



EcoGreen Fine Chemicals Group Limited

中怡精細化工集團有限公司*

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

Interim Report 中期報告 2007

Stock code 股份代號 : 2341



* For identification purposes only
* 僅供識別



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Corporate Information

公司資料

Board of Directors

Executive Directors

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

Non-executive Directors

Mr. Feng Tao (*Vice Chairman*)

Independent non-executive Directors

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

Board Committees

Audit Committee

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

Remuneration Committee

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

Company secretary

Mr. Lam Kwok Kin *FCCA, CPA*

Auditors

PricewaterhouseCoopers

Principal bankers

Bank of Communications
 The Hong Kong and Shanghai Banking Corporation Limited
 Agricultural Bank of China
 China Merchants Bank
 China Citic Bank

Registered office

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

Head office and principal place of business in Hong Kong

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

Principal share registrar and transfer office

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

Hong Kong branch share registrar and transfer office

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

Website

<http://www.ecogreen.com>

Stock Codes

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

Shareholders' calendar

Book closing dates for the proposed interim dividend:
 14 November 2007 to 16 November 2007 (both days inclusive)
 Record date for the proposed interim dividend:
 16 November 2007
 Payment date for the proposed interim dividend:
 30 November 2007

Corporate Information 公司資料

董事會

執行董事

楊毅融先生 (主席兼總裁)
龔雄輝先生
盧家華女士
林力克先生
韓歡光先生

非執行董事

馮濤先生 (副主席)

獨立非執行董事

丘福全先生
黃翼忠先生
鄭蘭蓀博士

董事委員會

審核委員會

丘福全先生 (主席)
黃翼忠先生
鄭蘭蓀博士

薪酬委員會

韓歡光先生 (主席)
丘福全先生
黃翼忠先生
鄭蘭蓀博士

公司秘書

林國健先生 *FCCA, CPA*

核數師

羅兵咸永道會計師事務所

主要往來銀行

交通銀行
香港上海滙豐銀行有限公司
中國農業銀行
招商銀行
中信銀行

註冊辦事處

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

總辦事處兼香港主要營業地點

香港灣仔
港灣道18號
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37樓
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股份過戶登記總處

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P.O. Box 513 GT
2nd Floor, Strathvale House
North Church Street, George Town
Grand Cayman, Cayman Islands
British West Indies

香港股份過戶登記分處

卓佳登捷時有限公司
香港灣仔
皇后大道東28號
金鐘匯中心
26樓

網址

<http://www.ecogreen.com>

股份代號

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

股東日誌

就擬派中期股息暫停辦理股份過戶登記日期：
二零零七年十一月十四日至二零零七年十一月十六日
(包括首尾兩日)
擬派中期股息記錄日期：
二零零七年十一月十六日
擬派中期股息派付日期：
二零零七年十一月三十日

Chairman's Statement

主席報告

Review

The year 2007 is a period of development which is full of challenges and opportunities to the Group. Looking back to the six months ended 30 June 2007, given the strong sales of our mainstream products, the overall sales and profits of the Group continued their growing momentum from the previous year despite a decrease in our trading and resource management business, with business turnover of RMB288.0 million and profit of RMB61.1 million, which was equivalent to earnings per share of RMB13.2 cents.

During the period under review, the Group's operation experienced serious challenge. Firstly, after a drastic surge of raw materials price in 2006, the prices of the major raw materials still consolidated at high levels. Secondly, pressure from continuing Renminbi appreciation was rising considerably. Lastly, the export rebate rate was reduced substantially. Under these circumstances, the resource management strategy set by the Group earlier on had come into play and enabled the Group to get a stable supply of raw materials while effectively controlling the costs. In addition, the Group forecast correctly the substantial changes in the competition arena of the international market and thus promptly adjusted its marketing strategy. Taking advantage of the global growth of the industry, the Group enhanced the interaction with its customers in the pricing and strategic cooperation, thereby enhancing the Group's influence in the industry.

As a worldwide influential fragrance supplier, the Group continued to win the confidence and support from customers around the world with quality products and stable supply in the face of the fluctuating market. During the period under review, the policy aimed at seeking mutual benefit and creating win-win situations with main customers brought positive results. Thanks to an increase in customers' orders, the Group's business, with aroma chemical products as its core, made a strong growth of 34% when compared with the corresponding period of the previous year. Meanwhile, on the strength of our brands and our quality with reliable services, there was an increase in the average price of our mainstream products.

Regarding raw materials, the Group continued using botanic essential oils and other natural resources which was abundantly provided in China as its major raw materials. To better ensure a secure and stable supply of raw materials, the Group had been proactively expanding its upstream resource business since the end of last year. The business started generating benefit in the second quarter of the period under review.

回顧

進入二零零七年，本集團迎來了一個充滿挑戰和機會的發展時期。回顧截至六月三十日為止的上半年期間，在主營產品銷售增長的強烈帶動下，儘管貿易及資源營運的部分業務有所縮減，本集團的總體銷售和盈利延續了往年的增長勢頭。期內，錄得了288,000,000元人民幣的營業額，和61,100,000元人民幣的利潤，相當於每股0.132元人民幣利潤。

在回顧期內，本集團的營運實際上經歷了較為嚴峻的挑戰。首先是主要原料的價格在零六年暴漲之後，現仍處於高位回穩；其次是人民幣持續升值的壓力增大，最後是出口產品的退稅率大幅降低。在這樣的情形下，本集團在早期佈局的資源管理戰略開始發揮作用，使得本集團在獲得原料穩定供應的同時有效地控制了原料成本。此外，本集團預見到國際市場競爭格局的重大變化，及時調整市場行銷的策略。並利用全球行業的增長，加強了同各主要客戶在定價及戰略夥伴關係上的互動，提高了本集團在行業中的影響力。

作為一傢俱影響力的全球香料供應商，本集團在波動的市場環境中，繼續以優質的產品和穩定的供應，贏得全球客戶的信賴和支援。回顧期內，與主要客戶互利共贏的策略積極地發揮了作用，客戶訂單的增加使到本集團以芳香化學品為主的業務增長強勁，較去年同期成長了34%；同時，憑藉品牌和優質可靠的服務，主營產品的平均售價在去年的基礎上進一步提升。

在原料方面，本集團仍以中國本土豐產的植物精油等天然資源為主。為了更好地保障原料的安全和穩定供應。自去年底，本集團開始對上游資源業務進行了積極的拓展。該項業務在回顧期內的第二季度開始產生了效益。



Chairman's Statement 主席報告

Review (continued)

Regarding business structure, the Group made timely adjustment to its product mix during the review period in light of its business growth and changes in market supply and demand. While maintaining basic trading of resource commodities, the Group focused on enhancing the sales of its mainstream products and correspondingly reduced the turnover of its trading business, which was of relatively low profit margin, so as to reduce the funds tied to it and raise the overall gross profit margin level.

Regarding business development, during the period under review, the Phase III construction project was carried out as scheduled, which was significant to the Group's development. Meanwhile, progress was made in new product development, with two main types of flavor materials entered into materials a trial market sale and already winning favourable responses from customers.

Regarding strategic investment, the Group is proactively planning its industry production layout on its 145 mu (approximately 97,000 square metres) of newly-purchased land, including adjustments to capacity of the existing mainstream products, optimization of product mix, extension of production lines, and planning an analytic review of new product mix. As this piece of land will be an important resource in the Group's cooperation with its international peers in future, planning on its use is in active progress. Besides, to increase the pace of its business growth, the Group has been proactively and prudently looking for opportunities to acquire enterprises or operations which may give synergistic effect.

Outlook

Looking ahead to the second half of 2007, despite the various uncertainties in the domestic and international macroeconomic environment, we are still confident about the development of the Group's business and hold prudently optimistic expectation.

On one hand, the Group will steadily increase the pace of Phase III construction, with a view to completing the construction and installation of our production plant and commencing the commissioning of the installed system by the end of this year, and starting its trial production early next year, to strive to make a contributor to the Group's results in the second half of the year. On the other hand, the Group will further strengthen the marketing and services of our products to expand the market share of our mainstream products. To further optimize the production capacity through an effective outsource, thereby raising our output efficiency under the current full capacity operation, meeting the orders placed by customers eagerly, and maintaining the growth momentum of sales. In addition, the Group will proactively forge ahead with the development and trial sale of new products in an effort to obtain orders and fulfill sales on a certain scale as soon as possible after the Phase III production facilities commence operation, hence building up a new growing point of the Group's results.

回顧 (續)

在業務結構上，根據主營業務的增長和市場供求的變化，本集團在回顧期內，對業務組合作了適時的調整。在集中提升主營產品銷售的同時，除維持資源性商品的基本行銷外，相對縮減了較低毛利率的貿易業務額，以減少資金的佔用及提高整體毛利水準。

在業務拓展方面，回顧期內，對集團未來發展意義重大的第3期擴建工程正在按既定的建設進度實施。同時，新產品的開發也取得了進展。兩大類食用香料的開發已進入了市場試銷階段，並已取得較好的客戶回應。

在策略性投資方面，本集團正積極地在新增的145畝（約97,000平方米）土地上進行產業佈局，包括對現有的主流產品產能的調整、產品結構的優化、產品線的延伸、以及新產品組合的規劃、論證。這塊土地也將會作為本集團在未來國際產業合作中的一項重要資源準備，正在積極地規劃之中。除此之外，本集團也一直在積極、審慎地尋找具協同效益的企業或業務收購或投資合作的機會，以加快業務的成長。

展望

展望二零零七年下半年，雖則國內和國際的宏觀經濟環境預計將會出現較多的不明朗因素，我們對本集團的業務發展仍充滿信心，並抱有審慎樂觀的期待。

一方面，本集團將會穩步地加快第3期擴建的進度，計劃在本年底完成生產車間的建造和安裝，並進行裝置系統調試，明年初進入試生產，爭取明年下半年對集團業績產生貢獻。另一方面，本集團將進一步加強產品的行銷和服務，擴大主營產品的國際市場份額。通過有效地利用外包產能，進一步優化現有生產裝置的產能配置，以提高滿負荷運作下的產出效率，滿足客戶殷切的訂單需求，保持行銷的增長勢頭。與之相配合，本集團將積極地推進新產品的開發和試銷，爭取在第3期生產裝置投產後，儘快獲得訂單並形成規模性銷售，以成為本集團業績的新增長點。



Outlook (continued)

Meanwhile, the Group will also work actively to create an upstream resource management network and strengthen our established resource strategic partnerships. The moves will ensure a secure and stable supply of raw materials to the Group in the face of an increasing shortage of natural resources, and, on that basis, enhance the Group's ability to allocate resources and manage values throughout the whole industry supply chain, hence protect the Group's long-term competitiveness.

The Group will also continue taking a number of effective measures to proactively minimize the risks and challenges arising from changes in market and policy environment, including: reduction of export rebate, appreciation of Renminbi, and fluctuations in the cost of raw materials.

Besides, having in mind its long-term enterprise development, the Group will establish its foothold upon the rich resources of China, and build upon its advantages in its proprietary technology, excellent product mix, stringent quality management system, good sales services, and its goodwill as an honest and reliable supplier, so as to proactively and dynamically continue its cooperation with customers around the world in various aspects in the second half of 2007 and the years thereafter, with a view to laying a solid foundation for a sustainable and long term growth by capturing the opportunities offered by the global migration of industries in even better ways.

展望 (續)

同時，本集團還將積極地佈局上游資源管理網路，強化已建立的資源戰略夥伴關係。面對日益短缺的天然資源，確保集團原料安全穩定供應。進而，提升集團在整體產業供應鏈的資源分配和價值管理的能力，保障集團長久的競爭力。

本集團也將會繼續採取多種有效的措施，來積極地應對各種市場、政策環境變化所導致的風險和挑戰，包括：出口退稅削減、人民幣升值、原料成本波動等。

此外，著眼於企業長線的發展，本集團將立足於中國的豐產資源、自有的技術優勢、優良的產品成本結構、嚴格的品質管理體系、良好的銷售服務、以及誠信可靠的供應商聲譽，在二零零七年下半年以至未來幾年內，繼續積極、主動地拓展與全球主要客戶的多方面合作，以便更好地抓住國際產業轉移的機會，為未來長遠的持續成長打下堅實的基礎。

Management Discussion and Analysis

管理層討論與分析

Business Review

During the six months ended 30 June 2007, the Group's turnover was RMB288.0 million, representing an increase of 14% when compared with the corresponding period last year. During the period under review, thanks to a continuing increase of orders placed by customers and the upward adjustments to the price of products, the Group accomplished good results and expanded its profit margin. Besides, the Group also proactively launched new products into the market including several new food flavours. These new products were well-received and began to make contribution to the Group despite of the small scale of production.

During the period under review, turpentine and other plant oils were more stable than they were in the corresponding period last year, but still stood at slightly high levels. In order to control the production costs and as a part of its operation strategy, the Group continued its efforts to adopt various effective measures, including stringent cost control, flexible procurement strategy, and a production planning which is even more effective, as well as an increase of the utilization rate of its existing plant to 95%. The above measures served not only to enhance the Group's productivity further, but also reduce the overall operating costs and enhance the competitiveness of the Group gradually, thus further minimizing the negative impact of the rising prices of raw materials and other unfavourable factors.

During the six months ended 30 June 2007, excluding the revenue from trading and resource management products, the Group's turnover reached RMB255.7 million, achieving a rapid growth of 31% as compared with the corresponding period last year. As the trading and resource management business have a lower profit margin, it has enhanced the overall gross profit margin of the Group to 34.8% from 31.6% as recorded in the corresponding period last year. Nevertheless, the impact of the relative shrinkage of this non-core business was slight. Excluding the contribution from trading and resource management products, the gross profit of the Group's downstream processed products during the first six months was 38.2%, a level similar to that of 38.3% recorded in the corresponding period last year.

During the period under review, as there was a decrease in the trading and resource management business for direct export, the proportion of the Group's exported products fell to 33% from 35% of the corresponding period of the previous year. However, thanks to an increase of orders from global customers, the export volume of the Group's downstream processed products increased significantly and the overall export amount still recorded a growth of 6% as a result RMB94.7 million.

業務回顧

截至二零零七年六月三十日止的六個月，本集團營業額為288,000,000元人民幣，比去年同期上升14%。在回顧期內，客戶訂單的持續增加，以及產品訂價的有所調高，使到本集團獲得了良好的業績和擴展了邊際收益；另外，本集團亦積極把新產品推出市場，包括數個食用香料的新產品皆獲得良好的反應，在小量生產的情況下已開始為集團帶來貢獻。

在回顧期內，松節油和其他植物精油的價格較去年同期穩定，但仍維持在稍高的水平，為了控制生產成本，本集團繼續在經營策略上積極地採取各種有效之措施，其中包括嚴格的成本管理、靈活性的採購策略、高效的生產規劃，並且將現有廠房之產能利用率提高至逾95%。以上各項措施不但進一步提升了集團的生產能力及營運效率，而且降低了整體營運成本，提昇了集團的競爭力，從而將原材料價上漲及其他各種不利因素所帶來的負面影響進一步降低。

截至二零零七年六月三十日止的六個月，若撇除貿易及資源運營業務的收益部份，本集團的營業額較去年同期錄得31%之快速增長，金額達255,700,000元人民幣。由於貿易及資源運營業務的的毛利較低，這項非核心業務的相對縮減對盈利影響甚為輕微，但却提升了集團的整體毛利率，使之從去年同期的31.6%上升至34.8%。若撇除貿易及資源運營業務的部份，本集團首六個月深加工產品的毛利達38.2%，與去年同期的38.3%相若。

在回顧期間，因為直接銷往海外的貿易及資源運營業務縮減，使到本集團產品的出口比例有所下降，從去年同期的35%下調至33%。但因為全球客戶訂單的增加，本集團深加工產品的出口額也有顯著增長，使到整體出口金額仍錄得6%之輕微增長，金額達94,700,000元人民幣。



Management Discussion and Analysis

管理層討論與分析

Business Review (continued)

The fall of the proportion of export in the total sales resulted in a corresponding fall in sales and marketing cost, such as transportation and insurance cost to RMB11.5 million from RMB11.8 million of the corresponding period last year. The proportion of such cost to sales decreased to 4.0% from 4.6% of the corresponding period last year.

Administrative expenses during the first half of the year amounted to RMB17.5 million, representing an increase over RMB15.5 million as recorded in the corresponding period last year. The proportion of such expenses to sales was 6.1%, a level similar to that of 6.1% recorded in the corresponding period last year. The main causes included net losses from foreign currency exchange resulting from Renminbi appreciation, increased salary cost as a result of a larger professional team force, and an increase in the expenditure on operating leases caused by the booming property market.

Other net losses was incurred, which mainly represented an effectuation of the realised and unrealised gains and losses from interest swap.

Due to the above factors, profit attributable to the equity holders of the Group during the period increased 31% to RMB61.1 million and the net profit margin was 21.2%, up from 18.3% of the corresponding period last year. Earnings per share during the period rose 31% to RMB13.2 cents. The Board of Directors has resolved to declare an interim dividend of 1 HK cents for the period ended 30 June 2007.

Product Review

Aroma Chemicals

As the Group's business during the period under review, Aroma chemicals brought significant and stable operating revenue for the Group. Mainly as a result of increased orders from existing customers and upward adjustment of prices, for the six months ended 30 June 2007, sales of aroma chemicals surged 34% to RMB165.6 million, accounting for 58% of the Group's sales. Gross profit margin was 32.4%, a level similar to that of 32.4% recorded in the corresponding period last year. Dihydromyrcenol was the top product of aroma chemicals, which brought a revenue of RMB49.8 million to the Group. Some newly-launched food flavours also provided new momentum to business growth by contributing a revenue of RMB10.9 million to the Group despite of the small scale of production.

Natural Extracts

During the period under review, demand for downstream products continued to rise and the quality of the Group's products were widely recognized attributable to the steady growth of the Group's natural extract business. Turnover of this business category increased 29% to RMB55.0 million, accounting for 19% of the Group's sales. Gross profit margin was 35.3%, slightly down from 37.1% of last year. The performance of Natural Cinnamic Aldehyde was the largest contributor among extracts. This product contributed a revenue of RMB16.4 million to the Group.

業務回顧 (續)

由於出口佔總銷售的比例下降，導致運輸、保險等的銷售及推廣成本也相應下降，從去年同期的11,800,000元人民幣減少至11,500,000元人民幣，其佔銷售之百分比由去年同期的4.6%下降至4.0%。

行政費用在上半年的金額為17,500,000元人民幣，較去年同期的金額為15,500,000元人民幣有所增加，佔銷售之百分比為6.1%，與去年同期的6.1%相若。主要原因有人民幣升值所引致的匯兌損益，專業團隊擴充引起的工資成本上升，以及因物業市場的倡盛而導致的營運租賃支出的上漲。

其他虧損淨額之出現為體現利率掉期變現及未變現損益所致。

綜合上述各項因素，期內本集團權益持有人的應佔盈利上升31%至61,100,000元人民幣，純利率為21.2%，而去年同期為18.3%。期內每股盈利上升31%至每股13.2仙人民幣。董事會已議決就截至二零零七年六月三十日止期間宣佈派發中期股息1港仙。

產品回顧

芳香化學品

在回顧期內，芳香化學品繼續作為本集團的核心業務，為集團提供龐大及穩定之經營收益。截至二零零七年六月三十日止六個月，主要由於現有客戶之訂單增加及價格調升，芳香化學品的銷售大幅增長34%至165,600,000元人民幣，佔集團銷售額的58%，毛利率為32.4%，與去年同期毛利率32.4%相若。其中，二氫月桂烯醇為芳香化學品中的主打品種，為集團提供了49,800,000元人民幣的收益；而一些新推出的食用香料也成為營業額增長的新動力，在小規模生產的基礎上，期內為集團提供了10,900,000元人民幣的收益。

天然提取物

於本回顧期間，因下游產品的市場需求持續增加以及集團產品的品質逐漸獲得廣泛的認可，本集團天然提取物的業務錄得平穩的增長，營業額增長29%至55,000,000元人民幣，佔集團銷售額的19%，毛利率為35.3%，較去年毛利率37.1%輕微下跌。天然肉桂醛為天然提取物當中的最大貢獻者，為集團提供16,400,000元人民幣的收益。

Management Discussion and Analysis

管理層討論與分析

Product Review (continued)

Intermediates

During the period under review, the Group's intermediate business recorded a growth of 24% to RMB35.2 million, accounting for 12% of the Group's sales. Gross profit margin rose to 70.3% from 65.7% of the corresponding period last year. 3-Phenylpropanal Aldehyde is the major product of the intermediate business segment. It contributed a revenue of RMB14.6 million to the Group.

Trading and Resource Management Product

For the six months ended 30 June 2007, sales of the Group's trading and resource management product amounted to RMB32.2 million, accounting for 11% of the Group's turnover. Gross profit of trading and resource management product reached approximately RMB2.4 million. As a necessary supplement to the Group's core business, the trading and resource management business brought sales and profit contribution to the Group during the period under review.

Prospect

Looking towards the second half of the year, global consumers' confidence may weaken and the pace of enterprise development may slow down, mainly due to the impact of a possible slowdown of the economic growth of the United States and a global credit squeeze. Nevertheless, as the Group's products are mainly applied to downstream industries of fast-moving-consumer-goods and daily necessities, they are less affected by short-term or cyclical economic fluctuation, and are expected to continue flourishing in the industry and grow continually. As such, on the strengths of the Group's solid customer profile and advanced and effective production and management, the Group is fully confident about its existing business, and is advantageously positioned as an enterprise to gear itself up for its future long-term growth.

The Group will continue paying close attention to changes in the industry market and the macro-economy, and proactively deals with various risks associated with market and policies including, at the present stage, the pressure from rising costs, a result of changes in China's tax rebate policies, Renminbi appreciation, and fluctuations in raw materials prices. Since 1 July 2007, the Government of China has implemented a new policy to substantially reduce export rebate, and part of the Group's export products will be affected under the new policy. As such, the Group has been consulting its customers actively and effectively in an effort to strive for reasonable shifts or sharing of such burden as arising from the reduction of export tax rebate through price increase or other measures, while having a consensus to maintain market stability and reasonable profit levels.

產品回顧 (續)

中間體

於本回顧期間，本集團的中間體業務較去年同期錄得24%增幅至35,200,000元人民幣，佔集團銷售額的12%，而毛利率則從去年同期之65.7%增加至70.3%。本集團主要生產以3-苯丙醛為首之中間體，為集團提供14,600,000元人民幣的收益。

貿易與資源運營產品

截至二零零七年六月三十日止六個月內，本集團貿易與資源運營產品之銷售為32,200,000元人民幣，佔本集團營業額11%；毛利約為2,400,000元人民幣。貿易與資源運營業務作為本集團核心業務的必要輔助，在回顧期間，也為集團的銷售及盈利上帶來了貢獻。

前景

展望下半年，美國經濟增長可能出現放緩和環球信貸收緊的影響，全球消費信心可能會因此轉弱和企業發展步伐將會較審慎，儘管如此，由於本集團產品主要應用於下游的快速消費品和生活必需品行業，與短期的或週期性經濟波動的關聯性較低，預期仍然處於一個持續增長的產業環境中。故此，憑藉本集團之穩固客源和先進高效的生產經營體系，本集團對現有業務充滿信心，並積極的布局以有利企業的定位迎接未來之長期增長。

本集團將繼續密切關注行業市場和宏觀經濟的變化，積極地應對各種市場及政策風險，包括在現階段中國出口退稅政策的改變、人民幣升值及原料價格的波動等因素而導致的成本上漲壓力。由二零零七年七月一日起，中國政府已實行大幅調低出口退稅的新政策，本集團部份的出口產品會受到該政策的影響。因此，本集團已積極、有效地與客戶協商，在維持市場穩定和合理利潤水準的共識下，通過提價等措施爭取達成因退稅減低而新增成本的合理分擔或轉移。



Management Discussion and Analysis

管理層討論與分析

Product Review (continued)

Prospect (continued)

Besides, Renminbi appreciation is expected to continue in the coming years, and in light of changes in the funds market in China and abroad, the Group will strive for an adjustment to its existing loan structure with the support of overseas banks, with a view to correspondingly increase the proportion of its foreign currency loans, and US dollar loans in particular, and reduce its Renminbi loans, so as to hedge flexibly and effectively against any risks associated with any continued Renminbi appreciation in future.

Furthermore, in the face of future market changes, the Group anticipates that the prices of raw materials will very likely to fluctuate within a limited range in the second half of the year. The Group will bring the advantage of its upstream sourcing network into play, and will also strengthen its management and researches on raw material information, so as to fully utilize various forms of cooperation to effectively deal with any impact on raw materials supply, which may arise from abnormal climatic conditions, supply and demand fluctuations on the international raw materials market, and changes in international crude oil prices. Through the abovementioned measures, the Group wishes to be able to effectively consolidate its existing leading advantages in cost and further enhance its international competitiveness.

Looking towards the second half of the year, the Group cherishes its prudent optimistic expectation about its business growth. In view of the orders placed by customers to date, the Group is confident that its business will maintain or surpass the growth in the first half of the year.

Financial review

Liquidity and Financial Resources

During the period under review, the Group generally finances its operation with internally generated cash flows and credit facilities provided by its principal bankers.

The Group's financial position was solid throughout the period. As at 30 June 2007, the net current assets and the current ratio of the Group were approximately RMB300.7 million (31 December 2006: approximately RMB290.2 million) and 2.1 (31 December 2006: 2.2), respectively. As at 30 June 2007, the Group had cash and cash equivalents of approximately RMB341.5 million (31 December 2006: approximately RMB360.6 million).

The Group will continue to maintain a sound finance position and with the positive cash inflow from operations and its available banking facilities, the Group has sufficient financial resources to meet its commitments, working capital requirements and future investments for expansion.

產品回顧 (續)

前景 (續)

另外，預計人民幣升值在未來幾年將會持續，本集團將因應國際、國內資金市場的變化，並在海外銀行的支援下，爭取調整現有的借貸結構，相應調高外幣特別是美元的借貸而減少人民幣的借貸，從而靈活、有效地對沖人民幣未來繼續升值的風險。

再者，面對原料市場未來的變化，本集團預計下半年原料價格很大可能會在一定幅度內波動。為此，本集團將會發揮在上游採購網路的優勢，同時，加強原料資訊管理與研究，充分利用各種方式的合作，有效地應對因異常氣候、國際原料市場供求波動，以及國際原油價格的變化對原料供應可能造成的影響。本集團希望通過以上各項措施能夠有效地鞏固現有的成本領先的優勢，進一步提升集團在國際市場的競爭力。

展望下半年，本集團對業務的成長抱有審慎樂觀的期待，從目前的客戶落單情況來看，本集團有信心業務能夠保持或超過上半年的增長。

財務回顧

流動資金及財務資源

於回顧期內，本集團一般以內部產生之現金流及主要往來銀行提供之信貸備用額作為業務之營運資金。

期內，本集團之財政狀況穩健。於二零零七年六月三十日，本集團流動資產淨值及流動比率分別約為300,700,000元人民幣（二零零六年十二月三十一日：約290,200,000元人民幣）及2.1（二零零六年十二月三十一日：2.2）。於二零零七年六月三十日，本集團有現金及現金等價物約341,500,000元人民幣（二零零六年十二月三十一日：約360,600,000元人民幣）。

本集團將繼續維持穩健財務狀況。憑藉經營所得之正數現金流入及其可用銀行信貸，本集團具備充裕財務資源以應付其承擔、營運資金需要及日後擴展投資之用。



Management Discussion and Analysis

管理層討論與分析

Financial review (continued)

Capital Structure and Gearing Ratio

As at 30 June 2007, the equity attributable to the Company's equity holders amounted to RMB596.7 million, representing RMB1.27 per share (31 December 2006: RMB532.8 million, representing RMB1.16 per share). Increase in shareholders' funds was mainly attributable to the profit generated in the period less payment of dividend during the period.

The Group's gearing ratio (total debt over total assets) as at 30 June 2007, was increased from 17% at 31 December 2006 to 19%. The Group's net cash surplus, being cash and cash equivalents plus pledged and unpledged bank deposits less borrowings amounted to RMB188.0 million (31 December 2006: RMB225.8 million).

Treasury Policies and Exposure to Fluctuations in Exchange Rates

The Group's assets, liabilities, revenues and transactions are mainly denominated in Renminbi, United States dollars and Hong Kong dollars with its operation mainly in the PRC. Bank borrowings were denominated in Renminbi, United States dollars and Hong Kong dollars.

The Group's exposure to the foreign exchange fluctuations was caused by the revaluation of Renminbi during the period under review. Nevertheless, the Group has not experienced any material difficulties or effects on its operation or liquidity as a result of fluctuation in currency exchange rate during the period.

Charge on assets

As at 30 June 2007, bank deposit of RMB41.3 million (31 December 2006: RMB10.3 million), certain property, plant and equipment of the Group with an aggregate net book value of about RMB33.0 million (31 December 2006: RMB32.2 million) and land use rights of RMB2.5 million (31 December 2006: RMB4 million) were pledged to secure the Group's bank borrowings.

Capital expenditure

During the period under review, the Group invested approximately RMB48.6 million and RMB9.9 million respectively in the additions of property, plant and equipment and intangible assets compared to approximately RMB3.3 million and RMB1.2 million respectively for the same period last year.

Contingent liabilities

As at 30 June 2007, the Group did not have any contingent liabilities. The Company executed corporate guarantees as part of securities for general banking facilities granted to a wholly-owned subsidiary.

財務回顧 (續)

股本架構及負債比率

於二零零七年六月三十日，本公司權益持有人應佔權益為596,700,000元人民幣，即每股1.27元人民幣（於二零零六年十二月三十一日：532,800,000元人民幣，即每股1.16元人民幣）。股東應佔權益增加主要源自期內所產生溢利減於期內派付之股息。

於二零零七年六月三十日，本集團之負債（總負債除總資產）比率由二零零六年十二月三十一日之17%增加至19%，而本集團之淨現金盈餘（即現金及現金等價物加未抵押和已抵押銀行存款減貸款）則為188,000,000元人民幣（二零零六年十二月三十一日：225,800,000元人民幣）。

庫務政策及外匯波動風險

本集團之資產、負債、收入及交易主要以人民幣、美元及港元結算，而其主要於中國進行業務。銀行借貸均分別以人民幣、美元及港元結算。

於回顧期內，本集團主要的外匯波動風險乃因重估人民幣所致。儘管如此，本集團於期內並無因匯率波動而於營運或流動資金方面遇上任何重大困難或影響。

資產抵押

於二零零七年六月三十日，銀行存款41,300,000元人民幣（二零零六年十二月三十一日：10,300,000元人民幣）以及本集團帳面淨值總額約33,000,000元人民幣（二零零六年十二月三十一日：32,200,000元人民幣）之若干物業、廠房及設備以及2,500,000元人民幣（二零零六年十二月三十一日：4,000,000元人民幣）之土地使用權已抵押，作為本集團銀行借貸之抵押品。

資本開支

於回顧期內，本集團就添置物業、廠房及設備與無形資產分別投資約48,600,000元人民幣及9,900,000元人民幣，而去年同期則分別約為3,300,000元人民幣及1,200,000元人民幣。

或然負債

於二零零七年六月三十日，本集團並無任何或然負債；惟本公司已簽立公司擔保，以作為授予一間全資附屬公司之一般銀行信貸額之擔保。



Management Discussion and Analysis

管理層討論與分析

Employees and remuneration policy

As at 30 June 2007, the Group has 290 full-time employees of which 286 are based in the PRC and 4 in the Hong Kong office.

Remuneration packages offered to the staff are in line with the prevailing market terms and reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the Group's and the individual's performance. Besides salaries and bonus, staff are also entitled to other benefits, including participation in retirement benefits schemes and the share option schemes adopted by the Company pursuant to resolutions in writing of all the shareholders of the Company passed on 16 February 2004. 32,210,000 share options remained outstanding at the period end.

僱員及酬金政策

於二零零七年六月三十日，本集團有290名全職僱員，其中286名駐中國，其餘4名則駐於香港。

向員工提供之薪酬與現行市場條款一致，並定期檢討。酌情花紅可於評估本集團及個別員工表現後向僱員發放。除薪金及花紅外，員工亦有權獲取其他福利，包括參與退休福利計劃及本公司根據本公司全體股東於二零零四年二月十六日通過之書面決議案採納之購股權計劃。於期間結束時，仍有32,210,000份購股權尚未行使。

Condensed Consolidated Interim Balance Sheet

簡明綜合中期資產負債表

(As at 30 June 2007)
(二零零七年六月三十日)

			30 June 六月三十日 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	31 December 十二月三十一日 2006 二零零六年 (Audited) (經審核) RMB'000 千元人民幣
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	5	258,668	216,012
Land use rights	土地使用權	5	8,816	8,851
Intangible assets	無形資產	5	38,016	29,261
Available-for-sale financial assets	可供出售金融資產		400	400
			305,900	254,524
Current assets	流動資產			
Inventories	存貨		63,806	38,932
Trade receivables	應收交易帳款	6	133,554	114,904
Prepayments and other receivables	預付款項及其他應收款項		24,149	25,819
Available-for-sale financial assets	可供出售金融資產		100	100
Pledged bank deposits	已抵押銀行存款		41,324	47,626
Cash and cash equivalents	現金及等同現金項目		300,205	312,990
			563,138	540,371
Total assets	資產總值		869,038	794,895
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備			
Share capital	股本		49,653	48,778
Other reserves	其他儲備		228,512	209,970
Retained earnings	保留盈利			
– Proposed dividend	– 擬派股息		4,537	10,493
– Others	– 其他		313,942	263,595
			596,644	532,836
Minority interest	少數股東權益		1,694	224
Total equity	權益總額		598,338	533,060

The notes on pages 19 to 28 form an integral part of this condensed interim financial information.
第19至28頁的附註為簡明中期財務資料的整體部份。



Condensed Consolidated Interim Balance Sheet

簡明綜合中期資產負債表

(As at 30 June 2007)

(二零零七年六月三十日)

			30 June 六月三十日 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	31 December 十二月三十一日 2006 二零零六年 (Audited) (經審核) RMB'000 千元人民幣
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸	7	8,248	11,698
Current liabilities	流動負債			
Trade payables and bills payable	應付交易帳款及應付票據	8	85,576	91,808
Accruals and other payables	應計費用及 其他應付款項		18,941	28,231
Current income tax liabilities	即期所得稅負債		1,973	2,920
Borrowings	借貸	7	152,271	123,138
Amount due to a director	應付董事款項	14	177	141
Amount due to a related company	應付關連公司款項		-	3,880
Derivative financial instruments	衍生金融工具		3,514	-
Deferred income on government grants	政府津貼遞延收入		-	19
			262,452	250,137
Total liabilities	負債總額		270,700	261,835
Total liabilities and equity	負債及權益總額		869,038	794,895
Net current assets	流動資產淨值		300,686	290,234
Total assets less current liabilities	總資產減流動負債		606,586	544,758

The notes on pages 19 to 28 form an integral part of this condensed interim financial information.
第19至28頁的附註為簡明中期財務資料的整體部份。

Condensed Consolidated Interim Income Statement

簡明綜合中期損益表

(For the six months ended 30 June 2007)
(截至二零零七年六月三十日止六個月)

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
	Note 附註		
Turnover	4	287,959	253,510
Cost of good sold		(187,799)	(173,460)
Gross profit		100,160	80,050
Other (losses)/gains – net		(1,654)	1,340
Selling and marketing costs		(11,499)	(11,771)
Administrative expenses		(17,464)	(15,508)
Operating profit	9	69,543	54,111
Finance costs		(3,625)	(3,334)
Profit before income tax		65,918	50,777
Income tax expense	10	(4,868)	(4,301)
Profit for the period		61,050	46,476
Attributable to:			
Equity holders of the Company		61,080	46,468
Minority interest		30	8
		61,050	46,476
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in RMB per share)			
– basic	12	RMB13.2 cents 人民幣 13.2 仙	RMB10.1 cents 人民幣 10.1 仙
– diluted		RMB12.6 cents 人民幣 12.6 仙	N/A 不適用
Dividends	11	4,537	3,676

The notes on pages 19 to 28 form an integral part of this condensed interim financial information.
第19至28頁的附註為簡明中期財務資料的整體部份。



Condensed Consolidated Interim Cash Flow Statement

簡明綜合中期現金流量表

(For the six months ended 30 June 2007)
(截至二零零七年六月三十日止六個月)

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
Net cash generated from operating activities	經營活動所得淨現金	16,265	65,833
Net cash used in investing activities	投資活動所用淨現金	(58,438)	(1,111)
Net cash from/(used in) financing activities	融資活動所得／(所用)淨現金	29,389	(8,330)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)／增加	(12,784)	56,392
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	312,990	257,908
Exchange (losses)/gain on cash and cash equivalents	現金及現金等價物之匯兌(虧損)／收益	(1)	22
Cash and cash equivalents at end of the period	期終之現金及現金等價物	300,205	314,322

The notes on pages 19 to 28 form an integral part of this condensed interim financial information.
第19至28頁的附註為簡明中期財務資料的整體部份。

Condensed Consolidated Interim Statement of Changes in Equity

簡明綜合中期權益變動表

(For the six months ended 30 June 2007)
(截至二零零七年六月三十日止六個月)

Six months ended 30 June 2007 (Unaudited)

截至二零零七年六月三十日止六個月 (未經審核)

		Attributable to equity holders of the Company							Minority interest	Total	
		本公司權益持有人應佔							少數股東權益	總計	
		Share capital	Share premium	Capital reserve	Contributed surplus	Statutory reserves	Share equity reserve	Currency translation reserve	Retained earnings		
		股本	股份溢價	股本儲備	繳入盈餘	法定儲備	購股權	匯兌儲備	保留盈利		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	
Balance at 1 January 2007	二零零七年一月一日結餘，如前呈報為權益	48,778	177,698	685	9,500	16,168	5,938	(19)	274,088	224	533,060
Currency translation differences	貨幣匯兌差額	-	-	-	-	-	-	(1)	-	-	(1)
Net income recognised directly in equity	在權益直接確認的淨收入	-	-	-	-	-	-	(1)	-	-	(1)
Profit for the period	期內盈利	-	-	-	-	-	-	-	61,080	(30)	61,050
Total recognised income for the period	期內確認的總收入	-	-	-	-	-	-	(1)	61,080	(30)	61,049
Employees share option scheme – value of employees services	僱員認股權計劃：— 僱員服務的價值	-	-	-	-	-	1,158	-	-	-	1,158
Transfer upon cancellation of share options	因註銷購股權而轉撥	-	-	-	-	-	(988)	-	988	-	-
Issue of shares	發行股份	875	11,189	-	-	-	-	-	-	-	12,064
Equity contributed by a minority shareholder	少數股東供獻之權益	-	-	-	-	-	-	-	-	1,500	1,500
Transfer	轉讓	-	-	-	-	7,184	-	-	(7,184)	-	-
Dividend relating to 2006 paid in June 2007	已於二零零七年六月派付之二零零六年股息	-	-	-	-	-	-	-	(10,493)	-	(10,493)
		875	11,189	-	-	7,184	170	-	(16,689)	1,500	4,229
Balance at 30 June 2007	二零零七年六月三十日結餘	49,653	188,887	685	9,500	23,352	6,108	(20)	318,479	1,694	598,338

The notes on pages 19 to 28 form an integral part of this condensed interim financial information.
第19至28頁的附註為簡明中期財務資料的整體部份。



Condensed Consolidated Interim Statement of Changes in Equity

簡明綜合中期權益變動表

(For the six months ended 30 June 2007)
(截至二零零七年六月三十日止六個月)

Six months ended 30 June 2006 (Unaudited)

截至二零零六年六月三十日止六個月(未經審核)

		Attributable to equity holders of the Company							Minority	Total	
		本公司權益持有人應佔							少數股東	總計	
		Share capital	Share premium	Capital reserve	Contributed surplus	Statutory reserves	Share options equity reserve	Currency translation reserve	Retained earnings		
		股本	股份溢價	股本儲備	繳入盈餘	法定儲備	購股權	匯兌儲備	保留盈利		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣	千元人民幣
Balance at 1 January 2006	二零零六年一月一日結餘， 如前呈報為權益	48,778	177,698	685	9,500	16,168	5,732	(36)	186,260	229	445,014
Currency translation differences	貨幣匯兌差額	-	-	-	-	-	-	18	-	-	18
Net income recognised directly in equity	在權益直接確認的淨收入	-	-	-	-	-	-	18	-	-	18
Profit for the period	期內盈利	-	-	-	-	-	-	-	46,468	8	46,476
Total recognised income for the period	期內確認的總收入	-	-	-	-	-	-	18	46,468	8	46,494
Employees share option scheme – value of employees services	僱員認股權計劃： — 僱員服務的價值	-	-	-	-	-	1,348	-	-	-	1,348
Dividend relating to 2005 paid in June 2006	已於二零零六年六月 派付之二零零五年股息	-	-	-	-	-	-	-	(5,718)	-	(5,718)
		-	-	-	-	-	1,348	-	(5,718)	-	(4,370)
Balance at 30 June 2006	二零零六年六月三十日 結餘	48,778	177,698	685	9,500	16,168	7,080	(18)	227,010	237	487,138

The notes on pages 19 to 28 form an integral part of this condensed interim financial information.
第19至28頁的附註為簡明中期財務資料的整體部份。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

1. Basis of preparation

This unaudited condensed consolidated interim financial information of the Company has been prepared in accordance with the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). These condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2006.

These condensed consolidated interim financial information were approved for issue on 19 September 2007.

2. Accounting policies

The unaudited condensed consolidated interim financial information have been prepared on a basis consistent with the principal accounting policies adopted in the 2006 annual accounts with the addition of certain new standards and interpretations of Hong Kong Financial Reporting Standards ("HKFRS") issued and effective as at the time of preparing this information. Where applicable, the comparatives have been amended as required.

In 2007, the Group adopted the following new or revised standards and interpretations of HKFRS:

HK(IFRIC)-Int 7 "Applying the Restatement Approach under HKAS 29"

HK(IFRIC)-Int 8 "Scope of HKFRS 2"

HK(IFRIC)-Int 9 "Reassessment of Embedded Derivatives"

HKFRS 7 "Financial Instruments: Disclosures"

HKAS 1 (Amendment) "Presentation of Financial Statements: Capital Disclosures"

The adoption of such standards or interpretations does not result in substantial changes to the Group's accounting policies and has no significant effect on the results reported for the first half of 2007.

1. 編製基準

本公司未經審核之簡明綜合中期財務資料乃根據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16之披露規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。該等簡明綜合中期財務報表應與截至二零零六年十二月三十一日止年度財務報表一併閱讀。

該等簡明綜合中期財務資料於二零零七年九月十九日經批准發行。

2. 會計政策

未經審核之簡明綜合中期財務資料乃以與二零零六年度賬目所採納的主要會計政策一致的基礎編製，並採納於編製本報告之時已頒佈及生效的香港財務報告準則若干新訂的準則及詮釋。如適用，比較數據已按需要予以修訂。

在二零零七年，集團採納以下新訂或經修訂的香港財務報告準則及詮釋：

香港(國際財務報告詮釋委員會)詮釋第七號「根據香港會計準則第二十九號應用重列法」

香港(國際財務報告詮釋委員會)詮釋第八號「香港財務報告準則第二號的範疇」

香港(國際財務報告詮釋委員會)詮釋第九號「重新評估嵌入式衍生工具」

香港財務報告準則第七號「財務工具：披露」

香港會計準則第一號(修訂)「財務報表的呈列方式：資本披露」

採納該等準則或詮釋不會對集團的會計政策造成重大改變，對所報告的二零零七年上半年業績亦無重大影響。



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

3. Critical accounting estimates and judgements

The Group makes estimates and assumptions as appropriate in the preparation of the unaudited condensed consolidated interim financial information. These estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities include the estimated useful lives of property, plant and equipment, the estimated impairment of intangible assets, inventories and trade receivables and the determination of income taxes.

4. Sales and segment information

(a) Sales

The Group is principally engaged in the production of fine chemicals from natural resources for use in aroma chemicals and pharmaceutical products and supply of natural materials and fine chemicals.

(b) Segment information

Primary reporting format – business segment

As at 30 June 2007, the Group is organised into two main business segments:

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

The segment results for the six months ended 30 June 2007 are as follows:

Turnover	營業額
Operating profit	經營盈利
Unallocated corporate expenses	未分配公司開支
Finance costs	融資成本
Profit before income tax	除所得稅前盈利
Income tax expense	所得稅開支
Profit for the period	期內盈利

3. 重要會計估算及判斷

集團在編製未經審核之簡明中期財務資料的過程中於適當時作出估算及假設。此等估算乃根據過往經驗及其他因素而作出，其他因素包括在該等情況下對未來事項相信為合理的期望，而按定義對未來事項的期望很少與相關的實際結果相等。對資產及負債賬面值有重要影響的估算及假設，包括物業、廠房及設備之估計可用年期、無形資產、存貨及應收交易帳款之估計減值及所得稅的釐定。

4. 銷售及分部資料

(a) 銷售

本集團主要從事利用天然資源生產精細化學品，以用於芳香化學品及醫藥產品以及提供天然原料及精細化學品。

(b) 分部資料

主要呈報方式 – 業務分部

於二零零七年六月三十日，本集團分為兩大主要業務分部：

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

截至二零零七年六月三十日止六個月之分部業績如下：

Manufacturing 生產 (Unaudited) (未經審核) RMB'000 千元人民幣	Trading 買賣 (Unaudited) (未經審核) RMB'000 千元人民幣	Total 總計 (Unaudited) (未經審核) RMB'000 千元人民幣
255,714	32,245	287,959
77,666	243	77,909
		(8,366)
		(3,625)
		65,918
		(4,868)
		61,050

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Sales and segment information (continued)

(b) Segment information (continued)

Primary reporting format – business segment (continued)

The segment results for the six months ended 30 June 2006 are as follows:

		Manufacturing 生產 (Unaudited) (未經審核) RMB'000 千元人民幣	Trading 買賣 (Unaudited) (未經審核) RMB'000 千元人民幣	Total 總計 (Unaudited) (未經審核) RMB'000 千元人民幣
Turnover	營業額	194,507	59,003	253,510
Operating profit	經營盈利	56,338	1,545	57,883
Unallocated corporate expenses	未分配公司開支			(3,772)
Finance costs	融資成本			(3,334)
Profit before income tax	除所得稅前盈利			50,777
Income tax expense	所得稅開支			(4,301)
Profit for the period	期內盈利			46,476

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

主要呈報方式 – 業務分部 (續)

截至二零零六年六月三十日止六個月之分部業績如下：

計入損益表之其他分部項目如下：

		Manufacturing 生產		Trading 買賣	
		Six months ended 30 June 截至六月三十日止六個月	2006 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	Six months ended 30 June 截至六月三十日止六個月	2006 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣
Depreciation	折舊	5,573	5,040	48	23
Amortisation	攤銷	1,149	1,220	-	-
Provision for/(reversal of) impairment of inventories	存貨減值撥備/(撥回)	635	192	3	(8)
Provision for/(reversal of) impairment of trade receivables	應收交易帳款減值撥備/(撥回)	(54)	57	27	27



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

4. Sales and segment information (continued)

(b) Segment information (continued)

Secondary reporting format – geographical segment

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

4. 銷售及分部資料 (續)

(b) 分部資料 (續)

次要呈報方式 – 地區分部

本集團兩大業務分部於三個主要地區經營。

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
Turnover	營業額		
– Mainland China	– 中國內地	193,225	164,276
– Europe	– 歐洲	42,357	18,571
– Asia (excluding Mainland China)	– 亞洲 (中國內地除外)	38,511	43,070
– Others	– 其他	13,866	27,593
		287,959	253,510

5. Capital expenditure

5. 資本開支

		Property, plant and equipment 物業、 廠房及設備 (Unaudited) (未經審核) RMB'000 千元人民幣	Land use right 土地使用權 (Unaudited) (未經審核) RMB'000 千元人民幣	Intangible assets 無形資產 (Unaudited) (未經審核) RMB'000 千元人民幣
Opening net book amount as at 1 January 2006	於二零零六年一月一日 之期初帳面淨額	184,144	4,955	22,705
Additions	添置	3,284	–	1,249
Depreciation and amortisation charge	折舊及攤銷	(5,568)	(55)	(1,165)
Closing net book amount as at 30 June 2006	於二零零六年六月三十日 之期終帳面淨額	181,860	4,900	22,789
Opening net book amount as at 1 January 2007	於二零零七年一月一日 之期初帳面淨額	216,012	8,851	29,261
Additions	添置	48,569	–	9,869
Depreciation and amortisation charge	折舊及攤銷	(5,792)	(35)	(1,114)
Disposals	出售	(121)	–	–
Closing net book amount as at 30 June 2007	於二零零七年六月三十日 之期終帳面淨額	258,668	8,816	38,016



6. Trade receivables

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

0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
91 to 180 days	91至180天
181 to 365 days	181至365天
Over 365 days	365天以上
Less: Provision for impairment of trade receivables	減：應收交易帳款減值撥備

6. 應收交易帳款

本集團給予客戶之信貸期一般約60至90天。應收交易帳款之帳齡分析如下：

30 June 六月三十日 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	31 December 十二月三十一日 2006 二零零六年 (Audited) (經審核) RMB'000 千元人民幣
59,615	46,985
42,189	40,072
29,035	28,122
4,020	512
44	137
60	512
134,963	116,340
(1,409)	(1,436)
133,554	114,904



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

7. Borrowings

7. 貸款

		30 June 六月三十日 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	31 December 十二月三十一日 2006 二零零六年 (Audited) (經審核) RMB'000 千元人民幣
Non-current	非即期		
Government loans, unsecured	無抵押政府貸款	5,000	5,000
Bank borrowings, secured	有抵押銀行貸款	3,248	6,698
		8,248	11,698
Current	即期		
Government loans, unsecured	無抵押政府貸款	28,870	28,870
Bank borrowings, secured	有抵押銀行借貸	85,411	94,268
Bank borrowings, unsecured	無抵押銀行借貸	37,990	–
		152,271	123,138
Total borrowings	借貸總額	160,519	134,836
The maturity of borrowings is as follows:	借貸之還款期如下:		
Amounts repayable within a period:	須於以下期間償還之款項:		
– not exceeding one year	– 不超過一年	152,271	123,138
– more than one year but not exceeding two years	– 一年以上, 但不超過兩年	3,248	3,349
– more than two years but not exceeding five years	– 兩年以上, 但不超過五年	–	3,349
– more than five years	– 五年以上	5,000	5,000
		160,519	134,836



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

8. Trade payables and bills payable

The aging analysis of trade payables and bills payable was as follows:

	0至30天
0 to 30 days	0至30天
31 to 60 days	31至60天
61 to 90 days	61至90天
91 to 180 days	91至180天
181 to 365 days	181天至365天
Over 365 days	超過365天

8. 應付交易帳款及應付票據

應付交易帳款及應付票據之帳齡分析如下：

	30 June 六月三十日 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	31 December 十二月三十一日 2006 二零零六年 (Audited) (經審核) RMB'000 千元人民幣
	13,327	20,660
	11,045	21,017
	18,296	18,230
	33,447	30,647
	7,934	84
	1,527	1,170
	85,576	91,808

9. Operating profit

Operating profit is stated after charging and crediting the following:

9. 經營盈利

經營溢利已扣除及計入以下各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
Charging	扣除		
Depreciation	折舊	5,792	5,568
Less: Amount included in product development cost	減：計入產品開發成本之款項	(171)	(505)
		5,621	5,063
Amortisation of:	攤銷：		
– intangible assets	– 無形資產	1,114	1,165
– prepaid operating lease payments	– 預付經營租約租金	35	55
Realised and unrealised loss on interest rate swaps-net	利率掉期之變現及未受現虧損淨額	3,514	–
Crediting	計入		
Interest income from bank deposits	銀行存款之利息收入	1,861	1,283
Amortisation of deferred income on government grants	攤銷政府津貼遞延收入	19	57



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

10. Income tax expense

Current income tax	即期所得稅
– Mainland China enterprise income tax	– 中國內地企業所得稅

Notes:

No Hong Kong profits tax was provided as the Group had no assessable profit arising in or derived from Hong Kong.

The subsidiaries established in Xiamen, Fujian Province, Mainland China are subject to Mainland China enterprise income tax at a rate of 15% (2005: 15%). In November 2006, Xiamen Doingcom Chemical Co. Ltd. transformed from a domestic enterprise to a wholly foreign owned enterprise. It has obtained approval from Mainland China Tax Bureau to be exempted from enterprise income tax for two years starting from the first year of profitable operations, followed by a 50% reduction in enterprise income tax for the following three years, Xiamen Doingcom Chemical Co. Ltd. has commenced to enjoy its tax holiday starting from year 2007.

11. Dividends

Interim dividend proposed of HK1 cents (2006: HK0.8 cents) per ordinary share	擬派中期股息 每股普通股1港仙 (二零零六年: 0.8港仙)
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During the six months ended 30 June 2007, a 2006 final dividend of HK2.30 cents, shown as RMB2.276 cents, (2005 final: HK1.20 cents, shown as RMB1.241 cents) per ordinary share, totalling HK\$10,603,000, shown as RMB10,493,000 was paid in June 2007 (six months ended 30 June 2006: HK\$5,532,000, shown as RMB5,720,000).

10. 所得稅開支

Six months ended 30 June
截至六月三十日止六個月

2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
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4,868	4,301
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附註:

由於本集團並無在香港獲得或賺取應課稅溢利，因此並無就香港利得稅作出撥備。

於中國內地福建省廈門成立之附屬公司須按15% (二零零五年: 15%) 之稅率繳納中國內地企業所得稅。二零零六年十一月，廈門中坤化學有限公司由內資企業轉為全外資企業，並且獲得中國內地稅務局豁免自首個獲利年度起繳納企業所得稅兩年，其後三年之企業所得稅則減半。廈門中坤化學有限公司於二零零七年開始啟用該項稅收優惠。

11. 股息

Six months ended 30 June
截至六月三十日止六個月

2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
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4,537	3,733
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截至二零零七年六月三十日止六個月，二零零六年的末期股息每股2.30港仙，列作2.276仙人民幣 (二零零五年末期股息: 1.20港仙，列作1.241仙人民幣) 已於二零零七年六月份內支付，合計為港幣10,603,000，列作10,493,000元人民幣 (截至二零零六年六月三十日止六個月: 港幣5,532,000，列作5,720,000元人民幣)。



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

12. Earnings per share

Basic

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

Profit for the period attributable to equity holders of the Company	本公司權益持有人應佔期內溢利
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (千股)
Basic earnings per share (expressed in RMB per share)	每股基本盈利 (每股以人民幣列示)

Diluted

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company mainly comprise the share options. A calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average monthly market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

12. 每股盈利

基本

每股基本盈利乃根據本公司權益持有人應佔溢利除年內已發行普通股加權平均數計算。

Six months ended 30 June 截至六月三十日止六個月	
2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
61,080	46,468
462,905	461,000
RMB13.2 Cents 人民幣13.2 仙	RMB10.1 Cents 人民幣10.1 仙

攤薄

每股攤薄盈利假設所有可攤薄的潛在普通股被兌換後，根據已發行普通股的加權平均股數計算。本公司可攤薄的潛在普通股主要包括購股權。根據未行使購股權所附的認購權的貨幣價值，釐定按公平值（釐定為本公司股份的平均月度市價）可購入的股份數目。按以上方式計算的股份數目，與假設購股權行使而應已發行的股份數目作出比較。



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

13. Related party transactions

The following transactions were carried out with related parties:

(a) Key management compensation:

Salaries and other short-term employee benefits 薪金及其他短期僱員福利
Share-based payments 股份付款

13. 有關連人士交易

下列為與有關連人士進行之交易：

(a) 主要管理人員賠償：

Six months ended 30 June 截至六月三十日止六個月

2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	2006 二零零六年 (Unaudited) (未經審核) RMB'000 千元人民幣
2,332	2,038
510	710
2,842	2,748

(b) Details of the amount due to a director were:

Mr. Yang Yirong 楊毅融先生

Balance with a director was unsecured and non-interest bearing, and is repayable within one year.

(c) Ms. Lu Jiahua, a director of the Company, is a minority shareholder of Xiamen Doingcom Enterprise Limited.

(b) 應付董事款項詳情如下：

30 June 六月三十日 2007 二零零七年 (Unaudited) (未經審核) RMB'000 千元人民幣	31 December 十二月三十一日 2006 二零零六年 (Audited) (經審核) RMB'000 千元人民幣
177	141

董事之結餘為無抵押、免息及須於一年內償還。

(c) 本公司董事盧家華女士為廈門中坤貿易有限公司少數股東。



Corporate Governance 企業管治

The Company has complied with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2007, with deviations from code provisions A.2.1 of the Code in respect of the separate role of chairman and chief executive officer (“CEO”). Under the code provisions A.2.1 of the Code, the roles of chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

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

於截至二零零七年六月三十日止六個月，本公司一直遵守上市規則附錄14所載企業管治常規守則（「守則」），惟偏離守則之守則條文A.2.1有關主席與行政總裁（「行政總裁」）職責之區分。根據守則之守則條文A.2.1，應區分主席及行政總裁之角色，不應由同一人擔任，主席與行政總裁間之職責分工應清楚界定及以書面說明。

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

Disclosure of Interests 權益披露

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

At 30 June 2007, the interests and short positions of the Directors, chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were recorded in the register maintained by the Company under Section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules, were as follows:

董事及行政總裁於股份、相關股份及債券之權益及／或淡倉

於二零零七年六月三十日，董事、行政總裁及彼等之聯繫人士於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中擁有，並登記於本公司根據證券及期貨條例第352條存置之登記冊；或根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所（包括根據證券及期貨條例有關條文，彼等被當作或視作擁有之權益或淡倉）以及根據上市規則所載上市公司董事進行證券交易的標準守則已知會本公司及聯交所之權益及淡倉如下：

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

(a) 於本公司每股面值0.10港元普通股之好倉

Name of Director 董事姓名	Number of shares held 所持股數				Total 總計	% of the issued share capital of the Company 佔本公司已發行股本百分比
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益		
Mr. Yang Yirong 楊毅融先生	–	–	193,263,158 (Note a)	–	193,263,158	41.13%
Mr. Gong Xionghui 龔雄輝先生	–	–	11,368,421 (Note b)	–	11,368,421	2.42%
Ms. Lu Jiahua 盧家華女士	–	–	8,526,316 (Note c)	–	8,526,316	1.81%

Notes:

附註：

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

- (a) 該等股份由楊毅融先生全資實益擁有之私人公司Marietta Limited實益擁有。
- (b) 該等股份由龔雄輝先生全資實益擁有之私人公司Dragon Kingdom Investment Limited實益擁有。
- (c) 該等股份由盧家華女士全資實益擁有之私人公司Sunwill Investments Limited實益擁有。



Disclosure of Interests

權益披露

Directors' and chief executives' interests and/or short positions in shares underlying shares and debentures (continued)

(b) Interest in share options of the Company

Share options, being unlisted physically settled equity derivatives, to subscribe for the Company's ordinary shares were granted to Directors, chief executives, employees and consultants of the Company pursuant to the approved Company's share option scheme. Information in relation to these share options during the period ended 30 June 2007 are set out in the following section under the heading "Share options".

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

At 30 June 2007, Ms. Lu Jiahua held 5% equity interests in the registered share capital of Xiamen Doingcom Enterprise Limited, the Group's subsidiary of which 95% of its registered share capital are held by the Company indirectly.

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

Other than as disclosed above, neither the Directors nor any chief executives, nor any of their associates, had any interests or short positions in the shares, underlying shares, or debentures of the Company or its associated corporation as at 30 June 2007.

Share options

Pursuant to a written resolution of the shareholders of the Company passed on 16 February 2004, a share option scheme (the "Scheme") was approved and adopted. The purpose of the Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contributions to the Group. All Directors, employees, suppliers of goods or services, customers, persons or entities that provide research, development or other technological support to the Group, shareholders and advisers or consultants of the Group are eligible to participate in the Scheme.

There are no changes in any terms of the scheme during the six months ended 30 June 2007. The detailed terms of the scheme were disclosed in the 2006 annual report.

董事及行政總裁於股份、相關股份及債券之權益及／或淡倉 (續)

(b) 於本公司購股權之權益

根據已獲批准之本公司購股權計劃，董事、本公司行政總裁、僱員及顧問獲授屬於非上市實物交收股本衍生工具之購股權，以認購本公司普通股。有關該等購股權於截至二零零七年六月三十日止期間之詳情，載於下文「購股權」一節。

(c) 於本公司一家附屬公司註冊股本之權益

於二零零七年六月三十日，盧家華女士持有本公司間接擁有其註冊股本95%之本集團附屬公司廈門中坤貿易有限公司註冊股本中5%股權。

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

除上文披露者外，於二零零七年六月三十日，概無董事或任何行政總裁或彼等任何聯繫人士，於本公司或其相聯法團之股份、相關股份或債券中，擁有任何權益或淡倉。

購股權

本公司股東於二零零四年二月十六日通過書面決議案，批准及採納購股權計劃（「該計劃」）。該計劃之目的為致使本集團可向指定參與者授出購股權，作為彼等對本集團所作貢獻之獎勵或回報。所有董事、僱員、貨品或服務供應商、客戶、向本集團提供研發或其他技術支援之人士或實體、本集團股東及諮詢人或顧問均合資格參與該計劃。

截至二零零七年六月三十日止六個月，該計劃之任何條款並無任何變動。有關該計劃條款詳情於二零零六年年報中披露。



Disclosure of Interests

權益披露

Share options (continued)

The following table discloses details of share options outstanding as at 30 June 2007 under the Scheme and the movements during the period.

購股權 (續)

下表披露於二零零七年六月三十日根據該計劃尚未行使之購股權詳情及其於期內之變動。

Type of Grantee	承授人類別	Granted date 授出日期	Exercise price 行使價 HK\$ 港元	Exercisable period 行使期	Balance as at	Granted during the year 年內授出	Exercised during the year 年內行使	Cancelled during the year 年內註銷	Balance as at
					1 January 2007 於二零零七年一月一日結餘 (’000)				30 June 2007 於二零零七年六月三十日結餘 (’000)
Category 1 – Directors	類別1 – 董事								
Mr. Yang Yirong	楊毅融先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Mr. Gong Xionghui	龔雄輝先生	8.6.2004	1.37	8.6.2004 – 7.6.2014	4,000	-	(900)	-	3,100
Ms. Lu Jiahua	盧家華女士	8.6.2004	1.37	8.6.2004 – 7.6.2014	3,500	-	(900)	-	2,600
Mr. Lin Like	林力克先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	3,000	-	(600)	-	2,400
Mr. Han Huan Guang	韓歡光先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	3,000	-	(600)	-	2,400
Mr. Fung Tao	馮濤先生	25.5.2006	1.39	25.5.2006 – 24.5.2011	3,000	-	(600)	-	2,400
Mr. Yau Fook Chuen	丘福全先生	8.6.2004	1.37	8.6.2004 – 7.6.2014	400	-	(200)	-	200
		25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Mr. Wong Yik Chung, John	黃翼忠先生	8.6.2004	1.37	8.6.2004 – 7.6.2014	400	-	(200)	-	200
		25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Dr. Zheng Lansun	鄭蘭蓀博士	8.6.2004	1.37	8.6.2004 – 7.6.2014	400	-	-	-	400
		25.5.2006	1.39	25.5.2006 – 24.5.2011	400	-	-	-	400
Sub-total	小計				19,300	-	(4,000)	-	15,300
Category 2 – Employees under continuous employment contract	類別2 – 持續僱傭合約僱員								
		8.6.2004	1.37	8.6.2004 – 7.6.2014	13,000	-	(2,730)	(2,000)	8,270
		25.5.2006	1.39	25.5.2006 – 24.5.2011	6,800	-	(1,360)	-	5,440
Sub-total	小計				19,800	-	(4,090)	(2,000)	13,710
Category 3 – Other participants	類別3 – 其他參與人士								
		25.5.2006	1.39	25.5.2006 – 24.5.2011	4,000	-	(800)	-	3,200
Sub-total	小計				4,000	-	(800)	-	3,200
Total	總計				43,100	-	(8,890)	(2,000)	32,210

Notes:

- (a) Exercise date was 23 May 2007. At the date before the options were exercised, the market value per share was HK\$3.79.
- (b) In accordance with the terms of the offer letters given by the Company to the grantees, the share options are vested in tranches starting from 9 June 2004 to 7 June 2005 for the options granted on 8 June 2004 and starting from 26 May 2006 to 24 May 2009 for the options granted on 25 May 2006.

附註:

- (a) 行使日期為二零零七年五月二十三日。在購股權行使前一日，每股市值為3.79港元。
- (b) 根據本公司向承授人發出之建議函件條款，購股權的權益分批授予。於二零零四年六月八日授出的購股權，其權益於二零零四年六月八日至二零零五年六月七日止分批授予；於二零零六年五月二十五日授出的購股權，其權益於二零零六年五月二十六日至二零零九年五月二十四日止分批授予。



Disclosure of Interests

權益披露

Interest and/or short positions of shareholders discloseable under the SFO

As at 30 June 2007, the interests and short positions of the persons, other than the Directors and chief executives of the Company, in the shares and underlying shares of the Company, which were notified to the Company pursuant to Division 2 and 3 of Part XV of the SFO; or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

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

Name	Type of interest held	Number of shares held	% of the issued share capital 佔已發行股本百分比
名稱	所持權益類別	所持股數	
Marietta Limited	Beneficial owner (Note a) 實益擁有人 (附註a)	193,263,158	41.13%
Keywise Capital Management (HK) Limited	Investment manager 投資經理	55,484,000	11.81%
Keywise Greater China Opportunities Master Fund	Beneficial owner 實益擁有人	41,592,000	8.85%
Cheah Cheng Hye 謝清海	Beneficial owner and interest of a controlled corporation (Note b) 實益擁有人及受控法團權益 (附註b)	32,610,000	6.94%
Value Partners Limited	Investment manager 投資經理	32,276,000	6.87%

Notes:

- (a) These shares are registered in the name of and beneficially owned by Marietta Limited, the entire issued share capital of which is registered in the name of and beneficially owned by Mr. Yang Yirong.
- (b) 796,000 shares out of 33,020,000 shares are registered in the name of and beneficially owned by Mr. Cheah Cheng Hye whereas the remaining 31,814,000 shares are registered in the name of and beneficially owned by Value Partners Limited, approximately 35.65% of the issued share capital of which is registered in the name of and beneficially owned by Mr. Cheah Cheng Hye.

Other than as disclosed above, the Company has not been notified by any persons, other than the Directors and chief executives of the Company, who had interest or short positions in the shares or underlying shares of the Company as at 30 June 2007.

根據證券及期貨條例須予披露之股東權益及／或淡倉

於二零零七年六月三十日，除董事及本公司行政總裁以外之人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部已知會本公司；或本公司根據證券及期貨條例第336條規定存置之登記冊所記錄之權益及淡倉：

於本公司每股面值0.10港元普通股之好倉

Name	Type of interest held	Number of shares held	% of the issued share capital 佔已發行股本百分比
名稱	所持權益類別	所持股數	
Marietta Limited	Beneficial owner (Note a) 實益擁有人 (附註a)	193,263,158	41.13%
Keywise Capital Management (HK) Limited	Investment manager 投資經理	55,484,000	11.81%
Keywise Greater China Opportunities Master Fund	Beneficial owner 實益擁有人	41,592,000	8.85%
Cheah Cheng Hye 謝清海	Beneficial owner and interest of a controlled corporation (Note b) 實益擁有人及受控法團權益 (附註b)	32,610,000	6.94%
Value Partners Limited	Investment manager 投資經理	32,276,000	6.87%

附註：

- (a) 該等股份以 Marietta Limited 之名義登記，並由該公司實益擁有，而 Marietta Limited 全部已發行股本則以楊毅融先生之名義登記，並由彼實益擁有。
- (b) 33,020,000 股份中之 796,000 股份以謝清海先生之名義登記並由彼實益擁有，而其餘 31,814,000 股份是以 Value Partners Limited 之名義登記，並由該公司實益擁有，Value Partners Limited 約 35.65% 已發行股本以謝清海先生之名義登記，並由彼實益擁有。

除上文披露者外，本公司並無獲知會，於二零零七年十二月三十一日，除董事及本公司行政總裁以外，有任何人士於本公司之股份或相關股份中擁有權益或淡倉。



Disclosure of Interests

權益披露

Arrangements to purchase shares or debentures

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

購買股份或債券之安排

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

Other Information 其他資料

Interim dividend

The Directors have resolved to pay an interim dividend of HK1 cents, equivalent to approximately RMB0.97 cents, per share for the six months ended 30 June 2007 (six months ended 30 June 2006: HK0.8 cents, equivalent to approximately RMB0.82 cents, per share) to the shareholders whose names appear on the register of members of the Company on 16 November 2007.

Closure of register of members

The register of members of the Company will be closed from 14 November 2007 to 16 November 2007, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on 13 November 2007.

Model codes for securities transactions by directors of listed companies

The Company has adopted a code of conduct with standards not lower than those prescribed under the Model Code as set out in Appendix 10 to the Listing Rules for securities transactions by Directors. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards as set out in the Model Code and the Company's code of conduct regarding securities transactions by Directors throughout the six months ended 30 June 2007.

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

During the six months ended 30 June 2007, the Company had not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed shares.

Audit committee

The audit committee of the Company has reviewed with the management in relation to the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 30 June 2007.

中期股息

董事議決就截至二零零七年六月三十日止六個月，向於二零零七年十一月十六日名列本公司股東名冊之股東，派付中期股息每股1港仙，約相當於0.97仙人民幣（截至二零零六年六月三十日止六個月：每股0.8港仙，約相當於0.82港仙）。

暫停辦理股份過戶手續

本公司將於二零零七年十一月十四日至二零零七年十一月十六日（包括首尾兩日）期間暫停辦理股東登記手續，期內將不會辦理股份過戶登記手續。為符合領取中期股息之資格，所有正式填妥之過戶表格連同有關股票，須於二零零七年十一月十三日下午四時正前送交本公司股份過戶登記分處卓佳登捷時有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

上市公司董事進行證券交易的標準守則

本公司已採納標準不寬鬆於上市規則附錄10所載標準守則有關董事進行證券交易規定之操守準則。本公司經作出查詢後，全體董事已確認，彼等於截至二零零七年六月三十日止六個月一直遵守標準守則及本公司有關董事進行證券交易之操守準則所載規定標準。

購買、出售或贖回本公司之上市股份

截至二零零七年六月三十日止六個月，本公司並無贖回，而本公司或其任何附屬公司亦無購買或出售本公司任何上市股份。

審核委員會

本公司審核委員會已與管理層審閱本集團所採納之會計原則及準則，並討論內部監控及財務申報等事宜，包括審閱截至二零零七年六月三十日止六個月之未經審核簡明綜合中期財務資料。



Other Information

其他資料

Acknowledgement

On behalf of the board, I would like to express my sincere gratitude to all our staff for their dedication, hard work and contribution during the period. In addition, we would like to thank all our shareholders for their support of the Group and our customers for their business.

By order of the Board

YANG YIRONG

Chairman & President

Hong Kong, 19 September 2007

致謝

本人謹代表董事會向全體員工於期內之竭誠、努力及貢獻致以衷心謝意。此外，我們謹此向全體股東對本集團之鼎力支持及客戶給予業務機會致以感謝。

承董事會命

主席兼總裁

楊毅融

香港，二零零七年九月十九日



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

www.ecogreen.com