



玖龍

# 玖龍紙業(控股)有限公司\*

**NINE DRAGONS PAPER (HOLDINGS) LIMITED**

*(Incorporated in Bermuda with limited liability)*

*(於百慕達註冊成立之有限公司)*

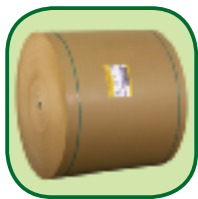
Stock Code 股份代號：2689

## 2007/08

### Interim Report 中期業績報告



\* For identification purposes only  
僅供識別



牛卡紙是一種以本色木漿及廢紙製造的本色卡紙。本集團分別以「玖龍牌」及「海龍牌」推銷高強牛卡紙及標準牛卡紙。

Kraftlinerboard is unbleached linerboard manufactured from unbleached kraft pulp and recovered paper. The Group markets its high performance kraftlinerboard under its "Nine Dragons" brand and its standard kraftlinerboard under its "Sea Dragon" brand.

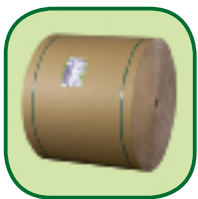
## 牛卡紙 Kraftlinerboard



環保牛卡紙乃由100%廢紙製造，切合若干客戶低成本或更符合環保的要求。本集團以「玖龍牌」及「海龍牌」營銷此產品。

Testlinerboard is made 100% from recovered paper, and meets certain customers' requirements for lower cost linerboard or for more environmentally-friendly content. The Group markets this product under the "Nine Dragons" and "Sea Dragon" brands.

## 環保牛卡紙 Testlinerboard



白面牛卡紙是三層的紙張，其中一層已漂白，以迎合需要白色表面作為外觀或超強印刷適性的客戶。本集團以「玖龍牌」營銷此產品。

White top linerboard is a three-ply sheet of which one layer is bleached, and caters to customers that requires a white surface for appearance or superior printability. The Group markets this product under the "Nine Dragons" brand.

## 白面牛卡紙 White top linerboard



與標準瓦楞芯紙比較，相同基重及已作表面施膠的高強瓦楞芯紙能達至超強的強度及物理特性，能減輕包裝重量、減小體積及所用材料，節省客戶的運送成本。本集團以「玖龍牌」營銷此產品。

Compared to standard corrugating medium, high performance corrugating medium, which undergoes surface sizing, achieves superior strength and physical properties for the same basis weight, which reduces packaging weight, bulk and the amount of material used, allowing customers to save on shipping costs. The Group markets this product under the "Nine Dragons" brand.

## 高強瓦楞芯紙 High performance corrugating medium



塗布灰底白板紙為一種紙板，紙板的一面有光滑的塗布面層，以致具備優越的印刷適性。塗布灰底白板紙一般用作需要高質印刷適性的小型紙盒包裝物料，例如電子消費品、化妝品或其他消費商品的包裝，亦可連同高強瓦楞芯紙及卡紙用作瓦楞紙板的外層。本集團以「玖龍牌」營銷此產品。

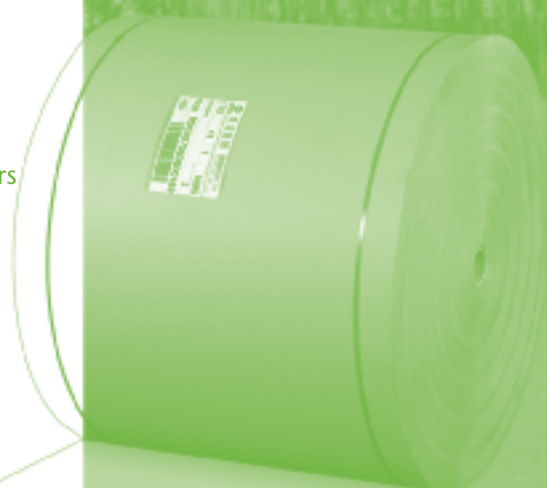
Coated duplex board is a type of boxboard with a glossy coated surface on one side for superior printability. This product is typically used as packaging material for small boxes that requires high quality printability, such as consumer electronic products, cosmetics and other consumer merchandise. It can also be used in combination with high performance corrugating medium and linerboard for the outer layer of corrugated board. The Group markets this under the "Nine Dragons" brand.

## 塗布灰底白板紙 Coated duplex board

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玖龍紙業(控股)有限公司  
NINE DRAGONS PAPER (HOLDINGS) LIMITED  
2007/08 中期業績報告 Interim Report



## 公司資料

# Corporate Information

### 董事會

#### 執行董事

張茵女士(董事長)  
劉名中先生(副董事長兼行政總裁)  
張成飛先生(副行政總裁)  
高靜女士

#### 非執行董事

劉晉嵩先生

#### 獨立非執行董事

譚惠珠女士 金紫荊星章 · 太平紳士  
鍾瑞明先生 金紫荊星章 · 太平紳士  
鄭志鵬博士  
王宏渤先生

#### 執行委員會

張茵女士(主席)  
劉名中先生  
張成飛先生

#### 審核委員會

鄭志鵬博士(主席)  
譚惠珠女士 金紫荊星章 · 太平紳士  
鍾瑞明先生 金紫荊星章 · 太平紳士  
王宏渤先生

#### 薪酬委員會

譚惠珠女士 金紫荊星章 · 太平紳士(主席)  
鍾瑞明先生 金紫荊星章 · 太平紳士  
鄭志鵬博士  
劉名中先生  
張成飛先生

#### 授權代表

張成飛先生  
鄭慧珠女士 ACS · ACIS

#### 合資格會計師

羅宏澤先生 FCPA · FCCA · ACA

#### 公司秘書

鄭慧珠女士 ACS · ACIS

### BOARD OF DIRECTORS

#### Executive Directors

Ms. Cheung Yan (Chairlady)  
Mr. Liu Ming Chung (Deputy Chairman and Chief Executive Officer)  
Mr. Zhang Cheng Fei (Deputy Chief Executive Officer)  
Ms. Gao Jing

#### Non-Executive Director

Mr. Lau Chun Shun

#### Independent Non-Executive Directors

Ms. Tam Wai Chu, Maria GBS, JP  
Mr. Chung Shui Ming, Timpson GBS, JP  
Dr. Cheng Chi Pang  
Mr. Wang Hong Bo

#### Executive Committee

Ms. Cheung Yan (Chairlady)  
Mr. Liu Ming Chung  
Mr. Zhang Cheng Fei

#### Audit Committee

Dr. Cheng Chi Pang (Chairman)  
Ms. Tam Wai Chu, Maria GBS, JP  
Mr. Chung Shui Ming, Timpson GBS, JP  
Mr. Wang Hong Bo

#### Remuneration Committee

Ms. Tam Wai Chu, Maria GBS, JP (Chairlady)  
Mr. Chung Shui Ming, Timpson GBS, JP  
Dr. Cheng Chi Pang  
Mr. Liu Ming Chung  
Mr. Zhang Cheng Fei

### AUTHORISED REPRESENTATIVES

Mr. Zhang Cheng Fei  
Ms. Cheng Wai Chu, Judy ACS, ACIS

### QUALIFIED ACCOUNTANT

Mr. Law Wang Chak, Waltery FCPA, FCCA, ACA

### COMPANY SECRETARY

Ms. Cheng Wai Chu, Judy ACS, ACIS

## 公司資料

# Corporate Information

### 註冊辦事處

Clarendon House, 2 Church Street  
Hamilton HM 11, Bermuda

### 香港辦事處

香港灣仔港灣道30號  
新鴻基中心31樓3129室  
電話：(852)3929 3800  
傳真：(852)3929 3890

### 核數師

羅兵咸永道會計師事務所

### 法律顧問

Conyers Dill & Pearman (百慕達)  
君合律師事務所(中國)  
盛德律師事務所(香港)

### 主要往來銀行

中國農業銀行  
中國銀行有限公司  
中國銀行(香港)有限公司  
招商銀行

### 股份過戶登記總處

Butterfield Fund Services  
(Bermuda) Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke, HM 08 Bermuda

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港灣仔皇后大道東28號  
金鐘匯中心26樓  
電話：(852) 2980 1333  
傳真：(852) 2810 8185

### 網址

[www.ndpaper.com](http://www.ndpaper.com)  
[www.irasia.com/listco/hk/ndpaper](http://www.irasia.com/listco/hk/ndpaper)

### REGISTERED OFFICE

Clarendon House, 2 Church Street,  
Hamilton HM11, Bermuda

### HONG KONG OFFICE

Room 3129, 31/F., Sun Hung Kai Centre,  
30 Harbour Road, Wanchai, Hong Kong  
Tel: (852)3929 3800  
Fax: (852)3929 3890

### AUDITORS

PricewaterhouseCoopers

### LEGAL ADVISERS

Conyers Dill & Pearman (Bermuda)  
Jun He Law Offices (PRC)  
Sidley Austin (Hong Kong)

### PRINCIPAL BANKERS

Agricultural Bank of China  
Bank of China Limited  
Bank of China (Hong Kong) Limited  
China Merchants Bank

### SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre  
11 Bermudiana Road  
Pembroke, HM 08 Bermuda

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
26th Floor, Tesbury Centre,  
28 Queen's Road East, Wanchai, Hong Kong  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185

### WEBSITE

[www.ndpaper.com](http://www.ndpaper.com)  
[www.irasia.com/listco/hk/ndpaper](http://www.irasia.com/listco/hk/ndpaper)

# 財務概要

## Financial Summary

於十二月三十一日或截至十二月三十一日止六個月  
As at or for the half-year ended 31 December

		淨變動 Net changes	二零零七年 2007	二零零六年 2006
<b>經營業績(人民幣百萬元)</b> <b>Operating results (RMB million)</b>				
銷售額	Sales	+44.2%	<b>6,690.4</b>	4,638.5
息稅折舊攤銷前盈利 (EBITDA)	Earnings before interest, taxes, depreciation and amortisation (EBITDA)	+24.3%	<b>1,597.3</b>	1,285.0
息稅前盈利(EBIT)	Earnings before interest and tax (EBIT)	+23.7%	<b>1,371.5</b>	1,109.1
股東應佔利潤	Profit attributable to equity holders of the Company	+11.4%	<b>1,056.2</b>	948.1
<b>邊際利潤/盈利能力<sup>(1)</sup>(%)</b> <b>Marginal profit/profitability<sup>(1)</sup> (%)</b>				
息稅折舊攤銷前盈利率	EBITDA margin	-3.8百分點	<b>23.9</b>	27.7
毛利率	Gross profit margin	-2.4百分點	<b>23.6</b>	26.0
經營利潤率	Operating profit margin	-5.0百分點	<b>19.0</b>	24.0
淨利潤率	Net profit margin	-4.6百分點	<b>15.8</b>	20.4
股權收益	Rate of return on equity	-5.3百分點	<b>17.2</b>	22.5
已動用資本收益	Rate of return on capital employed	-5.2百分點	<b>10.6</b>	15.8
<b>財務狀況(人民幣百萬元)</b> <b>Financial position (RMB million)</b>				
經營活動所得現金淨額	Net cash generated from operating activities	-46.2%	<b>475.9</b>	885.3
資本開支之現金流出	Cash outflow for capital expenditures	+31.4%	<b>3,621.5</b>	2,755.2
期末銀行及現金結餘	Bank and cash balances at end of the period	-18.5%	<b>691.7</b>	848.4
<b>流動資金比率<sup>(1)</sup></b> <b>Liquidity ratios<sup>(1)</sup></b>				
流動比率(倍)	Current ratio (times)	-0.1倍	<b>1.2</b>	1.3
速動比率(倍)	Quick ratio (times)	-0.1倍	<b>0.9</b>	1.0
存貨周轉率(日)	Inventory turnover (days)	+10日	<b>56</b>	46
應收賬款周轉率(日)	Trade receivable turnover (days)	+18日	<b>60</b>	42
應付賬款周轉率(日)	Trade payable turnover (days)	-9日	<b>37</b>	46
<b>資本充足比率<sup>(1)</sup></b> <b>Capital adequacy ratio<sup>(1)</sup></b>				
資本負債比率(%)	Gearing ratio (%)	+5.9百分點	<b>37.6</b>	31.7
淨借貸對權益比率(%)	Net borrowings to equity ratio (%)	+17.8百分點	<b>65.5</b>	47.7
利息償付比率(倍)	Interest coverage (times)	-6.7倍	<b>9.6</b>	16.3
<b>每股股份資料(人民幣分)</b> <b>Per share data (RMB Cents)</b>				
每股盈利—基本	Earnings per share — basic	+2分	<b>25</b>	23
每股中期股息	Interim dividend per share	+0.08分	<b>1.68</b>	1.60
<b>股份資料<sup>(2)</sup></b> <b>Share information<sup>(2)</sup></b>				
已發行股份數目(百萬股)	Number of issued shares (million)	+144.0	<b>4,294.0</b>	4,150.0
市值(人民幣百萬元)	Market capitalisation (RMB million)	+29,068.0	<b>84,678.0</b>	55,610.0

(1) 各比率之計算公式與截至二零零七年六月三十日止年度的年度財務報表中所列相同。而集團之六個月業績在計算比率時已化作全年計算。

(2) 截至二零零七年及二零零六年十二月三十一日。

(1) The formula used for the calculation of ratios is consistent with that applied in the annual report for the year ended 30 June 2007. The six months results of the Group are annualized for the calculation of ratios.

(2) As at December 2007 and 2006.

## 董事長報告

# Chairlady's Statement

致各位股東：

本人欣然提呈玖龍紙業截至二零零七年十二月三十一日止六個月的中期業績報告。回顧期內，我們的營業額及利潤較去年同期繼續錄得增長；面對經營環境不斷變化的同時，我們確立了在中國四平八穩的包裝紙製造業發展的戰略佈局，覆蓋國內主要的製造業中心，強化在市場上無可比擬的獨有領導地位，為未來的擴展及多元化發展奠定良好的基礎。隨著我們逐步拓展地域覆蓋、擴潤產品組合、著手開展上游資源開發，我們也成功擴大營運規模，於二零零七年底的設計產能更達到了535萬噸，進一步提升規模效益、增強長遠價值增長和成本競爭能力，鞏固我們亞洲第一包裝紙生產商的地位。

本集團於回顧期內取得良好的業績表現，總收入和毛利分別錄得約人民幣6,690百萬元和約人民幣1,576百萬元，較去年同期增加44.2%和30.9%。本公司權益持有人應佔淨利潤為約人民幣1,056百萬元，較去年同期增加11.4%。每股盈利為人民幣0.25元，較去年同期增加8.7%。董事會建議宣派中期股息每股人民幣1.68仙，佔可分派利潤比例約6.7%。

### 面對經營環境變化、實施長遠增長策略

對於玖龍紙業來說，作為行業內的領導者，我們一直以來都緊貼經營環境瞬息萬變的變化，掌握市場的脈搏，包括行業供求情況、客戶對產品的多樣要求、全球原材料供應及價格走勢、以及政府出台新政策等，我們不時與業界及政府機關保持良好溝通，並在制定長遠策略時提前作出相應的措施以減低風險，使

Dear Shareholders,

I am delighted to present to you the interim report of ND Paper for the six months ended 31 December 2007. The period under review continued to see growths in our revenue and profit versus the corresponding period of last financial year. Against a backdrop of a constantly changing operating environment, we established a well balanced strategic blueprint for development of our packaging paperboard production business covering major manufacturing centers in China. This secured our unmatched leading position in the industry facilitating our expansion and diversified development for the future. We enlarged our scale of operation progressively through extending our geographical reach, expanding our product range and identifying upstream exploration of resources. As we expanded our annual designed production capacity, reaching 5.35 million tpa by the end of 2007, our economies of scale were improved. Our long term value growth momentum and cost competitiveness were strengthened. Our position as the largest packaging paper manufacturer in Asia was firmly established.

During the period under review the Group achieved encouraging results with total revenue and gross profit grew 44.2% and 30.9% year-on-year respectively to RMB 6,690 million and RMB 1,576 million. Net profit attributable to equity holders of the Company was RMB 1,056 million, up 11.4% from a year ago. Earnings per share were RMB 0.25, up 8.7% from the same period last year. The Board of Directors proposed payment of an interim dividend of RMB1.68 cents per share, accounting for 6.7% of the attributable profit for the period.

### PREPARE TO GROW FOR THE LONG TERM

As the industry leader, ND Paper always stays close to the minute-to-minute changes in the operating environment and the pulses of the market. We maintain close scrutiny to factors including demand-supply dynamics, diversified needs of customers, supply and price trends of raw materials in the global market, and new government policies. We maintain excellent communication with industry participants and relevant government departments. We take proactive measures in response to anticipated changes in the

## 董事長報告 Chairlady's Statement

我們及時抓住市場機遇，在多個方面以行業領導者姿態推動行業的發展。

### (一) 繼續擴大箱板原紙的產能、鞏固行業領導者地位

根據RISI的市場研究分析，箱板原紙在內需帶動下需求仍然強勁，維持雙位數字的增長。同時，市場供應健康增長，在國家政策鼓勵30萬噸以上的新產能和推動加速淘汰小型產能的情況下，大型箱板原紙生產企業可按政策要求及市場需求情況增加產能，小型造紙廠卻因生產技術落後、缺乏資金、市場競爭、廢紙供應緊張、以及政府提高環保要求等問題陸續遭受淘汰，市場上新增的大型產能正好吸納該等紙廠關閉後釋放出的市場份額。供需將維持平衡發展，營造有秩序的經營環境，對於大型造紙企業締造良好的發展機遇。

為了抓緊箱板原紙需求持續增長和行業整合的市場機遇，我們早已定下產能擴張計劃，進一步發揮規模效益和增強成本競爭能力。玖龍紙業將繼續投入資本性開支，除了擴充東莞及太倉基地的產能外，也於重慶及天津新的基地建立造紙機及相關的配套基礎設施，擴大箱板原紙的生產能力，於二零零八年六月及二零零九年的年產能分別達到775萬噸及1,055萬噸，預期於二零零八年六月我們將實現成為世界最大的箱板原紙生產商的目標。

operating environment. These efforts enable us to fully capitalize on market opportunities not only for our own benefit, but for driving the development of the industry as a whole.

### (1) Expanding containerboard production capacity

Marketing research by RISI suggests that the overall demand for containerboard will continue its strong double-digit growth due to the buoyant domestic market in China. Meanwhile, healthy growth is also seen in the overall supply. The PRC Government policies encourage industry participants to invest in new capacities of 300,000 tpa or higher, and target at speeding up the elimination of small capacities. Under such policies, major manufacturers can expand their capacities according to government rules and market situation. Small manufacturers, nonetheless, are gradually eliminated due to inferior production technologies and lack of capital. They are also facing intensifying competition, tightening supply of recovered paper and increasing statutory requirements on environmental protection. As a result, the newly added large-scale capacities are well-timed to absorb market shares released by the closure of small-scale capacities. The market therefore attains parallel growth in supply and demand, cultivating a more orderly overall operating environment in favour of major manufacturers.

Capitalizing on the growing demand for containerboard and industry consolidation, we initiated our plan to expand our capacities at a very early stage for building our economies of scale and strengthening our cost-competitiveness. ND Paper will continue its capital expenditure plans. In addition to increasing the capacities in the Dongguan and Taicang bases, we are also building new paper machines and ancillary infrastructural facilities in the Chongqing and Tianjin bases. We target to grow our overall packaging paperboard annual production capacity to 7.75 million tpa in June 2008 and 10.55 million tpa in 2009. By June 2008, we expect to become the world's largest packaging paperboard manufacturer.



## 董事長報告

# Chairlady's Statement

### (二) 產品多元化及向高價值發展

玖龍紙業一直以來都實行全面及多元化產品組合策略，分別有三大包裝紙產品類別，包括卡紙(牛卡紙、環保牛卡紙及白面牛卡紙)、高強瓦楞芯紙及塗布灰底白板紙，為客戶提供多樣化的產品選擇，滿足客戶不同的需要。我們預見市場對產品要求的新趨勢，例如愈來愈多客戶提出 3R「Reduce(減少)、Reuse(再用)、Recycle(循環再造)」要求，我們已率先在國內引進及著手準備推出低克重高強瓦楞芯紙、低克重卡紙等產品，當中低克重高強瓦楞芯紙將於二零零八年推出市場，擴闊產品組合的同時，進一步開拓高價值產品市場。

預料箱板原紙市場在未來數年後將由快速增長期發展至穩定增長的情況，為了確保集團長期繼續保持高增長，除了在箱板原紙範疇內進行產品多元化發展外，玖龍紙業再下一城，積極進軍其他高價值產品，擴大集團的經營範圍，為未來創造更大的盈利能力及增長價值。

我們將開拓高價特種紙產品的生產，通過收購位於四川的高價特種紙生產，以及木漿和竹漿項目，從事生產電氣絕緣紙及電容器紙。現時該項目的特種紙產品及木漿與竹漿的設計年產能力，分別為15,000噸及26,000噸，以特種紙產能計，估計現時約佔中國有關產品市場份額的50%。憑藉在造紙行業的領導地位，集團不但獲得當地政府的支持，更以極優惠的條件取得項目。我們預期於未來兩年半計劃投資最

### (2) Broadening product range to include high value categories

ND Paper has long been offering a comprehensive product range in three major categories of packaging paper products — linerboard (kraftlinerboard, testlinerboard and white top linerboard), high performance corrugating medium and coated duplex board. This offering provides customers with a wide array of choices accommodating their specific needs. Responding to new requirements evolved in the market, including the “3R” principles — Reduce, Reuse, Recycle, we plan to launch light weight high performance corrugating medium and light weight linerboard products in China in a move that will make us a pioneer in introducing this product category into the country. We shall launch our light weight high performance corrugating medium products in 2008. This move will broaden our product range and help us gain a foothold in the high value market.

We forecast the containerboard market to progress gradually from a rapid-growth phase into a stable-growth phase. In order to sustain our high growth in the long term, other than pursuing diversification within the containerboard segment, we are also exploring into other high value products and broadening our scope of operations to boost our profitability and value growth momentum going forward.

We are expanding into high value specialty paper production through acquisition into high value specialty paper, and wood pulp and bamboo pulp projects in Sichuan to pursue the production of electric insulating paper and capacitor tissue paper. The current annual designed production capacities of this new Sichuan base for specialty paper, wood pulp and bamboo pulp are 15,000 tpa and 26,000 tpa respectively. It currently commands an approximately 50% share in the relevant specialty paper market in China. Leveraging our leading position in the paper manufacturing industry, we have been able to win support from the local governments to acquire these projects in favourable terms. We plan to invest

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多人民幣16億元，將設計年產能增加至5萬噸的高價特種紙(主要生產電氣絕緣紙及電容器紙)和15萬噸的木漿及竹漿，預期於二零一零年投入生產。由於擴產計劃已取得政府審批，故可較自己重新發展造紙製漿項目所需的籌劃時間大為縮短。在完成擴充計劃後，預期我們於中國有關特種紙產品市場的市場份額，將會擴大至70%，木漿及竹漿的產能除了可以供應該項目本身的造紙需要外，更可以將額外的產能供應重慶和太倉基地。

有見市場對液體包裝紙板產品的需求日增，目前國內主要是通過進口滿足市場需要，加上液體包裝紙板產品的價值較高，售價平均高於一般包裝紙板產品一倍，市場發展潛力巨大，集團已計劃在太倉基地投資建立相關的造紙機，該造紙機可以生產多種品種，例如非無菌及無菌液體包裝紙板、其他塗布包裝紙板、食品包裝紙板、紙杯紙及其他高端包裝產品用紙。初步計劃年產能為52萬噸，並擬定於二零一零年投產，預期進行液體包裝紙板的初步投資金額約為人民幣14億元。目前玖龍紙業已完全掌握塗布灰底白板紙的生產技術要求，故有足夠實力進行非無菌及無菌液體包裝紙板的生產，以及其對生產過程衛生條件的嚴格要求。在國內引入高端產品液體包裝紙板的生產，再一次顯示集團作為行業領導者的高瞻遠矚及實力地位。

up to RMB1.6 billion within the next two and a half years to boost the annual designed production capacities to 50,000 tpa of high value specialty paper (primarily in the production of electric insulating paper and capacitor tissue paper) and 150,000 tpa of wood pulp and bamboo pulp. These new capacities are scheduled to commence production by 2010. As this capacity expansion plan has already been approved by the government, the development timeframe will be much shorter than if initiated from scratch. Upon completion of this expansion drive, our share in this particular specialty paper market segment in China is expected to be boosted to 70%. The wood pulp and bamboo pulp output will be supporting self needs of paper manufacturing in the Sichuan projects, while extra capacities will be deployed to serve our Chongqing and Taicang bases.

We see strong potential in liquid packaging paper products in China because demand is mostly met by imports at the moment. This product category commands prices at higher levels - on average double the prices of ordinary packaging paperboard. The Group has earmarked an initial investment of RMB1.4 billion to build in the Taicang base a paper machine for this purpose. This new machine will be able to produce a wide range of products in this category, including aseptic and non-aseptic liquid packaging board, other coated packaging board, food packaging board, cup stock and other high end packaging paper. This machine will have an initial annual production capacity of 520,000 tpa planned for production commencement in 2010. As ND Paper is already capable of meeting the technological standards required for production of coated duplex board, the Group is fully eligible in manufacturing of non-aseptic and aseptic liquid packaging board products and to meet the very stringent hygienic requirements in the production process. This move of introducing into China production of high-end liquid packaging board products reinforces the Group's insight and capability as a leading industry participant.

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### (三) 穩定原材料供應、開拓上游及資源業務、實現林漿紙一體化企業

廢紙及木漿是玖龍紙業生產用之主要原材料。廢紙價格在過去一段時間持續上升，無可避免為集團在成本上帶來了一定的壓力。然而憑藉玖龍紙業的行業領導地位、一站式提供全面的產品組合、產品質量可靠和優良的售後服務，使我們有較高的定價能力，最終成功將大部份產品的廢紙成本上漲轉嫁予客戶。為了長遠的發展及穩定廢紙的成本，我們將通過一直以來提供穩定廢紙來源的供應商，特別是美國中南有限公司，於全球市場(包括美國、歐洲、澳洲及日本等地)收購優質廢紙；同時集團在現有的基礎上，將繼續增加採購國內的優質廢紙的數量，以平衡進口廢紙價格變化的影響，及加速小型紙廠的關閉。

木漿方面，為了應付現時的擴充速度和未來擴闊產品組合，玖龍紙業已訂下向上游及資源性項目的發展方向，長遠實現林漿紙一體化的發展戰略。玖龍紙業的策略是通過多項目形式發展木漿生產業務及取得合適的林木資源，確保穩定及具成本競爭力的木漿供應。

除了內蒙古的合資公司將繼續擴充外，目前我們正考慮在國際性、亞洲地區、以及國內的多個木漿項目，當中包括與一些國際企業進行木漿生產及資源項目的磋商，它們擁有悠久歷史和豐富的林木資源，掌握優良的種植技術，以及良好的財務及經營業績。我們將採取穩

### (3) Building a fully-integrated enterprise

Recovered paper and pulp constitute the mainstay of ND Paper's pool of raw materials. The continuing increase in recovered paper prices has inevitably inflicted pressure on the Group's costs. Nonetheless, owing to ND Paper's leading position in the industry, one-stop offering of a full range of products, reliable product quality and excellent after-sale services, the Group has amassed stronger bargaining power than its peers. We are able to pass on effects of rising recovered paper costs in most products to customers. In order to stabilize our recovered paper costs to support our long term growth, we plan to source high quality recovered paper from a wider array of geographical locations globally (including the US, Europe, Australia and Japan, etc.) through suppliers which can provide stable recovered paper supplies, especially America Chung Nam, Inc. We shall also increase the proportion of high quality recovered paper procured from the domestic market in China in an effort to mitigate risks associated with the volatile import prices, and to speed up the closing of small paper mills.

ND Paper aspires to diversify into upstream and resource business to support its current expansion pace, broadening of its product range and ultimately build a fully-integrated enterprise from forestry, pulp to paper. The Group's strategy is to secure stable supplies of pulp at competitive costs through its participation in pulp production and securing appropriate forestry resources via a multitude of different projects.

On top of the ongoing expansion of our joint venture in Inner Mongolia, we are examining a number of pulp projects sourced from the domestic market, Asia and the international market. These include negotiations with selected international conglomerates on pulp manufacturing and resource projects. These conglomerates have long operating histories and are in control of ample forestry resources, advanced plantation technologies and sound financial and operation track records.

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健的策略，通過非控股比例的合營投資，與合作伙伴建立緊密的聯盟關係。此舉既可增加木漿項目的成功機會，也可接近大量的林木資源及有效運用資金。我們將以優惠條款，向合營公司、聯盟伙伴等取得穩定的木漿供應。同時，玖龍紙業憑藉其中國四個生產基地的強大網絡、龐大的土地儲備、人員及物流支援等，協助聯盟伙伴向國內紙張生產企業銷售木漿及共同發展高價值紙張產品，進一步擴大雙方的合作關係。此外，我們也積極於亞洲地區物色適合的木漿項目，該些項目在鄰近地方配備足夠的林木資源，將可為我們的造紙生產基地提供便捷的木漿供應。貫徹玖龍紙業穩健的投資策略，我們將根據公司的財政資源及狀況考慮初期投資規模，並按部就班地增加投資。

#### (四) 四平八穩地域覆蓋、滿足全國各地的不同需求

作為中國領導的生產商，中國仍然是我們的重要營運地區，並為玖龍紙業提供龐大機遇。我們已制定好四平八穩的包裝紙製造業發展的戰略佈局，在地域上多元發展，全面覆蓋國內市場所有地區不同行業對箱板原紙的不同需求增長，有效降低風險，並滿足不斷增長的內需市場、減少依賴出口。

除了在現有的東莞及太倉基地外，玖龍紙業已成功在中國中西部工業樞紐重慶建立第三個生產基地，目前重慶基地的造紙機及配套設施建造工程進展順利，預期該基地將可按原定計劃於二零零八年中開始投

We are taking a prudent stance in pursuing opportunities of establishing joint ventures with them in non-controlling shareholding capacities, building close alliance relationships with these partners. Such an approach can secure better chances of success in the pulp projects, accesses to significant forestry resources and more efficient use of our capital. We shall source pulp from joint venture companies and alliance partners under favourable terms. Leveraging ND Paper's strong network of its four production bases in China, rich land reserve, talent pool and strong logistics support, we can help alliance partners distribute pulp to domestic paper manufacturers, jointly develop high value paper product projects and foster closer relationships with them. We also actively identify in Asia appropriate pulp projects backed by adequate forestry resources nearby. These projects will be able to offer us convenient accesses to pulp supplies to support our paper production bases. Consistent with ND Paper's prudent investment strategies, we shall decide on our initial investment scale in accordance with our financial resources and position. We shall decide on our subsequent deployment of additional capital stage-by-stage according to the progresses in these projects.

#### (4) Comprehensive and balanced geographical coverage to meet diverse needs in different parts of China

As the country's leading paper manufacturer, ND Paper still derives most of its business from China which provides us with tremendous opportunities. We have accomplished a well balanced strategic matrix for development of our packaging paperboard manufacturing business. We have extended geographical reach to cover containerboard demand from different industries in various parts of the country. This coverage helps us mitigate risks, meet the escalating demand in the domestic market while reducing our dependence on exports.

In addition to Dongguan and Taicang, ND Paper has established its third base in Chongqing, the manufacturing hub in central-western China. Construction of paper machines and ancillary facilities in the Chongqing base has been progressing smoothly, enabling this new base to commence production in mid-2008 as scheduled. The initial capacity

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產，首期年產能達80萬噸，其中包括兩台分別生產高檔牛卡紙及高強瓦楞芯紙的造紙機。此外，我們也落實在國家大力推動的環渤海經濟區中心天津建立第四個生產基地，現階段正進行地基工程及基建籌劃，計劃於二零零九年開始營運，年產能初步為80萬噸，包括一台年產45萬噸高檔牛卡紙和一台年產35萬噸高強瓦楞芯紙的造紙機。兩個新生產基地的初步年產能均達到80萬噸，提供兩種主要產品，以滿足客戶對一站式供貨的要求，更重要的是開始營運初期將可享有合理的回報。

此外，我們也在2008年3月公佈了投資越南造紙廠的計劃，以加快佔據越南、老撾、柬埔寨等東盟市場。

### (五) 克盡企業公民義務、履行企業社會責任

作為負責任的企業公民，玖龍紙業一直高度關注公平競爭、環境保護、員工培訓及發展等方面，並在制定長遠策略時，以投資者、環境、客戶及員工的最大利益為前提，提出符合各方利益的發展策略，為玖龍紙業將來要成為全球領先林漿紙一體化集團鋪路。

中國於二零零七年提出以提倡市場競爭、防止和制止壟斷行為、維護市場秩序為目標的<造紙產業發展政策>，對於一直尊重公平競爭的規範企業來說，集團十分認同政府的新政策。玖龍紙業早已提出配合市場供需同步增長的策略，現時計劃中直至二零零九年的新項目全部已獲

will aggregate 800,000 tpa, represented by two paper machines including one for high-end kraftlinerboard and one for high performance corrugating medium. Furthermore, we have finalized our plans for building our 4th production base in Tianjin, the centre of the Bohai Bay Economic Belt being heavily promoted by the State. Foundation work and infrastructure preparation are now in progress. Commencement of operations is planned for 2009, with an initial capacity of 800,000 tpa comprising a paper machine for 450,000 tpa of high-end kraftlinerboard and a paper machine for 350,000 tpa of high performance corrugating medium. With an initial scale of 800,000 tpa in each of these bases and a product offer covering the two main categories, the new bases will be able to meet the one-stop requirements of customers. More importantly, they will be able to generate reasonable returns at a very early stage of operation.

Furthermore, in March 2008 we have announced the plan to invest in a paper mill in Vietnam, so as to expedite our entry into the ASEAN markets including Vietnam, Laos and Cambodia.

### (5) A Responsible Corporate Citizen

As a responsible corporate citizen, ND Paper has been highly vigilant on issues of fair competition, environmental protection, and staff training and development. We are putting in place a long term development strategy that puts the interests of investors, the environment, customers and staff top in our priorities. We are paving our way towards becoming the world's leading fully-integrated paper manufacturer from forestry to paper.

We are in full support of the Paper Industry Development Policy stipulated by the PRC Government in 2007. This policy promulgates open market competition and maintenance of market order to avoid monopolistic behaviour. These principles are in line with our beliefs in fair competition and compliance. ND Paper initiated at a very early stage a strategy that matches growth in demand to supply in the market. We have received approvals for all new projects till 2009. In

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得審批，不受新政策影響。此外，我們正積極進行產品多元化發展的策略，因此也不受<造紙產業發展政策>中單一品種市場份額上限(35%)的影響。

儘管業務持續擴張，玖龍紙業在環保方面一直堅守原則，毫不鬆懈。我們始終堅持「沒有環保，就沒有造紙」的理念，面對國家對環保要求日益提高，而<造紙產業發展政策>的方向充份反映政府對環保的決心，我們將嚴格遵守最高的環保標準，透過使用環保的生產設備、技術及工序，結合集團的環保企業文化，我們不僅能遵守政府的環保標準，更達至優於國家標準的水平，致力在環保範疇內樹立良好的行業榜樣。

玖龍紙業一直以來都明瞭員工對公司的價值，重視與員工建立互信的關係，更視員工培訓及發展為玖龍紙業的成功策略之一。二零零七年年底推出的新勞動合同法是國家保障勞動人口所推行的政策，作為負責任的企業公民，我們定必遵守新勞動合同法，為員工提供應有的保障。由於勞動成本佔我們整體生產成本不多，新勞動合同法的推行對我們影響很小，但我們仍會密切關注新勞動合同法對客戶、員工以至整個行業的影響。集團積極通過為員工提供理想的工作環境及為員工增值，推行內部員工培訓發展計劃，提升員工對公司的歸屬感之餘，隨著我們的擴充規模日益壯大，更為新增設生產基地預備人才，確保新生產基地能在投產後有

addition, we are actively broadening our product range to reduce our dependence on a single category, so we shall not be affected by the market share cap (35%) in single product categories required by the Paper Industry Development Policy.

Despite our ongoing business development, ND Paper spares no effort in adhering strictly to environmental protection principles. We strive to stay close to our philosophy of "No environment, no paper". In light of the government's commitment on environmental protection as promulgated in the Paper Industry Development Policy, we shall observe strictly the highest environmental protection standards through deployment of environment-friendly production facilities, technologies and production processes. These, when intertwining into our corporate culture advocating environmental protection, allow us to not just meet but exceed statutory environmental protection standards. These help us establish ourselves as a role model of environmental protection for our industry.

ND Paper understands well how important staff members are to its enterprise value. We put strong emphasis on building relationships with staff members based on mutual trusts, and training of staff members to facilitate their professional development. This constitutes an essential component of ND Paper's successes accomplished to date. The new Labour Contract Law, enacted since late 2007, is part of the PRC Government policy to protect its working population. As a responsible corporate citizen, we are to comply with the new law in full to provide staff members with the protection they are entitled to. As labour costs constitute only a small proportion of our overall production costs, the new Labour Contract Law will inflict a very small impact on us. Nonetheless, we shall keep an eye on the impact of the new law on our customers, staff members and industry as a whole. The Group will proactively boost loyalty among staff members by providing them with a pleasant working environment and opportunities for them to polish their capabilities through internal staff training programmes. These efforts will help

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效運作，同時確保全面貫徹玖龍紙業的文化及精神。

nurture talents to support our upcoming production bases, so as to ensure effective operation once these bases commence production. We believe that ND Paper's corporate culture and spirit can be propagated through this process.

### 展望

我們有信心通過以上的長遠業務策略，玖龍紙業於未來跨步向前，隨著積極拓大產能、擴闊產品組合、著手開展上游資源開發、全面拓展地域覆蓋，我們將由現時亞洲最大箱板原紙生產商發展至世界第一的包裝紙板生產商，並於二零一零年進一步將業務方向轉化成為林漿紙及高價值包裝紙的生產，未來將會成為一家實力雄厚、多元化的國際林漿紙集團，為股東創造更大的價值。

### OUTLOOK

We are confident that through the long term business strategies outlined above, ND Paper will achieve leapfrog development in the future. Our position in the industry will ascend from the largest packaging paperboard manufacturer in Asia to the largest in the world. We shall pursue this aspiration through expanding our production capacity, broadening our product range, initiating our exploration in upstream resources and extending our geographical reach. We target to transform ourselves into a fully integrated paper manufacturer from forestry, pulp to paper including high value packaging board. We shall continue to progress our transformation into a fully integrated, diversified, truly international paper manufacturer backed by solid strengths, creating more lucrative returns to our shareholders.

### 致謝

過去玖龍紙業的成就實在是管理層及全體員工努力達致的成果。除了感謝管理層及員工外，本人亦藉此機會向各級政府表示衷心感激，為我們提供了良好營商環境及有力幫助，使我們的業務得以茁壯發展。我們亦由衷感謝股東、投資者、銀行、客戶及業務伙伴對玖龍紙業鼎力支持，並希望他們於未來繼續與我們分享豐碩的成果。

### APPRECIATION

The accomplishments of ND Paper are the results of diligent work of the management and the staff. In addition to my gratitude to our management and staff, I would like to express my sincere appreciation to various governments for providing us a business-friendly environment and necessary support to enable us to grow our business smoothly. I would also like to thank our shareholders, investors, bankers and business partners for their ardent support. We look forward to continuing to share with all of them our accomplishments in the future.

董事長  
張茵

**Cheung Yan**  
Chairlady

香港，二零零八年三月十七日

Hong Kong, 17 March 2008

## 行政總裁營運回顧與展望

# Chief Executive Officer's Operation Review and Outlook

致各位股東：

本人欣然匯報玖龍紙業於截至二零零七年十二月三十一日止六個月的營運繼續有滿意的表現。面對經營環境變化的情況下，本集團除了繼續成功擴大營運規模，以發揮規模經濟效益外，在拓展地域覆蓋、擴潤多元化產品組合、尋求上游及資源項目等方面，均有所推進，並維持良好的經營業績，進一步強化玖龍紙業長遠的價值增長及成本競爭能力。

### 營運回顧

回顧期內，本集團錄得收入和毛利分別約人民幣**6,690**百萬元和人民幣約**1,576**百萬元，同比增加**44.2%**和**30.9%**。本公司權益持有人應佔利潤約為人民幣**1,056**百萬元，每股基本盈利則為人民幣**0.25**元。

本集團於二零零七年十二月三十一日之包裝紙年產能已增加至**535**萬噸，當中包括**280**萬噸卡紙、**160**萬噸高強瓦楞芯紙、**95**萬噸塗布灰底白板紙，以產能計是亞洲最大的箱板原紙生產商。回顧期內，產品銷量較去年同期上升**30.6%**至約**207**萬噸，主要受惠於市場需求持續向上和產能增加。

受惠於內需持續增加，產品銷售按地區分佈也較以往發生變化，回顧期內，估計約**60%**是國內銷售、約**30%**是間接出口、餘下的**10%**是直接出口。玖龍紙業擁有均衡的出口銷售市場，因此即使如市場預期美國經濟轉弱，對我們銷售的影響不大。

擴大產銷和提高產品價格都為我們創造了回顧期內的營業額增長。產量增加使我們繼續享有規模效益，發揮生產成本優勢。然而，產品價格上升主要是彌補廢紙價格在過去一段時間持續上升。玖龍紙業憑藉其行業領導地位，將大部份

Dear Shareholders,

I am delighted to share with you our satisfactory results for the six months ended 31 December 2007. Against a backdrop of rapidly changing operating environment, we accelerated expansion of our operations in order to achieve further economies of scale. Our efforts to extend our geographical reach, diversify our product mix and identify upstream and resource projects yielded solid progress. On the other hand, ND Paper continued to excel on its business management and delivered strong operating results during the period. These further strengthened our long term value growth and cost competitiveness

### REVIEW OF OPERATIONS

During the period under review, the Group saw its gross profit grow 30.9% to approximately RMB1,576 million from the last corresponding period on the back of a 44.2% year-on-year increase in revenue to RMB6,690 million. Profit attributable to the Company's equity holders was RMB1,056 million, translating into basic earnings per share of RMB0.25.

As at 31 December 2007, ND Paper's total production capacity reached 5.35 million tpa, of which 2.8 million tpa was attributed to linerboard, 1.6 million tpa to high performance corrugating medium and 950,000 tpa to coated duplex board. This operating scale has made the Group Asia's largest containerboard manufacturer by production capacity. Sales volume rose 30.6% from the last corresponding period to 207 million tonnes, driven by growing market demand and increase in our production capacity.

Demand from the domestic market in China continued to surge, resulting in changes to the geographical distribution of our sales. About 60% of the sales was derived from the domestic market in China, 30% from indirect export and 10% from direct export. ND Paper maintains a balanced mix of export sales markets. As a result, we expect that the anticipated decline in the US economy will inflict relatively benign impact on our sales.

Sales growth for the period under review was mainly attributable to increases in our production capacity, sales and our product prices. Enlarged capacity enabled us to continue to leverage on our economies of scale and enhance our cost competitiveness. Nevertheless, recovered paper prices have been rising during the past period and we have raised our product prices primarily to



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產品增加的廢紙成本於45至60天內轉嫁予客戶，成功抵銷成本上漲的壓力。市場預期隨著美國經濟放緩，進口廢紙的價格於未來將會下調，可減輕對客戶的加價壓力。我們計劃通過提供穩定廢紙來源的供應商，特別是美國中南有限公司擴大於全球市場(包括美國、歐洲、澳洲及日本等地)收購優質廢紙，以及我們也會增加採購國內的優質廢紙的比例，二零零八年的目標為30%，以平衡進口廢紙價格變化的風險，並進一步推動市場整合。

面對原材料價格上升使成本增加，我們更積極加強提升經營效率，維持我們的成本競爭優勢。通過更有效地運用能源、原材料等資源、大量採購及以最低價格取得原材料等環節，儘量減低成本。

### 不斷擴大的產能規模

回顧期內，本集團的產能持續增加。我們分別在東莞基地新增了十二號及十三號造紙機，提供80萬噸牛卡紙年產能，並在太倉基地改造八號造紙機額外增加5萬噸牛卡紙的年產能，全部於二零零七年八月投入使用。

為了配合擴大營運規模的策略，進一步鞏固行業領導地位，我們正分別在東莞基地及太倉基地興建十九號造紙機和二十號造紙機，預期兩台造紙機將按原定計劃在二零零八年六月前投產，提供額外90萬噸牛卡紙年產能。

### 產品進一步多元化拓展

為了實現價值增長，玖龍紙業也開始進軍高附加值的箱板原紙產品，使產品多元化發展，我們正分別在東莞基地及太倉基地興建兩台新造紙機十八號及二十一號造紙機，大規模生產低克重高強瓦楞芯紙。當該兩台高速造紙機投產時，將會是亞洲(包括日本及澳洲)唯一的低克

offset these increases. As a leading position player in the industry, ND Paper had been able to pass on effects of rising recovered paper costs in most products to customers within 45 to 60 days to mitigate the cost pressure. In light of the anticipated slackening of the US economy, recovered paper prices are set to peak out, easing the cost pressure on customers. We plan to source high quality recovered paper from a wider array of geographical locations globally (including the US, Europe, Australia and Japan, etc.) through suppliers capable of securing stable supplies, especially America Chung Nam, Inc. We shall also increase the sourcing of high quality domestic recovered paper in China to a target level of 30% of the total procurement in 2008, in an effort to mitigate risks associated with volatilities in prices of imports and further drive market consolidation.

We endeavor to improve continuously our operating efficiency to maintain our cost-competitiveness amid the uptrend of raw material costs. We strive to tighten our costs further through more efficient use of energy and raw materials, and bulk procurement of raw materials at better rates.

### INCREASING PRODUCTION CAPACITY

The Group continued to expand its production capacity during the period under review as it added to its Dongguan base PM12 and PM13 which provide 800,000 tpa of linerboard capacity. In the Taicang base we upgraded PM8 to add 50,000 tpa of linerboard. All these new capacities commenced operation since August 2007.

As part of our strategy to reinforce our leading position in the industry by expanding our operations, we have commenced construction of PM19 and PM20 respectively in Dongguan and Taicang bases. These two new machines will commence production in June 2008 as scheduled, providing additional 900,000 tpa of linerboard in production capacity.

### DIVERSIFYING PRODUCT RANGE

ND Paper is boosting its value growth momentum by expanding into production of high value containerboard products. We are now constructing respectively in Dongguan and Taicang bases two new paper machines PM18 and PM21 that produce light weight high performance corrugating medium in large scale. These two machines, when commencing commercial production, will become the first capacity tapping this product category in Asia (including

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重瓦楞芯紙高速造紙機。憑著我們的高瞻遠矚，我們率先從海外引進該等先進生產設備，應付市場對低克重瓦楞芯紙日益增加的需求。十八號及二十一號造紙機將如期於二零零八年六月投產，年產能共700,000噸。

除了開拓高附加值箱板原紙外，我們計劃開拓高價特種紙產品及液體包裝紙板產品的生產。我們將通過收購位於四川的高價特種紙生產，以及木漿和竹漿項目，從事製漿和生產電氣絕緣紙及電容器紙。現時該項目正在商業營運，並錄得良好的業績。我們計劃於未來兩年半，將設計年產能增加到5萬噸的高價特種紙（主要生產電氣絕緣紙及電容器紙）和15萬噸的木漿及竹漿，預期於二零一零年投入生產。另外，我們計劃在太倉基地投資生產非無菌及無菌液體包裝紙板，生產多種飲料及食品包裝紙板，初步計劃年產能為52萬噸，並於二零一零年投產。

### 確立四平八穩的生產地域覆蓋

隨著我們落實重慶及天津生產基地後，玖龍紙業已確立四平八穩的地域覆蓋，生產規模將顯著擴大。在回顧期內，重慶基地的建造工程如期進行，現時正興建兩台新造紙機二十二號及二十三號造紙機，年產能分別為45萬噸牛卡紙和35萬噸高強瓦楞芯紙，預期兩台造紙機將按原定計劃於二零零八年六月投產。而相關的配套設施包括發電廠、自有碼頭及專用鐵路支線的建造工程也順利進行，我們有信心配套設施可以配合造紙機的投產時間竣工。天津基地方面，包括一台年產45萬噸高檔牛卡紙和一台年產35萬噸高強瓦楞芯紙的造紙機，配套設施則包括發電廠、鐵路支線及污水處理設施等，工程計劃於二零零九年完成。

Japan and Australia). Our visionary strategy of introducing these paper machines from overseas will be able to meet the escalating demand for light weight high performance corrugating medium. PM18 and PM21 with a total annual production capacity of 700,000 tpa will commence production in June 2008 as scheduled.

On top of expansion into production of high value containerboard products, we also plan to expand into high value specialty paper products and liquid packaging board. Through the acquisition of high value specialty paper and wood and bamboo pulp projects in Sichuan, we shall pursue the production of pulp, electric insulating paper and capacitor tissue paper. The acquired project has already commenced commercial operations and achieved good results. We plan to raise the current annual designed capacity to 50,000 tpa for high value specialty paper and 150,000 tpa for wood pulp and bamboo pulp in the next two and a half years. These new capacities are scheduled to commence production in 2010. In addition, we plan to invest in a non-aseptic and aseptic liquid packaging board production line in Taicang base for beverage and food packaging board. The initial annual production capacity is 520,000 tpa, commencing production in 2010.

### ESTABLISHING A WELL BALANCED GEOGRAPHICAL COVERAGE OF PRODUCTION BASES

Following the commencement of construction of production bases in Chongqing and Tianjin, ND Paper has established a well balanced geographic network of production bases with production scale increasing significantly. During the period under review, the construction of the Chongqing base progressed as scheduled. This base houses two new machines, PM22 and PM23, that provide respectively 450,000 tpa of linerboard and 350,000 tpa of high performance corrugating medium. These two paper machines are expected to commence production in June 2008 as scheduled. The construction of ancillary facilities, including a power plant, a self-owned pier, and a railway spur specially dedicated to serve this base also progressed as scheduled. We are confident in completing construction of these facilities on time to match the commencement of production. For the Tianjin base, the construction of paper machines with annual production capacity of 450,000 tpa of high-end linerboard and 350,000 tpa of high performance corrugating medium as well as the ancillary facilities including a power plant, a dedicated railway spur and water treatment facilities are scheduled to be completed in 2009.

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本集團現正對收購一家越南造紙廠的控股權進行評估及談判，落實收購後將從未來中國項目所預訂的造紙機中，選調一台年產能40萬噸的造紙機轉交越南，以便於2009年達成其擴產計劃。

### 積極拓展上游及資源項目

隨著玖龍紙業未來增加包裝紙生產和開拓多元化及高價值產品，我們對木漿的需要與日俱增。與此同時，國內木漿市場的迅速發展，於國內銷售木漿也將成為業務新趨勢。再考慮到進一步控制原材料成本，玖龍紙業已定下向上游及資源項目的發展方向，通過多項目形式發展木漿生產業務及取得合適的林木資源，確保穩定及具成本競爭力的木漿供應。目前我們正考慮在國際性、亞洲地區、以及國內的多個木漿項目，當中包括與一些國際企業進行木漿生產及資源項目的磋商，通過非控股比例的合營投資木漿生產，並將以優惠條款，向合營公司、聯盟伙伴等取得穩定的木漿供應。此外，我們也積極於中國及亞洲其他地區物色適合的木漿項目，該些項目在鄰近地方配備足夠的林木資源，將可為我們的造紙生產基地提供便捷的木漿供應。憑藉玖龍紙業四大生產基地及龐大經營規模的優勢，我們有信心在談判過程中獲得理想的成果。

### 環境

玖龍紙業在環保方面致力成為業界模範，不僅符合政府的標準及法規，更要達到比有關要求更高的標準，堅持在生產過程中嚴密監控污水處理、固體廢物處理、廢氣排放處理及噪音污染。本集團之生產基地分別榮獲廣東省環境保護總局及太倉市環境保護局評為環保誠信企業，並持續取得ISO 14001認證。

The Group is currently evaluating and negotiating on the acquisition of controlling interests in a paper mill in Vietnam. Upon completion of the acquisition, we shall transfer delivery to Vietnam a 400,000 tpa paper machine originally ordered for our future projects in China, so as to accomplish the mill's expansion in 2009.

### PROACTIVE EXPANSION INTO UPSTREAM AND RESOURCE PROJECTS

ND Paper's demand for pulp is set to spur following the Group's decision to increase production of packaging paper products and expand its product range into high value products. Parallel to the rapid development of the domestic market in China for pulp, a new business direction has evolved for the distribution and sale of this raw material category in China. As we need to keep raw material costs under even tighter control, ND Paper is expanding into upstream and resource projects. This strategy aims at securing stable supplies of pulp at competitive rates through participating in pulp manufacturing activities via various projects and securing appropriate forestry resources. At present we are in the process of examining a number of pulp projects sourced from the domestic market, from Asia and from the international market. Negotiations are underway with selected international conglomerates on a wide array of options in pulp manufacturing and resource ventures. These include investments into joint venture pulp manufacturing businesses in a non-controlling shareholding capacity, and securing of stable supply of pulp from joint venture companies and alliance partners under favourable terms. We also actively identify in China, Asia and other countries appropriate pulp projects which are supported by adequate forestry resources nearby. These projects will provide us with convenient access to pulp supplies to support our paper production bases. Leveraging on ND Paper's advantages from its four production bases and large-scale operation, we are confident that the negotiations will bring favourable outcomes.

### THE ENVIRONMENT

ND Paper strives to become a role model in the industry in environmental protection as we settle ourselves on performing better than, not just meeting, statutory standards and requirements. We maintain strict controls over sewage treatment, solid waste treatment, emission and noise pollution in our production process. Our production bases were named Green/Environmental Creditable Enterprise by the Guangdong Environmental Protection Bureau and the Taicang Environmental Protection Administration. We continue to maintain our ISO 14001 accreditation on environmental protection.

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### 人力資源

為了提升員工對公司的歸屬感，本集團於各基地為員工提供生活區住宅樓，及於東莞基地提供全面的運動設施、太倉基地提供大型室內運動中心等，為員工營造美好的生活及工作環境。我們也根據公司的薪酬制度準則按僱員的表現作出獎勵，確保僱員的薪酬待遇具吸引力，留住優秀人才。我們亦重視人才培訓及發展，不時鼓勵員工進修，除了提升員工能力以應付集團的業務持續擴張外，並為未來的生產基地作充足的人才準備。此外，我們十分注重工業安全，並繼續取得職業健康安全管理標準OHSAS18001認證。

二零零七年年底推出的新勞動合同法無疑會增加企業的員工成本，但作為資本密集而非勞動密集型的工業，加上我們一直加強機械化、自動化生產及減少對勞動力的依賴，我們的員工成本只佔營業額的4.7%，此百分比將隨著新紙機投產而繼續下降。新勞動合同法的推行對我們影響非常小，但我們仍會密切關注新勞動合同法對客戶、以至整個行業的影響。

### 營運管理

玖龍紙業貫徹科學化及民主的管理理念，通過「扁平快」的管理方針，提高員工及營運效率。我們對於質量管理沒有絲毫鬆懈，在各方面均採納最高的質量指標，並繼續取得品質標準ISO9001認證。

### 財務資源

集團抱著審慎善用財務資源的態度，資金分配以項目的潛力及未來的回報為大前提。集團擁有強大的盈利能力，能提供大量自有資金供未來發展。在對外融資

### HUMAN RESOURCES

In an effort to raise loyalty among staff, the Group provides them with accommodation across our production bases. The Dongguan production base is equipped with comprehensive sports facilities while a large-scale indoor sports center is built in the Taicang base to create a pleasant environment for work and living for the staff members. We reward our staff for their outstanding performance via our remuneration incentive scheme while keeping our staff compensation adequately competitive to retain talents. We place strong emphasis on nurturing talents and encourage our staff to upgrade their skills through training and further education to cope with the needs of the Group's continuing expansion. These measures also help nurture adequate supply of talent to support our upcoming new production bases. Furthermore, we remain vigilant in industrial safety and have maintained our OHSAS18001 accreditation.

The new Labour Contract Law enacted towards the end of 2007 will undoubtedly increase staff cost for all enterprises. ND Paper is a capital intensive, but not labour intensive paper manufacturer. We have over the years been reducing our dependence on manual labour as we enhance our production process through increasing use of machinery and automation. Our staff cost accounted for only 4.7% of our revenue, and as new machines commence production, this percentage will drop further. Hence direct effect from the new Labour Contract Law is very small. Nonetheless, we shall keep an eye on the impact of the new law on our customers and the industry as a whole.

### OPERATION MANAGEMENT

ND Paper adheres to principles of scientific and democratic management. We maintain a slim management structure that encourages prompt responses in order to boost the efficiency of both the staff and the overall operation. We spare no effort in maintaining tight management on quality as we adopt the highest quality standards in every aspect. We continue to maintain our ISO9001 quality management accreditation.

### FINANCIAL RESOURCES

The Group adopts a prudent approach in its deployment of financial sources. We appropriate capital to projects in accordance with their potential and future return prospects. The Group's strong profitability provides a firm base to finance its further development

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方面，我們傾向採取借貸形式，但需保持低成本和確保財務狀況保持健康良好。

面對人民幣持續強勢，我們受惠於大部份的銷售收入以人民幣結算，同時大部份的成本以外幣結算，對玖龍紙業來說是相對有利的。由於我們早已洞悉人民幣走強的趨勢，我們已積極減少人民幣貸款。

### 展望

展望未來，我們將繼續擴大營運規模、拓展地域覆蓋、擴闊多元化產品組合、尋求上游及資源項目，確保玖龍紙業的未來價值增長及成本競爭優勢，為股東帶來理想回報。為了抓住包裝紙市場的需求增長，我們的計劃是要將年產能由現時的535萬噸陸續提高至二零零九年的1,055萬噸，預期於二零零八年中我們將以775萬噸的設計年產能成為世界最大的箱板原紙生產商。為滿足市場多樣化的需求，我們亦將擴充產品線至高端產品。玖龍紙業將積極開拓上游業務，同時，嚴謹執行成本控制，為股東爭取卓越業績。

副董事長兼行政總裁

劉名中

香港，二零零八年三月十七日

with internal resources. We prefer debt financing over other alternatives when external financing is necessary. The guiding principles are to keep financing costs at low levels while maintaining our healthy financial position.

ND Paper benefits from the ongoing strengthening of Renminbi as most of our sales revenue is denominated in the Chinese currency while a large portion of our costs are settled in foreign currencies. We have been actively reducing our Renminbi borrowings since we forecasted strengthening of the currency at a very early stage.

### OUTLOOK

Going forward, ND Paper will continue to expand our operation scale, extend our geographical reach, broaden our product range, identify upstream and resource projects, thus reinforcing our competitiveness and higher value growth in the future, creating better value for our shareholders. Capitalizing on opportunities from the increasing demand for packaging paper, we plan to progressively boost our capacity from the existing 5.35 million tpa to 10.55 million tpa by 2009. With 7.75 million tpa by June 2008, we are set to become the world's largest packaging paperboard manufacturer by production capacity. We shall expand our product range to include high-end products to meet the increasing diversity in demand. ND Paper actively pursues opportunities in upstream businesses and exercises strict cost control, to create excellent returns for our shareholders.

Liu Ming Chung

Deputy Chairman and Chief Executive Officer

Hong Kong, 17 March 2008

## 管理層討論與分析

# Management Discussion and Analysis

### 業務回顧

本集團是亞洲最大包裝原紙生產商，也是全球領先包裝原紙生產商之一。本集團主要生產多樣化包裝原紙產品，包括卡紙（牛卡紙、環保牛卡紙及白面牛卡紙）、高強瓦楞芯紙及塗布灰底白板紙。本集團也參與生產上游產品本色木漿。本集團就多種優質包裝原紙產品提供一站式服務，根據造紙機的大小、寬度、用途及數目的特質，推出不同種類、等級、耐破指數、環壓強度、基重、印刷適性及品牌的多元化產品系列，以滿足客戶各種各樣的需要。同時，本集團擁有多條生產線，能靈活地設計其產品組合，有效提供多元化的產品系列。本集團造紙機的寬度較闊，能生產各種大小規格的產品，務求在滿足客戶需要之餘，亦更具彈性及減低損耗。本集團的五大產品可分為40種不同基重，有超過1,000種不同大小及種類規格。

本集團於截至二零零七年十二月三十一日止六個月期間增加兩台造紙機，分別為十二號及十三號造紙機，同時通過改造八號造紙機額外增加年產能5萬噸。全部十五台先進技術造紙機全年總設計產能為535萬噸，當中280萬噸為卡紙、160萬噸為高強瓦楞芯紙，而95萬噸為塗布灰底白板紙。本集團截至二零零七年十二月三十一日止所有造紙機均設置於東莞及太倉基地。東莞及太倉基地年產能分別為365萬噸及170萬噸。

回顧期內，本集團已開始建造第三個生產基地——重慶基地，建造工程進展良好，現時正興建兩台新造紙機二十二號及二十三號，分別生產45萬噸牛卡紙和35萬噸高強瓦楞芯紙，預期兩台造紙機將按原定計劃在二零零八年六月投產。

### BUSINESS REVIEW

The Group is the largest containerboard producer in Asia and one of the leading players in the world. The Group primarily produces diversified containerboard products, including linerboard (kraftlinerboard, testlinerboard and white top linerboard), high performance corrugating medium and coated duplex board. The Group also participates in unbleached kraft pulp production. The Group's operations enable it to serve as a one-stop shop for a broad range of high quality containerboard products. Due to the size, width, versatility and number of its paper machines, it is able to offer a diversified product portfolio with various types, grades, burst indices, stacking strengths, basis weights, printability and brands to meet a variety of customer requirements. The Group's multiple production lines allow a flexible configuration offering of diversified products in an efficient manner. The broader width of its machines also allows the Group to manufacture products in a large variety of sizes, increasing its flexibility to meet customer demands. Its five principal products are available in 40 different basis weights and over 1,000 different sizes and type specifications.

The Group added two paper machines PM12 and PM13 during the six months ended 31 December 2007. PM8 also underwent a revamping to boost its capacity by another 50,000 tpa. The 15 paper machines in operation command design capacities aggregating 5.35 million tpa, of which 2.80 million tpa are for linerboard, 1.60 million are for high performance corrugating medium and 950,000 tpa are for coated duplex board. Until 31 December 2007 all the paper machines in operation were located in the Dongguan base (3.65 million tpa) and the Taicang base (1.70 million tpa).

The Group has started construction of its third production base in Chongqing during the period under review. With the construction proceeding as scheduled, installation of PM22 and PM23 has already started, targeting to add capacities of 450,000 tpa of linerboard and 350,000 tpa of high performance corrugating medium when they commence production by June 2008 as planned.

## 管理層討論與分析

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此外，本集團於回顧期內落實國內第四個生產基地——天津基地，覆蓋華北及中國東北的市場。天津基地預期於二零零九年開始商業生產，初期年產能為80萬噸包括牛卡紙及高強瓦楞芯紙。

本集團的基礎設施功能齊備，可有效控制成本及運作。除上述十五台造紙機外，本集團還操作供應水電、蒸汽熱力及物流支援的設施。該等設施讓本集團可於多方面自給自足，亦可確保符合環保生產的最高標準。

### 業務策略

本集團矢志成為全球頂尖包裝原紙產品製造商及發展成為多元化的國際林漿紙生產企業。本集團透過擴充產能，不斷提升規模經濟效益，同時亦透過運用更高效的新技術持續發展，實現未來價值增長及維持成本競爭優勢。於回顧期內，本集團努力鞏固於亞洲市場的領導地位，進一步提高營運效率，吸納優秀僱員並繼續注重與獎勵擁有出色表現的員工。

### 繼續提升本集團市場上的領導地位

本集團會繼續按市場供需情況及政府政策擴充生產能力及市場份額，以提升全球市場的領導地位。本集團於二零零六年全年年報中預計自二零零六年直至二零零八年，集團每年包裝紙板生產業務擴充計劃之複合年增長率不會少於40%。本集團預計此目標可於二零零八年年中完成。截至二零零七年十二月三十一日止的年設計產能增加至535萬噸，並計劃將年設計產能提升至二零零八年六月的775

Establishment of the fourth production base in Tianjin received green light during the period. This base will serve the market in northern and northeastern China. It will commence production in 2009 with an initial capacity of 800,000 tpa including both linerboard and high performance corrugating medium.

The Group has a fully functional infrastructure to control costs and operate in an efficient manner. In addition to the 15 paper machines, the Group also operates facilities that supply power, steam, water supplies and logistical support. These features allow the Group to be self-sustaining in several areas while also ensuring the highest standard of environmentally friendly manufacturing.

### BUSINESS STRATEGY

The Group aspires to become the world's premier packaging board manufacturer. It is gradually evolving itself into fully-integrated manufacturer from forestry to end-product with international reach and diversified offerings. While operational efficiency will continue to provide benefits of economies of scale as the Group increases its capacity, it also continuously strives to improve through the implementation of advanced and more efficient technologies. The long term value growth momentum and cost competitiveness were strengthened. During the period, the Group maintained its vigilance in consolidating the Group's market leadership position in Asia, further enhancing operating efficiency, attracting high caliber employees and continuing to emphasize and reward performance excellence.

### CONSOLIDATING THE GROUP'S MARKET LEADING INDUSTRY POSITION

The Group continued to expand its capacity and market share according to market demand and supply situation and government policies, to become one of the leading players globally. As fostered in our annual report for 2006 we plan to achieve a compound annual growth rate of no less than 40% in our packaging board production between 2006 and 2008. We now expect that this target will be achieved by mid-2008. We plan to expand our aggregate capacity from 5.35 million tpa by the end of 2007 to 7.75 million tpa by June 2008 and further to 10.55 million tpa by 2009. At 7.75 million tpa by June 2008, we shall become the world's largest containerboard

## 管理層討論與分析 Management Discussion and Analysis

萬噸及二零零九年的1,055萬噸。當集團的產能擴大規模達到775萬噸時，預料我們將成為世界最大的箱板原紙生產商。本集團已準備就緒把握日後令企業價值增長的機遇，並實行下列重大措施：

### 進一步擴展產能以達致規模經濟效益

於回顧期內，本集團的兩台造紙機(分別為十二號及十三號造紙機)於二零零七年八月投產，並在同月完成擴大八號造紙機的年產能50,000噸。

造紙機 Paper Machine	地點 Location	產品 Product	年產能力 Capacity
八號 PM8	太倉 Taicang	卡紙 Linerboard	增加50,000噸至500,000噸 500,000 tpa (addition of 50,000 tpa)
十二及十三號 PM12 and PM13	東莞 Dongguan	卡紙 Linerboard	共800,000噸 800,000 tpa in total

此外，本集團於東莞基地建造十八號及十九號造紙機，於太倉基地建造二十號及二十一號造紙機，以及在重慶基地建造二十二號及二十三號造紙機。預期此六台造紙機可於二零零八年六月前投產，為集團增加年產能共240萬噸。

造紙機 Paper machine	地點 Location	產品 Product	年產能力 Capacity
十八號 PM18	東莞 Dongguan	低克重高強瓦楞芯紙 Light weight high performance corrugating medium	350,000噸 350,000 tpa
十九號 PM19	東莞 Dongguan	卡紙 Linerboard	450,000噸 450,000 tpa
二十號 PM20	太倉 Taicang	卡紙 Linerboard	450,000噸 450,000 tpa
二十一號 PM21	太倉 Taicang	低克重高強瓦楞芯紙 Light weight high performance corrugating medium	350,000噸 350,000 tpa
二十二號 PM22	重慶 Chongqing	卡紙 Linerboard	450,000噸 450,000 tpa
二十三號 PM23	重慶 Chongqing	高強瓦楞芯紙 high performance corrugating medium	350,000噸 350,000 tpa

manufacturer. The Group is well-prepared to capture any opportunity for future growth via the following initiatives:

### Further Capacity Expansion to Achieve Economies of Scale

During the period the Group enlarged the production capacity of PM8 with an additional 50,000 tpa and commenced the operations of PM12 and PM13 in August 2007.

The Group commenced installation of PM18 and PM19 in Dongguan, PM20 and PM21 in Taicang and PM22 and PM23 in Chongqing. Commencement of commercial production of these six new paper machines by June 2008 will boost ND Paper's aggregate capacity by 2.40 million tpa.



## 管理層討論與分析

# Management Discussion and Analysis

本集團於2008年3月公佈，計劃收購一家於越南成立之造紙廠，以開拓在中國以外地區的生產及出口基地，進一步鞏固其全球市場地位。本集團計劃於完成收購後全面提升該越南造紙廠之生產能力，以達至理想之規模效益。

In March 2008, the Group announced its plan to acquire controlling interest in a paper manufacturer in Vietnam, in order to develop production and export bases outside China, resulting in further strengthening of the Group's position in the global market. Upon completion of the acquisition, the Group plans to increase the production capacity of the Vietnam paper manufacturer to a level where economies of scale can be attained.

本集團的2009年擴充產能計劃因投資越南造紙廠而有所調整，其產品類別分佈情況如下：

Owing to the plan for investment in Vietnam, the Group's 2009 capacity expansion plan has been modified, with the new capacity allocated by product as follows:

造紙機 Paper Machine	產品 Product	年產能力 Capacity
二十五號 PM25	卡紙 Linerboard	450,000噸 450,000 tpa
二十六號 PM26	高強瓦楞芯紙 High performance corrugating medium	350,000噸 350,000 tpa
二十七號 PM27	卡紙 Linerboard	450,000噸 450,000 tpa
二十八號 PM28	低克重高強瓦楞芯紙 Light weight high performance corrugating medium	350,000噸 350,000 tpa
二十九號 PM29	卡紙 Linerboard	450,000噸 450,000 tpa
三十號 PM30	低克重高強瓦楞芯紙 Light weight high performance corrugating medium	350,000噸 350,000 tpa
三十一號* PM31*	卡紙 Linerboard	400,000噸 400,000 tpa

\* 有待確定

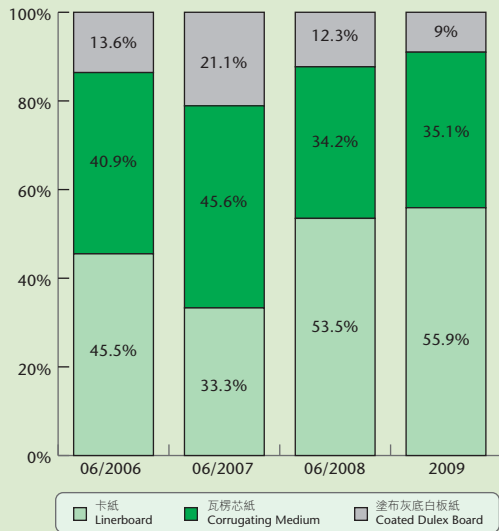
\* To be confirmed

# 管理層討論與分析 Management Discussion and Analysis

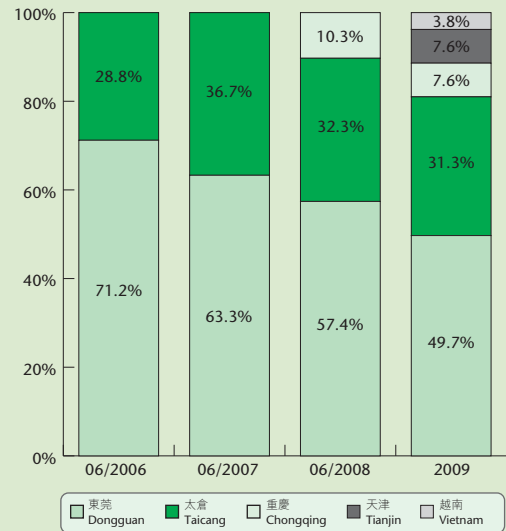
按產品分類之產能  
Capacity by Product Category



按產品分類之產能(續)  
Capacity by Product Category (cont'd)



按生產基地分類之產能  
Capacity by Product Base



## 管理層討論與分析

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### 保持基礎設施投資以配合產能擴充

### Investing in infrastructure to accommodate capacity expansion

#### (1) 電力資源

本集團在日常營運中需要運用大量電力及蒸汽以擴展產能及支持大規模包裝原紙生產。截至二零零七年十二月底，本集團在東莞及太倉設有總裝機容量為591兆瓦的中央燃煤發電廠，在重慶基地方面積極建造配合新造紙機同步投產的兩台發電設備，總裝機容量為120兆瓦。本集團也計劃在天津基地建造配套發電廠。熱電聯產為整體生產提供可靠的電力和蒸汽供應，可節省能源成本及寶貴的土地資源，產出的蒸汽主要用於生產過程中的烘乾流程。由於熱能效率高及耗煤量低，相比向第三方購買電力，採用本集團發電廠可節省成本高達約三分之一。本集團的煤炭採購策略是以最低價格向穩定可靠的供應商採購煤炭。為降低煤炭成本，本集團直接向煤炭分銷商採購所有所需煤炭，並自行安排運輸。本集團在太倉的自有碼頭及新沙港接收船運煤炭。

本集團的全部發電廠接駁地區電網，使本集團可出售過剩的電能。此外，連接電網可為本集團提供後備電源。

#### (2) 土地資源

除投資於基礎設施外，本集團已就目前經營的業務以及未來的發展及擴充計劃作出大額投資，取得龐大規模的土地使用權。於二零零七年十二月三十一日，本集團共投資約人民幣11.2億元於東莞、太倉、重

#### (1) Power resources

To facilitate expanding production capacity and support large-scale containerboard manufacturing, the Group requires a significant amount of electricity and steam for its daily operations. The Group has set up central coal-fired cogeneration power plants in both Dongguan and Taicang with aggregate installed capacity of 591 MW by end-December 2007. In Chongqing we are building two power generators with aggregating installed capacity of 120 MW to propel the new paper machines there. The Group also plans to build power generating facilities in the Tianjin base. These power plants provide both electric power and steam for use in the drying process in the production process to all of its paper machines, thereby saving energy costs and valuable land resources. Because of their high thermal efficiency and low coal consumption, the Group can achieve savings as much as approximately one-third by using electric power from the Group's cogeneration plants compared to the cost of purchasing power from third parties. The Group's sourcing strategy for coal is to purchase from suppliers that can provide a stable and reliable supply at the lowest cost. To lower its coal costs, the Group purchases all of its coal directly from coal distributors and arranged its own shipping. The Group receives the coal by ship at its pier in Taicang and at Xinsha Ports.

All of the Group's power plants are connected with the regional power grids, which enable the Group to sell excess power. In addition, the connection to public power grids provides the Group with a back-up power source.

#### (2) Land resources

Apart from investment in infrastructure, the Group has made substantial investments in acquiring land use rights for large-scale land plots for its existing operations to allow for future development and expansion. Until 31 December 2007, the Group invested a total of RMB1.12 billion to secure land use

## 管理層討論與分析 Management Discussion and Analysis

慶及天津基地獲得總共約599萬平方米的土地使用權。

### (3) 運輸基礎設施

為減低港口裝卸費用、避免運輸瓶頸以及善用航運和內陸水道便捷的交通優勢，本集團已於太倉基地設有自有碼頭。興建中的重慶基地也正在興建船運碼頭，同時計劃在東莞興建一個自有碼頭。

太倉現有船運碼頭可容納載重達5萬噸的遠洋貨輪。本集團已取得所有必須的許可證，可作自用船運碼頭並可向第三方提供裝卸服務。碼頭的泊位年裝卸能力達270萬噸。由於碼頭可接收直接從中國沿岸主要煤炭港口(包括秦皇島、天津及其他港口)運抵的煤炭，因此本集團免付運送煤炭的卸貨費用，大大節省成本。

重慶基地方面，本集團已開始興建一個自有碼頭，同時配備一條直接通往重慶基地的鐵路專用支線。預期相關的配套設施會配合造紙機投產時間完工並投入使用。

本集團亦於東莞基地計劃建造一個碼頭以應付製成品、原材料及煤炭的運輸需要。有關審批程序正在進行，預期於二零一零年完成工程及投入使用，東莞碼頭的年裝卸能力預計約為300萬噸。

rights for land plots in Dongguan, Taicang, Chongqing and Tianjin aggregating 5.99 million sq.m.

### (3) *Transportation infrastructure*

In order to reduce port loading and unloading charges, avoid transportation bottlenecks and take advantage of ocean and inland waterway transportation, the Group has constructed a self-owned pier at Taicang. The Chongqing base construction blueprint already included a self-owned pier while another pier is in the middle of the planning stage for the Dongguan base.

The current pier in Taicang is capable of accommodating oceangoing vessels of up to 50,000 tonnes. The Group has obtained all necessary permits to operate the shipping pier for its own use and to offer loading and unloading services to third parties. The operating berth, with an annual loading and unloading capacity of 2.7 million tonnes, is dedicated to receiving coal deliveries. Given that the Group can take direct delivery by ocean freight from the major coal ports on China's coast, including Qinhuangdao, Tianjin and others, the Group is able to realise significant cost savings by eliminating unloading charges that the Group would otherwise incur for transit of coal.

The Group has commenced the construction of a self-owned pier and a direct railway spur to the Chongqing base. These ancillary facilities will be ready to start operation to cope with commencement of commercial production of the paper machines there.

In Dongguan base, the Group also plans to construct a pier to meet the transportation requirements for finished products, raw materials and coal. The relevant approval procedures are still underway. This Dongguan pier is scheduled to complete construction and commence service by 2010. It has a design annual loading and unloading capacity of approximately 3.0 million tonnes.

## 管理層討論與分析

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### 建造四平八穩的生產基地覆蓋，滿足不同地區及不同行業客戶的需要

除了東莞、太倉及重慶基地之外，本集團也繼續擴張其地域覆蓋，使市場領域更臻全面。本集團於二零零七年九月決定於天津寧河經濟開發區建立第四個生產基地，令集團得以覆蓋所有主要的經濟區域，能為全中國的客戶提供服務。

本集團的第四個基地以天津和北京地區為中心，輻射北部及東北部區域，此等區域已形成了完整的產業鏈，主要行業例如食品、醫藥、高科技及電腦產品、電子、紡織及各類輕工業等，均對包裝原紙需求殷切。此等區域目前的包裝原紙供應依然有限，以小型生產商為主，屬於在可見未來加快市場整合的類別。因此，該地區的客戶今天仍然要依賴其他省份例如河南、山東和江蘇為主提供產品。

天津基地毗鄰濱海新區，享有與濱海新區相同的投資優惠政策。基地已有約240萬平方米的土地使用權，可容納計劃年產能共400萬噸。首期計劃包括一台年產45萬噸高檔牛卡紙和一台年產35萬噸高強瓦楞芯紙的造紙機，預料於二零零九年投產。

天津基地與天津港距離只有30公里。天津港是中國最主要的航運港口之一，可為基地直接提供遠洋航運服務，由於無需轉港，運輸成本得以降低；而鄰近天津港也可大幅減省建造自有碼頭的資本開支。同時，該基地也將建有鐵路支線，方便運輸煤、原材料和製成品，並與直達中國東北三省和南部省份的全國公路網連接，交通方便，四通八達。基地也擁有優良的水質資源，有充足的水量供生產之用。

### Establishing a Highly Balanced Geographical Coverage of Production Bases

In addition to production bases in Dongguan, Taicang and Chongqing, the Group continued its efforts to extend its geographical reach to achieve comprehensive market coverage. In September 2007, the Group confirmed that its fourth base will be built in the Ninghe Economic Development Zone in Tianjin. This will enable the Group to fully cover the major economic regions and provide services to customers throughout the PRC.

The Group's fourth base centres around the Tianjin and Beijing areas and services the northern and north-eastern regions, where the supply chains are well formed with escalating containerboard demand from key sectors such as food, medicine, high-tech and IT products, electronics, textile and various light industries. Current containerboard supplies in these regions are still limited and primarily met by small-scale manufacturers. This segment is expected to go through fast market consolidation in the foreseeable future. Today customers in these regions have to rely on supplies from other provinces such as Henan, Shandong and Jiangsu.

The Tianjin base is situated next to the Binhai New Area and enjoys investment incentives that are the same as those available from the Binhai New Area. It has reserved the land use rights for approximately 2.4 million sq.m. capable of accommodating a planned capacity of 4 million tpa. The first phase will consist of one high performance linerboard paper machine of 450,000 tpa and one high performance corrugating medium paper machine of 350,000 tpa. Production is expected to commence in 2009.

The Tianjin base is located only 30 km from the Tianjin port, one of the major port destinations in China that serves ocean bound vessels directly, thus allowing direct access to ocean transportation at lower transportation costs as transshipment is not required. This also alleviates the need for the base to build its own pier — a significant reduction in capital expenditure. The base is also served by a rail spur for direct movement of coal, raw materials and finished products, and is conveniently accessible by the statewide highway network linking the north-eastern and southern provinces in China. There is an abundant supply of good quality water for paper production in the base.

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### 推出高端新產品以擴充產品種類

作為亞洲市場領導者，本集團一向以最快速度於市場推出最新產品。本集團不僅能夠透過擴充生產線，為客戶提供更多種類的配套產品，亦能充分運用現有生產技術及分銷網絡。

#### (1) 高增值箱板原紙

為滿足客戶對具相同強度及符合3R策略「Reduce(減少)、Reuse(再用)及 Recycle(循環再造)」的低克重瓦楞芯紙(每平方米70–90克)不斷增長的需求，回顧期內，本集團已著手建造以商業規模生產該產品的十八號及二十一號高速造紙機，共可提供年產能70萬噸低克重瓦楞芯紙，預期於二零零八年六月前完成工程投產。

#### (2) 高價特種紙

本集團計劃通過收購四川犍為北亞紙業有限公司(「犍為」)及四川瑞松紙業有限公司(「瑞松」)，進軍高價特種紙產品的生產，進一步擴闊產品領域。

根據有關收購犍為的買賣協議(「犍為協議」)，賣方以無償代價向本集團轉讓彼等於犍為的全部股權。除了本集團表明同意負責的該等項目外，犍為於收購事項完成前的一切債務及負債將由賣方負責。根據犍為協議，本集團將僅負責支付土地出讓金及工地平整施工成本的餘額，以及重置該土地的居民的賠償金，金額最高為人民幣2百萬元。超過人民幣2百萬元的付款將由賣方承擔。犍為於二零零五年十二月成立，主要從事生產高價特種紙產品(例如電氣絕緣紙及電容器紙)、木

### Introduction of New Products to Expand Product Offerings

As the leader in the Asian market, the Group is always ahead of its peers by introducing the newest products to the market. The Group is not only able to expand its product lines to offer a broader range of complementary products to customers, but also to leverage its existing production expertise and distribution network.

#### (1) High value-added containerboard

Targeting to meet customers' increasing demand for lighter weight corrugating medium (70–90 g/m<sup>2</sup>) along the 3R's strategy "Reduce, Reuse and Recycle", during the period the Group commenced construction of high-speed paper machines PM18 and PM21 specifically dedicated for this product category. These machines are expected to commence commercial production by June 2008 with capacities aggregating 700,000 tpa.

#### (2) High value specialty board

The Group plans to diversify into production of high value specialty board products through acquisitions into Sichuan Qian Wei Baiya Paper Co. Ltd. ("Qian Wei") and Sichuan Rui Song Paper Co. Ltd. ("Rui Song").

Pursuant to the sale and purchase agreements (the "Qian Wei Agreements") for the acquisition of Qian Wei, the Vendors transferred their entire equity interests in Qian Wei to the Group free of consideration. Except for those items which the Group has expressly agreed to be responsible, the Vendors will be responsible for all debts and liabilities of Qian Wei prior to completion of the acquisition. Pursuant to the Qian Wei Agreements, the Group will only be responsible for the payment of the balance of the land premium and construction costs for site formation, and the compensation for relocating the residents on the land up to an amount of RMB2 million. Payment in excess of RMB2 million would be borne by the Vendors. Qian Wei was established in December 2005 and will principally be engaged in the production of high value

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漿及竹漿。建立生產設施的工地平整工程目前仍在進行中。

瑞松的轉讓條款仍在磋商階段，截至本報告刊發日期，尚未訂立確定的股份轉讓協議。瑞松於二零零三年六月成立，主要從事高價特種紙的生產，例如電氣絕緣紙及電容器紙、木漿及竹漿。瑞松現時生產高價特種紙產品及漂白木漿與漂白竹漿的設計年產能，分別為15,000公噸及26,000公噸，董事估計瑞松現時約佔中國特種紙產品的市場份額的50%。

收購事項條款包括把瑞松的現時營運遷往新工廠，並將瑞松的營運與健為合併以進一步擴充規模。健為及瑞松的具體開發計劃和收購瑞松的確實條款尚未落實，因此，本集團於現階段未能確定開發健為及瑞松可能涉及的確實投資規模。因應市場狀況及本集團的要求，預期本集團於未來兩年半計劃投資最多人民幣16億元，藉以遷移及把瑞松的現時營運與健為合併，擴大生產設計年產能增加至5萬噸的高價特種紙(主要生產電氣絕緣紙及電容器紙)和設計年產能15萬噸的木漿及竹漿，擴產計劃已取得政府審批，預期於二零一零年投入生產。在完成擴充計劃後，本集團於中國特種紙板產品市場的市場份額，將會增至70%。木漿及竹漿除了可以供應該項目本身的需要外，更可以將額外的產能供應重慶基地，藉以減低本集團的生產成本。本集團以極優

specialty board products (mainly electric insulating paper and capacitor tissue paper), wood pulp and bamboo pulp. The site formation work for the setting up of the manufacturing facility is currently underway.

The terms on the transfer of the Rui Song are still being negotiated and no definite share transfer agreement has been entered into as at the date of this report. Rui Song was established in June 2003 and is principally engaged in the production of high value specialty board products, mainly insulating paper and capacitor tissue paper, wood pulp and bamboo pulp. The existing annual designed production capacity of Rui Song for the production of high value specialty board products and bleached wood pulp and bleached bamboo pulp is 15,000 tonnes and 26,000 tonnes respectively. The Directors estimate that the market share of Rui Song's existing specialty board products in the China market is approximately 50%.

The terms of the Acquisition will include the relocation of Rui Song's existing operation to another premises and combine Rui Song's operation with the future expansion of Qian Wei. As the concrete plan for the development of Qian Wei and Rui Song and the exact terms for the acquisition of Rui Song are still being finalized, the Company cannot ascertain at this stage the exact scale of investment that may be involved with the development of Qian Wei and Rui Song. Depending on market conditions and the requirements of the Group, the Directors expect that the Group may invest up to RMB1.6 billion a period of two and a half years to relocate and combine the existing operations of Rui Song with Qian Wei and develop Qian Wei for the production of high value specialty paper, mainly electric insulating paper and capacitor tissue paper products of annual designed production capacity of 50,000 tonnes and wood pulp and bamboo pulp of annual design production capacity up to 150,000 tonnes with expected production commencement in 2010. The Directors estimate that after the completion of the expansion plan, the market share of Rui Song's specialty board products in the China market would be increased to 70%. The wood pulp and bamboo pulp will be mainly utilized within the Group for the production of packaging paper products while any excess

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惠的條件取得以上兩個項目，充分反映集團作為行業領導者的地位。

### (3) 液體包裝紙

本集團亦計劃在太倉基地，投資建立造紙機生產非無菌及無菌液體包裝紙板。造紙機的性能可以生產多個品種。該設施初步年產能為52萬噸，擬定於二零一零年投產。該設施亦將可生產其他高檔包裝，例如：塗布特卡紙板、塗布折疊盒紙板、食品包裝紙板、紙杯等。生產液體包裝紙板的主要原材料為紙漿。本集團進行此項液體包裝紙板投資的資金承擔，估計約為人民幣14億元。

中國目前的非無菌液體包裝紙板產能不高，無菌產品則主要依賴進口以滿足需求。隨著經濟發展，近幾年對液體包裝紙板產品的需求大增。有鑒於液體包裝紙板產品的價值較高，售價高於一般包裝紙板產品(平均高出一倍)，董事認為液體包裝紙板投資的發展潛力巨大。

### 致力奉行環保作業守則

本集團認為，奉行環保作業守則以及維持高度的環保標準是成為業內市場領導者的關鍵。本集團之生產基地分別獲廣東省環保局及太倉市環保局評為環保誠信企業，並取得環境管理標準ISO14001認證。自成立以來，本集團一直遵守由中央及地方環保機關所頒佈的各項環保法律及法規，已取得排放污水、廢氣及棄置固體廢物的許可證。相信本集團遵

output will be routed to support the Chongqing base in order to reduce the cost of the Group's production. These two acquisitions were arrived at highly favourable terms not otherwise possible by other peers, reflecting the Group's leading position in the industry.

### (3) Liquid packaging board

The Group also has planed to invest in a non-aseptic and aseptic liquid packaging board in the Group's Taicang base in China. The paper machines can produce varies kinds of different products. The facility will have an initial annual production capacity of 520,000 tonnes with commencement planned for 2010. It will be capable of producing other coated folding box board, food packaging board, cup stock and other high end packaging. The main raw material for the production of the liquid packaging board is pulp. It is estimated the initial funding commitment of the Group for the establishment of the liquid packaging board investment is approximately RMB1,400 million.

China currently has few non-aseptic liquid packaging board manufacturing capabilities and relies mostly on imports for its requirements of aseptic products. With economic development, demand for liquid packaging board products has increased significantly in the past few years. In view of the premium that liquid packaging products command and with higher selling prices than the normal packaging paper products (on average 100% higher), the Directors are of the view that the liquid packaging board investment has significant development potentials.

### Committed to Environmentally Responsible Practices

The Group considers the implementation of environmentally responsible practices and the maintenance of high environmental standards as an essential part of being the market leader in the industry. The Group's production bases have been granted the honours of Green/Environmental Creditable Enterprise by the Guangdong Environmental Protection Bureau and Taicang Environmental Protection Bureau and obtained ISO14001 certification for its environmental management standards. Since its establishment, the Group has been in compliance with the



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守環保法律及法規的記錄，是取得擴展項目監管批文的正面因素。

### 持續改善營運效率

擴充產能後，本集團的營運規模逐漸擴大，將更能顯現規模經濟效益，而製造多樣化產品的能力，更可令設備因轉換產品及規格而需停機的時間減至最短。本集團期內造紙機的平均有效運行率為**94.0%**，上年同期則為**95.2%**。

本集團擁有配備自動化集散控制系統及品質控制系統的先進技術造紙機，其中長網牛卡紙造紙機為全國最大及最快的造紙機之一，而若干機器也可由生產一種產品轉為生產另一種產品，期間毋需停產或只需短暫停機便可恢復生產。本集團擁有多樣化產品組合，可以使生產一種產品後的水份及零碎纖維副產品用於生產另一種產品，達致循環再用及節省成本；本集團可透過設備訣竅，在配合使用更多種不同等級的廢紙的同時，也能保持產品品質及性能標準，令本集團能得以相宜的價格，更靈活地採購原材料。

### 優質且價格相宜的原材料供應

本集團的主要製造原材料為廢紙及木漿，而保持優質且價格富競爭力的穩定原材料供應是本集團成功的關鍵元素之一。

environmental laws and regulations promulgated by central and local environmental authorities. It has obtained all required permits for wastewater discharge, airborne emissions and solid waste disposal. It is believed that the Group's record of environmental compliance has been a positive factor in obtaining regulatory approvals for its expansion projects.

### Continuing to Enhance Operating Efficiency

With the expanding production capacity, the Group is able to enjoy better economies of scale while its ability to manufacture a variety of products simultaneously allows it to minimise equipment shutdowns required for product and specification changes. During the period, the Group's paper machines were operated at 94.0% efficiency on average, compared with 95.2% in the last corresponding period.

The Group has technologically advanced paper machines with automated DCSs and quality control systems. Its fourdrinier kraftlinerboard paper machines are among the largest and fastest in China, and certain machines can shift the production from one type of product to another without halting production or with a very brief pause before resuming production. The Group has a diversified product mix. It meets the target of recycling by redeploying water and scrap fiber byproduct from the production of one product into the production of another product. Leveraging its technological know-how, the Group has been able to accommodate the use of a broader variety of recovered paper while maintaining product quality and performance standards. This feature provides the Group with increased flexibility in sourcing raw materials at competitive prices.

### Sources of high quality and price competitive raw materials

Recovered paper and kraft pulp are the Group's principal raw materials used in the manufacture of its products. Therefore, the ability to maintain a stable source of high quality raw materials at a reasonable price is one of the Group's keys to success.

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### (1) 廢紙供應

本集團產品的生產成本有逾半為廢紙。一如多數大型包裝原紙製造商，本集團的成功關鍵在於能否按長期穩定的安排，採購大量質量一致的廢紙，而且由於本集團奉行盡量使用廢紙生產優質箱板原紙產品的政策，以符合客戶的成本目標及環境政策，因此這能力對本集團的策略更加重要。有見及此，本集團制定採購政策向可提供大量品質統一廢紙的可靠供應商採購。在挑選供應商時，本集團的採購部會將各供應商的廢紙品質及價格比較，並考慮各供應商滿足其數量及送貨要求的能力。回顧期內，由於國際市場的廢紙價格持續上升和國內廢紙質素提高，本集團已增加採購國內廢紙，並計劃於二零零八年內將此比例繼續增加至30%，減低過度依賴來自海外廢紙的價格風險。

本集團向主要海外供應商美國中南採購部份所需廢紙，也向多家其他貿易公司採購。截至二零零七年十二月三十一日止六個月，本集團向美國中南採購廢紙約人民幣1,839.9百萬元(二零零六/零七年財政年度同期：人民幣1,203.4百萬元)，佔本集團廢紙總採購額約56.3%(二零零六/零七年財政年度同期：65.8%)。透過集中採購，享有規模採購帶來的議價優惠及運輸成本的降低，令本集團可進一步降低成本。

本集團相信，上述安排將可確保與供應商(包括美國中南在內)訂定的採購條款，符合本公司及其獨立股

### (1) *Recovered Paper*

Recovered paper usually accounts for more than half of the production cost of the Group's products. Like most large-scale containerboard manufacturers, the Group's ability to source large volumes of consistent high-quality recovered paper under stable, long-term arrangements is critical to its success. Because of the Group's policy of maximising the use of recovered paper to produce high-quality products to meet its customers' cost objectives and environmental policies, this ability is even more critical to the Group's strategy. As a result, the Group's sourcing strategy is to purchase from suppliers that can offer reliable and high volume supplies of recovered paper with consistent quality. To select additional suppliers, the Group's sourcing department compares the quality and price of recovered paper from major suppliers and considers each supplier's ability to satisfy its volume and delivery requirements. As the increasing price of overseas recovered paper and the quality of domestic recovered paper improved, the Group increased sourcing recovered paper from the domestic market in China during the period. The Group targets to jack up this proportion further to 30% within 2008 to mitigate the risk of over-reliance on the supply from the overseas.

The Group sources its recovered paper from ACN and the remainder from several trading companies. For the six months ended 31 December 2007, the Group's purchases of recovered paper from ACN amounted to RMB1,839.9 million (2006/07: 1,203.4 million), representing 56.3% of the Group's total purchases of recovered paper (2006/07: 65.8%). Due to the Group's recurring purchases of recovered paper in large quantities and centralized procurement, the Group has been able to secure supplies from suppliers (including from ACN) at more competitive prices and incur lower transportation costs.

We believe that the above arrangement can better ensure that the terms of the Group's purchases with its suppliers, including ACN, are in the best interests of the Company and

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東整體的最佳利益。美國中南近年積極擴大在全球市場(包括美國、歐洲、澳洲及日本等地)收購優質廢紙，而本集團目前向美國中南的採購僅佔美國中南總銷售額的一部份。本集團可根據與美國中南訂立的長期供應合約享有優先採購權，再配合其他國內及海外廢紙供應來源，本集團將有足夠原材料供應以支援未來產能擴充的計劃。

### (2) 木漿供應

木漿是本集團廢紙以外的主要原材料。在生產部份產品時，本集團會使用漂白木漿和本色木漿，以令產品外觀和品質更加統一。由於中國木漿供應短缺，因此取得大量統一優質木漿的穩定供應對本集團的成功十分關鍵。本集團的採購策略是在符合品質要求的同時，尋求維持多個採購木漿的來源，以確保供應穩定及成本相宜。為了進一步控制原材料成本，玖龍紙業已定下向上游及資源項目的發展方向。

除了通過玖龍興安合資企業為本集團提供日後所需的部份本色木漿供應，本集團計劃通過多項目形式發展木漿生產業務及取得合適的林木資源，確保穩定及低成本的木漿供應。隨著玖龍紙業未來增加包裝紙生產和開拓多元化及高價值產品，我們對木漿的需求與日俱增。與此同時，國內木漿市場迅速發展，於國內銷售木漿也將成為業務新趨勢。除了隄為及瑞松項目外，我們正在考慮多個在國際性、亞洲地區、以及國內的木漿項目，當中包括與一些國際上信譽良好的木漿生產及資源項目進行磋商，通過非控股比例的合營投資木漿生產，我們

its independent shareholders as a whole. In recent years, ACN actively source their recovered paper globally (including USA, Europe, Australia and Japan) and as the Group's purchases from ACN currently account for only a part of ACN's total sales volumes to China, with its priority to purchase from ACN under the long-term supply contract as well as the Group's other sources of recovered paper supply, the Group will have sufficient raw material supply to support its capacity expansion in the future.

### (2) Kraft Pulp

Kraft pulp is the Group's second largest raw materials component. The Group uses both bleached and unbleached kraft pulp in the production of some of its products to increase the consistency of appearance and strength of the products. Due to the shortage of kraft pulp in China, a stable supply of substantial volumes of consistent high quality kraft pulp is critical to the Group's success. The Group's sourcing strategy is to seek to maintain a diversified source of kraft pulp, to ensure stable supply and cost competitiveness while meeting its quality requirement. ND Paper has inked on strategies to expand into upstream and resources activities to tighten its control on raw material costs.

On the top of an initiative to secure part of the supply of unbleached kraft pulp through the joint venture Nine Dragons Xing An Paper Industries (Inner Mongolia) Company Limited, the Group also participates in kraft pulp manufacturing activities via various projects and prospecting into appropriate forestry resources to secure stable and low-cost pulp supplies. ND Paper's demand for kraft pulp is set to spur following the Group's decision to increase production of packaging paper product and expand its product range into high value products. Parallel to the rapid development of the domestic market in China for kraft pulp, a new business trend has been evolved for ourselves in distribution and sale of this raw material category in China. In addition to the Qian Wei and Rui Song projects, we are in the process of examining a number of kraft pulp projects sourced from the domestic market, from Asia and from the international market. Negotiations are

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並將以優惠條款，向合營公司、聯盟夥伴等取得穩定的木漿供應。此外，我們也積極於亞洲地區物色適合的木漿項目，選擇毗鄰足夠林木資源的地點，將可為我們的造紙生產基地提供便捷的木漿供應。

### 自有保養團隊，改善生產效率及質量

本集團現於東莞及太倉基地擁有逾800位曾接受原設備供應商培訓的保養人員，負責定期維修、保養本集團的造紙機。本集團的保養團隊定期檢查及維修造紙機，確保造紙機操作順暢。本集團於進行維修及保養的同時，也不時進行生產設備升級，以延長本集團生產設備的使用期，提升生產效率及確保產品質量。

本集團在東莞及太倉的業務正採用企業資源規劃系統，管理、操控及監察各個業務範疇，包括庫存管理、造紙機的操作及保養、產品品質控制、銷售及市場推廣，以及通過內部運輸及運送網絡運送本集團的產品。本集團所有造紙機均設有集散控制系統，可監察及控制生產以及自動品質控制各方面系統，確保每一個環節的工序符合質量生產，並使本集團繼續取得品質標準ISO9001認證。

### 吸納優秀僱員並繼續注重與獎勵擁有出色表現的員工

本集團由一支饒富經驗及竭誠服務的管理團隊領導，平均擁有超過八年的相關經驗。此外，本集團也會從海外聘請具

underway with selected international conglomerates on wide array of options. They include kraft pulp manufacturing and resources ventures, investments into joint venture kraft pulp manufacturing businesses in a non-controlling shareholding capacity, and securing of stable supply of kraft pulp from joint venture companies and alliance partners under favourable terms. We also actively identify in Asia appropriate kraft pulp projects which are supported by adequate forestry resources nearby. These projects will provide us with convenient accesses to kraft pulp supplies to support our paper production bases.

### Retaining In-house Maintenance Teams to Enhance Efficiency and Quality

The Group has over 800 maintenance personnel in total in Dongguan and Taicang bases who have undergone training provided by the original equipment vendors and are responsible for periodic repair and maintenance of its paper machines. The paper machines are regularly inspected and maintained by the Group's maintenance teams to ensure that they are in proper working order. The Group upgrades its production equipment concurrently with its repair and maintenance from time to time to increase the life span and efficiency of its production equipment to better ensure delivery of high quality products.

The Group is implementing an enterprise resource planning (ERP) system for its Dongguan and Taicang operations. It will manage, control and track all aspects of operations, including inventory control, operation and maintenance of the paper machines, quality control of its products, sales and marketing and delivery of its products through its internal transportation and delivery network. All paper machines have DCSs that monitor and control all aspects of production and automated quality control system to ensure that every segment of the production process comply with our quality requirements. This arrangement enabled the Group to maintain its ISO9001 quality standard accreditation.

### Attracting high caliber employees and continuing to emphasize and reward performance excellence

The Group is led by an experienced stable and dedicated management team with an average of over 8 years' experience in the field. The Group also retains international talents from overseas

## 管理層討論與分析

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有專業資格的國際人才加入高級管理團隊。有賴本集團管理層的領導、遠見及推動，加上彼等對貫徹實施國際最佳作業手法的持續努力，本集團已在短時間內晉身成為亞洲市場領導者。

本公司相信，本集團的人力資源，尤其是管理層及專業工程師的質素，對本集團能否脫穎而出至關重要。因此，本集團一直以遵照管理程式及公司管治的國際最佳作業守則為原則，務求達致、甚至超越國際標準。本集團的職業健康安全管理標準已於二零零五年二月取得OHSAS18001認證。

於二零零七年十二月三十一日，本集團在香港及中國擁有約10,068名全職僱員負責管理、行政及生產。期內，有關僱員成本(包括董事酬金)約為人民幣419.1百萬元。本集團確保僱員的薪酬待遇具吸引力，並根據本集團薪酬制度的一般準則按僱員的表現作出獎勵。為了對員工提供最佳的保障，本集團也將遵守新推出的勞動合同法。本集團已採納僱員購股權計劃，並通過繼續實行及令獎勵花紅計劃更加完善，以及定期進行內部及海外培訓等員工發展計劃，繼續吸引並挽留國內及國際管理及工程人才。

### 財務回顧

本集團於截至二零零七年十二月三十一日止六個月收入與利潤較去年同期繼續再創新高。

### 收入

截至二零零七年十二月三十一日止六個月，本集團收入較上一財政年度同期上升44.2%至人民幣6,690.4百萬元。本集

with professional qualifications to join its senior management team. Through management's leadership, vision and drive, and their consistent effort to implement international best practices, the Group has become the market leader in Asia within a short period of time.

We believe that the quality of the Group's human resources, particularly its management and professional engineers, are critical to its ability to compete effectively. The Group aims to achieve and exceed international standards of performance excellence by following international best practices for management processes and corporate governance. The Group obtained the OHSAS18001 certification for its occupational health and safety system in February 2005.

As at 31 December 2007, the Group had approximately 10,068 full time management, administration and production staff in Hong Kong and the PRC. The related employee's costs for the period (including directors' emoluments) amounted to approximately RMB419.1 million. The Group ensures that the pay levels of its employees are competitive and employees are rewarded on a performance related basis within the general framework of the Group's remuneration system. The Group will comply with the new Labour Contract Law in full to provide staff members with the protection they are entitled to. The Group adopted a share option scheme for employees. It also seeks to continue to attract and retain domestic and international management and engineering talent by continued implementation and refinement of its incentive bonus program and through staff development programs such as periodic in-house and overseas training.

### FINANCIAL REVIEW

The Group continued to record growth in turnover and earnings for the six months ended 31 December 2007 as compared with the corresponding period of last year.

### Revenue

The Group's revenue for the six months ended 31 December 2007 increased by 44.2% over the corresponding period of the previous financial year to RMB6,690.4 million. The major contributor of

## 管理層討論與分析

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團銷售收入主要來自紙張業務，佔集團總收入**97.8%**，其餘銷售收入部分則來自紙漿業務所得銷售收入。

由於包裝原紙產品銷量上升及平均售價提高，回顧期內本集團紙張銷售收入較上一財政年度同期增加**45.6%**。截至二零零七年十二月三十一日止六個月，本集團卡紙、高強瓦楞芯紙及塗布灰底白板紙的銷售收入分別佔銷售總收入**44.7%**、**28.5%**及**24.7%**，去年同期則分別佔**52.8%**、**26.3%**及**17.8%**。

本集團於二零零七年十二月三十一日的設計年產量為每年**5.35**百萬噸，其中卡紙、高強瓦楞芯紙及塗布灰底白板紙分別為每年**2.80**百萬噸、**1.60**百萬噸及**0.95**百萬噸。本集團包裝原紙產品銷量自上一財政年度同期約**1,586,000**噸上升**30.6%**至截至二零零七年十二月三十一日止六個月約**2,071,000**噸。銷量上升**30.6%**是由於十一號、十六號及十七號造紙機，加上十二號及十三號造紙機投產，及八號造紙機於二零零七年八月年產量增加**50,000**噸。

由於產品組合有變，故卡紙、高強瓦楞芯紙及塗布灰底白板紙銷量於截至二零零七年十二月三十一日止六個月較去年同期分別增長**11.7%**、**38.1%**及**75.7%**。

本集團所有產品提價亦使銷售額增加至高位，證明本集團的市場領先地位、一站式的產品供應及市場需求殷切均使本集團有很強的議價能力。卡紙、高強瓦楞芯紙及塗布灰底白板紙於截至二零零七年十二月三十一日止六個月的平均售價分別提升**9.2%**、**13.4%**及**13.6%**。

the Group's sales revenue was still from its paper business which accounted for 97.8% of the total group revenue, with the remaining sales revenue generated from its pulp business.

The Group's paper sales revenue for the period under review increased by 45.6% over the corresponding period of last financial year, as a result of both the increase in the Group's sales volume and average selling price of its packaging paperboard products. Sales revenue of linerboard, high performance corrugated medium and coated duplex board for the six months ended 31 December 2007 accounted for 44.7%, 28.5% and 24.7% respectively of the total sales revenue, compared to 52.8%, 26.3% and 17.8% respectively in the corresponding period of last year.

The Group's annual designed production capacity as at 31 December 2007 was 5.35 million tpa, comprising 2.80 million tpa of linerboard, 1.60 million tpa of high performance corrugating medium and 0.95 million tpa of coated duplex board. The Group's sales volume of packaging paperboard products increased by 30.6% to approximately 2,071,000 tonnes in the six months ended 31 December 2007 from approximately 1,586,000 tonnes in the same period of the last financial year. The 30.6% growth in sales volume was supported by full period contribution of PM11 and PM16 & 17, as well as the newly commenced operations of PM12 & 13 and upgrade of the production capacity of PM8 by 50,000 tpa in August 2007.

The sales volume of linerboard, high performance corrugated medium and coated duplex board for the six months ended 31 December 2007 increased by 11.7%, 38.1% and 75.7% respectively which is in line with the change in production mix as compared with the corresponding period of last year.

The price increment of all the Group's products also contributed to the increase in the top line figure and confirms the Group's price-setting power as a result of its market leadership position, one-stop product offer and the robust market demand. The average selling prices of linerboard, high performance corrugated medium and coated duplex board for the six months ended 31 December 2007 increased by 9.2%, 13.4% and 13.6% respectively.

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# Management Discussion and Analysis

本集團的銷售繼續主要來自國內市場(尤其是瓦楞芯紙及塗布白板紙行業)銷售。截至二零零七年及二零零六年十二月三十一日止兩個半年期間,國內銷售額分別佔本集團總銷售額57.7%及59.0%,而餘下收入主要為售予外資加工企業及直接出口的銷售額,均以外幣結算。

截至二零零七年及二零零六年十二月三十一日止兩個半年期間,本集團五大客戶的銷售額合共佔銷售總額約8.6%,其中最大單一客戶的銷售額佔2.7%,而去年同期則分別為11.7%及2.8%。

### 毛利

截至二零零七年十二月三十一日止六個月的毛利為人民幣1,576.2百萬元,較上一財政年度同期的人民幣1,203.9百萬元增加人民幣372.3百萬元,增幅為30.9%。期內整體毛利率自26.0%降至23.6%。儘管回顧期內市場對本集團產品需求殷切,但本集團亦受原料(特別是廢紙及紙漿)成本增加的不利影響。由於回顧期內原料價格增幅大且加價頻率高,本集團需較長時間將成本增加轉嫁至客戶。

本集團造紙機的平均使用率自上一財政年度同期95.2%降至截至二零零七年十二月三十一日止六個月94.0%。使用率下降主要是由於本集團為適應市場需求變化而調整產品結構以增加高強瓦楞芯紙及較輕包裝原紙產品的生產,從而使轉換產品及基準時所需的停機時間增加所致。

The majority of the Group's sales continued to be realized from the domestic market, in particular from the corrugating medium and coated duplex board sectors. For the two six-month periods ended 31 December 2007 and 2006, domestic sales represented 57.7% and 59.0% of the Group's total sales respectively, while the remaining revenue are sales denominated in foreign currencies which primarily represented sales made to foreign invested processing enterprises and direct export.

For the two six-month periods ended 31 December 2007 and 2006, sales to the Group's top five customers in aggregate accounted for approximately 8.6% of the total revenue, with that to the single largest customer accounted for 2.7%. The corresponding percentages for the last corresponding period were 11.7% and 2.8% respectively.

### Gross Profit

The gross profit for the six months ended 31 December 2007 was RMB1,576.2 million, an increase of RMB372.3 million or 30.9% as compared with the RMB1,203.9 million recorded in the same period of the last financial year. Overall gross profit margin for the period decreased from 26.0% to 23.6%. Despite the robust market demand of the Group's product, the Group suffered from the negative impact of fast rising raw materials costs, especially recovered paper and pulp, during the period under review. In view of the increase in the magnitude and frequency of the raw materials price increases during the period under review, the Group needed longer time in the process of passing the cost increases to its customers.

The average utilization rate of the Group's paper machines for the six months ended 31 December 2007 decreased from 95.2% in the corresponding period of the previous financial year to 94.0%. The decrease in utilization rate was mainly due to increase in shutdown period required for product and basis weight changes as the Group has changed its product mix to increase the production of high performance corrugating medium and more packaging paperboard products with lighter weight to cope with the changes in the market demand.

## 管理層討論與分析

# Management Discussion and Analysis

### 其他收益淨額

本集團其他收益淨額由上一財政年度同期人民幣148.9百萬元下降16.0%至截至二零零七年十二月三十一日止六個月人民幣125.1百萬元。下降主要是由於廢料銷售額及收購健為的負商譽增加被電力銷售額減少與衍生金融工具公允價值改變產生的淨損失抵銷。

### 經營利潤

截至二零零七年十二月三十一日止六個月的經營利潤為人民幣1,269.7百萬元，較上一財政年度同期人民幣1,115.5百萬元增加人民幣154.2百萬元，增幅為13.8%。

銷售及市場推廣成本自上一財政年度同期的人民幣96.8百萬元增至截至二零零七年十二月三十一日止六個月的人民幣144.4百萬元，增幅為49.2%。銷售及市場推廣成本增加是由於銷量及地域覆蓋範圍增大所致。截至二零零六年十二月三十一日及二零零七年十二月三十一日止六個月期間，銷售及市場推廣成本總額佔本集團收入的百分比均約為2.1%。

行政開支由上一財政年度上半年的人民幣140.5百萬元增至截至二零零七年十二月三十一日止六個月的人民幣287.2百萬元。行政開支佔本集團收入的百分比由截至二零零六年十二月三十一日止六個月的3.0%升至截至二零零七年十二月三十一日止六個月的4.3%。回顧期內增長主要是由於購股權開支增加人民幣87.1百萬元及為配合新造紙機投產使行政管理開支增加所致。扣除購股權開支總額後，本集團的行政開支為人民幣183.7百萬元，佔本集團收入2.7%。

### Other Gains (net)

Other gains (net) of the Group decreased 16.0% to RMB125.1 million in the six months ended 31 December 2007 from RMB148.9 million in the same period of the last financial year. The decrease was mainly the net effects of increases in the sale of scrap materials and negative goodwill from the acquisition of Qian Wei, offset by decrease in sales of electricity and the net loss arising from the change in fair value of derivative financial instruments.

### Operating Profit

The operating profit for the six months ended 31 December 2007 was RMB1,269.7 million, representing an increase of RMB154.2 million or 13.8% over the RMB1,115.5 million of the same period of the last financial year.

Selling and marketing costs increased 49.2% from RMB96.8 million in the same period of the last financial year to RMB144.4 million in the six months ended 31 December 2007. The increase in the selling and marketing costs was due to larger sales volume and geographical coverage. When counted as a percentage of the Group's revenue, the total amount of selling and marketing costs remained at approximately 2.1% in the six-month periods ended 31 December 2006 and 31 December 2007.

Administrative expenses increased from RMB140.5 million in the first six months of the last financial year to RMB287.2 million in the six months ended 31 December 2007. The amount of administrative expenses as a percentage of group revenue increased from 3.0% in the six months ended 31 December 2006 to 4.3% in the six months ended 31 December 2007. The increase during the period under review was mainly a result of the increase in share options expenses of RMB87.1 million and additional management and administrative costs incurred to support the commencement of new paper machines and new production bases. The Group's administrative expenses amounted to RMB183.7 million after deducting the total share option expenses, representing 2.7% of the Group's revenue.



## 管理層討論與分析

# Management Discussion and Analysis

### 純利及股息

截至二零零七年十二月三十一日止六個月，本公司權益持有人應佔利潤為人民幣1,056.2百萬元，較上一財政年度同期增加11.4%。息稅前盈利及息稅折舊攤銷前盈利對收入的比率分別為20.5%及23.9%。

本集團截至二零零七年十二月三十一日止六個月的融資成本較上一財政年度同期人民幣85.3百萬元減少24.3%至人民幣64.6百萬元。回顧期內，為提供擴大產能的資金，本集團獲額外借貸，導致銀行借貸利息由人民幣92.8百萬元增至170.4百萬元。由於本集團於截至二零零七年十二月三十一日六個月外幣貸款比例增加使本集團外幣貸款組合提高，因而本集團銀行借貸利息被回顧期內人民幣不斷升值所引致的外幣借貸滙兌收益抵銷。

截至二零零七及二零零六年十二月三十一日止兩個半年期間的每股基本盈利分別為人民幣0.25元及人民幣0.23元。董事會建議派付中期股息每股人民幣1.68仙，總額約為人民幣72.1百萬元。

### 營運資金

存貨由二零零七年六月三十日的人民幣1,502.5百萬元增至二零零七年十二月三十一日止的人民幣1,565.9百萬元，增幅為4.2%。存貨主要包括廢紙與紙漿等原材料約人民幣1,185.4百萬元及成品約人民幣380.5百萬元。

截至二零零七年十二月三十一日止六個月原材料及成品的周轉期分別為42天及14天，而上一財政年度同期則分別為35天及11天。

### Net Profit and Dividend

The profit attributable to the equity holders for the six months ended 31 December 2007 was RMB1,056.2 million, representing an increase of 11.4% over the same period of the last financial year. The ratios of EBIT and EBITDA to revenue were 20.5% and 23.9% respectively.

The Group's finance costs decreased by 24.3% to RMB64.6 million in the six months ended 31 December 2007 from RMB85.3 million in the same period of the last financial year. To fund the expansion of production capacity, additional borrowings were raised during the period under review and led to increase in interest on bank borrowings from RMB92.8 million to RMB170.4 million. The increase in the Group's interest on bank borrowing was partly offset by the exchange gains of foreign currency borrowings attributed by continuous appreciation of RMB during the period under review as a result of the increase in the proportion of foreign currency loans under the Group's loan portfolio currency mix optimization efforts during the six months ended 31 December 2007.

Basic earnings per share for the two six-month period ended 31 December 2007 and 2006 were RMB0.25 and RMB0.23 respectively. The directors have proposed an interim dividend of RMB1.68 cents per share, with a total of approximately RMB72.1 million.

### Working Capital

The level of inventory as at 31 December 2007 increased by 4.2% to RMB1,565.9 million from RMB1,502.5 million at 30 June 2007. Inventories mainly comprised recovered paper, pulp and other raw materials of approximately RMB1,185.4 million and finished goods of approximately RMB380.5 million.

The turnover days for raw materials and finished products were 42 days and 14 days respectively during the six months ended 31 December 2007, compared to 35 days and 11 days in the corresponding period of the last financial year.

## 管理層討論與分析

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二零零七年十二月三十一日應收貿易賬款及應收票據為人民幣2,215.3百萬元，較二零零七年財政年度末的人民幣1,770.4百萬元增加25.1%。應收貿易賬款及應收票據周轉期為60天，而上一財政年度同期為42天。應收貿易賬款增長主要由於二零零七年十二月十二號及十三號造紙機投產後銷售收入增加所致。於二零零七年十二月三十一日，賬齡少於60天的應收貿易賬款佔應收貿易賬款總額約96.5%。

應付貿易賬款及應付票據較二零零七年六月三十日減少3.2%至人民幣1,034.7百萬元。鑑於與其他供應商相比，本集團較易取得優惠的融資成本，應付貿易賬款及應付票據周轉期約為37天，而上一財政年度同期為46天。

### 流動資金及財務資源

本集團回顧期內營運資金及長期投資基金主要來自本集團的營運現金流及借貸。

本集團於呈報期間的經營活動所得現金流入淨額自上一財政年度同期人民幣885.3百萬元減至人民幣475.9百萬元，主要是由於營運資金變動所致，主要為期內經營規模擴大引致貿易應收賬款與存貨增加及回顧期內所得稅與利息付款增加。有關本集團於二零零七年十二月三十一日的可動用財務資源，本集團有銀行及現金結餘人民幣954.4百萬元及未動用銀行貸款與透支貸款合共人民幣5,866.1百萬元。

二零零七年十二月三十一日，股東資金為人民幣12,248.9百萬元，自二零零七年六月三十日的款額增長人民幣736.0百萬元。股東的每股資金自人民幣2.68元增長6.3%至人民幣2.85元。

The trade receivables and bills receivable as at 31 December 2007 were RMB2,215.3 million, increased by 25.1% from RMB1,770.4 million at the end of financial year 2007. The turnover days for trade debtors were 60 days, compared to 42 days in the corresponding period of the last financial year. The increase in trade debtors was mainly due to increase in receivables generated upon the completion of ramp up of PM12 & 13 in December 2007. As at 31 December 2007, the trade receivables with age less than 60 days accounted for approximately 96.5% of the total trade receivables.

The trade payables and bills payable decreased by 3.2% to RMB1,034.7 million as compared to the corresponding figure at 30 June 2007. Given the Group's advantage in obtaining favorable financing costs relative to its suppliers, creditors' turnover days was shortened to approximately 37 days, comparing to 46 days of the same period of the last financial year.

### Liquidity and Financial Resources

The working capital and long-term investment funding requirements of the Group during the period under review was primarily satisfied by the Group's operating cash flows and borrowings.

The Group's net cash inflow from operating activities for the reported period decreased from RMB885.3 million in the same period of the last financial year to RMB475.9 million. The decrease was attributable primarily to the changes in working capital, mainly from the increase in period end trade receivables and inventories due to increase in operation scale, and the increase in the payment of income tax and interest during the period under review. In terms of the Group's available financial resources as at 31 December 2007, the Group had bank and cash balances of RMB954.4 million and total undrawn bank loans and overdraft facilities of RMB5,866.1 million.

As at 31 December 2007, the shareholders' funds were RMB12,248.9 million, an increase of RMB736.0 million from that as at 30 June 2007. The shareholders' fund per share increased by 6.3% from RMB2.68 to RMB2.85.

## 管理層討論與分析

# Management Discussion and Analysis

本集團於二零零七年十二月三十一日的未償還銀行貸款及借貸約為人民幣8,978.0百萬元。短期及長期借貸分別為人民幣2,218.2百萬元及人民幣6,759.8百萬元，分別佔總借貸24.7%及75.3%。於期末，本集團97.0%以上的債務並無抵押。

本集團於二零零七年十二月三十一日的淨借貸對權益比率(即借貸淨額人民幣8,023.6百萬元與股東權益人民幣12,248.9百萬元之比率)自二零零七年六月三十日42.4%增至65.5%，原因在於動用銀行貸款應付本集團的資本開支所需。

### 庫務政策

本集團制定庫務政策以更有效控制庫務運作及降低資金成本。因此，本集團為所有業務及外匯風險提供的資金均經由本集團統籌檢討及監控。為控制個別交易及外幣借貸的外幣匯率及利率波動風險，本集團以外匯借貸、外匯結構工具及其他相關的財務工具對沖重大風險。本集團的政策為不利用任何衍生合約進行投機活動。

以上庫務政策符合本集團以下目標：

#### (a) 減低利率風險

以貸款再融資及洽商貸款安排達成。董事會密切監察本集團貸款組合，比較其現有貸款協議的貸款利率與當時不同貨幣借貸利率及銀行新貸款的利率。

於截至二零零七年十二月三十一日止六個月，本集團在中國發行新人民幣短期融資券，以再次支付根據先前貸款協議動用的更高利率貸款組合。

The Group had outstanding bank loans and borrowings as at 31 December 2007 of approximately RMB8,978.0 million. The short-term and long-term borrowings amounted to RMB2,218.2 million and RMB6,759.8 million respectively, accounting for 24.7% and 75.3% of the total borrowings respectively. As at the end of the period, more than 97.0% of the Group's debts were on unsecured basis.

The net borrowings to equity ratio for the Group as at 31 December 2007, expressed as a percentage of net borrowings of RMB8,023.6 million and shareholder's equity of RMB12,248.9 million, was increased to 65.5% from 42.4% as at 30 June 2007, due to draw down of bank loans to fund the capital expenditure requirements of the Group.

### Treasury Policies

The Group has established treasury policies with the objectives of achieving effective control of treasury operations and of lowering cost of funds. Therefore, funding for all its operations and foreign exchange exposure have been centrally reviewed and monitored at the Group level. To manage the Group's exposure to fluctuations in exchange rates and interest rates on specific transactions and foreign currency borrowings, currency structured instruments and other appropriate financial instruments were used to hedge material exposure. It is the policy of the Group not to enter into any derivative contracts for speculative activities.

The treasury policies followed by the Group aim to:

#### (a) Minimise interest risk

This is accomplished by loan re-financing and negotiation. The Board closely monitors the Group's loan portfolio and compares the loan margin spread under its existing agreements against the current borrowing interest rates under different currencies and new offers from banks.

During the six months ended 31 December 2007, the Group executed new RMB short-term financing bills in China to refinance those parts of the loan portfolio drawn down under previous loan agreements at higher interest rates.

## 管理層討論與分析

# Management Discussion and Analysis

### (b) 減低貨幣風險

基於人民幣持續升值，本集團已盡可能為中國的附屬公司安排美元或港元銀行貸款。

截至二零零七年十二月三十一日，外幣借貸總額相等於人民幣4,392.2百萬元，而人民幣貸款為人民幣4,585.8百萬元，分別佔本集團借貸的48.9%及51.1%。鑑於人民幣升值，故本集團實施增加外幣借貸比例的政策。

中國債券市場發展一日千里，本公司附屬公司東莞玖龍紙業有限公司(「東莞玖龍」)於二零零七年九月十八日及二零零七年十月二十三日發行兩期人民幣400.0百萬元人民幣短期融資券，年利率分別為5.25厘及5.90厘，旨在用作東莞玖龍的營運資金。透過發行短期融資券，本集團成功開拓中國債券市場為新的集資管道，與傳統短期銀行貸款相比，融資成本較低，市場較具規模，效益亦較高。

本集團一直全面遵守所有借貸協議的承諾。

### 資本開支

本集團於截至二零零七年十二月三十一日止六個月投資約人民幣3,740.2百萬元興建廠房、購買廠房、機械及設備，而上一財政年度同期則為人民幣2,877.5百萬元。該等資本開支全部由內部資金及債項撥付。

### (b) Minimise currency risk

In view of the continued strengthening of the RMB, the Group has contracted new bank loans in US\$ or HK\$ for its subsidiaries in China to the extent allowable.

As at 31 December 2007, total foreign currency borrowings amounted to the equivalent of RMB4,392.2 million and RMB loans amounted to RMB4,585.8 million, representing 48.9% and 51.1% of the Group's borrowings respectively. It is the policy of the Group to increase the proportion of foreign currency borrowings in anticipation of the further appreciation of RMB.

With the fast development of the bond market in China, Dongguan Nine Dragons Paper Industries Limited ("Dongguan Nine Dragons"), a subsidiary of the Company, has issued two RMB short-term financing bills of RMB400.0 million each on 18 September 2007 and 23 October 2007 with annual interest rate of 5.25% and 5.90% respectively. The purpose of the financing bills is to finance the working capital of Dongguan Nine Dragons. With the issuance of short-term financing bills, the Group has successfully explored a new fund raising channel, China's bond market, with the benefits of relative lower funding cost, sizeable market and higher efficiency as compared to traditional short-term bank loans.

The Group has satisfactorily complied with all covenants under its borrowing agreements.

### Capital Expenditures

The Group invested approximately RMB3,740.2 million for the construction of factory buildings, purchase of plant and machinery, and equipment during the six months ended 31 December 2007, as compared to RMB2,877.5 million in the same period of the last financial year. These capital expenditures were fully financed by internal resources and debts.

## 管理層討論與分析

# Management Discussion and Analysis

### 資金承擔及或然負債

本集團預期未來若干年再次投放約人民幣15,683.5百萬元於產能擴張，以進一步增加市場佔有率及迎合客戶的不同需要。

二零零七年十二月三十一日，本集團的資金開支承擔主要為已授權但未訂約的人民幣10,058.0百萬元及已訂約但未在財務報表撥備的人民幣5,625.5百萬元。以上資本承擔主要用於擴充本集團產能。

於二零零七年十二月三十一日，本集團並無重大或然負債。

### Capital Commitments and Contingencies

The Group expected to further invest approximately RMB15,683.5 million on capacity expansion in the coming few years for the purposes of further extending the market reach and meeting the various needs of customers.

The Group made capital expenditure commitments mainly for machinery of approximately RMB10,058.0 million, which were authorized but not contracted, and approximately RMB5,625.5 million, which were contracted but not provided for in the financial statements, as at 31 December 2007. These commitments were mainly related to the expansion of the Group's production capacity.

As of 31 December 2007, the Group had no material contingent liabilities.

## 企業管治及其他資料 Corporate Governance and Other Information

### 企業管治常規

玖龍紙業致力確保高水準企業管治以符合股東利益，並竭力識別及制定最佳管治常規。於截至二零零七年十二月三十一日止六個月整段期間，本公司一直奉行聯交所上市規則附錄十四所載《企業管治常規守則》的原則，並遵守守則內所有適用的條文。

### 標準守則

本公司已採納上市規則附錄十所載標準守則作為其守則。經向全體董事作出具體查詢後，各董事確認於回顧期內一直遵守標準守則所訂的標準。高級管理層因任職於本公司可能擁有未公佈的價格敏感資料，已被要求遵守標準守則的條文。

### 執行委員會

執行委員會負責本公司業務的管理和行政工作以及任何按照公司細則條文在本公司正常業務過程中應由董事會控制和監督的任何事務。

執行委員會由執行董事組成，惟執行委員會成員中的執行董事人數於任何時間一律不得超過四名。除經所有董事書面批准外，執行委員會的組成不可改變。董事會主席將擔任執行委員會主席一職。

目前，執行委員會成員包括張女士(主席)、劉先生及張先生。

### CORPORATE GOVERNANCE PRACTICES

ND Paper is committed to ensuring high standards of corporate governance in the interests of shareholders and devotes considerable effort to identifying and formalizing best practices. Throughout the six-month period ended 31 December 2007, the Company followed the principles and complied with all applicable provisions under the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules of the Stock Exchange.

### MODEL CODE

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code. Specific enquiries have been made with all directors, who have confirmed that, during the period under review, they were in compliance with provisions of the Model Code. Senior management who, because of their office in the Company, are likely to be in possession of unpublished price sensitive information, have been requested to comply with the provisions of the Model Code.

### EXECUTIVE COMMITTEE

The Executive Committee is responsible for the management and administration of the business of the Company and any matters which are within the ordinary course of the Company's business under the control and supervision of the Board and in accordance with the provisions of the By-laws of the Company.

The members of the Executive Committee shall be executive directors, but the Executive Committee shall not at any time consists of more than four members. No change shall be made to the composition of the Executive Committee except with the approval of all the directors in writing. The Chairlady of the Board shall be the Chairlady of the Executive Committee.

Currently, the members of the Executive Committee includes Ms. Cheung (Chairlady), Mr. Liu and Mr. Zhang.

## 企業管治及其他資料

# Corporate Governance and Other Information

### 薪酬委員會

薪酬委員會工作包括就薪酬政策及常規向董事會提供建議及建立便於聘請人才的相關制度，此可確保本公司能夠招攬、挽留及激勵優秀員工為本公司作出貢獻及為股東增值。

此外，薪酬委員會對本公司的上市前購股權計劃及二零零六年購股權計劃進行有效的監察及執行。

目前，薪酬委員會成員包括：譚惠珠女士(主席)、鍾瑞明先生、鄭志鵬博士、劉先生及張先生。

### 審核委員會

審核委員會每年至少舉行四次會議，旨在監督本集團財務報表的完整性及考慮內部及外部審核的性質及範圍。審核委員會與本公司管理層以及外部核數師羅兵咸永道會計師事務所審閱本公司採納的會計原則與慣例，並討論審核及財務事宜，包括對所有重大財務、營運及合規監控情況，並作出檢討。

審核委員會全體成員均為獨立非執行董事，即鄭志鵬博士(主席)、譚惠珠女士、鍾瑞明先生及王宏渤先生。

### REMUNERATION COMMITTEE

The functions of the Remuneration Committee include making recommendations to the Board on the remuneration policy and practices and establishing recruitment policies that enable the Company to recruit, retain and motivate high-calibre staff to reinforce the success of the Company and create value for our shareholders.

In addition, the Remuneration Committee supervises and enforces the Pre-IPO Share Option Scheme and 2006 Share Option Scheme of the Company in an effective manner.

Currently, the Remuneration Committee consists of Ms. Tam Wai Chu, Maria (Chairlady), Mr. Chung Shui Ming, Timpson, Dr. Cheng Chi Pang, Mr. Liu and Mr. Zhang.

### AUDIT COMMITTEE

The Audit Committee meets at least four times each year with the purpose of monitoring the integrity of the Group's financial statements and to consider the nature and scope of internal and external audit. The Audit Committee, together with the Company's management and its external auditors, PricewaterhouseCoopers, have reviewed the accounting principles and practices adopted by the Company and discussed over and reviewed the auditing and financial matters, including all significant aspects involving financial, operational and compliance controls.

All members of the Audit Committee are INEDs, namely, Dr. Cheng Chi Pang (Chairman), Ms. Tam Wai Chu, Maria, Mr. Chung Shui Ming, Timpson and Mr. Wang Hong Bo.

## 企業管治及其他資料 Corporate Governance and Other Information

### 審閱中期業績

本未經審核簡明綜合中期財務報告已經本公司之審核委員會審閱，並經本公司之核數師羅兵咸永道會計師事務所按照香港會計師公會頒佈之香港審閱準則第2410號《由實體的獨立核數師執行中期財務資料審閱》所審閱。

### 風險管理委員會

風險管理委員會由本集團屬下之監督部、財務部及集團管理部組成。風險管理委員會的主要職責為強化監控環境；評估有關風險及執行所需的監控活動；確保信息交流暢通無阻；執行適當的監察，確保部門內部及各部門間的監控成效與效率；風險識別及分析影響達致企業目標的風險（包括與監管及營運環境不斷轉變有關的風險）；確定為了減低和消除風險採取的內部監控措施；對內部監控是否有效運行進行檢討，並向董事會匯報；以及與外聘核數師就維持本集團內部監控系統的素質保持聯繫。

### REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated interim financial report has been reviewed by the Company's Audit Committee and the Company's auditors, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

### RISK CONTROL COMMITTEE

The Risk Control Committee is formed by the Supervision Department, Finance Department and Group Management Department. The primary duties of the Risk Control Committee are strengthening the control environment; assessing relevant risks and carrying out necessary control activities; ensuring seamless information exchange; exercising appropriate supervision to ensure the effectiveness and efficiency of control over activities within and between different departments; identifying risks and analysing such risks which may impede the achievement of corporate objectives (including such risks associated with constant changes in the regulatory and operating environments); establishing internal control measures for minimising and eliminating risks; reviewing and reporting to the Board in respect of the effectiveness of internal control; and maintaining contact with external auditors for maintaining the quality of the Group's internal control system.



## 企業管治及其他資料

# Corporate Governance and Other Information

### 中期股息

董事會決定建議派付截至二零零七年十二月三十一日止六個月的中期股息每股人民幣1.68仙(相等於約1.84港仙)，預期約於二零零八年五月二十一日或相近之日以郵寄方式派付予股東。股息將派付予二零零八年四月十五日營業時間結束時名列本公司股東名冊的股東。人民幣兌港元於二零零八年三月十七日之匯率為1.00港元兌人民幣0.9111元換算，此僅供說明之用。以港元派付股息所採用的實際匯率將以實際派發股息日的匯率為換算基礎。

### 暫停辦理股份過戶登記

本公司將由二零零八年四月十六日至二零零八年四月十八日(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會辦理股份過戶。為確定有權收取中期股息，所有過戶表格連同有關股票須最遲於二零零八年四月十五日四時前送達本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

### INTERIM DIVIDEND

The Board has resolved to recommend payment of an interim dividend of RMB1.68 cents (equivalent to approximately HK1.84 cents) per share for the six-month period ended 31 December 2007, which is expected to be payable to shareholders by post on or about 21 May 2008. The dividend will be payable to the Shareholders whose names appear on the Register of Members of the Company at the close of business on 15 April 2008. The translation of RMB into Hong Kong dollars is made at the exchange rate of HK\$1.00 to RMB0.9111 as at 17 March 2008 for illustration purpose only. The actual translation rate for the purpose of dividend payment in Hong Kong dollars will be subject to exchange rate at the remittance date.

### CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 16 April 2008 to 18 April 2008, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m., 15 April 2008.

## 企業管治及其他資料 Corporate Governance and Other Information

### 權益披露

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

於二零零七年十二月三十一日，本公司董事及主要行政人員及彼等的聯繫人於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券，或根據證券及期貨條例第352條須予存置的登記冊所記錄，或根據上市規則標準守則知會本公司及聯交所的權益及淡倉如下：

#### (A) 所擁有本公司的權益

##### (i) 本公司之股份

下表顯示本公司董事及主要行政人員於二零零七年十二月三十一日所持有本公司股份及相關股份之好倉總額。

董事姓名 Name of Directors	股份數目 Number of Shares			相關股份數目 (就購股權而言) Number of underlying shares (in respect of share options)			總額 Total	概約持股 百分比 Approximate percentage of shareholding
	個人權益 Personal Interests	家族權益 Family Interests	公司權益 Corporate Interests	個人權益 Personal Interests	家族權益 Family Interests			
張女士 Ms. Cheung	3,384,663	3,382,836	2,990,520,000	55,038,652	55,031,348	3,107,357,499	72.36%	
劉先生 Mr. Liu	3,382,836	3,384,663	2,990,520,000	55,031,348	55,038,652	3,107,357,499	72.36%	
張先生 Mr. Zhang	2,362,964	—	—	50,951,857	—	53,314,821	1.24%	
高靜女士 Ms. Gao Jing	100,000	67,000	—	400,000	1,600,000	2,167,000	0.05%	
譚惠珠女士 Ms. Tam Wai Chu, Maria	233,334	—	—	933,336	—	1,166,670	0.03%	
鍾瑞明先生 Mr. Chung Shui Ming, Timpson	20,334	—	—	933,336	—	953,670	0.02%	
鄭志鵬博士 Dr. Cheng Chi Pang	—	—	—	1,166,670	—	1,166,670	0.03%	

### DISCLOSURE OF INTERESTS

#### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation

As at 31 December 2007, the Directors and chief executive of the Company and their Associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

#### (A) Interests in the Company

##### (i) the Shares of the Company

The table below sets out the aggregate long positions in the Shares and underlying shares of the Directors and the chief executive of the Company as at 31 December 2007.

# 企業管治及其他資料

## Corporate Governance and Other Information

附註：

- (1) Best Result 直接持有2,990,520,000 股本公司股份。Best Result 已發行股本由張女士以 YC 2006 QuickGRAT 的信託人身份及 HSBC Bank USA, National Association 以 YC 2006 QuickGRAT 行政信託人身份持有約34.516%，並由張女士持有約2.557%，以及由張女士及其配偶劉先生以 MCL Living Trust 的信託人及特別信託人身份及 Bank of The West 以 MCL Living Trust 信託人身份持有約37.053%。因此，根據證券及期貨條例第XV部，張女士及劉先生各自視為擁有 Best Result 所持有股份的權益。
- (2) 根據上市前購股權計劃及二零零六年購股權計劃授出的購股權詳情載於以下(ii)部。

Notes:

- (1) Best Result directly held 2,990,520,000 Shares in the Company. The issued share capital of Best Result is held as to approximately 34.516% by Ms. Cheung as the trustee and HSBC Bank USA, National Association as the administrative trustee of YC 2006 QuickGRAT, as to approximately 2.557% by Ms. Cheung, and as to approximately 37.053% by Ms. Cheung and her spouse, Mr. Liu, as the trustees and the special trustees and Bank of The West as a trustee of MCL Living Trust. Each of Ms. Cheung and Mr. Liu is therefore deemed to be interested in the Shares held by Best Result by virtue of her or his interests in Best Result pursuant to Part XV of the SFO.
- (2) Details of the share options granted under the Pre-IPO Share Option Scheme and 2006 Share Option Scheme are set out in Part (ii) below.

(ii) 本公司之相關股份

(ii) the underlying shares of the Company

(1) 上市前購股權計劃

於六個月期間，根據上市前購股權計劃尚未行使之購股權詳情如下：

(1) the Pre-IPO Share Option Scheme

Details of the options outstanding under the Pre-IPO Share Option Scheme during the six-month period are as follows:

購股權數目  
Number of share options

承授人 Grantees	於二零零七年 七月一日 的結餘 Balance as at 1 July 2007	於期內行使 Exercised during the period	於期內註銷 Cancelled during the period	於期內失效 Lapsed during the period	於二零零七年 十二月三十一日 的結餘 Balance as at 31 December 2007	概約持股 百分比 Approximate percentage of shareholding
<b>i) 董事</b>						
張女士 (附註3)	Ms. Cheung (note 3)	13,538,652	—	—	13,538,652	0.315%
劉先生 (附註3)	Mr. Liu (note 3)	16,914,184	(3,382,836)	—	13,531,348	0.315%
張先生	Mr. Zhang	9,451,857	—	—	9,451,857	0.220%
高靜女士	Ms. Gao Jing	400,000	—	—	400,000	0.009%
譚惠珠女士	Ms. Tam Wai Chu, Maria	933,336	—	—	933,336	0.022%
鍾瑞明先生	Mr. Chung Shui Ming, Timpson	933,336	—	—	933,336	0.022%
鄭志鵬博士	Dr. Cheng Chi Pang	1,166,670	—	—	1,166,670	0.027%
小計	Sub-total:	43,338,035	(3,382,836)	—	39,955,199	0.930%
<b>ii) 僱員及其他</b>	<b>ii) Employees and others</b>	38,048,336	—	—	38,048,336	0.886%
<b>合計：</b>	<b>Total:</b>	81,386,371	(3,382,836)	—	78,003,535	1.816%

## 企業管治及其他資料 Corporate Governance and Other Information

附註：

- (1) 上市前購股權計劃的全部購股權於二零零六年一月一日授出，行使價為每股3.06港元。
- (2) 根據上市前購股權計劃獲得有條件授予購股權的各承授人，可以：
- (i) 自二零零六年一月一日(「授出日期」)獲授有關購股權後滿一週年當日起至滿第二週年當日止期間，隨時行使所獲授可認購不超過相關股份20%(約減至最接近的整數)的購股權；
- (ii) 自授出日期後滿第二週年當日起至滿第三週年當日止期間，隨時行使所獲授可認購不超過相關股份40%減按已行使購股權而發行的股份數目(約減至最接近的整數)的購股權；
- (iii) 自授出日期後滿第三週年當日起至授出日期後滿54個月當日止期間，隨時行使所獲授可認購不超過相關股份60%減按已行使購股權而發行的股份數目(約減至最接近的整數)的購股權；及
- (iv) 自授出日期後第54個月結束後，直至根據上市前購股權計劃規則視為授出及接納購股權日期後第60個月期間，隨時行使所獲授可認購全部相關股份減按已行使購股權而發行的股份數目(約減至最接近的整數)的購股權。
- (3) 劉先生為張女士的配偶。因此，張女士視為擁有劉先生所獲授購股權的相關股份權益，而劉先生亦視為擁有張女士所獲授購股權的相關股份權益。

Notes:

- (1) All options under the Pre-IPO Share Option Scheme were granted on 1 January 2006 at an exercise price of HK\$3.06 per Share.
- (2) Each of the grantees to whom options have been conditionally granted under the Pre-IPO Share Option Scheme will be entitled to exercise:
- (i) up to 20% of the Shares that are subject to the option so granted to him/her (rounded down to the nearest whole number) at any time during the period commencing on the first anniversary of the date on which the relevant option was so granted to him/her on 1 January 2006 ("Grant Date") and ending on the second anniversary of the Grant Date;
- (ii) up to 40% of the Shares that are subject to the option so granted to him/her less the number of Shares in respect of which the option has been exercised (rounded down to the nearest whole number) at any time during the period commencing on the expiry of the second anniversary of the Grant Date and ending on the third anniversary of the Grant Date;
- (iii) up to 60% of the Shares that are subject to the option so granted to him/her less the number of Shares in respect of which the option has been exercised (rounded down to the nearest whole number) at any time during the period commencing on the expiry of the third anniversary of the Grant Date and ending on the 54th month from the Grant Date; and
- (iv) such number of Shares subject to the option so granted to him/her less the number of Shares in respect of which the option has been exercised (rounded to the nearest whole number) at any time commencing from the expiry of the 54th month from the Grant Date and ending on the expiration of 60 months from the date upon which such option is deemed to be granted and accepted in accordance with the rules of the Pre-Listing Share Option Scheme.
- (3) Mr. Liu is the spouse of Ms. Cheung. Therefore, Ms. Cheung is deemed to be interested in the Shares subject to the share options granted to Mr. Liu and Mr. Liu is deemed to be interested in the Shares subject to the share options granted to Ms. Cheung.

除上文所披露者外，於截至二零零七年十二月三十一日止六個月期間並無購股權根據上市前購股權計劃獲授出、遭註銷或失效。

Save as disclosed above, no option was granted, cancelled or lapsed under the Pre-IPO Share Option Scheme during the six-month period ended 31 December 2007.

## 企業管治及其他資料

### Corporate Governance and Other Information

(2) 二零零六年購股權計劃  
於六個月期間，根據二零零六年購股權計劃授出但尚未行使之購股權的詳情如下：

(2) 2006 Share Option Scheme  
Details of options granted and outstanding under the 2006 Share Option Scheme during the six-month period:

		購股權數目				於二零零七年 十二月三十一日 的結餘	概約持股 百分比
		於二零零七年 七月一日 的結餘	於期內行使	於期內註銷	於期內失效		
承授人	Grantees	Balance as at 1 July 2007	Exercised during the period	Cancelled during the period	Lapsed during the period	Balance as at 31 December 2007	Approximate percentage of shareholding
<b>董事</b>	<b>Directors</b>						
張女士	Ms. Cheung	41,500,000	—	—	—	41,500,000	0.966%
劉先生	Mr. Liu	41,500,000	—	—	—	41,500,000	0.966%
張先生	Mr. Zhang	41,500,000	—	—	—	41,500,000	0.966%
<b>合計</b>	<b>Total:</b>	124,500,000	—	—	—	124,500,000	2.898%

\* 於二零零七年十二月三十一日本公司之已發行股本為4,294,034,865股股份。

\* The issued share capital of the Company was 4,294,034,865 as at 31 December 2007.

附註：

Notes:

- 二零零六年購股權計劃之行使價為每股9.8365港元，較二零零六年十月二十六日(董事會於當日舉行會議以考慮及建議授出購股權)之股份收市價及截至二零零六年十月二十六日止五個交易日之股份收市價平均價(以較高者為準)高出約3%。
- 根據二零零六年購股權計劃授出之購股權的有效期不超過五年。
- 張女士、劉先生及張先生已獲授上市前購股權以分別認購16,923,315股、16,914,184股及11,814,821股股份，彼等各自根據二零零六年購股權計劃獲授之購股權合共將超過本公司十二個月內已發行股本之1%。有關進一步授出購股權已於二零零六年股東特別大會上個別獲股東批准。
- 購股權須待達到利潤表現目標後方可行使。自二零零七年七月一日至二零一一年六月三十日期間之五個財政年度(「指定期間」)各年設有不同的利潤

- The exercise price of 2006 Share Option Scheme is HK\$9.8365 per Share, being about 3% premium to the higher of the closing price of the Shares on 26 October 2006, the date of the meeting of the Board to consider and propose the grant of the share options, and the average closing price of the Shares for the five trading days immediately preceding 26 October 2006.
- The share options granted under 2006 Share Option Scheme will have a maximum term of five years.
- Ms. Cheung, Mr. Liu and Mr. Zhang have been granted Pre-IPO Share Options for 16,923,315 Shares, 16,914,184 Shares and 11,814,821 Shares respectively, each of them of which when aggregated with the options granted under the 2006 Share Option Scheme were exceeded 1% of the issued share capital of the Company within a 12 month period. Such further grant had been separately approved by the Shareholders at the special general meeting in 2006.
- The exercisable of the share options is subject to the achievement of the performance targets of profit. The each of the five financial years during from 1 July 2007 to 30 June 2011 (the "Particular Period") has different performance targets of profit. The performance target of profit

## 企業管治及其他資料 Corporate Governance and Other Information

表現目標。利潤表現目標按本集團截至二零零六年財政年度之純利(惟不計及本公司自二零零六年三月之上市前首次公開發售股份超額認購所得的利息收入)(「二零零六財政年度純利」)計算。利潤表現目標根據二零零六財政年度純利每年增長35%計算。於指定期間達到利潤表現目標後，方可行使指定期間之相關購股權。

表現目標如下：

### 利潤表現目標

二零零七年財政年度  
FY2007  
二零零八年財政年度  
FY2008  
二零零九年財政年度  
FY2009  
二零一零年財政年度  
FY2010  
二零一一年財政年度  
FY2011

薪酬委員會負責監察本集團之利潤表現目標及本集團能否於各個相關年度達標。

除上文所披露者外，於截至二零零七年十二月三十一日止六個月期間並無購股權根據二零零六年購股權計劃獲授出、遭註銷或失效。

is calculated based on the net profit of the Group for FY2006 which excludes the interest income of the Company derived from the over-subscription of the shares during the Pre-Listing Initial Public Offering in March 2006 ("Net Profit FY2006"). The performance targets of profit is calculated based on the 35% growth of the Net Profit FY2006 on the annual basis. If the performance target of profit is met in the Particular Period, the share options associated with the Particular Period will be exercised.

The performance targets are as follows:

### Performance target of profit

不少於二零零六財政年度純利之135%  
Not less than 135% of the Net Profit FY2006  
不少於二零零六財政年度純利之170%  
Not less than 170% of the Net Profit FY2006  
不少於二零零六財政年度純利之205%  
Not less than 205% of the Net Profit FY2006  
不少於二零零六財政年度純利之240%  
Not less than 240% of the Net Profit FY2006  
不少於二零零六財政年度純利之275%  
Not less than 275% of the Net Profit FY2006

The Remuneration Committee will be responsible for monitoring the performance targets of the profit of the Group and whether or not that the Group has been met the targets for each of the relevant years.

Save as disclosed above, no any other options were granted, cancelled or lapsed under the 2006 Share Option Scheme during the six-month period ended 31 December 2007.

## 企業管治及其他資料

### Corporate Governance and Other Information

#### (B) 所擁有相聯法團的權益 — Best Result

董事姓名 Name of Directors	身份 Capacity	持有 Best Result 已發行普通股數目 No. of issued ordinary shares held in Best Result	概約持股 百分比 Approximate percentage of shareholding
張女士 Ms. Cheung	信託受益人 Beneficiary of a trust	34,516	34.516%
	實益擁有人 Beneficiary Owner	2,557	2.557%
劉先生 Mr. Liu	信託受益人 Beneficiary of a trust	37,053	37.053%
張先生 Mr. Zhang	信託受益人 Beneficiary of a trust	25,874	25.874%

上文第(A)及(B)節所披露的全部權益均為本公司或其相聯法團股份中的好倉。

除上文所披露者外，於二零零七年十二月三十一日，本公司各董事、主要行政人員或彼等的聯繫人士（定義見證券及期貨條例第XV部）概無擁有本公司或其任何相聯法團的股份、相關股份及債券任何權益或淡倉而登記於根據證券及期貨條例第352條須予備存的登記冊內，或根據標準守則須知會本公司及聯交所。

#### 根據證券及期貨條例須予披露的主要股東權益及淡倉

於二零零七年十二月三十一日，根據證券及期貨條例第336條須予備存的登記冊所載，下列人士（本公司董事或主要行政人員除外）為本公司主要股東（定義見上

#### (B) Interests in the Associated Corporation — Best Result

All the interests disclosed in sections (A) and (B) above represent long positions in the Shares of the Company or the associated corporation.

Save as disclosed above, none of the Directors or chief executive of the Company or any of their Associates (within the meaning of Part XV of SFO) had any interests or short positions in the Shares, underlying shares or debentures of the Company or any associated corporation as at 31 December 2007, as recorded in the register required to be kept under 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

#### Interests and Short Positions of Substantial Shareholders Discloseable under the SFO

As at 31 December 2007, as recorded in the register required to be kept by the Company under Section 336 of the SFO, the following persons, other than the Directors or chief executives of the Company, were the substantial shareholders (within the meaning of

## 企業管治及其他資料 Corporate Governance and Other Information

市規則)·並擁有本公司的股份及相關股份權益或淡倉：

the Listing Rules) of the Company and had the following interests or short positions in the Shares or underlying shares of the Company:

名稱 Name	身份 Capacity	持有已發行 股份數目 No. of issued Shares	概約持股 百分比 Approximate percentage of shareholding
Best Result (附註2) Best Result (Note 2)	實益擁有人 Beneficial Owner	2,990,520,000	69.64%
HSBC Bank USA, National Association HSBC Bank USA, National Association	YC2006 QuickGRAT 的信託人 Trustee of YC2006 QuickGRAT	2,990,520,000	69.64%
Bank of the West (附註2) Bank of the West (Note 2)	Trustee of MCL Living Trust 的信託人 Trustee of MCL Living Trust	2,990,520,000	69.64%

附註：

Notes:

(1) 上述所有權益均為好倉。

(1) All of the above interests are long positions.

(2) Best Result 直接持有2,990,520,000 股本公司股份。Best Result 已發行股本由張女士以YC 2006 QuickGRAT 的信託人身份及 HSBC Bank USA, National Association 以 YC 2006 QuickGRAT 行政信託人身份持有約34.516%，並由張女士持有約2.557%，以及由張女士及其配偶劉先生以 MCL Living Trust 的信託人及特別信託人身份及 Bank of The West 以 MCL Living Trust 信託人身份持有約37.053%。

(2) Best Result directly held 2,990,520,000 Shares in the Company. The issued share capital of Best Result is held as to approximately 34.516% by Ms. Cheung as the trustee and HSBC Bank USA, National Association as the administrative trustee of YC 2006 QuickGRAT, and as to approximately 2.557% by Ms. Cheung, and as to approximately 37.053% by Ms. Cheung and her spouse, Mr. Liu, as the trustees and the special trustees and Bank of The West as a trustee of MCL Living Trust.

除上文所披露者外，於二零零七年十二月三十一日，本公司並無獲悉有任何其他人士(本公司任何董事或主要行政人員除外)擁有本公司股份及相關股份的權益或淡倉而登記於根據證券及期貨條例第336條所需備存的登記冊內。

Save as disclosed above, as at 31 December 2007, as far as the Company is aware of, there was no other person (other than any Director or the chief executive of the Company) who had any interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 購買、出售或贖回本公司上市證券

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

截至二零零七年十二月三十一日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司的上市證券。

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the six-month period ended 31 December 2007.



# 簡明綜合中期資產負債表

## Condensed Consolidated Interim Balance Sheet

			二零零七年 十二月三十一日 <b>31 December 2007</b> 未經審核 (Unaudited) 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 經審核 (Audited) 人民幣千元 RMB'000
		附註 Note		
<b>資產</b>	<b>ASSETS</b>			
<b>非流動資產</b>	<b>Non-current assets</b>			
物業、廠房和設備	Property, plant and equipment	4	<b>17,321,208</b>	13,802,727
土地使用權	Land use rights	4	<b>1,094,758</b>	949,259
無形資產	Intangible asset	5	<b>146,694</b>	146,694
<b>非流動資產合計</b>	<b>Total non-current assets</b>		<b>18,562,660</b>	14,898,680
<b>流動資產</b>	<b>Current assets</b>			
存貨	Inventories	6	<b>1,565,866</b>	1,502,509
應收貿易賬款和 其他應收款項	Trade and other receivables	7	<b>2,806,520</b>	2,188,107
衍生金融工具	Derivative financial instruments		<b>5,483</b>	24,900
受限制現金	Restricted cash	8	<b>262,719</b>	—
銀行及現金結餘	Bank and cash balances		<b>691,653</b>	1,748,224
<b>流動資產合計</b>	<b>Total current assets</b>		<b>5,332,241</b>	5,463,740
<b>總資產</b>	<b>Total assets</b>		<b>23,894,901</b>	20,362,420
<b>權益</b>	<b>EQUITY</b>			
<b>本公司權益持有人 應佔股本及儲備</b>	<b>Capital and reserves attributable to equity holders of the Company</b>			
股本	Share capital	9	<b>6,191,767</b>	6,179,161
其他儲備	Other reserves	10	<b>1,190,111</b>	1,056,189
保留盈利	Retained earnings			
— 擬派股息	— Proposed dividend		<b>72,140</b>	429,065
— 未分配保留盈利	— Unappropriated retained earnings		<b>4,794,915</b>	3,848,519
			<b>12,248,933</b>	11,512,934
<b>少數股東權益</b>	<b>Minority interests</b>		<b>147,482</b>	123,084
<b>總權益</b>	<b>Total equity</b>		<b>12,396,415</b>	11,636,018

# 簡明綜合中期資產負債表

## Condensed Consolidated Interim Balance Sheet

		附註 Note	二零零七年 十二月三十一日 <b>31 December 2007</b> 未經審核 (Unaudited) 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 經審核 (Audited) 人民幣千元 RMB'000
<b>負債</b>	<b>LIABILITIES</b>			
<b>非流動負債</b>	<b>Non-current liabilities</b>			
遞延政府補助金	Deferred government grants	11	<b>16,934</b>	17,215
貸款	Borrowings	12	<b>6,759,815</b>	4,088,927
遞延所得稅負債	Deferred income tax liabilities		<b>346,013</b>	281,746
<b>非流動負債合計</b>	<b>Total non-current liabilities</b>		<b>7,122,762</b>	4,387,888
<b>流動負債</b>	<b>Current liabilities</b>			
衍生金融工具	Derivative financial instruments		<b>7,750</b>	7,417
應付貿易賬款及 其他應付款項	Trade and other payables	11	<b>2,102,739</b>	1,766,599
應付即期所得稅	Current income tax liabilities		<b>47,037</b>	21,416
貸款	Borrowings	12	<b>2,218,198</b>	2,543,082
<b>流動負債合計</b>	<b>Total current liabilities</b>		<b>4,375,724</b>	4,338,514
<b>總負債</b>	<b>Total liabilities</b>		<b>11,498,486</b>	8,726,402
<b>總權益及負債</b>	<b>Total equity and liabilities</b>		<b>23,894,901</b>	20,362,420
<b>流動資產淨額</b>	<b>Net current assets</b>		<b>956,517</b>	1,125,226
<b>總資產減流動負債</b>	<b>Total assets less current liabilities</b>		<b>19,519,177</b>	16,023,906

第61至88頁的附註為簡明綜合中期財務資料的整體部份。

The notes on pages 61 to 88 form an integral part of this condensed consolidated interim financial information.

# 簡明綜合中期損益表

## Condensed Consolidated Interim Income Statement

未經審核  
Unaudited  
截至十二月三十一日止六個月  
Six months ended  
31 December

		附註 Note	二零零七年 2007 人民幣千元 RMB'000	二零零六年 2006 人民幣千元 RMB'000
銷售額	<b>Sales</b>	13	<b>6,690,409</b>	4,638,469
已售貨品成本	Cost of goods sold	15	<b>(5,114,195)</b>	(3,434,528)
毛利	<b>Gross profit</b>		<b>1,576,214</b>	1,203,941
其他收益(淨額)	Other gains (net)	14	<b>125,142</b>	148,913
銷售及市場推廣成本	Selling and marketing costs	15	<b>(144,419)</b>	(96,847)
行政開支	Administrative expenses	15	<b>(287,241)</b>	(140,523)
經營盈利	<b>Operating profit</b>		<b>1,269,696</b>	1,115,484
融資成本	Finance costs	16	<b>(64,562)</b>	(85,278)
除所得稅前盈利	<b>Profit before income tax</b>		<b>1,205,134</b>	1,030,206
所得稅開支	Income tax expense	17	<b>(126,452)</b>	(54,955)
半年度盈利	<b>Profit for the period</b>		<b>1,078,682</b>	975,251
以下人士應佔：	<b>Profit attributable to:</b>			
本公司權益持有人	Equity holders of the Company		<b>1,056,163</b>	948,062
少數股東權益	Minority interests		<b>22,519</b>	27,189
			<b>1,078,682</b>	975,251
本公司權益持有人 應佔盈利的每股盈利 (以每股人民幣計)	<b>Earnings per share for profit attributable to equity holders of the Company</b> (expressed in RMB per share)			
— 基本	— basic	18	<b>0.25</b>	0.23
— 攤薄	— diluted	18	<b>0.24</b>	0.22
股息	Dividend	19	<b>72,140</b>	65,585

第61至88頁的附註為簡明綜合中期財務資料的整體部份。

The notes on pages 61 to 88 form an integral part of this condensed consolidated interim financial information.

# 簡明綜合中期權益變動表

## Condensed Consolidated Interim Statement of Changes in Equity

		未經審核 Unaudited				
		本公司權益持有人應佔 Attributable to equity holders of the Company				
		股本	其他儲備	保留盈利	少數 股東權益	合計
		Share capital	Other reserves	Retained earnings	Minority interests	Total
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於二零零六年七月一日的結餘	<b>Balance at 1 July 2006</b>	4,141,291	902,006	2,498,107	94,913	7,636,317
半年度盈利	Profit for the period	—	—	948,062	27,189	975,251
轉撥	Transfer	—	48,910	(48,910)	—	—
截至二零零六年六月三十日 止年度之末期股息	Final dividend for the year ended 30 June 2006	—	—	(94,937)	—	(94,937)
授予董事及僱員的購股權	Share options granted to directors and employees	—	16,419	—	—	16,419
於二零零六年十二月三十一日 的結餘	<b>Balance at 31 December 2006</b>	4,141,291	967,335	3,302,322	122,102	8,533,050
於二零零七年七月一日的結餘	<b>Balance at 1 July 2007</b>	6,179,161	1,056,189	4,277,584	123,084	11,636,018
半年度盈利	Profit for the period	—	—	1,056,163	22,519	1,078,682
轉撥	Transfer	—	37,289	(37,289)	—	—
截至二零零七年六月三十日 止年度之末期股息	Final dividend for the year ended 30 June 2007	—	—	(429,403)	—	(429,403)
向少數股東出售部分 附屬公司之權益	Partial disposal of equity interests in certain subsidiaries to minority shareholders	—	—	—	1,879	1,879
授予董事及僱員的購股權	Share options granted to directors and employees	—	103,531	—	—	103,531
行使購股權計劃	Exercise of share options	12,606	(2,573)	—	—	10,033
貨幣換算差額	Currency translation differences	—	(4,325)	—	—	(4,325)
於二零零七年十二月三十一日 的結餘	<b>Balance at 31 December 2007</b>	6,191,767	1,190,111	4,867,055	147,482	12,396,415

第61至88頁的附註為簡明綜合中期財務資料的整體部份。

The notes on pages 61 to 88 form an integral part of this condensed consolidated interim financial information.

# 簡明綜合中期現金流量表

## Condensed Consolidated Interim Cash Flow Statement

未經審核  
**Unaudited**  
 截至十二月三十一日止六個月  
**Six months ended**  
**31 December**

	附註 Note	二零零七年 2007 人民幣千元 RMB'000	二零零六年 2006 人民幣千元 RMB'000
<b>來自經營活動的現金流量</b>			
半年度盈利		<b>1,078,682</b>	975,251
就下列各項作出調整：			
所得稅開支	17	<b>126,452</b>	54,955
折舊		<b>214,682</b>	169,370
攤銷	4	<b>11,085</b>	6,529
已確認負商譽	14	<b>(56,840)</b>	—
出售物業、廠房及設備虧損		—	6,332
授予董事及僱員的購股權	10	<b>103,531</b>	16,419
衍生金融工具公允價值變動導致的損失	14	<b>19,750</b>	—
融資成本		<b>64,562</b>	96,578
向少數股東出售部分附屬公司權益之損失	14	<b>1,879</b>	—
利息收入	14	<b>(4,138)</b>	(13,918)
銀行及現金結餘的滙兌損失		<b>32,865</b>	—
<b>營運資金變動前經營盈利</b>		<b>1,592,510</b>	1,311,516
存貨		<b>(59,405)</b>	64,557
應收貿易賬款及其他應收款項		<b>(861,414)</b>	233,376
應付貿易賬款及其他應付款項		<b>97,834</b>	(622,517)
<b>經營業務所得現金</b>		<b>769,525</b>	986,932
已付所得稅		<b>(42,490)</b>	(5,021)
已付利息費用		<b>(251,126)</b>	(96,571)
<b>經營活動所得現金淨額</b>		<b>475,909</b>	885,340

# 簡明綜合中期現金流量表

## Condensed Consolidated Interim Cash Flow Statement

		未經審核 Unaudited	
		截至十二月三十一日止六個月 Six months ended	
		31 December	
		二零零七年 2007	二零零六年 2006
		人民幣千元 RMB'000	人民幣千元 RMB'000
	附註 Note		
<b>來自投資活動的現金流量</b>			
<b>Cash flows from investing activities</b>			
收購附屬公司 (扣除所得現金)	21	2	—
購置物業、 廠房及設備		(3,511,172)	(2,591,916)
支付土地使用權		(110,344)	(163,312)
處置物業、廠房及設備 支付/(所得)款項		3,337	(425)
處置土地使用權 所得款項		—	26,981
向有關聯人士墊付現金		(12,294)	(10)
向董事墊付現金		—	2,191
已收利息		4,138	13,918
投資活動所用現金淨額		(3,626,333)	(2,712,573)
<b>來自融資活動的現金流量</b>			
<b>Cash flows from financing activities</b>			
應付新借貸款		5,924,080	4,068,071
償還貸款		(3,425,848)	(4,097,834)
已收政府補助金		47,856	—
已付本公司權益 持有人股息		(429,403)	(94,937)
已付少數股東股息		—	(5,000)
行使購股權計劃		10,033	—
融資活動所得/ (所用)現金淨額		2,126,718	(129,700)
<b>銀行及現金結餘減少淨額</b>			
<b>Net decrease in bank and cash balances</b>			
期初銀行及 現金結餘		1,748,224	2,816,660
銀行及現金結餘的 滙兌損失		(32,865)	(11,300)
期末銀行及現金結餘		691,653	848,427

第61至88頁的附註為簡明綜合中期財務資料的整體部份。

The notes on pages 61 to 88 form an integral part of this condensed consolidated interim financial information.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 1. 一般資料

玖龍紙業(控股)有限公司(「本公司」)於二零零五年八月十七日根據百慕達一九八一年公司法在百慕達註冊成立為獲豁免有限公司。本公司及其附屬公司(「本集團」)主要從事紙張產銷。本公司的註冊辦事處位於 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司的股份已在香港聯合交易所有限公司上市。

本簡明綜合中期財務資料已經在二零零八年三月十七日批准刊發。

### 2. 編製基準

截至二零零七年十二月三十一日止六個月簡明綜合中期財務資料已根據香港會計準則34「中期財務報告」編製。本簡明綜合中期財務報告應與截至二零零七年六月三十日止年度的年度財務報表一併閱讀。

### 1. General information

Nine Dragons Paper (Holdings) Limited (the “Company”) was incorporated in Bermuda on 17 August 2005 under the Companies Act 1981 as an exempt company with limited liability. The Company and its subsidiaries (together the “Group”) are principally engaged in the manufacture and sales of paper. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information was approved for issue on 17 March 2008.

### 2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 31 December 2007 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, ‘Interim financial reporting’. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2007.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 3. 會計政策

編製本簡明綜合中期財務資料所採用之會計政策與截至二零零七年六月三十日止年度之年度財務報表所採用的會計政策一致，除以下於本集團二零零七年七月一日開始之財政年度後生效並採納的新訂準則和對準則的詮釋：

香港財務報告準則第7號	金融工具：披露
香港(國際財務報告解釋委員會)-詮釋第10號	中期財務報告及資產減值
香港(國際財務報告解釋委員會)-詮釋第11號	香港財務報告準則第2號—集團及庫存股份交易

該等會計政策之採納對本集團經營業績並無影響。

對下列已公佈但於二零零八年一月一日開始之年度生效的新訂準則、對準則的修訂和詮釋並無提早採納：

香港會計準則第1號(經修訂)	財務報表的呈報
香港會計準則第23號(經修訂)	借貸成本
香港財務報告準則第8號	經營分部
香港(國際財務報告解釋委員會)-詮釋第12號	服務專營權安排
香港(國際財務報告解釋委員會)-詮釋第13號	客戶忠誠度計劃
香港(國際財務報告解釋委員會)-詮釋第14號	香港會計準則第19號—界定福利資產限額，最低資金要求及兩者互動關係。

### 3. Accounting policies

The accounting policies and methods of computation used in the preparation of this interim financial report are consistent with those used in the annual financial statements for the year ended 30 June 2007, except for changes in accounting policies made thereafter in adopting the following new standards and interpretations to existing standards which are effective for the Group's accounting periods beginning on or after 1 July 2007:

HKFRS 7	Financial Instruments: Disclosure
HK(IFRIC) - Int 10	Interim Reporting and Impairment
HK(IFRIC) - Int 11	HKFRS 2 Group and Treasury Share Transactions

The adoption of these accounting standards has no impact on the Group's results of operations.

The following new standards have been issued but effective for annual periods beginning on or after 1 January 2008 and have not been early adopted by the Group:

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKFRS 8	Operating Segment
HK(IFRIC) - Int 12	Service Concession Arrangements
HK(IFRIC) - Int 13	Customer loyalty programmes
HK(IFRIC) - Int 14	HKAS 19 — The limit on a defined benefit asset, minimum funding requirements and their interaction



# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 3. 會計政策(續)

管理層正在評估在首個適用期間採納該等新訂準則、對準則的修訂和詮釋對本集團財務報表的影響。

### 3. Accounting policies (continued)

The Group is currently in the process of assessing the impact of application of these new standards, amendments and interpretations to existing standards that will have on the Group's financial statements in the period of initial application.

### 4. 資本開支

### 4. Capital expenditure

		物業、廠房 及設備	
	土地使用權	Property, plant and equipment	
	Land use rights		
	人民幣千元	人民幣千元	
	RMB'000	RMB'000	
<hr/>			
截至二零零六年 十二月三十一日止六個月	<b>Six months ended 31 December 2006</b>		
二零零六年七月一日期初賬面值	<b>Opening net book amount as at 1 July 2006</b>	592,125	8,625,486
添置	Additions	106,499	2,877,468
出售	Disposals	—	(5,907)
攤銷/折舊開支	Amortisation/depreciation charges	(6,529)	(163,681)
二零零六年十二月三十一日 期終賬面值	<b>Closing net book amount as at 31 December 2006</b>	692,095	11,333,366
<hr/>			
截至二零零七年十二月三十一日 止六個月	<b>Six months ended 31 December 2007</b>		
二零零七年七月一日 期初賬面值	<b>Opening net book amount as at 1 July 2007</b>	949,259	13,802,727
添置	Additions	93,454	3,740,182
收購附屬公司(附註21)	Acquisition of a subsidiary (note 21)	63,130	270
出售	Disposals	—	(3,337)
攤銷/折舊開支	Amortisation/depreciation charges	(11,085)	(218,634)
二零零七年十二月三十一日 期終賬面值	<b>Closing net book amount as at 31 December 2007</b>	1,094,758	17,321,208

## 簡明綜合中期財務資料附註

# Notes to the Condensed Consolidated Interim Financial Information

### 4. 資本開支(續)

- (a) 於二零零七十二月三十一日，本集團正在辦理申請若干土地使用權的業權證書的註冊手續，該等土地使用權的賬面總值約為人民幣195,674,000元(二零零七年六月三十日：人民幣182,366,000元)。本公司董事認為，本集團有權合法及有效地佔用或使用該等土地使用權。
- (b) 於二零零七年十二月三十一日，本集團將賬面值約人民幣5,408,000元(二零零七年六月三十日：人民幣5,200,000元)的若干物業、廠房及設備，用作抵押本集團所借入的銀行貸款(附註12)。
- (c) 於二零零七年十二月三十一日，本集團以成本人民幣32,525,000元(二零零六年六月三十日：人民幣32,244,000元)興建若干樓宇，並已收取以現金形式發放的相關政府補助金，且已從上述樓宇添置成本中扣除有關政府補助金(附註11(b))。
- (d) 截至二零零七年十二月三十一日止六個月，本集團因購買了在中國製造的特定機器設備而獲得抵免企業所得稅人民幣15,579,000元(截至二零零六年十二月三十一日止六個月：人民幣23,693,000元)及增值稅人民幣32,277,000元(截至二零零六年十二月三十一日止六個月：無)。該等抵免金額已於有關機器設備的添置成本中扣除。

### 4. Capital expenditure (continued)

- (a) As at 31 December 2007, the Group is in the process of applying for the title certificates for certain of its land use rights with an aggregate carrying value of RMB195,674,000 (30 June 2007: RMB182,366,000). The directors of the Company are of the opinion that the Group is entitled to lawfully and validly occupy or use these land use rights.
- (b) Certain property, plant and equipment of the Group with carrying values of approximately RMB5,408,000 as at 31 December 2007 (30 June 2007: RMB5,200,000) had been pledged for bank borrowings of the Group (note 12).
- (c) As at 31 December 2007, the Group has constructed certain buildings at cost of RMB32,525,000 (30 June 2007: RMB32,244,000) and relevant government grants in form of cash has been received and deducted from the cost of additions to buildings above (note 11(b)).
- (d) During the six months ended 31 December 2007, the Group has received enterprise income tax credit of RMB15,579,000 (Six months ended 31 December 2006: RMB23,693,000) and value added tax refund of RMB32,277,000 (Six months ended 31 December 2007: nil) relating to the purchase of qualified equipment manufactured in the PRC. The amount of credit has been deducted from the cost of additions of the plant and equipment.

## 簡明綜合中期財務資料附註

### Notes to the Condensed Consolidated Interim Financial Information

#### 5. 無形資產

於二零零七年十二月三十一日的無形資產為商譽，亦即張氏企業有限公司(「張氏」)作為收購代價所發行股份的公平價值超出本集團於二零零五年一月一日分佔所收購附屬公司可識別淨資產公平價值的差額。

張氏的股份公平價值及本集團所收購附屬公司可識別淨資產公平價值，乃按照獨立估值師威格斯資產評估顧問有限公司(「威格斯」)於二零零五年一月一日所進行的業務評估釐定。因此，商譽乃因預期所收購附屬公司的盈利能力較高，以及進行收購事項後預期會有相當協同效益而支付的代價。

根據威格斯於二零零七年六月三十日的業務評估，董事認為毋須就於二零零七年十二月三十一日的商譽賬面值計提減值撥備。

#### 6. 存貨

按成本：

原料  
成品

At cost:

Raw materials  
Finished goods

#### 5. Intangible asset

Intangible asset as at 31 December 2007 represents goodwill, being the excess of the fair value of the shares of Zhang's Enterprises Company Limited ("Zhang's") issued in consideration of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiaries on 1 January 2005.

The fair value of the shares of Zhang's and the fair value of the net identifiable assets of the acquired subsidiaries are based on the business valuation carried out by Vigers Appraisal & Consulting Limited ("Vigers"), the independent valuers, on 1 January 2005. Accordingly, the goodwill is attributed to the expected high profitability of the acquired subsidiaries and significant synergies expected to arise after the acquisitions.

The directors do not consider that a provision for impairment in the carrying amount of the goodwill as at 31 December 2007 is necessary based on the business valuation carried out by Vigers as at 30 June 2007.

#### 6. Inventories

	二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
按成本：		
原料	<b>1,185,387</b>	1,219,399
成品	<b>380,479</b>	283,110
	<b>1,565,866</b>	1,502,509

## 簡明綜合中期財務資料附註 Notes to the Condensed Consolidated Interim Financial Information

### 7. 應收貿易賬款及其他應收款項

### 7. Trade and other receivables

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
應收下列各方 之貿易賬款：	Trade receivables due from:		
— 第三方	— third parties	<b>1,811,106</b>	1,509,713
— 有關聯人士(附註(a) 以及附註22(d))	— related parties (note(a) & note 22(d))	<b>100,120</b>	33,466
		<b>1,911,226</b>	1,543,179
應收票據	Bills receivable	<b>304,069</b>	227,235
預付款項	Prepayments	<b>312,451</b>	229,621
應收關聯人士款項 (附註(a)及22(d))	Amounts due from related parties (notes (a) & 22(d))	<b>12,305</b>	76
其他應收款項	Other receivables	<b>266,469</b>	187,996
		<b>2,806,520</b>	2,188,107

(a) 該款項為無抵押、免息及須按  
要求償還。

(a) The amounts due are unsecured, interest free and  
repayable on demand.

(b) 本集團向企業客戶銷售所給  
予之信貸期介乎30至60日不  
等。

(b) The Group's sales to corporate customers are entered  
into on credit terms around 30 to 60 days.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 7. 應收貿易賬款及其他應收款項 (續)

於二零零七年十二月三十一日，應收貿易款項之賬齡分析如下：

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
0至30日	0-30 days	<b>1,446,461</b>	1,158,030
31至60日	31-60 days	<b>397,711</b>	269,387
61至90日	61-90 days	<b>51,844</b>	114,214
逾90日	Over 90 days	<b>15,210</b>	1,548
		<b>1,911,226</b>	1,543,179

鑒於本集團客戶眾多，遍布全中國，因此應收貿易賬款之信貸風險並不集中。

### 8. 受限制現金

於二零零七年十二月三十一日，受限制現金用作抵押本集團所借入的銀行貸款(附註12)(二零零七年六月三十日：無)。

### 7. Trade and other receivables (continued)

As at 31 December 2007, the ageing analysis of trade receivables is as follows:

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers, which are widely dispersed within the PRC.

### 8. Restricted cash

As at 31 December 2007, the restricted cash (30 June 2007: nil) has been pledged as securities for bank borrowings (note 12).

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 9. 股本

### 9. Share capital

		普通股 面值等值	普通股 面值等值	股本溢價	合計
	普通股數目	普通股面值	Equivalent		
	Number of	Nominal	nominal	Share	Total
	ordinary	value of	value of	premium	
	shares	ordinary	ordinary	Share	
	千股	shares	shares	premium	Total
	Thousand	HK\$'000	RMB'000	RMB'000	RMB'000
<b>截至二零零六年十二月三十一日</b>					
<b>Six months ended 31 December 2006</b>					
止六個月					
於二零零六年七月一日及		Balances as at 1 July 2006 and			
於二零零六年十二月三十一日的結餘	31 December 2006	4,150,000	415,000	431,600	3,709,691
					4,141,291
<b>截至二零零七年十二月三十一日</b>					
<b>Six months ended 31 December 2007</b>					
止六個月					
於二零零七年七月一日的結餘		Balances as at 1 July 2007	4,290,652	429,065	445,059
行使購股權計劃		Exercise of share options	3,383	338	328
					12,278
					12,606
於二零零七年十二月三十一日的結餘		Balances as at 31 December 2007	4,294,035	429,403	445,387
					5,746,380
					6,191,767

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 10. 其他儲備

### 10. Other reserves

	繳納盈餘 Contributed surplus	資本儲備 Capital reserve	購股權 計劃儲備 Share options reserve	法定儲備 及企業 發展基金 Statutory reserve and enterprise fund	換算 Translation	合計 Total
	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
	(附註(a)) (note (a))		(附註(b)) (note (b))	(附註(c)) (note (c))		
截至二零零六年十二月三十一日 止六個月	<b>Six months ended 31 December 2006</b>					
於二零零六年七月一日	660,542	98,980	16,797	125,687	—	902,006
轉撥自淨利潤	—	—	—	48,910	—	48,910
授予董事及僱員的購股權	—	—	16,419	—	—	16,419
於二零零六年十二月三十一日	<b>660,542</b>	<b>98,980</b>	<b>33,216</b>	<b>174,597</b>	<b>—</b>	<b>967,335</b>
於二零零七年十二月三十一日 止六個月	<b>Six months ended 31 December 2007</b>					
於二零零七年七月一日	660,542	98,980	107,554	188,583	530	1,056,189
轉撥自淨利潤	—	—	—	37,289	—	37,289
授予董事及僱員的購股權	—	—	103,531	—	—	103,531
行使購股權計劃	—	—	(2,573)	—	—	(2,573)
貨幣換算差額	—	—	—	—	(4,325)	(4,325)
於二零零七年十二月三十一日	<b>660,542</b>	<b>98,980</b>	<b>208,512</b>	<b>225,872</b>	<b>(3,795)</b>	<b>1,190,111</b>

## 簡明綜合中期財務資料附註

# Notes to the Condensed Consolidated Interim Financial Information

### 10. 其他儲備(續)

- (a) 本集團繳納盈餘指根據重組所收購附屬公司的股本與本公司作為交換所發行股本面值的差額。
- (b) 購股權計劃之摘要及本公司購股權於本年度內之變動詳情載於第48至54頁。
- (c) 法定儲備及企業發展基金

根據在中國的相關規則及法規及本集團部分中國公司的公司章程，部分中國公司均須將按照中國會計規則及法規計算的10%除稅後利潤轉撥至法定盈餘公積金，直至該公積金累計總額達註冊資本50%為止。法定儲備基金在相關主管部門的批准下，僅用於彌補公司以前年度損失或轉增資本。企業發展基金的計提由各中國公司的董事會決定。企業發展基金在相關主管部門的批准下僅用於轉增各公司股本或擴大生產規模。

### 10. Other reserves (continued)

- (a) Contributed surplus of the Group represents the difference between the share capital of subsidiaries acquired pursuant to the Group's reorganisation over the nominal value of the share capital of the Company issued in exchange therefore.
- (b) A summary of the share option schemes and details of the movement in share options of the Company during the six months ended 31 December 2007 are set out on pages 48 to 54.
- (c) Statutory reserve and enterprise expansion fund

In accordance with relevant rules and regulations in the PRC and the articles of association of certain PRC companies within the Group, certain PRC companies are required to transfer 10% of their profit after taxation calculated under PRC accounting rules and regulations to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund can only be used upon approval by the relevant authority, to make good of previous year's losses or to increase the capital of respective companies. The appropriation to the enterprise expansion fund is solely determined by the board of directors of the PRC companies. The enterprise expansion fund can only be used to increase capital of respective companies or to expand their production operations upon approval by the relevant authority.



# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 11. 應付貿易賬款及其他應付款項

### 11. Trade and other payables

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
應付下列各方	Trade payables due to:		
之貿易賬款：			
— 第三方	— third parties	<b>672,060</b>	570,649
— 有關聯人士	— related parties		
(附註(a)及22(d))	(notes (a) and 22(d))	<b>346,642</b>	420,564
		<b>1,018,702</b>	991,213
應付票據	Bills payable	<b>16,000</b>	77,300
向客戶收取的按金	Deposits from customers	<b>126,527</b>	90,411
其他應付款項	Other payables	<b>856,463</b>	515,368
應付員工福利	Staff welfare benefit payable	<b>56,710</b>	40,343
應計費用	Accrued expenses	<b>45,271</b>	69,179
		<b>2,119,673</b>	1,783,814
減：計入非流動負債的 其他應付款項	Less: Other payables included in non-current liabilities		
遞延政府補助金	Deferred government grants		
(附註(b))	(note (b))	<b>(16,934)</b>	(17,215)
		<b>2,102,739</b>	1,766,599

(a) 該款項為無抵押、免息及須按  
要求償還。

(b) 本集團已收取政府機關撥支作  
為資助本集團購置、興建或以  
其他方式收購廠房及樓宇的補  
助金，為數人民幣49,459,000  
元。於二零零七年十二月  
三十一日，本集團已動用人民  
幣32,525,000元購建廠房(附  
註4(c))。

(a) The amounts due are unsecured, interest free and  
repayable upon demand.

(b) The Group has received grants amounted to  
RMB49,459,000 from the government authority as  
assistance to the Group for purchases, construction or  
otherwise acquisitions of plant and buildings. As at 31  
December 2007, the Group has utilised an amount of  
RMB32,525,000 to acquire certain buildings (note 4(c)).

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 11. 應付貿易賬款及其他應付款項 (續)

於二零零七年十二月三十一日，應付貿易賬款之賬齡分析如下：

### 11. Trade and other payables (continued)

The ageing analysis of trade payables as at 31 December 2007 is as follows:

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
0至90日	0-90 days	<b>992,060</b>	949,693
91至180日	91-180 days	<b>8,378</b>	9,536
181至365日	181-365 days	<b>4,154</b>	27,141
逾365日	Over 365 days	<b>14,110</b>	4,843
		<b>1,018,702</b>	991,213

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 12. 貸款

### 12. Borrowings

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
<b>非流動</b>	<b>Non-current</b>		
— 長期銀行貸款	— Long-term bank borrowings	<b>6,759,815</b>	4,088,927
<b>流動</b>	<b>Current</b>		
— 短期銀行貸款	— Short-term bank borrowings	<b>1,378,198</b>	2,373,082
— 長期銀行貸款 即期部分	— Current portion of long-term bank borrowings	<b>40,000</b>	170,000
— 短期融資券	— Short-term financing bills	<b>800,000</b>	—
		<b>2,218,198</b>	2,543,082
<b>總貸款</b>	<b>Total borrowings</b>	<b>8,978,013</b>	6,632,009

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 12. 貸款(續)

貸款的變動分析如下：

### 12. Borrowings (continued)

Movements in borrowings is analysed as follows:

		銀行借款 <b>Bank borrowings</b> 人民幣千元 <b>RMB'000</b>	短期融資券 <b>Short-term financial bills</b> 人民幣千元 <b>RMB'000</b>	合計 <b>Total</b> 人民幣千元 <b>RMB'000</b>
<b>截至二零零六年</b>	<b>Six months ended</b>			
十二月三十一日	<b>31 December 2006</b>			
止六個月				
於二零零六年七月一日	Balances as at 1 July 2006	4,920,776	—	4,920,776
的結餘				
新借貸款	New borrowings	4,068,071	—	4,068,071
償還貸款	Repayments of borrowings	(4,097,834)	—	(4,097,834)
滙兌收益	Exchange gain	(27,062)	—	(27,062)
於二零零六年	Balances as at			
十二月三十一日的結餘	31 December 2006	4,863,951	—	4,863,951
<b>截至二零零七年</b>	<b>Six months ended</b>			
十二月三十一日	<b>31 December 2007</b>			
止六個月				
於二零零七年七月一日	Balances as at 1 July 2007	6,632,009	—	6,632,009
的結餘				
新借貸款	New borrowings	5,124,080	800,000	5,924,080
償還貸款	Repayments of borrowings	(3,425,848)	—	(3,425,848)
滙兌收益	Exchange gain	(152,228)	—	(152,228)
於二零零七年	<b>Balances as at</b>			
十二月三十一日的結餘	<b>31 December 2007</b>	8,178,013	800,000	8,978,013

於二零零七年十二月三十一日，以本集團的資產所發出擔保作抵押的貸款為人民幣268,059,000元(二零零七年六月三十日：人民幣3,276,000元)(附註4及附註8)

As at 31 December 2007, borrowings of RMB268,059,000 (30 June 2007: RMB3,276,000) are secured by assets of the Group (notes 4 and 8).

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 12. 貸款(續)

貸款到期日如下：

		二零零七年十二月三十一日 31 December 2007			二零零七年 六月三十日 30 June 2007
		銀行貸款 Bank borrowings	短期融資券 Short-term financial bills	合計 Total	銀行貸款 Bank borrowings
		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
一年內	Within 1 year	1,418,198	800,000	2,218,198	2,543,082
一年至兩年	Between 1 and 2 years	2,787,803	—	2,787,803	1,028,259
兩年至五年	Between 2 and 5 years	3,584,572	—	3,584,572	3,057,392
須於五年內悉數償還	Wholly repayable within 5 years	7,790,573	800,000	8,590,573	6,628,733
逾五年	Over 5 years	387,440	—	387,440	3,276
		<b>8,178,013</b>	<b>800,000</b>	<b>8,978,013</b>	6,632,009

於二零零七年十二月三十一日之實際利率如下：

The effective interest rates as at 31 December 2007 are as follows:

		二零零七年 十二月三十一日 31 December 2007	二零零七年 六月三十日 30 June 2007
長期銀行貸款	Long-term bank borrowings	5.852%	5.770%
短期銀行貸款	Short-term bank borrowings	5.726%	5.233%
短期融資券	Short-term financing bills	5.575%	—

短期融資券、短期銀行貸款及長期銀行貸款之賬面值與其公平值相若。

The carrying amounts of short-term financing bills, short-term bank borrowings and long-term bank borrowings approximate their fair value.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 12. 貸款(續)

截至二零零七年十二月三十一日，  
本集團所有貸款之賬面值以下列貨  
幣計值：

### 12. Borrowings (continued)

The carrying amounts of all the Group's borrowings as at 31  
December 2007 are denominated in the following currencies:

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
人民幣	RMB	<b>4,585,855</b>	3,225,089
美元	US Dollars	<b>3,246,196</b>	2,657,392
港元	HK Dollars	<b>1,103,441</b>	749,528
歐元	EURO	<b>42,521</b>	—
		<b>8,978,013</b>	6,632,009

本集團尚未提取之貸款融通額如  
下：

The Group has the following undrawn borrowing facilities:

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
浮動利率：	Floating rate:		
— 一年內到期	— expiring within one year	<b>3,518,883</b>	4,471,618
— 一年後到期	— expiring beyond one year	<b>2,347,229</b>	4,393,874
		<b>5,866,112</b>	8,865,492

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 13. 銷售額

截至二零零七年十二月三十一日止  
六個月確認之營業額如下：

### 13. Sales

Sales recognised during the six months ended 31 December  
2007 are as follows:

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
銷售紙張	Sales of paper	6,546,213	4,494,570
銷售本色木漿	Sales of unbleached kraft pulp	144,196	143,899
		<b>6,690,409</b>	4,638,469

### 14. 其他收益(淨額)

### 14. Other gains (net)

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
運輸	Transportation	1,965	2,136
銷售碎料	Sales of scrap materials	51,328	15,881
銷售電力	Sales of electricity	11,734	93,166
利息收入	Interest income	4,138	13,918
經營活動產生的 淨滙兌收益	Net foreign exchange gains on operating activities	20,766	23,812
已確認負商譽(附註21)	Negative goodwill recognised (note 21)	56,840	—
因衍生金融工具 公允價值改變 產生的淨損失	Net loss arising from change in fair value of derivative financial instruments	(19,750)	—
向少數股東出售部分 附屬公司權益 之損失	Loss on partial disposal of equity interests in certain subsidiaries to minority shareholders	(1,879)	—
		<b>125,142</b>	148,913

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 15. 按性質劃分的開支

計入已售貨品成本、銷售及市場推廣成本和行政開支的開支分析如下：

### 15. Expenses by nature

Expenses included in cost of goods sold, selling and marketing costs and administrative expenses are analysed as follows:

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
固定資產折舊	Depreciation	214,731	157,162
僱員福利開支(附註(a))	Employee benefit expense (note (a))	419,075	197,412
成品變動	Changes in finished goods	(97,369)	71,703
已耗用原料及耐用品	Raw materials and consumables used	4,567,148	3,078,119
運輸	Transportation	61,934	18,118
經營租賃	Operating leases		
— 土地使用權(附註4)	— land use rights (note 4)	11,085	6,529
— 樓宇	— buildings	1,079	1,205
出口銷售對應之不可 抵扣增值稅項成本	Non-deductible value added tax for export sales	178,588	33,866
其他	Other expenses	189,584	107,784
		<b>5,545,855</b>	<b>3,671,898</b>

(a)

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
工資及薪金	Wages and salaries	301,957	172,410
授予董事及僱員 的購股權計劃	Share options granted to directors and employees	103,531	16,419
退休金成本一定額 供款計劃	Pension costs — defined contribution plans	8,093	5,214
醫療福利	Medical benefits	2,177	1,303
其他津貼及福利	Other allowances and benefits	3,317	2,066
		<b>419,075</b>	<b>197,412</b>



# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 16. 融資成本

### 16. Finance costs

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
銀行貸款利息	Interest on bank borrowings	<b>187,818</b>	104,455
減：已資本化利息	Less: interest capitalised	<b>(17,398)</b>	(11,625)
		<b>170,420</b>	92,830
票據貼現費用	Bills discount charge	<b>42,896</b>	17,474
其他附帶貸款成本	Other incidental borrowing cost	<b>3,474</b>	2,036
貸款的滙兌收益	Exchange gains on borrowings	<b>(152,228)</b>	(27,062)
		<b>64,562</b>	85,278

截至二零零七年十二月三十一日止六個月，用作發展在建工程而借入及運用之資金所適用之資本化比率，約為5.660%（截至二零零六年十二月三十一日止六個月：5.870%）。

The capitalisation rate applied to funds borrowed generally and used for the development of construction in progress is 5.660% for the six months ended 31 December 2007 (Six months ended 31 December 2006: 5.870%).

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 17. 所得稅開支

### 17. Income tax expense

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
即期稅項	Current tax		
— 香港利得稅	— Hong Kong profits tax	—	—
— 中國企業所得稅	— PRC enterprise income tax	68,111	27,052
		68,111	27,052
遞延所得稅	Deferred income tax	58,341	27,903
		126,452	54,955

由於本集團於截至二零零七年十二月三十一日止六個月並無任何香港利得稅應課稅利潤，故此並未為香港利得稅計提撥備。中國企業所得稅乃以期內估計應課稅溢利按適用於相關附屬公司的稅率計算。

Hong Kong profits tax has not been provided as the Group did not have any assessable profits during six months ended 31 December 2007. PRC enterprise income tax has been calculated on the estimated assessable profit for the period at the rates of taxation applicable to the respective subsidiaries.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 18. 每股盈利

#### — 基本

每股基本盈利乃以期內本公司權益持有人應佔盈利除以已發行普通股的加權平均數計算。

### 18. Earnings per share

#### — Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
本公司權益持有人應佔 盈利(人民幣千元)	Profit attributable to equity holders of the Company (RMB'000)	<b>1,056,163</b>	948,062
已發行普通股數目的 加權平均數(千計)	Weighted average number of ordinary shares in issue (shares in thousands)	<b>4,291,792</b>	4,150,000
每股基本盈利 (每股人民幣)	Basic earnings per share (RMB per share)	<b>0.25</b>	0.23

#### — 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。本公司有可攤薄的潛在普通股為購股權。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(釐定為本公司股份於本期間的平均市價)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。

#### — 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 are share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the period) 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.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 18. 每股盈利(續)

#### — 攤薄(續)

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
本公司權益持有人 應佔盈利(人民幣千元)	Profit attributable to equity holders of the Company (RMB'000)	1,056,163	948,062
已發行普通股的 加權平均數(千計)	Weighted average number of ordinary shares in issue (shares in thousands)	4,291,792	4,150,000
調整 — 購股權(千計)	Adjustments for share options (shares in thousands)	135,490	65,033
計算每股攤薄盈利的 普通股的加權 平均數(千計)	Weighted average number of ordinary shares for diluted earnings per share (shares in thousands)	4,427,282	4,215,033
每股攤薄盈利 (每股人民幣)	Diluted earnings per share (RMB per share)	0.24	0.22

### 19. 股息

### 19. Dividend

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
中期股息(附註(b))	Interim dividend (note (b))	72,140	65,585

## 簡明綜合中期財務資料附註

# Notes to the Condensed Consolidated Interim Financial Information

### 19. 股息(續)

- (a) 本公司於二零零七年十一月二十七日舉行的公司年度會議上批准派發2007年財政年度股息每股人民幣10.00仙(2006年度：人民幣2.30仙)，合共約人民幣429,065,000元(2006年年度股息：人民幣95,450,000元)，該等股息已於截至二零零七年十二月三十一日止六個月內支付。
- (b) 本公司已於二零零八年三月十七日之董事會會議上批准截至二零零七年十二月三十一日止六個月之中期股息每股人民幣1.68仙(截至二零零六年十二月三十一日止六個月：人民幣每股1.60仙)，合共人民幣72,140,000元(截至二零零六年十二月三十一日止六個月：人民幣65,585,000元)。

### 19. Dividend (continued)

- (a) A 2007 final dividend of RMB10.00 cents (2006 final: RMB2.30 cents) per ordinary share, totalling approximately RMB429,065,000 (2006 final: RMB95,450,000) has been declared in the Company's Annual General Meeting on 27 November 2007 and paid in the six months ended 31 December 2007.
- (b) An interim dividend for the six months ended 31 December 2007 of RMB1.68 cents (Six months ended 31 December 2006: RMB1.60 cents) per ordinary share, totalling approximately RMB72,140,000 (Six months ended 31 December 2006: RMB65,585,000) has been approved in the meeting of board of directors of the Company on 17 March 2008.

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 20. 承擔

#### (a) 資本承擔

於二零零七年十二月三十一日  
尚未產生的資本承擔如下：

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
已訂約但未撥備：	Contracted but not provided for:		
— 物業、廠房及設備	— Property, plant and equipment	<b>5,625,514</b>	5,809,540
已授權但未訂約：	Authorised but not contracted for:		
— 物業、廠房及設備	— Property, plant and equipment	<b>10,058,006</b>	939,222
		<b>15,683,520</b>	6,748,762

#### (b) 經營租賃承擔 — 本集團為承租人

根據不可撤銷經營租賃支付的  
未來最低總租金如下：

		二零零七年 十二月三十一日 <b>31 December 2007</b> 人民幣千元 <b>RMB'000</b>	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
物業、廠房及設備：	Property, plant and equipment:		
— 不多於一年	— Not later than one year	<b>2,086</b>	2,131
— 多於一年但在五年內	— Later than one year and not later than five years	<b>38</b>	612
		<b>2,124</b>	2,743

### 20. Commitments

#### (a) Capital commitments

Capital expenditure as at 31 December 2007 but not yet  
incurred is as follows:

#### (b) Operating lease commitments — where the Group is the lessee

The future aggregate minimum lease payments under  
non-cancellable operating leases are as follows:

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 21. 業務合併

於二零零七年十二月二十日，本集團向三名獨立第三方收購了四川犍為北亞紙業有限公司(「犍為」) 100%的股權。

犍為於二零零五年十二月成立，將主要從事高價特種紙產品的生產，主要為電器絕緣紙及電容器紙、漂白木漿及漂白竹漿。截止至並購日，犍為尚未投產，但是持有用於將來建設紙品製造設備的土地使用權。

已收購之資產及負債詳情如下：

### 21. Business combination

On 20 December 2007, the Group acquired 100% of the share capital of Sichuan Qian Wei Baiya Paper Co., Ltd. ("Qian Wei") from three independent third parties with no consideration.

Qian Wei was established in December 2005 and will principally be engaged in the production of high value specialty board products, mainly insulating paper and capacitor tissue paper, bleached wood pulp and bleached bamboo pulp. As at the date of acquisition, Qian Wei has not yet commenced production but holding of certain land rights for future paper manufacturing establishment.

The assets and liabilities arising from the acquisition are as follows:

		公平值 <b>Fair value amount</b> 人民幣千元 <b>RMB'000</b>	被併購者 的賬面值 <b>Acquiree's carrying</b> 人民幣千元 <b>RMB'000</b>
銀行及現金結餘	Bank and cash balances	2	2
土地使用權(附註4)	Land use rights (note 4)	63,130	39,425
物業、廠房和設備(附註4)	Property, plant and equipment (note 4)	270	270
應收款項	Other receivables	1,364	1,364
應付款項	Other payables	(2,000)	—
遞延所得稅負債	Deferred tax liabilities	(5,926)	—
淨資產	Net assets	56,840	41,061
收購代價以現金支付	Purchase consideration settled in cash	—	
負商譽	Negative goodwill	56,840	
收購代價以現金支付 所收購附屬公司 之銀行及現金結餘	Purchase consideration settled in cash Bank and Cash Balances in a subsidiary acquired	—  2	
收購時的現金流入	Cash inflow on acquisition	2	

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 22. 有關聯人士交易

(a) 有關聯人士之名稱及關係

名稱  
Name

美國中南有限公司(「美國中南」)  
America Chung Nam Inc. (“ACN”)

玖龍包裝(太倉)有限公司(「太倉包裝」)  
Nine Dragons Packaging (Taicang)  
Company Limited (“Taicang Packaging”)

### 22. Related party transactions

(a) Name and relationship with related parties

關係  
Relationship

張茵女士(「張女士」)及劉名中先生(「劉先生」)  
實益擁有的公司  
Company beneficially owned by Ms. Cheung Yan  
 (“Ms. Cheung”) and Mr. Liu Ming Chung (“Mr. Liu”)

張成飛先生(「張先生」)實益擁有的公司  
Company beneficially owned by Mr. Zhang Chengfei  
 (“Mr. Zhang”)



# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 22. 有關聯人士交易(續)

#### (b) 與有關聯人士進行之交易

截至二零零七年十二月三十一日止六個月內，本集團曾與有關聯人士進行以下重大交易。與有關聯人士進行之買賣交易乃在正常業務過程中進行，利潤率的釐定基準與非有關聯人士者相同。

### 22. Related party transactions (continued)

#### (b) Transactions with related parties

During the six months ended 31 December 2007, the Group had the following significant transactions with related parties. Sales and purchase transactions are negotiated with related parties in the normal course of business with a margin on the same basis with non-related parties:

		截至十二月三十一日止六個月	
		Six months ended 31 December	
		二零零七年	二零零六年
		2007	2006
		人民幣千元	人民幣千元
		RMB'000	RMB'000
銷售產品：	Sales of goods:		
— 太倉包裝	— Taicang Packaging	<b>39,718</b>	90,612
銷售能源：	Sales of utilities:		
— 太倉包裝	— Taicang Packaging	<b>2,751</b>	1,727
採購廢紙：	Purchase of recovered papers:		
— 美國中南	— ACN	<b>1,839,850</b>	1,203,375
— 太倉包裝	— Taicang Packaging	<b>4,003</b>	3,188
		<b>1,843,853</b>	1,206,563
直接出口之代理費	Agent fee of direct export sales:		
— 美國中南	— ACN	<b>4,556</b>	—

# 簡明綜合中期財務資料附註

## Notes to the Condensed Consolidated Interim Financial Information

### 22. 有關聯人士交易(續)

#### (c) 主要管理層薪酬

		截至十二月三十一日止六個月 Six months ended 31 December	
		二零零七年 2007 人民幣千元 RMB'000	二零零六年 2006 人民幣千元 RMB'000
薪金	Salaries	16,813	9,639
終止服務福利	Termination benefits	3,625	—
購股權	Share options	102,426	4,734
		<b>122,864</b>	14,373

### 22. Related party transactions (continued)

#### (c) Key management compensation

#### (d) 有關聯人士之結餘

		二零零七年 十二月三十一日 31 December 2007 人民幣千元 RMB'000	二零零七年 六月三十日 30 June 2007 人民幣千元 RMB'000
應收下列各方 之貿易結餘：	Trade balances due from:		
有關聯人士	Related parties:		
— 太倉包裝	— Taicang Packaging	35,983	33,466
— 美國中南	— ACN	64,137	—
		<b>100,120</b>	33,466
應收下列各方之 非貿易結餘：	Non-trade balances due from:		
有關聯人士	Related parties:		
— 太倉包裝	— Taicang Packaging	12,305	76
應付下列各方 之貿易結餘：	Trade balances due to:		
有關聯人士	Related parties:		
— 美國中南	— ACN	346,181	417,589
— 太倉包裝	— Taicang Packaging	461	2,975
		<b>346,642</b>	420,564

# 投資者關係及股東通訊

## Investor Relations and Communications with Shareholders

### 與投資者的溝通

我們一向致力提高公司企業管治及披露水準，並憑著其積極發展投資者關係的努力，在資本市場上得到投資者之廣泛認同。玖龍紙業亦是機構投資者的研究目標，目前有近二十家本地及國際研究機構，定期編撰有關本集團的報告。

管理層繼續竭力拓展與投資者直接溝通之管道，以進一步鞏固投資者對玖龍紙業的業務情況及未來發展策略的瞭解，讓投資者理解管理層對市場及對造紙行業擁有前瞻性的洞察力。我們除了積極參與信譽卓著的投資銀行所舉辦的多項區內及全球性的投資者研討會，與與會投資者進行溝通以解釋業務發展外，更於美國、歐洲、亞洲(包括中國地區)開展投資者關係。

為了加強集團的透明度，適時公開披露集團最新資訊，我們定期更新公司網站，透過媒體發放新聞稿，及每年兩次舉行業績公佈。此外，我們多次舉辦投資者參觀團及會見分析員、基金經理等，讓他們實地了解集團的業務運作及生產過程。詳盡地回答他們的問題並聽取他們的意見及建議，傳遞公司資訊，與投資者形成了良性的互動。

### 股東

於二零零七年十二月三十一日，本集團的非機構性股東人數逾5,000人。

公司網站為投資者提供公司資料及最新發展，並提供中英文資料以供下載，其中包括業績公告、年報、中期報告等。公司網站定期更新，以確保公司之訊息可以適時提供予股東。此外，管理層更透過股東周年大會，作為與股東之有效溝通橋樑。

### COMMUNICATING WITH INVESTORS

We have been firmly adhering to a high standard of corporate governance and disclosure. Our proactive approach to investor relations has made us widely-recognised by investors in the capital market. ND Paper has also been closely monitored by analysts of a wide range of institutional investors. Currently, nearly 20 local and international research institutions publish reports on ND Paper on a regular basis.

The management has remained dedicated to expanding its direct communications with investors to further strengthen their thorough understanding of ND Paper's business, future development and strategies. The management has also communicated with investors to share their insights into the market and the paper industry. In addition, the management participates actively in a significant number of regional and global investor conferences organised by reputable investment banks to explain our business development to investors. Apart from that, we have also developed investor relations in the US, Europe and Asia (including the PRC).

In order to increase transparency and make timely disclosure of the latest information of the Group, we update our corporate website regularly, release press releases through the media and organise results announcement presentations twice annually. Besides, we frequently organise plant tours and meetings with analysts and fund managers to enhance their understanding of our business operation and production procedures. We take interactive approach with investors by giving detailed answers to enquires, understanding their opinions and suggestions as well as disseminating corporate information.

### SHAREHOLDERS

As at 31 December 2007, the Group had over 5,000 non-institutional shareholders.

Our corporate website provides investors with the Company's information as well as its latest development. A full library of bilingual resources such as results announcements, annual reports and interim reports are available for download. The website is updated on a regular basis to ensure timely and updated information will be delivered to our shareholders. In addition, the management established an effective communication channel with the shareholders through annual general meetings.

## 投資者關係及股東通訊

# Investor Relations and Communications with Shareholders

### 股息政策

視乎財務狀況及業務發展需要，我們預計於每一財政年度向股東派發不少於20%的當年可分派利潤。

### 獎項

回顧期內，玖龍紙業榮獲由香港管理專業協會所頒發的二零零七年最佳年報比賽之優異年報獎，證明我們在取得良好經濟效益的同時，在企業管治、財務披露水平方面上亦得到社會各界的肯定。

### 財政紀要

二零零八年財政年度 中期業績公佈	二零零八年 三月十七日
二零零八年財政年度 年度業績公佈(暫定)	二零零八年九月
暫停辦理股份 過戶登記	二零零八年 四月十六日至 十八日(包括 首尾兩日)
派付二零零八年財政 年度中期股息	二零零八年 五月二十一日
財政年度結算日	六月三十日

### 股份資料

#### 股份上市

玖龍紙業的股份於二零零六年三月三日在聯交所主板上市(股份代號：2689)。

#### 指數成份股

玖龍紙業為下列指數的成份股：

- 恒生綜合指數系列
- 摩根士丹利資本國際公司  
(「MSCI」)標準指數系列
- MSCI全球增長指數系列

### DIVIDEND POLICY

Subject to our financial performance and business development requirements, we expect to distribute no less than 20% of distributable profit to our shareholders in each financial year.

### AWARDS

During the period under review, ND Paper was awarded the Honourable Mention of the 2007 Best Annual Reports Awards organised by the Hong Kong Management Association. This award was not only an evidence of our success in achieving substantial economic benefits, but also recognition from the society for the level of our corporate governance and financial disclosures.

### FINANCIAL CALENDAR

FY2008 interim results announcement	17 March 2008
FY2008 annual results announcement (tentatively)	September 2008
Closure of register of members	16 to 18 April 2008 (both dates inclusive)
Distribution of FY2008 interim dividend	21 May 2008
Financial year end	30 June

### SHARE INFORMATION

#### Shares listing

The shares of ND Paper are listed on the Main Board of the Stock Exchange (stock code: 2689).

#### Index Constituent

ND Paper is a constituent of the following indices:

- Hang Seng Composite Index Series
- Morgan Stanley Capital International ("MSCI")  
Standard Index Series
- MSCI Global Value and Growth Index Series

## 釋義 Definition

「二零零六年購股權計劃」 2006 Share Option Scheme	指	本公司於二零零六年二月十二日採納之購股權計劃 the share option scheme adopted by the Company on 12 February 2006
「美國中南」 ACN	指	美國中南有限公司，一家根據美國加利福尼亞州法律成立的有限公司，由張女士及劉先生間接全資擁有 America Chung Nam, Inc., a corporation established with limited liability under the laws of the State of California in the United States, is indirectly wholly owned by Ms. Cheung and Mr. Liu
「聯繫人」 Associate(s)	指	具有上市規則所賦予的涵義 has the meaning ascribed to it under the Listing Rules
「Best Result」 Best Result	指	Best Result Holdings Limited，根據處女群島法律註冊成立的公司，為本公司的主要股東 Best Result Holdings Limited, a company incorporated under the laws of BVI, is a substantial shareholder of the Company
「董事會」 Board	指	本公司董事會 The board of the directors of the Company
「處女群島」 BVI	指	英屬處女群島 the British Virgin Islands
「公司細則」 By-laws	指	玖龍紙業的公司細則 the by-laws of ND Holdings
「複合年增長率」 CAGR	指	複合年增長率 Compound annual growth rate
「本公司」或「玖龍控股」 Company or ND Holdings or ND Paper	指	玖龍紙業(控股)有限公司*，二零零五年八月十七日於百慕達根據一九八一年公司法註冊成立的獲豁免有限公司 Nine Dragons Paper (Holdings) Limited (玖龍紙業(控股)有限公司*)，a Company which was incorporated in Bermuda on 17 August 2005 under the Companies Act 1981 as an exempt Company with limited liability
「董事」 Director(s)	指	本公司董事或任何其中一名董事 the director(s) of the Company or any one of them
「財政年度」 FY	指	截至六月三十日止財政年度 Financial year ended/ending 30 June

\* 僅供識別

## 釋義 Definition

「本集團」 Group	指	本公司及其附屬公司 The Company and its subsidiaries
「港元」 HKD/HK\$	指	香港法定貨幣港元 Hong Kong dollars
「聯交所」 HKSE or Stock Exchange	指	香港聯合交易所有限公司 The Stock Exchange of Hong Kong Limited
「香港」或 「香港特別行政區」 Hong Kong or Hong Kong SAR or HKSAR	指	中華人民共和國香港特別行政區 The Hong Kong Special Administrative Region of the People's Republic of China
「獨立非執行董事」 INED(s)	指	玖龍控股獨立非執行董事 Independent Non-executive Director(s) of ND Holdings
「上市規則」 Listing Rules	指	聯交所證券上市規則 the Rules Governing the Listing of Securities on the Stock Exchange
「MCL Living Trust」  MCL Living Trust	指	由劉先生以財產授予人身份、張女士及劉先生以信託人及特別信託人身份與 Bank of The West 以信託人身份成立的生前信託。信託對象為劉先生 a living trust set up by Mr. Liu as the settlor and Ms. Cheung and Mr. Liu as the trustees and the special trustees and Bank of The West as the trustee. The object of the trust is Mr. Liu
「標準守則」 Model Code	指	上市公司董事進行證券交易的標準守則 Model Code for Securities Transactions by Directors of Listed Issuers
「劉先生」 Mr. Liu	指	劉名中先生，本公司執行董事、副主席兼行政總裁 Mr. Liu Ming Chung (劉名中先生), an executive Director, the Deputy Chairman and the Chief Executive Officer of the Company
「張先生」 Mr. Zhang	指	張成飛先生，本公司執行董事兼副行政總裁 Mr. Zhang Cheng Fei (張成飛先生), an executive Director and the Deputy Chief Executive Officer of the Company
「張女士」 Ms. Cheung	指	張茵女士，本公司執行董事兼主席 Ms. Cheung Yan (張茵女士), an executive Director and the Chairlady of the Company

## 釋義

### Definition

「造紙機」 PM	指	本集團造紙機的代號。例如，一號造紙機指本集團的第一台造紙機 a prefix referring to the Group's paper machines. For example, PM1 refers to the Group's first paper machine
「上市前購股權計劃」 Pre-IPO Share Option Scheme	指	本公司由二零零六年一月一日起採納的上市前購股權計劃 the Pre-IPO Share Option Scheme adopted by the Company with effect from 1 January 2006
「人民幣」 RMB	指	中國法定貨幣人民幣 Renminbi, the lawful currency of the PRC
「美元」 USD/US\$	指	美國法定貨幣美元 US dollars
「證監會」 SFC	指	證券及期貨事務監察委員會 Securities and Futures Commission
「證券及期貨條例」 SFO	指	證券及期貨條例 Securities and Futures Ordinance
「購股權計劃」 Share Option Schemes	指	上市前購股權計劃及二零零六年購股權計劃 Pre-IPO Share Option Scheme and 2006 Share Option Scheme
「股份」 Share(s)	指	本公司已發行股本中每股面值0.10港元的普通股 Ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
「股東」 Shareholder(s)	指	本公司股份持有人 holder(s) of Shares of the Company
「平方呎」 sq.ft	指	平方呎 square feet
「平方米」 sq.m	指	平方米 square metre

## 釋義 Definition

「年產能(噸)」 tpa	指	每年以噸計量的產能 tonnes per annum
「YC 2006 QuickGRAT」  YC 2006 QuickGRAT	指	由張女士以財產授予人及信託人身份以及 <b>HSBC Bank USA, National Association</b> 以行政信託人身份成立的授予人保留年金信託。在若干年期內，信託對象包括張女士，其後則為一項以張女士的家人為對象的不可撤銷信託  grantor retained annuity trust set up by Ms. Cheung as the settlor and the trustee and HSBC Bank USA, National Association as the administrative trustee. The objects of the trust include Ms. Cheung for a term of years and thereafter, an irrevocable trust for family members of Ms. Cheung
「%」 %	指	百分比 per cent



## 詞彙 Glossary

「塗布白板紙」 coated duplex board	指	一種白板紙，其中一面為光滑的塗布面，該面印刷適性極佳，包括塗布灰底白板紙 a type of duplex board with a glossy coated surface on one side for superior printability, including coated duplex board with grey back
「箱板原紙」 containerboard	指	用作製造瓦楞紙箱的紙板組件。箱板原紙主要包括卡紙及瓦楞芯紙，亦可包括塗布白板紙 the paperboard components used to manufacture corrugated containers. Containerboard primarily includes linerboard and corrugating medium and can also include coated duplex board
「瓦楞芯紙」 corrugating medium	指	用作製成卡紙夾層的波浪紋部分所用的紙板 a paperboard used to form the corrugated or fluted component sandwiched between the linerboard
「集散控制系統」 DCS	指	集散控制系統，一般為大規模程序控制系統，以包括控制、使用者介面、數據收集及系統管理等功能為特點的集散設備網絡 Distributed Control System, typically a large-scale process control system characterized by a distributed network of equipment that encompass the functions of control, user interface, data collection, and system management
「木漿」 kraft pulp	指	用硫酸鹽製漿法或硫酸鹽化學方法製成的木漿。硫酸鹽製漿法是全球通用的主要化學製漿法，涉及將木片浸在鹼性溶液中煮沸(浸溶)數個小時，此時化學品會溶解木塊中的木質素。其後已溶解的木質素會被抽走，剩下纖維素纖維(木漿的主要成分) pulp produced by the kraft or sulphate chemical process. The kraft process is the predominant chemical pulping process used globally, and involves cooking (digesting) wood chips in an alkaline solution for several hours during which time the chemicals attack the lignin in the wood. The dissolved lignin is later removed leaving behind the cellulose fibers (the primary constituent of pulp)
「牛卡紙」 kraftlinerboard	指	純粹或部分由木漿製成的高級卡紙 a high grade of linerboard manufactured wholly or partially from kraft pulp
「廢紙」 recovered paper	指	分開收集的舊紙張及舊紙板，可循環利用作製造箱板原紙的纖維原料 used paper and board separately collected for re-use as fiber raw material in containerboard manufacture

## 詞彙 Glossary

「環保牛卡紙」  
testlinerboard

指 純粹由廢紙製成的卡紙  
linerboard made entirely from recovered paper

「白面牛卡紙」  
white top linerboard

指 由一層已漂白及其餘各層未漂白紙張組成的多層紙板  
a type of linerboard comprising a multiple-ply sheet composed of one bleached layer with the remaining layer(s) unbleached

