



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)

ANNUAL REPORT 2011 年報



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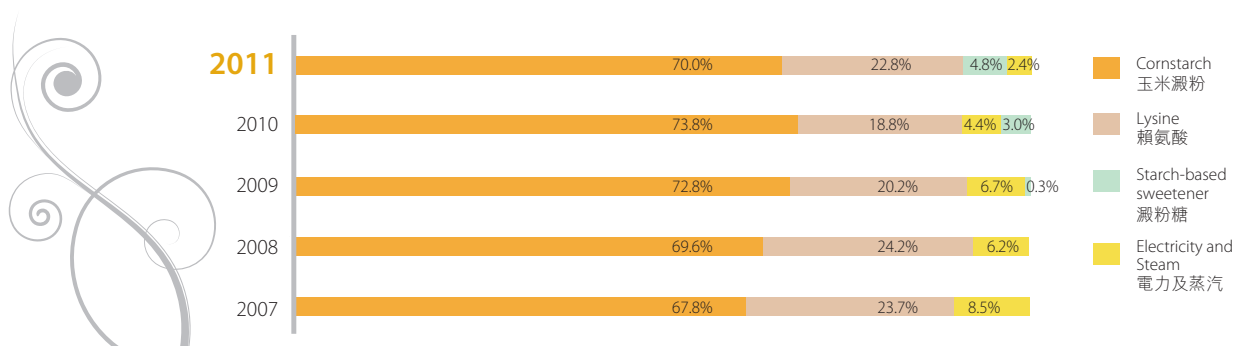
Financial Highlights and Summary

財務摘要及總結

	2007	2008	2009	2010	2011
	二零零七年	二零零八年	二零零九年	二零一零年	二零一一年
	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

Results	業績					
Turnover	營業額	1,349,962	1,530,446	1,957,525	2,504,733	3,018,871
Gross profit	毛利	265,285	189,163	211,941	284,697	449,808
Operating profit	經營利潤	218,019	99,413	124,765	181,985	303,392
Profit for the year	本年度利潤	203,720	95,226	126,814	163,345	230,177
Profit attributable to shareholders	股東應佔利潤	203,720	98,234	126,659	161,711	228,990

Turnover by business segment 業務分部營業額



Financial Highlights and Summary

財務摘要及總結

		2007	2008	2009	2010	2011
		二零零七年	二零零八年	二零零九年	二零一零年	二零一一年
		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
Assets and Liabilities	資產及負債					
Total assets	總資產	1,112,485	1,111,471	1,339,495	1,782,107	2,013,379
Total liabilities	總負債	(320,144)	(223,774)	(351,238)	(324,001)	(357,242)
Non-controlling interests	非控股股東權益	–	(14,992)	(16,375)	(18,009)	(19,196)
Shareholder's equity	股東權益	792,341	872,705	971,882	1,440,097	1,636,941
Major financial data	主要財務數據					
Current ratio (Times)	流動比率(倍)	2.3	2.5	2.2	3.9	4.1
Quick ratio (Times)	速動比率(倍)	1.9	1.8	1.6	3.3	3.5
Gearing – borrowings to total assets	槓桿比率 – 借款 除以總資產	10.1%	0.9%	5.7%	2.1%	0.4%
Debtors turnover (Days)	應收賬款週轉(天數)	38	30	30	40	37
Creditors turnover (Days)	應付賬款週轉(天數)	20	16	15	13	10
Inventories turnover (Days)	存貨週轉(天數)	39	34	34	32	29
Cash conversion (Days)	現金轉換(天數)	57	48	49	59	56

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 (retired on 4 September 2011)
Mr. Cao Zeng Gong
Mr. Yue Kwai Wa, Ken

COMPANY SECRETARY

Mr. Leung Siu Hong, FCCA, FCPA, ACIS, ACS

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

Suite 3312, Tower 1
Times Square
1 Matheson Street
Causeway Bay
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(於二零一一年九月四日退休)
曹增功先生
余季華先生

公司秘書

梁兆康先生 · FCCA, FCPA, ACIS, ACS

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

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銅鑼灣
勿地臣街一號
時代廣場
一座3312室

核數師

羅兵咸永道會計師事務所
香港
中環
太子大廈22樓

Corporate Information

公司資料

LEGAL ADVISERS

As to Hong Kong Law:
Chiu & Partners

As to Cayman Islands Law:
Conyers Dill & Pearman

PRINCIPAL BANKERS

China Construction Bank Corporation
Agricultural Bank of China
Industrial and Commercial Bank of China
Shandong Shouguang Rural Commercial Bank
China Merchants Bank

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
Hong Kong

WEBSITE

www.chinastarch.com.hk

法律顧問

香港法律：
趙不渝 馬國強律師事務所

開曼群島法律：
Conyers Dill & Pearman

主要往來銀行

中國建設銀行
中國農業銀行
中國工商銀行
山東壽光農村商業銀行
招商銀行

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

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Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China Starch Holdings Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2011.

BUSINESS REVIEW

The global economic recovery picked up speed again in early 2011, however, in the face of the economic stagnation in the market of the United States of America and the European credit crisis, recovery slowed down in the second half of the year under review accordingly. Meanwhile, inflation was stubbornly high in the People's Republic of China (the "PRC") which also dragged down the pace of economic rebound. Considering these economic uncertainties, the Group continuously operated in a conservative manner throughout the year.

During the year under review, the Group sustained a steady growth in the overall performance despite facing the challenge of rising raw material prices such as corn kernel prices and coal prices. Although, the strong upturn in the first half of the year was followed by weaker growth in the second half, the Group was still able to sustain a satisfactory growth in its overall turnover. During the year, the Group introduced a new product, 70% lysine, which successfully increased the overall average selling price of our lysine portfolio.

During the year under review, the contribution to turnover from cornstarch, lysine and starch-based sweetener segments increased while that of electricity and steam segment decreased. Despite the year-on-year increase in corn kernel price, coal price and other production costs, the Group's overall performance was satisfactory.

FINANCIAL PERFORMANCE

The Group's turnover increased by 20.5% to approximately RMB3,018,871,000 (2010: RMB2,504,733,000), with gross profit increased by 58.0% to approximately RMB449,808,000 (2010: RMB284,697,000) as compared to that of last year. The Group recorded a net profit of approximately RMB230,177,000 (2010: RMB163,345,000), representing an increase of approximately 40.9% over the previous year.

致各位股東：

本人謹代表中國澱粉控股有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一一年十二月三十一日止的年度業績報告。

業務回顧

全球經濟復甦的步伐於二零一一年初加快，然而，受美國經濟停滯不前及歐洲信貸危機影響，因此，復甦步伐於回顧年度下半年放緩。與此同時，中華人民共和國(「中國」)通脹持續高企，亦拖慢經濟反彈速度。考慮到這些經濟不明朗因素，本集團於年內繼續採取保守的經營策略。

於回顧年內，儘管玉米粒及煤炭等原材料價格上升為我們帶來考驗，本集團卻保持穩定增長。雖然在前半年的強勁回升後，下半年的增長轉弱，但本集團的整體營業額仍能維持滿意增長。本集團於年內推出新產品70%賴氨酸，成功將我們賴氨酸產品的整體平均售價提升。

於回顧年內，玉米澱粉、賴氨酸及澱粉糖分部的營業額貢獻上升，售電力和蒸汽則下降。雖然玉米粒價格、煤炭價格和其他生產成本按年上升，但本集團的整體表現理想。

財務表現

本集團的營業額較去年上升20.5%至約人民幣3,018,871,000元(二零一零年：人民幣2,504,733,000元)，毛利則上升58.0%至約人民幣449,808,000元(二零一零年：人民幣284,697,000元)。本集團錄得純利約人民幣230,177,000元(二零一零年：人民幣163,345,000元)，較之前一年上升約40.9%。

Chairman's Statement

主席報告

Taking into account the expected future capital expenditure in relation to the production expansion plan (as explained below), the Board proposes to maintain the dividend per share for the year the same as the year of 2010 and recommends the payment of a final dividend of HK0.67 cents per share for the year ended 31 December 2011.

Turnover of the cornstarch and ancillary corn-refined products segment rose by 14.2% from approximately RMB1,848,924,000 last year to approximately RMB2,112,086,000 this year. Average unit price reached a record high of approximately RMB2,698 per tonne this year. The increase in turnover was mainly due to the increase in production costs and continuous growing demand in the domestic market.

For lysine and fertilisers, this segment had an outstanding performance with a considerable increase in the average selling price per tonne and gross profit this year. The sales volume of lysine reached approximately 54,758 tonnes (2010: 52,171 tonnes), with the utilisation rate of production facilities maintained at approximately 99.1% (2010: 94.0%). Turnover for this segment increased by 45.7% to approximately RMB687,972,000 (2010: RMB472,083,000).

After having undergone years of trial production, the starch-based sweetener segment grew steadily and finally generated gross profits for the Group this year. During the year under review, turnover of this segment increased to approximately RMB145,054,000 (2010: RMB75,908,000), representing a remarkable growth in turnover of approximately 91.1% over the previous year.

On the contrary, the Group recorded a decrease in turnover of the electricity and steam segment. Turnover decreased to approximately RMB73,759,000 (2010: RMB107,818,000), the decrease in turnover of this segment was mainly due to the reduction of external supply of electricity to the local electricity union network by the Group since the fourth quarter of 2010.

PROSPECTS AND DEVELOPMENT PLANS

The difficult and challenging global financial and economic environments are expected to create uncertainty and volatility in commodity prices which in turn affect costs of production. In response to the continuing rise in raw material prices in the near term, the Group will closely monitor the market trend of prices of raw material and strengthen its cost control measures. In the meantime, expansion of both domestic and international market and optimizing the production capacity will be jointly pursued in order to sustain healthy growth of the Group.

考慮到擴產計劃的預期未來資本開支(見下文所闡釋)，董事會建議本年度的每股股息與二零一零年相同，並建議就截至二零一一年十二月三十一日止年度派發末期股息每股0.67港仙。

玉米澱粉及玉米深加工副產品分部的營業額由去年約人民幣1,848,924,000元上升14.2%至今年約人民幣2,112,086,000元。今年的平均單價創出新高，達到每噸約人民幣2,698元。營業額增加主要因為生產成本上升及內需持續增長。

賴氨酸及肥料分部今年表現出色，無論在每噸平均售價及毛利方面均大幅提升。賴氨酸的銷售量達到約54,758噸(二零一零年：52,171噸)，生產設備的使用率則維持於約99.1%(二零一零年：94.0%)。此分部的營業額上升45.7%至約人民幣687,972,000元(二零一零年：人民幣472,083,000元)。

在經過多年的試產後，澱粉糖分部穩定增長，終於在今年為本集團帶來毛利。於回顧年度內，此分部的營業額上升至約人民幣145,054,000元(二零一零年：人民幣75,908,000元)，營業額較之前一年顯著增長約91.1%。

相反，本集團電力和蒸汽分部的營業額錄得下跌。營業額下跌至約人民幣73,759,000元(二零一零年：人民幣107,818,000元)，主要由於本集團於二零一零年第四季起減少對外供應電力予地方電力聯網。

展望及發展計劃

全球嚴峻的金融及經濟環境預期將令商品價格不明朗及波動，從而影響生產成本。為應付原材料價格不斷上升，本集團將密切監察原材料價格的市場趨勢，加強成本控制措施。此外，將致力擴大本地及國際市場並充份利用產能，使本集團業務繼續健康增長。

Chairman's Statement

主席報告

Our production development strategy is to develop new products by using cornstarch as raw material. It is intended that the trial production of crystallized starch-based sweetener will start in the first quarter of 2012.

The Group has achieved a breakthrough in the production expansion plan. With the support of the Municipal Government of Shouguang (the "Shouguang Municipal Government") of the PRC, the Group plans to expand its production capacity by relocating the existing production plant and facilities in Shouguang to a new production site as may be granted by the Shouguang Municipal Government. The proposed new production site is expected to remain in Shouguang, and the estimated annual production capacity of the new production site is also expected to be comparable to that of the existing one. The operation and production currently carried on at the existing production facilities will continue until the new production facilities are ready for production. The Group will negotiate for the grant of further new production site and preferential policies with the Shouguang Municipal Government in the near future.

The Board will continuously fine-tune its proposed expansion plan in order to minimize disturbance to the Group's business operation during the transitional period. Meanwhile, the Board remains prudent and optimistic towards the Group's future development and intends to be well prepared for the increasingly volatile markets and intensifying competition.

APPRECIATION

I wish to express our heartfelt gratitude to our fellow Directors and our staff for their dedication and contribution throughout the year, and to our shareholders who have given us their faith and belief over the years. Lastly, I take this opportunity to thank Ms. Yu Shumin, who retired in September 2011 as an independent non-executive Director.

Tian Qixiang

Chairman

Hong Kong, 23 March 2012

我們的生產發展策略乃利用玉米澱粉為原材料開發新產品。本集團擬於二零一二年第一季開始試產結晶澱粉糖。

本集團在擴產計劃方面取得突破。在中國壽光市政府(「壽光市政府」)的支持下，本集團打算將現時於壽光的生產廠房及設施遷往壽光市政府可能授出的新生產廠址，以擴充產能。建議的新生產廠址預期將仍在壽光，而新生產廠址的估計年產能亦預期與現時的產能相若。現有生產設施目前的營運和生產將繼續，直至新生產設施可以投產為止。本集團將於短期內與壽光市政府就取得更多新生產用地及優惠政策進行商討。

董事會將繼續調整擬落實的擴充計劃，以減少於過渡期間對本集團業務運作的干擾。與此同時，董事會對本集團的日後發展抱審慎樂觀態度，打算為日益波動的市場及白熱化的競爭作好準備。

致謝

本人謹此衷心感謝各位董事及員工於年內的付出和貢獻，以及股東一直以來對我們的信賴。最後，本人藉此機會向二零一一年九月退任的獨立非執行董事余淑敏女士致謝。

主席

田其祥

香港，二零一二年三月二十三日

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

The Group recorded a remarkable growth in turnover, gross profit and net profit during the year under review. Turnover of the Group increased by 20.5% to approximately RMB3,018,871,000 (2010: RMB2,504,733,000) while the gross profit increased by 58.0% to approximately RMB449,808,000 (2010: RMB284,697,000). Despite the looming threat of a potential new wave of credit crisis in the United States of America and the European countries, along with the tightening liquidity policy of the People's Republic of China (the "PRC"), market demand for our products remained strong and consistent. However, faced with the increasing inflationary pressures of corn kernel price and other raw material costs, the Directors are cautiously optimistic about the business outlook for the year 2012.

In respect of the business development of the Group in 2011, the starch-based sweetener segment started to contribute profit and a new lysine product, 70% lysine, was launched in the last quarter. In 2012, the Group will introduce crystallised starch-based sweetener and may relocate the existing production plant and facilities in Shouguang to a new production site with the same annual cornstarch and lysine production capacity of approximately 450,000 tonnes and 55,000 tonnes respectively. The Group management will closely monitor our development plan and the schedule of introduction of any new products to the market.

Profit after taxation increased by 40.9% to approximately RMB230,177,000 (2010: RMB163,345,000). The effective tax rate for the year was higher than that of previous year which resulted from the expiration of a preferential tax treatment of a 50% relief on the PRC Foreign Enterprise Income Tax of the indirectly wholly-owned 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").

Basic earnings per share of the Company was RMB0.0396 per share based on the weighted average number of 5,779,680,000 shares (2010: RMB0.0284 per share based on the weight average number of 5,687,233,000 shares).

概覽

於回顧年度內，本集團在營業額、毛利及純利均錄得顯著增長。本集團的營業額增加20.5%至約人民幣3,018,871,000元（二零一零年：人民幣2,504,733,000元），而毛利則增加58.0%至約人民幣449,808,000元（二零一零年：人民幣284,697,000元）。儘管美國及歐洲多國潛在的新一輪信貸危機威脅迫在眉睫，以及中華人民共和國（「中國」）實施收緊流動資金的政策，我們產品的市場需求依然保持強勁及穩定。然而，面對玉米粒價格及其他原材料成本不斷上漲的壓力，董事對二零一二年的業務前景抱持審慎樂觀態度。

就本集團的二零一一年業務發展而言，澱粉糖分部已開始貢獻利潤，而第四季亦已推出一種賴氨酸產品70%賴氨酸。於二零一二年，本集團將推出結晶澱粉糖，並可能將位於壽光的現有廠房及設施遷往新的生產地點，而玉米澱粉及賴氨酸分別約450,000噸及55,000噸的年產量則維持不變。本集團之管理層將密切監察我們的發展計劃以及任何新產品推出市場的進度。

除稅後利潤增加40.9%至約人民幣230,177,000元（二零一零年：人民幣163,345,000元）。本年度有效稅率較往年高，此乃由於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」）的中國境外企業所得稅50%減免稅項優惠政策的有效期已屆滿。

根據加權平均數5,779,680,000股計算，本公司的每股基本盈利為每股人民幣0.0396元（二零一零年：根據加權平均數5,687,233,000股計算，每股人民幣0.0284元）。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Business analysis

Cornstarch and ancillary corn-refined products

業務回顧

業務分析

玉米澱粉及玉米深加工副產品

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Turnover:	營業額：		
Cornstarch	玉米澱粉	1,491,658	1,318,421
Corn gluten meal	玉米蛋白粉	218,249	194,087
Corn fibre	玉米糠麩	124,296	114,222
Corn germ	玉米胚芽	273,746	218,906
Corn slurry	玉米漿	4,137	3,288
		2,112,086	1,848,924
Gross profit	毛利	194,203	189,972
Gross profit margin	毛利率	9.2%	10.3%

The average selling price per tonne and sales volume of cornstarch and ancillary corn-refined products are set as below:

玉米澱粉及玉米深加工副產品的每噸平均售價及銷售量載列如下：

		2011 二零一一年		2010 二零一零年	
		RMB/Tonne 人民幣／噸	Tonnes 噸	RMB/Tonne 人民幣／噸	Tonnes 噸
Cornstarch	玉米澱粉	2,698	552,876	2,407	547,857
Corn gluten meal	玉米蛋白粉	4,107	53,139	4,035	48,098
Corn fibre	玉米糠麩	989	125,660	1,049	108,867
Corn germ	玉米胚芽	3,590	76,249	2,987	73,292
Corn slurry	玉米漿	131	31,540	125	26,393

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Sales of cornstarch and ancillary corn-refined products for the year ended 31 December 2011 increased by 14.2% to approximately RMB2,112,086,000 (2010: RMB1,848,924,000). This business segment represented about 70.0% (2010: 73.8%) of total turnover of the Group.

Sales of cornstarch increased by 13.1% to approximately RMB1,491,658,000 (2010: RMB1,318,421,000). The average selling price and sales volume of cornstarch was about RMB2,698 per tonne (2010: RMB2,407 per tonne) and 552,876 tonnes (2010: 547,857 tonnes) respectively. As cornstarch is of a non-reusable nature and is hard to substitute, the market demand was still strong despite the economic uncertainties in the domestic market or overseas market.

Sales of corn gluten meal and corn fibre were approximately RMB218,249,000 (2010: RMB194,087,000) and RMB124,296,000 (2010: RMB114,222,000) respectively. The demand of such products is directly affected by the global animal feed market.

Corn germ is a major raw material for the production of cooking oil. The price of corn germ was affected by price of substitute goods, e.g. soybean germ, and inflation.

Gross profit of this business segment increased slightly by 2.2% to approximately RMB194,203,000 (2010: RMB189,972,000). The price adjustment of our products was slightly lagging behind the rise in costs due to the uncertain market conditions of our customers during the second half of 2011.

截至二零一一年十二月三十一日止年度的玉米澱粉及玉米深加工副產品的銷售增加14.2%至約人民幣2,112,086,000元（二零一零年：人民幣1,848,924,000元）。此業務分部佔本集團總營業額約70.0%（二零一零年：73.8%）。

玉米澱粉的銷售增加13.1%至約人民幣1,491,658,000元（二零一零年：人民幣1,318,421,000元）。玉米澱粉的平均售價及銷售量分別約為每噸人民幣2,698元（二零一零年：每噸人民幣2,407元）及552,876噸（二零一零年：547,857噸）。由於玉米澱粉具有不可再用的性質以及難以被替代，儘管國內或海外市場經濟不明朗，市場需求依然強勁。

玉米蛋白粉及玉米糠麩的銷售分別約為人民幣218,249,000元（二零一零年：人民幣194,087,000元）及人民幣124,296,000元（二零一零年：人民幣114,222,000元）。有關產品的需求直接受全球動物飼料市場所影響。

玉米胚芽為生產食用油的主要原材料。玉米胚芽的價格受替代產品的價格（如大豆胚芽）及通漲所影響。

此業務分部的毛利輕微增加約2.2%至約人民幣194,203,000元（二零一零年：人民幣189,972,000元）。由於二零一一年下半年間我們的客戶受不明朗市場情況影響，我們產品的價格調整稍為落後於成本的上升幅度。

Management Discussion and Analysis

管理層討論及分析

Lysine and fertilisers

賴氨酸及肥料

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover:	營業額：		
Lysine	賴氨酸	671,409	456,462
Fertilisers	肥料	16,563	15,621
		687,972	472,083
Gross profit	毛利	252,201	79,198
Gross profit margin	毛利率	36.7%	16.8%

The average selling price per tonne and sales volume of lysine and fertilisers are set as below:

賴氨酸及肥料的每噸平均售價及銷售量載列如下：

		2011		2010	
		二零一一年		二零一零年	
		RMB/Tonne	Tonnes	RMB/Tonne	Tonnes
		人民幣／噸	噸	人民幣／噸	噸
Lysine	賴氨酸	12,261	54,758	8,749	52,171
Fertilisers	肥料	728	22,742	445	35,077

Turnover of this business segment increased by 45.7% to approximately RMB687,972,000 (2010: RMB472,083,000), which represented about 22.8% (2010: 18.8%) of total turnover of the Group.

此業務分部的營業額增加45.7%至約人民幣687,972,000元（二零一零年：人民幣472,083,000元），佔本集團總營業額約22.8%（二零一零年：18.8%）。

In respect of lysine, sales were driven by the strong demand in animal feed market. Turnover of lysine increased robustly by 47.1% to approximately RMB671,409,000 (2010: RMB456,462,000). Since November 2011, the Group had begun to utilise existing production capacity to manufacture a new product, 70% lysine. This could have a positive impact on turnover for the lysine segment because the selling price of 70% lysine was higher than that of 65% lysine. The Directors considered that this new product could encourage our customers' loyalty as a wider range of lysine products is now available to them.

就賴氨酸而言，銷售乃由動物飼料市場的強勁需求所帶動。賴氨酸的營業額大幅增加47.1%至約人民幣671,409,000元（二零一零年：人民幣456,462,000元）。自二零一一年十一月起，本集團已開始運用現有產能製造新產品，即70%賴氨酸。由於70%賴氨酸的售價較65%賴氨酸為高，因此會對賴氨酸分部的營業額帶來正面影響。隨著客戶可獲得更多種類的賴氨酸產品，董事認為此新產品有助提升我們客戶的忠誠度。

Management Discussion and Analysis

管理層討論及分析

Starch-based sweetener

澱粉糖

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover:	營業額：		
Starch-based sweetener	澱粉糖	145,054	75,908
Gross profit/(loss)	毛利／（毛損）	5,111	(187)
Gross profit/(loss) margin	毛利／（毛損）率	3.5%	(0.2%)

The average selling price per tonne and sales volume of starch-based sweetener are set as below: 澱粉糖的每噸平均售價及銷售量載列如下：

		2011		2010	
		二零一一年		二零一零年	
		RMB/Tonne	Tonnes	RMB/Tonne	Tonnes
		人民幣／噸	噸	人民幣／噸	噸
Starch-based sweetener	澱粉糖	2,483	58,419	2,175	34,906

The utilisation rate of the production facilities of the starch-based sweetener increased gradually during the year under review. The demand of starch-based sweetener was closely affected by brewage and food processing sectors as producers from the brewage and food processing sectors were the major customers of the Group.

澱粉糖生產設施的使用率於回顧年度內逐漸增加。由於本集團主要客戶為釀造及食品加工行業之生產商，故澱粉糖的需求受釀造及食品加工行業密切影響。

The Group will introduce crystallised starch-based sweetener with the relevant production facilities of 50,000 tonnes per annum in 2012. Pilot-run production of such new product is expected to commence in the first quarter of 2012.

於二零一二年，本集團將以年產能50,000噸之相關生產設施推出結晶澱粉糖，有關新產品的生產試運行預期將於二零一二年第一季展開。

During the year under review, turnover of starch-based sweetener increased by 91.1% to RMB145,054,000 (2010: RMB75,908,000), which represented 4.8% (2010: 3.0%) of total turnover of the Group.

於回顧年度內，澱粉糖的營業額增加91.1%至人民幣145,054,000元（二零一零年：人民幣75,908,000元），佔本集團總營業額4.8%（二零一零年：3.0%）。

Management Discussion and Analysis

管理層討論及分析

Electricity and steam

電力及蒸汽

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Turnover:	營業額：		
Electricity	電力	2,715	35,500
Steam	蒸汽	71,044	72,318
		73,759	107,818
Gross (loss)/profit	(毛損) / 毛利	(1,707)	15,714
Gross (loss)/profit margin	(毛損) / 毛利率	(2.3%)	14.6%

The contribution of revenue from sale of electricity and steam to total turnover of the Group reduced from 4.4% to 2.4%. During the year under review, the sale of electricity mainly represented the electricity supply to an associate, 壽光金遠東變性澱粉有限公司 (Shouguang Golden Far East Modified Starch Co., Ltd.) ("Golden Far East").

銷售電力及蒸汽的收益佔本集團總營業額的百分比由4.4%下降至2.4%。於回顧年度內，電力銷售主要指對一家聯營公司壽光金遠東變性澱粉有限公司（「金遠東」）的電力供應。

Export sales analysis

出口銷售分析

		Corn gluten				Total
		Cornstarch	meal	Corn fibre	Lysine	
		玉米澱粉	玉米蛋白粉	玉米糠麩	賴氨酸	合計
		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
2011	二零一一年					
Export sales	出口銷售	764	155,331	26,632	67,284	250,011
Export sales to total sales	出口銷售佔銷售總額	0.1%	5.1%	0.9%	2.2%	8.3%
2010	二零一零年					
Export sales	出口銷售	34,919	72,826	37,961	113,699	259,405
Export sales to total sales	出口銷售佔銷售總額	1.4%	2.9%	1.5%	4.5%	10.3%

Management Discussion and Analysis

管理層討論及分析

Domestic and overseas markets are complementary to each other. In view of the economic turmoil faced by our overseas customers, the Group shifted our marketing resources to further develop and consolidate the domestic market in the PRC in the second half of the year, and as a result export sales reduced to approximately RMB250,011,000 (2010: RMB259,405,000). Export sales in the first half and the second half of the year was approximately RMB166,789,000 and RMB83,222,000 respectively.

國內及海外市場呈互補關係。由於我們海外客戶受經濟危機影響，本集團於下半年已重新調配市場推廣的資源，進一步發展及整合中國國內市場，因此，出口銷售下降至約人民幣250,011,000元(二零一零年：人民幣259,405,000元)。本年度上半年及下半年的出口銷售分別約為人民幣166,789,000元及人民幣83,222,000元。

Cost of goods sold analysis

銷貨成本分析

		2011		2010	
		二零一一年		二零一零年	
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
Corn kernel	玉米粒	1,985,337	77.3%	1,680,111	75.7%
Coal and utilities	煤炭及水電	289,953	11.3%	297,251	13.4%
Other materials	其他材料	74,768	2.9%	60,356	2.7%
Direct labour	直接勞工	60,264	2.3%	41,531	1.9%
Manufacturing overhead	生產間接成本	64,400	2.5%	51,318	2.3%
Depreciation	折舊	54,215	2.1%	39,801	1.8%
Others	其他	40,126	1.6%	49,668	2.2%
		2,569,063	100.0%	2,220,036	100.0%

Corn kernel and coal were the major cost components of the Group. They contributed to about 88.6% (2010: 89.1%) to total costs of goods sold during the year under review.

玉米粒及煤炭為本集團的主要成本組成部分。於回顧年度內，該等成本佔銷貨成本總額約88.6% (二零一零年：89.1%)。

Corn kernel price increased by 15.7% to approximately RMB2,025 per tonne (2010: RMB1,750 per tonne). In the meantime, coal price increased by 8.6% to RMB919 per tonne (2010: RMB846 per tonne).

玉米粒價格上升15.7%至約每噸人民幣2,025元(二零一零年：每噸人民幣1,750元)。同時，煤炭價格上升8.6%至每噸人民幣919元(二零一零年：每噸人民幣846元)。

Management Discussion and Analysis

管理層討論及分析

REVIEW OF OTHER OPERATIONS

Other income

Other income mainly represented government grants, sales of scrap oil and coal and steam connection income. Other income reduced significantly because of the reduction of government subsidies in the current year and the sales of excessive electricity quota in the year of 2010.

Distribution and administrative expenses

There was no material fluctuation in distribution expenses for the year under review.

Administrative expenses increased by 41.2% to approximately RMB85,070,000 (2010: RMB60,262,000). The increase was mainly attributable to the increase in salaries and government levies and charges.

Share of result from an associate

The share of loss from Golden Far East was approximately RMB543,000 (2010 share of profit: RMB1,727,000) for the year ended 31 December 2011. Modified cornstarch is a tailor-made product where its demand is relatively more sensitive than general cornstarch products.

Income tax

Income tax expenses was approximately RMB85,476,000 (2010: RMB26,635,000) and the Group's effective tax rate was 27.1% (2010: 14.0%) for the year under review. The increase in the current year effective tax rate was mainly due to the expiration of a preferential tax treatment on the PRC enterprise income tax at the end of 2010.

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

其他營運回顧

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。其他收入大幅減少乃由於本年度內政府補貼減少以及於二零一零年度銷售額外電力配額。

分銷及行政費用

分銷費用於回顧年度並無重大波動。

行政費用增加41.2%至約人民幣85,070,000元（二零一零年：人民幣60,262,000元）。增加主要由於薪金以及政府徵稅及收費增加。

應佔一家聯營公司業績

截至二零一一年十二月三十一日止年度，應佔金遠東的虧損約為人民幣543,000元（二零一零年應佔溢利：人民幣1,727,000元）。變性玉米澱粉為按訂單製造的產品，其需求相對一般玉米澱粉產品較敏感。

所得稅

於回顧年度，所得稅開支約為人民幣85,476,000元（二零一零年：人民幣26,635,000元），而本集團的有效稅率為27.1%（二零一零年：14.0%）。有效稅率於本年度增加主要由於中國企業所得稅的稅項優惠政策的有效期已於二零一零年末屆滿。

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。

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DIVIDENDS

The Board is pleased to recommend the payment of a final dividend of HK0.67 cents per share (2010: HK0.67 cents per share) for the year ended 31 December 2011 to shareholders whose names appear on the register of members of the Company on 21 June 2012. The shareholders of the Company will be given an option to elect to receive wholly or partly an allotment and issue of shares of the Company ("Shares") credited as fully paid in lieu of cash in respect of the proposed final dividend (the "Scrip Dividend Scheme").

Both the proposed final dividend and the Scrip Dividend Scheme are subject to the approval of the shareholders of the Company in the forthcoming annual general meeting of the Company. In respect of the Scrip Dividend Scheme, the approval from The Stock Exchange of Hong Kong Limited for granting the listing of, and permission to deal in the Shares to be issued pursuant to the Scrip Dividend Scheme is also required. On condition that the payment of the above final dividend is approved by the shareholders at the annual general meeting of the Company, full details of the Scrip Dividend Scheme will be set out in a circular to be despatched to the shareholders of the Company shortly after the annual general meeting of the Company.

The Board did not declare any interim dividend during the year (2010: Nil).

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2011, the Group had approximately 2,251 full time staff (2010: 2,214). Total staff costs, including Directors' emoluments, of the Group was approximately RMB100,919,000 (2010: RMB71,915,000). 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 "Share Option Scheme") with a primary purpose of motivating our employees and other eligible persons entitled under the Share Option Scheme to optimise their contributions to the Group and to reward them for their contribution to the Group. In addition, a remuneration committee is delegated by the Board to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

股息

董事會欣然建議向於二零一二年六月二十一日名列本公司股東名冊之股東派付截至二零一一年十二月三十一日止年度的末期股息每股0.67港仙(二零一零年：每股0.67港仙)。本公司股東將可選擇全部或部分以配發及發行入賬列作繳足的本公司股份(「股份」)代替現金收取建議末期股息(「以股代息計劃」)。

建議末期股息及以股代息計劃須在應屆股東週年大會上經本公司股東批准，方可作實。就以股代息計劃而言，須同時獲香港聯合交易所有限公司批准根據以股代息計劃所授出之股份上市及買賣。倘股東於本公司股東週年大會上批准支付上述股息，以股代息計劃的全部詳情將載於將寄發予本公司股東的通函內，有關通函將於本公司股東週年大會後短時間內寄發。

董事會於年內並無宣派任何中期股息(二零一零年：零)。

人力資源及薪酬政策

於二零一一年十二月三十一日，本集團聘用約2,251名全職員工(二零一零年：2,214名)。本集團的員工總成本(包括董事酬金)約為人民幣100,919,000元(二零一零年：人民幣71,915,000元)。本集團以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。本公司已採納一項購股權計劃(「該購股權計劃」)，主要目的是激勵本集團僱員及該購股權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。

Management Discussion and Analysis

管理層討論及分析

As at 31 December 2011, no share options have been granted under the Share Option 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 was placed on short-term/fixed deposits with authorised financial institutions in Hong Kong and/or 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 exchange risk associated with export sales is not material. In view of the minimal foreign 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 2011, the available and unutilised banking facilities of the Group amounted to approximately RMB240,000,000. The Directors are of the opinion that the working capital available to the Group is sufficient for its present requirements.

於二零一一年十二月三十一日，本公司並無根據該購股權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已存放於香港及／或中國的認可財務機構作短期／定期存款。

外匯風險

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

於二零一一年十二月三十一日，本集團的可提用及未動用銀行信貸約為人民幣240,000,000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：

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Borrowings:	借貸：		
– Within 1 year	– 一年以內	1,551	30,630
– 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	1,995	2,881
		7,091	37,056
Including:	包括：		
Fixed-rate borrowings	定息貸款		
– Government loan	– 政府貸款	7,091	7,977
– Cash advances for discounted bills	– 貼現票據的現金墊款	–	29,079
		7,091	37,056
Debtors turnover (days)	應收賬款週轉（天數）	37	40
Creditors turnover (days)	應付賬款週轉（天數）	10	13
Inventories turnover (days)	存貨週轉（天數）	29	32
Current ratio	流動比率	4.1	3.9
Quick ratio	速動比率	3.5	3.3
Gearing ratio – borrowings to total assets	槓桿比率 – 借款除以總資產	0.4%	2.1%

Pledge of assets and contingent liabilities

As at 31 December 2011, bills payable were secured by bank deposits and bank acceptance bills at the amount of approximately RMB2,683,000 and RMB1,900,000 respectively. Save as disclosed above the Group did not pledge any leasehold land and building to secure banking facilities and did not have any material contingent liabilities as at 31 December 2011.

資產抵押及或然負債

於二零一一年十二月三十一日，應付票據分別以約人民幣2,683,000元及人民幣1,900,000元之銀行存款及銀行承兌票據作抵押。除上文披露者外，於二零一一年十二月三十一日，本集團並無將任何租賃土地及樓宇抵押以擔保銀行信貸，亦無任何重大或然負債。

Management Discussion and Analysis

管理層討論及分析

Use of net proceeds from placing

As at 31 December 2011, the Group utilised approximately RMB57,082,000 for the expansion of production capacity and general working capital of the Group. The unutilised net proceeds from the placing agreement entered into on 4 February 2010 was approximately RMB278,773,000.

FUTURE PLAN AND PROSPECT

In 2012, the Group will introduce crystallised starch-based sweetener with the relevant production facilities of 50,000 tonnes per annum. Pilot-run production of such product is expected to start in the first quarter of 2012. The Directors believe that the production of crystallised starch-based sweetener would enhance our economy of scale by increasing the utilisation rate and sharing of existing distribution channel.

Apart from the above, as disclosed in the announcement of the Company dated on 20 January 2012, Golden Corn may relocate the whole of existing production plants and facilities located at its existing production site in Shouguang to a new production site as may be granted by the Municipal Government of Shouguang (the "Shouguang Municipal Government"). The proposed new production site is expected to be remained in Shouguang with a site area of not less than approximately 330,000 square metres. According to the current expansion plan in this stage, the proposed new production site will have annual cornstarch and lysine production capacities of approximately 450,000 tonnes and 55,000 tonnes respectively, which are the same as those of the existing production site of the Group in Shouguang which may have to be relocated. This relocation plan is a step forward for the Group's expansion plan, as an additional new production site may be granted and preferential policies may be offered to the Group to facilitate the relocation.

The Directors are of the opinion that the relocation plan would benefit the Group, and is in line with the Company's objective of becoming one of the largest cornstarch manufacturer and suppliers in the PRC.

配售的所得款項用途

於二零一一年十二月三十一日，本集團將約人民幣57,082,000元運用於擴大產能及本集團的一般營運資金。來自二零一零年二月四日訂立的配售協議的尚未運用所得款項淨額約為人民幣278,773,000元。

未來計劃及前景

於二零一二年，本集團將推出結晶澱粉糖，其相關年產能將為50,000噸。有關產品的生產試運行預期於二零一二年第一季展開。董事相信，結晶澱粉糖的生產將可藉分享現有分銷管道及增加其使用率，提高規模經濟效益。

除以上所述者，誠如本公司日期為二零一二年一月二十日的公佈所披露，金玉米可能將位於壽光的全部現有廠房及設施遷往壽光市政府（「壽光市政府」）可能授予的新生產地點。建議中的新生產地點預期仍位於壽光，佔地不少於約330,000平方米。根據現階段的目前擴展計劃，建議中的新生產地點的玉米澱粉及賴氨酸年產能將分別約為450,000噸及55,000噸，與本集團可能搬遷的現有壽光生產廠址的年產能相同。此搬遷計劃讓本集團的擴展計劃向前邁進一步，因本集團日後可能再獲授予另一幅土地作新生產地點，並獲提供優惠政策，以推動搬遷計劃。

董事認為，搬遷計劃將令本集團受惠，亦符合本公司致力成為中國其中一個最大的玉米澱粉製造商及供應商的目的。

Directors and Senior Management Profiles

董事及高級管理人員簡介

EXECUTIVE DIRECTORS

Mr. Tian Qixiang, aged 48, 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，48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副書記。田先生於二零零零年三月起便成為壽光市供電公司的經理及黨委委員。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 44, 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 43, 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 壽光市供電公司 (Shouguang Electricity Supply Company) 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，44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獲委任為金玉米的副總經理。自二零零三年七月起高先生為金玉米的董事，二零零五年五月起更成為總經理。高先生亦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，43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。于先生於一九九零年畢業於山東水利專科學校，獲水利經濟與財務管理文憑，及於一九九八年由山東省經濟管理幹部學校院獲得財務管理文憑。于先生於一九九七年取得由壽光市財政局發出的中華人民共和國會計從業資格證書。

Directors and Senior Management Profiles

董事及高級管理人員簡介

Mr. Liu Xianggang, aged 43, 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 壽光市供電公司 (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 75, 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 were 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，43歲，於一九九八年加盟金玉米出任工廠主管，並由二零零五年十月起出任金玉米董事。於二零零八年三月，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。於二零零二年十二月，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，75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、於一九八六年獲河北省醫藥總公司頒發科技進步一等獎及於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

Mr. Cao Zengong, aged 49, 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 46, has been appointed as an independent non-executive Director on 5 September 2007. Mr. Yue is a Certified Public Accountant with over 19 years of experience in accounting, auditing and corporate finance. Mr. Yue is also a member of American Institute of Certified Public Accountants and Colorado State Society of Certified Public Accountants. He is also holding a specialist certificate and a practising certificate in corporate finance of the Hong Kong Securities Institute.

SENIOR MANAGEMENT

All the executive directors of the Company are 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.

曹增功先生，49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，46歲，於二零零七年九月五日獲委任為獨立非執行董事。余先生是執業會計師，在會計、核數和企業融資方面經驗超過十九年，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。彼亦持有香港證券專業學會的專業證書及企業融資執業證書。

高級管理層

本公司所有執行董事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 2011.

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 2011 are set out in the consolidated statement of comprehensive income on page 43.

The Board is pleased to recommend the payment of a final dividend of HK0.67 cents per share, totalling approximately HK\$38,724,000. Subject to the approval of the shareholders of the Company in the forthcoming annual general meeting (the "AGM") of the Company, the final dividend is expected to be paid in July 2012 in cash with a scrip dividend option. The detail of the scrip dividend scheme will be set out in the circular to the shareholders after the approval of the final dividend in the AGM.

SHARE CAPITAL

Details of the share capital of the Company during the year are set out in note 26 to the consolidated financial statements and in the consolidated statement of changes in equity.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately RMB64,333,000 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.

董事欣然提呈其年報及本公司及其附屬公司（統稱「本集團」）截至二零一一年十二月三十一日止年度的經審核合併財務報表。

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合併財務報表附註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

本集團截至二零一一年十二月三十一日止年度的業績載於第43頁的合併綜合收益表內。

董事會欣然建議派付末期股息每股0.67港仙（合共約38,724,000港元），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。末期股息預期將於二零一二年七月以現金派付，並附有以股代息選擇。有關以股代息計劃之詳情將於股東在股東週年大會批准派發末期股息後，載於寄發予股東之通函內。

股本

本公司股本於年內的詳情載於合併財務報表附註26及合併權益變動表。

物業、廠房及設備

年內，本集團花費約人民幣64,333,000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合併財務報表附註16。

Report of the Directors

董事會報告書

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on pages 2 and 3. The summary does not form part of the audited consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2011, the Company's reserves available for distribution to shareholders amounted to approximately RMB291,619,000. The amount of distributable reserves included the Company's share premium of approximately RMB242,240,000, which may be distributed provided that the Company will remain solvent after the distribution of dividend. Movements in the reserves of the Company are set out in note 27 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 (retired on 4 September 2011)
Mr. Cao Zeng Gong
Mr. Yue Kwai Wa, Ken

By virtue of Article 108 of the Company's Articles of Association, Mr. Tian Qixiang, Mr. Liu Xianggang and Ms. Dong Yanfeng will retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

五年財務概要

本集團於最近五個財政年度的已刊發業績及資產與負債的概要載於第2及3頁。該概要並不構成經審核合併財務報表的一部分。

可供分派儲備

於二零一一年十二月三十一日，本公司可供分派予股東之儲備約人民幣291,619,000元。可供分派儲備金額包括本公司股份溢價約人民幣242,240,000元，有關金額在本公司分派股息後仍有力償債的情況下可予分派。本公司儲備之變動載於合併財務報表附註27。

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(於二零一一年九月四日退休)
曹增功先生
余季華先生

根據本公司的公司章程第108條，田其祥先生、劉象剛先生及董延豐女士將退任，惟彼等均符合資格並願於應屆股東週年大會膺選連任。

Report of the Directors

董事會報告書

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 September 2011, 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 2011, subject to termination by either party giving to the other not less than three months' advance written notice of termination and the Company's articles of association.

As at 31 December 2011, 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.

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

於二零一一年九月一日，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，任期自二零一一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而予以終止。

於二零一一年十二月三十一日，擬於股東週年大會上膺選連任的董事，概無與本公司訂立本公司不可於一年內由本公司終止而毋須支付賠償(法定賠償除外)的服務合約。

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合併財務報表附註12。

Report of the Directors

董事會報告書

DIRECTORS' INTEREST IN CONTRACTS

At no time during the year had the Group and the Directors entered into any contract of significance.

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 2011, 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 (note 1) 持有證券數目及類別(附註1)	Percentage of shareholding 佔股權概約百分比
Mr. Tian Qixiang ("Mr. Tian") 田其祥先生(「田先生」)	The Company 本公司	Interest in a controlled corporation 受控制法團權益	3,500,000,000 shares (note 2) 3,500,000,000股股份(附註2)	60.56%
	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:

- The letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation.
- 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.

董事的合約權益

本集團於年內任何時間概無與董事簽訂任何重大合約。

董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉

於二零一一年十二月三十一日，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部分)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據上市規則所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及聯交所的權益及淡倉如下：

附註：

- 字母「L」表示董事於本公司或有關相聯法團股份的好倉。
- 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。

Report of the Directors

董事會報告書

Save as disclosed above, as at 31 December 2011, 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 "Share Option Scheme") on 5 September 2007. The major terms of the Scheme are as follows:

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

除上文所披露者外，於二零一一年十二月三十一日，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(「該購股權計劃」)。該計劃的主要條款如下：

1. 該購股權計劃的主要目的為激勵本公司的僱員及該購股權計劃項下的其他合資格人士，務求令本集團從彼等的貢獻中得到最大裨益，並回報彼等對本集團做出的貢獻。
2. 該購股權計劃的合資格參與者為(a)本公司、其任何附屬公司或本集團任何成員公司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、開發或其他技術支援的任何人士或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體所發行的任何證券的任何持有人；(g)本集團任何成員公司或投資實體的任何業務領域或業務發展的任何顧問(專業或其他)或諮詢師；(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增長作出貢獻的參與者小組或類別。

Report of the Directors

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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 Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the share capital of the Company in issue from time to time. The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue on the date on which the Shares are listed on the Main Board of the Stock Exchange.
4. The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the shareholders of the Company in general meeting with such grantee and his associates abstaining from voting.
5. Any grant of options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors of the Company (excluding independent non-executive director of the Company who or whose associates is the proposed grantee of the options). In addition, any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, in excess of 0.1% of the Shares in issue at any time or with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval of the Company in a general meeting.
3. 因行使根據該購股權計劃和本集團採納的其他購股權計劃授出而尚未行使的購股權而可能發行的股份上限，合計不得超過本公司不時已發行股本的30%。因行使根據該購股權計劃和本集團的任何其他購股權計劃授出的全部購股權(就此而言，不包括根據該購股權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購股權計劃及本集團任何其他購股權計劃所授出的購股權(同時包括已行使或尚未行使購股權兩者)已向各承授人發行及將予發行的股份總數不得超過本公司當時已發行股本1% (「個別上限」)。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股東的批准，而承授人及其聯繫人士須於會上放棄投票。
5. 根據該購股權計劃授予本公司董事、主要行政人員或主要股東或彼等任何各自的聯繫人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。

Report of the Directors

董事會報告書

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

As at 31 December 2011, no share options were granted under the Share Option Scheme of the Company.

於二零一一年十二月三十一日，概無根據本公司該購股權計劃而授出購股權。

RELATED PARTY TRANSACTIONS

關連方交易

Details of significant related party transactions undertaken in the normal course of business are provided under note 36 to the consolidated financial statements. None constitutes a discloseable connected transaction as defined under the Listing Rules.

日常業務中進行的重大關連方交易的詳情已載列於合併財務報表附註36。並無交易構成上市規則界定的須予披露關連交易。

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 2011, so far as is known to the Directors, the following persons, other than a Director or chief executive of the Company, have an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO:

主要股東於本公司股份及相關股份中的權益

於二零一一年十二月三十一日，據董事所知，按本公司根據證券及期貨條例第336條本公司須存置的登記冊所記錄，以下人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有權益或淡倉：

Name of shareholder 股東名稱	Capacity/nature of interest 身份／權益性質	Number of shares/ underlying shares (note 1) 股份／相關股份數目（附註1）	Percentage of issued share capital 佔已發行股本百分比
Merry Boom Group Limited 怡興集團有限公司	Beneficial owner 實益擁有人	3,500,000,000 (L)	60.56% (note 2) (附註2)
Victory Investment China Group Limited ("VICGL")	Beneficial owner 實益擁有人	292,000,000 (L)	6.77% (note 3, 4) (附註3, 4)
	Person having a security interest 持有保證 權益的人	99,000,000 (L)	
Mr. Wang Ruiyun ("Mr. Wang") 王瑞雲先生（「王先生」）	Interest in a controlled corporation (VICGL) 受控制法團權益 (VICGL)	391,000,000 (L)	6.77% (note 3) (附註3)

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) In accordance with the corporate and individual substantial shareholder notices of VICGL and Mr. Wang filed on 17 August 2010, they are interested in 145,000,000 underlying shares through the holding of certain unlisted cash-settled equity derivatives.
- (4) In accordance with the corporate substantial shareholder notice of VICGL filed on 17 August 2010, VICGL holds a long position in 99,000,000 shares jointly with another corporate shareholder named "Goldstone Fund Ltd".

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，如上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段所披露，田先生被視為於怡興集團有限公司持有的所有股份中擁有權益。
- (3) 根據VICGL及王先生於二零一零年八月十七日提交的法團及個人大股東通知，彼等透過持有若干非上市現金結算權益衍生工具而擁有145,000,000股相關股份權益。
- (4) 根據VICGL於二零一零年八月十七日提交的法團大股東通知，VICGL與另一名法團股東「Goldstone Fund Ltd」共同持有99,000,000股股份的好倉。

Report of the Directors

董事會報告書

Save as disclosed above, as at 31 December 2011, 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 Share Option Scheme of the Company disclosed above, at no time during the year was the Company, its holding company, its subsidiaries or fellow subsidiaries a party to any arrangements whose objects are, or one of whose objects is, to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

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 2011.

COMPETING INTERESTS OF CONTROLLING SHAREHOLDERS

As at the date of this report, 山東壽光巨能控股集團有限公司 (Shandong Shouguang Juneng Holding Group Co., Ltd.) ("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.

Save as disclosed above, as at 31 December 2011, 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.

除上文所披露者外，於二零一一年十二月三十一日，除上文「董事及主要行政人員於本公司或其相聯法團股份、相關股份或債券中的權益及淡倉」一段所載本公司董事及主要行政人員的權益或淡倉外，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內的權益或淡倉。

董事購入股份或債券的權利

除上文本公司該購股權計劃所披露者外，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

截至二零一一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。

控股股東的競爭權益

於本報告日期，山東壽光巨能控股集團有限公司（「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。

除上文所披露者外，於二零一一年十二月三十一日，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。

Report of the Directors

董事會報告書

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.

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 contained in Appendix 14 to the Listing Rules throughout the year.

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 35 to 40 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.

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。

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所載的守則條文。

本公司的企業管治常規載於本年報第35至40頁的企業管治報告。

核數師

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

On behalf of the Board

Tian Qixiang

Chairman

Hong Kong

23 March 2012

代表董事會

田其祥

主席

香港

二零一二年三月二十三日

Corporate Governance Report

企業管治報告

The board (the “Board”) of directors (the “Directors”) of the Company understand maintaining high corporate governance standard is crucial to success of the Group. The Board and its dedicated executive teams always demonstrate their commitment in upholding sound internal control standard, accountability and integrity to the shareholders and stakeholders of the Company.

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 the Appendix 14 of the Rules (the “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.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted its own Securities Dealing Code (the “Dealing Code”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in the Appendix 10 of the Rules. The Dealing Code applies to all Directors and to all employees who are informed that they are subject to its provisions. The Company has made specific enquiry of all Directors and that all the Directors confirmed their compliance with the required standard set out in the Dealing Code throughout the year under review.

BOARD OF DIRECTORS

The Company is governed by the Board, which is responsible for strategic leadership, approving annual budget, formulating business plans and long term strategy, evaluating the performance of the Group and supervising the management. The Board is also responsible for the integrity of financial information and the effectiveness of the Group’s internal control systems. The Board has, with the assistance of the internal audit department and its Audit Committee, conducted a review on the Group’s internal control system including the adequacy of the resources, qualifications and experience of the staff of the Group’s accounting and financial reporting function, and the relevant training programmes and budget.

本公司董事(「董事」)會(「董事會」)深明保持高水平企業管治對本集團取得成功的重要性。董事會與專責的執行團隊一直銳意向本公司股東及利益相關者展示良好的內部控制標準、問責性及誠實守信的承諾。

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。

董事的證券交易

本公司已採納其自訂的證券買賣守則(「買賣守則」)，其條款不比規則附錄十所載的上市發行人董事進行證券交易的標準守則寬鬆。買賣守則適用於所有董事及所有獲通知須遵守該守則規定的僱員。本公司已向全體董事作出具體查詢，全體董事確認彼等於整個回顧年度一直遵守買賣守則所載的規定標準。

董事會

本公司由董事會管理，董事會負責策略領導、批准年度預算、制訂業務計劃及長期策略、評估本集團的表現及監督管理層。董事會亦須對財務信息的完整性及本集團內部控制系統的效能負責。董事會在內部核數部門及審核委員會的協助下，審閱本集團之內部控制系統，包括本集團負責會計及財務報告職能之員工的資源、資歷及經驗是否足夠，以及相關培訓計劃及預算是是否足夠。

Corporate Governance Report

企業管治報告

To facilitate effective management, the Board has delegated certain functions to various Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee. Each of these Board committees operates under their respective written terms of reference. Suggestions and conclusions of the Board committees will be reported to the Board in its subsequent meeting.

In addition, the Board also delegates the day-to-day operational responsibilities to the executive management team under the leadership of the Chief Executive Officer. The Chief Executive Officer, working with the executive management team, is responsible for the operations and business development of the Group.

As at the year ended 31 December 2011, the Board comprises of four executive Directors, namely Mr. Tian Qixiang, Mr. Gao Shijun, Mr. Yu Yingquan and Mr. Liu Xianggang and three independent non-executive Directors namely Ms. Dong Yanfeng, Mr. Cao Zengong and Mr. Yue Kwai Wa, Ken. During the year, Ms. Yu Shumin retired as an independent non-executive Director of the Company on 4 September 2011 following the expiry of her term of service with the Company. Following her retirement, she also ceased to be a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company.

The Board schedules four regular meetings in December every year to encourage the Directors to actively participate in Board meetings. Additional Board meetings are convened as and when required.

為方便有效管理，董事會將若干功能授權予不同的董事會委員會，即審核委員會、薪酬委員會及提名委員會。各董事會委員會均依據各自的書面職權範圍運作。各董事會委員會將於其後之董事會會議中，向董事會匯報其建議及結論。

此外，董事會亦授權行政管理團隊在行政總裁的領導下負責集團的日常營運。行政總裁連同行政管理團隊負責本集團的營運及業務發展。

於截至二零一一年十二月三十一日止年度，董事會成員由四名執行董事田其祥先生、高世軍先生、于英全先生及劉象剛先生，以及三名獨立非執行董事董延豐女士、曹增功先生及余季華先生組成。年內，余淑敏女士於二零一一年九月四日任期屆滿後退任為本公司獨立非執行董事。余淑敏女士退休後同時不再擔任本公司審核委員會、提名委員會及薪酬委員會成員。

董事會於每年十二月計劃來年四個定期會議的時間表，目的是鼓勵各董事積極參加董事會會議。如有需要亦會召開其他董事會會議。

Corporate Governance Report

企業管治報告

Details of the Director's attendance record in Board meetings and committee meetings are as follows:

各董事的董事會會議及委員會會議出席率詳情如下：

		Board 董事會		Audit Committee 審核 委員會	Remuneration Committee 薪酬 委員會	Nomination Committee 提名 委員會
		Regular 定期會議	Others 其他會議			
Executive Directors:	執行董事：					
Mr. Tian Qixiang (Chairman)	田其祥先生(主席)	2/4	2/2	N/A	1/1	1/1
Mr. Gao Shijun (Chief Executive Officer)	高世軍先生(行政總裁)	4/4	2/2	N/A	N/A	N/A
Mr. Yu Yingquan	于英全先生	4/4	2/2	N/A	N/A	N/A
Mr. Liu Xianggang	劉象剛先生	3/4	2/2	N/A	N/A	N/A
Independent non-executive Directors:	獨立非執行董事：					
Ms. Dong Yanfeng	董延豐女士	3/4	0/2	1/2	1/1	1/1
Ms. Yu Shumin *	余淑敏女士*	3/3	0/2	2/2	1/1	1/1
Mr. Cao Zengong	曹增功先生	3/4	0/2	1/2	1/1	1/1
Mr. Yue Kwai Wa, Ken	余季華先生	4/4	0/2	2/2	1/1	1/1

* Ms. Yu Shumin retired as an independent non-executive Director of the Company on 4 September 2011.

* 余淑敏女士已於二零一一年九月四日退任本公司獨立非執行董事。

There is no relationship (including financial, business, family or other material/relevant relationship(s)) among the Directors and in particular, between Mr. Tian Qixiang (Chairman) and Mr. Gao Shijun (Chief Executive Officer). The biographies of the Directors are set out in the section named "Directors and Senior Management Profile". The Company has received annual confirmations of independence from each of the independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules.

董事之間(尤其是田其祥先生(主席)與高世軍先生(行政總裁)之間)概無任何關係(包括財務、業務、家族或其他重大/相關關係)。董事的履歷詳情載於「董事及高級管理人員簡介」一節。本公司已收到每位獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認函。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company complies with the provision A.2.1 of the CG Code that the roles of the Chairman and Chief Executive Officer should be separate and not be performed by the same individual. Mr. Tian Qixiang holds the position of the Chairman, primarily responsible for the strategic positioning of the Group. Mr. Gao Shijun serves as the Chief Executive Officer, and is primarily responsible for the operations and business development of the Group.

主席與行政總裁

本公司已遵守企業管治常規守則A.2.1條，將主席與行政總裁的角色區分，並非由一人同時兼任。田其祥先生擔任主席一職，主要負責本集團戰略部署。高世軍先生擔任行政總裁一職，主要負責集團的經營和業務發展。

DIRECTOR'S APPOINTMENTS, RE-ELECTION AND REMOVAL

Pursuant to the Article 108 of the Articles of the Company, every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed to fill a casual vacancy or as an additional Director shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that general meeting.

Independent non-executive Directors are appointed for a term of two years subject to retirement by rotation and re-election in accordance with the Articles.

During the year under review, Mr. Yu Yingquan, Mr. Cao Zenggong and Mr. Yue Kwai Wa, Ken, retired and were re-elected as the Directors at the annual general meeting (the "AGM") held on 10 June 2011.

AUDIT COMMITTEE

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, re-appointment and removal of external auditor as well as their terms of appointment. The terms of reference of Audit Committee are on terms no less exacting than the provision C.3.3 of the CG Code. The Audit Committee of the Company currently consists of all independent non-executive Directors namely Ms. Dong Yanfeng, Mr. Cao Zenggong and Mr. Yue Kwai Wa, Ken. Mr. Yue Kwai Wa, Ken is the chairman of the Audit Committee.

The Audit Committee met two times during the year under review. During the meeting, the Audit Committee reviewed the results and the financial reports with the management, discussed the annual audit issues with the external auditor and made recommendation to the Board on the re-appointment of the external auditor.

REMUNERATION COMMITTEE

The major function of the Remuneration Committee is to make recommendation to the Board on the remuneration policy and remuneration structure for all Directors of the Company. The terms of reference of the Remuneration Committee are in line with the

董事的委任、重選和罷免

根據本公司章程第108條規定，每名董事應至少每三年輪流退任一次。所有為填補臨時空缺或作為新增董事而被委任的董事的任期至下屆股東週年大會為止，並應在該大會上膺選連任。

獨立非執行董事的任期為兩年及根據章程規定應輪流退任及膺選連任。

於回顧年度，于英全先生、曹增功及余季華先生已於二零一一年六月十日舉行的股東週年大會（「股東週年大會」）上退任並獲重選為董事。

審核委員會

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。審核委員會的職權範圍不比企業管治常規守則條文C.3.3條寬鬆。目前本公司審核委員會成員包括全體獨立非執行董事董延豐女士、曹增功先生及余季華先生。余季華先生為審核委員會主席。

於回顧年度，審核委員會共舉行兩次會議。會上，審核委員會與管理層審閱業績及財務報告、與外聘核數師討論有關年度審核的事宜及就續聘外聘核數師向董事會作出建議。

薪酬委員會

薪酬委員會的主要職能為就本公司全體董事的薪酬政策及薪酬架構向董事會提供建議。薪酬委員會的職權範圍與企業管治常規守則B.1.3條相符。目前本公司薪酬委員會成員

Corporate Governance Report

企業管治報告

provision B.1.3 of the CG Code. The Remuneration Committee of the Company currently consists of all independent non-executive Directors namely Ms. Dong Yanfeng, Mr. Cao Zeng Gong and Mr. Yue Kwai Wa, Ken and the Chairman of the Company, Mr. Tian Qixiang. Mr. Yue Kwai Wa, Ken is the chairman of the Remuneration Committee.

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

NOMINATION COMMITTEE

The major functions 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. The major criteria in relation to the selection and nomination of Directors include professional background, industry-related experience and recommendations from the management team and industry societies. The terms of reference of the Nomination Committee are on terms no less exacting than the provision A.4.5 of the CG Code. The Nomination Committee of the Company currently consists of all independent non-executive Directors namely Ms. Dong Yanfeng, Mr. Cao Zeng Gong and Mr. Yue Kwai Wa, Ken and the Chairman of the Company, Mr. Tian Qixiang. Mr. Yue Kwai Wa, Ken is the chairman of the Nomination Committee.

The Nomination Committee met once during the year under review. During the meeting, the Nomination Committee made recommendation to the Board for the re-election of Directors at the annual general meeting and reviewed the independence of the independent non-executive Directors.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standard have been adopted, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made. 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 going concern.

包括全體獨立非執行董事董延豐女士、曹增功先生、余季華先生及本公司主席田其祥先生。余季華先生為薪酬委員會主席。

於回顧年度，薪酬委員會共舉行一次會議。會上，薪酬委員會就酌情花紅等董事薪酬及薪酬政策作出檢討及提供建議。

提名委員會

提名委員會的主要職能為檢討董事會的架構及組成，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。挑選及提名董事之主要準則包括專業背景、行業相關經驗及管理團隊與業內組織的推薦。提名委員會的職權範圍不比企業管治常規守則A.4.5條寬鬆。目前本公司提名委員會成員包括全體獨立非執行董事董延豐女士、曹增功先生、余季華先生及本公司主席田其祥先生。余季華先生為提名委員會主席。

於回顧年度，提名委員會共舉行一次會議。會上，提名委員會就於股東週年大會上重選董事向董事會作出建議及檢討獨立非執行董事的獨立性。

問責及核數

董事已確認根據已採納的香港財務報告準則及香港會計準則的規定編製及真實而公平地列報該等合併財務報表的責任，並已貫徹使用適當的會計政策以及作出合理和審慎的判斷及估計。董事會至今沒有發現任何重大不明朗事件或情況會影響本公司的業務或影響其持續經營的能力。

Corporate Governance Report

企業管治報告

The financial information and plans were discussed in the regular Board meetings. The Chairman of the Company is responsible for explaining the latest business development and financial projections to the Directors.

For the year ended 31 December 2011, the fee payable to the external auditor of the Company, PricewaterhouseCoopers, in respect of audit and non-audit services is set out below:

Audit:	HK\$1,492,000
Tax representative service:	HK\$32,000

INTERNAL CONTROL

The Board is ultimately responsible for the effectiveness of the internal control system of the Group. The management of the Group has dedicated to improving the efficiency of accounting and financial reporting. During the year under review, the Board, through the internal audit department, has performed internal control review on major operations of the Group. The scope of review is determined by the Board and the Audit Committee. The results, with potential control, operational, compliance and financial impact, are discussed in the last scheduled regular Board meeting. The Group is not aware of any material internal control weaknesses affecting the overall operation.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company actively promote effective communications with shareholders and investors. Shareholders are encouraged to attend the general meetings. The notice of AGM is distributed to all shareholders at least 20 clear business days prior to the AGM. The Chairman of the general meeting conducts voting only after having confirmed with shareholders that they have no problem about the procedures of voting by poll.

The Company welcomes inquiries from investors and individuals. However, all discussions are limited to explanations of published material and non-price sensitive information.

董事會在定期會議中討論財務資料和計劃，並由本公司主席負責向各董事解釋最新的業務發展及財務計劃。

截至二零一一年十二月三十一日止年度，本公司就審核及非審核服務應付外聘核數師羅兵咸永道會計師事務所的費用載列如下：

審核：	1,492,000港元
稅務代表服務：	32,000港元

內部監控

董事會須最終負責本集團內部監控系統的有效性。本集團管理層一直致力改善會計及財務匯報方面的效率。於回顧年度，董事會透過內部核數部門對本集團主要業務進行內部監控審閱。審閱範圍由董事會及審核委員會釐定。審閱結果以及監控、營運、合規及財務方面的潛在影響會在排程的最後一次定期董事會會議上討論。本集團並無發現會對整體營運構成影響的重大內部監控缺失。

與股東及投資者的溝通

本公司積極推動與股東及投資者的有效溝通，鼓勵股東出席股東大會。股東週年大會通告最少在舉行股東週年大會前二十個完整營業日前寄發予全體股東。大會主席僅在向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。

歡迎投資者及個別人士向本公司作出查詢，但所有討論只限於解釋已公佈的資料及非股價敏感資料。

Independent Auditor's Report

獨立核數師報告



羅兵咸永道

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

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of China Starch Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 43 to 116, which comprise the consolidated and company statements of financial position as at 31 December 2011, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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」)已審計列載於第43至116頁中國澱粉控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的合併財務報表，此合併財務報表包括於二零一一年十二月三十一日的合併和公司財務狀況表與截至該日止年度的合併綜合收益表、合併權益變動表及合併現金流量表，以及主要會計政策概要及其他附註解資料。

董事就合併財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製合併財務報表，以令合併財務報表作出真實而公平的反映，及落實其認為編製合併財務報表所必要的內部控制，以使合併財務報表不存在由於欺詐或錯誤而導致重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等合併財務報表作出意見，並僅向整體股東報告我們的意見，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 about whether the consolidated financial statements are free from material misstatement.

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

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 2011, 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 March 2012

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

審計涉及執行程序以獲取有關合併財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製合併財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價合併財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等合併財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零一一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，二零一二年三月二十三日

Consolidated Statement of Comprehensive Income

合併綜合收益表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		Note 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Turnover	營業額	5	3,018,871	2,504,733
Cost of goods sold	銷貨成本		(2,569,063)	(2,220,036)
Gross profit	毛利		449,808	284,697
Distribution expenses	分銷費用		(72,462)	(72,041)
Administrative expenses	行政費用		(85,070)	(60,262)
Other income	其他收入	6	11,116	29,591
Operating profit	經營利潤		303,392	181,985
Finance income	融資收入	7	13,316	8,169
Finance costs	融資成本	8	(512)	(1,901)
Share of result of an associate	應佔一家聯營公司業績		(543)	1,727
Profit before taxation	除稅前利潤	9	315,653	189,980
Income tax expenses	所得稅支出	10	(85,476)	(26,635)
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額		230,177	163,345
Attributable to:	以下各項應佔：			
Equity holders of the Company	本公司權益持有人		228,990	161,711
Non-controlling interests	非控股股東權益		1,187	1,634
			230,177	163,345
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利(人民幣)	13	0.0396	0.0284
Dividends	股息	14	31,393	32,951

The notes on pages 50 to 116 are an integral part of these consolidated financial statements.

第50至116頁的附註乃合併財務報表的其中部分。

Consolidated Statement of Financial Position

合併財務狀況表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 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	537,660	540,712
Prepaid lease payments	預付租賃款	17	57,570	43,338
Interest in an associate	於一家聯營公司的權益	19	41,135	41,251
Deposit for acquisition of prepaid lease payments	收購預付租賃款的保證金	20	47,249	–
Deferred tax assets	遞延稅項資產	28	–	1,689
			683,614	626,990
Current assets	流動資產			
Inventories	存貨	21	207,065	196,833
Prepaid lease payments	預付租賃款	17	1,512	1,185
Loan receivable	應收貸款	22	–	19,605
Trade and other receivables	貿易及其他應收款	23	293,966	361,023
Pledged bank deposits	已抵押銀行存款	24	2,683	–
Fixed deposits with maturity period over three months	三個月以上定期存款	25	450,000	300,000
Cash and cash equivalents	現金及現金等價物	25	374,539	276,471
			1,329,765	1,155,117
Total assets	總資產		2,013,379	1,782,107
Equity	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	26	515,234	515,234
Reserves	儲備		1,121,707	924,863
Attributable to equity holders	權益持有人應佔		1,636,941	1,440,097
Non-controlling interests	非控股股東權益		19,196	18,009
Total equity	權益總額		1,656,137	1,458,106

Consolidated Statement of Financial Position

合併財務狀況表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	28	619	347
Borrowings	借款	29	5,540	6,426
Deferred income	遞延收入	30	26,693	23,182
			32,852	29,955
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	31	265,999	223,764
Income tax payable	應付所得稅		30,533	13,271
Employee housing deposits	員工房屋保證金	32	26,307	26,381
Borrowings	借款	29	1,551	30,630
			324,390	294,046
Total liabilities	總負債		357,242	324,001
Total equity and liabilities	權益及負債總額		2,013,379	1,782,107
Net current assets	流動資產淨額		1,005,375	861,071
Total assets less current liabilities	總資產減流動負債		1,688,989	1,488,061

Tian Qixiang

田其祥

Director

董事

Yu Yingquan

于英全

Director

董事

The notes on pages 50 to 116 are an integral part of these consolidated financial statements.

第50至116頁的附註乃合併財務報表的其中部分。

Statement of Financial Position

財務狀況表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 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			
Loan receivable	應收貸款	22	-	19,605
Other receivables	其他應收款	23	-	389
Amounts due from subsidiaries	應收子公司款項	18	643,600	697,375
Cash and cash equivalents	現金及現金等價物	25	8,576	4,523
			652,176	721,892
Total assets	總資產		811,297	881,013
Equity	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	26	515,234	515,234
Reserves	儲備	27	291,619	362,081
Total equity	權益總額		806,853	877,315
Current liabilities	流動負債			
Other payables	其他應付款	31	4,444	3,698
Total equity and liabilities	權益及負債總額		811,297	881,013
Net current assets	流動資產淨額		647,732	718,194
Total assets less current liabilities	總資產減流動負債		806,853	877,315

Tian Qixiang
田其祥
Director
董事

Yu Yingquan
于英全
Director
董事

The notes on pages 50 to 116 are an integral part of these consolidated financial statements.

第50至116頁的附註乃合併財務報表的其中部分。

Consolidated Statement of Changes in Equity

合併權益變動表

For the year ended 31 December 2011
截至二零一一年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						Non-controlling interests 非控股股東權益		Total
	Note	Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Capital reserve 資本儲備	Statutory reserve 法定儲備	Retained earnings 留存盈利	Total	Total	
	附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
At 1 January 2010	於二零一零年一月一日	237,762	245,354	27,080	56,196	77,015	328,475	971,882	16,375	988,257
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額	-	-	-	-	-	161,711	161,711	1,634	163,345
2009 final dividend	二零零九年末期股息	14	(29,351)	-	-	-	-	(29,351)	-	(29,351)
Transfer to statutory reserves	轉入法定儲備	-	-	-	-	15,424	(15,424)	-	-	-
Issue of shares upon placing	於配售時發行股份	26	24,446	311,409	-	-	-	335,855	-	335,855
Issue of bonus shares	發行紅股	26	253,026	(253,026)	-	-	-	-	-	-
			(note 27(i)) (附註27(i))							
At 31 December 2010	於二零一零年十二月三十一日	515,234	274,386	27,080	56,196	92,439	474,762	1,440,097	18,009	1,458,106
At 1 January 2011	於二零一一年一月一日	515,234	274,386	27,080	56,196	92,439	474,762	1,440,097	18,009	1,458,106
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額	-	-	-	-	-	228,990	228,990	1,187	230,177
2010 final dividend	二零一零年末期股息	14	(32,146)	-	-	-	-	(32,146)	-	(32,146)
Transfer to statutory reserves	轉入法定儲備	-	-	-	-	24,426	(24,426)	-	-	-
At 31 December 2011	於二零一一年十二月三十一日	515,234	242,240	27,080	56,196	116,865	679,326	1,636,941	19,196	1,656,137

The notes on pages 50 to 116 are an integral part of these consolidated financial statements.

第50至116頁的附註乃合併財務報表的其中部分。

Consolidated Statement of Cash Flows

合併現金流量表

For the year ended 31 December 2011

截至二零一一年十二月三十一日止年度

	Note	2011	2010
	附註	二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash flows from operating activities			
Profit before taxation		315,653	189,980
Adjustments for:			
Finance income	7	(13,316)	(8,169)
Finance costs	8	512	1,901
Share of result of an associate		543	(1,727)
Depreciation of property, plant and equipment	16	63,741	58,765
Realised gain arising from injecting property, plant and equipment and land use right as capital to an associate	6	(427)	(430)
Loss/(gain) on disposal of property, plant and equipment		2,302	(21)
Amortisation of prepaid lease payments	17	1,515	960
Amortisation of steam connection income	30	(2,999)	(2,682)
Operating cash flows before movements in working capital		367,524	238,577
Increase in deferred income attributable to steam connection income		2,060	1,430
Increase in deferred income attributable to government grants		4,450	4,832
Increase in inventories		(10,232)	(2,610)
Decrease/(increase) in trade and other receivables		67,057	(146,917)
Increase in trade and other payables		42,235	5,780
Cash generated from operations		473,094	101,092
Income taxes paid		(66,253)	(19,137)
Net cash generated from operating activities		406,841	81,955

Consolidated Statement of Cash Flows

合併現金流量表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

	Note 附註	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Cash flows from investing activities			
Interest received		13,316	8,169
Purchases of property, plant and equipment		(64,333)	(52,392)
Deposit for acquisition of prepaid lease payments		(47,249)	-
Increase in prepaid lease payments		(16,074)	(744)
Proceeds on disposal from property, plant and equipment		1,342	950
Decrease/(increase) in loan receivable	34	1,917	(19,605)
Increase in fixed deposits with maturity period over three months		(150,000)	(300,000)
(Increase)/decrease in pledged bank deposits		(2,683)	2,004
Net cash used in investing activities		(263,764)	(361,618)
Cash flows from financing activities			
Interest paid		(512)	(1,901)
Dividends paid	34	(14,458)	(29,351)
Repayments of borrowings		(29,965)	(39,765)
Decrease in employee housing deposits		(74)	-
Proceeds from shares placed		-	335,855
Net cash (used in)/generated from financing activities		(45,009)	264,838
Net increase/(decrease) in cash and cash equivalents		98,068	(14,825)
Cash and cash equivalents at the beginning of the year		276,471	291,296
Cash and cash equivalents at the end of the year represented by bank balances and cash	25	374,539	276,471

The notes on pages 50 to 116 are an integral part of these consolidated financial statements.

第50至116頁的附註乃合併財務報表的其中部分。

Notes to the Consolidated Financial Statements

合併財務報表附註

1 General information

China Starch Holdings Limited (the “Company”) was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability on 29 November 2006. Its ultimate holding company is Merry Boom Group Limited (“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 March 2012.

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”). The consolidated financial statements 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)。本公司的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。

本公司以香港聯合交易所有限公司(「聯交所」)主板為第一上市地。

除另有說明者外，此等合併財務報表乃以人民幣(「人民幣」)計值，並於二零一二年三月二十三日獲董事會(「董事會」)批准刊發。

2 主要會計政策概要

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

2.1 編製基準

本公司的合併財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)編製。合併財務報表乃以歷史成本基準編製。

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

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.1 Basis of preparation (Continued)

The Group has adopted HKAS 24 (Revised), “Related Party Disclosures”, during the year ended 31 December 2011. It clarifies and simplifies the definition of a related party and introduces an exemption from all of the disclosure requirements for transactions among government related entities and the government. The adoption of HKAS 24 (Revised) has no impact on the Group’s financial statements, further information in respect of the details of the related party transactions and outstanding balances is disclosed in note 36.

The following new/revised standards and amendments to standards, 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 2012:

HKAS 1 (Amendment)	Presentation of Financial Statements ²
HKAS 12 (Amendment)	Deferred tax: Recovery of underlying assets ¹
HKAS 19 (Amendment)	Employee Benefits ³
HKAS 27 (Revised)	Separate Financial Statements ³
HKAS 28 (Revised)	Investments in Associates and Joint Ventures ³
HKFRS 10	Consolidated Financial Statements ³
HKFRS 12	Disclosures of Interests in other entities ³
HKFRS 13	Fair Value Measurement ³

2 主要會計政策概要(續)

2.1 編製基準(續)

本集團已於截至二零一一年十二月三十一日止年度採用香港會計準則第24號(經修訂)「關連方披露」。其明確及簡化關連方的釋義，並引入新規定豁免政府相關實體與政府間交易的所有披露規定，採納香港會計準則第24號(經修訂)對本集團的財務報表並無影響，有關關連方交易及未償還結餘的進一步資料，已於附註36披露。

以下對本集團營運具潛在關係的新訂／經修訂準則及準則修訂經已頒佈並需強制採納，而本集團將於二零一二年一月一日或以後開始的會計期間採納：

香港會計準則第1號 (修訂本)	編製財務報表 ²
香港會計準則第12號 (修訂本)	遞延稅項： 收回相關資產 ¹
香港會計準則第19號 (修訂本)	僱員福利 ³
香港會計準則第27號 (經修訂)	單獨財務報表 ³
香港會計準則第28號 (經修訂)	於聯營及合營公司 之投資 ³
香港財務報告準則 第10號	合併財務報表 ³
香港財務報告準則 第12號	披露於其他實體的 權益 ³
香港財務報告準則 第13號	公平值計量 ³

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.1 Basis of preparation (Continued)

- ¹ Effective for annual reporting periods beginning on or after 1 January 2012
- ² Effective for annual reporting periods beginning on or after 1 July 2012
- ³ Effective for annual reporting periods beginning on or after 1 January 2013

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.

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all 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.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 主要會計政策概要(續)

2.1 編製基準(續)

- ¹ 於二零一二年一月一日或之後開始的年度報告期間生效
- ² 於二零一二年七月一日或之後開始的年度報告期間生效
- ³ 於二零一三年一月一日或之後開始的年度報告期間生效

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。

2.2 附屬公司

2.2.1 合併賬目

附屬公司為本集團有權監控其財務及營運政策的實體，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合併入賬，並於控制權終止日期起不再合併入賬。

集團內公司間交易、結餘及集團內公司間交易的收入及支出均予以對銷。已於資產內確認的集團內公司間交易所產生損益亦會予以對銷。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。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(a) Business Combinations

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Investments in subsidiaries are accounted for at cost less impairment (note 2.12). Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

2 主要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 合併賬目(續)

(a) 業務合併

本集團使用購買法作為業務合併的入賬方法。收購附屬公司的已轉撥代價按已轉讓資產、所承擔負債及本集團發行的股權的公平值計量。已轉撥代價包括因或然代價安排而產生的任何資產或負債的公平值。收購相關成本在產生時支銷。於業務合併過程中所收購的可識別資產以及承擔的負債及或然負債，均按收購日期的公平值作初步計量。本集團可就個別收購按公平值或非控股股東權益應佔被收購方的可識別資產淨值已確認金額確認於被收購方的任何非控股股東權益。

於附屬公司的投資按成本扣除減值入賬(附註2.12)。成本會經調整以反映因或然代價修訂而產生的代價變動。成本亦包括投資的直接應佔成本。本公司會按股息及應收款基準將附屬公司的業績入賬。

已轉撥代價、於被收購方的任何非控股股東權益金額及之前持有的被收購方股權於收購日期的公平值的總和，超出已收購可識別資產淨值的公平值入賬列為商譽。倘金額少於在議價購買情況下購入的附屬公司資產淨值公平值，則差額會直接於合併綜合收益表內確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.2 Subsidiaries (Continued)

2.2.1 Consolidation (Continued)

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in the consolidated statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2 主要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 合併賬目(續)

(b) 與非控股股東權益的交易

本集團視與非控股股東權益的交易為與本集團權益擁有人的交易。對於來自非控股股東權益的購買，已付代價與相關應佔所收購附屬公司資產淨值賬面值的差額於權益列賬。向非控股股東權益權益出售所得收益或虧損亦會於權益列賬。

當本集團失去對實體的控制權或重大影響力，於該實體的任何保留權益會按公平值重新計量，而賬面值變動會於合併綜合收益表內確認。為了其後以聯營公司或金融資產方式將保留權益入賬，公平值指最初賬面值。此外，之前就該實體於其他全面收益中確認的任何金額會以猶如本集團已直接出售相關資產或負債的方式入賬。此舉或表示之前於其他綜合收益中確認的金額會重新分類至損益。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.3 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, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. 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.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

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 other comprehensive income is recognised in other comprehensive income. 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.

2 主要會計政策概要(續)

2.3 聯營公司

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，而投資者應佔投資目標於收購日期後之損益，則透過增加或減少其賬面值確認。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。

倘於聯營公司的擁有權減少但仍保留重大影響力，則只有按比例計算應佔之前於其他綜合收益中確認的部分會重新分類至損益(如合適)。

本集團應佔收購後聯營公司的利潤或虧損於合併綜合收益表內確認，而應佔收購後其他綜合收益的變動則於其他綜合收益內確認。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。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.4 Revenue recognition

Revenue is measured at 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 when 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 of return 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 consolidated statement of comprehensive income over the estimated usage period.

2.5 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease.

2 主要會計政策概要(續)

2.4 收入確認

收入按本集團日常業務過程中就貨品及服務銷售而已收或應收代價的公平值計量。收入經扣除增值稅、退貨以及與本集團內的銷售額後呈列。

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。本集團基於其以往業績，考慮客戶類型、交易方法及各項安排細節對回報作出估計。

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合併綜合收益表內遞延及攤銷。

2.5 租賃

倘出租人保留擁有權的絕大部分風險及回報，則有關租賃會歸類為經營租賃。根據經營租賃作出的付款(扣除已收出租人的任何獎勵)於租賃期內以直線法於合併綜合收益表扣除。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.5 Leases (Continued)

(i) The Group as lessee

Rental payable under operating leases are charged to the consolidated 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 translation

(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 or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

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合併綜合收益表扣除。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 外幣換算

(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。合併財務報表乃以人民幣呈列，人民幣為本公司的功能貨幣及本集團的呈報貨幣。

(ii) 交易及結餘

外幣交易按交易日期或重新計量項目估值日期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合併綜合收益表內確認，惟於權益內遞延作為合資格現金流量對沖及合資格投資淨額對沖除外。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.6 Foreign currency translation (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 consolidated statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each consolidated 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 in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated 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 外幣換算(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:

- 各合併財務狀況表所列資產及負債按其報告期末的收市匯率換算;
- 各合併綜合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於其他綜合收益內確認。

在合併賬目時,換算海外業務淨投資產生的匯兌差額,均列入其他綜合收益內。當處置或出售部分海外業務時,計入權益的匯兌差額於合併綜合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。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.7 Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated 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.

Government grants relating to costs are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred income and are credited to the consolidated statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

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合併綜合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。

有關成本的政府補助會被遞延，並於與其擬定補償的成本配對在所需期間內於合併綜合收益表中確認。

有關物業、廠房及設備的政府補助計入非流動負債列為遞延收入，並按直線法於相關資產預計壽命期間在合併綜合收益表列賬。

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。

Notes to the Consolidated Financial Statements

合併財務報表附註

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 People's Republic of China (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。

就中國內地的僱員而言，本集團就多項由中華人民共和國(「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。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.9 Employee benefits (Continued)

(iii) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. 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 balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the consolidated 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 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策概要(續)

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。根據計劃，實體獲僱員提供服務作為換取本集團權益工具(購股權)的代價。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。於結算日，實體修訂其對預期可予以歸屬購股權數目的估計。該實體在合併綜合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 當期及遞延所得稅

期內稅項支出包括當期及遞延所得稅。稅項於合併綜合收益表內確認，惟如與在其他綜合收益或直接於權益確認的項目有關則除外。在該情況下，稅項亦分別於其他綜合收益或直接於權益內確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.10 Current and deferred income tax (Continued)

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date 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 income tax

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

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

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

2 主要會計政策概要(續)

2.10 當期及遞延所得稅(續)

(i) 當期所得稅

當期所得稅支出按於結算日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) 遞延所得稅

遞延所得稅以債務法按資產及負債稅基與其於合併財務報表賬面值之間的暫時性差額作出確認。然而，倘遞延所得稅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，則遞延所得稅不會入賬。遞延所得稅是按結算日已實施或實質上已實施，並預期於有關遞延所得稅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。

遞延所得稅資產僅於可能會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作出撥備，但倘若本集團可以控制遞延所得稅負債的暫時性差額的撥回時間，並有可能在可預見未來不會撥回暫時性差額則除外。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.10 Current and deferred income tax (Continued)

(iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

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:

2 主要會計政策概要(續)

2.10 當期及遞延所得稅(續)

(iii) 抵銷

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擬定用途時開始，採用的基準與其他物業資產的基準相同。

只有在與項目相關的未來經濟利益可能流入集團，而項目成本能可靠地計量時，項目的其後成本才會計入資產賬面值，或在適當情況下確認為獨立資產。已取代部分的賬面值會被終止確認。其他所有維修保養費用於產生的財務期間內在合併綜合收益表內扣除。

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：

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.11 Property, plant and equipment (Continued)

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

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.12).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other income' in the consolidated statement of comprehensive income.

2.12 Impairment of non-financial assets

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

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)

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

資產的殘值及可使用年期於各報告期末進行檢討，並於適當時作出調整。

倘資產賬面值高於其估計可收回金額，則資產賬面值會即時撇減至其可收回金額(附註2.12)。

出售收益及虧損以比較所得款與賬面值而釐定，並於合併綜合收益表內的「其他收入」中確認。

2.12 非金融資產的減值

當有事件出現或情況改變顯示賬面值可能無法收回時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，資產按可分辨識別現金流量(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。

倘在單獨財務報表的投資賬面值超出被投資公司的資產淨值(包括商譽)於合併財務報表的賬面值，則須就於附屬公司及聯營公司的投資進行減值測試。

Notes to the Consolidated Financial Statements

合併財務報表附註

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。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method, comprises raw materials, direct labour and production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.15 Financial assets

2.15.1 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 cash equivalent', 'trade and other receivables' and 'loan receivable' in the consolidated statement of financial position (note 2.18 and 2.20).

2.15.2 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. Financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

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 2.20.

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(按照正常營運能力)。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 金融資產

2.15.1 分類

本集團將其金融資產分為貸款及應收款。

貸款及應收款是在活躍市場沒有報價的固定或待定付款的非衍生金融資產。其於流動資產項下入賬，惟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合併財務狀況表的「現金及現金等價物」、「貿易及其他應收款」及「應收貸款」(附註2.18及2.20)組成。

2.15.2 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。金融資產初步按公平值加交易成本確認。當自投資收取現金流量的權利屆滿或已經轉讓，而本集團已轉移擁有權的絕大部分風險及回報時，金融資產被終止確認。貸款及應收款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2.20闡述。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.15 Financial assets (Continued)

2.15.3 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2 主要會計政策概要(續)

2.15 金融資產(續)

2.15.3 金融資產的減值

本集團於各報告期末評估是否有客觀證據顯示金融資產或一組金融資產減值。只當有客觀證據證明於初步確認資產後發生一宗或多宗事件導致出現減值(「虧損事件」)，而該宗(或該等)虧損事件對該項或該組金融資產的未來估計現金流量構成可以合理估計的影響，有關金融資產方為出現減值及產生減值虧損。

減值跡象可包括一名或一組債務人正面臨重大財務困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

虧損金額乃根據資產賬面值與按金融資產原實際利率貼現而估計未來現金流量(不包括仍未產生的未來信貸損失)的現值兩者的差額計量。資產賬面值予以削減，而虧損金額則在合併綜合收益表確認。

如在後期，減值虧損的金額減少，而此減少可客觀地聯繫至減值確認後才發生的事件(例如債務人的信貸評級有所改善)，則之前已確認的減值虧損可在合併綜合收益表中撥回。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.16 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.17 Dividend distribution

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

2.18 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.

2.19 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.

2.20 Trade and other receivables

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

2 主要會計政策概要(續)

2.16 抵銷金融工具

金融資產及負債於有法律強制權以抵銷已確認金額及於擬按淨值基準結算或同時將資產變現及償付負債時予以抵銷，而有關淨額於資產負債表內呈報。

2.17 股息分配

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

2.18 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。

2.19 分部報告

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

2.20 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。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.21 Share capital

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

2.22 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.23 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2 主要會計政策概要(續)

2.21 股本

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

2.22 貿易應付款

貿易應付款為於日常業務過程中就已購買貨品或服務付款的責任。倘貿易應付款於一年或之內到期(或倘時間更長，則於業務的正常營運週期內)，則被分類為流動負債。否則，則以非流動負債呈列。

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。

2.23 借款

借款以公平值初始確認，並扣除已產生的交易成本。借款隨後按攤銷成本列賬；所得款(扣除交易成本)與贖回值之間的任何差額，使用實際利率法於借款期內在合併綜合收益表中確認。

除非集團有權無條件將債務償還日期延至報告期末後至少十二個月後，否則，所有借款均歸類為流動負債。

Notes to the Consolidated Financial Statements

合併財務報表附註

2 Summary of significant accounting policies

(Continued)

2.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

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, fixed deposits with maturity period over three months, cash and cash equivalents 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. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

2 主要會計政策概要(續)

2.24 撥備

當本集團因過往事件而須負上現有的法定或推定責任，並且可能須流失資源以履行責任，而金額亦能夠可靠估計時會確認撥備。未來經營虧損撥備不會確認入賬。

倘有多項類似責任出現，則會考慮所屬類別整體責任以釐定履行責任會否導致資源流失。即使同一類別責任內任何一項造成資源流失的可能性不高，仍會確認撥備。

撥備以為履行責任所預計需要產生的開支的現值計量，計算此等現值使用的稅前貼現率能夠反映當前市場的貨幣時間價值及該責任特有的風險。時間流逝導致撥備金額增加會確認為利息開支。

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、三個月以上定期存款、現金及現金等價物及應收／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。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 Financial risk management (Continued)

(b) Market risk

(i) Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arise. Approximately 8% (2010: 10%) of the Group's sales are denominated in currencies other than the functional currency of the Group entity.

The Group manages its foreign exchange 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 translation or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk primarily with respect to United States Dollars and Hong Kong Dollars.

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.

3 財務風險管理(續)

(b) 市場風險

(i) 外匯風險

本集團進行的若干交易以外幣計值，因此須承擔匯率波動的風險。本集團銷售額約8%（二零一零年：10%）乃以本集團實體的功能貨幣以外的貨幣計值。

本集團透過密切監測外幣匯率的變動管理其外匯風險。

本集團業務主要位於中國，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實體功能貨幣的貨幣計值，將會產生外匯風險。本集團主要面臨美元及港元的外匯風險。

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，以應付以人民幣計值的負債。由於認為成本效益不高，故本集團並無利用任何遠期合約或貨幣借款對沖其風險。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 Financial risk management (Continued)

(b) Market risk (Continued)

(i) Foreign exchange risk (Continued)

At 31 December 2011, if RMB had strengthened/weakened by 5% (2010: 5%) against United States Dollars with all other variables held constant, pre-tax profit for the year would have been RMB351,000 (2010: RMB344,000) lower/higher, mainly as a result of foreign exchange losses/gains on translation of United States Dollars-denominated trade receivables.

At 31 December 2011, if RMB had strengthened/weakened by 5% (2010: 5%) against Hong Kong Dollars with all other variables held constant, pre-tax profit for the year would have been RMB364,000 (2010: RMB75,000) lower/higher, mainly as a result of foreign exchange losses/gains on translation of Hong Kong Dollars-denominated cash at bank.

(ii) Price risk

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

3 財務風險管理(續)

(b) 市場風險(續)

(i) 外匯風險(續)

於二零一一年十二月三十一日，倘人民幣兌美元升值／貶值5%（二零一零年：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351,000元（二零一零年：人民幣344,000元），主要由於換算以美元計值的貿易應收款的外匯虧損／收益所致。

於二零一一年十二月三十一日，倘人民幣兌港元升值／貶值5%（二零一零年：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364,000元（二零一零年：人民幣75,000元），主要由於換算以港元計值的銀行現金的外匯虧損／收益所致。

(ii) 價格風險

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

Notes to the Consolidated Financial Statements

合併財務報表附註

3 Financial risk management (Continued)

(b) Market risk (Continued)

(iii) Interest rate risk

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, fixed deposits and discounted bills, details of which have been disclosed in note 25 and note 29(a) respectively. As at 31 December 2011, 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 cash at bank. 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 2011, 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 2011 would increase/decrease by RMB750,000 (2010: RMB876,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate cash at bank.

(c) Credit risk

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

3 財務風險管理(續)

(b) 市場風險(續)

(iii) 利率風險

本集團的收入及經營現金流量大致上不受市場利率變動影響，除銀行結餘、定期存款及貼現票據(詳情分別於附註25及附註29(a)披露)外，本集團並無重大的計息資產。於二零一一年十二月三十一日，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銀行現金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。

於二零一一年十二月三十一日，倘利率調高／調低50個基點，而所有其他變數保持不變，則本集團截至二零一一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750,000元(二零一零年：人民幣876,000元)。此乃主要由於本集團就其浮息銀行現金承擔利率風險。

(c) 信貸風險

本集團的信貸風險主要來自第三方應收貸款、貿易應收款及本集團之銀行結餘。管理層已制訂信貸政策，並不斷監察所承擔的信貸風險。

Notes to the Consolidated Financial Statements

合併財務報表附註

3 Financial risk management (Continued)

(c) Credit risk (Continued)

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, 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 consolidated financial statements after assessing the collectability of individual debts.

The credit risk on cash at bank deposited in the PRC is monitored closely by management of the Group who will assess the reputation, the risk of recoverability and the financial information, if any, of the counterparties before the placing of deposits.

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.

3 財務風險管理(續)

(c) 信貸風險(續)

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合併財務報表中所作的呆賬備抵(若有)亦已充足。

本集團管理層會密切監察中國銀行現金存款的信貸風險，並會在存款前先評估對方的信譽、收回風險及財務資料(如有)。

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

Notes to the Consolidated Financial Statements

合併財務報表附註

3 Financial risk management (Continued)

(d) Liquidity risk

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

As at 31 December 2011, the Group has available unutilised bank loan facilities of approximately RMB240,000,000 (2010: RMB280,000,000).

At the reporting date, the Group held liquid assets including trade and other receivables of RMB146,806,000 (2010: RMB197,163,000) that are expected to readily generate cash flow for managing liquidity risk.

Liquidity table

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

3 財務風險管理(續)

(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。

於二零一一年十二月三十一日，本集團的未動用銀行貸款融資約為人民幣240,000,000元(二零一零年：人民幣280,000,000元)。

於報告日期，本集團持有的流動資產包括貿易及其他應收款人民幣146,806,000元(二零一零年：人民幣197,163,000元)，預期可即時產生現金流量以管理流動資金風險。

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貼現現金流量制定。表內披露的金額為合約未貼現現金流量：

Notes to the Consolidated Financial Statements

合併財務報表附註

3 Financial risk management (Continued)

(d) Liquidity risk (Continued)

Group	本集團	Within	Between	Between	Over	Total
		1 year	1 - 2	2 - 5	5 years	undiscounted
		一年以內	一年至兩年	兩年至五年	超過五年	流量總額
		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
2011	二零一一年					
Trade and other payables	貿易及其他應付款	141,855	-	-	-	141,855
Loans	貸款					
- interest-free	- 免息	1,551	886	2,659	1,995	7,091
- interest-bearing	- 計息	-	-	-	-	-
Employee housing deposits	員工房屋保證金	26,307	-	-	-	26,307
		169,713	886	2,659	1,995	175,253
2010	二零一零年					
Trade and other payables	貿易及其他應付款	99,384	-	-	-	99,384
Loans	貸款					
- interest-free	- 免息	1,551	886	2,659	2,881	7,977
- interest-bearing	- 計息	29,680	-	-	-	29,680
Employee housing deposits	員工房屋保證金	26,381	-	-	-	26,381
		156,996	886	2,659	2,881	163,422
Company	本公司					
2011	二零一一年					
Other payables	其他應付款	4,444	-	-	-	4,444
2010	二零一零年					
Other payables	其他應付款	3,698	-	-	-	3,698

3 財務風險管理(續)

(d) 流動資金風險(續)

Notes to the Consolidated Financial Statements

合併財務報表附註

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 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 estimates and judgements

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，於合併財務報表內按攤銷成本列賬的金融資產及金融負債的賬面值與其公平值相若。

(e) 資本管理

本集團管理資本的目標為保障本集團可持續經營，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部實施的資本要求。

4 重大會計估計及判斷

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修訂估計的期間確認，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。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 Critical accounting estimates and judgements

(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 note receivables

Note 2.20 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 consolidated 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 重大會計估計及判斷(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重大調整的重大風險。

(a) 貿易應收款及應收票據減值

附註2.20載述貿易應收款及應收票據均採用實際利率法按攤銷成本減任何已辨識減值虧損入賬。倘有客觀證據顯示資產已經減值，會在合併綜合收益表中確認減值虧損，金額按資產賬面值與以原實際利率貼現管理層預期的估計未來現金流量現值之間的差額計算。當實際未來現金流量少於預期，則可能出現重大減值虧損。

(b) 存貨估值

本集團會定時根據附註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檢討每類產品的存貨，為陳舊及滯銷項目作出備抵。管理層主要根據估計的未來售價和市場情況估計該等製成品、在製品及原材料的可變現淨值。如可變現淨值估計少於預期，可能需作出重大備抵。

Notes to the Consolidated Financial Statements

合併財務報表附註

4 Critical accounting estimates and judgements

(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 is 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 重大會計估計及判斷(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，該等差額將影響釐定有關金額期間的當期及遞延所得稅資產及負債。

與若干暫時性差額有關的遞延稅項資產只會管理層認為日後很可能有應課稅利潤用作抵銷暫時性差額時方會確認。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。該估計乃根據性質及功能相近的物業、廠房及設備過往的實際可使用年期而作出。該估計可能因科技進步及競爭者對嚴重行業週期的行動而出現重大變動。管理層將於可使用年期較先前估計年期不同時調整折舊開支，或撤銷或撤減經已廢棄或出售的技術上已過時或非策略性資產。

Notes to the Consolidated Financial Statements

合併財務報表附註

5 Turnover and segments information

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

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Cornstarch and ancillary corn-refined products	玉米澱粉及玉米深加工副產品	2,112,086	1,848,924
Lysine and its related products	賴氨酸及其相關產品	687,972	472,083
Starch-based sweetener	澱粉糖	145,054	75,908
Electricity and steam	電力及蒸汽	73,759	107,818
		3,018,871	2,504,733

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.

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

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

The Board assesses the performance of the operating segments based on a measure of adjusted operating profit. 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 management. Other information provided, except as noted below, to management is measured in a manner consistent with that in the consolidated financial statements.

5 營業額及分部資料

本集團於本年度的營業額分析如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
玉米澱粉及玉米深加工副產品		2,112,086	1,848,924
賴氨酸及其相關產品		687,972	472,083
澱粉糖		145,054	75,908
電力及蒸汽		73,759	107,818
		3,018,871	2,504,733

主要營運決策人確定為董事會。董事會會審閱本集團的內部報告，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。

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、澱粉糖和電力及蒸汽業務的表現。

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

董事會根據計量經調整經營利潤評估經營分部的表現。此計量基準並無計入經營分部的非經常性開支的影響，例如：減值（因個別非經常性事件而產生的減值）。利息收入及開支不會計入經管理層審閱的各經營分部業績內。除下述者外，提供予管理層的其他資料的計量方法與合併財務報表所採用者一致。

Notes to the Consolidated Financial Statements

合併財務報表附註

5 Turnover and segments information (Continued)

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 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)

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。此為與合併財務狀況表所示總資產及總負債的對賬部分。

分部間銷售以成本扣減。向管理層報告的外部收入的計量基準與合併綜合收益表所採用者一致。

		Starch-based Electricity					Total
		Cornstarch	Lysine	sweetener	and steam	Unallocated	
		玉米澱粉	賴氨酸	澱粉糖	電力及蒸汽	未分配	合計
		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
For the year ended	截至二零一一年						
31 December 2011	十二月三十一日止年度						
TURNOVER	營業額						
Total sales	銷售總額	2,112,086	687,972	145,054	251,455	-	3,196,567
Inter-segment sales	分部間銷售	-	-	-	(177,696)	-	(177,696)
External sales	對外銷售	2,112,086	687,972	145,054	73,759	-	3,018,871
Segment results	分部業績	194,203	252,201	5,111	2,835	(150,958)	303,392
Depreciation and amortisation	折舊及攤銷	18,635	20,083	15,765	4,714	6,059	65,256
For the year ended	截至二零一零年						
31 December 2010	十二月三十一日止年度						
TURNOVER	營業額						
Total sales	銷售總額	1,848,924	472,083	75,908	275,196	-	2,672,111
Inter-segment sales	分部間銷售	-	-	-	(167,378)	-	(167,378)
External sales	對外銷售	1,848,924	472,083	75,908	107,818	-	2,504,733
Segment results	分部業績	189,972	79,198	(187)	26,949	(113,947)	181,985
Depreciation and amortisation	折舊及攤銷	16,449	19,845	1,822	16,850	4,759	59,725

Notes to the Consolidated Financial Statements

合併財務報表附註

5 Turnover and segments information (Continued)

5 營業額及分部資料(續)

		Cornstarch	Lysine	Starch- based sweetener	Electricity and steam	Unallocated	Total
		玉米澱粉	賴氨酸	澱粉糖	電力及蒸汽	未分配	合計
		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
As at 31 December 2011	於二零一一年 十二月三十一日						
Segment assets	分部資產	570,518	116,437	106,348	163,882	1,056,194	2,013,379
Including:	包括:						
Interest in an associate	於一家聯營公司的權益	-	-	-	-	41,135	41,135
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	23,871	4,328	29,449	1,352	21,407	80,407
Segment liabilities	分部負債	95,995	19,589	25,106	51,803	133,597	326,090
Including:	包括:						
Borrowings	借款	-	-	-	-	7,091	7,091
Employee housing deposits	員工房屋保證金	-	-	-	-	26,307	26,307
Deferred income	遞延收入	-	-	-	17,598	9,095	26,693
As at 31 December 2010	於二零一零年 十二月三十一日						
Segment assets	分部資產	622,503	135,893	79,977	175,712	766,333	1,780,418
Including:	包括:						
Interest in an associate	於一家聯營公司的權益	-	-	-	-	41,251	41,251
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	30,137	2,987	9,559	3,451	7,002	53,136
Segment liabilities	分部負債	100,818	29,846	15,739	39,302	124,678	310,383
Including:	包括:						
Borrowings	借款	-	-	-	-	37,056	37,056
Employee housing deposits	員工房屋保證金	-	-	-	-	26,381	26,381
Deferred income	遞延收入	-	-	-	18,350	4,832	23,182

Notes to the Consolidated Financial Statements

合併財務報表附註

5 Turnover and segments information (Continued)

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

5 營業額及分部資料(續)

可報告分部的業績與除稅前利潤的對賬如下：

		For the year ended	
		31 December	
		截至十二月三十一日止年度	
		2011	2010
		二零一一年	二零一零年
		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	454,350	295,932
Unallocated income	未分配收入	6,574	18,356
Unallocated expenses	未分配開支	(157,532)	(132,303)
Total segment results	分部總業績	303,392	181,985
Finance income	融資收入	13,316	8,169
Finance costs	融資成本	(512)	(1,901)
Share of result of an associate	應佔一家聯營公司業績	(543)	1,727
Profit before taxation	除稅前利潤	315,653	189,980

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

附註：未分配收入及開支分別主要包括未能分配至個別分部的政府補助及企業成本。

Notes to the Consolidated Financial Statements

合併財務報表附註

5 Turnover and segments information (Continued)

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

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

5 營業額及分部資料(續)

向董事會提供有關總資產的金額，其計量方式與合併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：

		As at 31 December 於十二月三十一日	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Reportable segments' assets	可報告分部資產	957,185	1,014,085
Unallocated:	未分配：		
Prepaid lease payments	預付租賃款	59,082	44,523
Deposit for acquisition of prepaid lease payments	收購預付租賃款的保證金	47,249	-
Interest in an associate	於一家聯營公司的權益	41,135	41,251
Pledged bank deposits	已抵押銀行存款	2,683	-
Fixed deposits with maturity period over three months	三個月以上定期存款	450,000	300,000
Cash and cash equivalents	現金及現金等價物	374,539	276,471
Other unallocated assets	其他未分配資產	81,506	104,088
Total segment assets	分部總資產	2,013,379	1,780,418
Deferred tax assets	遞延稅項資產	-	1,689
Total assets as per consolidated statement of financial position	合併財務狀況表下的總資產	2,013,379	1,782,107

Notes to the Consolidated Financial Statements

合併財務報表附註

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 consolidated financial statements. These liabilities are allocated based on the operations of the segment.

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

		As at 31 December 於十二月三十一日	
		2011 二零一一年	2010 二零一零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Reportable segments' liabilities	可報告分部負債	192,493	185,705
Unallocated:	未分配：		
Employee housing deposits	員工房屋保證金	26,307	26,381
Borrowings	借款	7,091	37,056
Other unallocated liabilities	其他未分配負債	100,199	61,241
Total segment liabilities	分部總負債	326,090	310,383
Income tax payable	應付所得稅	30,533	13,271
Deferred tax liabilities	遞延稅項負債	619	347
Total liabilities as per consolidated statement of financial position	合併財務狀況表下的總負債	357,242	324,001

The result of its revenue from external customers in the PRC for the year 2011 is RMB2,768,860,000 (2010: RMB2,245,328,000), and the total of its revenue from external customers from other countries is RMB250,011,000 (2010: RMB259,405,000).

As at 31 December 2011, the total of non-current assets other than interest in an associate and deferred tax assets located in the PRC is RMB642,338,000 (2010: RMB583,867,000), and the total of these non-current assets located in other countries is RMB141,000 (2010: RMB183,000).

5 營業額及分部資料(續)

向董事會提供有關總負債的金額，其計量方式與合併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	
		2011 二零一一年	2010 二零一零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Reportable segments' liabilities	可報告分部負債	192,493	185,705
Unallocated:	未分配：		
Employee housing deposits	員工房屋保證金	26,307	26,381
Borrowings	借款	7,091	37,056
Other unallocated liabilities	其他未分配負債	100,199	61,241
Total segment liabilities	分部總負債	326,090	310,383
Income tax payable	應付所得稅	30,533	13,271
Deferred tax liabilities	遞延稅項負債	619	347
Total liabilities as per consolidated statement of financial position	合併財務狀況表下的總負債	357,242	324,001

於二零一一年，來自中國的外來客戶收入業績為人民幣2,768,860,000元(二零一零年：人民幣2,245,328,000元)，而來自其他國家外來客戶的收入總額為人民幣250,011,000元(二零一零年：人民幣259,405,000元)。

於二零一一年十二月三十一日，除於一家聯營公司的權益及遞延稅項資產外，位於中國的非流動資產總值為人民幣642,338,000元(二零一零年：人民幣583,867,000元)，而位於其他國家的非流動資產總值為人民幣141,000元(二零一零年：人民幣183,000元)。

Notes to the Consolidated Financial Statements

合併財務報表附註

6 Other income

6 其他收入

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Government grants (note (i), (ii) and (iii))	政府補助(附註(i)、(ii)及(iii))	2,874	13,492
Electricity capacity sales	電容量銷售	-	5,265
Amortisation of steam connection income and government grants (note 30)	蒸汽接駁收入及政府補助攤銷(附註30)	2,999	2,682
Realised gain arising from 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而產生的已變現收益	427	430
Gain on sales of scrap coal and oil	銷售煤屑及廢油的收益	2,774	4,670
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備(虧損)/收益	(2,302)	21
Others	其他	4,344	3,031
		11,116	29,591

Note:

附註：

- (i) For the year ended 31 December 2011, the government grants mainly represented the followings:
- (a) the government subsidy of approximately RMB1,730,000 was paid by 壽光市財政局 (Shouguang City Finance Bureau) for the supply of steam to domestic households in winter.
- (b) the government grant of approximately RMB688,000 was paid by 壽光市財政局 (Shouguang City Finance Bureau) for promoting export trading.
- (c) the government grant of approximately RMB400,000 was paid by 臨清市財政局 (Linqing City Finance Bureau) for supporting new and advance business of the company.

- (i) 截至二零一一年十二月三十一日止年度的政府補助主要包括：
- (a) 壽光市財政局就於冬季為當地家庭供應蒸汽支付的政府資助約人民幣1,730,000元。
- (b) 壽光市財政局促進出口貿易支付的政府補助約人民幣688,000元。
- (c) 臨清市財政局就支持公司創新及先進業務支付的政府補助約人民幣400,000元。

Notes to the Consolidated Financial Statements

合併財務報表附註

6 Other income (Continued)

Note: (Continued)

- (ii) For the year ended 31 December 2010, the government grants mainly represented the followings:
- (a) the government grant of approximately RMB8,063,000 was paid by 壽光市財政局 (Shouguang City Finance Bureau) for encouraging the replacement of aged machineries, prevention of air pollution; and provision of heat supply subsidy.
 - (b) the government subsidy of approximately RMB4,200,000 was paid by 濰坊市發展和改革委員會 (Weifong Development and Reform Commission) for compensating temporary suspension of power generator.
 - (c) the government grant of approximately RMB1,220,000 was paid by 臨清市財政局 (Linqing City Finance Bureau) for promoting the use of advance technology.
- (iii) The government grants were granted at the discretion of the government and were not recurring in nature.

6 其他收入(續)

附註：(續)

- (ii) 截至二零一零年十二月三十一日止年度的政府補助主要包括以下各項：
- (a) 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約人民幣8,063,000元。
 - (b) 濰坊市發展和改革委員會就補償暫停使用發電機支付政府津貼約人民幣4,200,000元。
 - (c) 臨清市財政局就推廣使用先進技術支付政府補助約人民幣1,220,000元。
- (iii) 政府補助乃由政府酌情決定並屬非經常性質。

7 Finance income

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Interest income on bank deposits	銀行存款的利息收入	13,191	8,134
Interest income on loan receivable	應收貸款的利息收入	125	35
		13,316	8,169

7 融資收入

8 Finance costs

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Interest on discounted bills	貼現票據的利息	512	1,901

8 融資成本

Notes to the Consolidated Financial Statements

合併財務報表附註

9 Profit before taxation

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

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	63,741	58,765
Amortisation of prepaid lease payments	預付租賃款的攤銷	1,515	960
Total depreciation and amortisation	折舊及攤銷總額	65,256	59,725
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	2,302	(21)
Net foreign exchange loss	匯兌虧損淨額	1,176	2,671
Cost of inventories recognised as expenses	確認為支出的存貨成本	2,416,485	2,083,076
Operating lease payments	經營租賃金額	379	598
Employee benefits expense including directors' emoluments (note 11)	僱員福利開支包括董事酬金(附註11)	100,919	71,915
Research and development expenses	研究及開發費用	1,165	3,778
Auditor's remuneration	核數師薪酬	1,219	1,239

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.

9 除稅前利潤

除稅前利潤已扣除/(計入)下列各項：

10 所得稅支出

由於本集團的實體於兩個年度內並無在香港產生或賺取利潤，故並無就香港利得稅作出撥備。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。

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
PRC corporate income tax	中國企業所得稅		
– Current year	– 本年度	82,889	22,033
– Under provision in prior years	– 過往年度撥備不足	626	–
Deferred tax (note 28)	遞延稅項(附註28)	1,961	4,602
		85,476	26,635

Notes to the Consolidated Financial Statements

合併財務報表附註

10 Income tax expenses (Continued)

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

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Profit before taxation	除稅前利潤	315,653	189,980
Tax at the corporate income tax rate at 25% (2010: 25%)	以企業所得稅率25% (二零一零年：25%)計算的稅項	78,913	47,495
Tax effect of	以下各項的稅務影響：		
- An associate's result reported net of tax	- 聯營公司呈報業績 (扣除稅項)	136	(432)
- Different tax rate	- 不同稅率	1,157	1,037
- Tax holiday	- 稅務優惠	-	(22,192)
- Expenses that are not deductible for tax purpose	- 不可扣稅開支	5,719	3,441
- Income not subject to tax	- 毋須課稅收入	(1,075)	(2,714)
- Adjustments in respect of prior years	- 過往年度調整	626	-
		85,476	26,635

The tax holiday of 50% relief of the PRC Foreign Enterprise Income Tax entitled by an indirectly wholly owned 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"), was expired at the year ended 31 December 2010.

As at 31 December 2011 and 2010, no deferred tax liabilities have been recognised in respect of the tax that would be payable on the distribution of the retained earnings 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.

10 所得稅支出(續)

本年度稅項支出可與除稅前利潤對賬如下：

	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Profit before taxation	315,653	189,980
Tax at the corporate income tax rate at 25% (2010: 25%)	78,913	47,495
Tax effect of		
- An associate's result reported net of tax	136	(432)
- Different tax rate	1,157	1,037
- Tax holiday	-	(22,192)
- Expenses that are not deductible for tax purpose	5,719	3,441
- Income not subject to tax	(1,075)	(2,714)
- Adjustments in respect of prior years	626	-
	85,476	26,635

本集團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」)寬免50%中國外資企業所得稅的稅務優惠於截至二零一零年十二月三十一日止年度屆滿。

於二零一一年及二零一零年十二月三十一日，由於本公司控制該等外資企業的股息政策，而有關差異不大可能在可預見未來撥回，故並無就分派本集團外資企業留存盈利時應付的稅項確認遞延稅項負債。

Notes to the Consolidated Financial Statements

合併財務報表附註

11 Employee benefit expenses (including directors' emoluments)

11 僱員福利開支(包括董事酬金)

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Wages and salaries	工資及薪金	71,216	50,879
Pension costs	退休金費用	13,345	8,603
Staff welfares	員工福利	16,358	12,433
		100,919	71,915

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

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。

12 Emoluments for directors and five highest paid individuals

12 董事及五名最高薪人士的酬金

(a) Directors' emoluments

(a) 董事酬金

		Basic salaries and allowance 基本薪金及津貼 RMB'000 人民幣千元	Fees 袍金 RMB'000 人民幣千元	Discretionary bonus 酌情花紅 RMB'000 人民幣千元	Retirement benefit scheme contributions 退休福利計劃供款 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Executive directors:	執行董事：						
Mr. Tian Qixiang	田其祥先生	516	-	750	-	1,266	1,016
Mr. Yu Yingquan	于英全先生	300	-	750	-	1,050	800
Mr. Gao Shijun	高世軍先生	360	-	750	31	1,141	880
Mr. Liu Xianggang	劉象剛先生	252	-	750	30	1,032	773
Independent non-executive directors:	獨立非執行董事：						
Ms. Dong Yanfeng	董延豐女士	-	50	-	-	50	50
Ms. Yu Shumin*	余淑敏女士*	-	38	-	-	38	50
Mr. Cao Zenggong	曹增功先生	-	30	-	-	30	30
Mr. Yue Kwai Wa, Ken	余季華先生	-	83	-	-	83	87
2011	二零一一年	1,428	201	3,000	61	4,690	3,686
2010	二零一零年	1,428	217	2,000	41	3,686	

* Ms. Yu Shumin retired on 4 September 2011.

* 余淑敏女士於二零一一年九月四日退休。

Notes to the Consolidated Financial Statements

合併財務報表附註

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 (2010: four) were directors of the Company whose emoluments are reflected in the analysis presented above. The emoluments of the remaining one (2010: one) individual were as follows:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Basic salaries and allowance	基本薪金及津貼	669	644
Retirement benefit scheme contributions	退休福利計劃供款	10	10
		679	654

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.

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:

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of calculating basic earnings per share (Profit for the year attributable to equity holders of the Company)	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)	228,990	161,711

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(二零一零年：四名)為本公司的董事，彼等的酬金於上文的分析呈列。餘下一名(二零一零年：一名)最高薪人士的酬金如下：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Basic salaries and allowance	基本薪金及津貼	669	644
Retirement benefit scheme contributions	退休福利計劃供款	10	10
		679	654

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。

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數據計算：

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of calculating basic earnings per share (Profit for the year attributable to equity holders of the Company)	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)	228,990	161,711

Notes to the Consolidated Financial Statements

合併財務報表附註

13 Earnings per share (Continued)

13 每股盈利(續)

		2011 二零一一年	2010 二零一零年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用以計算每股基本盈利的普通股加權平均數	5,779,680,000	5,687,233,000

No diluted earnings per share has been presented because no dilutive potential ordinary shares exist for both 2011 and 2010.

由於二零一一年及二零一零年均無具攤薄效用的潛在普通股，故並無呈列每股攤薄盈利。

14 Dividends

14 股息

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Proposed final dividend (note (i) and (ii)): HK0.67 cents (2010: HK0.67 cents) per ordinary share	擬派末期股息(附註(i)及(ii))： 每股普通股0.67港仙 (二零一零年：0.67港仙)	31,393	32,951
Final dividend paid during the year: HK0.67 cents (2010: HK1.16 cents) per ordinary share	於本年度已支付末期股息： 每股普通股0.67港仙 (二零一零年：1.16港仙)	32,146	29,351

Note:

- (i) A final dividend of HK0.67 cents per share has been proposed by the directors and is subject to approval by the shareholders at the forthcoming annual general meeting.
- (ii) 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.

附註:

- (i) 董事建議宣派末期股息每股0.67港仙，惟須待股東於應屆股東週年大會上批准後，方可作實。
- (ii) 於年終後建議宣派的末期股息並未確認為報告期末的負債。

Notes to the Consolidated Financial Statements

合併財務報表附註

15 Loss 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 RMB38,316,000 (2010: RMB40,215,000).

15 本公司權益持有人應佔虧損

本公司權益持有人應佔虧損人民幣38,316,000元(二零一零年:人民幣40,215,000元)已在本公司財務報表中處理。

16 Property, plant and equipment

16 物業、廠房及設備

		Group 本集團					Total 合計
		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Other machinery 其他機器 RMB'000 人民幣千元	Plant and equipment under construction 在建廠房及設備 RMB'000 人民幣千元	
Cost	成本						
At 1 January 2010	於二零一零年一月一日	303,107	539,914	7,641	35,036	5,176	890,874
Additions	添置	9,821	9,232	2,292	2,537	28,510	52,392
Transfers	轉讓	6,975	24,674	-	-	(31,649)	-
Disposals	出售	(510)	(2,057)	(742)	(310)	-	(3,619)
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及二零一一年一月一日	319,393	571,763	9,191	37,263	2,037	939,647
Additions	添置	823	1,334	1,926	890	59,360	64,333
Transfers	轉讓	405	26,038	-	166	(26,609)	-
Reclassification	重新分類	(7,981)	7,981	-	-	-	-
Disposals	出售	(996)	(7,284)	(590)	(955)	-	(9,825)
At 31 December 2011	於二零一一年十二月三十一日	311,644	599,832	10,527	37,364	34,788	994,155
Accumulated depreciation and impairment	累計折舊及減值						
At 1 January 2010	於二零一零年一月一日	89,014	239,438	3,511	10,897	-	342,860
Depreciation charge for the year	年內折舊費用	10,960	41,741	1,290	4,774	-	58,765
Disposals	出售	(474)	(1,420)	(700)	(96)	-	(2,690)
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及二零一一年一月一日	99,500	279,759	4,101	15,575	-	398,935
Depreciation charge for the year	年內折舊費用	12,011	45,560	1,460	4,710	-	63,741
Disposals	出售	(932)	(4,034)	(477)	(738)	-	(6,181)
At 31 December 2011	於二零一一年十二月三十一日	110,579	321,285	5,084	19,547	-	456,495
Net carrying value	賬面淨值						
At 31 December 2011	於二零一一年十二月三十一日	201,065	278,547	5,443	17,817	34,788	537,660
At 31 December 2010	於二零一零年十二月三十一日	219,893	292,004	5,090	21,688	2,037	540,712

Notes to the Consolidated Financial Statements

合併財務報表附註

17 Prepaid lease payments

17 預付租賃款

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Cost	成本		
At 1 January	於一月一日	53,025	52,281
Additions	添置	16,074	744
At 31 December	於十二月三十一日	69,099	53,025
Accumulated amortisation	累計攤銷		
At 1 January	於一月一日	8,502	7,542
Amortisation charge for the year	年內攤銷費用	1,515	960
At 31 December	於十二月三十一日	10,017	8,502
Net book amount	賬面淨值		
At 31 December	於十二月三十一日	59,082	44,523
Land in the PRC held under medium-term lease	按中期租賃於中國持有的土地	59,082	44,523
Analysed for reporting purposes:	作呈報用途的分析：		
Current asset	流動資產	1,512	1,185
Non-current asset	非流動資產	57,570	43,338
		59,082	44,523

Notes to the Consolidated Financial Statements

合併財務報表附註

18 Subsidiaries

(a) Investments in subsidiaries

		Company 本公司	
		2011 二零一一年	2010 二零一零年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Unlisted investments, at cost	非上市投資(按成本)	159,121	159,121

The following is a list of subsidiaries at 31 December 2011: 於二零一一年十二月三十一日的附屬公司表列如下：

Name of companies	Place of incorporation	Place of operation	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
公司名稱	註冊成立地點	經營地點	註冊資本	(%)	主要業務
Sourcestar Worldwide Inc.	British Virgin Islands	Hong Kong	US\$240 ordinary shares	100	Investment holding
Sourcestar Worldwide Inc.	英屬維爾京群島	香港	240美元的普通股	100	投資控股
China Starch Group Limited	Hong Kong	Hong Kong	HK\$1 ordinary share	100	Provision of management services
中國澱粉集團有限公司	香港	香港	1港元的普通股	100	提供管理服務
Golden Corn ^{1,2}	PRC	PRC	RMB480,000,000	100	Manufacturing and sale of cornstarch, lysine and related products
金玉米 ^{1,2}	中國	中國	人民幣480,000,000元	100	製造及銷售玉米澱粉、賴氨酸及其相關產品
Linqing Deneng Golden Corn Bio Limited ^{1,3}	PRC	PRC	RMB200,000,000	91	Manufacturing and sale of cornstarch and related products
臨清德能金玉米生物有限公司 ^{1,3}	中國	中國	人民幣200,000,000元	91	製造及銷售玉米澱粉及其相關產品

¹ Interests are held indirectly by the Company.

¹ 本公司間接持有權益。

² The entity is a wholly foreign owned enterprise.

² 該實體為一家全外資企業。

³ The entity is an equity joint venture enterprise.

³ 該實體為一家合資經營企業。

Notes to the Consolidated Financial Statements

合併財務報表附註

18 Subsidiaries (Continued)

(b) Amounts due from subsidiaries

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

19 Interest in an associate

18 附屬公司(續)

(b) 應收附屬公司款項

應收附屬公司款項以港元計值，為非貿易、免息、無抵押及須於要求時償還。

19 於一家聯營公司的權益

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 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 from injecting property, plant and equipment and land use right as capital contribution	減：注入物業、廠房及設備和土地使用權作為注資而產生的未變現收益	(1,846)	(2,273)
Share of post-acquisition profits	收購後應佔利潤	4,795	5,338
		41,135	41,251

As at 31 December 2011 and 2010, 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:

於二零一一年及二零一零年十二月三十一日，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 25 September 2004 中國 二零零四年 九月二十五日	US\$9,600,000 9,600,000美元	49% 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

Notes to the Consolidated Financial Statements

合併財務報表附註

19 Interest in an associate (Continued)

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

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Total assets	總資產	133,598	137,493
Total liabilities	總負債	(45,882)	(48,669)
Net assets	資產淨值	87,716	88,824
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Revenue	收入	194,273	219,898
(Loss)/profit for the year	本年度(虧損)/利潤	(1,108)	3,524

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：

20 Deposit for acquisition of prepaid lease payments

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

20 收購預付租賃款的保證金

有關款項指收購位於壽光的地塊而向壽光市政府支付的初步保證金。

Notes to the Consolidated Financial Statements

合併財務報表附註

21 Inventories

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	140,605	118,013
Work in progress	在製品	20,785	18,238
Finished goods	製成品	45,675	60,582
		207,065	196,833

The cost of inventories recognised as expense and included in "cost of goods sold" amounted to RMB2,416,485,000 (2010: RMB2,083,076,000).

22 Loan receivable

On 16 November 2010, the loan amounting to approximately RMB19,605,000 had been granted to a company which Mr. Tian Qixiang ("Mr. Tian"), a director and shareholder of the Company, has an insignificant equity interest. The loan receivable was fully settled during the year and details of which are set out in note 34 to the consolidated financial statements.

The loan receivable was denominated in Hong Kong Dollars.

21 存貨

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	140,605	118,013
Work in progress	在製品	20,785	18,238
Finished goods	製成品	45,675	60,582
		207,065	196,833

確認為開支及包含在「銷貨成本」的存貨成本為人民幣2,416,485,000元(二零一零年：人民幣2,083,076,000元)。

22 應收貸款

於二零一零年十一月十六日，向本公司董事兼股東田其祥先生(「田先生」)擁有極少量權益的公司提供約人民幣19,605,000元的貸款。該應收貸款已於本年度償還，有關詳情載於合併財務報表附註34。

應收貸款以港元計值。

Notes to the Consolidated Financial Statements

合併財務報表附註

23 Trade and other receivables

23 貿易及其他應收款

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		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
Trade receivables	貿易應收款	126,437	175,150	-	-
Bank acceptance bills	銀行承兌票據	147,160	163,860	-	-
Other receivables	其他應收款	20,369	22,013	-	389
		293,966	361,023	-	389

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

本集團一般給予客戶的信貸期由零至六十日不等。

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

以下為於報告期末貿易應收款的賬齡分析：

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		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
0 – 30 days	零至三十日	89,250	145,598	-	-
31 – 60 days	三十一至六十日	21,533	20,798	-	-
61 – 90 days	六十一至九十日	6,737	1,315	-	-
Over 90 days	九十日以上	8,917	7,439	-	-
		126,437	175,150	-	-

Before accepting any new customer, the Group assesses the creditability of each of the potential customer and defines their respective credit limits accordingly. Credit limit of each customer is reviewed monthly. Credit qualities of trade receivables neither past due nor impaired have been assessed with reference to historical information on the default rates, based on which no impairment provision is considered to be necessary.

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相應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過往的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。

Notes to the Consolidated Financial Statements

合併財務報表附註

23 Trade and other receivables (Continued)

Included in trade receivables balance are debtors with an aggregate carrying amount of RMB9,293,000 (2010: RMB8,800,000) which are past due but not impaired. These relate to a number of independent customers of whom there is no recent history of default.

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

		Group 本集團		Company 本公司	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		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
31 – 60 days	三十一至六十日	-	113	-	-
61 – 90 days	六十一至九十日	376	1,286	-	-
Over 90 days	九十日以上	8,917	7,401	-	-
		9,293	8,800	-	-

Included in trade receivables and other receivables are amounts due from an associate and non-controlling interests of RMB32,745,000 (2010: RMB38,556,000) and RMB12,965,000 (2010: RMB9,498,000) respectively (note 36(c)). No impairment has been made to receivables from related companies.

23 貿易及其他應收款(續)

貿易應收款結餘包括賬面總值為人民幣9,293,000元(二零一零年：人民幣8,800,000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約紀錄的多名獨立客戶有關。

已到期但並無減值的貿易應收款的賬齡分析如下：

貿易應收款及其他應收款包括應收一家聯營公司及非控股股東權益款項分別為人民幣32,745,000元(二零一零年：人民幣38,556,000元)及人民幣12,965,000元(二零一零年：人民幣9,498,000元)(附註：36(c))。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	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		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
Discounted bills (note 29(i))	貼現票據 (附註29(i))	-	29,079	-	-
Endorsed bills	背書票據	30,167	16,541	-	-
Bills on hand	手頭票據	116,993	118,240	-	-
		147,160	163,860	-	-

Notes to the Consolidated Financial Statements

合併財務報表附註

23 Trade and other receivables (Continued)

Bank acceptance bills (Continued)

The bank acceptance bills are normally with maturity period of 180 days (2010: 180 days). There is no recent history of default on bank acceptance bills.

As at 31 December 2011 and 2010, all other receivables aged between 0-30 days.

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

23 貿易及其他應收款(續)

銀行承兌票據(續)

銀行承兌票據一般到期期限為一百八十日(二零一零年：一百八十日)。銀行承兌票據近期並無違約紀錄。

於二零一一年及二零一零年十二月三十一日，其他應收款的賬齡全部均為零至三十日。

貿易及其他應收款的賬面值以下列貨幣計值：

		Group		Company	
		本集團		本公司	
		2011	2010	2011	2010
		二零一一年	二零一零年	二零一一年	二零一零年
		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
Hong Kong Dollars	港元	97	531	-	389
United States Dollars	美元	15,290	11,762	-	-
Renminbi	人民幣	278,579	348,730	-	-
		293,966	361,023	-	389

24 Pledged bank deposits

The pledged bank deposits were denominated in Renminbi.

24 已抵押銀行存款

已抵押銀行存款以人民幣計值。

Notes to the Consolidated Financial Statements

合併財務報表附註

25 Cash and cash equivalents and fixed deposits with maturity period over three months 25 現金及現金等價物及三個月以上定期存款

		Group 本集團		Company 本公司	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Cash at bank and in hand (note (i) and (iii))	銀行現金及手頭 現金 (附註(i)及(iii))	194,539	226,471	8,576	4,523
Short-term bank deposits (note (ii) and (iii))	短期銀行存款 (附註(ii)及(iii))	180,000	50,000	-	-
Cash and cash equivalents	現金及現金等價物	374,539	276,471	8,576	4,523
Fixed deposits with initial maturity period over three months (note (ii) and (iii))	原到期日為三個月 以上的定期存款 (附註(ii)及(iii))	450,000	300,000	-	-
		824,539	576,471	8,576	4,523

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

現金及現金等價物及三個月以上存款以下列貨幣計值：

		Group 本集團		Company 本公司	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
United States Dollars	美元	484	1,857	-	-
Hong Kong Dollars	港元	8,660	4,664	8,576	4,523
Renminbi (note (iv))	人民幣 (附註(iv))	815,395	569,950	-	-
		824,539	576,471	8,576	4,523

Notes to the Consolidated Financial Statements

合併財務報表附註

25 Cash and cash equivalents and fixed deposits with maturity period over three months

(Continued)

Note:

- (i) Cash at banks earns interest at daily floating rates of bank deposit.
- (ii) These fixed deposits earn interest of 2.6%-4.5% per annum.
- (iii) The bank balances and pledged deposits are deposited with credit worthy banks with no recent history of defaults. The carrying amounts of the cash and cash equivalents approximate to their fair values.
- (iv) 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.

26 Share capital

25 現金及現金等價物及三個月以上定期存款(續)

附註：

- (i) 銀行現金乃按銀行存款的日浮息賺取利息。
- (ii) 此等定期存款按年利率2.6至4.5厘賺取利息。
- (iii) 銀行結餘及已抵押存款乃存放於過往並無違約記錄的有信譽銀行。現金及現金等價物的賬面值與其公平值相若。
- (iv) 本集團以人民幣計值的銀行結餘及存款乃存入中國的銀行。將該等以人民幣計值的結餘兌換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。

26 股本

	Number of shares 股份數目	Share capital 股本
	'000 千股	HK\$'000 千港元
Authorised		
	法定	
At 31 December 2010 and 2011	於二零一零年及 二零一一年十二月三十一日	
	10,000,000	1,000,000

Notes to the Consolidated Financial Statements

合併財務報表附註

26 Share capital (Continued)

26 股本(續)

		Number	Share	
		of shares	capital	capital
		股份數目	股本	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 2010	於二零一零年一月一日	2,612,500	261,250	237,762
Share placed in February 2010 (note (i))	於二零一零年二月 配售股份(附註(i))	277,340	27,734	24,446
Bonus shares issued in June 2010 (note (ii))	於二零一零年六月 發行紅股(附註(ii))	2,889,840	288,984	253,026
At 31 December 2010 and 2011	於二零一零年及二零一一年 十二月三十一日	5,779,680	577,968	515,234

Note:

- (i) In February 2010, the Company entered into a placing agreement with a placing agent, an independent third party. Pursuant to the placing agreement, the Company issued a total of 277,340,000 ordinary shares with par value of HK\$0.10 at a price of HK\$1.40 each, resulting in an increase in the issued share capital of the Company by HK\$27,734,000 (equivalent to RMB24,446,000). The excess of the placement proceeds over the nominal value of share capital issued was credited as share premium.
- (ii) Pursuant to the resolution passed at the extraordinary general meeting held on 17 June 2010, 2,889,840,000 bonus shares were issued at nil consideration. The issued and fully paid capital increased by HK\$288,984,000 (equivalent to RMB253,026,000) with the creation of an additional 2,889,840,000 shares of HK\$0.10 each. The bonus shares were credited as fully paid by way of capitalisation of HK\$288,984,000 (equivalent to RMB253,026,000) in the share premium account of the Company (note 27).

附註：

- (i) 於二零一零年二月，本公司與配售代理(一名獨立第三方)訂立配售協議。根據配售協議，本公司按每股1.40港元的價格發行合共277,340,000股每股面值0.10港元的普通股，本公司的已發行股本因而增加27,734,000港元(相等於人民幣24,446,000元)。配售所得款較高於發行股本面值的金額將計入股份溢價。
- (ii) 根據在本公司於二零一零年六月十七日舉行的股東特別大會上通過的決議案，無償發行2,889,840,000股紅股。透過增設額外2,889,840,000股每股面值0.10港元的股份，已發行及繳足股本已增加288,984,000港元(相等於人民幣253,026,000元)。紅股已透過將本公司股份溢價賬中288,984,000港元(相等於人民幣253,026,000元)撥充資本而入賬列作繳足(附註27)。

Notes to the Consolidated Financial Statements

合併財務報表附註

27 Reserves

27 儲備

		Company 本公司				Total
		Share premium	Special reserve	Capital reserve	Retained earnings/ (accumulated losses)	
		股份溢價	特別儲備	資本儲備	留存盈利/ (累計虧損)	合計
		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
		(note (i))	(note (ii))			
		(附註 (i))	(附註 (ii))			
At 1 January 2010	於二零一零年 一月一日	245,354	108,651	16,730	2,529	373,264
Loss for the year	本年度虧損	-	-	-	(40,215)	(40,215)
2009 final dividend	二零零九年末期股息	(29,351)	-	-	-	(29,351)
Issue of bonus shares (note 26(ii))	發行紅股 (附註26(ii))	(253,026)	-	-	-	(253,026)
Shares placed	已配售股份	311,409	-	-	-	311,409
At 31 December 2010	於二零一零年 十二月三十一日	274,386	108,651	16,730	(37,686)	362,081
At 1 January 2011	於二零一一年 一月一日	274,386	108,651	16,730	(37,686)	362,081
Loss for the year	本年度虧損	-	-	-	(38,316)	(38,316)
2010 final dividend	二零一零年末期股息	(32,146)	-	-	-	(32,146)
At 31 December 2011	於二零一一年 十二月三十一日	242,240	108,651	16,730	(76,002)	291,619

Notes to the Consolidated Financial Statements

合併財務報表附註

27 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.

28 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:

27 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的條文規限下，本公司的股份溢價可供向股東分派或派付股息，惟於緊隨股息分派後，本公司須有能力償還其於日常業務中到期的債務。
- (ii) 本公司及本集團的特別儲備指(a)本公司所發行股本的面值及股份溢價值與本集團重組時所收購的附屬公司股本及股份溢價總值之間的差額；及(b)直接附屬公司就間接附屬公司全部註冊資本支付的代價與間接附屬公司的註冊資本之間的差額。

28 遞延稅項

遞延所得稅乃就暫時性差額根據債務法採用於報告期末之前已經頒佈或實際上已經頒佈的稅率計算。

經適當抵銷後，合併財務狀況表的結餘如下：

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Deferred tax liabilities	遞延稅項負債	(619)	(347)
Deferred tax assets	遞延稅項資產	-	1,689
		(619)	1,342

Notes to the Consolidated Financial Statements

合併財務報表附註

28 Deferred taxation (Continued)

The movement on deferred tax is as follows:

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At 1 January	於一月一日	1,342	5,944
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(1,961)	(4,602)
At 31 December	於十二月三十一日	(619)	1,342

Deferred tax liabilities

The movement of deferred tax assets and liabilities without taking into consideration of the offsetting of balances within the same taxation jurisdiction is as follows:

28 遞延稅項(續)

遞延稅項的變動如下：

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At 1 January	於一月一日	1,342	5,944
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(1,961)	(4,602)
At 31 December	於十二月三十一日	(619)	1,342

遞延稅項負債

倘不考慮抵銷同一稅務司法管轄區的結餘，遞延稅項資產及負債的變動如下：

		Group 本集團	
		Unrealised gain from 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 而產生的未變現收益	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
At 1 January	於一月一日	(1,927)	(1,820)
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(107)	(107)
At 31 December	於十二月三十一日	(2,034)	(1,927)

Notes to the Consolidated Financial Statements

合併財務報表附註

28 Deferred taxation (Continued)

Deferred tax assets

		Tax loss	Group 本集團 Impairment of property, plant and equipment 物業、廠房 及設備的 減值	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2010	於二零一零年一月一日	6,019	1,745	7,764
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(4,330)	(165)	(4,495)
At 31 December 2010 and 1 January 2011	於二零一零年 十二月三十一日 及二零一一年一月一日	1,689	1,580	3,269
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(1,689)	(165)	(1,854)
At 31 December 2011	於二零一一年 十二月三十一日	-	1,415	1,415

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. The tax loss was fully utilised during the year ended 31 December 2011.

28 遞延稅項(續)

遞延稅項資產

		Tax loss	Group 本集團 Impairment of property, plant and equipment 物業、廠房 及設備的 減值	Total
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2010	於二零一零年一月一日	6,019	1,745	7,764
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(4,330)	(165)	(4,495)
At 31 December 2010 and 1 January 2011	於二零一零年 十二月三十一日 及二零一一年一月一日	1,689	1,580	3,269
Charged to the consolidated statement of comprehensive income	於合併綜合收益表中扣除	(1,689)	(165)	(1,854)
At 31 December 2011	於二零一一年 十二月三十一日	-	1,415	1,415

倘有未來應課稅利潤可實現相關稅務利益，將會就結轉稅務虧損確認遞延稅項資產。截至二零一一年十二月三十一日止年度之稅務虧損經已全數動用。

Notes to the Consolidated Financial Statements

合併財務報表附註

29 Borrowings

As at 31 December 2010, all of the Group's interest bearing borrowings were carried at fixed rate and the effective interest rate is 5.72% per annum.

29 借款

於二零一零年十二月三十一日，本集團的所有計息借款均以固定利率計息，而其實際年利率為5.72厘。

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Cash advances for discounted bills, secured (note (i))	貼現票據的現金墊支， 有抵押（附註(i)）	-	29,079
Government loan, unsecured (note (ii))	政府貸款，無抵押（附註(ii)）	7,091	7,977
		7,091	37,056
Carrying amount payables:	應付賬面值：		
Within 1 year	一年內	1,551	30,630
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	1,995	2,881
		7,091	37,056
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	(1,551)	(30,630)
		5,540	6,426

Notes to the Consolidated Financial Statements

合併財務報表附註

29 Borrowings (Continued)

Note:

- (i) No bills receivable (2010: RMB29,079,000) discounted by the Group to banks in exchange for cash as at 31 December 2011. The transactions were accounted for as collateralised bank advance. The cash advances for discounted bills as at 31 December 2010 were repayable within one year and bear interest at 4.46% to 6.97% per annum. Interest expense on discounted bills for the year ended 31 December 2011 is RMB512,000 (2010: RMB1,901,000).
- (ii) Government loan represented government assistance provided to Golden Corn, for its corn refinery production by Finance Bureau of Shouguang City in April 2004. The balance is unsecured, interest-free and fully repayable by 6 April 2019. According to the loan agreement, the loan is repayable by 11 annual instalment commencing from 6 April 2009.

30 Deferred income

		Group 本集團		
		Steam connection income 蒸汽接駁收入 RMB'000 人民幣千元	Government grants 政府補助 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2010	於二零一零年一月一日	19,602	-	19,602
Additions	增加	1,430	4,832	6,262
Amortisation for the year	本年度攤銷	(2,682)	-	(2,682)
31 At 31 December 2010 and 1 January 2011	於二零一零年 十二月三十一日 及二零一一年一月一日	18,350	4,832	23,182
Additions	增加	2,060	4,450	6,510
Amortisation for the year	本年度攤銷	(2,812)	(187)	(2,999)
At 31 December 2011	於二零一一年 十二月三十一日	17,598	9,095	26,693

29 借款(續)

附註：

- (i) 截至二零一一年十二月三十一日，本集團並無向銀行貼現應收票據(二零一零年：人民幣29,079,000元)換取現金。交易以有抵押銀行墊款入賬。於二零一零年十二月三十一日，貼現票據的墊支現金須於一年內償還，及以年利率4.46厘至6.97厘計息。截至二零一一年十二月三十一日止年度貼現票據的利息開支為人民幣512,000元(二零一零年：人民幣1,901,000元)。
- (ii) 政府貸款指壽光市財政局於二零零四年四月就玉米深加工生產向金玉米提供的政府資助。該結餘為無抵押、免息及須於二零一零年四月六日前悉數償還。根據貸款協議，貸款須於二零零九年四月六日起按年分十一期償還。

30 遞延收入

Notes to the Consolidated Financial Statements

合併財務報表附註

30 Deferred income (Continued)

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

Government grants represent the payment received from 臨清市財政局 (Linqing City Finance Bureau) for the development of the production complex in Linqing.

30 遞延收入(續)

蒸汽接駁收入指為客戶接駁蒸汽管道的已收/應收款。

政府補助指為於臨清建設生產綜合大樓而已收臨清市財政局的款項。

31 Trade and other payables

31 貿易及其他應付款

		Group 本集團		Company 本公司	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Trade payables	貿易應付款	74,181	64,511	-	-
Bills payable	應付票據	4,583	-	-	-
Total trade and bills payables	貿易應付款及 應付票據總額	78,764	64,511	-	-
Advances from customers	客戶墊款	85,994	96,689	-	-
Deposits	訂金	9,747	3,327	-	-
Sales commission	銷售佣金	2,608	2,758	-	-
Other tax payables	其他應付稅項	22,919	17,484	-	-
Accrued expenses	應計費用	7,337	9,770	1,214	1,698
Payroll and welfare payables	應付薪金及福利	15,231	10,207	3,230	2,000
Payable for construction and equipment	建築及設備應付款	42,315	18,692	-	-
Others	其他	1,084	326	-	-
		187,235	159,253	4,444	3,698
		265,999	223,764	4,444	3,698

As at 31 December 2011, bills payable are secured by pledged bank deposits (note 24) of RMB2,683,000 (2010: Nil) and bank acceptance bills of RMB1,900,000 (2010: Nil).

於二零一一年十二月三十一日，應付票據以人民幣2,683,000元(二零一零年：零)已抵押銀行存款(附註24)及人民幣1,900,000元(二零一零年：零)銀行承兌票據作抵押。

Notes to the Consolidated Financial Statements

合併財務報表附註

31 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 本集團		Company 本公司	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
0 – 60 days	零至六十日	56,476	50,643	-	-
61 – 90 days	六十一至九十日	3,519	5,017	-	-
Over 90 days	九十日以上	18,769	8,851	-	-
		78,764	64,511	-	-

The average credit period on purchases is 80 days (2010: 80 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

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

		Group 本集團		Company 本公司	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
United States Dollars	美元	8,748	6,732	-	-
Hong Kong Dollars	港元	1,482	3,698	1,444	1,698
Renminbi	人民幣	255,769	213,334	3,000	2,000
		265,999	223,764	4,444	3,698

31 貿易及其他應付款(續)

以下為報告期末貿易應付款及應付票據的賬齡分析：

採購的平均信貸期為八十日(二零一零年：八十日)。本集團已制定財務風險管理政策，以確保所有應付款於有關信貸期內獲得支付。

貿易及其他應付款的賬面值以下列貨幣計值：

Notes to the Consolidated Financial Statements

合併財務報表附註

32 Employee housing deposits

		Group 本集團	
		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Deposits received	已收保證金	26,307	26,381

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 are interest-free, unsecured and repayable one month upon the return of the staff quarters by the employee or termination of employment.

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。

33 Commitments

(a) Commitments for total future minimum lease payments under non-cancellable operating lease

		2011 二零一一年 RMB'000 人民幣千元		2010 二零一零年 RMB'000 人民幣千元	
No later than 1 year	一年內	417	420		
Later than 1 year and no later than 5 years	一年後及五年內	232	583		
		649	1,003		

33 承擔

(a) 根據不可撤銷經營租賃的日後最低租賃付款承擔總額

Notes to the Consolidated Financial Statements

合併財務報表附註

33 Commitments (Continued)

(b) Commitments in respect of capital expenditure

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of:	就以下項目 已訂約但未在合併財務報表 內撥備的資本開支：		
– property, plant and equipment	– 物業、廠房及設備	8,626	2,965
– prepaid lease payments	– 預付租賃款	–	10,480
		8,626	13,445

34 Major non-cash transaction

The final dividend of RMB17,688,000 payable to Merry Boom for the year ended 31 December 2010 was settled against part of the loan receivable amounting to approximately RMB19,605,000, details of which have been disclosed in note 22.

35 Share-based payment transactions

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

As at 31 December 2011 and 2010, no options have been granted under the Share Option Scheme of the Company.

33 承擔(續)

(b) 資本開支承擔

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of:	就以下項目 已訂約但未在合併財務報表 內撥備的資本開支：		
– property, plant and equipment	– 物業、廠房及設備	8,626	2,965
– prepaid lease payments	– 預付租賃款	–	10,480
		8,626	13,445

34 主要非現金交易

應付予怡興截至二零一零年十二月三十一日止年度的末期股息人民幣17,688,000元，已用於向一家公司償還部分應收貸款及利息，金額為約人民幣19,605,000元，已於附註22中披露。

35 以股份支付款項的交易

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

於二零一一年及二零一零年十二月三十一日，概無根據本公司該購股權計劃授出任何購股權。

Notes to the Consolidated Financial Statements

合併財務報表附註

36 Material related party transactions

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

(a) Transactions with related parties

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Sales of constarch to an associate	向一家聯營公司銷售玉米澱粉	134,266	145,402
Sales of electricity and steam to an associate	向一家聯營公司銷售電力和蒸氣	7,232	8,071
Purchase of electricity and steam from non-controlling interests	自非控股股東權益購買電力和蒸氣	76,818	74,607

These transactions are conducted in accordance with their respective contract prices.

該等交易乃根據其各自的合約價格進行。

(b) Key management compensation

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Short-term benefits	短期福利	4,428	3,428
Retirement benefit scheme contributions	退休福利計劃供款	61	41
		4,489	3,469

36 重大關連方交易

於年內，本集團與關連方訂立以下重大交易：

(a) 與關連方進行之交易

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Sales of constarch to an associate	向一家聯營公司銷售玉米澱粉	134,266	145,402
Sales of electricity and steam to an associate	向一家聯營公司銷售電力和蒸氣	7,232	8,071
Purchase of electricity and steam from non-controlling interests	自非控股股東權益購買電力和蒸氣	76,818	74,607

該等交易乃根據其各自的合約價格進行。

(b) 主要管理層的報酬

		2011 二零一一年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元
Short-term benefits	短期福利	4,428	3,428
Retirement benefit scheme contributions	退休福利計劃供款	61	41
		4,489	3,469

Notes to the Consolidated Financial Statements

合併財務報表附註

36 Material related party transactions (Continued)

(c) Balances with related parties

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount due from an associate (note (i))	應收一家聯營公司的款項 (附註(i))	32,745	38,556
Amount due from non-controlling interests (note (ii))	應收非控股股東權益的款項 (附註(ii))	12,965	9,498

Note:

- (i) The outstanding amount is unsecured, interest-free 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 amount due from related parties.
- (ii) Balance is unsecured, interest-free and shall be settled in accordance with the respective credit terms.

36 重大關連方交易(續)

(c) 與關連方結餘

		2011	2010
		二零一一年	二零一零年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount due from an associate (note (i))	應收一家聯營公司的款項 (附註(i))	32,745	38,556
Amount due from non-controlling interests (note (ii))	應收非控股股東權益的款項 (附註(ii))	12,965	9,498

附註：

- (i) 尚未償還款項乃無抵押、免息並將於所授予的信貸期內清償。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。
- (ii) 結餘乃無抵押、免息，並須根據各自的信貸條款償還。

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