



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

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

**ANNUAL REPORT 2008**  
二零零八年年報



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# 公司資料

## Corporate Information

### 董事會

#### 執行董事

劉洪亮先生(主席)  
王子江先生  
郭希田先生  
郭玉成先生

#### 獨立非執行董事

梁錦雲先生  
高寶玉先生  
劉晨光先生

### 董事會委員會

#### 審核委員會

梁錦雲先生(主席)  
高寶玉先生  
劉晨光先生

#### 薪酬委員會

劉洪亮先生(主席)  
梁錦雲先生  
高寶玉先生  
劉晨光先生

#### 安全及環保委員會

郭玉成先生(主席)  
高寶玉先生  
傅安旭先生

### 公司秘書

劉偉珍女士

### 核數師

中瑞岳華(香港)會計師事務所

### 主要往來銀行

恒生銀行有限公司  
中國工商銀行濰坊市分行

### Board of Directors

#### Executive Directors

Mr. Liu Hongliang (*Chairman*)  
Mr. Wang Zijiang  
Mr. Guo Xitian  
Mr. Guo Yucheng

#### Independent Non-Executive Directors

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

### Board Committees

#### Audit Committee

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

#### Remuneration Committee

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

#### Safety and Environmental Protection Committee

Mr. Guo Yucheng (*Chairman*)  
Mr. Gao Baoyu  
Mr. Fu Anxu

### Company Secretary

Ms. Lau Wai Chun

### Auditor

RSM Nelson Wheeler

### Principal Bankers

Hang Seng Bank Limited  
Industrial and Commercial Bank of China, Weifang Branch

### 香港股份過戶登記處

香港中央證券登記有限公司  
香港  
灣仔皇后大道東183號  
合和中心  
17字樓1712-1716室

### 註冊辦事處

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

### 香港主要營業地點

香港  
夏慤道12號  
美國銀行中心  
22字樓2204A室

### 總辦事處及中國主要營業地點

中國  
山東省  
濰坊市  
山東濰坊經濟開發區

### 香港法律顧問

施文律師行

### 公司網址

<http://tdchem.hi2000.com>

### 股份代號

聯交所: 609

### Hong Kong Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre, 183 Queen's Road East  
Wan Chai  
Hong Kong

### Registered Office

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

### Principal Place of Business in Hong Kong

Room 2204A, 22nd Floor  
Bank of America Tower  
12 Harcourt Road  
Hong Kong

### Head Office and Principal Place of Business in the PRC

Shandong Weifang Economic Development Zone  
Weifang City  
Shandong Province  
The PRC

### Legal Adviser as to Hong Kong Laws

F. Zimmern & Co.

### Company's Website

<http://tdchem.hi2000.com>

### Stock Code

The Stock Exchange: 609

# 財務摘要及五年概要

## Financial Highlights and Five Years Summary

		二零零六年 (已重列· 附註1)					
		2006 (As restated, note 1)					
		附註	二零零四年	二零零五年	二零零七年	二零零八年	
		Notes	2004	2005	2007	2008	
<b>業績</b>	<b>Results</b>						
(以人民幣千元列示)	(expressed in RMB'000)						
營業額	Turnover		323,124	430,817	504,187	574,298	
毛利	Gross profit		59,261	72,223	98,567	68,983	
本公司股權持有人 應佔溢利	Profit attributable to equity holders of the Company		42,453	41,711	58,437	21,554	
每股盈利 (人民幣)	Earnings per share (RMB)	2	0.198	0.139	0.184	0.054	
未計利息、稅項、折舊及 攤銷前盈利	Earnings before interest, taxation, depreciation and amortisation ("EBITDA")		54,675	57,638	82,574	54,295	
						<b>725,199</b>	
						<b>99,123</b>	
						<b>24,925</b>	
						<b>0.062</b>	
						<b>74,462</b>	
<b>財務狀況</b>	<b>Financial Positions</b>						
(以人民幣千元列示)	(expressed in RMB'000)						
總資產	Total assets	3	221,809	313,177	578,723	768,459	
負債總額	Total liabilities		111,122	162,715	275,097	441,441	
每股淨資產 (人民幣)	Net assets per share (RMB)	4	0.37	0.50	0.76	0.82	
						<b>640,725</b>	
						<b>291,794</b>	
						<b>0.87</b>	
<b>財務比率</b>	<b>Financial Ratios</b>						
流動比率	Current ratio	5	0.9	0.7	1.3	0.9	
速動比率	Quick ratio	6	0.7	0.5	1.1	0.8	
負債比率	Gearing ratio	7	21.6%	24.2%	14.4%	34.3%	
						<b>0.8</b>	
						<b>0.6</b>	
						<b>36.8%</b>	

附註：

1 二零零六年之數字已重列以反映：(1)因自二零零七年一月一日起採納香港會計準則第40號「投資物業」(投資物業採用公允價值模式列賬)帶來之會計政策變動；及(2)已背書票據呈列為應收票據直至到期日為止，而有關已背書票據並無應用於沖減貿易應付賬及其他應付款項。然而，重列截至二零零四年及二零零五年十二月三十一日止年度之財務報表以作比較並不切實可行。

2 每股盈利 = 本公司股權持有人應佔溢利 ÷ 全年已發行股份加權平均數。每股基本盈利乃根據加權平均股數計算，而於截至二零零四年、二零零五年及二零零六年十二月三十一日止三年度之加權平均股數分別為214,531,000股、300,000,000股及318,082,192股。

3 總資產 = 非流動資產 + 流動資產

4 每股淨資產 = 股東權益 ÷ 年底已發行股數 (於二零零四年、二零零五年及二零零六年十二月三十一日，每股淨資產乃分別根據已發行股份300,000,000股、300,000,000股及318,082,192股計算。)

5 流動比率 = 流動資產 ÷ 流動負債

6 速動比率 = (流動資產 - 存貨) ÷ 流動負債

7 負債比率 = 淨負債 (扣除現金及現金等值項目後之借貸總額) ÷ 股東權益

Notes:

1 The figures in 2006 have been restated to reflect (1) the change in accounting policies as a result of the adoption of Hong Kong Accounting Standards 40 "Investment Property" (investment properties to be accounted for using the fair value model) with effective from 1 January 2007 and (2) the endorsed bills are presenting as bills receivable until maturity and such endorsed bills have not been applied to reduce the amounts of trade and other payables. However, it is not practicable to restate the financial statements for the years ended 31 December 2004 and 2005 for comparison purposes.

2 Earnings per share = Profit attributable to equity holders of the Company ÷ weighted average of issued shares for the year. (The calculation of basic earnings per share is based on the weighted average number of 214,531,000, 300,000,000 and 318,082,192 shares for the three years ended 31 December 2004, 2005 and 2006 respectively.)

3 Total assets = Non-current assets + Current assets

4 Net assets per share = Shareholders' equity ÷ Number of issued shares of the Company at the year end (As at 31 December 2004, 2005 and 2006, the calculation of net assets per share is based on the number of issued shares of 300,000,000, 300,000,000 and 318,082,192 respectively.)

5 Current ratio = Current assets ÷ Current liabilities

6 Quick ratio = (Current assets - Inventories) ÷ Current liabilities

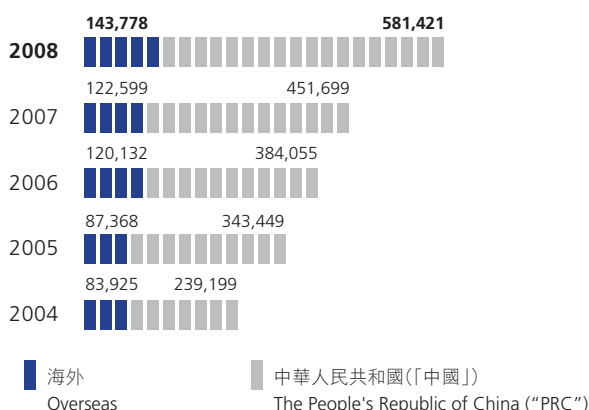
7 Gearing ratio = Net debts (Total borrowings net of cash and cash equivalents) ÷ Shareholders' equity

# 財務摘要及五年概要

## Financial Highlights and Five Years Summary

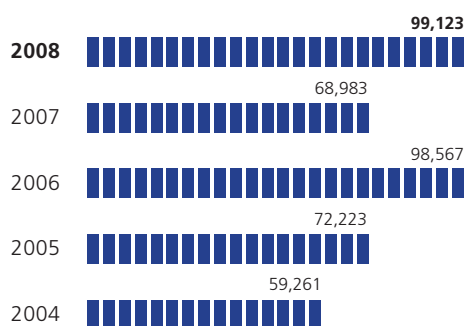
### 營業額 (人民幣千元)

#### Turnover (RMB'000)



### 毛利 (人民幣千元)

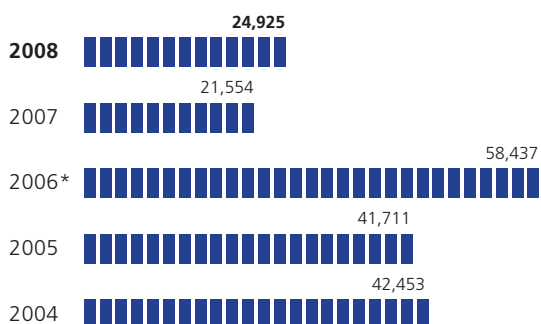
#### Gross Profit (RMB'000)



### 股權持有人應佔溢利 (人民幣千元)

#### Profit Attributable to Equity Holders

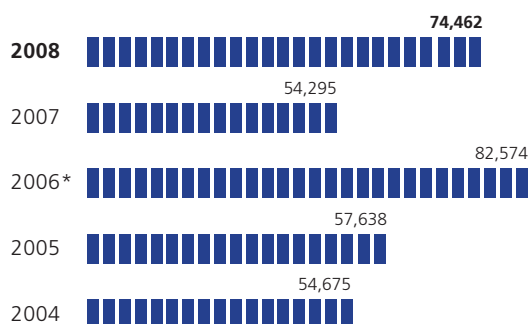
(RMB'000)



### 未計利息、稅項、折舊及攤銷前盈利

(人民幣千元)

#### EBITDA (RMB'000)



\* 二零零六年之數字已重列以反映：(1)因自二零零七年一月一日起採納香港會計準則第40號「投資物業」(投資物業採用公允價值模式列賬)帶來之會計政策變動；及(2)已背書票據呈列為應收票據直至到期日為止，而有關已背書票據並無應用於沖減貿易應付賬及其他應付款項。然而，重列截至二零零四年及二零零五年十二月三十一日止年度之財務報表以作比較並不切實可行。

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# 主席報告

## Chairman's Statement



### 各位股東：

本人謹代表董事或董事會(「董事」或「董事會」)向各位提呈天德化工控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)截至二零零八年十二月三十一日止年度之年度報告。

於二零零八年，本集團在維持其現有產品的市場份額之餘，同時亦加大了一個新產品類別的市場開發，此為氯乙酸及其下游產品。該系列產品的市場反應非常理想，顯示出很大的市場潛力，並給予本集團一個作進一步發展的機會。此外，因應目前市場需求，本集團亦進一步提升了其上下游產品的生產配套，以盡量發揮其資源分配效益，確保生產能力可以得到充分利用和達到最佳的規模效益，從而滿足不斷增長和變化的市場需求。與此同時，在年內已建成一座先進的污水處理設施，目前正在良好運行中，該設施能夠達到國家頒佈嚴謹環境保護政策的要求，並為本集團的加速發展奠定了堅實基礎。

### Dear shareholders,

On behalf of the board of directors (the "Board" or "Directors"), I present to you the annual report of Tiande Chemical Holdings Limited (the "Company") together with its subsidiaries (collectively the "Group") for the year ended 31 December 2008.

During the year 2008, the Group has sustained the market shares of its existing products and also enhanced market development on a new product category namely, chloroacetic acid and its derivatives. The market response of such product category was very positive that demonstrated a large market potential and given an opportunity to the Group for further development. Besides, to cope with the current market demand, the Group also further advanced its production facilities for its upward and downward products in order to maximise its resources allocation benefit that ensured the production capacity can be fully utilised and achieved an optimum the economic of scale so as to satisfy the continuous growth and change of market demand. Meanwhile, an advanced waste water treatment facility was built during the year and is well operating currently that can meet the stringent environmental protection policy requirements issued by the State and provide a solid foundation for the Group to accelerate its development.

### 年度業績

在回顧年度內，儘管經營環境困難，尤其在本年第四季度受到全球經濟危機的影響，本集團整體經營錄得正面增長。憑藉持續產品開發及採用適當的市場及生產策略，本集團的營業額有滿意增長，上升至約人民幣725,200,000元，與去年相比增長26.3%。本集團將繼續投放大量資源在產品開發，以進一步帶動未來銷售及收入增長。本公司股權持有人應佔溢利亦錄得增長至約人民幣24,900,000元，與去年相比增長15.6%。本集團純利增長率相對較低，主要由於濰坊同業化學有限公司（「濰坊同業」）目前生產廠房佔用的土地將會被當地政府收回，須就搬遷費用在二零零八年財務報表中作出一次性撥備。倘上述特殊撥備不計入本年財務報表內，本公司股權持有人應佔溢利將可達約人民幣28,300,000元，增長率為31.4%。

鑒於本集團一個德國主要競爭對手已關閉其位於美國的氰乙酸乙酯及氰乙酸甲酯生產廠房，本集團在回顧年度內之海外銷售錄得明顯增長，部分是受惠於該事件。基於該產品的生產已集中在少數生產商（包括本集團），本集團憑藉這個極佳機遇進一步擴大其市場份額。

### Results for the Year

During the year under review, the Group's overall operations recorded positive growth despite an adverse operating condition especially in the fourth quarter of the year that affected by the global financial crisis. With supported by the continuous production development and adopting appropriate marketing and production strategies, the Group achieved a satisfactory growth in turnover to approximately RMB725.2 million, representing an increase of 26.3% when compared with the corresponding last year. The Group will continue to devote much effort in product development to drive the further growth of sales and revenue in future. The profit attributable to equity holders of the Company was also recorded a growth to approximately RMB24.9 million, representing an increase of 15.6% when compared with the corresponding last year. The relatively lower growth rate in net profit of the Group is mainly due to the recognition of a one-off provision for removal expenses of Weifang Common Chem Co. Ltd. ("Weifang Common") in the financial statement of 2008 that the land currently occupied by Weifang Common as its production plant will be resumed by the local government. Should such exceptional provision be excluded from the financial statement of this year, the profit attributable to equity holders of the Company will reach to approximately RMB28.3 million, representing a growth of 31.4%.

Since a major competitor of the Group in Germany in the production of Ethylcyanoacetate and Methylcyanoacetate closed its production plant located in the United States, the Group's overseas sales recorded an obvious growth during the year under review partly benefited by this occasion. Since the production of such products has been concentrated in a few manufacturers including the Group, that provides excellent opportunities for the Group to further expand its market share.





# 主席報告

## Chairman's Statement

### 年度業績(續)

此外，濰坊濱海石化有限公司(「濰坊濱海」)已在上半年開始高純度異丁烯產品的生產，而聚異丁烯之商業生產亦剛於本報告刊發日期前啟動。本集團將加大力度推動該類產品之商業生產以達至預期生產規模及體現其潛在能力。本集團對該類產品的市場潛力充滿信心，並預期在來年該類產品可帶來理想業績及利潤貢獻。

### 展望

隨著以往幾年致力優化本集團業務平台，從而改善營運效益、對業務發展提供強大支援、及更有效地應付未來日益嚴峻之挑戰，本集團在回顧年度內已達到了業務發展目標。本集團將進一步加強及利用已建立之良好業務平台以應付日後持續增長但不斷改變之市場。

董事會將不時檢討本集團之業務及營運策略，在這目前疲弱之市況下尤其重要。本集團將努力提高其領先之市場份額、提高生產效益及保持其低成本之優勢，從而保持其業內領導地位。

目前，全球金融危機和信貸收縮並沒有對本集團之融資能力帶來直接或重大影響。於二零零九年，本集團將繼續追求穩健之財政狀況及改善其資金流動性，而本集團整體之資本性開支將進一步放緩，並維持於一個較二零零八年為低之水平。

展望未來，全球經濟受到金融風暴打擊，整體市道低迷，直接或間接影響到全部或大部分行業別。就精細化工行業而言，在艱困之市場環境中，競爭將更加激烈，未來一年之挑戰亦將更為嚴峻。為了達到持續增長及創造更豐厚回報以回饋本公司股東，本集團將貫徹實行其業務及經營策略，包括促進其上游縱向整合式生產及最佳生產規模策略、根據其在業內之豐富經驗制定一項恰當之銷售及市場策略、通過其對精細化工產品資訊領域之掌握及雄厚之技術基礎以加強其新產品之開發工作、以及推行具有競爭力之成本控制政策，以上各項都能夠加強本集團之競爭優勢及促進其市場份額之增長，從而保持其在業內之領導地位。

### Results for the Year (Continued)

Besides, the production of high purity isobutylene was commenced in the new production plant of Weifang Binhai Petro-Chem Co. Ltd. ("Weifang Binhai") in the first half of the year and the commercial production of polyisobutylene was also launched just before the date of this report. The Group will dedicate extensive efforts in commercial production of these products in order to reach the expected production scale to realise its potential capacity. The Group has full confidence in the potential market of these products and expected to generate positive results and profit contribution from these products in coming years.

### Prospects

Following efforts in the previous years to optimise the business platform of the Group in order to improve its operational efficiency, provide a strong support for business development and handle increasing challenges in the future effectively, the Group has achieved the targets of business development during the year under review. The Group will further strengthen and utilise its well developed platform to cope with its continuous growing but constantly changing future market.

The Board will review the Group's business and operations strategies from time to time, especially during the current weak market conditions. The Group will strive to improve its leading market shares, enhance production efficiency and maintain its lower cost advantage so as to maintain its leading position in the industry.

Currently, the global financial meltdown and credit crunch has not affected the financing capacity of the Group directly or materially. The Group will continuously pursue its strong financial strength and improve its liquidity in 2009, the overall capital expenditure of the Group will be further slowdown and kept at a lower level than that of 2008.

Looking ahead, the financial turmoil that has hit the global economy is resulting in a general downturn with direct or indirect influence for most, if not all, industry sectors. For fine chemical sector, the challenge in coming year will be increasing as competition will be increased in a tough market environment. In order to achieve a continuous growth and generate a fruitful return to the shareholders of the Company, the Group will pursue its business and operating strategies, including promotion of its upward vertically integrated production and optimum production level strategies, formation of an appropriate sales and marketing strategy according to its extensive experience in the industry, enhancement of its new product development through its information domain and abundant technique in fine chemical products, and implementation of a competitive cost control policy, which can strengthen the competitive edge of the Group and improve the growth of its market share so as to maintain its leading position in the industry.

# 主席報告

## Chairman's Statement

### 展望(續)

本集團將繼續致力於保持其業內之領導地位，並對日後之進一步業務發展及擴充作出充份準備。儘管經營環境將依然嚴峻，本集團對未來數年之預期業績仍感樂觀。鑒於精細化工產業仍走向自然及穩定增長，本集團對其長遠持續發展和成功仍然充滿信心，並相信本集團可以憑其實力為本公司股東帶來最高回報。

### 股息

鑒於業績表現理想，本公司擬向股東派發末期股息每股1.25港仙。本公司承諾會繼續採取審慎的態度，在股東對回報的期望與本集團現時的財務狀況之間取得平衡。

### 鳴謝

我們的股東、客戶、合作夥伴以及員工在回顧年度內一直以來不懈支持，使本集團持續取得成功，本人謹代表董事會藉此機會表示衷心的感謝。

承董事會命  
主席  
劉洪亮

香港，二零零九年三月二十日

### Prospects (Continued)

The Group will continue to strive to sustain its leading position in the industry and has prepared itself well for future business development and expansion. The Group is still optimistic to the expected results of the coming years even though the operating environment will remain challenging. Since the fine chemical industry is still going toward a natural and stable growth, the Group remains highly confident in its long-term continuous development and success and believes its ability to bring the best returns to the shareholders of the Company.

### Dividend

In view of the positive results performance, a final dividend of HK1.25cents per share will be proposed. The Company commits to be mindful in striking a balance between meeting investors' expectation for financial returns and the prevailing financial situation of the Group.

### Appreciation

Lastly, on behalf of the Board, I would like to take this opportunity to express sincere thanks to all our shareholders, customers, business partners and employees for their unswerving support during the year under review, which has made the Group's continuous success possible.

On behalf of the Board  
**Liu Hongliang**  
*Chairman*

Hong Kong, 20 March 2009

# 董事及高級管理人員之個人資料

## Biographical Details of Directors and Senior Management

### 執行董事

**劉洪亮**，53歲，本集團執行董事、主席及創辦人之一。劉先生負責本集團整體策略性發展及政策。彼於一九八二年畢業於華東石油學院(現稱為中國石油大學(華東))，主修基本有機化工。劉先生自一九八二年起至一九九三年期間於濰坊市新技術研究所任職逾十年，其後，劉先生與其他人士於一九九六年成立濰坊天弘企業管理及顧問有限公司(「濰坊天弘」)。劉先生在化工業擁有逾25年經驗。

**王子江**，44歲，本集團執行董事、副總經理及創辦人之一。王先生負責管理及監察本集團整體採購及物流業務。彼於一九八八年畢業於南京化工學院(現稱為南京工業大學)，主修化學工程。彼自一九九一年起於濰坊市新技術研究所任職，為期三年。其後，王先生與其他人士於一九九六年成立濰坊天弘。王先生在化工業擁有逾15年經驗。

**郭希田**，47歲，本集團執行董事及副總經理。郭先生負責本集團整體生產及技術發展。彼於一九八二年畢業於華東石油學院(現稱為中國石油大學(華東))，主修基本有機化工。於加盟本集團前，郭先生曾任職於山東淄博東風化工廠。郭先生於一九九九年三月加盟本集團，郭先生在化工業擁有逾20年經驗。

**郭玉成**，52歲，本集團執行董事。郭先生負責本集團整體安全及環境保護工作。彼於一九八二年畢業於華東石油學院(現稱為中國石油大學(華東))，主修基本有機化工。於二零零零年加盟本集團前，郭先生自一九八二年起一直於濰坊基本有機化工廠任職。彼於一九九四年獲山東省化工工程技術職務高級評審委員會認可為高級工程師。郭先生於二零零零年十二月加盟本集團，郭先生在化工業擁有逾25年經驗。

### Executive Directors

**LIU Hongliang**, aged 53, is an executive Director, the chairman and one of the founders of the Group. Mr. Liu is responsible for the overall strategic development and policy of the Group. He graduated from the East China Petroleum Institute (now known as the University of Petroleum (East China)) in 1982, majoring in basic organic chemistry. Mr. Liu spent more than ten years from 1982 to 1993 in Weifang New Technology Research Centre. After that, Mr. Liu established Weifang Tianhong Corporate Management and Consultancy Company Limited ("Weifang Tianhong") with others in 1996. Mr. Liu has over 25 years of experience in the chemical industry.

**WANG Zijiang**, aged 44, is an executive Director, the deputy general manager and one of the founders of the Group. Mr. Wang is responsible for the management and supervision of the overall purchase and logistic operation of the Group. He graduated from the Nanjing Chemical College (now known as the Nanjing University of Technology) in 1988, majoring in chemical engineering. He spent three years since 1991 working in Weifang New Technology Research Centre. After that, Mr. Wang established Weifang Tianhong with others in 1996. Mr. Wang has over 15 years of experience in the chemical industry.

**GUO Xitian**, aged 47, is an executive Director and deputy general manager of the Group. Mr. Guo is responsible for the overall production and technology development of the Group. He graduated from the East China Petroleum Institute (now known as the University of Petroleum (East China)) in 1982, majoring in basic organic chemistry. Prior to joining the Group, Mr. Guo had been working in Shandong Zibo Dongfeng Chemical Factory. Mr. Guo joined the Group in March 1999. Mr. Guo has over 20 years of experience in the chemical industry.

**GUO Yucheng**, aged 52, is an executive Director of the Group. Mr. Guo is responsible for the overall safety and environmental protection of the Group. He graduated from the East China Petroleum Institute (now known as the University of Petroleum (East China)) in 1982, majoring in basic organic chemistry. Prior to joining the Group in 2000, Mr. Guo had been working for Weifang Organic Chemicals Factory since 1982. He was accredited as a senior engineer by The Jury of Senior Title of Chemical Technical Post, Shandong Province in 1994. Mr. Guo joined the Group in December 2000. Mr. Guo has over 25 years of experience in the chemical industry.

# 董事及高級管理人員之個人資料

## Biographical Details of Directors and Senior Management

### 獨立非執行董事

**梁錦雲**，43歲，自二零零七年三月一日起獲委任為獨立非執行董事。梁先生畢業於香港浸會大學及香港理工大學，分別於一九九二年及二零零七年獲頒發工商管理財務學士學位及企業管治碩士學位。梁先生為香港會計師公會的會員、英國特許公認會計師公會的資深會員、英國特許秘書及行政人員公會會士及香港特許秘書公會會士。梁先生從事執業會計師超過10年。彼在財務、會計及審計方面經驗豐富，現為梁錦雲會計師有限公司董事總經理。

**高寶玉**，47歲，自二零零六年十月四日起獲委任為獨立非執行董事。彼為山東大學環境工程教授兼環境科學與工程學院院長。彼亦為山東大學博士研究生導師兼青年學科帶頭人。彼於二零零二年獲評為山東省十佳傑出中青年科學家之一。彼於一九九九年一月畢業於清華大學，取得工程學博士學位，主修環境工程。

**劉晨光**，47歲，自二零零六年十月四日起獲委任為獨立非執行董事。劉先生於一九八二年取得華東石油學院(現稱為中國石油大學(華東))煉製系科學學士學位及於一九八五年取得應用化學碩士學位。彼於一九九一年取得中國石油大學(華東)化學博士學位。劉先生自一九九二年起任中國石油大學(華東)副教授，後於一九九四年升任教授，並於一九九八年擔任博士學位研究生導師。劉先生為中國石油大學(華東)應用化學系院長及教授。彼為中國石油學會、中國化學學會、中國化工學會及美國化學學會會員，並為山東省化學化工學會會員。

### Independent Non-executive Directors

**LEUNG Kam Wan**, aged 43, has been appointed as an independent non-executive Director since 1 March 2007. Mr. Leung graduated from the Hong Kong Baptist University and The Hong Kong Polytechnic University with a degree of Bachelor of Business Administration in Finance and a master degree in corporate governance in 1992 and 2007 respectively. Mr. Leung is an associate member of The Hong Kong Institute of Certified Public Accountants, a fellow of The Association of Chartered Certified Accountants, an associate of The Institute of Chartered Secretaries and Administrators and an associate of The Hong Kong Institute of Chartered Secretaries. Mr. Leung has been a practicing certified public accountant for over 10 years. He has extensive experience in financing, accounting and auditing. Mr. Leung currently is the managing director of Leung Kam Wan CPA Limited.

**GAO Baoyu**, aged 47, has been appointed as an independent non-executive Director since 4 October 2006. He is the professor of environmental engineering and the dean of the school of environmental science and engineering of the Shandong University. He is also the tutor of the post-graduate students studying for doctorate degrees and the leader of the youth science subject of the Shandong University. He was recognised as one of the Ten Outstanding Young Scientists in Shandong Province in 2002. He graduated from Tsinghua University in January 1999 with a doctorate degree in engineering majoring in environment engineering.

**LIU Chenguang**, aged 47, has been appointed as an independent non-executive Director since 4 October 2006. Mr. Liu has obtained from the East China Petroleum Institute (now known as the University of Petroleum (East China)) a bachelor degree in science majoring in petroleum refining in 1982 and a master degree in applied chemistry in 1985. He obtained his doctorate degree in chemistry from the University of Petroleum (East China) in 1991. Mr. Liu has been an associate professor of the University of Petroleum (East China) since 1992, then was promoted as a professor in 1994 and subsequently the tutor of the post-graduate students studying for doctorate degrees in 1998. Mr. Liu is the dean and professor of the faculty of applied chemistry of the University of Petroleum (East China). He is a member of China Petroleum Association, China Chemistry Association, China Chemical Association, US Chemistry Association and director of Shandong Chemistry and Chemical Association.

# 董事及高級管理人員之個人資料

## Biographical Details of Directors and Senior Management

### 高級管理人員

**翟軍**，42歲，自二零零六年十月四日起獲委任為獨立非執行董事，彼自二零零七年三月二日起獲調任為副總經理。由二零零八年一月一日起，翟先生獲晉升為本集團總經理。翟先生分別於一九九零年畢業於上海復旦大學，取得文學士學位和於二零零五年畢業於香港理工大學，取得企業融資碩士學位。翟先生為香港會計師公會會員和英國特許公認會計師公會資深會員。加盟本集團之前，翟先生曾任上海實業醫藥科技(集團)有限公司的合資格會計師及南洋兄弟煙草股份有限公司的助理總經理和財務總監。翟先生於香港和中國的會計和企業融資工作擁有豐富經驗。

### Senior Management

**CHAK Kwan**, aged 42, has been appointed as an independent non-executive Director since 4 October 2006 and has been re-designated as the deputy general manager of the Company since 2 March 2007. With effective from 1 January 2008, Mr. Chak has been promoted as the general manager of the Group. Mr. Chak graduated from the Shanghai Fudan University with a bachelor degree in arts and The Hong Kong Polytechnic University with a master degree in corporate finance in 1990 and 2005 respectively. Mr. Chak is a member of The Hong Kong Institute of Certified Public Accountants and a fellow of The Association of Chartered Certified Accountants. Prior to joining the Group, Mr. Chak was the qualified accountant of SIIC Medical Science and Technology (Group) Limited and the assistant general manager and financial controller of Nanyang Brothers Tobacco Company Limited. Mr. Chak has extensive working experience in accounting and corporate finance fields in Hong Kong and the PRC.

# Management Discussion and Analysis

管理層討論及分析



# 管理層討論及分析

## Management Discussion and Analysis

### 財務回顧

#### 營業額

在回顧年度內，本集團之營業額有理想增長。營業額上升至約人民幣725,200,000元，較二零零七年約人民幣574,300,000元上升26.3%。營業額增長主要來自氰化鈉、氰乙酸及丙二酸二乙酯等銷售額之高速增長。

#### 毛利

在回顧年度內，本集團之毛利錄得健康增長，達到約人民幣99,100,000元，與去年約人民幣69,000,000元比較，上升43.7%。本集團整體毛利率與二零零七年之12.0%比較亦上升1.7%至13.7%，主要原因是實施了恰當之訂價策略、大規模生產、上游縱向整合式生產帶來優勢和綜合效應及實施了一個嚴謹之成本控制系統，從而增強其產品之競爭力，以在競爭激烈之市場中立足。

#### 營運收入及開支

在二零零八年，其他收入主要包括(i)遞延收入撥回，(ii)變賣廢料收入，(iii)銀行利息收入，(iv)租金收入及(v)其他。

銷售及分銷成本由約人民幣19,100,000元增加約人民幣8,700,000元至約人民幣27,800,000元。成本上漲主要是運輸成本隨著營業額上升而增加所致。二零零八年銷售及分銷成本佔本集團營業額百分比上升至約3.8%(二零零七年：約3.3%)。

### Financial Review

#### Turnover

During the year under review, the Group has achieved a satisfactory growth in turnover. Turnover increased to approximately RMB725.2 million, representing an increase of 26.3% as compared with that of approximately RMB574.3 million in 2007. The increase in turnover was mainly contributed by the rapid growth of the sales of sodium cyanide, cyano acetic acid and diethyl malonate etc.

#### Gross Profit

The gross profit of the Group recorded healthy growth during the year under review, reaching approximately RMB99.1 million, representing a growth of 43.7% as compared with approximately RMB69.0 million in the last year. The overall gross profit margin of the Group was also increased of 1.7% to 13.7% when compared with 12.0% in 2007. It was mainly due to the implementation of an appropriate pricing strategy, the advantage of large-scale production, the synergy of the upward vertically integrated production and execution of a disciplined cost control system to increase the competitiveness of its products that against the intensified market competition.

#### Operating Income and Expenses

In 2008, other income was mainly comprised (i) release of deferred income; (ii) scrap sales; (iii) bank interest income; (iv) rental income; and (v) others.

Selling and distribution costs increased by approximately RMB8.7 million from approximately RMB19.1 million to approximately RMB27.8 million. Such an increase was principally as a result of the increase in transportation costs which were in line with the growth in turnover. Selling and distribution costs as a percentage of turnover increased to about 3.8% in 2008 (2007: about 3.3%).



# 管理層討論及分析

## Management Discussion and Analysis

### 財務回顧(續)

#### 營運收入及開支(續)

行政開支由二零零七年約人民幣27,400,000元增加約人民幣4,000,000元至二零零八年約人民幣31,400,000元。開支上漲主要由於其他本地稅項、員工成本、折舊及攤銷開支所致。二零零八年行政開支佔本集團營業額百分比約4.3%(二零零七年：約4.8%)。

其他營運開支為就濰坊同業作出一次性搬遷費撥備及就前期已確認為收入但在回顧年度內仍未收到的政府補助進行撥備。

#### 融資成本

融資成本主要包括銀行貸款利息及票據貼現利息，融資成本由二零零七年約人民幣5,200,000元增加約人民幣8,200,000元至二零零八年約人民幣13,400,000元。融資成本增加主要由於在回顧年度內借貸利率上升及銀行借貸增加以作為資本開支及本集團一般營運資金所致。

#### 本公司股權持有人應佔溢利

本集團之營業額及毛利錄得滿意的增長，本公司之股權持有人應佔溢利(不包括下文所述之一次性撥備)為約人民幣28,300,000元，與二零零七年約人民幣21,600,000元比較，增加31.4%。由於濰坊同業目前佔用作為生產廠房之土地將會被當地政府收回(至於有關之詳細情況，請參閱本節「業務回顧」分節內「收地及安置」一段)，根據本集團從獨立承建商取得之報價計算之搬遷費人民幣3,400,000元經已確認為一次性撥備。然而，該搬遷費用預計於收回土地完成之時會獲得補償。根據現行香港會計準則之規定，由於截至本報告刊發當日仍然未能確定實際之補償金額，該補償金額不能在回顧年度之收益表中確認或用作抵銷上述之一次性撥備。因此，在回顧年度內，本公司之股權持有人應佔溢利減少至約人民幣24,900,000元。

### Financial Review (Continued)

#### Operating Income and Expenses (Continued)

Administrative expenses increased by approximately RMB4.0 million from approximately RMB27.4 million in 2007 to approximately RMB31.4 million in 2008. The increase was mainly due to other local taxes, staff costs, depreciation and amortisation expenses. Administrative expenses expressed as a percentage of the Group's turnover was about 4.3% in 2008 (2007: about 4.8%).

Other operating expenses represented the one-off provision for removal expenses of Weifang Common and the provision for the government grants that previously recognised as income but has not yet been received during the year under review.

#### Finance Costs

The finance costs mainly comprised bank borrowings interest and discounted bills interest, which were increased by approximately RMB8.2 million from approximately RMB5.2 million in 2007 to approximately RMB13.4 million in 2008. The increase was mainly due to the increase in interest borrowing rates and additional bank borrowings obtained during the year under review to finance the capital expenditure and general working capital requirements of the Group.

#### Profit Attributable to Equity Holders of the Company

The Group recorded a satisfactory growth of turnover and gross profit, the profit attributable to equity holders of the Company (excluding the one-off provision mentioned below) was approximately RMB28.3 million, represented an increase of 31.4% as compared with that of approximately RMB21.6 million in 2007. Since the land currently occupied by the production plants of Weifang Common will be resumed by the local government (please refer to the paragraph headed "Resumption and Relocation" under the sub-section headed "Business Review" of this section), a one-off provision amount of RMB3,400,000 was recognised for such removal expenses based on the quotations from independent contractors obtained by the Group. However, such removal expenses are expected to be compensated as and when the resumption of land was completed. Such compensation amount cannot be recognised or offset the above mentioned one-off provision in the income statement of the year under review as the compensation amount was not virtually certain as at the date of this report in accordance with the current Hong Kong Accounting Standards' requirements. Accordingly, the profit attributable to equity holders of the Company was then reduced to approximately RMB24.9 million for the year under review.



# 管理層討論及分析

## Management Discussion and Analysis

### 財務回顧(續)

#### 流動資金及財務資源

本集團之主要資金來源包括經營活動產生之淨現金流入約人民幣83,600,000元(二零零七年：人民幣31,600,000元)，新增銀行借貸約人民幣64,700,000元(二零零七年：人民幣115,600,000元)，以及利息收入約人民幣400,000元(二零零七年：人民幣300,000元)。憑藉本集團營運所得財務資源，於回顧年度內，本集團斥資約人民幣82,400,000元(二零零七年：人民幣94,300,000元)購入物業、廠房及設備、及預付土地租賃款項、償還借貸款項約人民幣62,800,000元(二零零七年：人民幣40,100,000元)、支付利息開支約人民幣13,200,000元(二零零七年：人民幣5,400,000元)以及支付股息約人民幣4,500,000元(二零零七年：無)。截至二零零八年十二月三十一日止，本集團之現金及銀行存款約為人民幣31,400,000元(二零零七年：人民幣45,600,000元)，其中96.3%以人民幣持有，3.5%以港元持有，其餘則以美元持有。本集團於回顧年度內並無運用任何金融工具作任何對沖用途。

截至二零零八年十二月三十一日止，本集團之流動負債淨額約人民幣37,400,000元(二零零七年：人民幣22,300,000元)，流動比率約為0.8倍(二零零七年：0.9倍)，銀行借貸約為人民幣159,600,000元(二零零七年：人民幣157,800,000元)，而資產負債比率(即淨借貸(借貸總額減去現金及現金等值項目)與股東資金總額之比率)約為36.8%(二零零七年：34.3%)。資產負債比率上升是由於在回顧年度內有關生產設備之資本開支上升所致。

鑒於出現流動負債淨額和資產負債比率與去年相比略為上升(原因是於回顧年度內：(i)為求應付市場需求增長和達致規模生產效益而就擴大本集團產能作出投資；及(ii)為推動本集團之安全及環保工作而建成一座先進之污水處理設備)，本集團將密切地管理其資本性開支。本集團在未來一年會盡可能將資本性開支維持在一個低水平以改善流動資金狀況。同時，憑藉本集團之經營業務錄得現金流入、現有現金資源及獲得往來銀行提供之備用銀行信貸額度，本集團具備充裕之財務資源，足以應付其承擔及營運資金需求。本集團會致力維持穩健之財務狀況及為股東提高股本回報。

### Financial Review (Continued)

#### Liquidity and Financial Resources

The Group's primary source of funding included the net cash inflow generated from operating activities of approximately RMB83.6 million (2007: RMB31.6 million); newly raised bank borrowings of approximately RMB64.7 million (2007: RMB115.6 million) and interest income of approximately RMB0.4 million (2007: RMB0.3 million). With the financial resources obtained from the Group's operations, the Group had invested approximately RMB82.4 million (2007: RMB94.3 million) in the acquisition of the property, plant and equipment, and prepaid land lease payments; borrowing repayments of approximately RMB62.8 million (2007: RMB40.1 million); interest expenses of approximately RMB13.2 million (2007: RMB5.4 million) and dividends paid of approximately RMB4.5 million (2007: nil) during the year under review. As at 31 December 2008, the Group had cash and bank deposits of approximately RMB31.4 million (2007: RMB45.6 million), of which 96.3% was held in Renminbi, 3.5% was held in Hong Kong dollars and the remaining balance was held in United States dollars. During the year under review, the Group did not use any financial instruments for any hedging purposes.

As at 31 December 2008, the Group had net current liabilities of approximately RMB37.4 million (2007: RMB22.3 million), the current ratio of the Group was approximately 0.8 times (2007: 0.9 times), bank borrowings of approximately RMB159.6 million (2007: RMB157.8 million) and the gearing ratio which is represented by the ratio of net debts (total borrowings net of cash and cash equivalent) to total shareholders' equity, was approximately 36.8% (2007: 34.3%). The increase in the gearing ratio was due to a rise in capital expenditure on production facilities during the year under review.

In view of the net current liabilities and a slightly higher gearing ratio when compared with those of the previous year (which was caused by (i) an investment in expansion of the production capacity of the Group in order to meet the growing market demand and achieve the economic of scale in production; and (ii) the building of an advance waste water treatment facility for promoting the safety and environmental protection of the Group during the year under review), the Group will closely manage its capital expenditure. The Group will improve its liquidity position by keeping its capital expenditure as lower as possible in the coming year. Together with the positive cash inflow from the Group's operations, existing cash resources and available banking facilities obtained from its bankers, the Group has sufficient financial resources to meet its commitments and working capital requirements. The Group is dedicated to maintaining a sound financial position and improving the equity return to its shareholders.

# 管理層討論及分析

## Management Discussion and Analysis

### 財務回顧(續)

#### 資產抵押

截至二零零八年十二月三十一日止，本集團經已將銀行存款約人民幣10,000,000元(二零零七年：人民幣16,400,000元)抵押以獲得票據額度。本集團賬面淨值總額約人民幣30,400,000元(二零零七年：人民幣77,700,000元)之若干物業、廠房及設備、約人民幣62,300,000元(二零零七年：人民幣44,100,000元)之預付土地租賃款項、以及由本集團一名關聯方所提供賬面淨值總額約人民幣5,500,000元(二零零七年：無)位於中國之一幅租賃土地及樓宇，經已作為本集團銀行借貸之抵押品。

#### 或然負債

截至二零零八年十二月三十一日止，本集團並無任何重大或然負債。

#### 資本承擔

截至二零零八年十二月三十一日止，本集團有關購買物業、廠房及設備、及在建工程之已訂約但未撥備及已批准但未訂約資本承擔總額分別約人民幣17,100,000元(二零零七年：人民幣22,700,000元)及約人民幣12,400,000元(二零零七年：無)。

#### 匯率波動風險

本集團之營運主要位於中國，而且其資產、負債、收入及交易主要以人民幣、港元及美元結算。

本集團所承擔之最主要外匯波動風險乃因回顧年度內人民幣升值所致。除本集團之出口銷售主要以美元結算外，本集團大部分之收入及開支乃以人民幣結算。但本集團於回顧年度內並無因外幣匯率波動而於營運或資金流動狀況方面遇上任何重大困難或對其造成任何影響。而且，於適當之時，本集團將為日後之外幣交易考慮具有成本效益之對沖方法。

#### 僱員及酬金政策

於二零零八年十二月三十一日，本集團共有906名全職僱員(二零零七年十二月三十一日：821名)，其中812名屬生產及倉庫員工，20名為銷售及市場推廣員工，9名為研發中心員工，而65名則為管理層及辦公室後勤員工。員工人數增加主要由於本集團生產及銷售隊伍擴充所致。

於回顧年度，僱員成本總額(包括董事酬金)增至約人民幣29,700,000元(二零零七年：人民幣26,700,000元)。

### Financial Review (Continued)

#### Pledge of Assets

As at 31 December 2008, bank deposits of approximately RMB10.0 million (2007: RMB16.4 million) were pledged for bills facilities. Certain property, plant and equipment of the Group with an aggregate net book value of about RMB30.4 million (2007: RMB77.7 million), prepaid land lease payments of approximately RMB62.3 million (2007: RMB44.1 million) and a leasehold land and building in the PRC provided by a related party of the Group with an aggregate net book value of approximately RMB5.5 million (2007: nil) were pledged to secure the Group's bank borrowings.

#### Contingent Liabilities

As at 31 December 2008, the Group had no material contingent liabilities.

#### Capital Commitment

As at 31 December 2008, the Group had capital commitments which has been contracted but not yet been provided for in the aggregate amount of approximately RMB17.1 million (2007: RMB22.7 million) and which has been authorised but not yet been contracted for in the aggregate amount of approximately RMB12.4 million (2007: nil) relating to purchases of property, plant and equipment, and construction-in-progress.

#### Exposure to Fluctuations in Exchange Rates

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

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

#### Employees and Remuneration Policy

As at 31 December 2008, the Group has 906 full-time employees (31 December 2007: 821) of whom 812 were production and warehouse employees, 20 were sales and marketing employees, 9 were research and development centre employees, and 65 were management and back-office supportive employees. The increase in the number of employees was mainly due to the expansion of the Group's production and sales teams.

For the year under review, the total staff costs incurred include Directors' remuneration increased to approximately RMB29.7 million (2007: RMB26.7 million).

# 管理層討論及分析

## Management Discussion and Analysis

### 財務回顧(續)

#### 僱員及酬金政策(續)

本集團已制定其人力資源政策及程序，務求於薪酬制度中加入獎勵及獎金，以及為員工提供多元化之員工培訓及個人發展計劃。向員工發放之酬金待遇乃按其職務及當時市場標準釐訂，本集團同時向員工提供員工福利，包括醫療保險及公積金。

本集團根據員工年度表現評核的評分，發放任意花紅及獎金。本集團亦會給予僱員獎金或其他獎勵，以推動僱員個人成長及事業發展，例如持續向員工提供培訓，以提升彼等之技術、產品知識以及對行業品質標準之認識。本集團所有新員工均須參加入門課程以及各類供本集團所有員工選擇參加之培訓課程。

本集團亦已採納購股權計劃，以獎勵及獎賞曾對本集團成功經營作出貢獻之合資格參與人士。於回顧年度內，本集團已授予4,000,000份購股權給合資格員工及一名供應商，以認同他們對本集團作出之貢獻。

### 業務回顧

儘管種種因素引致國內製造商的營運成本上升，包括本集團在內，例如原材料價格持續上升、行政開支增加、出口增值退稅減少、人民幣升值、借貸利率上升以及於年內第四季度金融海嘯直接導致市場需求惡化，在激烈及充滿挑戰的營商環境競爭中，本集團在回顧年度內的營業額及純利仍錄得健康及穩固增長，體現了其穩健之業務基礎、競爭優勢及有效營運。

本集團營業額之可觀增長是由於採用恰當的市場營銷策略、新推出之產品能迎合市場需要及其產品具有競爭力。此外，市場上的生產商漸漸變得集中，給予本集團一個機遇，可進一步鞏固其領導地位。本集團已經抓緊這個業務商機，在回顧年度內對本集團營業額作了一定貢獻。

### Financial Review (Continued)

#### Employees and Remuneration Policy (Continued)

The Group has established its human resources policies and procedures with a view to deploying the incentives and rewards of the remuneration system which include a wide range of training and personal development programs to the employees. The remuneration package offered to the staff was in line with the duties and the prevailing market terms. Staff benefits, including medical coverage and provident funds, have also been provided to employees of the Group.

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

The Group has also adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. During the year under review, the Company has granted 4,000,000 share options to eligible employees and a supplier to recognise their contribution to the Group.

### Business Review

Despite of the various factors causing the rise of operation costs to all manufacturers in the PRC, including the Group, such as increasing price in raw materials, rising of administrative expenses, reducing the export value-added-tax refund, appreciation of Renminbi, increasing in borrowing interest rates and the financial turmoil led to the deteriorating market demand directly in the fourth quarter of this year, the Group's turnover and net profit were still recorded a healthy and solid growth amid such competitive and challenging operating environment during the year under review that manifested its solid business foundation, competitive advantage and high operational efficiency.

A considerable growth in turnover of the Group was attributable to the adoption of the appropriate marketing strategy, introduction of new products that cater the needs of the market and its products competitive. Besides, the manufacturers in market became more concentrated which was an opportunity for the Group to further consolidate its leading position. The Group has grasped this business opportunity to make certain contribution to the Group's turnover during the year under review.

# 管理層討論及分析

## Management Discussion and Analysis

### 業務回顧(續)

憑藉規模生產及上游縱向整合式生產的優勢，在回顧年度內本集團的毛利亦穩步上升。導致本集團純利相對較低，主要由於：(i)在回顧年度內借貸利率上升造成較高之財務成本；及(ii)就濰坊同業之搬遷費用在本會計年度內作一次性撥備。

濰坊濱海已在回顧年度上半年啟動了高純度異丁烯之商業生產活動，並對本集團貢獻了一定的收入。與此同時，本集團在回顧年度內已對聚異丁烯之商業生產作好準備，並已積極開展其市場推廣工作。本集團剛在本報告刊發日期之前啟動了聚異丁烯的商業生產，並將不遺餘力地發展這一系列產品，而這些產品將成為帶動營業額增長之新元素。本集團對這產品之市場潛力充滿信心，並預期在未來一年得到市場正面反應及對溢利有所貢獻。

為了使產品系列更為多元化及增加收入來源，本集團不斷積極開發產品。在回顧年度內，本集團成功地推出了一個新產品類別，名為氯乙酸及其下游產品類。由於市場反應非常理想，本集團將進一步豐富其產品類型。

在過去幾年，本集團對擴大生產能力作出了很大努力及投資，目前大部分產品已達至最佳之生產規模。本集團將繼續密切關注其下游產業不斷變化的需求，不時以針對性之方式調整其生產能力。本集團一直追求更高效益之生產模式，從而保持本集團之盈利能力。在回顧年度內，為滿足本集團內之部需求，本集團已成功提高氯乙酸的生產能力。

規模生產仍是本集團生產策略之主流，此乃構成其成本優勢之重要部分。同時，本集團已實施一套嚴謹的產品質素控制系統，而這亦是支持本集團競爭力之其中一個主要因素。此外，為提升生產得出率及減低生產成本，本集團利用其研發之成果提升產品特性及改善生產工序。本集團將持續創新及改善現有生產工藝及技術，從而提升本集團產品的整體質素。

### Business Review (Continued)

With the advantage of large-scale production and the synergy of the upward vertically integrated production, the gross profit of the Group was also increased stably during the year under review. Resulting in a relatively lower net profit of the Group is mainly due to (i) the higher financial costs which are mainly caused by an increasing of borrowing interest rates during the year under review and (ii) the one-off provision for removal expenses of Weifang Common was made during this accounting year.

Weifang Binhai has launched the commercial production of high purity isobutylene and generated certain income to the Group in the first half of the year under review. Meanwhile, the Group was well prepared for the commercial production of polyisobutylene and has devoted its marketing effort during the year under review. The Group has launched the commercial production of polyisobutylene just before the date of this report. The Group will spare no effort in the development of this series of products that will become a new growth driver for turnover. The Group has full confident in this potential market and expected to receive positive response from market and to have profit contributions in the coming year.

The Group is continued to pursue a proactive product development in order to diversify its product range and enhance its source of income. During the year under review, the Group has successfully introduced a new product category namely, chloroacetic acid and its derivatives. The Group will further enrich its product type since the market response was very positive.

Much effort and investment were made for the expansion of the production capacity of the Group in the previous years and most of the products of the Group have achieved their optimum production level currently. The Group will continue to pay close attention to the ever changing demand of its downstream industry and to counter by the adjustment of its production capacity from time to time. The Group always pursues a higher degree of production cost-efficiency so as to sustain the profitability of the Group. During the year under review, the Group has successfully expanded the production capacity of chloro acetic acid in order to meet the Group's internal use.

The scale of production is still the mainstream of the production strategy of the Group, which can support its cost advantage. Also, the Group has carried out a stringent product quality control system which is also one of the key factors to sustain the competitiveness of the Group. In addition, the Group has applied its research results in enhancing its products feature and improving production processing in order to uplift the production yield and reduce the production costs. The Group will continue to innovate and improve the existing production techniques and technologies so as to enhance the product quality as a whole.

# 管理層討論及分析

## Management Discussion and Analysis

### 業務回顧(續)

本集團已奉行積極及有效之銷售和市場營銷戰略。本集團產品目前在國內市場之需求依然強勁，而本集團經已在國內市場建立一個非常廣泛和良好之分銷網絡，以維繫市場及提供支援服務。此外，本集團出口銷售繼續擴張。在回顧年度內，精細石油化工產品之銷售和市場營銷工作已加強，並已逐步打入市場。

為了推動安全及環保工作和支持本集團日後之業務發展，本集團已在回顧年度內建成一座先進的污水處理設施。

### 收地及安置

根據收回土地使用權(「收地」)通知，濰坊同業所屬地區之土地用途已作更改，按照當地政府訂定的工作指引由工業用途改變為非工業用途(有關詳細情況請參考本公司於二零零八年十一月十八日刊發之公告)。濰坊同業目前佔用三幅土地(「該土地」)作為其生產廠房，其中一幅土地已於二零零八年十一月被正式收回，但本集團仍獲允許繼續使用該幅土地及在其上進行生產業務，直至二零零九年六月底為止。

自本公司於二零零八年十一月十八日刊發該公告以來，本集團仍積極與有關地方當局就餘下兩幅土地(「餘下土地」)商議其補償金額和其他收地條款及條件。然而，截至本報告刊發之日為止，仍未能與有關地方當局議定相關條款。濰坊同業將繼續使用所有建於餘下土地之上的建築物及生產設施作生產用途，直至收地補償及條款落實為止。

該土地目前由濰坊同業佔用作為生產廠房，惟該廠只是本集團規模最細之生產廠房。鑒於大部分建立在該土地之生產設施均可遷移及安置到其他屬於本集團之就近廠房(位於中國濰坊市內)以繼續營運，並且其生產規模不會在遷移及安置後縮減，董事認為，收地將不會對本集團之經營狀況、業務營運和生產及財政等方面帶來任何重大之整體影響。此外，通過搬遷及安置，將有利於本集團集中其資源實現最佳生產規模、加強上游縱向整合式生產帶來之協同效應及提高營運效益，這將會鞏固本集團之競爭優勢及有利於其日後之業務發展。

### Business Review (Continued)

The Group has adopted an aggressive and effective sales and marketing strategy. The current PRC market demand for the Group's products continues to be strong. Such market was supported and served by a very extensive and well developed distribution network of the Group. Besides, the export sales of the Group continued to expand. The sales and marketing effort for fine petrochemical products was enhanced and gradually entered into the market during the year under review.

The Group built an advanced waste water treatment facility during the year under review in order to promote the safety and environmental protection and sustain the future business development of the Group.

### Resumption and Relocation

According to the resumption of land (the "Resumption") notice, the usage of the area that Weifang Common is located changed from industrial use to non-industrial use in accordance with the working direction laid down by the local government (please refer to the announcement of the Company dated 18 November 2008 for details). There are three plots of land (the "Land") currently occupied by Weifang Common as its production plant. One plot of the land was formally resumed in November 2008 but the Group is still allowed to use such plot of land and operate the production continuously until the end of June 2009.

Since the announcement of the Company dated 18 November 2008, the Group is still in active negotiation with the relevant local authorities for the amount of the compensation and other Resumption terms and conditions of the remaining two pieces of land (the "Remaining Land"). As at the date of this report, however, no concrete terms have yet been agreed with the local authorities. All the structures and production facilities erected on the Remaining Land will keep using by Weifang Common for production purposes until the compensation and terms of Resumption have been finalised.

The Land is currently occupied by Weifang Common as a production plant but it is the smallest production plant of the Group. As most of the production facilities erected on the Land can be removed and relocated to the other nearby production plants of the Group within Weifang city, PRC for its continuous operation and the scale of production will not diminish after the removal and relocation, the Directors are of the view that the Resumption will not cause any material overall impact on the trading, business operation and production and financial aspects to the Group. Besides, the removal and relocation can facilitate the Group to concentrate its resources for realising the strategy of optimum production level, magnifying the synergistic effect of upward vertically integration production and enhancing the operational efficiency that will strengthen the competitive edge of the Group and be favourable to its future business development.

# 管理層討論及分析

## Management Discussion and Analysis

### 展望

雖然業務動力正在增強，但全球金融風暴持續惡化及削弱全球經濟，本集團將繼續憑藉其在業內之穩固地位和經驗，及在經營策略上積極地採取各種有效之應對措施，從而提升本集團之競爭優勢。

投資於產品開發和創新工作及維持一個最佳生產水平，將能支持本集團在業內的競爭優勢。本集團將充分利用其技術強項及善用其生產優勢，持續地發展有潛力的新產品、保持其具競爭力的價格及產品質素、採取一個最合適的銷售及市場策略、並對收益率較高及市場潛力較佳的產品投放更大努力，從而鞏固其營業額及純利增長。

為使本集團可成功推出一個新的高增值產品系列，於來年，精細石油化工生產效益將會大大增加和體現該類產品的市場潛力，以在不久將來能對本集團作出正面貢獻。

本集團將繼續尋求及培育新業務機遇以便分散本集團的業務風險。精細石油化工產品的銷售和市場營銷活動亦將持續發展及建立其業務機遇。本集團將參與一個在二零零九年上半年在印度舉辦的國際性精細化工展銷會，以推廣及開拓本集團的海外市場。

由於本集團下游行業主要集中於日常必需品的消費市場，其需求彈性相對較低，加上國內市場貢獻本集團營業額超過80%，而中國經濟保持穩健和需求仍然強勁，故預期目前全球經濟下滑將不會對本集團產品之需求構成任何重大影響。輔之以本集團在市場上處於領先地位，本集團將積極地捕捉面前提任何機遇，讓本集團繼續蓬勃發展。

### Outlook

Although business momentum is picking up, the global financial turmoil continues to worsen and weaken the global economy. The Group will continue to capitalise its strong position and experience in the industry and proactively adopt various effective measures in its operating strategies to cope with it so as to enhance the competitive edge of the Group.

The investment in the product development and innovation and the keeping of an optimum production level would support the Group's competitive edge in the industry. The Group will fully utilise its technological strength and will make good use of its productivity advantage consistently to develop new potential products, maintain its competitive price and product quality, adopt the most appropriate sales and marketing strategy and devote more effort on its more profitable and the higher potential market products so that to secure its turnover and net profit growth.

In order to achieve a new high-value added product series to the Group, the production efficiency of the fine petrochemical products will be maximised and the potential market capacity of these products will be realised in the coming years so that it can make positive contribution to the Group in near future.

The Group will continuously seek and nurture new business opportunities to facilitate the diversification of business risk of the Group. Sales and marketing activities for fine petrochemical products will also continue to develop and build up its business opportunities. The Group will participate an international fine chemical fair to be held in India in the first half of 2009 that to promote and explore the overseas market of the Group.

Since the downstream industries of the Group are mainly focused on the consumer markets of daily necessities products that the elasticity of demand is relatively lower and over 80% turnover of the Group is contributed by the PRC market where the economy remains sound and demand is still robust, it is expected that the current downturn of the global economy will not have material impact on the demand of the Group's products. Complemented by its leading market position, the Group will proactively capture any opportunities ahead that enable the Group to continue to flourish.

# 董事報告

## Directors' Report

董事欣然提呈本公司及其附屬公司(統稱為「本集團」)截至二零零八年十二月三十一日止年度之年報連同經審核綜合財務報表。

### 主要業務

本公司為投資控股公司，本集團之主要業務為研發、生產及銷售精細化工產品。該等產品大致分為四個主要產品類別：氰乙酸及其酯類產品、醇類產品、氯乙酸及其下游產品及精細石油化工類產品。

### 業績及分派

本集團截至二零零八年十二月三十一日止年度之業績載於本年報第42頁的綜合收益表。

董事建議派發末期股息每股1.25港仙(二零零七年：1.25港仙)。本公司將於二零零九年六月十二日(星期五)向於二零零九年五月八日(星期五)營業時間結束時名列本公司股東名冊之股東派付末期股息，惟須獲本公司股東於本公司應屆股東週年大會(「二零零九年股東週年大會」)上批准。

### 股東週年大會

二零零九年股東週年大會將於二零零九年五月八日(星期五)舉行。有關二零零九年股東週年大會之詳情，本公司股東應參閱二零零九年四月六日之本公司通函、二零零九年股東週年大會通告及隨附之代表委任表格。

### 暫停辦理股份過戶登記手續

為確定有權收取末期股息，並出席二零零九年股東週年大會及於會上投票之本公司股東身份，本公司將於二零零九年五月六日(星期三)至二零零九年五月八日(星期五)(包括首尾兩天)止期間內暫停辦理股份過戶登記手續。所有股份過戶文件連同有關股票必須於二零零九年五月五日(星期二)下午四時三十分前送交本公司之香港股份過戶及登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

The Directors have pleasure in presenting the annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2008.

### Principal Activities

The Company is an investment holding company. The principal business of the Group includes the research and development, production and sale of fine chemical products, which is broadly categorised into four major product groups, namely the cyanoacetic acid and its esters products, the alcoholic products, the chloroacetic acid and its derivatives and the fine petrochemical products.

### Results and Appropriations

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 42 of the annual report.

The Directors recommend the payment of a final dividend of HK1.25cents (2007: HK1.25cents) per share. The final dividend will be payable by the Company on Friday, 12 June 2009 to the shareholders on the register of members of the Company at the close of business on Friday, 8 May 2009, subject to the approval of the shareholders of the Company at the forthcoming annual general meeting of the Company (the "2009 AGM").

### Annual General Meeting

The 2009 AGM will be held on Friday, 8 May 2009. Shareholders of the Company should refer to the details regarding the 2009 AGM in the circular of the Company of 6 April 2009 and the notice of the 2009 AGM and the form of proxy accompanying thereto.

### Closure of Register of Members

For the purpose of determining the identity of the shareholders of the Company entitled to receive the final dividend, and attend and vote at the 2009 AGM, the register of members of the Company will be closed from Wednesday, 6 May 2009 to Friday, 8 May 2009, both days inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 5 May 2009.

### 股本

在回顧年度內本公司股本變動之詳情載於本公司截至二零零八年十二月三十一日止年度之綜合財務報表附註26。

### 財務概要

本集團於過去五個財政年度的業績以及資產及負債概要載於年報第4頁。

### 儲備

本公司儲備變動之詳情載於年報第44頁之本集團綜合權益變動表。

### 本公司可供分派儲備

於二零零八年十二月三十一日，根據開曼群島公司法第22章，在組織章程大綱或細則規限下，本公司之股份溢價賬將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之債務。於二零零八年十二月三十一日，本公司可供分派予股東之儲備合共約為人民幣290,000,000元(二零零七年：人民幣321,100,000元)。

### 物業、廠房及設備

在回顧年度內，本集團耗支約人民幣82,400,000元於物業、廠房及設備，以擴充生產能力。年內，有關物業、廠房及設備之變動詳情載於本公司截至二零零八年十二月三十一日止年度之綜合財務報表附註15。

### 投資物業

本集團之投資物業已於結算日重估。因重估產生之投資物業公允價值增加約人民幣700,000元已計入綜合收益表。有關本集團投資物業變動之詳情載於本公司截至二零零八年十二月三十一日止年度之綜合財務報表附註17。

### Share Capital

Details of movements during the year under review in the share capital of the Company are set out in note 26 to the consolidated financial statements of the Company for the year ended 31 December 2008.

### Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 4 of the annual report.

### Reserves

Details of movements in the reserves of the Company are set out in the consolidated statement of changes in equity of the Group on page 44 of the annual report.

### Distributable Reserves of the Company

As at 31 December 2008, under Chapter 22 of the Companies Law of the Cayman Islands, the share premium account 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 dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. As at 31 December 2008, the Company's reserves available for distribution to shareholders amounted in total to approximately RMB290.0 million (2007: RMB321.1 million).

### Property, Plant and Equipment

During the year under review, the Group spent approximately RMB82.4 million on property, plant and equipment to expand its production capabilities. Details of the movements in the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements of the Company for the year ended 31 December 2008.

### Investment Properties

The Group's investment properties were revalued at the year end date. The fair value increase on investment properties arising on revaluation amounting to approximately RMB0.7 million has been credited to the consolidated income statement. Details of movements in the investment properties of the Group are set out in note 17 to the consolidated financial statements of the Company for the year ended 31 December 2008.



# 董事報告

## Directors' Report

### 捐款

於本年度內，本集團作出之慈善及其他捐款合共約人民幣200,000元。

### 主要客戶及供應商

截至二零零八年十二月三十一日止年度，五大客戶佔本集團總營業額約17.3%（二零零七年：19.8%），而本集團最大客戶應佔營業額則佔本集團總營業額約4.2%（二零零七年：5.7%）。

截至二零零八年十二月三十一日止年度，五大供應商佔本集團總採購額約28.8%（二零零七年：32.3%），而本集團最大供應商應佔採購額則佔本集團總採購額約6.9%（二零零七年：12.9%）。

本公司任何董事、其聯繫人或就董事所知擁有本公司股本5%以上之任何本公司股東，概無於回顧年度內任何時間在本集團五大客戶及供應商中擁有任何權益。

### 董事及董事之服務合約

於回顧之財政年度及截至本報告刊發當日之董事如下：

#### 執行董事：

劉洪亮先生  
王子江先生  
郭希田先生  
郭玉成先生

#### 獨立非執行董事：

梁錦雲先生  
劉晨光先生  
高寶玉先生

根據本公司組織章程細則第86及87條，王子江先生、郭玉成先生及高寶玉先生將於二零零九年股東週年大會上告退，惟符合資格並願意膺選連任為董事。

獨立非執行董事之任期初步不多於三年，並將自動續任三年，直至任何一方向對方發出不少於一個月之書面通知終止合約為止。

### Donations

During the year, the Group made charitable and other donations totaling approximately RMB0.2 million.

### Major Customers and Suppliers

For the year ended 31 December 2008, the five largest customers accounted for approximately 17.3% (2007: 19.8%) of the Group's total turnover, whilst turnover attributable to the Group's largest customer accounted for approximately 4.2% (2007: 5.7%) of the Group's total turnover.

For the year ended 31 December 2008, the five largest suppliers accounted for approximately 28.8% (2007: 32.3%) of the Group's total purchases, whilst purchases attributable to the Group's largest supplier accounted for approximately 6.9% (2007: 12.9%) of the Group's total purchases.

At no time during the year under review did any Director, any associate of a Director or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has an interest in any of the Group's five largest customers and suppliers.

### Directors and Directors' Service Contracts

The Directors during the financial year under review and up to the date of this report are:

#### Executive Directors:

Mr. Liu Hongliang  
Mr. Wang Zijiang  
Mr. Guo Xitian  
Mr. Guo Yucheng

#### Independent non-executive Directors:

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

In accordance with Articles 86 and 87 of the Company's Articles of Association, Mr. Wang Zijiang, Mr. Guo Yucheng and Mr. Gao Baoyu shall retire and, being eligible, offer themselves for re-election as Directors at the 2009 AGM.

The independent non-executive Directors were appointed for an initial term of not more than three years and will be renewable automatically for successive term of three years until terminated by not less than one month's notice in writing served by either party on the other.

# 董事報告 Directors' Report

## 董事及董事之服務合約(續)

執行董事均與本公司訂立服務合約，為期三年。其後，除非一方提前三個月向另一方發出書面通知以終止合約，否則董事任期將會按年延續。

擬於二零零九年股東週年大會上膺選連任之董事概無與本公司或其附屬公司訂立本公司不作賠償(法定賠償除外)則不可於一年內終止之未屆滿服務合約。

## 董事之合約權益

除本報告題為「關連交易」一段及本公司截至二零零八年十二月三十一日止年度綜合財務報表附註32「關聯方交易」所披露者外，於年終或年內任何時間，概無任何由本公司或其附屬公司所訂立而與本集團業務有關且本公司董事直接或間接擁有重大權益之重大合約。

## 董事及主要行政人員之證券權益

於二零零八年十二月三十一日，本公司董事、主要行政人員及彼等之聯繫人於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份及／或相關股份中，擁有本公司根據證券及期貨條例第352條規定存置之登記冊所記錄，或已根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)所載上市公司董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益及淡倉如下：

### 於本公司股份之好倉

董事姓名 Name of Director	公司／相聯法團名稱 Company/name of associated corporation (附註1) (Note 1)	所持股份數目／ 股份權益 Number of shares held/interest in the Shares	身份 Capacity	佔已發行股本總數 概約百分比(%) Approximate % in the total issued share capital
劉洪亮先生 Mr. Liu Hongliang	志峰集團有限公司 Cheerhill Group Limited	292,000,000 (附註2和3) (Notes 2 and 3)	受控法團之權益 Interest of controlled corporation	73.00%

## Directors and Directors' Service Contracts (Continued)

The executive Directors have entered into service contracts with the Company for a term of 3 years and thereafter shall continue from year to year until terminated by giving three months' notice in writing thereof by either party to the other.

No Directors proposed for re-election at the 2009 AGM has an unexpired service contract which is not determinable by the Company or any its subsidiaries within one year without payment of compensation, other than statutory compensation.

## Directors' Interests in Contracts

Save as disclosed in the paragraph headed "Connected Transactions" set out in this report and note 32 to the consolidated financial statements of the Company for the year ended 31 December 2008 on "Related Party Transactions", no contracts of significance in relation to the Group's business to which the Company or its subsidiaries were a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or any time during the year.

## Directors' and Chief Executives' Interests in Securities

As at 31 December 2008, the interests and short positions of the Directors and chief executives of the Company and their associates in the shares and/or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

### Long Position in the shares of the Company

# 董事報告

## Directors' Report

### 董事及主要行政人員之證券權益(續)

#### 於本公司股份之好倉(續)

附註：

- 該等292,000,000股股份由志峰集團有限公司(「志峰」)持有，其全部已發行股本分別由劉洪亮先生、王子江先生、郭希田先生、鄭虹女士、郭玉成先生及傅安旭先生最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。
- 由於劉先生於志峰擁有38%權益，其被視為於上文附註1所述之292,000,000股股份擁有權益。

除上文所披露之權益外，於二零零八年十二月三十一日，各董事、本公司主要行政人員及彼等之聯繫人概無擁有本公司或其任何相聯法團之任何股份、相關股份或債券之任何權益或淡倉。

### 主要股東

於二零零八年十二月三十一日，按本公司根據證券及期貨條例第336條存置之主要股東名冊顯示，以下人士已知會本公司其於本公司已發行股本中擁有相關權益：

#### 主要股東於股份及／或相關股份之好倉

股東名稱 Name of shareholders	所持股份數目／股份權益 及權益總額 Number of shares held/ interest in the Shares and aggregated interest	身份 Capacity	佔已發行股本總數 概約百分比(%) Approximate % in the total issued share capital
志峰(附註) Cheerhill (Note)	292,000,000	實益擁有人 Beneficiary owner	73.00%

附註：該等292,000,000股股份由志峰持有，其全部已發行股本分別由劉洪亮先生、王子江先生、郭希田先生、鄭虹女士、郭玉成先生及傅安旭先生最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。

除上文所披露者外，截至二零零八年十二月三十一日，本公司並無獲任何人士知會於本公司之股份或相關股份中，擁有任何根據證券及期貨條例須知會本公司之權益或淡倉，或擁有本公司根據證券及期貨條例第336條存置之登記冊中記錄之權益或淡倉。

### Directors' and Chief Executives' Interests in Securities (Continued)

#### Long Position in the shares of the Company (Continued)

Notes:

- The 292,000,000 Shares were held by Cheerhill Group Limited ("Cheerhill"), the entire issued share capital of which is ultimately beneficially owned as to 38% by Mr. Liu Hongliang, 26% by Mr. Wang Zijiang, 11.5% by Mr. Guo Xitian, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu.
- Mr. Liu is deemed to be interested in 292,000,000 Shares referred to in Note 1 above by virtue of his 38% interest in Cheerhill.

Other than as disclosed above, none of the Directors, chief executives of the Company, nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2008.

### Substantial Shareholders

As at 31 December 2008, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO shows that the following shareholder had notified the Company of their relevant interests in the issued share capital of the Company:

#### Long position of substantial shareholders in the shares and/or underlying shares

Save as disclosed above, the Company has not been notified by any person who had any interest or short position in the shares or underlying shares of the Company as at 31 December 2008, which are required to be notified to the Company under the SFO or which are recorded in the register required to be kept by the Company under section 336 of the SFO.

### 購買股份或債券之安排

本公司、其控股公司、或其任何附屬公司及同系附屬公司概無於回顧年度內任何時間訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債務證券(包括債券)而獲益。

### 關連交易

根據本集團主要營運附屬公司濰坊同業化學有限公司(「濰坊同業」)與濰坊天弘企業管理及顧問有限公司(「濰坊天弘」)訂立之租約(「該租約」)，濰坊同業由二零零七年四月一日起租賃由濰坊天弘擁有之辦公室物業，租期三年，每年租金人民幣155,400元，於每年年底支付。因本公司執行董事劉洪亮先生、王子江先生、郭希田先生及郭玉成先生控制濰坊天弘之全部投票權，故濰坊天弘為本公司之關連人士。該租約項下之交易構成本公司之持續關連交易。然而，因該租約屬上市規則第14A.33(3)條下之最低限額交易，該租約獲豁免遵守上市規則之申報、公佈及獨立股東批准之規定。

除上文所披露者外，於回顧年度內，概無任何其他根據上市規則之規定須作披露之關連交易，而本公司、其控股股東、或其任何附屬公司及同系附屬公司之間亦概無訂立於本年度年結日或回顧年度內任何時間仍然有效且董事於其中直接或間接擁有重大權益，或根據上市規則或香港法例第32章公司條例之規定為須予披露之重要合約。

### 管理合約

於回顧年度內概無訂立或存在任何有關本集團全部或任何主要部分業務之管理及行政之合約。

### 獨立非執行董事確認

本公司已收到每位獨立非執行董事根據上市規則第3.13條規定就其獨立性發出之年度確認書。本公司認為所有獨立非執行董事均為獨立人士。

### Arrangements to Purchase Shares Or Debentures

At no time during the year under review was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

### Connected Transactions

Pursuant to a lease (the "Lease") entered into between Weifang Common Chem Co. Ltd. ("Weifang Common"), being a major operating subsidiary of the Group, and Weifang Tianhong Corporate Management and Consultancy Service Co. Ltd. ("Weifang Tianhong"), Weifang Common leased the office premises owned by Weifang Tianhong for a term of three years commencing on 1 April 2007 at an annual rental payment of RMB155,400, payable at the end of each year. Weifang Tianhong is a connected person to the Company as Mr. Liu Hongliang, Mr. Wang Zijiang, Mr. Guo Xitian and Mr. Guo Yucheng, all being executive Directors of the Company, have full voting control of Weifang Tianhong. The transaction under the Lease constituted a continuing connected transaction of the Company. However, as the Lease is a de minimis transaction under Rule 14A.33(3) of the Listing Rules, it was exempt from the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

Save as disclosed above, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules and no contract of significance, between the Company, its controlling shareholders, or any of its subsidiaries and fellow subsidiaries or in which a Director had a material interest, whether directly or indirectly, or which are required to be disclosed under the Listing Rules or the Companies Ordinance (Chapter 32 of the laws of Hong Kong) subsisted at the end of the year or at any time during the year under review.

### Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year under review.

### Confirmation From Independent Non-executive Directors

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 Listing Rules. The Company considers that all independent non-executive Directors are independent.

# 董事報告

## Directors' Report

### 薪酬政策

本集團之薪酬政策由董事會按僱員之功績、資歷及能力釐定。

董事及本公司高級管理層之酬金將由薪酬委員會經參照本集團經營業績、董事及高級管理人員所須承擔之責任及可資比較之市場統計數據後作出審閱。

### 購股權計劃

本公司設有購股權計劃(「購股權計劃」)，旨在獎勵及酬謝對本集團之成功作出貢獻之合資格參與者，包括本集團任何成員公司或聯營公司之董事、合資格僱員、顧問、供應商、客戶及股東或彼等各自之聯繫人。購股權計劃由二零零六年十月四日起生效，有效期為十年，根據購股權計劃可授出最多40,000,000份購股權，購股權賦予其持有人權利認購最多40,000,000股股份。因行使根據購股權計劃及其他購股權計劃授出但未行使之購股權而可予發行之股份數目上限，不得超過本公司不時已發行股份數目之30%。除非在股東大會上獲得本公司股東同意，每位參與者於任何十二個月期間因行使獲授之所有購股權(不論已行使、已註銷或未行使之購股權)而已發行及可能發行之股份總數，不得超過本公司已發行股份數目之1%。購股權可於董事會通知之期間(不得超過授出購股權當日起計十年)，隨時根據購股權計劃之條款行使。因行使購股權而配發及發行之任何股份，將與配發當日之其他已發行本公司股份享有同等權利。

授出購股權之建議由提出建議當日起計21日內可供接納，惟合資格參與者須支付合共1港元之象徵式代價，方視作承授人。每份購股權於該份購股權被接納當日起即已歸屬。該等購股權於承授人不再為本集團合資格參與者後馬上失效。該等購股權已因購股權之行使屆滿而失效。

### Emolument Policy

The emolument policy of the Group is set up by the Board on the basis of the merit, qualifications and competence of the employees.

The emoluments of the Directors and senior management of the Company will be reviewed by the Remuneration Committee, having regard to factors including the Group's operating results, responsibilities required of the Directors and senior management and the comparable market statistics.

### Share Option Scheme

The Company operates a share option scheme (the "Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants, including directors, eligible employees, consultants, suppliers, customers, any shareholder of each member of the Group or associated company or any of their respective associates, who contribute to the success of the Group. The Share Option Scheme has become effective for a period of 10 years commencing from 4 October 2006 and up to 40,000,000 options entitling the holders thereof to subscribe for up to 40,000,000 Shares may be granted under the Share Option Scheme. The maximum number of Shares available for issue upon exercise of all options granted and yet to be exercised under the Share Option Scheme and other share option schemes in aggregate shall not exceed 30% of the number of issued shares of the Company from time to time. The total number of shares of the Company issued and which may be issued upon exercise of all options (whether exercised, cancelled or outstanding) granted in any 12-month period to each participant must not exceed 1% of the number of shares of the Company in issue unless approval by the shareholders of the Company in a general meeting. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be notified by the Board, which must not be more than ten years from the date of grant. Any Share allotted and issued on the exercise of options will rank pari passu with other shares of the Company in issue on the date of allotment.

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of nominal consideration of HK\$1 in total by the eligible participants that become grantees. Each share option vested immediately at the date when the option is accepted. The share options will lapse immediately after the grantee ceased to be eligible participant of the Group. The options were lapsed due to the expiry of the option's exercise period.

### 購股權計劃(續)

因行使購股權將予發行之本公司股份之認購價不得低於以下各項中之較高數值：(i)本公司股份於授出日期在香港聯交所發出之每日報價表所示之收市價；(ii)本公司股份於緊接授出日期前五個營業日在香港聯交所發出之每日報價表所示之收市價平均值；及(iii)本公司股份於授出日期之面值。董事會將於向參與人提呈購股權時釐定認購價。

於截至二零零八年十二月三十一日止年度，根據購股權計劃授出之購股權之變動及估值詳情，載於本公司綜合財務報表附註29。

於截至二零零八年十二月三十一日止年度授出之購股權價值約為1,079,000港元。緊接授出購股權日期前當日聯交所每日報價表所列之每股收市價為0.61港元。基於本公司之交易歷史不長，本公司之預期波幅按五間可比較公司之平均回報波幅計算，以授出購股權日期前六年度每星期該五間可比較公司股價之數據分析為基礎。選擇該等可比較公司準則為從事精細化工業務及在香港或中國證券交易所擁有最少六年交易歷史。

基於所作假設及所用模式之限制，計算所得之公允值帶有主觀及不確定因素。購股權價值因應若干主觀假設之不同變數而不同，所採納變數之任何變動或會對購股權之估計公允值造成重大影響。

### 優先購買權

本公司之公司組織章程細則或開曼群島法例均無載列有關優先購買權之條文，規定本公司須向現有股東按比例提呈發售新股份。

### 購買、出售或贖回本公司上市證券

在回顧年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### Share Option Scheme (Continued)

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the daily quotation sheet issued by the Stock Exchange of Hong Kong on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange of Hong Kong for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of the Company on the date of grant. The subscription price will be established by the Board at the time the option is offered to the participants.

Details of movements and valuation of the share options granted under the Share Option Scheme for the year ended 31 December 2008 are set out in note 29 to the consolidated financial statements of the Company.

The value of the options granted during the year ended 31 December 2008 was approximately HK\$1,079,000. The closing market price per Share immediately before the date on which the options were granted as quoted in the Stock Exchange's daily quotation sheets was HK\$0.61. Due to short trading history of the Company, the average return volatilities of five comparables were used as a proxy to the expected volatility of the Company which is based on statistical analysis of weekly share prices of the five comparables over the last six years before the date of grant. Comparables are selected based on criteria of engaging fine chemical business and at least six years of trading history either on Hong Kong or China stock exchange.

The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

### Pre-emptive Rights

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

### Purchase, Sale or Redemption of the Company's Listed Securities

During the year under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

# 董事報告

## Directors' Report

### 足夠公眾持股量

於刊發本報告前之最後實際可行日期，根據本公司從公開途徑所得的資料及就董事所知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

### 遵守最佳守則之規定

本公司致力維持高水準之企業管治常規。有關本公司所採納企業管治常規之資料載於本年報第31至39頁之企業管治報告內。

本公司已採納標準守則作為董事買賣本公司證券之守則。經本公司作出具體查詢後，所有董事確認，彼等已於截至二零零八年十二月三十一日止財政年度遵守標準守則所載之規定標準。

### 核數師

截至二零零八年十二月三十一日止年度之財務報表已由中瑞岳華(香港)會計師事務所審核，彼因任期屆滿須於二零零九年股東週年大會上退任，但合資格獲得委任。

承董事會命  
主席  
劉洪亮

香港，二零零九年三月二十日

### Sufficiency of Public Float

As at the latest practicable date prior to the issue of this report, based on information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company has maintained sufficient public float as required under the Listing Rules.

### Compliance With Code of Best Practices

The Company is committed to maintaining the high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 31 to 39 of this annual report.

The Company has adopted the Model Code as its code for dealing in securities of the Company by the Directors. After specific enquiry by the Company, all the Directors confirmed that they had complied with the required standards set out in the Model Code for the financial year ended 31 December 2008.

### Auditor

The financial statements for the year ended 31 December 2008 have been audited by RSM Nelson Wheeler who are due to retire and, being eligible, shall offer themselves for appointment at the 2009 AGM.

On behalf of the Board  
**Liu Hongliang**  
Chairman

Hong Kong, 20 March 2009

# 企業管治報告

## Corporate Governance Report

本集團認同，達致高水準的企業管治對提高企業表現及問責性而言十分重要。

本公司定期檢討其企業管治常規，以確保該等常規持續符合香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「守則」）之規定。董事認為，本公司於回顧年度內一直遵守守則之適用守則條文。本集團的主要企業管治實務概述如下：

### 董事會（「董事會」）

董事會須向本公司股東負責，負責本公司整體管理、業務發展及監督所有重要事項，包括制定及批准所有政策事宜、整體策略、內部監控及風險管理制度，以及監察高級管理人員之表現。董事須以本公司利益為依歸，作出客觀決策。

本公司董事會由七名董事組成，包括四名執行董事及三名獨立非執行董事。各董事的履歷載於本年報第10至12頁。董事會結構平衡，每名董事均具備與本集團業務營運及發展有關之豐富知識、經驗及／或專才。全體董事深知彼等共同及個別對本公司股東所負之責任，並勤勉盡職，為本集團之理想業績作出貢獻。

各董事會成員與主席之間概無財務、業務、親屬或其他重大或相關關係。彼等均可自由作出獨立判斷。

本公司已按上市規則之規定委任三名獨立非執行董事，且其中最少一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定就本身獨立性呈交的年度確認書，並確信其獨立性符合上市規則的規定。

所有董事可於需要時尋求獨立專業意見，費用由本公司承擔。

為了讓全體董事可盡量出席會議，所有定期董事會會議的日期會預先計劃。會議議程在諮詢董事會成員後制訂。每位董事均獲邀提出任何擬在會議中討論或提呈的事項。如有任何董事於董事會將會考慮之事宜有利益衝突，該等董事須放棄投票，並且不構成董事會會議的法定人數。

The Group recognises the value and importance of high corporate governance standards in the enhancement of corporate performance and accountability.

The Company reviews its corporate governance practices periodically to ensure the practices continue to meet the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited. The Board considered that the Company has complied with the applicable code provisions of the Code during the year under review. The key corporate governance practices of the Group are summarised as follows:

### Board of Directors (the "Board")

Accountable to the shareholders of the Company, the Board is responsible for the overall management, business development and supervising all major matters of the Company, including the formulation and approval of all policy matters, overall strategies, internal control and risk management systems, and monitoring the performance of the senior management. The Directors have to take decisions objectively in the interests of the Company.

The Board of the Company comprises seven Directors, including four executive Directors and three independent non-executive Directors. The biographical details of the Directors are set out on pages 10 to 12 of this annual report. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business operations and development of the Group. All the Directors are aware of their collective and individual responsibilities to the shareholders of the Company and have exercised their duties with care, skill and diligence, contributing to the successful performance of the Group.

There is no financial, business, family or other material or relevant relationship among members of the Board and the Chairman. All of them are free to exercise their independent judgment.

The Company has appointed the three independent non-executive Directors that met the requirements of the Listing Rules, with at least one independent non-executive Director possessing the appropriate professional qualifications, or accounting or related financial management expertise. The Company has received from each independent non-executive Director a written annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules and is satisfied with their independence in accordance with the Listing Rules.

All the Directors are permitted to seek independent professional advice, if required, at the Company's expenses.

All regular Board meetings are scheduled in advance to facilitate the possible fullest attendance. The meeting agenda is set after consulting with members of the Board. Each Director is invited to present any businesses that he wishes to discuss or propose at such meetings. Directors are required to abstain from voting and will not be counted in the quorum present in the Board meeting if any director has a conflict of interest in a matter to be considered by the Board.



# 企業管治報告

## Corporate Governance Report

### 董事會(「董事會」)(續)

董事獲邀將任何彼等認為合適之事項列入董事會會議議程內。每次董事會會議前最少十四天發出通知。董事會文件在會議舉行前不少於三天送交所有董事傳閱，以確保彼等可及時獲得一切有關資料。如有需要取得更多資料，每位董事均可個別及單獨地向本集團管理層查詢。

董事會文件及本公司會議記錄由公司秘書備存於本公司在香港之主要營業地點。所有會議記錄之草擬及最終稿已於各董事會會議舉行後七天內送交董事，以供彼等審閱、發表意見及作記錄之用。

#### (1) 職責

董事會須共同負責制訂本集團業務策略方針及訂立管理目標、監督其表現及評估管理策略是否有效。本集團之日常營運及業務策略之執行乃授權本公司總經理負責。董事會定期檢討其表現是否符合既定目標及財政預算。

本公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則(「標準守則」)作為其本身監管董事進行證券交易之守則。董事經已確認，彼等於截至二零零八年十二月三十一日止財政年度一直遵守標準守則。本公司亦已就有關僱員採納條款不會較標準守則寬鬆之書面指引。高級管理層因其在本公司所擔任之職務而可能擁有未公佈之股價敏感資料，彼等已應要求遵守標準守則及本公司有關董事進行證券交易之操守準則之有關規定。根據本公司所知，並無出現有關僱員違反僱員書面指引之情況。

#### (2) 主席及行政總裁

本公司目前並無高級職員獲授行政總裁職銜，但本公司設有等同之總經理職位。為加強獨立性及問責性，主席與總經理各有不同職責，並分別由劉洪亮先生及翟軍先生擔任。主席之責任明確，主要負責領導董事會及在管理層支援下，確保董事適時獲得充分、完備及可靠之資料，而總經理則負責管理本集團之日常營運、執行董事會批准的業務策略、發展及制訂組織架構、監控系統以及內部程序與流程，以供董事會批准。

### Board of Directors (the "Board") (Continued)

The Directors were invited to include any matters which they thought appropriate in the agenda for the Board meetings. Notice of at least 14 days was given for each Board meeting. Board papers are circulated to all Directors not less than 3 days before the Board meetings to ensure timely access to relevant information. Each Director is able to access the management of the Group separately and independently if more information is required.

The Board papers and minutes of the Company are kept by the Company Secretary at the Company's principal place of business in Hong Kong. All draft and final versions of minutes were sent to Directors for review, comment and record within 7 days after each board meeting.

#### (1) Responsibilities

The Board is collectively responsible for formulating the strategic business direction of the Group and setting objectives for management, overseeing its performance and assessing the effectiveness of management strategies. The day-to-day operations and business strategies implementation of the Group are delegated to the general manager of the Company. The Board reviews the performance against the agreed targets and budgets on a regular basis.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code governing securities transactions of the Directors. Directors have confirmed compliance with the Model Code for the financial year ended 31 December 2008. The Company has also adopted written guidelines on no less exacting terms than the Model Code for the relevant employees. The senior management, who, because of their office in the Company, is likely to be in possession of unpublished price sensitive information, has been requested to comply with the provisions of the Model Code and the Company's code of conduct regarding securities transactions by Directors. No incidence of non-compliance of the employees' written guidelines by the relevant employees was noted by the Company.

#### (2) Chairman and Chief Executive Officer

The Company does not presently have any officer with the title of chief executive officer but with equivalent to the position of general manager of the Company. In order to reinforce the independence and accountability, the roles of the Chairman and the general manager are segregated and performed by Mr. Liu Hongliang and Mr. Chak Kwan respectively. There is a clear distinction responsibility of the Chairman to mainly provide leadership for the Board and ensure the Directors receive adequate, complete and reliable information in a timely manner with support by the management. While the general manager is responsible for managing the day-to-day operations, implementing business strategies approved by the Board, developing and formulating the organisational structure, control systems and internal procedures and processes for the Board's approval.

# 企業管治報告

## Corporate Governance Report

### 董事會(「董事會」)(續)

#### (3) 董事會委員會

董事會已設立三個委員會，即審核委員會、薪酬委員會及安全及環保委員會，以監察本公司有關方面之事務。所有委員會已確立成文的職權及職責，以清晰界定各自之職權範圍。

在回顧年度內，共舉行四次董事會會議、兩次審核委員會會議、一次薪酬委員會會議及一次安全及環保委員會會議。各董事出席上述會議之記錄載列如下：

### Board of Directors (the “Board”) (Continued)

#### (3) Board committees

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Safety and Environmental Protection Committee, for overseeing particular aspects of the Company’s affairs. All committees have been established with specific written terms of reference which deal clearly with their respective authorities and duties.

During the year under review, 4 Board meetings, 2 Audit Committee meetings, 1 Remuneration Committee meeting and 1 Safety and Environmental Protection Committee meeting were held. The attendance record of each Director at the aforesaid meetings is set out below:

		出席會議記錄 Attendance of meetings			
		審核委員會 Audit Committee	薪酬委員會 Remuneration Committee	安全及 環保委員會 Safety and Environmental Protection Committee	
董事會 Board					
<b>執行董事</b>	<b>Executive Directors</b>				
劉洪亮先生 <sup>3</sup>	Mr. Liu Hongliang <sup>3</sup>	4/4	1/2	1/1	–
王子江先生	Mr. Wang Zijiang	4/4	1/2	–	–
郭希田先生	Mr. Guo Xitian	4/4	1/2	–	–
郭玉成先生 <sup>5</sup>	Mr. Guo Yucheng <sup>5</sup>	4/4	1/2	–	1/1
<b>獨立非執行董事</b>	<b>Independent non-executive Directors</b>				
梁錦雲先生 <sup>1, 4</sup>	Mr. Leung Kam Wan <sup>1, 4</sup>	4/4	2/2	1/1	–
高寶玉先生 <sup>2, 4, 6</sup>	Mr. Gao Baoyu <sup>2, 4, 6</sup>	4/4	2/2	1/1	1/1
劉晨光先生 <sup>2, 4</sup>	Mr. Liu Chenguang <sup>2, 4</sup>	4/4	2/2	1/1	–
<b>管理層</b>	<b>Management</b>				
傅安旭先生 <sup>6</sup>	Mr. Fu Anxu <sup>6</sup>	–	–	–	1/1

附註：

- 審核委員會主席
- 審核委員會成員
- 薪酬委員會主席
- 薪酬委員會成員
- 安全及環保委員會主席
- 安全及環保委員會成員

Notes:

- Chairman of the Audit Committee
- Member of the Audit Committee
- Chairman of the Remuneration Committee
- Member of the Remuneration Committee
- Chairman of the Safety and Environmental Protection Committee
- Member of the Safety and Environmental Protection Committee

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### 董事會(「董事會」)(續)

#### (3) 董事會委員會(續)

審核委員會包括三名獨立非執行董事梁錦雲先生、高寶玉先生及劉晨光先生。梁先生為審核委員會之主席，彼具備上市規則規定之認可會計專業資格。審核委員會的主要職責包括：

- 審閱本集團的財務報表於會計準則、上市規則及其他與財務申報相關規定方面之合規性；
- 監管本集團之財務申報系統及內部監控流程；
- 與董事會討論內部監控系統，確保董事會已履行職責建立有效的內部監控系統；
- 於開始審核工作前審閱獨立核數師之審核性質及範圍以及申報責任；
- 就委任、續聘及罷免獨立核數師向董事會提供意見，以及批准獨立核數師的酬金及聘用條款；
- 評估關連交易之公平及合理性，及有關交易對本集團盈利能力及本公司股東整體利益之影響；
- 審閱獨立核數師致管理層的函件及管理層的回應。

### Board of Directors (the “Board”) (Continued)

#### (3) Board committees (Continued)

The Audit Committee comprises the three independent non-executive Directors, namely, Mr. Leung Kam Wan, Mr. Gao Baoyu and Mr. Liu Chenguang. Mr. Leung is the Chairman of the Audit Committee and he possesses recognised professional qualifications in accounting required by the Listing Rule. The main duties of the Audit Committee include:

- review the Group’s financial statements with the compliance with accounting standards, the Listing Rules and other requirements in relation to financial reporting;
- oversee the Group’s financial reporting systems and internal control procedures;
- discuss with the Board the system of internal control and ensure that the Board has discharged its duties to have an effective internal control system;
- review the nature and scope of the audit and reporting obligations of the independent auditor before the audit commences;
- make recommendation to the Board on the appointment, re-appointment and removal of the independent auditor, and approve the remuneration and terms of engagement of the independent auditor;
- evaluate the fairness and reasonableness of any connected transaction and the impact of such transaction on the profitability of the Group as well as the interest of the shareholders of the Company as a whole; and
- review the independent auditor’s management letter and management’s response.

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### 董事會(「董事會」)(續)

#### (3) 董事會委員會(續)

審核委員會在回顧年度內已召開兩次會議，以討論及審閱下列事宜：

1. 審閱二零零七年十二月三十一日及二零零八年六月三十日之財務報表在會計準則、上市規則及其他與財務申報相關規定方面之合規性；
2. 向董事會呈交及建議董事會批准財務報表；
3. 審閱本集團的財務和會計政策及實務，並評估本集團內部監控系統是否足夠及有效；
4. 審閱獨立核數師之審核性質及範圍以及申報責任，並評核其獨立性及就聘任獨立核數師向董事會提供建議；
5. 審批獨立核數師之審核費用及委聘條款；
6. 審閱及與獨立核數師商討向管理層發出函件的事項；及
7. 向董事會提供推薦意見，以改善內部監控系統及流程。

在回顧年度內，審核委員會已與本公司執行董事和管理層及獨立核數師審閱及商討本公司財務報表之完整性及任何重大之財務申報判斷。

薪酬委員會的主席為執行董事劉洪亮先生，其他三名成員為梁錦雲先生、高寶玉先生及劉晨光先生，全部均為獨立非執行董事。薪酬委員會主要負責批准本集團薪酬政策，同時審閱及評估執行董事及高級管理層之薪酬待遇，以使本公司能夠吸引、挽留及激勵高素質人才。董事一概不得參與任何有關其本身薪酬之討論。

### Board of Directors (the “Board”) (Continued)

#### (3) Board committees (Continued)

Two Audit Committee meetings were held during the year under review to discuss and review the following matters:

1. review of the financial statements of 31 December 2007 and 30 June 2008 with the compliance of the accounting standards, the Listing Rules and other requirements in relation to financial reporting;
2. submit and recommend the Board to approve the financial statements;
3. review the Group’s financial and accounting policies and practices; and evaluate the adequacy and effectiveness of the internal control system of the Group;
4. review the nature and scope of the audit and reporting obligations of the independent auditor and evaluate its independence and recommend the Board on the appointment of the independent auditor;
5. approval of the audit fees and terms of engagement of the independent auditor;
6. review and discuss with the independent auditor regarding the issues of management letter; and
7. make recommendations to the Board for improvement of internal control system and procedures.

During the year under review, the Audit Committee has met the executive Directors and management of the Company with the independent auditor to review and discuss the integrity and any significant financial reporting judgements of the financial statements of the Company.

The Remuneration Committee is chaired by Mr. Liu Hongliang, an executive Director with Mr. Leung Kam Wan, Mr. Gao Baoyu and Mr. Liu Chenguang as the three other members, all being independent non-executive Directors. The Remuneration Committee is mainly responsible for approving the remuneration policy of the Group as well as reviewing and evaluating the remuneration packages of the executive Directors and senior management to enable the Company to attract, retain and motivate quality personnel. No Director shall participate in any discussion about his own remuneration.

# 企業管治報告

## Corporate Governance Report

### 董事會(「董事會」)(續)

#### (3) 董事會委員會(續)

在回顧年度內，薪酬委員會已召開一次會議，審閱及批准本集團之薪酬政策及本公司全體董事及高級管理層之薪酬待遇，當時已參考本集團的經營業績和達成了的企業目標，並已計及可比較的市場情況。

本公司審核委員會及薪酬委員會均有明確的書面職權範圍，清晰訂明其權力及職能。審核委員會及薪酬委員會的職權範圍已刊登在本公司網站，並於本公司股東要求時可供查閱。

為強化生產營運之安全及有效性，從而減少本集團之營運風險，董事會成立了安全及環保委員會。安全及環保委員會由三名成員組成，包括執行董事兼委員會主席郭玉成先生、獨立非執行董事高寶玉先生及本集團總工程師傅安旭先生。委員會受命於董事會，主要執行以下工作：

- 制定本集團所有安全及環保計劃及規章制度，供董事會審批；
- 考核及監督各附屬公司之生產運作情況，確保符合本集團之安全及環保政策及規章制度；
- 確保本集團之生產運作符合當地政府部門不時頒布之所有相關安全生產法規及規則；及
- 處理所有關於本集團的安全及環保生產的投訴。

### Board of Directors (the “Board”) (Continued)

#### (3) Board committees (Continued)

During the year under review, the Remuneration Committee has held one meeting to review and approve the remuneration policy of the Group and the remuneration packages for all the Directors and senior management of the Company by reference to the Group’s operating results and achieved corporate objectives, after taking into account also the comparable market conditions.

The Audit Committee and the Remuneration Committee of the Company are established with defined written terms of reference which deal clearly with their authorities and duties. The term of reference of the Audit Committee and the Remuneration Committee are posted on the Company’s website and are available to shareholders of the Company upon request.

The Board has established the Safety and Environmental Protection Committee to enhance the safety and effectiveness of production operations so as to eliminate the operating risk of the Group. The Safety and Environmental Protection Committee comprised three members, namely Mr. Guo Yucheng, an executive Director and the Chairman of the Committee, Mr. Gao Baoyu, an independent non-executive Director and Mr. Fu Anxu, a chief engineer of the Group. The Committee is delegated by the Board to perform mainly the following duties:

- formulate the Group’s overall safety and environmental protection plans and regulations for the approval by the Board;
- examine and supervise the production operations at the subsidiary level to ensure that they are followed to the Group’s safety and environmental protection policy and regulations;
- ensure the Group’s production operations are complied with all relevant rules and regulations promulgated by the local government authorities from time to time; and
- handle all complaints regarding safety and environmental production aspect of the Group.

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## Corporate Governance Report

### 董事會(「董事會」)(續)

#### (3) 董事會委員會(續)

在回顧年度內，安全及環保委員會已召開一次會議，以討論及審閱下列事宜：

1. 審閱及評估本集團整體的安全及環保系統；
2. 審閱及監督一座新建污水處理設施的運作表現，並作出改善建議以確保達到本集團的安全及環保標準及國家之規定；及
3. 監督各附屬公司之生產運作情況，確保符合本集團之安全及環保政策及規章制度。

所有董事會委員會將就各自之工作、調查結果及推薦意見向董事會會議匯報。

本公司並無成立提名委員會。新董事的委任是由董事會全體成員參議，在提名新董事時，董事會會考慮彼等之專業知識、經驗、誠信及承擔等各方面的資歷。

#### (4) 委任、重選及罷免

所有董事的指定任期為三年，並根據本公司組織章程細則最少每三年輪值告退一次。

於每屆股東週年大會上，當時三分之一董事(或如其數目並非三之倍數，則以最接近但不少於三分之一之數目為準)須輪值告退，惟每名董事須最少每三年告退一次。退任董事符合資格膺選連任，並於其告退之大會上繼續擔任董事。輪值告退之董事將為自上次重選或獲委任以來在任最久之董事，惟就於同一日獲委任或重選為董事之人士而言，將以抽籤方式(除非彼等互相協定)決定應予告退之人士。

可通過本公司普通決議案在董事任期完結前罷免董事，惟此舉不影響該董事就其本身與本公司訂立之任何協議遭違反而索償之權力。

### Board of Directors (the "Board") (Continued)

#### (3) Board committees (Continued)

The Safety and Environmental Protection Committee has held one meeting during the year under review to discuss and review the following issues:

1. review and evaluate the overall safety and environmental protection system of the Group;
2. review and oversee the operation performance of newly built an advanced waste water treatment facility and make recommendation for improvement to ensure that can meet the Group's safety and environmental protection standards as well as the requirements of the States; and
3. oversee the production operations of the subsidiaries that they are followed to the Group's safety and environmental protection policy and regulations.

All Board Committees would report to the Board their works, findings and recommendations in Board meetings.

The Company has not established a Nomination Committee. The full Board is involved in the appointment of new Directors by taking into consideration criteria such as expertise, experience, integrity and commitment when considering new director appointments.

#### (4) Appointment, re-election and removal

All Directors are appointed for a specific term of three years and subject to retirement by rotation at least once every three years in accordance with the Articles of Association of the Company.

At each annual general meeting, one-third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to but not less than one third, are required to retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation will be those who have been the longest in office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those retire will (unless they otherwise agree among themselves) be determined by lot.

A Director may be removed by an ordinary resolution of the Company before the expiration of his period of time (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company).

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### 問責及審核

董事會致力根據一切法定規定，向股東及公眾人士公平、清晰及明確地評估本公司的表現、狀況及前景。

董事會負責處理發佈股價敏感資訊及其他財務資訊披露規定之程序。董事會完全瞭解其於上市規則方面的責任及定期審閱其合規監控程序。根據法規要求，本公司應進行即時披露。本公司的政策是嚴禁未經授權使用機密或內幕資訊。本公司總經理獲授權回應有關本集團事務的查詢。

董事負責編製本公司各財政年度的財務賬目，並確保該等賬目真實公平地反映本集團於期內的財務狀況、業績及現金流量，亦負責確保於任何時間妥為存置披露本集團財務狀況的本公司會計記錄。

管理層須提交詳盡報告及解釋，以供董事會於批准前作出知情評估。

### 內部監控

董事會全面負責本集團的內部監控系統，並為本集團維持健全和有效的內部監控系統，以保障本集團資產及股東投資。全體執行董事均緊密及直接監控本集團之日常營運、業務活動，及審閱每月財務業績，以確保妥善實施合規監控及風險管理措施及程序。全體執行董事均參與每月管理層會議或按需要舉行之會議以即時應付違規情況。此外，董事會不斷檢討本集團財務與營運程序及關鍵之風險管理監控以確保內部監控系統行之有效。

本集團已實行若干營運監控，包括清晰界定職責範圍及最終責任機制、資本性開支及投資審批程序、庫務及預算監察系統等。

此外，本集團於年內建立了一個週年內部監控系統自我評估檢查機制，目的是對已有的內部監控機制進行合理性測試、促進員工參與評估內部監控系統之執行情況，對內控不足之處及時修正、使董事會及審核委員會更有效地評估本集團之內部監控系統。

### Accountability and Audit

The Board aims to present a balanced, clear and understandable assessment of the Company's performance, position and prospects to its shareholders and the public pursuant to all sort of statutory requirements.

The Board is responsible for the handling of the dissemination of price-sensitive information and other financial disclosure requirements procedures. The Board is fully aware of its obligations under the Listing Rules and reviews its compliance controls process regularly. The Company should make disclosure immediately pursuant to statutory requirements. The unauthorised use of confidential or insider information is strictly prohibited under the Company's policy. The general manager of the Company is identified and authorised person to respond the enquiries made in connection with the Group's affairs.

The Directors are responsible for the preparation of the financial accounts of the Company for each financial year and ensuring that these accounts give a true and fair view of the state of affairs of the Group, its results and cash flows for that period. The Directors are also responsible for ensuring that proper accounting records of the Company which disclose the financial position of the Group are kept at all times.

Management is required to provide detailed reports and explanation to enable the Board to make an informed assessment before approval.

### Internal Controls

The Board has overall responsibilities for the Group's system of internal control and maintaining a sound and effective internal control system of the Group to safeguard the Group's assets and the shareholders' investment. All executive Directors closely and directly monitor the daily operations, business activities and review monthly financial results of the Group ensuring that compliance controls and risk management measures and procedures are properly implemented. All executive Directors participate in the monthly management meetings or meetings held as and when required to address irregularities immediately. Besides, the Board takes a constant review of the Group's financial and operational procedures and critical risk management control to ensure the internal control system is effectiveness.

The Group has implemented some operating controls including clearly defined lines of responsibilities and ultimate accountability system, capital expenditure and investment approval procedure, treasury and budgeting monitoring systems etc.

Besides, the Group was established an annual self-assessment and evaluation mechanism for internal control system during the year that is aimed to test the reasonableness of the existing internal control mechanism, prompt employee to step in evaluation of the implementation of internal control system, serves to rectify control system immediately if any shortcoming, facilitate the Board and the Audit Committee to assess the internal control system of the Group more effectiveness.

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### 問責及審核(續)

#### 內部監控(續)

董事會已於回顧年度內通過定期審閱本集團之營運程序及持續作出改善，不斷努力完善本集團之營運系統、盡量減少其運作風險及任何違規之處。為支持本集團業務發展，董事會亦已計劃在不久將來成立內部監控部門，以制定更多監控措施和建立綜合的內部監控系統。

### 與股東的溝通

本公司認為股東週年大會是與股東作面對面溝通的重要渠道。董事會主席及審核委員會及薪酬委員會之主席或彼等之代表均會出席本公司之股東週年大會，以向股東解答及說明有關本集團業務策略及財務業績之事宜，並於股東大會提呈決議案。

為鼓勵股東出席大會，會向本公司股東發出不少於20個工作日的通知及載有必需資料的通函，供彼等就決議案作決定。

在會議開始時，大會主席將解釋進行按股數投票方式表決之詳細程序，並回答本公司股東就以投票方式進行表決而提出的任何問題。

### 核數師酬金

於回顧年度內，本公司獨立核數師就其向本集團提供的專業服務收取約900,000港元。本公司支付予獨立核數師的酬金載列如下：

審核服務  
非審核服務

承董事會命  
主席  
劉洪亮

香港，二零零九年三月二十日

### Accountability and Audit (Continued)

#### Internal Controls (Continued)

The Board has continuously devoted to optimise the Group's operation system, minimise its operational risks and any irregularities areas by periodically review the operation procedures of the Group and to make continuous improvement during the year under review. The Board is also planned to establish an internal control department in near future to formulate more control measures and put in place an integrated system of internal control so as to support the business development of the Group.

### Communications with Shareholders

The Company considers its annual general meeting as an important channel for face-to-face dialogue with shareholders. The Chairman of the Board and either the chairman of the Audit Committee and the Remuneration Committee or their representatives would attend the annual general meeting of the Company answering and explaining to shareholders issues relating to the Group's business strategies and financial results and proposed resolutions at the general meeting.

To encourage shareholders to attend the meeting, not less than 20 clear business days' notice and circular containing necessary information would be given to shareholders of the Company for them to make decision on the resolutions.

At the commencement of the meeting, the Chairman of the meeting will explain the detailed procedures for conducting a poll and then answer any questions from shareholders of the Company regarding voting by way of a poll.

### Auditor's Remuneration

The independent auditor of the Company received approximately HK\$0.9 million for the professional services provided to the Group during the year under review. The remuneration paid to the Company's independent auditor is set out as follows:

Audit services	HK\$750,000
Non-audit services	HK\$150,000

On behalf of the Board  
**Liu Hongliang**  
Chairman

Hong Kong, 20 March 2009



# 獨立核數師報告

## Independent Auditor's Report

### **RSM Nelson Wheeler** 中瑞岳華(香港)會計師事務所 Certified Public Accountants

致天德化工控股有限公司股東  
(於開曼群島註冊成立之有限公司)

我們已審核列載於第42至94頁天德化工控股有限公司(「貴公司」)之綜合財務報表，此財務報表包括於二零零八年十二月三十一日之綜合資產負債表與截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

#### 董事就財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則及香港公司條例之披露規定，編製及真實而公平地列報財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關之內部監控，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述，亦包括選擇和應用適當之會計政策及按情況作出合理之會計估計。

#### 核數師之責任

我們之責任是根據我們之審核對財務報表作出意見，並將此意見僅向閣下(作為一個整體)報告，而不作其他用途。我們不就此報告之內容，對任何其他人士負責或承擔任何責任。我們已根據香港會計師公會頒佈之香港核數準則進行審核。這些準則要求我們遵守道德規範，並規劃及進行審核，以合理確定財務報表是否不存有任何重大錯誤陳述。

**TO THE SHAREHOLDERS OF TIANDE CHEMICAL HOLDINGS LIMITED**  
天德化工控股有限公司  
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Tiande Chemical Holdings Limited (the "Company") set out on pages 42 to 94, which comprise the consolidated balance sheet as at 31 December 2008, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### Directors' Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

# 獨立核數師報告

## Independent Auditor's Report

### 核數師之責任(續)

審核涉及執行情序以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關之內部監控，以設計適當之審核程序，但並非為對公司之內部監控之效能發表意見。審核亦包括評估董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評估財務報表之整體列報方式。

我們相信，我們已獲得充足和適當之審核憑證，足以成為我們審核意見之基礎。

### 意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團截至二零零八年十二月三十一日之財政狀況及 貴集團截至該日止年度之業績及現金流動，並已按照香港公司條例之披露規定妥為編製。

中瑞岳華(香港)會計師事務所  
執業會計師

香港  
二零零九年三月二十日

### Auditor's Responsibility (Continued)

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

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

### Opinion

In our opinion the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2008 and of the Group's results 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.

RSM Nelson Wheeler  
Certified Public Accountants

Hong Kong  
20 March 2009

# 綜合收益表

## Consolidated Income Statement

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

			二零零八年 2008	二零零七年 2007
		附註 Note	人民幣千元 RMB'000	人民幣千元 RMB'000
<b>營業額</b>	<b>Turnover</b>	7	<b>725,199</b>	574,298
銷售成本	Cost of sales		<b>(626,076)</b>	(505,315)
<b>毛利</b>	<b>Gross profit</b>		<b>99,123</b>	68,983
其他收入	Other income	8	<b>4,579</b>	3,999
銷售開支	Selling expenses		<b>(27,827)</b>	(19,099)
行政開支	Administrative expenses		<b>(31,398)</b>	(27,411)
其他營運開支	Other operating expenses		<b>(5,190)</b>	–
投資物業公允值變動	Change in fair value of investment properties	17	<b>660</b>	1,900
財務成本	Finance costs	9	<b>(13,380)</b>	(5,232)
<b>除稅前溢利</b>	<b>Profit before tax</b>		<b>26,567</b>	23,140
所得稅開支	Income tax expense	10	<b>(1,642)</b>	(1,586)
<b>本年度溢利</b>	<b>Profit for the year</b>	11	<b>24,925</b>	21,554
<b>每股股息</b>	<b>Dividends per share</b>	13	<b>1.25港仙 HK1.25cents</b>	1.25港仙 HK1.25cents
<b>每股盈利</b>	<b>Earnings per share</b>	14	<b>人民幣0.062元 RMB0.062</b>	人民幣0.054元 RMB0.054
基本	Basic			
攤薄	Diluted		<b>不適用 N/A</b>	不適用 N/A

# 綜合資產負債表

## Consolidated Balance Sheet

於二零零八年十二月三十一日  
At 31 December 2008

			二零零八年 2008	二零零七年 2007
	附註 Note	人民幣千元 RMB'000	人民幣千元 RMB'000	
<b>非流動資產</b>	<b>Non-current assets</b>			
物業、廠房及設備	Property, plant and equipment	15	366,755	369,684
預付土地租賃款項	Prepaid land lease payments	16	63,371	66,457
投資物業	Investment properties	17	10,360	9,700
購買物業、廠房及設備之 已付訂金	Deposits paid for acquisition of property, plant and equipment		20,571	6,494
遞延稅項資產	Deferred tax assets	18	826	669
			<b>461,883</b>	453,004
<b>流動資產</b>	<b>Current assets</b>			
存貨	Inventories	19	39,960	53,172
貿易應收賬及應收票據	Trade and bills receivable	20	97,477	207,174
預付款項及其他應收款項	Prepayments and other receivables		8,079	9,502
流動稅項資產	Current tax assets		1,963	-
已抵押銀行存款	Pledged bank deposits	21	10,000	16,400
銀行及現金結餘	Bank and cash balances	21	21,363	29,207
			<b>178,842</b>	315,455
<b>流動負債</b>	<b>Current liabilities</b>			
貿易應付賬及應付票據	Trade and bills payable	22	47,952	164,158
應付未付賬款及其他 應付款項	Accruals and other payables		57,621	90,691
應付關聯公司款項	Due to a related company	23	-	39
銀行借貸	Bank borrowings	24	110,054	82,557
流動稅項負債	Current tax liabilities		639	304
			<b>216,266</b>	337,749
<b>流動負債淨額</b>	<b>Net current liabilities</b>		<b>(37,424)</b>	(22,294)
<b>總資產減流動負債</b>	<b>Total assets less current liabilities</b>		<b>424,459</b>	430,710
<b>非流動負債</b>	<b>Non-current liabilities</b>			
銀行借貸	Bank borrowings	24	49,560	75,200
遞延收入	Deferred income	25	24,152	26,892
遞延稅項負債	Deferred tax liabilities	18	1,816	1,600
			<b>75,528</b>	103,692
<b>資產淨值</b>	<b>NET ASSETS</b>		<b>348,931</b>	327,018
<b>資本及儲備</b>	<b>Capital and reserves</b>			
股本	Share capital	26	4,031	4,031
儲備	Reserves	27	344,900	322,987
<b>總權益</b>	<b>TOTAL EQUITY</b>		<b>348,931</b>	327,018

董事會於二零零九年三月二十日批准

Approved by the Board of Directors on 20 March 2009

劉洪亮  
LIU HONGLIANG  
董事  
Director

王子江  
WANG ZIJIANG  
董事  
Director

# 綜合權益變動表

## Consolidated Statement of Changes in Equity

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

		股本	股份溢價	特別儲備	盈餘 公積金	物業重估 儲備	公益金	以股份 支付之 款項儲備	外幣 匯兌儲備	保留溢利	建議 末期股息	總權益
		Share capital	Share premium	Special reserve	Surplus reserve fund	Property revaluation reserve	Public welfare fund	Share- based payment reserve	Foreign currency translation reserve	Retained profits	Proposed final dividends	Total equity
		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 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零零七年一月一日	At 1 January 2007	4,031	89,544	31,182	7,819	-	633	-	(230)	170,647	-	303,626
直接於股權中確認之 匯兌差額	Translation difference recognised directly in equity	-	-	-	-	-	-	-	(472)	-	-	(472)
撥入投資物業時之物業、 廠房及設備重估盈餘	Surplus on revaluation of property, plant and equipment upon transfer to investment properties	-	-	-	-	1,359	-	-	-	-	-	1,359
直接於股權中確認之淨收入	Net income recognised directly in equity	-	-	-	-	1,359	-	-	(472)	-	-	887
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	21,554	-	21,554
年內確認之收入及開支總額	Total recognised income and expense for the year	-	-	-	-	1,359	-	-	(472)	21,554	-	22,441
以股份支付之款項	Share-based payments	-	-	-	-	-	-	951	-	-	-	951
轉撥	Transfer	-	-	-	3,454	-	-	-	-	(3,454)	-	-
二零零七年建議末期股息	2007 proposed final dividends	-	-	-	-	-	-	-	-	(4,481)	4,481	-
於二零零七年十二月三十一日 及二零零八年一月一日	At 31 December 2007 and 1 January 2008	4,031	89,544	31,182	11,273	1,359	633	951	(702)	184,266	4,481	327,018
直接於股權中確認之 匯兌差額	Translation difference recognised directly in equity	-	-	-	-	-	-	-	(39)	-	-	(39)
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	24,925	-	24,925
年內確認之收入及開支總額	Total recognised income and expense for the year	-	-	-	-	-	-	-	(39)	24,925	-	24,886
以股份支付之款項	Share-based payments	-	-	-	-	-	-	1,508	-	-	-	1,508
轉撥	Transfer	-	-	-	2,326	-	-	-	-	(2,326)	-	-
支付股息	Dividends paid	-	-	-	-	-	-	-	-	-	(4,481)	(4,481)
二零零八年建議末期股息	2008 proposed final dividends	-	-	-	-	-	-	-	-	(4,400)	4,400	-
於二零零八年十二月三十一日	At 31 December 2008	4,031	89,544	31,182	13,599	1,359	633	2,459	(741)	202,465	4,400	348,931

# 綜合現金流量表

## Consolidated Cash Flow Statement

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
<b>經營業務之現金流量</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
除稅前溢利	Profit before tax	26,567	23,140
調整：	Adjustments for:		
利息收入	Interest income	(427)	(316)
利息開支	Interest expenses	13,380	5,232
折舊及攤銷	Depreciation and amortisation	34,515	25,923
撥回遞延收入	Release of deferred income	(2,740)	(1,194)
存貨撥備	Allowance for inventories	1,989	897
投資物業公允值變動	Change in fair value of investment properties	(660)	(1,900)
股權結算以股份支付之款項開支	Equity-settled share-based payments expenses	1,508	951
呆壞賬撥備回撥	Reversal of allowance for bad and doubtful debts	–	(135)
呆壞賬撥備	Allowance for bad and doubtful debts	–	5
其他應收款項撥備	Allowance for other receivables	1,790	–
存貨撥備回撥	Reversal of allowance for inventories	–	(31)
搬遷費用撥備	Provision for removal expenses	3,400	–
營運資金變動前之營運溢利	Operating profit before working capital changes	79,322	52,572
存貨減少／(增加)	Decrease/(Increase) in inventories	11,223	(25,426)
貿易應收賬及其他應收款項增加	Increase in trade and other receivables	(30,944)	(50,974)
貿易應付賬及其他應付款項增加	Increase in trade and other payables	27,278	57,810
應付關聯公司款項 (減少)／增加	(Decrease)/Increase in amount due to a related company	(39)	39
經營所得現金	Cash generated from operations	86,840	34,021
已付所得稅	Income taxes paid	(3,211)	(2,430)
經營業務產生之現金淨額	Net cash generated from operating activities	83,629	31,591
<b>投資業務之現金流量</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
購買物業、廠房及設備	Purchase of property, plant and equipment	(68,379)	(91,652)
購買物業、廠房及設備之 已付訂金	Deposits paid for acquisition of property, plant and equipment	(14,077)	(1,300)
預付土地租賃款項	Payments of prepaid land lease	–	(1,309)
已收利息	Interest received	427	316
已抵押銀行存款減少／(增加)	Decrease/(Increase) in pledged bank deposits	6,400	(14,623)
投資活動所用現金淨額	Net cash used in investing activities	(75,629)	(108,568)

# 綜合現金流量表

## Consolidated Cash Flow Statement

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
<b>融資業務之現金流量</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
已付股息	Dividends paid	(4,481)	–
已付利息	Interest paid	(13,234)	(5,437)
償還銀行借貸	Repayments of bank borrowings	(52,430)	(40,140)
新增銀行借貸	New bank borrowings raised	64,700	85,400
(償還)/增加貼現票據淨額	Net (repayments)/additions of discounted bills	(10,413)	30,197
融資業務(所用)/產生之現金淨額	Net cash (used in)/generated from financing activities	(15,858)	70,020
<b>現金及現金等值項目減少淨額</b>	<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(7,858)</b>	<b>(6,957)</b>
於一月一日之現金及現金等值項目	<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>29,207</b>	<b>36,899</b>
外匯匯率變動之影響	Effect of foreign exchange rate changes	14	(735)
於十二月三十一日之現金及現金等值項目	<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>21,363</b>	<b>29,207</b>
<b>現金及現金等值項目分析</b>	<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
銀行及現金結餘	Bank and cash balances	21,363	29,207

# 綜合財務報表附註

## Notes to the Consolidated Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 1. 一般資料

本公司為一間在開曼群島根據開曼群島法律註冊成立之獲豁免有限公司。本公司註冊辦事處及主要營業地點之地址載於本年報之公司資料。

本公司為一間投資控股公司，附屬公司之主要業務已載於財務報表附註28。

於二零零八年十二月三十一日，最終控股公司為在英屬處女群島註冊成立之志峰集團有限公司。

### 2. 編製基準

截至二零零八年十二月三十一日止，本集團流動負債淨值約為人民幣37,424,000元。本公司董事（「董事」）認為，目前本集團可以動用之銀行信貸額度、內部財政資源及董事對本集團業務營運表現進行最恰當的估計，足夠支持本集團之營運資金所需。因此，財務報表乃按持續經營基準編製。

### 3. 採納新訂及經修訂香港財務報告準則

於本年度，本集團已採納香港會計師公會（「香港會計師公會」）頒佈有關其營運之所有新訂及經修訂香港財務報告準則（「香港財務報告準則」），並於其二零零八年一月一日開始之會計年度生效。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋。採納該等新訂及經修訂香港財務報告準則對本集團會計政策及本年度與往年度呈報之金額並無重大影響。

本集團尚無應用已頒佈惟尚未生效之新香港財務報告準則。本集團已對此等新訂香港財務報告準則之影響進行評估，但尚未能確定此等新訂香港財務報告準則會否對本集團之經營業績及財務狀況造成重大影響。

### 1. General Information

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The addresses of its registered office and principal place of business of the Company are disclosed in the Corporate Information of the annual report.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 28 to the financial statements.

As at 31 December 2008, Cheerhill Group Limited, a company incorporated in the British Virgin Islands, is the ultimate holding company.

### 2. Basis of Preparation

The Group had net current liabilities of approximately RMB37,424,000 as at 31 December 2008. The directors of the Company (the "Directors") consider that the current available banking facilities, internal financial resources and their best estimation of the business operation results of the Group are sufficient to finance the working capital requirements of the Group. Hence, the financial statements have been prepared on a going concern basis.

### 3. Adoption of New and Revised Hong Kong Financial Reporting Standards

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2008. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in position to state whether these new HKFRSs would have a material impact on its results of financial position.



# 綜合財務報表附註

## Notes to the Consolidated Financial Statements

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### 4. 主要會計政策

財務報表乃根據香港財務報告準則、香港公認會計原則以及香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例之適用披露規定編製。

財務報表乃按歷史成本法編製，並因應重估以公允值列賬之投資物業作出修訂。

財務報表乃遵照香港財務報告準則編製，當中須採用若干主要假設及估計，亦要求董事於應用該等會計政策過程中作出判斷。涉及關鍵判斷及就財務報表而言屬重大之假設及估計之範疇，乃於財務報表附註5披露。

於編製財務報表時應用之主要會計政策載列如下。

#### (a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止之財務報表。附屬公司指本集團擁有控制權之實體。控制權指監管該實體之財務及營運政策以自其業務獲利之權力。在評估本集團是否控制另一實體時，會考慮目前存在及有潛在影響之現可行使或現可轉換投票權。

附屬公司在控制權轉移至本集團之日起全面綜合入賬，而在控制權終止之日起停止綜合入賬。

本集團內公司間之交易、交易結餘及未變現溢利已對銷。未變現虧損亦會對銷，除非有證據顯示該交易所轉讓資產出現減值則作別論。附屬公司之會計政策已按需要變更，以確保與本集團所採納政策貫徹一致。

### 4. Significant Accounting Policies

These financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which are carried at their fair values.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the Directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 5 to the financial statements.

The significant accounting policies applied in the preparation of financial statements are set out below.

#### (a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

Inter-company transactions, balances and unrealised profits on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 主要會計政策(續)

(b) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所列項目，均以該實體營運所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表乃以本集團主要營運附屬公司之呈列及功能貨幣人民幣呈列。

(ii) 各實體財務報表之交易及結餘

外幣交易按交易日期之適用匯率換算為功能貨幣。以外幣呈列之貨幣資產及負債按結算日適用之匯率換算。換算政策所產生溢利及虧損計入綜合收益表。按歷史成本計量之非貨幣項目毋須重新換算。

(iii) 綜合賬目換算

本集團所有實體之功能貨幣倘有別於本公司之呈列貨幣，則其業績及財務狀況須按以下方式換算為本公司之呈列貨幣：

- 所呈列每份資產負債表內資產及負債按結算日之收市匯率換算；
- 每份收益表所示收入及開支按平均匯率換算，除非此平均匯率不足以合理概約反映於交易日期適用匯率之累計影響，則在此情況下，收入及開支按交易日期之匯率換算；及

4. Significant Accounting Policies (Continued)

(b) 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 ("RMB"), which is the Company's presentation currency and functional currency of the principal operating subsidiaries of the Group.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the rates ruling on the balance sheet date. Profits and losses resulting from this translation policy are included in the consolidated income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each income statement 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 exchange rates on the transaction dates); and

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## Notes to the Consolidated Financial Statements

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### 4. 主要會計政策(續)

#### (b) 外幣換算(續)

##### (iii) 綜合賬目換算(續)

- 所有由此產生之匯兌差額均於外幣匯兌儲備確認。

於綜合賬目時，因換算於海外實體投資淨額及借貸產生之匯兌差額計入外幣匯兌儲備。售海外業務時，該等匯兌差額乃於綜合收益表確認為出售盈虧之其中部分。

#### (c) 物業、廠房及設備

物業、廠房及設備均按成本扣除累積折舊及減值虧損列賬。

只有在與項目相關之日後經濟效益有可能流入本集團及能可靠計算項目成本之情況下，期後成本方會計入資產賬面值或確認為獨立資產(視適用情況而定)。所有其他維修及保養開支於其產生期間之收益表支銷。

物業、廠房及設備以直線法按足以撇銷其成本(減殘值)之比率，按估計可使用年期計算折舊。主要年率如下：

樓宇	4.5% – 5%
租賃物業裝修	20%
廠房及機器	6% – 10%
汽車	18% – 20%
傢俬、裝置及辦公室設備	18% – 20%

在每個結算日，在適用情況下，對殘值、可使用年限及折舊計提方式進行審閱及調整。

### 4. Significant Accounting Policies (Continued)

#### (b) Foreign currency translation (Continued)

##### (iii) Translation on consolidation (Continued)

- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in the consolidated income statement as part of the profit or loss on disposal.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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. All other repairs and maintenance are expensed in the income statement during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their costs less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Buildings	4.5% – 5%
Leasehold improvements	20%
Plant and machinery	6% – 10%
Motor vehicles	18% – 20%
Furniture, fixtures and office equipment	18% – 20%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each balance sheet date.

**4. 主要會計政策(續)**

**(c) 物業、廠房及設備(續)**

在建工程代表租賃樓宇及興建中之廠房及機器，並按成本扣除減值虧損列賬。當相關資產可供使用時，開始計提折舊。

出售物業、廠房及設備之盈虧為出售所得款項淨額與相關資產之賬面值兩者間之差額，於收益表中確認。

**(d) 投資物業**

投資物業乃就賺取租金及／或作資本增值持有之土地及／或樓宇。投資物業初步按其成本值(包括物業應佔之所有直接成本)計量。

於初步確認後，投資物業按公允值列賬，而該公允值乃以外聘估值師之估值為根據。投資物業之公允值變動所產生之盈虧會計入其產生期間之收益表內。

出售投資物業之盈虧為出售所得款項淨額與物業賬面值兩者間之差額，於收益表中確認。

**(e) 營運租約**

凡將資產擁有權涉及之大部份風險及回報保留於出租人之租賃，均列為營運租約。租賃款項(扣除出租人給予之任何優惠)以直線法按租賃期計入收益表。

**(f) 研發開支**

研究活動之開支於其產生之期間確認為開支。

**4. Significant Accounting Policies (Continued)**

**(c) Property, plant and equipment (Continued)**

Construction in progress represents leasehold buildings and plant and machinery under construction, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

**(d) Investment properties**

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including all direct costs attributable to the properties.

After initial recognition, the investment properties are stated at its fair value based on valuation by an external independent valuer. Gains or losses arising from changes in fair value of the investment properties are included in the income statement for the period in which they arise.

The gain or loss on disposal of investment properties is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in the income statement.

**(e) Operating Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the lease term.

**(f) Research and development expenditure**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

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### 4. 主要會計政策(續)

#### (g) 存貨

存貨按成本及可變現淨值兩者之較低者入賬。成本按加權平均法計算。製成品及在製品之成本包括原材料、直接工資及適當比例之所有生產經常開支以及分包開支(倘適用)。可變現淨值按日常業務中之預期售價扣除預計完成成本及估計銷售所需成本計算。

#### (h) 確認及解除確認金融工具

本集團成為有關工具之合約條文之訂約方時，金融資產及金融負債於資產負債表內確認。

收取資產現金流之合約權利屆滿時；本集團轉讓相關資產擁有權涉及之絕大部份風險及回報；或本集團既不轉讓亦不保留資產擁有權涉及之絕大部份風險及回報，惟不保留資產之控制權，則會解除確認金融資產。於解除確認一項金融資產時，該項資產之賬面值及已收及應收代價之總和間之差額及已於權益中直接確認之累計盈虧，於收益表中確認。

相關合約中規定之責任解除、取消或期滿時，會解除確認金融負債。已解除確認之金融負債之賬面值與已付代價間之差額，於收益表中確認。

### 4. Significant Accounting Policies (Continued)

#### (g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### (h) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in the income statement.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the income statement.

**4. 主要會計政策(續)**

**(i) 貿易應收賬及其他應收賬款**

貿易應收賬及其他應收賬款為付款金額固定或可確定及沒有活躍市場報價之非衍生金融資產，初步按公允值確認，其後則以實際利率法按攤銷成本扣除減值撥備計量。貿易應收賬及其他應收賬款之減值撥備於有客觀證據顯示本集團無法按應收賬款之原有條款收回所有金額時作出。撥備金額為應收賬款賬面值與估計日後現金流量按初步確認時所用實際利率貼現之現值兩者間之差額。撥備金額於收益表中確認。

減值虧損於往後期間撥回，並於應收賬款之可收回金額之增加與確認減值後發生之事件出現客觀關連之情況下，在收益表中確認，惟應收賬款於撥回減值日期之賬面值，不得超逾在並無確認減值之情況下原應存在之經攤銷成本。

**(j) 現金及現金等值項目**

就現金流動表而言，現金及現金等值項目乃指銀行及手頭現金、銀行及其他財務機構之活期存款及可隨時轉換為確實數額之現金及存在非重大價值變動風險之短期高度流動投資項目。須應要求償還之銀行透支為本集團現金管理之組成部份，亦會列作現金及現金等值項目之組成部份。

**4. Significant Accounting Policies (Continued)**

**(i) Trade and other receivables**

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in the income statement.

Impairment losses are reversed in subsequent periods and recognised in the income statement when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

**(j) Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

# 綜合財務報表附註

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### 4. 主要會計政策(續)

#### (k) 金融負債及股本工具

金融負債及股本工具乃按所訂立合約安排之內容及香港財務報告準則下金融負債及股本工具之釋義作出分類。股本工具為反映扣除所有負債後本集團資產剩餘權益之合約。下文載列就特定金融負債及股本工具所採納之會計政策：

#### (i) 借貸

借貸初步按公允值扣除所產生交易成本確認，其後以實際利率法按攤銷成本計量。

借貸分類為流動負債，除非本集團具無條件權力，可將負債還款期遞延至結算日起計最少十二個月後則作別論。

#### (ii) 貿易應收賬及其他應付款項

貿易應收賬及其他應付款項初步按公允值確認，其後以實際利率法按攤銷成本計量，除非貼現影響甚微，在此情況下，則按成本入賬。

#### (iii) 股本工具

本公司發行之股本工具按已收所得款項經扣除直接發行成本後記賬。

#### (l) 收益確認

收益按已收或應收代價之公允值計量，並於經濟利益將歸入本集團及收益金額能可靠地計量時確認。

來自銷售貨品之收益於貨品擁有權涉及之大部分風險及權益轉移時確認，而確認之時間大致上與貨品送往客戶及業權轉移至客戶之時間相同。

### 4. Significant Accounting Policies (Continued)

#### (k) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below:

#### (i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost 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 balance sheet date.

#### (ii) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (iii) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### (l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenues from the sales of goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

**4. 主要會計政策(續)**

**(l) 收益確認(續)**

利息收入按時間比例根據實際利息法確認。

租金收入以直線法按有關租約年期確認。

**(m) 僱員福利**

**(i) 僱員享有假期**

僱員之年假及長期服務休假之權利於僱員應享有關假期時確認。本集團已就截至結算日止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

**(ii) 退休金責任**

本集團及僱員對退休福利計劃之供款乃按照僱員基本薪金之百分比計算。扣自收益表之退休福利計劃成本指本集團應向基金支付之供款。

**(n) 以股份支付之款項**

本集團向若干僱員及一位供應商發出按股權結算以股份支付之款項。按股權結算以股份支付之款項乃於授出當日按股本工具之公允值(不計非市場歸屬條件之影響)計量。於按股權結算以股份支付之款項授出當日釐定之公允值，根據本集團所估計最終會就非市場歸屬條件之影響而歸屬及調整之股份，以直線法按歸屬期支銷及同時增加股本。

就本公司股東轉讓予一位僱員之股份而言，所獲取服務之公允值乃參照獲授股份於授出日期之公允值而釐定，並以直線法按歸屬期支銷及同時增加股本。

**4. Significant Accounting Policies (Continued)**

**(l) Revenue recognition (Continued)**

Interest income is recognised on a time-proportion basis using the effective interest method.

Rental income is recognised on a straight-line basis over the lease term.

**(m) Employee benefits**

**(i) Employee leave entitlements**

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

**(ii) Pension obligations**

Contributions to the retirement benefit schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to the income statement represents contributions payable by the Group to the funds.

**(n) Share-based payments**

The Group issues equity-settled share-based payments to certain employees and a supplier. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions, with a corresponding increase in equity.

For shares transferring to an employee by a shareholder of the Company, the fair value of services received is determined by reference to the fair value of shares granted at the grant date, and is expensed on a straight line basis over the vesting period with a corresponding increase in equity.



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### 4. 主要會計政策(續)

#### (n) 以股份支付款項(續)

就按非市場表現歸屬條件授予僱員之股份而言，本集團會於各結算日修訂對預期最終歸屬之股份數目之估計。於歸屬期修訂估計之影響(如有)將於收益表中確認，儲備亦作相應調整。

#### (o) 借貸成本

所有借貸成本均於產生期間於收益表中確認。

#### (p) 政府補助

只有在可以合理保證本集團會符合政府補助之附帶條件及本集團將會收取政府補助時，政府補助方會獲得確認。

涉及購置資產之政府補助會入賬為遞延收入，並會以直線法按有關資產可使用年期撥入收益表。

#### (q) 稅項

所得稅為即期稅項與遞延稅項之總和。

目前應付稅項乃按本年度應課稅溢利計算。應課稅溢利與收益表中所呈報之溢利不同，因應課稅溢利不包括在其他年度應課稅收入或可扣減開支項目，而且不包括毋須課稅及不可扣稅項目。本集團之即期稅項乃按結算日前已頒佈或實質頒佈之稅率計算。

### 4. Significant Accounting Policies (Continued)

#### (n) Share-based payments (Continued)

At each balance sheet date, for shares granted to an employee with non-market performance vesting conditions, the Group revises its estimates of the number of shares that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in income statement, with a corresponding adjustment to reserve.

#### (o) Borrowing costs

All borrowing costs are recognised in the income statements in the period in which they are incurred.

#### (p) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to the purchase of assets are recorded as deferred income and credited to the income statement on a straight-line basis over the useful lives of the related assets.

#### (q) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

**4. 主要會計政策(續)**

**(q) 稅項(續)**

遞延稅項乃按資產負債表法，根據財務報表中資產及負債之賬面值與用作計算應課稅溢利之相應稅基間之差額確認。遞延稅項負債通常會就所有應課稅暫時性差額確認，而倘有應課稅溢利可供可扣減之暫時性差異、未動用稅項虧損或未動用稅項資產應用，則會確認為遞延稅項資產。於一項交易中，倘因其他資產及負債之商譽或初步確認(業務合併除外)而產生之暫時性差額不影響應課稅溢利及會計溢利，則不會確認該等資產及負債。

遞延稅項就投資於附屬公司而產生之應課稅暫時性差額而加以確認，除非本集團能控制撥回暫時性差額以及暫時性差額在可見將來不會被撥回。

遞延稅項資產之賬面值於各結算日檢討，並在預期不再有足夠應課稅溢利供將會收回之全部或部分資產時作出相應減值。

遞延稅項乃以預期於償還負債或變現資產當期之適用稅率，按結算日前頒佈或實質頒佈之稅率計算。遞延稅項會扣自或計入收益表中，惟倘遞延稅項與已直接扣自或計入權益中之項目相關聯則除外，在此情況下，遞延稅項亦會於權益中入賬。

倘有法定可行使權利將即期稅項資產及即期稅項負債抵銷，且該等遞延稅項資產及負債涉及同一稅務機構徵收之所得稅，以及本集團擬按淨額基準結算即期稅項資產及負債，則會抵銷遞延稅項資產及負債。

**4. Significant Accounting Policies (Continued)**

**(q) Taxation (Continued)**

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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### 4. 主要會計政策(續)

#### (r) 關聯方

任何一方如屬以下情況，即為本集團之關聯方：

- (i) 該方透過一家或多家中介公司，直接或間接控制本集團、受本集團控制或與本集團受同一方控制；於本集團擁有權益，並可藉該權益對本集團行使重大影響力；或共同控制本集團；
- (ii) 該方為聯營公司；
- (iii) 該方為合營公司；
- (iv) 該方為本公司或其母公司之主要管理人員其中一名成員；
- (v) 該方為第(i)或(iv)項所述之任何人士之家族近親；
- (vi) 該方為一家實體，直接或間接受第(iv)或(v)項所述之任何人士控制或共同控制，或該等人士直接或間接對該實體行使重大影響力或擁有重大投票權；或
- (vii) 該方為離職後福利計劃，乃為本集團或屬於其關聯方之任何實體之僱員福利而設。

#### (s) 分類呈報

分類乃本集團內可明顯區分之組成部分，以提供產品及服務(業務分類)，或以一個特定之經濟環境中提供產品或服務(地區分類)作區分，各分類之風險及回報均有別於其他分類之風險及回報。

### 4. Significant Accounting Policies (Continued)

#### (r) Related parties

A party is related to the Group if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

#### (s) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products and services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

**4. 主要會計政策(續)**

**(s) 分類呈報(續)**

根據本集團的內部財務申報，本集團已決定以地區分類作為基本申報格式，而業務分類為次要申報格式。

有關地區分類申報方面，銷售額是根據客戶所在國家分類。總資產及資本開支是根據該資產所在地進行分類。

**(t) 資產減值**

於各結算日，本集團均會審閱其有形及無形資產(投資物業、遞延稅項資產、存貨及應收款項除外)之賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。如有任何減值情況，則會估計資產之可收回金額，以釐定減值虧損之款額。如不能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。

可收回金額為公允值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值以反映市場現時所評估之金錢之時間價值及資產特定風險。

倘資產或現金產生單位之可收回金額估計將少於賬面值，則資產或現金產生單位之賬面值會減少至其可收回金額。減值虧損會即時於綜合收益表確認，除非有關資產乃按重估數額列賬則作別論，在此情況下，減值虧損會被視為重估減幅。

**4. Significant Accounting Policies (Continued)**

**(s) Segment reporting (Continued)**

In accordance with the Group's internal financial reporting, the Group has determined that geographical segments be presented as the primary reporting format and business segment as the secondary reporting format.

In respect of geographical segment reporting, sales are based on the countries in which customers are located. Total assets and capital expenditure are based on where the assets are located.

**(t) Impairment of assets**

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets, except investment properties, deferred tax assets, inventories and receivables, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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### 4. 主要會計政策(續)

#### (t) 資產減值(續)

倘其後撥回減值虧損，則資產或現金產生單位之賬面值會增至經修訂之預計可收回金額，惟增加後之賬面值，不得超逾在過往年度並無就資產或現金產生單位確認減值虧損之情況下而原應釐定之賬面值(經扣除攤銷或折舊)。減值虧損撥回會即時在收益表中確認，惟倘有關資產按重估金額列賬，則減值虧損撥回會被視為重估增幅。

#### (u) 撥備及或然負債

倘本集團因過往事件負上現有法律或推定責任而可能需要以經濟溢利流出承擔有關責任，於可作出可靠估計時，便會就未有確定時間或金額之負債確認撥備。倘金錢之時間價值重大，撥備會以承擔責任之預期所需支出之現值列報。

倘需要流出經濟溢利之可能性不大，或未能可靠估計有關金額，則除非流出經濟溢利之可能性極微，否則有關責任承擔將列作或然負債披露。須視乎日後某宗或多宗事件是否發生才能確定存在與否之潛在責任，亦會披露為或然負債，惟倘這類資源外流之可能性極微則作別論。

#### (v) 結算日後事項

可提供本集團於結算日業務狀況之額外資料或顯示持續經營假設並不適當之結算日後事項，均為調整事項，並反映於財務報表。並非調整事項之結算日後事項如屬重大，則於財務報表附註內披露。

### 4. Significant Accounting Policies (Continued)

#### (t) Impairment of assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### (u) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

#### (v) Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Group's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the balance sheet date that are not adjusting events are disclosed in the notes to the financial statements when material.

**5. 關鍵判斷及估計****應用會計政策時所作關鍵判斷**

在應用會計政策的過程中，董事已作出以下對財務報表確認金額具重大影響之判斷，惟涉及估計者，則於下文另行載述。

**票據背書**

經評估：(i)本集團就銀行承兌票據背書安排獲得有關中華人民共和國(「中國」)票據法之法律意見；(ii)本集團之主要債權人已作出不能撤回之書面承諾，彼等以不可撤回方式承諾不會向本集團提出任何索償，而在任何情況下亦會放棄因彼等獲得之背書票據或就該等背書票據獲得之索償權；及(iii)本集團過往一直未曾因該類票據背書安排而被索償，董事認為，本集團因擁有該等已收並背書給其債權人的銀行承兌票據(「背書銀行承兌票據」)而涉及的風險及回報絕大部分已轉移給其債權人。因此，總額約人民幣134,830,000元的背書銀行承兌匯票已用於抵銷截至二零零八年十二月三十一日有關債權人的貿易應付賬及其他應付款項。

**有關估計之不明朗因素之主要來源**

有重大風險可能導致下一個財政年度資產及負債賬面值須作出重大調整之未來主要假設及於結算日估計不明朗因素之其他主要來源，於下文討論。

**(a) 管理層預測及應用持續經營基準**

管理層乃按照目前可動用之銀行額度、內部銀行資源及董事參考現行市況後就業務營運業績所作之最佳估計，編製本集團未來十二個月之溢利及現金流量預測(「管理層預測」)。根據管理層預測，董事認為，按持續經營基準編製財務報表乃屬恰當之舉。倘業務營運之實際成果與管理層預測比較後大為遜色，會對採納持續經營基準以編製本集團財務報表之恰當性構成不利影響。

**5. Critical Judgements and Estimates****Critical judgements in applying accounting policies**

In the process of applying the accounting policies, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

**Bills endorsement**

After evaluating (i) the legal opinion on the Bills Law of the People's Republic of China ("PRC") for the bank acceptance bills endorsement arrangement obtained by the Group; (ii) the written irrecoverable undertaking from major creditors of the Group who have irrecoverably undertook not to make any claim and in any event to waive such claim against the Group arising from and/or in connection with the bills endorsed to them; and (iii) the fact that the Group has not experienced any claims arisen from such bills endorsement arrangement so far, the Directors are of the opinion that the risks and rewards associated with the ownership of those bank acceptance bills received by the Group and endorsed to its creditors ("Endorsed Bank Acceptance Bills") have been substantially transferred. As a result, the Endorsed Bank Acceptance Bills in the sum of approximately RMB134,830,000 have been applied to set-off against the trade and other payables towards the relevant creditors at 31 December 2008.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

**(a) Management forecast and application of going concern basis**

The management has prepared profit and cash flow forecast of the Group for the next twelve months (the "Management Forecast") based on the current available banking facilities, internal financial resources, and the Directors' best estimation of the business operation results with reference to the current market situation. Based on the Management Forecast, the Directors consider that it is appropriate to prepare the financial statements on a going concern basis. Should the actual outcome of the business operation is materially worsen than the Management Forecast, it would adversely affect the appropriateness of adopting going concern basis for the preparation of financial statements of the Group.

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### 5. 關鍵判斷及估計(續)

#### 有關估計之不明朗因素之主要來源(續)

##### (b) 物業、廠房及設備與折舊

本集團釐定其物業、廠房及設備之估計可使用年限及相關折舊開支。是項估計乃根據類似性質及功能之物業、廠房及設備之實際可使用年期之過往經驗作出。當可使用年限與先前估計之年限不同時，本集團將修訂折舊開支或將已棄用或出售在技術上過時或屬非策略性之資產作註銷或撇減。

##### (c) 搬遷費用之撥備及若干資產之減值考慮因素

於二零零八年六月十二日，山東濰坊經濟開發區規劃建設局向本公司之間接全資附屬公司濰坊同業化學有限公司(「濰坊同業」)發出收地通知，收回目前由濰坊同業佔用之三幅土地(統稱為「該土地」，包括「第一幅土地」及「第二及第三幅土地」)之土地使用權。

於二零零八年十一月，濰坊同業與山東省政府機關訂立賠償協議，據此，山東省政府機關須就收回一幅土地(「第一幅土地」)向濰坊同業支付約人民幣11,133,000元作為賠償。

收地通知涉及濰坊同業目前佔用之其餘兩幅土地(「第二及第三幅土地」)，須由山東省政府機關收回。

目前，濰坊同業正與山東省政府機關就收回第二及第三幅土地商討賠償金額。董事預期，將會與山東省政府機關落實賠償及收回第二及第三幅土地，以及將建於該土地上之生產設施全部遷往本集團在中國之其他生產廠房。

### 5. Critical Judgements and Estimates (Continued)

#### Key sources of estimation uncertainty (Continued)

##### (b) Property, plant and equipment and depreciation

The Group determines the estimated useful lives and related depreciation charges for the Group's 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. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

##### (c) Provision for removal expenses and impairment consideration of certain assets

On 12 June 2008, Shangdong Weifang Economic Development Zone Planning and Construction Bureau issued a resumption notice to Weifang Common Chem Co., Ltd. 濰坊同業化學有限公司(「Weifang Common」), an indirect wholly-owned subsidiary of the Company, in respect of the resumption of land use rights of three pieces of land (collectively referred to as the "Land", which include "Land 1" and "Land 2 & 3" as defined below) currently occupied by Weifang Common.

In November 2008, Weifang Common entered into the compensation agreements with Shangdong government authorities pursuant to which Shangdong government authorities were required to make compensation of approximately RMB11,133,000 to Weifang Common in respect of the resumption of one piece of land ("Land 1").

The remaining two pieces of land ("Land 2 & 3") currently occupied by Weifang Common are falling within the resumption notice and required to be resumed by Shangdong government authorities.

Currently, Weifang Common is negotiating with Shandong government authorities for the compensation amount in connection with the resumption of Land 2 & 3. The Directors expect the compensation and resumption of Land 2 & 3 will be concluded with Shandong government authorities and to relocate the productions facilities erected on the Land to other production plants of the Group in the PRC.

5. 關鍵判斷及估計(續)

有關估計之不明朗因素之主要來源(續)

(c) 搬遷費用之撥備及若干資產之減值考慮因素(續)

(i) 搬遷費用撥備  
按照獨立承建商之報價，董事估計，生產設施之搬遷開支及將濰坊同業目前佔用之第二及第三幅土地回復空置狀況之費用約為人民幣3,400,000元。

(ii) 第二及第三幅土地與建於其上之物業，廠房及設備之減值

於審閱減值時，會按照目前仍由濰坊同業與山東省政府機關磋商之預計賠償金額，就第二及第三幅土地及建於其上之不可搬遷之結構物及生產設施(「該物業」)作最佳估計。本集團已委任獨立之專業評估師行，以研究該物業之預計賠償金額。此外，本集團已獲得有關賠償及收地程序之中國法律意見。現時並無證據顯示該物業之可收回款項會低於賬面值，因此，並未作減值撥備。

倘日後有關賠償之實際磋商結果與原先之估計不同，該差異將會影響建於該土地上之物業、廠房及設備之賬面值。

(d) 投資物業公允值

本集團已委任獨立專業估值師評估投資物業之公允值。估值師於釐定公允值時，使用之估值方法涉及若干估計。董事已作出判斷，認為該估值方法可反映目前市況。

5. Critical Judgements and Estimates (Continued)

Key sources of estimation uncertainty (Continued)

(c) Provision for removal expenses and impairment consideration of certain assets (Continued)

(i) Provision of removal expenses  
Based on the quotations from independent contractors, the Directors estimated that the expenses of removing the production facilities and bringing the Land 2 & 3 currently occupied by Weifang Common into vacant condition is approximately RMB3,400,000.

(ii) Impairment of Land 2 & 3 and property, plant and equipment erected thereon

In carrying out the impairment review, the recoverable amounts of Land 2 & 3 and the non-removable structure and production facilities erected thereon (the "Subjects") would be best estimated by the expected amount of compensation that is still under negotiation between Weifang Common and Shangdong government authorities. The Group has engaged an independent firm of professional appraiser to investigate the expected compensation amount related to the Subjects. In addition, the Group has obtained a PRC legal opinion in relation to the compensation and resumption process. There is no indication suggesting the recoverable amounts of the Subjects are less than their carrying amount, as a result, no provision of impairment has been made.

Where the actual outcome of negotiation result of the compensation in future is different from the original estimate, such difference would impact the carrying amount of property, plant and equipment erected on the Land.

(d) Fair values of investment properties

The Group appointed an independent professional valuer to assess the fair values of the investment properties. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The Directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.



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### 5. 關鍵判斷及估計(續)

#### 有關估計之不明朗因素之主要來源(續)

##### (e) 滯銷存貨撥備

滯銷存貨撥備乃根據存貨之年期及可變現淨值作出，而評估撥備之款額時則涉及判斷及估計。倘日後之實際結果與原先之估計不同，該差異將會影響存貨之賬面值及於估計變動之期間之撥備支出／回撥。

存貨之可變現淨值為日常業務中之估計售價減除完成之估計售價及售貨開支。有關之估計乃按目前市況及生產與售賣性質相近之產品之過往經驗而作出，因此，顧客口味改變及競爭對手回應行業週期作出之行動，均會使存貨之可變現淨值出現大幅變動。本集團會於每個結算日重新評估有關估計。

##### (f) 以股份支付之款項開支

向本集團若干僱員及一位供應商授出之購股權，乃於購股權授出日期釐定公允值，而該公允值按歸屬期間支銷，並於本集團之以股份支付之款項儲備作出相應調整。本集團採用三項式期權定價模式(「三項式期權定價模式」)評估購股權之公允值。三項式期權定價模式為用以計算購股權價值之公認方法之一。三項式期權定價模式規定代入客觀之假設，包括預計股息率、股份波幅及購股權之預計年期。所代入假設之任何變動或會對購股權公允值之估計造成重大影響。

### 5. Critical Judgements and Estimates (Continued)

#### Key sources of estimation uncertainty (Continued)

##### (e) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to serve industry cycles. The Group will reassess the estimates by each balance sheet date.

##### (f) Share-based payment expenses

The fair value of the share options granted to certain employees and a supplier of the Group determined at the date of grant of the respective share options is expensed over the vesting period, with a corresponding adjustment to the Group's share-based payment reserve. In assessing the fair value of the share options, the Trinomial option pricing model (the "Trinomial Model") was used. The Trinomial Model is one of the generally accepted methodologies used to calculate the fair value of the share options. The Trinomial Model requires the input of subjective assumptions, including the expected dividend yield, volatility of share price and expected life of options. Any changes in these assumptions can significantly affect the estimate of the fair value of the share options.

## 6. 財務風險管理

本集團業務須承受各種財務風險，包括外匯風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃着重金融市場不可預測之特性，務求盡量降低可能對本集團財務表現帶來之負面影響。

### (a) 外匯風險

由於本集團若干業務交易、資產及負債主要以港元及美元計值，故面對若干外匯風險。本集團現時並無就外匯交易、資產及負債制定外匯對沖政策。本集團將密切監察其外匯風險，並會考慮於有需要時對沖重大外匯風險。

於二零零八年十二月三十一日，倘人民幣兌港元或美元貶值或升值5%而其他可變因素保持不變，則本年度之除稅後綜合溢利將分別增加或減少約人民幣661,000元（二零零七年：人民幣1,084,000元），主要是以美元計值之貿易應收賬產生匯兌收益或虧損所導致。

### (b) 信貸風險

由於交易對手之信貸評級較高，故現金及銀行結餘之信貸風險有限。

本集團就其金融資產所承受之最高信貸風險為計入綜合資產負債表之銀行及現金結餘、貿易應收賬及應收票據的賬面值。

## 6. Financial Risk Management

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

### (a) Foreign currency risk

The Group has exposure to foreign currency risk as certain of its business transactions, assets and liabilities are denominated in Hong Kong dollars ("HKD") and United States dollars ("USD"). The Group currently does not have a foreign currency hedging policy in respect of other foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2008, if the RMB had weakened/strengthened 5 per cent against HKD and USD with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB661,000 (2007: RMB1,084,000) higher/lower, arising mainly as a result of the foreign exchange gain/loss on trade receivables denominated in USD.

### (b) Credit risk

The credit risk on cash and bank balances is limited because the counterparties have high credit ratings.

The carrying amount of the cash and bank balances and trade and bills receivable included in the consolidated balance sheet represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

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### 6. 財務風險管理(續)

#### (b) 信貸風險(續)

本集團訂有政策確保向具良好信貸記錄之客戶銷售產品。

本集團之信貸風險並無異常集中，風險分散於多名客戶及交易對手。然而，大部份客戶均位於中國，並佔於二零零八年十二月三十一日之貿易應收賬之70%(二零零七年：78%)。為盡量降低信貸風險，管理層盡力建立遍及全球之廣泛客戶網絡，從而減輕因地理位置帶來之信貸風險。

#### (c) 流動資金風險

本集團之政策為定期監察現時及預期流動資金需要，以確保維持充裕現金儲備，應付其短期及長期流動資金需要。

本集團金融負債之到期情況分析如下：

### 6. Financial Risk Management (Continued)

#### (b) Credit risk (Continued)

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

The Group has no significant concentration of credit risk with exposure spread over a number of customers and counterparties. However, the geographical location of customers is mainly on the PRC which accounted for 70% (2007: 78%) of the trade receivables at 31 December 2008. In order to minimise the credit risk, management will endeavor to build an extensive customer base that spread over the world, which can minimise the credit risk by geographical location.

#### (c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

		於一至 三個月 少於一個月 Less than 1 month	於三個月 至一年 Between 1 to 3 months	於三個月 至一年 Between 3 months to 1 year	於一至五年 Between 1 to 5 years
	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
<b>於二零零八年十二月三十一日</b>	<b>At 31 December 2008</b>				
銀行借貸	Bank borrowings	33,361	30,882	51,399	52,157
貿易應付賬及其他應付款項	Trade and other payables	25,300	19,509	58,024	-
<b>於二零零七年十二月三十一日</b>	<b>At 31 December 2007</b>				
銀行借貸	Bank borrowings	-	34,511	52,763	83,224
貿易應付賬及其他應付款項	Trade and other payables	55,246	92,534	104,329	-
應付關聯公司款項	Due to a related company	39	-	-	-

**6. 財務風險管理(續)**

**(d) 利率風險**

本集團面對之利率風險源自其銀行存款及借貸。此等存款及銀行借貸按因應當時實際市況變動之浮息計息。

於二零零八年十二月三十一日，倘其他所有可變因素保持不變，而當日利率下跌或上升50個點子，則年內除稅後綜合溢利將增加或減少約人民幣524,000元(二零零七年：人民幣600,000元)，此乃主要由於本集團銀行借貸之浮息支出減少或增加所致。

**(e) 公允值**

綜合資產負債表所列示本集團金融資產及金融負債之賬面值與其各自之公允值相若。

**7. 營業額及分類資料**

**(a) 營業額**

本集團之營業額指於年內出售貨品時所收取和應收取之款項。

**6. Financial Risk Management (Continued)**

**(d) Interest rate risk**

The Group's exposure to interest rate risk arises from its bank deposits and bank borrowings. These deposits and bank borrowings bear interests at variable rates varied with the then prevailing market condition.

At 31 December 2008, if interest rates at that date had been 50 basis points lower/higher with all other variables held constant, consolidated profit after tax for the year would have been approximately RMB524,000 (2007: RMB600,000) higher/lower, arising mainly as a result of lower/higher interest expense on variable-rate bank borrowings of the Group.

**(e) Fair values**

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated balance sheet approximate their respective fair values.

**7. Turnover and Segment Information**

**(a) Turnover**

The Group's turnover represents the amounts received and receivables for goods sold during the year.

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### 7. 營業額及分類資料(續)

#### (b) 地區分類

按客戶位置(不論服務之來源地)分析之本集團營業額分類資料呈列如下：

### 7. Turnover and Segment Information (Continued)

#### (b) Geographical segments

Segment information regarding the Group's turnover by location of customers, irrespective of the origin of the services, is presented below:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
營業額	Turnover		
中國	PRC	581,421	451,699
台灣	Taiwan	27,335	38,304
印度	India	32,281	21,185
愛爾蘭	Ireland	16,454	729
英國	United Kingdom	14,862	18,688
其他	Others	52,846	43,693
		<b>725,199</b>	<b>574,298</b>
分類業績	Segment results		
中國	PRC	74,430	49,178
台灣	Taiwan	3,402	4,208
印度	India	5,500	4,322
愛爾蘭	Ireland	3,083	408
英國	United Kingdom	1,047	1,840
其他	Others	8,492	6,021
未分配企業收入	Unallocated corporate income	95,954	65,977
未分配企業開支	Unallocated corporate expenses	5,238	4,705
財務成本	Finance costs	(61,245)	(42,310)
		<b>(13,380)</b>	<b>(5,232)</b>
除稅前溢利	Profit before tax	26,567	23,140
所得稅開支	Income tax expense	(1,642)	(1,586)
本年度溢利	Profit for the year	<b>24,925</b>	<b>21,554</b>

由於本集團資產及負債主要位於中國，故無披露按地區分類之資產負債分類資料。

No geographical segment information for segment assets and liabilities are disclosed as assets and liabilities of the Group are substantially located in the PRC.

**7. 營業額及分類資料(續)**

**(c) 業務分類**

本年度之本集團營業額及溢利全部來自生產及銷售精細化工產品。董事認為，由於該等業務相互有關、承擔相同風險及享有相同回報，故構成單一之業務分類。

**7. Turnover and Segment Information (Continued)**

**(c) Business segments**

The Group's turnover and profit for the year are entirely derived from the manufacture and trading of fine chemical products. The Directors consider that these activities constitute one business segment since these activities are related and are subject to common risks and returns.

**8. 其他收入**

**8. Other Income**

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
政府補助	Government grants	117	905
利息收入	Interest income	427	316
撥回遞延收入	Release of deferred income	2,740	1,194
租金收入	Rental income	398	458
匯兌收入	Exchange gain	91	529
其他	Others	806	597
		<b>4,579</b>	<b>3,999</b>

**9. 財務成本**

**9. Finance Costs**

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
以下各項之利息開支：	Interest on:		
銀行貸款	Bank loans	11,584	4,297
貼現票據	Discounted bills	1,796	935
		<b>13,380</b>	<b>5,232</b>

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### 10. 所得稅開支

### 10. Income Tax Expense

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
即期稅項－中國企業 所得稅	Current tax – PRC Enterprise Income Tax	1,583	865
遞延稅項(附註18)	Deferred tax (note 18)	59	721
		<b>1,642</b>	1,586

所得稅開支與除稅前溢利乘以中國企業所得稅率之積之對賬如下：

The reconciliation between the income tax expense and the product of profit before tax multiplied by the PRC enterprise income tax rate is as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
除稅前溢利	Profit before tax	26,567	23,140
按適用稅率25%(二零 零七年：24%)徵收之稅項	Tax at the applicable tax rate of 25% (2007: 24%)	6,642	5,554
不可扣稅開支之稅務影響	Tax effect of expenses that are not deductible	574	1,323
動用之前未確認之稅務 虧損之稅務影響	Tax effect of utilisation of tax losses not previously recognised	(3,100)	–
未確認之稅務虧損之 稅務影響	Tax effect of tax losses not recognised	850	2,976
附屬公司獲得稅務豁免及 稅務優惠之影響	Effect of tax exemption and concession granted to subsidiaries	(3,403)	(8,121)
其他	Others	79	(146)
所得稅開支	Income tax expense	<b>1,642</b>	1,586

由於本集團之收入並非在香港產生或來自香港，故並無作出香港利得稅撥備。

No provision for Hong Kong Profits Tax has been made as the Group's income neither arises in nor deriving from Hong Kong.

二零零七年的中國企業所得稅乃就濰坊同業及上海德弘化工有限公司(「上海德弘」)之應課稅溢利，分別按優惠稅率12%及15%收取。

PRC Enterprise Income Tax on the assessable profits of Weifang Common and Shanghai Dehong Chemical Company Limited 上海德弘化工有限公司(“Shanghai Dehong”) were charged at the preferential rate of 12% and 15% respectively in the year 2007.

**10. 所得稅開支(續)**

於二零零七年三月十六日，中國根據中國主席令第63號頒佈中國企業所得稅法(「新稅法」)。於二零零七年十二月六日，中國國務院公佈了新稅法實施條例。根據新稅法及實施條例，由二零零八年一月一日起的適用所得稅率已改為25%(扣除任何稅務優惠前)。

根據原有的中國外商投資企業和外國企業所得稅法，從事先進科技業務之企業可獲減免50%適用稅率，而濰坊同業為一家先進技術企業，其於二零零八年獲享稅務優惠，優惠稅率為12.5%。

於二零零八年，上海德弘須按上海浦東新區的優惠稅率18%繳納企業所得稅。

根據相關中國法律法規，濰坊柏立化學有限公司(「濰坊柏立」)及濰坊濱海石油化工有限公司(「濰坊濱海」)均合資格獲得中國若干免稅期及稅務優惠。免稅期及稅務優惠之形式為由首個獲利年度起獲完全豁免兩個年度所得稅，其後三年則可享50%適用稅率減免。由於二零零七年乃濰坊柏立第二個獲利年度，故二零零七年並無就濰坊柏立作出中國企業所得稅撥備，而由於二零零八年為第三個獲利年度，故適用優惠稅率為12.5%。由於二零零八年為濰坊濱海第一個獲利年度，可獲豁免所得稅，故二零零八年並無就濰坊濱海作出中國企業所得稅撥備。

濰坊濱海取得政府補助，以津貼為製造高純度異丁烯、聚異丁烯及氯乙酸而興建之生產線及配套設施，該補助已於二零零六年確認為遞延收入。由於興建工程已於二零零七年十二月三十一日完成，故開始按照有關資產可使用年期將遞延收入撥往收入。有關收入於撥往收益表之年度須予課稅。

**10. Income Tax Expense (Continued)**

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Tax Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Tax Law. The applicable income tax rate under the New Tax Law and Implementation Regulations was changed to 25% (before any preferential concession) starting from 1 January 2008.

Weifang Common, as an advance technology enterprise, was granted a tax concession for the year 2008 at a preferential rate of 12.5% pursuant to the old Income Tax Law of the PRC on Enterprises with Foreign Investment and Foreign Enterprises, which provides that enterprise engaging in advance technology business was entitled to 50% reduction of the applicable tax rate.

Shanghai Dehong is subject to Enterprise Income Tax at the rate of 18% for the year 2008, being the preferential tax rate in Shanghai Pudong New District.

Pursuant to the relevant laws and regulations in the PRC, Weifang Parasia Chem Co., Ltd. 濰坊柏立化學有限公司 ("Weifang Parasia") and Weifang Binhai Petro-Chem Co., Ltd. 濰坊濱海石油化工有限公司 ("Weifang Binhai") are eligible for certain tax holidays and concessions in the PRC. The tax holiday and concessions are in the form of two years tax exemption from the first profitable year, followed by a 50% reduction of the applicable tax rate in the following three years. No provision for PRC Enterprise Income Tax has been provided for Weifang Parasia in year 2007 as it was the second profitable year and the preferential rate of 12.5% is applied for the year 2008 as that is the third profitable year. No provision for PRC Enterprise Income Tax has been provided for Weifang Binhai for the year 2008 as this year is the first profitable year and tax being exempted.

A government grant obtained by Weifang Binhai for subsidising the construction of the production lines and ancillary facilities for manufacturing of high purity isobutylene, polyisobutylene and chloro acetic acid which was recognised as a deferred income in 2006. As the construction has been completed as at 31 December 2007, the deferred income commenced to release to income over the useful lives of the relevant assets. Such income is taxable for the year in which it is released to the income statement.



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### 10. 所得稅開支(續)

截至二零零八年十二月三十一日止，本集團之國內附屬公司已有累計未分配溢利約人民幣108,530,000元，有關款項乃於二零零七年十二月三十一日或之前賺取(「相關溢利」)。當未來宣派及分配該筆款項給直接控股公司時，毋須繳納中國股息留抵稅。董事認為，相關溢利足以支持本公司在可見未來之營運，因而並無就本集團國內附屬公司於截至二零零八年十二月三十一日止年度之溢利進一步作股息留抵稅撥備。本集團國內附屬公司二零零八年度之管理賬目所示之未分配盈利並未確認遞延稅項負債，而相關之暫時差異總金額截至二零零八年十二月三十一日為止約為人民幣18,054,000元。

### 10. Income Tax Expense (Continued)

As at 31 December 2008, the Group's subsidiaries in the PRC have aggregated undistributed profits of approximately RMB108,530,000 which belongs to profits earned on or before 31 December 2007 (the "Relevant Profits"). The amounts are not subject to PRC dividend withholding tax when declared and distributed to their immediate holding companies in future. The Directors consider that the Relevant Profits are sufficient to finance the operation of the Company in foreseeable future and hence no further dividend withholding tax provision is made in respect of profits of the Group's PRC subsidiaries for the year ended 31 December 2008. The aggregate amount of temporary differences associated with undistributed earnings as per the management accounts of the Group's subsidiaries in the PRC for the year 2008 for which deferred tax liabilities have not been recognised is approximately RMB18,054,000 as at 31 December 2008.

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11. 本年度溢利

本集團之本年度溢利已扣除／(計入)以下各項：

11. Profit for the Year

The Group's profit for the year is stated after charging/ (crediting) the following:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
董事酬金(附註12)	Directors' remuneration (note 12)		
袍金	Fees	285	311
其他酬金	Other emoluments	2,416	2,567
退休福利計劃供款	Retirement benefit scheme contributions	40	24
		2,741	2,902
其他員工成本	Other staff costs	23,918	21,815
退休福利計劃供款	Retirement benefit scheme contributions	1,558	997
股權結算以股份支付之 款項開支	Equity-settled share-based payments expenses	1,508	951
總員工成本	Total staff costs	29,725	26,665
核數師酬金	Auditor's remuneration	673	1,257
物業、廠房及設備之折舊	Depreciation on property, plant and equipment	33,080	24,497
其他應收款項撥備(已包括 在其他營運開支中)	Allowance for other receivables (included in other operating expenses)	1,790	–
呆壞賬撥備	Allowance for bad and doubtful debts	–	5
存貨撥備(已包括在銷售 成本中)	Allowance for inventories (included in cost of sales)	1,989	897
有關租賃土地及樓宇的 經營租賃下的最低 租賃款項	Minimum lease payments under operating leases in respect of leasehold land and building	1,842	1,869
確認為開支之存貨成本	Cost of inventories recognised as expenses	618,856	500,324
搬遷費撥備(已包括在 其他營運開支中)	Provision for removal expenses (included in other operating expenses)	3,400	–
研究費用	Research expenses	543	470
呆壞賬撥備回撥	Reversal of allowance for bad and doubtful debts	–	(135)
存貨撥備回撥	Reversal of allowance for inventories	–	(31)

搬遷費撥備已包括在應付未付賬款及其他應付款項。

Provision for removal expenses is included in accruals and other payables.

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### 12. 董事(主要管理人員)及最高薪僱員酬金

(a) 董事(主要管理人員)酬金  
董事酬金之詳情如下：

董事姓名	Name of directors	袍金 Fees	薪金及津貼 Salaries and allowances	退休福利 計劃供款 Retirement benefit scheme contributions	總額 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
劉洪亮	Liu Hongliang	–	730	10	740
王子江	Wang Zijiang	–	562	10	572
郭希田	Guo Xitian	–	562	10	572
郭玉成	Guo Yucheng	–	562	10	572
梁錦雲	Leung Kam Wan	107	–	–	107
高寶玉	Gao Baoyu	89	–	–	89
劉晨光	Liu Chenguang	89	–	–	89
二零零八年總計	Total for 2008	285	2,416	40	2,741
劉洪亮	Liu Hongliang	–	777	6	783
王子江	Wang Zijiang	–	597	6	603
郭希田	Guo Xitian	–	597	6	603
郭玉成	Guo Yucheng	–	596	6	602
翟軍*	Chak Kwan *	20	–	–	20
梁錦雲	Leung Kam Wan	97	–	–	97
高寶玉	Gao Baoyu	97	–	–	97
劉晨光	Liu Chenguang	97	–	–	97
二零零七年總計	Total for 2007	311	2,567	24	2,902

\* 翟軍先生於二零零七年三月二日調任為本公司副總經理。

年內並無董事放棄或同意放棄任何酬金(二零零七年：無)。

### 12. Emoluments of Directors (Key Management Personnel) and Highest Paid Employees

(a) Emoluments of directors (key management personnel)  
The emoluments of each director were as follows:

Director's Name	Name of directors	Fees	Salaries and allowances	Retirement benefit scheme contributions	Total
		RMB'000	RMB'000	RMB'000	RMB'000
Liu Hongliang	Liu Hongliang	–	730	10	740
Wang Zijiang	Wang Zijiang	–	562	10	572
Guo Xitian	Guo Xitian	–	562	10	572
Guo Yucheng	Guo Yucheng	–	562	10	572
Leung Kam Wan	Leung Kam Wan	107	–	–	107
Gao Baoyu	Gao Baoyu	89	–	–	89
Liu Chenguang	Liu Chenguang	89	–	–	89
Total for 2008	Total for 2008	285	2,416	40	2,741
Liu Hongliang	Liu Hongliang	–	777	6	783
Wang Zijiang	Wang Zijiang	–	597	6	603
Guo Xitian	Guo Xitian	–	597	6	603
Guo Yucheng	Guo Yucheng	–	596	6	602
Chak Kwan *	Chak Kwan *	20	–	–	20
Leung Kam Wan	Leung Kam Wan	97	–	–	97
Gao Baoyu	Gao Baoyu	97	–	–	97
Liu Chenguang	Liu Chenguang	97	–	–	97
Total for 2007	Total for 2007	311	2,567	24	2,902

\* Mr. Chak Kwan was re-designated as the deputy general manager of the Company on 2 March 2007

There were no arrangements under which a director waived or agreed to waive any emoluments during the year (2007: Nil).

12. 董事(主要管理人員)及最高薪僱員酬金(續)

(b) 五位最高薪人士

本集團五位最高薪人士包括三名(二零零七年:三名)董事。彼等之酬金分析載列如上。其餘兩名(二零零七年:兩名)最高薪人士之酬金如下:

12. Emoluments of Directors (Key Management Personnel) and Highest Paid Employees

(Continued)

(b) Five highest paid individuals

The five highest paid individuals in the Group during the year included three (2007: three) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining two (2007: two) individuals are set out below:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
基本薪金及津貼	Basic salaries and allowances	1,115	1,066
以股份支付之款項	Share-based payments	1,105	951
退休福利計劃供款	Retirement benefit scheme contributions	21	16
		<b>2,241</b>	<b>2,033</b>

酬金屬於以下範圍:

The emoluments fell within the following band:

		人數 Number of individuals	
		二零零八年 2008	二零零七年 2007
零至1,000,000港元	Nil to HK\$1,000,000	1	1
1,000,001至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	-	1
1,500,001至2,000,000港元	HK\$1,500,001 to HK\$2,000,000	1	-
		<b>2</b>	<b>2</b>

於本年度,本集團概無向任何董事或最高薪人士支付任何酬金,作為加盟本集團或加盟本集團後之獎金或作為離職補償。

During the year, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

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### 13. 每股股息

二零零七年之末期股息為5,000,000港元(每股股息：1.25港仙)，已於二零零八年五月九日舉行之本公司股東週年大會上獲得批准，並於截至二零零八年十二月三十一日止年度內支付。董事擬派發截至二零零八年十二月三十一日止年度之末期股息為每股1.25港仙，惟須於即將舉行之股東週年大會上獲本公司股東批准。

### 14. 每股盈利

本公司股權持有人應佔每股基本盈利乃根據以下數據計算：

### 13. Dividends Per Share

A final dividend for 2007 amounting to HK\$5,000,000 (dividends per share: HK1.25cents) was approved in the annual general meeting of the Company held on 9 May 2008 and paid during the year ended 31 December 2008. The Directors recommend the payment of a final dividend of HK1.25cents per share for the year ended 31 December 2008 which is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

### 14. Earnings Per Share

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

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
本年度溢利	Profit for the year	24,925	21,554
		普通股數目 Number of ordinary shares	
		二零零八年 2008	二零零七年 2007
計算每股基本盈利之 普通股加權平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	400,000,000	400,000,000

截至二零零七及二零零八年十二月三十一日止年度並無潛在攤薄普通股。

There were no dilutive potential ordinary shares for the years ended 31 December 2008 and 2007.

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### 15. 物業、廠房及設備

### 15. Property, Plant and Equipment

		租賃物業					傢俬、固定裝置及設備		總計 Total
		樓宇 Buildings	裝修 improvements	廠房及機器 Plant and machinery	汽車 Motor vehicles	Furniture, fixture and equipment	在建工程 Construction in progress		
		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	
<b>成本</b>	<b>Cost</b>								
於二零零七年一月一日	At 1 January 2007	60,853	35	179,676	1,542	3,305	52,127	297,538	
添置	Additions	2,869	-	5,730	246	1,082	117,272	127,199	
轉撥	Transfer	32,153	-	121,191	-	826	(154,170)	-	
重估	Revaluation	1,359	-	-	-	-	-	1,359	
轉撥至投資物業	Transfer to investment properties	(2,147)	-	-	-	-	-	(2,147)	
於二零零七年十二月三十一日 及二零零八年一月一日	At 31 December 2007 and 1 January 2008	95,087	35	306,597	1,788	5,213	15,229	423,949	
添置	Additions	1,507	-	912	-	225	27,507	30,151	
轉撥	Transfer	4,413	-	22,643	-	-	(27,056)	-	
於二零零八年十二月三十一日	At 31 December 2008	101,007	35	330,152	1,788	5,438	15,680	454,100	
<b>累積折舊</b>	<b>Accumulated depreciation</b>								
於二零零七年一月一日	At 1 January 2007	3,959	15	24,401	183	1,387	-	29,945	
年內費用	Charge for the year	3,806	7	19,709	318	657	-	24,497	
轉撥至投資物業	Transfer to investment properties	(177)	-	-	-	-	-	(177)	
於二零零七年十二月三十一日 及二零零八年一月一日	At 31 December 2007 and 1 January 2008	7,588	22	44,110	501	2,044	-	54,265	
年內費用	Charge for the year	4,447	7	27,506	326	794	-	33,080	
於二零零八年十二月三十一日	At 31 December 2008	12,035	29	71,616	827	2,838	-	87,345	
<b>賬面值</b>	<b>Carrying amount</b>								
於二零零八年十二月三十一日	At 31 December 2008	88,972	6	258,536	961	2,600	15,680	366,755	
於二零零七年十二月三十一日	At 31 December 2007	87,499	13	262,487	1,287	3,169	15,229	369,684	

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### 15. 物業、廠房及設備(續)

本集團之樓宇位於按中期租約持有之中國租賃土地。

本集團已抵押作為取得銀行融資之擔保之樓宇之賬面值約人民幣30,387,000元(二零零七年：人民幣77,662,000元之樓宇及機器)。

### 15. Property, Plant and Equipment (Continued)

The Group's buildings are situated on leasehold land under medium-term in the PRC.

The carrying amount of the Group's buildings pledged as security for the Group's banking facilities amounted to approximately RMB30,387,000 (2007: buildings and machinery RMB77,662,000).

### 16. 預付土地租賃款項

### 16. Prepaid Land Lease Payments

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
於一月一日	At 1 January	67,892	68,009
增加	Additions	-	1,309
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	(1,435)	(1,426)
於十二月三十一日	At 31 December	66,457	67,892
即期部分	Current portion	(3,086)	(1,435)
非即期部分	Non-current portion	63,371	66,457

本集團之預付土地租賃款項位於按中期租約持有之中國租賃土地。

The Group's prepaid land lease payments are situated on leasehold land under medium-term in the PRC.

本集團已抵押作為取得銀行融資之擔保之預付土地租賃款項之賬面值約為人民幣62,306,000元(二零零七年：人民幣44,133,000元)。

The carrying amount of the Group's prepaid land lease payments pledged as security for the Group's banking facilities amounted to approximately RMB62,306,000 (2007: RMB44,133,000).

### 17. 投資物業

### 17. Investment Properties

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
於一月一日	At 1 January	9,700	5,830
轉撥自物業、廠房及設備	Transfer from property, plant and equipment	-	1,970
公允價值收益	Fair value gain	660	1,900
於十二月三十一日	At 31 December	10,360	9,700

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
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### 17. 投資物業(續)

投資物業於二零零八年及二零零七年十二月三十一日由獨立特許測量師行永利行評估顧問有限公司經參考類似物業近期之交易市場證據後，按公開市值基準進行重估。

本集團之投資物業位於按中期租約持有之中國租賃土地。

本集團已抵押作為取得銀行融資之擔保之投資物業之賬面值約人民幣零元(二零零七年：人民幣9,700,000元)。

### 18. 遞延稅項

本集團已確認以下主要遞延稅項資產／(負債)：

### 17. Investment Properties (Continued)

Investment properties were revalued at 31 December 2008 and 2007 on the open market value basis by reference to market evidence of recent transactions for similar properties by RHL Appraisal Ltd, an independent firm of chartered surveyors.

The Group's investment properties are situated on leasehold land under medium-term in the PRC.

The carrying amount of the Group's investment properties pledged as security for the Group's banking facilities amounted to approximately RMB Nil (2007: RMB9,700,000).

### 18. Deferred Tax

The following are the major deferred tax assets/ (liabilities) recognised by the Group:

		產生自 Arising from 經營前 費用 投資物業			總計
		稅項虧損 Tax losses	Pre-operating expenses	Investment properties	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零零七年一月一日	At 1 January 2007	–	524	(734)	(210)
年內計入收益表 (自收益表扣除) (附註10)	Credit/(Charge) to income statement for the year (note 10)	145	–	(866)	(721)
於二零零七年十二月三十一日 及二零零八年一月一日	At 31 December 2007 and 1 January 2008	145	524	(1,600)	(931)
年內計入收益表 (自收益表扣除) (附註10)	Credit/(Charge) to income statement for the year (note 10)	269	(112)	(216)	(59)
於二零零八年十二月三十一日	At 31 December 2008	414	412	(1,816)	(990)



# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 18. 遞延稅項(續)

以下為就資產負債表所作之遞延稅項結餘分析：

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
遞延稅項資產	Deferred tax assets	826	669
遞延稅項負債	Deferred tax liabilities	(1,816)	(1,600)
		(990)	(931)

於結算日，本集團之未動用稅務虧損約為人民幣6,793,000元(二零零七年：人民幣13,601,000元)，可用作抵銷日後之溢利。本集團已就約人民幣3,393,000元(二零零七年：人民幣1,203,000元)之有關虧損確認遞延稅項資產。由於未能預測未來的溢利趨勢，餘下之人民幣3,400,000元(二零零七年：人民幣12,398,000元)並無確認遞延稅項虧損。所有未確認稅務虧損將於二零一三年之前到期。

### 18. Deferred Tax (Continued)

The following is the analysis of the deferred tax balances for balance sheet purposes:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
Deferred tax assets		826	669
Deferred tax liabilities		(1,816)	(1,600)
		(990)	(931)

At the balance sheet date the Group has unused tax losses of approximately RMB6,793,000 (2007: RMB13,601,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately RMB3,393,000 (2007: RMB1,203,000) of such losses. No deferred tax asset has been recognised in respect of the remaining RMB3,400,000 (2007: RMB12,398,000) due to the unpredictability of future profit streams. All unrecognised tax losses will expire before 2013.

### 19. 存貨

原材料	Raw materials	16,350	24,101
在建工程	Work in progress	7,447	6,328
製成品	Finished goods	16,163	22,743
		39,960	53,172

### 19. Inventories

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
Raw materials		16,350	24,101
Work in progress		7,447	6,328
Finished goods		16,163	22,743
		39,960	53,172

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## Notes to the Financial Statements

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### 20. 貿易應收賬及應收票據

### 20. Trade and Bills Receivable

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
貿易應收賬	Trade receivables	53,107	56,649
應收票據	Bills receivable	44,370	150,525
		<b>97,477</b>	207,174

本集團給予貿易客戶之信貸期一般介乎一個月至六個月不等。應收票據為不計息之銀行承兌票據，於兩個結算日，應收票據之賬齡均為六個月以內。每位客戶有其最高信貸限額。本集團致力維持對應收賬款結欠作出嚴謹之控制。管理層對過期欠款進行定期檢討。

The Group allows a credit period normally ranging from one month to six months to its trade customers. The bills receivable are non-interest bearing bank acceptance bills and of the age within six months at both balance sheet dates. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the management.

於結算日之貿易應收賬及應收票據之賬齡分析如下：

The ageing analysis of trade and bills receivable, at the balance sheet date, is stated as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
0至90日	0 to 90 days	80,513	146,513
91至180日	91 to 180 days	16,025	58,443
181至365日	181 to 365 days	939	1,862
365日以上	Over 365 days	—	356
		<b>97,477</b>	207,174

於二零零八年十二月三十一日，約人民幣7,253,000元(二零零七年：人民幣9,412,000元)之貿易應收賬已過期，惟由於信貸狀況並無重大變動且本集團仍認為該等款項可收回，故本集團尚未就此作減值。根據到期日統計，以下為該等貿易應收賬之賬齡分析：

As of 31 December 2008, trade receivables of approximately RMB7,253,000 (2007: RMB9,412,000) were past due but not impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable. The ageing analysis of these trade receivables, based on the due date, is as follows:

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## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 20. 貿易應收賬及應收票據(續)

已過期但未作減值之貿易應收賬及應收票據之賬齡：

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
0至90日	0 to 90 days	4,488	6,286
91至180日	91 to 180 days	1,829	2,742
181至365日	181 to 365 days	936	28
365日以上	Over 365 days	—	356
		<b>7,253</b>	<b>9,412</b>

貿易應收賬及應收票據之賬面值按以下貨幣計值：

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
人民幣	RMB	81,344	192,828
美元	USD	16,133	14,346
		<b>97,477</b>	<b>207,174</b>

### 20. Trade and Bills Receivable (Continued)

Ageing of trade and bills receivable which are past due but not impaired:

The carrying amounts of the trade and bills receivable are denominated in the following currencies:

### 21. 已抵押銀行存款與銀行和現金結餘

本集團之已抵押銀行存款乃指作為本集團獲授銀行融資之擔保，並已列示在財務報表附註24之存款。存款以人民幣計值，實際年利率為3.78%（二零零七年：3.42%），致使承受現金流量利率風險。

已抵押銀行存款與銀行和現金結餘以人民幣計值，約為人民幣30,196,000元（二零零七年：人民幣31,814,000元）。人民幣兌換為外幣時，須按中國之外匯管制條例及結匯、售匯及付匯管理規定辦理。

### 21. Pledged Bank Deposits and Bank and Cash Balances

The Group's pledged bank deposits represented deposits pledged to banks to secure banking facilities granted to the Group as set out in note 24 to the financial statements. The deposits are in RMB and carry interest at the effective rate of 3.78% (2007: 3.42%) per annum and therefore are subject to cash flow interest rate risk.

Pledged bank deposits and bank and cash balances amounted to approximately RMB30,196,000 (2007: RMB31,814,000) were denominated in RMB. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

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截至二零零八年十二月三十一日止年度  
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### 21. 已抵押銀行存款與銀行和現金結餘(續)

已抵押銀行存款與銀行和現金結餘之賬面值按以下貨幣計值：

### 21. Pledged Bank Deposits and Bank and Cash Balances (Continued)

The carrying amounts of pledged bank deposits and bank and cash balances are denominated in the following currencies:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
港元	HKD	57	1,886
美元	USD	1,110	11,907
人民幣	RMB	30,196	31,814
		<b>31,363</b>	45,607

### 22. 貿易應付賬及應付票據

### 22. Trade and Bills Payable

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
貿易應付賬	Trade payables	37,952	162,455
應付票據	Bills payable	10,000	1,703
		<b>47,952</b>	164,158

於結算日之貿易應付賬及應付票據之賬齡分析如下：

The ageing analysis of trade and bills payable, at the balance sheet date, is as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
0至90日	0 to 90 days	19,674	110,978
91至180日	91 to 180 days	19,762	50,511
181至365日	181 to 365 days	7,732	2,652
365日以上	Over 365 days	784	17
		<b>47,952</b>	164,158

貿易應付賬及應付票據之賬面值按人民幣計值。

The carrying amounts of trade and bills payable are denominated in RMB.

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
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### 23. 應付關聯公司款項

該款項為無抵押、免息及按要求償還。應付關聯公司款項指應付租金。

### 23. Due to a Related Company

The amount is unsecured, interest free and repayable on demand. The amount due to a related company represents rental payable.

### 24. 銀行借貸

應償還借貸如下：

### 24. Bank Borrowings

The borrowings are repayable as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
按要求或一年內 於第二年	On demand or within one year In the second year	110,054	82,557
於第三至五年內 (包括首尾兩年)	In the third to fifth years, inclusive	49,560	25,640
		–	49,560
		<b>159,614</b>	157,757
減：於十二個月內到期 償還(列作流動負債 之款項)	Less: Amount due for settlement within 12 months (shown under current liabilities)	<b>(110,054)</b>	(82,557)
於十二個月後到期償還	Amount due for settlement after 12 months	<b>49,560</b>	75,200

所有銀行借貸均以人民幣計值。短期及長期銀行借貸之浮動利率介乎5.54%至8.96%(二零零七年：6.33%至8.22%)，致使本集團承受現金流量利率風險。短期及長期銀行借貸以本集團之銀行存款、物業、廠房及設備、按預付租賃款項持有之租賃土地權益及一家關聯公司之租賃土地及樓宇作為抵押。

The carrying amounts of all bank borrowings are denominated in RMB. Short-term and long-term bank borrowings are arranged at floating interest rates ranged from 5.54% to 8.96% (2007: 6.33% to 8.22%) exposing the Group to cash flow interest rate risks, and are secured by the Group's bank deposits, property, plant and equipment and interest in leasehold land under prepaid lease payments and a related company's leasehold land and building.

# 綜合財務報表附註

## Notes to the Financial Statements

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### 25. 遞延收入

本集團之遞延收入指由政府發出，為製造異丁烯、聚異丁烯及氯乙酸而興建之生產線及配套設施之補助。

為申報目的所作之分析：

### 25. Deferred Income

The Group's deferred income represents a government grant obtained for subsidising the construction of the production lines and ancillary facilities for the manufacture of isobutylene, polyisobutylene and chloro acetic acid.

Analysed for reporting purpose as:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
流動負債(已包括在應付未付賬款及其他應付款項)	Current liabilities (included in accruals and other payables)	2,740	2,740
非流動負債	Non-current liabilities	24,152	26,892
		<b>26,892</b>	29,632

### 26. 股本

### 26. Share Capital

		股份數目 Number of shares	金額 Amount	
			千港元 HK\$'000	人民幣千元 RMB'000
法定：	Authorised:			
每股面值0.01港元普通股	Ordinary shares of HK\$0.01 each			
於二零零七年及二零零八年十二月三十一日	At 31 December 2007 and 2008	100,000,000,000	1,000,000	
已發行及繳足：	Issued and fully paid:			
每股面值0.01港元普通股	Ordinary shares of HK\$0.01 each			
於二零零七年及二零零八年十二月三十一日	At 31 December 2007 and 2008	400,000,000	4,000	4,031

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### 26. 股本(續)

為確保本集團內的實體在得以按持續經營基準繼續經營之同時，亦能透過優化債務與股本間之平衡而盡量提高股東回報，本集團會對其股本加以管理。本集團之總體策略與過往年度一樣，維持不變。

本集團之股本結構包括淨負債(包括在附註24披露之銀行借貸(已減除現金及現金等值項目及已抵押銀行存款))及本公司股權持有人的應佔股權(已計入已發行股本、儲備及保留溢利)。

管理層會檢討股本結構，考慮因素包括資本成本及資本涉及之風險。本集團會透過派付股息、發行新股、新增貸款或償還現有貸款，以平衡其整體之資本結構。本集團管理資本之方式於年內維持不變。本集團並無就獲得之銀行額度與銀行訂立契約。

### 27. 儲備

本集團儲備之款額及有關變動在綜合權益變動表列示。

#### (a) 股份溢價

根據開曼群島公司法，本公司股份溢價賬內之資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中到期之債務。

#### (b) 特別儲備

特別儲備指根據本集團於二零零四年進行之重組所收購中國附屬公司之已繳股本與本公司為取得該等附屬公司控制權而發行之本公司股份面值之間差額。

### 26. Share Capital (Continued)

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of net debt, which includes bank borrowings disclosed in Note 24 net of cash and cash equivalents and pledged bank deposits, and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained profits.

The management reviews the capital structure by considering the cost of capital and the risks associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new share issues, new borrowings or repayment of existing borrowings. The Group's approach to capital management remains unchanged throughout the year. The Group has no covenant with banks for the banking facilities granted.

### 27. Reserves

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

#### (a) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debt as they fall due in the ordinary course of business.

#### (b) Special reserve

Special reserve represents the difference between the paid-in capital of the PRC subsidiaries acquired pursuant to the Group reorganisation in 2004 and the nominal value of the Company's shares issued in exchange for the control in these subsidiaries.

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### 27. 儲備(續)

#### (c) 盈餘公積金

本公司於中國成立之附屬公司之章程細則規定，該等附屬公司須每年轉撥其除稅後溢利中之若干百分比至盈餘公積金，直至該結餘達到有關附屬公司註冊資本之50%為止。在一般情況下，盈餘公積金僅可用作抵償虧損、透過資本化轉入註冊資本及擴充附屬公司之生產及經營。資本化轉換盈餘公積金至註冊資本後，儲備之餘額不得少於註冊資本之25%。

#### (d) 公益金

根據中國公司法(於二零零五年修訂)於二零零六年一月一日頒佈前之有關規例，在中國成立之本公司附屬公司須將其5%至10%之除稅後溢利撥往公益金，而公益金只可為僱員之集體福利而用於屬資本性質之事項。除在進行清盤之情況下，公益金不得分派。

#### (e) 外幣匯兌儲備

外幣匯兌儲備包括換算外國業務之財務報表所產生之所有匯兌差額。匯兌儲備根據財務報表附註4(b)(iii)所載會計政策處理。

#### (f) 以股份支付之款項儲備

以股份支付之款項儲備指按股權結算以股份支付予本集團若干僱員及一名供應商之款項，有關款項乃根據財務報表附註4(n)所載就以股份支付之款項而採納之會計政策確認。

### 27. Reserves (Continued)

#### (c) Surplus reserve fund

Articles of Association of the Company's subsidiaries established in the PRC require the appropriation of certain percentage of their profit after taxation each year to the surplus reserve fund until the balance reaches 50% of their registered capital. In normal circumstances, the surplus reserve fund shall only be used for making up losses, capitalisation into registered capital and expansion of the subsidiaries' production and operation. For the capitalisation of surplus reserve fund into registered capital, the remaining amount of such reserve shall not be less than 25% of the registered capital.

#### (d) Public welfare fund

Pursuant to relevant regulations before the enactment of Company Law of the PRC (revised in 2005) on 1 January 2006, the Company's subsidiaries established in the PRC shall make allocation from their profit after taxation at the rate of 5% to 10% to the public welfare fund. The public welfare fund can only be utilised on capital nature items for collective welfare of employees. The public welfare fund is not distributable other than in liquidation.

#### (e) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(b)(iii) to the financial statements.

#### (f) Share-based payment reserve

The share-based payment reserve represents equity settled share-based payments to certain employees and a supplier of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 4(n) to the financial statements.



# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 28. 附屬公司詳情

截至二零零八年十二月三十一日為止，本集團之主要附屬公司詳情如下：

### 28. Particulars of Subsidiaries

Particulars of the principal subsidiaries of the Group as at 31 December 2008 are as follows:

名稱 Name	成立／註冊及 營運地點和日期 Place and date of incorporation/ registration and operation	已發行及 繳足股本／ 註冊資本 Issued and fully paid up share capital/ registered capital	持有利益之百分比 Percentage of ownership interest		主要業務 Principal activities
			直接 Direct	間接 Indirect	
盛泰控股有限公司 Great Growth Holdings Limited	香港 二零零八年五月二十九日 Hong Kong 29 May 2008	1港元 HK\$1	100%	–	投資控股 Investment holding
盛瑞控股有限公司 Great Spirit Holdings Limited	香港 二零零八年五月二十九日 Hong Kong 29 May 2008	1港元 HK\$1	100%	–	投資控股 Investment holding
盛信控股有限公司 Great Promise Holdings Limited	香港 二零零八年五月二十九日 Hong Kong 29 May 2008	1港元 HK\$1	100%	–	投資控股 Investment holding
智創控股有限公司 Smartcham Holdings Limited	英屬處女群島 二零零四年九月二十八日 British Virgin Islands 28 September 2004	268美元 US\$268	–	100%	投資控股 Investment holding
智邦企業有限公司 Smartpoint Enterprises Limited	英屬處女群島 二零零四年九月二十八日 British Virgin Islands 28 September 2004	1,251美元 US\$1,251	–	100%	投資控股 Investment holding
智得控股有限公司 Techsmart Holdings Limited	英屬處女群島 二零零四年九月二十八日 British Virgin Islands 28 September 2004	477美元 US\$477	–	100%	投資控股 Investment holding

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 28. 附屬公司詳情(續)

### 28. Particulars of Subsidiaries (Continued)

名稱 Name	成立／註冊及 營運地點和日期 Place and date of incorporation/ registration and operation	已發行及 繳足股本／ 註冊資本 Issued and fully paid up share capital/ registered capital	持有利益之百分比 Percentage of ownership interest		主要業務 Principal activities
			直接 Direct	間接 Indirect	
濰坊同業化學有限公司 Weifang Common Chem Co., Ltd.	中國 一九九七年九月十七日 PRC 17 September 1997	600,000美元 US\$600,000	–	100%	製造及銷售精細化工產品 Manufacturing and sale of fine chemical products
上海德弘化工有限公司 Shanghai Dehong Chemical Company Limited	中國 二零零一年六月二十日 PRC 20 June 2001	人民幣5,000,000元 RMB5,000,000	–	100%	研發、銷售及分銷精細 化工產品 Research and development, selling and distribution of fine chemical products
濰坊柏立化學有限公司 Weifang Parasia Chem Co., Ltd.	中國 二零零四年四月二十九日 PRC 29 April 2004	5,200,000美元 US\$5,200,000	–	100%	製造及銷售精細化工產品 Manufacturing and sale of fine chemical products
濰坊濱海石油化工 有限公司 Weifang Binhai Petro-Chem Co., Ltd.	中國 二零零五年十一月十五日 PRC 15 November 2005	10,800,000美元 US\$10,800,000	–	100%	製造及銷售精細化工產品 Manufacturing and sale of fine chemical products

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
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### 29. 以股份支付之款項

#### 按股權結算購股權計劃

本公司於二零零六年十月四日批准及採納一項購股權計劃(「購股權計劃」)，旨在獎勵及酬謝對本集團之成功作出貢獻之各方，包括本集團任何成員公司或聯營公司之董事、合資格僱員、供應商、客戶、股東或彼等各自之聯繫人或顧問或諮詢人。購股權計劃由二零零六年十月四日起生效，有效期為十年，根據購股權計劃可授出最多40,000,000份購股權，購股權賦予其持有人權利認購最多40,000,000股股份。

於二零零八年二月一日，本公司根據購股權計劃向合資格僱員及其供應商授出4,000,000份購股權。於二零零八年十二月三十一日，購股權計劃項下已授出但尚未行使之購股權所涉及股份數目為3,790,000股，相當於在該日期本公司已發行股份之0.95%。

特定類別之購股權詳情刊載如下：

承授人類別 Category of grantee	授出日期 Date of grant	歸屬日期 Vesting date	行使期間 Exercise period	行使價 Exercise price	購股權數目 Number of share options
僱員 Employees	二零零八年二月一日 1 February 2008	二零零九年二月一日 1 February 2009	二零零九年二月一日至 二零一四年一月三十一日 1 February 2009 to 31 January 2014	0.64	760,000
	二零零八年二月一日 1 February 2008	二零一零年二月一日 1 February 2010	二零一零年二月一日至 二零一四年一月三十一日 1 February 2010 to 31 January 2014	0.64	1,140,000
	二零零八年二月一日 1 February 2008	二零一一年二月一日 1 February 2011	二零一一年二月一日至 二零一四年一月三十一日 1 February 2011 to 31 January 2014	0.64	1,900,000

### 29. Share-based Payments

#### Equity-settled share option scheme

The Company has approved and adopted a share option scheme (the "Share Option Scheme") on 4 October 2006 for the purpose of providing incentives and rewards to directors, eligible employees, suppliers, customers, any shareholder of each member of the Group or associated company or any of their respective associates, and advisers or consultants of the Group who contribute to the success of the Group. The Share Option Scheme has become effective for a period of 10 years commencing on 4 October 2006 and up to 40,000,000 options entitling the holders thereof to subscribe for up to 40,000,000 shares may be granted under the Share Option Scheme.

On 1 February 2008, the Company granted 4,000,000 share options to the eligible employees and a supplier under the Share Option Scheme of the Company. As at 31 December 2008, the number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was 3,790,000, representing 0.95% of the shares of the Company in issue at the date.

Details of the specific categories of options are as follows:

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 29. 以股份支付之款項(續)

按股權結算購股權計劃(續)

承授人類別

Category of grantee	授出日期 Date of grant	歸屬日期 Vesting date	行使期間 Exercise period	行使價 Exercise price	購股權數目 Number of share options
供應商 Supplier	二零零八年二月一日 1 February 2008	二零零九年二月一日 1 February 2009	二零零九年二月一日至 二零一四年一月三十一日 1 February 2009 to 31 January 2014	0.64	40,000
	二零零八年二月一日 1 February 2008	二零一零年二月一日 1 February 2010	二零一零年二月一日至 二零一四年一月三十一日 1 February 2010 to 31 January 2014	0.64	60,000
	二零零八年二月一日 1 February 2008	二零一一年二月一日 1 February 2011	二零一一年二月一日至 二零一四年一月三十一日 1 February 2011 to 31 January 2014	0.64	100,000
總計 Total					4,000,000

於年內尚未行使之購股權詳情如下：

Details of the share options outstanding during the year are as follows:

		二零零八年 2008	購股權數目 Number of share options	加權平均行使價 Weighted average exercise price
於年初尚未行使 Outstanding at the beginning of the year			—	港元 HKD
年內授出 Granted during the year			4,000,000	0.64
年內沒收 Forfeited during the year			(210,000)	0.64
於年末尚未行使 Outstanding at the end of the year			3,790,000	0.64
於年末可行使 Exercisable at the end of the year			—	

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
For the year ended 31 December 2008

### 29. 以股份支付之款項(續)

#### 按股權結算購股權計劃(續)

於截至二零零八年十二月三十一日止年度，並無行使購股權。於本年年末尚未行使購股權之加權平均尚餘合約期為5.1年。

根據三項式期權定價計算，於授出日期購股權之公允值約為0.27港元。

公允值乃按三項式期權定價計算。以下為輸入該模式之資料：

行使價	Exercise price
預計年期	Expected life
預期波幅	Expected volatility
股息派付率	Dividend yield
無風險年利率	Risk-free interest rate

預期波幅乃按業務性質相近之其他上市公司於過去六年之過往股價波幅計算釐定。在模式內使用之預計年期包括本集團所作之最佳估計，已就不能轉讓、行使限制及行為考慮因素等事項作出調整。

購股權之公允值將以直線法按歸屬期攤銷，並在收益表內列為開支。

#### 股份轉讓安排

於二零零七年，本公司之股東志峰集團有限公司同意向本集團一名僱員轉讓8,000,000股本公司股份(「有關股份」)，作為挽留該僱員於未來五年留任本集團之獎勵。

### 29. Share-based Payments (Continued)

#### Equity-settled share option scheme (Continued)

No share option had been exercised during the year ended 31 December 2008. The options outstanding at the end of the year have a weighted average remaining contractual life of 5.1 years.

The fair values of the options determined at the date of grant using the Trinomial Model were approximately HK\$0.27.

These fair values were calculated using the Trinomial Model. The inputs into the model were as follows:

二零零八年  
2008

0.64港元 HK\$0.64
6年 6 years
49.59%
1.95%
2.20%

Expected volatility was determined by calculating the historical volatility of share prices of other listed companies with similar business nature over the previous 6 years. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

The fair value of the options will be amortised over the vesting periods on a straight-line basis and expensed in the income statement.

#### Shares transfer arrangement

In 2007, Cheerhill Group Limited, a shareholder of the Company has agreed to transfer 8,000,000 shares of the Company ("Relevant Shares") to an employee of the Group to provide incentives of retaining his employment with the Group for the next five years.

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
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### 29. 以股份支付之款項(續)

#### 股份轉讓安排(續)

於二零零七年三月一日(上述股份轉讓協議之生效日期)，有關股份之市值約為每股0.76港元，並會以直線法按歸屬期自綜合收益表扣除。於截至二零零八年十二月三十一日止年度，自綜合收益表扣除之款項約為人民幣1,082,000元(二零零七年：人民幣：951,000元)。於二零零八年十二月三十一日，董事估計有關僱員於尚餘之歸屬期仍會在本集團任職。

### 30. 資本承擔

於結算日，有關本集團生產設備之資本承擔如下：

### 29. Share-based Payments (Continued)

#### Shares transfer arrangement (Continued)

On 1 March 2007, which is the effective date of the above shares transfer agreement, the market value of the Relevant Shares is approximately HK\$0.76 per share and will be charged to the consolidated income statement over the vesting period on a straight line basis. For the year ended 31 December 2008, the amount charged to consolidated income statement is approximately RMB1,082,000 (2007: RMB951,000). At 31 December 2008, the Directors estimate that the employee will remain his employment in the Group for the remaining vesting period.

### 30. Capital Commitments

The Group's capital commitments in respect of production facilities at the balance sheet date are as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
已訂約但未撥備	Contracted but not provided for	17,061	22,737
已授權但未訂約	Authorised but not contracted for	12,390	—

### 31. 經營租賃承擔

#### 本集團作為出租人

於二零零八年十二月三十一日，根據不可撤銷經營租賃，應收之日後最低租賃收款總額如下：

### 31. Operating Lease Commitments

#### The Group as lessor

At 31 December 2008, the total future minimum lease receipts under non-cancellable operating leases are receivable as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
於一年之內	Within one year	87	157

協定租期為一年。

Leases are negotiated for a term of one year.

# 綜合財務報表附註

## Notes to the Financial Statements

截至二零零八年十二月三十一日止年度  
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### 31. 經營租賃承擔(續)

本集團作為承租人

於二零零八年十二月三十一日，根據不可撤銷經營租賃，應付之日後最低租賃付款總額如下：

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
一年內	Within one year	208	424
於第二至五年內 (包括首尾兩年)	In the second to fifth year inclusive	39	249
		247	673

經營租賃付款乃指就其若干辦公室而應付之租金。租期經洽商後為一至兩年不等，而於租期內的租金固定，並不包括任何或然租金。

### 31. Operating Lease Commitments (Continued) The Group as lessee

At 31 December 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		二零零八年 2008	二零零七年 2007
		人民幣千元 RMB'000	人民幣千元 RMB'000
一年內	Within one year	208	424
於第二至五年內 (包括首尾兩年)	In the second to fifth year inclusive	39	249
		247	673

Operating lease payments represents rental payable by the Group for certain of its offices. Leases are negotiated for an average term of one to two years and rentals are fixed over the lease terms and do not include contingent rentals.

### 32. 關聯方交易

- 於截至二零零八年十二月三十一日止年度，本集團向濰坊天弘支付租金約人民幣155,000元(二零零七年：人民幣155,000元)，而若干董事在濰坊天弘擁有實益權益及可行使重大影響力。
- 於二零零八年十二月三十一日，濰坊天弘就本集團獲得約人民幣5,519,000元(二零零七年：人民幣零元)之銀行額度抵押其租賃土地及樓宇。
- 於二零零八年十二月三十一日，應付濰坊天弘款項為人民幣零元(二零零七年：人民幣39,000元)，詳情在財務報表附註23披露。
- 主要管理人員之酬金詳情載於財務報表附註12。

### 32. Related Party Transactions

- During the year ended 31 December 2008, the Group had rental payment of approximately RMB155,000 (2007: RMB155,000) to Weifang Tianhong in which certain Directors have beneficial interests and can exercise significant influence.
- As at 31 December 2008, Weifang Tianhong pledged its leasehold land and building for the banking facilities of the Group approximately RMB5,519,000 (2007: RMB Nil)
- As at 31 December 2008, amount due to Weifang Tianhong amounted to RMB Nil (2007: RMB39,000) as disclosed in note 23 to the financial statements.
- The remuneration of key management personnel are set out in note 12 to the financial statements.

### 33. 批准財務報表

董事會於二零零九年三月二十日批准及授權刊發財務報表。

### 33. Approval of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 20 March 2009.



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

香港中環夏慤道12號  
美國銀行中心22樓2204A室  
Room 2204A, 22nd Floor, Bank of America Tower,  
12 Harcourt Road, Central, Hong Kong