009 and 2008, all other receivables aged between 0-30 days.

於二零零九年及二零零八年十二月三十一日，其他應收款的賬齡全部均為零至三十日。

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21 Trade and other receivables (Continued)

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

21 貿易及其他應收款(續)

貿易及其他應收款的賬面值以下列貨幣列值：

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Hong Kong Dollars	港元	149	405	-	255
British Pound	英鎊	-	4	-	4
Euro	歐元	-	2,437	-	-
Renminbi	人民幣	213,957	110,709	-	-
		214,106	113,555	-	259

22 Cash and cash equivalents and pledged bank deposits

22 現金及現金等價物及已抵押銀行存款

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cash and cash equivalents:	現金及現金等價物：				
Cash at bank and in hand (Note (a))	銀行現金及手頭現金(附註(a))	291,296	207,497	833	3,587
Short-term bank deposits (Note (b))	短期銀行存款(附註(b))	-	35,328	-	5,473
		291,296	242,825	833	9,060
Pledged bank deposits	已抵押銀行存款	2,004	-	-	-
		293,300	242,825	833	9,060

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22 Cash and cash equivalents and pledged bank deposits (Continued)

Cash and cash equivalents and pledged bank deposits are denominated in the following currencies:

22 現金及現金等價物及已抵押銀行存款(續)

現金及現金等價物及已抵押銀行存款以下列貨幣列值：

		Group 本集團		Company 本公司	
		2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
United States Dollars	美元	5,404	574	-	-
Hong Kong Dollars	港元	4,501	33,442	833	3,587
British Pound	英鎊	-	5,473	-	5,473
Renminbi (Note (c))	人民幣(附註(c))	283,395	203,336	-	-
		293,300	242,825	833	9,060

Note:

- (a) Cash at banks earns interest at daily floating rates of bank deposit.
- (b) Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirement of the Group, and earn interest at the respective short-term time deposit rates.
- (c) The Group's bank balances and deposits denominated in RMB are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the government of the PRC.

附註：

- (a) 銀行現金乃按銀行存款的每日浮息利率賺取利息。
- (b) 短期定期存款的存放期由一日至三個月不等，視乎本集團的即時現金需求而定，並按相應的短期定期存款利率賺取利息。
- (c) 本集團以人民幣列值的銀行結餘及存款乃存入中國的銀行。兌換該等以人民幣為單位的結餘為外幣及將資金匯出中國以外須遵守中國政府頒佈的外匯管制規則及規例。

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23 Trade and other payables

23 貿易及其他應付款

		Group 本集團		Company 本公司	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Trade payables	貿易應付款	85,528	58,053	-	-
Bills payable	應付票據	2,712	-	-	-
Total trade and bills payables	貿易應付款及應付 票據總額	88,240	58,053	-	-
Advances from customers	客戶墊支	60,389	29,868	-	-
Deposits	訂金	2,818	7,569	-	-
Sales commission	銷售佣金	3,723	4,320	-	-
Other tax payables	其他應付稅項	12,616	13,684	-	-
Accrued expenses	應計費用	4,100	1,719	1,616	1,698
Payroll and welfare payables	應付薪金及福利	5,854	5,817	2,000	2,000
Payable for construction and equipment	建築及設備應付款	34,649	22,544	-	-
Others	其他	5,595	8,889	-	-
		129,744	94,410	3,616	3,698
		217,984	152,463	3,616	3,698

Bills payable are secured by pledged bank deposits (Note 22) of RMB2,004,000 and bank acceptance bills of RMB708,000.

應付票據已以已抵押銀行存款人民幣2,004,000元(附註22)及銀行承兌票據人民幣708,000元作抵押。

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23 Trade and other payables (Continued)

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

		Group		Company	
		本集團	本公司	本公司	本公司
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
0 – 60 days	零至六十日	52,521	32,874	-	-
61 – 90 days	六十一至九十日	11,114	9,997	-	-
Over 90 days	九十日以上	24,605	15,182	-	-
Total	合計	88,240	58,053	-	-

Included in the trade and other payables are payables to related companies and a minority shareholder amounting to RMB50,000 (2008: RMB160,000) and RMB4,516,000 (2008: RMB2,415,000) respectively.

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

23 貿易及其他應付款(續)

以下為報告期終貿易應付款及應付票據的賬齡分析：

貿易及其他應付款包括應付關連公司及一名少數股東的款項分別為人民幣50,000元(二零零八年：人民幣160,000元)及人民幣4,516,000元(二零零八年：人民幣2,415,000元)。

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

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23 Trade and other payables (Continued)

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

23 貿易及其他應付款(續)

貿易及其他應付款的賬面值以下列貨幣列值：

		Group		Company	
		本集團		本公司	
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
United States Dollars	美元	2,220	3,067	-	-
Hong Kong Dollars	港元	1,636	1,719	1,616	1,698
Renminbi	人民幣	214,128	147,677	2,000	2,000
		217,984	152,463	3,616	3,698

24 Employee housing deposits

24 員工房屋保證金

		Group	
		本集團	
		At 31 December	
		於十二月三十一日	
		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Basic deposit portion	基本保證金部分	26,381	26,499
Instalment portion	分期付款部分	-	12,407
Instalment portion refundable:	可退回分期付款部分：		
Within 1 year	一年內	-	12,407

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24 Employee housing deposits (Continued)

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

The employee housing deposits consist of two portions, the basic deposit portion and instalment portion. Basic deposit portion is interest free, unsecured and repayable one month upon the return of the staff quarters by the employee or termination of employment. The instalment portion is unsecured and repayable by instalment of 30% at the end of the third and fourth year from the date on which the instalment portion is received. The remaining 40% of the instalment portion is repayable at the end of the fifth year from the date on which the instalment portion is received.

The imputed interest of instalment portion on initial recognition and recognition of interest expense is determined with reference to the bank deposit rate of 3.88% per annum. In light of the strong cashflow position, the directors of Golden Corn passed a resolution on 28 November 2008 to repay all the remaining instalment portion of employee housing deposit in March 2009. Therefore, the imputed interest for the year ended 31 December 2008 of the instalment portion has been reversed and charged to the statement of comprehensive income statement.

24 員工房屋保證金(續)

本集團向員工提供宿舍，旨在鼓勵其為本集團長期服務。這些宿舍由本集團建造，定期供員工申請。由於員工宿舍求過於供，且涉及龐大建設成本，員工須向本集團繳付房屋保證金。本集團利用從員工收取的房屋保證金作為一般營運資金。

員工房屋保證金由兩個部分組成，即基本保證金部分及分期付款部分。基本保證金部分乃免息、無抵押及於員工交回員工宿舍後或員工終止僱用後一個月內償還。分期付款部分乃無抵押及由收到分期付款部分日期起計第三及第四年底分別償還30%。分期付款部分餘下的40%須由收到分期付款部分日期起計第五年底償還。

分期付款部分估算利息的初次確認及利息開支的確認是參照銀行存款年利率3.88厘而釐定。鑑於現金流量狀況穩健，金玉米的董事於二零零八年十一月二十八日通過決議案，於二零零九年三月償還員工房屋保證金的所有餘下分期部分。因此，於截至二零零八年十二月三十一日止年度分期部分的估算利息已撥回及於全面收益表中扣除。

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25 Borrowings

25 借款

		Group 本集團	
		2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Cash advances for discounted bills, secured (Note (a))	貼現票據的現金墊支，已抵押(附註(a))	67,071	–
Government loan, unsecured (Note (b))	政府貸款，無抵押(附註(b))	9,750	9,750
		76,821	9,750
Carrying amount payables: Within 1 year	應付賬面值： 一年內	69,509	1,551
Between 1 and 2 years	一年至兩年	886	886
Between 2 and 5 years	兩年至五年	2,659	2,659
Over 5 years	超過五年	3,767	4,654
		76,821	9,750
Less: Amount due within one year shown under current liabilities	減：在流動負債項下一年內到期的金額	(69,509)	(1,551)
		7,312	8,199

Note:

附註：

(a) The Group discounted bills receivable of RMB67,071,000 (2008: Nil) to banks in exchange for cash as at 31 December 2009. The transactions have been accounted for as collateralised bank advance. The cash advances for discounted bills are repayable within one year and bear interest at 1.71% to 5.04% per annum. Interest expense on discounted bills for 31 December 2009 is RMB2,090,000.

(a) 本集團應收銀行貼現票據款項人民幣67,071,000元(二零零八年：無)已於二零零九年十二月三十一日貼現，以換取現金。交易以有抵押的銀行墊款入賬。貼現票據的墊支現金須於一年內償還，及以年利率1.71%至5.04%計息。於二零零九年十二月三十一日，貼現票據的利息支出為人民幣2,090,000元。

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25 Borrowings (Continued)

Note: (Continued)

- (b) Government loan represented government assistance provided to Golden Corn, for its corn refinery production by Finance Bureau of Shouguang City in April 2004. The balance is unsecured, interest free and fully repayable by 6 April 2019. According to the loan agreement, the loan is repayable by 11 annual instalment commencing from 6 April 2008.

As at 31 December 2009, all of the Group's interest bearing borrowings are carried at fixed rate and the effective interest rate is 3.36% (2008: 0%).

26 Deferred taxation

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

The balances shown in the consolidated statement of financial position are, after appropriate offsetting, as follows:

25 借款(續)

附註:(續)

- (b) 政府貸款指壽光市財政局於二零零四年四月就玉米深加工生產向金玉米提供的政府資助。該結欠乃無抵押、免息及須於二零一九年四月六日前悉數償還。根據貸款協議，貸款須於二零零八年四月六日起按年分十一期償還。

於二零零九年十二月三十一日，本集團的所有帶息借款皆以固定利率計息，而其實際利率為3.36%(二零零八年：0%)。

26 遞延稅項

遞延所得稅乃根據債務法採用於報告期終之前已經頒佈或實際上已經頒佈的稅率計算臨時差異。

經適當抵銷後，綜合財務狀況報表的結餘如下：

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deferred tax liabilities	遞延稅項負債	(75)	-
Deferred tax assets	遞延稅項資產	6,019	206
		5,944	206

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26 Deferred taxation (Continued)

The movement on the net deferred tax is as follows:

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	206	1,183
Credited/(charged) to the statement of comprehensive income	撥入/(扣除自)全面收益表	5,738	(977)
At 31 December	於十二月三十一日	5,944	206

The movement of deferred tax assets and liabilities prior to offsetting of balances within the same taxation jurisdiction is as follows:

Deferred tax liabilities

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	(1,713)	(1,605)
Charged to the statement of comprehensive income	於全面收益表中扣除	(107)	(108)
At 31 December	於十二月三十一日	(1,820)	(1,713)

26 遞延稅項(續)

遞延稅項淨額的變動如下：

於抵銷同一稅務司法權區的結餘前，遞延稅項資產及負債的變動如下：

遞延稅項負債

Realised gain on injecting property plant and, equipment and land use right as capital contribution
注入物業、廠房及設備和土地使用權作為注資產生的已變現收益

2009	2008
二零零九年	二零零八年
RMB'000	RMB'000
人民幣千元	人民幣千元

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26 Deferred taxation (Continued)

Deferred tax assets

		26 遞延稅項(續)			
		遞延稅項資產			
		Impairment of property, plant and equipment			
		物業、廠房及設備的減值			
		Other			
		其他			
		Total			
		合計			
		Tax loss			
		稅務虧損	及設備的減值	其他	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2008	於二零零八年一月一日	-	2,167	621	2,788
Charged to the statement of comprehensive income	於全面收益表扣除	-	(248)	(621)	(869)
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日及二零零九年一月一日	-	1,919	-	1,919
Credited/(charged) to the statement of comprehensive income	撥入/(扣除自)全面收益表	6,019	(174)	-	5,845
At 31 December 2009	於二零零九年十二月三十一日	6,019	1,745	-	7,764

Deferred tax assets are recognised for tax losses carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31 December 2008, the Group did not recognise deferred tax assets of RMB4,357,000 in respect of losses amounting to RMB17,429,000 that can be carried forward against future taxable income. The unrecognised tax losses will expire in 2012. There are no unrecognised tax losses as at 31 December 2009.

遞延稅項資產乃因應相關稅務利益可透過未來應課稅利潤變現而就所結轉的稅務虧損作確認。於二零零八年十二月三十一日，本集團未確認的遞延稅項資產為人民幣4,357,000元，乃關於可結轉至未來應課稅收入的虧損人民幣17,429,000元。未確認稅務虧損將於二零一二年到期。於二零零九年十二月三十一日並無未確認稅務虧損。

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27 Deferred income

27 遞延收入

		Steam connection income 蒸汽 接駁收入 RMB'000 人民幣千元	Group 本集團 Staff quarter rental income 員工宿舍 租金收入 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2008	於二零零八年一月一日	14,947	2,476	17,423
Additions	增加	4,512	-	4,512
Amortisation for the year	本年度攤銷	(1,932)	(2,476)	(4,408)
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日 及二零零九年一月一日	17,527	-	17,527
Additions	增加	4,459	-	4,459
Amortisation for the year	本年度攤銷	(2,384)	-	(2,384)
At 31 December 2009	於二零零九年十二月三十一日	19,602	-	19,602

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

蒸汽接駁收入指為客戶接駁蒸汽管道的已收／應收款。

The deferred balance of staff quarter rental income is determined based on the difference between the nominal amount and the fair value of the instalment portion of the employee housing deposits (Note 24) at initial recognition. It is amortised over the expected occupancy period of the staff quarter by the employees of 5 years on a straight-line basis.

員工宿舍租金遞延收入餘額是按員工房屋保證金(附註24)的分期付款部分於最初確認時的賬面值與公平值的差額釐定。該等款項以直線法在預期員工佔用員工宿舍期間五年內攤銷。

In light of the strong cashflow position, the directors of Golden Corn passed a resolution on 28 November 2008 to repay all the remaining instalment portion of employee housing deposit in March 2009. Thus, the deferred balance of staff quarter rental income as at 31 December 2008 was fully amortised.

鑑於現金流量狀況穩健，金玉米的董事於二零零八年十一月二十八日通過決議，於二零零九年三月償還員工房屋保證金的所有餘下分期部分。因此，員工宿舍租金遞延收入餘額已於二零零八年十二月三十一日全數攤銷。

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28 Share capital

Movements in the Company's authorised share capital are as follows:

		Number of shares	Share capital
		股份數目	股本
		'000	HK\$'000
		千股	千港元
Authorised	法定		
At 1 January 2008	於二零零八年一月一日	1,000,000	100,000
Increase on 16 May 2008 (Note (i))	於二零零八年五月十六日增加(附註(i))	9,000,000	900,000
At 31 December 2008 and 2009	於二零零八年及二零零九年十二月三十一日	10,000,000	1,000,000

28 股本

本公司的法定股本變動如下：

Movements in the Company's issued share capital are as follows:

本公司的已發行股本變動如下：

		Number	Share	
		of shares	capital	
		股份數目	股本	
		'000	HK\$'000	RMB'000
		千股	千港元	人民幣千元
Issued and fully paid	已發行及繳足			
At 1 January 2008	於二零零八年一月一日	522,500	52,250	50,477
Bonus shares issued on 16 May 2008 (Note (ii))	於二零零八年五月十六日 發行紅股(附註(ii))	2,090,000	209,000	187,285
At 31 December 2008 and 2009	於二零零八年及二零零九年 十二月三十一日	2,612,500	261,250	237,762

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28 Share capital (Continued)

Note:

- (i) Pursuant to the resolution passed at the extraordinary general meeting held on 16 May 2008, the authorised share capital of the Company was increased from HK\$100,000,000 to HK\$1,000,000,000 by the creation of an additional 9,000,000,000 shares of HK\$0.1 each.
- (ii) Pursuant to the resolution passed at the extraordinary general meeting held on 16 May 2008, 2,090,000,000 bonus shares were issued at nil consideration. The issued and fully paid capital have been increased from HK\$52,250,000 (equivalent to RMB50,477,000) to HK\$261,250,000 (equivalent to RMB237,762,000) by the creation of an additional 2,090,000,000 shares of HK\$0.1 each. The bonus shares were credited as fully paid by way of capitalisation of HK\$209,000,000 (equivalent to RMB187,285,000) in the share premium account of the Company (Note 29).

28 股本(續)

附註：

- (i) 根據於二零零八年五月十六日舉行的股東特別大會上通過的決議案，透過額外設立9,000,000,000股每股面值0.1港元的股份，本公司的法定股本由100,000,000港元增加至1,000,000,000港元。
- (ii) 根據於二零零八年五月十六日舉行的股東特別大會上通過的決議案，無償發行2,090,000,000股紅股。透過額外設立2,090,000,000股每股面值0.1港元的股份，本公司的已發行及繳足股本由52,250,000港元(相當於人民幣50,477,000元)增加至261,250,000港元(相當於人民幣237,762,000元)。透過將本公司股份溢價賬內209,000,000港元(相當於人民幣187,285,000元)資本化，紅股已入賬列為繳足(附註29)。

29 Reserves

29 儲備

		Company 本公司				
		Share premium 股份溢價 RMB'000 人民幣千元 (Note (i)) (附註(i))	Special reserve 特別儲備 RMB'000 人民幣千元 (Note (ii)) (附註(ii))	Capital reserve 資本儲備 RMB'000 人民幣千元	Retained profits 留存利潤 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2008	於二零零八年一月一日	458,893	108,651	16,730	(14,297)	569,977
Profit for the year	本年度利潤	-	-	-	43,009	43,009
Dividend	股息	-	-	-	(17,870)	(17,870)
Issue of bonus shares (Note (iii))	發行紅股(附註(iii))	(187,285)	-	-	-	(187,285)
At 31 December 2008	於二零零八年 十二月三十一日	271,608	108,651	16,730	10,842	407,831
At 1 January 2009	於二零零九年一月一日	271,608	108,651	16,730	10,842	407,831
Loss for the year	本年度虧損	-	-	-	(8,313)	(8,313)
Dividend	股息	(26,254)	-	-	-	(26,254)
At 31 December 2009	於二零零九年 十二月三十一日	245,354	108,651	16,730	2,529	373,264

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29 Reserves (Continued)

Note:

- i. Under the Cayman Companies Law, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Association and provided that immediately following the distribution of dividends, the Company is able to pay its debts as they fall due in the ordinary course of business.
- ii. Special reserve of the Company and the Group represents (a) the difference between the nominal value of the share capital and share premium issued by the Company and the aggregate of the share capital and share premium of the subsidiaries acquired upon the Group's reorganisation; and (b) the difference between the consideration paid by the direct subsidiary for the entire registered capital of the indirect subsidiary and the amount of registered capital of the indirect subsidiary.
- iii. Pursuant to the resolution passed at the extraordinary general meeting held on 16 May 2008, 2,090,000,000 bonus shares were issued at nil consideration. The issued and fully paid capital have been increased from HK\$52,250,000 (equivalent to RMB50,477,000) to HK\$261,250,000 (equivalent to RMB237,762,000) by the creation of an additional 2,090,000,000 shares of HK\$0.1 each. The bonus shares were credited as fully paid by way of capitalisation of HK\$209,000,000 (equivalent to RMB187,285,000) in the share premium account of the Company (Note 28).

29 儲備(續)

附註：

- i. 根據開曼群島公司法，在組織章程大綱或細則規限下，本公司的股份溢價可供向股東分派或派付股息，惟於緊隨股息分派後，本公司須有能力償還其於日常業務中到期的債務。
- ii. 本公司及本集團的特別儲備指(a)集團重組後本公司已發行股本及股份溢價面值與所收購附屬公司的股本及股份溢價總值之間的差異；及(b)直接附屬公司就間接附屬公司全部註冊資本支付的代價與間接附屬公司的註冊資本之間的差異。
- iii. 根據於二零零八年五月十六日舉行的股東特別大會上通過的決議案，無償發行2,090,000,000股紅股。透過額外設立2,090,000,000股每股面值0.1港元的股份，本公司的已發行及繳足股本由52,250,000港元(相當於人民幣50,477,000元)增加至261,250,000港元(相當於人民幣237,762,000元)。透過將本公司股份溢價賬內209,000,000港元(相當於人民幣187,285,000元)資本化，紅股已入賬列為繳足(附註28)。

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30 Operating lease commitments

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating lease which fall due as follows:

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
No later than 1 year	一年內	657	394
Later than 1 year and no later than 5 years	一年後但五年內	-	306
		657	700

Operating lease payments mainly represent rentals payable by the Group for certain of its office. Generally, the Group's operating leases are for terms of 1 to 3 years.

30 經營租賃承擔

於報告期終，本集團根據不可撤銷經營租賃的日後最低租賃金額承擔到期支付情況如下：

經營租賃金額主要指本集團若干辦公室的應付租金。一般而言，本集團的經營租賃為期一至三年。

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31 Capital commitments

31 資本承擔

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Capital expenditure contracted for but not provided for in the financial statements in respect of:		
– property, plant and equipment	3,963	30,445
– prepaid lease payments (Note 16)	–	20,000
	3,963	50,445

32 Share-based payment transactions

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

As at 31 December 2009 and 2008, no options have been granted under the Scheme of the Company.

32 以股份支付款項的交易

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

於二零零九年及二零零八年十二月三十一日，概無根據本公司該計劃授出任何購股權。

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33 Related party transactions

During the year, the Group entered into the following transactions with related parties:

(i) Sales and purchases

		Trade sales 貿易銷售額		Trade purchases 貿易採購額	
		2009	2008	2009	2008
		二零零九年	二零零八年	二零零九年	二零零八年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Related companies (Notes (a), (b))	關連公司 (附註(a), (b))	-	-	-	427
An associate (Note (c))	一家聯營公司(附註(c))	109,773	139,065	-	-
		109,773	139,065	-	427

Sales and purchases were based on contract price.

銷售額及採購額根據合約價格計算。

(ii) Sales of electricity and steam

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Related companies (Notes (a), (d))	關連公司 (附註(a), (d))	43,940	24,957
An associate (Note (c))	一家聯營公司(附註(c))	4,889	5,098
		48,829	30,055

Sales of electricity and steam were based on contract price.

電力及蒸汽銷售額根據合約價格計算。

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33 Related party transactions (Continued)

(iii) Purchase of electricity and steam

	2009	2008
	二零零九年	二零零八年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
A related company (Note (c)) 一家關連公司(附註(c))	44,131	14,957

The purchase of electricity and steam was based on contract price.

電力及蒸汽採購額根據合約價格計算。

(iv) Rental income

	2009	2008
	二零零九年	二零零八年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
An associate (Note (c)) 一家聯營公司(附註(c))	90	90

The rental income charged represents the rental income for plant and office based on contract price.

收取的租金收入指根據合約價格計算的廠房及辦公室的租金收入。

(v) Service charge income

	2009	2008
	二零零九年	二零零八年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
An associate (Note (c)) 一家聯營公司(附註(c))	432	442

The service charge income represents the provision of purchasing facilities to an associate based on contract price.

服務費收入指根據合約價格向一家聯營公司提供購買設施。

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33 Related party transactions (Continued)

(vi) Sales of bank acceptance bills

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Related companies (Note (a)) 關連公司(附註(a))	42,400	-

During the year, the sales of bank acceptance bills to 山東壽光巨能控股集團有限公司 (Shandong Shouguang Juneng Holding Group Co., Ltd) ("Juneng Holding Group") and 山東壽光巨能特鋼有限公司 (Shandong Shouguang Juneng Special Steel Co., Ltd) amounted to RMB2,400,000 and RMB40,000,000 respectively. The sales amount were equal to the face value of these bills, resulting in no gain or loss reported by the Group. These transactions constituted as connected transactions as defined under Chapter 14A of the Listing Rules.

年內，銷售予山東壽光巨能控股集團有限公司(「巨能控股集團」)及山東壽光巨能特鋼有限公司的銀行承兌票據分別為人民幣2,400,000元及人民幣40,000,000元。銷售金額相等於該等票據的面值，導致本集團並無呈報任何損益。該等交易構成關連交易(定義見上市規則第14A章)。

(vii) Key management compensation

	2009 二零零九年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元
Short-term benefits 短期福利	3,428	3,428
Retirement benefits 退休福利計劃供款 scheme contribution	40	32
	3,468	3,460

33 關連方交易(續)

(vi) 銷售銀行承兌票據

(vii) 主要管理層的報酬

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33 Related party transactions (Continued)

(viii) Accounts receivables/payables to related parties

33 關連方交易(續)

(viii) 應收／應付予關連方款項

		2009	2008
		二零零九年	二零零八年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Account receivables from an associate (Note (e))	應收一家聯營公司款項(附註(e))	16,842	6,428
Account receivables from related companies (Note (e))	應收關連公司款項(附註(e))	6,397	-
Account payables to related companies (Note (f))	應付關連公司款項(附註(f))	50	160
Account payables to a minority shareholder (Note (f))	應付一名少數股東款項(附註(f))	4,516	2,415

Note:

- (a) Those related companies are Juneng Holding Group and its subsidiaries, or the company in which Mr. Tian has significant influence.
- (b) These transactions constituted continuing connected transaction as defined under Chapter 14A of the Listing Rules but was fully exempted under rule 14A.33(3) of the Listing Rules.
- (c) These transactions did not constitute connected transactions or continuing connected transactions as defined under Chapter 14A of the Listing Rules.
- (d) During the year, the sales of steam amounted to RMB290,000 (2008: RMB235,000) was also a continuing connected transaction as defined under Chapter 14A of the Listing Rules but was fully exempted under rule 14A.33(3) of the Listing Rules. However, during the same year, the sales of electricity to Electricity Company of Shouguang City which amounted to RMB43,650,000 (2008: RMB24,722,000) did not constitute connected transaction or continuing connected transactions under Chapter 14A of the Listing Rules.

附註：

- (a) 該等關連公司為巨能控股集團及其附屬公司，或田先生對其有重大影響的公司。
- (b) 該等交易構成上市規則第14A章所界定的持續關連交易，惟獲全面豁免遵守上市規則第14A.33(3)條。
- (c) 該等交易並不構成上市規則第14A章所界定的關連交易或持續關連交易。
- (d) 於年內，蒸汽銷售額達人民幣290,000元(二零零八年：人民幣235,000元)，根據上市規則第14A章所界定者，亦為持續關連交易，惟獲全面豁免遵守上市規則第14A.33(3)條。然而，同年向壽光市電業公司銷售電力涉及款項人民幣43,650,000元(二零零八年：人民幣24,722,000元)並不構成上市規則第14A章所界定的關連交易或持續關連交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

33 Related party transactions (Continued)

Note: (Continued)

- (e) The amounts outstanding are unsecured and will be settled within the credit term granted. No guarantees have been given or received. No expense has been recognised in the year for bad or doubtful debts in respect of the amounts due from related parties.
- (f) Balance are unsecured, interest free and shall be settled in accordance with the respective trading terms.

34 Events after the reporting date

- (a) In February 2010, the Group placed 277,340,000 new shares at HK\$1.4 per share. The Group has raised new funds of approximately RMB335,678,000, net of expenses, from the equity market and will use the fund for the expansion of production capacity and as general working capital.
- (b) The Board proposes to increase the share capital of the Company by capitalising the share premium of the Company on the basis of one new ordinary share for every one ordinary share held to the shareholders of the Company whose names are on the register of members on 17 June 2010. Based on a total 2,889,840,000 shares in issue as at the date of this report, 2,889,840,000 bonus shares will be issued by the Company. The bonus issue of shares is subject to the approval of the shareholders of the Company in the annual general meeting (the "AGM") of the Company. The amount of share capital is estimated to be increased by approximately RMB254,161,000 (subject to the exchange rate on the date of approval by the shareholders of the Company in the AGM).

33 關連方交易(續)

附註:(續)

- (e) 尚未償還款項乃無抵押並將於所授予的信貸期內結算。概無提供或接獲任何擔保。於年內，並無就有關應收關連方款項的呆壞賬確認開支。
- (f) 結餘乃無抵押、免息，並須根據各自的交易條款償還。

34 報告日期後事項

- (a) 於二零一零年二月，本集團以每股1.4港元配售277,340,000股新股份。扣除開支後，本集團從股票市場等集得新資金約人民幣335,678,000元，將會用作擴展生產能力及一般營運資金。
- (b) 董事會建議增加本公司股本，方式為將本公司按每持有一股普通股獲發一股新普通股的基準向二零一零年六月十七日名列本公司股東名冊的股東發行紅股的股份溢價撥充為資本。根據於本報告日期已發行2,889,840,000股股份計算，本公司將發行2,889,840,000股紅股。紅股發行須待本公司股東於本公司即將舉行的股東週年大會(「股東週年大會」)上批准，方可作實。股本金額預期增加約人民幣約254,161,000元(須視乎本公司股東於股東週年大會上批准當日之匯率而定)。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

A summary of the results, assets and liabilities of the Group for the last five financial years is as follows:

本集團於最近五個財政年度的業績、資產及負債的概要如下：

		2005 二零零五年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Results	業績					
Turnover	營業額	948,205	1,031,506	1,349,962	1,530,446	1,957,525
Gross profit	毛利	120,555	195,239	265,285	189,163	211,941
Operating profit	經營利潤	85,688	148,358	218,019	99,413	124,765
Profit for the year	本年度利潤	80,591	114,390	203,720	95,226	126,814
Profit attributable to shareholders	股東應佔利潤	40,918	66,574	203,720	98,234	126,659
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利 (人民幣)	0.0312	0.0507	0.1251	0.0376	0.0485
		2005 二零零五年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Assets and Liabilities	資產及負債					
Total assets	總資產	885,265	842,902	1,112,485	1,111,471	1,339,495
Total liabilities	總負債	(584,602)	(659,117)	(320,144)	(223,774)	(351,238)
		300,663	183,785	792,341	887,697	988,257
Equity attributable to equity holders of the Company	本公司權益持有人 應佔權益	164,111	183,785	792,341	872,705	971,882
Minority interests	少數股東權益	136,552	-	-	14,992	16,375
		300,663	183,785	792,341	887,697	988,257

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