



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

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
Stock code 股份代號: 2341

2008 Interim Report 中期報告

Contents 目錄

2	Corporate Information	公司資料
4	Chairman's Statement	主席報告
7	Management Discussion and Analysis	管理層討論與分析
12	Condensed Consolidated Interim Balance Sheet	簡明綜合中期資產負債表
14	Condensed Consolidated Interim Income Statement	簡明綜合中期損益表
15	Condensed Consolidated Interim Cash Flow Statement	簡明綜合中期現金流量表
16	Condensed Consolidated Interim Statement of Changes in Equity	簡明綜合中期權益變動表
18	Notes to the Condensed Consolidated Interim Financial Information	簡明綜合中期財務資料附註
30	Corporate Governance	企業管治
31	Disclosure of Interests	權益披露
36	Other Information	其他資料

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

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

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

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

Corporate Information

公司資料

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>

Listing venue

Main Board of The Stock Exchange of Hong Kong Limited

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:
22 October 2008 to 24 October 2008 (both days inclusive)

Record date for the proposed interim dividend:
24 October 2008

Payment date for the proposed interim dividend:
31 October 2008

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
中環廣場
37樓3706室

股份過戶登記總處

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港灣仔
皇后大道東28號
金鐘匯中心
26樓

網址

<http://www.ecogreen.com>

上市地點

香港聯合交易所有限公司主板

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：
二零零八年十月二十二日至
二零零八年十月二十四日(包括首尾兩日)

擬派中期股息記錄日期：
二零零八年十月二十四日

擬派中期股息派付日期：
二零零八年十月三十一日

Chairman's Statement

主席報告

Review

During the period under review, the gloomy subprime mortgage crisis of the United States did not show signs of eliminating, but instead continued to worsen. The lagging trend of the overall growth of the global economy was evident, while prices of basic commodities such as crude oil and foodstuff were constantly on the rise. The pressure brought by rising prices of basic commodities has spread to production, spending and the service sector, with inflation increasingly overhanging economic growth. In addition to such stringent global economic condition, PRC enterprises were also confronted with pressure from the appreciation of Renminbi (RMB) and the tightening currency policy under the implementation of macroeconomic austerity measures by the government to suppress overheated economic growth.

Uncertainties in the macro economy increased in the first six months of the year, with various unfavourable factors continuing to affect the economy, directly increasing the pressure of production and operating costs for enterprises. Despite the challenges from the uncertainties in the global economy, the Group still recorded double-digit growth in both turnover and net profit for the first six months of the year, manifesting our solid business foundation, our effective cost controls and our commitment to enhance competitiveness.

Despite the fluctuations in the global economy, causing consumer confidence in developed economies of Europe and the United States to fall in light of the credit crisis, the Group's products in the downstream industry mainly focused on the fast-moving consumer products market and the manufacture of daily necessities such as food and beverages, personal care products and family care products, which are largely unaffected by the economic cycle. Furthermore, since the demand of newly emerged economies and developing countries is still continuing to grow, as the standard of living improves, the Group's products will be more extensively applied in daily necessities. Therefore, the current downturn of the global economy has minimal impact on the demand of the Group's products.

回顧

於回顧期內，美國次貸危機的陰霾不但未見消散，反而愈見濃厚；世界經濟的總體增長步伐顯然已經放慢，而原油、糧食等基礎商品的價格卻一再上漲；基礎商品價格帶來的壓力已經擴散到生產、消費乃至服務領域，通貨膨脹對經濟的持續增長威脅越來越大；在嚴峻的國際經濟環境下，中國企業更需要同時面對沉重的人民幣升值壓力和政府宏觀調控以抑制經濟過度擴張而採取緊縮性的貨幣政策。

宏觀經濟在首六個月出現更大之不確定性，各項不利因素持續地產生影響，直接加重了企業之生產及營運成本壓力。面對全球經濟不明朗之挑戰，本集團在首六個月仍能獲得營業額以及純利雙位數字之增長，取得良好業績彰顯了本集團紮實之業務基礎、成本控制之成效、以及提升競爭力之決心。

縱使環球經濟出現波動，以歐美為首的成熟經濟體系因信貸危機，而令消費者信心有所下降，然而，本集團產品的下游行業主要集中於快速消費品市場並以生產生活必需品為主，包括食品飲料、個人護理品及家庭護理品等行業並未有明顯受到經濟週期之影響；進而，因為新興經濟體和發展中國家的需求仍在持續增長，隨著生活質素的提升，本集團的產品將會更廣泛地應用於更多的生活必需品中。因此，本次全球經濟之下滑對本集團產品需求方面沒見有顯著之影響。

Chairman's Statement

主席報告

During the period, as far as operating environment is concerned, the Group faced similar challenges as those faced by players in the same industry and other manufacturers in the region, including the appreciation of RMB, the reduction in the rate of export tax refund of the PRC and the continuous surge in commodity prices. The Group has timely anticipated the changes in the aforementioned various costs when formulating its annual orders, and has adjusted its selling prices accordingly. At the same time, the Group also enhanced its value efficiency for its customers through improving service and maintaining quality, and further strengthened its collaborative relationship with customers so as to secure more orders. On the other hand, the Group also focused on reducing finance costs and controlling risks through enhancing cost controls, streamlining process workflow and optimizing capital structure, so as to minimize the pressure on overall costs. All these measures have been successful to various degrees during the period, contributing to the outstanding performance of the principal businesses of the Group for the first half of the year.

In respect of expansion of production capacity, expansion works for Phase III of the Haicang Plant has been completed in the first half of the year, and has commenced trial production in the second quarter as scheduled. The new multi-functional workshop is mainly used for the production of the brand new food flavour chemicals product line. In addition, the food ingredients factory located at Xinglin in Xiamen has commenced trial production as scheduled. The Xinglin Plant uses seafood, mushrooms and meat as raw materials to produce unique quality natural extracts, to use in food additives or seasonings for functional food. Following trial production in the first half of the year, the two projects have already started to contribute to sales and gross profit of the Group.

In view of the changes in the global and domestic capital markets, with the strong support of overseas banks, the Group completed the adjustments on its existing loan structure in the first half of the year, increasing middle to long term borrowings in foreign currencies, in particular, US dollars, and reducing the proportion of loans in RMB, so as to better capitalise on the significant decrease in costs from the difference in interest rates between foreign currencies and RMB, and at the same time flexibly and effectively hedge the exposure of the continued appreciation of RMB. The gain is reflected in the results for the first half of the year.

期內，本集團在營運環境方面，面對了與區內同業以及其它製造業者相似之一系列挑戰，包括人民幣升值、中國出口退稅率降低、以及商品價格的持續顯著上漲。本集團在制訂年度訂單時，已適時地預想了以上各種成本之變化，合理地調整了售價；同時通過加強服務、保持品質為客戶創造更好之價值效益，從而在進一步鞏固客戶合作關係時獲得更多之訂單。另一方面，本集團也透過加強成本控制、精簡工藝流程、以及優化資金結構以減少融資成本和控制風險，從而把整體成本之壓力控制在較低之水平。凡此種種措施在期內均取得了不同程度之成效，使得本集團上半年之主營業務表現優異。

在生產能力的拓展方面，海滄廠第三期工程之主體廠房擴建工程已在上半年完成，並如期在第二季度投入試生產。新的多功能柔性車間主要用於生產全新的食用香料系列；另外，在廈門杏林之食品配料廠也在第二季度如期試車。杏林廠將以海產、菌類及肉類為原料，生產具有天然風味的高品質提取物，用於功能食品之添加劑或調味增強劑。兩個項目在上半年試產後，已開始為集團之銷售及毛利創造貢獻。

本集團因應國際、國內資金市場之變化，在海外銀行之大力支持下，於上半年成功地完成了現有借貸結構之調整，相應提高外幣特別是美元之中長期借貸，和減少人民幣之貸款比例，從而在更好地利用外幣和人民幣息差顯著地減少成本之同時，靈活有效地對沖人民幣持續升值之風險，並在上半年的業績中體現了該收益。

Prospects

The Group understands that the key to competitiveness is the advantage in low costs, and sustainable cost advantage is dependent on advanced technology and product innovations, high value-added business model as well as efficient management. All these are the directions that the Group is focusing on to ensure we can maintain our competitive edges in the future capricious market. The Group is committed to strive for excellence in all aspects and to improve existing production process to reduce costs. Industry-Universities-Research mechanism will be applied to speed up the innovation of new products to meet the urgent demand of various markets; for the supply chain management, Ecogreen will combine its edges in brand, technology and market to implement the strategy of consolidating the aroma chemicals industry chain; as for sales and marketing, customer management and marketing services will be enhanced, in particular the production and marketing of new food flavour chemicals, with an aim to generating more contribution to operating income.

Looking forward into the second half of the year, the Group estimates that the operating environment will remain challenging and the downward trend may sustain in the global economy, while factors such as the macroeconomic austerity measures in the PRC, the tightening up of credit globally and high commodity prices will persist. Nonetheless, in view of the increases in both quantity and price of customer orders, the Group is prudent and optimistic towards the result of the second half of the year, and expects that sales for the remaining half year will increase compared with the corresponding period last year at a similar growth rate as before.

The Group remains highly confident towards the development of the existing business in the long run. Since the flavour and fragrance and the fine chemicals industries worldwide are still undergoing long-term growth, with the Group's existing foundation, outstanding reputation, stable clientele and advanced production facilities in the PRC, we believe that as long as we can capture the opportunities in this challenge, enhance interactions with customers, speed up expansion of the principal business and proactively seek for co-operations and acquisitions and mergers, the Group will be able to strengthen its capabilities amidst the challenging operating environment. Building on the solid business foundation and our efforts in striving for excellence, we are confident that the Group will be able to overcome all challenges and continue to grow.

Yang Yirong

Chairman

Hong Kong, 9 September 2008

前景

本集團瞭解競爭力之核心在於成本之優勢，而可持續的成本優勢有賴於強大的技術和產品創新、高增值的營運模式以及有效率的管理等。所有這些正是本集團正在努力之方向，以保證公司在未來變化難測的市場中保持競爭優勢。本集團將努力在各方面精益求精，在現有生產流程中不斷改進減低成本；新產品上以產學研方式加快推出各種市場急需之成果；供應鏈管理方面將結合品牌、技術和市場之優勢，實施香原料產業鏈整合運營之戰略；在市場和銷售方面，將強化客戶管理和營銷服務，特別是加強新增的食用香料之生產和營銷，期待能有更大規模之營收貢獻。

展望下半年，本集團估計經營環境仍然嚴峻，全球經濟有機會持續下調，國內宏觀調控、環球信貸收緊以及商品價格高企的現象尚未有放緩迹象。儘管如此，以客戶訂單之量價均有增長之情況，本集團對下半年之業績抱持審慎樂觀之看法，期待下半年之營銷仍會較去年同期有所增長，並保持一定之成長速度。

本集團對現有業務之長遠發展一直充滿信心。鑒於全球之香料行業及精細化工行業仍然屬於長期增長之階段中，本集團憑藉現有之基礎、良好之信譽、穩固之客源及於國內先進之生產設施，只要在這次風浪中抓住機遇，加強與客戶之互動，在加快本業成長之同時積極尋求合作及併購，將可望在困難之經營環境下強化自身之實力。本集團相信通過公司同仁之繼續努力，未來業務將必可順利通過種種挑戰，發展日益壯大。

主席

楊毅融

香港，二零零八年九月九日

Management Discussion and Analysis

管理層討論與分析

Business Review

During the period under review, the business of the Group recorded healthy growth. Sales volume and average prices of the major products of the Group also increased, and benefited from the optimization of product mix, turnover reached RMB346 million, an increase of 20.2% as compared with the corresponding period in 2007. Despite fluctuations in the global economic environment, the Group continued the growth momentum from the previous years. During the period, facing the pressure on costs arising from the increasing prices of the major raw materials and the fluctuation in RMB exchange rate, through various effective measures to control direct costs or to transfer costs, the Group successfully achieved a gross profit margin of 33.8%, which was just a slight decrease from 34.8% of the corresponding period last year.

For sales and marketing costs, the expenses represented 4.2% of sales, a slight increase over 4.0% of the corresponding period last year, which was mainly due to the increase in expenditure of transportation costs for the period. Administrative expenses increased by RMB7.8 million compared with the corresponding period last year, among which RMB6.7 million was attributable to the handling fee paid to the financial institution for the financing of a club loan of the Group raised in the period. Benefited from the adoption of more cost-efficient measures by the Group, other administrative expenses did not record any substantial increases. The expenses represented 7.1% of sales, a slight increase from 6.1% of the corresponding period last year. Excluding the handling fee paid to the financial institution for the club loan, administrative expenses only represented 5.2% of sales.

As for other gains, the structural interest rate swap between the Group and a commercial bank was early terminated in the first half of 2008. The original term of the swap was 5 years, however, since the financial market became increasingly volatile following the subprime mortgage crisis, the Group seized the opportunity to redeem the interest rate swap in order to reduce relevant risks. A net realised gain from the termination of the swap amounting to approximately RMB7 million was recognised and included in other gains. In addition, the Group successfully obtained a USD33 million club loan during the period. The proceeds from the loan will contribute to the continued development of the Group. Moreover, since the loan was denominated in US dollars, as a result of the rise in the exchange rate of RMB, after eliminating other translation loss within the Group, the translation gain from the US dollar loan still recorded a net translation gain of RMB3.6 million.

業務回顧

於回顧期間，本集團業務穩健增長，本集團主要產品的銷售量及平均價格也有所增長，及產品組合優化之貢獻下，營業額達到 346,000,000，較二零零七年同期增加 20.2%，於此際波動之環球經濟環境，仍然保持本集團過去數年之增長勢頭；於期內面對主要原材料價格上升及人民幣匯率波動所帶來的成本壓力，本集團通過各方面有效措施控制直接成本或把成本轉移，成功把毛利率保持 33.8% 之水平，只比去年同期之 34.8% 略為下調。

銷售及市場推廣成本方面，該開支佔銷售額百分比之 4.2%，只比去年同期之 4.0% 略為上調，主要是反映了運輸成本在這期間的支出增加；行政開支比去年同期增加 7,800,000 元人民幣，其中的 6,700,000 元人民幣支出是由於本集團在期內籌組俱樂部貸款所需的金融機構手續費，在本集團採取更多成本效益措施之下，其他行政開支並沒有大幅上升，該開支佔銷售額百分比之 7.1%，比去年同期之 6.1% 略為上調，若剔除俱樂部貸款所需的金融機構手續費，行政開支只佔銷售額百分比之 5.2%。

在其他收益方面，本集團與一間商業銀行進行之結構性利率掉期已於二零零八年上半年提前終止，此利率掉期原來的年期為五年，但有見次貸危機後的金融市場更趨波動，本集團為了降低有關風險，已爭取在最適當的時候贖回該利率掉期，終止此掉期所產生之已變現收益淨額約為 7,000,000 元人民幣已確認為於其他收益內；另外，本集團在期內成功取得 33,000,000 美元之俱樂部貸款，該貸款所得款項將用作集團之持續發展之需，而且該貸款是以美元為結算單位，因人民幣匯率升幅的關係，本回顧期內，美元貸款獲得之匯兌收益在沖減集團內其他匯兌損失後，仍有 3,600,000 元人民幣的淨匯兌收益。

Management Discussion and Analysis

管理層討論與分析

As for finance costs, the increase in finance costs for the period was also attributable to the interest expenses on the USD33 million club loan successfully obtained by the Group in the period.

As a result of the above major factors, profit attributable to the equity holders of the Company increased 31.3% to RMB80.3 million while net profit margin was 23.2%, an increase from 21.2% of the corresponding period last year. Excluding the non-major operating gain of the abovementioned interest swap gain of RMB7 million, net profit of the major operations would be RMB73.3 million, with net profit margin maintaining at 21.2%, a similar level to the corresponding period last year. Earnings per share for the period rose nearly 29.7% to RMB17.1 cents per share. The Board has resolved to declare an interim dividend of HK1.2 cents for the period ended 30 June 2008.

Product Review

Aroma Chemicals

Despite the unstable economic environment in the first half of the year, the aroma chemicals business continued to expand significantly, and continued to be the Group's core business, and constituted a significant and stable operating revenue for the Group. For the six months ended 30 June 2008, mainly as a result of increased orders from existing customers, sales increased 8% over the corresponding period last year, while there was an upward adjustment for prices due to the increased cost of raw materials, sales of aroma chemicals significantly surged 28% to RMB211.7 million, accounting for 61% of the Group's sales. Gross profit margin was 30.9%, slightly decreased from that of 32.4% recorded in the corresponding period last year. Dihydromyrcenol continued to be a major source of income which generated a revenue of RMB55.6 million to the Group, accounting for 26% of the total revenue of this product category. Some newly-launched food flavour chemicals such as allyl cyclohexylpropionate, allyl phenoxyacetate and dihydromyrcenyl acetate also became a new growth driver for turnover. Although formal production only commenced in the second quarter, the products have already contributed a revenue of RMB34.5 million to the Group for the period. Gross profit margin was 40%, and contribution to gross profit was RMB14.1 million, representing a more than twofold growth in terms of both sales revenue and contribution to gross profit compared with the corresponding period last year of a small scale production.

在融資成本方面，期內融資成本的增加主要是由於該本集團在期內成功取得33,000,000美元之俱樂部貸款的利息支出所致。

綜合上述各項主要因素，本公司權益持有人應佔溢利上升31.3%至80,300,000元人民幣，純利率為23.2%，比去年同期21.2%有所上升，若扣除上述利息掉期收益7,000,000元人民幣之非主營業務收益，主營業務淨利潤為73,300,000元人民幣，純利率為21.2%，與去年同期21.2%相若。期內每股基本盈利也以接近29.7%增長，達每股17.1仙人民幣。董事會已議決就截至二零零八年六月三十日止期間宣佈派發每股1.2港仙之中期股息。

產品回顧

芳香化學品

芳香化學品業務於上半年不穩定經濟的環境下繼續錄得大幅擴張，繼續發展成為本集團核心業務的同時，能為提供集團龐大及穩定之經營收益。截至二零零八年六月三十日止六個月，主要由於現有客戶之訂單有所增加，銷量比去年同期增加約8%的同時，銷售價格也因應原材料成本增加而有所調高，芳香化學品的銷售大幅增長28%至211,700,000元人民幣，佔集團銷售額的61%，毛利率為30.9%，與去年同期毛利率32.4%略有下降。二氫月桂烯醇繼續成為芳香化學品中的主打品種，為集團提供了55,600,000元人民幣的收益，佔本產品類別總收益的26%；而一些新推出的食用香料如菠蘿酯、菠蘿醚和柑青醛等新產品也成為營業額增長的新動力，在第二季度中才正式投產的情況下，期內為集團提供了34,500,000元人民幣的收益，毛利率達40%，毛利貢獻有14,100,000元人民幣，較去年同期在小規模生產的基礎上，不論在銷售收益和毛利貢獻上也有超過2倍的增長。

Management Discussion and Analysis

管理層討論與分析

Natural Extracts

During the period under review, the downstream products market did not contract because of uncertain economy, instead, demand for natural extracts from emerging markets and developing countries still recorded stable growth, and the quality of the Group's products were highly received among users, together driving the natural extracts business of the Group to achieve stable growth, with turnover increasing 5% to RMB57.8 million, representing 17% of sales of the Group. Gross profit margin was 33.0%, a slight decrease compared with 35.3% of last year. The largest contribution to natural extracts was from natural cinnamic aldehyde, constituting an income of RMB16.8 million to the Group, and accounting for 29% of the total revenue of this product category. Certain newly-launched food additives such as chicken extracts and mushroom concentrates have been put into production in the second quarter. Although only generating a small contribution to income of the Group during the period, these new products have received positive responses from users.

Intermediates

During the period under review, business performance of the Group's intermediates was stable. Sales increased 3% from the corresponding period last year to RMB36,300,000, accounting for 11% of sales of the Group. Gross profit margin was 70.0%, similar to 70.3% of the corresponding period last year. The gross profit margin of the intermediates business of the Group was still higher than its peers in the industry. 3-phenylpropanal aldehyde, a major product of the intermediates, contributed an income of RMB14,100,000 to the Group, accounting for 39% of total revenue of this product category.

Trading and Resource Management Products

During the six months ended 30 June 2008, sales of the Group's trading and resource management products increased by 25% to RMB40.2 million from the corresponding period last year, representing 12% of turnover of the Group. Gross profit margin was 17.5%, a significant improvement from a gross profit margin of 7.5% of the corresponding period last year. The increase was mainly attributable to results of the Group's efforts on the resource management business, and the relatively higher gross profit margin of the new trading business. The contribution of gross profit from trading and resource management products was approximately RMB7 million, almost double that of the gross profit contribution of RMB2.4 million of the corresponding period last year. As a necessary complement to the core business of the Group, trading and resource management products also contributed to the Group's sales and earnings for the period under review.

天然提取物

於本回顧期間，下游產品的市場並未見有因為經濟的不明朗而出現萎縮，相反以新興市場及發展中國家對天然提取物的需求仍然是錄得穩定增長，加上本集團產品的品質在用戶群中獲得優良的評價，本集團天然提取物的業務錄得平穩的增長，營業額增長5%至57,800,000元人民幣，佔集團銷售額的17%，毛利率為33.0%，較去年毛利率35.3%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16,800,000元人民幣的收益，佔本產品類別總收益的29%；而一些新推出的食品配料如雞提取物及蘑菇濃縮汁等也在第二季度起正式投產，雖然期內只能為集團提供小量的收益，但用戶對本集團新產品給予正面反應。

中間體

於本回顧期間，本集團的中間體業務表現平穩，銷售額較去年同期錄得3%增幅至36,300,000元人民幣，佔集團銷售額的11%，毛利率為70.0%，與去年同期毛利率70.3%相約。本集團的中間體業務的毛利率在同業中仍處於較高水平，本集團主要生產以3-苯丙醛為首之中間體，該產品為集團提供14,100,000元人民幣的收益，佔本產品類別總收益的39%。

貿易與資源運營產品

截至二零零八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額較去年同期錄得25%增幅至40,200,000元人民幣，佔本集團營業額12%，毛利率為17.5%，與去年同期毛利率7.5%大為改善，主要因為集團資源營運力度加大取得的效果，新增了新的貿易業務單元毛利率相對高；貿易與資源運營產品之毛利貢獻約為7,000,000元人民幣，比去年同期的毛利貢獻2,400,000元人民幣，增長接近2倍。貿易與資源運營業務作為本集團核心業務的必要輔助，於回顧期間，也為集團的銷售及盈利上帶來了貢獻。

Management Discussion and Analysis

管理層討論與分析

Financial review

Liquidity and Financial Resources

During the period under review, the Group primary source of funding included the net proceeds from the club loans amounting to RMB225 million, credit facilities provided by its principal bankers and internally generated cash flows.

The Group's financial position was solid throughout the period. As at 30 June 2008, the net current assets and the current ratio of the Group were approximately RMB607.4 million (31 December 2007: approximately RMB335.6 million) and 4.4 (31 December 2007: 2.5), respectively. As at 30 June 2008, the Group had cash and cash equivalents of approximately RMB432 million (31 December 2007: approximately RMB275.2 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.

Capital Structure and Gearing Ratio

As at 30 June 2008, the equity attributable to the Company's equity holders amounted to RMB723.3 million, representing RMB1.55 per share (31 December 2007: RMB662.2 million, representing RMB1.41 per share). Increase in shareholders' funds was mainly attributable to the profit generated in the period less payment of dividend during the period.

The Company secured a three-year club loans in March 2008 amounting to USD33 million, equivalent of RMB231.6 million, to strengthen its working capital and for the expansion plan. The Company bought back 2,278,000 shares from the open market during the first half of 2008.

Total borrowings as of 30 June 2008 increased by 135% to RMB367.6 million (31 December 2007: RMB156.4 million). The Group's gearing ratio (total debt over total assets) as at 30 June 2008, was increased from 16.4% at 31 December 2007 to 31.0%. However, the Group can maintain the net debt to equity ratio at a net cash surplus position, being cash and cash equivalents plus pledged and unpledged bank deposits less borrowings amounting to RMB96.1 million (31 December 2007: RMB151 million).

財務回顧

流動資金及財務資源

於回顧期內，本集團主要資金來源包括來自俱樂部貸款所得款項淨額約225,000,000元人民幣、主要往來銀行提供之信貸備用額及內部產生之現金流。

期內，本集團之財政狀況穩健。於二零零八年六月三十日，本集團流動資產淨值及流動比率分別約為607,400,000元人民幣(二零零七年十二月三十一日：約335,600,000元人民幣)及4.4(二零零七年十二月三十一日：2.5)。於二零零八年六月三十日，本集團有現金及現金等價物約432,000,000元人民幣(二零零七年十二月三十一日：約275,000,000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。

股本架構及負債比率

於二零零八年六月三十日，本公司權益持有人應佔權益為723,300,000元人民幣，即每股1.55元人民幣(於二零零七年十二月三十一日：662,200,000元人民幣，即每股1.41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。

本公司於二零零八年三月取得為數美元33,000,000或等同231,600,000元人民幣之三年期俱樂部貸款以加強營運資金及擴充計劃。另本公司於二零零八年上半年於公開市場購回2,278,000股股份。

於二零零八年六月三十日，借貸總額增加135%至367,600,000元人民幣(二零零七年十二月三十一日：156,400,000元人民幣)。於二零零八年六月三十日，本集團之負債(總負債除總資產)比率由二零零七年十二月三十一日之16.4%增加至31.0%，惟本集團借貸淨額相對股權比率仍能維持於淨現金盈餘水平(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96,100,000元人民幣(二零零七年十二月三十一日：151,000,000元人民幣)。

Management Discussion and Analysis

管理層討論與分析

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 2008, bank deposit of RMB31.6 million (31 December 2007: RMB32.2 million), certain property, plant and equipment of the Group with an aggregate net book value of about RMB91 million (31 December 2007: RMB94.5 million) and land use rights of RMB2.4 million (31 December 2007: RMB2.4 million) were pledged to secure the Group's bank borrowings.

Capital expenditure

During the period under review, the Group invested approximately RMB20.0 million and RMB2.8 million respectively in the additions of property, plant and equipment and intangible assets compared to approximately RMB48.6 million and RMB9.9 million respectively for the same period last year.

Capital Commitment

As at 30 June 2008, the Group had capital commitments of approximately RMB20.5 million (31 December 2007: RMB19.6 million) in respect of purchases of property, plant and equipment, construction-in-progress, product development projects and land use rights.

Contingent liabilities

As at 30 June 2008, the Group did not have any contingent liabilities. The Company and its subsidiaries executed corporate guarantees as part of securities for the club loans and the general banking facilities granted to the Group.

Employees and remuneration policy

As at 30 June 2008, the Group has 345 full-time employees of which 341 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. 31,410,000 share options remained outstanding at the period end.

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

於二零零八年六月三十日，銀行存款31,600,000元人民幣(二零零七年十二月三十一日：32,200,000元人民幣)以及本集團帳面淨值總額約91,000,000元人民幣(二零零七年十二月三十一日：94,500,000元人民幣)之若干物業、廠房及設備以及2,400,000元人民幣(二零零七年十二月三十一日：2,400,000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20,000,000元人民幣及2,800,000元人民幣，而去年同期則分別約為48,600,000元人民幣及9,900,000元人民幣。

資本承擔

於二零零八年六月三十一日，本集團就購買物業、廠房及設備、在建工程、產品開發項目及土地使用權約有20,500,000元人民幣(二零零七年十二月三十一日：19,600,000元人民幣)之資本承擔。

或然負債

於二零零八年六月三十日，本集團並無任何或然負債；惟本公司及其附屬公司已簽立公司擔保，以作為授予本集團之俱樂部貸款及一般銀行信貸額之擔保。

僱員及酬金政策

於二零零八年六月三十日，本集團有345名全職僱員，其中341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31,410,000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 2008 二零零八年六月三十日

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

		Notes 附註	30 June 六月三十日 2008 二零零八年 (Unaudited) (未經審核)	31 December 十二月三十一日 2007 二零零七年 (Audited) (經審核)
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		349,464	336,839
Land use rights	土地使用權		8,699	8,741
Intangible assets	無形資產		41,419	40,347
Available-for-sale financial assets	可供出售金融資產		400	400
			399,982	386,327
Current assets	流動資產			
Inventories	存貨		94,289	45,489
Trade receivables	應收交易帳款	8	182,424	165,653
Prepayments and other receivables	預付款項及其他應收款項		43,670	46,216
Pledged bank deposits	已抵押銀行存款		31,579	32,158
Cash and cash equivalents	現金及等同現金項目		432,041	275,226
			784,003	564,742
Total assets	資產總值		1,183,985	951,069
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔股本及儲備			
Share capital	股本		49,443	49,653
Other reserves	其他儲備		241,226	240,651
Retained earnings	保留盈利			
– Proposed dividend	– 擬派股息		4,920	14,760
– Others	– 其他		427,752	357,171
			723,341	662,235
Minority interest in equity	少數股東權益		3,141	1,572
Total equity	權益總額		726,482	663,807

The notes on pages 18 to 29 form an integral part of this condensed interim financial information.

第18至29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 2008 二零零八年六月三十日

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

		Notes 附註	30 June 六月三十日 2008 二零零八年 (Unaudited) (未經審核)	31 December 十二月三十一日 2007 二零零七年 (Audited) (經審核)
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸		280,884	58,121
Current liabilities	流動負債			
Borrowings	借貸		86,670	98,272
Trade payables and bills payable	應付交易帳款及應付票據	9	56,314	54,890
Accruals and other payables	應計費用及其他應付款項		30,229	34,704
Derivative financial instruments	衍生金融工具		-	37,837
Amount due to directors	應付董事款項		1,141	1,467
Current income tax liabilities	即期所得稅負債		2,265	1,971
			176,619	229,141
Total liabilities	負債總額		457,503	287,262
Total liabilities and equity	負債及權益總額		1,183,985	951,069
Net current assets	流動資產淨值		607,384	335,601
Total assets less current liabilities	總資產減流動負債		1,007,366	721,928

The notes on pages 18 to 29 form an integral part of this condensed interim financial information.

第18至29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 2008 截至二零零八年六月三十日止六個月
(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
		Notes 附註	
Turnover	營業額	3	346,000
Cost of good sold	已售貨品成本		(229,004)
Gross profit	毛利		116,996
Other gains/(losses) – net	其他收益/(虧損)淨額		12,177
Selling and marketing costs	銷售及市場推廣成本		(14,512)
Administrative expenses	行政費用		(24,672)
Operating profit	經營盈利	4	89,989
Finance costs	融資成本		(6,629)
Profit before income tax	除所得稅前盈利		83,360
Income tax expense	所得稅開支	5	(2,990)
Profit for the period	期內溢利		80,370
Attributable to:	應佔：		
Equity holders of the Company	本公司權益持有人		80,301
Minority interest	少數股東權益		69
			80,370
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in RMB per share)	期內本公司權益持有人應佔溢利之每股盈利 (每股以人民幣列示)		
– Basic	– 基本	6	17.1 cents 仙
– Diluted	– 攤薄		16.6 cents 仙
Dividends	股息	7	4,920

The notes on pages 18 to 29 form an integral part of this condensed interim financial information.

第18至29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 2008 截至二零零八年六月三十日止六個月
(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
Net cash generated from operating activities	經營活動所得淨現金	16,803	16,265
Net cash used in investing activities	投資活動所用淨現金	(21,316)	(58,438)
Net cash from financing activities	融資活動所得淨現金	161,339	29,389
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)	156,826	(12,784)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	275,226	312,990
Exchange losses on cash and cash equivalents	現金及現金等價物之匯兌虧損	(11)	(1)
Cash and cash equivalents at end of the period	期終之現金及現金等價物	432,041	300,205

The notes on pages 18 to 29 form an integral part of this condensed interim financial information.

第18至29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 2008 截至二零零八年六月三十日止六個月
(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

		Six months ended 30 June 2008 (Unaudited) 截至二零零八年六月三十日止六個月 (未經審計)									Minority interest 少數股東 權益	Total 總計
		Attributable to equity holders of the Company 本公司權益持有人應佔										
		Share capital 股本	Share premium 股份溢價	Capital reserve 股本儲備	Contributed surplus 繳入盈餘	Statutory reserves 法定儲備	Capital redemption reserve 股本 贖回儲備	Share options equity reserve 股本 購股權 股本儲備	Currency translation reserve 匯兌儲備	Retained earnings 保留盈利		
Balance at 1 January 2008	二零零八年一月一日結餘	49,653	188,888	685	9,500	34,749	-	6,869	(40)	371,931	1,572	663,807
Currency translation differences	貨幣匯兌差額	-	-	-	-	-	-	-	(10)	-	-	(10)
Net income recognised directly in equity	在權益直接確認的淨收入	-	-	-	-	-	-	-	(10)	-	-	(10)
Profit for the period	期內盈利	-	-	-	-	-	-	-	-	80,301	69	80,370
Total recognised income for the period	期內確認的總收入	-	-	-	-	-	-	-	-	80,301	69	80,360
Employees share option scheme – value of employees services	僱員認股權計劃： — 僱員服務的價值	-	-	-	-	-	-	476	-	-	-	476
Transfer upon cancellation of share options	因註銷購股權而轉撥	-	-	-	-	-	-	(104)	-	104	-	-
Repurchase of shares	回購股份	(210)	-	-	-	-	-	-	-	(4,691)	-	(4,901)
Capital redemption reserve arising from repurchases of shares	購回股份所產生股本贖回儲備	-	-	-	-	-	210	-	-	(210)	-	-
Equity contributed by a minority shareholder	少數股東供獻之權益	-	-	-	-	-	-	-	-	-	1,500	1,500
Dividend relating to 2007 paid in May 2008	已於二零零八年五月派付之二零零七年股息	-	-	-	-	-	-	-	-	(14,760)	-	(14,760)
		(210)	-	-	-	-	210	372	-	(19,557)	1,500	(17,685)
Balance at 30 June 2008	二零零八年六月三十日結餘	49,443	198,888	685	9,500	34,749	210	7,241	(50)	432,675	3,141	726,482

The notes on pages 18 to 29 form an integral part of this condensed interim financial information.

第18至29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 2008 截至二零零八年六月三十日止六個月
(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

		Six months ended 30 June 2008 (Unaudited)									Minority interest	
		截至二零零八年六月三十日止六個月 (未經審計)									少數股東權益	
		Attributable to equity holders of the Company									Total	
		本公司權益持有人應佔									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	購股權股本儲備	匯兌儲備	保留盈利			
Balance at 1 January 2007	二零零七年一月一日結餘	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 18 to 29 form an integral part of this condensed interim financial information.

第18至29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

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

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 2007.

These condensed consolidated interim financial information were approved for issue on 9 September 2008.

2. Accounting policies

The accounting policies used in the condensed consolidated interim financial information are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2007.

In the current interim period, the Group has applied, for the first time, a number of new interpretations (“new Interpretations”) issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2008.

The adoption of these new Interpretations had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

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二零零七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二零零八年九月九日經批准發行。

2. 會計政策

簡明綜合中期財務資料所採納之會計政策與編製本集團截至二零零七年十二月三十一日止年度之財務報表所採納者一致。

於本中期期間，本集團首次採納香港會計師公會頒佈之多項新詮釋(「新詮釋」)，該等詮釋於二零零八年一月一日開始之本集團財務年度生效。

採納該等新詮釋對本期間或以往會計期間本集團之業績或財務狀況概無重大影響。據此，概無以往期間之調整被確認。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

2. Accounting policies (continued)

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 13	Customer Loyalty Programmes ³

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 July 2008

The directors of the Company anticipate that the application of the new or revised standards or interpretation will have no material impact on the results and the financial position of the Group.

2. 會計政策(續)

本集團並無提前採納下列已頒佈但尚未生效之新訂及經修訂準則或詮釋。

香港會計準則 第1號(經修訂)	財務報表的呈列 ¹
香港會計準則 第23號(經修訂)	借貸成本 ¹
香港會計準則 第27號(經修訂)	合併及獨立 財務報表 ²
香港會計準則第32 及第1號(經修訂)	可沽售金融工具及 清盤產生之責任 ¹
香港財務報告準則 第2號(經修訂)	歸屬條件及取消 ¹
香港財務報告準則 第3號(經修訂)	業務合併 ²
香港財務報告準則 第8號	營運分類 ¹
香港(國際財務 報告詮釋委員會) 詮釋第13號	客戶忠誠計劃 ³

¹ 於二零零九年一月一日或其後開始之年度期間生效

² 於二零零九年七月一日或其後開始之年度期間生效

³ 於二零零八年七月一日或其後開始之年度期間生效

董事會預期採用新訂及經修訂準則或詮釋對本集團的業績及財務狀況將無重大影響。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

3. Turnover 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 informationPrimary reporting format – business segment

As at 30 June 2008, the Group is organised into two main business segments:

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

The segment results for the six months ended 30 June 2008 are as follows:

		Manufacturing 生產 (Unaudited) (未經審核)	Trading 買賣 (Unaudited) (未經審核)	Total 總計 (Unaudited) (未經審核)
Turnover	營業額	305,800	40,200	346,000
Operating profit	經營盈利	87,176	1,621	88,797
Unallocated corporate income – net	未分配公司收入 – 淨額			1,192
Finance costs	融資成本			(6,629)
Profit before income tax	除所得稅前盈利			83,360
Income tax expense	所得稅開支			(2,990)
Profit for the period	期內盈利			80,370

3. 銷售額及分部資料**(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

於二零零八年六月三十日，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。

截至二零零八年六月三十日止六個月之分部業績如下：

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

3. 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 2007 are as follows:

		Manufacturing 生產 (Unaudited) (未經審核)	Trading 買賣 (Unaudited) (未經審核)	Total 總計 (Unaudited) (未經審核)
Turnover	營業額	255,714	32,245	287,959
Operating profit	經營盈利	77,666	243	77,909
Unallocated corporate expenses – net	未分配公司開支 – 淨額			(8,366)
Finance costs	融資成本			(3,625)
Profit before income tax	除所得稅前盈利			65,918
Income tax expense	所得稅開支			(4,868)
Profit for the period	期內盈利			61,050

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

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	2007	Six months ended 30 June 截至六月三十日止六個月	2007
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)	2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
Depreciation	折舊	7,101	5,573	46	48
Amortisation	攤銷	1,780	1,149	–	–
Provision for/(reversal of) impairment of inventories	存貨減值撥備/ (撥回)	1,252	635	(1)	3
Provision for/(reversal of) impairment of trade receivables	應收交易帳款減值 撥備/(撥回)	(34)	(54)	(18)	27

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

3. 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.

3. 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

		2008	2007
		二零零八年	二零零七年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Turnover	營業額		
– Mainland China	– 中國內地	240,212	193,225
– Europe	– 歐洲	52,962	42,357
– Asia (excluding Mainland China)	– 亞洲 (中國內地除外)	36,629	38,511
– Others	– 其他	16,197	13,866
		346,000	287,959

4. Capital expenditure**4. 資本開支**

		Property, plant and equipment	Land use right	Intangible assets
		物業、 廠房及設備	土地使用權	無形資產
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
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
Opening net book amount as at 1 January 2008	於二零零八年一月一日 之期初帳面淨額	336,839	8,741	40,347
Additions	添置	20,012	–	2,804
Depreciation and amortisation charge	折舊及攤銷	(7,319)	(48)	(1,732)
Disposals	出售	(68)	–	–
Closing net book amount as at 30 June 2008	於二零零八年六月三十日 之期終帳面淨額	349,464	8,699	41,419

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

5. 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:

5. 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 2008 二零零八年 (Unaudited) (未經審核)	31 December 十二月三十一日 2007 二零零七年 (Audited) (經審核)
0 to 30 days	0至30天	67,096	60,902
31 to 60 days	31至60天	58,657	54,627
61 to 90 days	61至90天	38,732	35,451
91 to 180 days	91至180天	17,954	15,853
181 to 365 days	181至365天	1,713	150
Over 365 days	365天以上	304	754
		184,456	167,737
Less: Provision for impairment of trade receivables	減：應收交易帳款減值 撥備	(2,032)	(2,084)
		182,424	165,653

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

6. Borrowings

6. 貸款

		30 June 六月三十日 2008 二零零八年 (Unaudited) (未經審核)	31 December 十二月三十一日 2007 二零零七年 (Audited) (經審核)
Non-current	非即期		
Government loans, unsecured, in RMB	無抵押政府貸款，以人民幣為單位	5,000	5,000
Bank borrowings, secured, in USD	有抵押銀行貸款，以美元為單位	225,884	-
Bank borrowings, secured, in HKD	有抵押銀行借貸，以港元為單位	-	3,121
Bank borrowings, unsecured, in RMB	無抵押銀行貸款，以人民幣為單位	50,000	50,000
		280,884	58,121
Current	即期		
Government loans, unsecured, in RMB	無抵押政府貸款，以人民幣為單位	28,870	28,870
Bank borrowings, secured, in RMB	有抵押銀行借貸，以人民幣為單位	43,000	43,000
Bank borrowings, secured, in HKD	有抵押銀行借貸，以港元為單位	2,930	3,121
Bank borrowings, secured, in USD	有抵押銀行貸款，以美元為單位	4,870	16,281
Bank borrowings, unsecured, in RMB	無抵押銀行借貸，以人民幣為單位	7,000	7,000
		86,670	98,272
Total borrowings	借貸總額	367,554	156,393
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	86,670	98,272
- more than one year but not exceeding two years	- 一年以上，但不超過兩年	112,942	3,121
- more than two years but not exceeding five years	- 兩年以上，但不超過五年	162,942	50,000
- more than five years	- 五年以上	5,000	5,000
		367,554	156,393

7. Trade payables and bills payable

7. 應付交易帳款及應付票據

		30 June 六月三十日 2008 二零零八年 (Unaudited) (未經審核)	31 December 十二月三十一日 2007 二零零七年 (Audited) (經審核)
Trade payables	應付交易帳款	13,928	8,202
Bills payable	應付票據	42,386	46,688
		56,314	54,890

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

7. Trade payables and bills payable (continued)

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

		30 June 六月三十日 2008 二零零八年 (Unaudited) (未經審核)	31 December 十二月三十一日 2007 二零零七年 (Audited) (經審核)
0 to 30 days	0至30天	18,501	11,194
31 to 60 days	31至60天	14,547	31,071
61 to 90 days	61至90天	6,871	4,150
91 to 180 days	91至180天	15,000	7,676
181 to 365 days	181天至365天	128	28
Over 365 days	超過365天	1,267	771
		56,314	54,890

7. 應付交易帳款及應付票據(續)

應付交易帳款及應付票據之帳齡分析如下：

8. Share capital**(a) Share capital – Ordinary shares of HK\$0.1 each**

Authorised:	法定：	Number of shares (thousands) 股份數目 (千股)	Nominal value 面值
At 1 January 2007, 30 June 2007, 1 January 2008 and 30 June 2008	於二零零七年一月一日、 二零零七年六月三十日、 二零零八年一月一日及 二零零八年六月三十日	2,000,000	212,000
Issued:	已發行：	Number of fully paid shares (thousands) 已繳股款 股份數目 (千股)	Nominal value 面值
At 1 January 2007	於二零零七年一月一日	461,000	48,778
Employee share option scheme	僱員購股權計劃		
– proceeds from shares issues	– 發行股份所得款	8,890	875
At 31 December 2007 and 1 January 2008	於二零零八年一月一日及 於二零零八年一月一日	469,840	49,653
Repurchase of shares	回購股份	(2,278)	(210)
At 30 June 2008	於二零零八年六月三十日	467,612	49,443

8. 股本**(a) 股本—每股面值 0.1 港元之普通股**

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

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	
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
Charging	扣除		
Depreciation	折舊	7,319	5,792
Less: Amount included in product development cost	減：計入產品開發成本之款項	(172)	(171)
		7,147	5,621
Amortisation of:	攤銷：		
– intangible assets	– 無形資產	1,732	1,114
– prepaid operating lease payments	– 預付經營租約租金	48	35
Realised and unrealised loss on interest rate swaps – net	利率掉期之變現及未變現虧損淨額	–	3,514
Net exchange loss	淨匯兌虧損	–	752
Crediting	計入		
Interest income from bank deposits	銀行存款之利息收入	1,513	1,861
Amortisation of deferred income on government grants	攤銷政府津貼遞延收入	–	19
Realised and unrealised gain on interest rate swaps – net	利率掉期之變現及未變現收益淨額	6,956	–
Net exchange gain	淨匯兌收益	3,593	–

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

10. Income tax expense

10. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
Current income tax	即期所得稅		
– Mainland China enterprise income tax	– 中國內地企業所得稅	2,990	4,868

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 18% (2007: 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.

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18%(二零零七年：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. Dividends

11. 股息

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
Interim dividend proposed of HK1.2 cents (2007: HK1 cents) per ordinary share	擬派中期股息 每股普通股1.2港仙 (二零零七年：1港仙)	4,920	4,537

During the six months ended 30 June 2008, a 2007 final dividend of HK3.5 cents, shown as RMB3.16 cents, (2006 final: HK2.30 cents, shown as RMB2.28 cents) per ordinary share, totalling HK\$16,366,000, shown as RMB14,700,000 was paid in May 2008 (six months ended 30 June 2007: HK\$10,603,000, shown as RMB10,493,000).

截至二零零八年六月三十日止六個月，二零零七年的末期股息每股3.5港仙，列作3.16仙人民幣(二零零六年末期股息：2.30港仙，列作2.28仙人民幣)已於二零零八年六月份內支付，合計為港幣16,366,000，列作14,700,000元人民幣(截至二零零七年六月三十日止六個月：港幣10,603,000，列作10,493,000元人民幣)。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

(All amounts in RMB thousands unless otherwise stated) (除另有指明者外，所有款額均以千元人民幣列值)

12. Earnings per share attributable to equity holders of the Company

The calculation of basic earnings per share is based on the profit for the period attributable to equity holders of the Company, and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted earnings per share is based on the profit for the period attributable to equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the ordinary shares in issue during the period, as used in the basic earnings per share calculation and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all the dilutive potential ordinary shares into ordinary shares.

The calculation of basic and diluted earnings per share are based on:

12. 本公司權益持有人應佔每股盈利

每股基本盈利乃按本公司權益持有人應佔期內溢利及期內已發行普通股加權平均數計算。

每股攤薄盈利乃按本公司權益持有人應佔期內溢利計算。計算普通股加權平均數時，猶如計算每股基本盈利一樣，乃按期內已發行普通股計算；再加上普通股加權平均股數因假設普通股於被視為行使或兌換所有具攤薄潛力之普通股為普通股時，以零代價發行。

計算每股基本及攤薄盈利乃按：

		Six months ended 30 June 截至六月三十日止六個月	
		2008 二零零八年 (Unaudited) (未經審核)	2007 二零零七年 (Unaudited) (未經審核)
Earnings	盈利		
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	80,301	61,080
		Number of shares (in thousands) 股份數目 (千股)	
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	計算每股基本盈利採用之期內已發行普通股加權平均股數	468,394	462,905
Weighted average number of ordinary shares – Effect of dilution of share options	普通股加權平均股數 – 購股權攤薄影響	15,020	20,185
		483,414	485,090

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 2008, 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.

於截至二零零八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 2008, the interests and short positions of the Directors, chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were recorded in the register maintained by the Company under Section 352 of the SFO, or which were notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules, were as follows:

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

董事及行政總裁於股份、相關股份及債券之權益及／或淡倉

於二零零八年六月三十日，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) 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) (附註a)	-	-	193,263,158	41.33%
Mr. Gong Xionghui 龔雄輝先生	-	-	11,368,421 (Note b) (附註b)	-	-	11,368,421	2.43%
Ms. Lu Jiahua 盧家華女士	-	-	8,526,316 (Note c) (附註c)	-	-	8,526,316	1.82%

Notes:

- (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.

附註：

- (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 2008 are set out in the following section under the heading "Share options".

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

A Director 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 2008.

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 2008. The detailed terms of the scheme were disclosed in the 2007 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二零零八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

一名董事以信託方式為本集團持有若干附屬公司之代名人股份，僅為確保有關附屬公司擁有超過一名股東。

除上文披露者外，於二零零八年六月三十日，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。

截至二零零八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二零零七年年報中披露。

Disclosure of Interests

權益披露

Share options (continued)

The following table discloses details of share options outstanding as at 30 June 2008 under the Scheme and the movements during the period.

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 1 January 2008 於二零零八年 一月一日 結餘 (‘000)	Granted during the year 年內授出 (‘000)	Exercised during the year 年內行使 (‘000)	Cancelled during the year 年內註銷 (‘000)	Balance as at 30 June 2008 於二零零八年 六月三十日 結餘 (‘000) (Note a) (附註a)
Category 1 – Directors	類別1 – 董事								
Mr. Yang Yirong	楊毅融先生	25.5.2006	1.39	25.5.2006–24.5.2011	400	-	-	-	400
Mr. Gong Xionghui	龔雄輝先生	8.6.2004	1.37	8.6.2004–7.6.2014	3,100	-	-	-	3,100
Ms. Lu Jiahua	盧家華女士	8.6.2004	1.37	8.6.2004–7.6.2014	2,600	-	-	-	2,600
Mr. Lin Like	林力克先生	25.5.2006	1.39	25.5.2006–24.5.2011	2,400	-	-	-	2,400
Mr. Han Huan Guang	韓歡光先生	25.5.2006	1.39	25.5.2006–24.5.2011	2,400	-	-	-	2,400
Mr. Fung Tao	馮濤先生	25.5.2006	1.39	25.5.2006–24.5.2011	2,400	-	-	-	2,400
Mr. Yau Fook Chuen	丘福全先生	8.6.2004	1.37	8.6.2004–7.6.2014	200	-	-	-	200
		25.5.2006	1.39	25.5.2006–24.5.2011	400	-	-	-	400
Mr. Wong Yik Chung, John	黃翼忠先生	8.6.2004	1.37	8.6.2004–7.6.2014	200	-	-	-	200
		25.5.2006	1.39	25.5.2006–24.5.2011	400	-	-	-	400
Dr. Zheng Lansun	鄭蘭蓀博士	8.6.2004	1.37	8.6.2004–7.6.2014	400	-	-	-	400
		25.5.2006	1.39	25.5.2006–24.5.2011	400	-	-	-	400
Sub-total	小計				15,300	-	-	-	15,300
Category 2 – Employees under continuous employment contract	類別2 – 持續僱傭合約僱員	8.6.2004	1.37	8.6.2004–7.6.2014	8,270	-	-	-	8,270
		25.5.2006	1.39	25.5.2006–24.5.2011	5,440	-	-	(800)	4,640
Sub-total	小計				13,710	-	-	(800)	12,910
Category 3 – Other participants	類別3 – 其他參與人士	25.5.2006	1.39	25.5.2006–24.5.2011	3,200	-	-	-	3,200
Sub-total	小計				3,200	-	-	-	3,200
Total	總計				32,210	-	-	(800)	31,410

Notes:

(a) 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.

購股權(續)

下表披露於二零零八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。

附註:

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

根據證券及期貨條例須予披露之股東權益及／或淡倉

於二零零八年六月三十日，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：

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

於本公司每股面值0.10港元普通股之好倉

Name 名稱	Beneficial owner 實益擁有人	Investment Manager 投資經理	Number of shares held 所持股數		Other interests 其他權益	Total 總計	% of the issued share capital of the Company 佔本公司 已發行股 本百分比
			Interest of corporation controlled by the substantial shareholder 大股東 所控制的法團 的權益				
Marietta Limited	193,263,158 (Note a) (附註 a)	-	-	-	-	193,263,158	41.33%
Keywise Capital Management (HK) Limited	-	71,342,000	-	-	-	71,342,000	15.26%
Keywise Greater China Opportunities Master Fund	57,450,000	-	-	-	-	57,450,000	12.29%
Cheah Capital Management Limited	-	-	28,162,000 (Note b) (附註 b)	-	-	28,162,000	6.02%
Cheah Company Limited	-	-	28,162,000 (Note b) (附註 b)	-	-	28,162,000	6.02%
Hang Seng Bank Trustee International Limited	-	-	-	28,162,000 (Note d) (附註 d)	-	28,162,000	6.02%
Value Partners Group Limited	-	-	28,162,000 (Note c) (附註 c)	-	-	28,162,000	6.02%
Value Partners Limited	-	28,162,000	-	-	-	28,162,000	6.02%
Cheah Cheng Hye 謝清海	1,000,000	-	-	27,132,000 (Note e) (附註 e)	-	28,132,000	6.02%
To Hau Yin 杜巧賢	-	-	-	28,132,000 (Note f) (附註 f)	-	28,132,000	6.02%

Disclosure of Interests

權益披露

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

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

(continued)

Notes:

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

Other than as disclosed above, the Company has not been notified by any persons, other than the Directors and chief executives of the Company, who had interest or short positions in the shares or underlying shares of the Company as at 30 June 2008.

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".

根據證券及期貨條例須予披露之股東權益及／或淡倉(續)

於本公司每股面值0.10港元普通股之好倉(續)

附註：

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

除上文披露者外，本公司並無獲知會，於二零零八年六月三十日，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。

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 HK1.2 cents, equivalent to approximately RMB1.05 cents, per share for the six months ended 30 June 2008 (six months ended 30 June 2007: HK1 cents, equivalent to approximately RMB0.97 cents, per share) to the shareholders whose names appear on the register of members of the Company on 24 October 2008.

Closure of register of members

The register of members of the Company will be closed from 22 October 2008 to 24 October 2008, 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 21 October 2008.

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 2008.

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

The Company repurchased its 2,278,000 listed shares on the Stock Exchange during the six months ended 30 June 2008. Such shares were cancelled upon repurchase and accordingly the issued share capital of the Company was reduced by RMB210,000, the nominal value of these shares.

中期股息

董事議決就截至二零零八年六月三十日止六個月，向於二零零八年十月二十四日名列本公司股東名冊之股東，派付中期股息每股1.2港仙，約相當於1.05仙人民幣（截至二零零七年六月三十日止六個月：每股1港仙，約相當於0.97仙人民幣）。

暫停辦理股份過戶手續

本公司將於二零零八年十月二十二日至二零零八年十月二十四日（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，須於二零零八年十月二十一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，彼等於截至二零零八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

截至二零零八年六月三十日止六個月，本公司於聯交所購回其2,278,000股上市股份，該等股份已於購回後註銷。因此，本公司已發行股本相應削減210,000元人民幣，即此等股份之面值。

Other Information

其他資料

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

Details of the repurchase of shares during the six months ended 30 June 2008 are summarised as follows:

Month of repurchases	購回股份	Number of shares repurchased 所購回股份數目	Repurchase price per share 每股購回價格		Aggregate consideration 代價總額 RMB'000 人民幣千元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
February 2008	二零零八年二月	2,000,000	2.48	2.25	4,310
March 2008	二零零八年三月	278,000	2.43	2.30	591
		2,278,000			4,901

Except as disclosed above, neither the Company, nor its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period under review.

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 2008.

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, 9 September 2008

購買、出售或贖回本公司之上市股份 (續)

截至二零零八年六月三十日止六個月購回股份詳情概述如下：

Month of repurchases	購回股份	Number of shares repurchased 所購回股份數目	Repurchase price per share 每股購回價格		Aggregate consideration 代價總額 RMB'000 人民幣千元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
February 2008	二零零八年二月	2,000,000	2.48	2.25	4,310
March 2008	二零零八年三月	278,000	2.43	2.30	591
		2,278,000			4,901

除上文披露者外，本公司或其附屬公司於回顧期內概無購買、贖回或出售本公司任何上市證券。

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，包括審閱截至二零零八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。

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，二零零八年九月九日



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

www.ecogreen.com