



Solargiga Energy

To Create 共創未來

**BRIGHT** Future

Annual Report 2012 年報



Solargiga Energy Holdings Limited  
陽光能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份編號：757



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# Company Information

## 公司資料

### Board of Directors

Executive Directors

Mr. TAN Wenhua (Chairman)

Mr. HSU You Yuan

Ms. ZHANG Liming

Mr. TAN Xin

Non-executive Directors

Mr. CHIAO Ping Hai

Independent Non-executive Directors

Mr. WONG Wing Kuen, Albert

Ms. FU Shuangye

Dr. LIN Wen

Mr. ZHANG Chun

### Company Secretary

Chow Yiu Ming

(resigned with effect from 1 September 2012)

Cheung Lai Lai

(appointed with effect from 1 September 2012)

### Audit Committee

Wong Wing Kuen, Albert (Chairman)

Fu Shuangye

Lin Wen

Zhang Chun

### Remuneration Committee

Fu Shuangye (Chairman)

Wong Wing Kuen, Albert

Lin Wen

Zhang Chun

Tan Wenhua

### Nomination Committee

Lin Wen (Chairman)

Wong Wing Kuen, Albert

Fu Shuangye

Zhang Chun

Hsu You Yuan

### Auditor

KPMG

### 董事會

執行董事

譚文華先生(主席)

許祐淵先生

張麗明女士

譚鑫先生

非執行董事

焦平海先生

獨立非執行董事

王永權先生

符霜葉女士

林文博士

張椿先生

### 公司秘書

鄒耀明

(於二零一二年九月一日辭任)

張麗麗

(於二零一二年九月一日獲委任)

### 審核委員會

王永權(主席)

符霜葉

林文

張椿

### 薪酬委員會

符霜葉(主席)

王永權

林文

張椿

譚文華

### 提名委員會

林文(主席)

王永權

符霜葉

張椿

許祐淵

### 核數師

畢馬威會計師事務所

## Principal Bankers

Agricultural Bank of China  
Bank of Jinzhou  
Bank SinoPac  
BNP Paribas  
China Development Bank  
China Construction Bank  
China CITIC Bank  
Guangdong Development Bank  
Huaxia Bank  
Industrial Bank of Taiwan  
Industrial and Commercial Bank of China

## Registered Office

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

## Head Office and Principal Place of Business in Hong Kong

Room 1402, Harbour Centre  
25 Harbour Road  
Wanchai  
Hong Kong

## Principal Share Registrar

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

## Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited  
Rooms 1712-16, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## Authorised Representatives

Hsu You Yuan  
Cheung Lai Lai  
(appointed with effect from 1 September 2012)  
Chow Yiu Ming  
(resigned with effect from 1 September 2012)

## Investor Relations Consultant

Aries Consulting Limited

## Corporate Website

[www.solargiga.com](http://www.solargiga.com)

## 主要往來銀行

中國農業銀行  
錦州銀行  
永豐銀行  
法國巴黎銀行  
國家開發銀行  
中國建設銀行  
中信銀行  
廣東發展銀行  
華夏銀行  
台灣工業銀行  
中國工商銀行

## 註冊辦事處

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

## 香港總辦事處暨主要營業地址

香港  
灣仔  
港灣道25號  
海港中心1402室

## 股份過戶登記總處

Royal Bank of Canada Trust Company (Cayman) Limited  
4th Floor, Royal Bank House  
24 Shedden Road, George Town  
Grand Cayman KY1-1110  
Cayman Islands

## 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樓1712-16室

## 法定代表

許祐淵  
張麗麗  
(於二零一二年九月一日獲委任)  
鄒耀明  
(於二零一二年九月一日辭任)

## 投資者關係顧問

Aries Consulting Limited

## 企業網站

[www.solargiga.com](http://www.solargiga.com)

# Company Profile

## 公司簡介

Solargiga Energy Holdings Limited (the “Company”, together with its subsidiaries collectively the “Group”, Hong Kong stock code: 757, Taiwan stock code: 9157.TT) is a leading manufacturer of monocrystalline silicon solar ingots and wafers in the People’s Republic of China (the “PRC”). The Group is also engaged in producing monocrystalline silicon solar cells and modules in recent years. Its products are important components of solar energy generation systems.

During the year, the Group was engaged in three main businesses:

- (a) the manufacturing of, trading of and provision of processing services for polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers;
- (b) the manufacturing and trading of monocrystalline silicon solar cells; and
- (c) the manufacturing and trading of photovoltaic modules and installation of photovoltaic systems.

Currently, our integrated business model includes monocrystalline silicon solar ingot production with annual capacity of approximately 1.2GW, solar wafer production with annual capacity of approximately 900MW, as well as photovoltaic cells and modules production with annual capacity of approximately 300MW and 150MW, respectively. In addition, the Group operates polysilicon reclaiming and upgrading facilities in Shanghai and Jinzhou.

Solargiga will move a step closer to become one of the world’s largest monocrystalline silicon solar ingot and wafer manufacturers as well as one of the key players in multicrystalline silicon solar product business. In addition, in view of the higher internal rate of return, the Group is seeking partnership to set up solar power plant, which will use the Group’s photovoltaic modules.

陽光能源控股有限公司(「本公司」，連同其附屬公司統稱「本集團」，香港股份代號：757，台灣股份代號：9157.TT)為中華人民共和國(「中國」)領先的太陽能單晶硅錠及硅片製造商。近年來，本集團亦從事生產太陽能單晶硅電池及組件業務。其產品為太陽能發電系統的重要組件。

年內，本集團從事的三項主要業務分別為：

- (a) 太陽能單晶硅以及單晶及多晶硅錠／硅片製造、買賣及提供單晶硅以及單晶及多晶硅錠／硅片加工服務；
- (b) 太陽能單晶硅電池製造及買賣；及
- (c) 光伏模組製造及買賣以及光伏系統安裝。

目前，本集團的整合業務模式包括年產能約1.2吉瓦的太陽能單晶硅錠生產業務、年產能約900兆瓦的太陽能硅片生產業務以及年產能分別約300兆瓦及150兆瓦的光伏電池及模組生產業務。此外，本集團於上海及錦州經營多晶硅回收及改良設施。

本集團將向世界最大的太陽能單晶硅錠及硅片製造商及太陽能多晶產品業務的巨頭之一的目標努力邁進。此外，由於較高之內部收益率，本集團亦尋找合作伙伴共同建立將使用本集團自家光伏組件的太陽能廠房。

# Financial Highlights

## 財務摘要

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

### Five-Year Financial Summary 五年財務摘要

RMB'000	人民幣千元	2008 二零零八年	2009 二零零九年	2010 二零一零年	2011 二零一一年 (restated) (經重列) Note 註	2012 二零一二年
Turnover	營業額	1,492,935	658,720	1,854,769	2,574,669	<b>996,836</b>
Gross profit/(loss)	毛利/(毛損)	225,510	(5,780)	413,243	253,848	<b>(291,384)</b>
Profit/(loss) from operations	經營利潤/(虧損)	120,660	(98,824)	300,897	106,137	<b>(503,720)</b>
Profit/(loss) attributable to equity shareholders	權益股東應佔利潤/(虧損)	83,379	(98,098)	214,121	54,291	<b>(1,276,554)</b>
Basic earnings/(loss) per share (RMB cents)	每股基本盈利/(虧損) (人民幣分)	5.12	(5.75)	11.85	2.43	<b>(55.99)</b>
Non-current assets	非流動資產	759,550	921,054	1,502,677	3,401,078	<b>2,464,627</b>
Current assets	流動資產	1,015,860	1,126,895	1,540,546	1,647,607	<b>1,480,031</b>
Current liabilities	流動負債	471,328	495,472	1,113,576	1,352,354	<b>1,865,083</b>
Non-current liabilities	非流動負債	40,568	145,197	283,932	1,423,435	<b>1,028,345</b>
Net assets	資產淨值	1,263,514	1,407,280	1,645,715	2,272,896	<b>1,051,230</b>

As disclosed in note 2(b) to the Group's consolidated financial statements for the year ended 31 December 2012, the Group has changed the basis of presentation of the revenue derived from certain transactions with a customer who was also a supplier of the Group from a gross basis to a net processing fee basis. Turnover for the year ended 31 December 2011 above has been restated to reflect this change. The change in presentation does not have any impact on the Group's turnover for the years ended 31 December 2008, 2009 and 2010.

誠如本集團截至二零一二年十二月三十一日止年度的綜合財務報表附註2(b)所披露，本集團已對身兼本集團供應商之客戶之交易產生之收入的呈列基準作出變更，自總額基準變更為加工費淨額基準。上文截至二零一一年十二月三十一日止年度的營業額已重列以反映此變更。此呈列之變更，對截至二零零八年、二零零九年及二零一零年十二月三十一日止年度本集團之營業額概無任何影響。

Sustainable Development

# GROW TO ACHIEVE SUCCESS

持續發展 創建成就



# Chairman's Statement 主席報告書

Dear honourable shareholders,

**On behalf of the board of directors (the "Board") of Solargiga Energy Holdings Limited ("Solargiga" or the "Company", together with its subsidiaries referred to as the "Group"), I hereby present the annual report of the Company for the year ended 31 December 2012.**

各位尊敬的股東：

本人謹代表陽光能源控股有限公司(「陽光能源」或「公司」，連同其附屬公司「本集團」)董事會同仁，向各位股東提呈本公司截至二零一二年十二月三十一日止年度之業績報告。



In 2012, the solar industry was suffered from negative market sentiment caused by the economic downturn since 2011. The global solar industry was facing challenges of overcapacity, oversupply and overstocking in the upstream and downstream businesses. Over the past year, the solar industry was still in the process of digesting the over-investment in capacity in the past two years, which hindered the development of the industry. Notwithstanding the challenging prospect of the industry, Solargiga will gradually complete its transformation to the "Golden Cup" model which enables it to become a one-stop service provider of solar power projects and a leading solar energy group in China by leveraging on its strengths, as well as building on its well-established effective and unique "inverted pyramid" vertical integrated supply chain.

During the year under review, given the significant drop in the per unit selling price of solar products caused by the oversupply in the market, and the Group's strategy in ensuring the recoverability of trade receivables instead of increasing the external shipment volume, the Group adopted a prudent approach in customer selection and resulted in a decrease in turnover and external shipment volume in the first three quarters of 2012. During the year, the Group's turnover amounted to RMB996.8 million, representing a decrease of 61.3% compared with RMB2,574.4 million in 2011.

承接二零一一年的疲弱經濟大氣候，二零一二年行業整體的營商環境仍不甚理想。全球的太陽能行業仍然面對產能過剩、供過於求和上下游庫存攀升的問題，於去年太陽能行業仍在繼續消化過去兩年的產能過度投資，太陽能行業仍處於艱難的時刻。然而，即使行業前景充滿挑戰，陽光能源仍會以自身之優勢及規模，藉以往建立的一條有效率及有特色的「倒三角形」垂直一體化供應鏈，逐步完成從一家太陽能材料製造商向太陽能發電項目一站式服務提供者的「金杯型」轉型，全力發展太陽能事業，致力成為中國領先的太陽能產業集團。

回顧年內，由於市場供過於求令太陽能產品銷售單價大幅下滑，加上本集團的營運策略以確保應收帳款收回安全性為先，並非衝高對外付運量，故在慎選客戶出貨下，拉低了集團首季的營業額及對外付運量。年內，集團的營業額為人民幣996.8百萬元，對比二零一一年全年人民幣2,574.7百萬元減少61.3%。

TAN Wenhua,  
*Executive Director and Chairman*  
譚文華，執行董事兼主席



## Chairman's Statement 主席報告書

Nevertheless, the external shipment volume hit a record high in the fourth quarter of 2012, amounting to 191.54 MW as the Group further expanded and gained additional alliances with international groups, state-owned domestic enterprises and well-known customers since the fourth quarter of 2012. This demonstrates the continuous effort and capability of the Group in seizing business opportunities despite the unfavorable business environment.

Maintaining its leading position in industrial technology is one of the Group's development objectives. We currently endeavor to produce N-type silicon ingots and to increase the production and sales of such products in the future. The N-type silicon ingots manufactured by the Group are applicable to the manufacturing of the solar energy products with high conversion efficiency of 22–23%. During the year under review, the sales of N-type silicon ingots accounted for 80.5% of the external sales of N-type silicon ingots, and mainly sold to the Japanese customers. The Group also secures the high margin and long-term orders from its Japanese customers, which shows the high recognition from customers of our products.

Meanwhile, the Group will expand its business in the future which increase the need for capital. As such, in December 2012, the Group raised net proceeds amounting to approximately HK\$90,000,000 by way of open offer of 249,130,047 shares on the basis of one offer share for every nine existing shares. The proceeds will be utilised as working capital to ensure there is sufficient fund to satisfy the future operational needs of the Group and to maintain smooth business development of the Group so as to achieve stable growth.

Looking forward, China currently focuses on the exploration of new energy sources, while the Group's development will be in line with the plan of the state. The large scale of operation of the Group and the restructuring of the solar industry, together with the tighten regulations imposed on the small scale manufacturers by the state will have a positive impact on the development of the Group. Moreover, exploration of new energy is considered to be a must-do plan for the state, therefore, the Group is optimistic towards the outlook. We will actively devote to research and development, increase the production output of N-type products, implement strict control cost, focus on exploring new clients as well as improve the product quality.

然而，自去年第四季度起，由於集團更進一步擴大及新增與國際集團、國內央企和知名客戶合作，令第四季度單季度對外付運量已創歷史新高，達191.54兆瓦(MW)，可見集團在不利營運的環境中仍可把握發展機遇，固有實力毋容置疑。

集團以維繫產業技術領導地位為其中一個主要發展方針，我們現時致力生產N型硅錠，未來亦會增加該產品的生產及銷售，而集團生產的N型硅錠可用於製造轉換效率高達22-23%的太陽能產品。於回顧年內，N型硅錠銷售佔對外硅錠銷售的80.5%，而主要付運對象為日本客戶。而集團亦鞏固了優質及長期的日本客戶訂單，可見產品深得客戶支持。

與此同時，集團未來會加大發展業務，對資金的需求有所增加，為此，集團於二零一二年十二月進行供股，以每持有九股現有股份獲發一股發售股份之基準，公開發售合共249,130,047股發售股份，集資所得款項淨額為約90,000,000港元。集資所得將用以確保集團未來所需營運資金之充裕，確保集團業務的順利發展，實現穩定的增長。

展望未來，中國現時集中發展新能源，集團的發展將會跟隨國家的步伐，憑藉集團的大型規模，在太陽能產業正在重整洗盤底下，加上國家加緊對小型生產者的監控，這會對集團構成正面影響。而發展新能源被國家視為必要的發展方向，故我們對前景抱持平穩樂觀的態度。我們會積極發展投入研發、增加N型產品產出比、並同時嚴控成本開支、專注開發新客源，以及提升產品質素。

In addition, the Group also completed another equity financing activity by way of an open offer in March 2013. 498,260,094 offer shares were issued on the basis of one offer share for every five existing shares, raising net proceeds amounted to approximately HK\$250,000,000. Together with the proceeds from the open offer in December 2012, the financial position of the Group has been strengthened and improved, which enables the Group to become the leader in the solar industry.

Finally, I, on behalf of the Board, would like to express my gratitude to the management and staff for their dedicated efforts and contributions that helped Solargiga resist the volatile environment arising from the industry integration and steadily move forward, as well as to shareholders for their continuous supports. In the coming year, Solargiga will continue to consolidate the Group's business and generate returns to shareholders.

**TAN Wen Hua**

*Chairman*

Hong Kong, 27 March 2013

另外，集團亦在二零一三年三月完成另一項集資，以每持有五股現有股份獲發一股發售股份之基準，公開發售498,260,094股發售股份，集資所得款項淨額約為250,000,000港元。加上二零一二年十二月的公開發售，兩次的集資所得將對集團發展提供更有利及更佳的財務條件，使集團可在行業整合當中平穩過渡，最終成為領先的太陽能產業集團。

最後，本人藉此機會代表董事會向管理層及員工的竭誠努力及貢獻衷心感謝，使陽光能源在行業整合的顛簸環境中能夠穩住發展步伐，向前邁進。同時，本人亦感謝股東們長期以來的鼎力支持，未來一年陽光能源會繼續鞏固集團內在業務，為股東帶來穩定的回報，以回饋股東的支持。

主席

譚文華

香港，二零一三年三月二十七日

Striving for Excellence

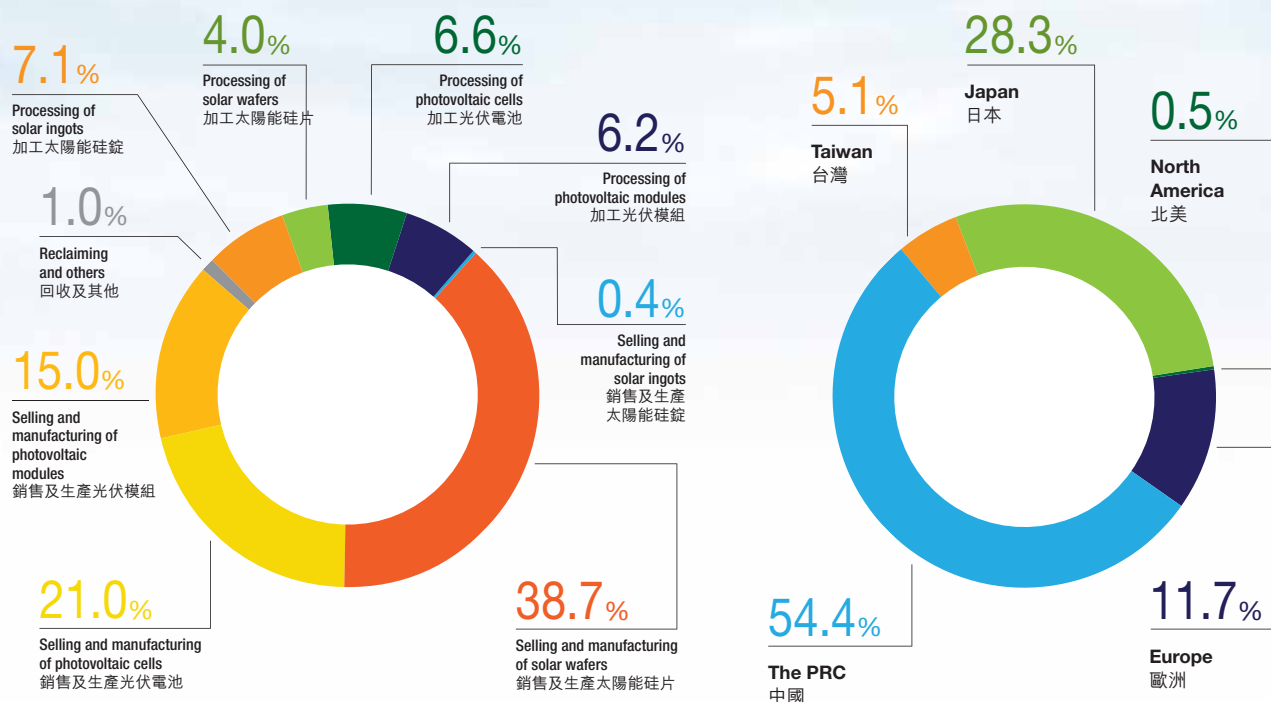
# THROUGH FULL INTEGRATION

全面整合 追求卓越



# Management Discussion and Analysis

## 管理層討論及分析



### Market Overview

The global solar industry continues to face challenges of overcapacity, oversupply and overstocking in the upstream and downstream business. In 2012, the solar industry was still in the process of digesting the over-investment in capacity in 2010 and 2011. According to a recent report issued by Solarbuzz, a research institute for the solar industry, the demand for solar power generation slowed down in 2012. The demand increased by only slightly 5%, from 27.7GW in 2011 to 29GW in 2012, a first time record of lower than 10% in the past ten years. The analysis also showed that the growth did not meet the expectation of over 30GW of demand of solar energy that estimated in 2012 by the industry.

Though the subsidy policies for solar energy in the European market decreased in 2012, Europe is still the largest market of demand for solar energy, which amounted to 16.48GW and accounting for 60% of the global market. The German Government set a target of an accumulated installed capacity of solar energy in Germany at 52GW by 2020. If the total installed capacity exceeds the target, no subsidy would be granted for the excess of the newly installed capacity which over the target level.

### 市場概覽

全球的太陽能行業仍然面對產能過剩、供過於求和上下游庫存攀升的問題，於二零一二年太陽能行業仍在繼續消化二零一零年和二零一一年的產能過度投資。據太陽能行業研調機構Solarbuzz最新報告指出，二零一二年太陽能發電需求出現放緩。需求僅由二零一一年的27.7吉瓦微升5%二零一二年的29吉瓦，為十年以來首次的低於10%，分析亦指這低於行業在二零一二年期望太陽能需求能夠超過30吉瓦的水平。

歐洲方面雖然二零一二年太陽能補貼政策減少，但歐洲仍為太陽能需求最大市場，佔全球總市場比例60%，達16.48吉瓦。德國政府針對2020年太陽能累積安裝總量的目標設定為52吉瓦，如果安裝總量超過設定的目標，多出來的新安裝量將不會獲得任何補助。

## Management Discussion and Analysis 管理層討論及分析

### Market Overview (Continued)

Asia is the second largest market of solar energy, which amounted to 8.69GW in 2012. The Chinese market grew rapidly in the second half of 2012. The Chinese Government indicated that photovoltaic power generation and application of solar thermal technology have been the fastest growing renewable energy technologies in the world in the last decade. Furthermore, it has clearly stated that photovoltaic technologies is designated as one of the major technological development projects in the Twelfth Five-Year Plan, and “Special Plan for Solar Power Generation Technology in Twelfth Five-Year Plan” has been formulated. The Chinese Government aims to lift its self-research and development capability and grasp the core technology, which will support China’s transition from a major manufacturer in the solar industry to a rising power of the industry and create a favourable cycle for the development of the solar industry.

In respect of the U.S. market, the proportion of demand of the whole U.S. market in 2012 was 13%, amounted to 3.68GW. It is mainly attributable to California benefitting from the energy quota and subsidy policy of the renewable energy. In fact, the California market accounted for over one third of the whole U.S. market in 2012. According to the reports issued by Solar Energy Industries Association (“SEIA”) and GTM Research, the federal and state governments of the U.S. subsidise the development of clean energy, which helps drive the growth of demand in solar energy, and the decrease in price of solar energy panels and electricity systems also helps trigger demand.

### 市場概覽(續)

太陽能第二大市場為亞洲，二零一二年的需求為8.69吉瓦。中國市場於二零一二年下半年的快速成長。中國政府表示太陽光伏發電和光熱利用是近十年來世界上發展最迅猛的可再生能源技術。此外，其明確列為中國「十二五」科技發展重點之一，制訂《太陽能發電科技發展「十二五」專項規劃》，以提升自主研發的能力，掌握核心技術，支撐中國從太陽能產業大國到產業強國的轉變，形成太陽能產業良性循環發展的環境。

至於美洲方面，二零一二年整個美洲太陽能需求佔比為13%，為3.68吉瓦，當中主要來自於加州，原因為受益於可再生能源配額標準和補貼政策。事實上，加州的市場需求在二零一二年佔了整個美洲地區的三分之一以上。至於根據太陽能產業協會(Solar Energy Industries Association, SEIA)和GTM Research公布報告，美國聯邦和各州政府補助發展潔淨能源，有助於驅動太陽能需求增長，且太陽能電池板和電力系統價格下跌，也利於帶動購買。



## Operations Review

During the year under review, the Group established an effective and unique of “inverted pyramid” vertical integrated supply chain. It gradually completed the transformation of “Golden Cup” from a solar products materials manufacturer to a one-stop service provider of solar power projects. The Group aims to become a high quality and hi-tech company and distinguish itself from the other participants in the industry. The Group has already obtained 51 patents and 11 patents are in the process of application. The Group will continue to devote efforts in research and development. Besides, individual products of the Company including ingots, wafer, cells and modules within the supply chain can also be sold to third parties.

### Silicon Ingot Business

During the year under review, the Group maintained its production capacity of silicon ingots to further explore its technological advantage. As at 31 December 2012, the Group was equipped with 589 monocrystalline ingot pullers and 4 multicrystalline casting furnaces, of which 397 monocrystalline ingot pullers were located in the Jinzhou production base while the remaining 192 monocrystalline ingot pullers were installed in the plant of Solargiga Energy (Qinghai) Company Limited (“Qinghai Solargiga”), which is 51% owned by the Group, in Xining, Qinghai Province. Among the 192 monocrystalline ingot pullers, 96 monocrystalline ingot pullers was put into mass production in December 2011 and another 96 monocrystalline ingot pullers will be put into trial procedures depend on the recovery of the market condition, resulted in the annual production capacity of silicon ingots of 1.2GW, further strengthen the Group’s leading position in monocrystalline solar energy products industry.



## 營運回顧

於回顧年內，本集團建立了一條有效率及有特色的「倒三角形」垂直一體化供應鏈，逐步完成從一家太陽能產品製造商向太陽能發電項目一站式服務提供者的「金杯形」轉型。本集團旨在成為一家具高品質且有技術含量的公司，區隔市場。本集團已取得51項專利，送件審核中的專利有11項。本集團將在研發上繼續努力，且公司在供應鏈中個別產品如硅錠、硅片、電池及組件等皆可獨立對外銷售，在回顧年內均取得良好的營運成果。

### 硅錠業務

回顧年內，本集團繼續發揮自身的技術優勢，維持硅錠原有產能。於二零一二年十二月三十一日，本集團備有589台單晶爐及4台多晶爐，其中397台單晶爐配置於錦州生產基地，而餘下的192台單晶爐則安裝於本集團轄下控股51%的陽光能源(青海)有限公司(「青海陽光」)位於青海省西寧市的廠房，其中96台於二零一一年十二月量產，而另外96台將視市場景氣回復情況，陸續進行調試，使得硅錠年產能達1.2吉瓦，鞏固了本集團在單晶太陽能產品的行業領導地位。



## Management Discussion and Analysis 管理層討論及分析

### Operations Review (Continued)

#### Silicon Ingot Business (Continued)

Using its “inverted pyramid” vertical integration supply chain model, the Group was able to fully utilise its upstream products for the production of its downstream products, and the upstream products including ingots, wafers and cells were also sold externally. The external shipment volume of silicon solar ingots of the Group was 77.59MW, representing a 45.1% drop compared to 141.24MW in 2011. Solargiga has gained a leading position in the monocrystalline silicon solar ingot manufacture industry in terms of technology, product quality and quantity. The products of the Group are the only monocrystalline silicon solar ingots in China for which national products exemption from quality surveillance inspection has been granted. Major products are silicon ingot of 5.5 inches to 8.7 inches in diameter. The photovoltaic conversion efficiency of its monocrystalline silicon products of the Group is also higher than the industry average. Apart from the traditional P-type products, the Group also provides N-type high-efficiency products with a photovoltaic conversion efficiency of 22–23%. During the year under review, the external shipment volume of N-type silicon ingots was about 62.48MW, representing an aggregate amount of approximately 80.5% of the external shipment volume of silicon ingots. N-type products are mainly targeted at Japanese customers.

#### Wafer Business

As at 31 December 2012, the Group has 121 wiresaws in the Jinzhou production base, with an annual production capacity of wafers reaching 900MW. In addition to the supply of wafers to the downstream cells and module, the Group also sells wafers to independent customers directly. The external shipment volumes of silicon solar wafers of the Group were 244.7MW during the year under review, representing an increase of 34.4% in total compared with 182.11MW in 2011. The increase was mainly due to the increase in the proportion of the wafer processing business during the year and the decrease in internal sales of wafer to the downstream business.

#### Cell Business

During the year under review, the manufacturing base of the Group in Jinzhou is equipped with production lines of solar cells with production capacity of 300MW and external shipment volume of solar cells was approximately 91.15MW, representing a decline of 35.1% in total volume compared with the external shipment volume of 138.90 MW of last year. It contributed a segment turnover of approximately RMB274.711 million (2011: RMB842.130 million), accounting for 27.6% of the Group's turnover (2011: 32.7%). The manufacturing of cells provides stable and high raw materials supply for the modules business of the Group, and enhances the overall operation efficiency. In addition, the products are not only supplied to the downstream manufacture of modules, but also sold to the customers in China and Japan.

### 營運回顧(續)

#### 硅錠業務(續)

本集團藉由「倒三角形」垂直一體化供應鏈模式，使集團上游產品如硅錠、硅片、電池可對外銷售，增加收入。其中太陽能硅錠對外付運量約為77.59兆瓦，對比二零一一年141.24兆瓦的對外付運量，減少45.1%，主要原因是由於更多的硅錠對內銷售到下游業務。陽光能源在太陽能單晶硅錠製造方面不論技術、產品品質及數量方面，在中國均取得領先地位。集團的產品為中國唯一一家太陽能電池用單晶硅錠國家免檢產品，主導產品為直徑5.5英寸至8.7英寸硅錠。本集團的單晶硅產品的光電轉換率亦較行業水平為高，除了傳統的P型產品以外，集團更供應擁有22–23%的光電轉換效率的高效率N型產品。回顧年內N型硅錠對外付運量約62.48兆瓦，合計佔硅錠對外付運量約80.5%左右，N型產品客戶市場以日本為主。

#### 硅片業務

截至於二零一二年十二月三十一日，本集團於錦州生產基地備有121台切片機，硅片年產能達900兆瓦。除了供應下游電池及組件生產所需硅片外，本集團亦銷售硅片給第三方客戶。本集團於回顧年內自產及加工太陽能硅片對外付運量約為244.7兆瓦，對比二零一一年182.11兆瓦的對外付運量，總量增加34.4%，主要原因是由於本年度硅片加工業務比重增加，硅片對內銷售到下游業務減少。

#### 電池業務

於回顧年內，本集團於錦州生產基地備有年產能300兆瓦的太陽能電池生產線，太陽能電池對外付運量約91.15兆瓦，對比去年138.90兆瓦的對外付運量，總量減少35.1%，貢獻分部營業額約人民幣274.711百萬元(2011年：人民幣842.130百萬元)，佔集團營業額27.6%(2011年：32.7%)。集團生產的電池為集團模組業務提供穩定優質的原料，改善供應的整體經營效率。另外，產品除了提供集團下游組件生產之外，亦銷售給中國及日本客戶。

## Operations Review (Continued)

### Module Business

The Group has equipped with solar modules production line by holding a 51% interest in Jinzhou Jinmao Photovoltaic Technology Company Limited ("Jinzhou Jinmao"). The modules production base is currently located in Jinzhou with a production capacity of 150MW. During the year under review, the external shipment volume of solar modules of Jinzhou Jinmao was approximately 55.69MW, representing a decline of 38.9% in total volume compared with the external shipment volume of 91.09MW last year. The Group currently has obtained a stable order stream from its Chinese and Japanese customers. In addition to increasing the production capacity by enhancing the technology, the Group will also outsource the processing activity to meet the demands for modules from customers.

### System Installation Business

Since the Group is mainly engaged in the manufacturing of solar products, it is not the Group's long term strategy to hold the photovoltaic power plant. Therefore, currently, among the photovoltaic power plants that the Group holds, being photostatic power plants in Qinghai Golmud, Liaoning Jinzhou and Germany, certain power plants under the Germany power plant project have been disposed of. The Group is seeking the opportunity to dispose of major power plant projects to generate working capital for the Group and for the construction of new plants for the production of solar modules.

## Financial Review

### Turnover

For the year ended 31 December 2012, the turnover of the Group was RMB996.836 million, representing a decrease of 61.3% compared with the year ended 31 December 2011. During the year ended 31 December 2012, due to the slowdown of global solar market, the selling prices of solar products dropped which led to the decrease in turnover.

### Cost of sales

For the year ended 31 December 2012, cost of sales decreased by 44.5% to RMB1,288.220 million from RMB2,320.821 million for the year ended 31 December in 2011. Cost of sales represented 129.2% of total turnover, an increase of 39.1% compared to 2011. The increase in ratio was mainly due to the further inventory provision made during the year (2012: RMB154.590 million; 2011: RMB161.701 million).

## 營運回顧(續)

### 組件業務

本集團通過控股51%的錦州錦懋光伏科技有限公司(「錦州錦懋」)備有太陽能組件生產線，現時太陽能組件生產基地位於錦州，其產能為150兆瓦。回顧年內，太陽能組件對外付運量約55.69兆瓦，對比去年91.09兆瓦的對外付運量，總量減少38.9%。集團目前已取得來自中國及日本客戶的穩定訂單，集團因此除了透過現有技術提高生產效率以增加自有組件產能外，亦會採取委外加工方式以符合客戶採購組件的需求。

### 系統安裝業務

本集團主要生產太陽能產品，持有光伏電站項目非為長期策略。因此，目前本集團所持有之青海格爾木、遼寧錦州及德國各光伏電站項目，德國若干電站項目已經出售，且集團仍將伺機出售主要電站項目以為集團帶來營運資金藉以興建電站，以生產太陽能組件。

## 財務回顧

### 營業額

截至二零一二年十二月三十一日止年度，本集團的營業額為人民幣996.836百萬元，比截至二零一一年十二月三十一日止年度減少61.3%。於截至二零一二年十二月三十一日止年度，全球太陽能市場發展放緩，太陽能產品售價隨之下降導致營業額減少。

### 銷售成本

截至二零一二年十二月三十一日止年度，銷售成本由二零一一年同期的人民幣2,320.821百萬元減少至人民幣1,288.220百萬元，降幅為44.5%。銷售成本佔總營業額的129.2%，比截至二零一一年十二月三十一日止年度增加39.1%。年內比例上升主要是由於存貨撥備增加(二零一二年：人民幣154.590百萬元；二零一一年：人民幣161.701百萬元)。



## Management Discussion and Analysis 管理層討論及分析

### Financial Review (Continued)

#### Gross loss/profit and gross loss/profit margin

For the year ended 31 December 2012, the Group recorded a gross loss of RMB291.384 million and a gross loss margin of 29.2%, as compared to a gross profit of RMB253.848 million and a gross profit margin of 9.9% for the year ended 31 December 2011.

#### Selling and distribution expenses

Selling and distribution expenses mainly comprised packaging expenses, freight charges and marketing and promotional expenses. Selling and distribution expenses decreased by 40% to RMB19.303 million for the year ended 31 December 2012 from RMB32.169 million in 2011, representing 1.9% of the total turnover of the Group (2011: 1.2%).

#### Administrative expenses

Administrative expenses mainly comprised staff costs and research and development expenses. The administrative expenses for 2012 amounted to RMB252.539 million, decreased by 6.2% as compared to RMB269.315 million in 2011, representing 25.3% of the turnover of the Group.

#### Finance costs

The finance costs of the Group increased from RMB71.949 million for the year ended 31 December 2011 to RMB110.967 million for the year ended 31 December 2012. Finance costs represented mainly the interest on bank loans, bonds and the municipal government loan. The increase in finance costs was due to the bonds issued on 24 August 2011 and the additional bank borrowings for business operations.

#### Income tax

Income tax credit was RMB23.538 million for the year ended 31 December 2012, while an income tax credit amounting to RMB10.021 million was recorded for the year ended 31 December 2011. Income tax credit recorded for the year ended 31 December 2012 was due to the reversal of temporary differences.

#### (Loss)/profit attributable to the equity shareholders

For the year ended 31 December 2012, the Group recorded a loss attributable to the equity shareholders of RMB1,276.554 million, while a profit attributable to the equity shareholders of RMB54.291 million was recorded for the year ended 31 December 2011.

### 財務回顧(續)

#### 毛損／毛利及毛損／毛利率

截至二零一二年十二月三十一日止年度，本集團錄得人民幣291.384百萬元的毛損，毛損率為29.2%，而截至二零一一年十二月三十一日止年度則為毛利人民幣253.848百萬元及毛利率為9.9%。

#### 銷售及分銷開支

銷售及分銷開支主要包括包裝開支、運費及市場推廣及促銷。銷售及分銷開支由截至二零一一年的人人民幣32.169百萬元，降至截至二零一二年十二月三十一日止年度的人人民幣19.303百萬元，降幅40%，佔本集團總營業額的1.9%（二零一一年：1.2%）。

#### 行政開支

行政開支主要包括員工成本及研發開支。二零一二年的行政開支為人民幣252.539百萬元，較二零一一年人民幣269.315百萬元下降6.2%，佔本集團營業額25.3%。

#### 融資成本

本集團的融資成本由截至二零一一年十二月三十一日止年度的人人民幣71.949百萬元增至截至二零一二年十二月三十一日止年度的人人民幣110.967百萬元。融資成本主要為銀行貸款、債券及市政府貸款的利息。融資成本增加乃由於銀行貸款及於二零一一年八月二十四日發行的債券的增加以配合業務操作。

#### 所得稅

截至二零一二年十二月三十一日止年度的所得稅抵免為人民幣23.538百萬元，而截至二零一一年十二月三十一日止年度的所得稅抵免為人民幣10.021百萬元。截至二零一二年十二月三十一日止年度所錄得之所得稅抵免乃由於撥回暫時差額所致。

#### 權益股東應佔(虧損)／利潤

截至二零一二年十二月三十一日止年度錄得權益股東應佔虧損人民幣1,276.554百萬元，而截至二零一一年十二月三十一日止年度權益股東應佔利潤為人民幣54.291百萬元。

## Financial Review (Continued)

### Inventory turnover days

The inventories of the Group comprised mainly raw materials, namely polysilicon, crucibles and other auxiliary raw materials, and finished goods. During the year ended 31 December 2012, the inventory turnover days of the Group were 111 days (2011: 59 days), an increase of 52 days from the corresponding period in 2011. The optimal inventory levels of the Group should be sufficient for approximately three months' consumption in the case of polysilicon and one month consumption for other auxiliary raw materials.

### Trade receivable turnover days

For the year ended 31 December 2012, the trade receivable turnover days of the Group increased to 84 days (2011: 25 days). The increase in trade receivable turnover days was due to the extension of credit terms to customers during the year. Generally, the Group allows a credit period of 30 to 90 days for its customers.

### Trade payable turnover days

Due to the lengthened cash collection cycle, the Group decided to extend payments to suppliers during the year under review. Accordingly, trade payable turnover days during the year ended 31 December 2012 increased to 72 days (2011: 22 days).

### Liquidity and financial resources

The principal sources of working capital of the Group during the year under review were cash flows from bank borrowings. As at 31 December 2012, the current ratio (current assets divided by current liabilities) of the Group was 0.79 (31 December 2011: 1.22). The Group had net borrowings of RMB1,476.838 million as at 31 December 2012 (31 December 2011: RMB1,115.634 million), including cash at banks and on hand of RMB153.793 million (31 December 2011: RMB583.743 million), pledged bank deposits of RMB174.234 million (31 December 2011: RMB151.682 million), bank loans due within one year of RMB1,018.985 million (31 December 2011: RMB705.077 million), non-current bank loans of RMB484.5 million (31 December 2011: RMB845.035 million), non-current corporate bonds of RMB298.600 million (31 December 2011: RMB298.000 million) and non-current municipal loan of RMB2.78 million (31 December 2011: RMB2.947 million). The net debt to equity ratio (net debt divided by total equity) was 140.5% (31 December 2011: 49.1%). By excluding the effect of the reclassification of the non-current bank loans of RMB133.441 million from non-current liabilities to current liabilities which the waiver has been granted by the majority of the lenders subsequent to the end of reporting period, the Group's current ratio as at 31 December 2012 would be 0.85, bank loans due within 1 year would be RMB885.544 million and the non-current bank loans would be RMB617.941 million.

## 財務回顧(續)

### 存貨週轉日

本集團的存貨主要包括原材料(即多晶硅、坩堝及其他輔料)及製成品。於截至二零一二年十二月三十一日止年度,本集團存貨週轉期為111日(二零一一年:59日),與二零一一年同期相比增加52日。本集團存貨的最佳水平應為多晶硅足夠使用約三個月及其他輔料足夠使用一個月。

### 應收貿易賬款週轉日

於截至二零一二年十二月三十一日止年度,集團應收貿易賬款週轉日增加至84日(二零一一年同期:25日)。貿易應收賬款週轉日增加乃由於本年度向客戶作出之信貸期延長所致。本集團一般授予其客戶30至90日的信貸期。

### 應付貿易賬款週轉日

由於現金回收週期的延長,本集團決定於回顧年內延長向供應商作出支付,故截至二零一二年十二月三十一日止年度的應付貿易賬款週轉日增加至72日(二零一一年:22日)。

### 流動資金及財務資源

本集團於回顧年內主要營運資金來源為銀行借貸所得款項。於二零一二年十二月三十一日,本集團的流動比率(流動資產除流動負債)為0.79(二零一一年十二月三十一日:1.22)。本集團於二零一二年十二月三十一日有借貸淨額人民幣1,476.838百萬元(二零一一年十二月三十一日:人民幣1,115.634百萬元),其中包括銀行及手頭現金人民幣153.793百萬元(二零一一年十二月三十一日:人民幣583.743百萬元)、已抵押銀行存款人民幣174.234百萬元(二零一一年十二月三十一日:人民幣151.682百萬元)、一年內到期銀行貸款人民幣1,018.985百萬元(二零一一年十二月三十一日:人民幣705.077百萬元)、非流動銀行貸款人民幣484.5百萬元(二零一一年十二月三十一日:人民幣845.035百萬元)、非流動公司債券人民幣298.600百萬元(二零一一年十二月三十一日:人民幣298.000百萬元)及市政府長期貸款人民幣2.78百萬元(二零一一年十二月三十一日:人民幣2.947百萬元)。淨借貸權益比率(借貸淨額除權益總額)為140.5%(二零一一年十二月三十一日:49.1%)。由於於報告期後已獲大部份放款人授出豁免非流動銀行貸款人民幣133.441百萬元由非流動負債重新分類至流動負債的影響,本集團於二零一二年十二月三十一日的流動比率將為0.85,一年內到期銀行貸款人民幣885.544百萬元及非流動銀行貸款人民幣617.941百萬元。

## Management Discussion and Analysis 管理層討論及分析

### Financial Review (Continued)

#### Contingent liabilities

As at 31 December 2012, the Group had no material contingent liabilities.

#### Foreign currency risk

The Group is exposed to foreign currency risk primarily through sales and purchases and cash and bank deposits that are denominated in a currency other than the functional currency, Renminbi, of the operations to which they relate. The currencies giving rise to this risk are primarily the US Dollar, Euro and Hong Kong Dollar. The Directors do not expect any significant impact from the change in exchange rates since the Group uses foreign currencies received from customers to settle the amounts due to suppliers. In addition, the Directors ensure that the net exposure is kept at an acceptable level by purchasing or selling the US Dollar and Euro at spot rates where necessary to address short-term imbalances.

#### Human resources

As at 31 December 2012, the Group had 3,635 (31 December 2011: 3,655) employees.

### 財務回顧(續)

#### 或然負債

於二零一二年十二月三十一日，本集團並無重大的或然負債。

#### 外幣風險

本集團所承受的外匯風險主要來自以相關業務的功能貨幣人民幣以外貨幣進行的買賣交易以及現金及銀行存款，當中主要來自美元、歐元及港元。由於本集團以從客戶收取的外幣清償應付予供應商款額，故董事預期匯率變動不會構成任何重大影響。此外，董事在有需要的情况下，按即期匯率購入或出售美元及歐元，以處理短期的失衡情況，藉以確保淨風險維持於可接受的水平。

#### 人力資源

於二零一二年十二月三十一日，本集團的僱員數目為3,635名(二零一一年十二月三十一日：3,655名)。

# Corporate Governance Report

## 企業管治報告

### Overview

The Board strived to uphold good corporate governance and adopted sound corporate governance practices. This report outlines the principles and the code provisions set out in the Code on Corporate Governance Practices (the “Code”), which was revised and took effect on 1 April 2012, as well as those of the former code, as contained in Appendix 14 of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) which have been adopted by the Group.

The Company has established the audit committee (the “Audit Committee”) in compliance with the Code to oversee the financial reporting procedures and internal controls of the Group so as to ensure compliance with the Listing Rules. The Company has also established a nomination committee (the “Nomination Committee”) and a remuneration committee (the “Remuneration Committee”) (collectively, the “Board Committees”) with defined terms of reference. The terms of reference of the Board Committees have been posted on the websites of Stock Exchange and the Company since March 2012.

The Group has implemented a compliance manual which covers areas such as ongoing compliance obligations of the Company and the Directors, business operations of the Group, financial management systems, human resources management systems, internal control systems, quality assurance and property management systems. In the opinion of the Board, all the code provisions set out in the Code were met by the Company throughout the financial year ended 31 December 2012.

### Compliance with the Model Code for Directors’ Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the standard for securities transactions entered into by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards as set out in the Model Code and its code of conduct regarding Directors’ securities transactions throughout the financial year ended 31 December 2012.

### 概覽

董事會致力維持良好的企業管治，採納理想的企業管治常規。本報告簡述已獲本集團採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四載列之企業管治常規守則（「守則」），經修訂及於二零一二年四月一日生效所載之原則及守則條文以及先前守則所載列者。

本公司已根據守則的規定成立審核委員會（「審核委員會」）監督本集團財務報告程序及內部監控，確保遵守上市規則。本公司亦已成立提名委員會（「提名委員會」）及薪酬委員會（「薪酬委員會」）（統稱「董事委員會」），均具有界定的職權範圍。董事委員會的職權範圍已自二零一二年三月起刊登於聯交所及本公司網站。

本集團亦制定遵例手冊，範圍涵蓋本公司及董事的持續遵例責任、本集團的業務營運、財務管理制度、人力資源管理制度、內部監控制度、質量保證及物業管理制度等方面。董事會認為，本公司於截至二零一二年十二月三十一日止財政年度內一直遵守守則載列的全部守則條文。

### 遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十載列的上市發行人董事進行證券交易的標準守則（「標準守則」），作為董事進行證券交易的準則。本公司已特別向全體董事查詢，全體董事確認，於截至二零一二年十二月三十一日止財政年度內，彼等均已符合標準守則及其有關董事進行證券交易操守守則規定的準則。

## Corporate Governance Report 企業管治報告

### The Board of Directors

The Board takes the responsibility to oversee all major matters of the Company, including the formulation and approval of overall business strategies, internal control and risk management systems, and monitoring the performance of the senior management. The Directors have the responsibility to act objectively in the interests of the Company. The Directors also assume the following responsibilities for corporate governance as set out in code provision D3.1 of the Code:

- (a) to develop and review an issuer's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the issuer's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- (e) to review the issuer's compliance with the code and disclosure in the Corporate Governance Report.

Currently, the Board comprises nine Directors, including four executive Directors: Mr. TAN Wenhua (Chairman), Mr. HSU You Yuan (Chief Executive Officer), Ms. ZHANG Liming and Mr. Tan Xin, one non-executive Director: Mr. CHIAO Ping Hai and four independent non-executive Directors: Mr. WONG Wing Kuen, Albert, Ms. FU Shuangye, Dr. LIN Wen and Mr. ZHANG Chun. The names and biographical details of the Directors are set out on pages 30 to 34 of the annual report. The Board has a strong independent element in its composition with over half of the board members being non-executive Directors to ensure that all decisions of the Board are made in the best interest of the Group's long-term development.

The Board has delegated various responsibilities to the Board Committees. Further details of these committees are set out below on pages 24 to 26.

### 董事會

董事會負責監督本公司所有重要事宜，包括制定及批准整體業務策略、內部監控及風險管理制度、監察高級管理層表現。董事有責任以本公司利益按客觀標準行事。董事亦承擔載於守則之守則條文第D3.1條有關企業管治之以下責任：

- (a) 發展及檢討有關企業管治之發行人政策及常規並向董事會提供意見；
- (b) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (c) 檢討及監察有關遵守法律及法規規定之發行人政策及常規；
- (d) 發展、檢討及監察適用於僱員及董事之操守及遵守手冊之守則(如有)；及
- (e) 檢討發行人是否遵守企業管治報告之守則及披露。

董事會現時由九名董事組成，包括四名執行董事(即譚文華先生(主席)、許祐淵先生(行政總裁)、張麗明女士及譚鑫先生)、一名非執行董事(即焦平海先生)及四名獨立非執行董事(即王永權先生、符霜葉女士、林文博士及張椿先生)。本年報內第30頁至第34頁載有董事的姓名及履歷詳情。董事會的組成員高度獨立成份，過半數董事會成員為非執行董事，確保董事會以本集團長遠發展的最佳利益，作出所有決策。

董事會已委派董事委員會履行各種職責。有關該等委員會的進一步詳情，載於下文第24頁至第26頁。

## Board Meetings

The Company holds Board meetings regularly, at least four times a year at approximately quarterly intervals. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of Board meeting will be sent to all Directors at least 14 days prior to a regular Board meeting. Reasonable notices will be given to the Directors for ad-hoc Board meetings. Directors may participate either in person or through electronic means of communications. The Company will provide relevant materials to all the Directors relating to the matters brought before the meetings. All the Directors will be provided with sufficient resources to discharge their duties, and, upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings.

During the year ended 31 December 2012, 7 Board meetings and 2 Shareholders meeting were held and the attendance of individual Directors at these meetings is set out below:

Name of Directors	Attendance/Number of Meetings		Director's Name	Attendance/Number of Meetings	
	Board meetings	Shareholders meetings		Board Meeting	Shareholders Meeting
<b>Executive Directors</b>			<b>Executive Directors</b>		
Mr. TAN Wenhua ( <i>Chairman</i> )	7/7	2/2	譚文華先生(主席)	7/7	2/2
Mr. HSU You Yuan ( <i>Chief Executive Officer</i> )	7/7	2/2	許祐淵先生(行政總裁)	7/7	2/2
Ms. ZHANG Liming	1/7	0/2	張麗明女士	1/7	0/2
Mr. TAN Xin	5/7	0/2	譚鑫先生	5/7	0/2
<b>Non-executive Director</b>			<b>Non-executive Director</b>		
Mr. CHIAO Ping Hai	4/7	0/2	焦平海先生	4/7	0/2
<b>Independent non-executive Directors</b>			<b>Independent non-executive Directors</b>		
Mr. WONG Wing Kuen, Albert	6/7	0/2	王永權先生	6/7	0/2
Ms. FU Shuangye	6/7	0/2	符霜葉女士	6/7	0/2
Dr. LIN Wen	5/7	0/2	林文博士	5/7	0/2
Mr. ZHANG Chun	5/7	0/2	張椿先生	5/7	0/2

## 董事會會議

本公司的董事會會議每年定期最少舉行四次，大約每季舉行一次，在有需要時亦會召開臨時會議，商討整體策略以及本集團的營運及財務表現。全體董事將於舉行定期董事會會議前最少14天獲發董事會會議通告，而臨時董事會會議通告亦會於事前合理時間內送交予董事。董事可選擇親身或以電子通訊方式出席會議。本公司將於會議前向所有董事提供有關會議上討論事項的資料。所有董事將獲得充份資源以履行其職責，並可提出合理要求，按合適情況徵求獨立專業意見，費用由本公司承擔。所有董事均可將其關注的事宜加入董事會會議議程。

截至二零一二年十二月三十一日止年度內，董事會曾舉行7次董事會會議及2次股東大會，而個別董事出席有關會議的情況載列如下：

## Independent non-executive Directors

All independent non-executive Directors possess a wealth of professional and industry expertise and management experience and have provided their professional advices to the Board. They have played a significant role in the Board by virtue of their independent judgment and their views carry significant weight in the Board's decision. In particular, they bring impartial views to the Board on issues of the Company's strategy, performance and control. The Board also considers that independent non-executive Directors provide independent advice on the Company's business strategy, results and management so that all interests of shareholders are taken into consideration, and the interests of the Company and its shareholders are taken into account in all business decisions. The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent in accordance with the Listing Rules.

## Appointments, Re-election and Removal of Directors

Mr. HSU You Yuan has been appointed as an executive Director for a specific term of three years commencing from 10 June 2010, and each of Mr. TAN Wenhua and Ms. ZHANG Liming has been appointed as an executive Director for a specific term of three years commencing from 30 June 2011. Mr. Tan Xin has been appointed as an executive director for a specific term of three years commencing from 28 June 2012. Such terms are subject to re-appointment by the Company at an annual general meeting upon retirement.

Mr. CHIAO Ping Hai has been appointed as a non-executive director for a specific term of three years commencing from 30 June 2011; Mr. ZHANG Chun has been appointed as an independent non-executive Director for a specific term of three years commencing from 10 June 2010, and each of Mr. WONG Wing Kuen, Albert, Ms. FU Shuangye and Dr. LIN Wen has been appointed as an independent non-executive Director for a specific term of three years commencing from 28 June 2012. Such terms are subject to retirement by rotation and re-election in accordance with the articles of association of the Company.

In accordance with the provisions of the Company's articles of association, Mr. HSU You Yuan, Ms. ZHANG Liming, and Mr. ZHANG Chun will retire by rotation at the forthcoming annual general meeting. Mr. HSU You Yuan and Mr. ZHANG Chun, being eligible, will offer themselves for re-election at the forthcoming annual general meeting. Ms. ZHANG Liming will not offer herself for re-election and will resign as an executive Director with effect from the close of the forthcoming annual general meeting. The Board confirms that Ms. Zhang Liming does not have any disagreements with the Board and there is nothing to be brought to the attention of the Shareholders in relation to her resignation.

## 獨立非執行董事

所有獨立非執行董事均具備豐富的業界專業知識及管理經驗，能為董事會提供專業意見。彼等能提供獨立判斷，董事會作出決定時多會考慮彼等的意見，故在董事會中擔當重要的角色。尤其在本公司策略、業績及監控方面，他們可向董事會提出無偏私的觀點。董事會亦認為，獨立非執行董事能就本公司的業務策略、業績及管理提供獨立意見，因此，股東的所有利益已獲考慮，而所有商業決定亦已顧及本公司及其股東的利益。本公司已自各獨立非執行董事收獲根據上市規則第3.13條作出之獨立性年度之確認。本公司認為，所有獨立非執行董事根據上市規則均為獨立人士。

## 委任、重選及罷免董事

許祐淵先生獲委任為執行董事，自二零一零年六月十日起，特定年期為三年，而譚文華先生及張麗明女士各自獲委任為執行董事，自二零一一年六月三十日起，為期三年。譚鑫先生獲委任為執行董事，自二零一二年六月二十八日起，特定年期為三年。董事須於股東週年大會上退任後由本公司再度委任。

焦平海先生獲委任為非執行董事，自二零一一年六月三十日起，特定年期為三年；張椿先生獲委任為獨立非執行董事，自二零一零年六月十日起，特定年期為三年，而王永權先生、符霜葉女士及林文博士各自獲委任為獨立非執行董事，自二零一二年六月二十八日起，特定年期為三年。有關任期須根據本公司的組織章程細則輪值告退並接受重選。

根據本公司組織章程細則的條文，許祐淵先生、張麗明女士及張椿先生將於應屆股東週年大會輪值退任。許祐淵先生及張椿先生均合資格並意將於應屆股東週年大會重選連任。張麗明女士將不會於大會重選連任，並將於應屆股東週年大會結束後退任執行董事。董事會確認，張麗明女士與董事會並無任何意見不合，亦概無與有關彼辭任之事宜須敦請股東注意。

## Training and Professional Development

All Directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Directors have been given relevant guideline materials to ensure that they are apprised of the latest changes in the commercial, legal and regulatory requirements in relation to the Company's businesses, and to refresh their knowledge and skills on the roles, functions and duties of a listed company director.

All Directors had provided a record of training they received during the year to the Company. According to the training records provided by the Directors, the trainings attended by them during the reporting period is summarised as follows:

Directors	Trainings on corporate governance and regulatory development	董事	企業管治及監管發展之培訓
<b>Executive Directors</b>			
Mr. TAN Wenhua ( <i>Chairman</i> )	✓	執行董事 譚文華先生(主席)	✓
Mr. HSU You Yuan ( <i>Chief Executive Officer</i> )	✓	許祐淵先生(行政總裁)	✓
Mr. ZHANG Liming	✓	張麗明女士	✓
Mr. TAN Xin	✓	譚鑫先生	✓
<b>Non-executive Directors</b>			
Mr. CHIAO Ping Hai	✓	非執行董事 焦平海先生	✓
<b>Independent Non-executive Directors</b>			
Mr. WONG Wing Kuen, Albert	✓	獨立非執行董事 王永權先生	✓
Ms. FU Shuangye	✓	符霜葉女士	✓
Dr. LIN Wen	✓	林文博士	✓
Mr. ZHANG Chun	✓	張椿先生	✓

## 培訓及專業發展

所有董事均需參與持續專業發展，以發展及更新彼等之知識及技能。董事已獲發有關指引資料，確保彼等知悉與本公司業務相關之最新商業、法律和監管要求變動，並增進彼等對上市公司董事之職位、職能和職責之知識和技能。

全體董事已向本公司提供年內彼等已接受之培訓記錄。根據董事提供之培訓記錄，彼等於報告期間參加之培訓概述如下：



## Corporate Governance Report 企業管治報告

### Chairman and Chief Executive Officer

Under code provision A.2.1 of the Code, the roles of the Chairman and the Chief Executive Officer (“CEO”) should be separated and should not be performed by the same individual. The role of the Chairman was performed by Mr. TAN Wenhua. Mr. TAN Wenhua is an executive Director who is responsible for the management of the Board and he also involves in the day-to-day management of the Group’s business.

The role of CEO is performed by Mr. HSU You Yuan. The overall management of the Company was performed by the CEO, executive Directors and senior management of the Company. The executive Directors (Mr. HSU You Yuan, Mr. TAN Wenhua, Ms. ZHANG Liming and Mr. TAN Xin) who have extensive experience in the solar energy industry and their respective areas of profession, spearhead the Group’s overall development and business strategies.

### Board Committees

#### Audit Committee

The Company established the Audit Committee pursuant to a resolution of the Directors passed on 27 February 2008 pursuant to Rules 3.21 to 3.23 and Appendix 14 of the Listing Rules. The primary duties of the Audit Committee include overseeing the financial reporting processes and internal control procedures of the Group, reviewing the financial information of the Group and considering issues relating to the external auditor. Currently, the Audit Committee consists of four independent non-executive Directors, namely, Mr. WONG Wing Kuen, Albert (Chairman), Ms. FU Shuangye, Dr. LIN Wen and Mr. ZHANG Chun.

In 2012, the Audit Committee met 2 times and the attendance of individual Directors at these meetings is set out below:

Name of Directors	Attendance/ Number of meetings	董事姓名	出席率/ 會議次數
<b>Independent non-executive Directors</b>			
Mr. WONG Wing Kuen, Albert (Chairman)	2/2	王永權先生(主席)	2/2
Ms. FU Shuangye	2/2	符霜葉女士	2/2
Dr. LIN Wen	2/2	林文博士	2/2
Mr. ZHANG Chun	2/2	張椿先生	2/2

### 主席及行政總裁

根據守則條文第A.2.1條，主席及行政總裁(「行政總裁」)的角色應分立，不應由同一人擔任。譚文華先生履行主席一職。譚文華先生為執行董事，負責管理董事會及參與本集團業務之日常管理事宜。

行政總裁之角色由許祐淵先生擔任。行政總裁、本公司執行董事及高級管理層管理本公司整體運作。執行董事許祐淵先生、譚文華先生、張麗明女士及譚鑫先生，於太陽能產業及各自專業領域中擁有豐富的經驗，為本集團整體發展及業務策略擔當領導角色。

### 董事委員會

#### 審核委員會

根據上市規則第3.21至3.23條及附錄十四的規定，本公司已根據董事於二零零八年二月二十七日通過的決議案成立審核委員會。審核委員會的主要職責包括監督本集團的財務報告程序及內部監控程序、審閱本集團財務資料，以及考慮有關外聘核數師的事宜。審核委員會現時由四名為獨立非執行董事組成，即王永權先生、符霜葉女士、林文博士及張椿先生。

於二零一二年，審核委員會曾舉行2次會議，而個別董事出席有關會議的情況載列如下：

## Board Committees (continued)

### Audit Committee (Continued)

The Audit Committee has reviewed the Group's interim financial report for the six months ended 30 June 2012 and annual consolidated financial statements for the year ended 31 December 2012, including the accounting principles and practices adopted by the Group, and has also discussed auditing, internal control and financial reporting matters with the management. The Audit Committee also monitored the Company's progress in implementing the Code as required under the Listing Rule.

### Remuneration Committee

The Company established the Remuneration Committee pursuant to a resolution of the Directors passed on 27 February 2008 pursuant to Rule 3.25 to 3.27 Appendix 14 of the Listing Rules. The primary duties of the Remuneration Committee include making recommendations to the Board on the Company's structure for remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. Currently, the Remuneration Committee consists of five members; four of whom are independent non-executive Directors, namely, Ms. FU Shuangye (Chairman), Mr. WONG Wing Kuen, Albert, Dr. LIN Wen and Mr. ZHANG Chun, and one is an executive Director, namely, Mr. TAN Wenhua.

In 2012, the Remuneration Committee met once and the attendance of individual Directors at the meeting is set out below:

Name of Directors	Attendance/ Number of meetings	董事姓名	出席率/ 會議次數
<b>Independent non-executive Directors</b>		<b>獨立非執行董事</b>	
Ms. FU Shuangye (Chairman)	1/1	符霜葉女士(主席)	1/1
Mr. WONG Wing Kuen, Albert	1/1	王永權先生	1/1
Dr. LIN Wen	1/1	林文博士	1/1
Mr. ZHANG Chun	1/1	張椿先生	1/1
<b>Executive Director</b>		<b>執行董事</b>	
Mr. TAN Wenhua	1/1	譚文華先生	1/1

The Remuneration Committee has made recommendations to the Board regarding the remuneration policy of the Company. In addition, it has also reviewed and approved management's remuneration proposal by reference to corporate goals and objectives resolved by the Board, and ensured that no Director or any of his/her associates is involved in deciding his/her own remuneration.

## 董事委員會(續)

### 審核委員會(續)

審核委員會已審閱本集團截至二零一二年六月三十日止六個月之中期財務報表及截至二零一二年十二月三十一日止年度之年度綜合財務報表，包括本集團採納的會計準則及慣例，亦已與管理層商討核數、內部監控及財務申報事宜。審核委員會亦監控本公司根據上市規則要求執行守則之進程。

### 薪酬委員會

根據上市規則附錄十四第3.25至3.27條的規定，本公司已根據董事於二零零八年二月二十七日通過的決議案成立薪酬委員會。薪酬委員會的主要職責包括就本公司董事及高級管理人員的薪酬結構以及就發展該等薪酬政策設立正式及具透明度程序，向董事會作出推薦意見。目前，薪酬委員會由五名成員組成，當中四名為獨立非執行董事，即符霜葉女士(主席)、王永權先生、林文博士及張椿先生以及一名執行董事譚文華先生。

於二零一二年，薪酬委員會曾舉行1次會議，而個別董事出席有關會議的情況載列如下：

薪酬委員會已就本公司薪酬政策向董事會提供建議。此外，該委員會亦已參考董事會決定之公司目標及宗旨，檢討及批准管理層薪酬建議，並確保概無董事或彼之任何聯繫人士參與彼本身薪酬之決策。

## Corporate Governance Report 企業管治報告

### Board Committees (continued)

#### Nomination Committee

The Company established a Nomination Committee pursuant to a resolution of the Directors passed on 27 February 2008 pursuant to Appendix 14 of the Listing Rules. The primary duties of the Nomination Committee include making recommendations to the Board on the Company's policy and structure for recruiting Directors and senior management and on the establishment of formal and transparent procedures for nomination procedures and process and criteria adopted by the Nomination Committee to select and recommend candidates for directorship and senior management. Currently, the Nomination Committee consists of five members; four of whom are independent non-executive Directors, namely, Dr. LIN Wen (Chairman), Mr. WONG Wing Kuen, Albert, Ms. FU Shuangye and Mr. ZHANG Chun, and one is an executive Director, namely, Mr. HSU You Yuan.

In 2012, the Nomination Committee met once and the attendance of individual Directors at the meeting is set out below:

Name of Directors	Attendance	董事姓名	出席率
<b>Independent non-executive Directors</b>			
Dr. LIN Wen (Chairman)	1/1	林文博士(主席)	1/1
Mr. WONG Wing Kuen, Albert	1/1	王永權先生	1/1
Ms. FU Shuangye	1/1	符霜葉女士	1/1
Mr. ZHANG Chun	1/1	張椿先生	1/1
<b>Executive Director</b>			
Mr. HSU You Yuan	1/1	許祐淵先生	1/1

The Nomination Committee has discussed matters relating to the appointment of senior management members during the year. The Nomination Committee also considered and resolved that all the existing Directors shall be recommended to be retained by the Company.

### 董事委員會(續)

#### 提名委員會

根據上市規則附錄十四的規定，本公司已根據董事於二零零八年二月二十七日通過的決議案成立提名委員會。提名委員會的主要職責包括就本公司董事及高級管理人員的聘用政策及架構以及就提名委員會就甄選推薦董事及高級管理人員候選人採納的提名程序及條件設立正式及具透明度的程序，向董事會作出推薦意見。現時，提名委員會由五名成員組成，當中四名為獨立非執行董事，即林文博士(主席)、王永權先生、符霜葉女士及張椿先生以及一名執行董事許祐淵先生。

於二零一二年，提名委員會曾舉行一次會議，而個別董事出席有關會議的情況載列如下：

提名委員會年內已討論有關委任高級管理層成員的事宜。提名委員會亦審閱及決議所有現任董事須由本公司推薦留任。

## Financial Reporting and Internal Control

### Financial Reporting

The Board, supported by the Chief Financial Officer and the Finance Department of the Company, is responsible for the preparation of the financial statements of the Company and the Group. In the preparation of financial statements, Hong Kong Financial Reporting Standards have been adopted and the appropriate accounting policies have been consistently used and applied. The Board aims to present a clear and balanced assessment of the Group's performance in the annual and interim reports to the shareholders, and make appropriate disclosure and announcements in a timely manner.

### Auditors' Remuneration

The performance and remuneration of the external auditors of the Company KPMG, have been reviewed by the Audit Committee. During the year ended 31 December 2012, the fees paid and payable to KPMG and other external auditors in respect of audit services amounted to approximately RMB2,075,000 (2011: RMB1,861,000). In addition, approximately RMB2,285,000 (2011: RMB767,000) was charged for other non-audit services.

### Internal control

The Board is responsible for the internal control of the Group and for reviewing its effectiveness. The Company conducted regular review to monitor the Company's internal management and operation during the year. Procedures have been designed to ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, ensure compliance of applicable laws, rules and regulations.

In order to fulfil their fiduciary duties and duties of skill, care and diligence, the Directors will constantly seek advice and assistance from the Company's internal legal team and if necessary, seek advice from external legal advisors in Hong Kong and the PRC. The Company also adopted internal control procedures relating to, among others, signing authority and procedures since February 2007. The Company has an Audit and Legal Department consisting 3 members with extensive experience in the legal field. The main duties of the Audit and Legal department include:

- providing legal advice on major business decisions
- reviewing and drafting legal documents
- handling legal disputes
- advising on legal issues related to daily operations
- conducting internal training for compliance matters

## 財務報告及內部監控

### 財務報告

董事會在本公司首席財務官及財務部門的支援下，負責編製本公司及本集團的財務報表。本公司在編製財務報表時，已採納香港財務報告準則，並貫徹使用及應用適當的會計政策。董事會旨在於致股東年報及中期報告中，對本集團業績作出清晰平衡的評估，並適時作出披露及公佈。

### 核數師酬金

本公司的外聘核數師畢馬威會計師事務所（「畢馬威」）之表現及酬金已由審核委員會審閱。截至二零一二年十二月三十一日止年度，就審核服務已付及應付畢馬威及其他外聘核數師費用約人民幣2,075,000元（二零一一年：人民幣1,861,000元）。此外，約人民幣2,285,000元（二零一一年：人民幣767,000元）已計入其他非核數服務。

### 內部監控

董事會負責本集團的內部監控，並檢討監控的成效。本年度內，本公司對其內部管理及營運，進行定期檢討及監察。本公司已設計程序，確保保存適當的會計記錄，以便提供可靠的財務資料，以供內部使用或刊印發行，亦確保符合相關法律、規則及規例。

為履行其誠信責任及應有技能、謹慎和勤勉行事的責任，董事將不斷向本公司內部法律團隊徵求意見及協助，倘若有需要，則向香港及中國的外聘法律顧問徵求意見。此外，本公司亦自二零零七年二月起採納有關其中包括簽署授權及程序的內部監控程序。本公司設有審核及法律部門，由三名成員組成，在法律領域具備豐富經驗。審核及法律部門的主要職務包括：

- 就達成重大業務決策提供法律意見
- 審閱及草擬法律文件
- 處理法律爭議
- 就與日常營運有關的法律問題提供意見
- 就合規事宜提供內部培訓

## Corporate Governance Report 企業管治報告

### Financial Reporting and Internal Control (continued)

Directors' responsibility on the financial statements

The Directors acknowledged their responsibility for preparing the financial statements for the year ended 31 December 2012, which were prepared in accordance with applicable accounting standards.

The reporting responsibility of the external auditor of the Company KPMG on the consolidated financial statements of the Group are set out in the independent auditor's report on pages 65 to 66.

#### Going concern

Other than the events stated in note 1(b) to the Financial Statements on pages 75 to 78, there are no material uncertainties relating to events or conditions that cast significant doubt upon the Group's ability to continue as a going concern.

#### Investors Relations

The Company places strong emphasis on its communications with investors, and considers that maintaining on-going and open communications with investors can promote investors' understanding of and confidence in the Company. The Company disclosed all necessary information to the Shareholders in compliance with the Listing Rules and met with media, securities analysts, fund managers and investors on a regular basis to respond to their enquiries so as to provide them with a clearer picture of the Company's achievements in business management and other aspects.

The general meeting of the Company is also an effective communication channel between the Board and Shareholders. The Company will meet with the Shareholders and respond to their enquiries in the general meetings. The Chairman attended the annual general meeting of the Company held on 28 June 2012.

### 財務報告及內部監控(續)

董事對財務報表的責任

董事知悉，彼等須按照適用的會計準則，編製截至二零一二年十二月三十一日止年度的財務報表。

本公司外聘核數師畢馬威會計師事務所對本集團綜合財務報表的報告責任，載於第65頁至第66頁的獨立核數師報告。

#### 持續經營能力

除財務報表附註第75至78頁附註1(b)載列之事項外，概無任何有關可對本集團持續經營能力構成重大疑慮的事件或情況的重大不明朗因素。

#### 投資者關係

本公司十分重視與投資者之溝通，並認為與投資者維繫持續和開放之溝通可有助投資者對本公司之理解及加強其對本公司之信心。本公司遵照上市規則之規定向股東披露所有必需資料，並與傳媒、證券分析員、基金經理及投資者定期會面回答其查詢，藉以向彼等提供有關本公司於業務、管理及其他方面成就之更清晰資料。

本公司之股東大會亦為董事會與股東之間有效之溝通渠道。於股東大會上，本公司將與股東會面並回應其提出之查詢。主席曾出席二零一二年六月二十八日舉行之股東週年大會。

## Shareholders' Rights

Convening an extraordinary general meeting of the Company ("EGM")

Pursuant to article 58 of the articles of association of the Company, Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within 2 months after the deposit of such requisition.

There are no provisions allowing Shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law (2011 Revision) or the articles of association of the Company. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

### Enquiries from Shareholders

Shareholders may send written enquiries, either by post or by facsimile, together with his/her contact details, such as postal address, email or fax, addressing to the head office of the Company at the following address or facsimile number:

Solargiga Energy Holdings Limited  
Room 1402, Harbour Centre  
25 Harbour Road  
Wanchai  
Hong Kong  
Attention to: Company Secretary

Fax: 852 3416 2111

## Changes to Constitutional Documents

During the year ended 31 December 2012, there was no significant change in the Company's constitutional documents, and these documents are published on the websites of the Company and the Stock Exchange.

## 股東權利

召開本公司股東特別大會(「股東特別大會」)

根據本公司組織章程細則第58條，任何於遞交請求日期持有不少於本公司實繳股本(附有於本公司股東大會表決權利)十分之一之股東，於任何時候有權透過董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中訂明之任何事項；且該大會應於遞交該要求兩個月內舉行。

於開曼群島公司法(二零一一年修訂版)或本公司組織章程細則中，概無條文容許股東於股東大會上動議新決議案。有意動議決議案的股東可依循上一段所述的程序要求本公司召開股東大會。

### 股東查詢

股東可將書面查詢(不論郵寄或傳真)連同其詳細聯絡資料(如郵寄地址、傳真或電郵)按以下地址或傳真號碼送交本公司總辦事處：

陽光能源控股有限公司  
香港  
灣仔  
港灣道25號  
海港中心1402室  
經辦人：公司秘書

傳真號碼：852 3416 2111

## 憲章文件變動

於截至二零一二年十二月三十一日止年度內，本公司之憲章文件並無任何變動。該等憲章文件刊載於本公司及聯交所網站。

# Directors and Senior Management Profile

## 董事和高級管理人員簡歷

### Directors

#### Executive Directors

Mr. TAN Wenhua (譚文華), aged 56, Chairman of the Board. He was one of the founders of the Jinzhou Plants. He was conferred various honours including the Model for the Labour of the Building Materials Systems of the Nation, the medal of “May 1st” Labour of Liaoning Province, the Builders Merit award of Liaoning Province, the Outstanding Member of the China Communist Party, the Outstanding Entrepreneur of the Building Materials Industry of the Nation, the Venture Entrepreneur of the Liaoning Province and First Prize Entrepreneur of Jinzhou. He is also a guest professor of Liaoning University of Technology and Vice President of Bohai University. Prior to the founding of Jinzhou Plants, he was the Chairman of 錦州新華石英玻璃(集團)有限責任公司 (Jinzhou Xinhua Quartz Glass (Group) Co., Ltd.\*) and the Director of 錦州一五五廠 (Jinzhou 155 Factory\*), a state-owned factory engaging in quartz crucibles manufacturing. He has been granted a special subsidy by the State Council in 2004 for his contribution in engineering technology. He was elected as a delegate of the 11th National People’s Congress of the People’s Republic of China in 2008. He is the father of Mr. Tan Xin, the Executive Director of the Company and General Manager of the Jinzhou Plants. He is also the brother-in-law of Ms. Zhao Xiuzhen who is the Director of Corporate Management of the Jinzhou Plants.

Mr. HSU You Yuan (許祐淵先生), aged 58, the Chief Executive Officer of the Company. He joined the Group on 6 February 2007 and was appointed an executive Director on the same date. He graduated with a master degree in Business Administration from the Chinese Culture University in 1980. Prior to joining the Group, Mr. HSU was the Managing Director of Wafer Works Corp. (“WWX”) from February 1998 to June 2003 and later became the Vice-Chairman of the board of WWX in June 2003. WWX is a manufacturer of silicon wafer for the semiconductor industry and is listed on the Gre Tai Securities Market in Taiwan since May 2002. He was the managing director of Silicon Technology Investment (Cayman) Corp. and was appointed the Chief Executive Officer of Solar Technology Investment (Cayman) Corp., responsible for overseeing, amongst others, WWX’s investment in the solar energy industry. In March 2006, he was appointed a director and he was subsequently appointed as the Chairman of the board of Jinzhou Youhua in September 2006. Mr. HSU’s previous work credentials also include acting as Deputy General Manager of Mosel Vitelic Inc., a company listed on the Taiwan Stock Exchange and as a member of the board of directors and Executive Vice-President of Mosel Vitelic (Hong Kong) Limited, a subsidiary of Mosel Vitelic Inc. Mr. HSU had also made contributions to non-commercial sectors in the past. He served as a researcher, a deputy director, and the director of Business Department of the Executive Yuan Development Fund of Taiwan (Note: Executive Yuan Development Fund is now known as National Development Fund, Executive Yuan). He was also a lecturer of Statistics and Managerial Mathematics for the Business Administration department at the Chinese Culture University.

\* English translation of Chinese official name is for identification purpose only

### 董事

#### 執行董事

譚文華先生，56歲，董事會主席。彼為錦州廠創辦人之一。彼曾獲全國建材系統勞動模範，遼寧省「五一」勞動獎章、遼寧省建設者獎章、優秀共產黨員、全國建材行業優秀企業家、遼寧省創業企業家及錦州市一等功企業家等多項殊榮。彼亦為遼寧工業大學客座教授及渤海大學副董事長。創辦錦州廠前，彼出任錦州新華石英玻璃(集團)有限責任公司董事長及國有石英坩堝製造廠錦州一五五廠董事長。國務院於二零零四年就譚先生對工程技術作出的貢獻，授予其為可享受國務院特殊津貼的專家。彼於二零零八年當選為中華人民共和國第十一屆全國人民代表大會代表。彼為譚鑫先生(為本公司執行董事及錦州廠總經理)的父親。彼亦為趙秀珍女士(為錦州廠企管總監)的妹夫。

許祐淵先生，58歲，本公司首席執行官。彼於二零零七年二月六日加盟本集團並於同日獲委任為執行董事。彼於一九八零年畢業於中國文化大學，獲頒企業管理碩士學位。加盟本集團前，許先生自一九九八年二月至二零零三年六月出任合晶科技股份有限公司(「合晶科技」)董事總經理，其後於二零零三年六月轉任合晶科技董事會副主席。合晶科技乃半導體硅片製造商，該公司自二零零二年五月起於台灣證券櫃檯買賣中心上市。彼歷任 Silicon Technology Investment (Cayman) Corp. 董事總經理，並曾獲委任為 Solar Technology Investment (Cayman) Corp. 首席執行官，專責監督(其中包括)合晶科技於太陽能產業的投資。於二零零六年三月，彼獲委任為錦州佑華董事，並隨後於二零零六年九月獲委任為該公司董事會主席。許先生曾出任臺灣證交所上市公司台灣茂矽電子股份有限公司副總經理及台灣茂矽電子股份有限公司附屬公司香港華智公司董事會成員兼執行副總裁。許先生過往亦對非商業領域作出貢獻。彼曾先後出任台灣的行政院開發基金管理委員會業務組研究員、副組長及組長(註：行政院開發基金管理委員會現已改名為行政院國家發展基金管理會(National Development Fund, Executive Yuan))。彼亦曾任中國文化大學企管系講師，講授統計學及管理數學。

## Directors (continued)

### Executive Directors (continued)

Ms. ZHANG Liming (張麗明), aged 55, the Director of Administration (行政總監) of the Jinzhou Plants. She joined the Original Group (i.e. the Group prior to the acquisition of Solar Technology Investment (Cayman) Corp. and its subsidiaries on 1 April 2003) responsible for overseeing, amongst others, the administration of the Original Group. She is also the chairman of the labour union of the Jinzhou Plants. She graduated from the Faculty of Economic Management of the Party School of the CPC Central Committee in 1996. Prior to joining the Group, she was appointed as the head of the supply division of 錦州石英玻璃儀器廠 (Jinzhou Quartz Glass Instrument Factory\*), the director of management of 錦州京旭晶體材料製造有限責任公司 (Jinzhou Crystalline Material Co., Ltd.\*) during 1993 to 1994 and the general manager of 錦州華明水晶工藝品有限公司 (Jinzhou Huaming Crystal Art & Craft Co., Limited\*) during 1994 to 2003.

Mr. TAN Xin (譚鑫), aged 29, is the General Manager of the Jinzhou Plants. He joined the Group in July 2005. He holds a bachelor's degree of Marketing from the Macau University of Science and Technology, and a master's degree of Business Administration from University of East Anglia, the U.K. Mr. Tan is also a Standing Committee member of the Liaoning Province Youth Federation (遼寧省青年聯合會常務委員會成員), Vice President of the Liaoning Province Young Entrepreneurs Association (遼寧省青年企業家協會副會長) and Member of the 12th Jonghou Municipal Committee of the Chinese People's Political Consultative Conference (錦州市第十二屆政協委員). Mr. Tan was awarded Year 2011 Meritorious Entrepreneur (2011年度功勳企業家) by Jinzhou Municipal Government. Before taking the role of the General Manager of Jinzhou Plants, Mr. Tan also worked in other subsidiaries within the Group and accumulated plenty of experiences from his prior positions. He is the son of Mr. TAN Wenhua who is an executive Director and the Chairman of the Company.

### Non-executive Director

Mr. CHIAO Ping Hai (焦平海), aged 62, a non-executive Director. He was appointed a non-executive Director in July 2007. He graduated from the Chung Yuen University with a bachelor degree in Chemical Engineering and master degree in Chemistry from the University of California, San Jose in 1973 and 1978, respectively. He is the Chairman and General Manager of WWX and the President of Helitek Company Ltd., a subsidiary of WWX.

## 董事(續)

### 執行董事(續)

張麗明女士，55歲，錦州廠行政總監。彼於二零零三年四月一日加盟原集團(即收購Solar Technology Investment (Cayman) Corp.及其附屬公司前之本集團)，專責監督(其中包括)原集團的行政工作，同時出任錦州廠工會主席。彼於一九九六年畢業於中共中央黨校經濟管理系。加盟本集團前，彼於一九九三年至一九九四年間獲委任為錦州石英玻璃儀器廠供應科科長及錦州京旭晶體材料製造有限責任公司管理董事，並於一九九四年至二零零三年間獲委任為錦州華明水晶工藝品有限公司總經理。

譚鑫先生，29歲，錦州廠總經理。彼於二零零五年七月加盟本集團。彼持有澳門科技大學市場學學士學位，以及英國東英吉利亞大學(University of East Anglia)工商管理碩士學位。譚先生亦為遼寧省青年聯合會常務委員會成員、遼寧省青年企業家協會副會長及錦州市第十二屆政協委員。譚先生被錦州市政府評為2011年度功勳企業家。於出任錦州廠總經理前，譚先生曾於本集團旗下其他附屬公司工作，於過往職位中積累豐富經驗。彼為本公司執行董事及主席譚文華先生的兒子。

### 非執行董事

焦平海先生，62歲，非執行董事，於二零零七年七月獲委任為非執行董事。彼於一九七三年畢業於中原大學，獲頒化學工程學士學位，後於一九七八年畢業於加州聖荷西大學，獲頒化學碩士學位。彼現時出任合晶科技董事長兼總經理及合晶科技附屬公司Helitek Company Ltd.總裁。



## Directors and Senior Management Profile 董事和高級管理人員簡歷

### Directors (continued)

#### Independent Non-executive Directors

Mr. WONG Wing Kuen, Albert (王永權), aged 61, was appointed an Independent non-executive Director on 12 January 2008. Mr. Wong is a fellow member of The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Chartered Secretaries, The Taxation Institute of Hong Kong, Chartered Institute for Securities and Investments, Chartered Management Institute, UK, Association of International Accountants, Society of Registered Financial Planners, Hong Kong, The Institute of Certified Public Accountants in Ireland, UK, as well as a member of Hong Kong Securities Institute, The Chartered Institute of Arbitrators, Macau Society of Certified Practising Accountants and an associate member of The Chartered Institute of Bankers in Scotland, UK. Mr. WONG had also been a director and Chief Executive Officer of Minghua Group International Holdings Limited, a listed public company in the United States, until 30th September 2004. According to the filings made available to public through the EDGAR database in U.S., for the quarterly period ended 30 September 2005, Minghua Group International Holdings Limited was “a small business issuer” and “a development stage company”. Mr. WONG has been the Managing Director of KND Corporate Advisory Service Limited, a private professional consulting firm in Hong Kong, an independent non-executive director of APAC Resources Limited, a company listed on the Main Board of the Hong Kong Stock Exchange, since July 2004 and an independent non-executive director of Rare Earths Global Limited, a company listed on the London Stock Exchange – AIM Market, since March 2012.

Ms. FU Shuangye (符霜葉), aged 44, was appointed an independent non-executive Director on 12 January 2008. Ms. FU graduated from Wuhan University with a bachelor degree in English Literature in 1990 and obtained her further legal studies certificate in the Law School of China Politics and Law University in 1997. She was qualified as a PRC lawyer in 1998. She was a partner of Zhong Lun W&D Law Firm in Beijing. Ms. FU is now the Managing Partner of Zhong Hao Attorneys-at-Law. She is also a member of the Foreign Direct Investment Expertise Committee of the Beijing Judiciary Bureau.

### 董事(續)

#### 獨立非執行董事

王永權先生，61歲，二零零八年一月十二日獲委任為獨立非執行董事。王先生為英國特許秘書及行政人員公會，香港特許秘書公會，香港稅務學會，英國特許證券及投資學會，英國特許管理學會，英國國際會計師公會，香港註冊財務策劃師協會及英國愛爾蘭公認會計師公會資深會員以及香港證券專業學會，英國特許仲裁師學會，澳門會計師公會及英國蘇格蘭特許銀行家學會會員。王先生曾在美國一間上市公司明華集團國際有限公司出任董事兼首席執行官，直至二零零四年九月三十日止。截至二零零五年九月三十日止季度期間通過EDGAR在美國向公眾人士發佈的存檔資料，明華集團國際有限公司屬「小型企業發行者」及「處於發展階段的公司」。王先生現任職於一間香港私人專業顧問公司冠達企業諮詢有限公司的董事總經理，並自二零零四年七月起為在香港聯交所主板上市的亞太資源有限公司獨立非執行董事及於二零一二年三月為在英國倫敦交易所AIM市場上市的Rare Earths Global Limited之獨立非執行董事。

符霜葉女士，44歲，於二零零八年一月十二日獲委任為獨立非執行董事。符女士於一九九零年畢業於武漢大學，獲頒英國文學學士學位；於一九九七年獲頒中國政法大學法律系法律研究證書；及於一九九八年獲得中國律師資格。符女士曾任北京中倫文德律師事務所合夥人律師，目前出任北京中灝律師事務所管理合夥人律師，並擔任北京市司法局對外投資專業委員會委員。

## Directors (continued)

### Independent Non-executive Directors (continued)

Dr. LIN Wen (林文), aged 73, an independent non-executive Director, joined the Group on 12 January 2008. Dr. LIN received his Ph.D. degrees in Materials Science & Engineering. He joined AT&T Bell Laboratories (subsequently, Lucent Bell Labs/Agere) and engaged in the research and development of silicon semiconductor materials in 1975. Dr. LIN is the author of over 60 papers and book chapters published by internationally recognised science magazines, including Czochralski process of silicon crystals and the application and manufacturing of silicon crystals in semiconductors. Czochralski process is the key process employed by the Group in the manufacturing of monocrystalline silicon ingots. He owns several patents. Dr. LIN was a recipient of the 1983 Bell Laboratories Distinguished Technical Staff Award. Since 1999, Dr. LIN has been a member of the Starting Materials Team of ITRS (International Technology Roadmap of Semiconductor). Dr. LIN is a member of Phi Tau Phi Honor Societies and was served as its Chairman. Dr. LIN is a life member of the Chinese Institute of Engineers-USA, and he served as its president in 1987 and National Council Chairman in 1995. In addition, Dr. LIN also served as Chairman of METS (Modern Engineering and Technology Seminars), as well as Chairman of Sino-American Technology and Engineering Conference.

Mr. ZHANG Chun (張椿), aged 80, an independent non-executive Director, joined the Group on 12 January 2008. Mr. ZHANG graduated from Tianjin University in 1955 and conducted research on semiconductor silicon material in 北京有色金屬研究總院 (Beijing Non-Ferrous Metal Research Institution\*) in the same year. During 1965 to 1979, he was involved in the establishment of the semi-conductor materials factory in Emei and the monocrystalline silicon factory in Luoyang and their production and technological management. During 1979 to 1998, he was the supervisor of a semi-conductor material research unit of Beijing Non-Ferrous Metal Research Institution, the supervisor of the 國家半導體材料工程研究中心 (State Semi-conductor Material Engineering Research Centre\*) and he also acted as the general manager of 金鑫半導體材料有限公司 (Jinxin Semi-conductor Material Company Limited\*). The (a) project on 3 to 4 inches monocrystalline silicon for the use in integrated circuit and (b) the research project on the manufacture of 125mm monocrystalline silicon wafer for the use in 2 to 3 $\mu$ m integrated circuit organized and led by Mr. ZHANG received 科學技術進步一等獎 (the Science and Technology Progress First Prize\*) by the China National Non-Ferrous Metals Industry Corp. Mr. ZHANG was granted a special subsidy of government from the State Council since 1992, was awarded the title of Supreme Model for the Labour of the Non-ferrous Metals Industry of the Nation in 1993 and was awarded as a 全國先進工作者 (National Pioneer\*) by the State Council in 1995.

## 董事(續)

### 獨立非執行董事(續)

林文博士，73歲，獨立非執行董事，於二零零八年一月十二日加盟本集團。林博士擁有材料科學及工程博士學位。彼於一九七五年加盟AT&T貝爾實驗室(後為朗訊貝爾實驗室/傑爾系統公司)從事半導體硅材料研發工作。林博士曾在獲國際肯定的科學期刊發表60餘篇論文及文章(編載入書)包括硅晶提拉法及硅晶在半導體方面的應用及製程。提拉法工序為本集團製造單晶硅錠時採用的重要工序。此外，彼另擁有多項專利。林博士曾獲頒一九八三年度貝爾實驗室傑出技術工作人員獎。自一九九九年起，林博士曾擔任國際半導體技術藍圖的原材料組成員。林博士現為斐陶斐榮譽學會成員並曾擔任會長。林博士為美洲中國工程師學會的永久會員，於一九八七年曾任該學會的會長，更於一九九五年出任美洲總會主席。此外，林博士曾任近代工程技術討論會主席，以及中美技術及工程會議主席。

張椿先生，80歲，獨立非執行董事，於二零零八年一月十二日加盟本集團。張先生於一九五五年於天津大學畢業，同年在北京有色金屬研究總院從事半導體材料的科研工作。一九六五年至一九七九年，彼在峨眉半導體材料廠和洛陽單晶硅廠參與建廠和生產及技術管理工作。一九七九年至一九九八年，彼任北京有色金屬研究總院半導體材料研究室主任、國家半導體材料工程研究中心主任及金鑫半導體材料有限公司總經理。張先生組織領導(a) 3至4吋用於集成電路的單晶硅片項目和(b)製造用於2至3微米集成電路的125毫米單晶硅片的研究項目，兩者均獲中國有色金屬工業總公司科學技術進步一等獎。張先生於一九九二年起獲國務院頒授政府特殊津貼，一九九三年榮獲全國有色金屬工業特等勞動模範光榮稱號，一九九五年獲國務院頒發全國先進工作者稱號。

## Directors and Senior Management Profile 董事和高級管理人員簡歷

### Directors (continued)

#### Independent Non-executive Directors (continued)

The Directors' interest or short positions in the shares or underlying shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") are set out in the section headed "Interest and Short Positions of the Directors and the Chief Executives of the Company in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" in this annual report. Each Director has been appointed for a term of three years. The Directors' emoluments, the basis of determining the same (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the Director has or does not have a service contract) and the Directors' fees are set out in note 11 to the Financial Statements and the section headed and "Report of the Directors – Emolument Policy" of this annual report. Save as disclosed above, each Director confirmed that there are no other matters that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

### Senior Management

Ms. CHEUNG Lai Lai (張麗麗), aged 41, was appointed as the Company Secretary in August 2012. She holds a bachelor's degree of Arts (Hons) in Accountancy from the City University of Hong Kong, and she is a fellow member of the Association of Chartered Certified Accountants, a practising member of the Hong Kong Institute of Certified Public Accountants and a certified tax adviser of the Taxation Institute of Hong Kong. Ms. Cheung is currently the Managing Principal of MCL & Co. CPA (Practising). She has over 20 years of experience in auditing, finance, accounting and company secretarial services.

Ms. ZHAO Xiuzhen (趙秀珍), aged 57, the Director of Corporate Management (企管總監) of the Jinzhou Plants. She joined the Group on 31 January 2005. She graduated from 錦州黨校黨務行政管理系 (Jinzhou Communist Party School in Administration and Management for Party Affairs\*). Prior to joining the Group, she was the deputy general manager of Jinzhou Hualian Shopping Centre. She is the sister-in-law of Mr. TAN Wenhua who is an executive director and the Chairman of the Company.

### 董事(續)

#### 獨立非執行董事(續)

董事於本公司股份或相關股份中擁有根據證券及期貨條例(「證券及期貨條例」)第XV部所界定之權益或淡倉，載於本年報「董事及本公司最高行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉」一節。各董事之任期為期三年。董事薪酬、釐定薪酬之基準(包括無論屬固定或酌情且不論董事有否服務合約之任何花紅款項)以及董事袍金載於本年報財務報表附註11及本年報「董事會報告書—薪酬政策」一節。除上文披露者外，各董事確認，概無其他事宜須呈本公司股東注意，亦無其他資料須根據上市規則第13.51(2)條予以披露。

### 高級管理人員

張麗麗女士，41歲，於二零一二年八月獲委任為公司秘書。彼持有香港城市大學會計(榮譽)文學士學位，並為英國特許公認會計師公會資深會員、香港會計師公會執業會員以及香港稅務學會註冊稅務師。張女士現時為浩翔會計師事務所之執行主席。彼於審計、財務、會計及公司秘書服務擁有超過二十年經驗。

趙秀珍女士，57歲，錦州廠企管總監。彼於二零零五年一月三十一日加盟本集團。彼畢業於錦州黨校黨務行政管理系。加盟本集團前，彼曾任錦州華聯購物中心副總經理。彼為本公司執行董事及主席譚文華先生的姨姐。

## Senior Management (continued)

Mr. WANG Chun Wei (王君偉), aged 41, the Chief Financial Officer of the Group and was the Company's deputy general manager of China region, in charge of accounting and finance. He joined the Group on 1 January 2007. He obtained a Master of Business Administration from the State University of New Jersey (Rutgers). He is a certified public accountant in Maryland, the United States. Prior to joining the Group, he was a Special Assistant to President & Deputy Spokesman of The Office of General Manager of WWX, the Spokesman and Chief Financial Officer of Panram International Corp., a company listed on the Gre Tai Securities Market in Taiwan.

Mr. Joe CHOU (周志文), aged 53, is the Director of Quality Assurance Department of Jinzhou Plants. He joined the Group on 3 February 2009. He holds a bachelor's degree of Chemical Engineering from the Chung Yuen Christian University, Taiwan, a master's degree of Business Administration from City University of Seattle, and an Executive Masters of Business Administration degree from National Taiwan University. Prior to joining the Group, he was appointed as Director of Quality Assurance Department of WWX. He has over 24 year of experience in semiconductor industry and has over 21 year of experience in quality assurance.

Ms. GUO Hongyan (郭紅艷), aged 43, is the Director of Marketing. She joined the Group on 4 July 2002. She graduated from Dalian University of Foreign Languages, majoring in business English. Prior to joining the Group, she worked for 錦州俏牌實業有限公司 (Jinzhou Qiao Pai Enterprise Limited\*) as Assistant to General Manager. She was Purchasing Manager for overseas market of 錦恒汽車安全系統股份有限公司 (Jinheng Automotive Safety System Co. Ltd.\*), and the Department Head, Assistant Manager and Manager of marketing department of Jinzhou Energy Co., Ltd.

Mr. CHEN Limin (陳立民), aged 43, the Technical Director of Jinzhou Plants. He joined the Group on 30 December 2000. He graduated from the Ore Mining Faculty of the 四川建材學院 (Sichuan College of Construction Materials\*). Prior to joining the Group, he worked for 新華石溪玻璃(集團)有限公司 (Xinhua Shixi Glass (Group) Co., Ltd.\*).

## 高級管理人員(續)

王君偉先生，41歲，本集團首席財務官及本公司中國區副總經理，負責會計及財務。彼於二零零七年一月一日加盟本集團。彼獲新澤西州(Rutgers)州立大學頒授工商管理碩士學位。彼為美國馬里蘭州執業會計師。加盟本集團前，彼出任合晶科技總經理辦公室總裁特別助理兼副發言人以及台灣證券櫃檯市場上市公司品安科技股份有限公司發言人兼首席財務官。

周志文先生，53歲，錦州廠品保總監，彼於二零零九年二月三日加盟本集團。彼獲台灣私立中原大學化學工程學士，美國西雅圖城市大學工商管理碩士及國立台灣大學行政人員工商管理碩士。加盟本集團前，彼曾任合晶科技品保處處長職務。彼在半導體相關行業具備逾二十四年經驗，並在品保方面具備逾二十一年經驗。

郭紅艷女士，43歲，營銷總監。彼於二零零二年七月四日加盟本集團。彼畢業於大連外語學院，外貿英語專業。加盟本集團前，彼曾歷任錦州俏牌實業有限公司總經理助理，錦恒汽車安全系統股份有限公司海外採購經理，及錦州陽光能源有限公司營銷主管、副部長及部長。

陳立民先生，43歲，錦州廠技術總監。彼於二零零零年十二月三十日加盟本集團。彼畢業於四川建材學院採礦系。加盟本集團前，彼任職於新華石溪玻璃(集團)有限公司。

## Directors and Senior Management Profile 董事和高級管理人員簡歷

### Senior Management (continued)

Dr. CHEN Wei (陳蔚), aged 41, Special Assistant to the Chairman and Overseas Sales Representative. She joined the Group in July 2006. She obtained her Doctor of Philosophy in Management at Wuhan University of Technology (武漢理工大學) in 2005. Prior to joining the Group, she was appointed Vice-President of Xi'an International Trade Promotion Co. Ltd. (西安市外經貿商務展覽公司) and the Vice-President of International Transport Division of Shaanxi Machinery & Equipment Import & Export Corp. (陝西機械設備進出口公司國際貨運分公司).

Mr. DU Fusheng (杜福生), aged 68, is a full-time technical consultant on quality assurance. He joined the Group on 6 August 2008. He graduated from Tsinghua University majoring in semiconductor materials. He is a senior engineer of research level. Prior to joining the Group, he was a researcher and professor of 中國電子科技集團十八研究所 (Eighteen Institute of China Electronic Technology Group\*), and a technical consultant in 江蘇艾德太陽能科技有限公司 (Jiangsu Aide Solar Energy Technology Co., Ltd.\*). He has been engaged in research and development of solar cells for use of semiconductor for nearly 40 years. He has his own unique theories and empirical analysis in solar cells and loss from encapsulation of modules, which significantly contributed to improvement in cell conversion rate and capacity testing technology. He successfully applied the solar cells into several satellites launched by China, and made major contribution to the development of solar cells for use of semiconductor and the science of aerospace in China.

Mr. CHEN Wenjie (陳文杰), aged 62, is a full-time technical consultant. He joined the Group on 18 December 2012. He graduated from Beijing University of Technology majoring in semiconductor devices. Prior to joining the Group, he worked in Beijing 605 Plant and No. 401 Division of Beijing Non-Ferrous Research Institute. He was General Manager of 江陰海潤科技有限公司 (Jiangyin Hairun Technology Co. Ltd.\*), Deputy Director-General in charge and Chief Engineer of GCL Silicon Material. He was Vice President of 韓華新能源科技有限公司 (Han Hua New Energy Technology Company Limited\*) and General Manager of 連雲港材料廠 (Lianyungang Materials Plant\*). He has profound knowledge in technology of semiconductor silicon materials.

### 高級管理人員(續)

陳蔚博士，41歲，主席特別助理及海外銷售代表。彼於二零零六年七月加盟本集團。彼於二零零五年獲武漢理工大學頒授管理學博士學位。加盟本集團前，彼曾任西安市外經貿商務展覽公司副總裁及陝西機械設備進出口公司國際貨運分公司副總裁。

杜福生先生，68歲，技術品保專職顧問。於二零零八年八月六日加盟本集團。畢業於北京清華大學半導體材料專業。研究員級高級工程師。加盟本集團前，曾任中國電子科技集團十八研究所研究員、教授。江蘇艾德太陽能科技有限公司技術顧問。近四十年一直在從事半導體太陽電池的研發。對太陽電池、組件封裝損失有獨到的理論和實驗分析，對電池轉換效率提升和性能測試技術卓有成效。將太陽電池已成功應用於我國發射的多顆人造衛星，為我國半導體太陽電池的發展和空間科學做出了重要貢獻。

陳文杰先生，62歲，技術專職顧問。於二零一二年十二月十八日加盟本集團。畢業於北京工業大學半導體器件專業。加盟本集團前，曾任職於北京605廠，北京有色金屬研究總院401研究室。江陰海潤科技有限公司總經理。GCL矽材料副總指揮，總工程師。韓華新能源科技有限公司副總裁兼連雲港材料廠總經理。在半導體矽材料專業技術造詣很深。

# Report of the Directors

## 董事會報告書

The Directors present the annual report together with the audited consolidated financial statements for the year ended 31 December 2012.

### Principal Activities

The Company acts as an investment holding company of the Group. The principal activities of the Group are the trading of, manufacturing of and provision of processing services for polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers, and the producing of and trading of photovoltaic cells and modules as well as the installation of photovoltaic systems. The analysis of the principal activities and geographical locations of the operations of the subsidiaries during the financial year are set out in note 19 to the financial statements.

### Major Customers and Suppliers

The Group's top five customers are mainly silicon solar wafer, cell or modules manufacturers or traders. In aggregate, the largest and five largest customers did not exceed 13% (2011: 12%) and 57% (2011: 46%) of the Group's total sales in 2012 respectively. The Group currently procures raw materials from about 69 suppliers (2011: 51). In aggregate, purchases from its largest and five largest suppliers did not exceed 16% (2011: 9%) and 46% (2011: 30%) of the Group's total purchases in 2012 respectively. Save for WWX, at no time during the year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these major suppliers and/or customers.

### Financial Statements and Dividends

The loss of the Group for the year ended 31 December 2012 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 67 to 168. The Directors do not recommend the payment of a final dividend for the years ended 31 December 2012 and 2011.

### Transfer to Reserves

Loss attributable to shareholders of the Company for the year ended 31 December 2012 was RMB1,276,554,000 (2011: profit of RMB54,291,000) had been transferred to reserves. Other movements in reserves are set out in the consolidated statement of changes in equity on page 72.

As at 31 December 2012, distributable reserves of the Company amounted to approximately RMB951,342,000 (2011: RMB1,336,804,000).

董事提呈本年報連同截至二零一二年十二月三十一日止年度的經審核綜合財務報表。

### 主要業務

本公司為本集團投資控股公司。本集團主要業務為買賣及製造太陽能多晶硅及單晶、多晶硅錠／硅片，以及提供太陽能多晶硅以及單晶及多晶硅錠／硅片的加工服務，並生產及買賣光伏電池及模組以及安裝光伏系統。本財政年度內附屬公司之主要業務及按地區分部劃分之業務分析載於財務報表附註19。

### 主要客戶及供應商

本集團五大客戶主要為太陽能硅片、電池或組件製造商或貿易商。最大及五大客戶於二零一二年的銷售總額分別不超過本集團銷售總額的13%(二零一一年：12%)及57%(二零一一年：46%)。本集團現時從約69家(二零一一年：51家)供應商採購原材料。最大及五大供應商於二零一二年的採購總額分別不超過本集團採購總額的16%(二零一一年：9%)及46%(二零一一年：30%)。除合晶科技外，董事、本公司彼等的聯繫人士或就董事所知擁有本公司股本5%以上之任何股東，概無於本年度內任何時間，在本集團主要供應商及／或客戶中擁有任何權益。

### 財務報表及股息

本集團截至二零一二年十二月三十一日止年度的虧損，以及本公司及本集團於同日的財務狀況，載於第67至168頁的財務報表。董事不建議就截至二零一二年及二零一一年十二月三十一日止年度派付終期股息。

### 轉撥至儲備

截至二零一二年十二月三十一日止年度本公司股東應佔虧損為人民幣1,276,554,000元(二零一一年：利潤人民幣54,291,000元)已轉撥入儲備。儲備的其他變動載於第72頁綜合權益變動表內。

於二零一二年十二月三十一日，本公司可分派儲備約為人民幣951,342,000元(二零一一年：人民幣1,336,804,000元)。

## Report of the Directors 董事會報告書

### Charitable Donations

Charitable donations made by the Group during the year amounted to RMB674,000 (2011: RMB683,000).

### Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group as at 31 December 2012 are set out in note 26 to the financial statements.

### Property, Plant and Equipment

Details of acquisitions and other movements in property, plant and equipment are set out in note 14 to the financial statements.

### Share Capital

Details of the movements in share capital of the Company during the year are set out in note 31 to the financial statements.

### Five-year 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 5 of the annual report.

### Directors

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

#### Executive Directors

Mr. TAN Wenhua, Chairman  
Mr. HSU You Yuan, Chief Executive Officer  
Ms. ZHANG Liming  
Mr. TAN Xin

#### Non-executive Director

Mr. CHIAO Ping Hai

#### Independent Non-executive Directors

Mr. WONG Wing Kuen, Albert  
Ms. FU Shuangye  
Dr. LIN Wen  
Mr. ZHANG Chun

In accordance with the provisions of the Company's articles of association, Mr. HSU You Yuan, Ms. ZHANG Liming, and Mr. ZHANG Chun will retire by rotation at the forthcoming annual general meeting. Mr. HSU You Yuan and Mr. ZHANG Chun, being eligible, have agreed to offer themselves for re-election. Ms. ZHANG Liming has agreed not to offer herself for re-election and will resign as an executive Director with effect from the close of the forthcoming annual general meeting. The Board confirms that Ms. Zhang Liming does not have any disagreements with the Board and there is nothing to be brought to the attention of the Shareholders in relation to her resignation.

### 慈善捐款

本年度內本集團所作慈善捐款為人民幣674,000元(二零一一年：人民幣683,000元)。

### 銀行貸款及其他借貸

本集團於二零一二年十二月三十一日的銀行貸款及其他借貸詳情，載於財務報表附註26。

### 物業、廠房及設備

收購物業、廠房及設備以及其他變動的詳情，載於財務報表附註14。

### 股本

本年度內本公司股本變動的詳情，載於財務報表附註31。

### 五年財務摘要

本集團過去五個財政年度的業績以及資產與負債的概要，載於本年報第5頁。

### 董事

本財政年度內及直至本報告日期止的在任董事為：

#### 執行董事

譚文華先生，主席  
許祐淵先生，行政總裁  
張麗明女士  
譚鑫先生

#### 非執行董事

焦平海先生

#### 獨立非執行董事

王永權先生  
符霜葉女士  
林文博士  
張椿先生

根據本公司組織章程細則的條文，許祐淵先生、張麗明女士及張椿先生將於應屆股東週年大會輪值退任。許祐淵先生及張椿先生均合資格並同意於大會重選連任。張麗明女士同意不會於大會重選連任，並將於應屆股東週年大會結束後退任執行董事。董事會確認，張麗明女士與董事會並無任何意見不合，亦概無與有關彼辭任之事宜須敦請股東注意。

## Directors' Service Contracts

None of the Directors being proposed for re-election at the forthcoming annual general meeting has a service agreement with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

## Continuing Connected Transactions

The Group has entered into a number of agreements with parties which are regarded as a connected person for the Company under the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of the Company's continuing connected transactions, details of which are set out below.

### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements

The following transactions constitute continuing connected transactions for the Company under Rule 14A.34 of the Listing Rules and would be exempt from the independent shareholders' approval requirement but are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules:

*Provision of water and heat services by 錦州華榮物業管理有限公司 (Jinzhou Huarong Property Management Company Limited\*) ("Jinzhou Huarong")*

On 2 December 2009, Jinzhou Huarong entered into a framework service agreement with the Company pursuant to which Jinzhou Huarong agreed to provide water and heat (the "Services") to the Company and its subsidiaries designated by it from time to time. The agreement commenced on 1 January 2010 and expired on 31 December 2012.

On 19 October 2012, the Company has entered into a new service agreement (the "New Service Agreement") with Jinzhou Huarong to renew the pre-existing agreement as well as to determine the annual cap for the transactions for the years ending 31 December 2015. The term of the New Service Agreement commenced on 1 January 2013 and will expire on 31 December 2015.

The New Service Agreement was entered into in the ordinary and usual course of business and on normal commercial terms. The fees to be charged by Jinzhou Huarong in relation to the Services were determined comparable to the prevailing market prices in local markets in the PRC based on the actual consumption of the water and heat supplied to the Group.

## 董事服務合約

概無擬於應屆股東週年大會重選連任的董事與本公司訂立任何不可於一年內免付賠償(法定賠償除外)予以終止的服務協議。

## 持續關連交易

本集團與多名根據上市規則被視為本公司關連人士的訂約方訂立多項協議。本公司確認，其已根據上市規則第14A章就本公司持續關連交易遵守有關披露規定，詳情載於下文。

### A. 獲豁免遵守獨立股東批准規定之持續關連交易

根據上市規則第14A.34條，下列交易構成本公司持續關連交易，並獲豁免遵守獨立股東批准的規定，惟仍須遵守上市規則第14A.45至第14A.47條的申報及公告規定：

*錦州華榮物業管理有限公司(「錦州華榮」)用水及熱能供應服務*

於二零零九年十二月二日，錦州華榮與本公司訂立框架服務協議，據此，錦州華榮同意不時向本公司及其指定的附屬公司供應用水及熱能(「服務」)。協議由二零一零年一月一日起生效，並已於二零一二年十二月三十一日屆滿。

於二零一二年十月十九日，本公司與錦州華榮訂立新服務協議(「新服務協議」)重續現有協議，並就截至二零一五年十二月三十一日止年度的交易釐定年度上限。新服務協議已於二零一三年一月一日開始，並將於二零一五年十二月三十一日屆滿。

新服務協議乃於一般及日常業務過程中按正常商業條款訂立。錦州華榮就服務將收取的費用乃以本集團獲提供之用水及熱能的實際用量並參考中國地方市場當前相若的市價釐定。



## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

Provision of water and heat services by 錦州華榮物業管理有限公司 (Jinzhou Huarong Property Management Company Limited\*) ("Jinzhou Huarong") (continued)

For the year ended 31 December 2012, the aggregate fees paid by the Group to Jinzhou Huarong in relation to the Services amounted to approximately RMB1,741,000 (2011: RMB2,031,000).

Based on an estimate of the Group's expected consumption of water and heat for the three years ending 31 December 2015, it is expected that the following annual cap amounts payable by the Group under the renewed Service Agreement will not exceed:

- (a) RMB2,361,000 for the year ending 31 December 2013;
- (b) RMB2,479,000 for the year ending 31 December 2014; and
- (c) RMB2,603,000 for the year ending 31 December 2015.

The above annual cap amounts are determined with reference to (i) the expected increase in the Group's production capacity for the three years ending 31 December 2015; (ii) the increase in the expected consumption of water and heat in the production process resulting therefrom; (iii) the expected utilisation rate of the Group's production capacity for the three years ending 31 December 2015; and (iv) the expected inflation rate in the PRC for 2013.

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, Jinzhou Huarong is owned as to 90% by 錦州華新硅材料經營部 (Jinzhou Huaxin Silicon Material Trading Department) ("Huaxin Silicon"), a sole proprietorship established in the PRC and wholly-owned by Mr. TAN Wenhua, an executive Director and the Chairman of the Company and as to 10% by an independent third party. Jinzhou Huarong is an associate of Mr. TAN Wenhua and hence a connected person of the Company. Consequently, the transactions under the New Service Agreement constitute continuing connected transactions for the Company under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirement but are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

### 持續關連交易(續)

#### A. 獲豁免遵守獨立股東批准規定之持續關連交易(續)

錦州華榮物業管理有限公司(「錦州華榮」)用水及熱能供應服務(續)

截至二零一二年十二月三十一日止年度，本集團就服務向錦州華榮支付的費用合共約為人民幣1,741,000元(二零一一年：人民幣2,031,000元)。

根據本集團於截至二零一五年十二月三十一日止三個年度的預期用水及熱能消耗量估計，預期本集團根據經重續服務協議應付年度上限金額將：

- (a) 就截至二零一三年十二月三十一日止年度不超過人民幣2,361,000元；
- (b) 就截至二零一四年十二月三十一日止年度不超過人民幣2,479,000元；及
- (c) 就截至二零一五年十二月三十一日止年度不超過人民幣2,603,000元。

上述年度上限金額乃經參照(i)本集團於截至二零一五年十二月三十一日止三個年度的預期產能增幅；(ii)由預期產能增幅導致生產過程中預期用水及熱能消耗量的增幅；(iii)本集團於截至二零一五年十二月三十一日止三個年度產能的預期使用率；及(iv)中國於二零一三年的預期通脹率而釐定。

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，錦州華榮90%股權由於中國成立並由本公司執行董事兼主席譚文華先生全資擁有之個人獨資企業錦州華新硅材料經營部(「華新硅材料」)擁有，而10%股權則由一名獨立第三方擁有。由於錦州華榮為譚文華先生之聯繫人士，因此為本公司之關連人士。因此，根據上市規則第14A.34條，新服務協議項下之交易構成本公司之持續關連交易，並獲豁免遵守獨立股東批准的規定，惟仍須遵守上市規則第14A.45至第14A.47條所載的申報及公告規定。

## Continuing Connected Transactions (continued)

### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Sale of wire slurry to Jinzhou Jixing New Materials Co., ("Jinzhou Jixing") and purchase of recycled abrasives and mineral oil from Jinzhou Jixing*

On 17 April 2009, the Company entered into a framework agreement with Jinzhou Jixing (formerly known as Jinzhou Aoke New Materials Co., Ltd.) (the "Jinzhou Jixing Agreement") pursuant to which (a) the Company agreed to sell, or procure its subsidiaries to sell and Jinzhou Jixing agreed to purchase, or procure its subsidiaries to purchase, wire slurry (the "Sale Transactions"); and (b) Jinzhou Jixing agreed to sell, or procure its subsidiaries to sell, and the Company agreed to purchase, or procure its subsidiaries to purchase, recycled abrasives and mineral oil which serve as the Group's materials for the slicing of silicon solar ingots into silicon solar wafers (the "Purchase Transactions").

The Company has obtained the approval from its independent shareholders on 12 June 2009. Upon approval, the Jinzhou Jixing Agreement commenced on 17 April 2009 and has expired on 31 December 2011.

On 19 December 2011, the Company has entered into a new framework agreement (the "New Jinzhou Jixing Agreement") with Jinzhou Jixing to renew the pre-existing agreement as well as to determine the annual cap amounts for the transactions for the three years ending 31 December 2014. The term of the New Jinzhou Jixing Agreement has taken effect on 1 January 2012 and will expire on 31 December 2014.

## 持續關連交易(續)

### A. 獲豁免遵守獨立股東批准規定之持續關連交易(續)

*銷售砂漿予錦州吉興新材料有限公司(「錦州吉興」)並向錦州吉興購買循環再用切割砂及切割液*

於二零零九年四月十七日，本公司與錦州吉興(前稱錦州奧克新材料有限公司)訂立框架協議(「錦州吉興協議」)，據此，(a)本公司同意銷售或促使其附屬公司銷售，而錦州吉興同意購買或促使其附屬公司購買砂漿(「銷售交易」)；及(b)錦州吉興同意銷售或促使其附屬公司銷售，而本公司同意購買或促使其附屬公司購買循環再用切割砂及切割液，作為本集團切割太陽能硅錠為太陽能硅片的物料(「購買交易」)。

本公司已於二零零九年六月十二日取得其獨立股東批准。批准後，錦州吉興協議於二零零九年四月十七日生效，並已於二零一一年十二月三十一日屆滿。

於二零一一年十二月十九日，本公司與錦州吉興訂立新框架協議(「新錦州吉興協議」)，以重續前現有協議及釐定截至二零一四年十二月三十一日止三個年度之交易年度上限金額。新錦州吉興協議已自二零一二年一月一日起生效，並將於二零一四年十二月三十一日屆滿。

## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Sale of wire slurry to Jinzhou Jixing New Materials Co., ("Jinzhou Jixing") and purchase of recycled abrasives and mineral oil from Jinzhou Jixing (continued)*

The New Jinzhou Jixing Agreement was entered into in the ordinary and usual course of business and on normal commercial terms. The basis of determining the prices for the Sale Transactions or the Purchase Transactions (as the case may be) is determined with reference to the prevailing market price of wire slurry or the Processed Materials (as the case may be). Other business terms of the Sale Transactions or the Purchase Transactions (as the case may be) will be determined on an individual order basis and the terms of which are on normal commercial terms and no less favourable to the Company than the terms available to or from independent third parties (as the case may be). Payments for the Sale Transactions or the Purchase Transactions (as the case may be) will be determined based on normal commercial terms to be agreed after arm's length negotiation between the Group and Jinzhou Jixing Group from time to time, including without limitation, payment by cash on delivery, payment with a credit term ranging from 30 to 90 days.

For the year ended 31 December 2012, the aggregate amount of the sale price paid by Jinzhou Jixing to the Group in relation to the sale of wire slurry amounted to approximately RMB7,906,000 (2011: RMB22,725,000).

For the year ended 31 December 2012, the aggregate amount of the purchase price paid by the Group to Jinzhou Jixing in relation to the purchase of recycled abrasives and mineral oil amounted to approximately RMB17,130,000 (2011: RMB11,889,000).

Based on the Directors' estimate of the Sales Transaction for the two years ending 31 December 2014, it is expected that the following annual cap amounts receivable by the Group under the Sales Transactions will not exceed:

- (a) RMB42,500,000 for the year ending 31 December 2013; and
- (b) RMB42,500,000 for the year ending 31 December 2014.

### 持續關連交易(續)

#### A. 獲豁免遵守獨立股東批准規定之持續關連交易(續)

*銷售砂漿予錦州吉興新材料有限公司(「錦州吉興」)並向錦州吉興購買循環再用切割砂及切割液(續)*

新錦州吉興協議乃於一般及日常業務過程中按正常商業條款訂立。銷售交易或購買交易(視情況而定)的價格乃參考砂漿或加工物料(視情況而定)的當前市價釐定。銷售交易或購買交易(視情況而定)的其他商業條款將按個別訂單基準釐定，其條款按正常商業條款訂立，且不遜於本公司向或獲獨立第三方提供(視情況而定)的條款。銷售交易或購買交易(視情況而定)之付款將按本集團與錦州吉興集團經公平磋商後不時協定的正常商業條款釐定，包括但不限於以貨到支付現金之形式、授予介乎30至90日不等之信貸期。

截至二零一二年十二月三十一日止年度，由錦州吉興向本集團支付有關銷售砂漿的售價總額為數約人民幣7,906,000元(二零一一年：人民幣22,725,000元)。

截至二零一二年十二月三十一日止年度，由本集團向錦州吉興支付有關購買循環再用切割砂及切割液的購買價總額為數約人民幣17,130,000元(二零一一年：人民幣11,889,000元)。

按照董事估計截至二零一四年十二月三十一日止兩個年度的銷售交易，預計本集團根據銷售交易應收年度上限金額將：

- (a) 就截至二零一三年十二月三十一日止年度不超過人民幣42,500,000元；及
- (b) 就截至二零一四年十二月三十一日止年度不超過人民幣42,500,000元。

## Continuing Connected Transactions (continued)

### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Sale of wire slurry to Jinzhou Jixing New Materials Co., ("Jinzhou Jixing") and purchase of recycled abrasives and mineral oil from Jinzhou Jixing (continued)*

The proposed annual caps under the Sale Transactions are determined with reference to, among other things, (i) the Group's silicon solar wafer production capacity as at 19 December 2011; (ii) the anticipated increase in Jinzhou Jixing's demand for wire slurry; and (iii) the average market price of wire slurry sold to an independent third party and Jinzhou Jixing in 2011.

Based on the Directors' estimate of the Purchase Transaction for the two years ending 31 December 2014, it is expected that the following annual cap amounts payable by the Group under the Purchase Transactions will not exceed:

- (a) RMB22,000,000 for the year ending 31 December 2013; and
- (b) RMB22,000,000 for the year ending 31 December 2014.

The proposed annual caps under the Purchase Transactions are determined with reference to, among other things, (i) the actual quantity of abrasives and mineral oil used by the Group in 2010; (ii) the Group's silicon solar wafer production capacity as at 19 December 2011; (iii) the average recycled rate of abrasives and mineral oil, respectively, and hence the estimated quantity of recycled abrasives and mineral oil to be produced by Jinzhou Jixing from the processing of wire slurry to be supplied by the Group; and (iv) the estimated price of recycled abrasives and mineral oil to be purchased from Jinzhou Jixing which are determined by reference to the market price of brand new abrasives and mineral oil purchased from Independent Third Parties and the processing fee of wire slurry charged by independent third parties.

## 持續關連交易(續)

### A. 獲豁免遵守獨立股東批准規定之持續關連交易(續)

*銷售砂漿予錦州吉興新材料有限公司(「錦州吉興」)並向錦州吉興購買循環再用切割砂及切割液(續)*

銷售交易項下的建議年度上限乃參考(其中包括): (i)本集團於二零一一年十二月十九日的太陽能硅片產能; (ii)錦州吉興對砂漿需求的預期升幅; 及(iii)於二零一一年向一名獨立第三方及錦州吉興出售砂漿的平均市價後釐定。

按照董事估計截至二零一四年十二月三十一日止兩個年度的購買交易, 預計本集團根據購買交易應付年度上限金額將:

- (a) 就截至二零一三年十二月三十一日止年度不超過人民幣22,000,000元; 及
- (b) 就截至二零一四年十二月三十一日止年度不超過人民幣22,000,000元。

購買交易項下的建議年度上限乃參考(其中包括): (i)本集團於二零一零年使用切割砂及切割液的實際數量; (ii)本集團於二零一一年十二月十九日的太陽能硅片產能; (iii)切割砂及切割液各自的平均循環再用率, 繼而估計錦州吉興自本集團將供應之砂漿加工而將予生產之循環再用切割砂及切割液數量; 及(iv)估計將向錦州吉興採購之循環再用切割砂及切割液價格(乃參考向獨立第三方採購全新切割砂及切割液之市價及獨立第三方所收取之砂漿加工費而釐定)後釐定。

## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Sale of wire slurry to Jinzhou Jixing New Materials Co., ("Jinzhou Jixing") and purchase of recycled abrasives and mineral oil from Jinzhou Jixing (continued)*

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, Jinzhou Jixing is owned as to 35% by Jinzhou Yuexin (a PRC company wholly owned by Mr. Tan Xin, a Director of the Company and the son of Mr. Tan Wenhua) and as to 65% by Independent Third Parties. For the purpose of the Sale Transactions and the Purchase Transactions, the Directors considered that Jinzhou Jixing should be treated as an associate of Mr. Tan Wenhua and hence a connected person of the Company. Hence, the Directors consider that the Sale Transactions and the Purchase Transactions under the New Jinzhou Jixing Framework Agreement should continue to be subject to the continuing connected transactions requirements under Chapter 14A of the Listing Rules in order to provide the Shareholders and potential investors with information relating to the transactions contemplated under the New Jinzhou Jixing Framework Agreement on a voluntary basis. Consequently, the Sales Transactions and Purchase Transactions under the New Jinzhou Jixing Agreement constitute continuing connected transactions for the Company under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirement but are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

*Provision of services for re-coating and re-grooving guide rollers by 錦州京鑫半導體材料有限公司 Jinzhou Jingxin Semi-conductor Material Company Limited\* ("Jinzhou Jingxin")*

On 2 November 2009, the Company entered into a framework agreement with Jinzhou Jingxin (the "Jingxin Guide Rollers Service Agreement") pursuant to which the Company has agreed to engage or procure its subsidiaries to engage Jinzhou Jingxin for the provision of services for re-coating and re-grooving guide rollers which is necessary for slicing of silicon solar ingots into silicon solar wafers.

The Company has obtained the approval from its independent shareholders in respect of the Jingxin Guide Rollers Service Agreement on 31 December 2009. Upon approval, the Jingxin Guide Rollers Service Agreement commenced on 2 November 2009 and has expired on 31 December 2011.

### 持續關連交易 (續)

#### A. 獲豁免遵守獨立股東批准規定之持續關連交易 (續)

*銷售砂漿予錦州吉興新材料有限公司 (「錦州吉興」) 並向錦州吉興購買循環再用切割砂及切割液 (續)*

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，錦州吉興分別由錦州悅鑫（由本公司董事兼譚文華先生之兒子譚鑫先生全資擁有之中國公司）及獨立第三方擁有35%及65%股權。就銷售交易及購買交易而言，董事認為錦州吉興應被視為譚文華先生之聯繫人士，因而為本公司之關連人士。因此，董事認為新錦州吉興框架協議項下之銷售交易及購買交易應繼續遵守上市規則第14A章項下之持續關連交易之規定，方能按自願基準向股東及有意投資者提供有關新錦州吉興框架協議項下擬進行交易之資料。因此，根據上市規則第14A.34條，新錦州吉興框架協議項下銷售交易及購買交易構成本公司之持續關連交易，並獲豁免遵守獨立股東批准之規定，惟須遵守上市規則第14A.45至第14A.47條所載的申報及公告規定。

*錦州京鑫半導體材料有限公司 (「錦州京鑫」) 提供導輪的塗覆及開槽服務*

於二零零九年十一月二日，本公司與錦州京鑫訂立框架協議（「京鑫導輪服務協議」），據此，本公司已同意聘用或促使其附屬公司聘用錦州京鑫提供切割太陽能硅錠為太陽能硅片所需的導輪的塗覆及開槽服務。

本公司已於二零零九年十二月三十一日取得其獨立股東批准京鑫導輪服務協議。批准後，導輪服務協議於二零零九年十一月二日生效，並已於二零一一年十二月三十一日屆滿。

## Continuing Connected Transactions (continued)

### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Provision of services for re-coating and re-grooving guide rollers by 錦州京鑫半導體材料有限公司 Jinzhou Jingxin Semi-conductor Material Company Limited\* ("Jinzhou Jingxin") (continued)*

On 19 December 2011, the Company has entered into a new framework agreement (the "New Jingxin Guide Rollers Service Agreement") with Jinzhou Jingxin to renew the pre-existing agreement as well as to determine the annual cap amounts for the transactions for the years ending 31 December 2014. The term of the New Jingxin Guide Rollers Service Agreement has taken effect on 1 January 2012 and will expire on 31 December 2014.

The New Jingxin Guide Rollers Service Agreement was entered into in the ordinary and usual course of business and on normal commercial terms. The basis of determining the prices for the transactions under the New Jingxin Guide Rollers Service Agreement are determined with reference to the prevailing market price for the provision of service for re-coating and re-grooving guide rollers. The terms of the New Jingxin Guide Rollers Service Agreement and the transaction contemplated thereunder will be determined on an individual order basis and the terms of which are on normal commercial terms and no less favourable to the Company than the terms available from independent third parties. Payments for the transactions under the New Jingxin Guide Rollers Service Agreement will either be cash on delivery or on such credit terms as may be agreed between the parties on normal commercial terms and no less favourable to the Company than terms available from independent third parties. It is agreed that Jinzhou Jingxin will grant to the Group a credit period of 30 to 90 days.

For the year ended 31 December 2012, the aggregate amount of the service fee paid by the Group to Jinzhou Jingxin under the Jingxin Guide Rollers Service Agreement amounted to approximately RMB884,000 (2011: RMB2,545,000).

Based on the Directors' estimate of the transaction under the New Jingxin Guide Rollers Service Agreement for the two years ending 31 December 2014, it is expected that the following annual cap amounts payable by the Group will not exceed:

- (a) RMB3,000,000 for the year ending 31 December 2013; and
- (b) RMB3,000,000 for the year ending 31 December 2014.

## 持續關連交易(續)

### A. 獲豁免遵守獨立股東批准規定之持續關連交易(續)

*錦州京鑫半導體材料有限公司(「錦州京鑫」)提供導輪的塗覆及開槽服務(續)*

於二零一一年十二月十九日，本公司與錦州京鑫訂立新框架協議(「新京鑫導輪服務協議」)，以重續前現有協議及釐定截至二零一四年十二月三十一日止年度之交易年度上限金額。新京鑫導輪服務協議已自二零一二年一月一日起生效，並將於二零一四年十二月三十一日屆滿。

新京鑫導輪服務協議乃於一般及日常業務過程中按正常商業條款訂立。新京鑫導輪服務協議項下的交易價格乃參考提供導輪的塗覆及開槽服務當前市價釐定。新京鑫導輪服務協議及據其擬進行交易之條款將按個別訂單基準釐定，而其條款按正常商業條款訂立，且不遜於本公司獲獨立第三方提供的條款。新京鑫導輪服務協議之交易乃以貨到收現現金方式或訂約方按正常商業條款可能協定的有關信貸條款，且不遜於本公司獲獨立第三方提供的條款付款。訂約方已協定錦州京鑫將向本集團授予予乎30至90日不等之信貸期。

截至二零一二年十二月三十一日止年度，由本集團向錦州京鑫支付京鑫導輪服務協議項下的服務費總額為數約人民幣884,000元(二零一一年：人民幣2,545,000元)。

按照董事估計截至二零一四年十二月三十一日止兩個年度新京鑫導輪服務協議項下的交易，預計本集團應付年度上限金額將：

- (a) 就截至二零一三年十二月三十一日止年度不超過人民幣3,000,000元；及
- (b) 就截至二零一四年十二月三十一日止年度不超過人民幣3,000,000元。

## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Provision of services for re-coating and re-grooving guide rollers by Jinzhou Jingxin (continued)*

The proposed annual caps under the New Jingxin Guide Rollers Agreement are determined with reference to, among other things, (i) the Group's silicon solar wafer production capacity as at 19 December 2011; and (ii) the projected service fee for re-coating and re-grooving guide rollers in the next three financial years.

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, Jinzhou Jingxin is owned as to 40% by Ms. Chen Man, the daughter-in-law of Mr. Tan Wenhua, an executive Director and the Chairman of the Company, as to 10% by Ms. Chen Man's aunt and as to 50% by independent third parties. For the purpose of the transactions under the New Jingxin Guide Rollers Service Agreement, the Directors consider that Jinzhou Jingxin should be treated as an associate of Mr. Tan Wenhua and hence a connected person of the Company. Hence, the Directors consider that the transactions under the New Jingxin Guide Rollers Service Agreement should be subject to the continuing connected transaction requirements under Chapter 14A of the Listing Rules in order to provide the Shareholders and potential investors with information relating to the transactions contemplated under the New Jingxin Guide Rollers Service Agreement on a voluntary basis. Consequently, the transactions under the New Jingxin Guide Rollers Service Agreement constitute continuing connected transactions for the Company under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirement but are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

### 持續關連交易 (續)

#### A. 獲豁免遵守獨立股東批准規定之持續關連交易 (續)

*錦州京鑫提供導輪的塗覆及開槽服務 (續)*

新京鑫導輪服務協議項下的建議年度上限乃參考(其中包括): (i)本集團於二零一一年十二月十九日的太陽能硅片產能;及(ii)於未來三個財政年度塗覆及開槽導輪的預計服務費後釐定。

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，錦州京鑫分別由本公司執行董事兼主席譚文華先生之媳婦陳曼女士、陳曼女士之姨母及獨立第三方擁有40%、10%及50%權益。就新京鑫導輪服務協議項下之交易而言，董事認為錦州京鑫應被視為譚文華先生之聯繫人士，因而為本公司之關連人士。因此，董事認為新京鑫導輪服務協議項下之交易應遵守上市規則第14A章項下之持續關連交易規定，方能按自願基準向股東及有意投資者提供有關新京鑫導輪服務協議項下擬進行交易之資料。因此，根據上市規則第14A.34條，新京鑫導輪服務協議項下之交易構成本公司之持續關連交易，並獲豁免遵守獨立股東批准之規定，惟須遵守上市規則第14A.45至第14A.47條所載的申報及公告規定。

## Continuing Connected Transactions (continued)

### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

#### *Provision of services for re-coating and re-grooving guide rollers by Jinzhou Youlin Semi-Conductor Material Co., Ltd. ("Jinzhou Youlin")*

On 19 December 2011, the Company entered into a framework agreement with Jinzhou Youlin (the "Youlin Guide Rollers Service Agreement") pursuant to which the Company has agreed to engage or procure its subsidiaries to engage Jinzhou Youlin for the provision of services for re-coating and re-grooving guide rollers which is necessary for slicing of silicon solar ingots into silicon solar wafers. The term of the Youlin Guide Rollers Service Agreement has taken effect on 1 January 2012 and will expire on 31 December 2014.

The Youlin Guide Rollers Service Agreement was entered into in the ordinary and usual course of business and on normal commercial terms. The basis of determining the prices for the transactions under the Youlin Guide Rollers Service Agreement are determined with reference to the prevailing market price for the provision of service for re-coating and re-grooving guide rollers. The terms of the Youlin Guide Rollers Service Agreement and the transaction contemplated thereunder will be determined on an individual order basis and the terms of which are on normal commercial terms and no less favourable to the Company than the terms available from independent third parties. Payments for the transactions under the Youlin Guide Rollers Service Agreement will either be cash on delivery or on such credit terms as may be agreed between the parties on normal commercial terms and no less favourable to the Company than terms available from independent third parties. It is agreed that Jinzhou Youlin will grant to the Group a credit period of 30 to 90 days.

For the year ended 31 December 2012, the aggregate amount of the service fee paid by the Group to Jinzhou Youlin under the Youlin Guide Rollers Service Agreement amounted to approximately RMB2,699,000.

Based on the Directors' estimate of the transaction under the Youlin Guide Rollers Service Agreement for the two years ending 31 December 2014, it is expected that the following annual cap amounts payable by the Group will not exceed:

- (a) RMB3,500,000 for the year ending 31 December 2013; and
- (b) RMB3,500,000 for the year ending 31 December 2014.

## 持續關連交易(續)

### A. 獲豁免遵守獨立股東批准規定之持續關連交易(續)

#### *錦州佑林半導體材料有限公司(「錦州佑林」)提供導輪的塗覆及開槽服務*

於二零一一年十二月十九日，本公司與錦州佑林訂立框架協議(「佑林導輪服務協議」)，據此，本公司已同意聘用或促使其附屬公司聘用錦州佑林提供切割太陽能硅錠為太陽能硅片所需的導輪的塗覆及開槽服務。佑林導輪服務協議之條款已於二零一二年一月一日生效，並將於二零一四年十二月三十一日屆滿。

佑林導輪服務協議乃於一般及日常業務過程中按正常商業條款訂立。佑林導輪服務協議項下交易的價格乃參考提供導輪的塗覆及開槽服務當前市價釐定。佑林導輪服務協議及據其擬進行交易之條款將按個別訂單基準釐定，而其條款按正常商業條款訂立，且不遜於本公司獲獨立第三方提供的條款。佑林導輪服務協議項下之交易以貨到收取現金形式或由訂約各方按正常商業條款可能協定的有關信貸條款，且不遜於本公司獲獨立第三方提供的條款付款。訂約方已協定錦州佑林將向本集團授予予乎30至90日不等之信貸期。

截至二零一二年十二月三十一日止年度，本集團根據佑林導輪服務協議已支付錦州佑林的服務費總額約為人民幣2,699,000元。

按照董事估計截至二零一四年十二月三十一日止兩個年度佑林導輪服務協議項下的交易，預計本集團應付年度上限金額將：

- (a) 就截至二零一三年十二月三十一日止年度不超過人民幣3,500,000元；及
- (b) 就截至二零一四年十二月三十一日止年度不超過人民幣3,500,000元。



## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### A. Continuing Connected Transactions Exempt from the Independent Shareholders' Approval Requirements (continued)

*Provision of services for re-coating and re-grooving guide rollers by Jinzhou Youlin Semi-Conductor Material Co., ("Jinzhou Youlin") (continued)*

The proposed annual caps under the Youlin Guide Rollers Agreement are determined with reference to, among other things, (i) the Group's silicon solar wafer production capacity as at 19 December 2011; and (ii) the projected service fee for re-coating and re-grooving guide rollers in the next three financial years.

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, Youlin Semi-conductor is owned as to 87% by Ms. Chen Man, the daughter-in-law of Mr. Tan Wenhua, and as to 13% by independent third parties. Jinzhou Youlin is therefore an associate of Mr. Tan Wenhua and hence a connected person of the Company. Accordingly, the transactions under the Youlin Guide Rollers Service Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. Consequently, the transactions under the Youlin Guide Rollers Service Agreement constitute continuing connected transactions for the Company under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirement but are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

#### B. Non-exempt Continuing Connected Transactions

The following transactions constituted non-exempt continuing connected transactions for the Company and are thus subject to reporting, announcement and independent shareholders' approval requirements under Rules 14A.45 to 14A.48 of the Listing Rules:

Supply of graphite materials by 錦州昌華碳素制品有限公司 (Jinzhou Changhua Carbon Products Company Limited\*) ("Jinzhou Changhua") and supply of quartz crucibles by 錦州佑鑫電子材料有限公司 (Jinzhou Youxin Electronic Materials Co., Ltd.\*) ("Jinzhou Youxin")

### 持續關連交易 (續)

#### A. 獲豁免遵守獨立股東批准規定之持續關連交易 (續)

*錦州佑林半導體材料有限公司 (「錦州佑林」) 提供導輪的塗覆及開槽服務 (續)*

佑林導輪服務協議項下的建議年度上限乃參考(其中包括): (i)本集團於二零一一年十二月十九日的太陽能硅片產能; 及(ii)預期於未來三個財政年度導輪的塗覆及開槽的服務費後釐定。

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，佑林半導體分別由譚文華先生之媳婦陳曼女士及獨立第三方擁有87%及13%權益。錦州佑林因而為譚文華先生之聯繫人士，繼而為本公司之關連人士，故佑林導輪服務協議項下之交易構成本公司於上市規則第14A章項下之持續關連交易。因此，根據上市規則第14A.34條，佑林導輪服務協議項下之交易構成本公司之持續關連交易，並獲豁免遵守獨立股東批准之規定，惟須遵守上市規則第14A.45至第14A.47條所載的申報及公告批准規定。

#### B. 不獲豁免之持續關連交易

下列交易構成本公司之不獲豁免持續關連交易，故本公司須遵守上市規則第14A.45至第14A.48條的申報、公告及獨立股東批准規定：

錦州昌華碳素制品有限公司 (「錦州昌華」) 供應石墨材料及錦州佑鑫電子材料有限公司 (「錦州佑鑫」) 供應石英坩堝

## Continuing Connected Transactions (continued)

### B. Non-exempt Continuing Connected Transactions (continued)

On 2 December 2009, the Company entered into a framework supply agreement with Jinzhou Changhua and Jinzhou Youxin pursuant to which Jinzhou Changhua and Jinzhou Youxin agreed to supply graphite materials and quartz crucibles respectively to the Company or its subsidiaries as requested by them from time to time. Such graphite materials and quartz crucibles serve as the essential materials for the Group's production of silicon ingots. The supply agreement commenced on 1 January 2010 and expired on 31 December 2012. Formal purchase agreements (by way of purchase orders and confirmations) were entered into between the Group, Jinzhou Changhua and Jinzhou Youxin (as the case may be) with the detailed terms and conditions as specified in the relevant purchase orders. The purchase arrangement under the supply agreement has been conducted on normal commercial terms and on terms no less favourable than those available from independent third parties.

On 19 October 2012, the Company has entered into a new supply agreement (the "New Materials Supply Agreement") with Jinzhou Changhua to renew the pre-existing agreement as well as to determine the annual cap for the transactions for the three years ending 31 December 2015. The Company has obtained the approval from its independent shareholders in respect of the New Materials Supply Agreement on 27 December 2012. Upon approval, the term of the New Materials Supply Agreement commenced on 1 January 2013 and will expire on 31 December 2015.

The New Materials Supply Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms. The purchase price payable by the Group to Jinzhou Changhua under the New Materials Supply Agreement is estimated based on the expected purchase amount of the graphite materials and is comparable to the prevailing market prices.

For the year ended 31 December 2012, the aggregate amount of the purchase price paid by the Group to Jinzhou Changhua in relation to the sale and purchase of graphite materials amounted to approximately RMB34,213,000 (2011: RMB55,133,000).

For the year ended 31 December 2012, the aggregate amount of the purchase price paid by the Group to Jinzhou Youxin for the purchase of quartz crucibles amounted to approximately RMB27,578,000 (2011: RMB110,886,000).

## 持續關連交易(續)

### B. 不獲豁免之持續關連交易(續)

於二零零九年十二月二日，本公司與錦州昌華及錦州佑鑫訂立框架供應協議，據此，錦州昌華及錦州佑鑫同意根據本公司或其附屬公司之不時要求，向彼等分別供應石墨材料及石英坩堝。本集團採用該等石墨材料及石英坩堝作為生產硅錠的必要材料。供應協議由二零一零年一月一日起開始，並已於二零一二年十二月三十一日屆滿。本集團、錦州昌華及錦州佑鑫(視情況而定)已訂立正式購買協議(以購買訂單及確認之形式)，其詳細條款及條件載列於相關購買訂單內。供應協議項下購買安排乃以一般商業條款及不遜於獨立第三方提出的條款進行。

於二零一二年一月十九日，本公司與錦州昌華及錦州佑鑫訂立新供應協議(「新物料供應協議」)重續前現有協議，並就截至二零一五年十二月三十一日止三個年度的交易釐定年度上限。本公司已於二零一二年十二月二十七日就新物料供應協議獲其獨立股東批准。獲批准後，新物料供應協議已於二零一三年一月一日開始，並將於二零一五年十二月三十一日屆滿。

新物料供應協議乃於本集團一般及日常業務過程中按正常商業條款訂立。根據新物料供應協議，本集團應付予錦州昌華的購買價，乃參照石墨材料及石英坩堝的預期採購量估計，並與當時市價相若。

截至二零一二年十二月三十一日止年度，本集團就買賣石墨材料向錦州昌華支付之採購價總額約為人民幣34,213,000元(二零一一年：人民幣55,133,000元)。

截至二零一二年十二月三十一日止年度，本集團就採購石英坩堝向錦州佑鑫支付之採購價總額約人民幣27,578,000元(二零一一年：人民幣110,886,000元)。

## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### B. Non-exempt Continuing Connected Transactions (continued)

Based on the Directors' estimate of the purchase of graphite materials for the three years ending 31 December 2015, it is expected that the following annual cap amounts payable by the Group for transactions under the New Materials Supply Agreement will not exceed:

- (a) RMB103,784,000 for the year ending 31 December 2013;
- (b) RMB108,973,000 for the year ending 31 December 2014; and
- (c) RMB114,421,000 for the year ending 31 December 2015;

The above annual cap amounts are determined with reference to (i) the costs incurred by the Group for the purchase of the Materials for the nine months ended 30 September 2012; (ii) the expected increase in the Group's production capacity for the three years ending 31 December 2015; (iii) the expected increase in demand for the Materials for the production requirements of the Group in anticipation of the expected increase in demand for the Group's products; and (iv) the expected utilisation rate of the Group's production capacity for the three years ending 31 December 2015.

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, Jinzhou Changhua is owned as to 40% by Huaxin Silicon, which is wholly owned by Mr. TAN Wenhua, and as to 60% by Prosperity Lamps & Components Limited ("PLC"). PLC is owned as to 65% by Mr. CHONG Kin Ngai's wholly-owned companies and as to 35% by Independent Third Parties. Jinzhou Changhua is therefore an associate of each of Mr. TAN Wenhua (an executive Director) and Mr. CHONG Kin Ngai (a former non-executive Director who resigned on 1 December 2011) and hence a connected person of the Company. Furthermore, Mr. CHONG Kin Ngai would have resigned as a non-executive Director for more than 12 months after 1 December 2012 and would cease to be a connected person of the Company under Rule 14A.11(2) of the Listing Rules. Nevertheless, Jinzhou Changhua will remain an associate of Mr. TAN Wenhua by reason of his 40% shareholding in Jinzhou Changhua. Consequently, the transactions under the New Materials Supply Agreement constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules.

### 持續關連交易(續)

#### B. 不獲豁免之持續關連交易(續)

按照董事估計截至二零一五年十二月三十一日止三個年度採購石墨材料的數量，預期本集團根據新物料供應協議項下交易應付年度上限金額將：

- (a) 就截至二零一三年十二月三十一日止年度不超過人民幣103,784,000元；
- (b) 就截至二零一四年十二月三十一日止年度不超過人民幣108,973,000元；及
- (c) 就截至二零一五年十二月三十一日止年度不超過人民幣114,421,000元。

上述年度上限乃參考(i)本集團於截至二零一二年九月三十日止九個月就採購材料產生之成本；(ii)本集團於截至二零一五年十二月三十一日止三個年度產能之預期增幅；(iii)基於對本集團產品之預期需求增長而估計本集團生產所需材料之預期需求增長；及(iv)本集團於截至二零一五年十二月三十一日止三個年度產能之預期使用率而釐定。

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，錦州昌華由華新硅材料(由譚文華先生全資擁有)擁有40%股權，並由佑昌燈光器材有限公司(「佑昌燈光」)擁有60%股權。佑昌燈光由莊堅毅先生之全資擁有公司擁有65%，並由獨立第三方擁有35%股權。錦州昌華因而為譚文華先生(執行董事)及莊堅毅先生(前非執行董事，於二零一一年十二月一日辭任)各自之聯繫人士，因此為本公司之關連人士。此外，莊堅毅先生於二零一二年十二月一日辭任非執行董事超過十二個月，根據上市規則第14A.11(2)條不再為本公司之關連人士。然而，由於譚文華先生於錦州昌華之40%股權，錦州昌華將仍然為譚文華先生的聯繫人士。因此，根據上市規則第14A.35條，新物料供應協議項下交易構成本公司不獲豁免之持續關連交易。

## Continuing Connected Transactions (continued)

### B. Non-exempt Continuing Connected Transactions (continued)

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, Jinzhou Youxin, which is a party to the Existing Materials Supply Agreement as a supplier of quartz crucibles to the Group, is owned as to 25% by PLC and 75% by Independent Third Parties. Jinzhou Youxin is therefore no longer an associate of Mr. CHONG Kin Ngai by virtue of Rule 1.01 of the Listing Rules. In addition, as mentioned above, Mr. CHONG Kin Ngai would cease to be a connected person of the Company under Rule 14A.11(2) of the Listing Rules after 1 December 2012. Any transactions between the Group and Jinzhou Youxin (if any) after expiry of the Existing Materials Supply Agreement will no longer be subject to the continuing connected transactions requirements under Chapter 14A of the Listing Rules.

#### *Supply of scrap polysilicon, scrap ingots and scrap wafers by Wafer Works Corp. ("WWX")*

On 12 January 2008, the Company entered into a framework supply agreement with WWX pursuant to which WWX agreed to supply, and/or procure its subsidiaries ("WWX Group") to supply scrap polysilicon raw material, scrap ingots and scrap wafers to the Company or its subsidiaries as requested by them from time to time. Such scrap polysilicon, scrap ingots and scrap wafers serve as the Group's materials for its production of wafers. The supply agreement had a term commencing on 31 March 2008 and expired on 31 December 2009. Formal purchase agreements (by way of purchase orders and confirmations) were entered into between the Company (and/or its subsidiaries) and WWX (and/or its subsidiaries) with the detailed terms and conditions as specified in the relevant purchase orders. The purchase arrangements under the supply agreement were conducted on normal commercial terms and on terms no less favourable than those available from independent third parties.

The WWX Supply Agreement was entered into in the ordinary and usual course of business and on normal commercial terms. The purchase price payable by the Group to WWX under the WWX Supply Agreement is estimated based on the expected purchase amount of the scrap polysilicon, scrap ingots and scrap wafers and is comparable to the prevailing market prices in the scrap polysilicon, scrap ingots and scrap wafers market in the PRC.

On 4 June 2008, the Company entered into a supplemental agreement (the "WWX Supplemental Supply Agreement") with WWX to revise the caps for the transactions under the WWX Supply Agreement as well as to determine the annual cap for the transactions for the year ended 31 December 2010. The Company had obtained the approval from its independent shareholders in respect of the WWX Supplemental Supply Agreement on 27 June 2008. Upon approval, the term of the WWX Supplemental Supply Agreement commenced on 27 June 2008 and has expired on 31 December 2010.

## 持續關連交易(續)

### B. 不獲豁免之持續關連交易(續)

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，錦州佑鑫由佑昌燈光及獨立第三方分別擁有25%及75%，錦州佑鑫乃現有材料供應協議之訂約方，為本集團之石英坩堝供應商。因此，根據上市規則第1.01條，錦州佑鑫不再為莊堅毅先生的聯繫人士。此外，誠如上文所述，根據上市規則第14A.11(2)條，莊堅毅先生於二零一二年十二月一日後將不再為本公司之關連人士。本集團與錦州佑鑫於現有材料供應協議屆滿後之任何交易(如有)將毋須遵守上市規則第14A章項下之持續關連交易規定。

#### *合晶科技股份有限公司(「合晶科技」)供應多晶硅廢碎、硅錠廢碎及硅片廢碎*

於二零零八年一月十二日，本公司與合晶科技訂立框架供應協議，據此，合晶科技同意按本公司或其附屬公司的不時要求，向彼等供應及/或促使其附屬公司(「合晶科技集團」)供應多晶硅廢碎原材料、硅錠廢碎及硅片廢碎。本集團採用該等多晶硅廢碎、硅錠廢碎及硅片廢碎作為生產硅片的原材料。供應協議由二零零八年三月三十一日起開始，並已於二零零九年十二月三十一日屆滿。本公司(及/或其附屬公司)及合晶科技(及/或其附屬公司)已訂立正式購買協議(以購買訂單及確認之形式)，其詳細條款及條件載列於相關購買訂單內。合晶科技供應協議項下購買安排乃以正常商業條款及不遜於獨立第三方可能提出的條款進行。

合晶科技供應協議乃於一般及日常業務過程中按正常商業條款訂立。根據合晶科技供應協議，本集團向合晶科技支付的購買價，乃按照預計多晶硅廢碎、硅錠廢碎及硅片廢碎的採購額估算，並與中國多晶硅廢碎、硅錠廢碎及硅片廢碎市場當時的市價相若。

於二零零八年六月四日，本公司與合晶科技簽訂補充協議(「合晶科技補充供應協議」)，修訂合晶科技供應協議項下交易的年度上限，並釐定截至二零一零年十二月三十一日止年度交易的年度上限。本公司已於二零零八年六月二十七日就合晶科技補充供應協議獲獨立股東批准。獲批准後，合晶科技補充供應協議自二零零八年六月二十七日起生效，並已於二零一零年十二月三十一日屆滿。

## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### B. Non-exempt Continuing Connected Transactions (continued)

*Supply of scrap polysilicon, scrap ingots and scrap wafers by Wafer Works Corp. ("WWX") (continued)*

On 3 November 2010, the Company has entered into a new supply agreement (the "New WWX Supply Agreement") with WWX to renew the pre-existing agreement as well as to determine the annual cap for the transactions for the years ending 31 December 2013. The Company has obtained the approval from its independent shareholders in respect of the New WWX Supply Agreement on 26 January 2011. Upon approval, the term of the New WWX Supply Agreement commenced on 1 January 2011 and will expire on 31 December 2013.

For the year ended 31 December 2012, the aggregate amount of the purchase price paid by the Group to the WWX Group in relation to the supply of scrap polysilicon raw material, scrap ingots and scrap wafers amounted to approximately RMB17,096,000 (2011: RMB18,665,000).

Based on the Directors' estimate of the purchase of scrap polysilicon, scrap ingots and scrap wafers for the year ending 31 December 2013, it is expected that the annual cap amounts payable by the Group for transactions under the New WWX Supply Agreement will not exceed RMB229,900,000.

The above annual cap amount is determined with reference to (i) the expected increase in the Group's production capacity for the three years ending 31 December 2013; (ii) the expected percentage volume of polysilicon, scrap ingots and scrap wafers to be procured from WWX; (iii) the outstanding amount of procurement contract entered into with WWX; (iv) the production ratio of silicon solar ingot to polysilicon; and (v) the expected changes in the market price of polysilicon for the three years ending 31 December 2013.

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, as at the date of this report, WWX holds 100% interests in Wafer Works Investment Corp. ("WWIC"). WWIC is a substantial shareholder of the Company. Each of WWX and its subsidiaries is therefore an associate of WWIC and hence a connected person of the Company. Consequently, the transactions under the New WWX Supply Agreement constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules.

### 持續關連交易 (續)

#### B. 不獲豁免之持續關連交易 (續)

*合晶科技股份有限公司 (「合晶科技」) 供應多晶硅廢碎、硅錠廢碎及硅片廢碎 (續)*

於二零一零年十一月三日，本公司與合晶科技訂立新供應協議 (「合晶科技新供應協議」)，更新前現有協議，並釐定截至二零一三年十二月三十一日止年度交易的年度上限。本公司已於二零一一年一月二十六日就合晶科技新供應協議獲獨立股東批准。獲批准後，合晶科技新供應協議自二零一一年一月一日起生效，並將於二零一三年十二月三十一日屆滿。

截至二零一二年十二月三十一日止年度，本集團就供應多晶硅廢碎原材料、硅錠廢碎及硅片廢碎向合晶科技集團支付之採購價總額約為人民幣17,096,000元 (二零一一年：人民幣18,665,000元)。

按照董事估計截至二零一三年十二月三十一日止年度的多晶硅廢碎、硅錠廢碎及硅片廢碎採購量，預期本集團就合晶科技新供應協議項下交易應付年度上限金額將不超過人民幣229,900,000元。

上述年度上限乃參考：(i)截至二零一三年十二月三十一日止三個年度本集團產能的預期升幅；(ii)將向合晶科技採購的多晶硅、硅錠廢碎及硅片廢碎數量的預期百分比；(iii)與合晶科技所訂立採購合約的未達成數量；(iv)太陽能硅錠轉化為多晶硅的生產比率；及(v)截至二零一三年十二月三十一日止三個年度多晶硅市價的預期變動後釐定。

據董事作出一切合理查詢後所深知、全悉及確信，於本報告日期，合晶科技持有Wafer Works Investment Corp. (「WWIC」) 100%權益。WWIC是本公司主要股東，故此，合晶科技及其附屬公司各自為WWIC之聯繫人士，故亦為本公司之關連人士。因此，根據上市規則第14A.35條，合晶科技新供應協議項下交易構成本公司不獲豁免之持續關連交易。

## Continuing Connected Transactions (continued)

### B. Non-exempt Continuing Connected Transactions (continued)

#### *Sale of upgraded and processed polysilicon, silicon solar ingots and silicon solar wafers to WWX*

On 12 January 2008, the Company entered into a framework sale agreement with WWX (the “WWX Sale Agreement”) pursuant to which the Company has agreed to sell, or procure its subsidiaries to sell upgraded and processed polysilicon, silicon solar ingots and silicon solar wafers to WWX and/or its subsidiaries. The WWX Sale Agreement had a term commencing on 31 March 2008 and expired on 31 December 2009. Formal sale agreements (by way of purchase orders and confirmations) were entered into between the Company (and/or its subsidiaries) and WWX (and/or its subsidiaries) with the detailed terms and conditions as specified in the relevant purchase orders. The sale arrangements under the WWX Sale Agreement were conducted on normal commercial terms and on terms no less favourable than those available from independent third parties.

The WWX Sale Agreement was entered in the ordinary and usual course of business and on normal commercial terms. The purchase price payable by WWX to the Group under the WWX Sale Agreement is determined with reference to the prevailing market price of upgraded and processed polysilicon, silicon solar ingots and silicon solar wafers.

On 4 June 2008, the Company entered into a supplemental agreement (“the WWX Supplemental Sale Agreement”) to revise the caps for the transactions under the WWX Sale Agreement as well as to determine the annual cap for the transactions for the year ended 31 December 2010. The Company had obtained the approval from its independent shareholders in respect of the WWX Supplemental Sale Agreement on 27 June 2008. Upon approval, the term of the WWX Supplemental Sale Agreement commenced on 27 June 2008 and has expired on 31 December 2010.

On 3 November 2010, the Company has entered into a new sale agreement (the “New WWX Sale Agreement”) with WWX to renew the pre-existing agreement as well as to determine the annual cap for the transactions for the year ending 31 December 2013. The Company has obtained the approval from its shareholders in respect of the New WWX Sale Agreement on 26 January 2011. Upon approval, the term of the New WWX Sale Agreement commenced on 1 January 2011 and will expire on 31 December 2013.

## 持續關連交易(續)

### B. 不獲豁免之持續關連交易(續)

#### *向合晶科技銷售經改良及加工的多晶硅、太陽能硅錠及太陽能硅片*

於二零零八年一月十二日，本公司與合晶科技訂立框架銷售協議(「合晶科技銷售協議」)，據此，本公司同意銷售或促使其附屬公司銷售經改良及加工的多晶硅、太陽能硅錠及太陽能硅片予合晶科技及／或其附屬公司。合晶科技銷售協議之年期自二零零八年三月三十一日起生效，並已於二零零九年十二月三十一日屆滿。本公司(及／或其附屬公司)與合晶科技(及／或其附屬公司)已訂立正式銷售協議(以購買訂單及確認之形式)，其中詳細條款及條件載列於相關購買訂單內。合晶科技銷售協議項下銷售安排乃以正常商業條款及不遜於獨立第三方提出的條款進行。

合晶科技銷售協議乃於一般及日常業務過程中按一般商業條款訂立。根據合晶科技銷售協議，合晶科技向本集團支付的購買價，乃參照經改良及加工的多晶硅、太陽能硅錠及太陽能硅片當時的市價釐定。

於二零零八年六月四日，本公司簽訂補充協議(「合晶科技補充銷售協議」)，修訂合晶科技銷售協議項下交易的年度上限，並釐定截至二零一零年十二月三十一日止年度交易的年度上限。本公司已於二零零八年六月二十七日就合晶科技補充銷售協議獲獨立股東批准。獲批准後，合晶科技補充銷售協議自二零零八年六月二十七日起生效，並已於二零一零年十二月三十一日屆滿。

於二零一零年十一月三日，本公司與合晶科技訂立新銷售協議(「合晶科技新銷售協議」)，更新前現有協議，並釐定截至二零一三年十二月三十一日止年度交易的年度上限。本公司已於二零一一年一月二十六日就合晶科技新銷售協議獲股東批准。獲批准後，合晶科技新銷售協議自二零一一年一月一日起生效，並將於二零一三年十二月三十一日屆滿。

## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### B. Non-exempt Continuing Connected Transactions (continued)

*Sale of upgraded and processed polysilicon, silicon solar ingots and silicon solar wafers to WWX (continued)*

For the year ended 31 December 2012, no sales proceeds received by the Group from the WWX Group in relation to the sale of upgraded and processed polysilicon, silicon solar ingot and silicon solar wafers (2011: RMBNil).

Based on the Directors' estimate of the sales of upgraded and processed polysilicon, silicon solar ingots and silicon solar wafers for the year ending 31 December 2013, it is expected that the annual cap amounts receivable by the Group for transactions under the WWX New Sale Agreement will not exceed RMB403,200,000.

The above annual cap amount under the New WWX Sale Agreement is determined with reference to (i) the Group's expected increase in processing capacity for the three years ending 31 December 2013; (ii) the estimated WWX's demand for ingots and wafers for its business in the photovoltaic industry; and (iii) the expected changes in the market price of silicon solar ingots and wafers for the three years ending 31 December 2013.

As mentioned in the paragraph headed "Supply of scrap polysilicon, scrap ingots and scrap wafers by WWX" above, WWX is a connected person of the Company and the transactions under the New WWX Sale Agreement therefore constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules.

### 持續關連交易(續)

#### B. 不獲豁免之持續關連交易(續)

*向合晶科技銷售經改良及加工的多晶硅、太陽能硅錠及太陽能硅片(續)*

截至二零一二年十二月三十一日止年度，本集團並無就銷售經改良及加工的多晶硅、太陽能硅錠及太陽能硅片向合晶科技集團收取銷售所得款項(二零一一年：人民幣零元)。

按照董事估計截至二零一三年十二月三十一日止年度銷售經改良及加工的多晶硅、太陽能硅錠及太陽能硅片的銷售額，預計本集團根據合晶科技新銷售協議應收下列交易年度上限金額將不超過人民幣403,200,000元。

上述合晶科技新銷售協議項下的年度上限乃參考(i)截至二零一三年十二月三十一日止三個年度本集團加工產能的預期升幅；(ii)估計合晶科技的光伏業務對硅錠及硅片的需求；及(iii)截至二零一三年十二月三十一日止三個年度太陽能硅錠及硅片市價的預期變動後釐定。

誠如上文「合晶科技供應多晶硅廢碎、硅錠廢碎及硅片廢碎」一段所述，由於合晶科技為本公司關連人士，故根據上市規則第14A.35條，合晶科技新銷售協議項下之交易構成本公司不獲豁免之持續關連交易。

## Continuing Connected Transactions (continued)

### B. Non-exempt Continuing Connected Transactions (continued)

*The provision of services in respect of acidic wash of silicon, the processing and production of polysilicon and wafers to WWX*

On 12 January 2008, the Company entered into a framework processing agreement with WWX pursuant to which the Company agreed to provide, or procure its subsidiaries to provide the services in respect of acidic wash of silicon, the processing and recycling of top and tail scrap, pot scrap and scrap silicon into polysilicon and other raw materials necessary for the production of silicon solar ingots as well as the processing and production of silicon solar wafers to WWX or its subsidiaries. The processing agreement had a term commencing on 31 March 2008 and expired on 31 December 2009. Formal agreements (by way of processing orders and confirmations) were entered into between the Company (and/or its subsidiaries) and WWX (and/or its subsidiaries) with the detailed terms and conditions as specified in the relevant processing orders. The processing arrangements under the WWX Processing Agreement were conducted on normal commercial terms and on terms no less favourable than those available from independent third parties.

On 2 December 2009, the Company has entered into a new processing agreement ("New WWX Processing Agreement") to renew the pre-existing processing agreement as well as to determine the annual cap for the transactions for the years ending 31 December 2012. The Company has obtained the approval from its independent shareholders in respect of the New WWX Processing Agreement on 31 December 2009. Upon approval, the term of the New WWX Processing Agreement commenced on 1 January 2010 and will expire on 31 December 2012.

The New WWX Processing Agreement was entered into in the ordinary and usual course of business and on normal commercial terms. The processing fee is subject to the individual processing orders placed by the WWX Group with the Group and is determined with reference to the prevailing market price in respect of the processing services provided by a comparable sub-contractors in the PRC market.

For the year ended 31 December 2012, no fee was received by the Group from the WWX Group in relation to acidic wash of silicon, the processing and recycling of top and tail scrap, pot scrap and scrap silicon (2011: RMBNil).

## 持續關連交易(續)

### B. 不獲豁免之持續關連交易(續)

*向合晶科技提供硅材酸洗、多晶硅及硅片的加工及生產服務*

於二零零八年一月十二日，本公司與合晶科技訂立框架加工協議，據此，本公司同意提供或促使其附屬公司提供有關硅材酸洗及將頭尾料、鍋底料及硅廢碎加工及循環再造為多晶硅之服務，及提供用作生產太陽能硅錠及太陽能硅片加工及生產之其他所需原材料予合晶科技或其附屬公司。加工協議之年期自二零零八年三月三十一日起生效，並已於二零零九年十二月三十一日屆滿。本公司(及/或其附屬公司)與合晶科技(及/或其附屬公司)已訂立正式協議(以加工訂單及確認之形式)，其詳細條款及條件載列於相關加工訂單內。合晶科技加工協議項下加工安排乃以正常商業條款及不遜於獨立第三方提出的條款進行。

於二零零九年十二月二日，本公司簽訂一項新加工協議(「新合晶科技加工協議」)重續現有加工協議，並就截至二零一二年十二月三十一日止年度的交易釐定年度上限。本公司已於二零零九年十二月三十一日就新合晶科技加工協議獲其獨立股東批准。獲批准後，新合晶科技加工協議已於二零一零年一月一日生效，並將於二零一二年十二月三十一日屆滿。

新合晶科技加工協議乃於一般及日常業務過程中按正常商業條款訂立。加工費乃取決於合晶科技集團向本集團發出的個別加工訂單，並參照中國市場同類分包商提供之加工服務當時市價釐定。

截至二零一二年十二月三十一日止年度，本集團並無就硅材酸洗、加工及循環再造頭尾料、鍋底料、硅廢碎向合晶科技集團收取費用(二零一一年：人民幣零元)。



## Report of the Directors 董事會報告書

### Continuing Connected Transactions (continued)

#### B. Non-exempt Continuing Connected Transactions (continued)

*The provision of services in respect of acidic wash of silicon, the processing and production of polysilicon and wafers to WWX (continued)*

As mentioned in the paragraph headed “Supply of scrap polysilicon, scrap ingots and scrap wafers by WWX” above, WWX is a connected person of the Company. The transactions under the New WWX Processing Agreement therefore constitute non-exempt continuing connected transactions for the Company under Rule 14A.35 of the Listing Rules.

No renewal of New WWX Processing Agreement has been made after the expiry thereof.

The transactions as set out in section (A) “Continuing Connected Transactions Exempt from the Independent Shareholders’ Approval Requirements” above constitute continuing connected transactions of the Group which are exempt from independent shareholders’ approval under Rule 14A.34 of the Listing Rules and are subject to the reporting and announcement requirements set out in Rule 14A.35 to 14A.47 of the Listing Rules. The transactions as set out in section (B) “Non-exempt Continuing Connected Transactions” above are subject to reporting, announcement and independent shareholders’ approval requirements set out in Rules 14A.45 to 14A.48 of the Listing Rules. The Board has reviewed and the Independent Non-executive Directors have confirmed that the above continuing connected transactions (the “Continuing Connected Transactions”) for the year ended 31 December 2012 were entered into and conducted:

- (i) in the ordinary and usual course of business of the Company;
- (ii) either on normal commercial terms or terms no less favourable to the Company than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreement governing them and the terms and the proposal annual caps set out above that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

### 持續關連交易 (續)

#### B. 不獲豁免之持續關連交易 (續)

*向合晶科技提供硅材酸洗、多晶硅及硅片的加工及生產服務 (續)*

誠如上文「合晶科技供應多晶硅廢碎、硅錠廢碎及硅片廢碎」一段所述，合晶科技為本公司關連人士。根據上市規則第14A.35條，新合晶科技加工協議項下之交易構成本公司不獲豁免之持續關連交易。

新合晶科技加工協議於屆滿後並無重續。

上文(A)節「獲豁免遵守獨立股東批准規定之持續關連交易」所載交易構成本集團之持續關連交易，根據上市規則第14A.34條獲豁免遵守獨立股東批准的規定，並須遵守上市規則第14A.35條至14A.47條所載申報及公告規定。上文(B)節「不獲豁免之持續關連交易」所載交易須遵守上市規則第14A.45至第14A.48條的申報、公告及獨立股東批准的規定。董事會已審閱上述截至二零一二年十二月三十一日止年度所進行持續關連交易（「持續關連交易」），獨立非執行董事亦已確認持續關連交易乃按下列方式訂立及進行：

- (i) 在本公司一般及日常業務過程中；
- (ii) 按正常商業條款，或按不遜於本公司向或獲獨立第三方提供的條款；及
- (iii) 符合相關規管協議，且上述條款及建議年度上限屬公平及合理，並符合本公司股東整體利益。

## Continuing Connected Transactions (continued)

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group from pages 39 to 57 of the Annual Report in accordance with Main Board Listing Rule 14A.38. A copy of the auditor's letter has been provided by the Company to the Stock Exchange. The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

## Share Option Scheme

The Company has conditionally approved and adopted the share option scheme on 27 February 2008 ("Share Option Scheme") in which certain participants may be granted options to subscribe for the ordinary shares in the share capital of the Company with a nominal value of HK\$0.10 each ("Shares"). The Directors believe that the Share Option Scheme will be important for the recruitment and retention of quality executives and employees.

The subscription price for the shares under the share option to be granted will be determined by the Board and will be the highest of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

## 持續關連交易(續)

本公司核數師已獲聘根據香港會計師公會頒布的香港核證工作準則第3000號「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」報告本集團的持續關連交易。核數師已根據主板上市規則第14A.38條發出函件，而該函件載有核數師對有關本集團在年報第39至57頁披露的持續關連交易的發現及結論。本公司已將核數師函件副本送呈聯交所。本公司已確認，已遵守上市規則第14A章的披露規定。

## 購股權計劃

本公司已於二零零八年二月二十七日有條件批准及採納購股權計劃（「購股權計劃」），若干參與者可獲授購股權認購本公司股本中每股面值0.10港元之普通股（「股份」）。董事相信購股權計劃對聘用及留聘高質素的行政人員及僱員至為重要。

授出購股權所涉及股份的認購價將由董事會釐定，並將以下列最高者為準：

- (i) 股份於授出日期（須為聯交所關於進行證券交易業務的日子）於聯交所每日報價表所報的正式收市價；
- (ii) 緊接授出日期前五個營業日股份於聯交所每日報價表所報正式收市價平均數；及
- (iii) 股份面值。

## Report of the Directors 董事會報告書

### Share Option Scheme (continued)

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the listing of the Company's shares on the Stock Exchange ("the Listing") (but taking no account of any Shares which may be sold pursuant to the exercise of the over-allotment option in connection with the Listing) and capitalisation issue, being 169,076,650 Shares which represents 5.66% of the existing issued share capital of the Company.

The total number of securities available for issue under the Share Option Scheme as at 31 December 2012 was 158,186,650 Shares which represents 5.29% of the existing issued share capital of the Company (after deducting the grant of options to subscribe for 42,269,163 Shares on 29 December 2008 and adding back the number of options to subscribe for 10,285,000 Shares and 21,094,163 Share lapsed on 30 April 2009 and 31 December 2010, respectively).

No option may be granted to any person such that the total number of Shares of the Company issued and to be issued upon exercise of all options granted and to be granted to each participant in any 12-month period up to the date of the latest grant exceeds 1% of the number of Shares of the Company in issue.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board of Directors of the Company, which must not be more than 10 years from the date of the grant.

No share option was granted under the Share Option Scheme during the year.

Saved as otherwise disclosed, at no time during the year was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in or debentures of the company or any other body corporate.

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

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2012.

### 購股權計劃(續)

根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權涉及的股份數目上限，合共不得超過緊隨本公司股份於聯交所上市(「上市」)(但並不計及根據有關上市之超額配股權獲行使而可能出售的任何股份)及資本化發行完成後已發行股份總數的10%，即169,076,650股股份，相當於本公司現有已發行股本5.66%。

截至二零一二年十二月三十一日，於購股權計劃項下可發行證券總數為158,186,650股股份，相當於本公司現有已發行股本5.29%(扣除於二零零八年十二月二十九日授出可認購42,269,163股股份的購股權，並加回分別可認購10,285,000股股份及21,094,163股股份並於二零零九年四月三十日及二零一零年十二月三十一日失效的購股權後)。

本公司不得向任何人士授出購股權，致使該名人士在截至最後授出日期止任何12個月期間內已獲授或將獲授之購股權於行使時所發行及可予發行之本公司股份總數，超過本公司已發行股份數目之1%。

購股權可根據購股權計劃條款於本公司董事會釐定的期間內隨時行使，而有關期間自授出日期起計不得超過10年。

本年度內概無根據購股權計劃授出購股權。

除另有披露者外，本公司、其任何控股公司、附屬公司或同系附屬公司於年內任何時間概無參與任何安排，致使董事可透過收購本公司或任何其他法人團體之股份或債券而獲益。

### 購買、出售或贖回本公司上市證券

截至二零一二年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司上市證券。

## Interest and Short Positions of the Directors and the Chief Executives of the Company in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 December 2012, so far as the Directors are aware, the Directors and the chief executives of the Company and their associates had the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

## 董事及本公司最高行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零一二年十二月三十一日，據董事所悉，董事及本公司最高行政人員及彼等之聯繫人士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）的股份、相關股份及債券中，擁有已記錄於根據證券及期貨條例第352條規定存置的登記冊或根據標準守則須另行知會本公司及聯交所的權益如下：

Name of Director 董事姓名	Nature interest 權益性質	Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate percentage of shareholding (%) 概約持股百分比 (%)
Mr. TAN Wenhua 譚文華先生	Beneficial interest (Note 2) 實益權益(附註2)	528,624,443 (L)	21.22%
	Interest of a controlled corporation (Note 2) 受控法團權益(附註2)	155,320,308 (L)	6.23%
Mr. HSU You Yuan 許祐淵先生	Beneficial interest 實益權益	13,861,346 (L)	0.56%
	Interest in options (Note 3) 於購股權的權益(附註3)	239,835 (L)	0.01%
	Security interest (Note 3) 抵押權益(附註3)	239,835 (L)	0.01%
	Trustee's interest 受託人權益	7,252,085 (L)	0.29%
Mr. CHIAO Ping Hai 焦平海先生	Beneficial interest 實益權益	6,135,500 (L)	0.25%
	Interest in an option (Note 3) 於購股權的權益(附註3)	7,012,250 (L)	0.28%
	Security interest (Note 3) 抵押權益(附註3)	7,012,250 (L)	0.28%
Ms. ZHANG Liming 張麗明女士	Beneficial interest 實益權益	3,133,500 (L)	0.13%

## Report of the Directors 董事會報告書

### Interest and Short Positions of the Directors and the Chief Executives of the Company in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

(continued)

Note:

- (1) The letter "L" denotes the person's long position in such securities.
- (2) As at 31 December 2012, Mr. Tan Wenhua is interested in an aggregate of 683,944,751 Shares, of which (i) 528,624,442 Shares are directly held by Mr. Tan Wenhua; and (ii) 155,320,308 Shares are held by You Hua Investment Corporation, which is wholly-owned by Mr. Tan Wenhua.
- (3) Mr. Hsu You Yuan and Mr. Chiao Ping Hai are entitled to buy back the Shares of the relevant senior management and employees in the event that any of them cease to be employed. These Directors also have security interest in these Shares pursuant to a share charge granted by the relevant employees and consultants to secure their obligations to pay for the purchase price of the Shares and their obligations to comply with the relevant regulatory requirements to which they are subject to (if any).

### Substantial Shareholders' and Other Persons Interests and Short Positions in Shares and Underlying Shares

As at 31 December 2012, so far as the Directors are aware, save as disclosed above, the persons or corporations (not being a Director or chief executive of the Company) who have interest or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO or have otherwise notified to the Company were as follows:

### 董事及本公司最高行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉(續)

附註：

- (1) 字母「L」指該人士於該等證券的好倉。
- (2) 於二零一二年十二月三十一日，譚文華先生合共於683,944,751股股份中擁有權益，當中(i)528,624,442股股份由譚文華先生直接持有，及(ii)155,320,308股股份由譚文華先生全資擁有之佑華投資有限公司持有。
- (3) 倘若任何相關高級管理人員及僱員不再獲聘用或獲委託，則許祐淵先生及焦平海先生有權購回彼等的股份，該等董事根據相關僱員及顧問授出的股份抵押亦擁有該等股份的擔保權益，以確保彼等履行支付股份收購價以及遵從彼等受其限制的相關規管規定(如有)的責任。

### 主要股東及其他人士於股份及相關股份中的權益及淡倉

截至二零一二年十二月三十一日，據董事所悉，除上文披露者外，以下人士或法團(並非董事或本公司最高行政人員)於本公司股份及相關股份中，擁有已記錄於根據證券及期貨條例第336條規定存置的登記冊或已另行知會本公司的權益或淡倉：

Name 名稱/姓名	Capacity 身分	Number of ordinary shares held (Note 1) 所持普通股數目 (附註1)	Approximate percentage of shareholding (%) 概約持股百分比 (%)
Wafer Works Investment Corp. ("WWIC")	Beneficial owner 實益擁有人	287,259,822 (L)	15.35%
Wafer Works Corp. ("WWX") (Note 2) 合晶科技股份有限公司 (「合晶科技」)(附註2)	Interest of a controlled corporation 受控法團權益	287,259,822 (L)	15.35%
Hiramatsu International Corp.	Beneficial owner 實益擁有人	138,541,692 (L)	5.56%
Mr. CHONG Kin Ngai (Note 3) 莊堅毅先生 (附註3)	Interest of controlled corporations 受控法團權益	122,962,433 (L)	4.94%
	Personal interest 個人權益	4,994,500 (L)	0.2%
	Family interest 家族權益	1,100,000 (L)	0.04%

## Substantial Shareholders' and Other Persons Interests and Short Positions in Shares and Underlying Shares (continued)

Note:

1. The letter "L" denotes the person's long position in such securities.
2. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, WWIC is wholly-owned by WWX as at the date of this report. By virtue of the SFO, WWX is deemed to be interested in the Shares held by WWIC.
3. As at 31 December 2012, Mr. CHONG is interested in an aggregate of 129,056,933 Shares, of which 4,994,500 Shares are directly held by Mr. CHONG, 1,100,000 Shares are held by Mr. CHONG's spouse, 71,126,040 Shares are held by Prosperity Electric Corporation ("PEC") and 51,836,393 Shares are held by Prosperity Lamps & Components Limited ("PLC"). PLC is held as to 20% by PEC, as to 45% by Leigh Company Limited and as to 35% by independent third parties. Both PEC and Leigh Company Limited are wholly-owned by Mr. CHONG.

Save as disclosed above, as at 31 December 2012, the Directors are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company which fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO.

## Directors' Interest in Potentially Competing Businesses

Mr. TAN Wenhua, being the executive Director, and Mr. CHIAO Ping Hai, being the non-executive Director are interested in other related businesses, particulars of which are set out below:

Mr. TAN Wenhua

For the year ended 31 December 2012, Mr. Tan held approximately 40% interest in Jinzhou Changhua. Jinzhou Changhua is engaged in the manufacturing of graphite and graphite related products. The business of Jinzhou Changhua does not compete with that of the Group. Jinzhou Changhua, as a company which manufactures graphite and graphite related products, is not a competitor of the Group because (a) the Group is not engaged in the manufacturing of graphite or any graphite related products; and (b) graphite is not a substitute for polysilicon in the manufacturing of solar products currently produced by the Group.

Mr. CHIAO Ping Hai

For the year ended 31 December 2012, Mr. CHIAO Ping Hai had interests in WWX, 上海合晶硅材料有限公司 (Wafer Works (Shanghai) Corp\*) ("WWXS") and Wafer Works Epitaxial Corp. These three companies are all engaged in the business of manufacturing silicon wafers used in the semi-conductor industry. Mr. CHIAO Ping Hai also has indirect interests in Helitek and Heli-Vantech, Inc., both of which are engaged in the trading of silicon wafers used in the manufacture of semi-conductors. As explained above, the semi-conductor industry is different from that of the solar technology industry; thus, WWX, WWXS and Wafer Works Epitaxial Corp., Helitek and Heli-Vantech, Inc., are not engaged in any competing business of the Group.

## 主要股東及其他人士於股份及相關股份中的權益及淡倉(續)

附註：

1. 字母「L」指該人士於該等證券的好倉。
2. 據董事於作出一切合理查詢後所深知、全悉及確信，於本報告日期，合晶科技全資擁有WWIC。根據證券及期貨條例，合晶科技被視為於WWIC持有的股份中擁有權益。
3. 於二零一二年十二月三十一日，莊先生合共於129,056,933股股份中擁有權益，當中4,994,500股股份由莊先生直接持有、1,100,000股股份由莊先生之配偶持有、71,126,040股股份由Prosperity Electric Corporation(「PEC」)持有，另51,836,393股股份由佑昌燈光器材有限公司(「佑昌燈光」)持有。佑昌燈光分別由PEC、Leigh Company Limited及獨立第三方持有20%、45%及35%。PEC及Leigh Company Limited均由莊先生全資擁有。

除上文所披露者外，截至二零一二年十二月三十一日，董事並不知悉有任何其他人士或法團於本公司的股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文披露的權益或淡倉。

## 董事於潛在競爭業務的權益

執行董事譚文華先生以及非執行董事焦平海先生於其他相關業務擁有權益，其中詳情載列如下：

譚文華先生

於截至二零一二年十二月三十一日止年度，譚先生於錦州昌華擁有約40%的權益。錦州昌華從事製造石墨及石墨相關產品。錦州昌華的業務與本集團的業務並不存在任何競爭。作為一家製造石墨及石墨相關產品公司的錦州昌華，並非本集團的競爭對手，原因為(a)本集團並無從事石墨或任何石墨相關產品的製造業務；及(b)石墨不能替代多晶硅作為生產本集團目前製造的太陽能產品的原材料。

焦平海先生

於截至二零一二年十二月三十一日止年度，焦平海先生於合晶科技、上海合晶硅材料有限公司(「合晶硅材料」)及上海晶盟硅材料有限公司擁有權益。該三家公司均從事半導體產業所用的硅片製造業務。焦平海先生亦於漢崧及晶材科技股份有限公司擁有間接權益，兩家公司均從事買賣製造半導體所用的硅片。誠如上文所闡釋，半導體產業有別於太陽能科技產業，故此，合晶科技、合晶硅材料及上海晶盟硅材料有限公司、漢崧及晶材科技股份有限公司並非從事任何與本集團競爭的業務。

## Report of the Directors 董事會報告書

### Non-competition Undertaking

The Directors confirm that they have no interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the Group's business. The Directors have also signed a non-competition undertaking with the Company.

Disclosure on how the non-competition undertaking has been complied with and enforced would be consistent with the principles of making voluntary disclosures under the Corporate Governance Report under Appendix 23 of the Listing Rules.

Pursuant to the non-competition undertaking dated 27 February 2008, Mr. TAN Wenhua shall continue to be bound by the terms of the noncompetition undertaking in the event that he ceases to be a Director but remains a substantial shareholder of the Company.

The interested Director shall abstain from the meeting where there is actual or potential conflict in interest.

### Directors' Interests in Contracts

Save as disclosed in the section headed "Continuing Connected Transactions" on pages 39 to 57, no contract of significance to which the Company or any of its subsidiaries or fellow subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### Emolument Policy

The emolument policy of the employees of the Group is set out by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

### Retirement Benefit Schemes

Particulars of the retirement benefit schemes of the Group are set out in note 30 to the financial statements.

### Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association, or the law of Cayman Islands, being the jurisdiction in which the Company is incorporated under which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

### 不競爭承諾

董事確認，除本集團業務外，彼等概無於與本集團業務直接或間接存有競爭或極可能存有競爭的任何業務擁有權益。董事亦已與本公司訂立不競爭承諾。

本公司有關披露遵守及強制執行不競爭承諾情況的方式將與上市規則附錄二十三企業管治報告所載自願作出披露的原則相符。

根據二零零八年二月二十七日作出的不競爭承諾，倘若譚文華先生終止擔任董事職務但繼續為本公司主要股東，彼亦須受不競爭承諾的條款約束。

倘會議上討論的事宜與董事實際或潛在存在利益衝突，該涉及利益董事須放棄出席有關會議。

### 董事之合約權益

除第39至57頁「持續關連交易」一節所披露者外，本公司或其任何附屬公司或同系附屬公司概無參與訂立任何於年終或年內任何時間仍然有效，且董事於當中直接或間接擁有重大權益之重大合約。

### 薪酬政策

薪酬委員會按照僱員表現、資歷及能力，制定本集團僱員之薪酬政策。

薪酬委員會參照本公司的營運業績、董事個別表現及可比較市場統計數據，決定董事的薪酬。

### 退休福利計劃

本集團福利計劃詳情，載於財務報表附註30。

### 優先購股權

本公司之組織章程細則或開曼群島（即本公司註冊成立的司法權區）法例均無有關優先購股權之條文，規定本公司須按持股比例向現有股東提呈新股。

## Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. Special enquiries have been made by the Company to confirm that all Directors have been complied with the Model Code for the year ended 31 December 2012.

## Corporate Governance

Principal corporate governance practices adopted by the Company are set out in the corporate governance report on pages 19 to 29.

## Audit Committee

The Company established an Audit Committee on 27 February 2008 with written terms of references adopted in compliance with the Code set out in Appendix 14 of the Listing Rules. The members of the Audit Committee are the four independent non-executive Directors, and Mr. Wong Wing Kuen Albert, an independent non-executive Director, is the Chairman of the Audit Committee.

The Audit Committee is to serve as a focal point for communication between other Directors, the external auditor and the internal auditor (where an internal audit function exists) of the Company as regards their duties relating to financial and other reporting, internal controls, external and internal audits and such other financial and accounting matters as the Board determines from time to time.

The Audit Committee is to assist the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group, overseeing the audit process and performing other duties and responsibilities as may be assigned by the Board from time to time. The audit committee has reviewed the Group's interim and annual consolidated financial statements for the year 2012, including the accounting principles and practices adopted by the Group.

## Sufficiency of Public Float

As at the date of this annual report, the Company has maintained the prescribed public float of not less than 25% of the issued share capital of the Company pursuant to the Listing Rules and as agreed with the Stock Exchange, based on the information that is publicly available to the Company and within the knowledge of the Directors.

## Confirmation of Independence

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent Non-Executive Directors to be independent.

## 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則作為其本身董事進行證券交易的操守守則。本公司作出特別查詢後確認，全體董事於截至二零一二年十二月三十一日止年度已遵守標準守則。

## 企業管治

本公司採納的主要企業管治常規，載於第19至29頁的企業管治報告。

## 審核委員會

本公司已於二零零八年二月二十七日成立審核委員會，並採納按照上市規則附錄十四所載列守則制定書面職權範圍。審核委員會成員由四名獨立非執行董事組成，而獨立非執行董事王永權先生為審核委員會主席。

審核委員會乃作為其他董事、本公司外聘核數師與內部核數師(倘存在內部審核職能)之間的溝通橋樑，關乎彼等職責中相關的財務及其他報告、內部監控、外部及內部審核以及董事會不時決定的其他財務及會計事宜。

審核委員會乃為協助董事會獨立檢討本集團的財務報告過程、內部監控及風險管理制度的成效、監管審核過程及履行董事會不時指派的其他職責及責任。審核委員會已審閱本集團的二零一二年度中期及年度綜合財務報表，包括本集團採納的會計原則及常規。

## 足夠公眾持股量

根據本公司透過公開途徑的資料及據董事所知悉，於本年報日期，本公司一直維持上市規則所訂明並經與聯交所協定本公司已發行股本不少於25%的公眾持股量。

## 獨立身分的確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立身分確認書，並認為全體獨立非執行董事均為獨立人士。



## Report of the Directors 董事會報告書

### Auditors

The financial statements of the Company for the year have been audited by KPMG who will retire and, being eligible, offer themselves for reappointment.

A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

**TAN Wenhua**

*Chairman*

Hong Kong, 27 March 2013

### 核數師

本公司本年度的財務報表已由畢馬威會計師事務所審核。畢馬威會計師事務所將任滿告退，並其符合資格且願意獲續聘。

有關續聘畢馬威會計師事務所為本公司核數師的決議案將於應屆股東週年大會上提呈。

承董事會命

譚文華

*主席*

香港，二零一三年三月二十七日

# Independent Auditor's Report

## 獨立核數師報告



### Independent auditor's report to the shareholders of Solargiga Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Solargiga Energy Holdings Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 67 to 168, which comprise the consolidated and company statements of financial position as at 31 December 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Directors' responsibility for the consolidated financial statements

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

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made 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 Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

致陽光能源控股有限公司股東  
獨立核數師報告  
(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審計列載於第67至168頁陽光能源控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一二年十二月三十一日的綜合及公司財務狀況表,截至該日止年度的綜合損益表、綜合全面收入表、綜合權益變動表和綜合現金流量表以及主要會計政策概要及其他附註解釋資料。

### 董事就綜合財務報表須承擔的責任

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

### 核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見,並僅向整體股東報告。除此以外,我們的報告不可用作其他用途。我們概不就本報告的內容,對任何其他人士負責或承擔法律責任。

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

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

## Independent Auditor's Report 獨立核數師報告

### Auditor's responsibility (continued)

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

### Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2012, and of the Group's loss 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.

### Emphasis of matter

Without qualifying our opinion, we draw attention to note 1(b) to the consolidated financial statements which describes that the Group sustained a loss of RMB1,295,053,000 during the year ended 31 December 2012 and, as of that date, the Group's current liabilities exceeded its current assets by RMB385,052,000. The Group also used cash and cash equivalents of RMB202,579,000 in its operating activities during the year ended 31 December 2012 and suffered a significant decrease in turnover. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. As further detailed in note 1(b) to the consolidated financial statements, the Group raised net proceeds amounting to RMB200,443,000 through an open offer in March 2013 and has identified further measures to improve its performance and financial position. The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the successful implementation of these further measures to enable the Group to operate as a going concern and meet its financial liabilities as they fall due for the foreseeable future. The consolidated financial statements do not include any adjustments that would result should the Group be unable to continue to operate as a going concern.

### KPMG

*Certified Public Accountants*

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

27 March 2013

### 核數師的責任(續)

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

### 意見

我們認為，該等綜合財務報表已根據《香港財務報告準則》真實而公允地反映 貴公司及 貴集團於二零一二年十二月三十一日的事務狀況及截至該日止年度 貴集團的虧損和現金流量，並已按照香港《公司條例》之披露規定妥為編製。

### 強調事項

我們不發表保留意見，但請注意綜合財務報表附註1(b)所載，截至二零一二年十二月三十一日止年度，貴集團錄得虧損人民幣1,295,053,000元，以及截至該日期 貴集團之流動負債超逾其流動資產人民幣385,052,000元。貴集團亦於截至二零一二年十二月三十一日止年度經營活動中動用現金及現金等價物人民幣202,579,000元，且營業額大幅下降。這些數據顯示 貴集團存在重大不明朗因素，令 貴集團持續經營的能力嚴重成疑。誠如綜合財務報表附註1(b)進一步指出，於二零一三年三月，貴集團透過公開發售籌集所得款項淨額人民幣200,443,000元並確定進一步改善業績和財務狀況的措施。綜合財務報表是以持續經營基準編製，此基準的有效性視乎 貴集團能否成功落實該等進一步措施，從而讓 貴集團可持續經營，並於可見未來償還到期金融負債。綜合財務報表並不包含一旦 貴集團不能持續經營而須予作出的任何調整。

### 畢馬威會計師事務所

*執業會計師*

香港中環  
遮打道10號  
太子大廈8樓

二零一三年三月二十七日

# Consolidated Income Statement

## 綜合損益表

for the year ended 31 December 2012 截至二零一二年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列值)

		Note 附註	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
<b>Turnover</b>	<b>營業額</b>	3	<b>996,836</b>	2,574,669
Cost of sales	銷售成本		<b>(1,288,220)</b>	(2,320,821)
<b>Gross (loss)/profit</b>	<b>毛(損)/利</b>		<b>(291,384)</b>	253,848
Other revenue	其他收入	4	<b>55,808</b>	150,582
Other net income	其他收入淨額	5	<b>3,698</b>	3,191
Selling and distribution expenses	銷售及分銷開支		<b>(19,303)</b>	(32,169)
Administrative expenses	行政開支		<b>(252,539)</b>	(269,315)
<b>(Loss)/profit from operations</b>	<b>經營(虧損)/利潤</b>		<b>(503,720)</b>	106,137
Impairment of property, plant and equipment	物業、廠房及設備減值	14(e)	<b>(161,200)</b>	–
Impairment of intangible assets	無形資產減值	15	<b>(201,493)</b>	–
Impairment of goodwill	商譽減值	16	<b>(208,237)</b>	–
Impairment of prepayments	預付款項減值	18	<b>(134,485)</b>	–
Share of profits less losses of associates	應佔聯營公司淨損益	20	<b>1,511</b>	(54)
Finance costs	融資成本	6(a)	<b>(110,967)</b>	(71,949)
<b>(Loss)/profit before taxation</b>	<b>除稅前(虧損)/利潤</b>	6	<b>(1,318,591)</b>	34,134
Income tax credit	所得稅抵免	7	<b>23,538</b>	10,021
<b>(Loss)/profit for the year</b>	<b>年度(虧損)/利潤</b>		<b>(1,295,053)</b>	44,155
<b>Attributable to:</b>	<b>以下人士應佔：</b>			
Equity shareholders of the Company	本公司權益股東	8	<b>(1,276,554)</b>	54,291
Non-controlling interests	非控制性權益		<b>(18,499)</b>	(10,136)
<b>(Loss)/profit for the year</b>	<b>年度(虧損)/利潤</b>		<b>(1,295,053)</b>	44,155
<b>(Loss)/earnings per share (RMB cents)</b>	<b>每股(虧損)/盈利 (人民幣分)</b>	10		
Basic and diluted (2011: restated)	基本及攤薄(二零一一年：經重列)		<b>(55.99)</b>	2.43

The notes on pages 75 to 168 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the loss/profit for the year are set out in note 9.

第75至168頁之附註組成本財務報表之一部分。本公司權益股東應佔年內應付虧損/溢利股息之詳情載於附註9。

# Consolidated Statement of Comprehensive Income

## 綜合全面收入表

for the year ended 31 December 2012 截至二零一二年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列值)

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>(Loss)/profit for the year</b>	年度(虧損)/利潤	<b>(1,295,053)</b>	44,155
<b>Other comprehensive income for the year</b>	年度其他全面收入		
Exchange differences on translation of financial statements of companies outside of the People's Republic of China ("PRC")	換算中華人民共和國(「中國」)境外公司業務財務報表之匯兌差額	<b>407</b>	(6,769)
<b>Total comprehensive income for the year</b>	年度全面收入總額	<b>(1,294,646)</b>	37,386
<b>Attributable to:</b>	以下人士應佔：		
Equity shareholders of the Company	本公司權益股東	<b>(1,276,147)</b>	47,522
Non-controlling interests	非控制性權益	<b>(18,499)</b>	(10,136)
<b>Total comprehensive income for the year</b>	年度全面收入總額	<b>(1,294,646)</b>	37,386

The notes on pages 75 to 168 form part of these financial statements.

第75至168頁之附註組成本財務報表之一部分。

# Consolidated Statement of Financial Position

## 綜合財務狀況表

at 31 December 2012 於二零一二年十二月三十一日  
(Expressed in Renminbi) (以人民幣列值)

		Note	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	1,917,684	2,137,010
Intangible assets	無形資產	15	–	228,084
Goodwill	商譽	16	–	208,237
Prepayments for acquisition of property, plant and equipment	購置物業、廠房及設備的預付款項		4,582	52,262
Lease prepayments	租賃預付款項	17	101,361	103,858
Prepayments for raw materials	原材料的預付款項	18	316,543	396,972
Interests in associates	於聯營公司的權益	20	124,457	256,748
Deferred tax assets	遞延稅項資產	27(b)	–	17,907
			<b>2,464,627</b>	3,401,078
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	21	424,187	368,928
Trade and other receivables	應收貿易賬款及其他應收款項	22	720,747	534,845
Current tax recoverable	即可可收回稅項	27(a)	7,070	8,409
Pledged bank deposits	已抵押銀行存款	23	174,234	151,682
Cash at bank and in hand	銀行及手頭現金	24	153,793	583,743
			<b>1,480,031</b>	1,647,607
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	應付貿易賬款及其他應付款項	25	846,098	640,654
Bank loans	銀行貸款	26	1,018,985	705,077
Current tax payable	即期應付稅項	27(a)	–	6,623
			<b>1,865,083</b>	1,352,354
<b>Net current (liabilities)/assets</b>	<b>流動(負債)/資產淨值</b>		<b>(385,052)</b>	295,253
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>2,079,575</b>	3,696,331

## Consolidated Statement of Financial Position

### 綜合財務狀況表

at 31 December 2012 於二零一二年十二月三十一日

(Expressed in Renminbi) (以人民幣列值)

		Note	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Municipal government loan	市政府貸款	26(b)	2,780	2,947
Bank loans	銀行貸款	26(a)	484,500	845,035
Bonds	債券	26(c)	298,600	298,000
Deferred tax liabilities	遞延稅項負債	27(b)	11,757	48,215
Deferred income	遞延收入	28	221,701	221,903
Other non-current liabilities	其他非流動負債	29	9,007	7,335
			<b>1,028,345</b>	1,423,435
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>1,051,230</b>	2,272,896
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>	31		
Share capital	股本		218,787	198,585
Reserves	儲備		800,091	2,023,460
<b>Total equity attributable to equity shareholders of the Company</b>	<b>本公司權益股東應佔權益總額</b>		<b>1,018,878</b>	2,222,045
<b>Non-controlling interests</b>	<b>非控制性權益</b>		<b>32,352</b>	50,851
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>1,051,230</b>	2,272,896

Approved and authorised for issue by the board of directors on 27 March 2013.

董事會於二零一三年三月二十七日核准並許可發出。

**TAN Wenhua**

譚文華

Director

董事

**HSU You Yuan**

許祐淵

Director

董事

The notes on pages 75 to 168 form part of these financial statements.

第75至168頁之附註組成本財務報表之一部分。

# Statement of Financial Position

## 財務狀況表

at 31 December 2012 於二零一二年十二月三十一日  
(Expressed in Renminbi) (以人民幣列值)

		Note 附註	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	–	12
Interests in subsidiaries	於附屬公司權益	19	1,755,530	1,443,597
			<b>1,755,530</b>	1,443,609
<b>Current assets</b>	<b>流動資產</b>			
Trade and other receivables	應收貿易賬款及其他應收款項	22	9,751	751,132
Cash at bank and in hand	銀行及手頭現金	24	1,363	1,421
			<b>11,114</b>	752,553
<b>Current liabilities</b>	<b>流動負債</b>			
Bank loans	銀行貸款	26(a)	397,586	62,074
Other payables and accrued expenses	其他應付款項及應計費用	25	20,205	23,237
			<b>417,791</b>	85,311
<b>Net current (liabilities)/assets</b>	<b>流動(負債)/資產淨額</b>		<b>(406,677)</b>	667,242
<b>Total assets less current liabilities</b>	<b>資產總額減流動負債</b>		<b>1,348,853</b>	2,110,851
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Bank loans	銀行貸款	26(a)	–	398,035
Bonds	債券	26(c)	298,600	298,000
			<b>298,600</b>	696,035
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>1,050,253</b>	1,414,816
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>	31		
Share capital	股本		218,787	198,585
Reserves	儲備		831,466	1,216,231
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>1,050,253</b>	1,414,816

Approved and authorised for issue by the board of directors on 27 March 2013.

董事會於二零一三年三月二十七日核准並許可發出。

**TAN Wenhua**  
譚文華  
Director  
董事

**HSU You Yuan**  
許祐淵  
Director  
董事

The notes on pages 75 to 168 form part of these financial statements.

第75至168頁之附註組成本財務報表之一部分。



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

for the year ended 31 December 2012 截至二零一二年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列值)

		Attributable to equity shareholders of the Company 本公司權益股東應佔權益									Total equity 權益總額
		Share capital 股本	Share premium 股份溢價	General reserve fund 一般儲備金	Capital reserve 資本儲備	Exchange reserve 匯兌儲備	Other reserve 其他儲備	Retained profits 保留溢利	Total 總計	Non-controlling interests 非控制性權益	Total equity 權益總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	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
<b>Balance at 1 January 2011</b>	於二零一一年一月一日之結餘	162,458	940,428	117,555	40,828	(10,289)	(66,710)	422,508	1,606,778	38,937	1,645,715
<b>Changes in equity for 2011: 二零一一年權益變動:</b>											
Profit/(loss) for the year	年度利潤/(虧損)	-	-	-	-	-	-	54,291	54,291	(10,136)	44,155
Other comprehensive income	其他全面收入	-	-	-	-	(6,769)	-	-	(6,769)	-	(6,769)
Total comprehensive income	全面收入總額	-	-	-	-	(6,769)	-	54,291	47,522	(10,136)	37,386
Dividends approved in respect of the previous year (note 9(b))	上年度獲批准股息(附註9(b))	-	(78,476)	-	-	-	-	-	(78,476)	-	(78,476)
Issuance of convertible bonds classified as equity (note 31(d))	發行分類為權益之可換股債券(附註31(d))	-	-	-	-	-	644,281	-	644,281	-	644,281
Shares issued upon conversion of convertible bonds (note 31(d))	兌換可換股債券時發行股份(附註31(d))	36,127	608,154	-	-	-	(644,281)	-	-	-	-
Capital injection by non-controlling shareholders	非控股股東注資	-	-	-	-	-	-	-	-	22,050	22,050
Equity settled share-based transactions	以股權結算股份支付之交易	-	-	-	1,940	-	-	-	1,940	-	1,940
Appropriation	分配	-	-	21,801	-	-	-	(21,801)	-	-	-
<b>Balance at 31 December 2011</b>	於二零一一年十二月三十一日之結餘	198,585	1,470,106	139,356	42,768	(17,058)	(66,710)	454,998	2,222,045	50,851	2,272,896
<b>Balance at 1 January 2012</b>	於二零一二年一月一日之結餘	198,585	1,470,106	139,356	42,768	(17,058)	(66,710)	454,998	2,222,045	50,851	2,272,896
<b>Changes in equity for 2012: 二零一二年權益變動:</b>											
Loss for the year	年度虧損	-	-	-	-	-	-	(1,276,554)	(1,276,554)	(18,499)	(1,295,053)
Other comprehensive income	其他全面收入	-	-	-	-	407	-	-	407	-	407
Total comprehensive income	全面收入總額	-	-	-	-	407	-	(1,276,554)	(1,276,147)	(18,499)	(1,294,646)
Shares issued under open offer (note 31(e))	根據公開發售發行股份(附註31(e))	20,202	52,778	-	-	-	-	-	72,980	-	72,980
Appropriation	分配	-	-	48,696	-	-	-	(48,696)	-	-	-
<b>Balance at 31 December 2012</b>	於二零一二年十二月三十一日之結餘	218,787	1,522,884	188,052	42,768	(16,651)	(66,710)	(870,252)	1,018,878	32,352	1,051,230

The notes on pages 75 to 168 form part of these financial statements.

第75至168頁之附註組成本財務報表之一部分。

# Consolidated Cash Flow Statement

## 綜合現金流量表

for the year ended 31 December 2012 截至二零一二年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列值)

	Note 附註	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Operating activities</b>	經營活動		
(Loss)/profit before taxation	除稅前(虧損)/利潤	(1,318,591)	34,134
Adjustments for:	調整：		
Depreciation and amortisation	折舊及攤銷	202,830	166,084
Gain on disposals of property, plant and equipment	出售物業、廠房及設備的收益	-	(178)
Share of profits less losses of associates	應佔聯營公司淨損益	(1,511)	54
Impairment of property, plant and equipment	物業、廠房及設備減值	161,200	-
Impairment of prepayments	預付款項減值	134,485	-
Impairment of goodwill	商譽減值	208,237	-
Impairment of intangible assets	無形資產減值	201,493	-
Equity-settled share-based payment expenses	按權益結算以股份支付的開支	-	1,940
Write-down of inventories	存貨撇減	154,590	161,701
Impairment of trade debtors	應收貿易賬款減值	1,159	-
Finance costs	融資成本	110,967	71,949
Provision for warranty costs	就保證成本作出的撥備	1,672	6,465
Interest income from bank deposits	銀行存款利息收入	(4,430)	(5,952)
Foreign exchange (gain)/loss	匯兌(收益)/虧損	(2,051)	5,516
<b>Operating (loss)/profit before changes in working capital</b>	未計營運資金變動的經營(虧損)/利潤	<b>(149,950)</b>	441,713
Increase in inventories	存貨增加	(209,956)	(118,958)
(Increase)/decrease in trade and other receivables	應收貿易賬款及其他應收款項(增加)/減少	(67,063)	178,602
Increase in prepayments for raw materials	原材料的預付款項增加	(52,537)	(151,869)
Increase/(decrease) in trade and other payables	應付貿易賬款及其他應付款項增加/(減少)	277,426	(46,507)
(Decrease)/increase in deferred income	遞延收入(減少)/增加	(202)	6,910
<b>Cash (used in)/generated from operating activities</b>	經營活動(所用)/所得現金	<b>(202,282)</b>	309,891
The People's Republic of China (the "PRC") income tax refunded/(paid)	已退還/(已付)中華人民共和國(「中國」)所得稅	561	(35,332)
Withholding tax paid	已付預扣稅項	(858)	-

## Consolidated Cash Flow Statement

### 綜合現金流量表

for the year ended 31 December 2012 截至二零一二年十二月三十一日止年度  
(Expressed in Renminbi) (以人民幣列值)

	Note	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Net cash (used in)/generated from operating activities</b>		<b>(202,579)</b>	274,559
<b>Investing activities</b>			
Payment for the acquisition of property, plant and equipment		(122,378)	(658,775)
Capital injection to an associate		–	(86,000)
Payment of lease prepayments		–	(15,776)
Decrease in deposits with banks with original maturity over three months		3,770	46,230
Increase in amount due from an associate		–	(133,802)
Net cash inflow from acquisition of subsidiaries	39(c)	–	33,670
Proceeds from disposals of property, plant and equipment		–	1,044
Interest received		4,430	5,952
<b>Net cash used in investing activities</b>		<b>(114,178)</b>	(807,457)
<b>Financing activities</b>			
Placement of pledged deposits		(174,234)	(151,682)
Repayments of pledged deposits		151,643	74,113
Dividends paid	9(b)	–	(78,476)
Proceeds from bank loans		1,455,143	2,250,633
Repayment of bank loans		(1,501,770)	(1,611,437)
Proceeds from bonds issued	26(c)	–	300,000
Capital injection by non-controlling shareholders		–	22,050
Net proceeds from open offer	31(e)	72,980	–
Interest paid		(113,234)	(84,509)
Loan transaction cost paid		–	(12,095)
Bond issuing cost paid		–	(3,600)
<b>Net cash (used in)/generated from financing activities</b>		<b>(109,472)</b>	704,997
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(426,229)</b>	172,099
<b>Cash and cash equivalents at the beginning of the year</b>		<b>559,973</b>	389,734
<b>Effect of foreign exchange rate changes</b>		<b>49</b>	(1,860)
<b>Cash and cash equivalents at the end of the year</b>	24	<b>133,793</b>	559,973

The notes on pages 75 to 168 form part of these financial statements.

第75至168頁之附註組成本財務報表之一部分。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Renminbi unless otherwise indicated) (除另有註明者外，以人民幣列值)

### 1 Significant accounting policies

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

#### (b) Basis of preparation of the financial statements

The Group sustained a loss for the year ended 31 December 2012 of RMB1,295,053,000 including impairment of assets of RMB705,415,000 (2011: RMBNil) and, as of that date, the Group’s current liabilities exceeded its current assets by RMB385,052,000. The Group also used cash and cash equivalents of RMB202,579,000 in its operating activities during the year ended 31 December 2012, and suffered a significant decrease in turnover. Notwithstanding the foregoing, the directors are of the view that the adoption of the going concern assumption in the preparation of the financial statements is appropriate, as they have taken into consideration the following factors and concluded that the Group will have sufficient funds to finance its working capital and adequate committed lines of funding from major financial institutions to meet its liquidity requirements for a period of at least, but not limited to, 12 months from the end of the reporting period.

### 1 主要會計政策

#### (a) 合規聲明

財務報表是根據所有適用的香港財務報告準則「香港財務報告準則」，(該統稱詞彙包括香港會計師公會(「香港會計師公會」)頒佈之所有個別適用的香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例的披露規定予以編製。此外，財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)的適用披露條文。下文所載為本集團採納的主要會計政策概要。

香港會計師公會已頒佈本集團及本公司於現時會計期間首次生效或提早採納之若干新訂及經修訂香港財務報告準則。附註2提供就於現時及過往會計期間初步採納與本集團有關之此等發展事項導致於此等財務報表反映之會計政策之任何變動之資料。

#### (b) 財務報表的編製基準

本集團於截至二零一二年十二月三十一日止年度錄得虧損人民幣1,295,053,000元包括資產減值人民幣705,415,000元(二零一一年：人民幣零元)以及截至該日期本集團之流動負債超逾其流動資產人民幣385,052,000元。本集團亦於截至二零一二年十二月三十一日止年度動用現金及現金等價物人民幣202,579,000元於經營活動中，而營業額則大幅下降。儘管上述各項，董事認為採納持續經營基準以編製財務報表屬適合，原因為彼等已計及以下因素並得出結論本集團將有充裕資金以撥付其營運資金，且來自主要財務機構之承諾融資資金能滿足其(但不限於)由報告期間結算日起計至最少十二個月止期間之流動資金需求。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

##### (b) Basis of preparation of the financial statements (continued)

###### (i) Available banking facilities

Due to the non-compliance with certain financial covenants under the syndicated loan agreement dated 27 May 2011, as subsequently revised by a waiver letter granted by the banks dated 23 August 2012, the balance of the non-current portion of the syndicated loan due in 2014 amounting to US\$21,230,000 (equivalent to RMB133,441,000) was reclassified from non-current liabilities to current liabilities as at 31 December 2012. On 26 March 2013, a waiver from non-compliance with the financial covenants was granted by the majority of the lenders.

The Group intends to maintain its strong business relationship with its bankers to maintain their continuing support and is actively discussing with its bankers for the renewal of short term banking facilities when they fall due in 2013. In March 2013, the Group renewed the short term bank loans of US\$9,000,000 (equivalent to RMB56,570,000) for the coming one year. Moreover, as at 31 December 2012, the Group has unutilised banking facilities of RMB55,000,000 which will be available for the twelve months from the end of the reporting period. The directors are confident that the Group will continue to succeed in negotiating with its bankers to renew its outstanding bank loans as they fall due and/or to extend their repayment terms to meet its future working capital and financial requirements.

###### (ii) Raising of funds through equity transactions

In March 2013, the Group completed an open offer (as disclosed in note 41(a)) and issued 498,260,094 new shares, which raised net proceeds (after deduction of estimated related expenses) amounting to RMB200,443,000. The Group will apply the entire net proceeds to repay its current outstanding interest-bearing bank loans.

Further, the Group may explore and seek to, subject to market conditions and definitive agreements having been entered into, raise equity financing by way of a placing, possibly up to US\$6 million before June 2013, to further strengthen the Group's liquidity and working capital.

#### 1 主要會計政策(續)

##### (b) 財務報表的編製基準(續)

###### (i) 可用銀行融資

由於未能遵守日期為二零一一年五月二十七日之銀團貸款協議項下之若干財務契諾(其後由銀行發出日期為二零一二年八月二十三日之豁免函件經修訂),於二零一四年到期之銀團貸款之非流動部分之結餘為21,230,000美元(相當於人民幣133,441,000元)於二零一二年十二月三十一日由非流動負債獲重新分類至流動負債。於二零一三年三月二十六日,大部份放款人授出不遵守財務契諾豁免。

本集團有意保持此與其銀行之緊密業務關係,以繼續得到其支持,且當短期銀行融資於二零一三年到期時,積極與銀行討論重續短期銀行融資。於二零一三年三月,本集團就未來一年重續短期銀行貸款9,000,000美元(相當於人民幣56,570,000元)。此外,於二零一二年十二月三十一日,本集團未動用之銀行融資為人民幣55,000,000元,其將由報告期間結算日起計十二個月止期間為可予動用。董事有信心當尚未償還銀行貸款到期時,本集團將繼續成功與銀行磋商及/或延遲其償還期限以應付其未來營運資金以及財務需求。

###### (ii) 透過股權交易籌集資金

於二零一三年三月,本集團完成公開發售(於附註41(a)披露)並發行498,260,094股新股份,所籌集之所得款項淨額(扣除估計有關開支後)為人民幣200,443,000元。本集團將全數動用所得款項淨額以償還其現時尚未償還之計息銀行貸款。

此外,本集團可能因應市場條件及已訂立之特定協議開拓並尋求以配售方式籌集股權融資,於二零一三年六月前可能籌得6,000,000美元,以進一步加強本集團之流動資金及營運資金。

## 1 Significant accounting policies (continued)

### (b) Basis of preparation of the financial statements (continued)

#### (iii) Other measures to improve liquidity and financial performance

The directors have reviewed the Group's future plans and strategy and have identified various initiatives and have taken active steps which could turn around the Group's business performance and to improve the Group's liquidity, operating cash flows and financial position, which include the following:

- (1) reduction of capital expenditure in order to reduce cash outflows;
- (2) increasing in the production ratio of high quality and high efficiency products;
- (3) implementation of tightened credit control and active search for new customers with sound financial background;
- (4) implementation of cost saving measures including stringent control of cost of production, administrative expenses and selling expenses to enhance overall profitability; and
- (5) actively exploring the availability of alternative sources of financing.

After taking into consideration the above factors, the directors are confident that the Group will continue to obtain the ongoing support from its bankers and will have sufficient funding to enable it to operate as a going concern and meet its financial obligations as and when they fall due for at least 12 months from the reporting date. Accordingly, the financial statements have been prepared on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the financial statements.

## 1 主要會計政策(續)

### (b) 財務報表的編製基準(續)

#### (iii) 改善流動資金及財政表現之其他措施

董事已檢討本集團之未來規劃及策略並已確定多項計劃，並積極採取行動，以推進本集團之業務表現並改善本集團之流動資金、經營現金流量以及財務狀況，其包括以下各項：

- (1) 減少所有資本開支以減低現金流出；
- (2) 增加高質高效率產品之生產比率；
- (3) 實施嚴謹信貸監控並積極尋找有穩健財務背景之新客戶；
- (4) 實施節省成本措施包括嚴格之生產成本監控、行政開支、銷售開支以增強整體之盈利能力；及
- (5) 積極開拓其他融資來源之可行性。

經計及以上因素後，董事有信心，本集團將繼續自其銀行取得持續支持並將擁有充裕資金，以讓其能持續經營，並滿足其於報告日期起最少十二個月期間之財務責任。因此，財務報表乃按持續經營基準編製。倘本集團未能以持續經營之方式繼續經營，將作出調整以撇減資產之價值至其可收回金額，以對進一步可能出現之負債作出撥備，並分別重新分類非流動資產及非流動負債為流動資產及流動負債。該等調整之影響並無於財務報表中反映。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

(b) Basis of preparation of the financial statements (continued)

The consolidated financial statements for the year ended 31 December 2012 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except as otherwise stated in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 37.

#### 1 主要會計政策(續)

(b) 財務報表的編製基準(續)

截至二零一二年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)以及本集團於聯營公司之權益。

除於以下會計政策內列明外，編製財務報表是以歷史成本作為計量基準。

編製符合香港財務報告準則的財務報表需要管理層作出判斷、估計和假設。這些判斷、估計和假設會影響會計政策應用和影響資產與負債、收入與支出的呈報金額。這些估計和相關的假設是以過往經驗和以在具體情況下確信為合理的其他因素為基礎，用作判斷那些無法從其他渠道直接獲得其賬面值的資產和負債項目的賬面值的依據。實際結果可能跟這些估計有所不同。

這些估計及相關假設會持續審閱。如會計估計的修訂僅對修訂期間產生影響，則其影響只會在當期確認；如會計估計的修訂對修訂期間及未來期間均產生影響，相關影響則同時在當期和未來期間確認。

有關管理層採納香港財務報告準則時所作出對財務報表有重大影響的判斷，以及不確定估計之主要來源之討論載列於附註37。

## 1 Significant accounting policies (continued)

### (c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(j)).

## 1 主要會計政策(續)

### (c) 附屬公司及非控制性權益

附屬公司指本集團控制的實體。控制是指本集團有權力支配某實體的財務及營運政策，藉此從其活動取得利益。在評估本集團是否控制某實體時，會考慮到目前可行使的潛在投票權。

於附屬公司的投資由控制開始當日至控制終止當日在綜合財務報表中綜合計算。集團內公司間的結餘和交易，以及集團內公司間交易產生的任何未變現利潤，會在編製綜合財務報表時全數抵銷。集團內公司間交易所引致未變現虧損的抵銷方法與未變現收益相同，但抵銷額只限於沒有證據顯示已出現減值的部份。

非控制性權益為並非由本公司直接或間接應佔的附屬公司權益，而本集團並無就此與該等權益的持有人協定任何額外條款，致使本集團整體就該等權益承擔符合財務負債定義的合約責任。

非控制性權益於綜合財務狀況表內的權益項下與本公司權益股東應佔權益分開列示。本集團業績中的非控制性權益乃在綜合損益表及綜合全面收入表中列為年度利潤或虧損總額及全面收入總額在非控制性權益及本公司權益股東之間的分配。

於本公司財務狀況表中，於附屬公司的投資是按成本減去減值虧損後入賬(見附註1(j))。



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 1 Significant accounting policies (continued)

### (d) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 1(j)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that, in substance, form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

## 1 主要會計政策(續)

### (d) 聯營公司

聯營公司是指本集團或本公司對其有重大影響，但對其管理層並無控制或共同控制權的實體；重大影響包括參與其財務和經營決策。

於聯營公司的投資是按權益法記入綜合財務報表。根據權益法，投資初步以成本入賬，然後就本集團所佔被投資方可識別資產淨值的收購日期公平值超出投資成本的任何部分(如有)作出調整。其後，有關投資會就本集團所佔被投資方資產淨值的收購後變動及有關投資的任何減值虧損(見附註1(j))作出調整。收購日期超出成本的任何部分、本集團所佔被投資方的收購後除稅後業績及年內任何減值虧損於綜合損益表確認，而本集團所佔被投資方其他全面收入內的收購後除稅後項目則於綜合全面收入表確認。

當本集團對聯營公司承擔的虧損額超過其所佔權益時，本集團所佔權益便會減少至零，並且不再確認額外虧損；但如本集團須履行法定或推定義務，或代被投資方作出付款則除外。就此而言，本集團的權益是以按照權益法計算的投資賬面金額，以及實質上構成本集團在聯營公司投資淨額一部分的長期權益。

本集團與其聯營公司之間交易所產生的未變現損益，均按本集團於被投資方所佔的權益抵銷；但倘未變現虧損證明已轉讓資產出現減值，則會即時在損益表中確認。

## 1 Significant accounting policies (continued)

### (e) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 1(j)).

### (f) Property, plant and equipment

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(j)(ii)):

- buildings held for own use which are situated on leasehold land classified as held under operating leases (see note 1(i)); and
- other items of plant and equipment.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportions of production overheads and borrowing costs (see note 1(u)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

## 1 主要會計政策(續)

### (e) 商譽

商譽指：

- (i) 所轉讓代價之公平值、於被收購方之任何非控制性權益金額以及本集團以往於被收購方所持之股本權益公平值之總額；超出
- (ii) 被收購方在收購日所計量的可識別資產及負債之公平值淨額之數額。

當(ii)大於(i)時，該超出數額隨即於損益中確認為該特惠收購之收益。

商譽按成本值減任何累計減值虧損列賬。因業務合併產生之商譽乃分配至預期可受惠於該項合併所產生協同效益之各項現金產生單位或各組現金產生單位，並須每年進行減值測試(見附註1(j))。

### (f) 物業、廠房及設備

下列各項物業、廠房及設備乃按照成本扣除累計折舊及減值虧損(見附註1(j)(ii))列賬：

- 位於分類為根據經營租賃持有的租賃土地之持作自用樓宇(見附註1(i))；及
- 其他廠房及設備項目。

自建的物業、廠房及設備項目成本包括材料成本、直接勞工、初步估計(視何者適用)拆卸及清除項目及重修所在地盤之成本，以及生產經常費用及借貸成本的適當部分(見附註1(u))。

報廢或出售一項物業、廠房及設備所產生的損益以出售該項項目所得款項淨額與其賬面金額之差額而釐定，並於報廢或出售當日在損益表確認。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

(f) Property, plant and equipment (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Plant and machinery 10 years
- Other fixed assets 5 years

Both the useful life of an asset and its residual value, if any, are reviewed annually.

(g) Construction in progress

Construction in progress is stated at cost less impairment losses (see note 1(j)(ii)).

Cost comprises direct costs of construction as well as interest expenses capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to property, plant and equipment when substantially all the activities necessary to prepare the asset for its intended use are completed. No depreciation is provided in respect of construction in progress until it is substantially ready for its intended use.

#### 1 主要會計政策(續)

(f) 物業、廠房及設備(續)

折舊是根據各項物業、廠房及設備項目的估計可使用年限，以直線法減去其估計剩餘價值(如有)計算，以撇銷其成本值，詳情如下：

- 位於租賃土地之樓宇是按租賃未屆滿年期及其估計可使用年限之較短期間折舊，即竣工日期起計不多於50年。
- 廠房及機器 10年
- 其他固定資產 5年

資產之可使用年限及剩餘價值(如有)均會每年審閱。

(g) 在建工程

在建工程按成本減去減值虧損(見附註1(j)(ii))後列賬。

成本包括建設及安裝期間的直接建設成本及資本化利息。當該資產投入擬定用途所需的準備工作大致完成時，此等成本終止資本化，而該在建工程則轉入物業、廠房及設備。在建工程不計提折舊，直至在建工程大部分已就緒作擬定用途。

## 1 Significant accounting policies (continued)

### (h) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group with a finite estimated useful life are stated at cost less accumulated amortisation and impairment losses (see note 1(j)(ii)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives as follows:

- Patents	9 years
- Customer relationship	10 years
- Customer contracts	1 year

Both the period and method of amortisation of intangible assets are reviewed annually.

### (i) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal installments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

## 1 主要會計政策(續)

### (h) 無形資產(商譽除外)

無形資產(商譽除外)由本集團購入的無形資產(其估計可使用年期有限者)乃按成本值減累計攤銷及減值虧損(見附註1(j)(ii))後列賬。

無形資產(具有有限使用年期者)的攤銷乃按下列資產估計可用年期以直線法計入損益:

- 專利	9年
- 客戶關係	10年
- 客戶合約	1年

無形資產的攤銷年期及方法均每年進行檢討。

### (i) 租賃資產

倘本集團決定一項安排(由一項交易或一系列交易組成)會在協定期間內轉讓一項或一些特定資產的使用權以換取一筆或一連串付款,該安排屬於或包括一項租賃。該項決定乃基於該安排之實際內容的估量而作出,不管這項安排是否以租賃的法律形式作出。

如本集團的租賃並無獲轉讓絕大部分與所有權有關的風險及回報,則列為經營租賃。

除非有更具代表性的基準衡量從租賃資產獲取利益的模式,否則本集團透過經營租賃使用資產,而根據租賃作出的付款,會在租賃期所涵蓋會計期間內分期在損益表中等額計提。

在經營租賃下的土地購置成本會在租賃期間以直線法攤銷。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

(j) Impairment of assets

(i) *Impairment of the investments in subsidiaries, associates and trade and other receivables*

The investments in subsidiaries, associates and trade and other receivables carried at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

#### 1 主要會計政策(續)

(j) 資產減值

(i) *於附屬公司、聯營公司的投資以及應收貿易賬款及其他應收款項的減值*

以成本或攤銷成本列賬的於附屬公司、聯營公司的投資以及應收貿易賬款及其他應收款項，於各報告期間結算日審議，以釐定是否存在客觀的減值證據，包括本集團得悉的有關下列一項或多項虧損事項的可觀察數據：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或無法如期償還本息；
- 債務人可能會宣告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境的重大變化對債務人造成不利影響；及
- 於聯營公司的投資的公平值大幅或長期低於其成本。

## 1 Significant accounting policies (continued)

### (j) Impairment of assets (continued)

#### (i) Impairment of the investments in subsidiaries, associates and trade and other receivables (continued)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in subsidiaries carried at cost and investments in associates recognised using the equity method (see note 1(d)), the impairment loss is measured by comparing the recoverable amount of the investment as a whole with its carrying amount in accordance with note 1(j)(ii). The impairment loss is reversed if there has been a favourable change in the estimates amount in accordance with note 1(j)(ii).
- For prepayments and other receivables carried at cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the current market rate of return for a similar financial asset.
- For trade and other receivables carried at amortised cost, impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for receivables which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

## 1 主要會計政策(續)

### (j) 資產減值(續)

#### (i) 於附屬公司、聯營公司的投資以及應收貿易賬款及其他應收款項的減值(續)

倘出現上述任何證據，則會按以下方式釐訂及確認減值虧損：

- 根據附註1(j)(ii)，就按成本列賬的附屬公司的投資以及使用權益法確認的於聯營公司的投資(見附註1(d))而言，減值虧損乃以投資的可收回金額與其賬面值作出比較的方式計量。根據附註1(j)(ii)，倘估計金額出現有利變動，則撥回減值虧損。
- 就按成本計值的預付款項及其他應收款項而言，減值虧損乃按資產賬面值與按類似財務資產的現行市場回報率貼現的估計未來現金流量現值間的差額。
- 以攤銷成本計量之應收貿易賬款及其他應收款項而言，減值虧損乃按資產賬面值與估計未來現金流量現值的差額釐定，如貼現影響屬重大，則按原來實際利率(即初始確認該等資產時計算的實際利率)貼現。如此等財務資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關的評估會集體進行。應收款項的未來現金流量，根據與該類資產具有類似信貸風險特徵資產的過往虧損情況集體評估減值。

倘減值虧損金額其後減少，且該等減少可客觀地與減值虧損確認後發生的事件聯繫，則減值虧損將在損益表撥回。減值虧損之撥回額不得導致資產之賬面值超過假設該資產於以往年度從來未確認減值虧損情況下確認的賬面值。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 1 Significant accounting policies (continued)

### (j) Impairment of assets (continued)

#### (i) Impairment of the investments in subsidiaries, associates and trade and other receivables (continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

#### (ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- construction in progress;
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets; and
- goodwill.

## 1 主要會計政策(續)

### (j) 資產減值(續)

#### (i) 於附屬公司、聯營公司的投資以及應收貿易賬款及其他應收款項的減值(續)

減值虧損應從相應的資產中直接撇銷，但應收貿易賬款及其他應收款項中可收回性被視為可疑而非微乎其微的應收貿易賬款及票據的已確認減值虧損則例外，應以撥備賬記錄呆賬的減值虧損。倘本集團確認能收回應收賬款及應收票據的機會微乎其微，則視為不可收回金額會從應收貿易賬款及票據中直接撇銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撇銷而其後收回的款項，均在損益表確認。

#### (ii) 其他資產減值

本集團於各報告期間結算日審閱內部和外來的信息來源，以辨識下列資產是否可能出現減值，或以往確認的減值虧損是否已不再存在或有所減少：

- 物業、廠房及設備；
- 在建工程；
- 獲分類為根據經營租賃持有的租賃土地所預繳的權益；
- 無形資產；及
- 商譽。

## 1 Significant accounting policies (continued)

### (j) Impairment of assets (continued)

#### (ii) Impairment of other assets (continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

#### – Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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 time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

#### – Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

## 1 主要會計政策(續)

### (j) 資產減值(續)

#### (ii) 其他資產減值(續)

如果出現任何減值跡象，便會對資產的可收回金額作出估算。此外，就商譽而言，可收回金額乃按年進行估計以測試其是否出現任何減值跡象。

#### – 可收回金額之計算

資產的可收回金額是其公平值減銷售成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會按可以反映當時市場對貨幣時間值及該資產獨有風險之除稅前貼現率，貼現至其現值。如果資產產生的現金流入基本上不能獨立於其他資產產生的現金流入，則以能夠獨立產生現金流量的最小資產組別(即現金產生單位)來釐定可收回金額。

#### – 確認減值虧損

當資產的賬面金額或所隸屬的現金產生單位超過其可收回金額時，減值虧損即於損益表內確認。就現金產生單位確認的減值虧損，將按比例分配至該單位(或一組單位)的其他資產，以削減該等資產的賬面金額，惟資產的賬面值不會低於其個別公平值減銷售成本或使用價值(如可釐定)。



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

- (j) Impairment of assets (continued)
- (ii) *Impairment of other assets (continued)*
  - Reversals of impairment losses

In respect of asset other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

- (k) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

#### 1 主要會計政策(續)

- (j) 資產減值(續)
- (ii) *其他資產減值(續)*
  - 撥回減值虧損

就商譽以外的資產而言，如果用以釐定可收回金額的估計數字出現正面的變化，有關的減值虧損便會撥回。

所撥回的減值虧損以假設在以往年度沒有確認減值虧損而釐定的資產賬面金額為限。所撥回的減值虧損在確認撥回的年度內記入損益表。

- (k) 存貨

存貨以成本及可變現淨值兩者中的較低者列值。

成本是以加權平均成本法計算，其中包括所有採購成本、加工成本及將存貨運至現址及達致現狀產生的其他成本。

可變現淨值是以日常業務過程中估計售價減去完成生產及銷售所需估計成本後所得數額。

售出存貨的賬面金額在相關收入確認的期間內，確認為支出。存貨數額撇減至可變現淨值的金額，而存貨的所有虧損均在出現撇減或虧損期間確認為支出。存貨撇減的任何撥回在撥回期間沖減列作支出的存貨數額。

## 1 Significant accounting policies (continued)

- (l) Trade and other receivables  
Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 1(j)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.
- (m) Interest-bearing borrowings  
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.
- (n) Trade and other payables  
Trade and other payables are initially recognised at fair value. Trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.
- (o) Cash and cash equivalents  
Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

## 1 主要會計政策(續)

- (l) 應收貿易賬款及其他應收款項  
應收貿易賬款及其他應收款項最初按公平值確認，其後按攤銷成本扣除呆賬減值準備(見附註1(j)(i))入賬，惟借予關連方免息及無固定還款期的貸款或貼現影響並不重大之應收款項，則按成本扣除呆賬的減值準備入賬。
- (m) 計息借貸  
計息借貸最初按公平值減所佔交易成本確認，其後按攤銷成本入賬，而最初確認的金額與確認的贖回價值間任何差額，連同任何利息及應付費用，均以實際利息法於借貸期內在損益表確認。
- (n) 應付貿易賬款及其他應付款項  
應付貿易賬款及其他應付款項最初按公平值確認。應付貿易賬款及其他應付款項其後按攤銷成本入賬，惟若貼現影響並不重大，則按成本列值。
- (o) 現金及現金等價物  
現金及現金等價物包括銀行及手頭現金、存放於銀行及其他財務機構的活期存款，以及可以隨時換算為已知的現金額及價值變動方面的風險輕微、並在購入後三個月內到期之短期和高度流通之投資。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

(p) Employee benefits

(i) *Short term employee benefits*

Salaries, annual bonuses and staff welfare costs are accrued in the period in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their fair values.

(ii) *Contributions to defined contribution retirement plans*

Contributions to local retirement schemes pursuant to the relevant labour rules and regulations in the PRC, Taiwan and Hong Kong are recognised as an expense in profit or loss as incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense.

(q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences, respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

#### 1 主要會計政策(續)

(p) 僱員福利

(i) *短期僱員福利*

本集團僱員提供相關服務期間，會產生薪金、全年花紅及僱員福利成本。若遞延處理有關付款或結算招致的影響屬重大，該等款項將按公平值列值。

(ii) *定額供款退休計劃之供款*

根據中國、台灣及香港相關勞工規則及規例，就當地退休計劃作出的供款，除非包括於尚未確認為支出的存貨成本，否則，供款產生時於損益表確認為支出。

(q) 所得稅

年度所得稅包括當期稅項及遞延稅項資產與負債之變動。當期稅項及遞延稅項資產與負債之變動均在損益表確認，惟倘涉及直接在其他全面收入或直接在權益中確認之相關稅項金額項目，則分別在其他全面收入或直接在權益中確認。

當期稅項是按年度應課稅收入，根據於報告期間結算日已生效或大致上已生效之稅率計算之預期應付稅項，加上以往年度應付稅項之任何調整。

遞延稅項資產與負債分別由可扣減及應課稅暫時差異產生，即資產與負債就財務報告而言之賬面金額與其稅基之差異。遞延稅項資產亦可以由未動用稅項虧損及未動用稅項抵免產生。

## 1 Significant accounting policies (continued)

### (q) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill nor deductible for tax purpose, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

## 1 主要會計政策(續)

### (q) 所得稅(續)

除若干有限之例外情況外，所有遞延稅項負債及所有遞延稅項資產(只限於有可能獲得可動用該遞延稅項資產來抵扣之未來應課稅利潤)均會確認。支持確認由可抵扣暫時差異所產生遞延稅項資產的未來應課稅利潤包括因撥回現有應課稅暫時差異而產生的數額；但有關撥回的差異必須與同一稅務機關和同一應課稅實體有關，並預期在可抵扣暫時差異預計撥回的同一年間或遞延稅項資產所產生可抵扣虧損可向後期或向前期結轉的期間內撥回。在決定現有應課稅暫時差異是否足以支持確認由未動用稅項虧損及抵免產生的遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務機關和同一應課稅實體有關，以及是否預期在能夠動用稅項虧損或抵免撥回的同一年間內撥回。

不確認為遞延稅項資產和負債的暫時差異產生自以下例外情況：不可抵扣稅項之商譽、不影響會計或應課稅利潤的資產或負債的初次確認(如屬業務合併一部分則除外)；以及投資附屬公司有關的暫時差異(如屬應課稅差異，只限於本集團可以控制撥回的時間，而且在可預見的將來不大可能撥回的暫時差異；或如屬可抵扣差異，則只限於很可能在將來撥回的差異)。

已確認遞延稅項款額是按照資產和負債賬面金額的預期實現或清償方式，根據於各報告期間結算日已生效或大致上已生效的稅率計量。遞延稅項資產和負債均不貼現計算。

本集團於每個報告期間結算日審閱遞延稅項資產的賬面金額。如預期不再可能獲得足夠的應課稅利潤以運用相關的稅務利益，該遞延稅項資產的賬面金額即予以撇減。倘日後可能獲得足夠的應課稅利潤，有關撇減款額即撥回。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 1 Significant accounting policies (continued)

### (q) Income tax (continued)

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

## 1 主要會計政策(續)

### (q) 所得稅(續)

當派付相關股息之債項獲確認時，因分派股息導致的額外所得稅亦會獲確認。

即期稅項結餘和遞延稅項結餘以及其變動會分開列示，並且不予抵銷。只會在本公司或本集團擁有法定行使權力以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件的情況下，才可以分別以即期稅項資產抵銷即期稅項負債和以遞延稅項資產抵銷遞延稅項負債：

- 就即期稅項資產和負債而言，本公司或本集團計劃按淨額基準結算，或同時變現該資產和清償該負債；或
- 就遞延稅項資產和負債而言，該等資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
  - 同一應課稅實體；或
  - 不同應課稅實體，而該等實體在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，計劃按淨額基準變現即期稅項資產和清償即期稅項負債，或同時變現該資產和清償該負債。

## 1 Significant accounting policies (continued)

### (r) Financial guarantees issued, provisions and contingent liabilities

#### (i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Company or the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Company's or the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

#### (ii) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a 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 expenditure 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 of economic benefits 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 of economic benefits is remote.

## 1 主要會計政策(續)

### (r) 已發出財務擔保、撥備及或然負債

#### (i) 已發出財務擔保

財務擔保乃要求發行人(即擔保人)於特定債務人未能依照債務工具條款按期付款時，作出特定付款以賠償擔保受益人(「持有人」)損失的合約。

倘本公司或本集團發行財務擔保，該項擔保的公平值(即交易價格，惟公平值可另行可靠地估計則除外)初步確認為應收貿易賬款及其他應收款項內的遞延收入。倘發行擔保已收取或應收取代價，該代價應按照本公司或本集團適用於該類別資產的政策予以確認。倘並無已收取或應收取代價，則於任何遞延收入於初步確認時在損益即時確認開支。

#### (ii) 撥備及或然負債

倘本集團或本公司須就過去事件承擔法律或推定責任，因而預期會導致經濟效益外流以履行責任，並在可以作出可靠估計時，本集團便會就時間上或數額上並不確定的負債確認撥備。倘貨幣時間值重大，則按預計償還債務的支出現值計提撥備。

倘經濟效益外流的可能性較低，或無法對有關數額作出可靠估計，便會將該責任披露為或然負債，惟經濟效益外流的可能性極低則除外。倘本集團可能履行的責任須視乎某宗或多宗未來事件是否發生或不發生才能確定是否存在，亦會披露為或然負債，惟經濟效益外流的可能性極低則除外。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

(s) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) *Sale of goods*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue excludes value added tax and is after deduction of any trade discounts.

(ii) *Services rendered*

Revenue from services rendered is recognised as and when the services are performed or rendered.

(iii) *Interest income*

Interest income is recognised in profit or loss as it accrues using the effective interest method.

(iv) *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attached to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Government grant that are receivable as compensation for losses already incurred or for the purpose of giving immediate financial support to the Group with no further related cost are recognised in profit or loss in the period in which they become receivable.

(v) *Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

#### 1 主要會計政策(續)

(s) 收入確認

收入按已收或應收代價之公平值計量。倘經濟效益可能會流入本集團，而收入及成本(如適用)能可靠計量時，收入於損益表確認如下：

(i) *銷售貨品*

銷售貨品所獲收入，在客戶接收貨品的所有權之重大風險及回報時確認。收入不包括增值稅，並已扣除任何營業折扣。

(ii) *提供服務*

提供服務所獲收入於服務已獲履行或提供時確認。

(iii) *利息收入*

利息收入產生時以實際利息法計算，於損益表內確認。

(iv) *政府撥款*

倘有合理保證可獲取政府撥款，而所有附帶條件可予以遵從，則政府撥款首先於財務狀況表內確認。倘撥款與本集團產生的支出項目有關，則撥款按有系統基準在支出產生期間，於損益表確認為收入。作為已產生虧損的應收補償或就給予本集團即時財務資助目的而並無未來相關成本的政府撥款，於其成為應收款項的期間內於損益確認。

(v) *經營租賃之租金收入*

經營租賃之應收租金收入在租賃期所涵蓋的期間內，以等額分期在損益表確認，除非有其他基準能更清楚反映使用租賃資產產生之收益模式。所授出的租賃獎勵乃於損益表確認為應收租賃款項淨值總額的組成部分。

## 1 Significant accounting policies (continued)

### (t) Translation of foreign currencies

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (“functional currency”). The financial statements are presented in Renminbi Yuan (“RMB”) (“reporting currency”).

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into RMB at foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

## 1 主要會計政策(續)

### (t) 外幣換算

載於本集團各實體財務報表的項目乃採用最能反映有關該實體之相關事宜及情況之經濟特質之貨幣(「功能貨幣」)計量。財務報表則以人民幣(「人民幣」)(「呈報貨幣」)呈列。

年內，外幣交易按交易日當日之匯率換算。以外幣為單位之貨幣資產及負債按報告期間結算日當日之匯率換算。匯兌收益及虧損於損益表確認。

以歷史成本列值但以外幣為單位之非貨幣資產及負債按交易日當日之匯率換算。以公平值列值以外幣為單位之非貨幣資產及負債按釐定其公平值當日之匯率換算為人民幣。

境外業務之業績乃按與交易日當日之匯率相若之匯率換算為人民幣。財務狀況表項目乃按報告期間結算日之收市匯率換算為人民幣。產生之匯兌差額於其他全面收入確認並獨立累計於匯兌儲備之權益內。

於出售境外業務時，有關該境外業務之匯兌差額之累計數額，會於確認出售損益時自權益重新分類至損益表。



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 1 Significant accounting policies (continued)

##### (u) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

##### (v) Research and development expenses

Expenditure on research and development is charged to profit or loss as an expense when incurred.

##### (w) Related parties

(1) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

#### 1 主要會計政策(續)

##### (u) 借貸成本

與收購、建造或生產需要長時間才可投入擬定用途或銷售的資產直接相關的借貸成本獲撥充資本作為資產之部分成本。其他借貸成本於產生時於期內列作開支。

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生和使資產投入擬定用途或銷售必須的準備工作進行期間開始資本化。在使合資格資產投入擬定用途或銷售所屬必須的絕大部分準備工作中斷或完成時，借貸成本便會暫停或停止資本化。

##### (v) 研發開支

研發開支於產生時計入損益表作開支。

##### (w) 關連方

(1) 倘任何人士符合下列條件，則其本身或該名人士之近親為本集團的關連方：

- (i) 彼對本集團有控制權或共同控制權；
- (ii) 彼對本集團有重大影響力；或
- (iii) 彼為本集團或本集團的母公司主要管理層的成員。

## 1 Significant accounting policies (continued)

### (w) Related parties (continued)

(2) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### (x) Convertible bonds

The convertible bonds that are issued by the Company are interest-free and not redeemable in cash. The number of shares into which the convertible bonds will be converted is fixed at the issuance date. The convertible bonds are classified entirely as equity. At initial recognition, the convertible bonds are measured at fair value and are recognised in the other reserve until they are converted. When the convertible bonds are converted, the amount is transferred to share capital and share premium as consideration for the shares issued.

## 1 主要會計政策(續)

### (w) 關連方(續)

(2) 倘下列任何條件適用，任何實體為本集團的關連方：

- (i) 該實體及本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司為各方之關連方)。
- (ii) 一間實體為另一實體的聯繫人士或合營公司(或為某一集團成員公司的聯繫人士或合營公司，而該另一實體為該集團的成員公司)。
- (iii) 兩間實體皆為相同第三方的合營公司。
- (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯繫人士。
- (v) 該實體為本集團或與本集團有關聯的實體的僱員福利而設的離職後福利計劃。
- (vi) 該實體受(1)所識別的人士控制或共同控制。
- (vii) 於(1)(i)所識別的人士對該實體有重大影響力，或為該實體(或實體的母公司)的主要管理人員。

與個別人士關係密切之家族成員指預期可影響該個別人士與該實體交易之家族成員，或受該個別人士與該實體交易影響之家族成員。

### (x) 可換股債券

可換股債券由本公司發行，為免息且不得以現金贖回。兌換可換股債券涉及之股份數目於發行日期釐定。所有可換股債券分類為權益。於初次確認時，可換股債券以公平值計算及於其他儲備中確認，直至其獲兌換。倘可換股債券獲兌換，金額將轉至股本及股份溢價作為發行股份之代價。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 1 Significant accounting policies (continued)

### (y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they have a majority of these criteria.

### (z) Advances to suppliers

Advances to suppliers which use to offset against future purchases of raw materials are stated at cost less impairment losses. Impairment of advances to suppliers are recognised when there is objective evidence that the economic benefits expected to be received under the purchase agreements are less than the unavoidable costs of meeting the contractual obligations; or the financial condition of the suppliers deteriorate. Impairment losses are measured as the difference between the carrying amount of the advance and the economic benefits expected to be received under the purchase agreements which take into consideration the projected revenue, related expenses, capital spending and other costs.

## 2 Changes in accounting policies

### (a) Recently issued accounting standards

The HKICPA has issued a few amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, Amendments to HKFRS 7, Financial instruments: Disclosures – Transfers of financial assets, is relevant to the Group's financial statements.

The amendments to HKFRS 7 require certain disclosures to be included in the annual financial statements in respect of all transferred financial assets that are not derecognised and for any continuing involvement in a transferred asset existing at the reporting date, irrespective of when the related transfer transaction occurred. However, an entity need not provide the disclosures for the comparative period in the first year of adoption. The Group did not have any significant transfers of financial assets in previous periods or the current period which require disclosure in the current accounting period under the amendments.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 1 主要會計政策(續)

### (y) 分部報告

經營分部及以財務報表呈報之各分部項目金額，乃根據就分配資源予本集團各業務及地區分部並評估其表現而定期提供予本集團最高層管理人員之財務資料而確定。

就財務報表而言，個別重要經營分部不會綜合呈報，除非此等分部具有類似經濟特徵以及其產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用之方式及監管環境性質類似。倘個別並非屬重大之經營分部擁有上述大部分特徵，則可綜合呈報。

### (z) 預付予供應商之款項

就用於對未來採購原材料而預付予供應商之款項乃按成本減減值虧損入賬。當有跡象表明根據該等購買協議預期可收取之經濟利益低於合約責任不可避免之成本，或該等供應商財務狀況轉壞，預付予該等供應商之款項將予以確認。有關減值虧損乃按預付款項的賬面值與根據有關購買協議預期可收取之經濟利益之間的差額計量。該等經濟效益需要考慮預計收益、有關開支、資金消耗及其他成本。

## 2 會計政策變動

### (a) 目前已頒佈之會計準則

香港會計師公會已頒佈多項香港財務報告準則之修訂本，並於本集團現行會計期間首次生效。其中，香港財務報告準則第7號之修訂本財務工具：披露－轉讓金融資產，與本集團之財務報表有關。

香港財務報告準則第7號之修訂本規定須在年度財務報表中就所有於報告日期存在之未被終止確認之已轉讓金融資產及對任何已轉讓資產之持續涉入程度作出若干披露，不論相關轉讓交易何時發生。然而，實體毋須於採納之首年作出比較期間之披露。本集團於過往期間或本期間並無進行任何根據修訂本須於現行會計期間作出披露之重大金融資產轉讓。

本集團並無應用於現行會計期間尚未生效之任何新訂準則或詮釋。

## 2 Changes in accounting policies (continued)

### (b) Changes in the application of accounting policies

In 2011, transactions with a customer who was also a supplier of the Group were recognised on a gross basis, whereby the revenue and the cost of inventories sold were presented separately in the consolidated income statement and the raw materials purchased from this customer and held at the year end were recorded as the Group's inventories in the consolidated statement of financial position.

During the current year, management has reconsidered the overall substance and the accounting treatment of the processing transactions with this customer. As a result, the Group has changed the basis of presentation of the revenue derived from these transactions from a gross basis to a net processing fee basis and has excluded the materials supplied by the customer and held by the Group to meet the customer's outstanding processing orders as at 31 December 2011 and 2012 from inventories in order to more appropriately reflect the overall substance of these transactions on a basis consistent with the Group's accounting policies.

As a result of this change in application of accounting policy, the Group's turnover and cost of sales for the year ended 31 December 2012 have been both reduced by RMB256,494,000 (year ended 31 December 2011: RMB204,554,000) and amounts paid for materials held by the Group for processing as at 31 December 2012 of RMBNil (31 December 2011: RMB45,655,000) has been reclassified as a receivable from the customer.

Comparative figures have been restated accordingly. There has been no impact on the consolidated results and the net assets of the Group from the change in application of accounting policy for the periods presented.

## 2 會計政策變動(續)

### (b) 應用會計政策之變更

於二零一一年，與一名客戶進行之交易按總額基準確認，該名客戶亦為本集團之一名供應商。收入及已售存貨成本於綜合損益表中單獨呈列，自該名客戶採購且於年結日仍持有之原材料於綜合財務狀況表中列為本集團之存貨。

於本年度內，管理層已與該名客戶確認加工交易之整體實質及會計處理方法。因此，本集團已對產生自該等交易之收入的呈列基準作出變更，自總額基準變更為加工費淨額基準，及不包括於二零一一年及二零一二年十二月三十一日存貨中，為達致未完成客戶加工訂單而由客戶供應及本集團所持有的材料，目的為按照與本集團會計政策相一致之基準，更為合宜地反映該等交易之整體實質。

由於會計政策應用之變更，截至二零一二年十二月三十一日止年度本集團之營業額及銷售成本均減少人民幣256,494,000元(截至二零一一年十二月三十一日止年度：人民幣204,554,000元)，而本集團於二零一二年十二月三十一日持有的加工材料已付款項為人民幣零元(二零一一年十二月三十一日：人民幣45,655,000元)，已重新分類為應收客戶款項。

比較數據已相應重列。於呈列期內會計政策應用之變更對本集團之綜合業績及綜合資產淨值並無產生任何淨影響。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

### 3 Turnover

The principal activities of the Group are the manufacturing, trading and provision of processing services for polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers, the manufacturing and trading of monocrystalline silicon solar cells, and the manufacturing and trading of photovoltaic modules and installation of photovoltaic systems.

Turnover represents the sales value of goods supplied to customers less value added tax and trade discounts and income from the provision of processing services and the installation of photovoltaic systems. The amount of each significant category of revenue recognised in turnover during the year is as follows:

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
Sales of polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers	銷售多晶硅及太陽能單晶硅及多晶硅錠／硅片	398,971	867,329
Sales of monocrystalline silicon solar cells	銷售太陽能單晶硅電池	208,684	650,675
Revenue from trading of photovoltaic modules	買賣光伏模組收入	149,878	693,734
Processing service fees	加工服務費	239,303	362,931
		996,836	2,574,669

During the year ended 31 December 2012, 56% (2011: 46%) of turnover was derived from the five largest customers.

截至二零一二年十二月三十一日止年度，營業額56%(二零一一年：46%)來自五名最大客戶。

### 3 營業額

本集團主要業務為太陽能單晶硅以及單晶及多晶硅錠／硅片的製造、買賣及提供太陽能單晶硅以及單晶及多晶硅錠／硅片加工服務，製造及買賣太陽能單晶硅電池及光伏模組與安裝光伏系統。

營業額乃指供應予客戶貨物的銷售值(減增值稅及貿易折扣)以及提供加工服務與安裝光伏系統所得收入。年內，各項於營業額中確認的重大收入類別如下：

### 3 Turnover (continued)

Revenue from major customers, each of whom amounted to 10% or more of the total revenue, is set out below:

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Customer A	客戶A	126,315	291,121
Customer B	客戶B	119,173	*
Customer C	客戶C	115,643	*
Customer D	客戶D	105,627	*
Customer E	客戶E	*	289,961

\* The sale amount is less than 10% of total revenue.

Further details regarding the Group's principal activities are disclosed in note 13 to these financial statements.

### 4 Other revenue

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Government grants (note 28)	政府補貼(附註28)	41,033	134,633
Interest income from bank deposits	銀行存款的利息收入	4,430	5,952
Rental income from operating leases	經營租賃的租金收入	1,469	1,736
Income from sale of scrap materials	出售廢料的收入	90	687
Others	其他	8,786	7,574
		55,808	150,582

### 3 營業額(續)

來自主要客戶之收益，各自佔總收入10%或以上載列如下：

\* 銷售金額佔總收入10%以下。

有關本集團主要業務之進一步詳情載於財務報表附註13。

### 4 其他收入

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 5 Other net income

## 5 其他收入淨額

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Net foreign exchange gain	外匯收益淨額	3,698	3,013
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	-	178
		<b>3,698</b>	3,191

## 6 (Loss)/profit before taxation

(Loss)/profit before taxation is arrived at after charging/(crediting):

## 6 除稅前(虧損)/利潤

除稅前(虧損)/利潤已扣除/(計入):

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>(a) Finance costs</b>	<b>(a) 融資成本</b>		
Interest on bank loans wholly repayable within five years	須於五年內全數償清的 銀行貸款利息	97,451	80,271
Interest on bonds	債券利息	16,019	5,475
Interest on municipal government loan	市政府貸款的利息	197	215
Total interest expense on financial liabilities not at fair value through profit or loss	非按公平值於損益賬列賬 財務負債的利息開支總額	<b>113,667</b>	85,961
Less: interest expense capitalised into construction in progress *	減: 在建工程資本化 利息開支*	<b>(2,700)</b>	(14,012)
		<b>110,967</b>	71,949

\* The borrowing costs have been capitalised at a rate of 6.65% to 8.32% (2011: 4.42% to 8.97%) per annum.

\* 借貸成本已按年利率6.65%至8.32% (二零一一年: 4.42%至8.97%) 予以資本化。

6 (Loss)/profit before taxation (continued)

6 除稅前(虧損)/利潤(續)

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>(b) Staff costs</b>	<b>(b) 員工成本</b>		
Contributions to retirement schemes	退休計劃供款	16,678	15,170
Equity-settled share-based payment expenses	按權益結算以股份支付的開支	-	1,940
Salaries, wages and other benefits	薪金、工資及其他福利	112,483	102,537
		<b>129,161</b>	119,647
<b>(c) Auditor's remuneration</b>	<b>(c) 核數師酬金</b>		
Audit services	核數服務	2,075	1,861
Tax services	稅務服務	64	-
Other services	其他服務	2,221	767
		<b>4,360</b>	2,628
<b>(d) Other items</b>	<b>(d) 其他項目</b>		
Amortisation of lease prepayments	租賃預付款項攤銷	2,497	2,203
Amortisation of intangible assets	無形資產攤銷	26,591	26,785
Depreciation	折舊	173,742	137,096
Provision for warranty costs	保用成本之撥備	1,672	6,465
Operating lease charges – property	經營租賃支出 – 物業	1,266	864
Research and development costs	研究及開發成本	90,994	127,979
Impairment of trade debtors	應收貿易賬款減值	1,159	-
Write-down of inventories	存貨撇減	154,590	161,701



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 7 Income tax in the consolidated income statement

(a) Income tax in the consolidated income statement represents:

## 7 綜合損益表內所得稅

(a) 綜合損益表內所得稅代表：

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Current tax – the PRC</b>	即期稅項 – 中國		
Provision for the year	年度撥備	–	30,573
Over-provision in respect of prior years	過往年度超額撥備	(5,845)	(688)
		(5,845)	29,885
<b>Withholding tax</b>	預扣稅	858	–
<b>Deferred tax</b>	遞延稅項		
Origination and reversal of temporary differences (note 27(b))	暫時性差額之出現及撥回 (附註27(b))	(18,551)	(39,906)
Income tax credit	所得稅抵免	(23,538)	(10,021)

The statutory tax rate applicable to the Group's subsidiaries in Hong Kong is 16.5% for the years ended 31 December 2012 and 2011. No provision for Hong Kong Profits Tax has been made as subsidiaries of the Group either did not have any assessable profits subject to Hong Kong Profits Tax or have accumulated tax losses brought forward from previous years to offset the estimated assessable profits for the year.

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

截至二零一二年及二零一一年十二月三十一日止年度，本集團之香港附屬公司所適用之法定稅率為16.5%。由於本集團各附屬公司並無任何應繳納香港利得稅的應課稅利潤或過往年度承前累計稅項虧損可抵銷年度估計應課稅利潤，故並無作出香港利得稅撥備。

根據英屬處女群島(「英屬處女群島」)及開曼群島適用法律、規則及法規，本集團毋須繳納任何英屬處女群島及開曼群島所得稅。

## 7 Income tax in the consolidated income statement (continued)

(a) Income tax in the consolidated income statement represents: (continued)

The PRC subsidiaries of the Group were subject to the following PRC Corporate Income Tax ("CIT") rates for both years ended 31 December 2012 and 2011:

		2012 二零一二年 %	2011 二零一一年 %
Shanghai Jingji Electronic Materials Co., Ltd. ("Jingji")	上海晶技電子材料有限公司 (「晶技」)	25	25
Jinzhou Jingji Solar Technology Co., Ltd. ("Jinzhou Jingji")	錦州晶技太陽能科技有限公司 (「錦州晶技」)	25	25
Jinzhou Rixin Silicon Materials Co., Ltd. ("Rixin")	錦州日鑫硅材料有限公司 (「日鑫」)	15	15
Jinzhou Youhua Silicon Materials Co., Ltd. ("Youhua Silicon")	錦州佑華硅材料有限公司 (「佑華硅材」)	25	25
Jinzhou Yangguang Energy Co., Ltd. ("Yangguang") (note)	錦州陽光能源有限公司 (「錦州陽光」)(附註)	15	15
Jinzhou Jinmao Photovoltaic Technology Limited ("Jinzhou Jinmao")	錦州錦懋光伏科技有限公司 (「錦州錦懋」)	25	25
Solargiga Energy (Qinghai) Co., Ltd. ("Qinghai")	陽光能源(青海)有限公司 (「青海陽光」)	25	25
Jinzhou Huachang Photovoltaic Technology Company Limited ("Huachang Guangfu")	錦州華昌光伏科技有限公司 (「華昌光伏」)	12.5	12.5

Rixin and Yangguang were granted the status of a "High and New Technology Enterprise" and were entitled to a preferential CIT rate of 15% for both years ended 31 December 2012 and 2011.

Huachang Guangfu was entitled to a tax holiday of a 2-year full exemption followed by a 3-year 50% reduction in income tax rate commencing on 1 January 2008 ("2+3 Tax Holiday"). Accordingly, Huachang Guangfu is subject to income tax at 12.5% from 2010 to 2012. On the other hand, Huachang Guangfu was granted the status of a "High and New Technology Enterprise" in 2011 that entitles it to a preferential CIT rate of 15% for three years commencing from the year ended 31 December 2011. As Huachang Guangfu is entitled to enjoy a lower preferential CIT rate, Huachang Guangfu is subject to income tax at 12.5% in both 2011 and 2012.

## 7 綜合損益表內所得稅(續)

(a) 綜合損益表內所得稅代表：(續)

本集團中國附屬公司就截至二零一二年及二零一一年十二月三十一日止兩個年度須按以下稅率繳納中國企業所得稅(「企業所得稅」)：

日鑫及錦州陽光獲授予「高新科技企業」地位，並有權自截至二零一二年及二零一一年十二月三十一日止年度起以15%之企業所得稅優惠稅率繳納企業所得稅。

華昌光伏自二零零八年一月一日開始兩年內獲豁免繳納所得稅，其後三年獲減免一半所得稅稅率(「2+3稅務優惠期」)。因此，華昌光伏於由二零一零年至二零一二年之所得稅率為12.5%。另一方面，華昌光伏於二零一一年獲授予「高新科技企業」地位，並有權自截至二零一一年十二月三十一日止年度起以15%企業所得稅優惠稅率繳納企業所得稅三年。由於華昌光伏享有較低之企業所得稅優惠稅率，故華昌光伏於二零一一年及二零一二年之所得稅率為12.5%。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 7 Income tax in the consolidated income statement (continued)

- (a) Income tax in the consolidated income statement represents:  
(continued)

Under the CIT Law of the PRC and its relevant regulations, dividends receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10% or 5% for earnings accumulated beginning on 1 January 2008. Accordingly, for those PRC subsidiaries that are expected to distribute profits in the foreseeable future, a provision for withholding tax in respect of the undistributed profits from the PRC subsidiaries has been made for the years ended 31 December 2011 and 2012.

The over-provision in respect of prior years arose from the reversal of a tax provision upon agreement with the relevant tax authority on the deductibility of certain expenses.

## 7 綜合損益表內所得稅(續)

- (a) 綜合損益表內所得稅代表：(續)

根據中國企業所得稅法及其相關規例，自二零零八年一月一日起，中國企業以累計盈利向非中國公司派付股息須按10%或5%之稅率繳納預扣稅。因此，就預期在可見未來分派溢利的中國附屬公司而言，於截至二零一一年及二零一二年十二月三十一日止年度已就中國附屬公司之未分派溢利之預扣稅作出撥備。

與相關稅務機構就扣減若干開支方面訂立協議後，由稅項撥備撥回引致過往年度超額撥備。

## 7 Income tax in the consolidated income statement (continued)

(b) Reconciliation between tax credit and accounting (loss)/profit at applicable tax rates:

## 7 綜合損益表內所得稅(續)

(b) 稅務抵免與按適用稅率計算之會計(虧損)/利潤對賬：

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
(Loss)/profit before taxation	除稅前(虧損)/利潤	<b>(1,318,591)</b>	34,134
Notional tax on (loss)/profit before taxation calculated at 25%	除稅前(虧損)/利潤之名義稅項，按25%之稅率計算	<b>(329,648)</b>	8,534
Tax effect of non-deductible expenses	不可扣稅支出之稅務影響	<b>62,796</b>	4,880
Tax effect of non-taxable income	毋須扣稅收入之稅務影響	<b>(14,498)</b>	(22)
Effect of tax rate differential	不同稅率之影響	<b>18,046</b>	(1,984)
Effect of tax concessions obtained	所獲稅務優惠之影響	<b>71,662</b>	(13,420)
De-recognition of deferred tax liabilities in respect of previous years' undistributed profits	取消確認過往年度未分配利潤之遞延稅項負債	<b>(6,276)</b>	-
De-recognition of deferred tax liabilities recognised in previous years	取消確認過往年度確認之遞延稅項負債	<b>(1,574)</b>	-
De-recognition of deferred tax assets recognised in previous years	取消確認過往年度確認之遞延稅項資產	<b>14,293</b>	561
Effect of unused tax loss not recognised	尚未確認之未動用稅項虧損之影響	<b>116,427</b>	781
Effect of deductible temporary differences not recognised	尚未確認可扣減暫時差額之影響	<b>50,170</b>	4,976
Withholding tax on interest income	利息收入預扣稅	<b>858</b>	-
Recognition of deferred tax liabilities previously not recognised	確認先前尚未確認之遞延稅項負債	<b>-</b>	(4,329)
Utilisation of tax loss not recognised in previous years	動用過往年度尚未確認之稅項虧損	<b>-</b>	(9,911)
Over-provision in respect of prior years	過往年度超額撥備	<b>(5,845)</b>	(688)
Others	其他	<b>51</b>	601
Actual tax credit	實際稅務抵免	<b>(23,538)</b>	(10,021)

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 8 (Loss)/profit attributable to equity shareholders of the Company

The Company's loss for the year is RMB438,240,000 (2011: RMB12,448,000). After excluding the write-back of impairment of interests in subsidiaries of RMB424,252,000 (2011: RMBNil), the consolidated loss attributable to equity shareholders of the Company that has been dealt with in the financial statements of the Company is a loss of RMB13,988,000 (2011: RMB12,448,000).

Details of dividends paid and payable to equity shareholders of the Company are set out in note 9.

## 9 Dividends

- (a) Dividends payable to equity shareholders of the Company attributable to the year

The directors of the Company did not recommend the payment of a final dividend for the years ended 31 December 2011 and 2012.

- (b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

## 8 本公司權益股東應佔(虧損)/利潤

本公司本年度虧損為人民幣438,240,000元(二零一一年：人民幣12,448,000元)。於扣除於附屬公司權益減值人民幣424,252,000元(二零一一年：人民幣零元)後，本公司權益股東應佔綜合虧損人民幣13,988,000元的虧損(二零一一年：人民幣12,448,000元)，並已於本公司財務報表中處理。

已付及應付本公司權益股東的股息詳情載於附註9。

## 9 股息

- (a) 本公司權益股東應佔年內應付股息

本公司董事不建議就截至二零一一年及二零一二年十二月三十一日止年度派發股息。

- (b) 於年內批准及支付上一個財政年度應付本公司權益股東股息

	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Final dividend of RMB3.5 cents (HK\$4.1 cents) per share in respect of the previous financial year, approved and paid during 2011	支付終期股息每股人民幣3.5分(4.1港仙)	78,476

For the final dividend in respect of the previous financial year, the difference of RMB15,225,000 between the final dividend of RMB63,251,000 proposed in 2010 and the amount approved in 2011 of RMB78,476,000 represented dividends attributable to new shares issued upon the conversion of convertible bonds (see note 31(d)) before the closing date of the register of members.

就上一個財政年度之終期股息而言，二零一零年擬派終期股息人民幣63,251,000元與於二零一一年批准之金額人民幣78,476,000元間之差額人民幣15,225,000元，指暫停辦理股東名冊日期前於兌換可換股債券(附註31(d))時所發行新股份之應佔股息。

## 10 (Loss)/earnings per share

### (a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to the ordinary equity shareholders of the Company of RMB1,276,554,000 (2011: profit attributable to the ordinary equity shareholders of the Company of RMB54,291,000) and the weighted average of 2,279,802,481 (2011(restated): 2,237,507,745) ordinary shares of the Company in issue during the year as calculated as set out in note 10(b).

### (b) Weighted average number of ordinary shares

## 10 每股(虧損)/盈利

### (a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃根據本公司普通股權益股東應佔虧損人民幣1,276,554,000元(二零一一年:本公司普通股權益股東利潤人民幣54,291,000元)以及按附註10(b)所載方式計算的年內本公司已發行普通股加權平均股數2,279,802,481股(二零一一年(經重列): 2,237,507,745股)普通股計算。

### (b) 普通股加權平均股數

		Number of ordinary shares 普通股數目	
		2012 二零一二年	2011 二零一一年 (restated) (經重列)
Issued ordinary shares at 1 January	於一月一日已發行普通股	2,242,170,425	1,807,170,425
Effect of shares issued upon conversion of convertible bonds (note 31(d))	兌換可換股債券時發行股份的影響 (附註31(d))	-	404,013,699
Effect of bonus element on shares issued under open offer (note 31(e))	公開發售發行股份之紅利 (附註31(e))	25,379,759	26,323,621
Effect of shares issued under open offer (note 31(e))	根據公開發售發行股份的影響 (附註31(e))	12,252,297	-
Weighted average number of ordinary shares	普通股加權平均股數	2,279,802,481	2,237,507,745

Comparative figures for the weighted average number of ordinary shares for 2011 have been adjusted retrospectively for the effect of the open offer made in December 2012.

二零一一年普通股加權平均數比較數字已就二零一二年十二月公開發售項下已發行股份之影響調整。

### (c) Diluted earnings per share

There were no dilutive potential ordinary shares in issue during the years ended 31 December 2011 and 2012.

### (c) 每股攤薄盈利

於截至二零一一年及二零一二年十二月三十一日止年度，並無潛在攤薄的已發行普通股。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 11 Directors' remuneration

Directors' remuneration disclosed pursuant to section 161 of Hong Kong Companies Ordinance is as follows:

## 11 董事酬金

根據香港公司條例161條而披露的董事酬金如下：

		2012 二零一二年			
		Basic salaries, allowances and benefits	Retirement scheme contributions	Total	
		Fees in kind			
		袍金	基本薪金、津貼及實物利益	退休計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>	<b>執行董事</b>				
Tan Wenhua	譚文華	–	1,227	14	1,241
Hsu You Yuan	許祐淵	–	1,373	11	1,384
Zhang Liming	張麗明	–	–	–	–
Tan Xin (notes (ii))	譚鑫(附註ii)	–	376	25	401
<b>Non-executive directors</b>	<b>非執行董事</b>				
Chiao Ping Hai	焦平海	139	–	–	139
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Wong Wing Kuen, Albert	王永權	139	–	–	139
Fu Shuangye	符霜葉	139	–	–	139
Lin Wen	林文	139	–	–	139
Zhang Chun	張椿	139	–	–	139
<b>Total</b>	<b>總計</b>	<b>695</b>	<b>2,976</b>	<b>50</b>	<b>3,721</b>

## 11 Directors' remuneration (continued)

Directors' remuneration disclosed pursuant to section 161 of Hong Kong Companies Ordinance is as follows: (continued)

## 11 董事酬金(續)

根據香港公司條例161條而披露的董事酬金如下：  
(續)

		2011 二零一一年					
		Fees	Basic salaries, allowances and benefits in kind	Retirement scheme contributions	Sub-Total	Share-based payments (notes (i))	Total
		袍金	基本薪金、津貼及實物利益	退休計劃供款	小計	以股份支付款項	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>	<b>執行董事</b>						
Tan Wenhua	譚文華	-	1,329	40	1,369	327	1,696
Hsu You Yuan	許祐淵	-	1,437	10	1,447	338	1,785
Zhang Liming	張麗明	-	189	45	234	114	348
Tan Xin (notes (ii))	譚鑫(附註ii)	-	-	-	-	-	-
<b>Non-executive directors</b>	<b>非執行董事</b>						
Chiao Ping Hai	焦平海	219	-	-	219	-	219
Chong Kin Ngai (notes (iii))	莊堅毅(附註iii)	178	-	-	178	42	220
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Wong Wing Kuen, Albert	王永權	195	-	-	195	-	195
Fu Shuangye	符霜葉	195	-	-	195	-	195
Lin Wen	林文	195	-	-	195	-	195
Zhang Chun	張椿	195	-	-	195	-	195
<b>Total</b>	<b>總計</b>	<b>1,177</b>	<b>2,955</b>	<b>95</b>	<b>4,227</b>	<b>821</b>	<b>5,048</b>

Notes:

- (i) Share-based payments represented the estimated value of shares allotted and issued to the directors of STIC on 24 June 2007 for the year ended 31 December 2011.
- (ii) Appointed on 28 December 2011.
- (iii) Resigned on 1 December 2011.

附註：

- (i) 以股份支付款項乃二零零七年六月二十四日向STIC董事配發及發行股份於截至二零一一年十二月三十一日止年度的估計價值。
- (ii) 於二零一一年十二月二十八日獲委任。
- (iii) 於二零一一年十二月一日辭任。



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 12 Individuals with highest emoluments

Of the five individuals with the highest emoluments, three (2011: four) are directors whose emoluments are disclosed in note 11. The aggregate of the emoluments in respect of the remaining two (2011: one) individuals with the highest emoluments are as follows:

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	908	813
Retirement scheme contributions	退休計劃供款	14	10
		922	823

The emoluments of the remaining two (2011: one) individuals with the highest emoluments are within the following bands:

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Nil to HK\$1,000,000	零至1,000,000港元	2	1

## 13 Segment reporting

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified three reportable segments: (i) the manufacturing of, trading of and provision of processing services for polysilicon and monocrystalline and multicrystalline silicon solar ingots/wafers ("Segment A"); and (ii) the manufacturing of and trading of photovoltaic modules and installation of photovoltaic systems ("Segment B") and (iii) the manufacturing and trading of monocrystalline silicon solar cells ("Segment C"). No operating segments have been aggregated to form these reportable segments.

## 12 最高薪酬人士

五名最高薪酬人士中有三名(二零一一年：四名)為董事，彼等的薪酬於附註11披露。餘下兩名(二零一一年：一名)最高薪酬人士的薪酬總額如下：

餘下兩名(二零一一年：一名)最高薪酬人士的薪酬屬以下組別：

## 13 分部報告

就資源分配及表現評估而言，本集團按照與本集團最高級行政管理層內報呈報資料一致之方式，確認三個可報告分部：(i) 太陽能單晶及多晶硅錠／硅片製造、買賣及提供多晶硅料加工服務(「分部A」)；(ii) 光伏模組之製造及買賣以及光伏系統安裝(「分部B」)；及(iii) 太陽能單晶硅電池製造及買賣(「分部C」)。並無合併經營分部以組成此等可報告分部。

### 13 Segment reporting (continued)

#### (a) Segment results, assets and liabilities

For the purpose of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to the reportable segments which are presented in the same way in the Group's financial statements. Information regarding the Group's reportable segments are disclosed as follows:

### 13 分部報告(續)

#### (a) 分部業績、資產及負債

為評估分部表現及於分部間分配資源，本集團高級行政管理人員會監察可報告分部應佔之業績、資產及負債(與本集團財務報表相同的方式呈列)。有關本集團可報告分部的資料披露如下：

	Segment A		Segment B		Segment C		Total	
	分部A		分部B		分部C		總計	
	2012	2011	2012	2011	2012	2011	2012	2011
	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年	二零一二年	二零一一年
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(restated)			(restated)		(restated)	(restated)
		(經重列)			(經重列)		(經重列)	(經重列)
<b>Revenue from external customers</b> 來自外界客戶之收益	<b>510,375</b>	1,038,806	<b>211,750</b>	693,733	<b>274,711</b>	842,130	<b>996,836</b>	2,574,669
Inter-segment revenue 分部間收益	<b>300,086</b>	693,559	<b>-</b>	89,787	<b>91,456</b>	322,943	<b>391,542</b>	1,106,289
<b>Reportable segment revenue</b> 可報告分部收益	<b>810,461</b>	1,732,365	<b>211,750</b>	783,520	<b>366,167</b>	1,165,073	<b>1,388,378</b>	3,680,958
<b>Reportable segment profit/(loss) for the year</b> 可報告分部利潤/(虧損)	<b>(724,058)</b>	740	<b>19,595</b>	(14,634)	<b>(590,590)</b>	58,049	<b>(1,295,053)</b>	44,155
Interest income from bank deposits 自銀行存款之利息收入	<b>3,416</b>	5,186	<b>742</b>	250	<b>272</b>	516	<b>4,430</b>	5,952
Interest expense 利息開支	<b>(89,051)</b>	(56,295)	<b>(9,764)</b>	(2,544)	<b>(12,152)</b>	(13,110)	<b>(110,967)</b>	(71,949)
Depreciation and amortisation for the year 年內折舊及攤銷	<b>(135,231)</b>	(112,602)	<b>(4,225)</b>	(2,825)	<b>(63,374)</b>	(50,657)	<b>(202,830)</b>	(166,084)
Share of profits less losses of associates 應佔聯營公司利潤減虧損	<b>1,511</b>	(54)	<b>-</b>	-	<b>-</b>	-	<b>1,511</b>	(54)
Impairment of property, plant and equipment 物業、廠房及設備減值	<b>(139,100)</b>	-	<b>-</b>	-	<b>(22,100)</b>	-	<b>(161,200)</b>	-
Impairment of goodwill 商譽減值	<b>-</b>	-	<b>-</b>	-	<b>(208,237)</b>	-	<b>(208,237)</b>	-
Impairment of intangible assets 無形資產減值	<b>-</b>	-	<b>-</b>	-	<b>(201,493)</b>	-	<b>(201,493)</b>	-
Impairment of prepayments 預付款項減值	<b>(134,485)</b>	-	<b>-</b>	-	<b>-</b>	-	<b>(134,485)</b>	-
Impairment of trade debtors 應收貿易賬款減值	<b>(1,159)</b>	-	<b>-</b>	-	<b>-</b>	-	<b>(1,159)</b>	-
Write-down of inventories 存貨撇銷	<b>(145,189)</b>	(155,649)	<b>(9,401)</b>	(4,995)	<b>-</b>	(1,057)	<b>(154,590)</b>	(161,701)
<b>Reportable segment assets</b> 可報告分部資產	<b>3,046,828</b>	3,702,980	<b>216,074</b>	211,237	<b>681,756</b>	1,134,468	<b>3,944,658</b>	5,048,685
(including interests in associates) (包括於聯營公司之權益)	<b>124,457</b>	256,748	<b>-</b>	-	<b>-</b>	-	<b>124,457</b>	256,748
Additions to non-current segment assets during the year 於年內非流動分部資產增加	<b>165,014</b>	1,161,690	<b>372</b>	19,686	<b>185</b>	843,607	<b>165,571</b>	2,024,983
<b>Reportable segment liabilities</b> 可報告分部負債	<b>2,530,046</b>	2,442,048	<b>160,153</b>	155,815	<b>203,229</b>	177,926	<b>2,893,428</b>	2,775,789

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 13 Segment reporting (continued)

### (b) Geographic information

Substantially all of the Group's property, plant and equipment, lease prepayments, goodwill, intangible assets and interest in an associate are located or operated in the PRC. The following table sets out information about the geographical location of the Group's revenue from external customers and non-current prepayment. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

#### (i) Revenue from external customers

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
The PRC (place of domicile)	中國大陸(註冊地點)	<b>541,816</b>	1,199,344
Export sales	出口銷售		
– Japan	– 日本	<b>281,928</b>	539,332
– Spain	– 西班牙	<b>94,459</b>	70,117
– Taiwan	– 台灣	<b>51,255</b>	41,392
– Germany	– 德國	<b>16,529</b>	163,165
– The United Kingdom	– 英國	<b>5,558</b>	288,847
– The United States of America	– 美國	<b>5,285</b>	265,334
– France	– 法國	<b>6</b>	–
– Canada	– 加拿大	<b>–</b>	7,138
Sub-total	小計	<b>455,020</b>	1,375,325
Total	總計	<b>996,836</b>	2,574,669

#### (ii) Non-current prepayments

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
The PRC (place of domicile)	中國(註冊地點)	<b>26,588</b>	51,905
Overseas countries	海外國家		
– Germany	– 德國	<b>132,939</b>	157,981
– The United States of America	– 美國	<b>98,997</b>	199,739
– Taiwan	– 台灣	<b>62,601</b>	39,609
Sub-total	小計	<b>294,537</b>	397,329
Total	總計	<b>321,125</b>	449,234

## 13 分部報告(續)

### (b) 地區資料

本集團物業、廠房及設備，租賃預付款項、商譽、無形資產及於聯營公司的權益位於中國或於中國經營。下表載列有關本集團來自外界客戶的收益及非流動預付款項所在地的資料。客戶所在地以交付貨品或提供服務的地點為依據。

#### (i) 來自外界客戶的收益

## 14 Property, plant and equipment

(a) The Group

## 14 物業、廠房及設備

(a) 本集團

		Construction in progress	Buildings	Plant, machinery and equipment 廠房、機器 及設備	Motor vehicles 汽車	Furniture and fittings 家具及 固定裝置	Total
		在建工程 RMB'000 人民幣千元	樓宇 RMB'000 人民幣千元	及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	固定裝置 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>						
At 1 January 2011	於二零一一年一月一日	458,135	138,793	709,970	14,131	12,954	1,333,983
Exchange adjustments	匯兌調整	-	-	-	-	(122)	(122)
Additions	添置	721,831	655	31,306	8,097	1,567	763,456
Acquisition of subsidiaries	透過收購附屬公司	128,437	46,978	133,327	4,777	1,022	314,541
Disposals	出售	-	-	(99)	(2,387)	(31)	(2,517)
Transfers	轉撥	(833,724)	77,069	755,148	-	1,507	-
At 31 December 2011	於二零一一年十二月三十一日	474,679	263,495	1,629,652	24,618	16,897	2,409,341
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
At 1 January 2011	於二零一一年一月一日	-	6,968	117,759	5,683	6,524	136,934
Exchange adjustments	匯兌調整	-	-	-	-	(48)	(48)
Charge for the year	年度折舊	-	8,497	120,908	4,464	3,227	137,096
Written back on disposals	出售時撥回	-	-	(44)	(1,597)	(10)	(1,651)
At 31 December 2011	於二零一一年十二月三十一日	-	15,465	238,623	8,550	9,693	272,331
<b>Net book value:</b>	<b>賬面淨值：</b>						
At 31 December 2011	於二零一一年十二月三十一日	474,679	248,030	1,391,029	16,068	7,204	2,137,010

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 14 Property, plant and equipment (continued)

(a) The Group (continued)

## 14 物業、廠房及設備(續)

(a) 本集團(續)

		Construction in progress	Buildings	Plant, machinery and equipment 廠房、機器 及設備	Motor vehicles 汽車	Furniture and fittings 家具及 固定裝置	Total
		在建工程	樓宇				總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost:</b>	<b>成本：</b>						
At 1 January 2012	於二零一二年一月一日	474,679	263,495	1,629,652	24,618	16,897	2,409,341
Exchange adjustments	匯兌調整	-	-	-	-	(1)	(1)
Additions	添置	107,156	1,267	3,248	121	3,824	115,616
Transfers	轉撥	(114,432)	17,750	96,608	-	74	-
At 31 December 2012	於二零一二年十二月三十一日	467,403	282,512	1,729,508	24,739	20,794	2,524,956
<b>Accumulated depreciation and impairment losses:</b>	<b>累計折舊及減值虧損：</b>						
At 1 January 2012	於二零一二年一月一日	-	15,465	238,623	8,550	9,693	272,331
Exchange adjustments	匯兌調整	-	-	-	-	(1)	(1)
Impairment losses	減值虧損	-	-	161,200	-	-	161,200
Charge for the year	年度折舊	-	13,268	152,573	4,722	3,179	173,742
At 31 December 2012	於二零一二年十二月三十一日	-	28,733	552,396	13,272	12,871	607,272
<b>Net book value:</b>	<b>賬面淨值：</b>						
At 31 December 2012	於二零一二年十二月三十一日	467,403	253,779	1,177,112	11,467	7,923	1,917,684

## 14 Property, plant and equipment (continued)

(b) The Company

## 14 物業、廠房及設備(續)

(b) 本公司

		Office equipment 辦公室設備 RMB'000 人民幣千元
<b>Cost:</b>	成本：	
At 1 January 2011	於二零一一年一月一日	107
Exchange adjustments	匯兌調整	(5)
At 31 December 2011	於二零一一年十二月三十一日	102
<b>Accumulated depreciation:</b>	累計折舊：	
At 1 January 2011	於二零一一年一月一日	72
Exchange adjustments	匯兌調整	(3)
Charge for the year	年度折舊	21
At 31 December 2011	於二零一一年十二月三十一日	90
<b>Net book value:</b>	賬面淨值：	
At 31 December 2011	於二零一一年十二月三十一日	12

		Office equipment 辦公室設備 RMB'000 人民幣千元
<b>Cost:</b>	成本：	
At 1 January 2012	於二零一二年一月一日	102
Exchange adjustments	匯兌調整	(1)
At 31 December 2012	於二零一二年十二月三十一日	101
<b>Accumulated depreciation:</b>	累計折舊：	
At 1 January 2012	於二零一二年一月一日	90
Exchange adjustments	匯兌調整	(1)
Charge for the year	年度折舊	12
At 31 December 2012	於二零一二年十二月三十一日	101
<b>Net book value:</b>	賬面淨值：	
At 31 December 2012	於二零一二年十二月三十一日	-

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 14 Property, plant and equipment (continued)

- (c) Substantially all of the Group's property, plant and equipment is located in the PRC.
- (d) The Group has yet to obtain property ownership certificates for certain buildings with an aggregate net book value of RMB247,143,800 (2011: RMB221,282,000) as at 31 December 2012. Notwithstanding this, the directors are of the opinion that the Group owned the beneficial title to these buildings as at 31 December 2012.
- (e) Impairment of property, plant and equipment  
In view of the current solar market situation, the Group assessed the recoverable amount of property, plant and equipment of each cash-generating unit ("CGU"). As a result, the carrying amount of certain property, plant and equipment was written down by RMB161,200,000 (2011: RMBNil). The estimated recoverable amounts were based on the value in use of each individual CGU determined by the estimated future cash flows discounted at a pre-tax discount rate which ranged from 16.5% to 18.6%.
- (f) Fixed assets leased out under operating leases  
The Group leases out a limited portion of land and buildings under operating leases. The leases typically run for an average period of twenty years, with an option to renew the leases upon expiry at which time all terms are renegotiated. None of the leases includes contingent rentals.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Within 1 year	一年內	1,728	1,728
After 1 year but within 5 years	一年後但於五年內	6,911	6,911
After 5 years	五年後	6,695	8,423
		<b>15,334</b>	17,062

#### 14 物業、廠房及設備(續)

- (c) 本集團全部物業、廠房及設備均位於中國。
- (d) 本集團尚未獲得若干樓宇的房屋所有權證，於二零一二年十二月三十一日，該等樓宇的賬面淨值總額為人民幣247,143,800元(二零一一年：人民幣221,282,000元)。然而，董事認為本集團於二零一二年十二月三十一日擁有該等樓宇的實益業權。
- (e) 物業、廠房及設備減值  
鑑於當前太陽能市場的市況，本集團評估各現金產生單位(「現金產生單位」)的物業、廠房及設備的可收回金額。因此，若干物業、廠房及設備的賬面值已撇銷人民幣161,200,000元(二零一一年：人民幣零元)。預期可回收金額乃基於估計未來現金流量按除稅前貼現率介乎16.5%至18.6%貼現至各現金產生單位的使用價值釐定。
- (f) 根據經營租賃出租之固定資產  
本集團根據經營租賃出租極小部分土地及樓宇。該等租賃一般平均為期二十年，可於屆滿時選擇重續租賃，所有條款將於重續時重新磋商。該等租賃並不包括或然租金。

本集團根據不可註銷經營租賃應收之未來最低租賃款如下：

## 15 Intangible assets

## 15 無形資產

		The Group 本集團			
		Customer relationships 客戶關係 RMB'000 人民幣千元	Customer contracts 客戶合同 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	成本：				
At 1 January 2011	於二零一一年一月一日	-	-	-	-
Through acquisition of subsidiaries	透過收購附屬公司	185,230	2,411	67,228	254,869
At 31 December 2011	於二零一一年十二月三十一日	185,230	2,411	67,228	254,869
<b>Accumulated amortisation:</b>	累計攤銷：				
At 1 January 2011	於二零一一年一月一日	-	-	-	-
Charge for the year	年度攤銷	16,979	2,411	7,395	26,785
At 31 December 2011	於二零一一年十二月三十一日	16,979	2,411	7,395	26,785
<b>Net book value:</b>	賬面淨值：				
At 31 December 2011	於二零一一年十二月三十一日	168,251	-	59,833	228,084

		The Group 本集團			
		Customer relationships 客戶關係 RMB'000 人民幣千元	Customer contracts 客戶合同 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	成本：				
At 1 January and 31 December 2012	於二零一二年一月一日及十二月三十一日	185,230	2,411	67,228	254,869
<b>Accumulated amortisation and impairment losses:</b>	累計攤銷及減值虧損：				
At 1 January 2012	於二零一二年一月一日	16,979	2,411	7,395	26,785
Charge for the year	年度攤銷	18,524	-	8,067	26,591
Impairment loss	減值虧損	149,727	-	51,766	201,493
At 31 December 2012	於二零一二年十二月三十一日	185,230	2,411	67,228	254,869
<b>Net book value:</b>	賬面淨值：				
At 31 December 2012	於二零一二年十二月三十一日	-	-	-	-



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 15 Intangible assets (continued)

The amortisation charge for the year is included in “administrative expenses” in the consolidated income statement.

Intangible assets and goodwill as disclosed in note 16 are related to the Group’s Segment C (see note 13) which is considered to be a CGU.

Since the last quarter of 2011, the Group’s solar cell business has been severely affected by the weak demand of the solar market and the significant drop in prices of solar products. As such, the Group has recognised impairment of intangible assets and goodwill of RMB201,493,000 and RMB208,237,000 respectively which has been determined with reference to the recoverable amount of the CGU.

The recoverable amount of the CGU has been determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated rates stated below.

		2012 二零一二年 %	2011 二零一一年 %
Growth rate	增長率	3	3
Discount rate	折扣率	16.5	19

The growth rates do not exceed the long-term average growth rate for the business in which the CGU operates. The discount rate used is pre-tax and reflects specific risks relating to the segment.

## 15 無形資產(續)

年度攤銷費用已計入綜合收益表「行政開支」一欄。

誠如附註16所披露，商譽及無形資產與本集團分部C(見附註13)有關，被視為現金產生單位(「現金產生單位」)。

自從二零一一年第四季度起，本集團之太陽能電池業務因太陽能市場需求低迷而受到嚴重影響，太陽能產品之價格大幅下跌。因此，參照現金產生單位之可收回金額，本集團已於二零一二年確認無形資產及商譽減值分別為人民幣201,493,000元及人民幣208,237,000元。

現金產生單位之可收回金額則已根據使用價值計算。計算方法按照管理層已核准的5年財務預算之現金流量估計。超過5年期間的現金流量按以下推測比率作出推斷。

增長率並無超過現金產生單位所經營之業務之長遠平均增長率。所使用之折扣率乃稅前及反映與該分部有關之指定風險。

## 16 Goodwill

## 16 商譽

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Cost:</b>	成本：		
At 1 January	於一月一日	208,237	-
Through acquisition of subsidiary (note 39(c))	透過收購附屬公司(附註39(c))	-	208,237
At 31 December	於十二月三十一日	208,237	208,237
<hr style="border-top: 1px dashed black;"/>			
<b>Accumulated impairment losses:</b>	累計減值虧損：		
At 1 January and 31 December	於一月一日及十二月三十一日	(208,237)	-
<hr style="border-top: 1px dashed black;"/>			
<b>Carrying amount:</b>	賬面值：		
At 31 December	於十二月三十一日	-	208,237

As disclosed in note 15, goodwill of RMB208,237,000 has been fully impaired during the year ended 31 December 2012.

誠如附註15所披露，商譽人民幣208,237,000元已於截至二零一二年十二月三十一日止年度內悉數減值。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 17 Lease prepayments

## 17 租賃預付款項

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
<b>Cost:</b>	成本：		
As at 1 January	於一月一日	110,081	72,420
Additions	添置	-	37,661
As at 31 December	於十二月三十一日	110,081	110,081
<b>Accumulated amortisation:</b>	累計攤銷：		
As at 1 January	於一月一日	6,223	4,020
Charge for the year	年度攤銷	2,497	2,203
As at 31 December	於十二月三十一日	8,720	6,223
<b>Net book value:</b>	賬面淨值：		
As at 31 December	於十二月三十一日	101,361	103,858

Lease prepayments represent the cost of land use rights in respect of land located in the PRC, which expire from 2030 to 2059.

租賃預付款項為就位於中國之土地所支付土地使用權成本，該等土地使用權將自二零三零年至二零五九年屆滿。

## 18 Prepayments for raw materials

In order to secure a stable supply of polysilicon materials, the Group entered into short-term and long-term contracts with certain raw material suppliers and made advance payments to these suppliers which are to be offset against future purchases. Prepayments for raw materials where the Group expects to take delivery of inventory more than twelve months after the end of the reporting period are classified as non-current assets. Included in non-current prepayments for raw materials are prepayments made to related parties of RMB76,591,000 (31 December 2011: RMB39,609,000) as at 31 December 2012 (note 32).

As at 31 December 2012, management has assessed prepayments for potential impairment and identified that two of the suppliers are in financial difficulties and may default on the delivery of raw materials to the Group. Management has discussed the possibility of recovery of the prepayments concerned with the Group's legal counsel and are of the opinion that the chance of recovery of such prepayments is remote. As such, prepayments totalling RMB134,485,000 have been fully provided for during the year.

## 19 Interests in subsidiaries

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Unlisted shares, at cost at 1 January	於一月一日的非上市股份，按成本	753,951	147,456
Exchange adjustment	匯兌調整	139	(37,786)
Capital contribution	出資	-	644,281
Unlisted shares, at cost at 31 December	於十二月三十一日的非上市股份，按成本	754,090	753,951
Impairment losses	減值虧損	(424,252)	-
Amounts due from subsidiaries	應收附屬公司款項	329,838 689,862	753,951 689,646
		<b>1,019,700</b>	1,443,597

The amounts due from subsidiaries are unsecured, interest-free and have no fixed term of repayment. The amounts are not expected to be recovered within one year.

## 18 原材料預付款項

為確保有穩定多晶硅原材料供應，本集團與若干原材料供應商訂立短期及長期合約並向該等供應商支付預付款項，該等款項將於日後購買中抵銷。於本集團預期於報告期間結算日後十二個月以上方取得存貨之原材料作出之預付款項，於年結日分類為非流動資產。於二零一二年十二月三十一日，計入非流動之原材料預付款項為支付予關連人士之預付款項人民幣76,591,000元（二零一一年十二月三十一日：人民幣39,609,000元）（附註32）。

於二零一二年十二月三十一日，管理層已對預付款項之潛在減值作出評估，並確認兩名供應商乃出於財務困境並可能無法向本集團交付原材料。管理層已就收回預付款項之可能性進行討論，並認為收回該等預付款項機會渺茫。故此，將年內總額為合共人民幣134,485,000元之預付款項作出悉數撥備。

## 19 於附屬公司的權益

應收附屬公司款項為無抵押、免息及無固定須償還期限。該等款項並不預期一年內收回。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 19 Interests in subsidiaries (continued)

During the year ended 31 December 2012, impairment losses of RMB424,252,000 (2011: RMBNil) was recognised in profit or loss which was attributable to the deterioration of subsidiaries' business performances giving rise to an unfavourable change to the recoverable amount which was determined based on the present value of the expected cash flows arising from the subsidiaries' operations. The discount rate applied to the future cash flows was 16.5%.

The following list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

## 19 於附屬公司的權益(續)

截至二零一二年十二月三十一日，減值虧損人民幣424,252,000元(二零一一年：人民幣零元)於損益確認，由乃於附屬公司業務表現轉差而導致根據附屬公司營運之預期現金流現值釐定之可收回金額出現不利變動。應用於未來現金流之貼現率為16.5%。

下表包含主要影響本集團業績、資產或負債的附屬公司的詳情。除非另有所指，所持有的股份類別為普通股。

Name of company 公司名稱	Place and date of incorporation/ operation 註冊成立/ 經營地點及日期	Authorised/ registered/paid-in/ issued capital 法定/註冊/ 實繳/已發行資本	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務	Legal form 法定形式
			Group's effective interest 本集團的 實際權益 %	held by the Company 由本公司 持有 %	held by a subsidiary 由一間附屬 公司持有 %		
Jinzhou Rixin Silicon Materials Co., Ltd. ("Rixin") 錦州日鑫硅材料 有限公司(「日鑫」)	The PRC 9 May 2007 中國 二零零七年 五月九日	Registered and paid-in capital of RMB190,000,000 註冊及實繳資本 人民幣 190,000,000元	100	-	100	Manufacturing and processing of monocrystalline ingots/wafers 製造及加工 單晶硅錠/硅片	Limited liability company 有限責任公司
Jinzhou Jingji Solar Technology Co., Ltd. ("Jinzhou Jingji") 錦州晶技太陽能科技 有限公司 (「錦州晶技」)	The PRC 9 December 2007 中國 二零零七年 十二月九日	Registered and paid-in capital of US\$17,500,000 註冊及實繳資本 17,500,000美元	100	-	100	Manufacturing and processing of monocrystalline wafers 製造及加工單晶硅片	Limited liability company 有限責任公司
Jinzhou Yangguang Energy Co., Ltd. ("Jinzhou Yangguang") 錦州陽光能源有限公司 (「錦州陽光」)	The PRC 15 December 2004 中國 二零零四年 十二月十五日	Registered and paid-in capital of RMB890,000,000 註冊及實繳資本 人民幣 890,000,000元	100	-	100	Manufacturing and processing of monocrystalline and multicrystalline ingots/wafers 製造及加工單晶及 多晶硅錠/硅片	Limited liability company 有限責任公司
Jinzhou Youhua Silicon Materials Co., Ltd. ("Youhua Silicon") 錦州佑華硅材料有限 公司(「佑華硅材」)	The PRC 13 September 2008 中國 二零零八年 九月十三日	Registered and paid-in capital of RMB200,000,000 註冊及實繳資本 人民幣 200,000,000元	100	-	100	Manufacturing and processing of monocrystalline ingots/wafers 製造及加工 單晶硅錠/硅片	Limited liability company 有限責任公司

## 19 Interests in subsidiaries (continued)

## 19 於附屬公司的權益(續)

Name of company 公司名稱	Place and date of incorporation/ operation 註冊成立/ 經營地點及日期	Authorised/ registered/paid-in/ issued capital 法定/註冊/ 實繳/已發行資本	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務	Legal form 法定形式
			Group's effective interest 本集團的 實際權益 %	held by the Company 由本公司 持有 %	held by a subsidiary 由一間附屬 公司持有 %		
Shanghai Jingji Electronic Materials Co., Ltd. ("Jingji") 上海晶技電子材料有限公司(「晶技」)	The PRC 16 March 1998 中國 一九九八年 三月十六日	Registered and paid-in capital of US\$6,950,000 註冊及實繳資本 6,950,000美元	100	-	100	Processing and trading of polysilicon and monocrystalline ingots/wafers 加工及買賣多晶硅及單晶硅錠/硅片	Limited liability company 有限責任公司
Solar Technology Investment (Cayman) Corp. (STIC)	Cayman Islands 15 December 2006 開曼群島 二零零六年 十二月十五日	Authorised capital of HK\$400,000,000 of HK\$0.10 each and issued share capital of HK\$167,895,494 法定資本400,000,000 港元，每股面值 0.10港元及已發行 股本167,895,494 港元	100	100	-	Investment holding 投資控股	Limited liability company 有限責任公司
Wealthy Rise International Limited	Hong Kong 21 June 2007 香港 二零零七年 六月二十一日	Authorised share capital of HK\$10,000 of HK\$1 each and issued share capital of HK\$1 法定股本10,000 港元，每股面值 1港元及已發行 股本1港元	100	-	100	Trading of polysilicon and monocrystalline ingots/wafers 買賣多晶硅、 單晶硅錠/硅片、 太陽能電池及組件	Limited liability company 有限責任公司
Jinzhou Jinmao Photovoltaic Technology Limited ("Jinzhou Jinmao") 錦州錦懋光伏科技有限公司 (「錦州錦懋」)	The PRC 17 July 2009 中國 二零零九年 七月十七日	Registered and paid-in capital of RMB40,000,000 註冊及實繳資本 人民幣40,000,000元	51	-	51	Manufacturing of photovoltaic modules and design and installation of photovoltaic systems 製造光伏模組以及 設計及安裝光伏 系統	Limited liability company 有限責任公司

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 19 Interests in subsidiaries (continued)

## 19 於附屬公司的權益(續)

Name of company 公司名稱	Place and date of incorporation/ operation 註冊成立/ 經營地點及日期	Authorised/ registered/paid-in/ issued capital 法定/註冊/ 實繳/已發行資本	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務	Legal form 法定形式
			Group's effective interest 本集團的 實際權益 %	held by the Company 由本公司 持有 %	held by a subsidiary 由一間附屬 公司持有 %		
Solargiga Energy (Hong Kong) Company Limited 陽光能源(香港)有限公司	Hong Kong 4 February 2009 香港 二零零九年 二月四日	Authorised share capital of HK\$10,000 of HK\$1 each and issued share capital of HK\$1 法定股本10,000港元，每股面值1港元及已發行股本1港元	100	100	-	Investment holding 投資控股	Limited liability company 有限責任公司
Silicon Solar Materials Company Limited 太陽能硅材料有限公司	Hong Kong 28 November 2008 香港 二零零八年 十一月二十八日	Authorised share capital of HK\$10,000 of HK\$1 each and issued share capital of HK\$1 法定股本10,000港元，每股面值1港元及已發行股本1港元	100	-	100	Investment holding 投資控股	Limited liability company 有限責任公司
陽光能源(青海)有限公司 ("Qinghai") ("青海陽光")	The PRC 6 July 2010 中國 二零一零年 七月六日	Registered and paid-in capital of RMB90,000,000 註冊及實繳資本人民幣90,000,000元	51	-	51	Manufacturing of monocrystalline ingots 製造單晶硅錠	Limited liability company 有限責任公司
Sino Light Investments Limited	British Virgin Islands 2 December 2009 英屬處女群島 二零零九年 十二月二日	Authorized capital of US\$500,000 of US\$0.001 each and issued share capital of US\$53,920 法定資本500,000美元，每股面值0.001美元及已發行股本53,920美元	100	-	100	Investment holding 投資控股	Limited liability company 有限責任公司

## 19 Interests in subsidiaries (continued)

## 19 於附屬公司的權益(續)

Name of company 公司名稱	Place and date of incorporation/ operation 註冊成立/ 經營地點及日期	Authorised/ registered/paid-in/ issued capital 法定/註冊/ 實繳/已發行資本	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務	Legal form 法定形式
			Group's effective interest 本集團的 實際權益 %	held by the Company 由本公司 持有 %	held by a subsidiary 由一間附屬 公司持有 %		
You Xin Investments Limited 佑鑫投資有限公司	Hong Kong 29 July 2009 香港 二零零九年 七月二十九日	Authorized and issue share capital of HK\$100,000 of HK\$1 each 法定及已發行股本100,000港元，每股面值1港元	100	-	100	Investment holding 投資控股	Limited liability company 有限責任公司
Jinzhou Huachang Photovoltaic Technology Company Limited 錦州華昌光伏科技有限公司	The PRC 23 October 2006 中國 二零零六年 十月二十三日	Registered and paid-in capital of RMB 130,000,000 註冊及實繳資本人民幣130,000,000元	100	-	100	Manufacturing and trading of solar cells 製造及買賣太陽能電池	Limited liability company 有限責任公司
Jinzhou Solar Technology Company Limited 錦州陽光太陽能科技有限公司	The PRC 18 August 2011 中國 二零一一年 十一月十八日	Registered and paid-in capital of RMB 51,000,000 註冊及實繳資本人民幣51,000,000元	100	-	100	Manufacturing of solar modules and import of related equipments 製造太陽能模組及進口相關產品	Limited liability company 有限責任公司

## 20 Interests in associates

## 20 於聯營公司的權益

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Share of net assets	應佔資產淨值	124,457	122,946
Amount due from an associate (note 22(d))	應收一間聯營公司款項(附註22(d))	-	133,802
		124,457	256,748



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 20 Interests in associates (continued)

The following list contains the particular of the associates, which are unlisted corporate entities:

## 20 於聯營公司的權益(續)

下表載列聯營公司的詳情，其為非上市公司實體：

Name of associate 聯營公司名稱	Form of business structure 業務架構方式	Place of establishment and operation 註冊成立及經營地點	Particulars of registered and paid-in capital 註冊及實繳資本詳情	Proportion of ownership interest 持有擁有權權益比例		Principal activities 主要業務
				Group's effective interest 本集團實際權益 %	Held by a subsidiary 一間附屬公司持有 %	
Jinzhou Aoke New Energy Co., Ltd. ("Aoke") 錦州奧克陽光新能源有限公司(「奧克」)	Incorporated 註冊成立	The PRC 中國	RMB 200,000,000 人民幣 200,000,000元	37	37	Manufacturing and processing of polycrystalline ingots/wafers 製造及加工多晶硅錠/硅片
格爾木陽光能源電力有限公司	Incorporated 註冊成立	The PRC 中國	RMB 1,000,000,000 人民幣 1,000,000,000元	49	49	Construction of photovoltaic power plant and sales of solar modules 建設光伏電站及銷售太陽能模組

Summary financial information on the associates:

於聯營公司的財務資料概要：

		Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元	Equity 權益 RMB'000 人民幣千元	Revenue 收益 RMB'000 人民幣千元	Profit/(loss) 溢利/(虧損) RMB'000 人民幣千元
<b>2012</b>	二零一二年					
100 per cent	100巴仙	583,557	280,831	302,726	7,857	2,873
Group's effective interest	本集團實際權益	250,799	126,342	124,457	3,850	1,511
<b>2011</b>	二零一一年					
100 per cent	100巴仙	613,329	313,475	299,854	-	(145)
Group's effective interest	本集團實際權益	270,979	148,033	122,946	-	(54)

## 21 Inventories

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

		<b>The Group</b> 本集團	
		<b>2012</b> 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
Raw materials	原材料	197,282	189,421
Work-in-progress	在製品	44,744	28,401
Finished goods	製成品	182,161	151,106
		<b>424,187</b>	368,928

(b) The analysis of the amount of inventories recognised as an expense is as follows:

		<b>The Group</b> 本集團	
		<b>2012</b> 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)
Carrying amount of inventories sold	已售存貨的賬面值	1,133,630	2,159,120
Write-down of inventories	存貨撇減	154,590	161,701
		<b>1,288,220</b>	2,320,821

During the years ended 31 December 2012 and 2011, certain inventories were written down to their net realisable value due to the drop in market price of solar products. The write-down of inventories has been charged to cost of sales in the consolidated income statement.

## 21 存貨

(a) 綜合財務狀況表之存貨包括：

(b) 確認為支出的存貨金額分析如下：

截至二零一二年及二零一一年十二月三十一日止年度，若干存貨因太陽能產品市價下跌而撇銷至其可變現淨值。存貨撇銷已於綜合損益表之成本扣除。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 22 Trade and other receivables

## 22 應收貿易賬款及其他應收款項

		The Group 本集團		The Company 本公司	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元 (restated) (經重列)	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Trade debtors and bills receivable (note 22(a))	應收貿易賬款及票據 (附註22(a))	279,594	181,591	-	-
Prepayments for raw materials (notes 18 and 22(b))	原材料的預付款項 (附註18及22(b))	53,615	53,101	-	-
Value-added tax recoverable	可收回增值稅	193,386	188,337	-	-
Deposits and other receivables (note 22(c))	按金及其他應收款項 (附註22(c))	75,350	66,161	235	235
Amount due from an associate (note 22(d))	應收一間聯營公司款項 (附註22(d))	118,802	-	-	-
Other receivable from a processing customer	應收一名加工客戶的 其他款項	-	45,655	-	-
Amounts due from subsidiaries	應收附屬公司款項	-	-	9,516	750,897
		720,747	534,845	9,751	751,132

All the trade and other receivables (including amounts due from subsidiaries) are expected to be recovered or recognised as expense within one year.

- (a) Included in trade debtors and bills receivable are bills receivable of RMB18,522,000 (2011: RMBNil) which have been pledged as security to a bank for issuing certain bills to settle balances with suppliers.

At 31 December 2011, included in trade debtors and bills receivable was an amount due from a related party of RMB400,000 (note 32(d)).

- (b) Included in prepayments are prepayments made to related parties of RMB20,867,000 (2011: RMB39,609,000) as at 31 December 2012 (note 32(d)).

- (c) Included in deposits and other receivables is an amount due from a related party of RMB3,045,000 (2011: RMB3,045,000) as at 31 December 2012 (note 32(d)).

預期所有應收貿易賬款及其他應收款項(包括應收附屬公司款項)於一年內收回或確認為開支。

- (a) 應收貿易賬款及票據包括應收票據人民幣18,522,000元(二零一一年：人民幣零元)，並已抵押予銀行作為發行若干償付供應商結餘之票據之抵押品。

於二零一一年十二月三十一日，應收貿易賬款及票據包括應收一名關連方款項人民幣400,000元(附註32(d))。

- (b) 於二零一二年十二月三十一日，預付款項包括支付予關連方的預付款項人民幣20,867,000元(二零一一年：人民幣39,609,000元)(附註32(d))。

- (c) 於二零一二年十二月三十一日，本集團的按金及其他應收款項包括應收一名關連方款項人民幣3,045,000元(二零一一年：人民幣3,045,000元)(附註32(d))。

## 22 Trade and other receivables (continued)

- (d) At 31 December 2011, an amount due from an associate of RMB133,802,000 was included in interest in associates as the balance was not expected to be recovered within one year. In 2012, an agreement has been reached with the associate to settle the balance within one year. Accordingly, the balance has been reclassified from non-current assets to current assets and is included in deposits and other receivables at 31 December 2012.
- (e) The ageing analysis of trade debtors and bills receivable (net of allowance for doubtful debts) based on invoice date as of the end of the reporting period is as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Within 1 month	一個月內	143,109	105,296
1 to 3 months	一至三個月	36,067	30,074
3 to 6 months	三至六個月	55,559	41,463
6 to 12 months	六至十二個月	22,395	4,758
Over 1 year	超過一年	22,464	-
		<b>279,594</b>	181,591

Trade debtors are due within 30 to 90 days from the date of billing. Further details on the Group's credit policy are set out in note 36(a).

- (f) Impairment of trade debtors and bills receivable  
Impairment losses in respect of trade debtors and bills receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors and bills receivable directly (see note 1(j)(i)). During the year ended 31 December 2012, trade debtors of the Group totalling RMB1,159,000 (2011: RMBNil) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that all receivables are not expected to be recovered. Accordingly, specific allowances for doubtful debts of RMB1,159,000 (2011: RMBNil) were recognised as at 31 December 2012.

## 22 應收貿易賬款及其他應收款項(續)

- (d) 於二零一一年十二月三十一日，應收一間聯營公司款項人民幣133,802,000元已計入於聯營公司之權益，原因為預期結餘將無法於一年內收回。於二零一二年，已與該聯營公司訂立協議，訂明將於一年內償還結餘。因此，於二零一二年十二月三十一日，結餘已自非流動資產重新分類至流動資產，並計入按金及其他應收款項。
- (e) 於報告日期結算日，扣除呆賬撥備後的應收貿易賬款及票據的賬齡按發票日期分析如下：

應收貿易賬款乃於自發票日期起計30至90日內到期。本集團信貸政策之進一步詳情載於附註36(a)。

- (f) 應收貿易賬款及票據減值  
應收貿易賬款及票據減值虧損乃採用撥備賬記錄，除非本集團相信收回款項的可能性極低，於該情況下，減值虧損將直接與應收貿易賬款及票據撇銷(見附註1(j)(i))。截至二零一二年十二月三十一日止年度，本集團應收貿易賬款合共人民幣1,159,000元(二零一一年：人民幣零元)個別釐定為已減值。個別已減值應收款項與遇到財務困難的客戶有關，而管理層評估預期所有應收款項將不能收回。因此，已於二零一二年十二月三十一日就呆賬確認特別撥備人民幣1,159,000元(二零一一年：人民幣零元)。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 22 Trade and other receivables (continued)

- (g) Trade debtors and bills receivable that are not impaired

The ageing analysis of trade debtors and bills receivable that are neither individually nor collectively considered to be impaired are as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Neither past due nor impaired	並無逾期或減值	188,926	134,143
Less than 1 month past due	逾期少於一個月	44,149	26,009
1 to 3 months past due	逾期一至三個月	10,940	2,755
4 to 6 months past due	逾期四至六個月	4,134	17,288
7 to 12 months past due	逾期七至十二個月	11,555	1,396
Over 1 year past due	逾期一年以上	19,890	-
		90,668	47,448
		279,594	181,591

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of individual customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balance are still considered fully recoverable. The Group does not hold any collateral over these balances.

- (h) The amounts due from subsidiaries are unsecured, interest-free and recoverable on demand.

## 22 應收貿易賬款及其他應收款項(續)

- (g) 並無減值的應收貿易款項及票據

並無個別或共同被視為減值的應收貿易賬款及票據之賬齡分析如下：

並無逾期或減值之應收款項與多名並無近期欠款記錄的客戶有關。

逾期未收回但並無減值的應收款項與本集團多名擁有良好往績記錄的個別客戶有關。根據以往經驗，由於信貸質素並無重大改變，且認為該等結餘仍可全數收回，管理層相信毋需就該等結餘計提減值撥備。本集團並無就該等結餘持有任何抵押品。

- (h) 應收附屬公司款項為無抵押、免息及須按要求償還。

## 23 Pledged bank deposits

Certain of the Group's bank deposits were pledged to secure certain banking facilities granted to the Group as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Pledged as security for bills payable	抵押作為應付票據之抵押品	116,129	114,022
Pledged as security for bank loans	抵押作為銀行貸款之抵押品	24,089	15,821
Guarantee deposits for issuance of letters of credit	抵押作為發出信用證之存款擔保	33,311	1,024
Guarantee deposits for performance on sales of goods	抵押作為應付銷售貨品之存款擔保	-	20,815
Others	其他	705	-
		<b>174,234</b>	151,682

The effective annual interest rate for pledged deposits with banks was 0.81% (2011: 0.45%) as at 31 December 2012.

## 23 已抵押銀行存款

本集團若干銀行存款已就本集團獲授之若干銀行融資作出抵押，載列如下：

於二零一二年十二月三十一日，已抵押予銀行的存款的實際年利率為0.81厘(二零一一年：0.45厘)。

## 24 Cash at bank and in hand

		The Group 本集團		The Company 本公司	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Cash at bank and in hand	銀行及手頭現金	153,793	583,743	1,363	1,421
Deposits with banks with original maturity over three months	原到期日為三個月以上的 銀行存款	(20,000)	(23,770)		
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流量表的現金及 現金等價物	133,793	559,973		

Cash at bank and in hand totalling RMB59,767,000 (2011: RMB470,047,000) as at 31 December 2012 is denominated in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government.

The effective annual interest rate for deposits with banks was 2.62% (2011: 2.93%) as at 31 December 2012.

## 24 銀行及手頭現金

於二零一二年十二月三十一日，銀行存款及現金共人民幣59,767,000元(二零一一年：人民幣470,047,000元)以人民幣列值。人民幣為不可自由兌換貨幣，且在國內匯出資金須受中國政府的外匯管制規限。

於二零一二年十二月三十一日，銀行存款之實際年利率為2.62厘(二零一一年：2.93厘)。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 25 Trade and other payables

## 25 應付貿易賬款及其他應付款項

		The Group 本集團		The Company 本公司	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Trade payables (note 25(a))	應付貿易賬款(附註25(a))	343,927	103,636	–	–
Bills payable (note 25(b))	應付票據(附註25(b))	235,732	252,701	–	–
Other payables and accrued expenses	其他應付款項及應計開支	221,502	235,574	9,678	7,232
Receipt in advance	預收款項	44,937	48,743	–	–
Amounts due to subsidiaries (note 25(c))	應付附屬公司款項(附註25(c))	–	–	10,527	16,005
		<b>846,098</b>	640,654	<b>20,205</b>	23,237

All of the trade and other payables (including amounts due to subsidiaries) are expected to be settled within one year.

預期所有應付貿易賬款及其他應付款項(包括應付附屬公司之款項)將於一年內清付。

(a) The ageing analysis of trade and bills payables based on invoice date as of the end of the reporting period is as follows:

(a) 於報告期間結算日，應付貿易賬款及票據的賬齡按發票日期分析如下：

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Within 1 month	一個月內	190,741	307,386
1-3 months	一至三個月	121,069	20,554
4-6 months	四至六個月	179,243	9,999
7-12 months	七至十二個月	68,083	1,415
After 1 year but within 2 years	一年後但兩年內	20,523	16,983
		<b>579,659</b>	356,337

Included in trade and bills payables are amounts due to related parties of RMB29,089,000 (2011: RMB921,000) at 31 December 2012 (note 32(e)).

於二零一二年十二月三十一日，應付貿易賬款包括應付關連方款項人民幣29,089,000元(二零一一年：人民幣921,000元)(附註32(e))。

## 25 Trade and other payables (continued)

(b) The Group's bills payable of RMB235,732,000 (2011: RMB252,701,000) as at 31 December 2012 are secured by the Group's bills receivable of RMB18,522,000 (2011: RMBNil) (note 22(a)) and bank deposits of RMB116,129,000 (2011: RMB114,022,000) (note 23).

(c) The amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

## 26 Interest-bearing borrowings

(a) At 31 December 2012, the bank loans were repayable as follow:

		The Group 本集團		The Company 本公司	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Within 1 year	一年內	1,018,985	705,077	397,586	62,074
After 1 year but within 2 years	一年後但於兩年內	193,000	73,274	-	73,274
After 2 years but within 5 years	兩年後但於五年內	291,500	771,761	-	324,761
		484,500	845,035	-	398,035
		1,503,485	1,550,112	397,586	460,109
Bank loans were secured as follow:	銀行貸款之抵押如下：				
- unsecured	- 無抵押	1,366,219	1,495,430	397,586	460,109
- secured	- 有抵押	137,266	54,682	-	-
		1,503,485	1,550,112	397,586	460,109

On 27 May 2011, the Company entered into syndicated loans agreements with certain banks whereby a term loan facility of up to US\$75,000,000 was made available to the Company for a term of three years from the date of first drawdown of the facility. In 2011, the Company drew down fully the loan facility with a maturity of three years due on 17 June 2014. The related loan transaction costs amounted to RMB12,095,000. The amount is repayable by instalments commencing on 16 December 2012. The loan is denominated in US dollars and is interest bearing. The loans are guaranteed by the Company's subsidiaries.

## 25 應付貿易賬款及其他應付款項(續)

(b) 於二零一二年十二月三十一日，本集團應付之票據人民幣235,732,000元(二零一一年：人民幣252,701,000元)以本集團應付之票據人民幣18,522,000元(二零一一年：人民幣零元)(附註22(a))及銀行存款人民幣116,129,000元(二零一一年：人民幣114,022,000元)(附註23)作為抵押。

(c) 應付附屬公司款項為無抵押、免息及須按要求償還。

## 26 計息借貸

(a) 於二零一二年十二月三十一日，須予償還之銀行貸款如下：

於二零一一年五月二十七日，本公司與若干銀行訂立銀團貸款協議，據此，本公司可動用有期貨款融資最多75,000,000美元，自首次提取融資當日起為期三年。於二零一一年，本公司悉數提取貸款融資，為期三年，於二零一四年六月十七日到期。有關貸款交易成本為人民幣12,095,000元。款項自二零一二年十二月十六日起分期償還。有關貸款以美元列值且計息。有關貸款由本公司附屬公司擔保。



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 26 Interest-bearing borrowings (continued)

(a) (continued)

All of the Group's banking facilities are subject to the fulfilment of covenants relating to certain of the Group's financial position ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 36. As at 31 December 2012, the balance of certain non-current portions of the interest-bearing bank loans amounting to RMB133,441,000 was reclassified from non-current liabilities to current liabilities due to the non-compliance with certain financial covenants. As disclosed in notes 1(b) and 41(b), a waiver from non-compliance with the financial covenants was granted by the majority of the lenders subsequent to 31 December 2012.

(b) The municipal government loan is repayable as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Within 1 year	一年內	364	364
After 1 year but within 2 years	一年後但於兩年內	364	364
After 2 years but within 5 years	兩年後但於五年內	1,091	1,091
After 5 years	五年以後	961	1,128
		<b>2,780</b>	2,947

The municipal government loan was received by the Group for constructing a manufacturing plant in Jinzhou, Liaoning Province, the PRC. There are no unfulfilled conditions or contingencies relating to the municipal government loan. It is unsecured, interest bearing and is fully repayable by instalments from 2010 to 2020.

(c) On 24 August 2011, the Company issued RMB300,000,000 bonds with a maturity of three years due on 24 August 2014 (the "Bonds"). The related issuing costs amounted to RMB3,600,000. The Bonds were issued at 100% of the aggregate principal amount, are denominated in RMB and bear interest at 4.75% per annum payable semi-annually in arrears.

## 26 計息借貸(續)

(a) (續)

本集團全部銀行融資因一般在與財務機構訂立之貸款安排中出現而須符合有關本集團若干財務狀況比率之契諾。倘本集團違反有關契諾，則所提取融資須按要償還。本集團定期監控其是否已遵守有關契諾。有關本集團流動資金風險詳情載於附註36。於二零一二年十二月三十一日，由於銀團貸款協議項下若干融資契諾遭違反，計息銀行貸款之若干非流動部分之結餘達人民幣133,441,000元，已自非流動負債重新分類至流動負債。誠如附註1(b)及41(b)披露，於二零一二年十二月三十一日後，大部分放款人已授出違反融資契諾之豁免。

(b) 應償還市政府貸款如下：

本集團已就於中國遼寧省錦州建設製造廠房取得市政府貸款。有關市政府貸款概無未達成的條件或或然事項，且為無抵押、計息及須於二零一零年至二零二零年期間分期悉數清償。

(c) 於二零一一年八月二十四日，本公司發行於二零一四年八月二十四日到期的三年期人民幣300,000,000元債券(「債券」)。有關發行成本為人民幣3,600,000元。債券以本金總額100%發行並以人民幣列值，按年利率4.75厘計息於每半年償還。

## 27 Income tax in the consolidated statement of financial position

(a) Current taxation in the consolidated statement of financial position represents:

## 27 綜合財務狀況表內的所得稅

(a) 綜合財務狀況表內的即期稅項代表：

		<b>The Group</b> 本集團	
		<b>2012</b> 二零一二年 <b>RMB'000</b> 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Provision for PRC Corporate Income Tax for the year	年度中國企業所得稅撥備	-	30,573
PRC Enterprise Income Tax paid	已付中國企業所得稅	<b>(500)</b>	(32,359)
		<b>(500)</b>	(1,786)
Balance of PRC Corporate Income Tax in respect of prior year	過往年度中國企業所得稅結餘	<b>(6,570)</b>	-
		<b>(7,070)</b>	(1,786)
<b>Representing:</b>	代表：		
Current tax recoverable	即期可收回稅項	<b>(7,070)</b>	(8,409)
Current tax payable	即期應付稅項	-	6,623
		<b>(7,070)</b>	(1,786)

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 27 Income tax in the consolidated statement of financial position (continued)

### (b) Deferred tax assets and liabilities recognised

The components of deferred tax (liabilities)/assets recognised in the consolidated statement of financial position and the movements during the year are as follows:

### (b) 確認遞延稅項資產及負債

於綜合財務狀況表確認的遞延稅項(負債)/資產的項目及年內變動如下:

		The Group 本集團							
		Government grants	Fair value adjustment on business combination	Inventory provision	Undistributed profits	Property, plant and equipment	Others	Tax losses	Total
		政府補貼	無形資產	存貨撥備	物業、廠房及設備	不可分派利潤	其他	稅務虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Deferred tax arising from:</b>	來自下列各項的遞延稅項:								
At 1 January 2011	於二零一一年一月一日	-	-	-	(21,547)	-	-	4,250	(17,297)
Acquisition of subsidiaries	收購附屬公司	9,231	(57,910)	-	-	(3,117)	(1,121)	-	(52,917)
Charged to profit or loss (note 7(a))	於損益表扣除(附註7(a))	(1,348)	14,025	24,884	4,329	598	1,668	(4,250)	39,906
At 31 December 2011	於二零一一年十二月三十一日	7,883	(43,885)	24,884	(17,218)	(2,519)	547	-	(30,308)
At 1 January 2012	於二零一二年一月一日	7,883	(43,885)	24,884	(17,218)	(2,519)	547	-	(30,308)
Charged to profit or loss (note 7(a))	於損益表扣除(附註7(a))	(3,554)	43,070	(22,573)	6,276	(3,476)	(1,192)	-	18,551
At 31 December 2012	於二零一二年十二月三十一日	4,329	(815)	2,311	(10,942)	(5,995)	(645)	-	(11,757)

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨值	-	17,907
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	(11,757)	(48,215)
		(11,757)	(30,308)

## 27 Income tax in the consolidated statement of financial position (continued)

### (c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of RMB488,832,000 (2011: RMB7,461,000) and RMB89,274,000 (2011: RMB2,798,000) attributable to its subsidiaries in the PRC and Hong Kong, respectively and deductible temporary differences of RMB362,284,000 (2011: RMBNil), as it is not probable that these tax losses and these deductible differences can be utilised in the foreseeable future.

The tax losses of the subsidiary in Hong Kong do not expire under current tax legislation while those of the subsidiaries in the PRC will expire within five years.

### (d) Deferred tax liabilities not recognised

At 31 December 2012, deferred tax liabilities of RMB8,939,000 (2011: RMB23,507,000) have not been recognised in respect of the tax payable upon the distribution of the undistributed profits of PRC subsidiaries and it has been determined that these undistributed profits will not be distributed in the foreseeable future.

## 28 Deferred income

Various government grants have been received by the Group for generating export sales, participating in high-tech industry and constructing various manufacturing plants in Jinzhou, Liaoning Province, the PRC. The amount also includes government grants received by operating subsidiaries of the Group for the purpose of giving immediate financial support to the subsidiaries for general operating use with no future related cost. No specific conditions are attached to the grants. In addition, certain government grants have been received by the Group to compensate for its research and development expenses in relation to the manufacturing of mono-crystalline silicon solar ingots and wafers.

Amounts of RMB41,033,000 (2011: RMB134,633,000) have been recognised in the consolidated income statement for the year ended 31 December 2012 (note 4).

The remaining unused balances as at the end of each reporting period are included in the consolidated statement of financial position as deferred income. There are no unfulfilled conditions or contingencies relating to these grants. As at 31 December 2012, amounts of RMB202,119,000 (2011: RMB206,131,000) of deferred income will be recognised in profit or loss after more than one year.

## 27 綜合財務狀況表內的所得稅(續)

### (c) 尚未確認遞延稅項資產

本集團並無就於中國及香港之附屬公司人民幣488,832,000元(二零一一年：人民幣7,461,000元)及人民幣89,274,000元(二零一一年：人民幣2,798,000元)的應佔累計稅務虧損及可扣減暫時性差異人民幣362,284,000元(二零一一年：人民幣零元)確認遞延稅項資產，原因為該等稅務虧損及該等應課稅暫時性差異於未來不大可能獲動用。

香港附屬公司之稅務虧損根據現行稅務法例不會屆滿，而中國附屬公司之稅務將於五年內屆滿。

### (d) 尚未確認遞延稅項負債

於二零一二年十二月三十一日，就分派中國附屬公司未分派利潤的應付稅項人民幣8,939,000元(二零一一年：人民幣23,507,000元)的遞延稅項負債尚未確認，並已決定該等未分派利潤將不會於可預見未來分派。

## 28 遞延收入

本集團因產生出口銷售，從事高科技行業及於中國遼寧省錦州興建多家製造廠房獲得不同之政府補貼。款項亦包括本集團營運附屬公司收到之政府補貼，就附屬公司一般營運需要提供即時財務支援，並且無未來相關成本。有關授予並無賦帶任何特定條件。此外，本集團亦獲得若干政府補貼以資助其製造太陽能單晶硅錠及硅片之研發開支，及補貼若干特定貸款之利息開支。

截至二零一二年十二月三十一日止年度，於綜合損益表已確認人民幣41,033,000元(二零一一年：人民幣134,633,000元)(附註4)。

於各報告期間結算日，未動用之結餘被納入綜合財務狀況表，列作遞延收入。該等補貼並無尚未達成之條件或或然事項。於二零一二年十二月三十一日，遞延收入人民幣202,119,000元(二零一一年：人民幣206,131,000元)將於多於一年後於損益表中確認。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 29 Other non-current liabilities

Included in other non-current liabilities is provision for product warranty costs as follows:

		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
At 1 January	於一月一日	7,335	870
Provision made	所作撥備	1,672	6,465
At 31 December	於十二月三十一日	9,007	7,335

The Group's photovoltaic modules are typically sold with a 2 or 5-year warranty for defects in materials and workmanship and a 10 and 25 year minimum power output warranty, against declines of more than 10% and 20%, respectively, of initial power generation capacity from the date of delivery. The Group has the right to repair or replace solar modules, at its option, under the terms of the warranty policy. The Group maintains warranty reserves to cover potential liabilities that could arise under these guarantees and warranties.

## 30 Retirement benefit schemes

Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement benefit schemes administered and operated by the local municipal governments. The Group's PRC subsidiaries are required to make contributions to the scheme at 20% of the employees' salaries per annum to fund the retirement benefits of the employees.

The Group is required to participate in defined contribution retirement schemes administered and operated by Bureau of Labour Insurance of Taiwan for employees employed in Taiwan. Under the schemes the employer is required to make contributions to the schemes at 6% of the employees' relevant income per annum. Contributions to the schemes vest immediately.

The Group also operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$25,000. Contributions to the MPF scheme vest immediately.

The Group has no other material obligation for the payment of retirement benefits associated with the schemes beyond the contributions described above.

## 29 其他非流動負債

其他非流動負債包括產品保用成本撥備，載列如下：

本集團的光伏模組出售時一般附帶自交付日期起2年或5年物料損壞及人工保用，以及10年及25年最低電力輸出保證，分別保證電力輸出下降幅度不會多於初步發電產能10%及20%。根據保用政策的條款，本集團有權選擇對太陽能組件進行維修或置換。本集團設有保用儲備應付該等保證及保用項下的潛在負債。

## 30 退休福利計劃

本集團中國附屬公司僱員須參與由各自地方市政府管理及營辦的定額供款退休福利計劃。本集團中國附屬公司須按僱員年薪的20%向計劃作出供款，為僱員退休福利提供資金。

本集團須為受聘於台灣的僱員參加由台灣勞工保險局管理及營辦的定額供款退休福利計劃。根據該等計劃，僱主須按僱員相關年度收入的6%向計劃作出供款。向計劃作出的供款即時歸屬。

本集團亦已根據香港強制性公積金計劃條例，為其受香港僱傭條例所管轄的僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃為定額供款退休計劃，由獨立受託人管理。強積金計劃規定僱主及其僱員各自按僱員相關收入的5%向計劃作出供款，以每月相關收入25,000港元為上限。向強積金計劃作出的供款即時歸屬。

除上述供款外，本集團毋須就支付該等計劃有關的退休福利承擔其他重大責任。

### 31 Capital and reserves

(a) The Group

Details of the movements in capital and reserves of the Group are set out in the consolidated statement of changes in equity.

(b) The Company

### 31 股本及儲備

(a) 本集團

本集團資本及儲備變動的詳情載於綜合權益變動表。

(b) 本公司

		Share capital	Share premium	Exchange reserve	Other reserve	Accumulated losses	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Balance at 1 January 2011</b>	於二零一一年一月一日之結餘	162,458	940,428	(53,922)	-	(120,854)	928,110
<b>Changes in equity for 2011:</b>	二零一一年之權益變動：						
Loss for the year	年度虧損	-	-	-	-	(12,448)	(12,448)
Other comprehensive income	其他全面收入	-	-	(66,651)	-	-	(66,651)
Total comprehensive income	年內全面收入總額	-	-	(66,651)	-	(12,448)	(79,099)
Issuance of convertible bonds classified as equity	發行分類為權益之可換股債券	31(d)	-	-	644,281	-	644,281
Share issued upon conversion of convertible bonds	於兌換可換股債券時發行之股份	31(d)	36,127	608,154	(644,281)	-	-
Dividends approved in respect of the previous year	就上年度批准之股息	9(b)	-	(78,476)	-	-	(78,476)
<b>Balance at 31 December 2011 and 1 January 2012</b>	於二零一一年十二月三十一日及二零一二年一月一日之結餘	198,585	1,470,106	(120,573)	-	(133,302)	1,414,816
<b>Changes in equity for 2012:</b>	二零一二年之權益變動：						
Loss for the year	年度虧損	-	-	-	-	(438,240)	(438,240)
Other comprehensive income	其他全面收入	-	-	697	-	-	697
Total comprehensive income	年內全面收入總額	-	-	697	-	(438,240)	(437,543)
Shares issued under open offer	公開發售發行股份	31(e)	20,202	52,778	-	-	72,980
<b>Balance at 31 December 2012</b>	於二零一二年十二月三十一日之結餘	218,787	1,522,884	(119,876)	-	(571,542)	1,050,253

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 31 Capital and reserves (continued)

### (c) Authorised and issued share capital

## 31 股本及儲備(續)

### (c) 法定及已發行股本

		The Company 本公司			
		2012 二零一二年		2011 二零一一年	
		No. of shares 股份數目	'000 千元	No. of shares 股份數目	'000 千元
<b>Authorised:</b>	法定：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股	5,000,000,000	HK\$500,000 500,000港元	5,000,000,000	HK\$500,000 500,000港元
Equivalent to	相等於		RMB450,000 人民幣450,000元		RMB450,000 人民幣450,000元
<b>Ordinary shares, issued and fully paid:</b>	已發行及繳足普通股：				
At 1 January	於一月一日	2,242,170,425	RMB198,585 人民幣198,585元	1,807,170,425	RMB162,458 人民幣162,458元
Shares issued under open offer (note 31(e))	公開發售發行股份(附註31(e))	249,130,047	20,202	-	-
Share issued upon conversion of convertible bonds (note 31(d))	於兌換可換股債券時發行之股份(附註31(d))	-	-	435,000,000	36,127
At 31 December	於十二月三十一日	2,491,300,472	RMB218,787 人民幣218,787元	2,242,170,425	RMB198,585 人民幣198,585元

#### (d) Convertible bonds

On 25 January 2011, the Group acquired a 100% equity interest in Sino Light, satisfied by the issuance of zero-coupon convertible bonds of the Company with a principal amount of HK\$835,200,000. The convertible bonds were interest-free and could be converted by the bondholders at a conversion price of HK\$1.92 per ordinary share of the Company during the conversion period from 28 March 2011 to 26 January 2013. Upon conversion in full of the convertible bonds, an aggregate of 435,000,000 ordinary shares of the Company were to issued by the Company.

The number of shares into which the convertible bonds could be converted was fixed at the issuance date and the convertible bonds were interest-free and not redeemable in cash. The convertible bonds were classified entirely as equity of the Company and the fair value of RMB644,281,000 at the issuance data was recognised in equity in the other reserve.

#### (d) 可換股債券

於二零一一年一月二十五日，本集團購入華光全部股本權益，並透過發行本公司本金額835,200,000港元之零息可換股債券付款。可換股債券免息，且債券持有人可於二零一一年三月二十八日至二零一三年一月二十六日之兌換期內，按兌換價每股本公司普通股1.92港元兌換該等債券。悉數兌換可換股債券後，本公司將發行合共435,000,000股本公司普通股。

兌換可換股債券涉及之股份數目於發行日期釐定，可換股債券免息，且不得以現金贖回。所有可換股債券分類為本公司權益，於發行日期之公平值人民幣644,281,000元則於其他儲備之權益中確認。

### 31 Capital and reserves (continued)

#### (d) Convertible bonds (continued)

The fair value of the convertible bonds was valued by the directors at the issuance date with reference to a valuation report issued by an independent professional valuer, Censere Holdings Limited. The estimate of the fair value of the convertible bonds was measured by applying the Binomial Option Pricing Model, with the following key assumptions:

Spot price at issuance date	HK\$1.81
Option life	2 months
Expected volatility	33.44%
Risk-free interest rate	0.27%
Expected dividend yield from issuance date to commencement date of conversion period	0.00%

All of the convertible bonds were converted by the bondholders into ordinary shares of the Company on 21 June 2011. The nominal value of these shares of RMB36,127,000 was transferred from other reserve to share capital and the difference between the nominal value of these shares and the fair value of the convertible bonds, which amounted to RMB608,154,000, was transferred from other reserve to share premium.

#### (e) Open offer

In December 2012, the Company raised approximately HK\$89,999,000 (equivalent to RMB72,980,000) after deduction of estimated related expenses of RMB2,778,000 by way of an open offer. 249,130,047 new shares of HK\$0.1 each on the basis of one offer share for every nine existing share held were issued. The subscription price was HK\$0.375 per share. The nominal value of these shares of HK\$24,913,000 (equivalent to RMB20,202,000) was credited to share capital and the balance of HK\$65,086,000 (equivalent to RMB52,778,000) were credited to share premium.

### 31 股本及儲備(續)

#### (d) 可換股債券(續)

可換股債券之公平值由董事於發行日期參考獨立專業估值師Censere Holdings Limited發出之估值報告後估值。計量可換股債券之估計公平值時，已應用二項式期權定價模式，主要假設如下：

於發行日期之現貨價	1.81港元
期權年期	兩個月
預期波幅	33.44%
無風險利率	0.27%
發行日期至兌換期開始當日間之預期股息率	0.00%

所有可換股債券於二零一一年六月二十一日由債券持有人兌換為本公司普通股。該等股份面值為人民幣36,127,000元，自其他儲備轉撥至股本，該等股份面值與可換股債券公平值之差額為人民幣608,154,000元，自其他儲備轉撥至股份溢價。

#### (e) 公開發售

於二零一二年十二月，本公司透過公開發售股份籌得約89,999,000港元(相當於人民幣72,980,000元)(扣減估計相關開支人民幣2,778,000元後)。按每持有九股現有股份獲發一股發售股份之基準發行249,130,047股新股份。認購價為每股股份0.375港元。該等股份之面值為24,913,000港元(相當於人民幣20,202,000元)並計入股本，結餘65,086,000港元(相當於人民幣52,778,000元)計入股份溢價。



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 31 Capital and reserves (continued)

### (f) Nature and purpose of reserves:

#### (i) Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands. The share premium is distributable.

#### (ii) General reserve fund

Pursuant to articles of association of the Company's subsidiaries incorporated in the PRC, these PRC subsidiaries are required to transfer a minimum of 10% of their profits after taxation based on their PRC statutory financial statements to the general reserve fund until the balance of the fund is at least half of the paid-in capital of the relevant subsidiaries. The amounts allocated to this reserve are determined by the respective boards of directors with reference to the minimum requirements.

For the entities concerned, the general reserve fund can be used to make good previous years' losses, if any, and may be converted into capital in proportion to the equity holders' existing equity holdings, provided that the balance after such conversion is not less than 25% of the registered capital.

#### (iii) Capital reserve

The capital reserve comprises the fair value of shares allotted and issued over the subscription costs and share options granted to employees of the Group.

#### (iv) Exchange reserve

The exchange reserve comprises all exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 1(t).

## 31 股本及儲備(續)

### (f) 儲備的性質及目的：

#### (i) 股份溢價

股份溢價賬的應用受開曼群島公司法所規管。股份溢價可予分派。

#### (ii) 一般儲備金

根據本公司於中國註冊成立之附屬公司之組織章程細則，此等中國附屬公司須將其中國法定財務報表所示之除稅後利潤最少10%轉撥至一般儲備金，直至該儲備金結餘至少達相關附屬公司實繳股本一半。各自董事會經參照最低要求後，釐定分配至該儲備之金額。

就有關實體而言，一般儲備金可用作彌補以往年度虧損(如有)，亦可按權益持有人現時的持股比例兌換為資本，惟兌換後結餘不得少於註冊資本的25%。

#### (iii) 資本儲備

資本儲備為配發及發行予本集團僱員的股份超逾認購成本的部分以及授予彼等的購股權的公平值。

#### (iv) 匯兌儲備

匯兌儲備包括所有因換算海外業務財務報表而產生之匯兌差額。本儲備按附註1(t)所載之會計政策處理。

### 31 Capital and reserves (continued)

(f) Nature and purpose of reserves: (continued)

(v) *Other reserve*

The other reserve represents:

- (i) The difference between the attributable share of Tayaneng Investments limited (“Tayaneng”) of the nominal value of the paid-up capital of the subsidiaries acquired over the consideration paid by Tayaneng to obtain the equity interests in these subsidiaries.

Pursuant to a reorganisation of the Group to rationalise the Group’s structure in preparation for the public listing of the Company which became the holding company of the subsidiaries on 7 May 2007, Tayaneng acquired equity interests of 75%, 70%, 74.17% and 75% in Yangguang, Huachang, Huari and Xinri respectively on 9 March 2007. The difference between Tayaneng’s attributable share of the nominal value of these subsidiaries of RMB74,858,000 and the consideration paid of RMB74,782,000 amounted to RMB76,000 and was credited to other reserve account.

- (ii) The difference between the net asset value of Tayaneng and its subsidiaries acquired and the nominal value of the issued share capital of Tayaneng.

The other reserve is non-distributable.

Tayaneng was deregistered during the year ended 31 December 2009.

### 31 股本及儲備(續)

(f) 儲備的性質及目的：(續)

(v) *其他儲備*

其他儲備指：

- (i) Tayaneng Investments Limited (「Tayaneng」) 於所收購附屬公司應佔實繳資本之面值超出 Tayaneng 就獲得此等附屬公司之股權所支付代價之差額。

根據本集團就理順本集團架構，為本公司公開上市作準備而進行之重組(「重組」)，使本公司於二零零七年五月七日成為附屬公司之控股公司)，Tayaneng 於二零零七年三月九日收購錦州陽光、錦州華昌、錦州華日及錦州新日分別75%、70%、74.17%及75%股權。Tayaneng 於此等附屬公司應佔面值人民幣74,858,000元與已支付代價人民幣74,782,000元之差額為人民幣76,000元，已計入其他儲備賬。

- (ii) 所收購Tayaneng及其附屬公司的資產淨值與Tayaneng已發行股本面值之差額。

其他儲備為不可分派的儲備。

Tayaneng於截至二零零九年十二月三十一日止年度撤銷註冊。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 31 Capital and reserves (continued)

### (g) Distributability of reserves

At 31 December 2012, the aggregate amount of reserves available for distribution to equity shareholders of the Company was RMB951,342,000 (2011: RMB1,336,804,000).

### (h) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

## 31 股本及儲備(續)

### (g) 儲備的可供分派性

於二零一二年十二月三十一日，可供分派予本公司權益股東的儲備總額為人民幣951,342,000元(二零一一年：人民幣1,336,804,000元)。

### (h) 資金管理

本集團管理資金的首要目的為根據風險水平釐定產品及服務價格以及按合理成本取得融資，藉此保障本集團能持續營運，繼續為股東提供回報與為其他權益持有人帶來利益。

本集團積極定期檢討和管理其資本結構，在高借貸水平所可能帶來更高股東回報，以及穩健資本狀況所提供的優勢和保障兩者中間取得平衡，並因應經濟情況轉變而調整資本結構。

### 31 Capital and reserves (continued)

#### (h) Capital management (continued)

The Group monitors its capital structure on the basis of a gearing ratio. For this purpose, the Group defines gearing ratio as total borrowings to total share capital and reserves. The gearing ratio at 31 December 2012 and 2011 were as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
		Note 附註	
<b>Current liabilities:</b>	<b>流動負債：</b>		
Bank loans	銀行貸款	26	705,077
<b>Non-current liabilities:</b>	<b>非流動負債：</b>		
Municipal government loan	市政府貸款	26(b)	2,947
Bank loans	銀行貸款	26	845,035
Bonds	債券	26(c)	298,000
			1,145,982
<b>Total borrowings</b>	<b>借貸總額</b>		<b>1,851,059</b>
Share capital	股本		198,585
Reserves	儲備		2,023,460
			<b>2,222,045</b>
<b>Gearing ratio</b>	<b>資產負債比率</b>		<b>83.3%</b>

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

本公司及其任何附屬公司均毋須遵守外界施加之資本規定。

### 31 股本及儲備(續)

#### (h) 資金管理(續)

本集團以資產負債比率監察其資本結構。就此而言，本集團將資產負債比率定義為借貸總額相對總股本及儲備之比率。於二零一二年及二零一一年十二月三十一日之資產負債比率如下：

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 32 Related party transactions

During the year ended 31 December 2012, transactions with the following parties are considered to be related party transactions:

## 32 關連方交易

截至二零一二年十二月三十一日止年度，下列人士的交易被視為關連方交易：

Name of party 各方名稱	Relationship 關係
Jinzhou Changhua Carbon Products Company Limited ("Jinzhou Changhua") 錦州昌華碳素製品有限公司(「錦州昌華」)	Controlled by Tan Wenhua, an executive director of the Company 受本公司執行董事譚文華控制
Wafer Works Corp. ("WWX") 合晶科技股份有限公司(「合晶科技」)	Equity shareholder of the Company 本公司之權益股東
Wafer Works (Shanghai) Corp. ("WWXS") 上海合晶硅材料有限公司(「合晶硅材料」)	Subsidiary of WWX 合晶科技之附屬公司
Jinzhou Huarong Property Management Company Limited ("Jinzhou Huarong") 錦州華榮物業管理有限公司(「錦州華榮」)	Controlled by Tan Wenhua, an executive director of the Company 受本公司執行董事譚文華控制
Jinzhou Huachang Photovoltaic Technology Company Limited ("Huachang Guangfu") (note) 錦州華昌光伏科技有限公司(「華昌光伏」)(附註)	Controlled by Tan Wenhua 受譚文華控制
Jinzhou Jingxin Semi-conductor Material Company Limited ("Jinzhou Jingxin") 錦州京鑫半導體材料有限公司(「錦州京鑫」)	Controlled by a close family member of a key management personnel of the Group 受本集團主要管理人員的一名近親控制
Jinzhou Youlin Semi-Conductor Material Co., Ltd. ("Jinzhou Youlin") 錦州佑林半導體材料有限公司(「錦州佑林」)	Controlled by a close family member of a key management personnel of the Group 受本集團主要管理人員的一名近親控制
Jinzhou Huanchang Real Estate Development Co., Ltd. ("Huangchang Real Estate") 錦州華昌房地產發展有限公司(「華昌房地產」)	Controlled by Tan Wenhua 受譚文華控制
Jinzhou Aoke Yangguang New Energy Company Limited ("Aoke Yangguang") 錦州奧克陽光新能源有限公司(「奧克陽光」)	Associate of the Group 本集團之聯營公司
Golmud Solargiga Energy Electric Power Co., Ltd ("Golmud") 格爾木陽光能源電力有限公司(「格爾木」)	Associate of the Group 本集團之聯營公司

Note: Huachang, being a subsidiary of Sino Light, became a wholly owned subsidiary of the Group on 26 January 2011.

附註：華昌光伏為華光之附屬公司，於二零一一年一月二十六日成為本集團之全資附屬公司。

In addition to the transactions and balances discussed elsewhere in the financial statements, the Group had the following material related party transactions:

除財務報表所述其他地方之交易及結餘外，本集團有以下重大關連方交易：

### 32 Related party transactions (continued)

(a) Key management personnel remuneration

Key management personnel receive compensation in the form of salaries, housing and other allowances, benefits in kind, discretionary bonuses and retirement scheme contributions. Details of key management personnel remuneration are disclosed in notes 11 and 12. Total remuneration is included in “staff costs” as disclosed in note 6(b).

(b) Recurring transactions

### 32 關連方交易 (續)

(a) 主要管理人員薪酬

主要管理人員以薪金、住房及其他津貼、實物利益、酌情花紅及退休計劃供款的方式收取酬金。主要管理人員薪酬詳情於附註11及12披露。薪酬總額撥入「員工成本」，詳情於附註6(b)披露。

(b) 經常性交易

		<b>The Group</b> 本集團	
		<b>2012</b> 二零一二年 <b>RMB'000</b> 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Sales of goods to:	銷售貨品予：		
– Jinzhou Huarong	– 錦州華榮	<b>329</b>	325
– Jinzhou Changhua	– 錦州昌華	<b>97</b>	146
		<b>426</b>	471
Purchases of goods from:	向下列各方購買貨品：		
– Jinzhou Changhua	– 錦州昌華	<b>34,213</b>	55,133
– WWX	– 合晶科技	<b>17,096</b>	18,665
– Huachang Guangfu	– 華昌光伏	<b>–</b>	54,397
Processing services received from Jinzhou Youlin	由錦州佑林提供加工服務	<b>2,699</b>	–
Processing services received from Jinzhou Jingxin	由錦州京鑫提供加工服務	<b>884</b>	2,545
Provision of electricity and water by Jinzhou Huarong	錦州華榮提供水電	<b>1,741</b>	2,031
		<b>56,633</b>	132,771

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 32 Related party transactions (continued)

### (c) Non-recurring transactions

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Consideration paid for the acquisition of Sino Light:	就收購華光所支付之代價：		
- YHIC	- 佑華投資	-	207,041
- Prosperity	- 佑昌	-	49,628
Compensation income from WWX	合晶科技賠償收入	-	5,611
		-	262,280

### (d) Amounts due from related parties

## 32 關連方交易(續)

### (c) 非經常性交易

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
- Golmud	- 格爾木	118,802	133,802
- WWX	- 合晶科技	83,468	79,218
- Aoke	- 奧克陽光	13,990	-
- Huachang Real Estate	- 華昌房地產	3,045	3,045
- WWXS	- 合晶硅材料	-	400
		219,305	216,465

### (d) 應收關連方款項

The amounts due from related parties are unsecured and interest free. Except for prepayments for raw materials of RMB76,591,000 (2011: RMB39,609,000) as disclosed in note 18, the amounts are expected to be recovered within one year.

應收關連方款項為無抵押及免息。除附註18披露之原材料預付款項人民幣76,591,000元(二零一一年：人民幣39,609,000元)外，有關款項預期於一年內收回。

### 32 Related party transactions (continued)

(e) Amounts due to related parties

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
- Jinzhou Changhua	- 錦州昌華	28,905	-
- Jinzhou Jingxin	- 錦州京鑫	184	921
		29,089	921

The amounts due to related parties are unsecured, interest-free and expected to be settled within one year.

應付關連方款項為無抵押、免息且預期於一年內支付。

### 33 Capital commitments

Capital commitments that relate to purchase of property, plant and equipment outstanding at 31 December 2012 not provided for in the financial statements are as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Authorised and contracted for	已授權並已訂約	17,956	69,348
Authorised but not contracted for	已授權但未訂約	40,450	46,692

### 32 關連方交易(續)

(e) 應付關連方款項

### 33 資本承擔

有關購置物業、廠房及設備於二零一二年十二月三十一日尚未償還且並未在財務報表內撥備之資本承擔如下：



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 34 Operating lease commitments

At 31 December 2012, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團	
		2012 二零一二年 RMB'000 人民幣千元	2011 二零一一年 RMB'000 人民幣千元
Within 1 year	一年內	1,679	2,127
After 1 year but within 5 years	一年後但五年內	1,410	2,441
After 5 years	五年後	1,586	1,704
		4,675	6,272

The Group is the lessee in respect to a number of properties held under operating leases. The leases typically run for an initial period of two to twenty years, with an option to renew each lease upon expiry when all terms are renegotiated. None of the leases include contingent rentals.

## 35 Contingent liabilities

Financial guarantees issued

At 31 December 2012, the Company has undertaken to guarantee a banking facility granted to a subsidiary to the extent of US\$10,000,000 or RMB62,855,000 (2011: RMB63,009,000).

At the end of the reporting period, the Directors do not consider it probable that a claim will be made against the Company under the guarantee. The maximum liability of the Company at the end of the reporting period under the guarantee issued is the outstanding amount of the loan advanced by the bank to the subsidiary of US\$10,000,000 or RMB62,855,000 (2011: RMB63,009,000).

## 34 經營租賃承擔

於二零一二年十二月三十一日，根據不可撤銷之經營租賃，日後本集團應付之最低租賃付款總額如下：

本集團為多項根據經營租賃所持物業的承租人。該等租賃一般初步為期二至二十年，可選擇於各份租賃屆滿時重續，所有條款於重續時重新磋商。該等租賃並不包括或然租金。

## 35 或然負債

已發出之財務擔保

於二零一二年十二月三十一日，本公司已承擔一項授予一間附屬公司之銀行融資之擔保，以10,000,000美元或人民幣62,855,000元為限(二零一一年：人民幣63,009,000元)。

於報告期間結算日，董事認為根據此擔保不大可能作出索賠。本公司於報告期間結算日就已作出擔保之負債最多為銀行提供予附屬公司貸款之未償還金額10,000,000美元或人民幣62,855,000元(二零一一年：人民幣63,009,000元)。

## 36 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

### (a) Credit risk

The Group's credit risk is primarily attributable to cash at banks, trade debtors and prepayments made to suppliers. Cash at banks are placed with financial institutions that have sound credit ratings and the Group considers the credit risk to be insignificant.

In respect of trade debtors and prepayments made to suppliers, individual credit evaluations are performed on customers/suppliers on a case-by-case basis. These evaluations focus on the customer's past history of making payments when due and current ability to pay as well as the supplier's past history of supplying raw materials and take into account information specific to the customer/supplier as well as pertaining to the economic environment in which the customer/supplier operates. Trade debtors are normally due within 30 to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers and suppliers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and supplier. The default risk of the industry and country in which customers/suppliers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group has a certain concentration of credit risk as 7% and 12% (2011: 3% and 12%) of the total trade and other receivables was due from the Group's largest customer and the supplier with the largest prepayment balance, respectively, and 14% and 31% (2011: 10% and 40%) was due from the five largest customers and suppliers with five largest prepayment balances, respectively, of the Group.

The Group does not provide any guarantees which would expose the Group to credit risk.

## 36 財務風險管理及公平值

本集團所承擔的信貸、流動資金、利率及貨幣風險來自本集團的日常業務。本集團為管理所承擔之該等風險及財務風險而採用之管理政策及慣例如下。

### (a) 信貸風險

本集團的信貸風險主要來自銀行現金以及支付予供應商之應收貿易賬款及預付款項。銀行現金存放於本集團認為無甚信貸風險且有良好信貸評級的金融機構。

就支付予供應商之應收貿易賬款及預付款項，本集團會按個別情況個別評估客戶／供應商的信貸狀況。該等評估集中於客戶過往之到期付款記錄及現時付款能力，以及供應商過往提供原材料之記錄，並會考慮客戶／供應商特有之賬戶資料及客戶／供應商經營地之有關經濟環境。應收貿易賬款於賬單日期起30至90日內到期。一般而言，本集團不會自客戶及供應商收取抵押品。

本集團之信貸風險主要受各客戶及供應商之個別特質影響。客戶／供應商經營之行業及所處國家之欠款風險亦對信貸風險有一定影響，但程度較輕。於報告期間結算日，本集團有若干程度信貸過份集中的風險，因為應收貿易賬款及其他應收款項總額中分別有7%及12%（二零一一年：3%及12%）來自本集團最大客戶及供應商（彼等佔預付款項之大部分）的欠款，另14%及31%（二零一一年：10%及40%）則來自本集團五大客戶及供應商（彼等佔預付款項之五大部分）的欠款。

本集團並無提供任何其他擔保，致令本集團需承擔信貸風險。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 36 Financial risk management and fair values

(continued)

### (b) Liquidity risk

As detailed in note 1(b), the Group's current liabilities exceeded its current assets by RMB385,052,000 as at 31 December 2012, which indicates that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors are taking certain actions to address these conditions in accordance with the Group's policy of regularly monitoring its current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. These actions include negotiating with banks to renew the short term loans and to explore the availability of alternative sources of financing. Further details of these actions and bank loans concerned are set out in note 1(b).

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's and the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group and the Company can be required to pay.

## 36 財務風險管理及公平值(續)

### (b) 流動資金風險

據附註1(b)所述，本集團於二零一二年十二月三十一日之流動負債超過流動資產人民幣385,052,000元，即本集團可能未能於日常業務當中變現並資產及消除其債務。董事已作出若干行動，根據本集團定期監察期監察當期和預期流動資金的需求的政策，以確保其備存充裕現金儲備及向各大金融機構取得充足承諾信貸額度，以應付長短期的流動資金需求。該等行動包括與銀行進行磋商有關更新短期貸款及開拓其他融資方法。該等行動及銀行貸款詳情載於附註1(b)。

下表載列本集團及本公司財務負債於報告期間結算日之餘下合約年限，有關財務負債乃以未折現合約現金流量(包括根據合約利率或(如為浮息)根據報告期間結算日當前利率計算之利息付款)以及本集團及本公司須還款最早日期作為基礎。

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

(b) Liquidity risk (continued)

The Group

	2012 二零一二年						2011 二零一一年					
	Contractual undiscounted cash outflow 未貼現合約現金流出						Contractual undiscounted cash outflow 未貼現合約現金流出					
	Carrying amount at 31 December 於十二月 三十一日 之賬面值 RMB'000 人民幣千元	Total	More	More	More	More	Carrying amount at 31 December 於十二月 三十一日 之賬面值 RMB'000 人民幣千元	Total	More	More	More	More
			than	than					than	than		
Bank loans-current (note 26) 銀行貸款—即期 (附註26)	1,018,985	(1,064,289)	(1,064,289)	-	-	-	705,077	(750,361)	(750,361)	-	-	-
Municipal government loan 市政府貸款	2,780	(3,243)	(438)	(429)	(1,230)	(1,146)	2,947	(3,690)	(447)	(439)	(1,257)	(1,547)
Bank loans-non-current 銀行貸款—非即期	484,500	(573,323)	(40,453)	(221,237)	(311,633)	-	845,035	(1,000,215)	(49,997)	(328,853)	(621,365)	-
Bonds 債券	298,600	(328,500)	(14,250)	(314,250)	-	-	298,000	(342,750)	(14,250)	(14,250)	(314,250)	-
Trade payables, bill payable 應付貿易賬款、應付票 and other payable and 據、其他應付款項及 accrued expenses 應計費用	801,161	(801,161)	(801,161)	-	-	-	591,911	(591,911)	(591,911)	-	-	-
	2,606,026	(2,770,516)	(1,920,591)	(535,916)	(312,863)	(1,146)	2,442,970	(2,688,927)	(1,406,966)	(343,542)	(936,872)	(1,547)

本公司

The Company

	2012 二零一二年						2011 二零一一年					
	Contractual undiscounted cash outflow 未貼現合約現金流出						Contractual undiscounted cash outflow 未貼現合約現金流出					
	Carrying amount at 31 December 於十二月 三十一日 之賬面值 RMB'000 人民幣千元	Total	More	More	More	More	Carrying amount at 31 December 於十二月 三十一日 之賬面值 RMB'000 人民幣千元	Total	More	More	More	More
			than	than					than	than		
Other payables and accrued 其他應付款項及 expenses 應計費用	9,678	(9,678)	(9,678)	-	-	-	7,232	(7,232)	(7,232)	-	-	-
Amounts due to subsidiaries 應付附屬公司款項	10,527	(10,527)	(10,527)	-	-	-	16,005	(16,005)	(16,005)	-	-	-
Bank loans 銀行貸款	397,586	(416,407)	(279,955)	(136,452)	-	-	460,109	(497,237)	(82,184)	(278,826)	(136,227)	-
Bonds 債券	298,600	(328,500)	(14,250)	(314,250)	-	-	298,000	(342,750)	(14,250)	(14,250)	(314,250)	-
	716,391	(765,112)	(314,410)	(450,702)	-	-	781,346	(863,224)	(119,671)	(293,076)	(450,477)	-

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

### (c) Interest rate risk

Except for bank deposits with stable interest rates, the Group has no other significant interest bearing assets. Accordingly, the Group's income and operating cash flows are substantially independent of changes in market interest rates. Details of the effective interest rates for bank deposits are disclosed in notes 23 and 24. The Group's interest rate risk arises mainly from borrowings. Borrowings obtained at variable rates at fixed rates expose the Group and the Company to cash flow interest rate risk and fair value interest rate risk, respectively. The Group does not use derivative financial instruments to hedge its interest rate risk.

#### (i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings at the end of the reporting period.

#### The Group

		2012 二零一二年		2011 二零一一年	
		Effective interest rate 實際利率 %	RMB'000 人民幣千元	Effective interest rate 實際利率 %	RMB'000 人民幣千元
<b>Variable rate borrowings</b> 浮息借貸					
Bank loans – current	銀行貸款 – 即期	3.54	492,352	2.43	116,756
Bank loans – non-current	銀行貸款 – 非即期	7.90	484,500	5.94	845,035
			976,852		961,791
<b>Fixed rate borrowings</b> 定息借貸					
Municipal government loan	市政府貸款	2.55	2,780	2.55	2,947
Bank loans – current	銀行貸款 – 即期	5.29	526,633	6.32	588,321
Bonds	債券	4.75	298,600	4.75	298,000
			828,013		889,268
Total borrowings	借貸總額		1,804,865		1,851,059
Fixed rate borrowings as a percentage of total borrowings	定息借貸佔借貸總額的百分比		45.9%		48.0%

### (c) 利率風險

除穩定利率之銀行存款外，本集團並無其他重大計息資產。因此，本集團之收益及經營現金流量大致上不受市場利率變動影響。有關銀行存款實際利率之詳情於附註23及24中披露。本集團之利率風險主要來自借貸。浮息及定息借貸使本集團及本公司分別承擔現金流利率風險及公平值利率風險。本集團並無使用衍生財務工具對沖其利率風險。

#### (i) 利率概況

下表詳列本集團於報告期間結算日借貸淨額的利率概況。

#### 本集團

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

(c) Interest rate risk (continued)

(i) Interest rate profile (continued)

### The Company

(c) 利率風險(續)

(i) 利率概況(續)

### 本公司

		2012 二零一二年		2011 二零一一年	
		Effective interest rate	RMB'000	Effective interest rate	RMB'000
		實際利率 %	人民幣千元	實際利率 %	人民幣千元
<b>Variable rate borrowings</b>	浮息借貸				
Bank loans – current	銀行貸款 – 即期	3.49	397,586	3.16	62,074
Bank loans – non-current	銀行貸款 – 非即期	–	–	3.16	398,035
			397,586		460,109
<b>Fixed rate borrowings</b>	定息借貸				
Bonds	債券	4.75	298,600	4.75	298,000
Total borrowings	借貸總額		696,186		758,109

(ii) Sensitivity analysis

(ii) 敏感度分析

The Group 本集團						
2012 二零一二年			2011 二零一一年			
Increase/ (decrease) in interest rate	Effect on loss for the year	Effect on accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on profit for the year	Effect on retained profits	
利率上升/ (下跌) %	對年內虧損 之影響 RMB'000 人民幣千元	對累計虧損 之影響 RMB'000 人民幣千元	匯率上升/ (下跌) %	對年內利潤 之影響 RMB'000 人民幣千元	對保留盈利 之影響 RMB'000 人民幣千元	
1%	7,889	7,889	1%	(11,047)	(11,047)	
(1)%	(7,889)	(7,889)	(1)%	11,047	11,047	

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

(c) Interest rate risk (continued)

(ii) Sensitivity analysis (continued)

(c) 利率風險(續)

(ii) 敏感度分析(續)

The Company						
本公司						
2012			2011			
二零一二年			二零一一年			
Increase/ (decrease) in interest rate	Effect on loss for the year	Effect on accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on loss for the year	Effect on accumulated losses	
利率上升/ (下跌)	對年內虧損 之影響	對累計虧損 之影響	匯率上升/ (下跌)	對年內利潤 之影響	對保留盈利 之影響	
%	RMB'000	RMB'000	%	RMB'000	RMB'000	
	人民幣千元	人民幣千元		人民幣千元	人民幣千元	
1%	3,374	3,374	1%	3,842	3,842	
(1)%	(3,374)	(3,374)	(1)%	(3,842)	(3,842)	

The sensitivity analysis above indicates the instantaneous change in the Group's and the Company's loss/profit after taxation (and accumulated losses/retained profits) that would have arisen assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The analysis has been performed on the same basis as for 2011.

以上敏感度分析顯示假設利率變動於報告期間結算日發生，並把利率變動應用於當天存在的財務工具所承擔的利率風險時，本集團及本公司除稅後虧損／利潤(及累計虧損／保留盈利)之即時變動。二零一一年分析是以相同的基準進行。

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

### (d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases, bank loans and cash and bank deposits that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily the United States Dollar (“USD”), the Euro and the Hong Kong Dollar (“HKD”). The directors do not expect any significant impact from movements in exchange rates since the Group uses the foreign currencies collected from customers to settle the amounts due to suppliers. In addition, the directors ensure that the net exposure is kept to an acceptable level by buying or selling the United States Dollar and Euros at spot rates where necessary to address short-term imbalances.

#### (i) Exposure to currency risk

The following table details the Group’s and the Company’s exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

### (d) 外匯風險

本集團承受的外匯風險，主要來自以外幣（即與交易相關之業務與功能貨幣以外貨幣）計值之銷售及採購、銀行貸款以及現金及銀行存款。產生此等風險之貨幣主要為美元（「美元」）、歐元及港元（「港元」）。董事並不預期匯率變動會對本集團造成任何重大影響，因為本集團使用自客戶收回之外幣向供應商支付款項。此外，董事在需要時可藉著按即期匯率買入或賣出美元及歐元解決短期失衡，以確保淨風險維持於可接受水平。

#### (i) 外匯風險

下表詳列本集團及本公司於報告期間結算日承擔的外匯風險，外匯風險因以相關實體功能貨幣以外貨幣計值之已確認資產或負債而產生。

		The Group 本集團					
		Exposure to foreign currencies (expressed in Renminbi) 外匯風險（以人民幣列值）					
		2012 二零一二年			2011 二零一一年		
		United States Dollars 美元	Euros 歐元	Hong Kong Dollars 港元	United States Dollars 美元	Euros 歐元	Hong Kong Dollars 港元
		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
Trade and other receivables	應收貿易賬款及其他應收款項	27,748	24,538	-	6,831	17,352	-
Cash at bank and in hand	銀行及手頭現金	84,528	1,374	7,909	111,510	16,323	2,622
Bank loans	銀行貸款	(826,227)	(10,258)	-	(731,491)	-	-
Trade and other payables	應付貿易賬款及其他應付款項	(3,619)	(14,204)	-	(524)	(9,032)	-
		<b>(717,570)</b>	<b>1,450</b>	<b>7,909</b>	<b>(613,674)</b>	<b>24,643</b>	<b>2,622</b>



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

(d) Currency risk (continued)

(i) Exposure to currency risk (continued)

(d) 外匯風險(續)

(i) 外匯風險(續)

		The Company 本公司	
		Exposure to foreign currencies (expressed in Renminbi) 外匯風險(以人民幣列值)	
		2012 二零一二年	2011 二零一一年
		United States Dollars 美元	United States Dollars 美元
		RMB'000 人民幣千元	RMB'000 人民幣千元
Trade and other receivables	應收貿易賬款及其他應收款項	169,677	180,136
Cash at bank and in hand	銀行及手頭現金	109	306
Bank loans	銀行貸款	398	460
Trade and other payables	應付貿易賬款及其他應付款項	851	495
		171,035	181,397

The Company's functional currency is HKD. As the HKD is pegged to the USD, the Company considers the risk of movements in exchange rates between the HKD and the USD to be significant.

本公司的功能貨幣為港元。由於港元與美元掛鈎，本公司認為港元與美元之間的匯率變動風險重大。

## 36 Financial risk management and fair values 36 財務風險管理及公平值(續)

(continued)

(d) Currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss/profit after taxation and accumulated losses/retained profits in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of the reporting period.

(d) 外匯風險(續)

(ii) 敏感度分析

下表顯示本集團因於結算日承擔重大風險的匯率可能出現的合理變動，而令本集團除稅後虧損／利潤及累計虧損／保留盈利出現的即時變動。

		The Group 本集團					
		2012 二零一二年			2011 二零一一年		
		Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Effect on loss for the year 對年內 虧損之影響 RMB'000 人民幣千元	Effect on accumulated losses 之影響 RMB'000 人民幣千元	Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Effect on profit for the year 對年內 利潤之影響 RMB'000 人民幣千元	Effect on retained profits 對保留 盈利之影響 RMB'000 人民幣千元
Hong Kong Dollars	港元	10	(791)	(791)	10	262	262
		(10)	791	791	(10)	(262)	(262)
Euros	歐元	10	(46)	(46)	10	2,218	2,218
		(10)	46	46	(10)	(2,218)	(2,218)
United States Dollars	美元	10	72,188	72,188	10	(61,462)	(61,462)
		(10)	(72,188)	(72,188)	(10)	61,462	61,462

Result of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' loss/profit after taxation and equity measured in the respective functional currencies, translated into Renminbi at the exchange rate ruling at the end of the reporting period for presentation purposes.

上表呈列之分析結果指本集團各實體之除稅後虧損／利潤及股本(以各自之功能貨幣計量，並以結算日之匯率換算為人民幣)之即時影響總額，供呈報之用。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 36 Financial risk management and fair values

(continued)

### (d) Currency risk (continued)

#### (ii) Sensitivity analysis (continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis has been performed on the same basis as for 2011.

### (e) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2011 and 2012 except for the amounts due from subsidiaries which are repayable on demand. Given these terms, it is not meaningful to disclose the fair value of such balances.

## 37 Significant accounting estimates and judgements

The methods, estimates and judgements the directors used in applying the Group's accounting policies have a significant impact on the Group's financial position and operating results. Some of the accounting policies require the Group to apply estimates and judgements on matters that are inherently uncertain. The critical accounting judgements in applying the Group's accounting policies are described below.

### (a) Useful lives of property, plant and equipment

Property, plant and equipment is depreciated on a straight-line basis over the estimated useful lives of each asset, after taking into account the estimated residual value. The Group reviews annually the useful life of an asset and its residual value, if any. Both the period and methods of depreciation are reviewed annually. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

## 36 財務風險管理及公平值(續)

### (d) 外匯風險(續)

#### (ii) 敏感度分析(續)

敏感度分析乃假設已採用有關匯率變動重新計量本集團所持有令其於報告期間結算日承擔外匯風險之財務工具，包括以放款人或借款人功能貨幣以外貨幣計值之集團內公司間應付款項及應收款項。分析不包括將海外業務財務報表換算為本集團呈報貨幣所產生之差額。二零一一年之分析是以相同的基準進行。

### (e) 公平值

於二零一一年及二零一二年十二月三十一日，所有財務工具的賬面值與其公平值之間並沒有重大差異，按要求應付附屬公司之款項除外。鑑於其條款，故不需要披露該等結餘之公平值。

## 37 重大會計估計及判斷

董事應用本集團之會計政策時使用對本集團財務狀況及經營業績有重大影響之方法、估計及判斷。部分會計政策需本集團就固有不明朗事項作出估計及判斷。應用本集團會計政策時作出之重大會計判斷載述如下。

### (a) 物業、廠房及設備的可使用年期

物業、廠房及設備在計及其估計殘值後，以直線法按各資產估計可使用年期計提折舊。本集團每年審閱資產的可使用年期及其殘值(如有)，並每年審閱計提折舊的期間及方法。如果先前估計發生重大變動，則會對未來期間之折舊開支作出調整。

## 37 Significant accounting estimates and judgements (continued)

### (b) Impairments of assets

The Group reviews the carrying amounts of assets at the end of each reporting period to determine whether there is objective evidence of impairment. When an indication of impairment is identified, the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, management prepares discounted future cash flows to assess the differences between the carrying amount and value in use and provides for impairment losses. Any change in the assumptions adopted in the cash flow forecasts would increase or decrease the provision for impairment losses and affect the Group's profit or loss and net asset value.

Goodwill is tested for impairment at least annually even if there has no indication of impairment.

Impairment losses for bad and doubtful debts are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer. An increase or decrease in the above impairment loss would affect profit or loss in future years.

### (c) Impairment of advances to suppliers

The Group makes non-cancellable advance payments to raw material suppliers under purchase agreements which are to be offset against future purchases. In the event when the economic benefits expected to be received under these purchase agreements are less than the unavoidable costs of meeting the contractual obligations; or the financial condition of these suppliers deteriorate, the Group will consider whether the advance payments to these suppliers are impaired and make necessary provision for the present obligation under the agreements. The Group does not require collateral or other security against its advances to suppliers. The Group performs ongoing evaluations of impairment of advances to suppliers and provisions for commitments that may become onerous due to a change of market conditions and the financial condition of its suppliers. The evaluation takes into account the projected revenue, related expenses, capital spending and other costs. When the advance is not likely to be settled as expected, the Group will make necessary provisions for the present obligation under the agreements.

## 37 重大會計估計及判斷(續)

### (b) 資產減值

本集團於各報告期間結算日審閱資產之賬面值，以釐定是否有減值之客觀證據。當確認出現減值跡象時，將估計資產之可收回金額。資產之可收回金額是淨售價與使用價值兩者中之較高者。評估其使用價值時，管理層編製貼現未來現金流量以評估賬面值與使用價值之差額，並作減值虧損撥備。現金流量預測採納之假設有任何變動，將令其減值虧損撥備增加或減少，並影響本集團之利潤或虧損及資產淨值。

商譽即使於無減值跡象情況下至少每年進行一次減值測試。

呆壞賬減值虧損是根據董事定期審閱賬齡分析及可收回程度評估來作出評估及計提撥備。董事在評估各個別客戶的信譽及過往收賬經驗時，作出相當程度的判斷。上述減值虧損的任何增減，會影響未來年度的利潤或虧損。

### (c) 預付予供應商之款項之減值

本集團根據購買協議向原材料供應商作出不可撤銷預付款項，有關款項將於未來購貨時作出抵銷。倘根據該等購買協議預期可收取之經濟利益低於合約責任不可避免之成本，或該等供應商財務狀況轉壞，本集團將考慮預付予該等供應商之款項是否經已減值，並就該等協議項下之現有責任作出必要撥備。本集團並無就預付予供應商之款項要求抵押品或其他抵押。本集團持續評估預付予供應商之款項之減值，及就可能由於市況及供應商財務狀況變動而成為繁重之承擔撥備。該評估需要考慮預計收益、有關開支、資金消耗及其他成本。無法如預期結算時，本集團將就該等協議項下之現有責任作出必要撥備。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

## 37 Significant accounting estimates and judgements (continued)

### (d) Valuation of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs to completion and selling expenses. 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 technique and competitor actions in response to adverse industry cycles. Management reassesses these estimates at the end of each reporting period.

### (e) Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the provision for income taxes. There are transactions during the ordinary course of business, for which calculation of the ultimate tax determination is uncertain. Where the final tax outcome is different from the amounts that were initially recorded, such differences would affect profit or loss in future years.

Recognition of deferred tax assets, which related to tax losses and deductible temporary differences, depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

### (f) Provision for warranty costs

The Group provides warranties for its photovoltaic modules for up to 25 years after sales have taken place. Due to limited warranty claims history, the Group estimates warranty costs based on the Group's historical cost data, industry data and an assessment of the Group's competitors' history of warranty claims. The warranty obligation of the Group will be affected not only by the product failure rates, but also by costs incurred to repair or replace failed products. If the actual product failure rates and cost of replacement or repairing of failed products differ from the estimates, the Group will need to prospectively revise the provision for warranty costs which would affect profit or loss in future years.

## 37 重大會計估計及判斷(續)

### (d) 存貨之估值

存貨之可變現淨值乃其於日常業務過程中之估計售價，扣除估計完成所需成本及銷售開支。該等估計乃基於目前市況以及製造及銷售同類產品之過往經驗，但可能會因為技術改變及競爭對手為針對嚴峻行業週期而採取之行動而出現重大改變。管理層會於各報告期間結算日重新評估該等估計。

### (e) 所得稅

本集團須繳付多個司法權區之所得稅。釐定所得稅撥備須作出重大判斷。於日常業務中，有交易之最終稅項未能確定。倘最終稅項結果與初步記錄之金額不同，有關差額將影響本集團未來年度之利潤或虧損。

確認有關稅項虧損及可扣稅臨時差額遞延稅項資產視乎管理層預期日後可能有應課稅利潤可動用稅項虧損。其實際動用可能有所不同。

### (f) 保用成本撥備

本集團就其光伏模組提供長達25年的售後保用。由於過往甚少出現保用索償，因此本集團根據歷史成本數據、業內數據及對本集團競爭對手的過往保用索償評估估計保用成本。本集團的保用責任不但會受產品故障比率影響，同時會受維修或置換出現故障產品所涉成本影響。倘實際產品故障比率及置換或維修出現故障產品的實際成本與估計有差異，本集團將須預先修訂保用成本撥備，並對未來年度的利潤或虧損構成影響。

### 38 Comparative figures

Certain comparative figures have been restated to conform to the new presentation upon the change in application of accounting policy as disclosed in note 2(b).

### 39 Business combination

- (a) On 26 January 2011, the Group acquired a 100% equity interest in Sino Light, satisfied by the issuance of zero-coupon convertible bonds of the Company which could be converted into 435,000,000 ordinary shares of the Company. The fair value of these convertible bonds on 26 January 2011 was HK\$762,104,000 (equivalent to RMB644,281,000) (see note 31(d)). Sino Light and its subsidiaries (the "Sino Light Group") are engaged in the manufacturing and trading of monocrystalline silicon solar cells. The acquisition of the Sino Light Group allows the Group to expand into the downstream of the solar industry.
- (b) The total turnover and net loss for the year contributed by the Sino Light Group for the period from its date of acquisition to 31 December 2011 were RMB929,051,000 and RMB58,049,000, respectively.

If this business combination had occurred on 1 January 2011, the Group's turnover and net profit for the year would have been approximately RMB2,827,377,000 and approximately RMB53,241,000, respectively. These amounts have been calculated by adopting the Group's accounting policies, eliminating the related intercompany transactions and adjusting the results of the relevant subsidiaries to reflect the additional amortisation and depreciation that would have been charged assuming the fair value adjustment to intangible assets, property, plant and equipment and lease prepayments have been applied from 1 January 2011, together with the consequential tax effects.

### 38 比較數字

在附註2(b)披露的應用會計政策的變動後，若干比較數字已重列以符合新呈報方式。

### 39 業務合併

- (a) 於二零一一年一月二十六日，本集團購入華光全部股本權益，並透過發行本公司之零息可換股債券付款，該等債券可兌換為435,000,000股本公司普通股。該等可換股債券於二零一一年一月二十六日之公平值為762,104,000港元，相當於人民幣644,281,000元(請參閱附註31(d))。華光及其附屬公司(「華光集團」)從事太陽能單晶矽電池之製造及買賣業務。收購華光集團可讓本集團擴大至太陽能行業之下游業務。
- (b) 華光集團期內貢獻之總營業額及淨虧損自有關收購日期起至二零一一年十二月三十一日止期間分別為人民幣929,051,000元及人民幣58,049,000元。

倘有關業務合併於二零一一年一月一日已發生，則本集團期內之營業額及純利將分別約人民幣2,827,377,000元及約人民幣53,241,000元。計算有關金額時已採納本集團之會計政策，抵銷公司間之有關連交易，並調整相關附屬公司業績，以反映假設對無形資產、物業、廠房及設備以及租賃預付款項之公平值調整自二零一一年一月一日起已應用時原先應已收取之額外攤銷及折舊連同相應稅務影響。

## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

### 39 Business combination (continued)

- (c) The acquisition of the Sino Light Group had the following effect on the Group's assets and liabilities on the date of acquisition:

### 39 業務合併(續)

- (c) 收購華光集團對本集團於收購日期之資產及負債構成以下影響：

		Carrying amount	Fair value adjustment	Fair value
		賬面值	公平值調整	公平值
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Property, plant and equipment	物業、廠房及設備	324,602	(10,061)	314,541
Intangible assets	無形資產	–	254,869	254,869
Lease prepayments	租賃預付款項	18,352	3,533	21,885
Inventories	存貨	24,684	9,469	34,153
Trade and other receivables	應收貿易賬款及其他應收款項	195,880	–	195,880
Cash and cash equivalents	現金及現金等價物	33,670	–	33,670
Trade and other payables	應付貿易賬款及其他應付款項	(132,531)	–	(132,531)
Current tax payable	即期應付稅項	(1,418)	–	(1,418)
Long-term bank loans	長期銀行貸款	(190,000)	–	(190,000)
Deferred tax assets/(liabilities)	遞延稅項資產/(負債)	3,902	(56,819)	(52,917)
Deferred income	遞延收入	(42,088)	–	(42,088)
Net assets acquired	所購入資產淨值	235,053	200,991	436,044
Goodwill arising from acquisition (note 16)	收購產生之商譽(附註16)			208,237
Total consideration satisfied by issuance of convertible bonds (note 31(d))	透過發行可換股債券支付之總代價(附註31(d))			644,281
Net cash inflow in respect of the acquisition of subsidiaries	涉及收購附屬公司之現金流入淨額			33,670

The balances of the trade and other receivables were considered fully recoverable at the date of acquisition.

The goodwill is attributable mainly to the benefit of skills and technical talent of the acquired business's work force and the synergies expected to be achieved from integrating the entities into the Group's existing businesses. None of the goodwill recognised is expected to be deductible for income tax purposes.

應收貿易賬款及其他應收款項之結餘被視為可於收購日期悉數收回。

商譽主要因所購入業務勞動人手之技能及技術專才以及預期自各實體與本集團現有業務合併所得之協同效益而受惠。所確認商譽預期不可扣減所得稅。

#### 40 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2012

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and five new standards which are not yet effective for the year ended 31 December 2012 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

#### 40 已頒佈但尚未於截至二零一二年十二月三十一日止年度生效的修訂、新訂準則及詮釋可能帶來的影響

截至本財務報表刊發日期，香港會計師公會已頒佈多項修訂以及五項新訂準則，而本集團並未在本財務報表中採用此等並未於截至二零一二年十二月三十一日止年度生效的修訂及新訂準則。下列為其中可能與集團有關的修訂和新準則。

	Effective for accounting periods beginning on or after 於下列日期或之後開始的會計期間生效
Amendments to HKAS 1, <i>Presentation of financial statements</i> – <i>Presentation of items of other comprehensive income</i> 香港會計準則第1號， <i>財務報表呈列</i> – <i>呈列其他全面收入之項目之修訂本</i>	1 July 2012 二零一二年七月一日
HKFRS 10, <i>Consolidated financial statements</i> 香港財務報告準則第10號， <i>綜合財務報表</i>	1 January 2013 二零一三年一月一日
HKFRS 12, <i>Disclosure of interests in other entities</i> 香港財務報告準則第12號， <i>披露於其他實體之權益</i>	1 January 2013 二零一三年一月一日
HKFRS 13, <i>Fair value measurement</i> 香港財務報告準則第13號， <i>公平值計量</i>	1 January 2013 二零一三年一月一日
HKAS 28, <i>Investments in associates and joint ventures</i> 香港會計準則第28號， <i>投資於聯營公司及合營企業</i>	1 January 2013 二零一三年一月一日
Revised HKAS 19, <i>Employee benefits</i> 經修訂香港會計準則第19號， <i>僱員福利</i>	1 January 2013 二零一三年一月一日
<i>Annual Improvements to HKFRSs 2009-2011 Cycle</i> <i>二零零九年至二零一一年周期的年度改進</i>	1 January 2013 二零一三年一月一日
Amendments to HKFRS 7, <i>Financial instruments: Disclosures</i> – <i>Disclosures – Offsetting financial assets and financial liabilities</i> 香港財務報告準則第7號修訂本 <i>金融工具：披露</i> – <i>金融資產與金融負債之抵銷</i>	1 January 2013 二零一三年一月一日
Amendments to HKAS 32, <i>Financial instruments: Presentation</i> – <i>Offsetting financial assets and financial liabilities</i> 香港會計準則第32號修訂本， <i>金融工具：呈列</i> – <i>金融資產與金融負債之抵銷</i>	1 January 2014 二零一四年一月一日
HKFRS 9, <i>Financial instruments</i> 香港財務報告準則第9號， <i>金融工具</i>	1 January 2015 二零一五年一月一日



## Notes to the Financial Statements

### 財務報表附註

(Expressed in Renminbi) (以人民幣列值)

#### 40 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2012 (continued)

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

#### 41 Non-adjusting events after the reporting date

- (a) In March 2013, the Company raised approximately HK\$250,000,000 (equivalent to RMB200,443,000) after deduction of estimated related expenses by way of an open offer of 498,260,094 new shares on the basis of one offer share for every five existing share held. The Group will apply the entire net proceeds to repay its current outstanding interest-bearing bank loans.
- (b) As disclosed in note 26(a), due to the non-compliance with certain financial covenants under the syndicated loan agreement dated 27 May 2011, as subsequently revised by a waiver letter granted by the banks dated 23 August 2012, the balance of the non-current portion of the syndicated loan due in 2014 amounting to US\$21,230,000 (equivalent to RMB133,441,000) was reclassified from non-current liabilities to current liabilities as at 31 December 2012. On 26 March 2013, a waiver from non-compliance with the financial covenants was granted by the majority of the lenders.

#### 40 已頒佈但尚未於截至二零一二年十二月三十一日止年度生效的修訂、新訂準則及詮釋可能帶來的影響(續)

本集團現正評估該等修訂於首次應用期間的預期影響。至目前為止，本集團認為應用該等修訂不大可能會對綜合財務報表產生重大影響。

#### 41 毋須作出調整的報告日後事項

- (a) 於二零一三年三月，本集團以公開發售498,260,094股新股的方式籌集(扣除估計有關開支後)約250,000,000港元(相當於約人民幣200,443,000元)，以持有五股現有股份獲發一股發售股份基準發行。本集團將會將籌集所得用於償還流動計息銀行貸款。
- (b) 誠如附註26(a)所披露，因未符合日期為二零一一年五月二十七日之銀團貸款協議(隨後經日期為二零一二年八月二十三日銀行授出之豁免函修訂)所規定的若干財務契諾，銀團貸款於二零一四年到期之非流動部分餘額21,230,000美元(相當於人民幣133,441,000元)已於二零一二年十二月三十一日由非流動負債重新分類為流動負債。於二零一三年三月二十六日，大部份放款人已授出該未遵守貸款財務契諾的豁免。



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