



EcoGreen Fine Chemicals Group Limited
中怡精細化工集團有限公司*

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock code 股份代號 : 2341



Annual Report 年報 **2008**

* For identification purposes only
* 僅供識別

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Corporate Information

公司資料

Board of Directors

Executive Directors

Mr. Yang Yirong (*Chairman & President*)
Mr. Gong Xionghui
Ms. Lu Jiahua
Mr. Lin Like
Mr. Han Huan Guang

Non-executive Directors

Mr. Feng Tao (*Vice Chairman*)

Independent non-executive Directors

Mr. Yau Fook Chuen
Mr. Wong Yik Chung, John
Dr. Zheng Lansun

Board Committees

Audit Committee

Mr. Yau Fook Chuen (*Chairman*)
Mr. Wong Yik Chung, John
Dr. Zheng Lansun

Remuneration Committee

Mr. Han Huan Guang (*Chairman*)
Mr. Yau Fook Chuen
Mr. Wong Yik Chung, John
Dr. Zheng Lansun

Company secretary

Mr. Lam Kwok Kin *FCCA, FCPA*

Auditor

PricewaterhouseCoopers

Principal bankers

Citic Ka Wah Bank Ltd.
Bank of Communications
The Hong Kong and Shanghai Banking Corporation Limited
Agricultural Bank of China
China Merchants Bank
China Citic Bank

Registered office

Century Yard
Cricket Square, Hutchins Drive
P.O. Box 2681 GT, George Town
Grand Cayman, Cayman Islands
British West Indies

董事會

執行董事

楊毅融先生 (*主席兼總裁*)
龔雄輝先生
盧家華女士
林力克先生
韓歡光先生

非執行董事

馮濤先生 (*副主席*)

獨立非執行董事

丘福全先生
黃翼忠先生
鄭蘭蓀博士

董事委員會

審核委員會

丘福全先生 (*主席*)
黃翼忠先生
鄭蘭蓀博士

薪酬委員會

韓歡光先生 (*主席*)
丘福全先生
黃翼忠先生
鄭蘭蓀博士

公司秘書

林國健先生 *FCCA, FCPA*

核數師

羅兵咸永道會計師事務所

主要往來銀行

中信嘉華銀行有限公司
交通銀行
香港上海滙豐銀行有限公司
中國農業銀行
招商銀行
中信銀行

註冊辦事處

Century Yard
Cricket Square, Hutchins Drive
P.O. Box 2681 GT, George Town
Grand Cayman, Cayman Islands
British West Indies



Corporate Information

公司資料

Head office and principal place of business in Hong Kong

Suite 3706, 37th Floor
Central Plaza
18 Harbour Road
Wanchai, Hong Kong

Principal share registrar and transfer office

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
2nd Floor, Strathvale House
North Church Street, George Town
Grand Cayman, Cayman Islands
British West Indies

Hong Kong branch share registrar and transfer office

Tricor Tengis Limited
26th Floor
Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

Website

<http://www.ecogreen.com>

Stock Codes

Stock Exchange, Hong Kong:	2341
Access to Reuters:	2341.HK
Access to Bloomberg:	2341 HK Equity

Shareholders' calendar

Book closing dates for the proposed final dividend:
21 May 2009 to 25 May 2009 (both days inclusive)

Record date for the proposed final dividend:
25 May 2009

2009 Annual General Meeting:
25 May 2009

Payment date for the proposed final dividend:
29 June 2009

總辦事處兼香港主要營業地點

香港灣仔
港灣道18號
中環廣場
37樓3706室

股份過戶登記總處

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
2nd Floor, Strathvale House
North Church Street, George Town
Grand Cayman, Cayman Islands
British West Indies

香港股份過戶登記分處

卓佳登捷時有限公司
香港灣仔
皇后大道東28號
金鐘匯中心
26樓

網址

<http://www.ecogreen.com>

股份代號

香港聯交所：	2341
路透社版面：	2341.HK
彭博版面：	2341 HK Equity

股東日誌

就擬派末期股息暫停辦理股份過戶登記日期：
二零零九年五月二十一日至
二零零九年五月二十五日(包括首尾兩日)

擬派末期股息記錄日期：
二零零九年五月二十五日

二零零九年股東週年大會日期：
二零零九年五月二十五日

擬派末期股息派付日期：
二零零九年六月二十九日



Chairman's Statement

主席報告書

EcoGreen is the leading fine chemicals company in the PRC
Further advanced towards
to be one of the most influential global
flavour and fragrance suppliers
中怡是中國領先的精細化工公司
進一步向全球其中一間
最具影響力之香精
香料供應商進發

Review

The Group is pleased to report the financial results for the year ended 31 December 2008.

During the year, the Group has encountered unprecedented challenges after going through the tightening currency policy under the implementation of macroeconomic austerity measures by the PRC government to suppress overheated economic growth in the early 2008 and the disastrous financial turmoil induced by the U.S. sub-prime mortgage crisis in mid-2008. However, bolstered by the steady growth in the sales of our mainstream products as well as the launch of new products, the Group's overall sales and operating profits remained a moderate growth for the whole year. During the period, the Group recorded a turnover of RMB740 million, representing an increase of 21% compared with that of last year; EBITDA for the corresponding period was RMB179 million, which slightly increased from RMB158 million in 2007; profit attributable to shareholders decreased by 12% to RMB114 million. The earnings per share amounted to RMB0.24 in 2008, while it was RMB0.28 per share in 2007. As a token of our gratitude to the shareholders for their enduring support, the Board proposed to declare a final dividend of HK2.9 cents per share for the year.

回顧

我們欣然匯報截至二零零八年十二月三十一日止年度之財務業績。

二零零八年對全球經濟及各行各業而言，確是充滿考驗的一年，由年初中國政府宏觀調控以抑制經濟過度擴張而採取緊縮性的貨幣政策，及至年中因美國次按危機而演變成為全球一次災難性的金融風暴，本集團需要面對艱難的經營環境前所未有。惟本集團在主營產品錄得穩定增長和新產品推出市場的帶動下，全年的總體銷售及經營溢利仍然錄得溫和的銷售增長，期內錄得了7.40億元人民幣的營業額，較二零零七年增加21%；同期的未計利息、稅項、折舊及攤銷前之溢利（EBITDA）為1.79億元人民幣，較二零零七年的1.58億元人民幣有輕微增長；而股東應佔溢利則減少12%至人民幣1.14億元。二零零八年每股溢利為人民幣0.24元，二零零七年則為人民幣每股0.28元。為了回報廣大股東，董事會建議宣派本年度末期股息每股港幣2.9仙。



Chairman's Statement

主席報告書

Review (continued)

As the Group had anticipated in the Interim Report, the operating environment would remain challenging in the second half of 2008 and the downward trend might sustain in the global economy. Furthermore, the Group was prudent and optimistic towards the result for the second half of the year. Despite the fact that the lingering adverse effects from the U.S. sub-prime mortgage crisis were then gradually revealed since the fourth quarter, the Group was still able to secure steady income with its brand recognition in the global market. One of the Group's mainstream products, Dihydromyrcenol, achieved a 9% global sales growth, reflecting its product's strong competitiveness in the global aroma chemicals market.

During the year, the Group's operation has faced difficult challenges. The Group used natural resources in China such as botanic essential oils as its major raw materials. The price of one of the major raw materials, turpentine, kept surging to a record high in the second half of 2008. Resources management strategies adopted by the Group in the previous stage have brought into critical effect during the year, which enabled the Group to secure a steady raw material supply under the violent fluctuation of raw materials markets. Yet, the rising costs of raw materials have inevitably brought greater impact on the profitability of the Group's products. In respect of this, under the pressure of high material costs, the Group then raised the product prices and launched sales portfolios with higher margins. In order to minimize the adverse effect on the Group's profits, it also adopted cost-effective measures to optimize cost control during the year. As a result, the gross profit margin decreased by just 4.3% point from 34.2% in 2007 to 29.9%.

Regarding the expansion of new products and production capacity, the Group's Phase III main expansion in Haicang, Xiamen completed during the year and the trial run commenced in the second half of the year as scheduled. This plant mainly produces new flavour chemicals and part of aroma chemicals. The launch of the relevant new products has also become new revenue source for the Group during the year, in particular the flavour chemicals which already achieved an annual sales of RMB52.7 million, while its gross profit margins was 46%. In addition, the factory, which is located at Haicang Xinglin, Xiamen Province, and produces food additives, also commenced trial run in the second quarter of 2008. The Xinglin Plant uses seafood, meat and mushrooms as raw materials to produce unique, quality natural extracts, which are used in food additives or seasonings for functional food. Following trial production during the year, it has already started to contribute to the Group's sales and gross profit.

Against the backdrop of the economic downturn brought by the financial turmoil, the global economy was filled with uncertainties. To withstand the challenges, the Group has implemented a series of effective measures by adopting a prudent investment strategy, reviewing its original investment plan during the second half of 2008 and appropriately adjusting the construction schedule for the plant in Changtai area of Fujian Province. Apart from the fundamental civil engineering and the industry production layout in progress, it is expected that the construction of the main project will commence in stages from the second half of 2009 and will generate revenue in late 2010. The Group will make further review properly according to the change of the market and economic environment in the implementation of such project in the future. Besides, with a view to increasing the pace of its business growth, the Group has been proactively and prudently on the lookout for any opportunities to acquire enterprises or operations which may give synergistic effects.

回顧(續)

正如我們於中期報告中預計，二零零八年下半年經營環境依然嚴峻，全球經濟有機會持續下調，因此對下半年之業績抱持審慎樂觀之看法。其後，美國次按危機所帶來的不利影響於年內第四季開始浮現。惟集團品牌在全球市場中的認受性確為本集團帶來較穩定的收入，以集團其中一個主營產品二氫月桂烯醇為例，年內的全球市場營銷仍取得了9%的增長，體現了集團產品在國際香原料市場所具有的强大競爭力。

年內，本集團的經營經歷了較為嚴峻的挑戰。本集團的原料以中國本土豐產的植物精油等天然資源為主，主要的原材料—松節油的價格在二零零八年內持續上升並在下半年到達了歷史高位。集團於早期布局的資源管理戰略在年內發揮了重要作用，在原料市場劇烈波動的環境下保障了本集團獲得穩定的原料供應。雖則如此，惟原材料成本之暴升，仍無可避免地對本集團的產品盈利能力造成較大影響。為此，在材料成本高企的壓力下，本集團進而透過調高產品價格及推出較高利潤新產品的銷售組合，以及於年內採取若干節省成本措施推行成本優化工作，務求將對本集團盈利受到的不利影響儘量減至最低。毛利率為29.9%，較二零零七年的34.2%僅減少約4.3個百分點。

在新產品和生產能力的拓展方面，集團在廈門海滄的第三期廠房主體擴建工程已於年內完成，並如期在第二季度投入試生產，並於下半年正式投產。該廠房主要生產新的食用香料及部分日用香料，有關的新產品年內已為集團的營收帶來新的貢獻，特別是食用香料部份，年銷售額已達5,270萬元人民幣，毛利率更達46%；另外，建於廈門杏林的食品配料工廠也於二零零八年第二季度試車。杏林廠以海產、肉類及食用菌類為原料，生產具有天然風味的高品質純天然提取物，用作功能食品之添加劑或調味增強劑，該項目於年內試產後，也已開始為集團的銷售及毛利帶來貢獻。

由於金融海嘯所引致了經濟衰退，在全球經濟形勢仍不明朗情況下，集團採取了較為謹慎的投資策略，在二零零八年下半年重新檢討了原有的投資計劃，適當調整了福建長泰工廠的建設進度，除基礎土建及產業布局仍在進行外，主體項目的建設預期將在二零零九年下半年起分階段有序地投入建造，並在二零一零年年底開始逐項產生營業貢獻。集團在該項目的未來實施中，仍會按市場和經濟環境的變化適時地再行檢討。除此之外，本集團也一直在積極、審慎地尋找具協同效益的企業或業務進行收購或投資合作的機會，以加快業務的成長。



Chairman's Statement

主席報告書

Review (continued)

During the year, the Group accommodated itself well to the changes in the global and PRC capital markets at the early stage. Thanks to the strong support of overseas banks, the Group promptly completed the adjustments in its overall loan structure in the first half of the year, increasing middle to long term borrowings in foreign currencies, in particular, US dollars, and reducing the proportion of loans in RMB, so as to better capitalise on the significant decrease in costs from the difference in interest rates between foreign currencies and RMB, and at the same time flexibly and effectively hedge the exposure of the future appreciation of RMB. The gain was reflected in the results for the first half of the year.

Outlook

The financial turmoil in 2008 has adversely influenced the global economy. It is expected that global financial and economic environment will remain uncertain and challenging. Both the confidence of various sectors and consumers on consumption has been deeply dampened. Although the PRC government launched a RMB4,000 billion domestic economy stimulus plan to tackle the rapidly deteriorating global economy, it is estimated that the effectiveness of such economy stimulus plan takes time to show. Accordingly, taking the several possible unfavourable conditions into account, the Group will adopt a more prudent operational strategy for the upcoming year. Through cost-cutting and revenue generation, the Group will try its utmost for improving business performance. Meanwhile, by strengthening interaction with major customers and industry cooperation for further expanding the market, launching new products for increasing revenue on a timely basis, continually optimizing production techniques and innovative technologies for enhancing production capacity and lowering cost, introducing effective management of raw material resources for stable supply and cost control, and cautiously maintaining sufficient working capital to combat with the possible credit risk, the Group would try to turn the "crisis" into "opportunity" so as to regain impetus for rapid growth beyond several years from now and prosper further during the crisis.

Looking forward to 2009, supported by the effective measures of the PRC Government, it is evident that mainland China's economy is very likely to recover from the financial turmoil faster than other countries and sustain higher growth. Given that approximately 68% of the Group's turnover was derived from the mainland China market, the Group will be in an advantageous position which enables it to enjoy benefits from the recovery of the PRC's economy.

回顧(續)

年內，本集團及早因應國際、國內資金市場的變化，在海外銀行的大力支持下，於上半年成功地組織完成了對整體借貸結構的調整，相應地提高了外幣特別是美元的中長期借貸、和減少了人民幣的貸款比例，從而在更好地利用外幣和人民幣息差顯著減少成本的同時，靈活有效地自然對沖人民幣未來升值的風險，並在上半年的業績中體現了該收益。

展望

二零零八年金融風暴對全球經濟造成了極大之傷害，預期二零零九年的環球金融及經濟環境仍很不明朗並挑戰重重，各行各業、以致全球消費者信心仍會受到嚴重的影響。雖則中國政府為應對環球經濟因金融海嘯而急速惡化的局面，於二零零八年推出了四萬億人民幣的國內經濟刺激方案，但該經濟刺激方案重振經濟的成效估計需要一段時間方始呈現。為此，在考慮到多種可能不利的情况下，本集團在未來的一年將採取更為謹慎的經營策略，通過有效的開源節流，竭力爭取有更好的業務表現。同時，通過加強與主要客戶的業務互動和產業合作以進一步拓展市場、適時地推出新產品以提升盈利能力、繼續優化工藝和創新技術以提高生產效率和減低成本、穩妥地推進原材料資源的有效管理以穩定供應和控制成本、以及審慎地保有充足的營運資金以抵禦可能的信貸風險，努力變「危」為「機」，使到本集團未來幾年重拾快速成長的勢頭，在危機中進一步壯大。

展望二零零九年，我們也看到在中國政府有力舉措下，中國內地的經濟很有機會比其他國家更快地從金融海嘯中復蘇過來，並維持較高的增長。鑒於本集團約68%營業收入源自國內市場，故本集團將處於有利位置，受惠於中國經濟的復蘇。



Chairman's Statement

主席報告書

Outlook (continued)

Moreover, we award an emergence of unfavourable factors in the first half of 2008, such as mounting raw material prices, appreciation of RMB and the tightening of Chinese austerity measures, which has been are now diminishing as a result of this financial turmoil. Driven by the economy stimulus plans from all countries, consumers will progressively regain confidence and stimulate market demand worldwide, especially China and various developing countries. In addition, since the products of aroma chemicals and food additives on which the Group is currently concentrating, are the key components of consumers' daily necessities, the impact of the economic cycle is relatively low. Therefore, we are still confident and optimistic about the development of the flavor and fragrance industry as well as the Group's other relevant businesses in the foreseeable future.

We are confident of the Group's existing business development in the long run. Since the flavor and fragrance and the fine chemical industries worldwide are still undergoing long-term growth, capitalizing on the Group's existing operating foundation, our outstanding reputation and stable clientele as well as advanced production facilities in the PRC, we believe that we can capture opportunities in this stormy weather, by providing value-added products and services to customers, increasing market share, and proactively seeking opportunities of co-operations and acquisitions and mergers while speeding up expansion of the principal business, through which we endeavor to strengthen our capabilities amidst the challenging operating environment. Building on the unwavering effort from everyone in the Group, we believe that in future our operations will be able to triumph over adversity and grow even stronger.

Acknowledgement

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, customers, suppliers and staff. Their continual trust and support to the Group are fundamentally essential to our success in operation and growth.

At the same time, I would also like to thank all the Directors for their great support and valuable advices during the period.

Under our continuous effort, I am confident that Ecogreen will sustain even more robust business growth, and the Group will gradually accomplish as a main supplier of terpenic aroma chemicals in the world, and one of the world's most influential technology suppliers of intermediates, as well as a food safety service provider who meets international food safety standards, with a view to maximizing shareholders' values.

Yang Yirong
Chairman

Hong Kong, 15 April 2009

展望(續)

另外，我們也已留意到在二零零八年上半年面對的一些不利因素，例如原材料價格飆升、人民幣增值以及中國政府收緊經濟措施等，均已因金融海嘯的出現而減退。我們相信在各國經濟刺激計劃的帶動下，消費者信心的逐步恢復將會刺激環球市場需求，尤其是在中國等新興經濟體需求的回升。加上，本集團目前專注的香原料及食品配料產品是消費者生活必需品的關鍵組分，本質上受經濟週期的影響較低。因而，在可以預見的將來，我們對整個香料行業、以及本集團其他相關業務的發展仍然充滿信心，和抱有樂觀的期待。

我們對本集團現有業務的長遠發展一直滿懷信心。著眼於全球香精香料及至精細化工行業仍然處於長期增長的階段中，本集團立足於現有的經營基礎，憑藉良好的信譽、穩固的客源以及國內先進的生產設施，只要在這次風浪中抓住機遇，為客戶提供更多的增值產品和服務以增加市場份額，並在加快本業成長的同時積極地尋求合作及併購的機會，爭取在困難的經營環境下強化自身的實力。我們相信通過本集團同仁的繼續努力，未來的業務將必可戰勝種種挑戰，日益發展壯大。

致謝

本人謹代表董事會，對股東、客戶、供應商及員工致以衷心謝意。彼等對本集團一如以往的信任與支持乃本集團取得業務成功和增長的根本要素。

同時，也對期間各董事所給予的大力支持和寶貴建議致以真誠感謝。

在大家進一步的努力下，本人深信中怡的業務將會更加蓬勃地發展，集團也將逐步達致成為全球最主要的萜類香料供應商、和具有影響力的中間體技術供應商、以及符合國際食品安全準則的安全食品服務商的目標，為廣大股東創造更豐厚的價值回報。

主席
楊毅融

香港，二零零九年四月十五日



Management Discussion and Analysis

管理層討論及分析

EcoGreen specializes in natural chemical and natural-identical chemical production with focus in providing building blocks for flavour, fragrance and pharmaceutical
中怡專於製造天然及等同天然的化學產品作為香精、香料及醫藥的關鍵組分

Final Dividend

In 2008, EcoGreen Fine Chemicals Group Limited (“the Company”) and its subsidiaries (collectively “Ecogreen” or “the Group”) recorded a stable business performance despite the tough operating environment. In order to reward our shareholders for their continued support, the directors of the Company (the “Directors”) have resolved to recommend a distribution of dividend.

The Directors will propose at the annual general meeting to be held on 25 May 2009 payment of final dividend of HK2.9 cents per share for the year ended 31 December 2008 to be payable in cash on 29 June 2009 to shareholders whose names are listed on the register of members of the Company on 25 May 2009. Together with the interim dividend of HK1.2 cent (2007: HK1.0 cents) per share, this will bring the total dividend distribution for the year to HK4.1 cents (2007: HK4.5 cents) per share.

末期股息

中怡精細化工集團有限公司(「本公司」)及其附屬公司(統稱「中怡」或「本集團」)於二零零八年度的嚴竣經營環境下，業務仍然表現平穩，為答謝股東不斷支持，本公司董事(「董事」)議決向本公司建議派付股息。

董事將於二零零九年五月二十五日舉行之應屆股東週年大會，建議於二零零九年六月二十九日向於二零零九年五月二十五日名列本公司股東名冊之股東就截至二零零八年十二月三十一日止年度派付末期現金股息每股2.9港仙。連同中期股息每股1.2港仙(二零零七年：1.0港仙)，本年度之股息分派總額為每股4.1港仙(二零零七年：4.5港仙)。



Management Discussion and Analysis

管理層討論及分析

Closure of Registers of Members

The transfer books and register of members of the Company will be closed from Thursday, 21 May 2009 to Monday, 25 May 2009, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Wednesday, 20 May 2009.

Business Review

In review of 2008, both the Group's aroma chemicals business and flavour chemicals business were able to sustain a stable growth. Turnover for the year reached RMB740 million, an increase of 21% from the previous year. Excluding contributions from the supplementary trading and resource management business, core growth for our three major products reached 16%. Profit attributable to shareholders decreased by RMB16.2 million or 12% from the previous year to RMB114 million. Earnings per share were approximately RMB24 cents.

During the year under review, the Group manufactured over 70 fine chemical products. The analysis of turnover of the Group's various products for the years ended 31 December 2008 and 31 December 2007 are as follows:

暫停辦理股份過戶手續

本公司將於二零零九年五月二十一日星期四至二零零九年五月二十五日星期一(包括首尾兩日)暫停辦理股東登記手續，期內將不會辦理股份過戶登記手續。為符合資格獲享擬派末期股息，所有過戶檔連同有關股票，須於二零零九年五月二十日星期三下午四時正前送交本公司股份過戶登記分處卓佳登捷時有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

業務分析

回顧二零零八年，本集團的日化香料業務和食品香料業務也同時錄得穩定增長。年度營業額已達至7.40億元人民幣，較去年增加21%，扣除貿易及資源營運部分輔助業務的貢獻，三大類別產品的核心增長仍然達到16%。股東應佔溢利達1.14億元人民幣，較去年減少1,620萬元人民幣或12%。每股基本盈利約為24仙人民幣。

於回顧年度內，本集團生產約70多種精細化工產品。本集團於截至二零零八年十二月三十一日及二零零七年十二月三十一日止年度內各類產品營業額分析如下：

		Turnover 營業額			
		2008 二零零八年		2007 二零零七年	
		RMB'000 千元 人民幣	% of total 佔總額 百分比	RMB'000 千元 人民幣	% of total 佔總額 百分比
Aroma chemicals	芳香化學品	453,744	61%	372,097	61%
Natural extracts	天然提取物	108,997	15%	108,247	18%
Intermediates	中間體	67,952	9%	64,750	10%
Trading and resource management	貿易與資源運營	109,279	15%	67,065	11%
Turnover	本集團營業額	739,973	100%	612,159	100%

Management Discussion and Analysis

管理層討論及分析

Business Review (continued)

Aroma Chemicals

Aroma Chemicals division continued to be the Group's core business during the year under review, and constituted a stable and major income source for the Group. Despite the global economic crisis, since aroma chemicals are primarily used as functional ingredients and key components in many daily consumer goods, with a combined positive effect of its diversified applications and the development in the emerging markets, market demand sustained to rise, the aroma chemicals' business continued to be the growth driver of the Group's operation.

For the year ended 31 December 2008, with increases in orders placed by existing customers and the selling prices, turnover of aroma chemicals significantly surged 22% to RMB454 million (2007: RMB372 million), accounting for 61% of the Group's turnover (2007: 61%) and a gross profit margin of 29.2% (2007: 32.4%). Dihydromyrcenol was the major contributor which brought a revenue of RMB116 million to the Group. Its sales increased 9% over last year and accounted for 26% of the total revenue for this product category.

In addition, the launch of certain new food flavour chemicals in end of last year and beginning of this year was well responded by the market. The production has already contributed RMB52.7 million to the Group's revenue, with a profit margin amounted to 46%, which is higher than the profit margin of our existing daily aroma chemicals products and represents one of our new source in profitability for our future growth.

Natural Extracts

In respect of the Natural Extracts division, apart from existing natural pharmaceutical raw materials, the Group has been actively engaged in the development of food additives business for the production of food ingredients, the fast consuming food, frozen food and pet nutrition food, which is produced with purification and bio-conversion technologies on natural products, which mainly include seafood, meat and mushroom extracts.

During the year under review, the Group's natural extract business just maintained steady growth as the new food additives business has still been advancing towards full scale production capability and this new business is still at the development stage, whereas the market demand for existing natural pharmaceutical raw materials tended to be stable. Turnover of this business category sustained at RMB109 million (2007: RMB108 million), accounting for 15% (2007: 18%) of the Group's sales. Gross profit margin dropped to 31.9%, compared to 34.5% of last year. The performance of Natural Cinnamic Aldehyde was relatively more outstanding under this business category. This product contributed a revenue of RMB33.36 million to the Group and its sales increased 5% over the corresponding period last year and accounted for 31% of the total revenue for this product category.

業務分析(續)

芳香化學品

於本回顧年度內，芳香化學品繼續成為本集團之核心業務，為集團提供了穩定的主要收入。雖然全球經濟陷於危機，但作為多種日常必需消費品的關鍵功能組份，本集團的芳香化學品因為應用廣泛及新興市場的發展而導致的市場需求仍然增加，而繼續成為本集團業務的主要增長來源。

截至二零零八年十二月三十一日止年度，在現有客戶的訂單增加和價格調升情況下，芳香化學品的營業額大幅增長22%至4.54億元人民幣（二零零七年：3.72億元人民幣），佔本集團營業額的61%（二零零七年：61%），毛利率為29.2%（二零零七年：32.4%）。當中，以二氫月桂烯醇為主要貢獻者，其銷售額較其去年增長了9%，並為集團提供了1.16億元人民幣的收益，佔本產品類別總收益的26%。

另外，若干食用香料之新產品，在去年底和本年初內推出市場後獲得了良好的反應，於本年度為集團提供了5,270萬元人民幣的收益，毛利率達到46%，較現有的日用香料產品的毛利率為高，成為集團未來盈利新的一個增長動力。

天然提取物

天然提取物類別除包涵了原有的天然藥物原料外，本集團已在積極地開發以天然物提純及轉化技術為基礎、應用於生產調味品、快速食品、冷凍調理食品及寵物營養食品的食品配料業務，主要是海鮮、肉類及食用菌等天然提取物。

於本回顧年度，由於新的食品配料業務的規模化生產能力還在形成之中以及仍處於市場拓展階段，加上原有天然藥物原料的市場需求趨向穩定，該項業務的銷售表現平穩，營業額維持在1.09億元人民幣（二零零七年：1.08億元人民幣），佔集團銷售額的15%（二零零七年：18%），毛利率為31.9%（二零零七年：34.5%）。當中，以天然肉桂醛表現仍較突出，其銷售額較去年同期增長5%並為集團提供3,336萬元人民幣的收益，佔本產品類別總收益的31%。



Management Discussion and Analysis

管理層討論及分析

Business Review (continued)

Intermediates

Besides the chiral pharmaceutical raw materials and pharmaceutical intermediates, the Group also applying similar advanced technologies of synthesis production to produce agrochemical intermediates, which is a kind of eco-pesticide.

During the year under review, due to the restriction of the co-operative production capacity and the slow-down of the market demand, orders for the Group's intermediate products maintained steady. Turnover increased 5% from the corresponding period last year to RMB68.0 million (2007: RMB64.8 million), accounting for 9% (2007: 10%) of the Group's sales. Gross profit margin dropped to 68.4% from 70.0% of the corresponding period last year. The gross profit margin of this product category of the Group was still higher than its peers in the industry. 3-Phenylpropanal Aldehyde is the major product of the intermediate business segment. Sales for this product category accounted for 37% of the overall sales of this business category and contributed a revenue of RMB25.5 million to the Group.

Trading and Resource Management

To secure future supply of strategic resources and the integration and management of industry chain, the Group has repositioned the focus of such business and strengthened the management of the products and operation under the relevant strategic resources business during the year. The products of the strategic resources included the gum rosin, gum turpentine and other special botanic essential oils and their by-products. This year, sales of the Group's trading and resource management business increased 63% from the corresponding period last year to RMB109 million, accounting for 15% of the Group's turnover, and contribution to gross profit was approximately RMB7.1 million. However, the trading of gum rosin business was affected by the current global economic crisis, with a setback on the business.

業務分析(續)

中間體

中間體類別包含了手性藥物原料、醫藥中間體以及運用同類先進的合成技術生產並用於製造生態農藥之農用化學品中間體。

於本回顧年度，受合作生產能力的限制以及市場要求放緩的影響，本集團中間體產品的訂單維持了平穩增長。營業額較去年同期錄得5%增幅至6,800萬元人民幣(二零零七年：6,480萬元人民幣)，佔集團銷售額的9%(二零零七年：10%)，毛利率為68.4%(二零零七年：70.0%)。本集團該類產品的毛利率在同業中仍處於較高水準。在該類別產品中，以3-苯丙醛為主，其銷售額佔本類別之37%，為本集團提供了2,550萬元人民幣的收益。

貿易與資源運營產品

著眼於未來戰略資源的保障和產業鏈整合管理，本集團已適時地將貿易與資源運營的重點進行重新定位，年內相對加大了策略性資源產品及業務的營運力度。相關的策略性資源產品主要包括松香、松節油和其它特有植物精油及其副產物等。於本年度，本集團貿易與資源運營產品之銷售同比增長約63%達到1.09億元人民幣，佔本集團營業額15%；毛利貢獻約為710萬元人民幣。但該項業務的松香部份卻受到了當前全球經濟危機背景的影響，實際的運營成果遭遇了挫折。

Management Discussion and Analysis

管理層討論及分析

Financial Review

Turnover

Under the background of constant global financial crisis, the Group was in a more challenging business environment during the year, yet, it still recorded a stable growth of 21% in its turnover for the year ended 31 December 2008, which amounted to RMB740 million. The Group's Phase III expansion of Haichang Plant was completed and put into production during the year. Such plant mainly produces new flavour chemicals and part of aroma chemicals. The launch and release of new products have driven an increase by approximately 12% in the Group's sales income during the year. Moreover, the rise in the prices of the original products by the Group also contributed to the increase in the Group's operating income. Among which, there was an approximately 10% increase in the price of the Group's mainstream product – Dihydromyrcenol.

Geographically, domestic sales of the Group's fine chemical products surged by 24% as compared to that of 2007 whereas the overseas sales of the Group's fine chemical products also increased by 15% as compared to that of 2007.

Gross Profit

During the year under review, the gross profit of the Group amounted to RMB221 million, representing a growth of 6%. The gross profit margin of the Group reduced from 34.2% in 2007 to 29.9% in 2008. The reduction in the Group's gross profit margin was mainly attributable to: firstly, the hiking raw material prices still slightly decrease the Group's gross profit margin despite that fact that it has already increased the prices of certain products so as to pass on the majority of the pressure from rising cost to its customers; secondly, in order to secure stable raw material supply, the development of trading with a lower profit margin and the relative expansion in the scale of resource management business also reduced the Group's overall gross profit margins.

Analysing by the Group's products category, the gross profit margin of aroma chemicals decreased from 32.4% in 2007 to 29.2% in 2008, while natural extracts decreased from 34.5% in 2007 to 31.9% this year. The profit margin of intermediates decreased from 69.9% in 2007 to 68.4% in 2008. The gross profit margin of trading and resource management decreased from 9.4% in 2007 to 6.5% in 2008.

財務回顧

營業額

在持續的全球經濟危機背景下，本集團於年度內同樣面對較艱困的營商環境，但本集團於截至二零零八年十二月三十一日止年度的營業額仍然錄得21%的穩定增長，金額達7.40億元人民幣。本集團的海滄廠房第三期擴建已順利於年內投產，該廠房主要生產新的食用香料及部分日用香料，由於新產品的推出和新的產能釋放，推動集團年內銷售收入上升約達12%；另外，集團於年內對原有產品售價的調升也對集團經營收入的增長作出了貢獻，其中以最主要產品二氫月桂烯醇為例，售價調升了約10%。

就地域覆蓋範圍而言，本集團精細化工產品的國內市場銷量較二零零七年大幅攀升24%；而同期，本集團精細化工產品的海外銷量亦較二零零七年上升15%。

毛利

於回顧年內，本集團的毛利為2.21億元人民幣，增幅為6%。本集團的毛利率由二零零七年34.2%下調至二零零八年29.9%。毛利率下調的主要原因包括：其一，儘管集團已通過適時的產品加價將成本壓力大部份轉嫁給客戶，但年內原材料價格的飆升仍然使集團的毛利率略為下調；其二，為了獲得穩定的原料供應，毛利較低的貿易與資源運營業務規模相對加大也拉低了集團的總體毛利率。

按本集團產品類別分析，芳香化學品的毛利率由二零零七年的32.4%下調至二零零八年的29.2%，而天然提取物的毛利率便由二零零七年的34.5%下調至本年度的31.9%，中間體毛利率由二零零七年69.9%下調至二零零八年68.4%。貿易及資源運營業務之毛利率由二零零七年9.4%下調至二零零八年6.5%。



Management Discussion and Analysis

管理層討論及分析

Financial Review (continued)

Operating Income and Expense

The increase of RMB3.62 million in selling and marketing expenses was mainly due to an increase of transportation cost and packaging expenses resulting from external and internal product sales in the year under review. Selling and marketing expenses for 2008 represented 3.8% of its turnover (2007: 4.1%).

The increase of RMB11.3 million in administrative expenses was mainly due to the RMB2.8 million increase in the amortisation expense for the product development cost, the respective increase of RMB3.7 million and RMB3.0 million of provision for intangible assets and provision for impairment of other receivables over last year and the increase of general expenses in line with the operating scale. Administrative expenses for 2008 represented 7.0% of its turnover (2007: 6.6%).

Operating profits include other net losses amounting to RMB0.25 million, representing a substantial decrease when compared to RMB4.16 million in 2007. This was mainly attributable to the Group capitalized on the favourable market conditions and closed the position of the interest rates swaps in advance, and had achieved solid financial gain. The realized gain amounting to RMB6.96 million was recognized in the year.

Finance Costs – Net

The net finance costs increased by approximately RMB4.71 million as compared with last year's. This was mainly attributable to the Group's interest expense on its secured 3-years syndicated loan of USD33 million during the year. Such loan changed the Group's original borrowing structure and has significantly increased the proportion on foreign currency in the aggregate borrowing portfolio. This can better capitalize of the recent margin in the market. It can also hedge the exposure to the income of export business arising from the potential appreciation of RMB. More importantly, such loan partially settled the capital expense and liquidity requirements for the Group's expansion in future years, and thereby efficiently strengthened the Group's capability of standing capital and liquidity exposures. Although the interest expense increased RMB12.46 million, the net exchange gain of RMB8.27 million generated from such loan has offset part of the interest cost.

Income Tax Expense

Income tax expense of the Group in 2008 was RMB19.5 million representing an increase of RMB12.0 million as compared with that of last year. Under the new "Corporate Income Tax Law of the People's Republic of China" which became effective 1 January 2008, dividends payable by PRC subsidiaries to equity holders outside the PRC are subject to withholding taxes ranging from 5% to 10%. In the circumstances, the Group has recognized the withholding taxes on the profits generated after 1 January 2008 in the deferred tax liabilities. This has increased the tax expense of the Group, and the effective interest rate applicable to the Group was 14.6% (2007: 5.4%).

財務回顧(續)

經營收入及開支

銷售及市場推廣成本增加362萬元人民幣，主要由於回顧年產品的內外銷及內銷運輸成本及包裝開支上漲所致。二零零八年銷售及市場推廣成本佔銷售百分比3.8%(二零零七年：4.1%)。

行政費用增加約1,130萬元人民幣乃主要由於回顧年內研發費攤銷費用比去年增加280萬元人民幣，無形資產減值撥備及其他應收帳款減值撥備分別增加370萬元人民幣及300萬元人民幣，及一般費用也隨着經營規模有所增加。二零零八年行政費用佔營業額7.0%(二零零七年：6.6%)。

經營溢利中包括了其他虧損淨額共25萬人民幣，比二零零七年的416萬元人民幣大幅減少。其主要原因是，本集團利用市場的有利條件提前把利率掉期平盤，而獲得了實在的財務收益。該已實現的收益約為696萬元人民幣已於本年度入帳。

融資成本－淨額

淨融資成本較去年增加約471萬元人民幣，主要由於集團於年內取得了一項為期3年的3,300萬美元銀團貸款所引致的利息支出。該貸款調整了集團原有的借貸結構，將總借貸組合中的外幣比例大幅提高，以便更好地利用近期的市場利差、同時可自然地對沖未來人民幣可能升值對出口業務收入的風險。更重要的是，該項貸款解決了集團在來年因業務擴展所要增加的資本性開支和流動資金的部分需要，有效地增加了集團在目前經濟危機中抗禦資金和流動性風險的能力。雖然利息支出增加了1,246萬人民幣，但由該貸款所產生之淨匯兌收益共827萬元人民幣，抵銷了部份的利息成本。

所得稅開支

二零零八年度本集團之稅項開支為1,950萬元人民幣，較上年度增加了1,200萬元人民幣。根據二零零八年一月一日生效之新《中華人民共和國企業所得稅法》規定，於中國成立之附屬公司向外國投資者宣派股息時須徵收5%-10%之預扣稅。於這情況下，所有自二零零八年一月一日起於中國成立之附屬公司所產生之盈利均需要以遞延所得稅負債方式確認該預扣稅，這增加了集團之稅項開支，集團之實際稅率為14.6%(二零零七年：5.4%)。

Management Discussion and Analysis

管理層討論及分析

Financial Review (continued)

Profit for the year

Profit for the year in 2008 was RMB114 million representing a decrease of 12% as compared with RMB130 million in 2007. The decline in the Group's profit for the year was mainly attributable to certain impairment provisions, which include provision for impairment of intangible assets, provision for impairment of inventories, and provision for impairment of other receivables amounted to RMB5.4 million, RMB6.7 million and RMB3.0 million respectively.

EBITDA for the same period was RMB179 million, slightly increased from 158 million in 2007.

Liquidity, Financial Resources and Capital Structure

During the year under review, the Group's primary source of funding mainly involved the cash generated from operating activities and the financing by the bank borrowings. For the year ended 31 December 2008, net cash generated from operating activities amounted to RMB67.41 million (2007: RMB50.12 million). The increase in net cash inflow from operating activities was mainly due to the increase of trade receivables is much less than that of 2007. With the financial resources obtained from the Group's operations, the Group had utilized RMB87.94 million (2007: RMB148 million) in the capital expenditure, paid dividend of RMB19.69 million (2007: RMB15.03 million) during the year and paid RMB7.05 million to repurchase 4.68 million of the Company's issued shares (approximately to 1% of total issued shares before the repurchase). During the year under review, the net cash inflow from financing activities amounted to RMB132 million (2007: RMB58.51 million).

As at 31 December 2008, the Group had cash and bank deposits of approximately RMB424 million (2007: RMB307 million). As a result of business expansion in 2008, the Group's inventories and trade receivables increased by RMB30.65 million and RMB26.35 million to RMB76.14 million and RMB192 million, respectively (2007: RMB45.49 million and RMB166 million). The average inventory turnover days and average trade receivable turnover days were 46 days and 89 days respectively, compared to 39 days and 85 days in 2007. The increase in inventory average turnover days was due to an increase in the inventory level for the trading and resource management business in 2008.

財務回顧(續)

年內溢利

二零零八年之年內溢利為1.14億元人民幣，較二零零七年的1.30億元人民幣下調12%。由於若干減值撥備，其中包括無形資產減值撥備、存貨減值撥備、及其他應收帳款減值撥備分別共540萬元人民幣、670萬元人民幣及300萬元人民幣，是集團的本年度溢利下降之主要原因。

同期的未計利息、稅項、折舊及攤銷前之溢利(EBITDA)為1.79億元人民幣，較二零零七年的1.58億元人民幣有輕微增長。

流動資金、財務資源及資本結構

於回顧年內，本集團之基本資金來源主要來自經營業務及銀行融資所得現金。截至二零零八年十二月三十一日止年度，本集團錄得經營活動所得現金淨額6,741萬元人民幣(二零零七年：5,012萬元人民幣)。經營活動所得現金流入淨額增加主要是由於期內的應收交易帳款的增加幅度亦較二零零七年為少。憑藉本集團營運所得之財務資源，本集團斥資8,794萬元人民幣(二零零七年：1.48億元人民幣)於資本支出上，並派付股息1,969萬元人民幣(二零零七年：1,503萬元人民幣)以及支付705萬元人民幣作為回購468萬股本公司已發行股份(約佔回購前已發行總股數1%)。於回顧年度內，本集團融資活動所得現金流入淨額為1.32億元人民幣，(二零零七年：5,851萬元人民幣)。

於二零零八年十二月三十一日，本集團之現金及銀行存款約有4.24億元人民幣(二零零七年：3.07億元人民幣)。隨著於二零零八年進行業務擴充，本集團的存貨及應收交易帳款分別增加3,065萬元人民幣及2,635萬元人民幣至7,614萬元人民幣及1.92億元人民幣(於二零零七年：4,549萬元人民幣及1.66億元人民幣)。存貨平均周轉天數及應收交易帳款平均周轉天數分別為46天及89天，而二零零七年則分別為39天及85天。存貨平均周轉天數增加部份原因乃為貿易與資源運營業務於二零零八年之存貨水平增加所致。



Management Discussion and Analysis

管理層討論及分析

Financial Review (continued)

Liquidity, Financial Resources and Capital Structure (continued)

The Group's financial position remains very solid and healthy during the year under review. As at 31 December 2008, the net current assets and the current ratio of the Group were approximately RMB548 million (2007: RMB336 million) and 3.4 (2007: 2.5), respectively.

As at 31 December 2008, the Group had bank borrowings of approximately RMB312 million (2007: RMB123 million), government loans from State Development and Reform Commission, Xiamen Development Planning Commission and other Mainland China government bureaus to finance the Group's product development activities and expansion of production facilities of approximately RMB33.42 million (2007: RMB33.9 million). As at 31 December 2008, the Group has outstanding short-term borrowings of RMB121 million (2007: RMB98 million). The reason for the increase of the short-term borrowings was due to the fund raising for the working capital and business expansion. As at 31 December 2008, the Group's ratio of total borrowings to total equity, was approximately 46% (2007: 24%) and the Group's net cash balance, being cash and cash equivalents plus pledged bank deposits less borrowings amounted to RMB78.51 million (2007: RMB151 million).

With the positive cash inflow from the Group's operations, its available banking facilities and its existing cash resources, the Group has very strong liquidity and sufficient financial resources to meet its commitments, working capital requirements and future investments for expansion.

Charges on assets

As at 31 December 2008, bank deposit of RMB37.36 million (2007: RMB32.16 million) and certain property, plant and equipment of the Group with an aggregate net book value of about RMB70.1 million (2007: RMB94.54 million) have been pledged to secure the Group's bank borrowings. As at 31 December 2008, no land use rights were pledged (2007: RMB2.4 million).

Contingent Liabilities

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

As at 31 December 2008, the Company has corporate guarantee in respect of banking facilities granted to subsidiaries amounting to RMB59.89 million (2007: RMB50 million).

財務回顧(續)

流動資金、財務資源及資本結構(續)

本集團於回顧年內之財務狀況仍然保持相當穩健。於二零零八年十二月三十一日，本集團之流動資產淨值及流動比率分別約為5.48億元人民幣(二零零七年：3.36億元人民幣)及3.4(二零零七年：2.5)。

於二零零八年十二月三十一日，本集團有銀行借貸約3.12億元人民幣(二零零七年：1.23億元人民幣)；另外，源自國家發展及改革委員會、廈門發展計劃委員會及其他中國政府機關的款項約3,342萬元人民幣(二零零七年：3,390萬元人民幣)，政府貸款已用於撥付本集團產品開發及擴充生產設備所需。於二零零八年十二月三十一日，本集團之未償還短期借貸為人民幣1.21億元人民幣(二零零七年：9,800萬元人民幣)。短期借貸增加乃由於就營運資金及業務擴充進行集資。於二零零八年十二月三十一日，本集團之負債權益比率約為46%(二零零七年：24%)，而本集團之現金結餘淨額(即現金及等同現金項目加已抵押銀行存款減借貸)則為7,851萬元人民幣(二零零七年：1.51億元人民幣)。

憑藉經營業務所得正數現金流量、備用銀行融資及現有現金資源，本集團具備充裕流動資金及充足財務資源，應付其承擔、營運資金需求及日後擴展投資。

資產抵押

於二零零八年十二月三十一日，銀行存款3,736萬元人民幣(二零零七年：3,216萬元人民幣)，本集團帳面淨值總額約7,010萬元人民幣(二零零七年：9,454萬元人民幣)之若干物業、廠房及設備已抵押作為本集團銀行借貸之抵押品，於二零零八年底並無任何土地使用權作為抵押品(二零零七年：240萬元人民幣)。

或然負債

於二零零八年十二月三十一日，本集團概無任何重大之或然負債。

於二零零八年十二月三十一日，本公司就授予附屬公司5,989萬元人民幣(二零零七年：5,000萬元人民幣)的銀行融資額度作出公司擔保。

Management Discussion and Analysis

管理層討論及分析

Financial Review (continued)

Capital Commitment

As at 31 December 2008, the Group had capital commitments of approximately RMB38.27 million (2007: RMB19.55 million) in respect of purchases of property, plant and equipment, construction-in-progress, product development projects and land use rights.

Treasury Policies and Exposure to Fluctuations in Exchange Rates

The Group's assets, liabilities, revenues and transactions are mainly denominated in Renminbi, United States dollars and Hong Kong dollars with its operation mainly in the PRC. As at 31 December 2008, the Group's borrowings of approximately RMB114 million and RMB228 million were denominated in Renminbi and United States dollars, respectively. The Group's cash and bank deposits (comprise cash and cash equivalents and pledged bank deposits) denominated in Renminbi amounted to RMB377 million of the total balance, with the remaining balance of approximately RMB46.49 million denominated in Hong Kong dollars and United States dollars.

The Group's foremost exposure to the foreign exchange fluctuations was caused by the revaluation of Renminbi during the year under review. The Group's export sales are, in majority, denominated in United States dollars. Nevertheless, the Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year. The Group will conduct periodic review of its exposure to foreign exchange risk and may use proper financial instrument and financing arrangement for hedging purpose when considered appropriate.

Employees and Remuneration Policy

As at 31 December 2008, the Group had 350 full-time employees of which 346 were based in the PRC. For the year under review, the total employment costs incurred for 2008 including directors' emolument amounted to RMB26.71 million. The Group has established its human resources policies and procedures with a view to deploy the incentives and rewards of the remuneration system. The remuneration package offered to the staff is appropriate for the duties and in line with the prevailing market terms. Staff benefits, including medical coverage and provident funds, are provided to employees. The Group has also established effective performance evaluation system in which employees are properly rewarded on a performance-related basis under the Group's salary and bonus system.

The Group has adopted a share option scheme for the purpose of providing incentives and rewards to the management, key technician and other eligible participants who contribute to the success of the Group's operations.

財務回顧(續)

資本承擔

於二零零八年十二月三十一日，本集團就購買物業、廠房及設備、在建工程、產品開發項目及土地使用權約有3,827萬元人民幣(二零零七年：1,955萬元人民幣)之資本承擔。

庫務政策及匯率波動風險

本集團之資產、負債、收入及交易主要以人民幣、美元及港元列值，而其業務主要於中國進行。於二零零八年十二月三十一日，本集團約1.14億元人民幣及2.28億元人民幣之貸款分別以人民幣及美元列值款。本集團之現金及等同現金項目中(包括已抵押之銀行存款)，合共3.77億元人民幣乃以人民幣列值，餘額約4,649萬元人民幣則以港元及美元列值為主。

本集團所承擔之外匯波動風險乃因回顧年內重估人民幣所致。本集團之出口銷售主要以美元結算。儘管如此，本集團於年內並無因外幣匯率波動而於營運或資金流動狀況方面遇上任何重大困難或對其造成任何影響。此外，本集團將定期檢討其須承受之外匯風險，並於其認為適用之情況下採用適當的金融工具和財資安排以作必要的對沖用途。

僱員及酬金政策

於二零零八年十二月三十一日，本集團有350名全職僱員，其中346名僱員派駐中國。二零零八年之僱員成本總額包括董事酬金2,671萬元人民幣。本集團制定其人力資源政策及程序，於其薪酬制度中加入花紅及獎勵。向員工發放之酬金待遇乃根據其職責而釐訂，且符合當時當地的市場水平。員工福利包括醫療保險及退休金。本集團亦設立一套有效表現評估制度，據此，本集團設定僱員的薪金及花紅制度，並按僱員表現發放適當的獎勵。

本集團亦已採納購股權計劃，以獎勵及獎賞曾對本集團成功經營作出貢獻的管理人員和技術骨幹以及其他合資格參與人士。



Corporate Governance Report

企業管治報告

The board of directors of EcoGreen Fine Chemicals Group Ltd. (the “Company”) (the “Board”) acknowledges the importance of and benefit from good corporate governance practices and is committed to improving the corporate governance practices in order to enhance better transparency and to ensure that business activities and decision making processes are regulated in a proper manner to safeguard the interests of shareholders.

The Company has adopted and applied the code provisions (the “Code Provisions”) set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the then prevailing Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended 31 December 2008. In light of various amendments to the Listing Rules, particularly Appendix 14 thereto, which became effective on 1 January 2009, on 31 March 2009, the Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the “New CG Code”) contained in Appendix 14 to the Listing Rules with retrospective effect from 1 January 2009. The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code or, as the case may be, the New CG Code. In the year under review, the Company has complied with most of the Code Provisions save for the deviations from the Code Provisions A.2.1. The following summarises the Company’s corporate governance practices and explains deviations, if any, from the CG Code.

The Board Responsibilities

The Board is accountable to the shareholders for leading the Company in a responsible and effective manner. The Board provides leadership and formulates strategic policies and plans of the Group with a view to enhance shareholder interests while the day-to-day operations of the Company are delegated to the management.

The Board reserves for its decisions all major matters of the Company, including: objectives and overall strategies of the Company; annual budgets and financial matters; equity related transactions such as issue of shares/options and repurchase of shares; dividend; raising of capital loan; determination of major business strategy; merger and acquisition; major investment; annual financial budget in turnover, profitability and capital expenditure; review and approval of financial performance and announcement; and matters as required by laws and ordinance.

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulation are followed.

中怡精細化工集團有限公司(「本公司」)本公司董事會(「董事會」)深明良好企業管治常規的重要性及好處，並承諾改善企業管治常規，以增加透明度及確保本公司的業務活動及決策過程受到適當之規管以保障股東利益。

截至二零零八年十二月三十一日止整個年度，本公司已採納及應用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)當時適用規則附錄14所載的企業管治常規守則(「企業管治守則」)的守則條文(「守則條文」)。鑑於上市規則有多項修訂，尤其是附錄14，而該等修訂已於二零零九年一月一日生效，本公司於二零零九年三月三十一日採納上市規則附錄14所載的企業管治常規守則的守則條文(「新企業管治守則」)，生效日追溯至二零零九年一月一日。本公司定期檢討企業管治常規，以確保持續遵守企業管治守則或其後的新企業管治守則的規定。於回顧年內，本公司已遵守大部分守則條文，惟偏離有關守則條文A.2.1者除外。下文概述本公司企業管治常規及闡釋偏離守則條文之情況(如有)。

董事會職責

董事會須向股東負責，並以負責任及有成效的方式領導本公司。董事會並負責領導及制定本集團策略性政策及計劃以提高股東利益為宗旨，而本公司日常運作乃管理層負責。

董事會負責本公司所有重要事項之決策，包括制定本公司之業務目標及整體策略；年度預算及財務事宜；股本相關交易，如發行股份／購股權及購回股份；股息；籌集資金貸款；釐定主要業務策略；合併及收購；主要投資；營業額、盈利及資本開支之年度財務預算；檢討及批准財務表現及公佈；以及法例及條例規定之其他事項。

全體董事可全面及適時取得所有相關資料，以及公司秘書提供的意見及服務，確保董事會程序及所有適用的條例及規例已妥為遵守。

Corporate Governance Report

企業管治報告

The Board (continued)

Responsibilities (continued)

Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The Directors are continually updated with the regulatory requirements, business activities and development of the Company to facilitate the discharge of their responsibilities. Through regular Board meetings, all Directors are kept abreast of the conduct, business activities and development of the Company.

The management has the obligation to supply the Board and the various Committees with adequate information in a timely manner to enable the members to make informed decisions. Each Director has separate and independent access to the Company's senior management to acquire more information than is volunteered by management and to make further enquiries if necessary.

The functions delegated to management are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

Composition

The Board currently comprises a total of nine members including five Executive Directors, one Non-executive Director ("the NED") and three Independent Non-executive Directors ("the INED"). The Board's composition covers a balance of expertise, skills and industry experience so as to bring in valuable contributions and advices for the development of the Group's business. The NED and INED together have substantial experience in fields of auditing, legal matters, business, accounting, corporate internal control and regulatory affairs. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all NED and INED make various contributions to the effective direction of the Group.

The Company has received written annual confirmation from each INED of his independence pursuant to the requirements of the Listing Rules. The Company considers all INED to be independent in accordance with the independence guidelines set out in the Listing Rules.

董事會(續)

職責(續)

各董事一般可在適當情況下，徵得董事會同意後尋求獨立專業意見，有關費用由本公司承擔。

本公司經常向董事提供有關監管規定與本公司業務活動及發展之最新資料，以助彼等履行職責。透過定期參加董事會議，各董事可密切跟進本公司之舉動、業務活動及發展。

管理層有責任於適當時候向董事會及各委員會提供充足資料，以便成員在知情之情況下作出決定。董事亦可自行及獨自向本公司之管理高層，索取管理層所主動提供以外資料，並在有需要時作出進一步查詢。

本公司會定期檢討委派管理層履行之職能。管理層在訂立任何重大交易前必須事先取得董事會批准。

組成

董事會現時由九名成員組成，包括五名執行董事、一名非執行董事及三名獨立非執行董事。董事會之組成具備恰當專業知識、技巧及行業經驗，故可為本集團業務發展提供寶貴貢獻及意見。各非執行董事於審計、法律事宜、業務、會計、企業內部監控及監管事宜方面具有豐富經驗。透過積極參與董事會會議，領導涉及潛在利益衝突及處理各董事委員會事務，全體非執行董事對本集團之有效領導作出不同貢獻。

本公司已接獲各獨立非執行董事根據上市規則規定就其獨立身分作出之年度確認書。根據上市規則所載獨立身分指引，本公司認為，全體獨立非執行董事均為獨立人士。



Corporate Governance Report

企業管治報告

The Board (continued)

Board meetings

The Board meets regularly throughout the year to discuss the overall strategy as well as the operation and financial performance of the Group. A total of four board meetings were held during the year. The individual attendance record of each Director at the meetings of the Board, the Remuneration Committee and the Audit Committee during the year ended 31 December 2008 is set out below:

董事會(續)

董事會會議

董事會於年內定期會晤商討本集團整體策略、營運及財務表現。年內合共舉行4次董事會會議。截至二零零八年十二月三十一日止年度，各董事於董事會會議、薪酬委員會會議及審核委員會會議之出席記錄如下：

Name of Director 董事姓名	Note 附註	Attendance/Number of meetings 出席/舉行會議次數		
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會
EXECUTIVE DIRECTORS 執行董事				
Mr. Yang Yirong (Chairman)		4/4	N/A 不適用	N/A 不適用
Mr. Gong Xionghui		4/4	N/A 不適用	N/A 不適用
Ms. Lu Jiahua		4/4	N/A 不適用	N/A 不適用
Mr. Lin Like		2/4	N/A 不適用	N/A 不適用
Mr. Han Huan Guang	(i)	4/4	3/3	N/A 不適用
NED 非執行董事				
Mr. Feng Tao (Vice Chairman)		0/4	N/A 不適用	N/A 不適用
INED 獨立非執行董事				
Mr. Yau Fook Chuen (iv) (v)	(ii) (iii)	4/4	3/3	4/4
Mr. Wong Yik Chung, John (v) (vi)	(iii) (iv)	4/4	2/3	3/4
Mr. Zheng Lansun (v) (vi)	(iii) (iv)	0/4	0/3	0/4

Notes:

- (i) Chairman of the Remuneration Committee.
- (ii) Chairman of the Audit Committee.
- (iii) Member of the Remuneration Committee.
- (iv) Member of the Audit Committee.

附註：

- (i) 薪酬委員會主席。
- (ii) 審核委員會主席。
- (iii) 薪酬委員會成員。
- (iv) 審核委員會成員。

Notices of regular board meetings are served to all Directors at least 14 days before the meetings while reasonable notice is generally given for other Board meetings. Agenda and Board papers together with complete and reliable information are sent to all Directors at least 3 days before each Board meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decision. Minutes of all Board meetings and committee meetings are kept by the Company Secretary. Draft minutes are normally circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

定期舉行之董事會會議通告須於會議舉行前最少14日送交全體董事，而其他董事會會議亦通常有合理時間的通知。為讓董事知悉本公司之最新動向及財政狀況以及確保彼等可作出知情決定，議程及會議文件連同完整及可靠的資料均須於各董事會會議舉行前最少3日送交全體董事。公司秘書負責保存所有董事會會議及委員會會議之會議記錄。會議記錄初稿一般於各會議結束後的合理時間內交予董事傳閱，讓董事提供意見，會議記錄之最終定稿可供董事查閱。

Corporate Governance Report

企業管治報告

The Board (continued)

Board meetings (continued)

According to current Board practice, any material transaction which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened board meeting. The Company's Articles of Association also contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

Appointment, rotation and re-election of Directors

The Board as a whole is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of INED. The Board reviewed its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company. There were no meeting held for the nomination of Directors during the year.

In accordance with the CG Code and the Company's Articles of Association, all Directors are subject to retirement by rotation once every three years and being eligible, offer themselves for re-election.

Term of appointment of NED and INED

All NED and INED were appointed for an initial term of not more than one year and will be renewable automatically for successive term of one year until terminated by not less than three months' notice in writing served by either party or the other. All NED and INED are subject to retirement by rotation once every three years and are subject to re-election.

Indemnification

The Company has arranged appropriate insurance cover in respect of legal actions against its Directors and officers. The Board reviews the extent of this insurance annually.

董事會(續)

董事會會議(續)

根據現時董事會常規，任何涉及主要股東或董事利益衝突之重大交易將由董事會正式召開董事會會議予以考慮及處理。本公司之公司組織章程細則亦載有條文規定，董事在批准涉及其或其連繫人士擁有重大權益之交易時，必須放棄投票及不得計入有關會議之法定人數內。

董事委任、輪值退任及重選

董事會之整體職責是檢討董事會組成、發展及制定提名及委任董事之有關程序、監督董事委任及連任計劃以及評估獨立非執行董事之獨立性。董事會定期檢討其本身的架構、人數及組成，確保具備適當及所需之專長、技能及經驗，以應付本公司業務發展所需。年內並無就董事之提名召開任何會議。

根據守則及本公司組織章程細則，全體董事均須每三年輪流退任，惟符合資格膺選連任。

非執行董事及獨立非執行董事之委任年期

本公司全體非執行董事均按不超過一年之初步年期委任，並將於屆滿時自動續約一年，直至其中一名訂約方向另一方發出不少於三個月書面通知予以終止，所有非執行董事均須每三年輪流退任，並須經重選連任。

賠償

本公司已就其董事及高級人員可能會面對之法律行動作適當之投保安排，投保範圍乃按年檢討。



Corporate Governance Report

企業管治報告

Segregation of Rules of Chairman and Chief Executive Officer (“CEO”)

The Company has not yet adopted A.2.1. Under the code provision A.2.1 of the CG Code, the roles of Chairman and CEO should be separate and would not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing.

The Company does not presently have any officer with the title CEO. At present, Mr. Yang Yirong, being the Chairman and the President of the Company, is responsible for the strategic planning, formulation of overall corporate development policy and running the business of the Group as well as the duties of Chairman. The Board considers that, due to the nature and extent of the Group’s operations, Mr. Yang is the most appropriate chief executive because he possesses in-depth knowledge and experience in fine chemicals business and is able to ensure the sustainable development of the Group. Besides, he is the founder, the chairman and the controlling shareholder of the Group since its establishment and till now. Notwithstanding the above, the Board will review the current structure from time to time. When at the appropriate time and if candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may make the necessary amendments.

Board Committees

The Board has established two committees, namely the Remuneration Committee and the Audit Committee, for overseeing particular aspects of the Company’s affairs. All Board committees of the Company are established with defined written terms of reference which deal clearly with their authority and duties.

The chairmen of the committees will report the findings and recommendations of the committees to the Board after each meeting. The minutes of all meetings of the committees are circulated to the Board for information.

主席及行政總裁職能之劃分

本公司尚未採納第A.2.1條之規定。根據企業管治守則之守則條文A.2.1，主席及行政總裁之角色應予區分，不應由同一人擔任。主席與行政總裁間之職責分工應清楚界定及以書面列明。

本公司並無高級職員獲授行政總裁職銜。本公司主席兼總裁楊毅融先生現負責策略規劃、整體企業發展政策制定及本集團業務營運以及主席職責。董事會認為，基於本集團之業務性質及範疇，楊先生不但具備精細化工業務之豐富知識及經驗，並有能力推動本集團持續發展，故為最合適的行政總裁人選。此外，彼亦為本集團之創辦人、自成立至今之主席兼控股股東，惟董事會將不時檢討現行架構，並於合適時候及倘本集團自內部或外界物色到具備適當領導才能、知識、技能及經驗之人選，本公司或會作出所需修訂。

董事委員會

董事會設有兩個委員會，分別為薪酬委員會及審核委員會，以監管本公司各類具體事務。本公司之所有董事會委員會均有明確的書面職權範圍，清晰訂明其權力及職能。

各委員會主席將於各會議完結後向董事會提交各委員會的結論及推薦意見。所有委員會會議記錄會交予董事會傳閱，以提供資訊。

Corporate Governance Report

企業管治報告

Board Committees (continued)

Remuneration Committee

Mr. Han Huan Guang is the chairman while all the three INED, namely, Mr. Yau Fook Chuen, Mr. Wong Yik Chung, John and Dr. Zheng Lansun are the members of the Remuneration Committee.

The primary responsibilities of the Remuneration Committee include establishing a formal and transparent procedures for developing policy on the remuneration of the Executive Directors and senior management, making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management, ensuring the remuneration packages are sufficient to attract and retain the Directors to run the Company successfully, to avoid over-paying and ensure no Director or any of his associates will participate in deciding his own remuneration.

During the year under review, the Remuneration Committee met three to review and consider the remuneration policy and packages, including any discretionary management bonus of the Executive Directors and senior management by reference to market conditions, performance of the Group and the individual and corporate goals.

Audit Committee

The Audit Committee comprises the three INED, namely, Mr. Yau Fook Chuen, Mr. Wong Yik Chung, John and Dr. Zheng Lansun. Mr. Yau is the chairman of the Audit Committee and he possesses recognised professional qualifications in accounting required by the Listing Rules.

The primary duties of the Audit Committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant or external auditor before submission to the Board;
- (b) To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process by reference to the work performed by the external auditor, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor; and
- (c) To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

董事委員會(續)

薪酬委員會

韓歡光先生為薪酬委員會主席，而三名獨立非執行董事丘福全先生、黃翼忠先生及鄭蘭蓀博士均為薪酬委員會成員。

薪酬委員會主要職責包括制定正式及具透明度之程序，就執行董事及高級管理層之酬金制定政策；就本公司對執行董事及高級管理層酬金之政策及結構向董事會提供推薦意見；確保酬金組合足以吸引及留聘董事成功經營本公司；避免給予過多酬報以及確保並無董事或其任何聯繫人士參與釐定本身酬金的磋商。

於回顧年度，薪酬委員會曾舉行會議三次，經參考市況、本集團及個人表現以及企業目標後，檢討及考慮執行董事及高級管理層之酬金政策及組合，包括任何酌情管理花紅。

審核委員會

審核委員會由三名獨立非執行董事組成，分別為丘福全先生、黃翼忠先生及鄭蘭蓀博士。丘先生為審核委員會主席，其擁有上市規則規定之認可專業會計資格。

審核委員會主要職責包括以下各項：

- (a) 向董事會提交財務報表及報告前，審閱財務報表及報告以及考慮任何由合資格會計師或外聘核數師提出的重大或不尋常項目；
- (b) 經參考外聘核數師之工作、委聘費用及條款後，檢討及監察與外聘核數師是否獨立客觀及核數程序是否有效，並就外聘核數師之委聘、續聘及罷免向董事會提供推薦意見；及
- (c) 檢討本公司財務申報系統、內部監控及風險管理制度與相關程序是否足夠及其成效。



Corporate Governance Report

企業管治報告

Board Committees (continued)

Audit Committee (continued)

During the year under review, the Audit Committee held four meetings with the senior management and the Company's external auditor to review the interim and annual financial statements, financial controls, internal controls and risk management systems and the re-appointment of the external auditor. The Audit Committee has also reviewed the Group's accounting principles and practices, listing rules and statutory compliance and financial reporting matters.

Model Code for Securities Transactions

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms not less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. In light of various amendments to the Listing Rules, particularly the Model Code, which became effective on 1 January 2009, on 31 March 2009, the Company adopted a revised code of conduct regarding securities transactions by Directors on terms no less exacting than the required standards under the revised Model Code with retrospective effect from 1 January 2009. Specific enquiry has been made to all Directors and all the Directors have confirmed that they have complied with all the relevant requirements as set out in the Model Code throughout the year ended 31 December 2008.

Responsibilities in Respect of the Financial Statements

The management provides such explanation and information to the Board to facilitate an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge their responsibility for preparing the financial statements which give a true and fair view and the Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other financial disclosures required under the Listing Rules and other regulatory requirements. Meanwhile, the Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern. The Board has prepared the financial statements on a going concern basis.

董事委員會(續)

審核委員會(續)

於回顧年內，審核委員會曾與高級管理人員及本公司外聘核數師舉行四次會議，檢討中期及年度財務報表、財務監控、內部監控、風險管理制度及外聘核數師續聘等事宜。審核委員會亦完成檢討本集團之會計原則與常規、上市規則及其他法規之遵行，以及財務匯報事宜。

進行證券交易的標準守則

本公司已採納一套有關董事進行證券交易的行為守則，條款不遜於上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)的規定標準。鑑於上市規則的多項修訂，尤其是於二零零九年一月一日生效的標準守則，故本公司於二零零九年三月三十一日採納一套有關董事進行證券交易的經修訂行為守則，條款不遜於經修訂標準守則項下的規定標準，並追溯至二零零九年一月一日。本公司已向全體董事作出具體查詢，而全體董事亦已確認，彼等於截至二零零八年十二月三十一日止年度一直遵守標準守則所載所有有關規定。

有關財務報表之責任

管理層提供一切解釋及資料，以便董事會在知情之情況下就其提呈予以通過之財務及其他資料加以評定。

董事知悉其須編製真實公平的財務報表之責任，而董事會則須負責對年報及中期報告、股價敏感資料公佈以及根據上市規則及其他監管規定須予披露的其他財務資料提呈平衡、清晰及易於理解的評審。同時亦須負責確保採納恰當之會計政策及貫徹採用，且所作判斷及估計乃審慎合理。董事會並不知悉任何可能會嚴重影響本集團繼續長遠經營之能力的重大不明朗事件或情況。因此，董事會在基於本集團長遠經營之假設下編製財務報表。

Corporate Governance Report

企業管治報告

Internal Controls

The Board has overall responsibilities for maintaining a sound and effective internal control system of the Group. The system includes a defined management structure with limits of authority, safeguards its assets against unauthorized use or disposition, ensures the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensures compliance with relevant laws and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage the risks of failure in the Group's operational systems and in the achievement of the Group's objectives.

The Board periodically conducts review of the effectiveness of the system of internal controls. The tasks include:

- (i) access and review selected aspects of the Group's activities and internal controls;
- (ii) conduct regular comprehensive reviews of the practices, procedures and internal controls of selected business and supporting units and subsidiaries;
- (iii) examine and investigate business ethics, conflicts of interest and other company policy violations; and
- (iv) report results of review to the senior management and make recommendation where appropriate.

The Directors, through the Audit Committee, have conducted an annual review of the effectiveness of the system of internal control of the Company and its subsidiaries. The review covers all material controls, including financial, operational and compliance controls and risk management functions.

External Auditor

During the year, PricewaterhouseCoopers, the external auditor of the Company received approximately RMB1.5 million for audit services provided to the Group. The external auditor did not provide any non-audit service to the Group during the year under review.

內部監控

董事會須在整體上負責保持本集團之內部監控制度有效妥善，當中包括設有一個權限分明之清晰管理架構、保障集團資產不會遭挪用或竊取、確保會計紀錄妥為存置以提供可靠財務資料作內部或公佈之用，並且確保有關法例及規則一一遵循。該制度旨在合理（但非絕對）保證不會出現嚴重失誤，並管控本集團之營運系統以及本集團爭取達成業務目標過程中之失誤風險。

董事會定期檢討內部監控制度之有效性，範圍包括：

- (i) 對本集團業務及內部監控選定之範疇進行評估及檢討；
- (ii) 定期對選定之業務、支授單位及附屬公司之常規、程序及內部監控進行全面檢討；
- (iii) 對業務操守，利益衝突及其他公司政策之違反進行審查及調查；及
- (iv) 向高級管理層提交評審結果及提出建議（如適用）。

董事透過本公司之審核委員會，每年檢討一次本公司及其附屬公司的內部監控系統是否有效。有關檢討涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控，以及風險管理功能。

外聘核數師

年內，本公司核數師羅兵咸永道會計師事務所就審計服務收取本集團約150萬元人民幣。外聘核數師年內並無向本集團提供任何非審計服務。



Corporate Governance Report

企業管治報告

Communication with Shareholders and Investor Relations

Details of the rights of shareholders and the procedures for conducting a poll on resolutions at shareholders' meetings will be explained during the proceedings of meetings. The chairman of a meeting will answer any questions from shareholders regarding voting by way of a poll.

The Company continues to enhance communications and relationships with its investors. The annual general meeting enables the Company's shareholders to exchange views with the Board. The chairman of the Board and the chairman of Audit Committee and Remuneration Committee have attended at the annual general meeting to be available to answer the questions of the shareholders of the Company. Regular meetings are also held with media, institutional investors and research analysts to provide them the Group's latest business development and non-price sensitive information.

To promote effective communication, extensive information about the Company business is provided in its interim and annual reports, which are sent to shareholders, analysts and interested parties. The Company also maintains a corporate website on which comprehensive information, updates on the Company's business developments and operations, financial information, corporate governance practices and other information of the Group are provided.

與股東之溝通及投資者關係

股東權利及於股東大會就決議案進行按股數方式表決程序之有關詳情將於會議過程中闡釋。大會主席也將會回答股東有關以投票方式表決的任何疑問。

本公司繼續改善與其投資者之溝通及關係。股東週年大會為讓本公司股東可與董事會交流意見之機會。董事會主席及審核委員會與薪酬委員會主席均有出席股東週年大會，以回應本公司股東的提問。本公司亦與傳媒、機構投資者及研究分析員定期舉行會議，向彼等提供本公司最新業務發展及非股價敏感資料。

為推行有效溝通，本公司向股東、分析員及有關人士寄發載有本集團業務詳細資料之中期報告及年報，並設有公司網站，提供全面資訊、本公司業務發展及營運的最新動向、財務資料、企業管治常規及本集團其他資料。

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

Directors

Executive Directors

Mr. YANG Yirong (*Chairman and President*)

Mr. Yang, aged 47, is the founder of the Group. He is responsible for strategic planning and formulation of overall corporate development policy for the Group. Mr. Yang holds a Bachelor degree in science, majoring in chemistry from Huaqiao University in 1982. Prior to founding the Group in 1994, Mr. Yang has extensive experience in the fine chemical manufacturing and trading and has more than ten years of experience in natural organic chemistry research.

Mr. GONG Xionghui (*Senior Vice President – Engineering Project Management*)

Mr. Gong, aged 45, is responsible for project construction and strategic investment development. Mr. Gong holds a Master degree in chemical engineering from Xiamen University and has accumulated over 20 years of experience in fine chemicals industry and qualified as an ISO 9000 auditor in the PRC in 1998. He joined the Group in September 1999.

Ms. LU Jiahua (*Senior Vice President – Group Financial Control*)

Ms. Lu, aged 42, oversees the finance and accounting and human resources functions for the Group in the PRC. She has over 19 years of experience in accounting, financial management, administration management and internal auditing in a number of pharmaceutical and fine chemical manufacturing enterprises. Ms. Lu holds a Bachelor degree and a Master degree in economics and corporate management from Xiamen University. She joined the Group in April 2002.

Mr. LIN Like (*Senior Vice President – Group Operation and Technology*)

Mr. Lin, aged 46, is responsible for the management of the Group's operation in aroma and natural products and research and development functions for the Group. Mr. Lin oversees the research and development department and other operational departments including the production department and quality management department of the Group. Mr. Lin graduated from the Chemistry Department of Huaqiao University with a Bachelor degree in science and graduated from the Guangzhou Institute of Chemistry, Academic Sinica with a Master degree in science. Mr. Lin has been engaged in the research and development of fine chemicals for many years with extensive experience in the natural products industry in China. He joined the Group in August 2004.

董事

執行董事

楊毅融先生(*主席兼總裁*)

楊先生，47歲，本集團創辦人，負責制定本集團策略規劃及整體企業發展政策。楊先生在華僑大學主修化學，於一九八二年取得理學士學位。於一九九四年創辦本集團之前，已累積豐富精細化學品生產及貿易經驗，具有逾十年天然有機化學研究經驗。

龔雄輝先生(*資深副總裁－工程項目管理*)

龔先生，45歲，負責項目建設及策略投資發展。龔先生持有廈門大學化學工程碩士學位，並累積超過20年之精細化工行業經驗，龔先生於一九九八年成為中國認可ISO 9000審計師。彼於一九九九年九月加入本集團。

盧家華女士(*資深副總裁－集團財務管控*)

盧女士，42歲，負責監督本集團中國業務之財務與會計及人力資源的工作。盧女士於多間製藥工業及精細化工企業之會計、財務管理、行政管理及內部核數擁有逾19年經驗。盧女士持有廈門大學經濟學學士及企業管理碩士學位。彼於二零零二年四月加入本集團。

林力克先生(*資深副總裁－集團營運及技術管理*)

林先生，46歲，負責管理本集團芳香及天然產物的營運工作及研發工作。林先生掌管本集團研發部及其他營運部門，包括生產部及品質管理部。林先生先後於華僑大學化學系及中國科學院廣州化學研究所畢業，分別獲理學學士學位及理學碩士學位。林先生多年來從事精細化學品的研究和開發工作，對中國天然產物產業擁有豐富經驗。彼於二零零四年八月加入本集團。



Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

Directors (continued)

Executive Directors (continued)

Mr. HAN Huan Guang (*Chairman of Remuneration Committee*) (*Senior Vice President – Group Strategic Investments and Capital Markets*)

Mr. Han, aged 46, graduated from Zhongshan University (中山大學) with a Bachelor degree in biochemistry in 1982 and obtained his Master degree in Business Administration from University of Technology, Sydney, Australia in 1993. He has over 20 years' experience in corporate finance, merger and acquisition, infrastructure and new technology developments, management of listed and non-listed companies in the PRC and overseas. Over the years, he has been a Director, and then Managing Director in China Everbright Medicine Co. Ltd. (a subsidiary of China Everbright Holdings Group), Livzon Pharmaceutical Group Inc. and in other senior management positions in Hong Kong, Singapore and Mainland companies. He has been appointed as a Councilor of the China Society of Biotechnology, and also member of some professional associations in the region. He joined the Group in September 2005 as a non-executive director, and became an executive director from May 2006, responsible for Group strategic investments and investor relations.

Non-executive Directors

Mr. FENG Tao (*Vice Chairman*)

Mr. Feng, aged 41, is the Chief Executive Officer of NewMargin Ventures Capital Co. Ltd., which is a leading venture capital management company in China. Commencing from 1999, Mr. Feng has been serving as the vice president officer (副主任) of The Foundation of Science & Technology for Development of the State Planning Committee, State Economic & Trade Commission of the PRC (中華人民共和國國家經濟貿易委員會) and Chinese Academy of Sciences. As one of pioneers of venture-capital of China, Mr. Feng possesses extensive experience and knowledge of both domestic and overseas markets. Mr. Feng was awarded the title of "Top 10 most influential venture capitalists in China" in the "Asia-Pacific Venture Capitalist Summit and Most Influential Venture Capitalists in China Award Ceremony" in April 2005. He obtained a Master degree in science from the Department of Statistics and Applied Probability of University of Alberta in June 1992. He joined the Group in September 2005.

董事(續)

執行董事(續)

韓歡光先生(*薪酬委員會主席*)(*資深副總裁—集團策略投資與資本市場*)

韓先生，46歲，於一九八二年在中山大學畢業，持有生物化學學士，並於一九九三年獲取澳大利亞悉尼理工大學工商管理碩士學位。彼於中國及海外企業融資、併購、基建和新技術開發，以及中國及海外上市及非上市公司管理方面積逾二十年豐富經驗，曾先後於中國光大集團附屬公司China Everbright Medicine Co. Ltd.、麗珠醫藥集團任職董事及董事總經理，亦曾於香港、星加坡和中國公司擔任其他高級管理職務。並曾獲中國生物工程學會委任為理事。彼亦為區內多個專業組織之會員。彼於二零零五年九月加盟本集團作為非執行董事，並於二零零六年五月轉任為執行董事負責策略投資及投資者關係。

非執行董事

馮濤先生(*副主席*)

馮先生，41歲，為上海聯永宣創業投資管理有限公司之總裁，該公司是國內首屈一指的風險投資管理公司。自一九九九年，馮先生出任中華人民共和國國家計劃委員會、國家經濟貿易委員會中國科學院之科技促進經濟基金委員會副主任。作為中國創業資本先鋒之一，馮先生於中國及國際市場均具備資深經驗及豐富認識。馮先生於二零零五年四月在「亞太風險投資人峰會暨首屆中國最具影響力風險投資人頒獎典禮」中，榮獲「中國最具影響力風險投資人十佳」。馮先生於一九九二年六月在阿爾伯特大學的統計及應用概率學系取得理學碩士學位。彼於二零零五年九月加入本集團為非執行董事兼董事會副主席。

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

Directors (continued)

Independent Non-executive Directors

Mr. YAU Fook Chuen (*Chairman of Audit Committee, Member of Remuneration Committee*)

Mr. Yau, aged 51, is a practising accountant and has over 18 years of experience in public accountancy practice which covers company secretarial service, accountancy, auditing and taxation. He is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Yau is currently the proprietor of Yau & Wong, Certified Public Accountants in Hong Kong. He was appointed as an Independent Non-executive Director in February 2004.

Mr. WONG Yik Chung, John (*Member of Audit Committee, Member of Remuneration Committee*)

Mr. Wong, aged 42, among being the Independent Non-executive Director of the Company, was also served as an Independent Non-executive Director of Golden Resources Development International Limited, CDW Holdings Limited and General Steel Holdings Inc, companies listed in Hong Kong, Singapore and the United States respectively. He is a professional accountant by training with more than 17 years of experience in auditing and corporate finance work, with extensive exposure to the business enterprise in the PRC. Mr. Wong is currently the director to TMF China, a firm provides a variety of professional outsourcing solutions to an international client base investing in PRC. Mr. Wong graduated from the University of Melbourne. He is a fellow member of the Australian Society of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants. He also obtained a PRC Certificate of Independent Directorship in 2002. He was appointed as an Independent Non-executive Director in February 2004.

Dr. ZHENG Lansun (*Member of Audit Committee, Member of Remuneration Committee*)

Dr. Zheng, aged 54, is a member of the National Committee of the 10th Chinese People's Political Consultative Conference (中國人民政治協商會議第十屆全國委員會), representing the technology sector. He is also a qualified academician (院士) of the Chinese Academy of Sciences (中國科學院). Dr. Zheng received a Doctoral degree in philosophy from Rice University in the United States of America and has engaged in chemistry related research activities at Xiamen University. He was appointed as an Independent Non-executive Director in February 2004.

董事(續)

獨立非執行董事

丘福全先生(審核委員會主席, 薪酬委員會成員)

丘先生, 51歲, 執業會計師, 擁有逾18年有關公司秘書服務、會計、審計及稅務之執業會計師經驗。丘先生為英國特許公認會計師公會及香港會計師公會會員, 現時經營香港執業會計師丘王會計師事務所。彼於二零零四年二月獲委任為獨立非執行董事。

黃翼忠先生(審核委員會成員, 薪酬委員會成員)

黃先生, 42歲, 彼為本公司的獨立非執行董事外, 同時身兼金源米業國際有限公司, CDW Holdings 及通用鋼鐵控股有限公司等分別於香港、新加坡及美國上市之公司獨立非執行董事之職務。彼為合資格會計師, 擁有逾17年審計及企業融資經驗, 對中國商業企業具有資深經驗。彼現為TMF China之董事, 該公司向投資於中國並以國際客戶為主之公司提供專業外判解決方案。黃先生於墨爾本大學畢業, 為澳洲會計師公會及香港會計師公會資深會員。彼亦於二零零二年取得中國獨立董事證書。黃先生於二零零四年二月獲委任為獨立非執行董事。

鄭蘭蓀博士(審核委員會成員, 薪酬委員會成員)

鄭博士, 54歲, 中國人民政治協商會議第十屆全國委員會科技界委員。鄭博士亦為中國科學院合資格院士, 獲美國Rice University頒發哲學博士學位, 其後在廈門大學從事化學研究工作。鄭博士於二零零四年二月獲委任為獨立非執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

Senior Management

Mr. XIE Rong Guo. (*Vice President – Strategic Resources Management*)

Mr. Xie, aged 46, Head of Strategic Resources Management Center. Since he joined Ecogreen, Mr. Xie has been the management positions in purchase department, logistic department and commercial department and the general manager of strategic resources management. He has excellent professional knowledge and rich experience in supply chain management and strategic resources management.

Mr. LIN Zhigang (*Vice President – Food Additives Business*)

Mr. Lin, aged 38, Head of Food Additives Business. He holds a Bachelor degree of economics obtained from Xiamen University. Prior to joining the Group in June 1996, he worked in a foreign investment enterprise and has concrete experience in sales and marketing management, business development and production management.

Mr. YI Zhi Xiong (*Vice President – Corporate Administration*)

Mr. Yi, aged 47, Head of Corporate Administration. Mr. Yi majored in fine chemicals in Tianjin University with a Bachelor degree of engineering. He has been the head of management in a large manufacturing company before he joined Ecogreen in September 1998.

Mr. WONG Cang Yan (*Head of President Office*)

MR. Wong, aged 51, Head of President Office. Mr. Wong received Bachelor degree of management science from National Chiao Tung University. Before joining Ecogreen in July 2007, Mr. Wong has 27 years work experience in enterprise management. During 2003 to 2005, he was the management consultant of Ecogreen, helping the Group to build the daily management system.

Mr. YAN Da Yi David (*General Manager – Marketing and Sales of Aroma Chemicals*)

Mr. Yan, aged 48, General Manager of the Marketing and Sales of Aroma Chemicals, Mr. Yan holds a Bachelor degree of Engineering. Mr. Yan has 26 years work experience in Canada, Hong Kong and China. Before joining the Group in May 2004, he worked for eight years in a well-known software company in Hong Kong, for positions in marketing, sales, servicing and administrative departments.

高級管理人員

謝榮國 (*副總裁 – 戰略資源管理*)

謝先生，46歲，本集團之戰略資源副總裁。謝先生自公司建立入職，歷任採購、物流、商務經理、物流中心總經理及戰略資源總經理等重要職務。在供應鏈管理，戰略資源項目開發、戰略資源運營上具有優秀的專業積累和豐富的運營經驗。

林志剛先生 (*副總裁 – 食品配料事業部*)

林先生，38歲，本集團之食品配料事業部副總裁。林先生持有廈門大學經濟學士學位。於一九九六年六月加入本集團之前，曾在一家外資企業工作，有堅實之銷售與市場推廣管理、業務開發及生產管理經驗。

伊志雄先生 (*副總裁 – 企業管理*)

伊先生，47歲，本集團之企業管理副總裁。伊先生畢業於天津大學精細化工工學學士學位。於一九九八年九月加入本集團前，伊先生曾於一家大型製造企業擔任管理部部长，具有優秀的專業積累和豐富的管理經驗。

翁倉煙先生 (*總裁辦公室主任*)

翁先生，51歲，本集團之總裁辦公室主任。翁先生畢業於台灣交通大學管理科學學士學位。於二零零七年十月加入本集團前，翁先生已從事企業管理27年。在二零零三年至二零零五期間擔任本集團的管理顧問，幫助集團建立了日常管理體系，擁有豐富的管理經驗。

顏達義先生 (*香原料市場營銷部總經理*)

顏先生，48歲，本集團之香原料市場營銷部總經理。顏先生持有工學學士學位，在加拿大、香港和中國沿海有26年工作積累，於二零零四年五月加入本集團前，顏先生曾於香港一家知名軟體公司任職八年及擔任市場、銷售、服務和行政管理職務，對不同文化背景的商業運作模式和溝通交流理解深刻、經驗豐富。

Biographical Details of Directors and Senior Management

董事及高級管理人員履歷

Senior Management (continued)

Mr. XIAO Li Yuan (*Aroma Chemicals Operations Manager*)

Mr. Xiao, aged 45, Director of Aroma Chemicals Operations. Before joining the Group in February 2001, he was the deputy manager in a large chemical enterprise. Mr. Xiao has more than 27 years experience of production management.

Ms. CHEN Ying Hong (*Human Resources Manager*)

Ms. Chen, aged 33, Human Resources Manager. She graduated from Normal University, and holds the certificate of manpower resource management (second class), and certificate of national enterprise training (second class). Before joining the Group in July 2006, she worked in a Japanese corporation and occupied the management position, She has very rich manpower management experience.

Mr. TU Hong Bin (*Aroma Chemicals R&D Manager*)

Mr. Tu, aged 41, Aroma Chemicals R&D Manager, who received a Ph.D degree in 1995 from Beijing Institute of Technology. After the postdoctoral research experience with Professor Alan.R.Katritzky at University of Florida of USA (2001-2004), he joined Ecogreen in May 2005. He has more than 14 years experience in organic synthesis and methodology including 3 years preparation and production of Heterocyclic compounds.

Mr. LEE Ke (*Deputy Manager of Shanghai Fine Chemical*)

Mr. Lee, aged 34. Deputy Manager of Shanghai Fine Chemical Co., Ltd. Mr. Lee received a Master degree of MBA in Britain together a Master of science. Before joining the Group in May 2005, Mr. Lee occupied management position in American and French companies. He has excellent professional knowledge and rich experience in sales & marketing, also in project management.

Mr. LAM Kwok Kin (*Financial Controller and Company Secretary*)

Mr. Lam, aged 35, is the financial controller and company secretary of the Company. He holds a Bachelor degree in accountancy and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group in October 2003, he worked with an international accounting firm for seven years and was the financial controller and company secretary of a company listed on the Stock Exchange. Mr. Lam has extensive experience in auditing, accounting, budgeting and company secretarial works.

高級管理人員(續)

肖利遠先生(*香原料營運總監*)

肖先生，45歲，本集團香原料製造之營運總監。於二零零一年二月加入本集團前，肖先生曾於一家大型化工企業擔任生產管理副廠長，具有27年化工企業生產管理的豐富經驗。

陳映紅女士(*人力資源部經理*)

陳女士，33歲，本集團之人力資源經理。師範大學本科，國家人力資源管理師(二級)、國家企業培訓師(二級)。於二零零六年七月加入本集團前，陳女士曾於日資企業擔任管理職務，具有豐富的人力資源實務與管理經驗。

塗洪斌先生(*香原料研發主管*)

塗先生，41歲，本集團之香原料研發主管。北京理工大學工學博士，美國佛羅里達大學博士後。於二零零五年五月加入本集團前，塗先生曾於美國佛羅里達大學從事雜環化學研究3年，積累有14年有機化學研究的豐富經驗。

李科先生(*萬凱化學副總經理*)

李先生，34歲，本集團之萬凱化學副總經理。李先生在英國接受MBA教育，獲碩士學位、同時具有理學碩士學位。於二零零五年一月加入本集團前，李先生曾於美、法外資企業擔任管理職務，有優秀的專業積累，具備豐富的市場行銷和專案管理經驗。

林國健先生(*財務總監兼公司秘書*)

林先生，35歲，本公司之財務總監兼公司秘書。林先生持有會計學士學位，為英國特許公認會計師公會及香港會計師公會之資深會員。於二零零三年十月加入本集團前，林先生曾於一家國際會計師行任職七年及擔任一家聯交所上市公司之財務總監兼公司秘書，於核數、會計、預算及公司秘書事務擁有豐富經驗。



Directors' Report

董事會報告

The directors ("the Directors") of EcoGreen Fine Chemicals Group Limited ("the Company") are pleased to present their annual report together with the audited financial statements of the Company and of its subsidiaries (collectively "the Group") for the year ended 31 December 2008.

Principal activities and geographical analysis of operations

The Company is an investment holding company. The principal activities of the Group are the research and development, production and sale of fine chemicals products from natural resources for use in aroma chemicals and pharmaceutical products and trading of fine chemicals products and natural materials.

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 5 to the financial statements.

Subsidiaries

Particulars of the Company's subsidiaries as at 31 December 2008 are set out in Note 9 to the financial statements.

Results and dividends

The results of the Group for the year ended 31 December 2008 are set out in the consolidated income statement on page 48.

An interim dividend of HK1.2 cents per share, amounting to a total of about HK\$5,608,000 (equivalent of approximately RMB4,930,000), was paid to shareholders of the Company ("the Shareholders") on 31 October 2008.

The Directors recommend the payment of a final dividend of HK2.9 cents per share to the Shareholders whose names appear on the register of members on 25 May 2009. Together with the interim dividend, this will bring the total dividend distribution for the year to HK4.1 cents (2007: HK4.5 cents) per share, resulting in an aggregate dividend of about HK\$19.10 million (equivalent of approximately RMB16.82 million) for the year ended 31 December 2008.

Reserves

Details of movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 49. Details of movements in other reserves of the Group and of the Company during the year are set out in Note 17 to the financial statements.

中怡精細化工集團有限公司(「本公司」)董事(「董事」)欣然呈報其全年報告連同本公司及其附屬公司(統稱「本集團」)截至二零零八年十二月三十一日止年度之經審核財務報表。

主要業務及業務地區分析

本公司為投資控股公司。本集團之主要業務包括利用天然資源研發、生產及銷售精細化學品，用於芳香化學品及藥品，以及買賣精細化工產品及天然物料。

本集團於本年度按業務及地區分部劃分之表現分析載於財務報表附註5。

附屬公司

本公司附屬公司於二零零八年十二月三十一日之詳情載於財務報表附註9。

業績及股息

本集團截至二零零八年十二月三十一日止年度業績載於第48頁之綜合收益表。

本公司已於二零零八年十月三十一日向本公司股東(「股東」)派付中期股息每股1.2港仙，合共約5,608,000港元(約相等於4,930,000元人民幣)。

董事建議派發末期股息每股2.9港仙予於二零零九年五月二十五日名列股東名冊之股東，連同中期股息款額，本年度股息分派總額為每股4.1港仙(二零零七年：4.5港仙)，導致截至二零零八年十二月三十一日止年度之股息合共約為1,910萬港元(約相等於1,682萬元人民幣)。

儲備

本集團儲備於年內之變動詳情載於第49頁之綜合權益變動表。本集團及本公司其他儲備於年內之變動詳情載於綜合財務報表附註17。

Directors' Report

董事會報告

Property, plant and equipment

Movements in property, plant and equipment of the Group during the year are set out in Note 7 to the financial statements.

Share capital

Details of movements in share capital of the Company during the year are set out in Note 16 to the financial statements.

Distributable reserves

Distributable reserves including retained earnings of the Company at 31 December 2008 amounted to RMB322,447,000 (2007: RMB321,547,000).

Purchase, sale or redemption of the Company's listed securities

During the year, the Company made the following purchases of its own shares on the Stock Exchange of Hong Kong Limited ("The Stock Exchange"):

物業、機器及設備

本集團物業、機器及設備於年內之變動詳情載於財務報表附註7。

股本

本公司股本於年內之變動詳情載於財務報表附註16。

可供分派儲備

本公司於二零零八年十二月三十一日包括保留盈利之可供分派儲備為322,447,000元人民幣(二零零七年: 321,547,000元人民幣)。

購買、出售或贖回本公司上市證券

於本年度，本公司於香港聯合交易所有限公司(「聯交所」)購回其本身之股份如下：

Month of purchase in 2008	於二零零八年購回股份之月份	Number of shares purchased 購回 股份數目	Purchase consideration 每股購回代價		Aggregate consideration paid 支付 代價總額
			Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	
February	二月	2,000,000	2.48	2.25	4,650,400
March	三月	278,000	2.43	2.30	645,120
July	七月	268,000	2.50	2.33	653,160
August	八月	20,000	2.22	2.21	44,300
October	十月	2,114,000	1.09	0.71	1,736,700

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the year.

除以上所披露者外，本公司或其任何附屬公司概無於本年度內購回、出售或贖回本公司之任何股份。

Pre-emptive rights

There is no provision for pre-emptive rights under the Company's articles of association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

優先購買權

本公司之組織章程細則並無有關優先購買權之規定，而根據開曼群島法例，該等權利並無限制，本公司毋須按比例向現有股東提呈發售新股份。



Directors' Report

董事會報告

Financial summary

A summary of the results and of the financial positions of the Group for the past five financial years is set out on page 132.

Directors

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

Executive Directors

Mr. Yang Yirong (*Chairman & President*)

Mr. Gong Xionghui

Ms. Lu Jiahua

Mr. Lin Like

Mr. Han Huan Guang

Non-executive Directors

Mr. Feng Tao

Independent Non-executive Directors

Mr. Yau Fook Chuen

Mr. Wong Yik Chung, John

Dr. Zheng Lansun

In accordance with article 108(A) of the Company's articles of association, Mr. Feng Tao, Mr. Han Huan Guang and Mr. Zheng Lansun, will retire from office by rotation and, being eligible, offers themselves for re-election at the forthcoming annual general meeting.

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

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

Directors' interests in contracts

Details of the related party transactions are set out in Note 35 to the financial statements.

Save for the above, no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at year-end or at any time during the year.

財務概要

本集團過去五個財政年度之業績及財務狀況概要載於第132頁。

董事

於本年度及直至本報告日期之本公司董事如下：

執行董事

楊毅融先生(*主席兼總裁*)

龔雄輝先生

盧家華女士

林力克先生

韓歡光先生

非執行董事

馮濤先生

獨立非執行董事

丘福全先生

黃翼忠先生

鄭蘭蓀博士

根據本公司之組織章程細則第108(A)條，馮濤先生、韓歡光先生及鄭蘭蓀先生將於應屆股東週年大會輪值退任，惟符合資格並願意膺選連任。

概無擬於應屆股東週年大會重選連任之董事訂有本集團不可於一年內不作賠償(法定賠償除外)予以終止之服務合約。

非執行董事及獨立非執行董事之任期初步不多於一年，並將自動續任一年，直至任何一方向對方發出不少於三個月之書面通知終止任期為止。

董事之合約權益

有關連人士交易詳情載於財務報表附註35。

除上述者外，本公司或其任何附屬公司概無訂有與本集團業務有關，且於年末或年內任何時間仍然生效及本公司董事直接或間接擁有重大權益之重大合約。

Directors' Report

董事會報告

Biographical details of Directors and senior management

Biographical details of Directors and senior management are set out on pages 26 to 30.

Directors' Emoluments

Details of Directors' emoluments disclosed pursuant to Section 161 of the Companies Ordinance and Appendix 16 of the Listing Rules are set out in Note 25(b) to the financial statements.

Arrangements to purchase shares or debentures

At no time during the year was the Company, or any of its subsidiaries, a party to any arrangements to enable the Directors or chief executives of the Company or their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate with the exception of the Company's share option scheme, details of which are set out in the following section under the heading "Share options".

董事及高級管理人員履歷

董事及高級管理人員之履歷載於第26至30頁。

董事袍金

根據公司條例第161條及上市規則附錄16披露有關董事袍金詳情載於財務報表附註25(b)。

購買股份或債券之安排

於年內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事或本公司行政總裁或彼等之配偶或未滿十八歲子女可藉收購本公司或任何其他法人團體之股份或債券而獲利，惟透過本公司購股權計劃所購買者則除外，有關詳情載於下文「購股權」一節。



Directors' Report

董事會報告

Directors' and chief executives' interests and/or short positions in shares, underlying shares and debentures

At 31 December 2008, the interests and short positions of the Directors, chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were recorded in the register maintained by the Company under Section 352 of the SFO; or which were notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

董事及行政總裁於股份、相關股份及債券之權益及／或淡倉

於二零零八年十二月三十一日，董事、行政總裁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)股份、相關股份或債券中擁有，並登記於本公司根據證券及期貨條例第352條存置之登記冊；或根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所(包括根據證券及期貨條例有關條文，彼等被當作或視作擁有之權益或淡倉)或根據上市規則上市公司董事進行證券交易的標準守則已知會本公司及聯交所之權益及淡倉如下：

(a) Long positions in ordinary shares of HK\$0.10 each of the Company

(a) 於本公司每股面值0.10港元普通股之好倉

Name of Director 董事姓名	Number of shares held 所持股數				Total 總計	% of the issued share capital of the Company 佔本公司已發行股本百分比
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益		
Mr. Yang Yirong 楊毅融先生	-	-	195,389,158 (Note a) (附註 a)	-	195,389,158	42.00%
Mr. Gong Xionghui 龔雄輝先生	-	-	11,368,421 (Note b) (附註 b)	-	11,368,421	2.44%
Ms. Lu Jiahua 盧家華女士	-	-	8,526,316 (Note c) (附註 c)	-	8,526,316	1.83%

Notes:

附註：

- (a) These shares were beneficially owned by Marietta Limited, a private company beneficially wholly-owned by Mr. Yang Yirong.
- (b) These shares were beneficially owned by Dragon Kingdom Investment Limited, a private company beneficially wholly-owned by Mr. Gong Xionghui.
- (c) These shares were beneficially owned by Sunwill Investments Limited, a private company beneficially wholly-owned by Ms. Lu Jiahua.

- (a) 該等股份以楊毅融先生實益全資擁有之私人公司 Marietta Limited 實益擁有。
- (b) 該等股份以龔雄輝先生實益全資擁有之私人公司 Dragon Kingdom Investment Limited 實益擁有。
- (c) 該等股份以盧家華女士實益全資擁有之私人公司 Sunwill Investments Limited 實益擁有。

Directors' and chief executives' interests or short positions in shares, underlying shares and debentures

(continued)

(b) Interest in share options of the Company

Share options, being unlisted physically settled equity derivatives, to subscribe for the ordinary shares of the Company were granted to Directors, chief executives, employees and certain participants pursuant to the approved Company's share option scheme. Information in relation to these share options during the year ended 31 December 2008 are set out in the following section under the heading "Share options".

(c) Interest in registered share capital of a Company's subsidiary

Other than the interest disclosed above, a Director also hold nominee shares in certain subsidiaries held in trust for the Group solely for the purpose of ensuring that the relevant subsidiary has more than one member.

Other than as disclosed above, neither the Directors nor any chief executives, nor any of their associates, had any interests or short positions in the shares, underlying shares, or debentures of the Company or its associated corporation as at 31 December 2008.

Share options

The following is a summary of the Company's share option scheme ("the Scheme"), which was approved and adopted pursuant to a written resolution of the shareholders of the Company passed on 16 February 2004, disclosed in accordance with the Listing Rules:

1. Purpose of the Scheme

The Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contributions to the Group.

2. Participants of the Scheme

All directors, employees, suppliers of goods or services, customers, persons or entities that provide research, development or other technological support to the Group, shareholders and advisers or consultants of the Group are eligible to participate in the Scheme.

董事及行政總裁於股份、相關股份及債券之權益或淡倉(續)

(b) 於本公司購股權之權益

董事、行政總裁、僱員及根據已獲批准之本公司購股權計劃之若干參與人士，授予屬於非上市實物交收股本衍生工具以認購本公司普通股之購股權。有關截至二零零八年十二月三十一日止年度內該等購股權之詳情，載於下文「購股權」一節。

(c) 於本公司一家附屬公司註冊股本之權益

除上文披露之權益外，董事亦以信託方式為本集團持有若干附屬公司之代名人股份，僅為確保有關附屬公司擁有超過一名股東。

除上文披露者外，於二零零八年十二月三十一日，概無董事或任何行政總裁或彼等任何聯繫人士，於本公司或其相聯法團之股份、相關股份或債券中，擁有任何權益或淡倉。

購股權

以下為根據上市規則披露本公司股東於二零零四年二月十六日通過書面決議案批准及採納之本公司購股權計劃(「計劃」)之概要：

1. 計劃之目的

計劃之目的是使本集團可向指定參與者授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。

2. 計劃參與者

本集團所有董事、僱員、貨品或服務供應商、客戶與向本集團提供研究、開發或其他技術支援之人士或公司、股東及諮詢人或顧問均合資格參與計劃。

Share options (continued)

3. Total number of shares available for issue under the Scheme

The total number of shares of the Company ("the Shares") which may be allotted and issued upon exercise of all options to be granted under the Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 10% of the Shares in issue on 21 July 2004, the date of approval of the refreshment of the General Scheme Limit (as defined below) by the shareholders of the Company ("the Shareholders").

The Company may renew the 10% limit with Shareholders' approval provided that each such renewal may not exceed 10% of the Shares in issue as at the date of the Shareholder's approval ("the General Scheme Limit").

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 30% of the Shares in issue from time to time.

As at 15 April 2009, being the latest practicable date prior to the issue of the annual report, options to subscribe for a total of 31,010,000 Shares were still outstanding under the Scheme which represents approximately 6.7% of the Shares in issue.

4. Maximum entitlement of each participant

Unless approved by shareholders of the Company, the total number of shares issued and to be issued upon the exercise of the options granted to each participant (including both exercised and outstanding options) under the Scheme or any other share option scheme adopted by the Company in any 12-month period must not exceed 1% of the issued share capital.

5. The period within which the shares must be taken up under an option

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

購股權(續)

3. 根據計劃可發行之股份總數

根據計劃及本公司採納之任何其他購股權計劃授出之購股權獲行使而將予配發及發行之本公司股份(「股份」)總數，合共不得超過於二零零四年七月二十一日本公司股東(「股東」)批准更新一般計劃限額(見以下註釋)當天已發行股份之10%。

在獲得股東批准後，本公司可更新此10%之限額，而每一次更新，均不得超過股東批准該日已發行股份之10%(「一般計劃限額」)。

根據購股權計劃及本公司採納之任何其他購股權計劃已授出但尚未行使之購股權獲行使而可予發行之股份數目，合共最多不得超過不時已發行股份之30%。

於二零零九年四月十五日，為發行本年報之最後可行日期，根據計劃仍未行使之購股權可認購股份合共31,010,000股，佔已發行股份約6.7%。

4. 各參與者之最高配額

除非獲本公司股東批准，否則於任何十二個月期間內，就根據計劃或本公司採納之任何其他購股權計劃而授予每名參與者之購股權(包括已行使及尚未行使者)獲行使而發行及將予發行之股份總數，不得超過已發行股本之1%。

5. 根據購股權認購股份之期限

購股權須於董事釐定並知會各承授人之期間隨時根據計劃條款行使，而除根據計劃規定提早終止外，該期間可自建議授出購股權當日起計，惟無論如何不得遲於建議授出購股權當日起計滿10年之日屆滿。

Share options (continued)

6. The minimum period for which an option must be held before it can be exercised

Unless otherwise determined by the Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Scheme for the holding of an option before it can be exercised.

7. The period within which payments or calls must or may be made or loans for such purposes must be repaid and the amount payable on application or acceptance of the option

An option may be accepted by a participant within 21 days from the date of the offer for the grant of the option and the amount payable on acceptance of the grant of an option is HK\$1.

8. The basis of determining the exercise price

The exercise price is determined by the Directors and being not less than the highest of:

- a. the closing price of the Company's shares as stated in the daily quotation sheet of the Stock Exchange for trade in one or more board lots of the Company's shares on the date of the offer for the grant;
- b. the average closing price of the Company's shares as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of the offer for the grant; and
- c. the nominal value of the Company's shares.

9. The remaining life of the Scheme

The Scheme will end on 15 February 2014, after which no option can be granted under the Scheme. However, options that remain outstanding as at 15 February 2014 can be exercised until their respective expiry dates.

購股權(續)

6. 購股權可行使前須持有之最短期限

除非董事另行決定並於向承授人授出購股權之建議中表明，否則並無有關購股權可行使前必須根據計劃持有之最短期限。

7. 必須或可以付款或催繳或須就此等目的償還貸款之期限及於申請或接納購股權時應付款項

參與者可由建議授出購股權當日起計21日內接納購股權，而於接納授出購股權時須支付之金額為1港元。

8. 釐定行使價之基準

行使價由董事釐定，惟不得低於下列最高者：

- a. 以一手或以上單位進行買賣之本公司股份於建議授出購股權當日在聯交所每日報價表所列收市價；
- b. 本公司股份於緊接建議授出購股權當日前五個營業日在聯交所每日報價表所列平均收市價；及
- c. 本公司股份之面值。

9. 計劃剩餘年期

計劃將於二零一四年二月十五日屆滿，此後不得根據計劃授出購股權。然而，於二零一四年二月十五日仍未行使之購股權可予行使，直至其各自屆滿日期為止。

Directors' Report

董事會報告

Share options (continued)

The following table discloses details of share options outstanding as at 31 December 2008 under the Scheme and the movements during the year.

購股權(續)

下表載述於二零零八年十二月三十一日根據計劃尚未行使之購股權詳情及其於年內之變動。

Type of Grantee	承授人類別	Granted date	Exercise price	Exercisable period	Balance as at 1 January 2008	Granted during the year	Exercised during the year	Cancelled during the year	Balance as at 31 December 2008
		授出日期	行使價	行使期	於二零零八年一月一日結餘	年內授出	年內行使	年內註銷	於二零零八年十二月三十一日結餘
			HK\$		('000)	('000)	('000)	('000)	('000)
Category 1 – Directors	類別1 – 董事								
Mr. Yang Yirong	楊毅融先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Mr. Gong Xionghui	龔雄輝先生	8.6.2004	1.37	8.6.2004 – 7.6.2014	3,100	-	-	-	3,100
Ms. Lu Jiahua	盧家華女士	8.6.2004	1.37	8.6.2004 – 7.6.2014	2,600	-	-	-	2,600
Mr. Lin Like	林力克先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	2,400	-	-	-	2,400
Mr. Han Huan Guang	韓歡光先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	2,400	-	-	-	2,400
Mr. Fung Tao	馮濤先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	2,400	-	-	-	2,400
Mr. Yau Fook Chuen	丘福全先生	8.6.2004	1.37	8.6.2004 – 7.6.2014	200	-	-	-	200
		25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Mr. Wong Yik Chung, John	黃翼忠先生	8.6.2004	1.37	8.6.2004 – 7.6.2014	200	-	-	-	200
		25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Dr. Zheng Lansun	鄭蘭蓀博士	8.6.2004	1.37	8.6.2004 – 7.6.2014	400	-	-	-	400
		25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Sub-total	小計				15,300	-	-	-	15,300
Category 2 – Employees under continuous employment contract	類別2 – 持續僱傭合約僱員	8.6.2004	1.37	8.6.2004 – 7.6.2014	8,270	-	-	-	8,270
		25.5.2006	1.39	25.5.2006 – 24.5.2011	5,440	-	-	(1,200)	4,240
Sub-total	小計				13,710	-	-	(1,200)	12,510
Category 3 – Other participants	類別3 – 其他參與人士	25.5.2006	1.39	25.5.2006 – 24.5.2011	3,200	-	-	-	3,200
Sub-total	小計				3,200	-	-	-	3,200
Total	總計				32,210	-	-	(1,200)	31,010

Directors' Report

董事會報告

Interest and/or short positions of shareholders discloseable under SFO

As at 31 December 2008, the interests and short positions of the persons, other than the Directors and chief executives of the Company, in the shares and underlying shares of the Company, which were notified to the Company pursuant to Division 2 and 3 of Part XV of the SFO; or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

根據證券及期貨條例須予披露之股東權益及／或淡倉

於二零零八年十二月三十一日，除董事及本公司行政總裁以外之人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部已知會本公司；或本公司根據證券及期貨條例第336條規定存置之登記冊所記錄之權益及淡倉如下：

Long positions in ordinary shares of HK\$0.10 each of the Company

於本公司每股面值0.10港元普通股之好倉

Name 名稱	Beneficial owner 實益擁有人	Investment Manager 投資經理	Number of shares held 所持股數		Other interests 其他權益	Total 總計	% of the issued share capital of the Company 佔本公司 已發行股 本百分比
			Interest of corporation controlled by the substantial shareholder 大股東 所控制的法團 的權益				
Marietta Limited	195,389,158 (Note a) (附註 a)	-	-	-	-	195,389,158	42.00%
Keywise Capital Management (HK) Limited	-	71,342,000	-	-	-	71,342,000	15.33%
Keywise Greater China Opportunities Master Fund	57,450,000	-	-	-	-	57,450,000	12.34%
Hang Seng Bank Trustee International Limited	-	-	-	-	28,162,000 (Note d) (附註 d)	28,162,000	6.05%
Cheah Cheng Hye 謝清海	1,000,000	-	27,132,000 (Note b) (附註 b)	-	-	28,132,000	6.04%
To Hau Yin 杜巧賢	-	-	-	-	28,132,000 (Note e) (附註 e)	28,132,000	6.04%
Cheah Capital Management Limited	-	-	28,162,000 (Note b) (附註 b)	-	-	28,162,000	6.05%
Cheah Company Limited	-	-	28,162,000 (Note b) (附註 b)	-	-	28,162,000	6.05%
Value Partners Group Limited	-	-	28,162,000 (Note c) (附註 c)	-	-	28,162,000	6.05%
Value Partners Limited	-	28,162,000	-	-	-	28,162,000	6.05%



Directors' Report

董事會報告

Interest and/or short positions of shareholders discloseable under SFO (continued)

Long positions in ordinary shares of HK\$0.10 each of the Company (continued)

Notes:

- (a) These shares were registered in the name of and beneficially owned by Marietta Limited, the entire issued share capital of which was directly and beneficially owned by Mr. Yang Yirong.
- (b) These shares were registered in the name of and beneficially owned by Value Partners Limited, approximately 35.65% of the issued share capital of which was indirectly and beneficially owned by this shareholder.
- (c) These shares were registered in the name of and beneficially owned by Value Partners Limited, the entire issued share capital of which was directly and beneficially owned by this shareholder.
- (d) Trustee.
- (e) Interest of a substantial shareholder's spouse.

Other than as disclosed above, the Company has not been notified by any persons, other than the Directors and chief executives of the Company, who had interest or short positions in the shares or underlying shares of the Company as at 31 December 2008.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

Major customers and suppliers

The aggregate sales attributable to the Group's largest and the five largest customers were 17% and 38% respectively. The aggregate purchases attributable to the Group's largest and the five largest suppliers were 9% and 36% respectively.

None of the Directors, their associates or any shareholder of the Company, which to the knowledge of the Directors, owned more than 5% of the Company's issued share capital, had any interest in the share capital of the Group's five largest customers and five largest suppliers noted above.

根據證券及期貨條例須予披露之股東權益及／或淡倉(續)

於本公司每股面值0.10港元普通股之好倉(續)

附註：

- (a) 該等股份以Marietta Limited之名義登記，並由該公司實益擁有，而Marietta Limited全部已發行股本則以楊毅融先生直接實益擁有。
- (b) 該等股份以Value Partners Limited之名義登記，並由該公司實益擁有，約35.65% Value Partners Limited已發行股本則由這股東間接實益擁有。
- (c) 該等股份以Value Partners Limited之名義登記，並由該公司實益擁有，而Value Partners Limited全部已發行股本這股東直接實益擁有。
- (d) 受託人。
- (e) 大股東配偶之權益。

除上文披露者外，本公司並無獲知會，於二零零八年十二月三十一日，除董事及本公司行政總裁以外，有任何人士於本公司之股份或相關股份中擁有權益或淡倉。

管理合約

年內，本公司並無訂立或訂有任何涉及本集團全部或任何重大部分業務之管理及行政合約。

主要客戶及供應商

本集團之最大客戶及五大客戶應佔銷量總額分別為17%及38%。本集團之最大供應商及五大供應商應佔採購總額分別為9%及36%。

董事、彼等之聯繫人士或據董事所知擁有本公司已發行股本5%以上之本公司任何股東，概無擁有上述本集團五大客戶及五大供應商股本中任何權益。

Directors' Report

董事會報告

Connected transactions

Significant related party transactions entered into by the Group during the year ended 31 December 2008, which do not constitute connected transactions subject to reporting, announcement and independent shareholders' approval requirements under the Listing Rules, are set out in Note 35 to the financial statements.

In the opinion of the Directors, save for disclosed above, the Group did not enter into any connected transactions defined under the Listing Rules during the year ended 31 December 2008.

Corporate governance

In the opinion of the Directors, the Company has complied with most of the Code on Corporate Governance Practices ("the CG Code") contained in Appendix 14 of the Listing Rules throughout the year ended 31 December 2008, save for the deviations from code provision A.2.1 of the CG Code. Information on the deviations and further information on the Company's corporate governance practices is set out in the "Corporate Governance Report" as set out on pages 17 to 25.

Sufficiency of public float

Based on the information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at the date of the annual report.

Auditor

The accompanying financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Directors

YANG YIRONG

Chairman & President

Hong Kong, 15 April 2009

關連交易

本集團於截至二零零八年十二月三十一日止年度內訂立，而根據上市規則之申報、公佈及獨立股東批准之規定不會構成關連交易之重大關連人士交易載於財務報表附註35。

董事認為，除上文披露者外，本集團於截至二零零八年十二月三十一日止年度內並無訂立任何上市規則所界定之關連交易。

企業管治

董事認為，除若干偏離企業管治常規守則條文第A.2.1條外，本公司於截至二零零八年十二月三十一日止年度一直遵守上市規則附錄14所載大部分企業管治常規守則（「企業管治常規守則」）。有關該等偏離及本公司企業管治常規守則之進一步資料載於第17至25頁「企業管治報告」。

充足公眾持股量

根據董事以公開方式獲提供之資料及彼等所深知，本公司確認，於年報日期本公司已發行股份擁有25%以上之充足公眾持股量。

核數師

本財務報表已由羅兵咸永道會計師事務所審核，該核數師任滿告退，但表示願意應聘連任。

代表董事

主席兼總裁

楊毅融

香港，二零零九年四月十五日



Independent Auditor's Report

獨立核數師報告



PricewaterhouseCoopers
22nd Floor, Prince's Building
Central, Hong Kong

羅兵咸永道會計師事務所
香港中環
太子大廈二十二樓

TO THE SHAREHOLDERS OF ECOGREEN FINE CHEMICALS GROUP LIMITED *(incorporated in the Cayman Islands with limited liability)*

致中怡精細化工集團有限公司股東
(於開曼群島註冊成立之有限公司)

We have audited the consolidated financial statements of Ecogreen Fine Chemicals Group Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 45 to 131, which comprise the consolidated and company balance sheets as at 31 December 2008, and the consolidated income statement, 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 notes.

本核數師(以下簡稱「我們」)已審核列載於第45至131頁中怡精細化工集團有限公司(「公司」)及其附屬公司(統稱「集團」)的綜合財務報表，此綜合財務報表包括於二零零八年十二月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

Directors' responsibility for the financial statements

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

董事就財務報表須承擔的責任

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

Auditor's responsibility

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

核數師的責任

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

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

Independent Auditor's Report

獨立核數師報告

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 15 April 2009

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

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映公司及集團於二零零八年十二月三十一日的事務狀況及集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所

執業會計師

香港，二零零九年四月十五日



Consolidated Balance Sheet

綜合資產負債表

As at 31st December 2008 於二零零八年十二月三十一日

		Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Land use rights	土地使用權	6	8,631	8,741
Property, plant and equipment	物業、機器及設備	7	375,818	336,839
Intangible assets	無形資產	8	57,441	40,347
Investment in an associate	聯營公司投資	10	1,750	–
Available-for-sale financial assets	可供出售金融資產	11	400	400
			444,040	386,327
Current assets	流動資產			
Inventories	存貨	12	76,138	45,489
Trade receivables	應收交易帳款	13	192,006	165,653
Prepayments and other receivables	預付款項及 其他應收款項	14	81,493	46,216
Pledged bank deposits	已抵押之銀行存款	15	37,364	32,158
Cash and cash equivalents	現金及現金等價物	15	386,619	275,226
			773,620	564,742
Total assets	總資產		1,217,660	951,069
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備			
Share capital	股本	16	49,232	49,653
Share premium	股本溢價	16	181,841	188,888
Other reserves	其他儲備	17	56,057	51,763
Retained earnings	保留盈利			
– Proposed final dividend	– 擬派末期股息	31	11,888	14,760
– Others	– 其他		446,663	357,171
			745,681	662,235
Minority interest in equity	少數股東權益		3,291	1,572
Total equity	總權益		748,972	663,807

Consolidated Balance Sheet

綜合資產負債表

As at 31st December 2008 於二零零八年十二月三十一日

	Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
LIABILITIES			
Non-current liabilities			
Borrowings	18	224,456	58,121
Derivative financial instruments	21	5,014	–
Deferred tax liabilities	22	13,500	–
		242,970	58,121
Current liabilities			
Trade payables and bills payable	19	69,764	54,890
Current income tax liabilities		2,070	1,971
Borrowings	18	121,019	98,272
Derivative financial instruments	21	–	37,837
Accruals and other payables			
其他應付款項	20	31,860	34,704
Amounts due to directors	35	1,005	1,467
		225,718	229,141
Total liabilities		468,688	287,262
Total equity and liabilities		1,217,660	951,069
Net current assets		547,902	335,601
Total assets less current liabilities		991,942	721,928

YANG YIRONG

楊毅融

Chairman

主席

LU JIAHUA

盧家華

Executive director

執行董事

The notes on pages 52 to 131 are an integral part of these consolidated financial statements.

第52至131頁附註為該等綜合財務報表其中部分。

Balance Sheet

資產負債表

As at 31st December 2008 於二零零八年十二月三十一日

		Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Investments in and amounts due from subsidiaries	於附屬公司之投資及應收附屬公司款項	9	601,243	334,849
Current assets	流動資產			
Prepayments	預付款項	14	82	100
Cash and cash equivalents	現金及等同現金項目	15	1,778	364
Dividend receivable	應收股息		-	38,000
			1,860	38,464
Total assets	總資產		603,103	373,313
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔資本及儲備			
Share capital	股本	16	49,232	49,653
Share premium	股本溢價	16	181,841	188,888
Other reserves	其他儲備	17	93,959	97,810
Retained earnings	保留盈利			
- Proposed final dividend	- 擬派末期股息	31	11,888	14,760
- Others	- 其他		34,759	20,089
Total equity	總權益額		371,679	371,200
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸	18	169,907	-
Derivative financial instruments	衍生金融工具	21	5,014	-
			174,921	-
Current liabilities	流動負債			
Borrowings	借貸	18	53,903	-
Accruals and other payables	應計費用及其他應付款項	20	2,600	2,113
			56,503	2,113
Total liabilities	總負債		231,424	2,113
Total equity and liabilities	總權益及負債		603,103	373,313
Net current (liabilities)/assets	流動(負債)/資產淨值		(54,643)	36,351
Total assets less current liabilities	總資產減流動負債		546,600	371,200

YANG YIRONG
楊毅融
Chairman
主席

LU JIAHUA
盧家華
Executive director
執行董事

The notes on pages 52 to 131 are an integral part of these consolidated financial statements.

第52至131頁附註為該等綜合財務報表其中部分。

Consolidated Income Statement

綜合收益表

—By function of expenses —按費用功能分類

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

		Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Turnover	營業額	5	739,973	612,159
Cost of goods sold	已售貨品成本	24	(518,929)	(402,742)
Gross profit	毛利		221,044	209,417
Other losses – net	其他虧損—淨額	23	(253)	(4,163)
Selling and marketing costs	銷售及市場推廣成本	24	(28,437)	(24,816)
Administrative expenses	行政費用	24	(51,609)	(40,319)
Operating profit	經營溢利		140,745	140,119
Finance income	融資收入	26	3,175	3,469
Finance costs	融資成本	26	(9,951)	(5,540)
Finance costs – net	融資成本—淨額	26	(6,776)	(2,071)
Profit before income tax	除所得稅前溢利		133,969	138,048
Income tax expense	所得稅開支	27	(19,513)	(7,514)
Profit for the year	年內溢利		114,456	130,534
Attributable to:	應佔：			
Equity holders of the Company	本公司權益持有人		114,237	130,465
Minority interest	少數股東權益		219	69
			114,456	130,534
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in RMB per share)	年內本公司權益持有人應佔溢利之每股盈利 (每股以人民幣列示)			
– Basic	—基本	30	24.4 Cents 仙	28.0 Cents仙
– Diluted	—攤薄	30	23.9 Cents 仙	26.8 Cents仙
Dividends	股息	31	16,818	19,297

The notes on pages 52 to 131 are an integral part of these consolidated financial statements.

第52至131頁附註為該等綜合財務報表其中部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔					Minority interest 少數股東 權益 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元				
		Share capital 股本 RMB'000 人民幣千元	Share premium 股本溢價 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元						
		Balance at 1 January 2008	於二零零八年一月一日 之結餘	49,653	188,888	51,763			371,931	662,235	1,572	663,807
		Profit for the year	年內溢利	-	-	-			114,237	114,237	219	114,456
Currency translation differences	貨幣換算差額	-	-	47	-	47	-	47				
Total recognised income for 2008	二零零八年已確認 收入總額	-	-	47	114,237	114,284	219	114,503				
Employees share option scheme:	僱員購股權計劃:											
- Value of share options granted	- 授出購股權之價值	-	-	913	-	913	-	913				
- Cancellation of share options	- 註銷購股權	-	-	(171)	171	-	-	-				
Change in minority interest in equity:	少數股東權益之變動:											
- Capital injection	- 注入資本	-	-	-	-	-	1,500	1,500				
Repurchase of shares	回購股份	(421)	(7,047)	421	-	(7,047)	-	(7,047)				
Cash flow hedges	現金流量對沖											
- Fair value losses in year	- 年度公平值虧損	-	-	(4,417)	-	(4,417)	-	(4,417)				
- Transfer to finance costs	- 轉撥入融資成本	-	-	(597)	-	(597)	-	(597)				
Dividend relating to 2007	有關二零零七年之股息	-	-	-	(14,760)	(14,760)	-	(14,760)				
Dividend relating to 2008	有關二零零八年之股息	-	-	-	(4,930)	(4,930)	-	(4,930)				
Transfer from retained earnings (Note 17)	保留盈利轉撥(附註17)	-	-	8,098	(8,098)	-	-	-				
		(421)	(7,047)	4,247	(27,617)	(30,838)	1,500	(29,338)				
Balance at 31 December 2008	於二零零八年十二月三十一日 之結餘	49,232	181,841	56,057	458,551	745,681	3,291	748,972				

Consolidated Statement of Changes in Equity (continued)

綜合權益變動表(續)

		Attributable to equity holders of the Company 本公司權益持有人應佔					Minority interest	Total equity
		Share capital	Share premium	Other reserves	Retained earnings	Total	少數股東 權益	總權益
		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
Balance at 1 January 2007	於二零零七年一月一日 之結餘	48,778	177,698	32,272	274,088	532,836	224	533,060
Profit for the year	年內溢利	-	-	-	130,465	130,465	69	130,534
Currency translation differences	貨幣換算差額	-	-	(21)	-	(21)	-	(21)
Total recognised income for 2007	二零零七年已確認收入總額	-	-	(21)	130,465	130,444	69	130,513
Employees share option scheme:	僱員購股權計劃：							
- Value of share options granted	- 授出購股權之價值	-	-	1,920	-	1,920	-	1,920
- Cancellation of share options	- 註銷購股權	-	-	(348)	348	-	-	-
- Exercise of share options	- 行使購股權	-	-	(641)	641	-	-	-
Change in minority interest in equity:	少數股東權益之變動：							
- Capital injection	- 注入資本	-	-	-	-	-	1,500	1,500
- Equity acquired by the Group from minority interest	- 本集團向少數股東 收購之權益	-	-	-	-	-	(221)	(221)
Issue of shares	發行股份	875	11,190	-	-	12,065	-	12,065
Dividend relating to 2006	有關二零零六年之股息	-	-	-	(10,493)	(10,493)	-	(10,493)
Dividend relating to 2007	有關二零零七年之股息	-	-	-	(4,537)	(4,537)	-	(4,537)
Transfer from retained earnings (Note 17)	保留盈利轉撥(附註17)	-	-	18,581	(18,581)	-	-	-
		875	11,190	19,512	(32,622)	(1,045)	1,279	234
Balance at 31 December 2007	於二零零七年十二月三十一日 之結餘	49,653	188,888	51,763	371,931	662,235	1,572	663,807

The notes on pages 52 to 131 are an integral part of these consolidated financial statements.

第52至131頁附註為該等綜合財務報表其中部分。



Consolidated Cash Flow Statement

綜合現金流量表

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

	Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Cash flows from operating activities	經營業務現金流量		
Cash generated from operations	32	88,963	61,472
Interest received		3,175	3,469
Interest paid		(18,815)	(6,355)
Income tax paid		(5,914)	(8,463)
Net cash generated from operating activities		67,409	50,123
Cash flows from investing activities	投資活動現金流量		
Acquisition of property, plant and equipment	7	(60,313)	(132,811)
Increase in intangible assets	8	(27,623)	(15,082)
Proceeds from sales of property, plant and equipment	32	75	2
Proceeds from sales of available-for-sale financial assets		-	240
Capital injection from a minority interest		1,500	1,500
Equity acquired by the Group from minority interest		-	(221)
Payment for investment in an associate	10	(1,750)	-
Net cash used in investing activities		(88,111)	(146,372)
Cash flows from financing activities	融資活動現金流量		
Proceeds from issue of shares	16	-	12,065
Proceeds from borrowings		335,684	119,281
Repayment of borrowings		(146,602)	(97,724)
(Decrease)/increase in amounts due to directors		(462)	1,326
Unfront proceeds from derivative financial instrument		-	38,588
Dividends paid to the Company's equity holders	31	(19,690)	(15,030)
Repurchase of shares	16	(7,047)	-
Early unwinding of derivative financial instruments		(29,835)	-
Net cash generated from financing activities		132,048	58,506
Net increase/(decrease) in cash and cash equivalents	現金及等同現金項目增加/(減少)淨額	111,346	(37,743)
Cash and cash equivalents at beginning of the year		275,226	312,990
Exchange gains/(losses) on cash and cash equivalents		47	(21)
Cash and cash equivalents at end of the year	年終之現金及等同現金項目	386,619	275,226

The notes on pages 52 to 131 are an integral part of these consolidated financial statements.

第52至131頁附註為該等綜合財務報表其中部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1. General information

EcoGreen Fine Chemicals Group Limited (“the Company”) and its subsidiaries (together “the Group”) are principally engaged in the production and trading of fine chemicals from natural resources for use in aroma chemicals and pharmaceutical products.

The Company was incorporated in the Cayman Islands on 3 March 2003 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, Cayman Islands, British West Indies.

The Company is listed on the Main Board of the Stock Exchange of Hong Kong Limited (“the Stock Exchange”).

These consolidated financial statements are presented in Chinese Renminbi (RMB), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 15 April 2009.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, which are carried at fair value.

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

1. 一般資料

中怡精細化工集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事利用天然資源買賣及生產精細化學品，以用於芳香化學品及醫藥產品。

本公司於二零零三年三月三日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為 Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, Cayman Islands, British West Indies。

本公司以香港聯合交易所有限公司(「聯交所」)主板為其主要上市地點。

除另有指明者外，該等綜合財務報表均以人民幣列值。該等綜合財務報表於二零零九年四月十五日經董事會批准發行。

2. 主要會計政策概要

於編製該等綜合財務報表時適用之主要會計政策載列如下。除另有指明者外，該等政策已於所有呈報年度貫徹採用。

2.1 編製基準

本公司綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)，並按歷史成本常規法編製，並經重估可供出售金融資產及按公平值透過損益記帳的財務資產和財務負債(包括衍生金融工具)按公平值列帳作出修訂。

編製符合香港財務報告準則規定之財務報表須使用若干重要會計評估，管理層亦須於應用本集團會計政策時作出判斷，而涉及較高水平判斷或較為複雜之範圍，或假設及評估對綜合財務報表攸關重要之範圍於附註4披露。



Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Certain comparative figures have been reclassified to conform to the current year presentation. The major reclassifications for the 2007 comparative figures include reclassification of (i) interest income from “other loss – net” to “finance costs – net”; and (ii) exchange losses/gains arising from operating activities and financing activities from “administrative expenses” to “other loss – net” and “finance costs – net” respectively.

Standards, amendments and interpretations effective in 2008

Hong Kong Accounting Standard (“HKAS”) 39, ‘Financial instruments: Recognition and measurement’, amendment on reclassification of financial assets permits reclassification of certain financial assets out of the held-for-trading and available-for-sale categories if specified conditions are met. The related amendment to HKFRS 7, ‘Financial instruments: Disclosures’, introduces disclosure requirements with respect to financial assets reclassified out of the held-for-trading and available-for-sale categories. The amendment is effective prospectively from 1 July 2008. This amendment does not have any impact on the Group’s financial statements, as the Group has not reclassified any financial assets.

Hong Kong (International Financial Reporting Interpretations Committee) interpretations (“HK(IFRIC) – INT”) 11, ‘HKFRS 2 – Group and treasury share transactions’, provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent’s shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and group companies. This interpretation does not have an impact on the Group’s financial statements.

HK(IFRIC) – INT 14, ‘HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction’, provides guidance on assessing the limit in HKAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation does not have an impact on the Group’s financial statements.

2. 主要會計政策概要(續)

2.1 編製基準(續)

部份比較數字亦重新分類，以符合本年之賬項編排。二零零七年比較數字之主要重新分類包括(i)將利息收入由「其他虧損－淨額」重新分類至「融資成本－淨額」；及(ii)將由營運活動及融資活動產生的匯兌虧損／收益由「管理費用」分別重新分類至「其他虧損－淨額」及「融資成本－淨額」。

在二零零八年已生效的準則、修訂及詮釋

香港會計準則39「金融工具：確認及計量」，對金融資產重新分類的修訂容許若干金融資產如符合注明的條件，從「持有作買賣用途」及「可供出售」類別中重新分類。香港財務準則7「金融工具：披露」的相關修訂引入了有關從「持有作買賣用途」及「可供出售」類別中重新分類金融資產的披露規定。此項修訂自二零零八年七月一日起生效。此項修訂對本集團財務報表並無任何影響，因為本集團並無重新分類任何金融資產。

香港（國際財務報告詮釋委員會）－詮釋11「集團及庫存股份交易」，對涉及庫存股份或牽涉集團實體股份之以股份為基礎交易（例如涉及購買母公司的股權），應否在母公司及集團公司的獨立賬目中入賬為權益結算或現金結算的以股份為基礎的支付提供指引。此項詮釋對本集團的財務報表並無影響。

香港（國際財務報告詮釋委員會）－詮釋14「香港會計準則19－界定福利資產限額、最低資金要求及兩者相互關係」，對香港會計準則19有關評估可確認為資產的盈餘金額的限額提供指引。此項準則亦解釋了退休金資產或負債如何可能受法定或合約性的最低資金要求所影響。此項詮釋對本集團的財務報表並無影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Interpretation effective in 2008 but not relevant to the Group's operations

The following interpretation to published standards is mandatory for accounting periods beginning on or after 1 January 2008 but is not relevant to the Group's operations:

- HK(IFRIC) – INT 12, 'Service concession arrangements'.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2009 or later periods, but the Group has not early adopted them:

HKAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009). The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the consolidated income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. The Group will apply HKAS 1 (Revised) from 1 January 2009. It is likely that both the consolidated income statement and statement of comprehensive income will be presented as performance statements.

2. 主要會計政策概要(續)

2.1 編製基準(續)

在二零零八年生效但與本集團營運無關詮釋

以下對已公佈準則的詮釋必須在二零零八年一月一日或之後開始的會計期間採納，但與本集團的營運無關：

- 香港(國際財務報告詮釋委員會)－詮釋12「服務特許權安排」。

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋

以下為已公佈的準則、修訂及對現有準則的詮釋，而本集團必須在二零零九年一月一日或之後開始的會計期間或較後期間採納，但本集團並無提早採納：

香港會計準則1(經修訂)「財務報表的呈報」(由二零零九年一月一日起生效)。此項經修訂準則禁止在權益變動表中呈列收入及支出項目(即「非擁有人的權益變動」)，並規定「非擁有人的權益變動」必須與擁有人的權益變動分開呈列。所有非擁有人的權益變動將需要在業績報表中呈列，但實體可選擇在一份業績報表(全面收入報表)中，或在兩份報表(綜合收益表和全面收入報表)中呈列。如實體重列或重新分類比較數字，除了按現時規定呈列當期和前期期終的資產負債表外，還須呈列前期期初的經重列資產負債表。本集團將會由二零零九年一月一日起應用香港會計準則1(經修訂)。綜合收益表和全面收入報表很有可能呈列為業績報表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

HKAS 23 (Revised), 'Borrowing costs' (effective from 1 January 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Group will apply HKAS 23 (Revised) from 1 January 2009. It is not expected to have any material impact on the Group's financial statements as the relevant borrowing cost have already been capitalized with qualifying assets.

HKAS 27 (Revised), 'Consolidated and separate financial statements' (effective from 1 July 2009). The revised standard requires the effects of all transactions in connection with equity interests in subsidiaries with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss. The Group will apply HKAS 27 (Revised) to transactions with non-controlling interests from 1 January 2010.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

香港會計準則23(經修訂)「借貸成本」(由二零零九年一月一日起生效)。此項修訂要求實體將有關收購、興建或生產一項合資格資產(即需要頗長時間才能以供使用或出售的資產)直接應佔的借貸成本資本化,作為該資產的部份成本。將該等借貸成本即時作費用支銷的選擇將被刪去。本集團將會由二零零九年一月一日起應用香港會計準則23(經修訂)。由於相關借貸成本已於合資格資產一起資本化,預期對本集團財務報表不會造成重大影響。

香港會計準則27(經修訂)「綜合及獨立財務報表」(由二零零九年七月一日起生效)。此項經修訂準則規定,如控制權沒有改變,則附有非控制性權益的所有與附屬公司權益有關之交易的影響必須在權益中呈列,而此等交易將不再導致商譽或盈虧。此項準則亦列明失去控制權時的會計處理方法,任何在實體內的剩餘權益按公平值重新計量,並在收益表中確認盈利或損失。本集團將會由二零一零年一月一日起對附有非控制性權益的交易應用香港會計準則27(經修訂)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

HKFRS 2 (Amendment), 'Share-based payment' (effective from 1 January 2009). The amended standard deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. As such these features would need to be included in the grant date fair value for transactions with employees and others providing similar services, that is, these features would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group will apply HKFRS 2 (Amendment) from 1 January 2009, but it is not expected to have a material impact on the Group's financial statements.

HKFRS 3 (Revised), 'Business combinations' (effective from 1 July 2009). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. There is a choice on an acquisition by acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The Group will apply HKFRS 3 (Revised) to all business combinations from 1 January 2010.

HKFRS 8, 'Operating segments', replaces HKAS 14, 'Segment reporting', and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply HKFRS 8 from 1 January 2009. The expected impact is still being assessed in detail by management, but it is not expected to have any material impact on the Group's financial statements.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

香港財務準則2(修訂本)「以股份為基礎的付款」(由二零零九年一月一日起生效)。此項修訂準則處理有關歸屬條件和註銷，澄清了歸屬條件僅指服務條件和表現條件。以股份為基礎的付款的其他特徵不是歸屬條件。因此，此等特徵將需要包括在與僱員和其他提供類似服務人士的交易於授出日期的公平值內，亦即此等特徵將不影響授出日期後預期將歸屬的獎勵數目或估值。所有註銷，不論由實體或其他方作出，必須按相同的會計處理法入賬。本集團將由二零零九年一月一日起應用香港財務準則2(修訂本)，但預期不會對本集團的財務報表有任何影響。

香港財務準則3(經修訂)「企業合併」(由二零零九年七月一日起生效)。此項經修訂準則繼續對企業合併應用收購法，但有些重大更改。在非控制性權益被收購時，可選擇按公平值或非控制性權益應佔被收購方淨資產的比例計量。所有收購相關成本必須支銷。本集團將會由二零一零年一月一日起對所有企業合併應用香港會計準則3(經修訂)。

香港財務準則8「營運分部」取代了香港會計準則14「分部報告」，並將分部報告與美國準則SFAS 131「有關企業分部和相關資料的披露」的規定統一起來。此項新準則要求採用「管理方法」，即分部資料須按照與內部報告所採用的相同基準呈報。本集團將會由二零零九年一月一日起應用香港財務準則8，預期影響現正由管理層詳細評估中，但預期不會對本集團的賬目有任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

HK(IFRIC) – INT 16, ‘Hedges of a net investment in a foreign operation’ (effective from 1 October 2008). HK(IFRIC) – INT 16 clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency not presentation currency, and hedging instruments may be held anywhere in the Group. The requirements of HKAS 21, ‘The effects of changes in foreign exchange rates’, do apply to the hedged item. The Group will apply HK(IFRIC) – INT 16 from 1 January 2009. It is not expected to have a material impact on the Group’s financial statements.

HKICPA’s improvements to HKFRS published in October 2008

- HKAS 1 (Amendment), ‘Presentation of financial statements’ (effective from 1 January 2009). The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with HKAS 39, ‘Financial instruments: Recognition and measurement’ are examples of current assets and liabilities respectively. The Group will apply HKAS 1 (Amendment) from 1 January 2009. It is not expected to have an impact on the Group’s financial statements.
- HKAS 20 (Amendment), ‘Accounting for Government Grants and Disclosure of Government Assistance’ (effective from 1 January 2009). The benefit of a below-market rate government loan is measured as the difference between the carrying amount in accordance with HKAS 39, ‘Financial instruments: Recognition and measurement’ and the proceeds received with the benefit accounted for in accordance with HKAS 20. The Group will apply HKAS 20 (Amendment) from 1 January 2009.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

香港(國際財務報告詮釋委員會)–詮釋16「對沖海外業務淨投資」(由二零零八年十月一日起生效)。香港(國際財務報告詮釋委員會)–詮釋16澄清了有關淨投資對沖的會計處理方法。這包括說明淨投資對沖涉及功能貨幣而非列賬貨幣的差額，而對沖工具可在本集團任何地方持有。香港會計準則21「匯率變動的影響」適用於對沖項目。本集團將會由二零零九年一月一日起應用香港(國際財務報告詮釋委員會)–詮釋16。預期不會對本集團的財務報表有重大影響。

香港會計師公會在二零零八年十月公佈對香港財務報告準則的改進

- 香港會計準則1(修訂本)「財務報表的呈報」(二零零九年一月一日起生效)。此修訂本澄清了若干而非所有根據香港會計準則39「金融工具：確認及計量」被分類為持作買賣的金融資產和負債，分別為流動資產和負債的例子。本集團將由二零零九年一月一日起應用香港會計準則1(修訂本)。預期不會對本集團的財務報表有任何影響。
- 香港會計準則20(經修訂)「政府補貼之會計處理及政府資助之披露」(於二零零九年一月一日起生效)。低於市場價格的政府貸款的得益，按香港會計準則39「金融工具：確認和計量」初步確認的數額與所收取的所得款的差額計量，而有關的得益則按香港會計準則20記賬。本集團將會由二零零九年一月一日起應用香港會計準則20(修訂本)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 19 (Amendment), 'Employee benefits' (effective from 1 January 2009).

- The amendment clarifies that a plan amendment that results in a change in the extent to which benefit promises are affected by future salary increases is a curtailment, while an amendment that changes benefits attributable to past service gives rise to a negative past service cost if it results in a reduction in the present value of the defined benefit obligation.
- The definition of return on plan assets has been amended to state that plan administration costs are deducted in the calculation of return on plan assets only to the extent that such costs have been excluded from measurement of the defined benefit obligation.
- The distinction between short term and long term employee benefits will be based on whether benefits are due to be settled within or after 12 months of employee service being rendered.
- HKAS 37, 'Provisions, contingent liabilities and contingent assets' requires contingent liabilities to be disclosed, not recognised. HKAS 19 has been amended to be consistent.

The Group will apply HKAS 19 (Amendment) from 1 January 2009.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 香港會計準則19(修訂本)「僱員福利」(二零零九年一月一日起生效)。

- 此修訂本澄清了導致福利承諾受未來薪酬增加所影響的計劃修訂是一項縮減，而假若修訂導致界定福利責任的現值減少，則過往服務應佔的福利變動的修訂會產生負數的過往服務成本。
- 計劃資產回報的定義已修訂，說明計劃行政成本在計算計劃資產回報時扣除，只限於該等成本已自界定福利責任的計量中扣除。
- 短期和長期僱員福利的分別將會根據該等福利是否在僱員提供服務的12個月內或後結算為準。
- 香港會計準則37「撥備、或然負債和或然資產」規定或然負債必須披露而非確認。香港會計準則19已修訂以貫徹一致。

本集團將會由二零零九年一月一日起應用香港會計準則19(修訂本)。



Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009). The definition of borrowing costs has been amended so that interest expense is calculated using the effective interest method defined in HKAS 39 'Financial instruments: Recognition and measurement'. This eliminates the inconsistency of terms between HKAS 39 and HKAS 23. The Group will apply HKAS 23 (Amendment) to the capitalisation of borrowing costs on qualifying assets from 1 January 2009.
- HKAS 28 (Amendment), 'Investments in associates' (and consequential amendments to HKAS 32, 'Financial Instruments: Presentation' and HKFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009). An investment in associate is treated as a single asset for the purposes of impairment testing and any impairment loss is not allocated to specific assets included within the investment, for example, goodwill. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. The Group will apply HKAS 28 (Amendment) to impairment tests related to investment in associates and any related impairment losses from 1 January 2009.
- HKAS 36 (Amendment), 'Impairment of assets' (effective from 1 January 2009). Where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group will apply the HKAS 36 (Amendment) and provide the required disclosure where applicable for impairment tests from 1 January 2009.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 香港會計準則23(修訂本)「借貸成本」(二零零九年一月一日起生效)。借貸成本的定義已被修訂，利息開支利用實際利息法(定義按香港會計準則39「金融工具：確認及計量」)計算。這消除了香港會計準則39與香港會計準則23之間的分歧。本集團將會由二零零九年一月一日起，對合資格資產借貸成本的資本化應用香港會計準則23(修訂本)。
- 香港會計準則28(修訂本)「聯營公司的投資」(及對香港會計準則32「金融工具：呈報」及香港財務準則7「金融工具：披露」的其後修訂)(二零零九年一月一日起生效)。就減值測試而言，聯營公司投資被視為單一資產，而任何減值虧損不分配至投資內所包含的特定資產，例如商譽。減值撥回記錄為投資結餘的調整，數額最多為聯營公司可收回金額的增加。本集團將會由二零零九年一月一日起，對聯營公司投資有關的減值測試以及任何相關的減值虧損，應用香港會計準則28(修訂本)。
- 香港會計準則36(修訂本)「資產減值」(二零零九年一月一日起生效)。如公平值減出售成本是按照貼現現金流量計算，則必須作出相當於使用價值計算的披露。本集團將會由二零零九年一月一日起應用香港會計準則36(修訂本)，並對減值測試提供所需的披露(如適用)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009). A prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access to goods or receipt of services. The Group will apply the HKAS 38 (Amendment) from 1 January 2009.

- HKAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009).

- This amendment clarifies that it is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge.
- The definition of financial asset or financial liability at fair value through profit or loss as it relates to items that are held for trading is also amended. This clarifies that a financial asset or liability that is part of a portfolio of financial instruments managed together with evidence of an actual recent pattern of short-term profit-taking is included in such a portfolio on initial recognition.
- When remeasuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) are used.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 香港會計準則38(修訂本)「無形資產」(二零零九年一月一日起生效)。預付款只能夠在取得貨品的收取權或服務之前已作出付款時確認。本集團將會由二零零九年一月一日起應用香港會計準則38(修訂本)。

- 香港會計準則39(修訂本)「金融工具：確認和計量」(二零零九年一月一日起生效)。

- 此修訂本澄清了當一項衍生工具開始或不再合資格作為現金流量或淨投資對沖的對沖工具時，可重分類入或出公平值透過損益類別對作出變動。
- 為買賣之目的而持有的按公平值透過損益記賬的金融資產或金融負債，其定義亦已修訂。這澄清了一項金融資產或負債如作為金融工具組合的一部分共同管理，並有證據顯示最近有實際的短期盈，則在初步確認時包括在該組合中。
- 當終止公平值對沖會計處理而重新計量一項債務工具的賬面值時，此修訂本澄清了須使用經修訂的實際利率(按終止公平值對沖會計處理的日期計算)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 39 (Amendment), 'Financial instruments: Recognition and measurement' (effective from 1 January 2009). (continued)

- The current guidance on designating and documenting hedges states that a hedging instrument needs to involve a party external to the reporting entity and cites a segment as an example of a reporting entity. This means that in order for hedge accounting to be applied at segment level, the requirements for hedge accounting are currently required to be met by the applicable segment. The amendment removes this requirement so that HKAS 39 is consistent with HKFRS 8, 'Operating segments' which requires disclosure for segments to be based on information reported to the chief operating decision maker. Currently, for segment reporting purposes, each subsidiary designates and documents (including effectiveness testing) contracts with group treasury as fair value or cash flow hedges so that the hedges are reflected in the segment to which the hedged items relate. See note 3.1 for further details. After the amendment is effective, the hedge will continue to be reflected in the segment to which the hedged items relate (and information provided to the chief operating decision maker).

The Group will apply the HKAS 39 (Amendment) from 1 January 2009. It is not expected to have an impact on the Group's consolidated income statement.

- HKAS 39 (Amendment), 'Financial Instruments: Recognition and Measurement' – 'Eligible hedged items' (effective from 1 July 2009). This amendment is to clarify how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation shall be applied in particular situations. The Group will apply the HKAS 39 (Amendment) from 1 January 2010.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 香港會計準則39(修訂本)「金融工具：確認和計量」(二零零九年一月一日起生效)。(續)

- 目前有關指定和記錄對沖的指引，要求對沖工具必須涉及獨立於報告實體的一方，並將分部作為報告實體的一種。這意味著為了在分部應用對沖會計法，對沖會計目前的規定必須符合。此修訂本刪去了此項規定，以致香港會計準則39與香港財務準則8「營運分部」貫徹一致，即按照分部向主要經營決策者報告的資料進行披露。現時，就分部報告目的，每家附屬公司指定並記錄(包括有效性測試)與集團司庫的合約作為公平值或現金流量對沖，以便該等對沖在與對沖項目有關的分部信息中反映。進一步詳情請參閱附註3.1。在修訂本生效後，對沖將會繼續在與對沖項目有關的分部(以及向主要經營決策者提供的資料)中反映。

本集團將會由二零零九年一月一日起應用香港會計準則39(修訂本)。預期不會對本集團的綜合收益表有任何影響。

- 香港會計準則39(修訂本)「金融工具：確認及計量」—「合資格對沖項目」(由二零零九年七月一日起生效)。此項修訂本是用以澄清有關釐定一項被對沖風險或部份現金流量是否符合資格被劃定為對沖項目的原則及相關應用問題。本集團將會由二零一零年一月一日起應用香港會計準則39(修訂本)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKFRS 5 (Amendment), 'Non-current assets held for sale and discontinued operations' (and consequential amendment to HKFRS 1, 'First-time adoption') (effective from 1 July 2009). The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control, and relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met. A consequential amendment to HKFRS 1 states that these amendments are applied prospectively from the date of transition to HKFRSs. The Group will apply the HKFRS 5 (Amendment) to all partial disposals of subsidiaries from 1 January 2010.

- HKAS 16 (Amendment), 'Property, plant and equipment' (and consequential amendment to HKAS 7, 'Statement of cash flows') (effective from 1 January 2009). Entities whose ordinary activities comprise renting and subsequently selling assets present proceeds from the sale of those assets as revenue and should transfer the carrying amount of the asset to inventories when the asset becomes held for sale. A consequential amendment to HKAS 7 states that cash flows arising from purchase, rental and sale of those assets are classified as cash flows from operating activities. The Group will apply HKAS 16 (Amendment) from 1 January 2009, but it is not expected to have a material impact on the Group's financial statements because none of the group companies' ordinary activities comprise renting and subsequently selling assets.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 香港財務準則5(修訂本)「持作出售的非流動資產及已終止經營業務」(及香港財務準則1「首次採納」的其後修訂)(二零零九年七月一日起生效)。此修訂本澄清了如部份出售計劃導致失去控制權，則附屬公司的所有資產和負債都必須分類為持作出售，而假若符合已終止經營業務的定義，必須就該附屬公司作出相關披露。對香港財務準則1的其後修訂說明了此等修訂本自過渡至香港財務準則的日期起應用。本集團將由二零一零年一月一日起對所有部份出售附屬公司應用香港會計準則5(修訂本)。
- 香港會計準則16(修訂本)「物業、機器及設備」(及對香港會計準則7「現金流量表」的其後修訂)(二零零九年一月一日起生效)。如實體的通常活動包括租賃和其後出售資產並將出售該等資產的所得款呈列為收益，則應在資產成為持作出售時將資產的賬面值轉撥至存貨中。對香港會計準則7的其後修訂說明產生自購買、租賃和出售該等資產的現金流量分類為營運活動的現金流量。本集團將會由二零零九年一月一日起應用香港會計準則16(修訂本)，但預期不會對本集團的財務報表有影響，因為本集團旗下沒有公司的通常活動包括租賃和其後出售資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- HKAS 27 (Amendment), 'Consolidated and separate financial statements' (effective from 1 January 2009). Where an investment in a subsidiary that is accounted for under HKAS 39, Financial instruments: recognition and measurement, is classified as held for sale under HKFRS 5, 'Non-current assets held for sale and discontinued operations', HKAS 39 would continue to be applied. The Group will apply HKAS 27 (Amendment) from 1 January 2009, but it is not expected to have an impact on the Group's financial statements because it is the Group's policy for an investment in subsidiary to be recorded at cost in the standalone accounts of each entity.
- HKAS 28 (Amendment), 'Investments in associates' (and consequential amendments to HKAS 32, 'Financial Instruments: Presentation' and HKFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009). Where an investment in associate is accounted for in accordance with HKAS 39 Financial instruments: recognition and measurement' only certain rather than all disclosure requirements in HKAS 28 need to be made in addition to disclosures required by HKAS 32, 'Financial Instruments: Presentation' and HKFRS 7 'Financial Instruments: Disclosures'. The Group will apply HKAS 28 (Amendment) from 1 January 2009, but such amendment will not have an impact on the Group's financial statements because it is the Group's policy for an investment in an associate to be equity accounted in the consolidated financial statements.
- HKAS 38 (Amendment), 'Intangible assets' (effective from 1 January 2009). The amendment deletes the wording that states that there is 'rarely, if ever' support for use of a method that results in a lower rate of amortisation than the straight line method. The Group will apply HKAS 38 (Amendment) from 1 January 2009, but it is not expected to have an impact on the Group's financial statements as all intangible assets are amortised using the straight line method.

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 香港會計準則27(修訂本)「綜合及獨立財務報表」(二零零九年一月一日起生效)。如一項根據香港會計準則39「金融工具：確認和計量」記賬的附屬公司投資，按香港財務準則5「持作出售的非流動資產及已終止經營業務」被分類為持作出售，則香港會計準則39將繼續適用。本集團將會由二零零九年一月一日起應用香港會計準則27(修訂本)，但預期不會對本集團的財務報表有影響，因為本集團對附屬公司投資的政策為在每個實體的獨立賬目中按成本記賬。
- 香港會計準則28(修訂本)「聯營公司投資」(及對香港會計準則32「金融工具：呈報」及香港財務準則7「金融工具：披露」其後修訂)(二零零九年一月一日起生效)。如一項在聯營公司的投資根據香港會計準則39「金融工具：確認和計量」記賬，則除了根據香港會計準則32「金融工具：呈報」及香港財務準則7「金融工具：披露」的披露外，只有若干而非所有香港會計準則28的披露規定必須作出。本集團將會由二零零九年一月一日起應用香港會計準則28(修訂本)。此修訂本將不會對本集團的財務報表有影響，因為本集團對聯營公司投資的政策為在綜合財務報表中按權益法記賬。
- 香港會計準則38(修訂本)「無形資產」(二零零九年一月一日起生效)。此修訂本刪除了對使用可導致較直線法更低的攤銷率中的英文用語「rarely, if ever」。本集團將會由二零零九年一月一日起應用香港會計準則38(修訂本)，但預期不會對本集團的財務報表有影響，因為所有無形資產都是使用直線法攤銷的。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)

- There are a number of minor amendments to HKFRS 7, 'Financial instruments: Disclosures', HKAS 8, 'Accounting policies, changes in accounting estimates and errors', HKAS 10, 'Events after the balance sheet date', HKAS 18, 'Revenue' and HKAS 34, 'Interim financial reporting' which are not addressed above. These amendments are unlikely to have an impact on the Group's financial statements and have therefore not been analysed in detail.

Interpretations and amendments to existing standards that are not yet effective and not relevant for the Group's operations

The following interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2009 or later periods but are not relevant for the Group's operations:

HKAS 32 (Amendment), 'Financial instruments: Presentation', and HKAS 1 (Amendment), 'Presentation of financial statements' – 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2009).

HKFRS 1 (Amendment), 'First time adoption of Hong Kong Financial Reporting Standards' and HKAS 27, 'Consolidated and Separate Financial Statements' (effective from 1 January 2009)

HK(IFRIC) – Int 13, 'Customer loyalty programmes' (effective from 1 July 2008).

HK(IFRIC) – Int 15, 'Agreement for construction of real estates' (effective from 1 January 2009).

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效而本集團亦無提早採納的準則、修訂及對現有準則的詮釋(續)

- 關於香港財務準則7「金融工具：披露」、香港會計準則8「會計政策、會計估計的變動和錯誤更正」、香港會計準則10「結算日後事項」、香港會計準則18「收益」及香港會計準則34「中期財務報告」，有多項輕微修訂而未有在上文提及。此等修訂本不大可能會對本集團的財務報表有影響，故此未有作詳細分析。

仍未生效且與本集團營運無關的對現有準則的詮釋和修訂

以下為已公佈對現有準則的詮釋，本集團必須在二零零九年一月一日或之後開始的會計期間或較後期間採納，但與本集團的營運無關：

香港會計準則32(修訂本)「金融工具：呈列」及香港會計準則1(修訂本)「財務報表之呈列」—「可認沽金融工具及清盤時產生的責任」(於二零零九年一月一日起生效)。

香港財務報告準則1(經修訂)，「首次採納香港財務報告準則」及香港會計準則27「綜合及獨立財務報表」(於二零零九年一月一日起生效)

香港(國際財務報告詮釋委員會)—詮釋13「客戶忠誠度計劃」(於二零零八年七月一日起生效)。

香港(國際財務報告詮釋委員會)—詮釋15「房地產建築協議」(於二零零九年一月一日起生效)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Interpretations and amendments to existing standards that are not yet effective and not relevant for the Group's operations (continued)

HK(IFRIC) – Int 17, 'Distributions of non-cash assets to owners' (effective from 1 July 2009).

HK(IFRIC) – Int 18, 'Transfers of Assets from Customers' (effective for transfers on or after 1 July 2009).

HKICPA's improvements to HKFRS published in October 2008:

- HKAS 29 (Amendment), 'Financial Reporting in Hyperinflationary Economies' (effective from 1 January 2009)
- HKAS 31 (Amendment), 'Interests in Joint Ventures' (and consequential amendments to HKAS 32 and HKFRS 7) (effective from 1 January 2009)
- HKAS 40 (Amendment), 'Investment Property' (and consequential amendments to HKAS 16) (effective from 1 January 2009)
- HKAS 41 (Amendment), 'Agriculture' (effective from 1 January 2009)

2. 主要會計政策概要(續)

2.1 編製基準(續)

仍未生效且與本集團營運無關的對現有準則的詮釋和修訂(續)

香港(國際財務報告詮釋委員會)–詮釋17–「向擁有人分派非現金資產」(於二零零九年七月一日起生效)。

香港(國際財務報告詮釋委員會)–詮釋18「自客戶轉讓資產」(適用於二零零九年七月一日或之後的轉讓)。

香港會計師公會在二零零八年十月公佈對香港財務報告準則的改進：

- 香港會計準則29(經修訂)·「嚴重通脹經濟中之財務報告」(於二零零九年一月一日起生效)
- 香港會計準則31(經修訂)·「於合營企業之權益」(及對國際會計準則32及國際財務報告準則7之其後修訂)(於二零零九年一月一日起生效)
- 香港會計準則40(經修訂)·「投資物業」(及對國際會計準則16之其後修訂)(於二零零九年一月一日起生效)
- 香港會計準則41(經修訂)·「農業」(於二零零九年一月一日起生效)

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

(a) Subsidiaries

Subsidiaries are entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

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

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

2. 主要會計政策概要(續)

2.2 綜合

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日止之財務報表。

(a) 附屬公司

附屬公司指本集團有權決定其財務及營運政策之所有實體(包括具特定用途實體)，且一般附有其超過一半投票權之股權。在評估本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權的存在及影響均予以考慮。

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

本集團收購附屬公司時採用購買會計處理法。收購成本乃按交換日期所給予資產、所發行股本工具及所引致或承擔負債之公平值，加收購直接產生之成本計算。業務合併時所收購可識別資產及所承擔負債及或然負債，初步以收購日之公平值計算，而不考慮任何少數股東權益。收購成本超出本集團應佔所收購可識別資產淨值之差額乃記錄為商譽。倘收購成本低於所收購附屬公司資產淨值，則該差額則直接於收益表中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

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

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.7). The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) Transactions with minority interest in connection with equity interests in subsidiaries

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

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost.

2. 主要會計政策概要(續)

2.2 綜合(續)

(a) 附屬公司(續)

集團內公司之間的交易、交易結餘及未變現收益乃予撇銷。除非所轉移資產證實已出現減值，否則未變現虧損亦予撇銷。附屬公司之會計政策已按需要作出修訂，確保與本集團所採納之政策貫徹一致。

在本公司之資產負債表內，於附屬公司之投資按成本值減減值虧損撥備列帳(附註2.7)。附屬公司之業績由本公司按已收及應收股息入帳。

(b) 與附屬公司權益有關之少數股東進行之交易

本集團政策是將與少數股東進行的交易視作本集團與外界人士進行之交易。向少數股東權益出售構成之集團收益及虧損，會記入綜合收益表內。向少數股東權益購買產生之商譽，即任何已付代價與相關應佔附屬公司資產淨值的帳面值之間的差異。

(c) 聯營公司

聯營公司指所有本集團對其有重大影響力而無控制權的實體，通常附帶有20%-50%投票權的股權。聯營公司投資以權益會計法入賬，初始以成本確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(c) Associates (continued)

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

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

Dilution gains and losses arising in investments in associates are recognised in the consolidated income statement.

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

2. 主要會計政策概要(續)

2.2 綜合(續)

(c) 聯營公司(續)

本集團應佔聯營公司的收購後利潤或虧損於綜合收益表內確認，而應佔其收購後儲備的變動則於儲備賬內確認。累計之收購後變動於投資賬面值中調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

本集團與其聯營公司之間交易的未實現收益按集團在聯營公司權益的數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

在聯營公司的投資所產生的攤薄盈虧於綜合收益表確認。

2.3 分部呈報

業務分部指從事提供產品或服務之一組資產及業務，而該組資產及業務之風險及回報，與其他業務分部有別。地區分部乃在特定經濟環境下從事提供產品或服務業務，而該分部之風險及回報與其他經濟環境經營之分部有別。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other losses – net.'

Changes in the fair value of monetary securities denominated in a foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the fair value reserve in equity.

2. 主要會計政策概要(續)

2.4 外幣換算

(a) 功能及呈列貨幣

本集團各實體之財務報表所列項目，均以該實體營運主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以中國人民幣（「人民幣」）呈列，人民幣為本公司的功能貨幣及本集團的列帳貨幣。

(b) 交易及結餘

外幣交易按交易日之現行匯率換算為功能貨幣。除了符合在權益中遞延入賬的現金流量對沖和淨投資對沖外，結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在綜合收益表確認。

與借貸和現金及現金等價物有關的匯兌盈虧在收益表內的「融資收入或成本」中呈列。所有其他匯兌盈虧在收益表內的「其他虧損－淨額」中呈列。

以外幣為單位及被分類為可供出售證券之貨幣證券公平值轉變將在其證券攤銷成本轉變衍生之匯兌差額及其他證券帳面值轉變之間分配。與攤銷成本變動有關的匯兌差額確認為利潤或虧損，帳面值之其他轉變則在權益中確認。

非貨幣金融資產及負債（例如按公平值計入損益之權益）之匯兌差額將於損益中確認為公平值盈虧一部分。非貨幣金融資產（例如分類為可供出售之權益）之匯兌差額在權益之公平值儲備內列帳。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.4 Foreign currency translation (continued)

(c) Group companies

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

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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

2. 主要會計政策概要(續)

2.4 外幣換算(續)

(c) 集團公司

集團旗下所有公司(當中沒有嚴重通脹經濟體系之貨幣)之功能貨幣倘有別於呈列貨幣,則其業績及財務狀況須按如下方式兌換為呈列貨幣:

- (i) 每份呈報的資產負債表所呈列之資產及負債按其結算日之收市匯率換算;
- (ii) 每份收益表所列收入及開支按平均匯率換算,惟倘該平均匯率並非交易日匯率累計影響的合理約數,則收入及開支按交易日的匯率換算;及
- (iii) 所有由此而產生之匯兌差額均確認為權益獨立組成部分。

於綜合帳目時,因換算於海外業務之淨投資、借貸及其他指定作為該等投資對沖的貨幣工具而產生之匯兌差額均計入股東權益內。當出售海外業務時,有關匯兌差額乃於收益表確認為出售盈虧一部分。

收購海外實體時產生之商譽及公平值調整乃視為該海外實體之資產及負債處理,並按收市匯率換算。



Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.5 Property, plant and equipment

(a) Construction-in-progress

Construction-in-progress, representing buildings on which construction work has not been completed and machinery pending installation, is stated at historical cost, which includes construction expenditures incurred, cost of machinery, and other direct costs capitalised during the construction and installation period, less accumulated impairment losses, if any. No depreciation is provided in respect of construction-in-progress until the construction and installation work is completed. On completion, the construction-in-progress is transferred to appropriate categories of property, plant and equipment.

(b) Other property, plant and equipment

Other property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amounts less their residual values over their estimated useful lives, as follows:

Buildings	30 to 40 years
Plant and machinery	5 to 15 years
Leasehold improvements	5 to 10 years
Office furniture and equipment	5 to 10 years
Motor vehicles	5 to 10 years

2. 主要會計政策概要(續)

2.5 物業、廠房及設備

(a) 在建工程

在建工程指未完成建築工程之樓宇及未安裝之機器，按成本入帳，包括所產生之建造開支、機器成本及建造與安裝期間其他撥充資本之直接成本，減任何累計減值虧損(如有)。建造及安裝完成前，不會就在建工程作出折舊。於完成時，在建工程轉撥至相關之物業、廠房及設備類別。

(b) 其他物業、廠房及設備

其他物業、廠房及設備乃按歷史成本減折舊及減值虧損列帳。歷史成本包括收購項目直接產生之開支。成本亦可包括轉撥自權益之對沖物業、廠房及設備外幣採購項目之合資格現金流量所產生之任何收益／虧損。

僅在與項目相關之日後經濟效益有可能歸於本公司及能可靠地計算出項目成本之情況下，其後成本方會計入資產帳面值或確認為獨立資產(倘適用)。所有其他維修及保養於其產生財政期間在收益表列支銷。

其他物業、廠房及設備以直線法計算折舊，並按估計可使用年期分配成本或重估數額至餘值，估計可使用年期如下：

樓宇	30至40年
廠房及機器	5至15年
租賃物業裝修	5至10年
辦公室傢俬及設備	5至10年
汽車	5至10年

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(b) Other property, plant and equipment (continued)

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within 'other losses – net' in the income statement.

2.6 Intangible assets

(a) Research and development

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

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

2. 主要會計政策概要(續)

2.5 物業、廠房及設備(續)

(b) 其他物業、廠房及設備(續)

於各結算日檢討及調整(倘適用)資產之餘值及可使用年期。

倘資產之帳面值超過其估計可收回金額，則資產之帳面值將即時減至其可收回金額(附註2.7)。

出售盈虧經比較所得款項與帳面值而釐定，在收益表內的「其他虧損－淨額」中確認。

2.6 無形資產

(a) 研究及開發成本

研究成本於產生時列作開支。有關設計、開發及測試新產品或改良產品之開發項目成本確認為產品開發成本會於以下條件達成後確認為產品開發成本：

- (i) 在技術上可完成有關無形資產，並可供使用或出售；
- (ii) 管理層有意完成並使用或出售有關無形資產；
- (iii) 可使用或出售有關無形資產；
- (iv) 證明有關無形資產可於日後獲得經濟利益；
- (v) 具備合適的技術、財政及其他資源完成開發並使用或出售有關無形資產；及
- (vi) 可準確計算開發有關無形資產的所需開支。



Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.6 Intangible assets (continued)

(a) Research and development costs (continued)

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over a period of five years.

Development assets are tested for impairment annually, in accordance with HKAS 36.

(b) Patents and technical know-how

Expenditure on acquired patents and technical know-how is capitalised and amortised using the straight-line method over its estimated useful life of 5 years, from the date when the patents and technical know-how is available for use.

2.7 Impairment of investments in subsidiaries, associates and non-financial assets

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

2. 主要會計政策概要(續)

2.6 無形資產(續)

(a) 研究及開發成本(續)

且產品在技術上屬可行且有意完成開發，並且具備所需資源，以及成本可資識別及有能力出售或使用相關產品而於日後獲得經濟利益。之前確認為開支的開發成本不會於其後期間確認為資產。

該等開發成本確認為資產，按直線法在五年期間內攤銷，以反映自資產可供銷售或使用日期起相關經濟利益之確認模式。

開發資產會根據香港會計準則36每年測試減值。

(b) 專利權及專門技術

購入專利權及專門技術所產生支出乃以直線法，按其估計可使用年期5年(自可使用該等專利權及專門技術日期起計)予以資本化及攤銷。

2.7 附屬公司、聯營公司及非金融資產減值

無既定可使用年期或尚未可供使用之資產毋須攤銷，並每年檢討減值一次。當資產出現顯示未必能收回帳面值之事件或情況有變時檢討減值。減值虧損就資產帳面值超過其可收回金額之差額確認。可收回金額為資產公平值減出售成本及使用價值兩者間之較高者。就評估減值而言，資產按可獨立識別現金流量之最低水平(現金產生單位)分類。出現減值之非金融資產(商譽除外)於各申報日期檢討是否可能撥回減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivable and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determine the classification of its financial assets at initial recognition.

- (a) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.
- (b) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' in the balance sheet (Note 2.11).
- (c) Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

2. 主要會計政策概要(續)

2.8 金融資產

2.8.1 分類

本集團將其金融資產分類為以下類別：按公平值透過損益記賬、貸款及應收款，以及可供出售。分類視乎購入金融資產之目的。管理層在初始確認時釐定金融資產的分類。

- (a) 按公平值透過損益記賬的金融資產
按公平值透過損益記賬的金融資產指持有作買賣用途的金融資產。金融資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作買賣用途。在此類別的資產分類為流動資產。
- (b) 貸款及應收款
貸款及應收款為有固定或可釐定付款且沒有在活躍市場上報價的非衍生金融資產。此等項目包括在流動資產內，但若到期日由結算日起計超過12個月者，則分類為非流動資產。貸款及應收款列在資產負債表中「貿易及其他應收款」內(附註2.11)。
- (c) 可供出售金融資產
可供出售金融資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非管理層有意在結算日後12個月內出售該項投資，否則此等資產列在非流動資產內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.8 Financial assets (continued)

2.8.2 Recognition and measurement

Regular purchases and sales of investments are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other losses – net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of monetary securities classified as available-for-sale and non-monetary securities classified as available-for-sale are recognised in equity.

2. 主要會計政策概要(續)

2.8 金融資產(續)

2.8.2 確認及計量

日常購買或出售的投資於交易日即本集團承諾購買或出售該項資產之日予以確認。並非按公平值計入損益之所有金融資產，投資初步以公平值加交易成本確認。按公平值計入損益之金融資產初步以公平值加交易成本確認，並於收益表支銷。當獲取投資所產生現金流量的權利到期，或本集團將絕大部分擁有權之風險及回報轉讓時，金融資產將被終止確認。可供出售的金融資產其後以公平值入帳。貸款及應收款項以實際利率法按攤薄成本列帳。

來自「按公平值透過損益記賬的財務資產」類別的公平值變動所產生的盈虧，列入產生期間收益表內的「其他虧損－淨額」中。來自按公平值透過損益記賬的財務資產的股息，當本集團收取有關款項的權利確定時，在收益表內確認為部份其他收入。

以外幣計值並分類為可供出售之貨幣證券，其公平值的變動可就證券成本攤銷變動後的匯兌差額與帳面值的其他變動作出分析。匯兌差額在收益表確認，而帳面值的其他變動在權益中確認。貨幣證券公平值之變動分為可供出售證券，非貨幣證券列為於股本中確認之可供出售證券。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.8 Financial assets (continued)

2.8.2 Recognition and measurement (continued)

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'. Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group's right to receive payment is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. Impairment testing of trade receivables is described in Note 2.11.

2. 主要會計政策概要(續)

2.8 金融資產(續)

2.8.2 確認及計量(續)

於分類為可供出售證券已出售或減值，其於權益確認之累計公平值調整將列入收益表為「投資證券之收益或虧損」。可供出售證券之利息以實際利率法計算，在收益表確認。有關可供出售股本工具的股息於本集團收取款項的權利確立時於收益表確認。

報價投資之公平值乃根據現行買入價計算。倘金融資產(以及非上市股份)之市場不活躍，本集團使用估價法確定公平值。估價法包括使用最近進行公平交易，參照大致相同的其他工具，折現現金流量分析和期權定價模型，並盡量使用市場的估價參數而非實體獨特的估價參數。

本集團在每個資產負債表日評估是否存在證明一項金融資產或一組金融資產出現減值的客觀證據。對於可供出售之股本證券，其公平值重大或長期下跌並低於其成本時，被認為是證券減值指標。倘可供出售金融資產有此等證據存在，則其累計虧損金額(即收購成本和當前公平值之間的差額)減先前於收益表確認之金融資產的任何減值虧損，從權益中移除，於收益表確認。股本工具確認的減值虧損，不再在收益表中轉回。應收貿易帳款之減值檢測載述於附註2.11。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.9 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designed as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of a particular risk associated with a recognised liability or a highly probable forecast transaction (cash flow hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 21. Movements on the hedging reserve in shareholders' equity are shown in Note 17. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within 'other losses – net'.

2. 主要會計政策概要(續)

2.9 衍生金融工具

衍生工具初步按於衍生工具合約訂立日之公平值確認，其後按公平值重新計量。確認所產生之收益或虧損的方法取決於該衍生工具是否指定作對沖工具，如指定為對沖工具，則取決於其所對沖項目之性質。本集團指定若干衍生工具作為對沖一項已確認負債有關的特定風險或一項非常可能的預測交易(現金流量對沖)。

本集團於訂立交易時就對沖工具與被對沖項目之關係，以至其風險管理目標及執行多項對沖交易之策略作檔案記錄。本集團亦於訂立對沖交易時和按持續基準，記錄其對於該等用於對沖交易之衍生工具，是否高度有效地抵銷被對沖項目的公平值或現金流量變動的評估。

作對沖用途的各項衍生工具的公平值在附註21中披露。股東權益的對沖儲備變動載於附註17。當被對沖項目的剩餘期限超過12個月時，對沖衍生工具的全數公平值會被分類為非流動資產或負債，而當被對沖項目的剩餘期限少於12個月時，對沖衍生工具的全數公平值會被分類為流動資產或負債。買賣性質的衍生工具則分類為流動資產或負債。

(a) 現金流量對沖

被指定並符合資格作為現金流量對沖之衍生工具之公平值變動的有效部份於權益中確認。與無效部份有關的盈虧即時在收益表中的「其他虧損－淨額」內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.9 Derivative financial instruments and hedging activities (continued)

(a) Cash flow hedge (continued)

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement within 'finance costs'. The gain or loss relating to the ineffective portion is recognised in the income statement within 'other losses – net'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in cost of goods sold in the case of inventory, or in depreciation in the case of fixed assets.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within 'other losses – net'.

(b) Derivatives at fair value through profit or loss and accounted for at fair value through profit or loss

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised immediately in the income statement within 'other losses – net'.

2.10 Inventories

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

2. 主要會計政策概要(續)

2.9 衍生金融工具(續)

(a) 現金流量對沖(續)

在權益累計的金額當被對沖項目影響利潤或虧損時(例如：當被對沖的預測銷售發生時)於收益表中確認。與利率掉期對沖浮息貸款的有效部份有關的盈虧在收益表中的「融資成本」內確認。與遠期外匯合約對沖出口銷售的有效部份有關的盈虧在收益表中的銷售內確認。與無效部份有關的盈虧則在綜合收益表中的「其他虧損－淨額」內確認。然而，當被對沖的預測交易導致一項非金融資產(例如：存貨或固定資產)的確認，之前在權益中遞延入賬的收益和虧損自權益中撥出，並列入該資產成本的初步計量中。遞延金額最終在已售貨品成本(如屬存貨)或折舊(如屬固定資產)中確認。

當一項對沖工具到期或售出後，或當對沖不再符合對沖會計法的條件時，其時在權益中存有的任何累計盈虧仍保留在權益內，並於預測交易最終在收益表內確認時確認入賬。當一項預測交易預期不會再出現時，在權益中申報的累計盈虧即時轉撥入收益表中的「其他虧損－淨額」內。

(b) 按公平值透過損益記賬的衍生工具按公平值透過損益記賬

若干衍生工具不符合採用對沖會計法。此等衍生工具的公平值變動即時於收益表中的「其他虧損－淨額」內確認。

2.10 存貨

存貨按成本或可變現淨值兩者間之較低者入帳。成本按加權平均法釐定。製成品及在製品成本包括原材料、直接人工、其他直接成本及相關生產開支(按正常經營規模計算)，惟不包括借款成本。可變現淨值指日常業務過程中之預計售價減適用銷售開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.11 Trade and other receivables

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

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.13 Share capital

Ordinary shares are classified as equity.

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

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2. 主要會計政策概要(續)

2.11 應收交易帳款及其他應收款項

應收交易帳款及其他應收款項初步按公平值確認，其後按實際利率法攤銷成本減減值撥備計算。應收交易帳款及其他應收款項撥備乃在有客觀跡象顯示，本集團無法按應收款項之原有條款收回所有金額時作出。債務人出現重大財務困難、債務人可能破產或進行財務重組，延誤繳付及欠繳款項均被視為應收交易帳款出現減值之指標。撥備金額為資產帳面值與估計日後現金流量現值(按實際利率貼現計算)間之差額。資產的賬面值透過使用備付賬戶削減，而有關的虧損數額則在收益表內的行政費用中確認。如一項貿易應收款無法收回，其會與貿易應收款內的備付賬戶撇銷。之前已撇銷的款項如其後收回，將撥回收益表中的行政費用內。

2.12 現金及等同現金項目

現金及等同現金項目包括庫存現金、活期銀行存款、其他三個月或以內到期之短期高度流通之投資以及銀行透支。銀行透支在資產負債表的流動負債中貸款內列示。

2.13 股本

普通股歸類為股本。

發行新股份或購股權直接所佔成本之增加，於權益中列為所得款項之扣減項目(扣除稅項)。

如任何集團公司購入本公司的權益股本(庫存股份)，所支付的代價，包括任何直接所佔的新增成本(扣除所得稅)，自本公司權益持有人應佔的權益中扣除，直至股份被註銷或重新發行為止。如股份其後被重新發行，任何已收取的代價(扣除任何直接所佔的新增交易成本及相關的所得稅影響)包括在本公司權益持有人的應佔權益內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.14 Trade payables

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

2.15 Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.16 Current and deferred income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2. 主要會計政策概要(續)

2.14 貿易應付款

貿易應付款初步以公平值確認，其後利用實際利息法按攤銷成本計量。

2.15 借款

借款初步按公平值扣除所產生之交易成本確認。借款其後按攤銷成本計算，所得款項(經扣除交易成本)及贖回價值間之任何差額於借貸期間以實際利率法於收益表內確認。

設立貸款融資時支付的費用倘部份或全部融資將會很有可能提取，該費用可遞延入賬直至貸款提取為止。如沒有證據證明部份或全部融資將會很有可能被提取，則該項費用資本化作為流動資金服務的預付款，並按有關融資期間攤銷。

除非本集團具備無條件權利遞延清償債務之期限至結算日後最少十二個月，否則借款將分類為流動負債。

2.16 當期及遞延所得稅

本期間的稅項支出包括當期和遞延稅項。稅項在收益表中確認，但與直接在權益中確認的項目有關者則除外。在該情況下，稅項亦在權益中確認。

當期所得稅支出根據本公司及其附屬公司及聯營公司營運及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.16 Current and deferred income tax (continued)

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

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

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

2.17 Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of the leave.

2. 主要會計政策概要(續)

2.16 當期及遞延所得稅(續)

遞延所得稅以負債法就資產與負債之稅基與財務報表之帳面值間的暫時差額作全數撥備。然而，倘若於首次確認一項交易(業務合併除外)之資產或負債所產生之遞延所得稅於交易時不會對會計或應課稅溢利或虧損造成影響，則該等遞延所得稅並不會列帳。遞延所得稅之釐定乃根據於結算日已經制定或大致上已制定之稅率(及法例)，且預期相關之遞延所得稅資產變現或遞延所得稅負債清償時適用。

遞延所得稅資產於可能出現未來應課稅溢利抵銷暫時差額時方會確認。

遞延所得稅按投資於附屬公司、聯營公司產生之暫時差額作出撥備，除非暫時差額逆轉之時間可以控制，且暫時差額在可見未來將不會轉回。

2.17 僱員福利

(i) 僱員假期福利

僱員年假福利在僱員享有時確認。就僱員計至結算日之服務年期所享年假估計須承擔之負債作出撥備。僱員可享有之病假及產假於享有時方予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.17 Employee benefits (continued)

(ii) Share-based compensation

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

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

(iii) Pension obligations

Group companies operate various defined contribution plans. The plans are generally funded through payments to trustee-administered funds. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligations to pay further contributions. The contributions are recognised as employee benefit expense when they are due and are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2. 主要會計政策概要(續)

2.17 僱員福利(續)

(ii) 股份付款酬金

本集團推行按股本結算、以股份支付酬金之計劃。就換取購股權而獲得的僱員服務，按其公平值確認為開支。於歸屬期內列作開支的總金額，乃參照已授出的購股權之公平值釐定，不包括任何非市場歸屬條件(例如盈利能力及銷售增長目標)的影響。非市場歸屬條件包括在有關預期可予歸屬購股權數目的假設內。於各結算日，各實體均會修訂其估計預期可予歸屬的購股權數目，修訂原來估計數字(如有)之影響，則於收益表內確認，以及對股本作相應調整。

當購股權獲行使時，已收取所得款項(扣除任何直接應佔交易成本)均列入股本(面值)及股份溢價中。

(iii) 退休金責任

集團公司營運多項定額供款計劃。一般透過信託管理基金撥付計劃供款。定額供款計劃為本集團向一獨立實體作出強制、合約或自願性質定額供款之退休金計劃。倘基金所持資產並不足以支付所有僱員有關僱員於當期或以往期間服務之福利，本集團並無法律或推定責任作進一步供款。供款於到期時確認為僱員福利開支，且不會以僱員在取得全數供款前退出計劃而被沒收之供款作扣減。預繳供款確認為資產，惟須以可獲現金退款或扣減日後供款為限。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. Summary of significant accounting policies (continued)

2.18 Revenue recognition

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

(a) *Sales of goods*

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.

(b) *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

2.19 Operating leases

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

Land use rights

The up-front prepayments made for the land use rights are capitalised on the balance sheet and are expensed in the income statement on a straight-line basis over the period of the lease or where there is impairment, the impairment is expensed in the income statement.

2.20 Dividend distribution

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

2. 主要會計政策概要(續)

2.18 收益確認

收益包括於本集團日常業務過程中銷售貨品已收或應收代價之公平值，並於扣除增值稅、退貨、回扣及折扣，以及撇銷集團內銷售額後呈列。收益乃於下列情況確認：

(a) *銷售貨品*

銷售貨品乃於集團實體向客戶交付產品，而客戶已接納有關產品，並會確保可收回相關應收款項時確認。

(b) *利息收入*

利息收入乃採用實際利率法按時間比例基準確認。倘應收款項出現減值，本集團會將帳面值減至其可收回款額，即估計日後現金流按該工具之原定實際利率貼現之數額，並繼續解除貼現作為利息收入。減值貸款之利息收入按原定實際利率確認。

2.19 經營租約

資產擁有權之大部分風險及回報仍屬出租人所有之租約，一概列為經營租約。根據經營租約支付之款項須扣除自出租人所得任何優惠，按直線法於租期內自收益表扣除。

土地使用權

土地使用權之前期預付款項將於租約期間內以直線法在收益表內扣除，或倘出現減值，減值將於收益表內扣除。於過往年度，土地使用權乃按成本減累計減值列賬。

2.20 股息分派

分派予本公司股東之股息於本公司股東批准期間，在本集團之財務報表中確認為負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management

3.1 Financial risk factors

The Group's financial assets include cash and cash equivalents, trade and other receivables. The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

The Group has policies in place to ensure that liquid funds are placed with renowned financial institutions registered in Mainland China and Hong Kong. Sales of products are made to customers with appropriate credit history. The Group performs credit evaluations on its customers.

Trade receivables are due within three months from the date of billing. As at 31 December 2008, 91.0% of the total trade receivables was due within three months (2007: 90.0%).

As at 31 December 2008, the five largest customers accounted for 34% of the trade receivables carrying amount (2007: 33%).

The maximum exposure to credit risk represents the carrying amounts of trade receivables in the balance sheet.

Quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 13.

3. 財務風險管理

3.1 財務風險因素

本集團之金融資產包括現金及現金等價物、應收賬款及其他應收款。本集團之金融負債包括借貸、應付賬款、其他應付款及衍生金融工具。

本集團業務面對各種財務風險 市場風險(包括外匯風險、現金流量、公平值利率風險及價格風險)、信貸風險與流動資金風險。本集團整體風險管理策略針對金融市場之不可預測特性，並尋求方法減輕對本集團財務表現造成之潛在不利影響。本集團透過下述財務管理政策和慣常做法，對這些風險加以限制。

(a) 信貸風險

本集團制定政策，確保流動資金存於國內及香港註冊之著名金融機構。本集團向擁有合適信貸記錄之客戶銷售產品。本集團會評估客戶信貸狀況。

應收賬款在出具賬單日起計三個月內到期。於二零零八年十二月三十一日，91.0%的應收賬款總額將於未來三個月內被支付(二零零七年：90.0%)。

於二零零八年十二月三十一日，應收賬款賬面金額中有34%來自本集團五個最大之客戶(二零零七年：33%)。

信貸風險敞口上限為合併資產負債表中應收賬款的賬面金額。

有關本集團的應收賬款的信貸風險敞口的信息已在附註13披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, 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.

The following table details the remaining contractual maturities at the balance sheet date of the Group'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 balance sheet date) and the earliest date the Group can be required to pay:

The Group	本集團	Carrying amount	Total contractual undiscounted cash flow	已訂約而未貼現的現金流量總額	Within 1 year	More than 1 year	More than 2 years	More than 5 years
					or on demand	but less than 2 years	but less than 5 years	but less than 5 years
		RMB'000	RMB'000	接獲通知時	但不足兩年	但不足五年	但不足五年	五年後
		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
At 31 December 2008	於二零零八年十二月三十一日							
Borrowings	借貸	345,475	361,302	127,495	127,112	101,662	5,033	
Derivative financial instruments	衍生金融工具	5,014	5,014	-	-	5,014	-	
Trade payables and bills payables	應付交易賬款及應付票據	69,764	69,764	69,764	-	-	-	
Accruals and other payables	應計費用及其他應付款項	20,558	20,558	20,558	-	-	-	
At 31 December 2007	二零零七年十二月三十一日							
Borrowings	借貸	156,393	172,475	106,033	3,284	57,499	5,659	
Derivative financial instruments	衍生金融工具	37,837	37,837	37,837	-	-	-	
Trade payables and bills payables	應付交易賬款及應付票據	54,890	54,890	54,890	-	-	-	
Accruals and other payables	應計費用及其他應付款項	25,813	25,813	25,813	-	-	-	

3. 財務風險管理(續)

3.1 財務風險因素(續)

(b) 流動資金風險

本集團的政策是定期監察流動資金需求，以及是否符合借款契諾的規定，以確保維持充裕的現金儲備，同時獲得主要金融機構承諾提供足夠的備用資金，以滿足短期和較長期的流動資金需求。

下表載列了本集團的金融負債於結算日以合約未貼現現金流量(包括按照合約利率或(如屬浮動利率)結算日的現行利率計算的利息付款)和本集團可能需要付款的最早日期為準的剩餘合約到期情況：

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Cash flow and fair value interest-rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group's exposure to changes in interest rates is mainly attributable to its bank borrowings. Bank borrowings at variable rates expose the Group to cash flow interest-rate risk. Bank borrowings at fixed rates expose the Group to fair value interest-rate risk. Details of the Group's bank borrowings have been disclosed in Note 18 to the consolidated financial statements. The Group analyses its interest rate exposure on a dynamic basis and to hedge its variable rate by fixed rate instruments, when necessary. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on the various scenarios, the Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates and swaps them into fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals (primarily semi-annually), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

During 2008 and 2007, the Group's borrowings at variable rate were denominated in United States dollars ("USD"), RMB and Hong Kong dollars ("HKD").

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 現金流量及公平值利率風險

由於本集團並無重大計息資產，故本集團之收入及經營現金流量很大程度上獨立於市場利率變動。本集團之利率風險主要源自銀行借貸。按不同息率提供之銀行借貸使本集團面對現金流量利率風險。按定息提供之銀行借貸使本集團面對公平值利率風險。有關本集團銀行借貸之詳情，於綜合財務報表附註18披露。本集團以活躍方式分析其利率風險，本集團利用多個模擬方案，以計入再融資、現有持倉的續訂、其他可採用的融資和對沖。根據多項模擬方案，本集團利用浮息轉換為定息利率掉期來管理其現金流量利率風險。此等利率掉期擁有將貸款由浮息轉換為定息的經濟效力。本集團一般按浮息利率籌措長期貸款，然後將貸款掉期為固定利率。根據利率掉期，本集團與其他方協議按特定期間(主要為每半年)交換定息合約利率與浮動利率金額兩者間的差額，此差額參考協議的設定本金額計算。

於二零零八年及二零零七年內，本集團按浮動利率計算的貸款以美元(「美元」)、人民幣和港元(「港元」)為單位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Cash flow and fair value interest-rate risk (continued)

It is estimated that a general increase/decrease of 100 basis points as at 31 December 2008 in bank borrowing interest rates for bank loans with all other variables held constant would decrease/increase the profit after taxation by approximately RMB3,121,000 (2007: 50 basis points; RMB613,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for non derivative financial instruments in existence at that date.

(d) Foreign exchange risk

The Group mainly operates in Mainland China with most of the transactions settled in RMB. Foreign exchange rate risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group's assets and liabilities, and transactions arising from its operations primarily do not expose to material foreign exchange risk. Other than certain trade receivables, cash and cash equivalents, borrowings and derivative financial instruments denominated in USD and HKD, details of which have been disclosed in Note 13, Note 15, Note 18 and Note 21 respectively, the Group's assets and liabilities are primarily denominated in RMB. Other than approximately 31% (2007: 33%) of the sales are denominated in USD and certain expenses in HKD, the Group mainly generates RMB from sales in Mainland China to meet its liabilities denominated in RMB. The Group has not used any forward contracts as the cost-benefit is considered not effective. The Group has used foreign currency bank borrowings to minimize its exposure on foreign exchange risk.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 現金流量及公平值利率風險(續)

於二零零八年十二月三十一日，估計銀行貸款的利率普遍上升/下降100個基準點，如果所有其他變量保持不變，除稅後利潤會減少/增加約3,121,000元人民幣(二零零七年：50個基準點；613,000元人民幣)。

上述敏感度分析的釐定已假設利率變動在結算日已經發生，並且應用在該日已存在的非衍生金融工具的利率風險敞口上。

(d) 外匯風險

本集團主要在中國內地經營業務。本集團大部分交易、資產及負債均以中國人民幣結算。當未來商業交易或已確認資產和負債的計值貨幣並非該實體的功能貨幣，外匯風險便會產生。

本集團的資產與負債以及業務過程中的交易基本上並無重大外匯風險。除若干應收交易帳款、現金及等同現金項目、借貸以及衍生金融工具以美元及港元計值(詳情分別於附註13、附註15、附註18及附註21披露)外，本集團的資產及負債主要以人民幣計值。除約31%(二零零七年：33%)的銷售以美元計值以及若干港元開支外，本集團在中國的銷售主要賺取人民幣，以償付按人民幣計值的負債。由於遠期合約的成本效益不大，故本集團並無採用。本集團採用外幣銀行借貸減低有關外匯風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(d) Foreign exchange risk (continued)

RMB experienced certain appreciation in recent years which is the major reason for the exchange losses arised from operating activities and exchange gain arised from financing activities recognised by the Group for the years ended 31 December 2008 and 2007. Further depreciation or appreciation of USD and HKD against RMB will affect the Group's financial position and results of operations.

A 5% strengthening/weakening RMB against USD and HKD as at the respective balance sheet dates would increase/decrease profit after taxation by approximately RMB8,564,000 (2007: RMB162,000) and decrease/increase profit after taxation by approximately RMB710,000 (2007: RMB287,000) respectively, mainly as a result of foreign exchange gain/loss on translation of USD denominated bank borrowings and foreign exchange loss/gain on translation of HKD denominated cash and cash equivalents.

(e) Price risk

The Group is exposed to equity securities price risk because certain investments held by the Group are classified as available-for-sale financial assets. As the amount of such financial assets is not material to the Group, the exposure to price risk is considered to be insignificant.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(d) 外匯風險(續)

近年人民幣多番升值，是本集團於截至二零零八年及二零零七年十二月三十一日止年度確認經營活動產生的匯兌虧損及融資活動產生的匯兌收益的主因。美元及港元兌人民幣進一步貶值或升值均會影響本集團的財務狀況及經營業績。

於各相關結算日，人民幣兌美元及港元升值／貶值5%會分別增加／減少除稅後溢利約人民幣8,564,000元(二零零七年：人民幣162,000元)及減少／增加稅後溢利約人民幣710,000元(二零零七年：人民幣287,000元)，主要因為換算以美元為單位的銀行貸款所得的匯兌盈利／虧損及換算以港元為單位的現金及現金等同項目所得的匯兌虧損／盈利。

(e) 價格風險

由於本集團所持若干投資分類作可供出售金融資產，故本集團面對股本證券價格風險。由於該等金融資產之金額對本集團而言並不重大，故價格風險被視為不重大。

3.2 資金風險管理

本集團的資金管理政策，是保障本集團能繼續營運，以為股東提供回報和為其他權益持有人提供利益，同時維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股息數額、向股東分派的資本返還、發行新股或出售資產以減低債務。



Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management (continued)

3.2 Capital risk management (continued)

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as "equity", as shown in the consolidated balance sheet, plus net debt.

During 2008, the Group's strategy, which was unchanged from 2007, was to maintain the debt equity ratio to be in a net cash position. The net cash amounts at 31 December 2008 and 2007 were as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Total borrowings (Note 18)	總借貸(附註18)	(345,475)	(156,393)
Less: Cash and cash equivalents (Note 15)	減: 現金及現金等價物 (附註15)	386,619	275,226
Net cash	淨現金	41,144	118,833

The decrease in the net cash position during 2008 resulted primarily from the capital expenditure in the construction of a new production plant and the product development cost for new products.

3.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt.

3. 財務風險管理(續)

3.2 資金風險管理(續)

與業內其他公司一樣，本集團利用負債比率監察其資本。此比率按照債務淨額除以總資本計算。債務淨額為總借貸(包括綜合資產負債表所列的即期及非即期貸款)減去現金及現金等價物。總資本為「權益」(如綜合資產負債表所列)加債務淨額。

本集團在二零零八年的策略與二零零七年比較維持不變，為致力將負債比率維持在淨現金水平。在二零零八年及二零零七年十二月三十一日，淨現金之金額如下：

二零零八年淨現金水平降低主要因為建設新生產設施及新產品開發成本之資本性開支。

3.3 公平值估計

公開買賣衍生工具及買賣與可供出售證券等於活躍市場買賣之金融工具公平值於結算日按市價報價計算。本集團所持金融資產所用市場報價乃現行買入價。

場外衍生工具等並非於活躍市場買賣之金融工具公平值利用估值法釐定。本集團採用各種方法及根據各結算日現行市況作出多項假設。長期債務採用類似工具之市場報價或交易商報價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. Financial risk management (continued)

3.3 Fair value estimation (continued)

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purpose is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) *Estimated useful lives of property, plant and equipment*

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

3. 財務風險管理(續)

3.3 公平值估計(續)

應收交易帳款及應付交易帳款之面值扣除減值撥備假定與其公平值相若。作為批露目的，金融負債公平值的估計按未來合約現金流量以本集團類似金融工具可得的現有市場利率貼現計算。

4. 重大會計估計及判斷

本集團根據過往經驗及其他因素不斷對估計及判斷作出評估，包括根據該等情況相信為合理之未來事項預測。

4.1 重大會計估計及假設

本集團就未來發展作出估計及判斷。所得會計估值故名思義甚少等同於相關實際結果。以下所述之估計及假設存有對下一個財政年度資產及負債帳面值造成重大調整之重大風險。

(a) *物業、廠房及設備之估計可用年期*

本集團管理層釐定其物業、廠房及設備之估計可用年期及相關折舊開支。有關估值按類似性質及功能之物業、廠房及設備之實際可用年期的過往經驗計算，或會基於科技革新及競爭對手因應市場狀況作出回應而出現重大變動。當可用年期少於先前估計年期，管理層將增加折舊開支，或撇銷或撇減技術陳舊之存貨或遭廢棄或出售之非策略資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. Critical accounting estimates and judgements

(continued)

4.1 Critical accounting estimates and assumptions

(continued)

(b) *Estimated impairment of intangible assets, inventories and trade receivables*

The Group makes provision for impairment of intangible assets, inventories and trade receivables based on an assessment of the recoverability of intangible assets, inventories and trade receivables. Provisions are applied to intangible assets, inventories and trade receivables where events or changes in circumstances indicate that the balances may not be recoverable. The identification of impairment requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of intangible assets, inventories and trade receivables and provision for impairment in the period in which such estimate has been changed.

(c) *Income taxes*

The Group is subject to income taxes in Hong Kong and Mainland China. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. 重大會計估計及判斷(續)

4.1 重大會計估計及假設(續)

(b) *無形資產、存貨及應收交易帳款之估計減值*

本集團根據無形資產、存貨及應收交易帳款之可收回情況作出之評估，就無形資產、存貨及應收交易帳款作出減值撥備。倘出現事項或情況有變而顯示不一定可收回餘款時，撥備應用於無形資產、存貨及應收交易帳款。識別減值須運用判斷及估計。倘預算金額有別於原訂估值，有關差額將影響估值出現變動期間無形資產、存貨及應收交易帳款之帳面以及期內減值撥備。

(c) *所得稅*

本集團需要在香港和中國大陸繳納所得稅。在釐定全球所得稅撥備時，需要作出重大判斷。在一般業務過程中，有許多交易和計算所涉及的最終稅務釐定都是不確定的。本集團根據對是否需要繳付額外稅款的估計，就預期稅務審計項目確認負債。如此等事件的最終稅務後果與最初記錄的金額不同，此等差額將影響作出此等釐定期間的所得稅和遞延稅撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. Turnover and segment information

(a) Turnover

The Group is principally engaged in the manufacturing of fine chemicals from natural resources for use in aroma chemicals and pharmaceutical products and the trading of natural materials and fine chemicals. Turnover for the Group represents revenue from sale of goods.

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Sale of goods (net of value-added tax)	銷售貨品 (已扣除增值稅)	739,973	612,159

(b) Segment information

Primary reporting format – business segment

As at 31 December 2008, the Group is organised into two main business segments:

- (1) manufacturing and selling of fine chemicals; and
- (2) trading of natural materials and fine chemicals.

The segment results for the year ended 31 December 2008 are as follows:

		Manufacturing 生產 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Turnover	營業額	630,694	109,279	739,973
Operating profit	經營溢利	154,974	887	155,861
Unallocated corporate expenses	未分配公司開支			(15,116)
Finance costs – net	融資成本 – 淨額			(6,776)
Profit before income tax	除所得稅前溢利			133,969
Income tax expense	所得稅開支			(19,513)
Profit for the year	年內溢利			114,456

5. 銷售額及分部資料

(a) 營業額

本集團主要從事利用天然資源製造精細化學品，以用於芳香化學品及醫藥產品以及買賣天然原料及精細化學品。本集團營業額指從銷售貨品所產生之效益。

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Sale of goods (net of value-added tax)	銷售貨品 (已扣除增值稅)	739,973	612,159

(b) 分部資料

主要呈報方式 – 業務分部

於二零零八年十二月三十一日，本集團分為兩大主要業務分部：

- (1) 生產及銷售精細化學品；及
- (2) 買賣天然原料及精細化學品。

截至二零零八年十二月三十一日止年度之分部業績如下：

		Manufacturing 生產 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Turnover	營業額	630,694	109,279	739,973
Operating profit	經營溢利	154,974	887	155,861
Unallocated corporate expenses	未分配公司開支			(15,116)
Finance costs – net	融資成本 – 淨額			(6,776)
Profit before income tax	除所得稅前溢利			133,969
Income tax expense	所得稅開支			(19,513)
Profit for the year	年內溢利			114,456

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. Turnover and segment information (continued)

(b) Segment information (continued)

Primary reporting format – business segment (continued)

The segment results for the year ended 31 December 2007 are as follows:

		Manufacturing 生產 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Turnover	營業額	545,094	67,065	612,159
Operating profit	經營溢利	147,192	2,892	150,084
Unallocated corporate expenses	未分配公司開支			(9,965)
Finance costs – net	融資成本淨額			(2,071)
Profit before income tax	除所得稅前溢利			138,048
Income tax expense	所得稅開支			(7,514)
Profit for the year	年內溢利			130,534

Other segment items included in the income statement are as follows:

計入收益表之其他分部項目如下：

		Manufacturing 生產		Trading 買賣	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Depreciation (Note 7)	折舊(附註7)	21,170	11,545	96	103
Amortisation (Notes 6 and 8)	攤銷(附註6及8)	5,227	2,442	–	–
Impairment of intangible assets (Note 8)	無形資產減值(附註8)	5,412	1,664	–	–
Provision for impairment of inventories (Note 12)	存貨減值撥備(附註12)	6,656	160	5	8
Provision for/(reversal of) impairment of trade receivables (Note 13)	應收交易帳款減值撥備/(撥回)(附註13)	51	632	(29)	16
Provision for impairment of other receivables (Note 14)	其他應收款減值撥備(附註14)	3,000	–	–	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. Turnover and segment information (continued)

(b) Segment information (continued)

Primary reporting format – business segment (continued)

The segment assets and liabilities as at 31 December 2008 and capital expenditure for the year then ended are as follows:

		Manufacturing 生產 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets	資產	790,027	3,650	423,983	1,217,660
Liabilities	負債	131,690	9,372	327,626	468,688
		658,337	(5,722)	96,357	748,972
Capital expenditure (Notes 6, 7 and 8)	資本開支 (附註6、7及8)	87,845	91	–	87,936

The segment assets and liabilities as at 31 December 2007 and capital expenditure for the year then ended are as follows:

		Manufacturing 生產 RMB'000 人民幣千元	Trading 買賣 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets	資產	633,567	10,118	307,384	951,069
Liabilities	負債	125,091	1,811	160,360	287,262
		508,476	8,307	147,024	663,807
Capital expenditure (Notes 6, 7 and 8)	資本開支 (附註6、7及8)	147,874	19	–	147,893

Segment assets consist primarily of land use rights, property, plant and equipment, intangible assets, inventories and receivables. Segment liabilities comprise operating liabilities. They exclude items such as cash and cash equivalents, taxation and corporate borrowings. Capital expenditure comprises additions to property, plant and equipment (Note 7), land use rights (Note 6), and intangible assets (Note 8).

5. 銷售額及分部資料(續)

(b) 分部資料(續)

主要呈報方式－業務分部(續)

於二零零八年十二月三十一日之資產及負債分部以及截至該日止年度之資本開支如下：

於二零零七年十二月三十一日之資產及負債分部以及截至該日止年度之資本開支如下：

分部資產主要包括土地使用權、物業、廠房及設備、無形資產、存貨及應收款項。分部負債包括經營負債，但不包括現金及等同現金項目、稅項及公司借貸等項目。資本開支包括物業、廠房及設備(附註7)、土地使用權(附註6)以及無形資產(附註8)之增額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. Turnover and segment information (continued)

(b) Segment information (continued)

Secondary reporting format – geographical segment

The Group's two business segments operate in three main geographical areas.

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Turnover	營業額		
– Mainland China	– 中國內地	509,424	411,054
– Europe	– 歐洲	117,290	99,912
– Asia (excluding Mainland China)	– 亞洲 (中國內地除外)	82,295	64,255
– Others	– 其他	30,964	36,938
		739,973	612,159

Sales are allocated based on the places/countries in which customers are located.

銷售額乃按客戶所在地區／國家分配。

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Total assets	資產總值		
– Mainland China	– 中國內地	1,145,388	899,938
– Hong Kong	– 香港	70,039	48,872
– Unallocated	– 未分配	2,233	2,259
		1,217,660	951,069

Total assets are allocated based on where the assets are located.

資產總值乃按資產所在地分配。

No geographical analysis of capital expenditure is presented as substantially all of the Group's capital expenditure was incurred in respect of assets located in Mainland China.

由於本集團絕大部分資本開支就位於中國內地之資產產生，因此並無呈報資本開支之地區分析。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. Land use rights – Group

The Group's interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
In Mainland China, held on Leases of between 10 to 50 years	8,631	8,741

As at 31 December 2007, land use right with a carrying amount of RMB2,441,000 were pledged to bank for borrowings.

6. 土地使用權－集團

本集團於土地使用權之權益指預付經營租約款項，其帳面淨值分析如下：

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
於二零零七年十二月三十一日，本集團帳面值2,441,000元人民幣之土地使用權用作銀行貸款抵押。	8,631	8,741

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Opening net book amount	8,741	8,851
Amortisation of prepaid operating lease payments (Note 24)	(110)	(110)
Closing net book amount	8,631	8,741

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. Property, plant and equipment – Group

7. 物業、廠房及設備－集團

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Leasehold improvements, office furniture and equipment 租賃物業、 裝修、辦公室 傢俬及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction- in-progress 在建工程 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2007	於二零零七年一月一日						
Cost	成本	57,304	138,398	5,203	3,705	44,001	248,611
Accumulated depreciation	累計折舊	(7,277)	(19,955)	(2,632)	(2,735)	–	(32,599)
Net book amount	帳面淨值	50,027	118,443	2,571	970	44,001	216,012
Year ended 31 December 2007	截至二零零七年十二月 三十一日止年度						
Opening net book amount	年初帳面淨值	50,027	118,443	2,571	970	44,001	216,012
Additions	添置	–	468	3,749	120	128,474	132,811
Transfers	轉撥	–	3,965	–	–	(3,965)	–
Disposals (Note 32)	出售(附註32)	–	(94)	(242)	–	–	(336)
Depreciation (Note 24)	折舊(附註24)	(1,614)	(8,966)	(554)	(514)	–	(11,648)
Closing net book amount	年終帳面淨值	48,413	113,816	5,524	576	168,510	336,839
At 31 December 2007	於二零零七年 十二月三十一日						
Cost	成本	57,304	142,641	7,863	3,809	168,510	380,127
Accumulated depreciation	累計折舊	(8,891)	(28,825)	(2,339)	(3,233)	–	(43,288)
Net book amount	帳面淨值	48,413	113,816	5,524	576	168,510	336,839
Year ended 31 December 2008	截至二零零八年十二月 三十一日止年度						
Opening net book amount	年初帳面淨值	48,413	113,816	5,524	576	168,510	336,839
Additions	添置	–	256	1,988	244	57,825	60,313
Transfers	轉撥	55,729	117,872	–	–	(173,601)	–
Disposals (Note 32)	出售(附註32)	–	–	(21)	(47)	–	(68)
Depreciation (Note 24)	折舊(附註24)	(2,729)	(16,902)	(1,145)	(490)	–	(21,266)
Closing net book amount	年終帳面淨值	101,413	215,042	6,346	283	52,734	375,818
At 31 December 2008	於二零零八年 十二月三十一日						
Cost	成本	113,033	260,769	9,787	3,415	52,734	439,738
Accumulated depreciation	累計折舊	(11,620)	(45,727)	(3,441)	(3,132)	–	(63,920)
Net book amount	帳面淨值	101,413	215,042	6,346	283	52,734	375,818

The Group's buildings including buildings under construction, totalling RMB112,038,000 (2007: RMB95,246,000) are built on pieces of land in Mainland China with lease terms of 50 years up to December 2047, December 2048 and April 2054 respectively.

本集團之樓宇包括在建樓宇合共112,038,000元人民幣(二零零七年: 95,246,000元人民幣), 建於中國內地多幅土地上, 為租期50年, 分別於二零零四年十二月、二零零八年十二月及二零零四年四月屆滿。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. Property, plant and equipment – Group (continued)

Depreciation expense of RMB18,099,000 (2007: RMB9,535,000) has been charged in “cost of goods sold”, RMB2,000 (2007: RMB2,000) in “selling and marketing costs” and RMB3,165,000 (2007: RMB2,111,000) in “administrative expenses”.

Analysis of construction-in-progress is:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Construction costs of buildings	樓宇建築成本	10,625	46,833
Cost of leasehold improvements and plant and machinery	租賃物業及廠房與機器成	42,109	121,677
		52,734	168,510

Property, plant and equipment with a net book amount of RMB70,090,000 (2007: RMB94,540,000) were pledged as collateral for the Group's borrowings.

7. 物業、廠房及設備－集團(續)

折舊費用其中18,099,000元人民幣(二零零七年：9,535,000元人民幣)在「已售貨品成本」中支銷，2,000元人民幣(二零零七年：2,000元人民幣)計入「銷售及市場推廣成本」，而3,165,000元人民幣(二零零七年：2,111,000元人民幣)則計入「行政費用」中。

在建工程分析如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Construction costs of buildings	樓宇建築成本	10,625	46,833
Cost of leasehold improvements and plant and machinery	租賃物業及廠房與機器成	42,109	121,677
		52,734	168,510

帳面淨值70,090,000元人民幣(二零零七年：94,540,000元人民幣)之物業、廠房及設備已作為本集團借貸之抵押品。

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. Intangible assets – Group

8. 無形資產－集團

		Patents and technical know-how 專利權及技術知識 RMB'000 人民幣千元	Product development costs 產品開發成本 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2007	於二零零七年一月一日			
Cost	成本	9,930	39,451	49,381
Accumulated amortisation	累計攤銷	(1,297)	(18,823)	(20,120)
Net book amount	帳面淨值	8,633	20,628	29,261
Year ended 31 December 2007	截至二零零七年十二月三十一日止年度			
Opening net book amount	期初帳面淨值	8,633	20,628	29,261
Additions	添置	131	14,951	15,082
Amortisation (Note 24)	攤銷(附註24)	(1,393)	(939)	(2,332)
Impairment (Note 24)	減值(附註24)	–	(1,664)	(1,664)
Closing net book amount	期終帳面淨值	7,371	32,976	40,347
At 31 December 2007	於二零零七年十二月三十一日			
Cost	成本	10,061	54,402	64,463
Accumulated amortisation and impairment	累計攤銷及減值	(2,690)	(21,426)	(24,116)
Net book amount	帳面淨值	7,371	32,976	40,347
Year ended 31 December 2008	截至二零零八年十二月三十一日止年度			
Opening net book amount	期初帳面淨值	7,371	32,976	40,347
Additions	添置	2,100	25,523	27,623
Amortisation (Note 24)	攤銷(附註24)	(1,393)	(3,724)	(5,117)
Impairment (Note 24)	減值(附註24)	(1,400)	(4,012)	(5,412)
Closing net book amount	期終帳面淨值	6,678	50,763	57,441
At 31 December 2008	於二零零八年十二月三十一日			
Cost	成本	12,161	79,925	92,086
Accumulated amortisation and impairment	累計攤銷及減值	(5,483)	(29,162)	(34,645)
Net book amount	帳面淨值	6,678	50,763	57,441

Note:

- (a) Amortisation of RMB5,117,000 (2007: RMB2,332,000) is included in administrative expenses in the income statement.
- (b) Impairment of RMB5,412,000 (2007: RMB1,664,000) is included in administrative expenses in the income statement.

附註：

- (a) 5,117,000元人民幣之攤銷(二零零七年：2,332,000元人民幣)已計入收益表行政費用內。
- (b) 5,412,000元人民幣之減值(二零零七年：1,664,000元人民幣)已計入收益表行政費用內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

9. Investments in and amounts due from subsidiaries – Company

9. 於附屬公司之投資及應收附屬公司款項 – 公司

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Unlisted investments, at cost	非上市投資，按成本值	91,572	91,041
Amounts due from subsidiaries	應收附屬公司款項	509,671	243,808
		601,243	334,849

The amounts due from subsidiaries are unsecured and non-interest bearing, and have no fixed repayment terms.

應收附屬公司款項乃無抵押且免息，並無固定還款期。

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Principal activities 主要業務	Issued and fully paid up capital 已發行及 繳足股本	Percentage of equity interest attributable to the Group (a) 本集團 應佔股權 百分比(a)
EcoGreen Fine Chemicals Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$95,000 95,000美元	100%
EcoGreen Fine Chemicals Manufacturing Limited	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%
EcoGreen Fine Chemicals B.V.	The Netherlands 荷蘭	Sale of fine chemicals 銷售精細化學品	EUR18,000 18,000歐羅	100%
EcoGreen Holding B.V.	The Netherlands 荷蘭	Investment holding 投資控股	EUR18,000 18,000歐羅	100%
EcoGreen Investments Limited 中怡精細化工集團有限公司	Hong Kong 香港	Inactive 暫無業務	HK\$2 2港元	100%
Sino Bright International Trading Limited 光華國際貿易有限公司	Hong Kong 香港	Inactive 暫無業務	HK\$10,000 10,000港元	100%
Doingcom International Limited 中坤國際有限公司	Hong Kong 香港	Trading of fine chemicals 買賣精細化學品	HK\$10,000 10,000港元	100%
Xiamen Doingcom Biotechnology Co., Ltd. (b) 廈門中坤生物科技有限公司(b)	Mainland China 中國內地	Manufacturing of fine chemicals 生產精細化學品	RMB50,000,000 50,000,000元 人民幣	100%

Notes to the Consolidated Financial Statements

綜合財務報表附註

9. Investments in and amounts due from subsidiaries – Company (continued)

Particulars of the principal subsidiaries are:

Name 名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Principal activities 主要業務	Issued and fully paid up capital 已發行及 繳足股本	Percentage of equity interest attributable to the Group (a) 本集團 應佔股權 百分比(a)
上海萬凱化學有限公司(b)(c) (Shanghai Fine Chemicals Company Limited) (b)(c)	Mainland China 中國內地	Research and development of fine chemicals 研究及開發精細化學品	US\$2,000,000 2,000,000美元	100%
Xiamen Doingcom Chemical Co., Ltd. (b) 廈門中坤化學有限公司(b)	Mainland China 中國內地	Manufacturing and sale of fine chemicals 生產及銷售精細化學品	RMB66,000,000 66,000,000元 人民幣	100%
楚雄中怡林產貿易有限公司(b)(c) (Chuxiong Zhongyi Forestry Trading Co. Ltd.) (b)(c)	Mainland China 中國內地	Sale of forestry products 銷售林業產品	RMB10,000,000 10,000,000元 人民幣	70%
Xiamen Doingcom Enterprise Limited (b) 廈門中坤貿易有限公司(b)	Mainland China 中國內地	Sale of fine chemicals 銷售精細化學品	RMB20,000,000 20,000,000元 人民幣	100%
Xiamen Hoozyn Life Chemistry Technology Limited (b) 廈門和辰生化科技有限公司(b)	Mainland China 中國內地	Research and development of fine chemicals 研究及開發精細化學品	US\$1,400,000 1,400,000美元	100%
Xiamen Sinoloon Import and Export Co., Ltd. (b) 廈門中玖進出口有限公司 有限公司(b)	Mainland China 中國內地	Investment holding and trading of fine chemicals 投資控股及買賣 精細化學品	RMB7,000,000 7,000,000元 人民幣	100%
Xiamen Sinotek Enterprise Development Co., Ltd. (b) 廈門中技實業發展有限公司(b)	Mainland China 中國內地	Manufacturing and sale of fine chemicals 生產及銷售精細化學品	RMB20,000,000 20,000,000元 人民幣	100%
Zhangzhou Zhongyi Fine Chemicals Co., Ltd. (b) 漳州中怡精細化工有限公司(b)	Mainland China 中國內地	Inactive 暫無業務	US\$1,509,330 1,509,330美元	100%

9. 於附屬公司之投資及應收附屬公司款項 – 公司(續)

附屬公司之詳情如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

9. Investments in and amounts due from subsidiaries – Company (continued)

Particulars of the principal subsidiaries are: (continued)

Notes:

- (a) The shares of EcoGreen Fine Chemicals Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.
- (b) Xiamen Doingcom Chemical Co., Ltd. and Xiamen Doingcom Biotechnology Co., Ltd. are sino-foreign owned enterprises established in Xiamen, Fujian Province, Mainland China for a term of 20 years up to October 2017 and July 2024 respectively. Shanghai Fine Chemicals Company Limited is a wholly foreign owned enterprise established in Shanghai, Mainland China for a term of 35 years up to March 2040. Xiamen Doingcom Enterprise Limited is a limited liability enterprise established in Xiamen, Fujian Province, Mainland China for a term of 20 years up to June 2024. Xiamen Hoozyn Life Chemistry Technology Limited, Xiamen Sinoloon Import and Export Co., Ltd. and Xiamen Sinotek Enterprise Development Co., Ltd. are wholly foreign owned enterprises established in Xiamen, Fujian Province, Mainland China for a term of 10 years, 17 years and 20 years up to June 2012, April 2012 and July 2016, respectively. Chuxiong Zhongyi Forestry Trading Co., Ltd. is a limited liability enterprise established in Chuxiong, Yunnan Province, Mainland China for a term of 30 years up to March 2037. Zhangzhou Zhongyi Fine Chemicals Co., Ltd. is wholly foreign owned enterprise established in Zhangzhou, Fujian Province, Mainland China for a term of 50 years up to April 2057.
- (c) The English names of Shanghai Fine Chemicals Co., Ltd. and Chuxiong Zhongyi Forestry Trading Co., Ltd. are for identification purpose only.

9. 於附屬公司之投資及應收附屬公司款項 – 本公司(續)

附屬公司之詳情如下：(續)

附註：

- (a) EcoGreen Fine Chemicals Limited股份由本公司直接持有，其他附屬公司股份則間接持有。
- (b) 廈門中坤化學有限公司及廈門中坤生物科技有限公司為在中國內地福建省廈門市成立之中外合資企業，經營期為二十年，分別二零一七年十月及至二零二四年七月止。上海萬凱化學有限公司為在中國內地上海市成立之全外資企業，經營期為三十五年，至二零四零年三月止。廈門中坤貿易有限公司為在中國內地福建省廈門市成立之有限公司，經營期為二十年，至二零二四年六月止。廈門和辰生化科技有限公司、廈門中玖進出口有限公司及廈門中技實業發展有限公司均為全外資企業，在中國內地福建省廈門市成立，經營期分別為十年、十七年及二十年，分別至二零一二年六月、二零一二年四月及二零一六年七月止。楚雄中怡林產貿易有限公司於中國內地雲南省楚雄市成立之有限公司，經營期為三十年至二零三七年三月止。漳州中怡精細化工有限公司為一間全外資企業，在中國內地福建省漳州市成立，經營期為五十年至二零五七年四月止。
- (c) 上海萬凱化學有限公司及楚雄怡林產貿易有限公司的英文名稱僅供識別。

10. Investment in an associate – Group

		2008 二零零八年 RMB'000 人民幣千元
At 1 January	於一月一日	–
Investment in an associate	聯營公司投資	1,750
At 31 December	於十二月三十一日	1,750

The associate is an unlisted company and has not commenced business. Particulars of the associate are as follows:

本集團投資之聯營公司，為一間非上市公司，且未有開展任何業務。聯營公司之詳情如下：

Name 名稱	Place of incorporation/ operation 註冊成立／經營地點	Principal activities 主要業務	Issued and fully paid up capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比
Jiayang Zhongtian Forestry Chemical Co., Ltd. 建陽中天林化有限公司	Mainland China 中國內地	Manufacturing of forestry chemicals 生產林化化學品	RMB5,000,000 5,000,000元 人民幣	35%

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. Available-for-sale financial assets – Group

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	於一月一日	400	500
Disposals	出售	–	(100)
At 31 December	於十二月三十一日	400	400
Less: Non-current portion	減：非流動部分	(400)	(400)
Current portion	流動部分	–	–

Available-for-sale financial assets are those unlisted equity securities.

11. 可供出售金融資產－集團

可供出售金融資產為非上市股本證券。

12. Inventories – Group

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Raw materials	原料	36,036	28,184
Work-in-progress	在製品	1,976	996
Finished goods	製成品	45,953	17,475
		83,965	46,655
Less: Provision for impairment of inventories	減：存貨減值撥備	(7,827)	(1,166)
		76,138	45,489

The cost of inventories recognised as expense and included in cost of goods sold amounted to RMB425,685,000 (2007: RMB337,114,000).

The Group made a provision for impairment of inventories of RMB6,661,000 (2007: RMB168,000). The amount has been included in cost of goods sold in the income statement.

12. 存貨－集團

確認為開支及計入售出貨品成本之存貨成本為425,685,000元人民幣(二零零七年：337,114,000元人民幣)。

本集團已作出存貨減值撥備6,661,000元人民幣(二零零七年：168,000元人民幣)。該款額已計入收益表售出貨品成本內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. Trade receivables – Group

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Trade receivables	應收交易帳款	194,112	167,737
Less: Provision for impairment of trade receivables	減：應收交易帳款減值撥備	(2,106)	(2,084)
		192,006	165,653

The carrying amounts of trade receivables approximate their fair values.

The credit period granted by the Group to its customers is generally 60 to 90 days. The aging analysis of trade receivables is as follows:

應收交易帳款帳面值與其公平值相若。

本集團給予其客戶之信貸期一般60至90天。應收交易帳款之帳齡分析如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
0 to 30 days	0至 30天	77,103	60,902
31 to 60 days	31至 60天	53,003	54,627
61 to 90 days	61至 90天	46,593	35,451
91 to 180 days	91至 180天	16,904	15,853
181 to 365 days	181至365天	343	150
Over 365 days	365天以上	166	754
		194,112	167,737
Less: Provision for impairment of trade receivables	減：應收交易帳款減值撥備	(2,106)	(2,084)
		192,006	165,653

The credit quality of trade receivables that are neither past due nor impaired can be assessed by reference to the historical information about counter party default rates. The existing counterparties do not have significant default in the past. There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of customers.

沒有逾期或減值需要之應收交易帳款，其信貸質素是按以往的收款記錄及客戶的壞帳率而定。現有的客戶並無重大的拖欠。由於本集團客戶數目龐大，故有關應收交易帳款之信貸風險並無過份集中。

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. Trade receivables – Group (continued)

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Renminbi	人民幣	157,663	122,458
US dollar	美元	34,343	43,195
		192,006	165,653

Movements on the provision for impairment of trade receivables are as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	一月一日	2,084	1,436
Provision for receivable impairment	應收款減值撥備	22	648
At 31 December	十二月三十一日	2,106	2,084

The creation and release of provisions for impaired receivables have been included in administrative expenses in the income statement. Amounts are charged to the allowance account when there is no expectation of recovering additional cash.

13. 應收交易帳款－集團(續)

本集團的貿易應收款的賬面值以下列貨幣為單位：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Renminbi	人民幣	157,663	122,458
US dollar	美元	34,343	43,195
		192,006	165,653

貿易應收款減值撥備的變動如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
At 1 January	一月一日	2,084	1,436
Provision for receivable impairment	應收款減值撥備	22	648
At 31 December	十二月三十一日	2,106	2,084

對已減值應收款撥備的設立和撥回已包括在收益表中的行政費用內。在準備賬戶中扣除的數額一般會在預期無法收回額外現金時撇銷。

14. Prepayments and other receivables – Group and Company

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Prepayment for purchases of raw materials	購買原料預付款項	58,274	44,150	-	-
Input value-added tax recoverable	可收回進項增值稅	1,833	1,079	-	-
Advances to employees	向僱員墊款	99	161	-	-
Others	其他	21,287	826	82	100
		81,493	46,216	82	100

The carrying amounts of other receivables approximate their fair values and are mainly denominated in RMB.

The Group made a provision for impairment of other receivables of RMB3,000,000 (2007: Nil). The amount has been included in administrative expenses in the income statement.

14. 預付款項及其他應收款項－集團及公司

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Prepayment for purchases of raw materials	購買原料預付款項	58,274	44,150	-	-
Input value-added tax recoverable	可收回進項增值稅	1,833	1,079	-	-
Advances to employees	向僱員墊款	99	161	-	-
Others	其他	21,287	826	82	100
		81,493	46,216	82	100

其他應收款項賬面值與其公平值相若且主要以人民幣列值。

本集團已作出其他應收款減值撥備3,000,000元人民幣(二零零七年：無)。該款額已計入收益表行政費用內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15. Pledged bank deposits, cash and cash equivalents – Group and Company

15. 已抵押之銀行存款、現金及等同現金項目－集團及公司

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Pledged bank deposits	已抵押之銀行存款	37,364	32,158	-	-
Cash and cash equivalents	現金及等同現金項目				
Cash at bank and on hand	銀行及手頭現金	386,619	275,226	1,778	364
		423,983	307,384	1,778	364

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

於已抵押之銀行存款、現金及等同現金項目的帳面值結算貨幣的金額如下：

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Renminbi	人民幣	377,490	287,105	-	-
Hong Kong dollar	港元	17,146	10,550	1,183	364
US dollar	美元	27,506	7,981	595	-
Euro	歐羅	1,841	1,748	-	-
		423,983	307,384	1,778	364

As at 31 December 2008, the Group has cash and cash equivalents of approximately RMB348,969,000 (2007: RMB264,461,000) denominated in RMB, which is not a freely convertible currency in the international market and its exchange rate is determined by the People's Bank of China.

於二零零八年十二月三十一日，本集團共有現金與等同現金項目約348,969,000元人民幣（二零零七年：264,461,000元人民幣），均以人民幣列值，且為不能於國際市場自由轉換貨幣，其匯率由中國人民銀行釐定。

At 31 December 2008, bank balance of RMB37,364,000 (2007: RMB32,158,000) have been pledged to banks to secure credit facilities granted to subsidiaries.

於二零零八年十二月三十一日，共37,364,000元人民幣（二零零七年：32,158,000元人民幣）之銀行存款已予以抵押作為附屬公司向銀行取得借貸額度之抵押。

The cash and cash equivalents are not exposed to material credit risk.

現金及等同現金項目並沒有重大的信貸風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. Share capital, premium and share options – Group and Company

(a) Share capital – Ordinary shares of HK\$0.1 each

Authorised:	法定：	Number of shares (thousands) (千股)	Nominal value of ordinary shares 普通股面值 RMB'000 人民幣千元
At 1 January 2007, 31 December 2007 and 31 December 2008	於二零零七年一月一日、 二零零七年十二月三十一日及 二零零八年十二月三十一日	2,000,000	212,000

Issued:	已發行：	Number of fully paid shares (thousands) (千股)	Nominal value of ordinary shares 普通股面值 RMB'000 人民幣千元	Share Premium 股份溢價 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2007	於二零零七年一月一日	461,000	48,778	177,698	226,476
Employee share option scheme – proceeds from shares issues	僱員購股權計劃 – 發行股份所得款	8,890	875	11,190	12,065
At 31 December 2007	於二零零七年 十二月三十一日	469,890	49,653	188,888	238,541
At 1 January 2008	於二零零八年一月一日	469,890	49,653	188,888	238,541
Repurchase of shares (Note i)	回購股份(附註i)	(4,680)	(421)	(7,047)	(7,468)
At 31 December 2008	於二零零八年 十二月三十一日	465,210	49,232	181,841	231,073

Note(i): The Company repurchased 4,680,000 of its own shares through purchases on the Stock Exchange during the year ended 31 December 2008. Such shares were cancelled following the repurchases and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. The total amount paid to repurchase the shares, including relevant direct costs of RMB68,000, was RMB7,047,000 and has been deducted from share premium.

附註(i)：截至二零零八年十二月三十一日止年度，本公司於聯交所購回其4,680,000股股份。該等股份已於回購後註銷以及本公司已發行股本亦已按其面值相應減少。購回股份所支付之全部金額，包括相關直接費用68,000元人民幣，為7,047,000元人民幣並於股份溢價中扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. Share capital, premium and share options – Group and Company (continued)

(b) Share options

Pursuant to a resolution of the shareholders of the Company passed on 16 February 2004, a share option scheme (“the Share Option Scheme”) was approved and adopted. Under the Share Option Scheme, the Company’s directors may, at their sole discretion, grant options to any employee, non-executive director, supplier, customer, person or entity that provides research, development or other technological support to the Group, shareholder and adviser or consultant of the Group to subscribe for shares in the Company at a price per share of not less than the highest of (i) the closing price of the shares as stated in the daily quotation sheet of the Stock Exchange on the date of the offer of grant; or (ii) the average closing price of the shares as stated in the daily quotation sheets of the Stock Exchange for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of a share. A nominal consideration of RMB1.04 (equivalent of HK\$1) is payable on acceptance of the grant of options. The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group from time to time must not in aggregate exceed 30% of the share capital of the Company in issue from time to time. The Share Option Scheme will remain in force for a period of 10 years up to February 2014. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

16. 股本、溢價及購股權 – 集團及公司(續)

(b) 購股權

根據本公司股東於二零零四年二月十六日通過之決議案，購股權計劃(「購股權計劃」)獲批准及採納。根據購股權計劃，本公司董事可全權酌情向本集團任何僱員、非執行董事、供應商、客戶或為本集團提供研發或其他技術支援之人士或實體以及本集團股東及顧問或諮詢顧問授出購股權，彼等可按不低於以下較高者之每股價格認購本公司股份：(i) 授出日期在聯交所每日報價表所報之股份收市價；或(ii)緊接授出日期前五個交易日聯交所每日報價表所報股份平均收市價；及(iii) 股份面值。在接納購股權時，須支付名義代價1.04元人民幣(相等於1港元)。根據購股權計劃及本集團不時採納之任何其他購股權計劃授出但尚未行使其所有購股權獲行使而可予發行之股份數目，最多合共不得超過本公司不時已發行股本30%。購股權計劃有效期為10年，直至二零一四年二月止。本集團並無法定或推定責任，購回或以現金清償購股權。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. Share capital, premium and share options – Group and Company (continued)

(b) Share options (continued)

Movements of the number of share options outstanding during the year and their related weighted average exercise prices are as follows:

		2008 二零零八年		2007 二零零七年	
		Average exercise price in HK\$ per share 每股港元 平均行使價	Options (thousands) 購股權 (千份)	Average exercise price in HK\$ per share 每股港元 平均行使價	Options (thousands) 購股權 (千份)
At 1 January	於一月一日	1.38	32,210	1.38	43,100
Exercised during the year	年內行使	–	–	1.38	(8,890)
Cancelled during the year	年內註銷	1.39	(1,200)	1.37	(2,000)
At 31 December	於十二月三十一日	1.38	31,010	1.38	32,210

Out of the 31,010,000 outstanding options (2007: 32,210,000 options), 26,138,000 options (2007: 19,730,000 options) were exercisable.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

		Share options 購股權	
		2008 二零零八年 (thousands) (千份)	2007 二零零七年 (thousands) (千份)
Expiry date	到期日	Exercise price HK dollar per share 每股港元行使價	
May 2011	二零一一年五月	1.39	17,440
Jun 2014	二零一四年六月	1.37	14,770
		31,010	32,210

16. 股本、溢價及購股權 – 集團及公司(續)

(b) 購股權(續)

尚未行使購股權數目及其相關加權平均行使價於年內之變動如下：

在31,010,000未行使的購股權中(二零零七年：32,210,000購股權)，26,138,000購股權(二零零七年：19,730,000購股權)可予行使。

在年終時未行使的購股權的到期日和行使價如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. Other reserves – Group and Company

(a) Group

17. 其他儲備－集團及公司

(a) 集團

		Capital reserve (i) 股本儲備(i)	Contributed surplus (ii) 實繳盈餘(ii)	Statutory reserves (iii) 法定 公積金(iii)	Capital redemption reserve (iv) 股本贖回 儲備(iv)	Share options equity reserve 購股權 股本儲備	Hedging reserve 對沖儲備	Currency translation reserve 匯兌儲備	Total 總計
		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
Balance at 1 January 2007	於二零零七年一月一日 之結餘	685	9,500	16,168	-	5,938	-	(19)	32,272
Employee share option scheme:	僱員購股權計劃：								
- Value of share options granted	- 授出購股權之價值	-	-	-	-	1,920	-	-	1,920
- Cancellation of share options	- 註銷購股權	-	-	-	-	(348)	-	-	(348)
- Exercise of share options	- 行使購股權	-	-	-	-	(641)	-	-	(641)
Transfer from retained earnings	保留盈利轉撥	-	-	18,581	-	-	-	-	18,581
Currency translation differences	匯兌差額	-	-	-	-	-	-	(21)	(21)
Balance at 31 December 2007	於二零零七年十二月 三十一日之結餘	685	9,500	34,749	-	6,869	-	(40)	51,763
At 1 January 2008	於二零零八年一月一日	685	9,500	34,749	-	6,869	-	(40)	51,763
Employee share option scheme:	僱員購股權計劃：								
- Value of share options granted	- 授出購股權之價值	-	-	-	-	913	-	-	913
- Cancellation of share options	- 註銷購股權	-	-	-	-	(171)	-	-	(171)
Transfer from retained earnings	保留盈利轉撥	-	-	8,098	-	-	-	-	8,098
Repurchase of shares	贖回股份	-	-	-	421	-	-	-	421
Cash flow hedges	現金流量對沖								
- Fair value losses in year	- 年度公平值虧損	-	-	-	-	-	(4,417)	-	(4,417)
- Transfers to finance costs	- 轉撥入融資成本	-	-	-	-	-	(597)	-	(597)
Currency translation differences	匯兌差額	-	-	-	-	-	-	47	47
Balance at 31 December 2008	於二零零八年十二月 三十一日之結餘	685	9,500	42,847	421	7,611	(5,014)	7	56,057

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. Other reserves – Group and Company (continued)

(b) Company

		Capital reserve (i) 股本儲備(i) RMB'000 人民幣千元	Capital redemption reserve (iv) 股本贖回 儲備(iv) RMB'000 人民幣千元	Share options equity reserve 購股權 股本儲備 RMB'000 人民幣千元	Hedging reserve 對沖儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2007	於二零零七年一月一日之結餘	90,941	-	5,938	-	96,879
Employee share option scheme:	僱員購股權計劃：					
- Value of share options granted	- 授出購股權價值	-	-	1,920	-	1,920
- Cancellation of share options	- 註銷購股權	-	-	(348)	-	(348)
- Exercise of share options	- 行使購股權	-	-	(641)	-	(641)
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	90,941	-	6,869	-	97,810
Balance at 1 January 2008	於二零零八年一月一日之結餘	90,941	-	6,869	-	97,810
Employee share option scheme:	僱員購股權計劃：					
- Value of share options granted	- 授出購股權價值	-	-	913	-	913
- Cancellation of share options	- 註銷購股權	-	-	(171)	-	(171)
Repurchase of shares	贖回股份	-	421	-	-	421
Cash flow hedges	現金流量對沖					
- Fair value losses in year	- 年度公平值虧損	-	-	-	(4,417)	(4,417)
- Transfers to finance costs	- 轉撥入融資成本	-	-	-	(597)	(597)
Balance at 31 December 2008	於二零零八年十二月三十一日之結餘	90,941	421	7,611	(5,014)	93,959

Notes:

- (i) Capital reserve of the Group represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the share exchange on 16 February 2004 over the nominal value of the share capital of the Company issued in exchange therefor.
- Capital reserve of the Company represents the difference between the costs of investments in subsidiaries acquired pursuant to the share exchange on 16 February 2004 over the nominal value of the share capital of the Company issued in exchange therefor.
- (ii) Contributed surplus represents the capital contribution from an executive director and an indirect substantial shareholder of the Company, as part of a group reorganisation exercise.
- (iii) According to the articles of association of the relevant subsidiaries established in Mainland China and the Mainland China rules and regulations, Mainland China subsidiaries are required to transfer not less than 10% of their net profit as stated in their annual financial statements prepared under Mainland China accounting regulations to statutory reserves before the corresponding Mainland China subsidiaries can distribute any dividend. Such a transfer is not required when the amount of statutory reserves reaches 50% of the corresponding subsidiaries' registered capital. The statutory reserves shall only be used to make up losses of the corresponding subsidiaries, to expand the corresponding subsidiaries' production operations, or to increase the capital of the corresponding subsidiaries. Upon approval by resolutions of the corresponding subsidiaries' shareholders in general meetings, the corresponding subsidiaries may convert their statutory reserves into registered capital and issue bonus capital to existing owners in proportion to their existing ownership structure.
- (iv) The capital redemption reserve relates to the cancellation of the Company's own shares. The increase in the year represents the nominal value of the 4,680,000 shares cancelled during the year as shown in Note 16.
- (v) The Company's other reserves totalled RMB275,800,000 (2007: RMB286,698,000) which, under the Company Law (revised) of the Cayman Islands subject to certain conditions, are available for distribution to shareholders.

17. 其他儲備－集團及公司(續)

(b) 公司

		Capital redemption reserve (iv) 股本贖回 儲備(iv) RMB'000 人民幣千元	Share options equity reserve 購股權 股本儲備 RMB'000 人民幣千元	Hedging reserve 對沖儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
Balance at 1 January 2007	於二零零七年一月一日之結餘	90,941	-	5,938	-	96,879
Employee share option scheme:	僱員購股權計劃：					
- Value of share options granted	- 授出購股權價值	-	-	1,920	-	1,920
- Cancellation of share options	- 註銷購股權	-	-	(348)	-	(348)
- Exercise of share options	- 行使購股權	-	-	(641)	-	(641)
Balance at 31 December 2007	於二零零七年十二月三十一日之結餘	90,941	-	6,869	-	97,810
Balance at 1 January 2008	於二零零八年一月一日之結餘	90,941	-	6,869	-	97,810
Employee share option scheme:	僱員購股權計劃：					
- Value of share options granted	- 授出購股權價值	-	-	913	-	913
- Cancellation of share options	- 註銷購股權	-	-	(171)	-	(171)
Repurchase of shares	贖回股份	-	421	-	-	421
Cash flow hedges	現金流量對沖					
- Fair value losses in year	- 年度公平值虧損	-	-	-	(4,417)	(4,417)
- Transfers to finance costs	- 轉撥入融資成本	-	-	-	(597)	(597)
Balance at 31 December 2008	於二零零八年十二月三十一日之結餘	90,941	421	7,611	(5,014)	93,959

附註：

- (i) 本集團資本儲備指根據二零零四年二月十六日重組所收購附屬公司股份的面值超過本公司發行以換取上述股份之股本面值的差額。
- 本公司資本儲備指根據二零零四年二月十六日重組所收購附屬公司的投資成本超過本公司發行以換取上述投資之股本面值的差額。
- (ii) 實繳盈餘指本公司一名執行董事兼間接主要股東就集團重組作出之出資額。
- (iii) 根據於中國內地成立之有關附屬公司之組織章程細則及相關中國內地規則及規例，中國內地附屬公司須先行將根據中國內地會計準則編製之年度財務報表所列純利其中不少於10%，撥入法定公積金，方可派付股息。當法定公積金達到有關附屬公司註冊資本50%時，則毋須再作轉撥。法定公積金僅可用於抵銷有關附屬公司虧損、擴大有關附屬公司生產規模或增加有關附屬公司股本。當獲得有關附屬公司之股東在股東大會通過決議案批准，則有關附屬公司可將法定公積金轉為註冊資本，並且按現有股東之現有擁有權結構比例發行紅股。
- (iv) 股本贖回儲備與註銷本公司之股份有關。本年度之增加因註銷年內回購之4,680,000股股份(附註16)而產生。
- (v) 根據開曼群島公司法(修訂本)，本公司可供分派儲備約為275,800,000元人民幣(二零零七年：286,698,000元人民幣)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. Borrowings – Group and Company

18. 借貸－集團及公司

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Non-current	非即期				
Government loans, unsecured	無抵押政府貸款	4,550	5,000	-	-
Bank borrowings, secured	有抵押銀行借貸	-	3,121	-	-
Bank borrowings, unsecured	無抵押銀行借貸	219,906	50,000	169,907	-
		224,456	58,121	169,907	-
Current	即期				
Government loans, unsecured	無抵押政府貸款	28,870	28,870	-	-
Bank borrowings, secured	有抵押銀行借貸	32,245	62,402	-	-
Bank borrowings, unsecured	無抵押銀行借貸	59,904	7,000	53,903	-
		121,019	98,272	53,903	-
Total borrowings	借貸總額	345,475	156,393	223,810	-

Government loans represent unsecured loans from the State Development and Reform Commission, Xiamen Development Planning Commission and other Mainland China government bureaus to finance the Group's product development activities and expansion of production facilities.

Government loans of RMB4,550,000 (2007: RMB5,000,000) are repayable in 2018, and bear interest at 2.6%. Government loans of RMB8,000,000 (2007: RMB8,000,000) are repayable on demand, and bear interest at 7.6% per annum. Government loans of RMB20,870,000 (2007: RMB20,870,000) are non-interest bearing, and shall be repayable on terms and conditions to be determined between the government bureaus and the Group upon completion of the relevant project.

政府貸款即來自國家發展計劃委員會、廈門市計劃委員會及其他中國內地政府機關之無抵押貸款，用於本集團產品開發及擴建生產設施。

政府貸款4,550,000元人民幣(二零零七年：5,000,000元人民幣)須於二零零一八年償還，並按2.6%厘利率計息。政府貸款8,000,000元人民幣(二零零七年：8,000,000元人民幣)須應要求償還，並按年利率7.6厘計息。政府貸款20,870,000元人民幣(二零零七年：20,870,000元人民幣)為免息以及將按照政府當局與本集團釐定之條款及條件，於有關項目完成後償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. Borrowings – Group and Company (continued)

The maturity of borrowings is as follows:

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Amounts repayable within a period:	須於以下期間償還之款項：				
– not exceeding one year	– 不超過一年	121,019	98,272	53,903	–
– more than one year but not exceeding two years	– 一年以上，但不超過兩年	122,815	3,121	112,815	–
– more than two years but not exceeding five years	– 兩年以上，但不超過五年	97,091	50,000	57,092	–
– more than five years	– 五年以上	4,550	5,000	–	–
		345,475	156,393	223,810	–

The effective interest rates at the balance sheet date were as follows:

於結算日之實際利率如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Government loans	政府貸款	2.19%	2.16%
Bank borrowings	銀行借貸	5.3%	8.5%

The carrying amounts of borrowings approximate their fair values.

貸款的賬面值與其公平值相近。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. Borrowings – Group and Company (continued)

The carrying amounts of the borrowings are denominated in the following currencies:

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Renminbi	人民幣	114,420	133,870	-	-
Hong Kong dollar	港元	2,940	6,243	-	-
US dollar	美元	228,115	16,280	223,810	-
		345,475	156,393	223,810	-

The Group has the following undrawn borrowing facilities:

		2008	2007
		二零零八年 RMB'000 人民幣千元	二零零七年 RMB'000 人民幣千元
Floating rate	浮息		
- expiring within one year	- 一年內到期	11,968	29,956
- expiring beyond one year	- 一年以上到期	4,000	2,367
		15,968	32,323

Total borrowings include secured bank borrowings of RMB32,245,000 (2007: RMB65,523,000). Bank borrowings are secured by the property, plant and equipment of the Group (Note 7) and director's and corporate guarantees.

18. 借貸－集團及公司(續)

貸款的賬面金額以下列貨幣為單位：

本集團有下列未提取貸款融資：

總貸款包括有抵押銀行貸款32,245,000元人民幣(二零零七年：65,523,000元人民幣)。銀行貸款以本集團的物業、廠房及設備(附註7)為抵押及需要董事及企業擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. Borrowings – Group and Company (continued)

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates at the balance sheet dates are as follows:

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
6 months or less	6個月或以下	290,925	55,393	223,810	–
6–12 months	6–12個月	–	46,000	–	–
1–5 years	1–5年	50,000	50,000	–	–
Over 5 years	5年以上	4,550	5,000	–	–
		345,475	156,393	223,810	–

18. 借貸－集團及公司(續)

於結算日，本集團的貸款在利率變動及合約重新定價日期所承擔的風險如下：

19. Trade payables and bills payable – Group

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Trade payables	應付交易帳款	12,722	8,202
Bills payable	應付票據	57,042	46,688
		69,764	54,890

As at 31 December 2008, the aging analysis of trade payables and bills payable is as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
0 to 30 days	0至30天	25,025	11,194
31 to 60 days	31至60天	4,628	31,071
61 to 90 days	61至90天	14,587	4,150
91 to 180 days	91至180天	24,710	7,676
181 to 365 days	181至365天	109	28
Over 365 days	超過365天	705	771
		69,764	54,890

The carrying amounts of trade payables and bills payable approximate their fair values and are all denominated in RMB.

19. 應付交易帳款及應付票據－集團

於二零零八年十二月三十一日，應付交易帳款及應付票據之帳齡分析如下：

應付交易帳款及應付票據帳面值與其公平值相若，且均以人民幣為單位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20. Accruals and other payables – Group and Company

20. 應計費用及其他應付款項 – 集團及公司

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Payable for construction and purchase of property, plant and equipment	應付建造及購買物業、廠房及設備費用	3,124	6,922	–	–
Output value-added tax payable	應付銷項增值稅	11,302	8,891	–	–
Accruals for	應計費用				
– Administrative expenses	– 行政費用	13,959	16,446	2,600	2,113
– Government loan interest	– 政府貸款利息	3,475	2,445	–	–
		31,860	34,704	2,600	2,113

The carrying amounts of other payables approximate their fair values and are mainly denominated in RMB.

其他應付款項帳面值與其公平值相若且主要以人民幣列值。

21. Derivative financial instruments – Group and Company

21. 衍生金融工具 – 集團及公司

		Group 集團		Company 公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Interest rate swaps-cash flow hedges (Note a)	利率掉期 – 現金流量對沖(附註a)	5,014	–	5,014	–
Structured interest rate swaps (Note b)	結構性利率掉期(附註b)	–	37,837	–	–
Total	合計	5,014	37,837	5,014	–
Less non-current portion: Interest rate swaps-cash flow hedges	減非流動部份: 利率掉期 – 現金流量對沖	5,014	–	5,014	–
Current portion	流動部份	–	37,837	–	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

21. Derivative financial instruments – Group and Company (continued)

Trading and structured derivatives for non-hedging purpose are classified as a current liability. The full fair value of a hedging derivative is classified as a non-current liability if the remaining maturity of the hedged item is more than 12 months, and as a current liability if the maturity of the hedge item is less than 12 months.

Notes:

- (a) The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2008 were USD33,000,000.

At 31 December 2008, the fixed interest rate was 3.3%, and the main floating rate is LIBOR. Gains and losses recognised in the hedging reserve in equity (Note 17) on interest rate swap contracts as of 31 December 2008 will be continuously released to the income statement until the repayment of the bank borrowings (Note 18).

- (b) In 2007, the Group entered into a structured interest rate swaps (the “Swap”) with maturity in 2012 with a commercial bank (the “Bank”), an upfront payment of USD5 million, approximately to RMB38,588,000 was received by the Group at the inception of the Swap and were initially recognised as a derivative financial liability in balance sheet. The Swap is remeasured at fair value as estimated by the Bank based on certain assumption at each balance sheet date. Key terms of the interest rate swap are summarised as follows:

Notional amounts:	USD50,000,000
Upfront payment:	USD5,000,000
Effective date:	16 April 2007
Maturity date:	16 April 2012
Group pays:	5% (annually)
Bank pays:	3% + 8*
	(The Deutsche Bank Municipal Forward Rate Bias Index published on Bloomberg YoY Return – 1%)
	Coupon capped at 10% and floored at 0% (annually)
	Note (i)

On 18 March 2008, the Swap between the Group and the Bank had been terminated. The Group paid USD4.2 million, approximately to RMB29,615,000 on 20 March 2008 with respect to this termination. There should be no further cashflows from either party with respect to this Swap after the termination. The gain on this Swap has been recognised as other gains in the year ended 31 December 2008.

- Note(i) Index means the Deutsche Bank Municipal Forward Rate Bias Index (the “Index”) as published on Bloomberg.

21. 衍生金融工具－集團及公司(續)

非對沖之買賣性及結構性衍生工具分類為流動負債。若被對沖項目的剩餘期間超過12個月，則對沖衍生工具的全數公平值分類為非流動負債，而若被對沖項目的剩餘期間少於12個月，則分類為流動負債。

附註：

- (a) 於二零零八年十二月三十一日，仍未結算的利率掉期合約的設定金額為美金33,000,000元。

於二零零八年十二月三十一日，定息利率為3.3厘，而主要的浮息利率為倫敦銀行同業拆息。於二零零八年十二月三十一日，就利率掉期合約在權益內的對沖儲備中確認的盈虧(附註17)，將會繼續撥回收益表直至償還銀行貸款為止(附註18)。

- (b) 二零零七年內，本集團與一間商業銀行(「銀行」)進行之結構性利率掉期(「掉期」)於二零一二年到期，掉期開始時本集團收到一筆前期收款美元5,000,000元約為38,588,000元人民幣，於掉期開始時此前期收款於資產負債表中初始確認為衍生金融負債。掉期按銀行於每個結算日作出若干假設而預計之公平價作重新估量。利率掉期之重要條款概述如下：

名義金額：	50,000,000美元
首筆支付費用：	5,000,000美元
生效日：	二零零七年四月十六日
到期日：	二零一二年四月十六日
集團支付：	5% (每年)
銀行	3% + 8*
	(彭博資訊上發佈之德意志銀行市政府遠期利率偏向指數年比回報-1%)
	票息上限為10%下限為0% (每年)附註(i)

於二零零八年三月十八日，本集團與銀行之間的掉期已終止，本集團於二零零八年三月二十日已付美元4,200,000元，約為29,615,000元人民幣終止有關掉期，本集團與銀行在未來不需要為此掉期有任何的現金付款，而終止此掉期所產生的盈利已在截至二零零八年十二月三十一日止之年度內確認為其他收益。

- 附註(i) 指數指於彭博資訊上發佈之德意志銀行市政府遠期利率偏向指數(「指數」)

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綜合財務報表附註

22. Deferred tax liabilities – Group

Deferred tax liabilities have been recognised for the withholding tax payable on the profits of the PRC subsidiaries of the Group derived since 1 January 2008 using a tax rate of 10% (2007: Nil). The following amount is shown in the consolidated balance sheet:

Deferred tax liabilities to be settled after more than 12 months

		Withholding tax 預扣稅 2008 二零零八年 RMB'000 人民幣千元
At 1 January	一月一日	–
Charged to the consolidated income statement (Note 27)	在綜合收益表確認(附註27)	13,500
At 31 December	十二月三十一日	13,500

22. 遞延所得稅－集團

本集團已就其中國附屬公司自二零零八年一月一日產生的盈利於分派時須繳納之預扣稅根據10%的稅率(二零零七年：無)確認遞延所得稅負債。于綜合資產負債表上呈列如下：

超過12個月後收回的遞延稅項負債

23. Other losses – net

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Amortisation of deferred income on government grants	攤銷政府撥款之遞延收入	–	19
Realised gain/unrealised (loss) on interest rate swaps – net	利率掉期之變現收益及未變現(虧損)－淨額	6,956	(1,430)
Net foreign exchange gains from interest rate swap (Note 28)	利率掉期之匯兌收益淨額(附註28)	1,046	2,181
Net exchange losses (Note 28)	淨匯兌虧損(附註28)	(8,800)	(5,135)
Others	其他	545	202
		(253)	(4,163)

23. 其他虧損－淨額

Notes to the Consolidated Financial Statements

綜合財務報表附註

24. Expenses by nature

24. 按性質劃分之開支

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Amortisation of prepaid operating lease payments (Note 6)	預付經營租金款項攤銷 (附註6)	110	110
Amortisation of intangible assets (Note 8)	無形資產攤銷 (附註8)	5,117	2,332
Depreciation (Note 7)	折舊(附註7)	21,266	11,648
Impairment of intangible assets (Note 8)	無形資產減值(附註8)	5,412	1,664
Impairment of inventories (Note 12)	存貨減值(附註12)	6,661	168
Impairment of trade receivables (Note 13)	應收交易帳款減值 (附註13)	22	648
Impairment of other receivables (Note 14)	其他應收帳款減值 (附註14)	3,000	-
Employee benefit expense (Note 25)	僱員福利開支(附註25)	26,708	27,682
Changes in inventories of finished goods and work-in-progress	製成品及在製品 存貨變動	48,293	39,190
Raw materials and consumables used	已用原料及消耗品	377,392	297,924
Transportation	運輸	17,549	15,577
Advertising	廣告宣傳	255	123
Operating lease payments	營運租賃租金	3,643	2,864
Auditor's remuneration	核數師酬金	1,521	1,479
Other expenses	其他費用	82,026	66,468
Total cost of goods sold, selling and marketing costs and administrative expenses	已售貨品成本、銷售及市場推廣成本及行政費用	598,975	467,877

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. Employee benefit expense

25. 僱員福利開支

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Wages, salaries, other allowances and benefits in kind	工資、薪金、其他津貼及實物利益	23,804	22,129
Bonus	花紅	-	2,248
Share options granted to directors and employees (Note 16)	授予董事及僱員之購股權(附註16)	913	1,920
Pension costs – defined contribution plans (Note a)	退休金成本 – 定額供款計劃(附註a)	1,991	1,385
		26,708	27,682

(a) Pensions – defined contribution plans

As stipulated by rules and regulations in Mainland China, the Group contributes to a state-sponsored retirement plan for its employees in Mainland China, which is a defined contribution plan. The Group and its employees contribute approximately 6% to 14% and 0% to 4%, respectively, of the employees' salary as specified by the local government, and the Group has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-sponsored retirement plan is responsible for the entire pension obligations payable to retired employees.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its Hong Kong employees makes monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the Group's and the employees' contributions are subject to a cap of HK\$1,000 per month.

During the year, the aggregate amounts of the Group's contributions to the aforementioned retirement schemes were approximately RMB1,991,000 (2007: RMB1,385,000). As at 31 December 2008, the Group was not entitled to any forfeited contributions to reduce the Group's future contributions.

(a) 退休金成本 – 定額供款計劃

根據中國內地法規，本集團為其中國內地僱員向國家認可之定額供款退休計劃供款。本集團及其僱員分別按地方政府所指定之僱員薪金約6%至14%及0%至4%供款，除作出年度供款外，本集團毋須再承擔實際支付退休金或退休後福利之責任。國家認可之退休金計劃承擔應付予退休僱員之一切退休福利責任。

本集團已安排其香港僱員參與由獨立信託人管理之定額供款計劃強制性公積金計劃(「強積金計劃」)。根據強積金計劃，本集團及其香港僱員須每月按照強制性公積金條例所釐定之僱員收入5%各自向計劃供款，而本集團及僱員每月供款上限為1,000港元。

年內，本集團有關上述退休金計劃之供款總額約為1,991,000元人民幣(二零零七年：1,385,000元人民幣)。於二零零八年十二月三十一日，本集團並無已沒收供款可用作減少其日後供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. Employee benefit expense (continued)

(b) Directors' and senior management's emoluments

The remuneration of each director for the year ended 31 December 2008 is set out below:

Name of Director 董事姓名	Fees 袍金 RMB'000 人民幣千元	Salaries, other allowances and benefits in kind 薪金、 其他津貼 及實物福利	Retirement benefit- defined contribution plans 退休福利- 定額供款計劃	Share options granted to directors 授予董事 之購股權	Total 總計 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	
Executive directors		執行董事			
Mr. Yang Yirong	–	楊毅融先生 1,516	10	19	1,545
Mr. Gong Xionghui	–	龔雄輝先生 768	8	–	776
Ms. Lu Jiahua	–	盧家華女士 764	8	–	772
Mr. Lin Like	–	林力克先生 763	4	140	907
Mr. Han Huan Guang	–	韓歡光先生 1,174	11	140	1,325
Non-executive director		非執行董事			
Mr. Feng Tao	–	馮濤先生 –	–	140	140
Independent non-executive directors		獨立非執行董事			
Mr. Yau Fook Chuen	168	丘福全先生 13	–	19	200
Mr. Wong Yik Chung, John	168	黃翼忠先生 10	–	19	197
Mr. Zheng Lansun	42	鄭蘭蓀先生 –	–	19	61
	378	5,008	41	496	5,923

25. 僱員福利開支(續)

(b) 董事及高級管理人員酬金

截至二零零八年十二月三十一日止年度，各董事之酬金載列如下：

Name of Director 董事姓名	Fees 袍金 RMB'000 人民幣千元	Salaries, other allowances and benefits in kind 薪金、 其他津貼 及實物福利	Retirement benefit- defined contribution plans 退休福利- 定額供款計劃	Share options granted to directors 授予董事 之購股權	Total 總計 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	
Executive directors		執行董事			
Mr. Yang Yirong	–	楊毅融先生 1,516	10	19	1,545
Mr. Gong Xionghui	–	龔雄輝先生 768	8	–	776
Ms. Lu Jiahua	–	盧家華女士 764	8	–	772
Mr. Lin Like	–	林力克先生 763	4	140	907
Mr. Han Huan Guang	–	韓歡光先生 1,174	11	140	1,325
Non-executive director		非執行董事			
Mr. Feng Tao	–	馮濤先生 –	–	140	140
Independent non-executive directors		獨立非執行董事			
Mr. Yau Fook Chuen	168	丘福全先生 13	–	19	200
Mr. Wong Yik Chung, John	168	黃翼忠先生 10	–	19	197
Mr. Zheng Lansun	42	鄭蘭蓀先生 –	–	19	61
	378	5,008	41	496	5,923

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. Employee benefit expense (continued)

(b) Directors' and senior management's emoluments

(continued)

The remuneration of each director for the year ended 31 December 2007 is set out below:

Name of Director 董事姓名	Fees 袍金	Salaries, other allowances and benefits in kind 薪金、 其他津貼 及實物福利	Retirement benefit- defined contribution plans 退休福利— 定額供款計劃	Share options granted to directors 授予董事 之購股權	Total 總計
	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
Executive directors		執行董事			
Mr. Yang Yirong	–	1,625	9	38	1,672
Mr. Gong Xionghui	–	885	8	–	893
Ms. Lu Jiahua	–	830	8	–	838
Mr. Lin Like	–	822	–	283	1,105
Mr. Han Huan Guang	–	1,321	12	283	1,616
Non-executive director		非執行董事			
Mr. Feng Tao	–	–	–	283	283
Independent non-executive directors		獨立非執行董事			
Mr. Yau Fook Chuen	139	9	–	38	186
Mr. Wong Yik Chung, John	139	7	–	38	184
Mr. Zheng Lansun	64	4	–	38	106
	342	5,503	37	1,001	6,883

Note:

None of the directors waived any emoluments during the year ended 31 December 2008 (2007: Nil).

25. 僱員福利開支(續)

(b) 董事及高級管理人員酬金(續)

截至二零零七年十二月三十一日止年度，各董事之酬金載列如下：

Name of Director 董事姓名	Fees 袍金	Salaries, other allowances and benefits in kind 薪金、 其他津貼 及實物福利	Retirement benefit- defined contribution plans 退休福利— 定額供款計劃	Share options granted to directors 授予董事 之購股權	Total 總計
	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
Executive directors		執行董事			
Mr. Yang Yirong	–	1,625	9	38	1,672
Mr. Gong Xionghui	–	885	8	–	893
Ms. Lu Jiahua	–	830	8	–	838
Mr. Lin Like	–	822	–	283	1,105
Mr. Han Huan Guang	–	1,321	12	283	1,616
Non-executive director		非執行董事			
Mr. Feng Tao	–	–	–	283	283
Independent non-executive directors		獨立非執行董事			
Mr. Yau Fook Chuen	139	9	–	38	186
Mr. Wong Yik Chung, John	139	7	–	38	184
Mr. Zheng Lansun	64	4	–	38	106
	342	5,503	37	1,001	6,883

附註：

截至二零零八年十二月三十一日止年度，並無董事放棄任何酬金(二零零七年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. Employee benefit expense (continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended 31 December 2008 and 31 December 2007 exclusively comprise the five highest paid directors whose emoluments are reflected in the analysis presented above.

During the years ended 31 December 2008 and 2007, no emoluments were paid to the directors or the five highest paid individuals as an inducement to join or as compensation for loss of office.

25. 僱員福利開支(續)

(c) 五名最高薪人士

本集團截至二零零八年十二月三十一日及二零零七年十二月三十一日止年度之五名最高薪人士之酬金已完全包括於上文分析內之五名最高薪董事。

截至二零零八年及二零零七年十二月三十一日止年度，並無向本公司董事或該五名最高薪人士支付任何酬金，作為吸引彼加盟之獎金或作為離職之補償。

26. Finance income and costs

26. 融資收入及成本

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Interest expense on:	利息開支：		
– Bank borrowings wholly repayable within five years	– 須於五年內全數償還之銀行借貸	(18,083)	(5,623)
– Government loans wholly repayable within five years	– 須於五年內全數償還之政府貸款	(605)	(605)
– Government loans not wholly repayable within five years	– 無須於五年內全數償還之政府貸款	(127)	(127)
Net foreign exchange gains on financing activities (Note 28)	融資活動的淨匯兌收益(附註28)	8,267	815
Fair value gain on derivative financial instruments	衍生金融工具之公平收益		
– Interest rate swaps: cash flow hedges, transfer from equity	– 利率掉期：現金流量對沖，轉撥自權益	597	–
Finance costs	融資成本	(9,951)	(5,540)
Finance income	融資收入		
– Interest income on short term bank deposits	– 短期銀行存款的利息收入	3,175	3,469
Net finance costs	淨融資成本	(6,776)	(2,071)

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. Income tax expense

27. 所得稅開支

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Current tax	現有稅項		
– Mainland China enterprise income tax	– 中國內地企業所得稅	6,173	7,514
– Over provision in previous years	– 以前年度多計之利得稅	(160)	–
Deferred tax (Note 22)	遞延稅項(附註22)		
– Withholding tax on profits of the PRC subsidiaries	– 中國附屬公司之利潤須予支付之預扣稅	13,500	–
		19,513	7,514

Notes:

(a) **Hong Kong profits tax**
No Hong Kong profits tax has been provided as the Group had no assessable profit arising in or derived from Hong Kong.

(b) **Mainland China enterprise income tax**
The subsidiaries established in Xiamen, Fujian Province, Mainland China are subject to Mainland China enterprise income tax at a rate of 18% (2007: 15%). In August 2003, Xiamen Doingcom Chemical Co., Ltd. was accredited as a New High Technology Enterprise and accordingly is exempted from payment of enterprise income tax for two years starting from year 2003. In November 2006, Xiamen Doingcom transformed from a domestic enterprise to a wholly foreign owned enterprise. It has obtained approval from Mainland China Tax Bureau to be exempted from enterprise income tax for two years starting from the first year of profitable operations, followed by a 50% reduction in enterprise income tax for the following three years. Xiamen Doingcom has commenced to enjoy its tax holiday in year 2007.

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the People's Republic of China ("the New Tax Law") which will take effect on 1 January 2008. From 1 January 2008, the income tax rate for the operating subsidiaries mentioned above will be gradually changed to the standard rate of 25% over a five-year transition period. According to the Circular 39 passed by the State Council on 26 December 2007, the tax exemption and reduction will be terminated latest by 2012.

(c) **Overseas income taxes**
The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and, accordingly, is exempted from Cayman Islands income tax. The Company's subsidiaries established in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income tax.

(d) **Mainland China value-added tax**
The subsidiaries established in Mainland China are subject to Mainland China value-added tax ("VAT") at 17% (2007: 17%) of revenue from sale of goods in Mainland China and entitled to a VAT export refund at 9% (2007: 5%) from sale of goods outside Mainland China. Input VAT paid on purchases can be used to offset output VAT levied on sales to determine the net VAT recoverable/payable.

(e) **Withholding tax**
Pursuant to the New Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries and an associate established in Mainland China in respect of earnings generated from 1 January 2008.

附註：

(a) **香港利得稅**
由於本集團並無在香港獲得或賺取應課稅溢利，因此並無就香港利得稅作出撥備。

(b) **中國內地企業所得稅**
於中國內地福建省廈門成立之附屬公司須按 18% (二零零七年：15%) 之稅率繳納中國內地企業所得稅。二零零三年八月，廈門中坤化學有限公司獲認可為高新技術企業，因此獲自二零零三起豁免繳納企業所得稅兩年。二零零六年十一月，廈門中坤化學有限公司由內資企業轉為全外資企業，並且獲得中國內地稅務局豁免自首個獲利年度起繳納企業所得稅兩年，其後三年之企業所得稅則減半。廈門中坤化學有限公司在二零零七年啟用該項稅收優惠。

於二零零七年三月十六日，第十屆全國人民代表大會第五次會議通過於二零零八年一月一日施行的《中華人民共和國企業所得稅法》(「新稅法」)。從二零零八年一月一日起，上述營運附屬公司將於五年過渡期內逐步轉變為標準率 25%。根據國務院於二零零七年十二月二十六日通過的國法 39 號通知，稅項豁免及減免最遲將於二零一二年終止。

(c) **海外所得稅**
本公司根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司，因此獲豁免繳納開曼群島所得稅。本公司在英屬處女群島成立之附屬公司乃根據英屬處女群島國際商業公司法註冊成立，因此獲豁免繳納英屬處女群島所得稅。

(d) **中國內地增值稅**
於中國內地成立之附屬公司在中國內地及境外銷售貨品之收入須分別按 17% (二零零七年：17%)，繳納中國內地增值稅(「增值稅」)，但其出口銷售可享受增值稅出口退稅的待遇(退稅率為 9% (2007: 5%))。計算可收回/應付增值稅淨額時，採購時支付之進項增值稅可用作抵銷出售時徵收之銷項增值稅。

(e) **預扣稅**
根據新稅法，自二零零八年一月一日起，自中國分配給外商投資者的股息應按 10% 的稅率代扣繳所得稅。該法令從二零零八年一月一日起生效，並適用於二零零七年十二月三十一日之後所產生利潤的分配。如果中國與外商投資者所在地區已達成稅收協定，則可採用更低的代扣繳所得稅稅率。本集團使用的稅率為 10%。因此，自二零零八年一月一日起，本集團按照設立於中國的附屬公司及聯營企業所產生利潤確認遞延所得稅負債。

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綜合財務報表附註

27. Income tax expense (continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the relevant enterprise income tax rate in Mainland China, where substantially all of the Group's profit was earned, and the reconciliation is as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	133,969	138,048
Tax calculated at domestic tax rates applicable to profits in the respective countries	按相關國家溢利適用之本地稅率計算之稅項	13,343	12,334
Income not subject to tax	毋須課稅收入	(10,605)	(6,971)
Over provision in previous year	以前年度多計之所得稅	(160)	-
Withholding tax on profits of the PRC subsidiaries	中國附屬公司之利潤須予支付之預扣稅	13,500	-
Tax losses for which no deferred income tax asset was recognised	並無確認遞延所得稅資產所產生稅項虧損	3,435	2,151
Income tax expense	所得稅項開支	19,513	7,514

The weighted average applicable tax rate was 14.6% (2007: 5.4%).

As at 31 December 2008, the Group has unrecognised tax losses of approximately RMB114,940,000 (2007: RMB91,824,000), which can be carried forward to offset future taxable income. Included in the tax loss as at 31 December 2008 was a loss of RMB22,459,000 (2007: RMB8,294,000) that will expire during the period from 2009 to 2013 (2007: 2008 to 2012), while other losses can be carried forward indefinitely. The deferred tax benefit of such tax losses has not been recognised as it is not probable that future taxable profit will be available against which the unutilised tax losses can be utilised.

27. 所得稅開支(續)

以本集團除所得稅前溢利計算之稅項，與按照本集團所得絕大部分溢利來源地中國相關之內地企業所得稅稅率計算之理論數額有差異，對帳如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	133,969	138,048
Tax calculated at domestic tax rates applicable to profits in the respective countries	按相關國家溢利適用之本地稅率計算之稅項	13,343	12,334
Income not subject to tax	毋須課稅收入	(10,605)	(6,971)
Over provision in previous year	以前年度多計之所得稅	(160)	-
Withholding tax on profits of the PRC subsidiaries	中國附屬公司之利潤須予支付之預扣稅	13,500	-
Tax losses for which no deferred income tax asset was recognised	並無確認遞延所得稅資產所產生稅項虧損	3,435	2,151
Income tax expense	所得稅項開支	19,513	7,514

適用加權平均稅率為14.6% (二零零七年：5.4%)。

於二零零八年十二月三十一日，本集團有未確認稅務虧損約114,940,000元人民幣(二零零七年：91,824,000元人民幣)，可結轉抵銷未來應課稅收入。於二零零八年十二月三十一日之稅務虧損包括虧損22,459,000元人民幣(二零零七年：8,294,000元人民幣)，結轉期將於二零零九年至二零一三年(二零零七年：二零零八年至二零一二年)間屆滿，其他虧損則可無限期結轉。由於並不肯定未來有應課稅溢利而可以未動用之稅務虧損抵銷，因此上述稅務虧損之遞延稅項利益並無確認入帳。

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28. Net foreign exchange gains/(losses)

The exchange differences credited/(charged) in the income statement are included as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Net foreign exchange gains from interest rate swap (Note 23)	利率掉期之匯兌收益淨額(附註23)	1,046	2,181
Net exchange losses (Note 23)	淨匯兌虧損(附註23)	(8,800)	(5,135)
Net foreign exchange gains from financing activities (Note 26)	融資活動的淨匯兌收益(附註26)	8,267	815
		513	(2,139)

29. Profit attributable to equity holders of the company

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of RMB31,316,000 (2007: RMB31,844,000).

30. Earnings per share

Basic

Basic earnings per share is calculated by dividing profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

28. 匯兌收益／(虧損)淨額

在收益表中記入／(扣除)的匯兌差額包括在下列項目內:

29. 本公司權益持有人應佔溢利

於本公司財務報表處理之本公司權益持有人應佔溢利為31,316,000元人民幣(二零零七年: 31,844,000元人民幣)。

30. 每股盈利

基本

每股基本盈利乃根據本公司權益持有人應佔溢利除年內已發行普通股加權平均數計算。

		2008 二零零八年	2007 二零零七年
Profit attributable to equity holders of the Company (RMB'000)	本公司權益持有人應佔溢利(人民幣千元)	114,237	130,465
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數(千股)	467,533	466,407
Basic earnings per share (RMB per share)	每股基本盈利(每股人民幣)	24.4 Cents 仙	28.0 Cents仙

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30. Earnings per share (continued)

Diluted

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company mainly comprise the share options. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average monthly market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

		2008 二零零八年	2007 二零零七年
Profit attributable to equity holders of the Company (RMB'000)	本公司權益持有人應佔盈利(人民幣千元)	114,237	130,465
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均數(千計)	467,533	466,407
Adjustments assuming the exercise of share options (thousands)	假設購股權被行使的調整(千計)	9,501	20,626
Weighted average number of ordinary shares for diluted earnings per share (thousands)	計算每股攤薄盈利的普通股的加權平均數(千計)	477,034	487,033
Diluted earnings per share (RMB per share)	每股攤薄盈利(每股人民幣)	23.9 Cents仙	26.8 Cents仙

30. 每股盈利(續)

攤薄

每股攤薄盈利假設所有可攤薄的潛在普通股被兌換後，根據已發行普通股的加權平均股數計算。本公司可攤薄的潛在普通股主要包括購股權。根據未行使購股權所附的認購權的貨幣價值，釐定按公平值(釐定為本公司股份的平均月度市價)可購入的股份數目。按以上方式計算的股份數目，與假設購股權行使而應已發行的股份數目作出比較。

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綜合財務報表附註

31. Dividends

During the year ended 31 December 2008, a final dividend for the year ended 31 December 2007 of RMB14,760,000 (HK3.5 cents/share) (2007: 2006 final dividend of RMB10,493,000 (HK2.3 cents/share)) and an interim dividend for the year ended 31 December 2008 of RMB4,930,000 (HK1.2 cents/share) (2007: 2007 interim dividend of RMB4,537,000 (HK1 cents/share)), were paid by the Company, totalling RMB19,690,000 (2007: RMB15,030,000).

A final dividend in respect of the year ended 31 December 2008 of HK2.9 cents per share, totalling approximately of RMB11,888,000, is to be proposed at the annual general meeting on 25 May 2009. These financial statements do not reflect this dividend payable.

31. 股息

於截至二零零八年十二月三十一日止年度內，本公司共支付19,690,000元人民幣(二零零七年：15,030,000元人民幣)之股息，分別包括14,760,000元人民幣(每股3.5港仙)之二零零七年末期股息(二零零七年：10,493,000元人民幣(每股2.3港仙)之二零零六年末期股息)和4,930,000元人民幣(每股1.2港仙)之2008年中期股息(二零零七年：4,537,000元人民幣(每股1港仙)之二零零七年中期股息)。

於二零零九年五月二十五日舉行之股東週年大會上，有關截至二零零八年十二月三十一日止年度擬派末期股息每股2.9港仙，合共約11,888,000元人民幣。財務報表並無反映此應付股息。

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Interim dividend paid of HK1.2 cents (2007: HK1.0 cents) per ordinary share	已派中期股息每股普通股1.2港仙(二零零七年：1.0港仙)	4,930	4,537
Proposed final dividend of HK2.9 cents (2007: HK3.5 cents) per ordinary share	擬派末期股息每股普通股2.9港仙(二零零七年：3.5港仙)	11,888	14,760
		16,818	19,297

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綜合財務報表附註

32. Cash generated from operations

32. 經營業務產生之現金

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Profit for the year	年內溢利	114,456	130,534
Adjustments for:	按下列各項調整：		
– Income tax expense (Note 27)	– 所得稅開支(附註27)	19,513	7,514
– Depreciation (Note 7)	– 折舊(附註7)	21,266	11,648
– Amortisation of:	– 攤銷以下各項：		
– Land use rights (Note 6)	– 土地使用權(附註6)	110	110
– Intangible assets (Note 8)	– 無形資產(附註8)	5,117	2,332
– Deferred income on government grants	– 政府撥款之遞延收入	–	(19)
– Impairment of intangible assets (Note 8)	– 無形資產減值(附註8)	5,412	1,664
– (Gain)/loss on disposal of property, plant and equipment (see below)	– 出售物業、廠房及設備之(收益)/虧損(見下文)	(7)	334
– Gain on disposal of available-for-sale financial assets	– 出售可供出售金融資產收益	–	(140)
– Employee share option costs (Note 25)	– 僱員購股權成本(附註25)	913	1,920
– Realised (gain) and unrealised loss on derivative financial instruments (Note 23)	– 衍生金融工具之變現收益及未變現虧損(附註23)	(6,956)	1,430
– Net exchange gains on derivative financial instruments (Note 23)	– 衍生金融工具之匯兌收益淨額(附註23)	(1,046)	(2,181)
– Interest income (Note 26)	– 利息收入(附註26)	(3,175)	(3,469)
– Interest expense on bank borrowings and government loans (Note 26)	– 銀行借貸及政府貸款之利息開支(附註26)	18,815	6,355
Changes in working capital:	營運資金變動：		
– Inventories	– 存貨	(30,649)	(6,557)
– Trade receivables	– 應收交易帳款	(26,353)	(50,749)
– Prepayments and other receivables	– 預付款項及其他應收款項	(35,277)	(20,397)
– Pledged bank deposits	– 已抵押銀行存款	(5,206)	15,468
– Trade payables and bills payable	– 應付交易帳款及應付票據	14,874	(36,918)
– Accruals and other payables	– 應計費用及其他應付款項	(2,844)	6,473
– Amount due to a related company	– 應付關連公司款項	–	(3,880)
Cash generated from operations	經營業務產生之現金	88,963	61,472

In the cash flow statement, proceeds from disposal of property, plant and equipment comprise:

於現金流量表，出售物業、廠房及設備所得款項包括以下各項：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Net book amount (Note 7)	帳面淨值(附註7)	68	336
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備之收益/(虧損)	7	(334)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	75	2

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33. Commitments

(a) Capital commitments

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Authorised and contracted but not provided for	已授權及訂約但未撥備		
– Construction-in-progress and property, plant and equipment	– 在建工程以及物業、廠房及設備	18,747	9,861
– Product development projects	– 產品開發計劃	16,280	6,450
– Land use rights	– 土地使用權	3,244	3,244
		38,271	19,555

(b) Operating lease commitments

The Group leases certain premises under non-cancellable operating lease agreements in respect of property, plant and equipment. The lease have varying terms, escalation clauses and renewal rights. The lease expenditure expensed in the income statement during the year is disclosed in Note 24.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Not later than 1 year	不超過一年	2,314	2,809
Later than 1 year and not later than 5 years	超過一年但不超過五年	1,033	3,118
Later than 5 years	超過五年	1,333	–
		4,680	5,927

34. Contingent Liabilities

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

As at 31 December 2008, the Company has corporate guarantee in respect of banking facilities granted to subsidiaries amounting to RMB59,891,000 (2007: RMB50,000,000).

33. 承擔

(a) 資本承擔

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Authorised and contracted but not provided for	已授權及訂約但未撥備		
– Construction-in-progress and property, plant and equipment	– 在建工程以及物業、廠房及設備	18,747	9,861
– Product development projects	– 產品開發計劃	16,280	6,450
– Land use rights	– 土地使用權	3,244	3,244
		38,271	19,555

(b) 經營租約承擔

本集團根據多份不可撤銷經營租約協議租賃若干物業。該等租約之條款、租金調整條款及續約權利不一。年內於收益表支銷之租賃開支在附註24披露。

本集團根據不可撤銷經營租約之未來最低租金總額如下：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Not later than 1 year	不超過一年	2,314	2,809
Later than 1 year and not later than 5 years	超過一年但不超過五年	1,033	3,118
Later than 5 years	超過五年	1,333	–
		4,680	5,927

34. 或然負債

於二零零八年十二月三十一日，本集團概無任何重大之或然負債。

於二零零八年十二月三十一日，本公司就授予附屬公司59,891,000人民幣(二零零七年：50,000,000元人民幣)的銀行融資額度作出公司擔保。



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綜合財務報表附註

35. Related party transactions

The Company is 42.0% owned by Marietta Limited (incorporated in British Virgin Islands) which is owned by Mr. Yang Yirong. The remaining 58.0% of the shares are widely held.

The following transactions were carried out with related parties:

(a) Key management compensation

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Salaries and other short-term employee benefits	6,051	6,507
Share-based payments	496	1,001
	6,547	7,508

(b) Details of the amounts due to directors were:

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Mr. Yang Yirong	1,005	1,167
Ms. Lu Jiahua	-	300
	1,005	1,467

Balances with directors were unsecured and non-interest bearing, and are repayable within one year.

No advances were made to Mr. Yang Yirong or Ms. Lu Jiahua during the year ended 31 December 2008 and 31 December 2007.

35. 有關連人士交易

本公司42.0%權益由一間楊毅融先生持有之英屬處女群島註冊成立之公司—Marietta Limited擁有。餘下58.0%餘由其他人士持有。

下列為與有關連人士進行之交易：

(a) 主要管理人員酬金

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Salaries and other short-term employee benefits	6,051	6,507
Share-based payments	496	1,001
	6,547	7,508

(b) 應付董事款項詳情如下：

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Mr. Yang Yirong	1,005	1,167
Ms. Lu Jiahua	-	300
	1,005	1,467

董事之結餘為無抵押且免息及須於一年內償還。

截至二零零八年十二月三十一日及二零零七年十二月三十一日止年度，本集團並無向楊毅融先生或盧家華女士墊付款項。

Financial Summary

財務概要

Results

業績

		Year ended 31 December 截至十二月三十一日止年度					2008
		2004 二零零四年 RMB'000 人民幣千元	2005 二零零五年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	
Turnover	銷售	276,491	384,417	532,975	612,159	739,973	
Operating profit	經營溢利	72,570	82,869	105,592	140,119	140,745	
Finance costs	融資成本	(5,987)	(4,896)	(1,175)	(2,071)	(6,776)	
Profit before income tax	除所得稅前溢利	66,583	77,973	104,417	138,048	133,969	
Income tax expense	所得稅	(5,230)	(6,923)	(8,982)	(7,514)	(19,513)	
Profit for the year	年內溢利	61,353	71,050	95,435	130,534	114,456	
Dividends	股息	9,650	9,605	14,226	19,297	16,818	
Attributable to: Equity holders of the Company	應佔： 本公司權益持有人	61,354	71,120	95,440	130,465	114,237	
Minority interest	少數股東權益	(1)	(70)	(5)	69	219	
		61,353	71,050	95,435	130,534	114,456	

Financial Positions

財務狀況

		As at 31 December 截至十二月三十一日止年度					2008
		2004 二零零四年 RMB'000 人民幣千元	2005 二零零五年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	
Non-current assets	非流動資產	141,773	212,204	254,524	386,327	444,040	
Current assets	流動資產	344,070	436,965	540,371	564,742	773,620	
Total assets	資產總值	485,843	649,169	794,895	951,069	1,217,660	
Shareholder' equity	股東權益	320,790	445,014	533,060	663,807	748,972	
Non-current liabilities	非流動負債	5,134	5,020	11,698	58,121	242,970	
Current liabilities	流動負債	159,919	199,135	250,137	229,141	225,718	
Total liabilities	負債總額	165,053	204,155	261,835	287,262	468,688	
Total liabilities and equity	總負債及權益	485,843	649,169	794,895	951,069	1,217,660	
Net current assets	流動資產淨值	184,151	237,830	290,234	335,601	547,902	
Total assets less current liabilities	總資產減 流動負債	325,924	450,034	544,758	721,928	991,942	



EcoGreen Fine Chemicals Group Limited
中怡精細化工集團有限公司*

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