



烟台北方安德利果汁股份有限公司

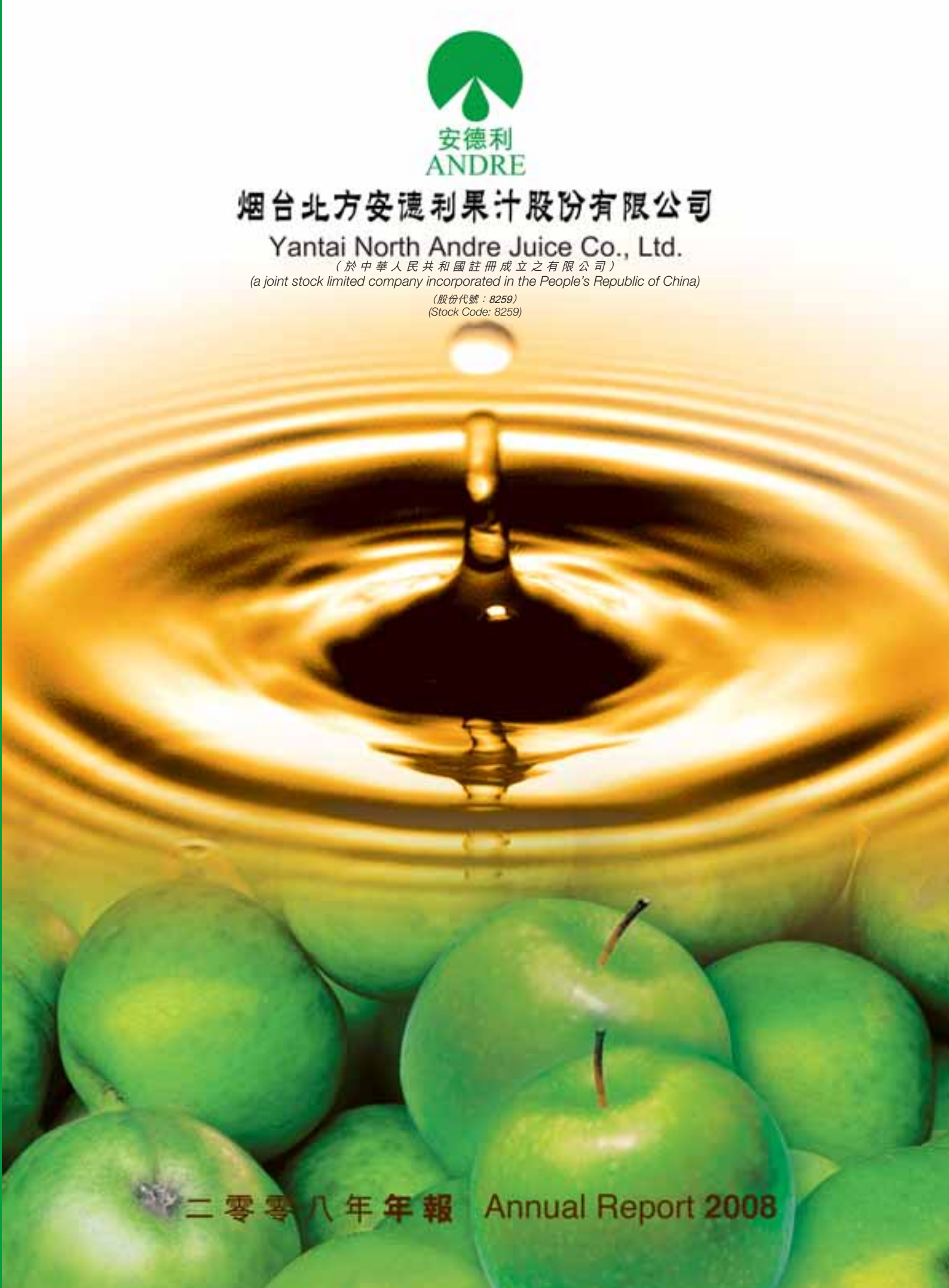
Yantai North Andre Juice Co., Ltd.

(於中華人民共和國註冊成立之有限公司)

(a joint stock limited company incorporated in the People's Republic of China)

(股份代號：8259)

(Stock Code: 8259)



二零零八年年報 Annual Report 2008

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* For identification purpose only

* 僅供識別

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Directors

Executive Directors

Zheng Yue Wen

Wang An

Zhang Hui

Jiang Hong Qi

Li Ye Sheng (resigned on 3 September 2008)

Yu Hui Lin (于會林, formerly 于惠霖)

(resigned on 19 May 2008)

Non-executive Director

Lo Chih-Hsien

Independent non-executive Directors

Wu Jian Hui

Yu Shou Neng

Qu Wen

Supervisors

Mu Gui Sheng

Qu Wei Jia

Wang Chun Tang

Qualified Accountant

Ng Man Yee Karen CPA FCCA ACA

Company Secretary

Ng Man Yee Karen CPA FCCA ACA

Members of Audit Committee

Wu Jian Hui

Yu Shou Neng

Qu Wen

董事

執行董事

鄭躍文

王安

張輝

姜洪奇

李業勝 (辭任於二零零八年九月三日)

于會林 (曾用名于惠霖)

(辭任於二零零八年五月十九日)

非執行董事

羅智先

獨立非執行董事

鄔建輝

俞守能

曲雯

監事

慕桂盛

曲維佳

王春堂

合資格會計師

伍敏怡 CPA FCCA ACA

公司秘書

伍敏怡 CPA FCCA ACA

審核委員會成員

鄔建輝

俞守能

曲雯

Compliance Officer

Zhang Hui (appointed on 3 September 2008)

Engineer

Li Ye Sheng (appointed on 19 May 2008 and resigned on 3 September 2008)

Yu Hui Lin (于會林, formerly 于惠霖)

(resigned on 19 May 2008)

Authorised Representatives

Wang An

Ng Man Yee Karen CPA FCCA ACA

Auditor

KPMG

Legal Advisers

As to Hong Kong Law

Baker & McKenzie

As to PRC Law

Shandong Qianwei Law Firm

Principal Bankers

China Construction Bank (Muping Branch, Yantai City)

Agricultural Bank of China (Muping Branch, Yantai City)

Industrial and Commercial Bank of China

(Muping Branch, Yantai City)

Bank of China (Muping Branch, Yantai City)

HSBC Bank (China) Company Limited Qingdao Branch

Rabobank Nederland Shanghai Branch

Bank of China (Hong Kong) Limited (Qingdao Branch)

H Share Register and Transfer Office

Tricor Tengis Limited

26th Floor

Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

監察主任

張輝(委任於二零零八年九月三日)

工程師

李業勝(委任於二零零八年五月十九日及

辭任於二零零八年九月三日)

于會林(曾用名于惠霖)

(辭任於二零零八年五月十九日)

獲授權代表

王安

伍敏怡 CPA FCCA ACA

核數師

畢馬威會計師事務所

法律顧問

香港法律

貝克•麥堅時律師事務所

中國法律

山東前衛律師事務所

主要往來銀行

中國建設銀行(烟台市牟平支行)

中國農業銀行(烟台市牟平支行)

中國工商銀行

(烟台市牟平支行)

中國銀行(烟台市牟平支行)

滙豐銀行(中國)有限公司青島分行

荷蘭合作銀行有限公司上海分行

中國銀行(香港)有限公司(青島分行)

H股過戶登記處

卓佳登捷時有限公司

香港灣仔皇后大道東28號

金鐘匯中心26樓

Registered Office and Principal Place of Business in the PRC

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Muping Economic Development Zone,
Yantai City, Shandong Province, the PRC

Investors Relationship & Principal Place of Business in Hong Kong

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Shun Tak Centre
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Facsimile : (852) 2587-9166
Email address : andrehk@biznetvigator.com

Company Homepage/Website

www.andre.com.cn

Stock Code

8259

中國註冊辦事處及主要營業地點

中國山東省煙台市
牟平經濟開發區
安德利大街18號

投資者關係及香港營業地址

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信德中心西翼35樓3516室
電話：(852) 2511-6988
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電子郵件：andrehk@biznetvigator.com

公司網頁／網站

www.andre.com.cn

股票編號

8259

Financial Highlights

財務摘要

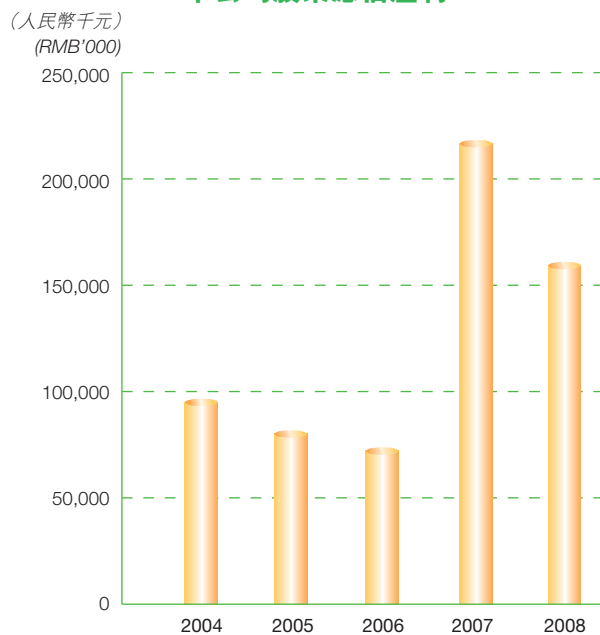
Results 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2008	2007	2006	2005	2004
		二零零八年	二零零七年	二零零六年	二零零五年	二零零四年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Turnover	收入	1,309,354	1,662,976	786,435	660,421	563,734
Profit from operations	經營溢利	143,963	292,565	58,662	113,986	118,479
Profit before taxation	除稅前溢利	181,893	266,604	78,823	82,806	97,027
Profit for the year	本年度溢利	156,445	235,153	70,234	76,676	91,667
Attributable to:	歸屬於：					
Equity shareholders of the Company	本公司股東	156,107	213,874	69,673	75,928	91,587
Minority interests	少數股東	338	21,279	561	748	80
Basic earnings per share *	每股基本盈利*	RMB人民幣0.037元	RMB人民幣0.052元	RMB人民幣0.018元	RMB人民幣0.020元	RMB人民幣0.026元

* As if the subdivision of every Domestic Share and H Share with a nominal or face value of RMB1.00 in the share capital of the Company into ten Domestic Shares and ten H Shares with a nominal value or face value of RMB0.10 each and the capitalisation issue to the shareholders on the basis of six (6) capitalisation shares for every five (5) shares in issue had been effective throughout the periods presented.

* 假設本公司股本中每股面值人民幣1.00元之各非流通股及H股於各呈報期內已拆細為十股每股面值人民幣0.10元之非流通股及H股以及每五(5)股已發行股份獲發行六(6)股資本化股份之資本化發行已於各呈報期內發行。

Profit Attributable to Equity Shareholders of the Company 本公司股東應佔溢利



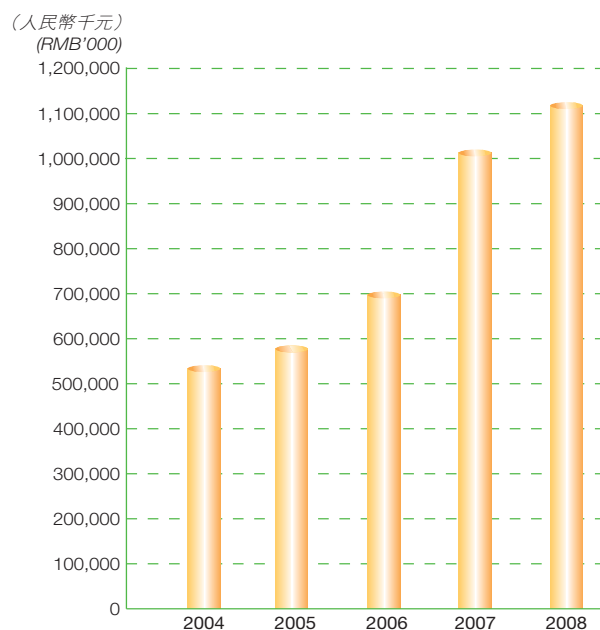
Financial Highlights

財務摘要

Assets and Liabilities 資產及負債

		As at 31 December 於十二月三十一日				
		2008	2007	2006	2005	2004
		二零零八年	二零零七年	二零零六年	二零零五年	二零零四年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total Assets	資產總值	2,232,414	2,853,291	1,852,683	1,432,462	1,190,975
Total Liabilities	負債總值	1,099,540	1,759,852	1,145,146	841,394	642,557
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益	1,125,324	1,022,302	697,950	582,042	540,060
Minority interests	少數股東權益	7,550	71,137	9,587	9,026	8,358

Total Equity Attributable to Equity Shareholders of the Company 本公司股東應佔權益



Chairman's Statement

主席報告書

I am pleased to submit to the shareholders the annual report of the Company and its subsidiaries (collectively known as the "Group") for the financial year ended 31 December 2008.

Annual Results and Review

The Group recorded a turnover of approximately RMB1,309,354,000 for the year ended 31 December 2008, representing a decrease of approximately 21% over the previous year; profit attributable to equity shareholders was approximately RMB156,107,000, and basic earnings per share was approximately RMB0.037.

As over 90% of the products in the apple juice concentrate industry was for export purpose, the impact on the apple juice concentrate industry from the global financial crisis was comparatively greater. Exported products of the whole industry for 2008 only amounted to 692,900 tonnes, representing a decrease of 33.55% as compared with 2007. The price of products once dropped to approaching the historical low as the whole industry was in recession. Affected by the recession in the industry, sales volume and selling price of the Group's products had also gradually decreased in the second half of 2008.

Under the trend of steady appreciation of Renminbi against US dollar, the Group has enhanced its cooperation with international renowned financial institutions to appropriately adjust the proportion between Renminbi and US dollar loans. The Directors believe that maintaining an appropriate proportion of US dollar loans can reduce the Group's exchange rate risk and finance costs, and can facilitate better business development. To uplift the juice production capacity, the Group has built a new production line at both Xianyang Andre Juice Co., Ltd.* (咸陽安德利果蔬汁有限公司) ("Xianyang Andre") and Xuzhou Andre Juice Co., Ltd.* (徐州安德利果蔬汁有限公司) ("Xuzhou Andre") and renovated a production line at the Group's headquarters in Yantai as planned so as to expand its production capacity. In addition, the Group has adopted the methods of acquisition and

* For identification purpose only

本人欣然提呈本公司及附屬公司(合稱「本集團」)截至二零零八年十二月三十一日止年度報告，敬請各位股東瀏覽。

全年業績及回顧

本集團截至二零零八年十二月三十一日止年度實現本集團收入約為人民幣1,309,354,000元，比去年同期下降約21%；實現股東應佔溢利約為人民幣156,107,000元，每股基本盈利約為人民幣0.037元。

由於濃縮蘋果汁行業產品90%以上用於出口用途，在是次全球性經濟危機中受負面影響相對較大。二零零八年全行業出口產品僅有69.29萬噸，與二零零七年相比下降33.55%，產品價格也曾一直跌到接近歷史最低點，整個行業處於極不景氣的低谷。受行業不景氣的影響，本集團產品銷售量和銷售價格在二零零八年度下半年也呈現出逐步下跌的趨勢。

在人民幣對美元升值趨穩的形勢下，本集團繼續加強了與國內外著名金融機構的合作，適度調整了人民幣和美元貸款之間的比例，董事相信，通過保持適度美元貸款的比例，可有效降低本集團匯率風險和融資成本，以及更好地促進業務的發展；在提升果汁生產能力方面，本集團已按計劃在咸陽安德利果蔬汁有限公司(「咸陽安德利」)、徐州安德利果蔬汁有限公司(「徐州安德利」)各新增了一條生產線，在煙台安德利總部改造了一條生產線，擴充了改造生產線的產能。另外，本集團還通過收購兼併的手段，收購了濱州安德利果汁飲料有限公司(「濱州安德利」)49%權益，使濱州安德利成為本集團之全資附屬公司，這樣，本集團現已擁有現代化生產線14條，年生產能力達到約31萬噸以上(包括控股企業和共同控制實體)；在果漿生產線的建設方面，本集團已按計劃在煙台生產基地新建

* 僅供識別

Chairman's Statement 主席報告書

takeover and had acquired 49% equity interest in Binzhou Andre Juice Co., Ltd.* (濱州安德利果汁飲料有限公司) ("Binzhou Andre"), which became a wholly-owned subsidiary of the Group. The Group thereby has 14 modernised juice production lines with annual production capacity exceeding approximately 310,000 tonnes (including controlled and jointly controlled entities). On construction of production lines for fruit pulp, the Group had built a new production line for fruit pulp with an annual capacity of 10,000 tonnes at the Yantai production base as planned and had commenced trial production. On pectin production, in 2008, the pectin production plant in Yantai imported citrus peel from South America and produced quality citrus pectin as the Company became one of a few manufacturers which can produce both apple pectin and citrus pectin in the world. For the variety of products, the pectin plant had successfully developed 14 new products, including eight pectin products, three compound collid new products, two high-end pectin health products and one apple polyphenol health product. For research and development, the achievements included: four applied patents, formalisation of three corporate standards, two technology achievements and had successfully passed the inspection of "development and industrialisation demonstration of apple pectin products and apple juice of prime quality" from National Science and Technology Support Program of the "11th Five-Year Plan". In addition, the Group had strengthened the cooperation with international renowned enterprises. The Group completed the disposal of 50% equity interest in Yongji Andre Juice Co., Ltd.* (永濟安德利果蔬汁有限公司) ("Yongji Andre") to AGRANA Juice GmbH ("AGRANA"), a wholly-owned subsidiary of AGRANA AG. The Directors are of the view that with the experience of AGRANA in the fruit preparations and fruit juice concentrates sectors, the further strategic alliance with AGRANA in Yongji Andre, in addition to its strategic alliance with the Group in Xianyang Andre, will provide more opportunities to the Company to further develop its markets and distribution channels in Europe as well as in other international markets, thereby enhancing the market share and sales volume of the Company.

了一條年產1萬噸的果漿生產線，並成功的進行了試生產；在果膠生產方面，二零零八年，位於烟台的果膠生產廠房從南美進口柑橘皮並成功生產出高質量的柑橘果膠，使公司成為世界上為數不多的既能生產蘋果果膠又能生產柑橘果膠的廠家，在產品品種方面，果膠廠房成功開發了14種新產品，包括8種果膠產品，3種複合膠體新產品，2種高端果膠保健食品和1種蘋果多酚健康食品，在研究與開發方面，獲得的成果有：申請了4項發明專利，制定了3項企業標準，取得了2項科技成果，還成功通過了國家「十一·五」科技支撐計劃《蘋果果膠系列產品與優質蘋果汁開發及產業化示範》課題的驗收。另外，本集團還加強了與國際策略性投資者的緊密合作，本集團出售永濟安德利果蔬汁有限公司(「永濟安德利」)的50%股權予AGRANA AG之全資附屬公司阿格那公司(AGRANA Juice GmbH)，董事認為，憑藉阿格那公司在果料製品和濃縮果汁行業的經驗，與阿格那公司在永濟安德利中與本公司的進一步策略性聯盟關係，加上其與本公司在咸陽安德利中的策略性聯盟，將為本公司帶來更多進一步發展歐洲市場以及其他國際市場和拓展分銷渠道的機會，從而提升本公司的市場佔有率和銷售額。

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Chairman's Statement

主席報告書

Analysis of Industry and Our Market Share

The amount of apple juice concentrate exported from the PRC was approximately 692,900 tonnes in 2008, representing a significant decrease of 33.55% as compared to 1,042,700 tonnes in 2007. The apple juice concentrate industry of the PRC has only begun mass production in the late 90's of last century. However, as there is an abundant supply of apples in the PRC, the industry grew at a tremendous rate, and has claimed a world market share of over 50% within just a decade. In 2008, the global financial crisis had led the juice concentrate industry, which relied on export, into recession. Being a leader in the apple juice concentrate industry of the PRC, the Company reduced the export volume in time and increased the level of inventory under the leadership of the Group when the whole industry was in recession so as to seize the best opportunity in history and gradually expand the market share of our products, secure our leading position in the industry and seek more rapid and better development for the Company.

Prospect and Outlook

Although the juice concentrate industry is in recession, the proportion of apple juice concentrate in the daily consumption beverage market will gradually increase as the price of apple juice concentrate is far lower than other juice concentrate. With the gradual consumption of the apple juice concentrate inventory in Europe and the US, the export volume will gradually increase or even significantly increase and the export price will also return to normal level. In addition, with the gradual implementation of specific measures inclining to the agricultural industry under the PRC government's macroeconomic policies and the gradual improvement of various related PRC laws and regulations, the Group will enjoy better development and financing opportunities. Aiming at enlarging its business scale, the Group will strive to further enlarge its market, enhance productivity, diversify products, expand sales, disperse markets and to develop financing channels, etc.

行業和本公司市場份額分析

二零零八年年度，中國濃縮蘋果汁出口量約為69.29萬噸，與二零零七年度出口量104.27萬噸相比大幅降低33.55%。中國濃縮蘋果汁行業的大規模生產起始於上世紀九十年代後期，但由於中國有著豐富的蘋果資源，發展速度十分驚人，僅十年左右就佔據了世界濃縮果汁市場超過50%的份額。二零零八年年度，全球經濟危機導致以出口為主的濃縮蘋果汁行業處於極不景氣的低谷。作為中國濃縮果汁行業龍頭企業，本公司在整個行業處於極不景氣的低谷時，集團領導審時度勢，適時減少了出口數量，增加了庫存數量，以便抓住歷史賦予公司絕佳的機遇，在今後的銷售中逐步擴大本公司產品的市場佔有率，鞏固於本行業的領導地位，謀求公司更快更好的發展。

前景與展望

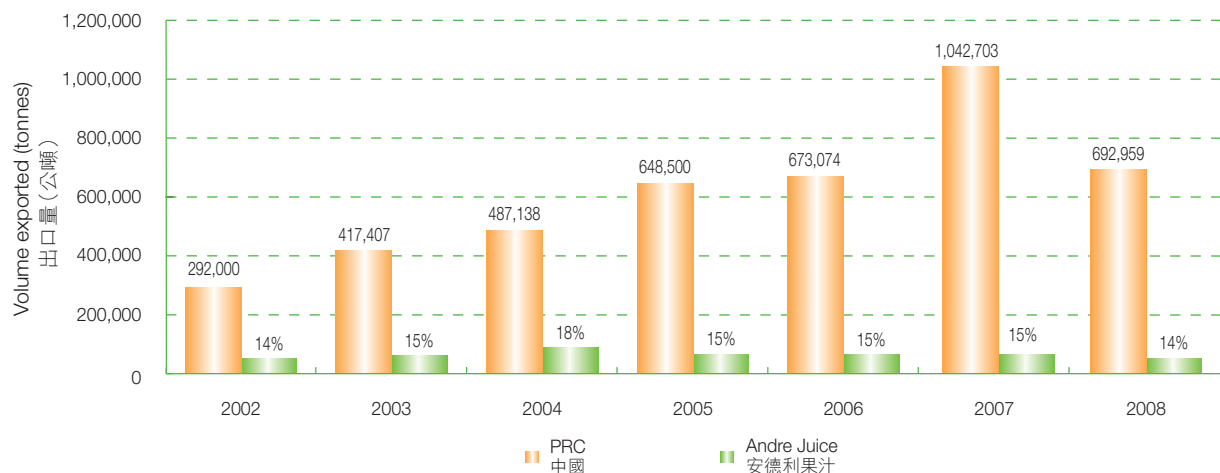
雖然濃縮蘋果汁行業目前處於極不景氣的低谷，但其價格遠低於其它濃縮果汁，在人們日常的剛性消費品的飲料市場中所佔比例將會越來越高，隨著歐美國家濃縮蘋果汁庫存量逐步消化，出口量將會逐步回升，甚至有可能會大幅回升，出口價格也將會回到理性的正常水平。另外，隨著國家宏觀經濟政策向農業傾斜的各項具體措施的逐步實施，及國家各項有關法律法規的逐步完善，本集團也將面臨更好的發展及融資機遇。為謀求本集團的規模發展，本集團將致力於進一步拓寬市場、提升生產能力、產品多樣化、擴展銷售並分散市場、拓寬融資渠道等。

For juice production capacity, volatility in the industry will force certain small and medium enterprises in the PRC to bow out of the market. Moderate reshuffle in the industry will be beneficial for the increase in concentration of the industry and improve the competitive environment in the industry. The Group will continue to target small and medium enterprises in the industry, domestic or abroad, to further increase the Group's annual production capacity for juice concentrate through capital activities such as merger and acquisition, and to strengthen its leading position in the industry.

在果汁產能方面，行業的波動將使國內部份中小型企業退出市場競爭，行業適度洗牌將有利於提高行業集中度，改善行業的競爭環境。本集團將繼續著眼於國內外同行業的中小企業，採取兼併收購等資本運作手段，進一步提高本集團年生產濃縮果汁的生產能力，鞏固本集團於行業內的領導地位。

Volume of Apple Juice Concentrate Exported from the PRC (tonnes) and our Market Share

中國濃縮蘋果汁出口量(公噸)及本公司所佔市場份額



Source: Custom General Administration of the PRC and United States Department of Agriculture
來源：中國海關信息中心及美國農業部

For fruit pulp production capacity, to meet the increasing demand for fruit pulp in the international market, the Group has built new production line for fruit pulp at the right time to enhance the production capacity of fruit pulp, so as to turn fruit pulp into another major product of the Group.

在果漿產能方面，為了滿足國際市場對果漿日益增長的需求，本集團已適時的增加果漿生產線的建設，提升果漿的生產能力，使果漿成為本集團的另一主要產品品種。

For pectin production capacity, in face of the shortage of supply in pectin products in the PRC, the Group is planning to complete the construction of the second pectin production line as soon as possible on the basis of the successful mass production of the current pectin production line, to lift the production capacity of pectin

在果膠產能方面，針對國內目前果膠產品供不應求的現狀，本集團正計劃在現有生產線成功批量生產的基礎上，儘快完成第二條果膠生產線的興建工作，使果膠廠房的生產能力儘快達到4,000噸，並使果膠廠房最終建成HM、LMC、LMA全系列並同時覆蓋蘋果果膠、柑橘果膠、蘋果果膠與柑橘果膠複配完整的果膠產品

Chairman's Statement

主席報告書

to 4,000 tonnes, with a view to construct the pectin plant into a HM, LMC and LMA all series production base covering a complete pectin product combination of apple pectin, citrus pectin and compound collid of apple pectin and citrus pectin. In addition, pectin derivative is a nutritional supplement based on pectin developed by the Company for health-conscious people adapting to modern living, which is a major health product developed by the pectin company. Through the efforts made in 2007 and 2008, pectin derivative is fully ready for launching to the market. The Group will strive to achieve a major breakthrough in product sales in the three markets of retails, network sales and special group orders in the PRC.

For product diversification, by leveraging on the existing finished products, the pectin company will achieve the construction of a High Methoxyl Pectin (HM), Low Methoxyl Pectin (LMC) and Amidated Low Methoxyl pectin (LMA) all series production base covering a complete pectin product combination of apple pectin, citrus pectin and compound collid of apple pectin and citrus pectin. We will also strengthen the development of dairy stabilisers and high-end pectin health products and their markets and strive to become a basket supplier of international standard dairy stabilisers and professional supplier of high-end pectin health products, so as to increase the potential value of the Company. In addition, the Group will also develop the technology in extracting high concentration of apple flavonoid from apple dreg and develop high value-added products, so as to further enhance the technology level of the Company.

At present, the Company has a sound financial base. The Company is also well positioned under the State's policy to construct new rural area, develop agriculture, flourish the rural area, enrich farmers and expand domestic demand. The Board of the Company (the "Board") and I have full confidence in its future development. Our employees will continue to support the Group and to contribute to the Group's continuous and steady development.

組合的生產基地。另外，果膠衍生品是公司為適應現代生活的亞健康人群開發的以果膠為基礎材料的營養補充品，是果膠公司著力要培育的健康產業。果膠衍生品經過公司二零零七、二零零八年的努力，現已經具備全面推向市場的條件，本集團將力爭在全國範圍內，在終端陳列、網絡銷售和特殊人群團購等三個市場上，實現產品銷售的重大突破。

在產品多樣化方面，在現有已生產產品的基礎上，果膠公司將建成高甲氧基果膠(High Methoxyl Pectin, HM)、低甲氧基果膠(Low Methoxyl Pectin, LMC)、醯胺化果膠(Amidated Low Methoxyl Pectin, LMA)全系列並同時覆蓋蘋果果膠、柑橘果膠、蘋果果膠與柑橘果膠複配的完整的果膠產品組合；同時加大乳品穩定劑和高端果膠保健食品產品開發和市場的開發力度，力爭做國際標準的乳品穩定劑一攪子供應商和高端果膠保健食品專業供應商，提升公司潛在價值。另外，本集團還將研究蘋果渣提取高純度蘋果黃酮技術，開發高附加值產品，進一步提高公司的科技含量。

目前本公司財務狀況良好，且本公司符合國家建設新農村，發展農業、繁榮農村、富裕農民，擴大內需的政策導向，本人及本公司董事會（「董事會」）對本公司未來發展充滿信心，本公司全體員工將繼續努力，為本集團的持續穩定發展作出貢獻。

Chairman's Statement

主席報告書

Dividend

The Board proposes a final dividend of approximately RMB0.007 per share for the financial year 2008 in the forthcoming annual general meeting.

Appreciation

During the reporting period, as affected by the global financial crisis, the whole industry was in recession. The sales volume and selling price of Group were greatly affected. However, the Directors strongly believe as volatility in the industry will force certain small and medium enterprises in the PRC to bow out of the market and with gradual recovery of the whole industry, the Company will have greater opportunities for development in 2009. On behalf of the Board, I would like to express my gratitude to all the investors, loyal customers and suppliers for their appreciation and solid support to the Group.

Yantai North Andre Juice Co., Ltd.*

Zheng Yue Wen

Chairman

26 March 2009

* For identification purpose only

股利

董事會擬於即將召開的股東周年大會上建議派發二零零八年年度股利每股約人民幣0.007元。

致謝

報告期內，由於受全球性經濟危機的影響，整個行業處於極不景氣的低谷，本集團的銷售量和銷售價格都受到了較大的影響，但董事堅信，由於行業的波動將使國內部分中小型企業退出市場競爭，隨著整個行業的逐漸恢復，二零零九年年度公司將會有更大的發展機遇。在此，本人謹代表董事會就各界投資者、忠誠客戶及各大供應商對本集團的厚愛及堅定支持表示衷心感謝。

烟台北方安德利果汁股份有限公司

鄭躍文

董事長

二零零九年三月二十六日

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

Financial Review

Results

For the year ended 31 December 2008, the Group's turnover decreased to approximately RMB1,309,354,000 as compared to approximately RMB1,662,976,000 in 2007, representing a significant decrease of approximately RMB353,622,000 or 21%. The Group's turnover was principally derived from the manufacture and sale of apple juice concentrate, pear juice concentrate, apple essence, feedstuff and related products. The sale of apple juice concentrate accounted for approximately 91% of the total turnover of the Group for the year ended 31 December 2008 (2007: approximately 97%). The decrease in turnover was mainly attributable to the decrease in sales volume and selling price of apple juice concentrate. The decrease in sales volume and selling price is mainly caused by the worldwide economic crisis, which resulted in the drop of overall consumption of apple juice.

For the year ended 31 December 2008, the Group's gross profit was approximately RMB242,910,000 and the gross profit margin was approximately 19%. For the corresponding period in 2007, the gross profit was approximately RMB427,395,000 and gross profit margin was approximately 26%. The decrease in gross profit and the gross profit margin was mainly attributable to the high cost of sales due to the cost of sale in the new pressing season in 2008 included a significant amount of high cost products manufactured in the pressing season in 2007 and the write-down of inventory of approximately RMB53,097,000.

財務回顧

業績

截至二零零八年十二月三十一日止年度，本集團的收入減少至約人民幣1,309,354,000元，與二零零七年約人民幣1,662,976,000元相比，減少約人民幣353,622,000元或21%。本集團的收入主要來自生產及銷售濃縮蘋果汁、濃縮梨汁、蘋果香精、生物飼料及相關產品。截至二零零八年十二月三十一日止年度，濃縮蘋果汁的銷售約佔本集團總銷售額之91%（二零零七年：約97%）。本年度營業額減少主要是由於濃縮蘋果汁之銷售數量及銷售價格下降引起的。銷售數量及銷售價格下降是由於二零零八年世界經濟危機導致蘋果汁的消費水平整體下降而引致的。

截至二零零八年十二月三十一日止年度，本集團毛利約為人民幣242,910,000元，毛利率約為19%。二零零七年同期的毛利約為人民幣427,395,000元，毛利率約為26%。毛利及毛利率之下降是由於二零零八年新榨季結轉的銷售成本中包含了相當部份二零零七年榨季高成本的產品及本年度計提了約人民幣53,097,000元的存貨跌價準備所導致。

Management Discussion and Analysis

管理層討論及分析

For the year ended 31 December 2008, the Group's net profit (i.e. the profit for the year attributable to equity shareholders of the Company) decreased to approximately RMB156,107,000 as compared to approximately RMB213,874,000 for the corresponding period in 2007, representing a significant decrease of approximately RMB57,767,000 or 27%. The significant decrease in net profit was mainly attributable to the decrease in sales volume and selling price of the Group's products.

Distribution Costs and Administrative Expenses

For the year ended 31 December 2008, the Group incurred distribution costs of approximately RMB67,281,000, as compared to approximately RMB106,834,000 in 2007, representing a decrease of approximately RMB39,553,000. The Group's distribution costs mainly included transport, export inspection and marketing expenses. Such decrease was mainly attributable to the decrease in sales volume.

For the year ended 31 December 2008, the Group incurred administrative expenses of approximately RMB46,023,000 as compared to approximately RMB38,860,000 in 2007, representing an increase of approximately RMB7,163,000. Such increase was mainly attributable to the commencement of operation of a new factory in Yongji in the second half of 2007, the completion of acquisition of 51% of Binzhou Andre in June 2007 and the completion of acquisition of 70% of Qingdao Nannan Beverage Co., Ltd* (青島南南飲料有限公司) ("Qingdao Nannan") in March 2008 which led to an increase in general administrative expenses in 2008.

截至二零零八年十二月三十一日止年度，本集團淨利潤(即本公司股東應佔本年度溢利)約為人民幣156,107,000元，與二零零七年同期約為人民幣213,874,000元相比，下降約人民幣57,767,000元或27%。淨利潤減少主要是由於銷售數量及銷售價格下降引起的。

銷售及管理費用

截至二零零八年十二月三十一日止年度，本集團銷售費用約為人民幣67,281,000元。與二零零七年約人民幣106,834,000元相比減少約人民幣39,553,000元。本集團之銷售費用主要包括運輸費用，出口檢驗費及推廣費用。銷售費用減少主要是由於銷售數量下降造成的。

截至二零零八年十二月三十一日止年度，本集團的管理費用約為人民幣46,023,000元。與二零零七年約人民幣38,860,000元相比，增加約人民幣7,163,000元。管理費用上升主要是由於位於永濟之新廠房於二零零七年下半年投產，以及於二零零七年六月完成對濱州安德利51%股權的收購以及二零零八年三月完成對青島南南飲料有限公司(「青島南南」)70%股權的收購所導致二零零八年相應的一般行政開支也隨之增加所致。

* For identification purpose only

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

Net Finance Costs

For the year ended 31 December 2008, the net finance costs of the Group increased to approximately RMB43,257,000, as compared to approximately RMB26,462,000 for the corresponding period in 2007, representing an increase of approximately RMB16,795,000 or 63%. Such increase was mainly due to the reduction of currency exchange gain caused by appreciation of Renminbi resulted from the exchange rate of Renminbi against US dollar became more stable.

Investment Income

For the year ended 31 December 2008, investment income recognised by the Group was approximately RMB77,151,000. On 30 June 2008, the Group disposed of 50% equity interest in Yongji Andre to AGRANA for a total consideration of EUR11,000,000. The investment income derived from the disposal amounted to approximately RMB77,151,000, representing the difference between the consideration received and the carrying amount of the interests disposed of.

Share of Profit from an Associate

For the year ended 31 December 2008, share of profit from an associate of the Group was approximately RMB4,036,000, as compared to approximately RMB501,000 in 2007, representing an increase of approximately RMB3,535,000. The increase was due to the commencement of mass production of the pectin business in 2008.

Income Tax

For the year ended 31 December 2008, the income tax of the Group was decreased from approximately RMB31,451,000 in 2007 to approximately RMB25,448,000. The decrease was mainly due to the decrease in profit for the year.

** For identification purpose only*

財務成本淨額

截至二零零八年十二月三十一日止年度，本集團的財務成本淨額約為人民幣43,257,000元，比二零零七年同期約人民幣26,462,000元增加約人民幣16,795,000元或63%。財務成本淨額增加主要是由於美元對人民幣匯率相對穩定，滙兌收益相對減少造成的。

投資收入

截至二零零八年十二月三十一日止年度，本集團的投資收入約為人民幣77,151,000元。是由於二零零八年六月三十日，本集團出售永濟安德利的50%股權予阿格那公司所致。以上出售總代價為11,000,000歐元。所產生之投資收入約為人民幣77,151,000元，代表收到之代價及出售權益之帳面值的差額。

應佔聯營公司溢利

截至二零零八年十二月三十一日止年度，本集團應佔聯營公司溢利約為人民幣4,036,000元，比二零零七年約人民幣501,000元增加約人民幣3,535,000元。應佔聯營公司溢利增加是由於果膠業務已於二零零八年度開始批量生產。

所得稅

截至二零零八年十二月三十一日止年度，本集團之所得稅從二零零七年約人民幣31,451,000元減少至本年度約人民幣25,448,000元，所得稅之減少主要是由於本年度溢利減少所致。

** 僅供識別*

Management Discussion and Analysis

管理層討論及分析

Business Review and Outlook

Business Review

Cooperation with Financial Institutions

While the appreciation of Renminbi against US dollar has become more stable, the Group continues to enhance cooperation with domestic and international renowned financial institutions to appropriately adjust the proportion of Renminbi and US dollar in our loan portfolio. The Directors believe that such appropriate proportion of US dollar loan can reduce the Group's exchange rate risk and finance cost effectively, and facilitate better business development.

Enhancing Market Coverage

With years of continuous effort, the Group has already expanded its sales network to major countries and regions in the world, including the US, Japan, Europe, Oceania and African countries and PRC market.

Optimisation of Customer Base

While expanding its market places and market share, the Group also leveraged on the prime quality of its products to optimise its profile of customer base continuously. Currently, the customer base of the Group mainly comprises renowned beverage manufacturers of the world.

業務回顧及展望

業務回顧

與金融機構合作

在人民幣對美元升值趨穩的形勢下，本集團繼續加強了與國內外著名金融機構的合作，適度調整了人民幣和美元貸款之間的比例。董事相信，通過保持適度美元貸款的比例，可有效降低本集團匯率風險和融資成本，以及更好地促進業務的發展。

增加市場覆蓋

經過多年努力，本集團之銷售網絡已擴展至世界主要國家和地區，包括美國、日本、歐洲、大洋洲、非洲諸國及中國內銷市場。

優化客戶群

本集團在拓寬市場，提高市場佔有率的同時，依托公司優質的產品質量，繼續對公司客戶群進行了優化組合。目前，本集團的客戶群主要是世界上著名的飲料生產商。

Management Discussion and Analysis

管理層討論及分析

Close Cooperation with International Strategic Investors

On 30 June 2008, the Group disposed of 50% equity interest in Yongji Andre to AGRANA, a wholly-owned subsidiary of AGRANA AG. AGRANA AG is one of the world's leaders in fruit preparations and Europe's largest manufacturer of fruit juice concentrates. The Directors are of the view that with the experience of AGRANA in the fruit preparations and fruit juice concentrates sectors, the further strategic alliance with AGRANA in Yongji Andre, in addition to its strategic alliance with the Group in Xianyang Andre will provide more opportunities to the Group to further develop its markets and distribution channels in Europe as well as in other international markets, thereby enhancing the market share and sales volume of the Group.

Development of Bases for Apples with High Acidity

The bottleneck that hinders the development of apple juice enterprises is the uncertainty in the quality and production quantity of apples, the major raw material. In view of the intense competition in the low to mid acidity apple juice concentrate market, the Company has taken a unique approach and encouraged peasants to develop bases of apples with high acidity surrounding the production bases of the Group, which are now covering a large area. As the Group made an early start in developing the bases of apples with high acidity, some of the bases are attaining the capacity gradually, which guarantees the supply of raw materials for the Company.

Further Acquisition of Binzhou Andre

On 1 April 2008, the Group purchased from Korea Jeong Soo Andre Co., Ltd. 49% equity interest in Binzhou Andre. Binzhou Andre was 51% owned by the Group before the above transaction and had become a wholly-owned subsidiary of the Group upon completion of the acquisition. The Board considers that the above acquisition represents a good opportunity for the Group to increase its production capacity and to obtain better control and management of Binzhou Andre.

** For identification purpose only*

與國際策略性投資者緊密合作

於二零零八年六月三十日，本集團出售永濟安德利的50%股權予AGRANA AG之全資附屬公司阿格那公司。AGRANA AG為世界主要水果加工商之一和歐洲最大濃縮果汁製造商之一。董事認為，憑藉阿格那公司在果料製品和濃縮果汁行業的經驗，與阿格那公司在永濟安德利中與本集團的進一步策略性聯盟關係，加上其與本公司在咸陽安德利中的策略性聯盟，將為本公司帶來更多進一步發展歐洲市場以及其他國際市場和拓展分銷渠道的機會，從而提升本集團的市場佔有率和銷售額。

高酸蘋果基地的發展

困擾蘋果汁企業發展的瓶頸是蘋果原料品質和產量的不確定性。面對低中酸度濃縮蘋果汁市場競爭激烈的局面，公司另闢蹊徑，鼓勵果農在本集團生產基地周邊發展了大面積高酸蘋果基地。由於本集團發展高酸蘋果基地起步較早，部份基地現已逐步達產，這將有力的保障公司原料果的供應。

進一步收購濱州安德利

於二零零八年四月一日，本集團向韓國正樹安德利株式會社收購其於濱州安德利的49%權益。於上述提及之收購前，濱州安德利由本集團佔有51%權益，完成以上之收購後，濱州安德利已成為本集團之全資附屬公司。董事認為，上述收購是本集團提升產能及更佳地控制及管理濱州安德利的良機。

** 僅供識別*

Management Discussion and Analysis

管理層討論及分析

Increasing Juice Production Capacity

The Group has built a new production line at Xianyang Andre and Xuzhou Andre as planned, and renovated a production line at the Group's headquarters in Yantai so as to expand its production capacity. Upon completion of such expansion, the Group has owned 14 modern production lines with an aggregate annual production capacity of over approximately 310,000 tonnes (including controlled and jointly controlled entities).

Construction of Production Lines for Fruit Pulp

The Group has built a new production line for fruit pulp with an annual capacity of 10,000 tonnes at the Yantai production base, and successfully conducted trial production.

Production of Pectin

The Group had further implemented various aspects of the production of pectin. In 2008, our Yantai plant imported orange peels from South America, and successfully produced high quality citrus pectin, rendering Yantai Andre Pectin Co., Ltd.* (烟台安德利果膠有限公司) ("Andre Pectin") to become one of the few plants in the world that can produce both apple pectin and citrus pectin. For new products development, Andre Pectin successfully conducted R&D and trial production of Low Methoxyl Pectin (LMC) and Amidated Low Methoxyl Pectin (LMA), lifting the technology capability of Andre Pectin further. In addition, Andre Pectin, in cooperation with China Huiyuan Juice Group Limited, established an orange peel processing center in Huaihua, Hunan which provides Andre Pectin with an adequate supply of raw material for citrus pectin production.

* For identification purpose only

提升果汁生產能力

本集團已按計劃在咸陽安德利、徐州安德利各新增了一條生產線，在烟台本集團總部改造了一條生產線，擴充了改造生產線的產能。這樣，本集團現已擁有現代化生產線14條，年生產能力達到約31萬噸以上(包括控股企業和共同控制實體)。

果漿生產線的建設

本集團已按計劃在烟台生產基地新建了一條年產1萬噸的果漿生產線，並成功的進行了試生產。

果膠生產

本集團進一步落實果膠生產的各項工作。二零零八年，位於烟台的果膠生產廠房從南美進口柑橘皮並成功生產出高質量的柑橘果膠，使烟台安德利果膠有限公司(「安德利果膠」)成為世界上為數不多的既能生產蘋果果膠又能生產柑橘果膠的廠家；在新產品開發方面，安德利果膠成功研發並試生產出科技含量更高的低酯果膠(LMC)和低酯醯胺化果膠(LMA)，進一步提升了公司產品的高科技含量；另外，安德利果膠還與中國匯源果汁集團有限公司合作，在湖南懷化設立了柑橘皮加工中心，為公司柑橘果膠的生產提供了充足的原料來源。

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

Traceability and Farm Management Improvement Linkages Project

To enhance competitiveness, the Company has been forward-looking by entering into a Linkages Cooperation Agreement with IFC for the joint development of traceable, farm management improvement linkages project in the PRC. During 2008, the five trial villages in Yantai have again successfully passed the GLOBALGAP recognition system. In addition, after on-site survey and assessment, the Company has selected three trial villages in Xianyang, Shaanxi, laying a solid foundation for promoting the GLOBALGAP recognition on a large scale.

Research and Development

The Group, acting as the main bidder and together with China Agricultural University, the Chinese Academy of Inspection and Quarantine of the General Administration of Quality Supervision, Inspection and Quarantine of China, etc, have undertaken research project under the National Science and Technology Support Program of the “11th Five-Year Plan” on the topic of “the development and industrialisation demonstration of apple pectin products and apple juice of prime quality”. The Group continued undertaking of the Shandong Province proprietary and innovative key technology project of 2006, the “Key Technology for Fine and Deep Processing of Fruits”. The Group also continued undertaking of the “Research and Development of Key Technology and Equipment for Apple Processing”, the Shandong Province technology research program project of 2008; and the “Double Ten” proprietary and innovative key technology project of Yantai City of 2008; and implemented research works.

開發可追溯和農戶管理提升的商橋項目

為增強本公司之競爭力，本公司已前瞻性地與IFC簽訂了一份商橋合作協議，與IFC在中國共同開發可追溯和農業管理提升的商橋項目。二零零八年度位於烟台的五個試點村又順利通過了GLOBALGAP認證體系。另外，通過實地考察和評估，本公司在陝西咸陽又篩選出了3個試點村，為大面積推廣GLOBALGAP認證項目奠定了堅實的基礎。

研究與開發

本集團作為主標單位，與中國農業大學、中國檢驗檢疫科學研究院等繼續承擔「十一·五」國家科技支撐計劃「蘋果果膠系列產品與優質蘋果汁開發及產業化示範」課題的研究工作；繼續承擔二零零六年度山東省自主創新重大科技專項「水果精深加工關鍵技術」項目；繼續承擔國家星火計劃「農村科技企業和品牌產品培育」中的「蘋果深加工關鍵技術與設備研究開發」；山東省二零零八年度科技攻關計劃項目；二零零八年烟台市科技自主創新「雙十」工程項目，並實施研究工作。

Management Discussion and Analysis

管理層討論及分析

Our achievements included:

For juice:

1. The projects we undertaken under the “11th Five-Year Plan” have been successfully accepted.
2. Preliminary results were achieved in the processing technology of unripe and high acidity apples, and pilot test was completed; small-scaled test was also completed on the separation technologies of ultrafilter residues.
3. A result identification has been passed at provincial level.
4. The aseptic storage of large tank group under low temperature and storage tank design and control technology for apple concentrates.

For pectin:

The research project under the National Science and Technology Support Program of the “11th Five-Year Plan” on the topic of “the development and industrialisation demonstration of apple pectin products and apple juice of prime quality” has successfully passed acceptance.

獲得的成果有：

在果汁方面：

1. 承擔的「十一•五」項目順利完成驗收。
2. 不成熟及高酸蘋果加工技術已取得初步成果，完成了中試；超濾罐底物分離技術已完成小試。
3. 通過省級成果鑒定1項。
4. 濃縮蘋果汁低溫大罐群無菌貯存與灌裝設備設計與控制技術。

在果膠方面：

成功通過了國家「十一•五」科技支撐計劃《蘋果果膠系列產品與優質蘋果汁開發及產業化示範》課題的驗收。

Management Discussion and Analysis

管理層討論及分析

The Company developed 14 new products, including 8 pectin products (see table 1).

Table 1 Eight New Pectin Products

Number	Type	Name
1	AP188	HM Ultra rapid set pectin
2	AP104B	HM Slow set pectin for confectionary
3	AP165B	HM Slow set pectin for confectionary
4	AP166B	HM Slow set pectin for confectionary
5	AP300	LMC Very High Calcium reactivity
6	AP310	LMC High Calcium reactivity
7	AP320	LMC Medium Calcium reactivity
8	AP330	LMC Low Calcium reactivity

3 new products of compound collid:

Stabiliser for sterilize milk

Stabiliser for yogurt

Stabiliser for milk beverage

2 high-ended pectin health foods:

“Apple Gold” pectin granules and apple dietary fiber granules

1 apple polyphenol health food:

Function jelly against decayed teeth

Established 3 enterprise standards:

Food additive stabiliser for milk beverage (Standard no: **Q/YAG 005-2008**);

Food additive stabiliser for yogurt (Standard no: **Q/YAG 006-2008**);

Food additive stabiliser for sterilise milk (Standard no: **Q/YAG 007-2008**);

公司二零零八年開發了14種新產品，包括8種果膠產品（見表1）。

表1 8種果膠新產品

序號	型號	名稱
1	AP188	酸乳穩定果膠(HM Ultra rapid set pectin)
2	AP104B	高酯慢速凝膠糖果專用果膠(HM Slow set pectin for confectionary)
3	AP165B	高酯慢速凝膠糖果專用果膠(HM Slow set pectin for confectionary)
4	AP166B	高酯慢速凝膠糖果專用果膠(HM Slow set pectin for confectionary)
5	AP300	低酯超高鈣敏感性果膠(LMC Very high Calcium reactivity)
6	AP310	低酯高鈣敏感性果膠(LMC High Calcium reactivity)
7	AP320	低酯中鈣敏感性果膠(LMC Medium Calcium reactivity)
8	AP330	低酯低鈣敏感性果膠(LMC Low Calcium reactivity)

3種複合膠體新產品：

滅菌乳穩定劑

酸乳穩定劑

含乳飲料穩定劑

2種高端果膠保健食品：

「果之膠」果膠片和蘋果膳食纖維固體飲料

1種蘋果多酚健康食品：

抗齲齒功能性果凍糖果

制定了3項企業標準：

《食品添加劑 含乳飲料穩定劑》(Food additive stabiliser for milk beverage)(標準號：**Q/YAG 005-2008**)；

《食品添加劑 酸乳穩定劑》(Food additive stabiliser for yogurt)(標準號：**Q/YAG 006-2008**)；

《食品添加劑 滅菌乳穩定劑》(Food additive stabiliser for sterilise milk)(標準號：**Q/YAG 007-2008**)；

Management Discussion and Analysis

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4 applications filed for invention patent:

A raw material cleaning method for pectin production (Patent application no: **200810139769.6**)

An extraction technique for non-pectin soluble apple dreg dietary fiber (Patent application no.: **200810139768.1**)

A method for standardising pectin with buffer salt (Patent application no: **200810139767.7**)

A testing method for nitrate in pectin (Patent application no: **200810139766.2**)

2 scientific and technological achievements obtained:

“Supercritical fluid extraction and purification united molecular distillation preparation of apple seed oil and other product development” and “Preparation of apple polyphenol with anti-teeth decay property and other product development”.

Future Prospects

Develop Financing Channels

The Group will closely monitor the trend of Renminbi exchange rate against US dollar and adjust the proportion of Renminbi and US dollar loans. The Group will continue in actively engaging cooperation with domestic and international financial institutions to diversify its financing channels and increase the variety of financing products, with the aim of reducing the Group's exchange rate risk and finance cost, improve capital structure and facilitate better business development.

Expand Markets

While strengthening its position in the existing markets, the Group will at the same time focus on market and product sales diversification. In respect of the overseas market, apart from strengthening its US market and the developed European, Oceania, African countries and Japanese markets, the Group will strive to achieve further breakthroughs in the domestic sales market.

申請了4項發明專利：

《一種果膠生產的原料清洗方法》（專利申請號：**200810139769.6**）

《一種非果膠可溶性蘋果渣膳食纖維的提取工藝》（專利申請號：**200810139768.1**）

《一種用緩衝鹽標準化果膠的方法》（專利申請號：**200810139767.7**）

《一種果膠中硝酸鹽的測定方法》（專利申請號：**200810139766.2**）：

取得了2項科技成果：

《超臨界萃取聯合分子蒸餾純化製備蘋果籽油及其產品開發》和《抗齲齒功能性蘋果多酚的製備及其產品開發》。

未來展望

拓寬融資渠道

本集團將密切關注人民幣對美元匯率的走勢，以便適時的調整人民幣和美元貸款之間的比例。本集團將繼續積極致力於與國內外著名金融機構的合作，以利於本集團拓寬融資渠道，增加融資品種，從而降低匯率風險及融資成本，改善資本結構，增強抗風險的能力，同時更好地促進業務的發展。

拓寬市場

本集團在鞏固現有市場的同時，將更加注重市場和產品銷售的多元化。國外市場方面，除了鞏固美國市場和現已開拓的歐洲、大洋洲、非洲諸國和日本市場外，本集團將力求在國內銷售市場方面有重大突破。

Management Discussion and Analysis

管理層討論及分析

Accelerate Pace for Acquisition and Merger

The fluctuation of the industry will force some small and medium enterprises in the PRC out of competition. The Group will continue in aiming at taking over small and medium enterprises in the industry, domestic or abroad, through capital activities such as merger and acquisition, to further increase the Group's annual production capacity for juice concentrate, thereby strengthening our leading position in the industry.

Further Enhancement of Fruit Pulp Capacity

To meet with the increasing demand for fruit pulp in the international market, the Group has increased its fruit pulp production lines at appropriate times to further enhance the production capacity of fruit pulp, making fruit pulp another major product of the Group.

Continue Development of Traceability and Farm Management Improvement Linkages Project

While we are consolidating and strengthening the GLOBALGAP recognition project at the trial villages of Yantai, Shandong and Xianyang, Shaanxi, the Company will convene seminars on GLOBALGAP technology with IFC, CNCA, technical committee of GLOBALGAP and various major accreditation institutions, through which we will promote GLOBALGAP recognition and achieve the extensive implementation and promotion of the project in a way appropriate to the situations of the PRC, and drive the development of the whole fruit industry.

加快收購兼併步伐

行業的波動將使國內部份中小型企業退出市場競爭，本集團將繼續著眼於國內外同行業的中小企業，採取兼併收購等資本運作手段，進一步提高本集團年生產濃縮果汁的生產能力，鞏固本集團於行業內的領導地位。

進一步提升果漿生產能力

為了滿足國際市場對果漿日益增長的需求，本集團已適時的增加果漿生產線的建設，提升果漿的生產能力，使果漿成為本集團的另一主要產品品種。

繼續開發可追溯和農戶管理提升的商橋項目

在鞏固和加強山東烟台和陝西咸陽試點村GLOBALGAP認證項目的同時，本公司將與IFC、國家認監委、GLOBALGAP技術委員會、各大認證機構等召開GLOBALGAP技術研討會，以便推動GLOBALGAP認證項目在適應中國國情的情況下得到廣泛的實施和推廣，從而帶動整個果業的發展。

Management Discussion and Analysis

管理層討論及分析

Enhance Pectin Production Capacity

The pectin production equipment of the Group's Yantai plant, which has an annual production capacity of 2,000 tonnes, has successfully commenced mass production. On the basis of the successful mass production of the current pectin production line and to satisfy the increasing domestic demand for our pectin products, the Group is planning to start the construction of the second pectin production line as soon as possible to lift the production capacity of pectin to 4,000 tonnes, with a view to increasing pectin production capacity as soon as possible to achieve economy of scale. Our goal is to develop the pectin plant into a production base for the comprehensive series of HM, LMC and LMA as well as a complete pectin product range including apple pectin, citrus pectin and the apple pectin and citrus pectin compound.

Furthermore, pectin derivative products are pectin based nutrient supplements developed by our entity for those suffering from sub-health condition as a result of adapting to modern living. This is the health operation we have been striving to cultivate. After the effort we put into this area in 2007 and 2008, such products are ready for a full-scaled launch in the market. We will seek a significant breakthrough in sales nationwide, through the three market channels, that is sales point display, network sales and group purchase from special populations.

提升果膠生產能力

本集團位於烟台廠房的果膠生產設備已順利實現了批量生產，年產能達2,000噸。為滿足國內外對本集團果膠產品不斷擴大的需求，本集團正計劃在現有生產線成功批量生產的基礎上，儘快完成第二條果膠生產線的興建工作，使果膠廠房的生產能力達到4,000噸，以便儘快提升果膠的生產能力，達到規模效益，並使果膠廠房最終建成HM、LMC、LMA全系列並同時覆蓋蘋果果膠、柑橘果膠、蘋果果膠與柑橘果膠複配的完整的果膠產品組合的生產基地。

另外，果膠衍生品是公司為適應現代生活之下的亞健康人群，以果膠為基礎材料開發的營養補充品，是公司著力要培育的健康產業。果膠衍生品經過公司二零零七、二零零八年的努力，現已經具備全面推向市場的條件。本集團將力爭在全國範圍內，在終端陳列、網絡銷售和特殊人群團購等三個市場上，實現產品銷售的重大突破。

Management Discussion and Analysis

管理層討論及分析

Research and Development

For apple juice concentrates, the Group will strive for the following research and development:

1. Research and development in the production technology for concentration of essence under low temperature;
2. Research in the industrialisation technology for concentrated clear juice processed from various type of unripe apples;
3. Completion of the pilot research in separation technologies of ultrafilter residues (without sugar extraction); and
4. Engage in the later two years' rolling projects under the National Science and Technology Support Program of the "11th Five-Year Plan".

For pectin, in 2009, Andre Pectin will realise the value maximisation of its existing pectin production line and conventional pectin business by establishing a comprehensive pectin product mix consisting of a complete series of High Methoxyl Pectin (HM), Low Methoxyl Pectin (LHM), and Amidated Low Methoxyl Pectin (LMA) while at the same time covering apple pectin, citrus pectin, and apple pectin and citrus pectin compound. We will also increase our effort in the development of stabilisers for dairy products and high-end pectin health food and in the development of their markets. We will strive to become an one-stop supplier of dairy product stabilisers that comply with international standard and a specialised supplier of high-end pectin health food, which will enhance the potential value of Andre Pectin and advance Andre Pectin into the era of high value-added and hi-tech, providing a more extensive scope for the expansion of our economic scale.

研究與開發

在濃縮蘋果汁方面將致力於以下項目的研究開發：

- 1、 香精低溫濃縮生產技術研究開發；
- 2、 多品種不成熟蘋果加工濃縮清汁技術產業化研究；
- 3、 完成超濾罐底物分離技術(不提糖工藝)中試研究；及
- 4、 爭取承擔「十一•五」科技支撐計劃的後兩年滾動項目。

在果膠方面，二零零九年安德利果膠將實現既有果膠生產線和傳統果膠業務價值最大化，建成高甲氧基果膠(High Methoxyl Pectin, HM)、低甲氧基果膠(Low Methoxyl Pectin, LMC)、醯胺化果膠(Amidated Low Methoxyl Pectin, LMA)全系列並同時覆蓋蘋果果膠、柑橘果膠、蘋果果膠與柑橘果膠複配的完整的果膠產品組合；同時加大乳品穩定劑和高端果膠保健食品產品開發和市場的開發力度，力爭做國際標準的乳品穩定劑一籃子供應商和高端果膠保健食品專業供應商，提升安德利果膠潛在價值，推動安德利果膠進入高附加值和高科技時代，為公司經濟規模擴張提供更廣闊的發展空間。

* For identification purpose only

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

We will also conduct research in the technology for the extraction of high purity apple flavonoid from apple dreg, and develop high value-added products to elevate the technology content of the Company.

LOAN AGREEMENT WITH IFC

On 21 April 2005, the Company entered into a loan agreement (the "Loan Agreement") with IFC for a loan of US\$15,000,000 (approximately HK\$117,000,000) repayable commencing on 15 March 2007 by 10 approximately equal instalments until all monies payable under the Loan Agreement have been fully repaid.

Pursuant to the Loan Agreement, Glory Cause Land Afforestation Co., Ltd.* (光彩事業國土綠化整理有限公司), being the then controlling shareholder of the Company, Beijing RAJ Network Sales Co., Ltd.* (北京瑞澤網絡銷售有限責任公司), Yantai Donghua Fruit Co., Ltd.* (烟台東華果業有限公司) and Donghua Fruit Industry Co., Ltd. have collectively undertaken to IFC and the Company to retain their legal and beneficial aggregate ownership of not less than 40% in the issued share capital of the Company so long as any part of the principal of or interest on the loan under or any other sums due under the Loan Agreement remain outstanding and unpaid. In the event that their legal and beneficial aggregate ownership falls below the above aggregate percentage level, the Company shall be required to repay the principal amount of the loan from time to time outstanding and the interest thereon accrued.

* For identification purpose only

研究蘋果渣提取高純度蘋果黃酮技術，開發高附加值產品，進一步提高本公司的科技含量。

與IFC之貸款協議

於二零零五年四月二十一日，本公司與IFC簽訂為數15,000,000美元(約117,000,000港元)之貸款協議(「貸款協議」)，還款期由二零零七年三月十五日起，分十期平均攤還，至貸款協議下所有應付之金額完全償還為止。

按貸款協議，本公司當時之控股公司光彩事業國土綠化整理有限公司、北京瑞澤網絡銷售有限責任公司、烟台東華果業有限公司及Donghua Fruit Industry Co., Ltd.集體與IFC及本公司協議，只要貸款協議下任何貸款的本金或利息仍未完全償還，該等控股公司不可持有少於本公司股本之40%的法定及實益合併持股量。如該等控股公司之法定及實益合併持股量少於上述之要求，本公司需立即償還當時結欠之貸款本金及利息金額。

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

On 21 March 2006, after the subscription of H shares by IFC, the Company entered into an Amended and Restated Agreement to the Loan Agreement (the "Amended Loan Agreement") with IFC to amend the facility to be granted by IFC under the Loan Agreement from US\$15,000,000 to US\$8,000,000 and to make certain other incidental changes to the Loan Agreement, including the cancellation of all assets charged by IFC.

The Amended Loan Agreement is signed subject to the entering into of (a) the Yantai Share Retention Agreement, pursuant to which each of Glory Cause Land Afforestation Co., Ltd.* (光彩事業國土綠化整理有限公司), being the then controlling shareholder of the Company, Beijing RAJ Network Sales Co., Ltd.* (北京瑞澤網絡銷售有限責任公司), Yantai Donghua Fruit Co., Ltd.* (烟台東華果業有限公司) and Donghua Fruit Industry Co., Ltd. will undertake to maintain an aggregate interest of no less than 40% in the issued share capital of the Company; and (b) Donghua Share Retention Agreement, pursuant to which Mr. Wang An and Mr. Zhang Hui will agree to maintain the specified percentage interests in each of Yantai Donghua Fruit Co., Ltd.* (烟台東華果業有限公司) and Donghua Fruit Industry Co., Ltd..

As at the date of this report, both the Yantai Share Retention Agreement and the Donghua Share Retention Agreement have not yet been finalised and the loan of US\$8,000,000 under the Amended Loan Agreement is not yet available to be drawn down.

於二零零六年三月二十一日，本公司在定向配H股予IFC後，本公司與IFC協商訂立一份有關貸款協議之經修訂及重訂之協議（「經修訂貸款協議」），以將IFC根據貸款協議將給予之貸款由15,000,000美元修訂為8,000,000美元，及對貸款協議作出若干其他附帶變動，包括取消對本公司之所有資產抵押。

經修訂貸款協議已經簽署，惟須待訂立下列協議後方可落實：(a)烟台股權保留協議，據此本公司當時之控股公司光彩事業國土綠化整理有限公司、北京瑞澤網絡銷售有限責任公司、烟台東華果業有限公司及Donghua Fruit Industry Co., Ltd.各自將承諾維持其於本公司已發行股本中合共有不低於40%之權益；及(b)東華股權保留協議，據此王安先生及張輝先生將同意分別於烟台東華果業有限公司及Donghua Fruit Industry Co., Ltd.維持持有特定百分比之股權。

於本報告日期，烟台股權保留協議及東華股權保留協議均尚未落實，因此經修訂貸款協議項下之為數8,000,000美元貸款尚不可動用。

* For identification purpose only

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

Term Facility Agreement with Certain Financial Institutions

On 2 June 2006, the Company as a borrower entered into the Term Facility Agreement with certain financial institutions whereby the lenders have agreed to make available to the Company a term facility in an aggregate amount of US\$60,000,000 (approximately HK\$468,000,000 upon drawdown).

The terms of the Term Facility Agreement impose specific performance obligations on the then controlling shareholders of the Company. Under the Term Facility Agreement, each of the following will constitute an event of default upon which the facility will, among others, become immediately due and payable:

- (i) Mr. Wang An does not or ceases to have or is not or ceases to be entitled to exercise, directly or through his controlled corporations, management control over each of the Company and its material subsidiaries; or
- (ii) the aggregate shareholding in the Company that is beneficially owned by Mr. Zheng Yue Wen and Mr. Wang An, whether directly or through their respective controlled corporations, is not or ceases to be larger than the aggregate shareholding (whether direct or indirect) in the Company of and/or held to the order of any other person and/or persons acting in concert with such other person/persons.

As at 31 December 2008, Mr. Wang An, whether directly or through his controlled corporations, held approximately 27.85% of the total issued share capital of the Company and was the single largest shareholder of the Company. Mr. Zheng Yue Wen ceased to have any equity interest in the Company since 27 March 2008. Mr. Zheng Yue Wen and Mr. Wang An are the executive Directors of the Company.

與若干金融機構訂立定期貸款協議

於二零零六年六月二日，本公司(作為借款人)與若干金融機構訂立定期貸款協議。根據該定期貸款協議之條款，貸款人同意授予本公司一項總額為60,000,000美元(於貸款時約港幣468,000,000元)之定期貸款。

該定期貸款協議之條款對本公司當時之控股股東施加特定之履約責任。根據該定期貸款協議，以下各項將構成違約事件。倘發生違約事件，該貸款(其中包括)將即時到期清還：

- (i) 王安先生並不或不再或無權或不再有權直接或透過其受控制法團行使本公司及其主要附屬公司之管理控制權；或
- (ii) 由鄭躍文先生及王安先生(不論是直接或透過彼等各自受控制法團)實益擁有之本公司之持股總額並不或不再高於其他人士及/或代表其他人士及/或與該等人士一致行動之人士於本公司所持有之持股總額。

於二零零八年十二月三十一日，王安先生(不論是直接或透過其受控制法團)持有本公司已發行股本總額約27.85%及作為本公司單一最大股東。鄭躍文先生於二零零八年三月二十七日不再持有任何本公司權益。鄭躍文先生及王安先生均為本公司之執行董事。

Management Discussion and Analysis

管理層討論及分析

Charge of Assets

As at 31 December 2008, no assets of the Company was pledged.

Contingent Liabilities

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

Foreign Exchange Exposure

The operating revenue of the Group is partly denominated in US dollars. It is the practice of the Group to convert its operating revenue denominated in US dollars to Renminbi to finance its operating expenses and capital requirements. However, the results of operations and the financial position of the Group may be affected by any changes in the exchange rates.

On the other hand, the conversion of Renminbi denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

Capital Commitment

For the capital commitment of the Group, please refer to note 38 to the Financial Statements.

Capital Structure

The shares of the Company were listed in the GEM of the Stock Exchange on 22 April 2003. The capital of the Company comprises only ordinary shares. Details of the share capital of the Company are set out in note 35 to the Financial Statements.

資產抵押

於二零零八年十二月三十一日，本公司無任何對外資產抵押。

或然負債

於二零零八年十二月三十一日本集團並無或然負債。

外匯風險

本集團之經營收入部份以美元為貨幣單位。本集團一向將以美元為單位之經營收入兌換為人民幣，作為經營支出及資本需求。然而，本集團之經營業績及財務狀況受匯率變動而影響。

另一方面，將以人民幣作為單位之款項兌換為外幣，須受中國政府頒佈之外匯控制規例及規條所限制。

資本承擔

本集團之資本承擔詳載於財務報表附註38。

股本架構

本公司股份於二零零三年四月二十二日在聯交所創業板上市。本公司之股本僅由普通股股份組成。本公司股本詳情載於財務報表附註35。

Management Discussion and Analysis

管理層討論及分析

Liquidity and Financial Resources

The Group generally financed its operations and investing activities by internally generated financial resources and loans from banks. As at 31 December 2008, the Group had outstanding short-term bank loans of approximately RMB856,775,000 and no long-term bank loan. As at 31 December 2008, the short-term bank loans of RMB549,218,000 bore interest at rates ranging from 5.04% to 7.47% per annum. The bank loans of RMB307,557,000 bore floating interest rate of LIBOR + 1.1%, with maturity in 2009. In the year 2008, the Group repaid on time all debts that were due. The Directors consider that the Group has sufficient financial resources to meet its ongoing operation requirements.

Gearing Ratio

As at 31 December 2008, the Group had cash and cash equivalents of approximately RMB114,114,000. The Group's gearing ratio as at 31 December 2008 was approximately 49% (2007: approximately 62%) which is calculated by dividing the Group's total liabilities of approximately RMB1,099,540,000 (2007: RMB1,759,852,000) by the Group's total assets of approximately RMB2,232,414,000 (2007: RMB2,853,291,000).

流動資金及財務資源

本集團一般以內部財務資源及銀行借貸等為其經營及投資活動之資金。於二零零八年十二月三十一日，本集團尚未償還之短期銀行借貸約為人民幣856,775,000元，長期銀行貸款為零。於二零零八年十二月三十一日，短期銀行貸款為數人民幣549,218,000元之年利率為5.04%至7.47%，短期銀行貸款為數人民幣307,557,000元之年利率為倫敦銀行同業拆放利率+1.1%，並於二零零九年到期。二零零八年度本集團均按期償還到期借款。董事認為，本集團具有充足財務資源，滿足持續營運需要。

資本負債比率

於二零零八年十二月三十一日，本集團之現金及現金等價物約為人民幣114,114,000元。於二零零八年十二月三十一日，本集團之資產負債比率約為49%（二零零七年：約62%），乃按本集團之總負債約人民幣1,099,540,000元（二零零七年：人民幣1,759,852,000元）除以總資產約人民幣2,232,414,000元（二零零七年：人民幣2,853,291,000元）計算。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Directors

Executive Directors

Mr. Zheng Yue Wen (鄭躍文), aged 47, is the chairman and executive Director of the Company. Mr. Zheng is a well-known entrepreneur in the PRC. Mr. Zheng is a member of the Chinese People's Political Consultative Conference (CPPCC-全國政協) and is a vice president of the All-China General Chamber of Industry and Commerce. In October 1999, Mr. Zheng graduated from the Asia International Open University (Macau) (亞洲國際公開大學(澳門)) with a degree in Master of Business Administration. He then obtained his PhD. in Economics from the Dongbei University of Finance and Economics (東北財經大學) in November 1999. In December 1999, Mr. Zheng was appointed as a visiting professor of the Department of Business Administration at Jiangxi University of Economics (江西財經大學). He was a director of Henan Pinggao Electric Company Limited (河南平高電器股份有限公司) from July 1999 to January 2007. Currently, Mr. Zheng is the chairman of Creat Group Co., Ltd. (科瑞集團有限公司) and also a chairman of Lead REITs Asset Management Corp (領銳資產管理股份有限公司). He joined the Company in November 2000 and has been involving in the concentrated juice production industry since then. Mr. Zheng is responsible for the Group's corporate policy formulation, business strategic planning, business development and overall management of the Group.

董事

執行董事

鄭躍文先生，47歲，本公司董事長兼執行董事。鄭先生是全國著名的民營企業家、全國政協委員、中國民間商會副會長。一九九九年十月，鄭先生畢業於亞洲國際公開大學(澳門)取得工商管理碩士學位，其後於一九九九年十一月在東北財經大學取得其經濟系博士學位。於一九九九年十二月，鄭先生於江西財經大學工商管理系擔任客座教授。一九九九年七月至二零零七年一月，鄭先生曾任河南平高電器股份有限公司董事。鄭先生目前為科瑞集團有限公司董事長，亦為領銳資產管理股份有限公司之董事長。他於二零零零年十一月加入本公司，並自此投身濃縮果汁生產業。鄭先生負責本集團企業政策的制訂、業務策略規劃、業務發展及本集團的整體管理。

Directors, Supervisors and Senior Management 董事、監事及高級管理層

Mr. Wang An (王安), aged 46, is the vice chairman, executive Director and chief executive officer of the Company. Mr. Wang is a well known entrepreneur in the PRC, and one of the top ten Outstanding Youths Entrepreneurs in Shandong Province. Mr. Wang has been awarded the medal of "Labor Model of the Nation" and is a representative of Shandong Province to the National People's Congress (人大代表). Mr. Wang graduated from the College of Chinese Communist Party (中共中央黨校函授學院) in June 1994. He was the general manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. He joined the Company in March 1996 and has been involving in the concentrated juice production industry since then. Mr. Wang is responsible for the overall management of the Group.

Mr. Zhang Hui (張輝), aged 37, is an executive Director and executive president of the Company. He was the deputy general manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Muping Material (牟平物資) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the concentrated juice production industry since then. Mr. Zhang is an engineer and is responsible for assisting Mr. Wang An for the overall management of the Group.

王安先生，46歲，本公司副董事長，執行董事兼行政總裁。王先生是全國著名的民營企業家、山東省十大傑出青年企業家、全國五一勞動獎章獲獎者、山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生於一九九六年三月加入本公司，並自此參與濃縮蘋果汁生產業。王先生負責本集團的整體管理。

張輝先生，37歲，本公司執行董事兼執行總裁。於加盟本集團前，他曾擔任牟平食品工業有限公司及牟平物資的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業。張先生是一名工程師，並協助王安先生負責本集團的整體管理。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mr. Jiang Hong Qi (姜洪奇), aged 43, is an executive Director and financial controller of the Company. Mr. Jiang holds a Master Degree in Economics majoring in Accounting. Mr. Jiang is a certified public accountant in the PRC. He had been both the business manager and senior manager in Shandong International Trust and Investment Corporation (山東省國際信託投資公司) before joining the Company. Mr. Jiang joined the Company in 2002 as a deputy chief accountant. Mr. Jiang is responsible for the accounting and finance matters of the Group.

Non-executive Director

Mr. Lo Chih-Hsien (羅智先), aged 53, is a non-executive Director of the Company. Mr. Lo studied in the Department of Foreign Language of Tainan Cheng Kung University, and the Research Institute of Business Administration of University of California Los Angeles where he obtained his Master Degree in Business Administration. Mr. Lo was the Taiwan regional general manager of De Beers Diamond Promotion Services before 1986. He was the section chief of Uni-President Enterprises Corp. between 1986 and 1991 and the business general manager and the chief operation officer of a U.S. subsidiary of Uni-President Enterprises Corp. between 1991 and 1997. Subsequently, he held positions such as the special assistant to the chief executive officer of President Enterprises (China) Investment Co. and senior vice president of Uni-President Enterprises Corp.. From July 2003 to May 2007, he was the executive vice president of Uni-President Enterprises Corp.. Since June 2007, he has been the general manager of Uni-President Enterprises Corp.. Mr. Lo is also the director of President Chain Store Corp., Ton Yi Industrial Corp. and Tait Marketing and Distribution Co., Ltd., all of which are listed companies in Taiwan.

姜洪奇先生，43歲，經濟學碩士，本公司執行董事兼財務總監。姜先生主修會計學專業，亦為中國註冊會計師。姜先生曾任山東省國際信託投資公司業務經理、高級經理等職。姜先生於二零零二年加入本公司，曾任本公司副總會計師。姜先生現負責本集團的會計及財務事務。

非執行董事

羅智先先生，53歲，本公司非執行董事。羅先生曾就學於台南成功大學外語系，並於美國洛杉磯加州大學企管研究所獲得工商管理碩士學位。羅先生於一九八六年之前任De Beers 鑽石推廣服務(De Beers Diamond Promotion Services)台灣區總經理，一九八六年至一九九一年任統一企業股份有限公司課長，一九九一年至一九九七年任統一企業股份有限公司美國附屬公司之事業群總經理及營運長，後任統一企業(中國)投資公司最高行政人員的特別協理及統一企業股份有限公司高級副總裁等職。二零零三年七月至二零零七年五月任統一企業股份有限公司執行副總裁。二零零七年六月起任統一企業股份有限公司總經理。羅先生亦是統一超商股份有限公司、統一實業股份有限公司及德記洋行股份有限公司(均為於台灣上市之公司)之董事。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Independent non-executive Directors

Mr. Wu Jian Hui (鄔建輝), aged 39, is an independent non-executive Director of the Company. Mr. Wu is a partner of Shenzhen Dahua Tiancheng Certified Public Accountants (深圳大華天城會計師事務所) and is a registered accountant in the PRC, a chartered accountant in Securities Industry and a registered estate surveyor in the PRC. Mr. Wu was responsible for initial public offering and issue of new shares for various companies and was a financial consultant to a number of listed companies in the PRC.

Mdm. Yu Shou Neng (俞守能), aged 54, is an independent non-executive Director of the Company. Mdm. Yu possesses postgraduate qualification. She is a representative of Shandong Province to the National People's Congress and is also the head and a senior lecturer of Shandong Yantai Agriculture Institute (山東烟台農業學院).

Ms. Qu Wen (曲雯), aged 42, is an independent non-executive Director of the Company. Ms. Qu is a second grade solicitor in the PRC, an arbitrator of Yantai Arbitration Committee, a member of the CPPCC in 10th Session and a supervisor of Yantai People's Procuratorate. Ms. Qu graduated from the Beijing University and obtained her Bachelor Degree in Law in 1989. From 1989 to 1992, Miss Qu worked for the Legal Advisory Office of Muping, Yantai, Shandong Province and Bureau of Justice of Muping, Yantai. From 1992 to 2002, Ms. Qu was a solicitor and a supervisor of Economic Division of the Shandong Qianwei Law Firm. Since October 2002, she has been a solicitor and an executor officer of the Shandong Yanshiming Law Firm.

獨立非執行董事

鄔建輝先生，39歲，本公司獨立非執行董事，現任深圳大華天誠會計師事務所合夥人，中國註冊會計師，證券業特許會計師，中國註冊房地產估價師，曾負責多家企業首次發行及增發股票的審計，並擔任多家上市公司財務顧問。

俞守能女士，54歲，本公司獨立非執行董事，碩士學歷，山東省人大代表，現為山東烟台農業學院院長及高級講師。

曲雯女士，42歲，本公司獨立非執行董事，二級律師，烟台仲裁委員會仲裁員，烟台政協第十屆常委，烟台市人民檢察院人民監督員。曲女士畢業於北京大學，並於一九八九年獲得法學學士學位。一九八九年至一九九二年，曲女士曾在山東省烟台市牟平區法律顧問處及烟台市牟平區司法局工作，一九九二年至二零零二年，曲女士為山東前衛律師事務所律師並任經濟部主任之職。二零零二年十月起為山東鑫士銘律師事務所律師並擔任執行主任之職。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Supervisors

Mr. Mu Gui Sheng (慕桂盛), aged 68, is the chairman and an independent representative in the supervisory committee of the Company. Mr. Mu graduated from Shandong Industrial University (山東工業大學) in August 1965 with a major in the profession of machinery design. Mr. Mu worked in the Muping Agricultural Machinery Factory (牟平縣農業機械廠) from August 1965 to July 1971. From July 1971 to November 1980, Mr. Mu worked as the vice chairman of Muping Ministry of Economic Affairs (牟平縣工業局). He was the head of the Muping Generator Factory (牟平發動機廠) from November 1980 to April 1984. From April 1984 to 2001, he acted as the minister of Muping Economic and Trade Commission (牟平縣經濟貿易委員會主任), minister of Development and Reform Commission (發展和改革委員會主任) and vice minister of the Muping National People's Congress (牟平區人大常委會).

Mr. Qu Wei Jia (曲維佳), aged 61, is an employee representative in the supervisory committee of the Company. In 1991, he graduated from the Shandong Muping Teachers Training Institute (山東牟平縣教師進修學校). Since October 1991, Mr. Qu worked in Yangma Resort (養馬島渡假村). Mr. Qu joined the Company in October 1999 as the manager of the administration department. Mr. Qu is currently the deputy general manager of a subsidiary of the Company.

監事

慕桂盛先生，68歲，本公司監事會主席兼獨立代表。慕先生於一九六五年八月畢業於山東工業大學，主修機械設計製造專業。一九六五年八月至一九七一年七月在牟平縣農業機械廠工作，一九七一年七月至一九八零年十一月出任牟平縣工業局副局長，一九八零年十一月至一九八四年四月出任牟平發動機廠廠長，一九八四年四月至二零零一年出任牟平縣經濟貿易委員會主任、發展和改革委員會主任及牟平區人大常委會副主任。

曲維佳先生，61歲，本公司職工代表監事。曲先生於一九九一年在山東牟平縣教師進修學校畢業。一九九一年十月開始在養馬島渡假村工作。一九九九年十月加入本公司，擔任公司行政部經理。目前為本公司一間附屬公司副總經理。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mr. Wang Chun Tang (王春堂), aged 56, is an independent representative in the supervisory committee of the Company. Mr. Wang has university academic qualification. Mr. Wang was the officer of the Communications Bureau of Muping, Yantai, Shandong Province from May 1973 to December 1987. He studied economics and management in the Chinese Communist Party School and Shandong Province Party School from 1991 to 1996. From January 1988 to January 2006, Mr. Wang was the supervisor, deputy chief and managing deputy chief of Publishing Office of Muping, Yantai, Shandong Province. Since January 2006, Mr. Wang has been the member of the Executive Committee of the Yantai Muping National People's Congress.

Senior Management

Mr. Wang An (王安), aged 46, is the vice chairman, executive Director and chief executive officer of the Company. Mr. Wang is a well known entrepreneur in the PRC, and one of the top ten Outstanding Youths Entrepreneurs in Shandong Province. Mr. Wang has been awarded the medal of "Labor Model of the Nation" and is a representative of Shandong Province to the National People's Congress (人大代表). Mr. Wang graduated from the College of Chinese Communist Party (中共中央黨校函授學院) in June 1994. He was the general manager of Yangma Resort (養馬島渡假村) for four years before joining the Group. He joined the Company in March 1996 and has been involving in the concentrated juice production industry since then. Mr. Wang is responsible for the overall management of the Group.

王春堂先生，56歲，本公司監事會獨立代表。王先生擁有大學學歷。王先生一九七三年五月至一九八七年十二月曾在山東省烟台市牟平區交通局工作，擔任辦公室主任等職。一九九一至一九九六先後在中央黨校和山東省委黨校學習經濟管理專業。一九八八年一月至二零零六年一月，王先生在山東省烟台市牟平區委宣傳部工作，先後擔任科長、副部長、常務副部長等職。二零零六年一月至今，王先生任烟台市牟平區人大常委。

高級管理層

王安先生，46歲，本公司副董事長，執行董事兼行政總裁。王先生是全國著名的民營企業家、山東省十大傑出青年企業家、全國五一勞動獎章獲獎者、山東省人大代表。王先生於一九九四年六月在中共中央黨校函授學院畢業。於加盟本集團前，他曾擔任養馬島渡假村的總經理四年。王先生於一九九六年三月加入本公司，並自此參予濃縮蘋果汁生產業。王先生負責本集團的整體管理。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mr. Zhang Hui (張輝), aged 37, is an executive Director and executive president of the Company. He was the deputy general manager of Muping Foodstuff Industrial Company Limited (牟平食品工業有限公司) and Muping Material (牟平物資) before joining the Group. Mr. Zhang joined the Company in December 1998 and has been involving in the concentrated juice production industry since then. Mr. Zhang is an engineer and is responsible for assisting Mr. Wang An for the overall management of the Group.

Mr. Jiang Hong Qi (姜洪奇), aged 43, is an executive Director and financial controller of the Company. Mr. Jiang holds a Master Degree in Economics majoring in Accounting. Mr. Jiang is a certified public accountant in the PRC. He had been both the business manager and senior manager in Shandong International Trust and Investment Corporation (山東省國際信託投資公司) before joining the Company. Mr. Jiang joined the Company in 2002 as a deputy chief accountant. Mr. Jiang is responsible for the accounting and finance matters of the Group.

Mr. Li Ye Sheng (李業勝), aged 55, is the party secretary of the Company. Mr. Li has post-secondary academic qualification. Mr. Li was the squad leader and captain of a warship under North Sea Marine from December 1973 to 1990, the supervisor of the Agricultural Bank of Muping, Yantai, Shandong Province from November 1990 to October 1995, and the deputy manager of Land Development Service Company of Muping, Yantai, Shandong Province from November 1995 to January 1997. Mr. Li joined the Company in 1997 as the general manager of Longkou Andre and Xuzhou Andre.

張輝先生，37歲，本公司執行董事兼執行總裁。於加盟本集團前，他曾擔任牟平食品工業有限公司及牟平物資的副總經理。張先生於一九九八年十二月加入本公司，並自此參與濃縮蘋果汁生產業。張先生是一名工程師，並協助王安先生負責本集團的整體管理。

姜洪奇先生，43歲，經濟學碩士，本公司執行董事兼財務總監。姜先生主修會計學專業，亦為中國註冊會計師。姜先生曾任山東省國際信託投資公司業務經理、高級經理等職。姜先生於二零零二年加入本公司，曾任本公司副總會計師。姜先生現負責本集團的會計及財務事務。

李業勝先生，55歲，本公司黨委書記。李先生擁有大專學歷。李先生於一九七三年十二月至一九九零年曾在海洋北海艦隊某軍艦任班長、船長等職，一九九零年十一月至一九九五年十月在山東省烟台市牟平農業銀行任科長，一九九五年十一月至一九九七年一月在山東省烟台市牟平區土地開發服務公司任副經理之職。李先生於一九九七年加入本公司，先後擔任龍口安德利、徐州安德利總經理等職位。

Directors, Supervisors and Senior Management

董事、監事及高級管理層

Mr. Yang Tao (楊濤), aged 39, is a vice president of the Company. Mr. Yang joined the Company in March 1996 and had worked as production line leader, supervisor and factory manager. He is well experienced in juice manufacturing. He is currently responsible for the production of the Group.

Ms. Peng Xiao Jun (彭小峻), aged 33, is a vice president of the Company. Ms. Peng was the sales supervisor of Chongqing Jianshe Motor Co. Ltd. (重慶建設摩托車有限公司) and Nanjing Siemens Co. Ltd. (南京西門子有限公司). Ms. Peng joined the Company in 2002 as an assistant to president. She is currently responsible for the domestic and oversea sales of the Group.

Miss Yao Xiao Ying (姚曉瑩), aged 35, is the secretary to the Board. Miss Yao graduated from Northwest University of the PRC and obtained her Bachelor degree in Law in 1997. She is currently responsible for the preparation of the sessions of shareholders' meeting and meetings of the Board, preservation of documents, management of information of the shareholders of the Company and information disclosure, etc.

Qualified Accountant and Company Secretary

Miss Ng Man Yee (伍敏怡), aged 37, is the qualified accountant and company secretary of the Company. Miss Ng graduated from the Chinese University of Hong Kong and obtained her Bachelor degree in Business Administration in 1994. She is a fellow certified public accountant of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and chartered accountant of the Institute of Chartered Accountants in England and Wales. Miss Ng has over 10 years of experience in the field of auditing and accounting.

楊濤先生，39歲，大專學歷，本公司副總裁。楊先生於一九九六年三月加入本公司，曾任本公司生產班長、車間主任、分廠廠長等職，楊先生有著豐富的果汁生產經驗，現負責本集團的生產工作。

彭小峻女士，33歲，研究生學歷，本公司副總裁。彭女士主修國際貿易和國際金融。彭女士曾任重慶建設摩托車有限公司和南京西門子有限公司的銷售主管。彭女士於二零零二年加入本公司，曾任本公司行政總裁助理，現負責本集團的國內、外銷售工作。

姚曉瑩小姐，35歲，為本公司董事會秘書。姚小姐畢業於中國西北大學，主修法律專業，並於一九九七年獲法學學士學位。姚小姐目前主要負責本公司股東大會和董事會會議的籌備、文件保管以及公司股東資料的管理，辦理信息披露事務等事宜。

合資格會計師及公司秘書

伍敏怡小姐，37歲，為本公司合資格會計師及公司秘書。伍小姐畢業於香港中文大學，並於一九九四年獲頒工商管理學士學位。伍小姐為香港會計師公會資深會計師，英國特許公認會計師公會資深會員，英格蘭及威爾斯會計師公會特許會計師。伍小姐於審計及會計業擁有逾十年經驗。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The articles of association, terms of reference of the Audit Committee and terms of reference of the Supervisory Committee of the Company form the framework for the code of corporate governance practice of the Company.

The Board has reviewed its corporate governance documents and is of the view that such documents have incorporated all of the principles and code provisions in the “Code on Corporate Governance Practices” of the GEM Listing Rules (“the CG Code”). The followings are the major aspects in which the Company’s own corporate governance code exceed the code provisions in the CG Code:

- the Company has established a nomination committee in accordance with the recommended best practices of the CG Code; and
- the Board met more than 4 times during 2008.

The Board will constantly monitor and if necessary, revise the corporate governance documents of the Company, and assess the effectiveness of the Company’s corporate governance practices in order to adapt to changes in the environment and requirements under the CG Code, so as to ensure that the Company’s corporate governance documents and practices are in line with the expectations and interests of the shareholders and comply with the CG Code.

The Company has complied with all the code provisions set out in the CG Code during the period under review.

企業管治常規

本公司的企業管治常規守則由公司章程、審核委員會議事守則及監事委員會議事守則組成。

董事會已檢討有關本公司企業管治的文件，並認為文件中已達到創業板上市規則《企業管治常規守則》（「該守則」）列載的原則及守則條文。以下載列比該守則所載的守則條文更為嚴格的主要方面：

- 本公司按該守則列載的建議最佳常規成立了提名委員會；及
- 在二零零八年內舉行超過四次董事會會議。

董事會將定期監察公司的企業管治文件並在需要時對公司的管治文件作出修改，及評估其企業管治常規之效益，以應付環境及該守則要求帶來的變動，確保公司企業管治文件及常規符合股東之預期及利益，以及遵守該守則之要求。

本公司於回顧期內一直遵守所有該守則列載的守則條文。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Company is managed by a Board of Directors, which has the responsibility for leadership and control of the Company. Through the Board, the Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

The Directors

As at the date of this annual report, the Board comprised a total of 8 Directors, including 4 executive Directors, namely, Mr. Zheng Yue Wen (Chairman), Mr. Wang An (Chief Executive Officer), Mr. Zhang Hui and Mr. Jiang Hong Qi; 1 non-executive Director, namely, Mr. Lo Chih-Hsien; and 3 independent non-executive Directors, namely, Mr. Wu Jian Hui, Mdm. Yu Shou Neng and Ms. Qu Wen. All Directors served for the whole of 2008.

Each of the Directors has entered into a service contract with the Company for a term of three years. All Directors are appointed in the shareholders' meeting with formal letters of appointment setting out the key terms and conditions relative to their appointment.

The independent non-executive Directors possess a wide range of skill and experience. They serve the important function of providing adequate monitoring and balances for safeguarding the interests of the shareholders and the Company as a whole. The Board considers that they can make independent judgement effectively and fulfill the independence guidelines set out in rule 5.09 of the GEM Listing Rules.

The biographical details of the Directors are set out on pages 32 to 35 of this report.

董事會

本公司由董事會管理，董事會負責公司的領導及監控工作。各董事透過董事會指揮及監督公司事務，集體負責並推動本公司的事務。

董事

截至本年報日，董事會共有八名董事，包括四名執行董事：分別為鄭躍文先生(主席)、王安先生(行政總裁)、張輝先生及姜洪奇先生、一名非執行董事，為羅智先先生及三名獨立非執行董事，分別為鄒建輝先生、俞守能女士及曲雯女士。全部董事均於二零零八年全年任職。

各董事已分別與本公司訂立為期三年之服務合約。所有董事均由股東大會委任，正式委任書對他們的任命列明有關期限和條件。

本公司的獨立非執行董事具備廣泛的技巧和經驗。他們能充分發揮監察和平衡的重要作用，保障股東和整體公司的利益。董事會認為他們能夠有效地作出獨立判斷，符合《創業板上市規則》第5.09條列載的評估獨立性的指引。

各董事的個人資料載於本報告書第32至35頁。

Corporate Governance Report

企業管治報告

Responsibilities of the Board

The Board reviews the performance of the operating divisions against their agreed budgets and business objectives on a regular basis and also exercises a number of reserved powers which include:

- convening shareholders' meetings and reporting on their works at shareholders' meetings;
- implementation of resolutions passed at shareholders' meetings;
- formulating the Company's business plans and investment proposals;
- preparing the Company's annual financial budget and final accounts;
- formulating proposals for profit distribution and for setting off of accumulated losses of the Company;
- formulating proposals for an increase or reduction in registered capital and the issuance of debt securities of the Company;
- formulating proposals for the demerger, merger or dissolution of the Company;
- formulating the internal management structure of the Company;
- appointment or dismissal of the chief executive officer of the Company and appointment or dismissal of the deputy general manager, financial controller and other senior management at the recommendation of the chief executive officer of the Company and determination of matters relating to their remuneration;
- formulating the basic management system of the Company;

董事會職責

本公司董事會定期檢討各營業部門議定的預算及業務目標有關的業績表現，並行使多項保留權力，包括：

- 負責召集股東大會，並向股東報告工作；
- 執行股東大會的決議；
- 決定公司經營計劃和投資方案；
- 制訂公司的年度財務預算及決算方案；
- 制訂公司的利潤分配方案和彌補虧損方案；
- 制訂公司增加或者減少註冊資本的方案以及發行公司債券的方案；
- 擬訂公司合併、分立、解散的方案；
- 決定公司內部管理機構的設置；
- 聘任或者解聘公司行政總裁，根據行政總裁提名，聘任或者解聘公司副總裁、財務總監和其他高級管理人員，決定其報酬事項；
- 制定公司的基本管理制度；

Corporate Governance Report

企業管治報告

- formulating proposals for amendments to the articles of association; and
- carrying out other powers conferred by shareholders' meetings.

The Board is also responsible for the integrity of financial information and the effectiveness of the Company's systems of internal control and risk management processes. The Board is also responsible for preparing the financial accounts of the Company. The day-to-day management of the Company's business is delegated to the chief executive officer and the management. The functions of the Board and the powers delegated to the chief executive officer are reviewed periodically to ensure that they remain appropriate.

To ensure a balance of power and authority, the role of the chairman is separate from that of the chief executive officer. The chairman of the Company is Mr. Zheng Yue Wen. The chairman is responsible for convening and holding general meetings and Board meetings, tracking the progress of implementation of the resolutions passed by the Board, signing the securities issued by the Company and carrying out other powers conferred by the Board. Mr. Wang An is the chief executive officer of the Company. The chief executive officer and the management are responsible for the production, operation and management of the Company, implementation of the resolutions passed by the Board, implementation of annual business plans and investment proposals, formulation of internal management structure of the Company, the basic management system of the Company and the specific governance of the Company. In particular, the chief executive officer is responsible for proposing to the Board for appointment or dismissal of deputy general manager, financial controller and other senior management of the Company, appointment or dismissal of other management staff whose appointment and dismissal does not require approval from the Board and carrying out other powers conferred by the Board and the articles of association.

- 制訂公司章程修改方案；及
- 執行股東大會授予的其他職權。

董事會亦須對財務資料的完整性以及公司內部監控制度及風險管理程序的效能負責。董事會亦肩負編製本公司財務報表的責任。達致本公司業務目標及日常業務運作的責任則交由行政總裁及管理層承擔。董事會定期檢討董事會的職能及賦予行政總裁的權力，以確保此安排仍然適當。

為確保權力和授權分布均衡，主席與行政總裁的角色已清楚區分。本公司現任主席是鄭躍文先生，主席負責召集和主持股東大會、董事會會議；檢查董事會決議的實施情況；簽署公司發行的證券以及執行董事會授予的其他職權。現任行政總裁是王安先生。行政總裁及管理層負責主持公司的生產、經營和管理工作；組織實施董事會決議；組織實施公司年度經營計劃和投資方案；擬訂公司內部管理機構設置方案；擬訂公司的基本管理制度及制定公司的具體規章。尤其，行政總裁負責提案董事會聘任或者解聘公司副總經理、財務總監和其他高級管理人員；聘任或者解聘除應由董事會聘任或者解聘以外的管理人員；執行公司章程和董事會授予的其他職權。

Board Meetings

The chairman is responsible for the leadership of the Board, ensuring the effectiveness of the Board in all aspects of its role, setting agenda for board meetings, and taking into account any matters proposed by other Directors for inclusion in the agenda. Agenda and accompanying board papers are circulated where possible at least 3 days before the time of a board or committee meeting. The chairman is also responsible for making sure all Directors are properly briefed on issues arising at board meetings. The chairman ensures that the Directors receive accurate, timely and clear information. Directors are encouraged to update their skills, knowledge and familiarity with the Company through their initial induction, ongoing participation at board and committee meetings, and through meeting key people at head office and in the divisions.

All Directors have access to the services of the company secretary who regularly updates the Board on governance and regulatory matters. Any Director, who wishes to do so in the furtherance of his or her duties, may seek independent professional advice through the chairman at the Company's expense. The availability of professional advice extends to the Audit, Remuneration and other Committees.

Minutes of Board meetings are taken by the company secretary or the secretary to the Board and, together with any supporting Board papers, are available to all Board members. Board meetings are structured to encourage open discussion and frank debate to ensure the non-executive Directors provide an effective challenge to each executive Director. When necessary, the independent non-executive Directors meet privately to discuss matters which are relevant to their specific responsibility.

董事會會議

主席負責領導董事會，確保董事會有效履行其各方面的職責，並負責擬定董事會會議議程及考慮其它董事提議加入議程的事項。議程連同附隨的董事會文件盡可能在董事會會議或委員會會議進行前至少三天傳閱。主席亦有責任確保所有董事就董事會會議上的事項獲適當的簡介。主席確保各董事獲得準確、及時和清楚的資料。透過董事就職時的培訓、持續參與董事會及委員會會議以及透過與總部及各部門主要人員會面，鼓勵各董事不斷更新其技術、知識及對本公司的認識。

所有董事均可享用公司秘書的服務，公司秘書須即時讓董事會知悉有關管治及監管事宜的最新資料。董事可為履行職責而透過主席尋求獨立專業意見，費用由本公司支付。審核委員會、薪酬及其他委員會亦可尋求專業意見。

董事會會議由公司秘書或董事會秘書負責記錄，這些會議記錄連同任何有關的董事會會議文件，均向所有董事會成員提供。董事會會議的設立，旨在鼓勵董事作公開和坦誠的討論，確保非執行董事能向每位執行董事提出有效的查詢。在需要時，獨立非執行董事會私下進行會議，討論與其本身職責有關的事項。

Corporate Governance Report

企業管治報告

In furtherance of good corporate governance, the Board has established 3 committees: Audit Committee, Nomination Committee and Remuneration Committee. All committees have terms of reference which fulfill the principles set out in the CG Code. The secretary of the Board takes minutes of the meetings of these committees and the work of these committees is reported to the Board.

The Board met 9 times during 2008. The chief compliance officer, the chief executive officer and the financial controller also attended most of the Board meetings to advise on corporate governance, risk management, statutory compliance, mergers and acquisitions and accounting and financial matters. The attendance (other than attending by authorised representatives) of individual Directors at the Board meetings and the other committees is set out in the table below.

為確保良好的企業管治，董事會已成立三個小組委員會：審核委員會、提名委員會及薪酬委員會，其職權範圍皆遵守該守則。董事會秘書為這些委員會撰寫會議記錄，而委員會向董事會彙報工作。

董事會於二零零八年召開了九次會議。監察主任、行政總裁及財務總監出席了大部份董事會會議，並對企業管治、風險管理、遵守法規、合併收購、會計和財務事宜提供意見。下表顯示各董事於二零零八年內出席(除授權其他董事代為出席)董事會及主要委員會會議之詳情：

Board Meeting

董事會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members 成員							INED 獨立非執行董事			
		ZYW	WA	ZH	YHL*	JHQ	LYS**	LCH	WJH	YSN	QW	
08/02/28	WA	-	✓	✓	✓	✓	✓	-	-	✓	✓	
08/03/15	ZYW	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
08/03/17	WA	-	✓	✓	✓	✓	✓	-	-	✓	✓	
08/05/13	WA	-	✓	✓	✓	✓	✓	-	-	✓	✓	
08/06/13	WA	-	✓	✓	-	✓	-	-	-	✓	✓	
08/08/12	WA	-	✓	✓	-	✓	-	-	-	✓	✓	
08/09/03	WA	-	✓	✓	-	✓	-	✓	✓	✓	✓	
08/11/11	ZYW	✓	✓	✓	-	✓	-	-	-	✓	✓	
08/12/12	ZYW	✓	✓	✓	-	✓	-	✓	✓	✓	✓	

Corporate Governance Report

企業管治報告

Audit Committee Meeting

審核委員會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members – INED 成員 – 獨立非執行董事			Attendees 出席者
		WJH	YSN	QW	Jiang Hong Qi (Financial Controller) 姜洪奇 (財務總監)
08/03/15	WJH	✓	✓	✓	✓
08/05/13	WJH	✓	✓	✓	✓
08/08/12	WJH	✓	✓	✓	✓
08/11/11	WJH	✓	✓	✓	✓

Nomination Committee Meeting

提名委員會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members 成員		
		WA	WJH	YSN
08/06/13	WA	✓	✓	✓

Remuneration Committee Meeting

薪酬委員會會議

Date (YY/MM/DD) 日期(年/月/日)	Chair person 主席	Members – INED 成員 – 獨立非執行董事	
		WJH	YSN
08/03/15	WJH	✓	✓

Note:

ZYW Zheng Yue Wen
WA Wang An
ZH Zhang Hui
YHL Yu Hui Lin*
JHQ Jiang Hong Qi
LYS Li Ye Sheng**
LCH Lo Chih-Hsien
WJH Wu Jian Hui
YSN Yu Shou Neng
QW Qu Wen

Symbols:

“✓” means attended the meeting

“—” means not attended the meeting

* Mr. Yu Hui Lin resigned on 19 May 2008.

** Mr. Li Ye Sheng resigned on 3 September 2008.

註：

鄭躍文
王安
張輝
于會林*
姜洪奇
李業勝**
羅智先
鄒建輝
俞守能
曲雯

符號：

「✓」代表出席會議

「—」代表缺席會議

* 于會林先生於二零零八年五月十九日辭任。

** 李業勝先生於二零零八年九月三日辭任。

Directors' Interest

All Directors disclose to the Board on their first appointment their interests as a director or otherwise in other companies or organisation and such declarations of interests are updated annually. When the Board considers any proposal or transaction in which a Director has conflict of interest, the Director declares his interest and is required to abstain from voting and withdraw from the meetings as appropriate. The Company seeks confirmation from Directors annually in respect of any transactions of the Company or its subsidiaries which are related to Directors or their associates.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions (the "Securities Code") on terms no less exacting than the required standard of dealings contained in Rules 5.46 to 5.67 of the GEM Listing Rules. A copy of the Securities Code is sent to each Director upon his appointment and thereafter four times annually, that is one month before the date of the Board meetings to approve the Company's quarterly results, half year results and annual results, with a reminder that the Director cannot deal in the securities and derivatives of the Company until after such results have been published.

Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealings and the requirements in the Securities Code during 2008.

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Company are also subject to compliance with the Securities Code. No incident of non-compliance was noted by the Company in 2008.

董事權益

所有董事須於首次獲委任時向董事會申報在其它公司或機構擔任董事或其它職務的身份，有關利益申報每年更新一次。倘董事會在討論任何動議或交易時認為董事在當中存在利益衝突，該董事須申報利益及放棄投票，並在適當情況下避席。本公司根據指引於每個財務報告期間要求董事確認他們或其聯繫人與公司或其附屬公司進行的任何有關聯的交易。

董事進行之證券交易

本公司已採納一項董事進行證券交易之操守守則（「《證券守則》」），其條款不遜於創業板上市規則第5.46至5.67所載所需交易標準。本公司各董事於獲委任時均獲發一份《證券守則》，其後每年四次，分別在通過公司季度業績、中期業績及全年業績的董事會會議前一個月，連同一份提示一併發出，提醒董事不得在公布業績前買賣本公司的證券或衍生工具。

向全體董事作出特定查詢後，本公司所有董事確認其於二零零八年度已遵守所需交易標準及《證券守則》。

所有特定僱員若可能擁有關於本公司的尚未公開股價敏感資料，亦須符合《證券守則》。本公司於二零零八年度並未發現任何違規事件。

SUPERVISORY COMMITTEE

The Supervisory Committee of the Company comprises 3 members of which 2 are recommended by shareholders and 1 is an employee representative elected by the employees. The Supervisory Committee is responsible for supervision of the Board, members of the Board and senior management, to prevent authority abuse, shareholders' interest infringement and to protect legal interest of the Company and its employees. During 2008, the Supervisory Committee held 1 meeting, during which the committee members reviewed the Company's financial position, legal compliance of the Company's operations and diligence of the senior management.

INTERNAL CONTROL

Internal control system

The Board has the overall responsibility for setting and reviewing the Company's system of internal control. The Audit Committee will also review the effectiveness of such system periodically. Procedures applied by the Audit Committee for reviewing the effectiveness of the Company's internal control system include: discussion with the management on the risky areas arising from auditing and/or raised by the management, reviewing material issues arising from internal or external audit report and reviewing material matters identified by internal auditors and risk assessment manager of the Group. The internal control system of the Company plays an effective role in risk management which is a very important factor for ensuring the achievement of operational goal. The establishment of internal control system is for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for the reliability of financial information used within the business or for publication. However, the procedures provide reasonable but not absolute assurance against material errors, losses or fraud. Procedures for the Company's internal control system have been designed in accordance with the applicable laws, rules and regulations.

監事會

本公司監事會由三名成員組成，其中二名為由股東推薦產生，一名為本公司員工代表並由員工選舉產生。監事會負責對董事會及其成員以及高級管理層進行監督，防止其濫用職權，侵犯股東、公司及公司員工的合法權益。二零零八年監事會召開一次會議，對公司財務狀況、公司依法運作情況和高級管理人員盡職情況進行了審查。

內部監控

內部監控制度

董事會全權負責公司的內部監控制度的建立和完善，並通過審核委員會定期檢討該制度是否有效。審核委員會用以檢討內部監控系統是否有效的程序包括：與管理層討論由管理層及／或在審核程序中指出的風險範圍；檢討內部及外聘審計師的審核計劃；檢討由內部及外聘審計師審核報告所引起的重大事項；及檢討集團內部審核部與集團風險經理彙報的重大集團風險。本公司的內部監控制度對風險管理發揮關鍵的作用，而風險管理對於能否達到營運目標非常重要。訂立內部監控程序是為保障資產以防未經授權使用或處理資產；確保適當的會計記錄得以保存；並且可提供可靠的財務資料供內部使用或對外發放。但監控程序旨在合理（但非絕對）保證並無重大失實陳述、損失或舞弊。本公司內部監控程序是按相關法律條例、附屬法例和規章編寫。

Corporate Governance Report

企業管治報告

A review of the Company's internal control system covering financial, operational, compliance and risk management is conducted annually. In particular, the Board has considered the adequacy of resources, qualification and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. The Board has conducted a review of the effectiveness of the Group's system of internal control. The result has been reported to the Board.

The Board confirms that systems and procedures are in place to identify, control and report on significant risks involved in achieving the Company's strategic objectives. Exposures to these risks are monitored by the Board with the support of various committees and senior management. For the year under review, the Board considered that the Company's internal control system was adequate and the Company had complied with the code provisions on internal control under the CG Code.

INTERNAL AUDIT

The Internal Audit Department provides an independent review of the adequacy and effectiveness of the internal control system. The department is headed by a manager who is familiar with the Company's operation. Its scope of work mainly includes auditing of financial and operational systems, observance of relevant policies and regulations, regular and special auditing, auditing of production effectiveness, etc. The audit plan, which is prepared based on risk assessment methodology, is discussed and agreed every year with the Audit Committee. In addition to its agreed annual schedule of work, the Internal Audit Department conducts other special reviews as required.

The primary reporting line of the Internal Audit Department is to the chairman of the Board but there is also direct access to the Audit Committee. Internal audit reports are sent to the chief executive officer, the financial controller, external auditors and the relevant management of the departments under audit. A summary of major audit findings is reported to the Audit Committee. The Board and the Audit Committee actively monitor the number and seriousness of findings raised by the Internal Audit Department and also the corrective actions taken by relevant departments.

本公司每年均對內部監控系統進行檢討，內容包括財務、營運、遵守法規及風險管理之監控。董事會特別考慮了本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。董事會已對集團的內部監控進行檢討。有關結果已向董事會報告。

董事會確認本公司已具有辨認、管理及彙報對達致其策略性目標所面對的重大風險系統和程序。董事會持續監察風險，並獲得各委員會及高層管理人員的支持。於本年度內，董事會認為本公司的內部監控制度是足夠的，並且本公司亦已遵守該守則有關內部監控的條文。

內部審核

本公司的內部審核部負責對內部監控系統是否足夠及其成效進行獨立審核。部門由熟悉公司業務的經理帶領，內部審核職能的工作範圍主要包括財務與運營系統審訂、有關制度及法規遵守情況審核、經常性與突發審核、生產效益審核等。審核計劃乃以風險評估方法編製並每年經由審核委員會商討及議定。除議定的年度工作外，該部門亦需要進行其它專項的審核工作。

本公司內部審核部的主要彙報流程是向董事會主席彙報，亦可直接聯絡審核委員會。內部審核報告均送交本公司行政總裁、財務總監、外聘審計師及被審核部門的管理層。每次審核主要結果亦與審核委員會討論。董事會及審核委員會積極監察內部審核部門提交的調查結果的數目和嚴重性，以及相關的部門採取的糾正行動。

Corporate Governance Report

企業管治報告

Detailed control guidelines have been set and made available to all employees of the Company regarding handling and dissemination of corporate data which is price sensitive.

RISK MANAGEMENT

Risk management is concerned with the identification and effective management of business risks, including safety and security, legal, environmental and reputational risks.

Risk Management Committee

The Company has established a Risk Management Committee which coordinates the proper application of operational risk management procedures throughout the Company. The Committee assists the Board to fulfill its oversight role over the Company and its subsidiaries in, among others, the following areas:

- establishment of the risk approach and risk management strategy of the Company to formulate its risk profile;
- identification, assessment and management of the material risks faced by the various business units of the Company;
- reviewing and assessment of the adequacy of the Company's risk management process, system and internal control; and
- reviewing and monitoring the Company's risk management process, system and internal control, including whether the development of the Company's business is prudent and in compliance with the legal requirements.

本公司已制定關於處理對價格敏感的公司資料的詳細監控指引，供本公司的所有僱員參閱。

風險管理

風險管理關乎識別及有效管理業務風險，包括安全及保安、法律、環境及商譽風險。

風險管理委員會

公司設有一個風險管理委員會，負責協調在整個公司內適當地實施營運風險管理程序。該委員會負責協助董事會對本公司及其附屬公司在以下(包括其他)方面實現監控職責：

- 建立公司的風險取向和風險管理戰略，確定本公司的風險組合狀況；
- 識別、評估、管理本公司不同業務單位面臨的重大風險；
- 審查和評估本公司風險管理程序、制度和內部控制的適當性；及
- 審查及監控本公司對風險管理程序、制度及內部控制的遵守情況，包括本公司在開展業務時是否符合審慎、守法的要求。

Corporate Governance Report

企業管治報告

Financial risk management and the coordination of the Company's policy on environmental issues are outside its terms of reference. The Committee is chaired by the financial controller and includes senior representatives from each division as well as the human resources manager and the head of Internal Audit Department. The Committee reports to the Audit Committee on a regular basis.

AUDIT COMMITTEE

The Audit Committee is responsible for reviewing the Group's financial reporting, internal controls and corporate governance issues and making relevant recommendations to the Board. All of its members are independent non-executive Directors (namely Mr. Wu Jian Hui, Ms. Qu Wen and Mdm. Yu Shou Neng) and its chairman, Mr. Wu Jian Hui, is an independent non-executive Director.

The terms of reference of the Audit Committee is based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee met 4 times in 2008. During 2008, it met to review the internal and external audit findings, the accounting principles and practices adopted by the Group, internal control and listing rules and statutory compliance, and to discuss auditing, internal controls, risk management and financial reporting matters. The quarterly, interim and annual accounts for 2008 were recommended to the Board for approval after discussion of the Audit Committee.

EXTERNAL AUDITOR

In 2008, the total remuneration paid to the external auditor amounted to approximately RMB2,150,000, all of which was for audit services provided by external auditor. The audit fee was approved by the Audit Committee and endorsed by the Board.

The Statement of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out on pages 76 to 77 of this annual report.

財務風險管理及公司對環境問題的政策協調工作並不列入其職權範圍內。委員會由財務總監擔任主席，成員包括各部門高層代表、人事主管及內部審核主管。委員會定期向本公司審核委員會彙報工作。

審核委員會

審核委員會負責審核財務報告、檢討內部監控及企業管治的工作，並負責向董事會提出相關的建議。委員會成員全部由獨立非執行董事（即鄔建輝先生、曲雯女士及俞守能女士）來擔任，並由其中之一的鄔建輝先生擔任委員會主席。

審核委員會的書面職權範圍乃參考香港會計師公會刊發之指引而制訂。

審核委員會在二零零八年間開會四次，於二零零八年，審核委員會就外聘審計師和內部核數師的報告結果、本集團採納之會計原則與常規、內部監控、是否符合上市規則的規定進行審核，對審核、內部監控、風險管理及財務報告事宜進行檢討，本公司的二零零八年季度、中期及全年業績經審核委員會開會討論後才建議交由董事會通過。

外聘審計師

二零零八年外聘審計師酬勞約為人民幣2,150,000元，全部為外聘審計師審計服務方面徵收的費用。審計費用已經審核委員會及董事會批准。

本公司外聘核數師綜合財務報表的報告責任的陳述，載於本年報的第76至77頁。

Corporate Governance Report

企業管治報告

The Audit Committee has resolved the re-appointment of KPMG for audits for the financial year 2009. This resolution has been endorsed by the Board and is subject to final approval and authorisation by the shareholders at the forthcoming annual general meeting.

REMUNERATION COMMITTEE

The Remuneration Committee is chaired by Mr. Wu Jian Hui and comprises Ms. Qu Wen as members. Both of them are independent non-executive Directors. The Committee's responsibilities are as follows:

- to recommend the remuneration policy and structure, for all Directors and senior executives under transparent and legal procedures to the Board;
- to approve the remuneration policy and structure (comprising non-monetary benefit, retirement benefit and the amount of compensation including compensation for lost or termination of office or appointment) for all Directors and senior executives with the Board's approval;
- to recommend the remuneration of non-executive Directors to the Board;
- to formulate, review and approve remuneration with reference to the performance and the Company's objectives laid down by the Board at irregularly interval;
- to review and approve the compensation paid to executive Directors and senior management for loss or termination of office or appointment and to ensure such compensation is determined in accordance with the relevant terms of service;
- to set compensation paid to executive Directors and senior management for loss or termination of office or appointment under the principle of fairness, reasonableness and not to create undue burden to the Company if such compensation cannot be determined in accordance with the relevant terms of service;

審核委員會已議決再次委任畢馬威會計師事務所進行二零零九年財政年度的審計工作。此決議案已獲得董事會通過，並有待股東於即將召開之股東週年大會上作最終批准和授權。

薪酬委員會

薪酬委員會由獨立非執行董事鄔建輝先生和曲雯女士組成，並由鄔建輝先生出任主席。薪酬委員會的主要職責如下：

- 就在正規而具透明度的程序下制定的公司全體董事及高級管理人員的薪酬政策及架構，向董事會提出建議；
- 如董事會轉授以下職責，即釐定全體董事及高級管理人員的特定薪酬待遇，包括非金錢利益、退休金福利及賠償金額（包括喪失或終止職務或委任的賠償）；
- 就非執行董事的薪酬向董事會提出建議；
- 透過參照董事會不時通過的公司目標，檢討及批准按表現而釐定的薪酬；
- 檢討及批准向執行董事及高級管理人員支付那些與喪失或終止職務或委任有關的賠償，以確保該等賠償按有關合約條款釐定；
- 若未能按有關合約條款釐定執行董事及高級管理人員喪失或終止職務或委任有關的賠償，亦須按公平合理，不會對公司造成過重負擔之原則來釐定該賠償金額；

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- to review and approve compensation for termination/dismissal of appointment of Directors due to misconduct and to ensure that such arrangement is in compliance with the relevant terms of service;
- to set compensation for termination/dismissal of appointment of Directors due to misconduct under reasonable and appropriate basis if such compensation cannot be determined in accordance with the relevant terms of service; and
- to ensure remuneration of any Director or any associated person cannot be set by themselves.

Factors to be considered by the Remuneration Committee for formulation of remuneration package including the remuneration paid by other similar companies, time devoted by a director, director's responsibilities, employment terms of other positions in the Group, director's performance, etc.

Terms of reference of the Remuneration Committee is available on the Company's website.

The Remuneration Committee met once in 2008 to review and approve the Directors' and senior management's remuneration for 2008. At that meeting, the Committee approved individual Directors' and senior management's remuneration packages to be paid for 2008.

- 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排按有關合約條款釐定；
- 若未能按有關合約條款釐定因董事行為失當而解僱或罷免有關董事所涉及的賠償，亦須按合理適當的原則來釐定該賠償金額；及
- 確保任何董事或其任何聯繫人不得自行釐定薪酬。

薪酬委員會應考慮包括同類公司支付的薪酬、董事須付出的時間及董事職責、集團內其他職位的僱傭條件及表現等因素以釐定董事薪酬。

薪酬委員會的職權範圍載於本公司網址。

薪酬委員會在二零零八年舉行一次會議，檢討並批准董事及高級管理層之二零零八年年度酬金，在該次會議內，委員會已批准各董事及高級管理層於二零零八年年度的酬金。

Remuneration Policy for Directors

Remuneration of Directors is subject to annual assessment and recommendation by the Remuneration Committee to the Board for further review and approval, which subsequently require approval by the shareholders at annual general meeting. The primary goal of the remuneration policy on executive remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a Director is not allowed to approve his own remuneration.

The elements of the Company's executive remuneration package include basic compensation (comprising of director fee) and discretionary bonus without capping. In determining guidelines for each compensating element, the Company refers to remuneration surveys conducted by independent external consultants on companies operating in similar businesses.

Basic Compensation

The Remuneration Committee annually reviews and approves the basic compensation of each Director in accordance with the Company's remuneration policy. In accordance with the service contracts entered into by the Company and each of the Directors, all Directors have the right to receive fixed basic compensation.

Discretionary Bonus

Under the service contracts between the Company and each of the Directors, Directors are entitled to a discretionary bonus based on the Company's results and the degree of responsibilities of each of the Directors. During the year ended 31 December 2008, the Directors did not receive any discretionary bonus.

The amounts paid to each Director of the Company for 2007 and 2008 are disclosed in note 12 to the Financial Statements.

董事之酬金政策

董事之酬金須由薪酬委員會進行年度評估並將其建議於董事會，董事會審議並通過之後再提交股東周年大會經股東批准後始可作實。董事的酬金組合政策，主旨是使本公司董事之酬金及其表現與公司目標掛鉤，有助激勵董事的工作表現及留任。根據該政策，董事不可批准其自身酬金。

本公司董事酬金之主要組成包括基本薪酬(包括袍金)及無上限之酌情花紅。於釐定各酬金項目指引時，本公司會參考由獨立外聘顧問對本公司相類似業務之公司所作之酬金調查。

基本薪酬

薪酬委員會每年均會根據本公司之酬金政策檢討及批准各董事之基本薪酬。根據本公司與各董事之間所訂立之服務合約，各董事有權獲取固定基本薪酬。

酌情花紅

根據本公司與各董事之間訂立之服務合約，公司董事會可視公司業績及董事盡職情況決定對董事分紅。截至二零零八年十二月三十一日止年度，董事並沒有收取任何酌情花紅。

於二零零七年及二零零八年支付予各董事之酬金詳情請見財務報表附註12。

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NOMINATION COMMITTEE

The Nomination Committee is chaired by Mr. Wang An, an executive Director, and comprises Mr. Wu Jian Hui and Ms. Qu Wen as members. The role of the Committee is to make recommendations to the Board on the appointment of Directors, evaluation of Board composition and the management of Board succession with reference to certain guidelines as endorsed by the Nomination Committee. These guidelines include appropriate professional knowledge and industry experience, personal ethnics, integrity and personal skills, and time commitments of members. The Nomination Committee carries out the process of selecting and recommending candidates for directorship including the consideration of referrals and engagement of external recruitment professional when necessary. The Nomination Committee met once in 2008 to discuss the Board composition and to evaluate the independence status of the independent non-executive Directors.

INVESTOR RELATIONS

The Company is committed to fair disclosure and comprehensive, transparent reporting. The chairman of the Company is ultimately responsible for ensuring that there is effective communication with investors and that the Board understands the views of the major shareholders. The chairman therefore makes himself available to meet with the shareholders for this purpose. On a day-to-day basis, the Board's primary contact with the major shareholders is through the chief executive officer and financial controller of the Company.

提名委員會

提名委員會由執行董事王安先生出任主席，委員包括鄔建輝先生和曲雯女士。委員會的角色是，根據委員會認可的若干標準，向董事會就委任董事、評估董事會的組合及董事會成員替換作出建議。有關標準包括董事之適當專業知識及行業經驗、個人操守、誠信及技能，以及付出足夠時間之承諾。提名委員會負責挑選及推薦董事人選，包括考慮經他人推薦的人選及有需要時使用招聘公司的服務。提名委員會在二零零八年舉行一次會議，討論了董事會的架構、人數及組成，並就獨立非執行董事的獨立性進行了評核。

與投資者關係

本公司承諾作公正的披露及提供全面而透徹的報告。董事會主席的最終責任，是確保與投資者有有效的溝通，並確保董事會明白主要股東的意見。因此，主席須為此與股東會面。董事會與主要股東的日常接觸，主要是透過公司行政總裁及財務總監進行。

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To enhance the Company's system of information disclosure, and to ensure the accuracy, completeness and timeliness of the Company's public disclosures, an Information Disclosure Review Committee, led by the financial controller was established. The Information Disclosure Review Committee is responsible for the establishment of procedures to compile, verify and report the Company's financial and operational statistics and other information as well as to supervise the drafting and publication of periodic reports.

Printed copies of the quarterly, interim and annual reports are sent to all shareholders. The most recent annual general meeting was held on 19 May 2008 at 3rd Floor, No. 18 Andre Avenue, Muping Economic Development Zone, Yantai City, Shandong Province, the PRC. The meeting was open to all shareholders and members of the press and was attended by all substantial shareholders personally present or by proxy.

As part of a regular programme of investor relations, senior management holds briefings and attends conferences with institutional investors and financial analysts to engage in a two-way communication on the Company's performance and objectives. A wide range of information on the Group's business activities is made available to investors and the public through the corporate website and the website of the Stock Exchange. Webcasts of the meetings announcing the quarterly, interim and annual results are also available on the corporate website and the website of the Stock Exchange.

為了進一步完善本公司的信息披露制度，確保公司對外披露信息的準確性、完整性和及時性，本公司建立了由財務總監主持的信息披露檢查委員會。信息披露檢查委員會負責訂立本公司的財務運營數據及其它信息的匯總、核實、上報的程序及定期報告的編寫審閱的工作。

本公司亦就其季度、中期及年度業績報告發放予所有股東。最近期的股東周年大會於二零零八年五月十九日，在中國山東省烟台市牟平經濟開發區安德利大街十八號三樓舉行。該會議公開讓所有股東及傳媒參與，會上主要股東均親身或委任代表出席。

由高級行政人員出席與機構投資者及財務分析員的會議，是投資者關係常規項目的一部分，以便就本公司的業績表現及業務目標作雙向溝通。投資者及公眾可登入公司網址及聯交所網站，瞭解有關本公司各項業務的詳細資料。公布季度、中期及年度業績的公佈亦可在本公司網址及聯交所網站下載。

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In 2008, the Company held several meetings with analysts and investors in its Hong Kong office, organised 2 Company visits by analysts, 1 Company visit by press, conducted 2 press conferences, and were interviewed by press on 6 occasions. The Company also arranged 5 road shows for analysts and investors in Hong Kong, the PRC and overseas. These activities allowed them to have good opportunities to directly communicate with and understand the senior management, general staff and operating staff of the Company, as well as to visit different places of business of the Group.

According to the information publicly available to the Company and within the best knowledge of the Directors, at least 41.27% of the Company's total issued share capital is held by the public at all times. As at 24 March 2009, being the latest practicable date, there were over 700 holders of H shares on the Company's register of shareholders.

Enquiries may be put to the Board by contacting the company secretary through the shareholders' hotline or email, or directly by questions at an annual general meeting or special general meeting of the Company. Questions on the procedures for convening of or putting forward proposals at an annual general meeting or a special general meeting of the Company may also be put to the Company by the same means.

二零零八年年度，本公司香港辦公室接受了多次專訪，組織了二次投資分析員參觀公司和一次媒體參觀公司的活動，組織了二次媒體發布會和六次媒體專訪。本公司還在香港、海外及中國大陸為分析員和投資者安排了五次路演，使他們能與本公司高級管理層、運營管理層和基層員工有更直接的溝通和瞭解，並進行實地考察，參觀集團在不同地方公司的業務及營業地點。

據公司公開所得的資料及就公司董事所知，本公司至少41.27%已發行股本總額一直由公眾持有。於二零零九年三月二十四日，本公司股東名冊上共有超過七百名H股股東。

如欲向董事會作出任何查詢，股東可透過股東熱線電話或電郵聯絡公司秘書，或直接於本公司股東週年大會或特別股東大會上直接提問。關於股東召開本公司週年大會或特別大會及提呈決議案的程序，亦可透過上述途徑向公司查詢。

Report of Directors

董事會報告

The Directors have pleasure in submitting the annual report together with the audited financial statements for the year ended 31 December 2008.

Principal Activities

The principal activities of the Group are manufacturing and sale of apple juice concentrate, pear juice concentrate, apple essence, feedstuff and related products. The principal activities of the Company's subsidiaries are set out in note 19 to the Financial Statements.

Subsidiaries and Jointly Controlled Entities

Particulars of the subsidiaries of the Company and its interest in jointly controlled entities as at 31 December 2008 are set out in notes 19 and 21 to the Financial Statements respectively.

Results

The results and financial status of the Group for the year ended 31 December 2008 are set out in pages 78 to 175 of this annual report.

Five-Year Financial Highlights

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 6 to 7 of this annual report.

Major Customers and Suppliers

In the reporting period, the Group mainly exported products to the US market, Japanese market and European market, and was expanding its market to other countries. The sales attributable to the top five customers of the Group accounted for about 73.29% of the Group's total turnover and sales to the largest customer included therein amounted to about 48.52%.

董事會欣然提呈二零零八年年報及本集團截至二零零八年十二月三十一日止年度經審核財務報表。

主要業務

本集團主要從事生產及銷售濃縮蘋果汁、濃縮梨汁、蘋果香精、生物飼料等產品，本公司附屬公司之主要業務詳情載於財務報表附註19。

附屬公司及共同控制實體

於二零零八年十二月三十一日本公司之附屬公司及其於共同控制實體權益之詳情分別列載於財務報表附註19及21。

業績

本集團截至二零零八年十二月三十一日止年度的業績及財務狀況載於本年報第78頁至第175頁。

五年財務摘要

過去五個財政年度本集團業績及資產和負債摘要列載於本年報第6頁至第7頁。

主要客戶與供應商

於本報告期內，本集團的產品主要是銷往美國市場、日本市場和歐洲市場，但已逐步開拓了其他市場。本集團向五大客戶的銷售額佔本集團營業額約73.29%。本集團向最大客戶的銷售額佔本集團營業額約48.52%。

Purchases from the Group's top five largest suppliers accounted for about 5.51% of total purchases for the year. The largest supplier accounted for about 2.05% of the total purchases of the Group for the year.

None of the Directors, Supervisors, their respective associates or any shareholders which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital had any interest in the top five largest suppliers or customers of the Group.

Dividends

The Board has resolved to recommend a final dividend of approximately RMB29,859,000 (inclusive of tax), or RMB0.007 per share for 2008. The proposal to declare and pay this final dividend will be submitted to the shareholders of the Company at the forthcoming annual general meeting to be held on 22 June 2009. Final dividend for Domestic Shares will be distributed and paid in Renminbi whereas dividend for H Shares will be declared in Renminbi and paid in Hong Kong dollars. The register of holders of H Shares of the Company will be closed from 23 May 2009 (Saturday) to 22 June 2009 (Monday) (both days inclusive) during which no transfer of H Shares will be registered. In order to qualify for entitlement to the proposed final dividend and for attending and for voting in the forthcoming annual general meeting of the Company, all transfers of H Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's H Share Registrar, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 22 May 2009 (Friday). The final dividend will be distributed within one month from the conclusion of the forthcoming annual general meeting.

Share Capital

The change(s) in share capital of the Company is set out in note 35 to the Financial Statements.

本集團從五大供應商的採購約佔總採購量的5.51%。同期，本集團最大的供應商約佔總採購量的2.05%。

就董事所知概無擁有超過本公司已發行股本5%以上的董事、監事、他們各自的聯繫人士或任何股東，於本集團五大客戶或供應商中擁有權益。

股利

董事會提議案派付二零零八年年度末期股息約人民幣29,859,000元(含稅)或每股人民幣0.007元。宣告和支付末期股息的建議將於二零零九年六月二十二日召開的股東周年大會上提呈予本公司之股東。非流通股股東的末期股息將以人民幣宣告並支付，而H股股東的末期股息將以人民幣宣告並以港幣支付。本公司將於二零零九年五月二十三日(星期六)至二零零九年六月二十二日(星期一)止(首尾兩日包括在內)暫停辦理H股登記手續，期間將不會登記H股過戶。為符合收取末期股息以及可出席股東週年大會並於會上投票之資格，所有H股過戶文件連同有關股票及過戶表格，務必於二零零九年五月二十二日(星期五)下午四時半前送達本公司之H股股份過戶登記處卓佳登捷時有限公司作出登記，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。末期股息將於即將舉行之股東週年大會結束後之一個月內派付。

股本

本公司股本於本年內之變動詳情載於財務報表附註35。

Report of Directors

董事會報告

Reserves

The change(s) in reserves of the Company in the year is set out in the statements of changes in equity of the Group and the Company in the Financial Statements.

The distributable reserves of the Company as at 31 December 2008 amounted to approximately RMB280,440,000 (2007: RMB213,417,000).

Property, Plant and Equipment

During the year, the Group incurred approximately RMB167,362,000, mainly for the construction of new production line and acquiring plant and equipment.

The change(s) of property, plant and equipment of the Group is set out in note 17 to the Financial Statements.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association or the Company Law of the PRC which oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Purchase, Sale or Redemption of Shares

For the year ended 31 December 2008, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's shares.

Directors' and Supervisors' Rights to Acquire Shares or Debentures

None of the Directors or Supervisors of the Company or their respective associates was granted by the Company or its subsidiaries any right to acquire shares or debentures of the Company or any other body corporate, or had exercised any such right as at 31 December 2008.

儲備

本公司儲備於本年內之變動詳情載於本集團及本公司股東權益變動表。

於二零零八年十二月三十一日，本公司股東可分配利潤約為人民幣280,440,000元(二零零七年：約人民幣213,417,000元)。

物業、廠房及設備

本年度，本集團支出了大約人民幣167,362,000元用於擴建生產線及購買機器設備。

本集團物業、廠房及設備於本年內之變動詳情載於財務報表附註17。

優先認購權

本公司之公司組織章程或中國法例並無訂明本公司須按比例向現有股東發售新股的優先認購權條文。

購買、出售或購回股份

截至二零零八年十二月三十一日止年度，本公司或其任何附屬公司概無購入、出售或購回本公司任何股份。

董事及監事購入股份或債權證的權利

本公司或其附屬公司概無授出任何權利，以致本公司董事或監事或彼等各自的聯繫人可藉購入本公司或任何其他法人團體的股份或債權證而獲益，而彼等亦無於二零零八年十二月三十一日行使任何該等權利。

* For identification purpose only

* 僅供識別

Material Acquisitions and Disposals During the Year

The Company completed the following material acquisitions and disposal during the year ended 31 December 2008:

- (i) disposal of 50% equity interest in Yongji Andre to AGRANA pursuant to the share transfer agreement on 28 February 2008 for a consideration of EUR11,000,000 (such disposal was completed on 30 June 2008);
- (ii) acquisition of 49% equity interest in Binzhou Andre from Korea Jeong Soo Andre Co., Ltd. pursuant to the agreement on 17 March 2008 for a consideration of RMB96,000,000 (such acquisition was completed on 1 April 2008); and
- (iii) acquisition of 70% equity interest in Qingdao Nannan from Qingdao Nannan Co., Ltd.* (青島南南有限公司) and Korea Nam Yeung Industrial Co., Ltd. pursuant to the share acquisition agreement on 2 October 2007 for a consideration of US\$2,100,000 (such acquisition was completed on 31 March 2008).

Apart from the above transactions, no material acquisition or disposal of subsidiaries and associated companies had been made by the Company during the year ended 31 December 2008.

Significant Investment

No significant investment was held by the Group as at 31 December 2008.

* For identification purpose only

年內重大收購及出售

本公司於截至二零零八年十二月三十一日止年度完成以下重大收購及出售：

- (i) 根據二零零八年二月二十八日之轉股協議，以11,000,000歐元代價向阿格那公司出售永濟安德利之50%股權（該出售已於二零零八年六月三十日完成）；
- (ii) 根據二零零八年三月十七日之協議，以人民幣96,000,000元代價向韓國正樹安德利株式會社收購濱州安德利49%股權（該收購已於二零零八年四月一日完成）；及
- (iii) 根據二零零七年十月二日之購股協議，以2,100,000美元之代價向青島南南有限公司及韓國南榮產業株式會社收購青島南南之70%股權（該收購已於二零零八年三月三十一日完成）。

除上述交易外，截至二零零八年十二月三十一日止年度本公司概無對附屬公司或聯營公司進行重大收購或出售。

重大投資

於二零零八年十二月三十一日，本集團概無持有重大投資。

* 僅供識別

Report of Directors

董事會報告

Employment and Remuneration Policy

As at 31 December 2008, the Group had a total of 1,340 employees (2007: 1,399 employees). Staff costs including directors' remuneration for the years ended 31 December 2008 and 31 December 2007 were approximately RMB26,172,000 and approximately RMB19,946,000 respectively. Details of the emoluments of the Directors and Supervisors and the top five highest paid individuals of the Group are set out in notes 12 and 13 to the Financial Statements. The Group's employment and remuneration policies remained unchanged from those described in the prospectus of the Company dated 11 April 2003. The salaries and benefits of employees of the Group are kept at a competitive level and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system which is reviewed annually. A wide range of benefits, including statutory compulsory welfare plans, are also provided to the employees.

Retirement Fund Scheme

The retirement fund scheme is set out in note 7 to the Financial Statements.

Directors and Supervisors

During the year 2008 and up to the date of this report, the Directors and Supervisors of the Company were as follows:

Executive Directors:	Zheng Yue Wen, Wang An, Zhang Hui, Jiang Hong Qi, Li Ye Sheng (resigned on 3 September 2008) and Yu Hui Lin (formerly 于惠霖) (resigned on 19 May 2008)
Non-executive Director:	Lo Chih-Hsien
Independent non-executive Directors:	Wu Jian Hui, Yu Shou Neng and Qu Wen
Supervisors:	Mu Gui Sheng, Wang Chun Tang and Qu Wei Jia

僱員及薪酬政策

於二零零八年十二月三十一日，本集團僱用共1,340名員工(二零零七年：1,399名)。截至二零零八年及二零零七年十二月三十一日止年度之員工成本(包括董事酬金)分別約為人民幣26,172,000元及約人民幣19,946,000元。本公司之董事和監事及本集團之五名最高薪酬人士之薪酬詳情載於財務報表附註12及13。本集團僱用及薪酬政策保持與本集團於二零零三年四月十一日的售股章程所述者不變。本集團僱員之薪金及福利維持於具競爭力水準，而僱員之薪酬及福利根據本集團之薪金及花紅制度按僱員表現每年檢討釐定。本集團向僱員提供多種福利(包括法定強制性福利計劃)。

退休金計劃

本公司退休金計劃詳情載於財務報表附註7。

董事及監事

於二零零八年及截至本報告日期，本公司之董事及監事如下：

執行董事：	鄭躍文、王安、張輝、姜洪奇、李業勝(於二零零八年九月三日辭任)及于會林(曾用名于惠霖)(於二零零八年五月十九日辭任)
非執行董事：	羅智先
獨立非執行董事：	鄔建輝、俞守能、曲雯
監事：	慕桂盛、王春堂及曲維佳

Each of the Directors and Supervisors (including the independent non-executive Directors and Supervisors) has entered into a service contract with the Company for a term of three years. None of the Directors or Supervisors had entered into any service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

Length of Term of Non-executive Directors

The existing non-executive Director was appointed for a term of three years from 28 May 2007 to 27 May 2010. The term of the existing independent non-executive Directors is also from 28 May 2007 to 27 May 2010.

Independence of Independent non-executive Directors

The Company confirms that the Company has received written independence status confirmation from all independent non-executive Directors in accordance with Rule 5.09 of the GEM Listing Rules. All independent non-executive Directors are considered as independent.

各董事及監事(包括獨立非執行董事及監事)已分別與本公司訂立服務合約, 為期三年。概無董事或監事與本公司訂有任何不可以由本公司於一年內終止而毋須賠償(法定補償除外)之服務合約。

非執行董事之服務年期

本公司現任非執行董事之委任期由二零零七年五月二十八日至二零一零年五月二十七日, 為期三年。而現任獨立非執行董事之委任期亦是由二零零七年五月二十八日至二零一零年五月二十七日。

獨立非執行董事之獨立性

本公司確認已根據創業板上市規則第5.09條向本公司各獨立非執行董事收取獨立地位確認書, 而全體獨立非執行董事均被認為獨立。

Report of Directors

董事會報告

Change of Directors, Supervisors and Senior Management

Mr. Yu Hui Lin was appointed as an executive Director and compliance officer of the Company on 26 June 2001. Due to attaining the age of retirement, Mr. Yu resigned as an executive Director and compliance officer of the Company on 19 May 2008. With effect from 19 May 2008, Mr. Li Ye Sheng was appointed as an executive Director and compliance officer of the Company. Mr. Li subsequently resigned as an executive Director and compliance officer of the Company on 3 September 2008 due to internal job re-arrangement within the Group. Mr. Zhang Hui, an executive Director of the Company, was appointed as the compliance officer of the Company with effect from 3 September 2008. Save as disclosed herein, there was no material change to the directors, supervisors and senior management of the Company for the year ended 31 December 2008.

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the reporting period.

董事、監事及高級管理人員變動

于會林先生於二零零一年六月二十六日被委任為本公司執行董事及監察主任，由於達至退休年齡，于先生於二零零八年五月十九日辭任本公司執行董事及監察主任。於二零零八年五月十九日，李業勝先生被委任為本公司執行董事及監察主任，李先生期後於二零零八年九月三日因本集團內部工作調動辭任本公司執行董事及監察主任。張輝先生，本公司執行董事，於二零零八年九月三日被委任為本公司監察主任。除本文所述，截至二零零八年十二月三十一日止年度本公司董事、監事及高級管理人員並無重大變動。

管理合約

於本報告期內，概無有關管理及經營本公司全部或任何重大部份業務之合約簽訂或存在。

Connected Transaction

On 17 March 2008, the Company and Andre Juice Co., Ltd. ("Andre BVI") (as purchasers) entered into a share acquisition agreement with Korea Jeong Soo Andre Co., Ltd. (as vendor), whereby (1) the Company agreed to purchase from Korea Jeong Soo Andre Co., Ltd. 24% equity interest in Binzhou Andre at a cash consideration of RMB47,020,408.20 or US\$ equivalent (approximately HK\$52,192,653.10), and (2) Andre BVI, a wholly-owned subsidiary of the Company, agreed to purchase from Korea Jeong Soo Andre Co., Ltd. 25% equity interest in Binzhou Andre at a cash consideration of RMB48,979,591.80 or US\$ equivalent (approximately HK\$54,367,346.90). Under the GEM Listing Rules, Korea Jeong Soo Andre Co., Ltd. is a connected person of the Company by virtue of holding 49% equity interest in Binzhou Andre, a subsidiary of the Company. The acquisition therefore constituted a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. The total consideration for the acquisition was RMB96,000,000 or US\$ equivalent (approximately HK\$106,560,000), which represents 49% of the net asset value of Binzhou Andre as at 31 December 2007 of RMB70,793,730 plus a premium of approximately 26%. The consideration was determined after taken into account the prospects of the profitability of Binzhou Andre and after arm's length negotiations between the purchasers and the vendor. The Directors (including the independent non-executive Directors) considered that the terms of the share acquisition agreement, which had been concluded after arm's length negotiation between the parties, were fair and reasonable so far as the Company and its shareholders are concerned. The Board considered that the acquisition represents a good opportunity for the Company to increase its production capacity and to obtain better control and management of Binzhou Andre.

關連交易

於二零零八年三月十七日，本公司與Andre Juice Co., Ltd. (「安德利BVI」) (作為買方)與韓國正樹安德利株式會社(作為賣方)訂立購股協議，據此，(1)本公司同意向韓國正樹安德利株式會社收購其於濱州安德利的24%股本權益，代價為現金人民幣47,020,408.20元或等值美元(約52,192,653.10港元)，及(2)本公司的全資附屬公司安德利BVI同意向韓國正樹安德利株式會社收購於濱州安德利的25%股本權益，代價為現金人民幣48,979,591.80元或等值美元(約54,367,346.90港元)。根據創業板上市規則，韓國正樹安德利株式會社因持有本公司的附屬公司濱州安德利的49%股本權益，乃為本公司的關連人士。該收購事項因此購成創業板上市規則第20章定義之關連交易。收購事項的總代價為人民幣96,000,000元或等值美元(約106,560,000港元)，相當於濱州安德利於二零零七年十二月三十一日的資產淨值的49%，即人民幣70,793,730元，另加溢價約26%。代價乃經考慮濱州安德利的盈利前景，並由買方與賣方公平磋商後釐定。董事(包括獨立非執行董事)認為，經各訂約方公平磋商後達致的購股協議的條款對本公司及其股東而言屬公平及合理。董事會認為，收購事項是本公司提升其產能及更佳地控制及管理濱州安德利的良機。

Related Party Transactions

During the year ended 31 December 2008, the Group entered into transactions with related parties as set out in note 36 to the Financial Statements. These related party transactions do not constitute connected transactions or continuing connected transactions under Chapter 20 of the GEM Listing Rules.

Directors' Interest in Contracts

Save as disclosed in this report, none of the Directors had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company was a party in 2008.

Directors', Supervisors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2008, the interests and short positions of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); and (b) required to be recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the

關聯方交易

截至二零零八年十二月三十一日止年度，本集團與關聯方進行財務報表附註36中載列之交易。該等關聯方交易不構成創業板上市規則第20章中規定的關連交易或持續性關連交易。

董事於合約之權益

除本報告中披露外，於二零零八年內，概無董事於對本集團業務具重大影響之本公司所訂合約中直接或間接持有任何重大權益。

董事、監事及行政總裁於本公司股份、基本股份及債權證中的權益及淡倉

於二零零八年十二月三十一日，董事、監事及行政總裁於本公司及其相關法團（按《證券及期貨條例》第十五章的涵義）擁有(i)根據《證券及期貨條例》第十五章第7及8部份之規定須知會本公司及聯交所（包括根據《證券及期貨條例》之規定被當作或被視作擁有之權益及淡倉）；及(ii)根據《證券及期貨條例》第352條須予備存之登記冊所載或根據創業板上市規則第5.46條至第5.67條須知會

Report of Directors

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required standard of dealings by the directors of the Company as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

本公司及聯交所有關董事進行證券交易之股份、基本股份或債權證如下：

Long positions in the shares of the Company

公司長倉股份

Name of Directors 董事姓名	Class of Shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate percentage of Domestic Shares 約佔非流通股百分比	Approximate percentage of total share capital 約佔總股本百分比
Wang An (Note 1) 王安 (附註1)	Domestic Shares 非流通股	1,188,105,006 (L) (Note 2) 1,188,105,006(長) (附註2)	Interest of controlled corporations (Note 1) 受控制法團權益 (附註1)	Personal 個人	47.42% (L)(長)	27.85% (L)(長)

Notes:

附註：

- As at 31 December 2008, Mr. Wang An, a director of the Company, controlled (a) 90% interest in China Pingan Investment Holdings Limited, which held 441,519,606 Domestic Shares, representing 10.35% interest in the total issued share capital of the Company; and (b) 80% interest in Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司), which held 746,585,400 Domestic Shares, representing 17.50% interest in the total issued share capital of the Company.
- Mr. Wang An was deemed to be interested in these Domestic Shares through his interests in China Pingan Investment Holdings Limited and Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司).
- The letter "L" denotes a long position.

- 於二零零八年十二月三十一日，本公司的董事王安，控制了(a) China Pingan Investment Holdings Limited 90%的權益，即441,519,606股非流通股，佔本公司總股本約10.35%和(b)山東安德利集團有限公司80%的權益，即746,585,400股非流通股，佔本公司總股本約17.50%。
- 王安因透過其於China Pingan Investment Holdings Limited和山東安德利集團有限公司之權益而被視作擁有此非流通股權益。
- 「長」表示長倉。

* For identification purpose only

* 僅供識別

Report of Directors

董事會報告

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2008, so far as the Directors are aware, the following persons (other than the Directors, Supervisors and chief executive of the Company) had interests and short positions in the shares, underlying shares and debentures of the Company which were discloseable under Divisions 2 and 3 of Part XV of the SFO and recorded in the register kept by the Company pursuant to section 336 of the SFO:

Long positions and short positions in the shares of the Company

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate percentage of Domestic Shares/ 約佔非流通股/ H 股百分比	Approximate percentage of total share capital 約佔總股本 百分比
China Pingan Investment Holdings Limited	Domestic Shares 非流通股	441,519,606 (L) (Note 2) 441,519,606 (長) (附註2)	Beneficial owner 實益擁有人	Corporate 公司	17.62% (L)(長)	10.35% (L)(長)
Shandong Andre Group Co., Ltd.* 山東安德利集團有限公司	Domestic Shares 非流通股	746,585,400 (L) (Note 3) 746,585,400 (長) (附註3)	Beneficial owner 實益擁有人	Corporate 公司	29.80% (L)(長)	17.50% (L)(長)
HSBC International Trustee Limited	Domestic Shares 非流通股	657,794,593 (L) (Note 4) 657,794,593 (長) (附註4)	Trustee 信託人	Corporate 公司	26.26% (L)(長)	15.42% (L)(長)
		626,340,000 (S) 626,340,000 (淡)			25.00% (S)(淡)	14.68% (S)(淡)

* For identification purpose only

主要股東及其他人士於本公司股份、基本股份及債權證中的權益及淡倉

據董事所知，於二零零八年十二月三十一日，除本公司董事、監事或行政總裁外，在本公司之股份、基本股份及債權證中擁有須根據《證券及期貨條例》第十五章第2及3部份之規定而須披露，及已記入本公司根據《證券及期貨條例》第336條之規定存置之登記冊中之權益及淡倉之股東及其他人士如下：

公司長倉及淡倉股份

Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate percentage of Domestic Shares/ 約佔非流通股/ H 股百分比	Approximate percentage of total share capital 約佔總股本 百分比
China Pingan Investment Holdings Limited	Domestic Shares 非流通股	441,519,606 (L) (Note 2) 441,519,606 (長) (附註2)	Beneficial owner 實益擁有人	Corporate 公司	17.62% (L)(長)	10.35% (L)(長)
Shandong Andre Group Co., Ltd.* 山東安德利集團有限公司	Domestic Shares 非流通股	746,585,400 (L) (Note 3) 746,585,400 (長) (附註3)	Beneficial owner 實益擁有人	Corporate 公司	29.80% (L)(長)	17.50% (L)(長)
HSBC International Trustee Limited	Domestic Shares 非流通股	657,794,593 (L) (Note 4) 657,794,593 (長) (附註4)	Trustee 信託人	Corporate 公司	26.26% (L)(長)	15.42% (L)(長)
		626,340,000 (S) 626,340,000 (淡)			25.00% (S)(淡)	14.68% (S)(淡)

* 僅供識別

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Name of substantial shareholder 主要股東名稱	Class of shares 股份類別	Number of shares held 所持股份數目	Capacity 身份	Type of Interest 權益種類	Approximate percentage of Domestic Shares/ H Shares 約佔非流通股/ H股百分比	Approximate percentage of total share capital 約佔總股本 百分比
Uni-President Enterprises Corp. 統一企業股份有限公司	Domestic Shares 非流通股	637,460,401 (L) (Note 5) 637,460,401 (長) (附註5)	Interest of controlled corporations (Note 6) 受控制法團權益 (附註6)	Corporate 公司	25.44% (L)(長)	14.94% (L)(長)
Atlantis Investment Management Ltd.	H Shares H股	419,990,000 (L) 419,990,000 (長)	Investment manager 投資經理	Corporate 公司	23.86% (L)(長)	9.85% (L)(長)
Invesco Hong Kong Limited (previously known as Invesco Asia Limited)	H Shares H股	157,436,000 (L) 157,436,000 (長)	Investment manager 投資經理	Corporate 公司	8.94% (L)(長)	3.69% (L)(長)
Invesco Hong Kong Limited (曾稱為 Invesco Asia Limited)						
Mitsui & Co., Ltd. 三井物產株式會社	H Shares H股	97,000,000 (L) 97,000,000 (長)	Beneficial owner 實益擁有人	Corporate 公司	5.51% (L)(長)	2.27% (L)(長)
JP Morgan Chase & Co.	H Shares H股	129,420,820 (L) 129,420,820 (長) 129,420,820 (P) (Note 7) 129,420,820 (借) (附註7)	Custodian corporation/ approved lending agent 管理法團/ 核准借出代理人	Corporate 公司	7.35% (L)(長)	3.03% (L)(長)
HSBC Global Asset Management (Hong Kong) Limited (Formerly known as HSBC Investments (Hong Kong) Limited)	H Shares H股	106,688,000 (L) 106,688,000 (長)	Investment Manager 投資經理	Corporate 公司	6.06% (L)(長)	2.50% (L)(長)
HSBC Global Asset Management (Hong Kong) Limited (曾稱為 HSBC Investments (Hong Kong) Limited)						

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Notes:

- (1) The letter “L” denotes a long position. The letter “S” denotes a short position. The letter “P” denotes interests in a lending pool.
- (2) Mr. Wang An, a director of the Company, was deemed to be interested in these Domestic Shares through his 90% interest in China Pingan Investment Holdings Limited.
- (3) Mr. Wang An, a director of the Company, was deemed to be interested in these Domestic Shares through his 80% interest in Shandong Andre Group Co., Ltd.* (山東安德利集團有限公司).
- (4) The long position in 657,794,593 Domestic Shares were held by HSBC International Trustee Limited in the capacity of trustee, which Domestic Shares were held directly by Donghua Fruit Industry Co., Ltd.. Each of ACME Team International Limited and Prosper United Limited was deemed to be interested in these Domestic Shares through their direct and indirect control of Donghua Fruit Industry Co., Ltd..

The short position in 626,340,000 Domestic Shares were held by HSBC International Trustee Limited in the capacity of trustee.

* For identification purpose only

附註：

- (1) 「長」表示長倉；「淡」表示淡倉；「借」表示借出股份。
- (2) 本公司的董事王安，因透過其於China Pingan Investment Holdings Limited之90%權益而被視作擁有此非流通股權益。
- (3) 本公司的董事王安，因透過其於山東安德利集團有限公司之80%權益而被視作擁有此非流通股權益。
- (4) 657,794,593股非流通股長倉乃由HSBC International Trustee Limited以信託人身份持有，Donghua Fruit Industry Co., Ltd.直接持有該非流通股。ACME Team International Limited及Prosper United Limited皆透過彼等對Donghua Fruit Industry Co., Ltd.之直接及簡接控制而被視為擁有此非流通股權益。

626,340,000股非流通股淡倉由HSBC International Trustee Limited以信託人身份持有。

* 僅供識別

Report of Directors

董事會報告

- (5) By an agreement dated 12 December 2008, Uni-President China Holdings Ltd., a non wholly-owned subsidiary of Uni-President Enterprises Corp. (統一企業股份有限公司), agreed to acquire an aggregate of 451,130,807 Domestic Shares of the Company, representing approximately 10.58% of the total issued share capital of the Company, through its wholly-owned subsidiaries, namely, Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司) (in respect of 237,854,007 Domestic Shares, representing approximately 5.58% of the total issued share capital of the Company) and Guangzhou President Enterprises Co., Ltd. (廣州統一企業有限公司) (in respect of 213,276,800 Domestic Shares, representing approximately 5.00% of the total issued share capital of the Company) (the "Acquisition"). Prior to the Acquisition, Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司) held 186,329,594 Domestic Shares, representing approximately 4.37% of the total issued share capital of the Company. As at 31 December 2008, the Acquisition had not been completed. Upon completion of the Acquisition, Uni-President China Holdings Ltd. would have an aggregate interest of 637,460,401 Domestic Shares of the Company through Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司) and Guangzhou President Enterprises Co., Ltd. (廣州統一企業有限公司), representing approximately 14.94% of the total issued share capital of the Company.
- (6) Pursuant to Part XV of the SFO, Uni-President Enterprises Corp. (統一企業股份有限公司) was deemed to be interested in such 637,460,401 Domestic Shares. The 637,460,401 Domestic Shares would be held by a series of controlled corporations of Uni-President Enterprises Corp. (統一企業股份有限公司), of which 424,183,601 Domestic Shares, representing approximately 9.94% of the total issued share capital of the Company, would be held directly by Chengdu President Enterprises Food Co., Ltd. (成都統一企業食品有限公司) and 213,276,800 Domestic Shares, representing approximately 5.00% of the total issued share capital of the Company, would be held directly by Guangzhou President Enterprises Co., Ltd. (廣州統一企業有限公司) upon completion of the Acquisition.
- (7) These H Shares were held directly by JP Morgan Chase Bank N.A., a wholly-owned subsidiary of JP Morgan Chase & Co..
- (5) 根據一份日期為二零零八年十二月十二日之協議，統一企業股份有限公司之非全資附屬公司Uni-President China Holdings Ltd. 同意透過其全資附屬公司成都統一企業食品有限公司(有關237,854,007股非流通股，佔本公司總股本約5.58%)及廣州統一企業有限公司(有關213,276,800股非流通股，佔本公司總股本約5.00%)收購合共451,130,807股本公司非流通股，佔本公司總股本約10.58% (「該收購」)。於該收購前，成都統一企業食品有限公司持有186,329,594股非流通股，佔本公司總股本約4.37%。於二零零八年十二月三十一日，該收購仍未完成。待該收購完成後，Uni-President China Holdings Ltd. 將透過成都統一企業食品有限公司及廣州統一企業有限公司持有合共637,460,401股本公司非流通股，佔本公司總股本約14.94%。
- (6) 根據《證券及期貨條例》第十五章，統一企業股份有限公司被視作擁有637,460,401股非流通股權益。待該收購完成後，該637,460,401股非流通股由統一企業股份有限公司之受控制法團持有，其中424,183,601股非流通股，佔本公司總股本約9.94%，直接由成都統一企業食品有限公司持有，以及213,276,800股非流通股，佔本公司總股本約5.00%，直接由廣州統一企業有限公司持有。
- (7) 該H股由JP Morgan Chase & Co. 之一家全資附屬公司JP Morgan Chase Bank N.A. 直接持有。

Competing Interests

None of the Directors, the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) had any interest in a business which competes or may compete with the businesses of the Group or has or may have any other conflicts of the interest with the Group.

Sufficiency of Public Float

Based on the information publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the GEM Listing Rules throughout the year ended 31 December 2008.

Practices and Procedures of the Board of Directors

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard") as the Company's code of conduct regarding securities transactions by its Directors. A copy of the Required Standard was sent to each Director one month before the date of the Board meeting to approve the Company's 2008 annual results, with a reminder that the Directors cannot deal in the securities and derivatives of the Company until after such results have been published.

Under the Required Standard, the Directors are required to notify the chairman of the Company and receive a dated acknowledgement in writing before dealing in the securities and derivatives of the Company and, in the case of the chairman of the Company himself, he must notify the chairman of the Audit Committee and receive a dated acknowledgement in writing before any dealing.

All Directors, upon specific enquiries, have confirmed that they had complied with the Required Standard during the reporting period.

競爭權益

本公司董事或管理層股東或彼等各自之聯繫人(定義見創業板上市規則)概無於任何構成或可能構成與本集團業務出現競爭業務中擁有任何權益，亦無本集團產生或可能產生利益衝突。

足夠的公眾持股量

於截至二零零八年十二月三十一日止年度內，根據本公司可得的公開資料及就本公司董事所知，本公司已一直根據創業板上市規則維持指明的公眾持股量。

董事會的常規及程式

本公司已採納創業板上市規則第5.48至5.67條所載之買賣準則作為本公司的董事證券交易守則(「該標準守則」)。公司各董事於通過公司二零零八年年度業績的董事會會議前一個月已獲發一份該標準守則以及一份提示，提醒董事不得在公布業績前買賣本公司的證券或衍生工具。

根據該標準守則的規定，董事須於通知主席並接獲註明日期的確認書後，方可買賣本公司的證券或衍生工具。而主席若擬買賣本公司證券或衍生工具，必須在交易前先通知審核委員會主席並獲取註明日期的確認書。

經特定查詢後，本公司所有董事確認於本報告期內已遵守該標準守則。

Specific employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with the Required Standard. No incident of non-compliance was noted by the Company for the year ended 31 December 2008.

Audit Committee

The Company has established an Audit Committee with written terms of reference based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control of the Group, ensuring compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Wu Jian Hui, who is the chairman of the Audit Committee, Qu Wen and Yu Shou Neng.

During the year, the Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters with the Directors, including a review of the annual results for the year ended 31 December 2008. The Audit Committee held 4 meetings during the year with all three members (namely, Wu Jian Hui, Qu Wen and Yu Shou Neng) present.

Auditor

KPMG shall retire and a resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting.

In the past 3 years, the Company's auditor remained unchanged.

By Order of the Board of Directors
Yantai North Andre Juice Co., Ltd.*
Zheng Yue Wen
Chairman

Hong Kong, 26 March 2009

* For identification purpose only

所有特定僱員若可能擁有關於本集團的未公開而又可能影響股價的敏感資料，亦須符合該標準守則。本公司於截至二零零八年十二月三十一日止年內並未發現任何違規事件。

審核委員會

本公司已設立審核委員會，其書面職權範圍乃參考香港會計師公會刊發之「審核委員會指引」而制訂。審核委員會之主要職責為審核及監管本集團之財務申報程式及內部控制，以符合創業板上市規則第5.28至5.33條。審核委員會由三名獨立非執行董事（即鄔建輝、曲雯和俞守能）組成。鄔建輝為審核委員會主席。

於報告期內，審核委員會已審核本集團所採用的會計原則及慣例，並與董事討論內部控制及財務申報事宜，包括審核本集團截至二零零八年十二月三十一日止之年度業績。本年度審核委員會已舉行四次會議，三名成員（即鄔建輝、曲雯和俞守能）全體出席。

核數師

在即將召開的股東周年大會中，將提請通過續聘畢馬威會計師事務所為本公司核數師的議案。

本公司於過去三年並無更改核數師。

承董事會命
烟台北方安德利果汁股份有限公司
鄭躍文
主席

香港，二零零九年三月二十六日

* 僅供識別

Report of Supervisory Committee

監事會報告

To the Shareholders:

The Supervisory Committee (the “Supervisory Committee”) of Yantai North Andre Juice Co., Ltd.*, in compliance with the relevant laws and regulations and the Articles of Association of the Company, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its shareholders.

During the year, the Supervisory Committee had reviewed cautiously the development plans of the Company and provided reasonable suggestions and opinions to the Board. It also strictly and effectively monitored and supervised the Company’s management in making significant policies and decisions to ensure that they are in compliance with the laws and regulations of the PRC and the Articles of Association of the Company, and in the interests of its shareholders.

We have reviewed and agreed to the report of the Directors, audited financial statements and the dividend to be proposed by the Board for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the chief executive officer and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association of the Company. The operation is becoming more regulated and the internal control is becoming more perfect. The transactions between the Company and connected parties are in the interests of the shareholders as a whole and under fair and reasonable price.

* For identification purpose only

各位股東：

烟台北方安德利果汁股份有限公司監事會（「本監事會」）遵照有關法律、法規及公司章程的規定，認真履行職權，維護股東權益及維護本公司利益，恪盡職守，合理謹慎、勤勉主動地開展工作。

在本年度內本監事會對本公司的經營及發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及具體決定是否符合國家法律法規以及本公司章程，是否維護股東利益等，進行了嚴格有效的監督。

本監事會認真審閱並同意董事會擬提呈予本次股東週年大會的董事會報告、經審核的財務報表以及股息派發方案，認為本公司董事會成員、行政總裁及其他高級管理人員，嚴格遵守誠信原則，工作克勤盡職，真誠地以公司最大利益為出發點行使職權，能夠按照公司章程開展各項工作，運作較為規範，內部控制制度日趨完善。本公司與關聯企業交易嚴格按符合本公司股東整體利益之條款及公平合理價格執行。

* 僅供識別

Report of Supervisory Committee

監事會報告

Up till now, none of the Directors, chief executive officer and senior management staff had been found to have abused their authority, damaged the interests of the Company or infringed upon the interests of its shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association of the Company.

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2008 and has great confidence in the future prospect of the Company.

By Order of the Supervisory Committee
Yantai North Andre Juice Co., Ltd.*
Mu Gui Sheng

26 March 2009

本監事會至今未發現董事、行政總裁及高級管理人員濫用職權，損害公司利益及侵犯本公司股東和本公司員工權益之行為，亦未發現上述人員有違反法律、法規或本公司公司章程的行為。

本監事會對本公司二零零八年年度各項工作和取得的經濟效益表示滿意，對公司未來的發展前景充滿信心。

承監事會命
烟台北方安德利果汁股份有限公司
慕桂盛

二零零九年三月二十六日

* For identification purpose only

* 僅供識別

Auditor's Report

核數師報告書

Independent auditor's report to the shareholders of
Yantai North Andre Juice Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of Yantai North Andre Juice Co., Ltd. (the "Company") set out on pages 78 to 175, which comprise the consolidated and company balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

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

Auditor's responsibility

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

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical

致**烟台北方安德利果汁股份有限公司**各股東
(於中華人民共和國成立的有限公司)

本核數師(以下簡稱「我們」)已審核刊載於第78頁至175頁烟台北方安德利果汁股份有限公司(以下簡稱「貴公司」)的財務報表，此財務報表包括於二零零八年十二月三十一日的合併資產負債表和資產負債表與截至該日止年度的合併利潤表、合併權益變動表和合併現金流量表，以及主要會計政策概要及其他財務報表附註。

董事對財務報告的責任

貴公司董事須負責根據由國際會計準則委員會頒佈的國際財務報告準則及香港公司條例的披露規定編製及公允地列報該等財務報表。這責任包括設計、實施及維護與編製及公允地列報財務報表相關的內部控制，以使財務報表不存在由於舞弊或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表發表意見，並僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

我們是按照香港會計師公會頒佈的香港核數準則進行審核工作。這些準則要求我們遵守相關道德規範，並

Auditor's Report

核數師報告書

requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

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

Opinion

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

KPMG

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

26 March 2009

規劃及執行審核，以合理確定該等財務報表是否不存有重大錯誤陳述。

審核涉及執程序以獲取有關財務報表所載金額及披露事項有關的審核證據。所選定的程序取決於核數師的判斷，包括評估由於舞弊或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，我們考慮與該公司編製及公允地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核證據是充足和適當的，已為我們的審核意見建立基礎。

意見

我們認為，該等財務報表已按照國際財務報告準則真實和公允地反映貴公司及貴集團於二零零八年十二月三十一日的財政狀況和貴集團截至該日止年度的利潤及現金流量，並已按照香港公司條例的披露規定適當編製。

畢馬威會計師事務所

執業會計師
香港中環遮打道10號
太子大廈8樓

二零零九年三月二十六日

Consolidated Income Statement

合併損益表

for the year ended 31 December 2008

(Expressed in Renminbi Yuan)

截至二零零八年十二月三十一日止年度

(以人民幣列示)

		Note 附註	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Turnover	收入	4	1,309,354	1,662,976
Cost of sales	銷售成本		(1,066,444)	(1,235,581)
Gross profit	毛利		242,910	427,395
Other income	其他收入	5	23,170	15,478
Distribution costs	銷售費用		(67,281)	(106,834)
Administrative expenses	管理費用		(46,023)	(38,860)
Other operating expenses	其他經營費用	6	(8,813)	(4,614)
Profit from operations	經營溢利		143,963	292,565
Net finance costs	財務成本淨額	8	(43,257)	(26,462)
Investment income	投資收入	9	77,151	–
Share of profit from an associate	應佔聯營公司溢利		4,036	501
Profit before taxation	除稅前溢利	10	181,893	266,604
Income tax	所得稅	11	(25,448)	(31,451)
Profit for the year	本年度溢利		156,445	235,153
Attributable to:	歸屬於：			
Equity shareholders of the Company	本公司股東		156,107	213,874
Minority interests	少數股東		338	21,279
Profit for the year	本年度溢利		156,445	235,153
Dividends payable to equity shareholders of the Company attributable to the year:	本年度應付本公司股東股息			
Final dividend proposed after the balance sheet date	結算日後建議分派末期股息	15	29,859	29,859
Basic and diluted earnings per share	基本及攤薄後每股盈利	16	RMB人民幣0.037	RMB人民幣0.052

The notes on pages 86 to 175 form part of these financial statements.

第86頁至第175頁的附註屬本財務報表的一部份。

Consolidated Balance Sheet

合併資產負債表

at 31 December 2008
(Expressed in Renminbi Yuan)
於二零零八年十二月三十一日
(以人民幣列示)

		Note	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17(a)	830,801	774,104
Lease prepayments	預付土地租賃費	18	101,028	68,741
Interest in an associate	於聯營公司的投資	22	67,232	63,196
Goodwill	商譽	23	1,452	1,452
Deferred tax assets	遞延稅資產	24	26,903	–
Total non-current assets	非流動資產合計		1,027,416	907,493
Current assets	流動資產			
Inventories	存貨	25	901,740	1,317,130
Trade receivables	應收賬款	26	84,589	329,626
Other receivables and prepayments	其他應收款 及預付賬款	27	86,858	193,208
Restricted deposits	有限制存款	30	17,697	8,237
Cash and cash equivalents	現金及現金等價物	31	114,114	97,597
Total current assets	流動資產合計		1,204,998	1,945,798
Total assets	資產合計		2,232,414	2,853,291
EQUITY AND LIABILITIES	股東權益及負債			
Current liabilities	流動負債			
Bank loans	銀行貸款	32	856,775	1,061,064
Trade payables	應付賬款	33	95,620	215,714
Other payables and accrued expenses	其他應付款 及預提費用	34	109,646	127,405
Current tax liabilities	流動稅項負債	24	29,465	26,713
Total current liabilities	流動負債合計		1,091,506	1,430,896
Net current assets	淨流動資產		113,492	514,902
Total assets less current liabilities	資產合計扣除流動負債		1,140,908	1,422,395

Consolidated Balance Sheet

合併資產負債表

at 31 December 2008

(Expressed in Renminbi Yuan)

於二零零八年十二月三十一日

(以人民幣列示)

		Note	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	32	–	328,707
Deferred tax liabilities	遞延稅負債	24	7,785	–
Other long-term liabilities	其他長期負債		249	249
			<hr/>	<hr/>
Total non-current liabilities	非流動負債合計		8,034	328,956
			<hr/>	<hr/>
Total liabilities	負債合計		1,099,540	1,759,852
			<hr/>	<hr/>
Capital and reserves	股本及儲備			
Share capital	股本	35(b)	426,554	426,554
Reserves	儲備		698,770	595,748
			<hr/>	<hr/>
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益		1,125,324	1,022,302
Minority interests	少數股東權益		7,550	71,137
			<hr/>	<hr/>
Total equity	股東權益合計		1,132,874	1,093,439
			<hr/>	<hr/>
Total equity and liabilities	股東權益及負債合計		2,232,414	2,853,291
			<hr/>	<hr/>

Approved and authorised for issue by the board of directors on 26 March 2009.

董事會於二零零九年三月二十六日核准並授權發出。

Zheng Yue Wen)	
鄭躍文)	Directors
)	董事
Wang An)	
王安)	

The notes on pages 86 to 175 form part of these financial statements.

第86頁至第175頁的附註屬本財務報表的一部份。

Balance Sheet

資產負債表

at 31 December 2008
(Expressed in Renminbi Yuan)
於二零零八年十二月三十一日
(以人民幣列示)

		Note	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17(b)	151,800	130,334
Lease prepayments	預付土地租賃費	18	15,352	10,630
Investments in subsidiaries	於附屬公司的投資	19	459,790	426,905
Interest in jointly controlled entities	於共同控制實體的投資	21	104,102	54,760
Deferred tax assets	遞延稅資產	24	5,130	—
Total non-current assets	非流動資產合計		736,174	622,629
Current assets	流動資產			
Inventories	存貨	25	372,678	584,361
Trade receivables	應收賬款	26	59,805	202,473
Other receivables and prepayments	其他應收款及預付賬款	27	53,184	110,247
Dividends receivable	應收股息	28	203,847	171,355
Amounts due from subsidiaries	應收附屬公司款項	29	321,111	661,479
Amounts due from jointly controlled entities	應收共同控制實體款項	29	11,426	3,775
Restricted deposits	有限制存款	30	17,697	8,237
Cash and cash equivalents	現金及現金等價物	31	101,641	64,271
Total current assets	流動資產合計		1,141,389	1,806,198
Total assets	資產合計		1,877,563	2,428,827
EQUITY AND LIABILITIES	股東權益及負債			
Current liabilities	流動負債			
Bank loans	銀行貸款	32	671,775	816,064
Trade payables	應付賬款	33	18,273	28,535
Other payables and accrued expenses	其他應付款及預提費用	34	27,351	45,949
Amounts due to subsidiaries	應付附屬公司款項	29	172,683	214,600
Amounts due to jointly controlled entities	應付共同控制實體款項	29	14,013	104,222
Current tax liabilities	流動稅項負債	24	15,382	10,192
Total current liabilities	流動負債合計		919,477	1,219,562
Net current assets	淨流動資產		221,912	586,636
Total assets less current liabilities	資產合計扣除流動負債		958,086	1,209,265

Balance Sheet

資產負債表

at 31 December 2008
(Expressed in Renminbi Yuan)
於二零零八年十二月三十一日
(以人民幣列示)

		Note	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		附註		
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	32	—	328,707
Total non-current liabilities	非流動負債合計		—	328,707
Total liabilities	負債合計		919,477	1,548,269
Capital and reserves	股本及儲備	35		
Share capital	股本		426,554	426,554
Reserves	儲備		531,532	454,004
Total equity	股東權益合計		958,086	880,558
Total equity and liabilities	股東權益及負債合計		1,877,563	2,428,827

Approved and authorised for issue by the board of directors on 26 March 2009.
董事會於二零零九年三月二十六日核准並授權發出。

Zheng Yue Wen)	
鄭躍文)	Directors
)	董事
Wang An)	
王安)	

The notes on pages 86 to 175 form part of these financial statements.
第86頁至第175頁的附註屬本財務報表的一部份。

Consolidated Cash Flow Statement

合併現金流量表

for the year ended 31 December 2008
(Expressed in Renminbi Yuan)
截至二零零八年十二月三十一日止年度
(以人民幣列示)

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
	Note 附註		
Cash flows from operating activities	經營活動產生的現金流量		
Profit before taxation	除稅前溢利	181,893	266,604
Adjustments for:	調整：		
Depreciation	折舊	78,075	68,777
Amortisation of lease prepayments	預付土地租賃費攤銷	2,194	1,282
Interest expenses	利息費用	55,101	66,269
Interest income	利息收入	(2,026)	(2,238)
Other income – recognition of negative goodwill arising on business combination	其他收入－確認業務合併引起之負商譽	5 (5,907)	–
Investment income	投資收入	9 (77,151)	–
Share of profit from an associate	應佔聯營公司溢利	(4,036)	(501)
Operating profit before changes in working capital	流動資金變動前之經營溢利	228,143	400,193
Decrease/(increase) in inventories	存貨減少／(增加)	429,655	(614,982)
Decrease/(increase) in trade receivables	應收賬款減少／(增加)	251,161	(156,056)
Decrease in other receivables and prepayments	其他應收款及預付賬款減少	79,093	1,879
Increase in restricted deposits	受限制存款增加	(9,460)	(5,701)
(Decrease)/increase in trade payables	應付賬款(減少)／增加	(120,009)	120,446
Increase/(decrease) in other payables and accrued expenses	其他應付款及預提費用增加／(減少)	8,282	(25,317)
Cash generated from/(used in) operations	經營產生／(所用)之現金	866,865	(279,538)
Income tax paid	支付的所得稅	(41,814)	(10,610)
Interest paid	支付的利息	(55,101)	(66,269)
Interest received	收到的利息	2,026	2,238
Net cash generated from/(used in) operating activities	經營活動之現金產生／(流出)淨額	771,976	(354,179)

Consolidated Cash Flow Statement

合併現金流量表

for the year ended 31 December 2008

(Expressed in Renminbi Yuan)

截至二零零八年十二月三十一日止年度

(以人民幣列示)

			2008	2007
			二零零八年	二零零七年
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Cash flow from investing activities	投資活動產生的現金流量			
Payments for the purchase of property, plant and equipment	購買物業、廠房及設備		(145,758)	(177,680)
Payments for of lease prepayments	預付土地租賃費		(28,139)	(6,568)
Acquisition of a subsidiary, net of cash acquired	收購附屬公司 (已扣除收購之現金)	20(a)	(12,078)	(45,875)
Acquisition of minority interests of subsidiaries	收購附屬公司之 少數股東	20(b)	(109,514)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及 設備所得款項		1,355	897
Proceeds from disposal of equity interests of a subsidiary, net of cash disposed of	出售附屬公司權益 所得款項(已扣除 出售之現金)	9	119,016	-
Repayments of advances to a jointly controlled entity	共同控制實體 還款		-	61,476
Advances to third parties	借款予第三方		-	(6,375)
Repayments of advances to third parties	第三方還款		15,805	9,109
Net cash used in investing activities	投資活動之現金流出淨額		(159,313)	(165,016)
Cash flow from financing activities	籌資活動產生的現金流量			
Proceeds from new bank loans	新增銀行貸款		754,539	1,436,076
Repayments of bank loans	償還銀行貸款		(1,287,535)	(1,020,802)
Proceeds from the issue of share capital	發行股本的所得 款項		-	140,628
Dividends paid	已付股息		(33,866)	(23,126)
Advances from a shareholder	向股東借款		-	20,084
Repayments of advance from a shareholder	向股東借款還款		(23,784)	-
Advances from third parties	向第三方借款		-	5,500
Repayments of advances from third parties	向第三方借款還款		(5,500)	-
Net cash (used in)/generated from financing activities	籌資活動之現金(流出)/流入淨額		(596,146)	558,360
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		16,517	39,165
Cash and cash equivalents at beginning of year	年初之現金及現金等價物		97,597	58,432
Cash and cash equivalents at end of year	年末之現金及現金等價物		114,114	97,597

The notes on pages 86 to 175 form part of these financial statements.

第86頁至第175頁的附註屬本財務報表的一部份。

Consolidated Statement of Changes in Equity

合併股東權益變動表

for the year ended 31 December 2008

(Expressed in Renminbi Yuan)

截至二零零八年十二月三十一日止年度

(以人民幣列示)

		Share capital	Capital surplus	Share premium	Statutory reserves	Retained earnings	Total equity attributable to equity shareholders of the Company	Minority interests	Total equity
	Note	股本	資本公積	股本溢價	法定儲備	未分配利潤	本公司股東應佔權益合計	少數股東權益	股東權益合計
	附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2007	於二零零七年一月一日	180,888	10	274,816	83,594	158,642	697,950	9,587	707,537
Issuance of shares	發行股本	35(b) 13,000	-	135,445	-	-	148,445	-	148,445
Shares issuance expenses	發行股本之開支	-	-	(7,817)	-	-	(7,817)	-	(7,817)
Capitalisation issue	資本化發行	35(b) 232,666	-	(232,666)	-	-	-	-	-
Acquisition of a subsidiary	收購附屬公司	-	-	-	-	-	-	50,768	50,768
Acquisition of minority interests	收購少數股東權益	-	-	(3,017)	-	-	(3,017)	(10,497)	(13,514)
Profit for the year	本年度溢利	-	-	-	-	213,874	213,874	21,279	235,153
Appropriations	調撥	35(c) -	-	-	23,444	(23,444)	-	-	-
Dividends to equity shareholders of the Company	分派股息予本公司股東	15 -	-	-	-	(27,133)	(27,133)	-	(27,133)
At 31 December 2007	於二零零七年十二月三十一日	426,554	10	166,761	107,038	321,939	1,022,302	71,137	1,093,439
At 1 January 2008	於二零零八年一月一日	426,554	10	166,761	107,038	321,939	1,022,302	71,137	1,093,439
Acquisition of a subsidiary	收購附屬公司	20(a) -	-	-	-	-	-	8,849	8,849
Acquisition of minority interests	收購少數股東權益	20(b) -	-	(23,226)	-	-	(23,226)	(72,774)	(96,000)
Profit for the year	本年度溢利	-	-	-	-	156,107	156,107	338	156,445
Appropriations	調撥	35(c) -	-	-	15,747	(15,747)	-	-	-
Dividends to equity shareholders of the Company	分派股息予本公司股東	15 -	-	-	-	(29,859)	(29,859)	-	(29,859)
At 31 December 2008	於二零零八年十二月三十一日	426,554	10	143,535	122,785	432,440	1,125,324	7,550	1,132,874

The notes on pages 86 to 175 form part of these financial statements.

第 86 至第 175 頁的附註屬本財務報表的一部份。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

1 Organisation and principal activities

Yantai North Andre Juice Company Limited (the “Company”) was established in the form of a Sino-foreign equity joint venture in Yantai, Shandong province, the People’s Republic of China (the “PRC”) on 30 March 1996.

With the approval from the Ministry of Commerce (formerly the Ministry of Foreign Trade and Economic Cooperation) of the PRC, the legal form of the Company was changed from that of a Sino-foreign equity joint venture to a Sino-foreign joint stock limited company on 26 June 2001.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the production and sale of condensed juice.

2 Significant accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) promulgated by the International Accounting Standards Board (“IASB”). IFRSs include all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and related interpretations. These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 組織和主要活動

烟台北方安德利果汁股份有限公司(「本公司」)是於一九九六年三月三十日在中華人民共和國(「中國」)山東省烟台市註冊成立的中外合資經營企業。

二零零一年六月二十六日經中華人民共和國商務部(原對外貿易經濟合作部)批准，本公司由中外合資經營企業變更為中外合資股份有限公司。

本公司及其附屬公司(合稱「本集團」)主要從事生產和銷售濃縮果汁。

2 主要會計政策

此財務報表是按照由國際會計準則委員會頒佈的國際財務報告準則編製，包括所有適用個別由國際會計準則委員會所頒佈的國際財務準則、國際會計標準及相關解釋。此財務報表亦符合香港《公司條例》的披露規定以及香港聯合交易所有限公司創業板(「創業板」)的《創業板上市規則》中適用的披露條例。本集團所採用之主要會計政策於下列撮要。

國際會計準則委員會已公佈一系列新生效或容許提前於本集團及本公司本期會計期間採用的新及修訂之國際財務報告準則。由於初次採用這些新及修訂且適用之國際財務報告準則引致會計政策變更，對本集團本會計期間及以前會計期間財務報表的影響列於附註3。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(a) Basis of preparation of the financial statements

The consolidated financial statements as at and for the year ended 31 December 2008 comprise the Company, its subsidiaries and the Group's interests in jointly controlled entities and an associate.

The financial statements are prepared on the historical cost basis, except where stated otherwise in the accounting policies set out below.

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

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

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed in Note 40.

2 主要會計政策(續)

(a) 財務報告編製基準

截至二零零八年十二月三十一日止年度的合併財務報表包含本公司及其附屬公司以及本集團於共同控制實體和聯營公司之權益。

除於以下會計政策內列明，本財務報表是以歷史成本作為編製基準。

管理層在編製根據國際財務報告準則的財務報表時需要作出判斷、估計和假設，從而影響政策的採用和資產、負債、收入和支出的匯報數額。該等估計及相關假設是以本集團認為合理的過往經驗和其他不同因素作為基礎，而這些經驗和因素均可為對不能透過其他來源確定的資產和負債賬面值作出判斷提供相應的基準。實際結果可能有別於這些估計。

對這些估計和假設須不斷作出審閱。會計估計的變更在相應的期間內確認，即當變更僅影響作出該變更的當期時，於變更當期確認，但若變更對當期及以後期間均產生影響時，於變更當期及以後期間均確認。

於應用國際財務報告準則時管理層所作對本財務報告具有重大影響的判斷以及可能引致於下年度需作重大調整的估計在附註40中披露。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(b) Basis of consolidation

(i) Subsidiaries and minority interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

2 主要會計政策(續)

(b) 合併基準

(i) 附屬公司和少數股東權益

附屬公司是指被本集團控制的實體。控制是指本集團有能力直接或間接支配一家實體的財務和經營政策，並從其業務取得利益。自控制開始起，至其結束當日，附屬公司的財務報表包含於合併財務報表之中。

少數股東權益是指非本公司直接或透過附屬公司間接擁有的權益所佔附屬公司資產淨值的部分。另本集團沒有因與這些權益持有人協議任何額外條款而導致本集團整體需就這些權益承擔符合金融負債定義的合約義務。少數股東權益在合併資產負債表內的權益項目中，與本公司權益股東應佔的權益分開列示。少數股東所佔本集團業績的權益，會按照本年度損益總額在少數股東權益與本公司權益股東之間進行分配，並在合併損益表中列示。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(b) Basis of consolidation (cont'd)

(i) Subsidiaries and minority interests (cont'd)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

(ii) Associates

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

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the associate's net assets. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associate for the year, including any impairment loss on goodwill relating to the investment in associate recognised for the year (Note 2(j)).

2 主要會計政策(續)

(b) 合併基準(續)

(i) 附屬公司和少數股東權益(續)

如果歸屬少數股東的虧損超過其所佔附屬公司的權益，超額部分和任何歸屬少數股東的進一步損失應沖減本集團所佔權益；但如少數股東須履行具有約束力的義務，並且能夠作出額外投資以彌補該損失則除外。如果附屬公司其後錄得利潤，所有有關利潤應分配予本集團的權益，直至本集團以往所承擔少數股東應佔的損失全部彌補為止。

(ii) 聯營公司

聯營公司是指本集團或本公司對其有重大影響但不擁有對其管理(包括參與財務及經營決策)控制權或共同控制權的實體。

於聯營公司之投資是按權益法記入合併財務報表，並且先以成本入賬，其後就本集團應佔該聯營公司淨資產在收購後的變動作出調整。合併損益表包括本集團應佔該聯營公司於收購後的年度稅後業績，包括於年度確認有關投資於聯營公司帶來的商譽減值虧損(附註2(j))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(b) Basis of consolidation (cont'd)

(ii) Associates (cont'd)

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

(iii) Jointly controlled entities

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or the Company and other parties, where the contractual arrangement establishes that the Group or the Company and one or more of the other parties share joint control over the economic activity of the entity.

Investments in jointly controlled entities are accounted for in the consolidated financial statements on a proportionate consolidation basis. Under this method, the Group combines its proportionate share of the jointly controlled entities' turnover and expenses with each major turnover and expense caption of the Group's income statement and combines its proportionate share of the jointly controlled entities' assets and liabilities with each major asset and liability caption of the Group's balance sheet, from the date that joint control commences until the date that joint control ceases.

2 主要會計政策(續)

(b) 合併基準(續)

(ii) 聯營公司(續)

當本集團應佔聯營公司虧損超出本集團於該聯營公司的權益時，本集團之權益會減至零，並且不再確認進一步的損失，除非在本集團需承擔法律或推定責任或需代聯營公司支付款項的情況下，以相關金額為限。

(iii) 共同控制實體

共同控制實體是指本集團或本公司與其他投資者按合同協定經營的實體。合同協定建立了本集團或本公司及一位或多於一位其他投資者對經濟活動分享的控制權。

於共同控制實體之投資是按比例併法記入合併財務報告。根據此方法，自共同控制開始起至其結束當日，本集團將其於共同控制實體中按比例分配得之收入及費用分別併入本集團損益表內各主要收入及費用科目，亦將本集團於共同控制實體中按比例分配得之資產及負債分別併入本集團資產負債表內各主要資產及負債科目。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(b) Basis of consolidation (cont'd)

(iv) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entities. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

(c) Investments in subsidiaries and jointly controlled entities

Investments in subsidiaries and jointly controlled entities in the Company's balance sheet are stated at cost less impairment losses (Note 2 (j)).

Profits or losses on disposal of investments in subsidiaries and jointly controlled entities are determined as the difference between the net disposal proceeds and the carrying amount of the investments and are accounted for in profit or loss as they arise.

2 主要會計政策(續)

(b) 合併基準(續)

(iv) 編製合併財務報表中的抵銷交易事項

集團內部的交易及其產生的科目餘額，和任何由集團內部的交易所產生的未實現利潤，將在編製合併財務報表中全數抵銷。與聯營公司及共同控制實體進行交易產生的未實現利潤按本集團對其擁有的權益進行抵銷。集團內部的交易所產生的未實現虧損與未實現利潤之抵銷方法相同，但只限於沒有減值虧損證據的部份。

(c) 對附屬公司及共同控制實體投資

在本公司資產負債表中，對附屬公司及共同控制實體的投資以成本減減值虧損入賬(附註2(j))。

轉讓對附屬公司及共同控制實體的投資按實際取得的價款與賬面價值的差額計入當期損益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (Note 2(j)).

The cost of an asset comprises its purchase price and any direct attributable costs of bringing the asset to working condition and location for its intended use.

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

2 主要會計政策(續)

(d) 物業、廠房及設備

物業、廠房及設備是以成本減累計折舊及減值虧損(附註2(j))入賬。

資產的成本包括採購價及為使資產達到其可使用狀態及位置所發生的直接成本。

報廢或出售物業、廠房及設備所產生的損益以處理變賣所得淨額與資產的賬面數額之間的差額釐定，並於報廢或出售當日在損益表中列支。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(d) Property, plant and equipment (cont'd)

Depreciation is calculated to write off the cost, less their estimated residual values, if any, using the straight-line basis over their estimated useful lives.

The estimated useful lives of property, plant and equipment are as follows:

	Estimated useful life	Estimated rate of residual value
Buildings	8-20 years	10%
Machinery and equipment	10 years	10%
Motor vehicles	5 years	10%
Office equipment	5 years	10%

In respect of assets which are used for production of goods for only part of the year, due to seasonal factors, the full year's depreciation charge is allocated on a systematic basis to the periods during the year in which the assets are used for production.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

2 主要會計政策(續)

(d) 物業、廠房及設備(續)

折舊是按預計可使用年限，扣除預計殘值後，以直接基準計算：

物業、廠房及設備之預計可使用年限如下：

	預計可使用年限	預計殘值率
建築物	8-20年	10%
機器及設備	10年	10%
汽車	5年	10%
辦公室設備	5年	10%

與生產有關的機器設備，由於季節性原因，未在整個會計期間中使用，其年度折舊額是根據系統性的方法分配到該資產投入使用的期間。

當一項物業、廠房及設備的各部分有不同的可使用年限，該資產的成本或估值依照合理的基準分配於其各部分並單獨計提折舊。資產的可使用年限及其殘值(如有)每年作檢討。

替換物業、廠房及設備的一部份所發生之成本，在很有可能為本集團帶來未來經濟效益流入，並且該成本能夠可靠計量時，於該項目之賬面值中確認。替換部份之賬面值撤消承認。日常維修物業、廠房及設備之成本在發生時計入損益表。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(d) Property, plant and equipment (cont'd)

Construction in progress represents buildings and various plant and equipment under construction and pending installation, and is stated at cost less impairment losses (Note 2 (j)). Cost comprises direct costs of construction incurred during the periods of construction. Borrowing costs are not capitalised.

Construction in progress is transferred to buildings, and machinery and equipment when the asset is substantially ready for its intended use.

No depreciation is provided for construction in progress.

(e) Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (Note 2(j)).

2 主要會計政策(續)

(d) 物業、廠房及設備(續)

在建工程是指興建中和待安裝的建築物、廠房及設備，並按成本減去減值虧損(附註2(j))列示。成本包括建築期間發生的直接建築成本。借款利息未予資本化。

在建工程在資產實質上達到預定可使用狀態時轉入建築物、機器及設備。

在建工程不提任何折舊。

(e) 商譽

商譽指業務合併成本高於本集團所佔在被收購者的可辨認淨資產、負債和或然負債之公允價值權益。

商譽以成本減累積減值虧損列示。商譽會被分配至各現金產出單元，並每年進行減值測試(附註2(j))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(e) Goodwill (cont'd)

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination is recognised immediately in profit or loss.

On disposal of a cash-generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(f) Lease prepayments

Lease prepayments represent payments made to acquire land use rights. Land use rights are carried at cost less accumulated amortisation and impairment losses (Note 2(j)). Amortisation is charged to profit or loss on a straight-line basis over the respective periods of the land use rights.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted-average cost principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

2 主要會計政策(續)

(e) 商譽(續)

當企業合併或聯營公司或共同控制實體投資時收購成本高於本集團所佔在被收購者的可辨認淨資產、負債和或然負債之公允價值權益立即計入損益表。

於年內處置現金產出單元，聯營公司或共同控制實體時，任何收購商譽之有關金額包含在處置溢利或虧損計算中。

(f) 預付土地租賃費

預付土地租賃費是指取得土地使用權所支付的費用。土地使用權是以成本減累計攤銷及減值虧損(附註2(j))列示。攤銷是按照相關土地使用權期限，以直線法進行攤銷至損益表。

(g) 存貨

存貨是以成本及可變現淨值兩者中的較低數額入賬。發出存貨的成本以加權平均成本原則計算，其中包括採購存貨所產生的開支及將存貨變成現狀和運輸的成本。至於生產之存貨及在製品，成本包括按正常生產效能適度分配生產費用。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(g) Inventories (cont'd)

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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

(h) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts (Note 2(j)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

2 主要會計政策(續)

(g) 存貨(續)

可變現淨值是以正常業務過程中的估計售價減去完成生產及銷售所需的估計成本後所得之金額。

所出售存貨的賬面金額在相關收入獲確認的期間內列為支出。存貨金額撇減至可變現淨值及存貨的所有虧損，均在出現減值或虧損的期間內列為支出。因可變現淨值增加引致存貨的任何減值逆轉之數，均在出現逆轉的期間內確認並抵減上述確認的支出。

(h) 應收賬款及其他應收款

應收賬款及其他應收款先以公允價值入賬，其後以已攤銷成本減除呆壞賬減值虧損(附註2(j))列示。除非應收款是不含利息、無固定償還期限或折現時沒有重大影響的關聯方貸款，在該情況下，應收款以成本減除呆壞賬減值虧損列示。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(i) Cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(j) Impairment of assets

(i) *Impairment of trade and other receivables*

Trade and other receivables that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and

2 主要會計政策(續)

(i) 現金等價物

現金及現金等價物包括銀行內及手上之現金，銀行及其他金融機構活期存款，及短期、高流通性、可隨時轉成已知金額現金、不受價值變化影響及於購買時短於三個月到期的之投資。

(j) 資產減值

(i) *應收賬款及其他應收款之減值虧損*

於每個結算日評估按成本或經攤銷成本入賬的應收及其他應收款項，以決定是否有客觀的減值憑證。客觀的減值憑證包括顯著的數據引起本集團對以下一項或多項損失事件的關注：

- 債務人的重大財務困難；
- 違反合約，例如拖欠或懈怠利息或本金款；
- 有可能債務人將會破產或其他財務重整；及

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(i) Impairment of trade and other receivables (cont'd)

- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor;

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

For trade and other receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the financial assets' original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2 主要會計政策(續)

(j) 資產減值(續)

(i) 應收賬款及其他應收款之減值虧損(續)

- 科技、市場、經濟及法律環境的重大改變對債務人有負面的影響；

如果這些事實存在，減值損失將按以下情況確定：

對於經攤銷成本入賬的應收及其他應收款及其他金融資產，減值虧損按資產賬面值與估計未來現金流量現值的差額釐定，如貼現影響屬重大，則按金融資產原來實際利率(即初始確認該等資產時計算的實際利率)貼現。如按攤銷成本列賬的金融資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關的評估會同時進行。金融資產的未來現金流量會根據與該類資產具有類似信貸風險特徵資產的過往虧損情況以一同評估減值。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(i) Impairment of trade and other receivables (cont'd)

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

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

2 主要會計政策(續)

(j) 資產減值(續)

(i) 應收賬款及其他應收款之減值虧損(續)

倘若減值虧損的金額於隨後期間減少，而減幅可與確認減值虧損後發生的事件客觀聯繫，則減值虧損將通過損益予以撥回。撥回減值虧損不得導致資產的賬面值超出其在過往年度在沒有確認減值虧損情況下而釐定的數額。

減值虧損應從相應的資產中直接撤銷，但包含在貿易應收款和應收票據中、可收回性被視為可疑而並非微乎其微的應收貿易賬項的已確認減值虧損則例外，應以撥備賬記錄呆壞賬的減值虧損。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可數回金額會從應收貿易賬項中直接撤銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬款項在其後收回，則相關的撥備會被撥回。撥備賬的其他變動及之前直接撤銷而其後收回的款項，均在損益中確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- long-term prepayments;
- intangible assets other than goodwill;
- investment in subsidiaries;
- interest in jointly controlled entities;
- interest in associates; and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2 主要會計政策(續)

(j) 資產減值(續)

(ii) 其他資產減值

內部及外部資料已於各結賬日獲審閱以識別下列資產可能減值或(除商譽外)先前已確認的減值虧損不再存在或可能已經減少的跡象:

- 物業、廠房及設備;
- 長期預付款;
- 除商譽外的無形資產;
- 對子公司的投資;
- 對共同控制實體的投資;
- 對聯營公司的投資; 及
- 商譽。

本集團對存在減值跡象的資產進行減值測試, 估計資產的可收回金額。此外, 對於商譽和使用壽命不確定的無形資產, 無論是否存在減值跡象, 本集團至少每年對使用壽命不確定的無形資產估計其可收回金額及於每年年度終了對商譽估計其可收回金額。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(ii) Impairment of other assets (cont'd)

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2 主要會計政策(續)

(j) 資產減值(續)

(ii) 其他資產減值(續)

- 計算可收回金額

資產的可收回金額為其淨銷售價和使用價值兩者之間的較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險評估的稅前貼現率，將估計未來現金流量貼現至其現值。如果資產並無產生基本上獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產組別(即現金產生單位)來釐定可收回金額。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(ii) Impairment of other assets (cont'd)

- Recognition of impairment losses

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

2 主要會計政策(續)

(j) 資產減值(續)

(ii) 其他資產減值(續)

- 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額時，則於損益中確認減值虧損。就現金產生單位(或該單位組別)確認的減值虧損會先予以分配，以按比例減少該單位(或該單位組別)內資產的賬面值，惟某資產的賬面值不會減至低於其個別公平值減去出售成本或使用價值(如能釐定)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(ii) Impairment of other assets (cont'd)

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, Interim financial reporting. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (Notes 2(j)(i) and (ii)).

2 主要會計政策(續)

(j) 資產減值(續)

(ii) 其他資產減值(續)

- 資產減值的轉回

就商譽以外的資產而言，若出現確定可收回金額的估計之有利變動，減值虧損將會撥回。商譽的減值虧損不得予以轉回。

減值虧損的撥回限於過往年度並無確認任何減值虧損的情況下所確定的資產賬面值。減值虧損會於撥回確認的當期計為損益。

(iii) 中期財務報告及減值

根據《香港聯合交易所有限公司證券上市規則》，本集團編製財務年度內首個月之中期財務報告須遵守國際會計準則第34號「中期財務報告」的內容。於中期末，本集團採用與財務年度終的相同減值測試、確認及沖回標準(註釋2(j)(i)及(ii))。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(j) Impairment of assets (cont'd)

(iii) *Interim financial reporting and impairment (cont'd)*

Impairment losses recognised in an interim period in respect of goodwill, carried at cost are not reversed in a subsequent period. This is the case even if no loss, or smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(k) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(l) Trade payables and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2 主要會計政策(續)

(j) 資產減值(續)

(iii) 中期財務報告及減值(續)

就商譽、成本列賬的無公開報價股權投資在中期確認減值虧損，不可於以往期間沖回。即使在年末時評估是沒有或較少的減值虧損，該中期確認的減值虧損均不會被沖回。

(k) 計息借貸

計息借貸按公平值減所佔交易成本作首次確認，其後按攤銷成本入帳而首次確認的金額與確認的贖回價值之任何差額，連同任何利息及應付費用，均以實際利息法於借貸期內在損益表中確認。

(l) 應付賬款及其他應付款

應付賬款及其他應付款先以公允價值入賬，其後以已攤銷成本列示，如折現之影響不重大，則以成本入賬。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(m) Provisions and contingent liabilities

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

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

2 主要會計政策(續)

(m) 準備及或有負債

如果本集團或本公司須就已發生的事件承擔法定或推定義務，因而預期很可能會導致經濟利益流出，在有關金額能夠可靠地估計時，本集團或本公司便會對該時間或金額不確定的其他負債計提準備。如果貨幣時間價值重大，則按預計所需費用的現值計提準備。

如果經濟利益流出的可能性較低，或是無法對有關金額作出可靠的估計，便會將該義務披露為或有負債，但經濟利益流出的可能性極低則除外。如果本集團或本公司的義務須視乎某項或多項未來事件是否發生才能確定是否存在，亦會披露該義務為或有負債，但經濟利益流出的可能性極低則除外。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(n) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group, and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) *Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, or the possible return of goods.

(ii) *Interest income*

Interest income is recognised as it accrues using the effective interest method.

(iii) *Royalty income*

Royalty income is recognised in equal installment over the periods covered by the royalty agreement.

2 主要會計政策(續)

(n) 收入確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本(如適用)時，按下列方式在當期損益表內確認：

(i) *銷售收入*

銷售收入會在客戶接收與所有權相關的重大風險及回報時確認。假如在收回到期價款、相關成本或退貨的可能性方面存在重大的不明朗因素，則不會確認收入。

(ii) *利息收入*

利息收入是以實際利率法，根據權責發生制確認。

(iii) *特許費收入*

特許費收入按特許合約期間以等額分期確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(o) Expenses

(i) *Borrowing costs*

Borrowing costs are expensed in profit or loss in the period in which they are incurred.

(ii) *Operating lease payments*

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payment made.

(p) Employee benefits

(i) *Short-term benefits*

Salaries, wages, bonuses and other benefits and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group.

(ii) *Defined contribution retirement plans*

Obligations for contributions to defined contribution retirement plans are accrued in the year in which the associated services are rendered by employees of the Group. The contribution payables under the Group's retirement plans are recognised as expense in profit or loss as incurred.

2 主要會計政策(續)

(o) 支出

(i) *借款費用*

借款費用於實際發生時在當期損益表中列支。

(ii) *經營租賃付款*

經營租賃付款於相關租賃期內以直線法記入損益表。獲得的租賃激勵措施作為經營租賃淨付款額整體的一部份記入損益表。

(p) 員工福利

(i) *短期福利*

薪金、工資、獎金及其他福利以及對本集團非貨幣性福利之成本於本集團員工提供相關服務年度計提。

(ii) *定額供款退休計劃*

定額供款退休計劃之供款責任於本集團員工提供相關服務年度計提。本集團退休計劃之應付供款於發生時在損益表以費用入賬。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(q) Government grants

Unconditional government grants are recognised in profit or loss as revenue upon receipt. These grant amounts are determined and paid at the sole discretion of the local government of certain jurisdictions in the PRC.

Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for cost of an asset are recognised in profit or loss as revenue on a systematic basis over the useful life of the asset.

(r) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax.

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

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

2 主要會計政策(續)

(q) 政府補貼

無限制條件的政府補貼於實際收到時在當期損益表內確認。該等補貼金額的確定及支付全由中國當地政府酌情決定。

用於補償本集團之開支費用的補貼在相關費用發生的當期按系統性的方法配比計入當期損益表。用於補償本集團資產成本的補貼按系統性的方法在相關資產的預計使用年限間分期計入損益表。

(r) 所得稅

當期損益表內的所得稅包括本期間稅項及遞延稅項。

本期間稅項包括以結算日施行或實質上施行的稅率計算的本年度應評稅收入的預計應付稅金，以及對以往年度應付稅金作出的任何調整。

遞延稅項是就作財務匯報用的資產與負債的賬面金額與稅務金額之間的暫時差異，按負債法計提準備。不影響會計及應評稅收入的首次資產或負債確認會視為不予計提準備的暫時差額。遞延稅項準備的金額是以相關資產及負債的賬面金額預期實現或結清的方式為基準並按結算日施行或實質上施行的稅率計算。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(s) Foreign currency transactions

The Group's functional and presentation currency is Renminbi ("RMB"). Foreign currency transactions during the year are translated into RMB at the applicable rates of exchange quoted by the People's Bank of China ("PBOC") prevailing on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into RMB at the applicable PBOC rates ruling at the balance sheet date. Foreign exchange differences arising from translation are recognised as income or expense in profit or loss.

The overseas subsidiaries are considered to be an integral part of the Company's operations. Accordingly, the related foreign exchange differences arising on translation are also recognised in profit or loss.

(t) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;

2 主要會計政策(續)

(s) 外幣換算

本集團的功能性貨幣及列報貨幣是人民幣。本年度之外幣交易按交易日的中國人民銀行(「人民銀行」)頒佈的匯率換算為人民幣。以外幣計價的貨幣性資產及負債則按該結算日的人民銀行之匯率換算為人民幣。換算所發生的匯兌差額會在當期損益表中以收入或費用確認。

境外附屬公司被計為本公司運營的組成部分。因此，有關交易所產生的匯兌換算差額會在當期損益中確認。

(t) 關聯方

就本報告而言，下列人士被視為與本集團有關連：

- (i) 該方有能力直接或間接透過一家或多間中介公司，控制本集團或對本集團之財務及經營決策發揮重大的影響力，或擁有對本集團之共同控制權；
- (ii) 本集團與另一方均受制於共同的控制；

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

2 Significant accounting policies (cont'd)

(t) Related parties (cont'd)

- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is related party of the Group.

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

2 主要會計政策(續)

(t) 關聯方(續)

- (iii) 該方為本集團之聯營公司或本集團為其中一個投資方的共同控制實體；
- (iv) 該方為本集團或本集團母公司主要管理人員之一，或與他們關係密切的家庭成員，或受他們控制、共同控制或重大影響之實體；
- (v) 該方與以上(i)所指人士關係密切的家庭成員或受這些家庭成員控制、共同控制或重大影響之實體；或
- (vi) 該方為本集團或為本集團關聯方的任何實體的僱員福利而設的離職後福利計劃。

一方關係密切之家庭成員指該等可能影響該方或受該方影響其與該實體交易的家庭成員。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

3 Changes in accounting policies

The IASB has issued the following new Interpretations and an amendment to IFRSs that are first effective for the current accounting period of the Group:

- IFRIC 11, IFRS 2 – Group and treasury share transactions
- IFRIC 12 – Service Concession Arrangements
- IFRIC 14, IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction
- Amendment to IAS 39, Financial instruments: Recognition and measurement, and IFRS 7, Financial instruments: Disclosures – Reclassification of financial assets

These IFRS developments have had no material impact on the Group's financial statements for the year ended 31 December 2008 as they were not relevant to the Group's operations.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (Note 41).

3 會計政策的修訂

國際會計準則委員會頒佈了以下新訂和經修訂的《國際財務報告準則》和詮釋。這些準則和詮釋在本集團當前會計期間首次生效。

- 《國際財務報告準則解釋公告》第11號，《國際財務報告準則》第2號－集團及庫藏股交易
- 《國際財務報告準則解釋公告》第12號－特許服務安排
- 《國際財務報告準則解釋公告》第14號，《國際會計準則》第19號－對設定受益資產的限制、最低資金要求及其相互作用
- 對《國際會計準則》第39號的修訂，金融工具：承認及計量，及《國際財務報告準則》第7號，金融工具：披露－金融資產重新分類

由於該《國際財務報告準則》發展與本集團業務無關，因此對本集團截至二零零八年十二月三十一日止年度財務報告並無重大影響。

本集團並無採用任何在當前會計期間尚未生效的新準則或詮釋(附註41)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

4 Turnover and segment information

Turnover primarily represents income arising from the sale of condensed juice net of value added tax.

No segment information is presented during the year as the Group is principally engaged in one operating segment which is the manufacture and sale of condensed juice and related products. The Group operates in the PRC and its major assets are located in the PRC.

The following is an analysis of the Group's turnover by geographical market:

North America	北美
Europe	歐洲
Others	其他
Total	合計

4 收入及分部資料

收入主要指銷售濃縮果汁所產生之收入，當中已扣除增值稅。

由於本集團主要在單一業務分部內經營，即生產及銷售濃縮果汁及相關產品，故不予披露業務分部資料。本集團於中國境內經營且其主要資產均位於中國境內。

以下是按客戶地區分析之本集團銷售額：

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
	694,480	726,507
	236,773	593,170
	378,101	343,299
	<u>1,309,354</u>	<u>1,662,976</u>

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

5 Other income

			2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Sales of packaging materials	銷售包裝材料	(i)	8,912	6,218
Government grants	政府補貼	(ii)	4,081	6,557
Royalty income	特許費收入	(iii)	2,137	949
Recognition of negative goodwill arising on business combinations	業務合併產生之負商譽	(iv)	5,907	-
Others	其他		2,133	1,754
Total	合計		<u>23,170</u>	<u>15,478</u>

(i) Sales of packaging materials

This represents the sales of barrels, which are used for the storage of the Group's products, and unused steel materials which are the major raw materials to manufacture the barrels.

(ii) Government grants

During the year ended 31 December 2008, the Group received a total of RMB4,081,000 from various government authorities as rewards for its contribution to local environmental protection, local fruit industry and local technology development.

During the year ended 31 December 2007, the Group received a government grant of RMB6,557,000 from Dalian municipal government to reward the Group for its investment in Dalian.

5 其他收入

			2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
		(i)	8,912	6,218
		(ii)	4,081	6,557
		(iii)	2,137	949
		(iv)	5,907	-
			2,133	1,754
			<u>23,170</u>	<u>15,478</u>

(i) 銷售包裝材料

指本集團銷售用以儲存本集團產品之圓桶及未用的鋼材，這些鋼材是生產圓桶之主要原料。

(ii) 政府補貼

於截至二零零八年十二月三十一日止年度，本集團收到多個政府部門補貼共人民幣4,081,000元以獎勵其對當地環境保護之貢獻，對當地果業產業之貢獻及對當地技術發展之貢獻。

於截至二零零七年十二月三十一日止年度，本集團收到大連市人民政府人民幣6,557,000元補貼獎勵本集團在大連投資。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

5 Other income (cont'd)

(iii) Royalty income

This represents the royalty fee received from a third party distributor for the exclusive right to distribute products of the Group in the United States of America and Canada.

(iv) Recognition of negative goodwill arising on business combinations

This represents the recognition of negative goodwill arising from the Group's acquisition of the equity interests in Qingdao Nannan Beverage Co., Ltd. on 31 March 2008 (Note 20(a)).

6 Other operating expenses

5 其他收入(續)

(iii) 特許費收入

特許費收入指收取一家第三方分銷商因取得分銷本集團產品至美國及加拿大獨家權利的特許費收入。

(iv) 業務合併產生之負商譽

指於二零零八年三月三十一日本集團收購青島南南飲料有限公司權益產生之負商譽(附註20(a))。

6 其他經營費用

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Cost of packaging materials sold	包裝材料銷售成本	6,246	3,940
Others	其他	2,567	674
Total	合計	<u>8,813</u>	<u>4,614</u>

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

7 Personnel expenses

7 職工費用

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Salaries, wages and staff welfare	薪金、工資及員工福利	22,707	17,771
Contributions to retirement benefit schemes	退休福利計劃供款	3,465	2,175
Total	合計	26,172	19,946

As stipulated by the regulations of the PRC, the Group participates in various defined contribution retirement plans organised by municipal governments for its staff. The Group is required to make contributions to the retirement plans at 20% (2007: 20%) of the salaries, bonuses and certain allowances of its staff of last year. A member of the plan is entitled to a pension, to be paid by the municipal governments, equal to a fixed proportion of the salary prevailing at his retirement date. The Group has no other material obligation for the payment of pension benefits associated with these plans beyond the annual contributions described above.

根據中國有關條例，本集團為其職工參與由地方政府安排之僱員固定供款退休計劃。本集團須就退休計劃按職工上年之薪金、花紅及某些補貼之20%（二零零七年：20%）作出供款。參加計劃的職工有權取得由地方政府支付相等於退休時薪金固定比例之退休金。本集團除上述年度供款以外，毋須就這些計劃承擔其他任何有關支付退休金的重大責任。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

8 Net finance costs

Interest expenses on bank loans repayable wholly within five years	於五年內全數歸還之銀行貸款利息費用
Interest income	利息收入
Bank charges	銀行費用
Net exchange gain	匯兌淨收入
Total	合計

2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
55,101	66,269
(2,026)	(2,238)
646	1,747
(10,464)	(39,316)
43,257	26,462

8 財務成本淨額

9 Investment income

During the year ended 31 December 2008, the Group transferred 50% equity interest in Yongji Andre Juice Co., Ltd. ("Yongji Andre"), a wholly-owned subsidiary of the Company before the transfer, to AGRANA Juice GmbH, for a total consideration of EUR11,000,000 (equivalent to RMB119,132,000). The investment income recognised for the year ended 31 December 2008 represented the difference between the consideration received and the carrying amount of the equity interest disposed of. After the completion of this transfer, Yongji Andre has become a jointly controlled entity of the Group.

9 投資收入

於截至二零零八年十二月三十一日止年度，本集團轉讓一間（於轉讓前）全資附屬公司，永濟安德利果蔬汁有限公司（「永濟安德利」）50%權益予 AGRANA Juice GmbH，總代價為11,000,000歐元（相等於人民幣119,132,000元）。截至二零零八年十二月三十一日止年度投資收入代表收到之代價及出售權益之賬面值的差額。於該轉讓實施完畢後，永濟安德利成為本集團之一家共同控制實體。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

9 Investment income (cont'd)

The Group's effective interests of assets and liabilities disposed of are analysed as follows:

9 投資收入(續)

本集團出售之資產及負債之實際權益分析如下：

		Note	2008 二零零八年 RMB'000 人民幣千元
		附註	
Property, plant and equipment	物業、廠房及設備	17	45,605
Lease prepayments	預付土地租賃費	18	2,617
Inventories	存貨		6,915
Other receivables and prepayments	其他應收款及預付賬款		2,938
Cash and cash equivalents	現金及現金等價物		116
Trade payables	應付賬款		(5,115)
Other payables and accrued expenses	其他應付款及預提費用		(11,095)
Net assets	淨資產		41,981
Consideration received, satisfied in cash	收到之代價，以現金形式支付		119,132
Less: cash and cash equivalents disposed of	減：出售之現金及現金等價物		(116)
Net cash inflow	淨現金流入		119,016

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

10 Profit before taxation

Profit before taxation is arrived at after charging:

Depreciation of property, plant and equipment	物業、 廠房及設備折舊
Auditor's remuneration – audit services	核數師酬金 – 審核服務
Operating lease charge	經營租賃費用
– land use rights	– 土地使用權
– hire of plant	– 租賃廠房
Research and development expenditure	研究及開發 費用

10 除稅前溢利

除稅前溢利已扣除下列項目：

2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
78,075	68,777
2,150	1,990
2,194	1,282
8,168	8,294
1,596	178

11 Income tax in the consolidated income statement

(a) Taxation in the consolidated income statement represents provision for PRC income tax and deferred tax recognised from origination or reversal of temporary differences.

11 合併損益表中的所得稅

(a) 合併損益表中的稅項指中國企業所得稅撥備及遞延稅項於暫時差異引起或回撥時的確認。

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Current tax		
Provision for PRC income tax	44,566	31,451
Deferred tax		
Origination of temporary differences	(19,118)	–
	25,448	31,451

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

11 Income tax in the consolidated income statement (cont'd)

(a) (cont'd)

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("new tax law") which took effect on 1 January 2008. As a result of the new tax law, the applicable tax rate of the Company and all of the subsidiaries other than Baishui Andre Juice Co., Ltd. has been changed to 25% from 1 January 2008. Baishui Andre Juice Co., Ltd. can continue to enjoy a preferential tax rate of 15% till the end of 2010. In accordance with the relevant PRC tax rules and regulations, certain of the Company's subsidiaries are exempt from PRC income tax for two consecutive years starting from their first profit making year, and are entitled to a 50% relief on PRC income tax for the following three years ("Tax Holidays"). Pursuant to the transitional arrangement under the new tax law, certain subsidiaries will continue to enjoy the tax-exemption or 50% relief on the applicable income tax rate under the new tax law until the expiry of the Tax Holidays previously granted, and thereafter they are subject to the unified rate of 25%. For those enterprises whose preferential tax treatment had not commenced due to lack of taxable profit, such preferential tax treatment would commence from 1 January 2008.

The subsidiary operating in the United States of America is subject to income tax at the appropriate current rates of taxation ruling in the United States of America.

11 合併損益表中的所得稅(續)

(a) (續)

《中華人民共和國企業所得稅法》(以下簡稱「新稅法」)已由中華人民共和國第十屆全國人民代表大會第五次會議於二零零七年三月十六日通過，自二零零八年一月一日起施行。根據新稅法規定，本公司及除白水安德利果蔬汁有限公司以外的所有附屬公司適用的所得稅率自二零零八年一月一日起已變更為25%。白水安德利果蔬汁有限公司直至二零一零年年底仍可繼續享有15%優惠稅率。根據中國有關稅務規則及規例，若干附屬公司從開始獲利的年度起，第一年和第二年免證企業所得稅，第三年至第五年減半徵收企業所得稅(稅務優惠期)。根據新稅法之過渡優惠之相關規定，若干附屬公司仍可繼續享有之前賦於之免徵和減半徵收企業所得稅的稅務優惠直至其稅務優惠期結束止，稅務優惠期之後將統一適用25%的企業所得稅稅率。至於那些因缺少稅務利潤而未開始享有稅務優惠待遇之企業，該稅務優惠待遇會於二零零八年一月一日開始。

在美國經營的附屬公司適用的所得稅稅率為美國稅法規定下現行稅率。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

11 Income tax in the consolidated income statement (cont'd)

(b) The following is a reconciliation between accounting profit at the applicable tax rate and income tax expense:

		2008	2007
		二零零八年	二零零七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit before taxation	除稅前溢利	181,893	266,604
Expected PRC income tax expense at a tax rate of 25% (2007: 24%)	按適用稅率 25% (二零零七年：24%) 計算之中國所得稅	45,473	63,985
Tax effect of exemption and relief granted	稅務減免	(11,630)	(37,028)
Tax effect of the difference in tax rates between the Company and the subsidiaries	本公司與附屬公司適用稅率差別之影響	(8,988)	(76)
Tax effect of tax deduction for purchases of domestically manufactured equipment	購買國產設備稅務減免影響	(1,495)	(1,323)
Tax effect of unused tax losses not recognised	未確認未利用稅務虧損之影響	908	33
Others	其他	1,180	5,860
Income tax expense	所得稅費用	25,448	31,451

(i) Others primarily represent the tax effect of non-deductible expenses.

11 合併損益表中的所得稅(續)

(b) 以下乃按適用稅率計算之所得稅與所得稅費用之調節：

(i) 其他主要為不可作稅務抵扣支出的稅務影響。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

12 Directors' and supervisors' emoluments

Details of directors' and supervisors' emoluments are as follows:

12 董事及監事酬金

董事及監事酬金之詳情如下：

Name	姓名	Directors' and supervisors' fees		Salaries, allowances and benefits in kind		Retirement scheme contributions		Total	
		2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
(Amounts in RMB'000) (人民幣千元)									
Executive Directors:	執行董事：								
Zheng Yuewen	鄭躍文	50	50	-	-	-	-	50	50
Wang An	王安	50	50	79	67	7	7	136	124
Yu Huilin	于會林	(iv)	-	50	54	67	-	7	124
Zhang Hui	張輝		50	50	79	67	7	7	136
Jiang Hongqi	姜洪奇	(i)	50	29	64	53	-	-	114
Li Yesheng	李業勝	(iii)	33	29	79	56	-	-	112
Non-executive Directors:	非執行董事：								
Zhang Wanxin	張萬欣	(ii)	-	21	-	-	-	-	21
Ren Xiaojian	任曉劍	(ii)	-	21	-	-	-	-	21
Lo Chih-Hsien	羅智先		50	50	-	-	-	-	50
Independent Non-executive Directors:	獨立非執行董事：								
Hu Xiaosong	胡小松	(ii)	-	21	-	-	-	-	21
Wu Jianhui	鄒建輝		50	50	-	-	-	-	50
Yu Shoungeng	俞守能		50	50	-	-	-	-	50
Qu Wen	曲雯	(i)	50	29	-	-	-	-	50
Supervisors:	監事：								
Qu Weijia	曲維佳		30	30	49	55	4	7	83
Wang Chuntang	王春堂	(i)	30	18	-	-	-	-	30
Mu Guisheng	慕桂盛		30	30	-	-	-	-	30
Chen Kelin	陳克林	(ii)	-	13	-	-	-	-	13
			523	591	404	365	18	28	945
									984

- (i) Appointed on 28 May 2007
(ii) Resigned on 28 May 2007
(iii) Appointed on 28 May 2007 and resigned on 3 September 2008
(iv) Resigned on 19 May 2008

- (i) 於二零零七年五月二十八日被委任
(ii) 於二零零七年五月二十八日離任
(iii) 於二零零七年五月二十八日被委任及於二零零八年九月三日離任
(iv) 於二零零八年五月十九日離任

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

12 Directors' and supervisors' emoluments (cont'd)

For the years ended 31 December 2008 and 2007, no emoluments were paid to the directors or supervisors as an inducement to join or upon joining the Company or as compensation for loss of office. During the years ended 31 December 2008 and 2007, no fee or any other emolument was waived by directors or supervisors.

13 Senior management's emoluments

Among the five highest paid individuals, four (2007: four) were executive directors and one (2007: one) was a supervisor whose emoluments are disclosed in Note 12 above.

12 董事及監事酬金(續)

於截至二零零八年及二零零七年十二月三十一日止年度，本公司並未向董事及監事支付任何酬金以作為吸引其加入本公司的獎勵或離職補償。於截至二零零八年及二零零七年十二月三十一日止年度，董事或監事概無放棄袍金或其他酬金。

13 高級管理層酬金

在五位最高薪高級管理層人士中，四人(二零零七年為四人)為執行董事及一人(二零零七年為一人)為監事，其酬金已在之上的附註12中予以披露。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

14 Profit attributable to equity shareholders of the Company

The consolidated profit attributable to equity shareholders of the Company includes a profit of RMB64,895,000 (2007: RMB120,059,000) which has been dealt with in the financial statements of the Company.

15 Dividends

(a) Dividends payable to equity shareholders of the Company attributable to the year:

Final dividend proposed after the balance sheet date of RMB0.007 per share (2007: RMB0.007 per share)	於結算日後建議分派末期股息每股人民幣0.007元 (二零零七年：每股人民幣0.007元)
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The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

14 歸屬於本公司股東之溢利

歸屬於本公司股東之合併溢利包括已列入本公司財務報表利潤人民幣64,895,000元(二零零七年：人民幣120,059,000元)。

15 股息

(a) 本年度分派股息予本公司股東：

2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
29,859	29,859

於結算日後建議分派之末期股息未在資產負債表內確認為負債。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

15 Dividends (cont'd)

- (b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year:

Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.007 per share (2007: RMB0.015 per share)

屬於上一財政年度，並於本年度核准及支付之末期股息為每股人民幣0.007元(二零零七年：每股人民幣0.015元)

2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
29,859	27,133

16 Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB156,107,000 (2007: RMB213,874,000) and the weighted average of 4,265,536,000 shares (2007: 4,121,361,000 shares) in issue during the year, calculated as follows:

Issued shares at 1 January	一月一日已發行之股票			
Effect of shares issued	股份發行之影響			
Effect of capitalisation issue	資本化發行之影響			
Weighted average number of shares at 31 December	十二月三十一日加權平均股數			

There was no difference between basic and diluted earnings per share as there were no dilutive potential shares outstanding during the year.

15 股息(續)

- (b) 屬於上一財政年度，並於本年度核准及支付予本公司股東的股息：

16 基本及攤薄後每股盈利

本年每股基本及攤薄盈利的計算基礎為本公司股東應佔溢利人民幣156,107,000元(二零零七年：人民幣213,874,000元)及本年已發行股份加權平均數4,265,536,000股(二零零七年：4,121,361,000股)，計算如下：

Note 附註	2008 二零零八年 '000 千股	2007 二零零七年 '000 千股
	4,265,536	1,808,880
	-	64,466
	-	2,248,015
	4,265,536	4,121,361

由於期內並無潛在攤薄普通股，因此每股基本盈利與每股攤薄盈利並無差別。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

17 Property, plant and equipment

(a) The Group

17 物業、廠房及設備

(a) 本集團

		Note	Buildings	Machinery and equipment	Motor vehicles	Office equipment	Construction in progress	Total
		附註	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost:	成本:							
At 1 January 2007	於二零零七年一月一日		248,381	501,572	13,205	14,234	7,042	784,434
Additions	添置		18,282	91,297	1,781	1,661	78,656	191,677
Transfers	重新分類		34,428	46,067	-	252	(80,747)	-
Acquisition of a subsidiary	收購附屬公司		40,428	34,520	441	626	2,043	78,058
Disposals	處置		(698)	-	(574)	(49)	-	(1,321)
At 31 December 2007	於二零零七年十二月三十一日		340,821	673,456	14,853	16,724	6,994	1,052,848
At 1 January 2008	於二零零八年一月一日		340,821	673,456	14,853	16,724	6,994	1,052,848
Additions	添置		54,316	62,836	2,052	3,236	44,922	167,362
Transfers	重新分類		33,004	9,157	-	264	(42,425)	-
Acquisition of a subsidiary	收購附屬公司	20(a)	6,079	8,129	300	415	-	14,923
Disposal of a subsidiary	出售附屬公司	9	(14,803)	(31,352)	(378)	(241)	(1,613)	(48,387)
Other disposals	其他處置		(1,629)	-	(507)	-	-	(2,136)
At 31 December 2008	於二零零八年十二月三十一日		417,788	722,226	16,320	20,398	7,878	1,184,610
Accumulated depreciation:	累計折舊:							
At 1 January 2007	於二零零七年一月一日		(32,614)	(163,819)	(6,582)	(7,376)	-	(210,391)
Charge for the year	本年度折舊		(17,656)	(46,436)	(2,296)	(2,389)	-	(68,777)
Written back on disposals	處置撥回		13	-	385	26	-	424
At 31 December 2007	於二零零七年十二月三十一日		(50,257)	(210,255)	(8,493)	(9,739)	-	(278,744)
At 1 January 2008	於二零零八年一月一日		(50,257)	(210,255)	(8,493)	(9,739)	-	(278,744)
Charge for the year	本年度折舊		(17,604)	(56,217)	(1,839)	(2,415)	-	(78,075)
Written back on:	撥回:							
Disposal of a subsidiary	出售附屬公司	9	385	2,310	60	27	-	2,782
Other disposals	其他處置		104	-	124	-	-	228
At 31 December 2008	於二零零八年十二月三十一日		(67,372)	(264,162)	(10,148)	(12,127)	-	(353,809)
Net book value:	賬面值:							
At 31 December 2008	於二零零八年十二月三十一日		350,416	458,064	6,172	8,271	7,878	830,801
At 31 December 2007	於二零零七年十二月三十一日		290,564	463,201	6,360	6,985	6,994	774,104

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

17 Property, plant and equipment (cont'd)

(a) The Group (cont'd)

No property, plant and equipment of the Group were pledged as at 31 December 2007 and 2008.

(b) The Company

17 物業、廠房及設備(續)

(a) 本集團(續)

於二零零七年及二零零八年十二月三十一日，本集團概無任何已作抵押的物業、廠房及設備。

(b) 本公司

		Buildings 建築物	Machinery and equipment 機器及設備	Motor vehicles 汽車	Office equipment 辦公室設備	Construction in progress 在建工程	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost:	成本：						
At 1 January 2007	於二零零七年一月一日	62,367	97,081	6,523	5,556	3,191	174,718
Additions	添置	1,757	15,294	633	508	3,881	22,073
Transfers	重新分類	6,461	360	-	251	(7,072)	-
Disposals	處置	(698)	(8,946)	-	-	-	(9,644)
At 31 December 2007	於二零零七年十二月三十一日	69,887	103,789	7,156	6,315	-	187,147
At 1 January 2008	於二零零八年一月一日	69,887	103,789	7,156	6,315	-	187,147
Additions	添置	33,503	7,555	845	744	5,512	48,159
Transfers	重新分類	2,710	1,897	-	264	(4,871)	-
Disposals	處置	(1,629)	(17,070)	(330)	-	-	(19,029)
At 31 December 2008	於二零零八年十二月三十一日	104,471	96,171	7,671	7,323	641	216,277

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

17 Property, plant and equipment (cont'd)

17 物業、廠房及設備(續)

(b) The Company (cont'd)

(b) 本公司(續)

		Machinery and Motor Office Construction					Total
		Buildings	equipment	vehicles	equipment	in progress	
		建築物	機器及設備	汽車	辦公室設備	在建工程	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Accumulated depreciation: 累計折舊:							
At 1 January 2007	於二零零七年一月一日	(11,745)	(28,227)	(3,293)	(2,748)	-	(46,013)
Charge for the year	本年度折舊	(2,855)	(8,772)	(1,168)	(771)	-	(13,566)
Written back on disposals	處置撥回	13	2,753	-	-	-	2,766
At 31 December 2007	於二零零七年十二月三十一日	(14,587)	(34,246)	(4,461)	(3,519)	-	(56,813)
At 1 January 2008	於二零零八年一月一日	(14,587)	(34,246)	(4,461)	(3,519)	-	(56,813)
Charge for the year	本年度折舊	(3,124)	(9,198)	(707)	(818)	-	(13,847)
Written back on disposals	處置撥回	104	6,002	77	-	-	6,183
At 31 December 2008	於二零零八年十二月三十一日	(17,607)	(37,442)	(5,091)	(4,337)	-	(64,477)
Net book value: 賬面值:							
At 31 December 2008	二零零八年十二月三十一日	86,864	58,729	2,580	2,986	641	151,800
At 31 December 2007	二零零七年十二月三十一日	55,300	69,543	2,695	2,796	-	130,334

No property, plant and equipment of the Company were pledged as at 31 December 2007 and 2008.

於二零零七年及二零零八年十二月三十一日，本公司概無任何已作抵押的物業、廠房及設備。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

18 Lease prepayments

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註				
At 1 January	於一月一日	68,741	32,722	10,630	11,063
Additions	增加	30,238	6,568	5,000	-
Acquisition of a subsidiary	收購附屬公司 20(a)	6,860	30,733	-	-
Disposal of a subsidiary	出售附屬公司 9	(2,617)	-	-	-
Amortisation	攤銷	(2,194)	(1,282)	(278)	(433)
At 31 December	於十二月三十一日	101,028	68,741	15,352	10,630

Lease prepayments represent payments for land use rights in the PRC.

預付土地租賃費指為中國土地使用權所支付的款項。

19 Investments in subsidiaries – the Company

		2008 二零零八年	2007 二零零七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Unlisted shares, at cost	非上市，成本	459,790	426,905

19 於附屬公司的投資 – 本公司

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

19 Investments in subsidiaries – the Company (cont'd)

Details of the Company's interests in subsidiaries as at 31 December 2008 are as follows:

19 於附屬公司的投資 – 本公司(續)

於二零零八年十二月三十一日，本公司投資於附屬公司之權益如下：

Name of company 公司名稱	Place of incorporation and operation 成立及營業地點	Principal activities 主營業務	Authorised/Registered capital 法定/註冊資本	Paid-in capital 實收資本	Proportion of ownership interest 所佔股權比例	
					Direct 直接	Indirect 間接
Yantai North Andre Juice Inc. 美國烟台北方安德利果汁股份有限公司	The United States of America 美國	Sale of juice 果汁銷售	US\$100,000 100,000美元	US\$100,000 100,000美元	100%	–
Baishui Andre Juice Co., Ltd. 白水安德利果蔬汁有限公司	Shaanxi, PRC 中國陝西省	Manufacture and sale of juice 果汁生產及銷售	US\$17,000,000 17,000,000美元	US\$17,000,000 17,000,000美元	75%	25%
Yantai Longkou Andre Juice Co., Ltd. 烟台龍口安德利果汁飲料有限公司	Shandong, PRC 中國山東省	Manufacture and sale of juice 果汁生產及銷售	US\$12,110,000 12,110,000美元	US\$12,110,000 12,110,000美元	75%	25%
Xuzhou Andre Juice Co., Ltd. 徐州安德利果蔬汁有限公司	Jiangsu, PRC 中國江蘇省	Manufacture and sale of juice 果汁生產及銷售	US\$10,000,000 10,000,000美元	US\$10,000,000 10,000,000美元	75%	25%
Andre Juice Co., Ltd. 安德利果汁有限公司	British Virgin Islands 英屬處女島	Investment holding 投資控股	US\$50,000 50,000 shares of US\$1 each 50,000美元 50,000股每股1美元	US\$1 1美元	100%	–

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

19 Investments in subsidiaries – the Company (cont'd)

19 於附屬公司的投資 – 本公司(續)

Name of company 公司名稱	Place of incorporation and operation 成立及營業地點	Principal activities 主營業務	Authorised/Registered capital 法定/註冊資本	Paid-in capital 實收資本	Proportion of ownership interest 所佔股權比例	
					Direct 直接	Indirect 間接
Xuzhou Andre Pomace Products Co., Ltd. 徐州安德利果渣制品有限公司	Jiangsu, PRC 中國江蘇省	Manufacture and sale of pomace products 果渣制品生產及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	–	100%
Longkou Andre Bio-feedstuff Co., Ltd. 龍口安德利生物飼料有限公司	Shandong, PRC 中國山東省	Manufacture and sale of bio-feedstuff 生物飼料生產及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	–	100%
Baishui Andre Bio-feedstuff Co., Ltd. 白水安德利生物飼料有限公司	Shaanxi, PRC 中國陝西省	Manufacture and sale of bio-feedstuff 生物飼料生產及銷售	US\$500,000 500,000美元	US\$500,000 500,000美元	–	100%
Dalian Andre Juice Co., Ltd. 大連安德利果蔬汁有限公司	Liaoning, PRC 中國遼寧省	Manufacture and sale of juice 果汁生產及銷售	RMB80,000,000 人民幣 80,000,000元	RMB80,000,000 人民幣 80,000,000元	70%	30%
Binzhou Andre Juice Co., Ltd. 濱州安德利果汁飲料有限公司	Shandong, PRC 中國山東省	Manufacture and sale of juice 果汁生產及銷售	US\$12,100,000 12,100,000美元	US\$12,100,000 12,100,000美元	75%	25%
Qingdao Nannan Beverage Co., Ltd. 青島南南飲料有限公司	Shandong, PRC 中國山東省	Manufacture and sale of juice 果汁生產及銷售	US\$3,000,000 3,000,000美元	US\$3,000,000 3,000,000美元	70%	–
Yantai Andre Juice Co., Ltd. 烟台安德利果汁飲料有限公司	Shandong, PRC 中國山東省	Manufacture and sale of fruit pulp 果漿生產及銷售	US\$4,832,000 4,832,000美元	US\$4,832,000 4,832,000美元	75%	25%

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

20 Acquisitions of a subsidiary and minority interests

(a) Acquisition of a subsidiary

On 31 March 2008, the Group acquired 19% equity interest of Qingdao Nannan Beverage Co., Ltd. ("Qingdao Nannan") from Korea Nam Yeung Industrial Co., Ltd. (a company incorporated in Korea) at a cash consideration of RMB4,001,000 and 51% equity interest of Qingdao Nannan from Qingdao Nannan Co., Ltd. (a company incorporated in the PRC) at a cash consideration of RMB10,739,000. After the acquisition, the Group totally held 70% equity interest of Qingdao Nannan.

20 收購附屬公司及少數股東權益

(a) 收購附屬公司

於二零零八年三月三十一日，本集團以現金代價人民幣4,001,000元向韓國南榮產業株式會社（一家於韓國成立之公司）收購青島南南飲料有限公司（「青島南南」）19%權益及以現金代價人民幣10,739,000元向青島南南有限公司（一家於中國成立之公司）收購青島南南51%權益。於收購完成後，本集團合共持有青島南南70%權益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

20 Acquisitions of a subsidiary and minority interests (cont'd)

(a) Acquisition of a subsidiary (cont'd)

The acquisition had the following effect on the Group's assets and liabilities on the acquisition date:

		Note	Pre-acquisition carrying amounts 收購前的 賬面金額 RMB'000 人民幣千元	Fair value adjustments 公允價值 之調整 RMB'000 人民幣千元	Recognised values on acquisition 於收購時 確認的價值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	17	16,436	(1,513)	14,923
Lease prepayments	預付土地租賃費	18	6,860	–	6,860
Inventories	存貨		21,180	–	21,180
Trade receivables and other receivables	應收賬款及其他應收款		8,466	–	8,466
Cash and cash equivalents	現金及現金等價物		2,662	–	2,662
Trade payables and other payables	應付賬款及其他應付款		(24,595)	–	(24,595)
Net identifiable assets and liabilities	可辨認資產及負債之淨額		31,009	(1,513)	29,496
The Group's 70% share of the net identifiable assets and liabilities acquired	可辨認資產及負債之淨額中本集團收購而擁有的70%的部分				20,647
Purchase consideration, satisfied in cash	收購代價，以現金滿足				14,740
Cash and cash equivalent acquired	收購的現金及現金等價物				(2,662)
Net cash outflow	現金流出淨額				12,078

20 收購附屬公司及少數股東權益(續)

(a) 收購附屬公司(續)

該收購於收購日對本集團的資產及負債的影響如下：

		Note	Pre-acquisition carrying amounts 收購前的 賬面金額 RMB'000 人民幣千元	Fair value adjustments 公允價值 之調整 RMB'000 人民幣千元	Recognised values on acquisition 於收購時 確認的價值 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	17	16,436	(1,513)	14,923
Lease prepayments	預付土地租賃費	18	6,860	–	6,860
Inventories	存貨		21,180	–	21,180
Trade receivables and other receivables	應收賬款及其他應收款		8,466	–	8,466
Cash and cash equivalents	現金及現金等價物		2,662	–	2,662
Trade payables and other payables	應付賬款及其他應付款		(24,595)	–	(24,595)
Net identifiable assets and liabilities	可辨認資產及負債之淨額		31,009	(1,513)	29,496
The Group's 70% share of the net identifiable assets and liabilities acquired	可辨認資產及負債之淨額中本集團收購而擁有的70%的部分				20,647
Purchase consideration, satisfied in cash	收購代價，以現金滿足				14,740
Cash and cash equivalent acquired	收購的現金及現金等價物				(2,662)
Net cash outflow	現金流出淨額				12,078

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

20 Acquisitions of a subsidiary and minority interests (cont'd)

(a) Acquisition of a subsidiary (cont'd)

Pre-acquisition carrying amounts were determined based on applicable IFRSs immediately before the acquisition. The values of assets and liabilities recognised on acquisition are their estimated fair values. The fair value of property, plant and equipment and lease prepayments was determined basing on their market values.

The newly acquired subsidiary has incurred a loss of RMB3,125,000 since the acquisition date. The consolidated revenue and consolidated profit for the year would not be significantly different if the acquisition had occurred on 1 January 2008.

(b) Acquisition of minority interests

On 1 April 2008, the Group acquired the remaining 49% equity interest in Binzhou Andre at a consideration of RMB96,000,000, which has been satisfied in cash by 31 December 2008. The carrying amount of the remaining 49% equity interest in Binzhou Andre in the consolidated financial statements on the date of the acquisition was RMB72,774,000. The Group recognised a decrease in minority interests of RMB72,774,000 and a decrease in share premium of RMB23,226,000.

20 收購附屬公司及少數股東權益(續)

(a) 收購附屬公司(續)

收購前的賬面金額是在收購當時根據所適用的國際財務報告準則計算得出的。收購所確認的資產及負債的價值為估計之公允價值。因企業合併而確認的物業、廠房及設備以及預付土地租賃費之公允價值是以其市場價值為基礎的。

新收購的附屬公司自收購日錄得人民幣3,125,000元虧損。倘此收購於二零零八年一月一日發生，年內綜合營業額及綜合溢利將不會有重大差異。

(b) 收購少數股東權益

於二零零八年四月一日，本集團以人民幣96,000,000元對價收購了濱洲安德利剩餘的49%的少數股東權益。該對價在二零零八年十二月三十一日前已以現金支付。於收購日在合併財務報表中濱洲安德利之剩餘的49%的少數股東權益的賬面金額為人民幣72,774,000元。本集團減記少數股東權益人民幣72,774,000元，同時減記股本溢價人民幣23,226,000元。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

21 Interest in jointly controlled entities – the Company

21 於共同控制實體的投資 – 本公司

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Unlisted at cost	非上市，成本	104,102	54,760

Details of the Company's interests in the jointly controlled entities as at 31 December 2008 are as follows:

於二零零八年十二月三十一日，本公司投資於以下共同控制實體之詳細如下：

Name of company 公司名稱	Place of incorporation and operation 成立地點	Principal activities 主營業務	Registered capital 註冊資本	Paid-in capital 實收資本	Proportion of ownership interest 所佔股權比例	
					Direct 直接	Indirect 間接
Xianyang Andre Juice Co., Ltd. 咸陽安德利果蔬汁有限公司	Shaanxi, PRC 中國陝西省	Manufacture and sale of juice 果汁生產及銷售	RMB 109,520,480 人民幣 109,520,480元	RMB 109,520,480 人民幣 109,520,480元	50%	-
Yongji Andre Juice Co., Ltd. 永濟安德利果蔬汁有限公司	Shanxi, PRC 中國山西省	Manufacture and sale of juice 果汁生產及銷售	US\$ 12,960,000 12,960,000美元	US\$ 12,960,000 12,960,000美元	50%	-

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

21 Interest in jointly controlled entities – the Company (cont'd)

Summary of financial information on the jointly controlled entities – the Group's effective interests:

21 於共同控制實體的投資 – 本公司(續)

共同控制實體財務資料撮要 – 本集團之實際權益：

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Non-current assets	非流動資產	123,914	54,274
Current assets	流動資產	120,390	122,329
Current liabilities	流動負債	(117,980)	(98,859)
Net assets	淨資產	126,324	77,744
Income	收入	109,518	188,389
Expenses	費用	(102,705)	(163,777)
Profit for the year	本年利潤	6,813	24,612

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

22 Interest in an associate – the Group

22 於聯營公司的投資 – 本集團

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Share of net assets	應佔淨資產	<u>67,232</u>	<u>63,196</u>

Details of the associate as at 31 December 2008 are as follows:

於二零零八年十二月三十一日，聯營公司之詳情如下：

Name of company 公司名稱	Place of incorporation and operation 成立地點	Principal activities 主營業務	Registered capital 註冊資本	Paid-in capital 實收資本	Proportion of ownership interest 所佔股權比例	
					Direct 直接	Indirect 間接
Yantai Andre Pectin Co., Ltd. ("Andre Pectin") 烟台安德利果膠有限公司 (「安德利果膠」)	Shandong, PRC 中國山東省	Manufacture and sale of pectin 果膠生產及銷售	US\$20,000,000 20,000,000 美元	US\$20,000,000 20,000,000 美元	-	40%

Summary of financial information on the associate is as follows:

以下為聯營公司之財務報表撮要：

		Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元	Equity 股東權益 RMB'000 人民幣千元	Turnover 收入 RMB'000 人民幣千元	Profit 溢利 RMB'000 人民幣千元
2008	二零零八年					
100 per cent	100%	290,743	(122,662)	(168,081)	82,176	10,089
the Group's	集團有效權益	116,297	(49,065)	(67,232)	32,870	4,036
effective interest		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
2007	二零零七年					
100 per cent	100%	252,856	(94,864)	(157,992)	23,890	1,252
the Group's	集團有效權益	101,142	(37,946)	(63,196)	9,556	501
effective interest		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

23 Goodwill – the Group

23 商譽 – 本集團

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Cost and carrying amount: 成本及賬面值：		
At 1 January and 31 December 於一月一日及十二月三十一日	1,452	1,452

Impairment test for the cash-generating unit containing goodwill

The Group's cash-generating unit ("CGU") to which the goodwill is allocated is Longkou Andre.

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on actual operating results and financial forecasts less than five years. Cash flows beyond the period covered by the financial forecasts are kept constant which management determined to be no higher than the long-term growth rate of the industry. A pre-tax discount rate of 10.4 per cent has been used in discounting the projected cash flows.

對包含商譽的現金產出單元的減值測試

本集團分配了商譽的現金產出單元為龍口安德利。

該現金產出單元的可收回值是按使用價值計算來厘定。這些計算採用了以實際經營業績及少於五年的財務預測為基礎的現金流預計。超出該財務預測期間的現金流預計部份維持平穩，管理層確定該水平不會高於行業的長期增長率。運用於現金流量預計的稅前折現率為10.4百分點。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

24 Income tax in the balance sheet

(a) Current taxation in the balance sheet represents:

24 資產負債表之所得稅

(a) 在資產負債表本期間之稅項為：

	The Group		The Company	
	本集團		本公司	
	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Provision for PRC income tax for the year	本年度中國所得稅準備			
	44,566	31,451	27,058	14,964
Provisional income tax paid	預付所得稅			
	(15,101)	(4,738)	(11,676)	(4,772)
	29,465	26,713	15,382	10,192

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

24 Income tax in the balance sheet (cont'd)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax assets/(liabilities) recognised in the consolidated balance sheet and the Company's balance sheet, and the movements during the year are as follows:

The Group

		Tax loss carry-forwards	Depreciation in excess of allowances	Fair value adjustments on property plant and equipment and lease prepayments upon acquisition of a subsidiary	Write-down of inventories	Unrealised profits on inventories	Total
		稅項虧損結轉	允許加速提取的折舊	廠房、設備及預付租金之公允價值調整	存貨跌價準備	存貨未實現利潤	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Deferred tax arising from:	遞延稅起於：						
At 1 January 2007	於二零零七年一月一日	-	-	-	-	-	-
Recognised in profit or loss	確認至損益表	-	-	-	-	-	-
At 31 December 2007	於二零零七年十二月三十一日	-	-	-	-	-	-
At 1 January 2008	於二零零八年一月一日	-	-	-	-	-	-
Recognised in profit or loss	確認至損益表	755	(3,456)	(4,329)	11,005	15,143	19,118
At 31 December 2008	於二零零八年十二月三十一日	755	(3,456)	(4,329)	11,005	15,143	19,118

24 資產負債表之所得稅(續)

(b) 遞延稅資產及負債確認：

確認在合併資產負債表和公司資產負債表之遞延稅資產/(負債)內容及本年度之變動如下：

本集團

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

24 Income tax in the balance sheet (cont'd)

(b) Deferred tax assets and liabilities recognised: (cont'd)

The Group

		Assets		Liabilities	
		資產		負債	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Tax loss carry-forwards	稅項虧損結轉	755	-	-	-
Depreciation in excess of depreciation allowances	允許加速提取的折舊	-	-	(3,456)	-
Fair value adjustments on property, plant and equipment and lease prepayments upon acquisition of a subsidiary	於收購附屬公司時，對物業、廠房、設備及預付租金之公允價值調整	-	-	(4,239)	-
Write-down of inventories	存貨跌價準備	11,005	-	-	-
Unrealised profits on inventories	存貨未實現利潤	15,143	-	-	-
Total	合計	26,903	-	(7,785)	-

24 資產負債表之所得稅(續)

(b) 遞延稅資產及負債確認：(續)

本集團

		Assets		Liabilities	
		資產		負債	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Tax loss carry-forwards	稅項虧損結轉	755	-	-	-
Depreciation in excess of depreciation allowances	允許加速提取的折舊	-	-	(3,456)	-
Fair value adjustments on property, plant and equipment and lease prepayments upon acquisition of a subsidiary	於收購附屬公司時，對物業、廠房、設備及預付租金之公允價值調整	-	-	(4,239)	-
Write-down of inventories	存貨跌價準備	11,005	-	-	-
Unrealised profits on inventories	存貨未實現利潤	15,143	-	-	-
Total	合計	26,903	-	(7,785)	-

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

24 Income tax in the balance sheet (cont'd)

(b) Deferred tax assets and liabilities recognised: (cont'd)

The Company

Deferred tax assets arising from:

At 1 January 2007

Recognised in profit or loss

At 31 December 2007

At 1 January 2008

Recognised in profit or loss

At 31 December 2008

遞延稅資產起於：

於二零零七年一月一日

確認至損益表

於二零零七年十二月三十一日

於二零零八年一月一日

確認至損益表

於二零零八年十二月三十一日

24 資產負債表之所得稅(續)

(b) 遞延稅資產及負債確認：(續)

本公司

**Write-down of inventories
存貨減值準備
RMB'000
人民幣千元**

—

—

—

—

5,130

5,130

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

24 Income tax in the balance sheet (cont'd)

(c) Deferred tax assets not recognised:

As at 31 December 2008, the Group has not recognised deferred tax assets in respect of cumulative tax losses in certain subsidiaries of RMB17,982,000 (2007: RMB222,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant subsidiaries. As at 31 December 2008, RMB6,560,000, RMB7,402,000 and RMB4,020,000 of these tax losses will expire in 2011, 2012 and 2013, respectively.

24 資產負債表之所得稅(續)

(c) 未確認遞延稅資產：

於二零零八年十二月三十一日，由於若干附屬公司不大可能獲得可供利用有關虧損的未來應稅溢利，因此本集團尚未就相關附屬公司在二零零八年十二月三十一日為數人民幣17,982,000元(二零零七年：人民幣222,000元)累計稅虧損確認有關的遞延稅項資產。於二零零八年十二月三十一日，其中分別為數人民幣6,560,000元，人民幣7,402,000元及人民幣4,020,000元的稅項虧損的應用限期分別在二零一一年、二零一二年、二零一三年屆滿。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

25 Inventories

(a) Inventories in the balance sheet comprise:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Raw materials	原材料	45,714	46,754	10,009	13,220
Finished goods	產成品	856,026	1,270,376	362,669	571,141
Total	合計	901,740	1,317,130	372,678	584,361

(b) The analysis of the amount of inventories recognised as an expense is as follows:

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Carrying amount of inventories sold	出售存貨之賬面金額	1,019,593	1,239,521
Write-down of inventories	存貨減值	53,097	—
Total	合計	1,072,690	1,239,521

(c) As at 31 December 2008 inventories carried at fair value less cost to sell amounted to RMB573,107,000 (2007: Nil)

25 存貨

(a) 在資產負債表之存貨包括：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Raw materials	原材料	45,714	46,754	10,009	13,220
Finished goods	產成品	856,026	1,270,376	362,669	571,141
Total	合計	901,740	1,317,130	372,678	584,361

(b) 存貨確認為費用之分析如下：

		The Group 本集團	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Carrying amount of inventories sold	出售存貨之賬面金額	1,019,593	1,239,521
Write-down of inventories	存貨減值	53,097	—
Total	合計	1,072,690	1,239,521

(c) 於二零零八年十二月三十一日，存貨按公允值減去之出售成本之金額為人民幣573,107,000元(二零零七年：無)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

26 Trade receivables

An ageing analysis of trade receivables is as follows:

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Within 3 months	三個月以內	73,283	329,175	53,266	202,189
Over 3 months but less than 6 months	三個月以上 但少於六個月	3,555	284	2,581	284
Over 6 months	六個月以上	7,751	167	3,958	–
Total	合計	84,589	329,626	59,805	202,473

Customers are normally granted credit terms of one to six months (2007: three to six months), depending on the credit standing of individual customers.

Included in trade receivables, the Group's balance with an associate amounted to RMB4,153,000 (2007: Nil).

26 應收賬款

應收賬款之賬齡分析如下：

視乎個別客戶之信譽程度，客戶一般享有一個月至六個月賒賬期（二零零七年：三個月至六個月）。

於應收賬款中，本集團與聯營公司餘額為人民幣4,153,000元（二零零七年：無）。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

27 Other receivables and prepayments

27 其他應收款及預付賬款

	The Group 本集團		The Company 本公司		
	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	
Prepayments in connection with construction work and equipment purchases	建築工程及設備採購預付款	4,595	16,004	3,671	6,211
Prepayments to suppliers	預付供應商款	14,397	40,612	276	30,490
Value added tax ("VAT") refundable for export sales	出口銷售之增值稅返還 (i)	3,146	11,375	2,000	-
Recoverable input VAT	可抵扣進項增值稅	39,050	104,228	27,370	65,293
Amount due from an associate	應收聯營公司 (ii)	18,412	-	18,350	-
Advances to third parties	借款予第三方 (iii)	365	16,170	-	6,000
Others	其他	6,893	4,819	1,517	2,253
Total	合計	86,858	193,208	53,184	110,247

(i) The Group's sales are subject to VAT at the rate of 17% but the Group is entitled to VAT refunds of 13% in respect of export sales.

(ii) The amount was unsecured, interest free and had no fixed terms of repayment.

(iii) As at 31 December 2008, this represent advances of RMB365,000 (2007: RMB515,000) to Binzhou Development District Finance Bureau. In addition, the balance as at 31 December 2007 also included advances of RMB8,780,000 to Yantai Anlin Fruit Processing Co., Ltd., RMB500,000 to Xuzhou Fengcheng Finance Bureau, RMB375,000 to Longkou Custom and RMB6,000,000 to Yantai Lushun Food Co., Ltd.. These advances were unsecured, interest free and had no fixed terms of repayment.

(i) 本集團銷售產品適用之增值稅稅率為17%，但享受13%的出口銷售退稅。

(ii) 該等款項無抵押、無利息，並且無固定償還期限。

(iii) 於二零零八年十二月三十一日該餘額指借予濱州開發區財政局借款人民幣365,000元(二零零七年：人民幣515,000元)。此外，於二零零七年十二月三十一日，該等借款餘額還包括借予烟台安林果業有限公司借款人民幣8,780,000元，借予徐州市鳳城財政局借款人民幣500,000元，借予龍口海關借款人民幣375,000元及借予烟台魯順食品有限公司借款人民幣6,000,000元。該等借款無抵押、無利息、並且無固定償還期限。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

28 Dividends receivable – the Company

This represents the dividends receivable from the Company's subsidiaries.

29 Amounts due from and due to subsidiaries and jointly controlled entities – the Company

Amounts due from and due to subsidiaries and jointly controlled entities are unsecured, interest free and have no fixed terms of repayment.

30 Restricted deposits

The restricted deposits are used to secure the letters of credit and bills payable.

31 Cash and cash equivalents

28 應收股息 – 本公司

該餘額為本公司應向附屬公司收取之股息。

29 應收及應付附屬公司及共同控制實體款項 – 本公司

應收及應付附屬公司及共同控制實體款項無抵押、無利息，並且無固定的償還期限。

30 有限制存款

有限制存款用作抵押信用證和應付票據。

31 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Cash in hand	現金	920	733	204	151
Cash at bank	銀行存款	113,194	96,864	101,437	64,120
Total	合計	114,114	97,597	101,641	64,271

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

32 Bank loans

- (a) At 31 December 2008, the bank loans are repayable as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within 1 year	一年以內	856,775	1,061,064	671,775	816,064
After 1 year but within 2 years	一年以上 但兩年以內	—	328,707	—	328,707
Total	合計	856,775	1,389,771	671,775	1,144,771

- (b) At 31 December 2008, the bank loans are secured and guaranteed as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Secured and guaranteed	有擔保銀行貸款 (i)	221,526	313,057	126,526	333,057
Unsecured	無擔保銀行貸款	635,249	1,076,714	545,249	811,714
Total	合計 (ii)	856,775	1,389,771	671,775	1,144,771

- (i) As at 31 December 2008, bank loans of RMB70,000,000 (2007: RMB 104,000,000), and RMB27,000,000 (2007: RMB40,000,000) of the Company were guaranteed by a related party and an unrelated third party of the Group respectively.

32 銀行貸款

- (a) 於二零零八年十二月三十一日，可償還銀行貸款如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Within 1 year	一年以內	856,775	1,061,064	671,775	816,064
After 1 year but within 2 years	一年以上 但兩年以內	—	328,707	—	328,707
Total	合計	856,775	1,389,771	671,775	1,144,771

- (b) 於二零零八年十二月三十一日有擔保及保證之銀行貸款如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Secured and guaranteed	有擔保銀行貸款 (i)	221,526	313,057	126,526	333,057
Unsecured	無擔保銀行貸款	635,249	1,076,714	545,249	811,714
Total	合計 (ii)	856,775	1,389,771	671,775	1,144,771

- (i) 於二零零八年十二月三十一日，本公司有銀行貸款人民幣70,000,000元（二零零七年：人民幣104,000,000元）及人民幣27,000,000元（二零零七年：人民幣40,000,000元）分別由本集團之關聯方及本集團之非關聯第三方提供擔保。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

32 Bank loans (cont'd)

(b) At 31 December 2008, the bank loans are secured and guaranteed as follows: (cont'd)

(i) (cont'd)

As at 31 December 2008, bank loans of RMB80,000,000 (2007: Nil) of a jointly controlled entity, Xianyang Andre, in which the Group's effective interest amounted to RMB40,000,000 (2007: Nil), were guaranteed by the Company.

As at 31 December 2008, bank loans of RMB90,000,000 (2007: Nil) of a jointly controlled entity, Xianyang Andre, in which the Group's effective interest amounted to RMB45,000,000 (2007: Nil), were guaranteed by an unrelated third party of the Group, AGRANA Juice GmbH.

As at 31 December 2008, bank loans of RMB20,000,000 (2007: Nil) of a jointly control entity, Yongji Andre, were guaranteed by the unrelated third party of the Group, AGRANA Juice GmbH.

As at 31 December 2008, bank loans of RMB29,526,000 (2007: RMB29,057,000) were secured by the Company's deposits at bank.

The balance as at 31 December 2007 included bank loans of RMB90,000,000 and RMB50,000,000 of the Company, which were guaranteed by a related party and an unrelated third party of the Group respectively.

As at 31 December 2007, bank loans of RMB20,000,000 of the Company were guaranteed by a subsidiary of the Company.

32 銀行貸款(續)

(b) 於二零零八年十二月三十一日有擔保及保證之銀行貸款如下：(續)

(i) (續)

於二零零八年十二月三十一日，本公司共同控制實體咸陽安德利有銀行貸款人民幣80,000,000元(二零零七年：無)，該項貸款由本公司提供擔保，其中本集團有效權益人民幣40,000,000元(二零零七年：無)。

於二零零八年十二月三十一日，本公司共同控制實體咸陽安德利有銀行貸款人民幣90,000,000元(二零零七年：無)，該項貸款由本集團之非關聯第三方阿格那公司提供擔保，其中本集團有效權益人民幣45,000,000元(二零零七年：無)。

於二零零八年十二月三十一日，本公司共同控制實體永濟安德利有銀行貸款人民幣20,000,000元(二零零七年：無)由本集團之非關聯第三方阿格那公司提供擔保。

於二零零八年十二月三十一日，人民幣29,526,000元(二零零七年：人民幣29,057,000元)銀行貸款由本公司之銀行存款作抵押。

於二零零七年十二月三十一日，該餘額包括人民幣90,000,000元及人民幣50,000,000元銀行貸款，分別由本集團之關聯方及本集團之非關聯第三方提供擔保。

於二零零七年十二月三十一日，本公司有銀行貸款人民幣20,000,000元由本公司一家附屬公司提供擔保。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

32 Bank loans (cont'd)

(b) At 31 December 2008, the bank loans are secured and guaranteed as follows: (cont'd)

(ii) As at 31 December 2008, bank loans of RMB549,218,000 (2007: RMB951,495,000) bore interest at rates ranging from 5.04% to 7.47% (2007: 6.57% to 7.83%) per annum.

The bank loans of RMB307,557,000 (2007: RMB438,276,000) bear floating interest rate of LIBOR+1.1%. Pursuant to the repayment terms, US\$45,000,000 will mature by June 2009. The terms for the bank loans impose certain specific performance covenants on Mr. Zheng Yue Wen, who is a director of the Company, and Mr. Wang An, who is a major shareholder and director of the Company. Under the relevant terms, the bank loans will become due and payable immediately when either:

- Mr. Wang An ceases to have or ceases to be entitled to exercise management over each of the Company and its principal subsidiaries; or
- the aggregate shareholding in the Company that is beneficially owned by Mr. Zheng Yue Wen and Mr. Wang An ceases to be larger than the aggregate shareholding in the Company of, and/or held to the order of, any other person or persons acting in concert with such other person.

32 短期銀行貸款(續)

(b) 於二零零八年十二月三十一日有擔保及保證之銀行貸款如下：(續)

(ii) 於二零零八年十二月三十一日銀行貸款人民幣549,218,000元(二零零七年：人民幣951,495,000元)，年利率為5.04%-7.47%(二零零七年：6.57%-7.83%)。

銀行貸款人民幣307,557,000元(二零零七年：人民幣438,276,000元)所帶浮動息率為倫敦銀行同業拆放利率+1.1%。根據還款條件，45,000,000美元將於二零零九年六月到期。該銀行貸款協議之條款對本公司之董事鄭躍文先生及本公司的董事及股東王安先生施加特定之履約責任。根據該銀行貸款協議，以下各項將導致該貸款即時到期清還：

- 王安先生並不再或不再有權行使對本公司及其主要附屬公司之管理控制權；或
- 由鄭躍文先生及王安先生實益擁有之本公司之持股總額並不再高於其他人士及／或代表其他人士及／或與該等人士一致行動之人士於本公司所持有之持股總額。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

33 Trade payables

An ageing analysis of trade payables is as follows:

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Within 6 months	六個月以內	78,797	214,325	18,004	27,597
Over 6 months but less than 1 year	六個月以上但少於一年	16,314	461	27	22
Over 1 year	一年以上	509	928	242	916
Total	合計	95,620	215,714	18,273	28,535

All the trade payables are expected to be settled within one year.

Included in trade payables, the Group's and the Company's balance with an associate amounted to RMB2,455,000 (2007: Nil).

33 應付賬款

應付賬款的賬齡分析如下：

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Within 6 months	六個月以內	78,797	214,325	18,004	27,597
Over 6 months but less than 1 year	六個月以上但少於一年	16,314	461	27	22
Over 1 year	一年以上	509	928	242	916
Total	合計	95,620	215,714	18,273	28,535

所有應付賬款預計於一年內償還。

於應付賬款中，本集團和本公司與聯營公司餘額為人民幣2,455,000元(二零零七年：無)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

34 Other payables and accrued expenses

34 其他應付款及預提費用

		The Group 本集團		The Company 本公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
Note 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	Accrued staff cost	9,326	6,098	3,868	4,266
	Amount payable for the acquisition of property, plant and equipment	36,374	26,179	3,885	1,999
	Amount payable for lease prepayments	2,099	–	2,099	–
	Amount payable for the acquisition of minority interests	–	13,514	–	13,378
	Receipts in advance	9,761	11,234	7,252	4,188
	Other taxes payable	24,565	6,630	1,468	1,114
	Advances from third parties	–	5,500	–	5,000
	Advances from a shareholder	–	23,784	–	–
	Dividends payable	–	4,007	–	4,007
	Others	27,521	30,459	8,779	11,997
	Total	109,646	127,405	27,351	45,949

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

34 Other payables and accrued expenses (cont'd)

- (i) The amount represented the interest-free and unsecured borrowings of RMB5,000,000 from Administrative Committee of Yantai Muping Development Zone and RMB500,000 from Binzhou Finance Bureau as at 31 December 2007.
- (ii) The amount represented the interest-free and unsecured borrowings from Yantai Donghua Fruit Co., Ltd., a shareholder of the Company.

34 其他應付款及預提費用(續)

- (i) 該款項指於二零零七年十二月三十一日欠烟台牟平開發區管理委員會之無利息及無抵押借款人民幣5,000,000元及欠濱州財政局之無利息及無抵押借款人民幣500,000元。
- (ii) 該款項指欠本公司股東之一，烟台東華果業有限責任公司之無利息及無抵押借款。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves

(a) The changes in equity of the Company for the years ended 31 December 2007 and 2008 are as follows:

35 股本及儲備

(a) 截至二零零七及二零零八年十二月三十一日止年度，本公司的權益變動如下：

		Note	Share capital	Capital surplus	Share premium	Statutory reserves	Retained earnings	Total equity
		附註	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2007	於二零零七年一月一日之結餘		180,888	10	274,816	55,662	116,788	628,164
Issuance of shares	發行股本	35(b)	13,000	-	135,445	-	-	148,445
Capitalisation issue	資本化發行	35(b)	232,666	-	(232,666)	-	-	-
Share issuance expenses	發行股本之開支		-	-	(7,816)	-	-	(7,816)
Profit for the year	本年度溢利		-	-	-	-	138,898	138,898
Appropriations	調撥	35(c)	-	-	-	15,136	(15,136)	-
Dividends to equity shareholders of the Company	分派股息予本公司股東	15	-	-	-	-	(27,133)	(27,133)
At 31 December 2007	於二零零七年十二月三十一日之結餘		426,554	10	169,779	70,798	213,417	880,558
At 1 January 2008	於二零零八年一月一日之結餘		426,554	10	169,779	70,798	213,417	880,558
Profit for the year	本年度溢利		-	-	-	-	107,387	107,387
Appropriations	調撥	35(c)	-	-	-	10,505	(10,505)	-
Dividends to equity shareholders of the Company	分派股息予本公司股東	15	-	-	-	-	(29,859)	(29,859)
At 31 December 2008	於二零零八年十二月三十一日之結餘		426,554	10	169,779	81,303	280,440	958,086

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

35 股本及儲備(續)

(b) Share capital

(b) 股本

		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Registered:	已註冊：		
2,505,360,000 (2007: 1,138,800,000)	2,505,360,000股(二零零七年：		
Domestic shares of RMB0.10 each	1,138,800,000股)每股		
(2007: RMB0.10 each)	人民幣0.10元的非流通股		
	(二零零七年：每股人民幣0.10元)	250,536	113,880
1,760,176,000 (2007: 670,080,000)	1,760,176,000股(二零零七年：		
H shares of RMB0.10 each	670,080,000股)每股		
(2007: RMB0.10 each)	人民幣0.10元的H股(二零零七年：		
	每股人民幣0.10元)	176,018	67,008
		426,554	180,888
Issued and fully paid:	已發行及繳足：		
2,505,360,000 (2007: 2,505,360,000)	2,505,360,000股(二零零七年：		
Domestic shares of RMB0.10 each	2,505,360,000股)每股		
(2007: RMB0.10 each)	人民幣0.10元的非流通股		
	(二零零七年：每股人民幣0.10元)	250,536	250,536
1,760,176,000 (2007: 1,760,176,000)	1,760,176,000股(二零零七年：		
H shares of RMB0.10 each	1,760,176,000股)每股		
(2007: RMB0.10 each)	人民幣0.10元的H股(二零零七年：		
	每股人民幣0.10元)	176,018	176,018
		426,554	426,554

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

(b) Share capital (cont'd)

On 16 July 2007, the Company issued 130,000,000 new H shares with a par value of RMB0.10 each, at a price of HK\$1.18 per H share by placing.

On 19 November 2007, an amount of RMB232,665,600 standing to the credit of the share premium account was applied in paying up in full 960,096,000 H shares and 1,366,560,000 Domestic shares of RMB0.10 each which were allotted and distributed as fully paid to existing shareholders in the proportion of six capitalisation shares for every five existing shares then held.

All the shares issued by the Company rank pari passu.

35 股本及儲備(續)

(b) 股本(續)

於二零零七年七月十六日，本公司以配售方式按每H股港幣1.18元之價格增發130,000,000股每股面值人民幣0.10元之H股。

於二零零七年十一月十九日，於股本溢價中之人民幣232,665,600元已用於繳足960,096,000股資本化發行的每股面值人民幣0.10元之H股及1,366,560,000股資本化發行的每股面值人民幣0.10元之非流通股，且按基準每五股當時已發行之股份送六股資本化發行的新股經已發行並已分派至相關股東。

本公司發行之所有股份均享有同等權益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

35 股本及儲備(續)

(c) Statutory reserves

(c) 法定儲備

		The Group 本集團					
		The Company 本公司		The subsidiaries 附屬公司			Total 合計
		Statutory surplus reserve	Total	Statutory surplus reserve	Reserve fund	Enterprise expansion fund	
		法定 公積金	合計	法定 公積金	儲備基金	企業 發展基金	
		(i)		(i)	(ii)	(ii)	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January	於二零零七年						
2007	一月一日	55,662	55,662	-	13,966	13,966	83,594
Appropriations	調撥	15,136	15,136	1,596	3,356	3,356	23,444
At 31 December	於二零零七年						
2007	十二月三十一日	70,798	70,798	1,596	17,322	17,322	107,038
At 1 January	於二零零八年						
2008	一月一日之	70,798	70,798	1,596	17,322	17,322	107,038
Appropriations	調撥	10,505	10,505	112	2,565	2,565	15,747
At 31 December	於二零零八年						
2008	十二月三十一日	81,303	81,303	1,708	19,887	19,887	122,785

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

(c) Statutory reserves (cont'd)

- (i) Pursuant to the Company's and a subsidiary's Articles of Association, the Company and the subsidiary are required to transfer 10% of their profits for the year, as determined in accordance with the China's Accounting Standards, to statutory surplus reserve. The transfer to this reserve must be made before distributing dividends to shareholders.

The statutory surplus reserve can be used to make up for prior years' losses, if any. It may be converted into share capital by issuing new shares to shareholders proportionate to their existing shareholdings, provided that the balance after such issue is not less than 25% of the registered capital.

- (ii) Pursuant to the Articles of Association of the subsidiaries incorporated in the PRC, the subsidiaries are required to transfer certain percentages of their profits for the year, as determined in accordance with the China's Accounting Standards to the reserve fund and enterprise expansion fund respectively. The percentage of this appropriation was decided by the directors of the subsidiaries.

35 股本及儲備(續)

(c) 法定儲備(續)

- (i) 按照本公司及一家子公司章程的規定，本公司及這家子公司須按中國會計準則計算的年利潤的10%提取法定公積金。提取法定公積金須在向股東分配股息前進行。

法定公積金可用作彌補以往年度虧損(如有)，並可藉向股東按現有所持股權比重發行新股份轉換為股本，惟於發行股份後之結餘不得少於註冊股本25%。

- (ii) 根據本公司在中國境內設立之附屬公司的章程規定，該等附屬公司須按各自按中國會計準則計算的當年淨利潤的一定比例提取儲備基金及企業發展基金。該調撥比例是由該等附屬公司之董事會決定的。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

(c) Statutory reserves (cont'd)

(ii) (cont'd)

The reserve fund can be used for the subsidiaries' working capital purposes and to make up for previous years' losses, if any. This fund can also be used to increase the capital of the subsidiaries, if approved. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to the Company.

The enterprise expansion fund can be used for the subsidiaries' business development purposes and for working capital purposes. This fund can also be used to increase the capital of the subsidiaries, if approved. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distributing dividends to the Company.

35 股本及儲備(續)

(c) 法定儲備(續)

(ii) (續)

儲備基金可用作該等附屬公司補充運營資金之目的，並可彌補以往年度虧損(如有)。此項基金亦可用作增加該等附屬公司之資本金(如經批准)。除於清盤時外，此項基金不可用作股息分派。本公司須於分派股息予股東前將有關款項調撥作儲備基金。

企業發展基金可用作該等附屬公司業務發展及補充運營資金之目的。此項基金亦可用作增加該等附屬公司之資本金(如經批准)。除於清盤時外，此項基金不可用作股息分派。本公司須於分派股息予股東前將有關款項調撥作企業發展基金。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

(d) Distributable reserves

Pursuant to the Company's Articles of Association, the Company's retained earnings available for the purpose of profit distribution to equity shareholders of the Company will be the lesser of (i) the retained earnings determined in accordance with the China's Accounting Standards; or (ii) the retained earnings determined in accordance with IFRSs.

Under the Company Law of the PRC and the Company's Articles of Association, net profit can be distributed as dividends after allowance has been made for:

- (i) making up cumulative previous years' losses, if any;
- (ii) allocations of 10% net profit for the year, as determined in accordance with the China's Accounting Standards, to the Company's statutory surplus reserve; and
- (iii) allocations to the discretionary surplus reserve, if approved by the shareholders.

At 31 December 2008, the Company's distributable reserve amounted to RMB280,440,000 (2007: RMB213,417,000), being the amount determined in accordance with IFRSs.

35 股本及儲備(續)

(d) 可分派儲備

根據本公司採用的章程，本公司為利潤分配而可供分配予本公司股東之未分配利潤為下列較低者(i)按照中國會計準則計算之未分配利潤；或(ii)按照國際財務報告準則計算之未分配利潤。

根據中國公司法及本公司之章程，淨利潤須支付下列各項後方可作為股息分派：

- (i) 彌補以前年度累計虧損(如有)；
- (ii) 將按中國會計準則計算的淨利潤之10%提取本公司之法定公積金；及
- (iii) 倘獲得股東大會批准，提取任意盈餘公積金。

於二零零八年十二月三十一日，本公司可分派予本公司股東之儲備金額為人民幣280,440,000元(二零零七年：人民幣213,417,000元)，此金額乃按照國際財務報告準則計算。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

35 Capital and reserves (cont'd)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can fund its production and development, and continue to provide returns for shareholders by pricing products commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a gearing ratio, as defined by the Group, being the total liabilities divided by the total assets. At 31 December 2008, the gearing ratio of the Group was 49.25% (2007: 61.68%).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements at 31 December 2008.

35 股本及儲備(續)

(e) 資本管理

本集團管理資本的主要目的是維護本集團的持續經營能力，從而使其能夠透過按風險水平為產品進行適當的定價，以及憑藉以合理的成本取得融資，可以支持本集團的生產及發展，並且繼續為股東提供回報。

本集團積極及定期審核和管理其資本架構，以便保持與更高水平借款相對應的更高股東回報，與可靠的資本定位所帶來的優勢及安全之間的平衡，並且調整資本架構以應對經濟環境的變化。

與行業的慣常做法一致，本集團是以本集團所界定的資產負債比率為基礎監管其資本架構。該比率為本集團之負債總值除以資產總值。於二零零八年十二月三十一日，本集團的資產負債比率為49.25%（二零零七年：61.68%）。

於二零零八年十二月三十一日本公司或其任何附屬公司並無受制於任何外部施加的資本管制。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

36 Related party disclosures

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

(a) Transactions with the associate and the jointly controlled entities

Sales to the jointly controlled entities	銷售予共同控制實體
Purchases from the jointly controlled entities	採購自共同控制實體
Sales to the associate	銷售予聯營公司
Purchases from the associate	採購自聯營公司

(b) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors and supervisors as disclosed in Note 12 and the senior management as disclosed in Note 13, is as follows:

Short-term employee benefits	日常在職報酬
Retirement scheme contributions	退休福利計劃供款
Total	合計

36 關聯方披露

除於財務報表其他部份披露之交易和餘額外，本集團有以下重大關聯方交易：

(a) 與聯營公司及共同控制實體之交易

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
	8,846	4,793
	74,014	84,458
	5,257	3,533
	2,098	—

(b) 主要管理人員薪酬

主要管理人員薪酬(包括支付予附註12披露之本公司董事及監事和附註13披露之高級管理層之金額)如下：

	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
	1,924	1,868
	111	28
	2,035	1,896

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values

At 31 December 2008, the Group's financial assets included cash and cash equivalents, restricted deposits, trade receivables and other receivables. At the same date, the Group's financial liabilities included bank loans, trade payables and other payables. The Group did not hold nor has it issued financial instruments for trading purposes as at and for the year ended 31 December 2008.

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operates. Trade receivables are due within one to six months from the date of billing. Debtors with balances past due are requested to settle all outstanding balances before any further credit is granted.

37 財務風險管理及公允價值

於二零零八年十二月三十一日，本集團之金融資產包括現金及現金等價物、有限制存款、應收賬款及其他應收款。同一日期，本集團之金融負債包括銀行貸款、應付帳款及其他應付款。截至二零零八年十二月三十一日及本年度內本集團並無持有或發行金融工具供買賣用途。

本集團在正常業務過程中承受信貸、流動資金、利率和貨幣風險。本集團承受的風險、採取的管理風險的財務風險管理政策和做法如下。

(a) 信貸風險

本集團的信貸風險主要來自應收賬款。管理層已制定適當的信貸政策，並且不斷監察這些信貸風險的敞口。

就應收賬款而言，所有要求就超過某一數額的賬款獲得賒帳安排的客戶均需接受個別的信貨評估。這些評估著重於客戶以往在到期時的還款記錄和目前的還款能力，考慮客戶的特定信息和客戶經營所處的經濟環境。應收賬款在出具賬單日起一到六個月到期。逾期賬款的債務人會被要求先清償所有未償還餘額，才可以獲得進一步的信貨安排。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(a) Credit risk (cont'd)

As at 31 December 2008, 86.6% of the total trade receivables were due within three months (2007: 99.8%).

As at 31 December 2008, the Group's most significant customer, an exclusive distributor for sales to the United States of America and Canada, and another four largest customers accounted for 58% of the total carrying amount of trade receivables (2007: 70%).

The maximum exposure to credit risk is represented by the carrying amount of trade receivables in the consolidated balance sheet.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 26.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands, subject to approval by the Company's board of directors when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

37. 財務風險管理及公允價值(續)

(a) 信貸風險(續)

於二零零八年十二月三十一日，86.6%的應收賬款總額將於未來三個月內被支付(二零零七年99.8%)。

於二零零八年十二月三十一日，應收賬款賬面金額中的58%來自於本集團最大的客戶，某一美國及加拿大獨家分銷商，以及其他四個最大之客戶(二零零七年：70%)。

信貸風險敞口上限為合併資產負債表中應收賬款的賬面金額。

更多有關本集團的應收賬款的信貸風險敞口的信息已在附註26披露。

(b) 流動資金風險

本集團內的個別經營實體需負責本身的現金管理，包括籌借貸款以應付預計現金需求，(如果借款額超過某些預設授權上限，便需尋求本公司董事會的批核)。本集團的政策是定期監查流動資金需求，以及是否符合借款承諾的規定，以確保維持充裕的現金儲備，同時獲得主要金融機構承諾提供足夠的備用資金，已滿足短期和較長期的流動資金需求。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(b) Liquidity risk (cont'd)

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group and the Company can be required to pay.

The Group

		2008 二零零八年				Balance sheet carrying amount
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flow		
Within 1 year or on demand		1 year but less than 2 years	2 years but less than 5 years	contractual undiscounted cash flow	Balance sheet carrying amount	
一年內或接獲通知時		一年後但兩年內	兩年後但五年內	合約未貼現現金流量總額	資產負債表賬面價值	
RMB'000		RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Bank loans	銀行貸款	870,751	-	870,751	856,775	
Trade payables	應付帳款	95,620	-	95,620	95,620	
Other payables and accrued expenses	其他應付款及預提費用	109,646	-	109,646	109,646	
Total	合計	1,076,017	-	1,076,017	1,062,041	

37. 財務風險管理及公允價值(續)

(b) 流動資金風險(續)

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

本集團

		2008 二零零八年				Balance sheet carrying amount
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flow		
Within 1 year or on demand		1 year but less than 2 years	2 years but less than 5 years	contractual undiscounted cash flow	Balance sheet carrying amount	
一年內或接獲通知時		一年後但兩年內	兩年後但五年內	合約未貼現現金流量總額	資產負債表賬面價值	
RMB'000		RMB'000	RMB'000	RMB'000	RMB'000	
人民幣千元		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Bank loans	銀行貸款	870,751	-	870,751	856,775	
Trade payables	應付帳款	95,620	-	95,620	95,620	
Other payables and accrued expenses	其他應付款及預提費用	109,646	-	109,646	109,646	
Total	合計	1,076,017	-	1,076,017	1,062,041	

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

37. 財務風險管理及公允價值(續)

(b) Liquidity risk (cont'd)

(b) 流動資金風險(續)

		2007 二零零七年			Total	Balance
		More than Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	contractual undiscounted cash flow	sheet carrying amount
		一年 內或接 獲通知時	一年 後但 兩年內	兩年 後但 五年內	合約未 貼現現金 流量總額	資產負 債表賬 面價值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Bank loans	銀行貸款	1,123,931	337,608	-	1,461,539	1,389,771
Trade payables	應付帳款	215,714	-	-	215,714	215,714
Other payables and accrued expenses	其他應付款 及預提費用	127,405	-	-	127,405	127,405
Total	合計	1,467,050	337,608	-	1,804,658	1,732,890

The Company

本公司

		2008 二零零八年			Total	Balance
		More than Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	contractual undiscounted cash flow	sheet carrying amount
		一年 內或接 獲通知時	一年 後但 兩年內	兩年 後但 五年內	合約未 貼現現金 流量總額	資產負 債表賬 面價值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Bank loans	銀行貸款	683,510	-	-	683,510	671,775
Trade payables	應付帳款	18,273	-	-	18,273	18,273
Other payables and accrued expenses	其他應付款 及預提費用	27,351	-	-	27,351	27,351
Amounts due to subsidiaries	應付附屬公司	172,683	-	-	172,683	172,683
Amounts due to jointly controlled entities	應付共同 控制實體	14,013	-	-	14,013	14,013
Total	合計	915,830	-	-	915,830	904,095

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(b) Liquidity risk (cont'd)

		2007 二零零七年				Balance sheet carrying amount
		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total contractual undiscounted cash flow	
		一年內或接獲通知時	一年後但兩年內	兩年後但五年內	合約未貼現現金流量總額	資產負債表賬面價值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Bank loans	銀行貸款	871,783	337,608	-	1,209,391	1,144,771
Trade payables	應付帳款	28,535	-	-	28,535	28,535
Other payables and accrued expenses	其他應付款及預提費用	45,949	-	-	45,949	45,949
Amounts due to subsidiaries	應付附屬公司	214,600	-	-	214,600	214,600
Amounts due to jointly controlled entities	應付共同控制實體	104,222	-	-	104,222	104,222
Total	合計	1,265,089	337,608	-	1,602,697	1,538,077

(c) Interest rate risk

Bank balances, restricted deposits and bank loans are the major types of the Group's financial instruments subject to interest rate risk. The Group does not anticipate significant impact to bank balances and the restricted deposits because the interest rates of bank deposits are not expected to change significantly.

37. 財務風險管理及公允價值 (續)

(b) 流動資金風險 (續)

(c) 利率風險

銀行存款、有限制存款和銀行貸款是本集團面臨利率風險的主要金融工具類別。由於預期銀行存款利率不會出現重大變動，故本集團預期利率風險不會對銀行存款以及有限制存款造成重大影響。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(c) Interest rate risk (cont'd)

The Group's interest rate risk arises primarily from bank loans. Bank loans at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The interest rate and terms of repayment of the Group's and the Company's borrowings are disclosed in Note 32.

As at 31 December 2008, it is estimated that a general increase/decrease of 50 basis points in bank borrowing interest rates for bank loans, with all other variables held constant, would have decreased/increased the Group's profit for the year by approximately RMB2,547,000 (2007: RMB3,777,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The analysis is performed on the same basis for 2007.

37. 財務風險管理及公允價值(續)

(c) 利率風險(續)

本集團大部分利率風險來自銀行貸款。持有浮動利率貸款和固定利率貸款使本集團分別承受現金流利率風險及公允價值利率風險。本集團和本公司的利率及還款條件披露於註釋32。

於二零零八年十二月三十一日，估計銀行貸款的利率普遍上升/下降50個基準點，如果所有其他變量保持不變，集團本年利潤會減少/增加約人民幣2,547,000元(二零零七年：人民幣3,777,000元)。

上述敏感度分析的釐定已假設利率變動在結算日已經發生，並且應用在該日已存在的非衍生金融工具的利率風險敞口上。這項分析是以與二零零七年相同的基準進行。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(d) Foreign currency risk

(i) *Forecast transactions*

RMB is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through PBOC or other institutions authorised to buy and sell foreign exchange. The exchange rate adopted for the foreign exchange transactions are the rates of exchange quoted by the PBOC that would be subject to a managed float against an unspecified basket of currencies.

The Group is exposed to currency risk primarily through borrowings and sales which give rise to bank loans, trade receivables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currency giving rise to this risk is primarily United State dollars ("US\$").

The Group did not hedge its foreign currency exposure other than by retaining its foreign currency denominated earnings and receipts to the extent permitted by the State Administration of Foreign Exchange.

37. 財務風險管理及公允價值(續)

(d) 外幣風險

(i) *交易預測*

由於人民幣不可自由兌換為外幣，所有涉及人民幣的外匯交易必須通過中國人民銀行及其他法定機構再進行外匯買賣。外匯交易所採用的匯率為中國人民銀行所公布的匯率，該匯率可能受非特定貨幣籃子的有限制浮動匯率所限。

本集團承受的外匯風險主要來自於從非記帳本位幣進行的交易相關的借款和銷售而產生的銀行貸款、應收賬款及現金等餘額。引起外匯風險的貨幣主要為美元。

除按外匯管理局所許可情況下保留其以外幣列值的盈利及收款外，本集團並無對沖其外幣風險。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(d) Foreign currency risk (cont'd)

(ii) *Exposure to foreign currency risk*

The following table details the Group's and the Company's exposure at the balance sheet date to significant currency risk:

37. 財務風險管理及公允價值(續)

(d) 外幣風險(續)

(ii) *外幣風險敞口*

下表載列了本集團和本公司於結算日所承受的重大貨幣風險敞口：

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		US\$'000	US\$'000	US\$'000	US\$'000
		美元千元	美元千元	美元千元	美元千元
Trade receivables	應收帳款	10,206	29,494	7,831	21,726
Cash and cash equivalents	現金及現金等價物	762	470	203	240
Bank loans	銀行貸款	(65,000)	(98,852)	(65,000)	(98,852)
Trade payables	應付帳款	(579)	(2,014)	(279)	(725)
Other payable and accrued expenses	其他應付款及預提費用	(106)	-	(100)	-
Overall net exposure	外幣風險敞口淨值	(54,717)	(70,902)	(57,345)	(77,611)

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(d) Foreign currency risk (cont'd)

(iii) Sensitivity analysis

A 5% strengthening/weakening of RMB against US\$ as at the respective balance sheet dates would increase/(decrease) profit for the year by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

37. 財務風險管理及公允價值(續)

(d) 外幣風險(續)

(iii) 敏感度分析

在各個相關結算日，如果人民幣對美元升值／貶值5%，則本年度溢利將會增加／(減少)下表所示金額。本分析所基於的假設是所有其他變量(特別是利率)保持不變。

		The Group 本集團		The Company 本公司	
		2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
Profit for the year:	本年度溢利：				
5% strengthening in RMB	人民幣 升值5%	14,024	19,681	14,697	21,543
5% weakening in RMB	人民幣 貶值5%	(14,024)	(19,681)	(14,697)	(21,543)

The sensitivity analysis assumes that the change in the exchange rate had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the balance sheet date. The analysis is performed on the same basis for 2007.

上述敏感性分析是假設資產負債表日匯率發生變動，以變動後的匯率對資產負債表日本集團持有的、面臨外幣風險的金融工具進行重新計量得出的。這項分析是以與二零零七年相同的基準進行。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

37 Financial risk management and fair values (cont'd)

(e) Fair value

The carrying amounts of significant financial assets and liabilities approximate their respective fair values as at 31 December 2008 and 2007.

(i) *Cash and cash equivalents, restricted deposits, trade and other receivables, trade and other payables (current portion)*

The carrying amounts approximate their fair values because of the short maturities of these items.

(ii) *Bank loans*

The carrying amounts of bank loans approximate their fair values based on the borrowing rates currently available for bank loans with similar terms and maturities.

37. 財務風險管理及公允價值(續)

(e) 公允價值

於二零零八年及二零零七年十二月三十一日，重大金融資產及負債之帳面金額約為其公允價值。

(i) 現金及現金等價物、有限制存款、應收帳款及其他應收款、應付帳款及其他應付款(一年內到期部分)

鑒於此等工具之到期日短暫，因此帳面金額約為其公允價值。

(ii) 銀行貸款

以現行相若貸款條件及到期日之銀行貸款利率為依據，銀行貸款之帳面金額為其公允價值。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

38 Commitments

As at 31 December 2008, the Group and the Company had capital commitments in respect of property, plant and equipment not provided for in the financial statements as follows:

Contracted for 已簽約

38. 承擔

於二零零八年十二月三十一日，本集團及本公司就購置物業、廠房及設備而未在財務報表撥備的資本承擔如下：

The Group 本集團		The Company 本公司	
2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2008 二零零八年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元
3,968	15,476	849	1,612

39 Contingent liabilities

As at 31 December 2008, the Company has issued guarantees to banks in respect of banking facilities granted to its subsidiaries and a jointly controlled entity. The directors do not consider it probable that a claim will be made against the Company under any of the guarantees. The maximum liability of the Company at the balance sheet date under the guarantees issued is the facilities drawn down by the subsidiaries and the joint controlled entity of RMB170,000,000 (2007: RMB198,000,000).

39. 或有負債

於二零零八年十二月三十一日，本公司為其附屬公司及共同控制實體的銀行貸款提供擔保。董事會認為本公司向銀行作出的所有擔保均不會導致索償。附屬公司及共同控制實體的銀行貸款人民幣170,000,000元(二零零七年：人民幣198,000,000元)為本公司於資產負債表日向銀行作出擔保的最高負債額。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

40 Accounting estimates and judgements

(a) Impairment for bad and doubtful debts

The Group estimated impairment losses for bad and doubtful debts resulting from the inability of the customers to make the required payments. The Group bases the estimates on the ageing of the accounts receivable balance, customer credit-worthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual write-offs would be higher than estimated.

(b) Impairment for non-current assets

If circumstances indicate that the net book value of a non-current asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with IAS 36 "Impairment of Assets". The carrying amounts of non-current assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sale volume, selling price and amount of operating costs.

40. 會計估計及判斷

(a) 呆壞帳減值損失

本集團就客戶無法做出所需付款時產生的估計虧損計提呆壞帳減值虧損。本集團以應收賬款的賬齡、客戶的信譽和歷史沖銷記錄等資料作為估計的基礎。如果該等客戶的財務狀況惡化，實際沖銷數額將會高於估計數額。

(b) 非流動資產的減值虧損

倘若情況顯示非流動資產的賬面淨值可能無法收回，有關資產便會視為「已減值」，並可能根據《國際會計準則》第36號「資產減值」確認減值虧損。非流動資產的賬面值會被定期評估，以確定可收回數額是否下跌至低於賬面值。當事項或環境變動顯示資產的賬面值可能無法收回時，有關資產便會進行減值測試。如果出現下跌跡象，賬面值便會減至可收回值。可收回值是以經售價與使用價值兩者中的較高者計算。由於本集團難以獲得資產的公開市價，因此難以準確的估計售價。在確定使用價值時，該資產所產生的預期現金流量會貼現至其現值，因而需要對銷售額、售價和經營成本等作出重大判斷。本集團在確定與可收回數額相近的合理數額時會採用所有現存可供使用的資料，包括根據合理和可支持的假設所作出的估計和銷售額、售價及經營成本的預測。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan)

(以人民幣列示)

40 Accounting estimates and judgements (cont'd)

(c) Write-down of inventories

If the costs of inventories fall below their net realisable values, a write-down loss of inventories is recognised. Net realisable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The Group based the estimates on all available information, including the current market prices of the finished goods and raw materials, and historical operating costs. If the actual selling prices were to be lower or the costs of completion and other distribution costs were to be higher than estimated, the actual write-down loss of inventories could be higher than estimated.

41 Possible impacts of amendments, new standards and interpretations issue but not yet effective for the annual accounting period ended 31 December 2008

Up to the date of issue of these financial statements, the IASB has issued the following amendments, new standards and interpretations which are not yet effective for the accounting year ended 31 December 2008:

IFRIC 13, Customer loyalty programmes
國際財務報告準則解釋公告第13號－客戶忠誠度計劃
IFRS 8, Operating Segments
國際財務報告準則第8號－經營分部
Revised IAS 1, Presentation of Financial Statements
經修訂國際會計準則第1號－財務報表的列報
Revised IAS 23, Borrowing Costs
經修訂國際會計準則第23號－借款費用

40. 會計估計及判斷(續)

(c) 存貨減值

如存貨成本低於其可變現淨值，減值虧損便會被確認。可變現淨值指以正常業務過程中的估值售價減去完成生產及銷售所需的估計成本後所得之金額。本集團根據所有可得資料，包括成品及原材料之現時市場價格和以往營運成本作估值。如實際銷售價低於或完成生產成本和其他銷售費用高於估值，實際減值虧損可能會高於估值。

41. 頒佈但尚未在截至二零零八年十二月三十一日止年度生效的修訂、新準則和詮釋可能帶來的影響

截至本財務報表公布日，國際會計準則委員會已經頒佈以下經修訂及新訂的會計準則及詮釋。該詮釋於截至二零零八年十二月三十一日的會計年度尚未生效：

Effective for accounting period beginning on or after 由以下期間或之後 開始的會計期間生效

1 July 2008
2008年7月1日
1 January 2009
2009年1月1日
1 January 2009
2009年1月1日
1 January 2009
2009年1月1日

Notes to the Financial Statements

財務報表附註

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(以人民幣列示)

41 Possible impacts of amendments, new standards and interpretations issue but not yet effective for the annual accounting period ended 31 December 2008 (cont'd)

41. 頒佈但尚未在截至二零零八年十二月三十一日止年度生效的修訂、新準則和詮釋可能帶來的影響(續)

	Effective for accounting period beginning on or after 由以下期間或之後 開始的會計期間生效
Amendments to IFRS 2, Share-Based Payment – Vesting Conditions and Cancellations 國際財務報告準則第2號(修訂)–以股份為基礎的支付 – 歸屬條件和取消	1 January 2009 2009年1月1日
Revised IFRS 3, Business Combination 經修訂國際財務報告準則第3號–業務合併	Applied to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009 適用於收購日期在2009年7月1日或以後開始的首個年度報告期間以後的業務合併
Revised IAS 27, Consolidated and Separate Financial Statements 經修訂國際會計準則第27號–合併和獨立財務報表	1 July 2009 2009年7月1日
Amendments to IAS 39, Financial Instruments – Recognition and Measurement: Eligible Hedged Items 國際會計準則第39號(修訂)–金融工具 – 確認和計量：合格的對沖項目	1 July 2009 2009年7月1日
IFRIC 17, Distributions of non-cash assets to owners 國際財務報告準則解釋公告第17號–向所有者發放非現金資產	1 July 2009 2009年7月1日
IFRIC 18, Transfers of assets from customers 國際財務報告準則解釋公告第18號–來自客戶資產的轉讓	Applies to transfers of assets from customers received on or after 1 July 2009 適用於2009年7月1日及以後來自客戶資產的轉讓

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application and has so far concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

本集團正在評估這些修訂、新準則和新詮釋對開始採用期間的預計影響。到目前為止，本集團相信，採納這些修訂、新準則和新詮釋對本集團的經營業績和財政狀況應該不會構成重大影響。

