



葉氏化工集團有限公司
Yip's Chemical Holdings Limited

於開曼群島註冊成立之有限公司
Incorporated in the Cayman Islands with limited liability
股份代號 Stock Code: 408



2010

Interim Report 中期業績報告

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概要 Highlights

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|--------------------------------|---|
| 一、營業額3,652,433,000港元，增長36% | 1. Turnover was HK\$3,652,433,000, increased 36% |
| 二、本公司股東應佔溢利171,493,000港元，減少25% | 2. Net profit attributable to owners of the Company were HK\$171,493,000, decreased 25% |
| 三、每股盈利31.2港仙，減少27% | 3. Earnings per share was HK31.2 cents, decreased 27% |
| 四、中期股息每股12.0港仙，與去年同期相同 | 4. Interim dividend was HK12.0 cents per share, same with last period |
| 五、借貸比率為13.9%，二零一零年三月三十一日為2.1% | 5. Gearing ratio was 13.9%, 2.1% at 31 March 2010 |

主席報告—回顧及展望 Chairman's Statement – Review & Prospects

回顧

期內集團的業務面對一個非常不明朗的經營環境，歐美市場仍是經濟低迷、需求疲弱、債務危機，再陷衰退的陰影揮之不去。中國國內政府連番措施壓抑通漲，預防經濟過熱以及多個省份大面積不同程度的自然災害等負面因素，均對期內的集團業務構成挑戰。然而集團的整體業務卻受惠於新市場、新產品的開拓，成效顯著，同時綜合競爭實力的不斷提升，市場佔有率隨之不斷擴大。因此期內集團的產品總銷量達35萬噸，營業額錄得3,652,433,000港元，創下集團的歷史新高，比較去年同期分別增長25%和36%。

稍令人遺憾的是，本公司股東應佔溢利則出現了倒退。期內錄得171,493,000港元，較去年同期下降25%。其原因主要有三方面（一）去年同期經營環境特別好；（二）為配合如期完成集團的中期規劃—五年內倍翻銷售的目標，期內的舊廠房擴建、新廠房籌建引致資本性投資和市場推廣費用較正常多；（三）乃是影響最大的一個因素—期內幾種用量最大的原料出現非常異常的暴漲和暴跌，對集團的核心產品毛利率構成了短暫和沉重的壓力，惟這種不正常的波動自九月始得到控制與改善，集團的毛利率已回復較正常的水平。集團同時積極研究各項可行措施，力求把日後原料的異常波動的影響降到最低。

Review

During the period under review, the Group has been facing an unusually uncertain operating environment. The western economies continued to suffer from weak demand, the debt crisis, and the threat of a double dip. In China, the various control measures taken by the central government to combat inflation and to prevent the economy over-heating, coupled with natural disasters affecting many provinces over vast areas of China all presented severe challenges to the Group's businesses. Nevertheless, the Group's businesses as a whole continued to benefit from its successful efforts in developing new markets and new products. Moreover, with continued improvements in its overall competitiveness, market share continued to expand. Accordingly, total sales volume during the period under review reached 350,000 metric tons, and a record turnover of HK\$3,652,433,000 was achieved, representing growths of 25% and 36% respectively over the same period last year.

Regrettably, the profits attributable to owners of the Company suffered a decline to HK\$171,493,000, representing a drop of 25%. There are three main reasons for the decline. Firstly, last year's operating environment, with most of the major economies just emerging from the financial crisis, was unusually favourable, thus setting a very high benchmark for comparison. Secondly, in order to enable the Group to reach its stated medium term target of doubling its turnover within the next five years, resources were deployed to upgrading its existing manufacturing facilities, planning and building new plants, and committing resources to expanding its marketing efforts. Thirdly and most importantly, a few of the most heavily-used raw materials showed unusually large price fluctuations, causing temporary but significant pressures on the margins of some of our core products. However, these unusual volatilities in the prices of these raw materials seemed to have returned to a state of relative normalcy since September, and the Group's gross margins have recovered. We are now actively exploring ways of reducing the impact of these unusual fluctuations in supply prices of these raw materials in future.

展望

為能更好地配合業務發展的需要，集團的年結日已決定自明年開始採用公曆制。展望本年度餘下的三個月和中期業務前景，集團均持較樂觀的態度。銷售方面，預期將繼續受惠於國內需市場的擴大與深化，內部需求保持強勁的增長。以及過去的五年，激增銷售的成果給予集團極大的鼓舞，集團有信心必能在二零一五前完成每年壹佰億港元的銷售。至於優化盈利質素方面，則任重而道遠。集團堅信多年來賴以成功的業務策略，其成功必將不斷累積和爆發，為集團的持續、平穩發展增添動力。在不斷優化規模與品牌效應同時，集團已落實短期內在上海成立研發中心，旨在加強對相關化工產品的超前研發，以不斷地增加集團的競爭能力，使集團真正成為一間既專注又專業的化工集團。毫無疑問，規模效應、品牌效應和研發這三大支柱將是集團未來持續發展和壯大的必然基石。

藉此對集團全體同事的辛勞與貢獻；對各界合作伙伴的支持與信任，致以衷心的感謝！

葉志成

主席

香港，二零一零年十一月二十三日

Prospects

Since the Group's businesses are mainly in the Mainland, we decided to change our financial year to coincide with the calendar year in order to be more in line with the normal business calendar in China. Looking forward to the remaining three months of the current financial year as well as the medium term business prospects, we continue to be positive and the outlook is optimistic. We expect sales to continue to grow on the back of China's expanding domestic markets. Moreover, the results from aggressive efforts to expand our business over the last 5 years have given us reasons to be confident about accomplishing the goal of reaching the target of over HK\$10 billion in sales per annum by 2015. Where improving the earning quality is concerned, however, the task would seem to be more challenging. Nevertheless, it is believed that the same strategies which have brought the Group success over the years will ultimately bear fruit, and will be able to drive the Group's sustained growth and development. Whilst we continue to leverage our economy of scale and build the strength of our brand, we have also signed an agreement to establish a Group Research & Development Centre in Shanghai in order to strengthen our R & D efforts in our products and to enhance our competitiveness, making us a petrochemicals company which excels in what we do, because we are completely focused on our core business. Without doubt, in the years to come, economy of scale, brand strength and R & D are the three pillars supporting the Group's continued growth and development.

Lastly, I would like to sincerely thank all our staff for their hard work and all our business partners for their trust and support.

Ip Chi Shing, Tony

Chairman

Hong Kong, 23 November 2010

行政總裁報告－業務回顧 CEO's Statement – Business Review

溶劑

溶劑業務上半年錄得營業額2,192,649,000港元，較去年同期增長54%，但由於毛利率顯著下降，經營溢利錄得116,559,000港元，對比去年同期則下跌了23%。受惠於整體溶劑的產能擴充、華東市場的拓展和塗料業務增長所帶動的混合溶劑銷售上升，期內整體溶劑業務仍保持著良好的增長動力，總銷量比同期上升了25%，其中單體溶劑銷量升至同期新高達24.8萬噸。但由於期內溶劑成本出現不尋常的波動，令毛利率下跌。其中期內由於正丁醇價格急跌，令單體溶劑業務承受了一次性的存貨虧損；另一方面，由於混合溶劑跟隨塗料出售，售價出現滯後效應而未能及時把上漲的原材料成本轉嫁市場。以上因素均令整體溶劑毛利率下降近9個百分點，使經營溢利出現了倒退。

受惠於中國經濟的持續增長和華東市場的拓展商機，集團預期溶劑業務仍會保持平穩的增長。踏入下半年度，溶劑成本上升對毛利率的壓力亦已得到舒緩，故預期經營效益將有所改善。集團於去年規劃將醋酸酯產能擴至80萬噸的計劃正加緊進行中，目前產能已通過技術改良增至50萬噸；另在華東江蘇省泰興廠房旁擴建的第一期15萬噸產能，預期亦可在2012年底前投產，令集團之單體溶劑業務可發揮更大的規模效益，有助增強在華東市場的競爭優勢和加快該市場的拓展步伐。

混合溶劑方面，預期亦會隨著塗料業務的持續增長而保持平穩增幅，合令整體溶劑業務可保持持續的增長動力。

Solvents

Turnover reached HK\$2,192,649,000, representing a 54% growth from the same period last year. However, due to lower gross margins, operating profit fell by 23% to HK\$116,559,000. During the period under review, the solvents business as a whole continued to grow strongly, and benefited from the expansion in capacity, the successful development of the Group's position in Eastern China, as well as increased demand from coatings and the accompanying mixed solvents business. As a result of these factors, sales volumes for the solvents business grew by 25%, and raw solvents sales reached a new six-month height of 248,000 metric tons. Unfortunately, raw materials experienced highly unusual and remarkably large volatilities in prices. In particular, the price of one of the key raw materials for raw solvents, normal butanol, experienced a drastic decline in prices, leading to a one-off inventory loss. At the same time, the higher cost of sales for mixed solvents could not be completely passed onto the market because they are generally sold along with our coatings, hence are also subject to the lagging effect in price adjustments. These two factors combined to cause a nine percentage point decline in earnings for the solvents business.

It is expected that, in view of the continued growth, coupled with the opportunities presented by expansion in our market position in Eastern China, the Group's solvents business will continue to grow in the years ahead. As we enter the second half of the financial year, the pressure of raw material prices on gross margins has shown signs of easing, and some improvements in operating results are expected. Plans are now underway to expand the acetate solvents production capacity to 800,000 metric tons. Current capacities now stand at 500,000 metric tons through continued upgrading of our facilities, and the first phase of the expansion of 150,000 metric tons in Eastern China on the newly acquired land adjacent to the Taixing Plant will be on stream by end 2012, enabling the solvents business to further exploit its scale economy and to enhance our competitiveness in Eastern China.

As far as mixed solvents are concerned, it is expected that it will grow steadily along with the coatings business, providing further impetus to the sustained growth of the overall solvents business.

塗料

該業務半年結算，錄得營業額1,289,096,000港元，較去年同期增長18%，但由於同樣地受到毛利率下跌影響，經營溢利則錄得89,743,000港元，較去年同期下跌39%。期內雖然受到國家宏觀調控措施以及地區性自然災害的影響，集團塗料業務仍按既定的發展策略，整體保持持續增長。無論是油墨、樹脂、工業和民用塗料的激增銷售和市場拓展策略，均取得預期成效。塗料總銷量共錄得16%增長，並超出去年同期增幅。惟由於期內上游原材料價格的異常波動，令集團面對原材料價格持續上升的成本壓力，整體塗料的毛利率從去年的高位下跌，加上營運成本和品牌推廣費用的增加，故令經營溢利自去年同期錄得一倍以上的高增長後，於今年出現了倒退。惟集團對前景仍感到樂觀，這是由於毛利率受壓的情況在接近今年年中已得到控制。首先，原材料成本自去年金融風暴時低位開始持續上升，至今年中後期升幅已開始放緩；另一方面，集團通過優化產品配方和採購的規模效應，合令毛利率的下跌情況得到改善；第三，今年上半年塗料原材料價格高企的情況，經過多個月滯後效應，成本已逐漸可向市場轉嫁；最後，面對今年上半年具挑戰性的經營環境，普遍行內企業均出現毛利率下跌的情況，我們預期洗牌效應將會加劇。集團預期此次弱留強的情況將有助行內整合，並給予我們提升市場份額的好機會。

Coatings

During the first half, the coatings business recorded a turnover of HK\$1,289,096,000, representing a growth of 18% over the same period last year. However, the business also suffered from a drop in gross margins, resulting in a net operating profit of HK\$89,743,000, which was a decline of 39% as compared to the same time last year. During this period, despite the macro economic measures adopted by the Central Government to control inflation, coupled with the impact of regional natural disasters, the Group's coatings business continued to grow according to plan. The efforts to aggressively expand sales and grow markets in all areas of coatings – no matter whether it is inks, resins, industrial or household paints – are generally on track to achieve their expected goals. Total coatings volumes registered a 16% increase, which is an even higher growth rate than last year. However, as a result of unusual volatilities in raw material prices, cost pressures have caused the gross margin to retreat from the very high levels of last year. Consequently, after recording a triple-digit increase in operating profits last year, lower gross margins coupled with higher operating expenses associated with increased efforts in brand management led to a decline in operating profits in the coatings business this year. However, the pressures on gross margins have eased towards the latter half of the reporting period. Firstly, the surge in raw materials prices from the low levels following the financial crisis have begun to moderate. Secondly, through continued efforts to optimize product formulations and in exploiting the scale economies in our procurement operations, the decline in gross margins have been arrested, and costs pressures have started to come under control. Thirdly, after a lag of a number of months, cost pressures are now beginning to be passed onto the market. Lastly, the challenging operating environment, with declining margins during this first half period, may yet turn out to be a blessing in disguise, as the consolidation of the coatings market is expected to accelerate, which should offer us opportunities to further increase market share.

塗料(續)

展望未來，集團相信今年特殊經營環境下之短暫倒退絕不會動搖我們對塗料業務前景的信心，並深信塗料業務在2014年前達致營業額倍增的目標，有可能提前實現。我們仍會按既定的業務發展策略，投放資源持續優化塗料業務的品質和服務、拓展網絡、增值品牌和技術科研工作，令各塗料業務之綜合競爭優勢得以不斷改善，為未來業務拓展保持良好的增長動力。其中在民用建築塗料方面，至今已完成了在內地近1,000間紫荆花專賣零售店的店舖形象改裝，並預期於明年完成全部改裝工程。集團同時會繼續有系統地增加在二、三綫城市的新經銷店舖，不斷完善整個營銷網絡，捕捉內地鄉鎮城市化帶來的商機。在品牌推廣方面，亦會繼續在網絡和電視媒體投放廣告。

另外，為進一步加強產品技術之研發能力，集團已選址落戶上海市浦東新區之張江高科技園區，成立集團的研發中心，預期可於明年底全面運作。長線而言，集團希望在2015年前，把該研發中心發展為一個高技術水平、可容納一百名科研人員的研發公司。

Coatings (Continued)

Looking forward, our confidence in the coatings business will not be shaken by the special circumstances which led to a short-term decline in operating profits. We believe that the target of doubling its turnover of this core business by 2014 will be achievable, possibly even ahead of schedule. We will press ahead with the laid-down plans to develop this business, to invest in the brand, in customer service, in expanding our distribution network, in adding value to our brands and in research and development. In household coatings, close to 1,000 Bauhinia sole distributorship stores have been refurbished, and we expect this store revamping project to be fully completed by next year. At the same time, we will systematically add new distributorships in the secondary and tertiary towns in order to strengthen our overall distribution network and to capture the business opportunities presented by the move to urbanize the rural population. To further our efforts in brand management, we will continue to invest in web-based and TV advertising.

At the same time, in order to further enhance our research and development capacity, we have decided to locate the Group Research and Development Centre in the Zhangjiang Hi-Tech Park in Pudong, Shanghai. We expect that the Centre will be officially opened next year. Longer term, we plan to develop this Research and Development Centre into a first class R & D company with over 100 research personnel by 2015.

塗料(續)

為應付未來塗料業務高速發展之需要，已規劃中的產能拓展亦按計劃如期進行。上海紫荊花廠房新增的水性民用塗料生產綫將於明年中完成。另外，中山油墨廠和桐鄉油墨廠之平版油墨擴建項目已在興建中；高分子特殊塗料方面，桐鄉油墨廠房旁之擴展項目亦正在規劃報建中，工程預期明年可展開。為配合紫荊花民用塗料的長遠發展，集團已於今年7月簽訂協議，在上海金山精細化工園區購地327畝，興建年產值可達40億元人民幣的新廠，廠房設計可於今年內完成。工程將分兩期進行，首期工程最遲於明年春節前動工，而上述之各項擴建和新廠項目，預期可在2013年底前分階段全部完成，以配合集團塗料業務未來快速發展的產能需求。

潤滑油

回顧期內，潤滑油業務得到一定改善。該業務上半年錄得營業額174,666,000港元，較去年同期增長27%，經營溢利則為3,768,000港元，亦較去年同期的經營虧損改善。期內，工程用特種潤滑油業績已回復平穩增長；而汽車潤滑油業務通過積極進取的市場銷售策略，以及受惠於暢旺的汽車內銷市場，銷售量相比去年同期錄得近20%的增長，其中防凍液的銷量已於三年內增長超過三倍，預期該業務未來仍會保持不錯的增幅。集團整體潤滑油業務已基本達至收支平衡，在此基礎上，隨著整體業務銷量之持續增長，和兩項業務間之規模整合效益增加，經營情況會繼續改善。

黃金焰

行政總裁

香港，二零一零年十一月二十三日

Coatings (Continued)

In order to cater for the rapid development of the coatings business, we will proceed with our plans to expand production capacity. The new water-based household coatings production line in Shanghai will be commissioned in mid 2011. Expansion of production facilities in the Zhongshan plant and the Tungxiang plant for offset printing inks is in progress. In the post-printing chemicals area, plans for a new production plant next to the Tungxiang plant are also underway, with work expected to commence next year. Moreover, to allow for the long term development of Bauhinia household paints, we have signed an agreement to purchase 22 hectares of land in the Jinshan Fine Chemicals Park in Shanghai in July, with a view to building a new plant with sufficient capacity to support a RMB4 billion paints business. Construction will be completed in two phases, with the first phase to commence in early next year, with overall completion by 2013, to support the planned rapid business expansion.

Lubricants

The lubricants business has seen improvements during the reporting period. In the first half, turnover was HK\$174,666,000, representing a growth of 27% over the same period last year. Profit from operations was HK\$3,768,000, which represents a definite improvement over the loss position last year. During the period under review, specialty lubricants have returned to growth, while automotive lubricants recorded close to 20% growth on the strength of aggressive marketing strategies and benefiting from the strong auto sales. In particular, anti-freeze sales have recorded a three-fold increase over the last three years, and we expect this business to continue to grow strongly. The Group's overall lubricants business has now basically achieved breakeven. We expect that, with continued growth in sales and with further enhancements in synergies between the two lubricants businesses, the operating environment will continue to show improvements.

Wong Kam Yim, Kenny

Chief Executive Officer

Hong Kong, 23 November 2010

企業社會責任 Corporate Social Responsibility

企業社會責任

集團以肩負企業社會責任為己任，並視之為一項長期和具意義的工作。在業務不斷壯大的進程中，集團不但努力追求與社會的共同發展，同時亦積極履行企業社會責任，為推動經濟、社會和環境的可持續發展出一分力。集團致力動員不同持份者包括員工、股東、客戶、供應商、業務合作夥伴等，一起履行企業社會責任，並把「可持續發展」理念融入營運和管理措施中。為了持續改善企業社會責任的表現，集團主動了解持份者的訴求，聽取他們的意見，使集團可在發展業務的同時，亦可在不同可持續發展範疇取平衡。

集團繼於二零零八年透過本地非牟利團體亞洲防盲基金會向中國寧夏自治區捐贈第一台流動眼科手術車後，於本年八月再為江蘇省第二台流動眼科手術車「復明三號」舉行啟動儀式，幫助江蘇省的白內障病人復明。集團的溶劑及塗料業務在江蘇省擴展迅速，為了感謝當地政府和人民的大力支持，集團希望借助「復明三號」協助江蘇省的白內障患者重新認識多彩的世界，在推動江蘇省經濟發展的同時，也為當地人民的健康作出貢獻。

Corporate social responsibility

The Group treats corporate social responsibility as part of its mission, and sees it as a long term task and a worthy cause. As the Group continues to expand, not only do we strive to grow hand-in-hand with society, we also endeavour to proactively fulfill our corporate social responsibilities and to contribute to the sustainable development of the economy, society and environment. The Group seeks to mobilize various stakeholders, including employees, shareholders, customers, suppliers and business partners, to join hands in fulfilling their social responsibilities and to incorporate the concept of sustainability into its business operations and management strategies. In a bid to improve the Group's CSR performance, it will step up efforts to listen to its stakeholders in order to understand their CSR requirements, so that a balance among the different aspects of sustainability can be achieved in the pursuit of the Group's business objectives.

Following the donation of the first mobile eye surgery centre to the Ningxia Hui Autonomous Region through the Asian Foundation for the Prevention of Blindness in 2008, the Group inaugurated its second mobile eye surgery centre – “Vision Restoration Centre no. 3” (「復明三號」) in August this year to the Jiangsu Province to help cataract patients restore their eye sight. We appreciate the strong support from the government and people of Jiangsu to enable the Group's solvent and coating businesses to expand rapidly in the Province, and we hope that, by helping patients afflicted with cataracts to restore their sight and see this colorful world through “Vision Restoration Centre no. 3” (「復明三號」), we can make a contribution to the healthcare of its local people while at the same time driving the economic development of Jiangsu with our investments.



企業社會責任 (續)

目前，集團透過旗艦企業社會責任項目已成功為超過1,500名內地貧困的白內障患者提供白內障晶體摘取及人工晶體植入手術，使他們重見光明。繼寧夏回族自治區及江蘇省後，山東省將會是下一個受惠省份。集團已於本年度捐出款項以籌備山東省之流動眼科手術車，預計集團第三台手術車將於二零一一年第一季於山東省投入服務。「葉氏化工流動眼科手術車項目」將繼續協助內地貧困及居住於偏遠地區的白內障患者重見光明。隨著手術車的數目不斷增加，集團日後亦會動員員工、經銷商、客戶等一同參與手術車的義務工作，包括舉行防盲教育、進行手術後探訪等，務求讓不同持份者了解 and 體會手術車的意義。

未來，集團會繼續積極推行企業社會責任，秉承「取諸社會、用諸社會」的理念，為社會帶來正面影響。

Corporate social responsibility (Continued)

To date, over 1,500 cataract patients in poor regions of the PRC have successfully restored their sight after undergoing cataract surgery and artificial lenses implant via the Group's flagship CSR program. Shandong Province will be the next beneficiary province following Ningxia Hui Autonomous Region and Jiangsu Province. The Group has already donated the fund to prepare for the mobile eye surgery centre in Shandong Province. It is expected that it will commence operation in the first quarter of 2011. "Yip's Chemical Ten-year Mobile Eye Surgery Centre Donation Project" will continue to help underprivileged cataract patients who live in rural areas of the PRC restore sight. With the expansion in the number of mobile eye surgery centres, the Group will mobilize employees, distributors and customers to jointly participate in initiatives such as blindness prevention education and patient visits in order to allow stakeholders to understand and to experience the significance of this landmark CSR program.

Looking ahead, guided by the motto "What comes from the community, to be used for the community", the Group will continue to promote CSR and bring about positive influence to society.



企業社會責任 (續)

榮譽

《FinanceAsia》－「2010年度亞洲最佳管理公司」選舉香港組別之五大殊榮

集團於本年四月於《FinanceAsia》雜誌舉辦的第十屆亞洲最佳公司－香港組別的投票選舉中名列前茅，分別獲得以下排名：

- － 「最佳公司管理」第九位；
- － 「最佳企業社會責任」第八位；
- － 「最佳投資者關係」第九位；
- － 「最佳企業管治」第九位；
- － 「最致力維持優厚派息政策」第十位

集團已是連續三年在這項選舉中獲得殊榮。是次集團更於五個不同範疇中獲得名次，反映集團在提升企業管治而作出多方面的努力，備受投資界認同。

Corporate social responsibility (Continued)

Awards

FinanceAsia – Five Major Awards in “2010 Asia’s Best Managed Companies Poll – Hong Kong”

The Group achieved prominent rankings in the FinanceAsia’s 10th Annual Poll of Asia’s Top Companies in April 2010. Rankings include:

- － “Best Managed Companies” (Hong Kong) – ranked 9th;
- － “Best Corporate Social Responsibility” (Hong Kong) – ranked 8th;
- － “Best Investor Relations” (Hong Kong) – ranked 9th;
- － “Best Corporate Governance” (Hong Kong) – ranked 9th;
- － “Most Committed to a Strong Dividend Policy” (Hong Kong) – ranked 10th

The Group has been honoured in the regional poll for the third consecutive year. Its inclusion within five categories indicates the recognition by the investment community of the Group’s efforts on many fronts in steering its growth into a well-governed corporation.

企業社會責任 (續)

榮譽 (續)

亞洲企業管治雜誌《Corporate Governance Asia》—第六屆「2010年亞洲企業管治大獎」

集團於本年六月榮獲由亞洲企業管治雜誌《Corporate Governance Asia》頒發第六屆「2010年亞洲企業管治大獎」。為致力維持高企業管治水平，集團積極採納最佳商業守則，確保集團的透明度、問責性和誠信。「亞洲企業管治大獎」得獎企業必須在過去十二個月內在企業管治方面推行了重大改革，並積極參與改善企業管治標準的公開活動。

Corporate social responsibility (Continued)

Awards (Continued)

Corporate Governance Asia – “6th Corporate Governance Asia Recognition Awards 2010”

The Group won the “6th Corporate Governance Asia Recognition Awards 2010” presented by Corporate Governance Asia in June 2010. Dedicated to maintaining a high standard of corporate governance, the Group spares no efforts in adopting the best business practice to ensure transparency, accountability and integrity. To win this award, the awarded companies must have implemented significant and specific corporate governance-related reforms, and must have been involved in a specific publicly-known activity directly related to improving the standards of corporate governance during the past 12 months.



流動資金及財務資源 Liquidity and Financial Resources

流動資金及財務資源

集團會繼續審慎理財，既努力開拓業務，同時維持合理的負債水準。於二零一零年九月三十日集團的借貸比率(以淨銀行借貸佔本公司股東應佔權益為計算基準)為13.9% (二零一零年三月三十一日：2.1%)。集團為新廠房和生產設備增加銀行貸款，令借貸比率上升。此外，與華南相比，華東市場的信貸期較長，銀行承兌匯票(即應收票據)亦較流行；華東業務之擴張減慢現金回籠速度。

於二零一零年九月三十日，集團的銀行總欠款為1,246,698,000港元(二零一零年三月三十一日：1,051,141,000港元)，其中需於一年內清還之貸款為906,698,000港元(二零一零年三月三十一日：823,141,000港元)，而當中486,414,000港元以港幣定值、341,792,000港元以美元定值、78,492,000港元以人民幣定值(二零一零年三月三十一日：382,337,000港元以港幣定值、378,367,000港元以美元定值、62,437,000港元以人民幣定值)。另外，一年後到期的銀行貸款為340,000,000港元(二零一零年三月三十一日：228,000,000港元)，全以港幣定值。上述貸款按浮動或固定利率計算利息。

於二零一零年九月三十日，共有11間銀行於香港、澳門及國內向集團提供合共3,067,496,000港元(二零一零年三月三十一日：2,413,621,000港元)的銀行額度，足夠應付目前營運及發展所需資金。銀行額度中65%以港幣定值、18%以美元定值、17%以人民幣定值。日後如有重大投資或收購合併，集團可以透過向銀行借貸或透過向資本市場籌集所需資金。

Liquidity and financial resources

The Group will continue to implement prudent financial management policy and maintain a reasonable gearing ratio during expansion. As at 30 September 2010, the Group's gearing ratio (measured by net bank borrowings as a percentage of equity attributable to owners of the Company) was 13.9% (31 March 2010: 2.1%). The increase in gearing ratio was mainly attributable to the Group's additional bank borrowings for its investments in new factories and production facilities. The Group's business expansion in Eastern China also required longer credit period granted to customers and increased receipts of banker's acceptance bills (i.e. bills receivable) as compared to the market practices in Southern China. The cash collection cycle was thus lengthened.

As at 30 September 2010, the gross bank borrowings of the Group amounted to HK\$1,246,698,000 (31 March 2010: HK\$1,051,141,000). Out of this amount, HK\$906,698,000 (31 March 2010: HK\$823,141,000) was repayable within one year, of which HK\$486,414,000 was denominated in Hong Kong Dollar, HK\$341,792,000 in US Dollar and HK\$78,492,000 in Renminbi (31 March 2010: HK\$382,337,000 was denominated in Hong Kong Dollar, HK\$378,367,000 in US Dollar and HK\$62,437,000 in Renminbi). Loans repayable after one year amounted to HK\$340,000,000 (31 March 2010: HK\$228,000,000) and they were all denominated in Hong Kong Dollar. These loans carried interests at floating or fixed rates.

As at 30 September 2010, a total of 11 banks in Hong Kong, Macau and PRC granted banking facilities totaling HK\$3,067,496,000 (31 March 2010: HK\$2,413,621,000) to the Group and provided sufficient funds to meet its present working capital and expansion. 65%, 18% and 17% of these banking facilities were denominated in Hong Kong Dollar, US Dollar and Renminbi respectively. If major investments or mergers and acquisitions opportunities emerge in the future, the Group may obtain funding by either drawing bank loans or raising funds in the equity market.

流動資金及財務資源(續)

集團的借貸以浮動或固定利率定息，部份借貸成本會受利率波動影響。隨著美國推出新一輪量化寬鬆貨幣政策，外國熱錢持續湧入香港，三個月及以下的港幣銀行同業拆息持續偏低，有利集團降低借貸成本。集團可因應貸款的幣值、金額和期限以利率掉期對沖利率波動的風險。此外，集團的資產和收入主要集中於國內並以人民幣結算，集團須面對人民幣匯率風險。預期中國的經濟會持續旺盛，人民幣將穩步升值。故此，管理層認為現在無需就人民幣匯率採取對沖措施，但會緊密監察其變化。集團將繼續在降低借貸成本及控制匯兌風險間取得平衡，以港幣、美元或人民幣構建最優惠的銀行貸款組合。

Liquidity and financial resources (Continued)

Since the borrowings of the Group carry interests at floating or fixed rates, some of our funding costs are subject to interest rate fluctuation. Following the launch of another round of quantitative easing measures by the United States, continuous inflow of hot money to Hong Kong has maintained the three months or shorter Hong Kong Dollar inter-bank interest rate at a very low level and this helped the Group to reduce its borrowing costs. Interest rate swaps may be used to hedge against interest rate fluctuation of bank loans according to the currency, amount and duration of the loans. Besides, the Group is exposed to Renminbi exchange rate risk as the Group's assets are mainly located on the mainland China and most of its income is generated in Renminbi. It is expected that economic development in China will remain strong and Renminbi will appreciate at a steady pace. Thus, the management considers that no hedging measure against Renminbi exchange rate exposure is necessary at this stage but will closely monitor its fluctuations. The Group will strike a balance between lowering borrowing cost and minimizing currency exposure by structuring an optimal combination of Hong Kong Dollar, US Dollar or Renminbi bank loans.

僱員 Employees

僱員

於二零一零年九月三十日，本集團之僱員人數合共為4,919人，其中141人來自香港及澳門，而4,778人來自中國其他省份。

集團對人才的發掘、培育及發揮非常重視，鼓勵所有僱員不斷自我提升，透過內部及外部培訓課程、上崗演練、參與集團推行的教育資助計劃等，自我增值，提高工作技能及成效，於工作上發揮所長。對於有承擔、有能力的員工，不論背景、地區、學歷，集團均提供極佳之發展平臺。集團現時的管理層，在各領域經過不斷的磨練而晉身管理層，負起領導集團發展的責任。除積極在內部提升優秀的員工外，集團亦會從外間直接聘用一些卓越的管理人才，或從香港、國內、及國際間的高等學府招聘有潛質的應屆畢業生，從剛畢業開始便加以培育。集團推行多年的「管理培訓生計劃」部份表現優越的培訓生已晉身公司的管理層，成為年輕的子集團總經理或集團管理委員會成員。

集團提供具挑戰性的工作環境，設置不同機制，激勵員工自強不息，從而不斷提升集團的人才競爭力，推動業務持續發展。集團不時參考市場趨勢檢討薪酬及獎勵政策，提供合理及具競爭力的薪酬與福利，包括底薪及以業績和個人表現為評核目標而發放的花紅及購股權，確保有效吸引和挽留人才。

Employees

As at 30 September 2010, there were a total of 4,919 employees, of which 141 were from Hong Kong and Macau, and 4,778 were from Mainland China.

The Group places a high degree of emphasis on the management of human capital, from the identification of the talent pool, to providing training and development and all the way to offering proper opportunities for them to perform to their fullest potential. Through both in-house and external training programs, on-the-job training and participation in subsidized educational courses, employees are able to improve their performance and enhance their value to the Group. We offer excellent opportunities for development of those employees who have the potential and the commitment, regardless of their background, geographical region or educational levels. Through versatile experience in challenging roles, the current leadership of the Group has come through the ranks to advance to positions of management. In addition to promotion from within, the Group seeks to attract talent from outside and also recruit top graduates from the best tertiary institutions in Hong Kong, in the Mainland and abroad, and provide them with training and development opportunities. The Group has been running the Management Trainee program for some years, and some of the former trainees have already advanced to positions of leadership within the Group, either as a General Manager of a subsidiary company or a member of the Group Management Committee.

The Group offers a challenging work environment, and has a variety of programs to encourage employees to strive for their best and to upgrade their skills in order that the Group has sufficient talent to move forward and to continue its business development. Based on references to the market trend analysis, the Group seeks to provide reasonable and competitive remuneration packages which include basic salary, performance-based bonuses and stock options to attract and retain good performers.

中期股息

董事會議決派發截至二零一零年九月三十日止六個月之中期股息每股12.0港仙(截至二零零九年九月三十日止六個月：每股12.0港仙)。上述中期股息將於二零一零年十二月二十一日派發予於二零一零年十二月十三日登記於股東名冊內之股東。

暫停辦理過戶登記手續

本公司將於二零一零年十二月十日至二零一零年十二月十三日(首尾兩天包括在內)暫停辦理過戶登記手續。為確保獲派發中期股息，所有過戶表格連同有關之股票，最遲須於二零一零年十二月九日下午四時送達香港皇后大道東28號金鐘匯中心26樓本公司之香港股份過戶登記處卓佳秘書商業有限公司以辦理過戶登記手續。

Interim dividend

The directors have declared an interim dividend of HK12.0 cents per share for the six months ended 30 September 2010 (six months ended 30 September 2009 : HK12.0 cents per share). The interim dividend is payable on 21 December 2010 to shareholders whose names appear on the Register of Members of the Company on 13 December 2010.

Closure of register of members

The Register of Members will be closed from 10 December 2010 to 13 December 2010 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers, accompanied by the relevant share certificates, should be lodged with the Company's Share Registrars in Hong Kong, Tricor Secretaries Limited, 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on 9 December 2010.

董事及最高行政人員於證券之權益及淡倉 Directors' and Chief Executives' Interests and Short Positions in Securities

董事及最高行政人員於證券之 權益及淡倉

自成立以來本公司並無發行任何債券。於二零一零年九月三十日，本公司董事及其各自的聯繫人士於本公司股份中的權益或淡倉(定義見證券及期貨條例(「證券及期貨條例」)第XV部)須(a)根據證券及期貨條例第XV部第7及第8部知會本公司及香港聯合交易所有限公司(「聯交所」)(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉)；或(b)根據證券及期貨條例第352條記載置存之登記冊內的權益或淡倉；或(c)根據上市發行人董事進行證券交易的標準守則知會本公司及聯交所的權益或淡倉如下：—

好倉

Directors' and Chief Executives' interests and short positions in securities

The Company had not issued any debenture since its incorporation. As at 30 September 2010, the interests of the directors and their respective associates in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which are required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provisions of the SFO); or (b) to be recorded in the register to be kept pursuant to Section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows :-

Long positions

董事姓名 Name of Director	普通股份數目 Number of Ordinary Shares				總數 Total	佔股權之概約 百分比 Approximately % of Shareholding
	個人權益 Personal interests	家族權益 Family interests	公司權益 Corporate interests			
葉志成先生 Mr. Ip Chi Shing, Tony	172,023,932	2,000,000 (a)	10,000,000 (b)	184,023,932	33.36%	
葉子軒先生 Mr. Yip Tsz Hin, Stephen	36,000,000	20,000,000 (c)	—	56,000,000	10.15%	
丁漢欽先生 Mr. Ting Hon Yam	200,000	—	—	200,000	0.04%	
楊民儉先生 Mr. Young Man Kim, Robert	2,402,000	—	—	2,402,000	0.44%	
黃金滔先生 Mr. Wong Kam Yim, Kenny	208,000	—	—	208,000	0.04%	
吳紹平先生 Mr. Ng Siu Ping, George	2,132,000	50,000 (d)	—	2,182,000	0.40%	
李偉民先生 Mr. Li Wai Man, Peter	—	—	—	—	—	
唐匯棟先生 Mr. Tong Wui Tung, Ronald	—	700,000 (e)	—	700,000	0.13%	
黃廣志先生 Mr. Wong Kong Chi	—	100,000 (f)	—	100,000	0.02%	
歐陽贊邦先生 Mr. Au-Yeung Tsan Pong, Davie	—	—	—	—	—	
李澤民先生 Mr. Li Chak Man, Chuck	150,000 (g)	— (g)	—	150,000	0.03%	
古遠芬先生 Mr. Ku Yuen Fun, Andy	20,680	14,000 (h)	—	34,680	0.01%	

董事及最高行政人員於證券之 權益及淡倉 (續)

附註：

- (a) 此等股份由葉志成先生之妻子梁碧瑜女士持有。
- (b) 此等股份由一間葉志成慈善基金有限公司(「基金」)之慈善組織持有，葉志成先生擁有該基金在舉行股東大會之投票權為50% (與其妻子擁有之投票權合共為100%)及其因此被視為擁有在該基金持有此等股份之權益。
- (c) 此等股份由葉子軒先生之妻子葉曹家麗女士持有。
- (d) 此等股份由吳紹平先生之妻子蕭靄莉女士持有。
- (e) 此等股份由唐匯棟先生之妻子劉梅心女士持有。
- (f) 此等股份由黃廣志先生之妻子詹小慧女士持有。
- (g) 此等股份與李澤民先生之妻子鄭綺霞女士共同持有。
- (h) 此等股份由古遠芬先生之妻子蘇艷霞女士持有。

有關本公司現有購股權計劃董事持有購股權之詳情載於下一節「購股權」。

葉志成先生、葉子軒先生及葉志成先生妻子梁碧瑜女士各持有本公司之附屬公司葉氏恒昌(集團)有限公司之無投票權遞延股一股。

除上文所披露者及董事以本公司或其附屬公司受託人身份持有附屬公司若干代名人股份外，於二零一零年九月三十日，各董事、最高行政人員或其聯繫人士均沒有於本公司或其任何聯營公司(按證券或期貨條例)之證券中持有任何權益或淡倉。

Directors' and Chief Executives' interests and short positions in securities (Continued)

Notes :

- (a) These shares are held by Madam Liang Bih Yu, the wife of Mr. Ip Chi Shing, Tony.
- (b) These shares are held by Ip Chi Shing Charitable Foundation Limited (the "Foundation"), a charitable organisation. Mr. Ip Chi Shing, Tony controls 50% (together with his wife control 100%) of the voting power at the general meeting of the Foundation and he is therefore deemed to be interested in these shares held by the Foundation.
- (c) These shares are held by Madam Yip Tso Ka Lai, Brenda, the wife of Mr. Yip Tsz Hin, Stephen.
- (d) These shares are held by Madam Siu Oi Li, Maicy, the wife of Mr. Ng Siu Ping, George.
- (e) These shares are held by Madam Lau Mui Sum, the wife of Mr. Tong Wui Tung, Ronald.
- (f) These shares are held by Madam Jim Siu Wai, the wife of Mr. Wong Kong Chi.
- (g) These shares are jointly held with Madam Cheng Yee Ha, the wife of Mr. Li Chak Man, Chuck.
- (h) These shares are held by Madam So Yim Ha, the wife of Mr. Ku Yuen Fun, Andy.

Details of the share options held by the directors under the Company's existing share option scheme are shown in the next section headed "Share Options".

Each of Mr. Ip Chi Shing, Tony, Mr. Yip Tsz Hin, Stephen and Madam Liang Bih Yu, the wife of Mr. Ip Chi Shing, Tony, holds one non-voting deferred share of Yip's H.C. (Holding) Limited, a subsidiary of the Company.

Other than as disclosed above and certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, at 30 September 2010, none of the directors, chief executives nor their associates held any interests or short positions in the securities of the Company or any of its associated corporations as defined in the SFO.

購股權

Share Options

購股權

於截至二零一零年九月三十日止六個月期間，根據本公司於二零零二年九月三日所採納購股權計劃(「現有計劃」)已授予若干董事或其他僱員購股權之變動詳情如下：—

Share options

During the six months ended 30 September 2010, movements in the number of options which had been granted to certain directors and employees under the Company's share option scheme adopted on 3 September 2002 (the "Existing Scheme") were as follows:-

授出日期	行使價	購股權數目			於二零一零年九月三十日尚未行使	
		於二零一零年四月一日尚未行使	本期內行使	本期內失效/註銷		
Date of Grant	Exercise Price 港元 HK\$	Outstanding at 1.4.2010	Exercised during the period	Cancelled during the period	Outstanding at 30.9.2010	
董事姓名 Name of Director						
葉志成先生 Mr. Ip Chi Shing, Tony	二零零九年十月五日 5 October 2009	4.536	200,000	-	-	200,000
丁漢欽先生 Mr. Ting Hon Yam	二零零八年十月三十一日 31 October 2008	1.950	100,000	-	-	100,000
	二零零九年十月五日 5 October 2009	4.536	200,000	-	-	200,000
黃金焯先生 Mr. Wong Kam Yim, Kenny	二零零二年十一月十四日 14 November 2002	1.190	500,000	-	-	500,000
	二零零四年五月十七日 17 May 2004	1.590	300,000	-	-	300,000
	二零零五年十月二十四日 24 October 2005	2.004	200,000	-	-	200,000
	二零零七年四月三日 3 April 2007	4.050	200,000	-	-	200,000
	二零零八年十月三十一日 31 October 2008	1.950	100,000	-	-	100,000
	二零零九年十月五日 5 October 2009	4.536	200,000	-	-	200,000
吳紹平先生 Mr. Ng Siu Ping, George	二零零二年十一月十四日 14 November 2002	1.190	200,000	200,000	-	-
	二零零四年五月十七日 17 May 2004	1.590	300,000	-	-	300,000
	二零零五年十月二十四日 24 October 2005	2.004	200,000	-	-	200,000
	二零零七年四月三日 3 April 2007	4.050	200,000	-	-	200,000
	二零零八年十月三十一日 31 October 2008	1.950	100,000	-	-	100,000
	二零零九年十月五日 5 October 2009	4.536	200,000	-	-	200,000

購股權 (續)

Share options (Continued)

	授出日期	行使價	購股權數目			於二零一零年 九月三十日 尚未行使
			於二零一零年 四月一日 尚未行使	本期內 行使	本期內 失效/註銷	
	Date of Grant	Exercise Price 港元 HK\$	Outstanding at 1.4.2010	Exercised during the period	Lapsed/ Cancelled during the period	Outstanding at 30.9.2010
李偉民先生 Mr. Li Wai Man, Peter	二零零四年五月十七日 17 May 2004	1.590	100,000	-	-	100,000
	二零零五年十月二十四日 24 October 2005	2.004	200,000	-	-	200,000
	二零零七年四月三日 3 April 2007	4.050	200,000	-	-	200,000
	二零零八年十月三十一日 31 October 2008	1.950	100,000	-	-	100,000
	二零零九年十月五日 5 October 2009	4.536	200,000	-	-	200,000
			<u>4,000,000</u>	<u>200,000</u>	<u>-</u>	<u>3,800,000</u>
員工 Employees	二零零二年十一月十四日 14 November 2002	1.190	100,000	100,000	-	-
	二零零四年五月十七日 17 May 2004	1.590	375,000	375,000	-	-
	二零零五年十月二十四日 24 October 2005	2.004	842,000	536,000	-	306,000
	二零零七年四月三日 3 April 2007	4.050	3,354,000	2,118,000	26,000	1,210,000
	二零零八年十月三十一日 31 October 2008	1.950	1,676,000	966,000	-	710,000
	二零零九年十月五日 5 October 2009	4.536	5,464,000	3,210,000	-	2,254,000
			<u>11,811,000</u>	<u>7,305,000</u>	<u>26,000</u>	<u>4,480,000</u>
			<u>15,811,000</u>	<u>7,505,000</u>	<u>26,000</u>	<u>8,280,000</u>

期內並無購股權授予董事或其他僱員。至於期內已行使之購股權，其緊接購股權行使日期之前的加權平均收市價為7.648港元。

除上文所披露者外，於期內任何時間，本公司或其任何附屬公司概無參與任何安排，以使本公司董事藉收購本公司或任何其他法人團體之股份或債券而獲益。

除上文所披露者外，期內各董事、其配偶或十八歲以下之子女均無任何權利以認購本公司之證券，或曾行使任何該等權利。

During the period, no options were granted to directors or employees. In respect of the options exercised during the period, weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$7.648.

Other than as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other than as disclosed above, none of the directors, their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

主要股東

Substantial Shareholders

主要股東

於二零一零年九月三十日，除上文所披露有關若干董事之權益外，根據證券及期貨條例第336條保存之主要股東(除上文所披露的本公司董事或最高行政人員外)登記名冊所示，下列股東已知會本公司彼等在本公司已發行股本中擁有之相關權益：—

好倉

主要股東名稱

身份

所持股份數目

於二零一零年
九月三十日
佔已發行股本
之百分比
Percentage
of the issued
share capital
of the Company
as at 30.9.2010

Name of

Substantial Shareholder

Capacity

Number of shares held

葉鳳娟女士
Ms. Ip Fung Kuen

實益擁有人
Beneficial owner

58,500,000

10.60%

FMR LLC

投資經理 (附註)
Investment manager (Note)

32,134,000

5.83%

附註：根據證券及期貨條例，FMR LLC被視為擁有32,134,000股本公司的股份之權益，而其中Fidelity Management & Research Company 擁有30,734,000股，Fidelity Management Trust Company與Pyramis Global Advisors LLC則擁有1,400,000股。

Note: Under SFO, FMR LLC was deemed to be interested in 32,134,000 shares of the Company, of which 30,734,000 shares were held by Fidelity Management & Research Company and 1,400,000 shares were held by Fidelity Management Trust Company and Pyramis Global Advisors LLC.

除上文所披露外，於二零一零年九月三十日，除了以上一節「董事及最高行政人員於證券之權益及淡倉」已披露之權益外，概無人士通知本公司指彼等在本公司股份中的權益或淡倉需要根據證券及期貨條例第336條登記。

Save as disclosed above, as at 30 September 2010, no person, other than the interests disclosed above in the section “Directors’ and Chief Executives’ Interests and Short Positions in Securities”, had notified the Company of an interest or short position in the shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

Substantial shareholders

As at 30 September 2010, the register of substantial shareholders (other than the directors or chief executives of the Company disclosed above) maintained under Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company under Section 336 of the SFO:-

Long positions

購買、出售或贖回本公司之上 市證券

截至二零一零年九月三十日止六個月期間，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

企業管治

截至二零一零年九月三十日止六個月期間，本公司均遵守聯交所證券上市規則附錄十四之企業管治常規守則之所有守則條文。自二零一零年四月一日起，董事會之組成亦經過以下變動：

- (1) 葉鳳娟女士已於二零一零年四月一日退任副主席及執行董事之職務；及
- (2) 吳紹平先生已於二零一零年八月三十日將其財務總裁之職責轉交予何世豪先生擔任。吳先生將專注於統籌公司之企業管治事宜，並繼續出任為執行董事、常務董事委員會成員，本公司之公司秘書及授權代表。

Purchase, sale or redemption of the company's listed securities

During the six months ended 30 September 2010, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Corporate governance

During the six months ended 30 September 2010, the Company has complied with the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange. The composition of the Board has also undergone the following changes since 1 April 2010:

- (1) Ms. Ip Fung Kuen retired from the office of deputy chairman and an executive director on 1 April 2010; and
- (2) Mr. Ng Siu Ping, George's role as chief financial officer was transferred to Mr. Ho Sai Hou on 30 August 2010. Mr. Ng will focus his attention on the coordination of all corporate governance issues of the Company and continue to serve as an executive director, a member of the board executive committee, company secretary and authorized representative of the Company.

審核委員會

審核委員會於一九九八年十一月成立，其成員包括一位非執行董事及四位獨立非執行董事組成，其主席為黃廣志先生。審核委員會主要角色及功能包括檢討本集團財務資料、監控本集團財務報告系統與內部控制程序及監察本集團與外聘核數師的關係。

審核委員會已於二零一零年十一月十七日之審核委員會會議上審閱本集團截至二零一零年九月三十日止六個月的未經審核中期財務報告。本公司核數師德勤•關黃陳方會計師行已按照香港會計師公會頒佈之香港會計準則第34條「中期財務報告」審閱本集團截至二零一零年九月三十日止六個月的中期財務報告。

董事進行證券交易的標準守則

本公司已採納載於聯交所證券上市規則附錄十之有關上市公司董事進行證券交易的標準守則（「標準守則」）。本公司已特別就截至二零一零年九月三十日止六個月期內董事是否有任何未遵守標準守則作出查詢，全體董事確認期內他們已完全遵從標準守則所規定的準則。

Audit committee

The Audit Committee was formed in November 1998 and comprises of one Non-Executive Director and four Independent Non-executive Directors, and is chaired by Mr. Wong Kong Chi. Major roles and functions of the Audit Committee include reviewing financial information of the Group, overseeing the Group's financial reporting system and internal control procedures and monitoring the relationship between the Group and its external auditors.

An audit committee meeting was held on 17 November 2010 to review the Group's unaudited interim financial statements for the six months ended 30 September 2010. Deloitte Touche Tohmatsu, the Group's external auditors, have carried out a review of the Group's unaudited interim financial statements for the six months ended 30 September 2010, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

Model code for securities transactions by directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange as its own code of conduct regarding Directors' securities transactions. After making specific enquiry, all Directors have confirmed that they have fully complied with the required standard as set out in the Model Code during the six months ended 30 September 2010.

中期財務資料審閱報告

Report on Review of Interim Financial Information

Deloitte.

德勤

致葉氏化工集團有限公司
董事會

To the board of directors of Yip's Chemical
Holdings Limited

引言

本核數師(以下簡稱「我們」)已審閱載於第26至48頁葉氏化工集團有限公司(「貴公司」)及其附屬公司之中期財務資料。此中期財務資料包括於二零一零年九月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合全面收益表、權益變動表和現金流量表及若干說明附註。香港聯合交易所有限公司主板證券上市規則規定，就中期財務資料編製之報告必須符合當中有關係文以及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號編製及呈列該中期財務資料。我們的責任為根據審閱對該中期財務資料作出結論，並按照委聘之協定條款僅向作為實體之貴公司報告結論，且並無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。

Introduction

We have reviewed the interim financial information set out on pages 26 to 48, which comprises the condensed consolidated statement of financial position of Yip's Chemical Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 September 2010 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and the Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

審閱範圍

我們已根據香港會計師公會頒佈之香港審閱委聘準則第2410號「公司獨立核數師對中期財務資料之審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務之人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故不能讓我們保證我們將知悉在審核中可能發現之所有重大事項。因此，我們不會發表審核意見。

結論

按照我們之審閱，我們並無發現任何事項，令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零一零年十一月二十三日

Scope of review

We conducted our review in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

23 November 2010

簡明綜合全面收益表 Condensed Consolidated Statement of Comprehensive Income

截至二零一零年九月三十日止六個月 For the six months ended 30 September 2010

			二零一零年 2010 (未經審核) (Unaudited) 千港元 HK\$'000	二零零九年 2009 (未經審核) (Unaudited) 千港元 HK\$'000
		附註 Notes		
營業額	Turnover	3	3,652,433	2,675,814
銷售成本	Cost of sales		(3,064,502)	(2,012,711)
毛利	Gross profit		587,931	663,103
其他收入	Other income		39,102	19,044
其他收益及虧損	Other gains and losses		30,571	740
銷售及經銷費用	Selling and distribution expenses		(170,050)	(145,604)
行政費用	Administrative expenses		(266,596)	(238,219)
利息費用	Interest expense		(8,555)	(3,708)
除稅前溢利	Profit before taxation	4	212,403	295,356
稅項	Taxation	5	(14,426)	(45,976)
本期純利	Profit for the period		197,977	249,380
其他全面收益(支出)	Other comprehensive income (expense)			
因折算至呈報貨幣而 產生之匯兌差額	Exchange differences arising on translation 產生之匯兌差額		65,837	36
現金流量對沖之公允值轉變	Fair value change on cash flow hedges		(1,267)	-
本期全面收益總額	Total comprehensive income for the period		262,547	249,416
本期純利應佔份額：	Profit for the period attributable to:			
本公司股東	Owners of the Company		171,493	227,724
非控股權益	Non-controlling interests		26,484	21,656
			197,977	249,380
本期全面收益應佔份額：	Total comprehensive income attributable to:			
本公司股東	Owners of the Company		228,114	227,767
非控股權益	Non-controlling interests		34,433	21,649
			262,547	249,416
每股盈利	Earnings per share	7		
—基本	— Basic		HK 31.2 港仙cents	HK 42.5 港仙cents
—攤薄	— Diluted		HK 30.9 港仙cents	HK 42.0 港仙cents

簡明綜合財務狀況表 Condensed Consolidated Statement of Financial Position

於二零一零年九月三十日 At 30 September 2010

			於二零一零年 九月三十日 At 30 September 2010 (未經審核) (Unaudited)	於二零一零年 三月三十一日 At 31 March 2010 (經審核 及重列) (Audited and restated)
	附註 Notes	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	8	941,672	885,848
預付土地租金	Prepaid lease payments		118,820	97,533
商譽	Goodwill		71,462	71,462
無形資產	Intangible assets		26,617	21,060
可供出售投資	Available-for-sale investment		21,834	12,387
購買物業、廠房及設備訂金	Deposits paid for acquisition of property, plant and equipment		26,468	28,234
其他非流動資產	Other non-current asset		4,600	4,600
			1,211,473	1,121,124
流動資產	Current assets			
存貨	Inventories		681,258	800,867
應收賬款及應收票據	Trade and bills receivables	9	1,819,096	1,358,645
其他應收賬款及預付款項	Other debtors and prepayments		204,746	191,503
預付土地租金	Prepaid lease payments		2,884	2,411
短期銀行存款	Short-term bank deposits			
– 於三個月內到期	– with original maturity within three months		163,291	52,456
– 多於三個月後到期	– with original maturity more than three months		227,059	387,666
銀行結餘及現金	Bank balances and cash		546,797	566,196
			3,645,131	3,359,744

			於二零一零年 九月三十日 At 30 September 2010 (未經審核) (Unaudited)	於二零一零年 三月三十一日 At 31 March 2010 (經審核 及重列) (Audited and restated)
		附註 Notes	千港元 HK\$'000	千港元 HK\$'000
流動負債	Current liabilities			
應付賬款及應計費用	Creditors and accrued charges	10	1,020,522	1,016,825
應付稅款	Taxation payable		76,479	78,096
衍生金融工具	Derivative financial instruments		4,847	730
銀行借貸－一年內到期	Bank borrowings – amount due within one year	11	906,284	823,024
銀行透支	Bank overdrafts		414	117
			<u>2,008,546</u>	<u>1,918,792</u>
流動資產淨值	Net current assets		<u>1,636,585</u>	<u>1,440,952</u>
總資產減流動負債	Total assets less current liabilities		<u>2,848,058</u>	<u>2,562,076</u>
非流動負債	Non-current liabilities			
銀行借貸－一年後到期	Bank borrowings – amount due after one year	11	340,000	228,000
遞延稅項負債	Deferred tax liabilities		6,545	6,838
			<u>346,545</u>	<u>234,838</u>
			<u>2,501,513</u>	<u>2,327,238</u>
股本及儲備	Capital and reserves			
股本	Share capital	12	55,164	54,413
儲備	Reserves		2,175,751	2,031,566
本公司股東應佔權益	Equity attributable to owners of the Company		<u>2,230,915</u>	<u>2,085,979</u>
非控股權益	Non-controlling interests		<u>270,598</u>	<u>241,259</u>
			<u>2,501,513</u>	<u>2,327,238</u>

簡明綜合權益變動表 Condensed Consolidated Statement of Changes in Equity

截至二零一零年九月三十日止六個月 For the six months ended 30 September 2010

		本公司股東應佔份額 Attributable to owners of the Company										非控股 權益		合計	
		股本	股份溢價	購股權 儲備	不可分派 儲備	對沖儲備	匯兌儲備	法定儲備	資本回購 儲備	累計溢利	合計	合計	合計	合計	
		Share capital	Share premium	Share option reserve	Non- distributable reserve	Hedging reserve	Translation reserve	Legal reserve	redemption reserve	Retained profits	Total	controlling interests	Total		
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000		
於二零零九年四月一日(經審核)	At 1 April 2009 (Audited)	53,576	527,403	3,795	67,715	-	262,874	15,408	5,365	894,260	1,830,396	195,480	2,025,876		
期內純利	Profit for the period	-	-	-	-	-	-	-	-	227,724	227,724	21,656	249,380		
因折算而產生之匯兌差額	Exchange differences arising on translation	-	-	-	-	-	43	-	-	-	43	(7)	36		
期內全面收益總額	Total comprehensive income for the period	-	-	-	-	-	43	-	-	227,724	227,767	21,649	249,416		
小計	Subtotal	53,576	527,403	3,795	67,715	-	262,917	15,408	5,365	1,121,984	2,058,163	217,129	2,275,292		
因購股權獲行使而發行溢價之股份	Shares issued at premium upon exercise of share options	215	4,708	(438)	-	-	-	-	-	-	4,485	-	4,485		
因發行股票而產生之費用	Expenses incurred in connection with issue of shares	-	(5)	-	-	-	-	-	-	-	(5)	-	(5)		
以溢價回購之股份	Shares repurchased at premium	(51)	-	-	-	-	-	-	51	-	-	-	-		
轉帳	Transfer	-	-	-	-	-	-	2,809	-	(2,809)	-	-	-		
已付股息	Dividends paid	-	-	-	-	-	-	-	-	(91,262)	(91,262)	-	(91,262)		
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(8,408)	(8,408)		
於二零零九年九月三十日(未經審核)	At 30 September 2009 (Unaudited)	53,740	532,106	3,357	67,715	-	262,917	18,217	5,416	1,027,913	1,971,381	208,721	2,180,102		
於二零一零年四月一日(經審核)	At 1 April 2010 (Audited)	54,413	553,290	7,217	67,715	(212)	266,425	19,153	5,416	1,112,562	2,085,979	241,259	2,327,238		
期內純利	Profit for the period	-	-	-	-	-	-	-	-	171,493	171,493	26,484	197,977		
因折算至呈報貨幣而產生之匯兌差額	Exchange differences arising on translation	-	-	-	-	-	57,571	-	-	-	57,571	8,266	65,837		
現金流量對沖之公允價值轉變	Fair value change on cash flow hedges	-	-	-	-	(950)	-	-	-	-	(950)	(317)	(1,267)		
期內全面收益(支出)總計	Total comprehensive income (expense) for the period	-	-	-	-	(950)	57,571	-	-	171,493	228,114	34,433	262,547		
小計	Subtotal	54,413	553,290	7,217	67,715	(1,162)	323,996	19,153	5,416	1,284,055	2,314,093	275,692	2,589,785		
因購股權獲行使而發行溢價之股份	Shares issued at premium upon exercise of share options	751	29,915	(3,617)	-	-	-	-	-	-	27,049	-	27,049		
因發行股票而產生之費用	Expenses incurred in connection with issue of shares	-	(16)	-	-	-	-	-	-	-	(16)	-	(16)		
取消購股權及轉帳至保留溢利	Shares options cancelled and transferred to retained profits	-	-	(12)	-	-	-	-	-	12	-	-	-		
註銷一間附屬公司之匯兌差額	Exchange differences released upon deregistration of a subsidiary	-	-	-	-	-	(695)	-	-	695	-	-	-		
轉帳	Transfer	-	-	-	-	-	-	1,697	-	(1,697)	-	-	-		
已付股息	Dividends paid	-	-	-	-	-	-	-	-	(110,211)	(110,211)	-	(110,211)		
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(5,094)	(5,094)		
於二零一零年九月三十日(未經審核)	At 30 September 2010 (Unaudited)	55,164	583,189	3,588	67,715	(1,162)	323,301	20,850	5,416	1,172,854	2,230,915	270,598	2,501,513		

不可分派儲備指部份於中國大陸的附屬公司將累計溢利用於資本再投資及以下各項之資金：(i) 彌補以往年度虧損或(ii)擴大生產運作。

The non-distributable reserve represents capitalisation of retained profits of certain subsidiaries of Mainland China for capital re-investment in these subsidiaries and funds shall be used to (i) make up prior year losses or (ii) expand production operations.

本集團不可予分派之法定儲備為香港以外附屬公司根據有關註冊地點之法定要求撥入之溢利。

The legal reserve is non-distributable and represents the transfer of profits of a subsidiary outside Hong Kong pursuant to the legal requirements in the relevant place of registration.

簡明綜合現金流量表 Condensed Consolidated Statement of Cash Flows

截至二零一零年九月三十日止六個月 For the six months ended 30 September 2010

		截至九月三十日止六個月 Six months ended 30 September	
		二零一零年 2010 (未經審核) (Unaudited) 千港元 HK\$'000	二零零九年 2009 (未經審核) (Unaudited) 千港元 HK\$'000
經營業務所產生之淨現金支出	Net cash used in operating activities	(90,764)	(21,031)
投資業務所產生之淨現金收入／(支出)	Net cash from (used in) investing activities		
提取多於三個月後到期之短期銀行存款	Withdrawal of short-term bank deposits with maturity more than three months	316,466	113,909
新增為多於三個月後到期之短期銀行存款	Placement of short-term bank deposits with maturity more than three months	(143,056)	(156,456)
購買物業、廠房及設備	Purchases of property, plant and equipment	(42,543)	(64,858)
購買物業、廠房及設備訂金	Deposits paid for acquisition of property, plant and equipment	(26,468)	(31,017)
預付土地租金增加	Addition to prepaid lease payments	(20,203)	–
新增投資於可供出售投資	Additional investment in available-for-sale investment	(8,845)	–
收購無形資產(附註13)	Acquisition of intangible assets (note 13)	(4,786)	–
已收利息	Interest received	7,341	4,833
其他投資現金流量	Other investing cash flows	8,210	408
		86,116	(133,181)
融資業務所產生之淨現金收入／(支出)	Net cash from (used in) financing activities		
新增銀行貸款	New borrowings raised	470,335	475,741
發行股份所收之款項	Proceeds from issue of shares	27,049	4,485
償還銀行貸款	Repayment of borrowings	(290,500)	(437,377)
支付股東股息	Dividends paid to shareholders	(110,211)	(91,262)
支付利息	Interest paid	(8,555)	(3,708)
支付非控股股東股息	Dividends paid to non-controlling shareholders	(5,094)	(16,835)
其他融資現金流量	Other financing cash flows	(862)	5,040
		82,162	(63,916)
淨現金及現金等額增加(減少)	Net increase (decrease) in cash and cash equivalents	77,514	(218,128)
期初時之現金及現金等額	Cash and cash equivalents at beginning of the period	618,535	729,386
匯率變動所產生之影響	Effect of foreign exchange rate changes	13,625	(69)
期末時之現金及現金等額	Cash and cash equivalents at end of the period	709,674	511,189
現金及現金等額分析	Analysis of balances of cash and cash equivalents		
銀行結餘及現金	Bank balances and cash	546,797	307,838
於三個月內到期之短期銀行存款	Short-term bank deposits with original maturity within three months	163,291	203,937
銀行透支	Bank overdrafts	(414)	(586)
		709,674	511,189

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一零年九月三十日止六個月 For the six months ended 30 September 2010

一、 編制基準

簡明綜合財務報告乃按照香港聯合交易所有限公司證券上市規則附錄十六之適用披露規定，及香港會計師公會所頒佈之香港會計準則第34條「中期財務報告」編製。

二、 主要會計政策

除若干金融工具以公允值計算外，本簡明綜合財務報告是按歷史成本為基礎編製。

除以下所述外，本簡明綜合財務報告使用之會計政策乃與編製本集團二零一零年三月三十一日止年度之年度財務報告所依循者相符一致。

於本中期期間，本集團首次採用多項由香港會計師公會頒佈之下列經修訂香港財務報告準則，經修訂香港會計準則，修訂及詮釋（下列簡稱「新訂及經修訂香港財務報告準則」）。

香港財務報告準則（經修訂）香港財務報告準則
第5號之經修訂，作為
二零零八年香港財務
報告準則之改進的一部分
香港財務報告準則（經修訂）二零零九年香港財務報告
準則之改進
香港會計準則第27號 綜合及獨立財務報表
（經修訂）

1. Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with the Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

2. Principal accounting policies

The condensed consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2010, except as described below.

In the current interim period, the Group has applied, for the first time, the following revised Hong Kong Financial Reporting Standards (“HKFRS”s), revised Hong Kong Accounting Standards (“HKAS”s), amendments and interpretation (“INT”) (hereinafter collectively referred to as “new and revised HKFRSs”) issued by the HKICPA.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKAS 27 (Revised)	Consolidated and separate financial statements

二、 主要會計政策 (續)

香港會計準則第32號 (經修訂)	供股之分類
香港會計準則第39號 (經修訂)	合資格對沖項目
香港財務報告準則第1號 (經修訂)	首次採納者之額外豁免
香港財務報告準則第2號 (經修訂)	集團現金結算以股份形式 付款交易
香港財務報告準則第3號 (經修訂)	業務合併
香港(國際財務報告詮釋 委員會) – 詮釋第17號	分配給擁有人的非現金資產

本集團應用香港財務報告準則第3號(經修訂)「業務合併」以處理收購日期為二零一零年四月一日或之後之業務合併。本集團亦於二零一零年四月一日或之後應用香港會計準則第27號(經修訂)「綜合及獨立財務報表」對在取得附屬公司的控制權後有關擁有權權益改變或失去附屬公司的控制權進行會計處理。

於本中期期間沒有可應用香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)的交易。應用香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及由此產生對其他香港財務報告準則的修訂,並無影響本集團本期及過往會計期間的簡明綜合財務報告。

將來若進行的交易適用香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及由此產生對其他香港財務報告準則的修訂,可能影響本集團未來期間的業績。

2. Principal accounting policies (Continued)

HKAS 32 (Amendment)	Classification of rights issues
HKAS 39 (Amendment)	Eligible hedged items
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters
HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions
HKFRS 3 (Revised)	Business combinations
HK(IFRIC)* – INT 17	Distributions of non-cash assets to owners

* IFRIC represents the International Financial Reporting Interpretations Committee.

The Group applies HKFRS 3 (Revised) “Business Combinations” prospectively to business combinations for which the acquisition date is on or after 1 April 2010. The requirements in HKAS 27 (Revised) “Consolidated and Separate Financial Statements” in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 April 2010.

As there was no transaction during the current interim period in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Result of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

二、 主要會計政策 (續)

作為二零零九年頒佈的香港財務報告準則的改進的一部份，香港會計準則第17號「租約」中有關租賃土地之分類經過修訂。在香港會計準則第17號修訂前，承租人須把租賃土地分類為經營租賃，並在綜合財務狀況表中呈列為預付土地租金。該等修訂刪除此項規定，取而代之，該等修訂規定租賃土地根據香港會計準則第17號的一般原則分類，亦即根據租賃資產附帶之風險及回報屬於出租人還是承租人。

根據香港會計準則第17號「租約」的過渡條文，本集團對於二零一零年四月一日尚未到期的租賃土地部份按照訂立該等租約時存在的資料重新評估。符合融資租賃分類的租賃土地已按追溯應用基準由預付土地租金重新分類至物業、廠房及設備。因此，先前於二零零九年四月一日的賬面值為11,878,000港元的預付土地租金，被重新分類為物業、廠房及設備，並以成本模型計量。應用此修訂並沒有對本集團之本期及以往期間的溢利有任何重大的財務影響。

2. Principal accounting policies (Continued)

As part of Improvements to HKFRSs issued in 2009, HKAS 17 “Leases” has been amended in relation to the classification of leasehold land. Before the amendment to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendment has removed such requirement. Instead, the amendment requires the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee.

In accordance with the transitional provisions of HKAS 17 “Leases”, the Group reassessed the classification of land elements of unexpired leases at 1 April 2010 based on information which existed at the inception of these leases. Leasehold lands which met finance lease classification have been reclassified from prepaid lease payments to property, plant, and equipment retrospectively, resulting in a reclassification of prepaid lease payments with previous carrying amount of HK\$11,878,000 as at 1 April 2009 as property, plant and equipment that are measured at cost model. The application of this amendment has no significant financial impact to the Group's profit for the current and prior periods.

二、主要會計政策(續)

上述會計政策改動對本集團於二零一零年三月三十一日的財務狀況的影響如下：

		於二零一零年 三月三十一日 At 31 March 2010 (原來編列) (originally stated) 千港元 HK\$'000	調整 Adjustment 千港元 HK\$'000	於二零一零年 三月三十一日 At 31 March 2010 (已重列) (restated) 千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	874,281	11,567	885,848
預付土地租金	Prepaid lease payments	111,511	(11,567)	99,944
		985,792	-	985,792

上述會計政策改動對本集團於二零零九年四月一日的財務狀況的影響如下：

		於二零零九年 四月一日 At 1 April 2009 (原來編列) (originally stated) 千港元 HK\$'000	調整 Adjustment 千港元 HK\$'000	於二零零九年 四月一日 At 1 April 2009 (已重列) (restated) 千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	775,543	11,878	787,421
預付土地租金	Prepaid lease payments	114,311	(11,878)	102,433
		889,854	-	889,854

應用其他新訂及經修訂香港財務報告準則對本集團於本會計期間或過往會計期間之簡明綜合財務報告並無影響。

2. Principal accounting policies (Continued)

The effect of changes in accounting policy described above on the financial position of the Group as at 31 March 2010 is as follows:

The effect of changes in accounting policy described above on the financial position of the Group as at 1 April 2009 is as follows:

The application of the other new and revised HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

二、主要會計政策(續)

本集團並無提早採用下列已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

香港財務報告準則(經修訂)二零一零年頒佈之香港財務報告準則之改進 ¹	
香港會計準則第24號(經修訂) 關聯人士之披露 ²	
香港財務報告準則第1號(經修訂) 香港財務報告準則第7號對首次採納者披露比較數字之有限制豁免 ²	
香港財務報告準則第7號(經修訂) 披露 – 轉讓金融資產 ⁴	
香港財務報告準則第9號 金融工具 ⁵	
香港(國際財務報告詮釋委員會) – 詮釋第14號(經修訂) 最低資金要求之預付款項 ³	
香港(國際財務報告詮釋委員會) – 詮釋第19號 以權益工具抵銷金融負債 ²	

- ¹ 於二零一零年七月一日及二零一一年一月一日(如適用)或其後開始之年度期間生效。
- ² 於二零一零年七月一日或其後開始之年度期間生效。
- ³ 於二零一一年一月一日或其後開始之年度期間生效。
- ⁴ 於二零一一年七月一日或其後開始之年度期間生效。
- ⁵ 於二零一三年一月一日或其後開始之年度期間生效。

2. Principal accounting policies (Continued)

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

HKFRSs (Amendments)	Improvements to HKFRSs 2010 ¹
HKAS 24 (Revised)	Related party disclosures ²
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 Disclosures for first-time adopters ²
HKFRS 7 (Amendment)	Disclosures – transfers of financial assets ⁴
HKFRS 9	Financial instruments ⁵
HK(IFRIC) – INT 14 (Amendment)	Prepayments of a minimum funding requirement ³
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments ²

- ¹ Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
- ² Effective for annual periods beginning on or after 1 July 2010
- ³ Effective for annual periods beginning on or after 1 January 2011
- ⁴ Effective for annual periods beginning on or after 1 July 2011
- ⁵ Effective for annual periods beginning on or after 1 January 2013

二、主要會計政策(續)

香港財務報告準則第9號「金融工具」引進財務資產分類與計量之新規定，於二零一三年一月一日起生效，准予提前應用。該準則規定，屬於香港會計準則第39號「金融工具：確認及計量範圍」內之所有已確認財務資產須按攤銷成本或公允值計量，尤其是，(i)根據目標為收取合約現金流的業務模式而持有；及(ii)其合約現金流僅為支付本金及按未償還本金計的利息之債務投資，一般按攤銷成本計量。所有其他債務投資及股本投資按公允值計量。應用香港財務報告準則第9號可能影響本集團財務資產之分類與計量。

本公司董事預期應用其他新訂或經修訂的準則、修訂或詮釋對本集團之業績及財務狀況並無重大影響。

三、業務分類

從管理角度，本集團目前將業務分為下列業務類別，名為溶劑、塗料、潤滑油及其他。本集團乃按該等業務呈報其經營分類資料。

主要業務如下：

- 溶劑 — 製造及買賣溶劑及相關產品
- 塗料 — 製造及買賣塗料及相關產品
- 潤滑油 — 製造及買賣潤滑油產品

2. Principal accounting policies (Continued)

HKFRS 9 “Financial Instruments” introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The standard requires all recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group’s financial assets.

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

3. Segment information

For management purposes, the Group’s operations are currently classified under the following business divisions, namely solvents, coatings, lubricants and others. These divisions are the basis on which the Group reports its operating segment information.

Principal activities are as follows:

- Solvents — manufacture of and trading in solvents and related products
- Coatings — manufacture of and trading in coatings and related products
- Lubricants — manufacture of and trading in lubricants products

三、業務分類(續)

分類溢利指各分類所獲之溢利或產生之虧損在未有分配利息收入、衍生金融工具公允值之變化、集團資產之收益、中央行政費用及利息費用。此為向行政總裁(本集團之主要營運決策者)報告之資料，旨在作出資源分配及表現評估。

分類營業額及業績

本集團於回顧期內按經營分類之營業額及業績分析如下：

3. Segment information (Continued)

Segment result represents the profit earned or loss incurred by each segment without allocation of interest income, fair value change on derivative financial instruments, gain on corporate assets, central administration costs and interest expense. This is the measure reported to the Chief Executive Officer, the Group's chief operating decision maker, for the purposes of resource allocation and performance assessment.

Segment revenue and results

An analysis of the Group's turnover and results by operating segments for the period under review is as follows:

		溶劑	塗料	潤滑油	其他	分類總計	交易抵銷	綜合
		Solvents	Coatings	Lubricants	Others	total	Elimination	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
截至二零一零年	Six months ended							
九月三十日止六個月	30 September 2010							
分類營業額	Segment revenue							
對外銷售	External sales	2,131,384	1,289,096	174,666	57,287	3,652,433	-	3,652,433
分類間銷售	Inter-segment sales	61,265	-	-	-	61,265	(61,265)	-
總額	Total	<u>2,192,649</u>	<u>1,289,096</u>	<u>174,666</u>	<u>57,287</u>	<u>3,713,698</u>	<u>(61,265)</u>	<u>3,652,433</u>
業績	Results							
分類經營溢利	Segment result	<u>116,559</u>	<u>89,743</u>	<u>3,768</u>	<u>3,075</u>	<u>213,145</u>	<u>7,491</u>	220,636
衍生金融工具公允值之變化	Fair value change on derivative financial instruments							(3,696)
未分配收入	Unallocated income							15,711
未分配費用	Unallocated expenses							(11,693)
利息費用	Interest expense							(8,555)
除稅前溢利	Profit before taxation							<u>212,403</u>

三、業務分類(續)

3. Segment information (Continued)

		溶劑 Solvents 千港元 HK\$'000	塗料 Coatings 千港元 HK\$'000	潤滑油 Lubricants 千港元 HK\$'000	其他 Others 千港元 HK\$'000	分類總計 Segment total 千港元 HK\$'000	交易抵銷 Elimination 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
截至二零零九年九月三十日止六個月	Six months ended 30 September 2009							
分類營業額	Segment revenue							
對外銷售	External sales	1,372,661	1,092,724	138,024	72,405	2,675,814	-	2,675,814
分類間銷售	Inter-segment sales	53,056	-	-	-	53,056	(53,056)	-
總額	Total	<u>1,425,717</u>	<u>1,092,724</u>	<u>138,024</u>	<u>72,405</u>	<u>2,728,870</u>	<u>(53,056)</u>	<u>2,675,814</u>
業績	Results							
分類經營溢利	Segment result	<u>151,344</u>	<u>146,657</u>	<u>(552)</u>	<u>6,792</u>	<u>304,241</u>	<u>(979)</u>	<u>303,262</u>
衍生金融工具公允值之變化	Fair value change on derivative financial instruments							(1,544)
未分配收入	Unallocated income							4,850
未分配費用	Unallocated expenses							(7,504)
利息費用	Interest expense							(3,708)
除稅前溢利	Profit before taxation							<u>295,356</u>

業務間之銷售與給予外界人士的條款相近。

Inter-segment sales are charged at similar terms as outsiders.

分類資產

Segment assets

		溶劑 Solvents 千港元 HK\$'000	塗料 Coatings 千港元 HK\$'000	潤滑油 Lubricants 千港元 HK\$'000	其他 Others 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
於二零一零年九月三十日	At 30 September 2010					
分類資產	Segment assets	1,766,754	1,840,895	233,363	21,405	3,862,417
其他未分配資產	Other unallocated assets					994,187
綜合總資產	Consolidated total assets					<u>4,856,604</u>
於二零一零年三月三十一日	At 31 March 2010					
分類資產	Segment assets	1,684,854	1,564,038	156,512	22,653	3,428,057
其他未分配資產	Other unallocated assets					1,052,811
綜合總資產	Consolidated total assets					<u>4,480,868</u>

四、 除稅前溢利

4. Profit before taxation

		截至九月三十日止六個月	
		Six months ended	
		30 September	
		二零一零年	二零零九年
		2010	2009
		(已重列)	
		(Restated)	
		千港元	千港元
		HK\$'000	HK\$'000
除稅前溢利已扣除下列各項：	Profit before taxation has been arrived at after charging:		
無形資產攤銷	Amortisation of intangible assets	2,724	2,249
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	37,053	32,984
衍生金融工具公允值之變化	Fair value change on derivative financial instruments	3,696	1,544
出售物業、廠房及設備之淨虧損	Net loss on disposal of property, plant and equipment	1,333	257
預付土地租金攤銷	Release of prepaid lease payments	1,438	1,323
並經已計入：	and after crediting:		
已確認之政府補助金	Government grants recognised	6,107	584
利息收入	Interest income	7,341	4,833
淨匯兌收益	Net exchange gain	35,600	2,541
委託加工收入	Processing fee income	709	5,600

五、稅項

5. Taxation

		截至九月三十日止六個月	
		Six months ended	
		30 September	
		二零一零年	二零零九年
		2010	2009
		千港元	千港元
		HK\$'000	HK\$'000
此費用包括：	The charge comprises:		
現行稅項－香港	Current tax – Hong Kong	–	1,678
現行稅項－中國大陸	Current tax – Mainland China		
本期間	Current period	39,272	48,682
往年多提撥備	Overprovision in previous years	(24,553)	(1,241)
		<u>14,719</u>	<u>47,441</u>
		14,719	49,119
遞延稅項	Deferred taxation		
本期間	Current period	(293)	(3,143)
		<u>14,426</u>	<u>45,976</u>

本集團於期內並沒有由香港產生之應課稅溢利，故並沒有於本期間就香港利得稅作出撥備。

中國大陸企業所得稅(「企業所得稅」)已按照有關司法權區之稅率作出撥備。

於中國大陸經營之本集團附屬公司享有若干免稅期及稅務寬減。根據中國大陸有關法律及規例，本公司若干中國大陸附屬公司有權於首兩年業務錄得溢利之年度獲豁免中國大陸企業所得稅，而此後此等中國大陸附屬公司將有權於以後三年就中國大陸企業所得稅獲50%寬減。中國大陸企業所得稅已於計入此等稅務優惠後作出撥備。

No provision for Hong Kong Profits Tax was made in this period as the Group has no assessable profit derived from Hong Kong for the period.

Enterprise income tax (“EIT”) in Mainland China has been provided at the rates prevailing in the respective jurisdictions.

The Group’s subsidiaries operating in Mainland China are eligible for certain tax holidays and concessions. Pursuant to the relevant laws and regulations in Mainland China, certain subsidiaries of the Company in Mainland China are entitled to exemption from EIT of Mainland China for the first two years commencing from their first profit-making year of operation and thereafter, these subsidiaries in Mainland China will be entitled to a 50% relief from EIT of Mainland China for the following three years. EIT of Mainland China has been provided for after taking these tax incentives into account.

五、 稅項(續)

往年多提撥備主要包括若干本集團於中國大陸之附屬公司於期內成功申請自二零零九年起成為高新技術企業而獲當地稅局退稅。此等附屬公司之企業所得稅稅率因而降至15%。

遞延稅項乃根據中國大陸有關企業所得稅之法例，由二零零八年一月一日起，中國大陸之附屬公司須於向海外股東分派保留溢利時繳納預扣稅。由於本集團可控制暫時差異之撥回時間及暫時差異或者未能於可見將來撥回，因此並沒有就中國大陸之附屬公司之未分派保留溢利約934,345,000港元(二零一零年三月三十一日：764,224,000港元)之暫時差異之遞延稅項計提撥備。

六、 股息

期內支付截至二零一零年三月三十一日止年度之期末股息每股20.0港仙合共110,211,000港元(截至二零零九年九月三十日止六個月：支付截至二零零九年三月三十一日止年度每股17.0港仙，合共91,262,000港元)。

二零一零年九月三十日後，董事議決宣佈截至二零一零年九月三十日止六個月之中期股息每股12.0港仙，合共不少於66,000,000港元(截至二零零九年九月三十日止六個月：每股12.0港仙，合共64,831,000港元)。中期股息於二零一零年十二月二十一日應付於二零一零年十二月十三日名列本公司股東名冊之本公司股東。

5. Taxation (Continued)

Overprovision in previous years mainly included tax refund from tax bureau to certain subsidiaries of the Company in Mainland China for successfully claiming during the current period as High and New Technology Enterprise status since 2009. The income tax rate of these subsidiaries is thus reduced to 15%.

Deferred taxation has not been provided for in respect of the temporary differences attributable to the undistributed retained profits earned by the subsidiaries in Mainland China amounting to HK\$934,345,000 (31 March 2010: HK\$764,224,000) starting from 1 January 2008 under the Law of Mainland China on EIT that requires withholding tax upon the distribution of such profits to the overseas shareholders as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

6. Dividends

During the period, a final dividend of HK20.0 cents per share in respect of the year ended 31 March 2010 amounting to HK\$110,211,000 was paid (six months ended 30 September 2009: HK17.0 cents per share was paid for the year ended 31 March 2009 amounting to HK\$91,262,000).

Subsequent to 30 September 2010, the directors resolved to declare an interim dividend of HK12.0 cents per share totalling not less than HK\$66,000,000 for the six months ended 30 September 2010 (six months ended 30 September 2009: HK12.0 cents per share totalling HK\$64,831,000). The interim dividend is payable on 21 December 2010 to the shareholders of the Company whose names appear on the Company's register of members on 13 December 2010.

七、每股盈利

公司股東每股基本及攤薄後盈利乃根據下列資料計算：

7. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		截至九月三十日止六個月	
		Six months ended	
		30 September	
		二零一零年	二零零九年
		2010	2009
		千港元	千港元
		HK\$'000	HK\$'000
計算每股基本及攤薄後盈利之盈利	Earnings for the purposes of calculating basic and diluted earnings per share	171,493	227,724
		股份數目	
		Number of shares	
		千股	千股
		'000	'000
計算每股基本盈利之加權平均股數	Weighted average number of shares for the purpose of calculating basic earnings per share	549,698	535,961
可能對普通股份產生之攤薄影響：	Effect of dilutive potential ordinary shares:		
購股權	Share options	5,658	5,624
計算每股攤薄後盈利之加權平均股數	Weighted average number of shares for the purpose of calculating diluted earnings per share	555,356	541,585

八、物業、廠房及設備添置

於本期內，本集團耗資約70,777,000港元（截至二零零九年九月三十日止六個月：78,471,000港元）添置生產廠房及設備，主要為提升中國大陸廠房之生產能力。

8. Additions to property, plant and equipment

During the period, the Group incurred approximately HK\$70,777,000 (six months ended 30 September 2009: HK\$78,471,000) mainly for additions to manufacturing plant in Mainland China to upgrade its manufacturing capacity.

九、應收賬款及應收票據

於報告期末應收賬款及應收票據之賬齡分析如下：

9. Trade and bills receivables

An aged analysis of trade and bills receivables at the end of the reporting period is as follows:

於二零一零年

		於二零一零年	
		九月三十日	三月三十一日
		At 30	At 31
		September	March
		2010	2010
		千港元	千港元
		HK\$'000	HK\$'000
零至三個月	0 – 3 months	1,451,381	1,054,352
四至六個月	4 – 6 months	279,032	225,472
六個月以上	Over 6 months	88,683	78,821
		<u>1,819,096</u>	<u>1,358,645</u>

本集團容許向其賒銷客戶提供由30天至90天之信貸期。較長的信貸期或授予付款記錄良好之長期或規模大之客戶。

The Group allows a credit period ranging from 30 to 90 days to its trade customers. A longer credit period may be granted to large or long-established customers with good payment history.

十、應付賬款及應計費用

包括於應付賬款及應計費用結餘之應付貨款為722,653,000港元（於二零一零年三月三十一日：703,231,000港元），賬齡分析如下：

		於二零一零年 九月三十日 At 30 September 2010 千港元 HK\$'000	於二零一零年 三月三十一日 At 31 March 2010 千港元 HK\$'000
零至三個月	0 – 3 months	683,561	680,469
四至六個月	4 – 6 months	33,167	20,429
六個月以上	Over 6 months	5,925	2,333
		722,653	703,231

10. Creditors and accrued charges

Included in creditors and accrued charges are trade creditors of HK\$722,653,000 (31 March 2010: HK\$703,231,000), the aged analysis of which is as follows:

十一、銀行借貸

期內，本集團取得470,335,000港元（截至二零零九年九月三十日止六個月：475,741,000港元）新銀行借貸，並償還290,500,000港元（截至二零零九年九月三十日止六個月：437,377,000港元）銀行借貸。上述取得新銀行借貸按市場息率計息及須在一個月至三年內償還。

11. Bank borrowings

During the period, the Group obtained new bank borrowings in the amount of HK\$470,335,000 (six months ended 30 September 2009: HK\$475,741,000) and repaid bank borrowings of HK\$290,500,000 (six months ended 30 September 2009: HK\$437,377,000). The new bank borrowings bear interest at market rates and are repayable ranging from 1 month to 3 years.

十二、股本

12. Share capital

		法定 Authorised	已發行及繳足 Issued and fully paid	
		於二零一零年 九月三十日及 三月三十一日 At 30 September 2010 & 31 March 2010	於二零一零年 九月三十日 At 30 September 2010	於二零一零年 三月三十一日 At 31 March 2010
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
每股面值0.10港元之股份	Shares of HK\$0.10 each	<u>80,000</u>	<u>55,164</u>	<u>54,413</u>

期內，本公司之已發行股本有以下變動：

Movements in the issued share capital of the Company during the period are as follows:

		股份數目 Number of shares 千股 '000	金額 Amount 千港元 HK\$'000
於二零一零年四月一日	At 1 April 2010	544,134	54,413
行使購股權(附註)	Exercise of share options (Note)	<u>7,505</u>	<u>751</u>
於二零一零年九月三十日	At 30 September 2010	<u>551,639</u>	<u>55,164</u>

附註：

Note:

於截至二零一零年九月三十日止六個月內，共有7,505,000股之購股權股份獲行使，本公司因此而分別發行300,000股、375,000股、536,000股、2,118,000股、966,000股及3,210,000股每股面值0.10港元之股份，每股作價分別為1.19港元、1.59港元、2.004港元、4.05港元、1.95港元及4.536港元。

During the six months ended 30 September 2010, 7,505,000 share options were exercised, resulting in the issue of 300,000 shares, 375,000 shares, 536,000 shares, 2,118,000 shares, 966,000 shares and 3,210,000 shares of HK\$0.10 each in the Company at a price of HK\$1.19, HK\$1.59, HK\$2.004, HK\$4.05, HK\$1.95 and HK\$4.536 per share respectively.

所有已發行股份均在所有方面與當時之現有股份享有同等權益。

All shares issued rank pari passu with the then existing shares in issue in all respects.

十三、收購資產

二零一零年六月三十日，葉氏化工集團有限公司間接全資附屬公司洋紫荊油墨有限公司(Bauhinia Variegata Ink & Chemicals Limited) (「洋紫荊油墨」)及其附屬公司，與Union Inks (HK) Company Limited 及其附屬公司(於此統稱為「賣方」)(與本集團並無關連)訂立協議，向賣方購入賣方所持有的若干資產，該等資產用作製造及銷售有關絲網印刷產品，包括商標、專利技術、不競爭條款、若干存貨及物業、廠房及設備。所獲得的無形資產的購買代價為7,977,000港元，是以賣方就有關該等無形資產所帶來收益作出的銷售額保證(完成收購資產後首年為人民幣12,000,000元(相當於13,922,000港元))可預計達致的因素釐定。

13. Acquisition of assets

On 30 June 2010, Bauhinia Variegata Ink & Chemicals Limited ("BVIC") and its subsidiary, indirect wholly-owned subsidiaries of the Company, entered into agreements with Union Inks (HK) Company Limited (the "Vendor") and its subsidiaries (collectively referred to the "Vendors"), companies not connected to the Group, to purchase certain assets relating to the manufacturing and trading of the screen printing products held by the Vendors, including trademarks, proprietary knowhow, non-competition covenant, certain inventories and property, plant and equipment from the Vendors. The purchase consideration for the intangible assets acquired was HK\$7,977,000 after taking into account of the sales guarantee (i.e. RMB12,000,000 (equivalent to HK\$13,922,000) for the first year after completion of the acquisition of the assets) provided by the Vendor in respect of the revenue generated from these intangible assets will be achievable.

		千港元 HK\$'000
收購之資產：	Assets acquired:	
物業、廠房及設備	Property, plant and equipment	220
存貨	Inventories	3,791
無形資產	Intangible assets	7,977
		<u>11,988</u>
支付方式：	Satisfied by:	
現金	Cash	7,474
應付代價	Consideration payable	4,514
		<u>11,988</u>

十三、收購資產 (續)

應付代價包括收購無形資產(即商標、專利技術及不競爭條款)涉及的遞延代價為數3,191,000港元，惟可因應收購日後一年期間該等無形資產所帶來的收益作出收益保證調整而改動。

無形資產價值乃根據已完全達致收益保證的假設釐定。

13. Acquisition of assets (Continued)

The consideration payable included an amount of HK\$3,191,000 in relation to the deferred consideration for the acquisition of intangible assets (i.e. trademarks, proprietary knowhow and non-competition covenant) subject to the revenue warranty adjustment in respect of the revenue generated from these intangible assets for one year after the date of acquisition.

The value of intangible assets is based on the assumption that the revenue warranty will be fully achieved.

十四、資本性承擔

14. Commitments

	於二零一零年 九月三十日 At 30 September 2010 千港元 HK\$'000	於二零一零年 三月三十一日 At 31 March 2010 千港元 HK\$'000
有關收購物業、廠房及 設備及預付土地租金 之資本開支		
– 已訂約但簡明綜合財務報告中 未予撥備	40,572	42,229
– 已授權但未訂約	381,388	462,868

十五、關聯人士交易

(a) 期內，本集團分別支付480,000港元(截至二零零九年九月三十日止六個月：480,000港元)及300,000港元(截至二零零九年九月三十日止六個月：300,000港元)之租金予港德投資有限公司及嘉捷投資有限公司，本公司之董事葉志成先生及葉子軒先生分別於該兩間公司持有受益權。租金乃按照有關租約支付。

(b) 主要管理層薪酬

主要管理層指本公司董事。期內，主要管理層酬金為10,385,000港元(截至二零零九年九月三十日止六個月：10,761,000港元)。

承董事會命
葉志成
主席

香港，二零一零年十一月二十三日

15. Related party transactions

(a) During the period, the Group paid rent of HK\$480,000 (six months ended 30 September 2009: HK\$480,000) and HK\$300,000 (six months ended 30 September 2009: HK\$300,000) to Goldex Investments Limited and Galsheer Investments Limited respectively in which Mr. Ip Chi Shing, Tony and Mr. Yip Tsz Hin, Stephen, directors of the Company, have beneficial interests respectively. The rents were paid in accordance with the relevant rental agreements.

(b) Compensation of key management personnel

The key management personnel are the directors of the Company. During the period, the remuneration of the key management personnel was HK\$10,385,000 (six months ended 30 September 2009: HK\$10,761,000).

By Order of the Board
Ip Chi Shing, Tony
Chairman

Hong Kong, 23 November 2010



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The report is printed with "Bauhinia Variegata" inks, a product of the Group



本報告採用環保紙張印刷
The report is printed with recycled paper