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CHINA FIRST CHEMICAL HOLDINGS LIMITED

一化控股(中國)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2121)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

Financial Highlights	2013	2012	Variance
	<i>RMB'000</i>	<i>RMB'000</i>	<i>%</i>
Revenue	1,510,022	1,619,634	(6.8%)
Gross profit	466,586	464,684	0.4%
Profit attributable to equity holders of the Company	250,257	249,712	0.2%
Earnings per share			
— Basic (<i>RMB</i>)	31.20 cents	31.13 cents	0.2%
— Diluted (<i>RMB</i>)	31.20 cents	31.13 cents	0.2%
Total equity	1,860,090	1,632,122	14.0%
Net asset per share (<i>RMB</i>)	2.32	2.03	14.0%

The Board of Directors (the “Board”) of China First Chemical Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2013 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December	
		2013 RMB'000	2012 RMB'000
Revenue	4	1,510,022	1,619,634
Cost of sales	7	(1,043,436)	(1,154,950)
Gross profit		466,586	464,684
Selling and marketing expenses	7	(41,934)	(38,302)
Administrative expenses	7	(66,273)	(66,394)
Other income		3,369	2,039
Other losses — net	5	(1,897)	(1,755)
		359,851	360,272
Operating profit			
Finance income		3,512	5,157
Finance costs	6	(28,004)	(28,379)
Finance costs — net		(24,492)	(23,222)
Share of loss of an investments accounted for using equity method	12	—	—
Profit before income tax		335,359	337,050
Income tax expense	9	(85,102)	(86,801)
Profit and total comprehensive income for the year		250,257	250,249
Attributable to:			
— Equity holders of the Company		250,257	249,712
— Non-controlling interests		—	537
		250,257	250,249
Earnings per share attributable to the equity holders of the Company (RMB)			
— Basic	10	0.31	0.31
— Diluted	10	0.31	0.31
Proposed final dividend	11	25,026	25,007

CONSOLIDATED BALANCE SHEET

		As at 31 December	
		2013	2012
	Note	RMB'000	RMB'000
ASSETS			
Non-current assets			
Land use rights		73,803	75,567
Property, plant and equipment		1,165,438	1,064,238
Intangible assets		4,105	4,499
Investment accounted for using the equity method	12	–	–
Deferred income tax assets		1,425	523
		<u>1,244,771</u>	<u>1,144,827</u>
Current assets			
Inventories	13	156,001	166,148
Trade and other receivables	14	239,904	296,901
Cash and cash equivalents		784,153	778,553
Restricted cash		112,617	61,491
		<u>1,292,675</u>	<u>1,303,093</u>
Total assets		<u><u>2,537,446</u></u>	<u><u>2,447,920</u></u>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		65,346	65,346
Reserves		780,100	777,033
— Proposed final dividend		25,026	25,007
— Others		755,074	752,026
Retained earnings		1,014,644	789,743
Total equity		<u>1,860,090</u>	<u>1,632,122</u>
LIABILITIES			
Non-current liabilities			
Borrowings		68,078	90,750
Deferred income		14,006	15,508
Deferred tax liabilities		743	–
		<u>82,827</u>	<u>106,258</u>
Current liabilities			
Derivative financial instruments	15	–	–
Trade and other payables	16	246,135	369,837
Current income tax liabilities		25,397	12,346
Borrowings		322,997	327,357
		<u>594,529</u>	<u>709,540</u>
Total liabilities		<u>677,356</u>	<u>815,798</u>
Total equity and liabilities		<u><u>2,537,446</u></u>	<u><u>2,447,920</u></u>
Net current assets		<u>698,146</u>	<u>593,553</u>
Total assets less current liabilities		<u><u>1,942,917</u></u>	<u><u>1,738,380</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 24 November 2010, and was listed on the Main Board of the Stock Exchange of Hong Kong Limited (“Stock Exchange”) on 9 December 2011. The address of its registered office is P.O. Box 309, Uglund House Grand Cayman, KY1-1104 Cayman Islands.

The Company is a leading specialty chemicals provider in China specializing in bleaching and disinfectant chemicals and foaming agent.

2. BASIS OF PRESENTATION AND PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). In addition, the consolidated financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

3. APPLICATION OF NEW AND REVISED IFRSs

The Group has not applied the following new and revised IFRSs, amendments and interpretations that have been issued but are not yet effective, in these financial statements.

IAS 32 (Amendments)	‘Financial instruments: Presentation’ on asset and liability offsetting ¹
IAS 36 (Amendments)	Recoverable amount disclosures for non-financial assets ¹
IAS 39 (Amendments)	Novation of derivatives ¹
IFRS 10, IFRS 12 and IAS 27 (Amendments)	Investment entities ¹
IFRS 7 and IFRS 9 (Amendments)	Mandatory effective date and transaction disclosures ³
IFRS 9	Financial Instruments ³
IFRIC Int 21	Levies ¹
Annual Improvements Project	Annual Improvements 2010–2013 cycle ²

¹ Effective for annual periods beginning on or after 1 January 2014

² Effective for annual periods beginning on or after 1 July 2014

³ Effective for annual periods beginning on or after 1 January 2015

The Directors of the Company anticipate that the application of these new standards, amendments and interpretations will have no material impact on the results of operations and financial positions of the Group.

4. SEGMENT INFORMATION

The Group is principally engaged in the chemical products business in the PRC. Separate individual financial information of the three locations where the principal operations of the Group is located are presented to the chief operating decision maker (the Board of Directors) who reviews the internal reports in order to assess performance and allocate resources. Due to the differences in gross profit, customers etc. For Bleaching and disinfectant chemicals, Forming agent, Other special chemicals respectively, the Bleaching and disinfectant chemicals, Forming agent, Other special chemicals are considered to be three reportable segments in accordance with IFRS 8 “Operating Segment”.

Majority of the Group’s products are sold to customers in the PRC. The Group has a large number of customers, which are widely dispersed within the PRC and overseas, no single customer accounted for more than 10% of the Group’s total revenues for the year ended 2013 and 2012.

The revenue from external customers and the cost, the total assets and the total liabilities are measured in a manner consistent with that of the Group’s consolidated financial statements.

The Board of Directors assesses the performance of the operating segments based on a measure of gross profit.

The segment information provided to the Board of Directors for the reportable segments for the year ended 31 December 2013 and as at 31 December 2013 is as follows:

	Year ended 31 December 2013			
	Bleaching and disinfectant chemicals	Forming agent	Other specialty chemicals	Total
Segment revenue	669,280	586,841	253,901	1,510,022
Inter-segment revenue	—	—	—	—
Revenue from external customers	<u>669,280</u>	<u>586,841</u>	<u>253,901</u>	<u>1,510,022</u>
Gross profit	<u>232,062</u>	<u>144,713</u>	<u>89,811</u>	<u>466,586</u>
Unallocated				
Depreciation and amortisation				94,443
Finance income				3,512
Finance expense				(28,004)
Income tax expense				<u>(85,102)</u>
Total assets				<u>2,537,446</u>
Total liabilities				<u>677,356</u>

	Year ended 31 December 2012			Total
	Bleaching and disinfectant chemicals	Forming agent	Other specialty chemicals	
Segment revenue	596,835	759,378	263,421	1,619,634
Inter-segment revenue	—	—	—	—
Revenue from external customers	<u>596,835</u>	<u>759,378</u>	<u>263,421</u>	<u>1,619,634</u>
Gross profit	<u>197,739</u>	<u>160,204</u>	<u>106,741</u>	<u>464,684</u>
Unallocated				
Depreciation and amortisation				69,161
Finance income				5,157
Finance expense				(28,379)
Income tax expense				(86,801)
Total assets				<u>2,447,920</u>
Total liabilities				<u>815,798</u>

There is no information in relation segment assets and segment liabilities provided to CODM.

Revenue from external customers by geographical area is based on the geographical location of the customers.

Revenue is allocated based on the countries in which the customers are located.

	Year ended 31 December	
	2013 RMB'000	2012 RMB'000
Revenue		
Mainland China	1,313,329	1,398,811
Overseas	<u>196,693</u>	<u>220,823</u>
	<u>1,510,022</u>	<u>1,619,634</u>

5. OTHER LOSSES — NET

	For the year ended	
	31 December	
	2013	2012
	RMB'000	RMB'000
Loss on disposals of property, plant and equipment	<u>(1,897)</u>	<u>(1,755)</u>
	<u>(1,897)</u>	<u>(1,755)</u>

6. FINANCE EXPENSES

	For the year ended	
	31 December	
	2013	2012
	RMB'000	RMB'000
Interest expenses:		
— Bank borrowings	24,285	27,796
— Discount interest for bill payables	8,880	7,521
— Other charges	2,669	1,782
	<u>35,834</u>	<u>37,099</u>
<i>Less:</i> Interest capitalized in property, plant and equipment	<u>(2,305)</u>	<u>(4,311)</u>
	33,529	32,788
Loss on forward foreign exchange contracts	16,708	—
Net foreign exchange gains	<u>(22,233)</u>	<u>(4,409)</u>
	<u>28,004</u>	<u>28,379</u>

7. EXPENSES BY NATURE

The Group's cost of sales, selling and marketing expenses and administrative expenses represent the following items:

	For the year ended	
	31 December	
	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Raw materials used and changes in inventories	623,290	769,009
Depreciation of property, plant and equipment	92,285	67,179
Electricity and other utility fees	283,845	269,872
Employee benefit expenses	67,836	66,799
Transportation and related charges	36,403	26,975
Taxations	9,028	12,984
Amortization of land use rights	1,764	1,764
Amortization of intangible assets	394	218
Office and entertainment expenses	10,982	14,771
Operating lease expenses	1,518	1,349
Property insurance fee	2,231	2,048
Travelling expenses	1,407	1,833
Repairs and maintenance	6,330	9,985
Auditors' remuneration	3,150	3,050
Research and development costs	1,361	–
Impairment loss for trade and other receivables	799	–
Other expenses	9,020	11,810
	<u>1,151,643</u>	<u>1,259,646</u>

8. EMPLOYEE BENEFIT EXPENSES

	For the year ended	
	31 December	
	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Directors' remuneration		
— Wages, salaries and bonuses	2,350	2,329
— Contribution to pension plan	52	49
— Pre-IPO option scheme expenses	2,043	2,043
	<u>4,445</u>	<u>4,421</u>
Other staff costs		
— Wages, salaries and bonuses	46,179	44,605
— Contribution to pension plan	8,722	8,237
— Welfare and other expenses	8,130	9,176
— Pre-IPO option scheme expenses	360	360
	<u>63,391</u>	<u>62,378</u>
	<u>67,836</u>	<u>66,799</u>

9. INCOME TAX EXPENSES

	For the year ended	
	31 December	
	2013	2012
	RMB'000	RMB'000
Current income tax		
— PRC enterprise income tax	85,155	87,154
— Hong Kong profits tax	106	—
Deferred income tax credit	(159)	(353)
	<u>85,102</u>	<u>86,801</u>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate of companies comprising the Group is set out as follows:

	For the year ended	
	31 December	
	2013	2012
	RMB'000	RMB'000
Profit before income tax	<u>335,359</u>	<u>337,050</u>
Tax calculated at domestic tax rates applicable to profits in the respective countries	83,697	84,262
Expenses not deductible for tax purpose	2,470	2,690
Income not subject to taxation	(1,065)	(151)
	<u>85,102</u>	<u>86,801</u>

The provision for PRC enterprise income tax is based on the statutory rate of 25% on the basis of the profit for the statutory financial reporting purposes, adjusted for income and expenses items which are not assessable or deductible for income tax purpose.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the year ended 31 December 2013.

10. EARNINGS PER SHARE

(a) Basic

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

	For the year ended	
	31 December	
	2013	2012
Profit attributable to equity holders of the Company (RMB'000)	250,257	249,712
Weighted average number of ordinary shares in issue (thousand)	<u>802,191</u>	<u>802,167</u>
Basic earnings per share (RMB yuan)	<u>0.31</u>	<u>0.31</u>

(b) **Diluted**

Diluted earnings per share is calculated based on the profit attributable to equity holders of the Company after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The pre-IPO share options granted by the Company are taken into the consideration when the Company calculates the diluted earnings per share. The average market price of the shares issued for the year ended 31 December 2013 is lower than the exercise price of the pre-IPO share options, the pre-IPO share options are therefore not included in the diluted earnings per share calculation. The diluted earnings per share is the same as the basic earnings per share.

11. DIVIDEND

	For the year ended	
	31 December	
	2013	2012
	RMB'000	RMB'000
Proposed final dividend	25,026	25,007
Dividend paid	24,692	40,697

The final dividend in respect of the year ended 31 December 2012 of HK\$0.0386 (RMB0.0312) per share, amounting to a total dividend of HK\$30,965,000 (equivalent to RMB24,692,000) was paid in June 2013.

A dividend in respect of the year ended 31 December 2013 of HK\$0.0390 (equivalent to RMB0.0312) per share, amounting to a total dividend of HK\$31,302,000 (equivalent to RMB25,026,000) is to be proposed at the annual general meeting on 13 June 2014. The consolidated financial statements do not reflect this dividend payable.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	As at
	31 December
	RMB'000
Share of net assets, as at 1 January 2013	–
Addition	2,973
Share of loss of investments accounted for using the equity method	(2,973)
	<hr/>
Share of net assets, as at 31 December 2013	–

On 12 April 2013, the Company acquired 30% of shares in Sichuan Minjiang Snow Salt Chemical Industry Co., Ltd. (“Minjiang Snow”) at nil consideration. As a result, Minjiang Snow became an associate of the Company. Details of Minjiang Snow as at the date of acquisition are as follow:

Provisional fair value on acquisition date	Effective equity interest held by the Group	The Group's attributable share of the provisional fair value of the associate	Consideration	Bargain purchase
RMB'000		RMB'000		RMB'000
<u>9,910</u>	<u>30%</u>	<u>2,973</u>	<u>–</u>	<u>2,973</u>

13. INVENTORIES

	As at 31 December	
	2013	2012
	RMB'000	RMB'000
Raw materials	18,600	15,659
Work in process	126,119	133,796
Finished goods	11,282	16,693
	<u>156,001</u>	<u>166,148</u>
Less: provision for write-down of inventories	–	–
	<u>156,001</u>	<u>166,148</u>

14. TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2013	2012
	RMB'000	RMB'000
Trade receivables (a)	229,253	256,144
Due from third parties	230,052	256,144
Less: Provision for impairment of receivables	(799)	–
Prepayments		
Prepayment for purchase goods from related parties	2,000	–
Prepayment for purchase goods from third parties	2,000	2,117
Value added tax input credits	6,000	37,996
Other receivables		
Due from third parties	651	644
	<u>239,904</u>	<u>296,901</u>

- (a) The outstanding balances are within credit terms of between 30 days and 90 days for both domestic customers and overseas customers.

As at the year end dates, the ageing analysis of the trade receivables is set out as follows:

	As at 31 December	
	2013	2012
	RMB'000	RMB'000
Within 3 months	228,409	253,653
Between 4 and 6 months	45	12
Between 7 and 12 months	–	2,479
Between 1 and 2 years	1,598	–
	<u>230,052</u>	<u>256,144</u>

As of 31 December 2013 and 2012, trade receivables of RMB45,000 (2012: RMB2,491,000) were past due but not impaired. These relate to a number of independent customers, for whom there is no significant financial difficulty and based on past experiences, the overdue can be recovered. The ageing analysis of these past due but not impaired receivables is as follows:

	As at 31 December	
	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Between 4 and 6 months	45	12
Between 7 and 12 months	–	2,479
	<u>45</u>	<u>2,491</u>

As of 31 December 2013, trade receivables of RMB799,000 (2012: nil) were impaired. The amount of the provision was RMB799,000 as of 31 December 2013 (2012: nil). The individually impaired receivables mainly relate to customer, which are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. The ageing of this receivable is as follows:

	As at 31 December	
	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Between 1 and 2 years	<u>1,598</u>	<u>–</u>

The creation of provisions for impaired receivables has been included in “administrative expenses” in the consolidated statement of comprehensive income (Note 8).

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

15. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 31 December	
	2013	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Financial liability at fair value through profit or loss		
Forward foreign exchange contracts	<u>–</u>	<u>–</u>

For the purpose of hedging foreign currency risk, the management entered into a forward foreign exchange contract (between RMB and JPY) for the loan denominated in Japanese Yen amounted to JPY950,000,000 at a pre-determined fixed rate with a bank in 2013.

The Group executed forward foreign exchange contract in September 2013 and the investment loss amounted to RMB16,708,000 (2012: Nil) was recorded in “finance losses”.

16. TRADE AND OTHER PAYABLES

	As at 31 December	
	2013 RMB'000	2012 RMB'000
Trade payables (a)		
Due to third parties	<u>51,047</u>	<u>67,640</u>
Bills payable (b)	127,660	231,783
Due to related parties	1,500	–
Due to third parties	126,160	231,783
Other payables (c)		
Due to third parties	<u>67,428</u>	<u>70,414</u>
	246,135	369,837

(a) Details of ageing analysis of trade payables are as follows:

	As at 31 December	
	2013 RMB'000	2012 RMB'000
Within 3 months	51,032	67,640
Between 4 and 6 months	15	–
	<u>51,047</u>	<u>67,640</u>

(b) As at 31 December 2013 and 2012, the entire balances of bills payable were secured by restricted cash of RMB50,517,000 and RMB61,491,000 respectively

(c) Details of other payables are as follows:

	As at 31 December	
	2013 RMB'000	2012 RMB'000
Advance from customers	3	164
Payable for IPO expenses	–	1,517
Auditor's remuneration	1,275	2,550
Payable for property, plant and equipment purchases	10,409	29,098
Freight charges	8,846	10,082
Water and electricity	23,397	10,880
Salary and welfare payable	8,625	10,499
Taxes	11,651	2,086
Others	3,222	3,538
	<u>67,428</u>	<u>70,414</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

Revenue for the year under review was approximately RMB1,510.0 million, representing a decrease of approximately RMB109.6 million or 6.8% from approximately RMB1,619.6 million for the corresponding period last year. The decrease was mainly attributable to the decrease in the sales of foaming agent, and partially offset by increase in the sales of bleaching and disinfectant chemicals during the year.

The table below sets out our revenue by product group for the year under review:

	For the year ended 31 December			
	2013		2012	
	<i>Amount</i>	<i>% of Revenue</i>	<i>Amount</i>	<i>% of Revenue</i>
Revenue (RMB'000)				
Bleaching and disinfectant chemicals	669,280	44.3%	596,835	36.9%
Foaming agent	586,841	38.9%	759,378	46.9%
Other specialty chemicals	253,901	16.8%	263,421	16.2%
Total	<u>1,510,022</u>	<u>100.0%</u>	<u>1,619,634</u>	<u>100.0%</u>

Bleaching and disinfectant chemicals

This segment mainly consists of sodium chlorate and hydrogen peroxide, which are two of our largest sales generating products. Sodium chlorate and hydrogen peroxide are the principal chemicals used in the ECF and TCF pulp bleaching process by our downstream customers, respectively.

During the year under review, the total revenue for the bleaching and disinfectant chemicals was RMB669.3 million, representing an increase of approximately 12.1% or RMB72.4 million from that in 2012. The increase was a net effect of: (1) the sales of sodium chlorate increased by approximately 10.1% to RMB422.5 million due to the production capacity expansion and the increase in sales volumes of sodium chlorate; and (2) the sales of hydrogen peroxide increased by approximately 26.3% to RMB232.4 million due to increase in sales volumes of hydrogen peroxide as a result of improvement of market condition.

Foaming agent

This segment mainly consists of basic and modified grades of foaming agent. Foaming agent is primarily used in the production of foamed plastics as an additive by the downstream customers of the Group, which is widely applied in the footwear industry, building materials industry, automobile upholstery and furniture and home decoration materials industry.

During the year under review, the total revenue for the foaming agent was RMB586.8 million, representing a decrease of approximately 22.7% or RMB172.5 million from that in 2012. The decrease was mainly attributed to the decrease in outsourced production and increase in self-produced sales volumes after the upgrade of our production facilities.

Other specialty chemicals

This segment mainly consists of potassium chlorate, sodium perchlorate, potassium perchlorate, caustic soda, biurea and others.

During the year under review, the total revenue for other specialty chemicals was RMB253.9 million, representing a decrease of approximately 3.6% or RMB9.5 million from that in 2012. The decrease was mainly attributed to the decrease in sales volume of caustic soda due to conversion into self-production of foaming agent during the year.

Cost of sales

Our cost of sales primarily consists of costs of raw materials used and changes in inventories, electricity and other utility fees, depreciation of property, plant and equipment, employee benefit expenses, transportation and related charges, repairs and maintenance, tax and levies on main operations, office and entertainment expenses, traveling expenses and other expenses. Raw materials used and changes in inventories, including foaming agent and sodium chlorate sourced from third parties, were the largest component of our cost of sales, representing 59.7% and 66.6% of our total cost of sales for the year ended 31 December 2013 and 2012, respectively.

During the year under review, our cost of sales decreased by approximately RMB111.5 million or 9.7% to RMB1,043.4 million from RMB1,155.0 million in the corresponding period last year, which was primarily due to the decrease in outsourced production volume of foaming agent. The percentage for cost of sales to revenue decreased from 71.3% for the year ended 31 December 2012 to 69.1% for the year ended 31 December 2013 reflecting decrease in cost of outsourcing production.

Gross profit and gross margin

Our gross profit increased by approximately RMB1.9 million or 5.7% to RMB466.6 million for the year under review from RMB464.7 million for the corresponding period last year. The overall gross margin increased from 28.7% in 2012 to 30.9% in 2013, which was primarily due to: (1) the increase in sales of self-produced foaming agent which had higher gross margin; and (2) the increase in average selling price of certain products as a result of improving market condition.

The table below sets out our gross margins by product group for the year under review:

Gross margin (%)	For the year ended 31 December		
	2013	2012	Change
Bleaching and disinfectant chemicals	34.7%	33.1%	4.8%
Foaming agent	24.7%	21.1%	17.1%
Other specialty chemicals	35.4%	40.5%	(12.6%)
Overall	<u>30.9%</u>	<u>28.7%</u>	<u>7.7%</u>

Bleaching and disinfectant chemicals

The gross margin of bleaching and disinfectant chemicals increased from 33.1% for the year ended 31 December 2012 to 34.7% for the year ended 31 December 2013, which was primarily attributed to: (1) the increase in sales volume of hydrogen peroxide which has higher gross profit margin as a result of improving market condition; and (2) the decrease in cost of sales as a result of decreasing raw material price and cost saving after the upgrade of production facilities.

Foaming agent

The gross margin of foaming agent increased from 21.1% for the year ended 31 December 2012 to 24.7% for the year ended 31 December 2013, which was primarily attributed to the upgrade of our production facilities and the increase in the usage of self-produced raw materials, for example of caustic soda and biurea, had improved the gross margin of foaming agent.

Other specialty chemicals

The gross margin of other specialty chemicals decreased from 40.5% for the year ended 31 December 2012 to 35.4% for the year ended 31 December 2013, which was primarily attributed to the increase in the usage of caustic soda which has higher gross margin to produce foaming agent.

Selling and marketing expenses

Selling and marketing expenses primarily consist of transportation and related charges for our products, sales taxes such as urban maintenance and construction tax, educational surtax, travelling expenses and other selling and marketing expenses. The selling and marketing expenses of the Group increased by 9.4% to RMB41.9 million for the year ended 31 December 2013 from RMB38.3 million for the year ended 31 December 2012, which was primarily attributed to the expansion of sales volume of the Group resulting in higher selling expenses.

Administrative expenses

Administrative expenses primarily consist of depreciation of property, plant and equipment, employee benefit expenses and office and entertainment expenses. The administrative expenses of the Group decreased by 0.2% to RMB66.3 million for the year ended 31 December 2013 from RMB66.4 million for the year ended 31 December 2012, which was primarily attributed to which was primarily to effective cost control.

Other income

Other income primarily consists of profit from sales of raw materials and government subsidies. The other income of the Group increased by 65.2% to RMB3.4 million for the year ended 31 December 2013 from RMB2.0 million for the year ended 31 December 2012, which was primarily attributed to the increase in government subsidies as a result of energy saving.

Other losses — net

Other losses — net, mainly consists of the net loss from the disposal of property, plant and equipment. The other losses, net of the Group increased by 8.1% to RMB1.9 million for the year ended 31 December 2013 from RMB1.8 million for the year ended 31 December 2012, which was primarily attributable to increase in loss on disposals of property, plant and equipment.

Finance income

Finance income primarily represents interest income from our bank deposits. The finance income of the Group decreased by 31.9% to RMB3.5 million for the year ended 31 December 2013 from RMB5.2 million for the year ended 31 December 2012, which was primarily attributed to the decrease in interest earned on our bank deposits as a result of decrease in term deposits during the year.

Finance expenses

Finance expenses primarily consist of interest expenses on bank borrowings, discount interest for bill payables, other finance charges and foreign exchange losses, less interest capitalized in property, plant and equipment. The finance costs of the Group decreased by 1.3% to RMB28.0 million for the year ended 31 December 2013 from RMB28.4 million for the year ended 31 December 2012, which was primarily attributed to increased foreign exchange gains.

Income tax expense

The Group is subject to PRC enterprise income tax rate of 25% for all our PRC subsidiaries. The income tax expense of the Group decreased by 2.0% to RMB85.1 million for the year ended 31 December 2013 from RMB86.8 million for the year ended 31 December 2012. The effective tax rate decreased to 25.4% for the year ended 31 December 2013 from 25.7% for the year ended 31 December 2012 as a result of adjustments for income and expenses items which were not assessable or deductible for income tax purpose.

Profit for the year

As a result of the foregoing factors, the profit attributable to the equity holders of the Company increased by 0.2% to RMB250.3 million for the year ended 31 December 2013 from RMB249.7 million for the year ended 31 December 2012.

Profit attributable to non-controlling interests

There is no profit attributable to non-controlling interests of the Company for the year ended 31 December 2013 (2012: RMB0.5 million), which was primarily attributed to the acquisition of the non-controlling interest of Fuzhou Yihua Chemical Stock Co., Ltd. (“Fuzhou Yihua”) by Fujian Rongping Chemical Co., Ltd. (“Fujian Rongping”) during the last year. Both Fuzhou Yihua and Fujian Rongping are subsidiaries of the Group.

LIQUIDITY AND CAPITAL RESOURCES

Financial position and bank borrowings

The Group has historically funded our cash requirements principally from cash generated from our operations and bank borrowings, as well as equity financing through shareholders.

The balance of the Group’s cash and cash equivalents amounted to approximately RMB784.2 million (2012: approximately RMB778.6 million), most of which were denominated in Renminbi. As at 31 December 2013, the interest bearing bank borrowings of the Group amounted to approximately RMB391.1 million (2012: approximately RMB418.1 million).

The Group’s current ratio (calculated as current assets divided by current liabilities) was 2.17 (2012: 1.84). The Group was in a strong net cash position as at 31 December 2012 and 2013. The Group has sufficient and readily available finance resource for both general working capital purpose and foreseeable capital expenditure.

Working capital

Inventories were approximately RMB156.0 million in total as at 31 December 2013, as compared with approximately RMB166.1 million as at 31 December 2012. The decrease was primarily due to utilisation in work in process namely, working solution to be used to produce hydrogen peroxide. Average inventory turnover days was 56 days for the year 2013 (2012: 42 days).

As at 31 December 2013, trade receivables amounted to approximately RMB229.3 million in total, as compared with approximately RMB256.1 million as at 31 December 2012. The decrease was in line with decrease in our sales during the year. The average trade receivables turnover days was 58 days for the year 2013 (2012: 66 days).

As at 31 December 2013, trade and bills payables amounted to approximately RMB178.7 million in total, as compared with approximately RMB299.4 million as at 31 December 2012. The decrease was mainly due to the decrease in usage of 90 days letter of credit and bills guaranteed by banks in our payment. The average trade and bills payables turnover days was 83 days for the year 2013 (2012: 84 days).

Use of net proceeds from the initial public offering

The net proceeds estimated to have been raised by the Company through the issue of 200,000,000 new shares (excluding those new shares to be issued upon the exercise of over — allotment option) at an offer price of HK\$2.7 per share upon the listing on the Stock Exchange on 9 December 2011, after deducting brokerage and other costs and expenses payable by the Company, amounted to approximately HK\$443.4 million (equivalent to approximately RMB361.2 million). The use of the net proceeds from the initial public offering by the Group was consistently the same as those set out in the section headed “Use of Proceeds” in the prospectus of the Company dated 29 November 2011. For the year ended 31 December 2013, the net proceeds were applied in the following manner:

Use of proceeds	Net proceeds from initial public offering		
	Available	Applied	Not yet applied
	<i>(HK\$ million)</i>		
To be used for the upgrade and expansion of existing production facilities	288.2	288.2	—
To be used in merger and acquisition	110.9	—	110.9
To be used for general working capital	44.3	44.3	—
Total	<u>443.4</u>	<u>332.5</u>	<u>110.9</u>

To the extent that the net proceeds were not yet applied as at 31 December 2013, the Company had deposited the same into short term bank deposits or term deposits at licensed banks in Hong Kong or the PRC.

Capital commitments

As at 31 December 2013, the capital commitments of the Group was NIL.

Contingent liabilities

As at 31 December 2013, the Group had not provided any form of guarantee for any company outside the Group. The Group is not involved in any current material legal proceedings, nor is our Group aware of any pending or potential material legal proceedings involving the Group.

Outlook

The year 2014 will be the first year for the PRC to thoroughly implement the spirit of the third plenary session of the 18th CPC Central Committee and to extensively deepen the reform. It is also crucial for the PRC to accomplish the “12th Five-year” Plan. Under the guidance of the national policies and more enforcement efforts to protect environment being increasingly intensified, the Group will propel the explosively growing demand for our eco-friendly bleaching and disinfectant products by fully utilizing the opportunities from the urban and industrial wastewater treatment and providing financial support to our major products such as sodium chlorate and hydrogen peroxide, so as to cement our leading position in the industry and to boost the rapid development of our water treatment chemical business.

Market recovery with the rising price of major products

Over the past two years, the global economy has remained sluggish and the growth speed of the domestic economy has slowed down. Under this background, the Group had strengthened internal management and moderately controlled each of expenses and expenditures, by adopting a series of measures such as technical transformation and energy conservation, whereby maintaining a higher profit margin over that achieved by other peers in the industry. In 2014, with the demand of the downstream industries resumed and driven by the strong growth of the needs from the wastewater treatment industry, the price of our major products is expected to rise step by step, which will in turn help raise the profit margin of the Group.

Wastewater treatment to shore up the market demand as a new engine

By the first half of 2013, the products of the Group had been mainly applied in the traditional bleaching and disinfection fields such textile, paper production, pulp and dyeing. Starting from the second half of 2013, our eco-friendly products such as sodium chlorate and hydrogen peroxide have been used in the urban and industrial wastewater treatment in great numbers, reflecting a fast growth momentum in user demand.

According to the up-to-date market survey, the production capacity of sodium chlorate is approximately 0.6 million tons, and the demand and supply are basically balanced. It is expected that by 2015, with the demand of the urban and industrial wastewater treatment for the eco-friendly bleaching and disinfectant products keeping rising, the market demand would be likely to increase dramatically.

Benefiting from the industrial development opportunities presented by the long-term national policy on environmental protection

According to the policy documents concerning the wastewater treatment industry successively introduced by the PRC Government, such as the Opinions on Accelerating the Development of Energy Conservation and Environmental Protection Industry and the Regulation on the Urban Water Drainage and Wastewater Treatment, by 2015, all cities and towns are required to have a daily-centralized sewage treatment capacity of over 200 million cubic meters.

In 2014, the government will introduce the “wastewater prevention and control campaign” scheme and the total investment worth RMB2 trillion is expected. As the government will increase investment in the field of wastewater treatment and recycling and strengthen law enforcement, enterprises engaged in wastewater treatment are now facing a broader market. The Group will benefit from the industrial development opportunities as presented by the long-term national policy on environmental protection and accelerate to develop into the leading water treatment and eco-friendly chemical supplier in the PRC.

Promotion of technical transformation and release of new production capacity

In 2013, the Group invested funds of RMB214 million, mainly in a series of technical transformation and upgrade for the production equipment producing main products, power transfer routes and transformer substation. After technical transformation, our new annual production capacity of hydrogen peroxide and foaming agent was 50,000 tons and 15,000 tons, respectively. It is expected that the aforesaid annual production capacity will be leashed and become the new growth point of our result performance.

Solidifying our leading position through acquisition and merger

In April 2013, the Company entered into an agreement with Chengdu Huaxi Hope Group Co., Ltd in relation to acquire 30% of the equity of Sichuan Minjiang Snow Salt Chemical Industry Co., Ltd. Sichuan Minjiang Snow currently possesses a combined production capacity of 180,000 tons of chlorate per annum, its production capacity of sodium chlorate is approximately two times of our production capacity of sodium chlorate. It is now the largest sodium chlorate production base in the PRC with its production capacity ranked number one across Asia.

In 2014, the Group will solidify its leading position through acquisition and merger, and leverage on its edges in advanced technologies and brands to substantially lower the costs of merger. Currently, the Group has a lower level of debt than that of other companies in the industry and sufficient cash flow, which have provided financial guarantee for our rapid expansion in the future.

Accelerating the research and development of the products related to water treatment

In February 2013, the Company and the Haixi Research Institute (海西研究院) of Chinese Academy of Sciences jointly established a “Research Centre of Green Chemical Technology”(綠色化工技術研發中心). The Company will deepen cooperation with Chinese Academy of Sciences, constantly cultivate and reserving new technologies, accelerate the research and development of the products related to water treatment, and develop high value-added product portfolio, so as to keep raising the gross profit margin of the Group.

Proactively expanding our international market

The Group is largest sodium chlorate supplier in Japan and also the largest sodium chlorate exporter in China, whose brands enjoy a good reputation both at home and abroad. In December 2013, Fujian Rongping Chemical Co., Ltd., a wholly-owned subsidiary of the Company, and Deutsche Investitions und Entwicklungsgesellschaft GmbH (DEG) entered into a facility agreement worth US\$22 million with a repayment term of 7 years. The interest rate is determined with reference to the six-month LIBOR plus 4.0%.

DEG is a development finance institution which is specialized in financing private sectors in developing and transition countries in order to contribute to sustainable progress, and has now become one of the largest European development finance institutions. Through the cooperation with DEG, the Group will proactively expand its international market.

Looking ahead, notwithstanding the macroeconomic conditions will tend to be more complex in 2014, facing the challenges from the decelerated growth and structural adjustment, the Group will propel the explosively growing demand for our eco-friendly bleaching and disinfectant products by fully utilizing the opportunities from the urban and industrial wastewater treatment, follow the trend of the times, and share those results achieved in performing the PRC environmental protection cause.

OTHER INFORMATION

Corporate Governance

The Company has adopted the code provisions in the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as its own code of corporate governance. The Board considers that since the listing of the shares of the Company on the Main Board of the Stock Exchange on 9 December 2011 and up to the date of this annual results announcement, the Company has complied with all the code provisions of the CG Code.

Model Code for Securities Transactions by Directors

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Listing Rules as its model code for securities transactions by Directors and senior management. Having made specific enquiry, all the Directors and senior management confirmed that they have complied with the Model Code since the Listing Date and up to the date of this results announcement.

Audit Committee

The Audit Committee was established on 10 June 2011 with written terms of reference as suggested under the CG Code. The Audit Committee has three members, namely Dr. Chen Xiao, Mr. Kou Huizhong and Mr. Li Junfa, all of whom are independent non-executive Directors. The chairman of the Audit Committee is Dr. Chen Xiao. The responsibilities of the Audit Committee include, among others, providing independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, nominating and monitoring external auditors, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the annual results of the Group, the accounting principles and policies adopted by the Group, and the Group's internal control functions.

Remuneration Committee

The Remuneration Committee was established on 10 June 2011 with written terms of reference as suggested under the CG Code. The Remuneration Committee has three members, namely Mr. Kou Huizhong, Dr. Chen Xiao and Ms. Miao Fei, of whom Mr. Kou Huizhong and Dr. Chen Xiao are independent non-executive Directors and Ms. Miao Fei is an executive Director. The chairman of the Remuneration Committee is Mr. Kou Huizhong. The primary responsibilities of the Remuneration Committee include, among others, (i) making recommendations to the Directors regarding our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies concerning such remuneration; (ii) reviewing and approving the remuneration package of the Directors and senior management in accordance with the corporate strategies and objectives set by the Directors; and (iii) considering and approving the grant of share options to eligible participants according to the Share Option Scheme.

Nomination Committee

The Nomination Committee was established on 10 June 2011 with written terms of reference. The Nomination Committee has three members, namely Mr. Li Junfa, Mr. Kou Huizhong and Mr. Lam Wai Wah, of whom Mr. Li Junfa and Mr. Kou Huizhong are independent non-executive Directors and Mr. Lam Wai Wah is an executive Director. The chairman of the Nomination Committee is Mr. Li Junfa. The primary responsibilities of the Nomination Committee include, among others, reviewing the structure, size and composition of the Board and providing recommendations to the Board for the appointment of members of the Board.

Purchase, Sale and Redemption of Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2013.

Annual General Meeting

The forthcoming 2014 annual general meeting ("AGM") of the Company will be held in Hong Kong on Friday, 13 June 2014. Notice of the AGM will be published and dispatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

Final Dividend

The Board recommended the payment of a final dividend of HK3.90 cents (RMB3.12 cents) per Share for the year ended 31 December 2013 to shareholders whose names appear on the register of members of the Company on 20 June 2014. The proposed final dividend is subject to the approval by the shareholders at the forthcoming annual general meeting to be held on Friday, 13 June 2014. The final dividend is expected to be paid on or about 27 June 2014.

Closure of Register of Members

In order to determine the entitlements of the shareholders to attend and vote at the annual general meeting, the register of members of the Company will be closed from Thursday, 12 June 2014 and Friday, 13 June 2014, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible to attend and vote at the annual general meeting, all Share transfers, being accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong (which address will be changed to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014) for registration no later than 4:30 p.m. on Wednesday, 11 June 2014.

In order to determine the entitlements of shareholders of receiving the proposed final dividend, the register of members of the Company will be closed on Thursday, 19 June 2014 and Friday, 20 June 2014, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible of receiving the proposed final dividend, all Share transfers, being accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at the above address for registration no later than 4:30 p.m. on Wednesday, 18 June 2014.

Publication of Annual Financial Results and Annual Report

The annual results announcement and the annual report for the year ended 31 December 2013 containing all relevant information as prescribed by the Listing Rules shall be published on the Stock Exchange's website (www.hkexnews.com.hk) and the Company's website (www.cfc2121.com) in due course.

By order of the Board of
China First Chemical Holdings Limited
Mr. Liem Djiang Hwa
Chairman

Fujian, The PRC, 21 March 2014

As at the date of this announcement, the Board comprises the Chairman and the non-executive director namely Mr. Liem Djiang Hwa, the executive directors namely Mr. Chen Hong, Ms. Miao Fei and Mr. Lam Wai Wah and the independent non-executive directors namely Dr. Chen Xiao, Mr. Kou Huizhong and Mr. Li Junfa.

香港交易及結算所有限公司及香港聯合交易所有限公司對本公告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本公告全部或任何部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。



CHINA FIRST CHEMICAL HOLDINGS LIMITED

一化控股(中國)有限公司

(於開曼群島註冊成立的有限公司)

(股份代號：2121)

截至二零一三年十二月三十一日止年度 之年度業績公告

財務摘要	二零一三年 人民幣千元	二零一二年 人民幣千元	變動 %
收入	1,510,022	1,619,634	(6.8%)
毛利	466,586	464,684	0.4%
本公司權益持有人應佔利潤	250,257	249,712	0.2%
每股收益			
— 基本(人民幣)	31.20分	31.13分	0.2%
— 攤薄(人民幣)	31.20分	31.13分	0.2%
權益總額	1,860,090	1,632,122	14.0%
每股資產淨值(人民幣元)	2.32	2.03	14.0%

一化控股(中國)有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(「本集團」)截至二零一三年十二月三十一日止年度之合併業績，連同上年度可比較數據如下：

合併綜合收益表

	附註	截至十二月三十一日 止年度	
		二零一三年 人民幣千元	二零一二年 人民幣千元
收入	4	1,510,022	1,619,634
銷售成本	7	(1,043,436)	(1,154,950)
毛利		466,586	464,684
銷售及市場推廣費用	7	(41,934)	(38,302)
行政費用	7	(66,273)	(66,394)
其他收益		3,369	2,039
其他虧損 — 淨額	5	(1,897)	(1,755)
		359,851	360,272
經營利潤			
財務收入		3,512	5,157
財務費用	6	(28,004)	(28,379)
財務費用 — 淨額		(24,492)	(23,222)
使用權益法計算分佔投資虧損	12	-	-
除所得稅前利潤		335,359	337,050
所得稅費用	9	(85,102)	(86,801)
本年利潤及總綜合收益		250,257	250,249
利潤歸屬於：			
— 本公司權益持有人		250,257	249,712
— 非控制性權益		-	537
		250,257	250,249
本公司權益持有人應佔每股收益 (人民幣元)			
— 基本每股收益	10	0.31	0.31
— 攤薄每股收益	10	0.31	0.31
擬派末期股息	11	25,026	25,007

合併資產負債表

	附註	於十二月三十一日	
		二零一三年 人民幣千元	二零一二年 人民幣千元
資產			
非流動資產			
土地使用權		73,803	75,567
不動產、工廠及設備		1,165,438	1,064,238
無形資產		4,105	4,499
使用權益法計算投資	12	–	–
遞延所得稅資產		1,425	523
		<u>1,244,771</u>	<u>1,144,827</u>
流動資產			
存貨	13	156,001	166,148
應收賬款及其他應收款	14	239,904	296,901
現金及現金等價物		784,153	778,553
受限制現金		112,617	61,491
		<u>1,292,675</u>	<u>1,303,093</u>
總資產		<u><u>2,537,446</u></u>	<u><u>2,447,920</u></u>
權益			
本公司權益持有人應佔權益			
股本		65,346	65,346
儲備		780,100	777,033
— 擬派末期股息		25,026	25,007
— 其他		755,074	752,026
留存收益		1,014,644	789,743
總權益		<u>1,860,090</u>	<u>1,632,122</u>
負債			
非流動負債			
借款		68,078	90,750
遞延收入		14,006	15,508
遞延稅項負債		743	–
		<u>82,827</u>	<u>106,258</u>
流動負債			
衍生金融工具	15	–	–
應付賬款及其他應付款	16	246,135	369,837
當期所得稅負債		25,397	12,346
借款		322,997	327,357
		<u>594,529</u>	<u>709,540</u>
總負債		<u>677,356</u>	<u>815,798</u>
總權益及負債		<u><u>2,537,446</u></u>	<u><u>2,447,920</u></u>
流動資產淨額		<u>698,146</u>	<u>593,553</u>
總資產減流動負債		<u><u>1,942,917</u></u>	<u><u>1,738,380</u></u>

合併財務報表附註

1. 一般資料

本公司於二零一零年十一月二十四日在開曼群島註冊成立，於二零一一年十二月九日在香港聯合交易所有限公司（「聯交所」）主板上市。本公司註冊辦事處位於P.O. Box 309, Ugland House Grand Cayman, KY1-1104 Cayman Islands。

本公司是領先的中國特種化學品供應商，專門供應漂白消毒化學品和發泡劑。

2. 呈列及編製標準

合併財務報表已根據國際財務報告準則（「國際財務報告準則」）編製。此外，合併財務報表亦載有聯交所證券上市規則及香港《公司條例》規定的適用披露。

合併財務報表乃按歷史成本慣例編製。該等財務報表以人民幣（「人民幣」）呈列，除另有註明外，所有數值均調整至最接近千位數。

3. 應用新訂及經修訂國際財務報告準則

本集團於該等財務報表中並無採納以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則、修訂本及詮釋：

國際會計準則第32號(修訂本)	「金融工具：呈列」有關資產與負債的對銷 ¹
國際會計準則第36號(修訂本)	非金融資產之可收回金額披露 ¹
國際會計準則第39號(修訂本)	衍生工具之更替 ¹
國際財務報告準則第10、12號及 國際會計準則第27號(修訂本)	投資主體 ¹
國際財務報告準則第7及9號(修訂本)	強制性生效日期及過渡披露 ³
國際財務報告準則第9號	金融工具 ³
國際財務報告詮釋委員會 詮釋第21號	徵費 ¹
年度改進項目	二零一零至二零一三年周期之年度改進 ²

¹ 於二零一四年一月一日後或之後開始的年度期間生效

² 於二零一四年七月一日後或之後開始的年度期間生效

³ 於二零一五年一月一日後或之後開始的年度期間生效

本公司董事預計，應用該等新準則、修訂本或詮釋將不會對本集團的經營業績及財務狀況造成重大影響。

4 分部資料

本集團主要於中國從事化工產品業務。本集團三個主要運營所在地的獨立個別財務資料呈遞予主要經營決策者(董事會)，其審閱內部報告以評估表現及分配資源。由於毛利及客戶等不同，依據國際財務報告準則第8號「分部資料」，將漂白消毒化學品，發泡劑，其他特種化學品分為三個可呈報分部。

本集團大部份產品售予中國客戶。本集團客戶眾多，遍佈中國及海外，二零一三年度及二零一二年度概無單一客戶佔本集團總收益10%以上。

外部客戶收入及成本，總資產及總負債之計量均與本集團合併財務報表相一致。

董事會根據毛利計量以評估經營分部業績。

可呈報分部向董事會提呈其截至二零一三年十二月三十一日止年度及於二零一三年十二月三十一日之分部資料如下：

	截至二零一三年十二月三十一日止年度			總計
	漂白消毒 化學品	發泡劑	其他特種 化學品	
分部收入	669,280	586,841	253,901	1,510,022
內部分部收入	—	—	—	—
外部客戶收入	<u>669,280</u>	<u>586,841</u>	<u>253,901</u>	<u>1,510,022</u>
毛利	<u>232,062</u>	<u>144,713</u>	<u>89,811</u>	<u>466,586</u>
無法分攤之成本				
折舊及攤銷				94,443
財務收入				3,512
財務費用				(28,004)
所得稅費用				<u>(85,102)</u>
總資產				<u>2,537,446</u>
總負債				<u>677,356</u>

	截至二零一二年十二月三十一日止年度			總計
	漂白消毒 化學品	發泡劑	其他特種 化學品	
分部收入	596,835	759,378	263,421	1,619,634
內部分部收入	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
外部客戶收入	<u>596,835</u>	<u>759,378</u>	<u>263,421</u>	<u>1,619,634</u>
毛利	<u>197,739</u>	<u>160,204</u>	<u>106,741</u>	<u>464,684</u>
無法分攤之成本				
折舊及攤銷				69,161
財務收益				5,157
財務費用				(28,379)
所得稅費用				<u>(86,801)</u>
總資產				<u>2,447,920</u>
總負債				<u>815,798</u>

無主要經營決策者提供的分部資產和分部負債的資料。

基於客戶之地理位置將外部客戶之收入予以分類。

按客戶所屬之國家分配收入如下：

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
收入		
中國大陸	1,313,329	1,398,811
海外	196,693	220,823
	<u>1,510,022</u>	<u>1,619,634</u>

5. 其他虧損—淨額

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
出售不動產、工廠及設備之虧損	<u>(1,897)</u>	<u>(1,755)</u>
	<u>(1,897)</u>	<u>(1,755)</u>

6. 財務費用

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
利息開支：		
— 銀行借款	24,285	27,796
— 應付票據的貼現利息	8,880	7,521
— 其他支出	<u>2,669</u>	<u>1,782</u>
	35,834	37,099
減：不動產、工廠及設備之利息資本化	<u>(2,305)</u>	<u>(4,311)</u>
	33,529	32,788
遠期外匯合約之損失	16,708	—
匯兌收益淨額	<u>(22,233)</u>	<u>(4,409)</u>
	<u>28,004</u>	<u>28,379</u>

7. 按性質分類費用

本集團之銷售成本、銷售及市場推廣費用及行政費用指下列項目：

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
所使用的原材料及存貨變動	623,290	769,009
不動產、工廠及設備折舊	92,285	67,179
電費及其他水電費	283,845	269,872
僱員福利開支	67,836	66,799
運輸及有關支出	36,403	26,975
稅項	9,028	12,984
土地使用權攤銷	1,764	1,764
無形資產攤銷	394	218
辦公及應酬開支	10,982	14,771
經營租賃開支	1,518	1,349
財產保險費	2,231	2,048
差旅費用	1,407	1,833
維修及保養	6,330	9,985
核數師薪酬	3,150	3,050
研發費用	1,361	—
應收賬款及其他應收款之減值虧損	799	—
其他開支	9,020	11,810
	<u>1,151,643</u>	<u>1,259,646</u>

8. 僱員福利開支

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
董事薪酬		
— 工資、薪金及花紅	2,350	2,329
— 退休金計劃供款	52	49
— 首次公開發售前購股權計劃費用	2,043	2,043
	<u>4,445</u>	<u>4,421</u>
其他員工成本		
— 工資、薪金及花紅	46,179	44,605
— 退休金計劃供款	8,722	8,237
— 福利及其他開支	8,130	9,176
— 首次公開發售前購股權計劃費用	360	360
	<u>63,391</u>	<u>62,378</u>
	<u>67,836</u>	<u>66,799</u>

9. 所得稅費用

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
當期所得稅		
— 中國企業所得稅	85,155	87,154
— 香港利得稅	106	—
遞延所得稅抵免	(159)	(353)
	<u>85,102</u>	<u>86,801</u>

按本集團除稅前利潤計算的稅項與採用本集團旗下成員公司的加權平均稅率所得的理論金額有所不同，載列如下：

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
除所得稅前利潤	<u>335,359</u>	<u>337,050</u>
按各自國家利潤適用國內稅率計算的稅項	83,697	84,262
不可扣稅之開支	2,470	2,690
毋需課稅之收入	(1,065)	(151)
	<u>85,102</u>	<u>86,801</u>

中國企業所得稅根據法定財務報告所呈現利潤按法定稅率25%計提撥備，並就毋需繳納所得稅的收入或不可扣除所得稅的開支項目作出調整。

截至二零一三年十二月三十一日止年度，本集團就產生自香港的估計應課稅利潤按16.5%稅率計提香港利得稅撥備。

10. 每股收益

(a) 基本

每股基本收益是按本公司權益持有人應佔利潤除以年內已發行普通股的加權平均數計算。

	截至十二月三十一日 止年度	
	二零一三年	二零一二年
本公司權益持有人應佔利潤(人民幣千元)	250,257	249,712
已發行普通股之加權平均數(千股)	<u>802,191</u>	<u>802,167</u>
每股基本收益(人民幣元)	<u>0.31</u>	<u>0.31</u>

(b) 攤薄

每股攤薄收益乃根據本公司權益持有人應佔利潤假設在所有潛在攤薄影響的普通股已被轉換之情況下調整尚未發行普通股加權平均數後計算。本公司在計算每股攤薄收益包含於其授出的首次公開發售前購股權。截至二零一三年十二月三十一日止年度已發行普通股的平均市場價格低於首次公開發售前購股權的行使價，首次公開發售前購股權未有包括在計算每股攤薄收益。每股攤薄收益等同於每股基本收益。

11. 股息

	截至十二月三十一日 止年度	
	二零一三年 人民幣千元	二零一二年 人民幣千元
擬派末期股息	25,026	25,007
已派股息	<u>24,692</u>	<u>40,697</u>

截至二零一二年十二月三十一日止年度的末期股息為每股0.0386港元(人民幣0.0312元)，股息合共30,965,000港元(折合人民幣24,692,000元)已於二零一三年六月支付。

於二零一四年六月十三日舉行的股東周年大會上擬派截至二零一三年十二月三十一日止年度的股息每股0.0390港元(折合人民幣0.0312元)，股息合共31,302,000港元(折合人民幣25,026,000元)。合併財務報表並無反映此應付股息。

12. 使用權益法計算投資

	於 十二月三十一日 人民幣千元
於二零一三年一月一日分佔資產淨值	-
新增投資	2,973
使用權益法計算分佔投資虧損	<u>(2,973)</u>
於二零一三年十二月三十一日分佔資產淨值	<u>-</u>

於二零一三年四月十二日，本公司無償收購四川岷江雪鹽化工有限公司(「岷江雪」)30%股份。因此，岷江雪成為本公司的聯營公司。岷江雪於收購日期的詳情如下：

於收購日期之 臨時公允價值 人民幣千元	本集團所持 實際股權	本集團應佔 聯營公司之 臨時公允價值 人民幣千元	支付對價	廉價收購 人民幣千元
<u>9,910</u>	<u>30%</u>	<u>2,973</u>	<u>-</u>	<u>2,973</u>

13. 存貨

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
原材料	18,600	15,659
半成品	126,119	133,796
成品	11,282	16,693
	<u>156,001</u>	<u>166,148</u>
減：撇銷存貨撥備	-	-
	<u>156,001</u>	<u>166,148</u>

14. 應收賬款及其他應收款

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
應收賬款(a)	229,253	256,144
應收第三方款項	230,052	256,144
減：應收賬款減值撥備	(799)	-
預付款項		
應收關聯方款項之預付貨款	2,000	-
應收第三方款項之預付貨款	2,000	2,117
待抵扣之進項增值稅額	6,000	37,996
其他應收款		
應收第三方款項	651	644
	<u>239,904</u>	<u>296,901</u>

(a) 國內外客戶未償付結餘的信貸期結餘介乎30至90天。

於報告年度結算日，應收賬款賬齡分析如下：

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
三個月內	228,409	253,653
四至六個月	45	12
七至十二個月	-	2,479
一至二年	1,598	-
	<u>230,052</u>	<u>256,144</u>

於二零一三年及二零一二年十二月三十一日，應收賬款人民幣45,000元(二零一二年：人民幣2,491,000元)已逾期但並無減值。此主要與並無出現重大財政困難的數名獨立客戶有關，及根據過往經驗，有關逾期款項可予收回。該等逾期但並無減值的應收賬款賬齡分析如下：

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
四至六個月	45	12
七至十二個月	-	2,479
	<u>45</u>	<u>2,491</u>

截至二零一三年十二月三十一日，應收賬款人民幣799,000元(二零一二年：無)錄得減值。截至二零一三年十二月三十一日，撥備金額為人民幣799,000元(二零一二年：無)。個別減值應收賬款主要與客戶不期而遇之經濟困難有關。據評估，部分應收賬款預期可以收回。此應收賬款的賬齡分析如下：

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
一至二年	<u>1,598</u>	<u>-</u>

增設應收賬款減值撥備已計入合併綜合收益表內之「行政費用」(附註8)。

應收賬款及其他應收款內之其他類別並不包括減值資產。於報告日期最高信貸風險為上述各類別應收賬款之賬面值。本集團並無持有任何抵押品。

15. 衍生金融工具

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
按公平值經損益入賬之財務負債		
遠期外匯合約	<u>-</u>	<u>-</u>

為對沖外幣風險，管理層與銀行於二零一三年就以日圓計值之950,000,000日圓貸款按預設固定利率訂立遠期外匯合約(人民幣與日圓)。

本集團於二零一三年九月簽立遠期外匯合約及投資虧損人民幣16,708,000元(二零一二年：無)計入「財務費用」。

16. 應付賬款及其他應付款

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
應付賬款(a)		
應付第三方款項	<u>51,047</u>	<u>67,640</u>
應付票據(b)	127,660	231,783
應付關聯方款項	1,500	-
應付第三方款項	126,160	231,783
其他應付款(c)		
應付第三方款項	<u>67,428</u>	<u>70,414</u>
	<u>246,135</u>	<u>369,837</u>

(a) 應付賬款之賬齡分析如下：

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
三個月內	51,032	67,640
四至六個月	<u>15</u>	-
	<u>51,047</u>	<u>67,640</u>

(b) 於二零一三年及二零一二年十二月三十一日，應付票據的全部餘額分別以受限制現金人民幣50,517,000元及人民幣61,491,000元作抵押。

(c) 其他應付款之詳情如下：

	於十二月三十一日	
	二零一三年 人民幣千元	二零一二年 人民幣千元
客戶墊款	3	164
應付上市費用	-	1,517
核數師薪酬	1,275	2,550
購買不動產、工廠及設備應付款項	10,409	29,098
運費	8,846	10,082
水電費	23,397	10,880
應付薪金及福利	8,625	10,499
稅項	11,651	2,086
其他	<u>3,222</u>	<u>3,538</u>
	<u>67,428</u>	<u>70,414</u>

管理層分析與討論

收入

回顧年度內收入約為人民幣1,510.0百萬元，較去年同期的收入約人民幣1,619.6百萬元，減少約人民幣109.6百萬元或6.8%。收入減少主要是由於年內發泡劑的銷售額減少，但部分被漂白消毒化學品銷售額增加而有所抵銷。

下表載列於回顧年度內按產品組別劃分的收入：

	截至十二月三十一日止年度			
	二零一三年		二零一二年	
	金額	佔收入 百分比	金額	佔收入 百分比
收入(人民幣千元)				
漂白消毒化學品	669,280	44.3%	596,835	36.9%
發泡劑	586,841	38.9%	759,378	46.9%
其他特種化學品	253,901	16.8%	263,421	16.2%
總計	<u>1,510,022</u>	<u>100.0%</u>	<u>1,619,634</u>	<u>100.0%</u>

漂白消毒化學品

此分部主要包括氯酸鈉及雙氧水，該兩種產品為本集團銷售額最高的其中兩種產品。氯酸鈉及雙氧水分別為本公司下遊客戶無元素氯技術與全無氯技術紙漿漂白工藝使用的主要化學品。

於回顧年度內，漂白消毒化學品的收入總額為人民幣669.3百萬元，較二零一二年增加約12.1%或人民幣72.4百萬元。增加受下列因素淨影響：(1)由於產能擴充及氯酸鈉銷量增加致使氯酸鈉銷售額增加約10.1%至人民幣422.5百萬元；及(2)雙氧水銷量受到市場環境改善影響而有所增加，使其銷售額增加約26.3%至人民幣232.4百萬元。

發泡劑

此分部主要包括初級及改良型發泡劑。發泡劑為本集團下遊客戶作為添加劑用於生產泡沫塑料，廣泛用於製鞋業、建築材料業、汽車內飾與傢具及家居裝飾材料等行業。

於回顧年度內，發泡劑的收入總額為人民幣586.8百萬元，較二零一二年減少約22.7%或人民幣172.5百萬元。收入減少主要由於本公司升級生產設施後外包生產減少及自產產品銷量增加所致。

其他特種化學品

此分部主要包括氯酸鉀、高氯酸鈉、高氯酸鉀、燒鹼、聯二脲及其他產品。

於回顧年度內，其他特種化學品的收入總額為人民幣253.9百萬元，較二零一二年減少約3.6%或人民幣9.5百萬元。收入減少主要由於年內燒鹼轉化為發泡劑自產產品使其銷量減少所致。

銷售成本

本公司的銷售成本主要包括所用原材料及存貨變動、電費及其他水電費用、不動產、工廠及設備折舊、僱員福利開支、運輸及相關支出、維修及保養、主要經營業務的稅項及徵費、辦公及應酬開支、差旅費用及其他開支。包括所用原材料及存貨變動(從第三方購買的發泡劑及氯酸鈉)佔本公司銷售成本比例最大，截至二零一三年及二零一二年十二月三十一日止年度分別佔總銷售成本的59.7%和66.6%。

回顧年內銷售成本為人民幣1,043.4百萬元，較去年同期人民幣1,155.0百萬元，減少約人民幣111.5百萬元或9.7%。銷售成本減少主要是由於發泡劑的外包產量減少所致。截至二零一三年十二月三十一日止年度銷售成本佔收入比重由截至二零一二年十二月三十一日止年度的71.3%下跌至69.1%，反映外包生產成本有所下降。

毛利與毛利率

回顧年度內毛利為人民幣466.6百萬元，較去年同期的人民幣464.7百萬元，增加約人民幣1.9百萬元或5.7%。整體毛利率由二零一二年的28.7%增加至二零一三年的30.9%，主要是由於：(1)毛利率較高的自產發泡劑的銷售增長；及(2)部份產品的平均售價受到市場環境改善而有所上調。

下表載列於回顧年度內本集團按產品組別劃分的毛利率：

毛利率(%)	截至十二月三十一日止年度		變動
	二零一三年	二零一二年	
漂白消毒化學品	34.7%	33.1%	4.8%
發泡劑	24.7%	21.1%	17.1%
其他特種化學品	35.4%	40.5%	(12.6%)
整體	<u>30.9%</u>	<u>28.7%</u>	<u>7.7%</u>

漂白消毒化學品

漂白消毒化學品的毛利率由截至二零一二年十二月三十一日止年度的33.1%增加到截至二零一三年十二月三十一日止年度的34.7%，主要由於：(1)雙氧水銷量增加，因市場環境改善而錄得較高毛利率；及(2)原材料價格下跌及升級生產設施後成本節省使銷售成本減少所致。

發泡劑

發泡劑的毛利率由截至二零一二年十二月三十一日止年度的21.1%增加到截至二零一三年十二月三十一日止年度的24.7%，主要由於升級生產設施以及增加使用自產原材料(例如燒鹼及聯二脲)提高了發泡劑的毛利率所致。

其他特種化學品

其他特種化學品的毛利率由截至二零一二年十二月三十一日止年度的40.5%減少到截至二零一三年十二月三十一日止年度的35.4%，此乃主要由於增加使用毛利率較高的燒鹼用於生產發泡劑所致。

銷售及市場推廣費用

銷售及市場推廣費用主要包括本集團產品運輸及相關費用、銷售稅(例如城市維護建設稅及教育附加費)、差旅費用以及其他銷售及市場推廣費用。本集團銷售及市場推廣費用由截至二零一二年十二月三十一日止年度的人民幣38.3百萬元增加9.4%到截至二零一三年十二月三十一日止年度的人民幣41.9百萬元，主要是由於本集團銷量擴大導致銷售費用增加。

行政費用

行政費用主要包括不動產、工廠及設備的折舊、僱員福利開支及辦公及應酬開支。本集團行政費用由截至二零一二年十二月三十一日止年度的人民幣66.4百萬元減少0.2%到截至二零一三年十二月三十一日止年度的人民幣66.3百萬元，主要是由於有效控制成本所致。

其他收益

其他收益主要包括出售原材料所得利潤及政府補貼。本集團其他收入由截至二零一二年十二月三十一日止年度的人民幣2.0百萬元增加65.2%到截至二零一三年十二月三十一日止年度的人民幣3.4百萬元，主要是由於節能引致政府補貼增加所致。

其他虧損一淨額

其他虧損淨額主要包括出售不動產、工廠及設備所得虧損淨額。本集團其他虧損淨額由截至二零一二年十二月三十一日止年度的人民幣1.8百萬元增加8.1%到截至二零一三年十二月三十一日止年度的人民幣1.9百萬元，主要是由於出售不動產、工廠及設備之虧損增加。

財務收益

財務收益主要指自銀行存款的利息收入。本集團融資收入由截至二零一二年十二月三十一日止年度的人民幣5.2百萬元減少31.9%到截至二零一三年十二月三十一日止年度的人民幣3.5百萬元，主要是由於年內定期存款減少導致銀行存款的利息收入減少所致。

財務費用

財務費用主要包括銀行借貸利息開支、應付票據折現利息、其他財務費用以及外匯虧損，扣除撥入不動產、工廠及設備的利息。本集團財務費用由截至二零一二年十二月三十一日止年度的人民幣28.4百萬元減少1.3%到截至二零一三年十二月三十一日止年度的人民幣28.0百萬元，主要是因外匯收益增加所致。

所得稅費用

本集團按25%稅率繳納中國企業所得稅。本集團所得稅費用由截至二零一二年十二月三十一日止年度的人民幣86.8百萬元下降2.0%到截至二零一三年十二月三十一日止年度的人民幣85.1百萬元。實際稅率由截至二零一二年十二月三十一日止年度的25.7%下降到截至二零一三年十二月三十一日止年度的25.4%，乃因對毋需課稅或不可扣除所得稅的收入及開支項目進行調整所致。

本年利潤

基於上述因素，本公司權益持有人應佔利潤由截至二零一二年十二月三十一日止年度的人民幣249.7百萬元增加0.2%到截至二零一三年十二月三十一日止年度的人民幣250.3百萬元。

非控制性權益應佔利潤

截至二零一三年十二月三十一日止年度，並無錄得本公司非控制性權益應佔利潤(二零一二年：人民幣0.5百萬元)，主要是由於上個年度福州一化化學品股份有限公司(「福州一化」)的非控制性權益被福建省(屏南)榕屏化工有限公司(「福建榕屏」)收購所致。福州一化及福建榕屏均為本集團的附屬公司。

流動資金與資本資源

財務狀況及銀行借貸

本集團過往主要以運營所得現金、銀行借貸及透過股東進行股本融資應付現金需求。

本集團的現金及現金等價物結餘約人民幣784.2百萬元(二零一二年：約人民幣778.6百萬元)，大部份以人民幣計值。於二零一三年十二月三十一日，本集團的計息銀行借貸約為人民幣391.1百萬元(二零一二年：約人民幣418.1百萬元)。

本集團的流動比率(按流動資產除以流動負債計算)為2.17(二零一二年：1.84)。本集團於二零一二年及二零一三年十二月三十一日均有強勁的淨現金結餘。本集團擁有充足及隨時可用的財務資源用作一般運營資金及可見將來的資本開支。

運營資本

於二零一三年十二月三十一日，總存貨約為人民幣156.0百萬元，於二零一二年十二月三十一日則為約人民幣166.1百萬元，減少主要是由於動用生產雙氧水的在建產品(即工作液)所致。於二零一三年，平均存貨周轉日數為56日(二零一二年：42日)。

於二零一三年十二月三十一日，總應收款項約為人民幣229.3百萬元，於二零一二年十二月三十一日則為約人民幣256.1百萬元，減少與年內銷售減少一致。於二零一三年，平均應收款項周轉日數為58日(二零一二年：66日)。

於二零一三年十二月三十一日，總應付款項及應付票據約為人民幣178.7百萬元，於二零一二年十二月三十一日則為約人民幣299.4百萬元，減少主要是由於我們付款時減少使用付款日為90天的信用證及銀行擔保票據所致。於二零一三年，平均應收款項及應付票據周轉日數為83日(二零一二年：84日)。

首次公開發售所得款項淨額用途

本公司透過於二零一一年十二月九日在聯交所上市時按發售價每股2.7港元發行200,000,000股新股份(不包括行使超額配股權發行的新股)，扣除經紀佣金及本公司就上市應付的其他費用及開支後，籌得的估計所得款項淨額約為443.4百萬元(折合約人民幣361.2百萬元)。本集團運用首次公開發售的所得款項淨額的方式，與本公司日期為二零一一年十一月二十九日之招股章程中「所得款項用途」一節所載者一致。截至二零一三年十二月三十一日止年度，所得款項淨額將用作以下用途：

所得款項用途	首次公開發售所得款項淨額		
	可供動用	已動用	尚未動用
	(百萬港元)		
用於升級及擴充現有生產設施	288.2	288.2	—
用於並購	110.9	—	110.9
用於一般運營資金	44.3	44.3	—
總計	<u>443.4</u>	<u>332.5</u>	<u>110.9</u>

於二零一三年十二月三十一日，尚未動用的所得款項淨額已由本公司存放於香港或中國持牌銀行作為短期銀行存款或定期存款。

資本承擔

於二零一三年十二月三十一日，本集團的資本承擔為零。

或然負債

於二零一三年十二月三十一日，本集團並無就集團以外任何公司作出任何形式的擔保。本集團並無涉及任何現有重大法律訴訟，本集團亦不知悉涉及本集團的任何待定或潛在重大法律訴訟。

前景

二零一四年將是深入貫徹落實黨的十八屆三中全會精神、全面深化改革的開局之年，亦是完成「十二五」規劃的關鍵之年。本集團將在國家政策引導和環保執法力度不斷加大的情況下，充分利用城鎮與工業污水處理推動環保型漂白消毒產品需求的迅猛發展，加大對氯酸鈉和雙氧水等主要產品的投入，鞏固行業領導地位，促進水處理化學品業務的快速增長。

市場回暖，主要產品價格逐步上升

過去兩年在全球經濟持續低迷，國內經濟增長減速的背景下，本集團通過技術改造，節能降耗等措施，加強內部管理，適度控制各項費用支出，保持了行業內較高的利潤水平。二零一四年隨著下游行業需求恢復，來自污水處理行業需求的強勁增長，預計主要產品價格將逐步回升，本集團的利潤率水平將獲得提升。

污水處理成為拉動市場需求的新引擎

截至二零一三年上半年，本集團產品主要應用於紡織造紙、紙漿印染等傳統漂白消毒領域。從二零一三年下半年開始，本集團的氯酸鈉和雙氧水等環保型產品大量應用於城鎮和工業污水處理，用戶需求呈現快速增長態勢。

據最新市場調研數據顯示，目前中國氯酸鈉產能約為60萬噸，供需基本平衡。預計到二零一五年，隨著城鎮和工業污水處理對環保型漂白消毒化學品需求的不斷上升，市場需求有望大幅增加。

受益於長期環保國策的行業發展機遇

二零一三年中國政府相繼出台《關於加快發展節能環保產業的意見》、《城鎮排水與污水處理條例》等涉及污水處理行業的政策文件。到二零一五年，所有城市和縣城都要具備污水處理能力，城鎮污水處理規模將達到每日2億立方米以上。

二零一四年政府將出台《水污染防治行動計劃》，對水污染治理的總投資預計達人民幣2萬億元。隨著政府在污水處理及再生利用領域的投資和執法力度不斷加大，污水處理企業面臨的市場空間廣闊。本集團將受益於長期環保國策的行業發展機遇，加快發展成為國內領先的水處理環保型化學品供應商。

提升技術改造，釋放新增產能

二零一三年本集團資本性投入人民幣2.14億元，用於主要產品的生產設備、輸電線路、變電站等一系列技術改造和設備升級。技改完成後，新增年產能雙氧水50,000噸和發泡劑15,000噸。二零一四年預計上述新增產能將獲得釋放，成為本集團新的業績增長點。

收購兼併鞏固行業領導地位

二零一三年四月本公司與成都華西希望集團有限公司達成協議，收購四川岷江雪鹽化有限公司30%股權。四川岷江雪擁有總計氯酸鹽產能18萬噸／年的生產線，其氯酸鈉產能為本公司的兩倍，現為中國最大的氯酸鈉生產基地，產能位居亞洲第一。

二零一四年本集團將通過收購兼併鞏固行業領導地位，憑藉先進的技術和品牌優勢大幅降低併購成本。目前本集團負債水平處於行業內較低水平，現金充足，這些都為下一步的快速擴張提供了資金保證。

加大水處理相關產品的研發力度

二零一三年二月本公司與中國科學院海西研究院共建【綠色化工技術研發中心】。通過與中科院的深入合作，本公司將不斷培養及儲備新技術，加大水處理相關產品的研發力度，開發高附加值的產品組合，不斷提升本集團的毛利率水平。

積極拓展國際市場

本集團是日本最大的氯酸鈉供應商，也是中國最大的氯酸鈉出口商，品牌享譽海內外。二零一三年十二月本公司全資附屬公司福建省(屏南)榕屏化工有限公司與德國投資與開發有限公司(DEG)訂立為期七年，金額為22,000,000美元的貸款融資協議，利率為按六月期倫敦銀行同業拆息(【倫敦銀行同業拆息】)加4.0%訂價。

德國投資與開發有限公司是一家以可持續性發展為目標專注為發展中國家和轉型國家的私營企業提供融資服務的發展銀行，已成為歐洲最大的發展金融機構之一。借助與德國投資與開發有限公司的合作，本集團將積極拓展國際市場。

展望將來，儘管二零一四年宏觀經濟形勢更趨複雜，挑戰來自增長減速和結構調整，本集團將充分利用城鎮與工業污水處理推動環保型漂白消毒產品需求的迅猛發展，順勢而為，分享中國環保事業的盛宴。

其他資料

企業管治

本公司已採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治守則(「企業管治守則」)的守則條文為其本身的企業管治守則。董事會認為自本公司股份於二零一一年十二月九日在聯交所主板上市及截至本年度業績公告日期止，本公司已遵守企業管治守則的所有守則條文。

董事進行證券交易的標準守則

本公司採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為其董事及高級管理人員進行證券交易的標準守則。經作出具體查詢後，全體董事及高級管理人員確認，自上市日期起至本業績公告日期止，彼等一直遵守標準守則。

審核委員會

審核委員會於二零一一年六月十日成立，並根據企業管治守則之意思確立書面職權範圍。審核委員會由三名成員組成，分別為陳曉博士、寇會忠先生及李君發先生，均為獨立非執行董事。審核委員會主席為陳曉博士。審核委員會的職責為就本集團財務申報程序、內部監控及風險管理制度的效用提供獨立意見以協助董事會監察審核程序、提名及監察外聘核數師、以及履行董事會分配的其他職責及職務。

審核委員會已審閱本集團的年度業績、本集團所採納之會計原則及政策以及本集團之內部監控職能。

薪酬委員會

薪酬委員會於二零一一年六月十日成立，並根據企業管治守則之意思確立書面職權範圍。薪酬委員會由三名成員組成，分別為寇會忠先生、陳曉博士及繆妃女士，其中寇會忠先生及陳曉博士為獨立非執行董事，而繆妃女士為執行董事。薪酬委員會主席為寇會忠先生。薪酬委員會的主要職責包括(但不限於)(i)就董事及高級管理層的全體薪酬政策及架構以及設立正規而透明的程序制訂有關薪酬政策，向董事提供建議；(ii)根據董事所制訂的企業策略與目標，審議及批准董事及高級管理人員的薪酬待遇；及(iii)考慮及批准根據購股權計劃向合資格參與者授出購股權。

提名委員會

提名委員會於二零一一年六月十日成立，並制訂書面職權範圍。提名委員會包括三名成員，分別為李君發先生、寇會忠先生及林維華先生，其中李君發先生及寇會忠先生為獨立非執行董事，林維華先生為執行董事。提名委員會主席為李君發先生。提名委員會的主要職能包括(但不限於)審議董事會的結構、人數及組成，並就委任董事會成員向董事會提供建議。

購買、出售及贖回上市證券

截至二零一三年十二月三十一日止年度，本公司或任何附屬公司並無購買、出售或贖回本公司任何上市證券。

股東周年大會

本公司二零一四年應屆股東周年大會(「股東周年大會」)將於二零一四年六月十三日(星期五)在香港舉行。股東周年大會通告將於適當時候按上市規則規定的方式刊發及寄交本公司股東。

末期股息

董事會建議向於二零一四年六月二十日名列本公司股東名冊的股東派付截至二零一三年十二月三十一日止年度的末期股息每股3.90港仙(人民幣3.12分)。所建議的末期股息需待擬定於二零一四年六月十三日(星期五)舉行的應屆股東周年大會上經股東批准後方可作實。該末期股息預期於二零一四年六月二十七日或前後派付。

暫停辦理股東登記

為釐定出席股東周年大會及在會上投票的資格，本公司將於二零一四年六月十二日(星期四)至二零一四年六月十三日(星期五)止(包括首尾兩天)期間暫停辦理股份過戶登記手續。為符合資格出席股東周年大會及在會上投票，請於二零一四年六月十一日(星期三)下午四時三十分前將所有過戶表格連同有關股票送達本公司的香港股份過戶登記處卓佳證券登記有限公司辦理過戶登記手續，地址為香港灣仔皇后大道東28號金鐘匯中心26樓(其地址將由二零一四年三月三十一日起更改為香港皇后大道東183號合和中心22樓)。

為釐定股東收取建議的末期股息的資格，本公司將於二零一四年六月十九日(星期四)至二零一四年六月二十日(星期五)(包括首尾兩天)期間暫停辦理股份過戶登記手續。為符合資格收取建議的末期股息，請於二零一四年六月十八日(星期三)下午四時三十分前將所有過戶表格連同有關股票送達本公司的香港股份過戶登記處卓佳證券登記有限公司(地址如上)辦理過戶登記手續。

刊登年度財務業績及年度報告

載有上市規則所規定的一切有關資料的截至二零一三年十二月三十一日止年度的年度業績公告和年度報告將適時刊登於聯交所網站(www.hkexnews.hk)及本公司網站(www.cfc2121.com)。

承董事會命
一化控股(中國)有限公司
主席
林強華先生

中國福建，二零一四年三月二十一日

於本公告日期，董事會包括主席兼非執行董事林強華先生、執行董事陳洪先生、繆妃女士及林維華先生及獨立非執行董事陳曉博士、寇會忠先生及李君發先生。