



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



2011

Interim Report 中期業績報告

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概要 Highlights

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| 一、 截至二零一一年六月三十日六個月期間變動 | 1. | Changes over 6-month period ended 30 June 2011 |
| – 營業額3,768,244,000港元，增長19% | – | Turnover was HK\$3,768,244,000, increased by 19% |
| – 本公司股東應佔溢利103,119,000港元，減少11% | – | Net profit attributable to owners of the Company was HK\$103,119,000, decreased by 11% |
| – 每股盈利18.6港仙，減少13% | – | Earnings per share was HK18.6 cents, decreased by 13% |
| 二、 中期股息每股8.0港仙及特別股息每股4.0港仙，合共12.0港仙，維持截至二零一零年九月三十日上年度中期之每股股息 | 2. | Interim dividend was HK8.0 cents and special dividend was HK4.0 cents, totally HK12.0 cents per share, maintaining the same amount of dividend per share as last interim period ended 30 September 2010 |
| 三、 借貸比率為27.3%，二零一零年十二月三十一日為14.9% | 3. | Gearing ratio was 27.3%, 14.9% at 31 December 2010 |

回顧

回顧期內集團的業務，實是經歷了近年來最為嚴峻的挑戰，環球經濟情況復甦未如預期，歐洲債務危機更有席捲蔓延之勢。集團核心業務所在地區—中國市場也不見樂觀，有關當局為防止經濟過熱，壓縮高通脹，期內政府多番採取調高利率、抽緊銀根等行政措施。因此，對各行業的經濟活力構成了沉重的壓力。與此同時，期內大部份原材料的升浪卻不為環球經濟低迷所阻遏，繼續對集團，尤其是塗料業務的邊際利潤構成了嚴重的負面影響。並且更因為市場整體需求放緩，導致同業競爭更趨激烈，低毛利、搶市場一時成風，以至各項經營成本上升，拖累集團上半年的整體業績表現未如理想，儘管銷售額仍錄得強勁增長，達3,768,244,000港元，與去年同比增長19%，但股東應佔溢利則錄得只有103,119,000港元，較去年同期下降11%，純利率則僅為3%。

Review

During the period under review, the Group faced what can probably be described as the most challenging business climate in recent years. The global economic recovery has been weaker than expected while Europe continues to be plagued by the debt crisis as fears of contagion persist. Even in the heartland of the Group's business – China – the outlook is not entirely rosy: in an attempt to prevent the economy over-heating and to keep inflation under control, the Government has taken repeated measures to raise interest rates and bank reserve requirement ratios. These measures have begun to take the steam out of a vibrant economy. At the same time, raw materials prices have continued to surge despite the faltering global economy. These factors have continued to negatively impact upon the Group's businesses, in particular the margins for coatings. Moreover, the slow-down in demand growth as a result of the tight-money policies has caused competition to intensify, with competitors sacrificing margins to gain market share. Increasing raw materials costs, more intensive competition coupled with the rising cost of doing business have all affected the Group's results. Consequently, although turnover continued to grow strongly, reaching HK\$3,768,244,000, representing a growth of 19%, profit attributable to shareholders declined to only HK\$103,119,000, or 11% decrease compared to the corresponding period last year. Net margin was at 3%.

展望

上半年業績表現雖然未乎預期，但絲毫不損集團把握機遇銳意快速拓展業務的決心和信心。預期如無特別情況出現，集團將如期在本年度完成80億港元的銷售，並有信心在2013年前，達致年銷售超100億港元的中期目標。同時集團並已為下一個更宏大的業務拓展計劃作好應有的準備，按目前已落實的多個包括舊廠擴建和新廠籌建等項目，預計在2015年前，集團廠房的總產值將按逐年遞增至約200億港元的水平。集團對銳意拓展業務和前景的無比信心，主要建基於（一）中國市場龐大，內需不斷深化，經濟每年平穩增長；（二）有關部門對化工行業的各種規範愈來愈嚴格，必然將對有實力、有規模的化工集團更為有利。至於拖累集團邊際利潤不正常偏低近一年的原料價格波動問題，近期雖已有逐步緩和的趨勢，但集團堅信只有不斷提高自身競爭能力、及時向市場轉嫁才是治本之道。管理層已從如何優化管理架構、運作流程、有效降低營運成本、發揮物流採購優勢、加快研發等方面，制定切實可行的措施，預期成效將按年逐漸得到體現。因此集團有信心在兩年內，其盈利水平能回復至一個較合理的水平。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和信任，表示衷心的感謝。

Prospects

Despite the fact that the first half results did not quite meet our own expectations, the Group remains undaunted in its determination to seize the opportunities and to grow the business quickly, and in its confidence in the future prospects ahead. Barring any unusual circumstances unforeseen at this time, the Group should reach its target of HK\$8 billion in sales this year, and we are confident of reaching our mid-term target of HK\$10 billion turnover before 2013. At the same time, the Group has made the necessary preparations for even bigger and more far-reaching plans for future business growth. Based on the plans already approved at this time, which involve both the expansion of existing plants and the construction of new ones, we expect that by 2015, our total production capacity will be increased to a level which will be able to support an annual turnover of HK\$20 billion. Our commitment to continuing to developing our business and our confidence in the future is primarily based on our belief in these two underlying factors: (1) the vastness of the Chinese market, coupled with the continuation and deepening of the expansion of the domestic consumption market will naturally lead to many years of sustained economic growth; (2) efforts by the authorities to tighten the regulation of petrochemical industries in areas will inevitably work to the benefits of companies which are stronger and more well managed. Although we have recently seen some moderation in the unusual price volatilities of raw materials which have haunted the Group for the past year, we remain firm in our belief that only through continuing to raise our competitiveness and to pass on the increased costs to the market, we can overcome the fundamental problems facing us. The management has taken action to further improve its management structure and its operations in areas such as effectively lowering operational costs, maximizing its advantages in procurement and logistics, as well as increasing efforts in research and product development. We expect that the results of these efforts will be realized over the next few years, and are accordingly confident that within the next two years, the Group's profitability should return to more satisfactory levels. I would like to take this opportunity to sincerely thank all our employees for their dedicated hardwork and their contributions, and to thank all our partners for their support and their continued confidence in us.

特別股息

期內集團業績雖然未如理想，但預期未來業務發展前景持續樂觀，因此董事會議決中期股息每股派發8.0港仙。並同時在充份考慮集團未來對資金的需求後，議決每股派發特別股息4.0港仙，以慶祝今年集團創辦40周年，及保持對股東提供穩定的回報。集團並且重申奉行多年，回饋股東的派息政策將不會改變。

吳紹平董事榮休並同時轉任非執董

吳紹平董事本年七月一日起正式榮休。吳董事服務集團20年，在不同的階段均對集團的發展作出了不懈的努力和貢獻。本人僅代表董事會向吳董事致以衷心的感謝，並對吳董事同時出任為集團非執行董事，繼續服務集團，表示欣慰和歡迎。

Special Dividends

Despite the less-than-satisfactory results for the period under review, we remain optimistic about the Group's future development outlook, and the Board has recommended an interim dividend of HK8.0 cents per share. At the same time, after due consideration of the Group's demand for funds for future growth, the Board has recommended a special dividend of HK4.0 cents per share to celebrate the Group's 40th anniversary and also to maintain a steady dividend return to our shareholders. The Group further reiterates that there will be no changes to the policy to share the fruits of our success with our shareholders via the dividend policy to which we have adhered for many years.

The Retirement of Mr. George Ng as Executive Director and His Election as Non-Executive Director

Mr. George Ng retired from his position as executive director on 1 July 2011, after 20 years of service with the Group. During this time, he has served the Group with dedication and distinction, and has made numerous contributions during the various phases of the Group's development. On behalf of the Board, I would like to thank Mr. George Ng sincerely for all his contributions, and at the same time I am delighted that he has accepted the appointment as a Non-executive Director of the Group as from the same date. I welcome his appointment and look forward to his continued service to the Group.

集團創辦40周年誌慶

今年是集團創辦40周年的紀念，我們將這不平凡的40年的歷程，總結值得記取的經驗概括成六字，就是「人和、渴才、專注」，特別是「人和」更是萬事之首。寄望日後的葉氏化工在對外方面更謙卑、重信用、守承諾；對內則更關愛、專重和樂與員工分享成果。為聊表集團創業股東們對員工們的一點回饋和感激之情，更希望關愛員工的企業文化得以在集團內植根和延續，本人與葉鳳娟、葉子軒三人合捐出集團股票400萬股，特成立一個命名為「葉氏關愛延續基金」。基金由集團同事自組成立獨立的委員會專責管理，基本上以每年股息收入為本，量入為出。首務為幫助集團所有員工的直屬子女能夠接受更佳的教育。日後視情況而定，逐步將福祉集團員工的範圍擴大，首年的資助將在本年九月中接受申請。該基金的活動情況，日後每年將由基金管理委員會定期向股東們作出簡報。

Fortieth Anniversary of The Founding of The Group

On the occasion of this 40th Anniversary year, we have summed up the experience of our notable journey and attributed it to three factors: (1) "Renhe" which refers to the harmony and common purpose of everyone involved; (2) The thirst for talent; and (3) Focus on the core business. Of these three factors, "Renhe" is the most important. It is my hope and my fervent wish that in future, Yip's Chemical will be known externally as a company which abides by the principles of humility, trustworthiness, and honouring its commitments. Internally, Yip's Chemical should be a company which cares for and respects its employees, and is happy to share with them the fruits of its success. As a token of the appreciation of the founding shareholders for the dedication and commitment of the employees in making this company successful, as well as to turn this appreciation into a continuing and deepening culture within the Company, I, together with Ms. Ip Fung Kuen and Mr. Stephen Yip, have decided to donate 4 million shares of the Company's stock to set up a "Yip's Care Extension Foundation". The fund will be managed by an independent committee set up by the employees, with its main source of revenue being the dividends from the shares. The first priority in distributing the fund is to assist the children of our employees in pursuing better education. In future, depending on circumstances, the types of assistance to employees may be expanded to other areas. Applications for subsidy in its first year of operation will be accepted in mid September this year. In future, the management committee of the fund will report to shareholders regarding the operation of the fund on a regular basis.

溶劑

溶劑業務上半年表現平穩，集團錄得的營業額為2,351,372,000港元，較去年同期增長23%，經營溢利則錄得132,808,000港元，僅較去年同期增長8%。回顧期內，整體溶劑成本出現頗大波動。今年初油價顯著上升，期內溶劑業務將上升成本向市場轉嫁，溶劑業務因而得益；但第二季度後期油價見頂回落，溶劑產品售價亦須及時下調，令整體毛利率受壓，經營溢利增幅未能與營業額的增幅同步。

預期集團溶劑業務仍會保持平穩增長，集團有信心可在5年內將該業務營業額倍增。今年7月，已順利完成在原生產設施之擴建工程，令目前單體溶劑醋酸酯產能已增至60萬噸。另為配合未來銷售增長之產能需求，已規劃的華東泰興廠旁擴建計劃，預期可在2014年前分兩期完成，令總產能可增至年產90萬噸，將可進一步擴大業務的規模效應和在業界的領先優勢。同時，集團正積極籌劃擴展單體溶劑的產品系列，開拓新的產品市場。

Solvents

In the first half, the Group's solvents business performance can best be described as "fair". At HK\$2,351,372,000, turnover grew by 23% compared to the same period last year, while operating profit reached HK\$132,808,000, representing an increase of only 8%. During the period under review, raw material costs continued to be volatile. Oil prices rose significantly during the early part of this year, and the solvents business benefited from its ability to pass on the cost increases to the market in a timely manner. However, oil prices peaked in the second quarter, and selling prices for solvents declined along with raw material prices in the latter part of that period, resulting in margins being squeezed. Such volatilities also contributed to the slower growth in operating profit compared to revenues.

Growth in the solvents business is expected to continue, and the Group is confident that solvents turnover will double in the next five years. The upgrading of our existing production facilities have been completed in July, bringing our current capacity for raw solvents to 600,000 metric tons per annum. Moreover, the planned expansion in the area adjacent to our Taixing Plant is expected to be completed in two phases, with the final phase due for completion by 2014. These expansions will bring our total capacity to 900,000 metric tons per annum and should further improve our economy of scale and strengthen our dominant market position. At the same time, the Group is actively planning to expand the product range of our raw solvents business, with a view to developing new markets for our products.

塗料

該業務的半年結算，錄得營業額1,251,954,000港元，較去年同期增長16%，但由於受到毛利率下跌和經營成本上漲的影響，經營溢利僅錄得18,401,000港元，較去年同期下跌31%。回顧期內，塗料行業所面對的經營環境較預期更為嚴峻，受通脹壓力和國內經濟的調控措施影響，市場的需求放緩和更為激烈的競爭、原材料和經營成本的持續上升，都為業界帶來近年來最沉重的經營壓力，集團的塗料業務經營亦受到衝擊。面對經營環境的挑戰，集團整體的塗料業務雖然仍錄得增長，但由於原材料價格和經營成本的上升，令整體毛利率和邊際利潤下跌，拖累了該業務的業績表現。

然而，目前的困難並未動搖集團對該業務長遠發展的信心。從今年第二季度尾開始，大部份原材料成本已開始從高位回落，原料成本的壓力確有緩和趨勢，加上向市場轉嫁的慣性滯後效應，和在優化配方的持續努力下，塗料業務的毛利率已開始回升。另一方面，集團亦已採取了適時措施，降低和調整了部份營運開支和計劃預算，紓緩了對邊際利潤的壓力，隨著踏入下半年塗料業務旺季，集團相信該業務的表現會逐步得以改善。

Coatings

During the first half, coatings recorded a turnover of HK\$1,251,954,000, representing a growth of 16% over the same period last year. However, due to margin pressures coupled with cost increases, operating profit was only HK\$18,401,000, which was a reduction of 31% from the same period last year. In retrospect, the operating challenges faced by the coatings business were even more severe than we had expected. Among the factors contributing to the stringent business environment were: inflationary pressures coupled with measures taken by the authorities to tighten money supply and reduce demand, leading to a slow down in demand growth and more intense competition, as well as incessant increases in the cost of raw materials and operating costs. These factors have all brought tremendous pressures on the coatings industry. The Group's coatings business was not immune from these pressures. Thus, although growth continued for the coatings business, we were nevertheless affected by the increases in raw materials and operating costs, resulting in declines in gross and net margins and accordingly, the overall performance of the business.

However, the Group's long term confidence in the development of our coatings business remains unshaken by the challenges facing us at this time. Since the latter part of the second quarter, most raw material prices have shown signs of retreat, thus helping to alleviate the cost pressures. Moreover, the normal lagging effect of passing on the cost increases to the market has begun to take effect. Together with successes in cost reductions via improvements in product formulations, we have seen the early signs of margin improvements. At the same time, the Group has taken timely measures to reduce operating costs and to make necessary adjustments to our operating budget, which helped to relieve some of the pressures on our profit margins. The Group believes that, with the coatings businesses entering the traditional peak demand period in the second half, improvements in the performance of this business will be forthcoming.

塗料(續)

展望中長期發展，集團對整體塗料業務的持續增長依然甚有信心。面對持續增長和龐大的內需市場，集團無論在工業或民用塗料市場仍然有很大的增長和發展空間；而面對塗料行業的洗牌效應加速和規範日益嚴格，集團多年積累的競爭實力，如在規模設施、品質服務和營銷網絡上的優勢，可更為突顯。集團會把握目前機遇積極擴大市場份額，有信心可在2014年前達成銷售倍增的目標。為配合未來業務增長和發展的需要，集團仍會繼續在品牌網絡、產能設施和技術研發方面投放資源。其中，在廠房設施方面，中山和桐鄉的油墨廠房擴建工程預期可在明年中前完成，而在桐鄉的新高分子車間和金山的塗料新廠項目均按計劃進行中。另上海張江的集團研發中心，亦將可於今年底正式啟用。

Coatings (Continued)

Looking forward to the mid to long term future, the Group remains highly confident about the sustained growth of the coatings business. The vastness and the sustained growth of the domestic market in China gives the Group ample room for growth and development in both the industrial and household coatings markets. The increasingly stringent regulations in the coatings industry will surely lead to faster market consolidation. With its new world-scale plants, quality products and services, and a strong distribution network, the Group is in a good position to take advantage of its competitive advantages cumulated over the past years and turn them into market share gains, thus achieving its goal of doubling its turnover by 2014. At the same time, in order to meet the requirements for future business growth, the Group will continue to invest resources in brand management, expansion of its distribution network, capacity expansion and in product research and development. With regard to plant expansions, the expansion of the inks plants in Zhongshan and Tungxiang are both expected to be completed by the middle of next year, while the plant for post-printing varnish products in Tungxiang and the new coatings plant in Jinshan, Shanghai are both proceeding according to plan. At the same time, the Group R&D Centre in Zhangjiang, Shanghai will also become operational by the end of this year.

潤滑油

回顧期內，特種和汽車潤滑油兩業務銷售均有不錯增幅，整體共錄得營業額191,831,000港元，較去年同期增長21%，經營溢利則為2,808,000港元，如撇除在去年同期入帳的收購湛江廠之特殊收益，業務表現與去年同期大致相若。今年6月，集團已全部收購了「葉氏太平洋有限公司」特種潤滑油的少數股東權益，預期是項收購對提升該業務未來的經營效益可作出貢獻。汽車潤滑油業務方面，經過努力拓展分銷網絡和激增銷售，營業額和銷量繼續保持雙位數字的增長，預期防凍液的全年銷量更有信心可達致50%以上的增幅，為配合該產品業務的發展需要，集團正籌劃擴大防凍液的生產產能，為業務拓展作好準備。

Lubricants

During the period under review, both specialty lubricants and automotive lubricants recorded satisfactory growths. Total revenue reached HK\$191,831,000, representing a growth of 21% over the same period last year. Operating profit reached HK\$2,808,000, which, after accounting for last year's one-off exceptional profits arising from the acquisition of interest in the lubricants blending plant in Zhanjiang, is at a similar level to last year's performance. In June this year, the Group acquired all the minority interests in Yip's Pacific Limited. It is expected that this acquisition will contribute towards improving the operational efficiency of the business in future. In automotive lubricants, our efforts in developing the sales network and in stimulating sales have paid off, with double-digit growth in both turnover and sales volumes. We anticipate that anti-freeze sales will register a sales increase of more than 50% over last year. In order to meet the growing capacity needs for anti-freeze, the Group is planning to expand the production facility for this product to meet its growing requirements.

企業社會責任 Corporate Social Responsibility

企業社會責任

集團在不斷拓展業務的同時，亦積極履行企業社會責任，並視之為一項長期和具意義的工作。集團致力動員不同持份者包括員工、客戶、供應商、合作夥伴等，一起履行企業社會責任，共同成為良好的企業公民。集團把「可持續發展」理念融入營運和管理措施中，以促進經濟、社會、環境的可持續發展，為社會承擔全面的企業公民責任。為了更全面和有效地履行企業社會責任，集團主動了解業務所在地社會上的需要，聆聽當地人民的訴求，確保集團所推行的每項企業社會責任項目都能針對他們所需，也能促進各方和諧共處。

葉氏化工幫助弱勢社群是體現「取諸社會，用諸社會」企業理念的有效途徑。我們支持香港非牟利團體亞洲防盲基金會的復明扶貧行動，為國內偏遠地區貧困白內障患者進行復明手術已長達三年之久，至今已完成手術逾4,000宗，體現了集團積極促進社會和諧發展的不懈努力。

Corporate Social Responsibility

As the Group's businesses continue to grow, not only do we treat Corporate Social Responsibility ("CSR") as part of our mission, we also see it as a worthy and long-term commitment. The Group seeks to mobilize various stakeholders, including employees, clients, suppliers and business partners, to join hands in fulfilling their social responsibilities and becoming a responsible corporate citizen. We incorporate the concept of sustainability into our business operations and management strategies in order to contribute to the sustainable development of the economy, society and environment, and play a more active role in taking on greater social responsibilities. In a bid to carry out social responsibilities more thoroughly and effectively, the Group takes the lead in understanding the community's needs in where we operate and listening to the local people's CSR requirements, so that each of our CSR initiatives can address the needs of the local communities and facilitate harmonious development of different aspects.

Helping the underprivileged groups is the effective channel to implement our motto "What comes from the community is to be used for the community". We have been supporting the Asian Foundation for the Prevention of Blindness, a non-profit organization in Hong Kong, for its China Mobile Eye Treatment Centre project for three years. The project is to provide surgeries for poor cataract patients in the remote areas of the Mainland to restore eye sight. To date, over 4,000 surgeries have been carried out, justifying the Group's unwavering efforts to promote a harmonious society.

企業社會責任 (續)

集團繼二零零八年向寧夏回族自治區捐贈第一部流動眼科手術車後，於二零零九年向江蘇省捐贈了第二部流動眼科手術車，並於二零一零年八月投入使用。集團第三部流動眼科手術車「復明4號」已於今年三月於山東省投入服務，預計今年內該省將有至少六個貧困縣的1,500名患者可從中受惠。山東省是集團旗艦企業社會責任項目－「葉氏化工流動眼科手術車十年捐贈計劃」正式實施的第一站，二零一一年亦是這個項目正式啟動的第一年，而「復明4號」的車身亦印上代表集團旗下民用品居漆品牌「紫荊花漆」的紫色圖案。集團期望這部流動眼科手術車未來能夠發揮實際作用，為齊魯大地更多貧困白內障患者帶來光明和希望。

本着一直熱心公益的精神，集團成立了一支企業義工隊。葉氏化工企業義工隊日後將用發自內心的熱誠，動員各子集團員工、經銷商及客戶等，積極回報社會，致力推動義工服務精神，關愛和幫助香港和國內有需要的人士，共創和諧社會。企業義工隊的首個活動為到國內探訪白內障病人及進行防盲教育，活動將於今年九月開展。

除了專注發展旗艦企業社會責任項目外，集團亦積極參與環保及公益活動，包括今年一月的「飲水思源·東江行2011」步行籌款活動，以及四月由本地環保組織香港地球之友舉辦「綠野先鋒2011」植樹活動等。集團希望透過參與活動，呼籲員工關注氣候變化問題，一同以實際行動減少碳足印，舒緩全球暖化。

Corporate Social Responsibility (Continued)

Following the donation of the first mobile eye surgery centre to the Ningxia Hui Autonomous Region in 2008, the Group donated the second mobile eye surgery centre to Jiangsu Province in 2009 and the centre started serving cataract patients in the province in August 2010. In March this year the Group donated "Vision Restoration Centre No. 4" mobile eye surgery centre to Shandong Province, so as to help at least 1,500 cataract patients from six poverty-stricken counties this year, to restore their sight. Shandong Province is where the Group kicked off the flagship CSR programme "Yip's Chemical Ten-Year Donation Plan for Mobile Eye Surgery Centres", and this year marks the launch of this project. "Vision Restoration Centre No. 4" was also emblazoned with the purple iconic symbol of "Bauhinia Paints", a household paint brand of the Group. The Group hopes that the mobile eye surgery centre will serve its purpose in helping to restore the sight of cataract patients in Shandong Province, thus bringing brightness and hope to them.

To sustain its devotion to CSR, the Group has formed a volunteer team to channel its passion and encourage the staff of its subsidiaries, distributors and customers to contribute to society. Not only will the team promote voluntary services, care for and assist those in need, these efforts will also help to build a more harmonious society. The first mission of the volunteer team is to visit cataract patients in the Mainland and promote the prevention of blindness. The visit is expected to be held in September this year.

In addition to dedicating its efforts on the flagship CSR programme, the Group has actively participated in environmental protection activities such as charity walk and "Tree Planting Challenge" organized by the local environmental protection group, Friends of the Earth, in January and April this year respectively. The Group hopes to arouse its staff's attention to climate change, and take action to reduce carbon footprint while mitigating the effects of global warming.



企業社會責任 (續)

今年是集團成立四十周年及上市二十周年的大慶，為表達集團對員工之關愛及感謝，以及把關愛員工的企業文化在集團內植根和延續，主席葉志成先生、副主席葉子軒先生以及葉鳳娟小姐共捐出集團股票400萬股，成立「葉氏關愛延續基金」，資助有需要員工子女之教育經費，詳情可瀏覽網站www.yipsCEF.com.hk。

此外，多年來集團在國內積極推動企業社會責任的工作，逐漸得到外界的認同及表揚。今年六月，集團分別獲得「2010金蜜蜂企業社會責任·中國榜」入圍企業獎項及「2011中國社會責任優秀企業獎」。這些獎項印證了集團在國內的企業社會責任項目日益得到各持份者的支持，並對集團日後進一步推動企業社會責任產生莫大的鼓勵。

榮譽

集團在維持良好企業管治及承擔企業社會責任持續而有效的努力，得到了社會各界的高度評價和廣泛認可。

《亞洲企業管治》雜誌 – 第七屆「2011年亞洲企業管治大獎」

集團繼上年獲得此項殊榮後，本年再度禪聯由《亞洲企業管治》雜誌頒發的第七屆「2011年亞洲企業管治大獎」。《亞洲企業管治》雜誌為區內最具權威的企業管治雜誌之一，該獎旨在表揚區內持續推動良好企業管治的企業。集團自成立四十年以來一直致力為持份者提供開放、合乎道德及公平的業務環境，並將繼續在企業管治方面努力，為集團未來的增長與成功打造基礎。

Corporate Social Responsibility (Continued)

This year is of particular significance to Yip's Chemical as it marks the 40th anniversary of its founding as well as the 20th anniversary of its public listing. To express the care and appreciation for its employees, and to ensure that the culture of caring for the staff will take root in the company, the Chairman, Mr. Ip Chi Shing, the Deputy Chairman, Mr. Stephen Yip, and Ms. Ip Fung Kuen, donated 4 million shares of the Company's stocks to set up a "Yip's Care Extension Foundation" to subsidize the children of its employees in their education. For further details, please visit www.yipsCFF.com.hk.

The Group's enduring effort in promoting CSR has been gradually recognized and appreciated by external parties. In June this year, the Group was awarded the "2010 GoldenBee Honor Roll Listed Company Award" and "2011 Good Enterprise Fulfilling Corporate Social Responsibility Award". These awards manifested the support that we gained from different stakeholders in view of our CSR development in China. It also acts as a strong encouragement to us in further promoting CSR in the future.

Awards

Our continuous and effective efforts in maintaining high corporate governance standard and undertaking CSR have won us extensive recognition from society.

Corporate Governance Asia – "7th Corporate Governance Asia Recognition Awards 2011"

After last year's success, the Group scored once again this year at the "7th Corporate Governance Asia Recognition Awards 2011" presented by Corporate Governance Asia, one of the region's most authoritative journals focusing on corporate governance. The award recognizes companies' continuing commitment to the development of corporate governance in the region. Since its establishment 40 years ago, the Group has provided an open, ethical and fair business environment for all stakeholders. The Group will continue to thrive in corporate governance endeavors to lay a stronger foundation for its growth and success in the future.

企業社會責任 (續)

榮譽 (續)

《亞洲貨幣》雜誌 – 「2010年度最佳企業管治選舉」中名列前茅

集團在《亞洲貨幣》雜誌第八屆「2010年度香港最佳企業管治選舉」中位列「最佳股東權益及公平待遇」第三名，反映集團致力履行對股東的承諾，同時維持集團的高透明度。基於蓬勃發展的中國市場，集團有信心透過加大規模經濟效益、品牌推廣、拓展銷售網路及提升研發實力達致持續增長，從而為股東不斷帶來可觀回報。

《WTO經濟導刊》 – 「2010金蜜蜂企業社會責任中國榜入圍企業」

集團榮獲由《WTO經濟導刊》頒發「2010金蜜蜂企業社會責任中國榜入圍企業」。該獎項是《WTO經濟導刊》為促進中國企業社會責任的發展於二零零七年推出的社會責任評選活動。集團憑藉在社會責任履行方面的堅實努力，從眾多參評企業中脫穎而出，成為履行企業社會責任的先鋒榜樣。

Corporate Social Responsibility (Continued)

Awards (Continued)

Asiamoney – Prominent Ranking in Corporate Governance Poll 2010

The Group has achieved third place in “Best for Shareholders’ Rights and Equitable Treatment” in the eighth annual Asiamoney Corporate Governance Poll for Hong Kong in 2010. This selection testifies to the Group’s unrelenting efforts to fulfill its promises to the shareholders while ensuring transparency. Leveraging the booming domestic market in the Mainland, the Group is confident of achieving continued growth through enhancing economies of scale, brand development, sales network and R&D capability, thereby delivering fruitful returns continuously to the shareholders.

China WTO Tribune – “2010 GoldenBee Honor Roll Listed Company Award”

The Group has been awarded the “2010 GoldenBee Honor Roll Listed Company Award” by China WTO Tribune. This award is a social responsibility selection activity that was launched in 2007 by China WTO Tribune to promote the development of CSR in the Mainland. Leveraging on unwavering commitment and dedication to good corporate citizenship, the Group managed to outcompete various award participants to become a role model in fulfilling corporate social obligations.



企業社會責任 (續)

榮譽 (續)

「2011中國社會責任優秀企業」

集團獲得的另一中國重大企業社會責任評選殊榮是由中國外商投資企業協會、中國保護消費者基金會、中國民(私)營經濟研究會和中國環境新聞工作者協會等單位聯合頒發的「2011中國社會責任優秀企業」。是次選舉主要是為了表揚工商企業在公司治理和道德價值、就業與員工權益保護、環境保護與節能減排和良好的公眾形象等各方面所作出的努力。

香港社會服務聯會 – 連續五年獲頒「商界展關懷」榮譽

由二零零六年起，集團連續五年榮獲香港社會服務聯會頒發「商界展關懷」榮譽，可見集團持續實踐良好企業公民的精神再次獲外界肯定。集團一直積極回饋社會，以及關顧員工身心健康和家庭需要，並大力推行環保，實踐可持續發展的經營理念。

Corporate Social Responsibility (Continued)

Awards (Continued)

“2011 Good Enterprise Fulfilling Corporate Social Responsibility Award”

The Group has garnered another significant CSR award in the Mainland “2011 Good Enterprise Fulfilling Corporate Social Responsibility Award”, which is co-organized by different organizations including China Association of Enterprises with Foreign Investment, China Foundation of Consumer Protection, Chinese People (Private) Business Organization and China Forum of Environmental Journalists. The purpose of this award is to recognize enterprises’ achievements in areas of corporate governance and ethical value, protection of employment, rights and interests of staff, environmental protection, energy conservation and emission reduction, and good public image.

Hong Kong Council of Social Service – “Caring Company” logo for Fifth Consecutive Year

Since 2006, the Group has been awarded the “Caring Company” logo by the Hong Kong Council of Social Service for five consecutive years. This achievement serves as recognition for the continuous efforts of the Group in this area. The Group continues to positively influence society and care for the well-being of its staff and their families. At the same time, the Group promotes environmental protection and integrates sustainable development principles into practice.



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，同時亦緊密監察其負債比率在合理水平。於二零一一年六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27.3%(二零一零年十二月三十一日：14.9%)。集團為開拓新市場及激增銷售而建設新廠房和生產設備，因而增加長期銀行貸款，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(應收票據)亦較流行；集團會繼續監察其流動資金及採取必需措施以應付因華東業務之擴張而放緩的現金回籠。

於二零一一年六月三十日，集團的銀行總欠款為1,537,021,000港元(二零一零年十二月三十一日：1,237,261,000港元)，其中須於一年內清還之短期貸款為966,188,000港元(二零一零年十二月三十一日：945,428,000港元)，該等貸款以兩種貨幣定值，包括632,597,000港元以港幣定值及333,591,000港元以美元定值(二零一零年十二月三十一日：616,226,000港元以港幣定值、315,828,000港元以美元定值和13,374,000港元以人民幣定值)。另外，一年後到期的長期貸款為570,833,000港元(二零一零年十二月三十一日：291,833,000港元)，全以港幣定值。上述短期及長期貸款均有按浮動或固定利率計算利息。於二零一一年六月三十日，集團的短期銀行存款，銀行結餘及現金為884,359,000港元(二零一零年十二月三十一日：895,491,000港元)，淨銀行借貸為652,662,000港元(二零一零年十二月三十一日：341,770,000港元)。

Liquidity and Financial Resources

The Group will continue to implement prudent financial management policy and closely monitor its gearing ratio within acceptable level during expansion. As at 30 June 2011, the Group's gearing ratio (measured by net bank borrowings as a percentage of equity attributable to owners of the Company) was 27.3% (31 December 2010: 14.9%). The increase in gearing ratio was mainly attributable to the Group's additional long-term bank loans for its investments in new factories and production facilities to capture new market and sales opportunity. The Group's business expansion in Eastern China also required longer credit period granted to customers and increased receipts of banker's acceptances (bills receivables) as compared to the market practices in Southern China. The Group will continue to monitor its liquidity and adopt necessary measures to manage lengthened cash collection cycle.

As at 30 June 2011, the gross bank borrowings of the Group amounted to HK\$1,537,021,000 (31 December 2010: HK\$1,237,261,000). Out of this amount, HK\$966,188,000 (31 December 2010: HK\$945,428,000) were short-term loans and repayable within one year. Such loans were denominated in two currencies, namely HK\$632,597,000 in Hong Kong Dollar and HK\$333,591,000 in US Dollar (31 December 2010: HK\$616,226,000 in Hong Kong Dollar, HK\$315,828,000 in US Dollar and HK\$13,374,000 in Renminbi). Long-term loans repayable after one year amounted to HK\$570,833,000 (31 December 2010: HK\$291,833,000) and they were all denominated in Hong Kong Dollar. Both short-term and long-term loans carried interests at floating or fixed rates. As at 30 June 2011, the short-term bank deposits, bank balances and cash of the Group amounted to HK\$884,359,000 (31 December 2010: HK\$895,491,000), resulting in net bank borrowings of HK\$652,662,000 (31 December 2010: HK\$341,770,000).

流動資金及財務資源(續)

於二零一一年六月三十日，共有11間銀行於香港、澳門及國內向集團提供合共3,992,983,000港元（二零一零年十二月三十一日：2,819,013,000港元）的銀行額度，足夠應付目前營運及發展所需。銀行額度中70%以港元定值、16%以人民幣定值及14%以美元定值。集團計劃籌組的五年長期雙邊貸款進展順利，其中1,150,000,000港元的貸款已落實，並取得市場優惠利率，部分貸款經已提取，以應付目前資本性投資及流動資金的需求。

集團的部份借貸以浮動利率定息，借貸成本會受利率波動影響。於回顧期間，美國為復甦其經濟而推行的量化寬鬆貨幣政策，令外國熱錢持續停留於香港。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。由於長期銀行貸款增加及現有利率處於偏低水平，上述提取的五年長期雙邊貸款已簽訂利率掉期協議，以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良的銀行貸款組合。

Liquidity and Financial Resources (Continued)

As at 30 June 2011, a total of 11 banks in Hong Kong, Macau and PRC granted banking facilities totaling HK\$3,992,983,000 (31 December 2010: HK\$2,819,013,000) to the Group and provided sufficient funds to meet its present working capital and expansion. 70%, 16% and 14% of these banking facilities were denominated in Hong Kong Dollar, Renminbi and US Dollar respectively. The Group's plan to arrange 5-year bilateral long-term loans proceeded smoothly, in which HK\$1,150,000,000 were secured at competitive interest rates. Part of these loans were drawn down to meet the current capital expenditure and working capital requirements.

Since some of the borrowings of the Group carry interests at floating rate, our funding costs are subject to interest rate fluctuation. With quantitative easing measures by the United States to help recovery of its economy in the period under review, hot money continued to remain in Hong Kong. The three months or shorter Hong Kong Dollar inter-bank interest rate was still kept at a very low level and benefited the Group in reducing its borrowing costs. With the increase in long-term bank loans and current low interest environment, the Group has entered into interest rate swap contracts for the above-mentioned 5-year bilateral long-term loans drawn to hedge against interest rate fluctuation. Besides, the Group is exposed to Renminbi exchange rate risk as the Group's assets are mainly located in 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

於二零一一年六月三十日，本集團之僱員人數合共為4,974人，其中139人來自香港及澳門，而4,835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功能部門總監。

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 of 30 June 2011, the total number of employees in the Group is 4,974. 139 of the employees are from Hong Kong and Macau and 4,835 of the employees are from provinces within China.

The Group places great emphasis on the management of human capital. The employees are encouraged to strive for improvement through internal and external training program, on-the-job training and participation in the Group's educational subsidies, allowing for self-development in knowledge and skills and to maximize their potential in their work. We offer excellent platform for development of highly committed and capable employees, 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. Besides the focus of developing employees internally, the Group seeks to attract talent from outside and also recruit top graduates from the best tertiary institutions in Hong Kong, in the Mainland China, and abroad and provide them with training and development opportunities. The Management Trainee Program has been implemented for many years. Management trainees have demonstrated excellence 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 Head of functional department.

The Group offers a challenging work environment, sets up different programs to motivate employees to strive for improvement and to upgrade their skills in order to sustain the development of business. From time to time, the Group will make reference to market trends in remuneration policy, providing reasonable and competitive compensation and benefits. This includes basic salary, performance-based bonus and share options to attract and retain talents.

中期股息

董事會議決派發截至二零一一年六月三十日止六個月之中期股息每股8.0港仙(截至二零一零年九月三十日止六個月：每股12.0港仙)及特別股息每股4.0港仙(截至二零一零年九月三十日止六個月：無)。上述中期股息及特別股息將於二零一一年十月十八日應付予於二零一一年十月十日登記於股東名冊內之股東。

暫停辦理過戶登記手續

本公司將於二零一一年十月六日至二零一一年十月十日(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及特別股息，所有過戶表格連同有關之股票，最遲須於二零一一年十月四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 HK8.0 cents per share for the six months ended 30 June 2011 (six months ended 30 September 2010: HK12.0 cents per share) and a special dividend of HK4.0 cents per share for the six months ended 30 June 2011 (six months ended 30 September 2010: nil). The interim dividend and special dividend are payable on 18 October 2011 to shareholders whose names appear on the Register of Members of the Company on 10 October 2011.

Closure of Register of Members

The Register of Members will be closed from 6 October 2011 to 10 October 2011 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the interim dividend and special 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 4 October 2011.

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。於二零一一年六月三十日，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 has not issued any debenture since its incorporation. As at 30 June 2011, 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	個人權益	家族權益	公司權益	普通股份數目		佔股權之概約百分比
				總數	百分比	
Name of Director	Personal interests	Family interests	Corporate interests	Total	Approximately % of Shareholding	
葉志成先生	Mr. Ip Chi Shing	166,343,932	2,000,000 (a)	14,000,000 (b)	182,343,932	32.86%
葉子軒先生	Mr. Yip Tsz Hin	35,200,000	20,000,000 (c)	–	55,200,000	9.95%
黃金焯先生	Mr. Wong Kam Yim	708,000	–	–	708,000	0.13%
李偉民先生	Mr. Li Wai Man, Peter	–	–	–	–	–
何世豪先生	Mr. Ho Sai Hou	–	–	–	–	–
丁漢欽先生	Mr. Ting Hon Yam	400,000	–	–	400,000	0.07%
楊民儉先生	Mr. Young Man Kim	2,502,000	–	–	2,502,000	0.45%
唐滙棟先生	Mr. Tong Wui Tung	–	700,000 (d)	–	700,000	0.13%
吳紹平先生	Mr. Ng Siu Ping	2,932,000	50,000 (e)	–	2,982,000	0.54%
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	150,000 (g)	– (g)	–	150,000	0.03%
古遠芬先生	Mr. Ku Yuen Fun	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) 此等股份分別由一間葉志成慈善基金有限公司之慈善組織(10,000,000股)和一間葉氏關愛延續基金有限公司之有限公司(4,000,000股)持有。葉志成先生擁有葉志成慈善基金有限公司和葉氏關愛延續基金有限公司在舉行股東大會之投票權分別為50% (與其妻子擁有之投票權合共為100%)及為60% (與其弟妹擁有之投票權合共為100%)，其因此被視為擁有在該兩間公司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) 此等股份由唐滙棟先生之妻子劉梅心女士持有。
- (e) 此等股份由吳紹平先生之妻子蕭靄莉女士持有。
- (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，於二零一一年六月三十日，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.
- (b) These shares are held respectively by Ip Chi Shing Charitable Foundation Limited, a charitable organisation (10,000,000 shares) and Yip's Care Extension Foundation Limited, a limited company (4,000,000 shares). Mr. Ip Chi Shing controls 50% (together with his wife control 100%) and 60% (together with his younger sister and brother control 100%) of the voting power at the general meetings of Ip Chi Shing Charitable Foundation Limited and Yip's Care Extension Foundation Limited respectively. He is therefore deemed to be interested in these shares held by these two corporations.
- (c) These shares are held by Madam Yip Tso Ka Lai, Brenda, the wife of Mr. Yip Tsz Hin.
- (d) These shares are held by Madam Lau Mui Sum, the wife of Mr. Tong Wui Tung.
- (e) These shares are held by Madam Siu Oi Li, Maicy, the wife of Mr. Ng Siu Ping.
- (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.
- (h) These shares are held by Madam So Yim Ha, the wife of Mr. Ku Yuen Fun.

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, Mr. Yip Tsz Hin and Madam Liang Bih Yu, the wife of Mr. Ip Chi Shing, 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 June 2011, 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

在截至二零一一年六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」)已授予若干董事或僱員購股權之變動詳情如下：—

Share Options

During the six months ended 30 June 2011, 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		
			Number of share options		
	Date of Grant	Exercise Price 港元 HK\$	於二零一一年 一月一日 尚未行使 Outstanding at 1.1.2011	本期內 行使 Exercised during the period	於二零一一年 六月三十日 尚未行使 Outstanding at 30.6.2011
董事姓名					
Name of Director					
黃金焯先生 Mr. Wong Kam Yim	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
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

購股權(續)

Share Options (Continued)

		購股權數目			
		Number of share options			
授出日期	行使價	於二零一一年	於二零一一年		
		一月一日	六月三十日	本期內	尚未行使
		尚未行使	尚未行使	行使	
Date of Grant	Exercise Price	Outstanding	Outstanding	Exercised	Outstanding
	港元	at 1.1.2011	at 30.6.2011	the period	at 30.6.2011
	HK\$				
吳紹平先生	二零零四年五月十七日	1.590	300,000	300,000	—
Mr. Ng Siu Ping	17 May 2004				
	二零零五年十月二十四日	2.004	200,000	200,000	—
	24 October 2005				
	二零零七年四月三日	4.050	200,000	200,000	—
	3 April 2007				
	二零零八年十月三十一日	1.950	100,000	100,000	—
	31 October 2008				
	二零零九年十月五日	4.536	200,000	200,000	—
	5 October 2009				
丁漢欽先生	二零零八年十月三十一日	1.950	100,000	—	100,000
Mr. Ting Hon Yam	31 October 2008				
	二零零九年十月五日	4.536	200,000	—	200,000
	5 October 2009				
			3,100,000	1,000,000	2,100,000
員工	二零零五年十月二十四日	2.004	306,000	30,000	276,000
Employees	24 October 2005				
	二零零七年四月三日	4.050	962,000	308,000	654,000
	3 April 2007				
	二零零八年十月三十一日	1.950	590,000	70,000	520,000
	31 October 2008				
	二零零九年十月五日	4.536	1,924,000	518,000	1,406,000
	5 October 2009				
			3,782,000	926,000	2,856,000
			6,882,000	1,926,000	4,956,000

購股權 (續)

期內並無購股權授予董事或僱員。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9.319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。

Share Options (Continued)

During the period, no option was 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\$9.319.

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

於二零一一年六月三十日，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

於二零一一年
六月三十日
已發行股本
之百分比
Percentage
of the issued
share capital
of the Company
as at 30.6.2011

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

55,296,000

9.96%

FMR LLC

投資經理(附註)
Investment Manager (Note)

33,110,000

5.97%

附註：根據證券及期貨條例，FMR LLC被視為擁有33,110,000股本公司的股份之權益，而其中Fidelity Management & Research Company 擁有31,710,000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 33,110,000 shares of the Company, of which 31,710,000 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，於二零一一年六月三十日，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 June 2011, 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 June 2011, 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

在截至二零一一年六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

在截至二零一一年六月三十日止六個月期間，本公司均遵守香港聯合交易所有限公司(「聯交所」)證券上市規則附錄十四之企業管治常規守則(「守則」)內的原則，惟偏離守則條文第A.5.4項有關遵守下文「董事進行證券交易的標準守則」一段所述之標準守則除外。

自二零一一年一月一日起有以下之變動：—

- (1) 本公司財務總裁何世豪先生於二零一一年一月一日起獲委任為本公司之執行董事；
- (2) 蘇詩韻女士於二零一一年四月一日起獲委任接替吳紹平先生為本公司之公司秘書；及
- (3) 吳紹平先生於二零一一年七月一日起退任本公司之執行董事一職，並獲調任為本公司之非執行董事。

Purchase, Sale or Redemption of The Company's Listed Securities

During the six months ended 30 June 2011, 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 June 2011, the Company has complied with the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except for the deviation from Code provision A.5.4 in relation to the compliance of the Model Code as mentioned in the paragraph headed "Model Code for Securities Transaction by Directors" below.

The following changes occurred since 1 January 2011 :-

- (1) Mr. Ho Sai Hou, chief financial officer of the Company, was appointed as an executive director of the Company on 1 January 2011;
- (2) Ms. So Sze Wan, Lisa was appointed to replace Mr. Ng Siu Ping as the company secretary of the Company on 1 April 2011; and
- (3) Mr. Ng Siu Ping retired as an executive director of the Company and was re-designated as a non-executive director of the Company on 1 July 2011.

審核委員會

審核委員會於一九九八年十一月成立，其成員包括兩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。於本年七月，董事會委任本公司之非執行董事吳紹平先生出任審核委員會成員。審核委員會主要角色及功能包括審閱本集團財務資料、監控本集團財務申報制度與內部控制程序及監察本集團與外聘核數師的關係。

審核委員會已於二零一一年八月二十三日之審核委員會會議上審閱本集團截至二零一一年六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」審閱本集團截至二零一一年六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」）。於二零一一年三月十五日，本公司獨立非執行董事李澤民先生出售及購買本公司股份（每次4,000股），由於該出售和購買均發生於禁止買賣期內，構成違反標準守則，李先生即時於二零一一年三月十六日向聯交所申報其並非故意採取該行為。聯交所經審查及考慮有關提呈和該事件背景後確認並不會就李先生之違規行為採取紀律處分。本公司已特別就截至二零一一年六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，而全體董事亦確認，除上文所述事件外，他們已完全遵從標準守則所載之規定準則。

Audit Committee

The Audit Committee was formed in November 1998 and comprises two Non-Executive Directors and four Independent Non-executive Directors, and is chaired by Mr. Wong Kong Chi. In July this year, the board of directors appointed Mr. Ng Siu Ping, a non-executive director of the Company, as a member of the Audit Committee. 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 23 August 2011 to review the Group's unaudited interim financial statements for the six months ended 30 June 2011. 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 June 2011, 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 Transaction by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as 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. On 15 March 2011, Mr. Li Chak Man, an independent non-executive director of the Company, sold and purchased shares of the Company, 4,000 each time. As those sale and purchase occurred during the black-out period which constituted non-compliance to the Model Code, Mr. Li promptly reported such inadvertence to the Stock Exchange on 16 March 2011. Having reviewed and considered the submission and the background of the case, the Stock Exchange confirmed that no disciplinary action would be taken against Mr. Li for the said non-compliance. After making specific enquiry, all directors of the Company have confirmed that, save for the incident described above, they have fully complied with the required standard set out in the Model Code during the six months ended 30 June 2011.

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

本核數師行已審閱載於第30至52頁有關葉氏化工集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之中期財務資料。此中期財務資料包括於二零一一年六月三十日之簡明綜合財務狀況表與截至該日止六個月之相關簡明綜合全面收益表、權益變動表及現金流量表以及若干說明附註。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條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」(「香港會計準則第34號」)。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。本行之責任為根據本行之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。本行不會就本報告之內容對任何其他人士承擔或接受任何責任。

Introduction

We have reviewed the interim financial information set out on pages 30 to 52, 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 June 2011 and the related condensed consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six months 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

本行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，故不能讓本行保證本行將知悉在審核中可能發現之所有重大事項。因此，本行不會發表審核意見。

結論

按照本行之審閱，本行並無發現任何事項，令本行相信中期財務資料在各重大方面並未根據香港會計準則第34號編製。

本行並無對審閱結論發表保留意見，惟謹請閣下垂注中期財務資料所披露之截至二零一零年六月三十日止六個月之可比較簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流量表以及相關說明附註並無根據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。

德勤•關黃陳方會計師行

執業會計師

香港

二零一一年八月三十日

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.

Without qualifying our review conclusion, we draw attention to the fact that the comparative condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 June 2010 and the relevant explanatory notes disclosed in the interim financial information have not been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

30 August 2011

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

截至二零一一年六月三十日止六個月 For the six months ended 30 June 2011

		截至六月三十日止六個月		
		Six months ended		
		二零一一年	二零一零年	
		30.6.2011	30.6.2010	
		千港元	千港元	
		HK\$'000	HK\$'000	
		(未經審核)	(未經審核)	
		(Unaudited)	(Unaudited)	
營業額	Turnover	3	3,768,244	3,154,809
銷售成本	Cost of sales		(3,249,022)	(2,612,238)
毛利	Gross profit		519,222	542,571
其他收入	Other income	4	58,581	49,872
其他收益及虧損	Other gains and losses	4	35,299	26,377
銷售及經銷費用	Selling and distribution expenses		(156,836)	(151,604)
行政費用	Administrative expenses		(296,527)	(284,606)
利息費用	Interest expense		(10,352)	(8,132)
除稅前溢利	Profit before taxation	5	149,387	174,478
稅項	Taxation	6	(17,029)	(29,728)
本期純利	Profit for the period		132,358	144,750
其他全面收益(支出)	Other comprehensive income (expense)			
因貨幣折算而產生之匯兌差額	Exchange differences arising on translation		47,935	43,816
指定現金流量對沖工具之公允價值轉變	Fair value change on hedging instruments designated in cash flow hedges		(5,165)	(639)
本期全面收益總額	Total comprehensive income for the period		175,128	187,927
本期純利應佔份額：	Profit for the period attributable to:			
本公司股東	Owners of the Company		103,119	116,245
非控股權益	Non-controlling interests		29,239	28,505
			132,358	144,750
全面收益總額應佔份額：	Total comprehensive income attributable to:			
本公司股東	Owners of the Company		138,630	153,857
非控股權益	Non-controlling interests		36,498	34,070
			175,128	187,927
每股盈利	Earnings per share	8		
— 基本	— Basic		HK18.6 港仙cents	HK21.3 港仙cents
— 攤薄	— Diluted		HK18.5 港仙cents	HK21.0 港仙cents

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

於二零一一年六月三十日 At 30 June 2011

			二零一一年 六月三十日 30.6.2011	二零一零年 十二月三十一日 31.12.2010
		附註 NOTES	千港元 HK\$'000 (未經審核) (Unaudited)	千港元 HK\$'000 (經審核) (Audited)
非流動資產		Non-current assets		
物業、廠房及設備	Property, plant and equipment	9	1,032,319	983,340
預付土地租金	Prepaid lease payments		122,722	119,922
商譽	Goodwill		71,462	71,462
無形資產	Intangible assets		22,136	25,178
可供出售投資	Available-for-sale investment		22,657	22,200
購買物業、廠房及 設備訂金	Deposits paid for acquisition of property, plant and equipment		40,676	28,225
其他非流動資產	Other non-current asset		4,600	4,600
			<u>1,316,572</u>	<u>1,254,927</u>
流動資產		Current assets		
存貨	Inventories		979,223	765,643
應收賬款及應收票據	Trade and bills receivables	10	2,140,968	1,976,265
其他應收賬款及預付款項	Other debtors and prepayments	10	362,480	232,305
預付土地租金	Prepaid lease payments		3,004	2,926
短期銀行存款	Short-term bank deposits			
— 於三個月內到期	— with original maturity within three months		3,776	13,155
— 多於三個月後到期	— with original maturity more than three months		312,455	336,599
銀行結餘及現金	Bank balances and cash		568,128	545,737
			<u>4,370,034</u>	<u>3,872,630</u>
流動負債		Current liabilities		
應付賬款及應計費用	Creditors and accrued charges	11	1,299,967	1,185,201
應付稅款	Taxation payable		68,627	94,310
應付股息	Dividend payable		55,496	—
應付附屬公司非控股 股東之股息	Dividend payable to non-controlling shareholder of a subsidiary		—	3,496
衍生金融工具	Derivative financial instruments		4,211	7,777
銀行借貸—一年內到期	Bank borrowings – amount due within one year	12	966,188	944,369
銀行透支	Bank overdrafts		—	1,059
			<u>2,394,489</u>	<u>2,236,212</u>

			二零一一年 六月三十日 30.6.2011	二零一零年 十二月三十一日 31.12.2010
		附註 NOTES	千港元 HK\$'000 (未經審核) (Unaudited)	千港元 HK\$'000 (經審核) (Audited)
流動資產淨值	Net current assets		<u>1,975,545</u>	<u>1,636,418</u>
總資產減流動負債	Total assets less current liabilities		<u>3,292,117</u>	<u>2,891,345</u>
非流動負債	Non-current liabilities			
衍生金融工具	Derivative financial instruments		7,183	–
銀行借貸—一年後到期	Bank borrowings – amount due after one year	12	570,833	291,833
收購附屬公司額外 權益之代價	Consideration payable for acquisition of additional interest in a subsidiary		2,400	–
遞延稅項負債	Deferred tax liabilities		<u>8,538</u>	<u>6,557</u>
			<u>588,954</u>	<u>298,390</u>
			<u>2,703,163</u>	<u>2,592,955</u>
股本及儲備	Capital and reserves			
股本	Share capital	13	55,496	55,304
儲備	Reserves		<u>2,334,646</u>	<u>2,241,843</u>
本公司股東應佔權益	Equity attributable to owners of the Company		<u>2,390,142</u>	<u>2,297,147</u>
非控股權益	Non-controlling interests		<u>313,021</u>	<u>295,808</u>
			<u>2,703,163</u>	<u>2,592,955</u>

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

截至二零一一年六月三十日止六個月 For the six months ended 30 June 2011

		歸屬於本公司股東之權益 Attributable to owners of the Company											
		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	保留溢利	合計	非控股權益	合計
		Share capital	Share premium	Share option reserve	Non-distributable reserve	Hedging reserve	Translation reserve	Legal reserve	redemption reserve	Retained profits	Total	Non-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
於二零一零年一月一日(未經審核)	At 1 January 2010 (unaudited)	54,051	542,390	9,498	67,715	-	262,363	18,217	5,416	1,068,440	2,028,090	227,580	2,255,670
本期純利	Profit for the period	-	-	-	-	-	-	-	-	116,245	116,245	28,505	144,750
因貨幣折算而產生之匯兌差額	Exchange differences arising on translation	-	-	-	-	-	38,091	-	-	-	38,091	5,725	43,816
現金流量對沖之公允價值變化	Fair value change on cash flow hedges	-	-	-	-	(479)	-	-	-	-	(479)	(160)	(639)
本期全面收益(支出)總額	Total comprehensive income (expense) for the period	-	-	-	-	(479)	38,091	-	-	116,245	153,857	34,070	187,927
小計	Subtotal	54,051	542,390	9,498	67,715	(479)	300,454	18,217	5,416	1,184,685	2,181,947	261,650	2,443,597
因購股權獲行使而發行股份之溢價	Shares issued at premium upon exercise of share options	982	32,304	(2,204)	-	-	-	-	-	-	31,082	-	31,082
取消購股權及轉賬至保留溢利	Shares options cancelled and transferred to retained profits	-	-	(76)	-	-	-	-	-	76	-	-	-
因發行股票而產生之費用	Expenses incurred in connection with issue of shares	-	(25)	-	-	-	-	-	-	-	(25)	-	(25)
轉賬	Transfer	-	-	-	-	-	-	2,632	-	(2,632)	-	-	-
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(7,909)	(7,909)
於二零一零年六月三十日(未經審核)	At 30 June 2010 (Unaudited)	55,033	574,669	7,218	67,715	(479)	300,454	20,849	5,416	1,182,129	2,213,004	253,741	2,466,745
於二零一一年一月一日(經審核)	At 1 January 2011 (Audited)	55,304	587,804	3,060	67,715	(1,717)	328,655	22,789	5,416	1,228,121	2,297,147	295,808	2,592,955
本期純利	Profit for the period	-	-	-	-	-	-	-	-	103,119	103,119	29,239	132,358
因貨幣折算而產生之匯兌差額	Exchange differences arising on translation	-	-	-	-	-	41,181	-	-	-	41,181	6,754	47,935
現金流量對沖之公允價值變化	Fair value change on cash flow hedges	-	-	-	-	(5,670)	-	-	-	-	(5,670)	505	(5,165)
本期全面收益(支出)總額	Total comprehensive income (expense) for the period	-	-	-	-	(5,670)	41,181	-	-	103,119	138,630	36,498	175,128
小計	Subtotal	55,304	587,804	3,060	67,715	(7,387)	369,836	22,789	5,416	1,331,240	2,435,777	332,306	2,768,083
因購股權獲行使而發行股份之溢價	Shares issued at premium upon exercise of share options	192	7,224	(832)	-	-	-	-	-	-	6,584	-	6,584
因發行股票而產生之費用	Expenses incurred in connection with issue of shares	-	(8)	-	-	-	-	-	-	-	(8)	-	(8)
註銷附屬公司之匯兌差額	Exchange differences released upon deregistration of a subsidiary	-	-	-	-	-	(410)	-	-	410	-	-	-
收購附屬公司之額外權益(附註14)	Acquisition of additional interest in a subsidiary (note 14)	-	-	-	-	-	8,384	-	-	(5,099)	3,285	(19,285)	(16,000)
股息	Dividends	-	-	-	-	-	-	-	-	(55,496)	(55,496)	-	(55,496)
於二零一一年六月三十日(未經審核)	At 30 June 2011 (Unaudited)	55,496	595,020	2,228	67,715	(7,387)	377,810	22,789	5,416	1,271,055	2,390,142	313,021	2,703,163

不可分派儲備指部份於中國大陸之附屬公司將保留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.

不可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

截至二零一一年六月三十日止六個月 For the six months ended 30 June 2011

		截至六月三十日止六個月	
		Six months ended	
		二零一一年	二零一零年
		30.6.2011	30.6.2010
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
經營業務所產生之淨現金支出	Net cash used in operating activities	(241,805)	(248,610)
投資業務所產生之淨現金支出	Net cash 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	192,896	21,284
新增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	(164,163)	(192,379)
購買物業、廠房及設備	Purchases of property, plant and equipment	(53,690)	(55,421)
收購物業、廠房及設備訂金	Deposits paid for acquisition of property, plant and equipment	(40,676)	(33,189)
可供出售投資之股息收入	Dividend received from available-for-sale investment	8,590	6,742
出售物業、廠房及設備以及預付土地租金所收之款項	Proceeds from disposal of property, plant and equipment and prepaid lease payments	24,734	989
其他投資現金流量	Other investing cash flows	2,694	(11,385)
		(29,615)	(263,359)
融資業務所產生之淨現金收入	Net cash from financing activities		
新增銀行貸款	New borrowings raised	1,624,353	622,225
發行股份所得款項	Proceeds from issue of shares	6,584	31,080
償還銀行貸款	Repayment of borrowings	(1,323,858)	(288,219)
收購附屬公司額外權益之付款	Payments on acquisition of additional interest in a subsidiary	(13,600)	-
支付利息	Interest paid	(10,352)	(8,132)
支付非控股股東股息	Dividends paid to non-controlling shareholders	(3,496)	(7,909)
其他融資現金流量	Other financing cash flows	(3,925)	(25)
		275,706	349,020
淨現金及現金等額增加(減少)	Net increase (decrease) in cash and cash equivalents	4,286	(162,949)
期初時之現金及現金等額	Cash and cash equivalents at beginning of the period	557,833	633,302
匯率變動所產生之影響	Effect of foreign exchange rate changes	9,785	9,490
期末時之現金及現金等額	Cash and cash equivalents at end of the period	571,904	479,843
現金及現金等額結餘分析	Analysis of balances of cash and cash equivalents		
銀行結餘及現金	Bank balances and cash	568,128	455,346
於三個月內到期之短期銀行存款	Short-term bank deposits with original maturity within three months	3,776	25,385
銀行透支	Bank overdrafts	-	(888)
		571,904	479,843

1. 編製基準

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。

2. 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。

本簡明綜合財務報告使用之會計政策乃與編製本公司截至二零一零年十二月三十一日止九個月之綜合財務報告所依循者相符一致。

於二零一零年，本集團之財政年結日由三月三十一日更改為十二月三十一日，故本期間之簡明綜合財務報表涵蓋至二零一一年六月三十日止六個月。簡明綜合全面收益表、簡明綜合權益變動表、簡明綜合現金流量表及相關說明附註所顯示之相應未經審核比較金額涵蓋截至二零一零年六月三十日止可比較之六個月，以便與本期間之呈列方式相符一致。

於本中期期間，本集團首次採用由香港會計師公會頒佈之下列新訂或經修訂香港財務報告準則及詮釋（下文統稱「新訂及經修訂香港財務報告準則」）。

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 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 the same as those followed in the preparation of the Company's consolidated financial statements for the nine months ended 31 December 2010.

Due to change in the financial year end date of the Group from 31 March to 31 December in 2010, the condensed consolidated financial statements for the current period cover the six months till 30 June 2011. The corresponding unaudited comparative amounts shown for the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and the relevant explanatory notes cover the comparable six months ended 30 June 2010 in order to be consistent with current period's presentation.

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

2. 主要會計政策 (續)

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
香港會計準則第24號 (經修訂)	關連人士之披露
香港會計準則第32號 (經修訂)	供股之分類
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
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

於本中期期間應用上述新訂及經修訂香港財務報告準則，對呈報於該等簡明綜合財務報表內之金額並無重大影響。

本集團並無提早採用下列已頒佈但尚未生效之新訂或經修訂之準則。

香港財務報告準則 第7號(經修訂)	披露 – 轉讓金融資產 ¹
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	共同安排 ²
香港財務報告準則第12號	於其他實體之權益披露 ²
香港財務報告準則第13號	公允值計量 ²
香港會計準則第1號 (經修訂)	其他全面收益項目 之呈列 ³
香港會計準則第12號 (經修訂)	遞延稅項：收回 相關資產 ⁴
香港會計準則第19號 (於二零一一年修訂)	僱員福利 ²
香港會計準則第27號 (於二零一一年修訂)	獨立財務報表 ²
香港會計準則第28號 (於二零一一年修訂)	於聯營公司及 合營企業之投資 ²

2. Principal Accounting Policies (Continued)

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKAS 24 (Revised)	Related party disclosures
HKAS 32 (Amendments)	Classification of rights issues
HK(IFRIC)* – INT 14 (Amendments)	Prepayments of a minimum funding requirement
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments

* IFRIC represents the IFRS Interpretations Committee.

The application of the above new and revised HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements.

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

HKFRS 7 (Amendments)	Disclosures – Transfers of financial assets ¹
HKFRS 9	Financial instruments ²
HKFRS 10	Consolidated financial statements ²
HKFRS 11	Joint arrangements ²
HKFRS 12	Disclosure of interests in other entities ²
HKFRS 13	Fair value measurement ²
HKAS 1 (Amendments)	Presentation of items of other comprehensive income ³
HKAS 12 (Amendments)	Deferred tax: Recovery of underlying assets ⁴
HKAS 19 (Revised 2011)	Employee benefits ²
HKAS 27 (Revised 2011)	Separate financial statements ²
HKAS 28 (Revised 2011)	Investments in associates and joint ventures ²

2. 主要會計政策 (續)

- ¹ 於二零一一年七月一日或其後開始之年度期間生效。
- ² 於二零一三年一月一日或其後開始之年度期間生效。
- ³ 於二零一二年七月一日或其後開始之年度期間生效。
- ⁴ 於二零一二年一月一日或其後開始之年度期間生效。

香港財務報告準則第9號「金融工具」(於二零零九年十一月頒佈)引進金融資產分類及計量之新規定。香港財務報告準則第9號「金融工具」(於二零一零年十一月經修訂)增加金融負債規定及解除確認規定。香港財務報告準則第9號明確規定，所有符合香港會計準則第39號「金融工具：確認及計量」範疇之金融資產隨後將按攤銷成本或公允值計量。具體而言，根據業務模式以收取合約現金流量為目的所持有，及僅為支付本金及未償還本金之利息而產生合約現金流量之債務投資於隨後會計期間末一般按攤銷成本計量。所有其他債務投資及股本投資於隨後會計期間末乃按公允值計量。董事預計應用香港財務報告準則第9號將影響本集團可供出售投資之分類及計量，並可能影響其他金融資產之分類及計量。

香港財務報告準則第9號於二零一三年一月一日或之後開始之年度期間生效，准予提早應用。

2. Principal Accounting Policies (Continued)

- ¹ Effective for annual periods beginning on or after 1 July 2011.
- ² Effective for annual periods beginning on or after 1 January 2013.
- ³ Effective for annual periods beginning on or after 1 July 2012.
- ⁴ Effective for annual periods beginning on or after 1 January 2012.

HKFRS 9 “Financial instruments” (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 “Financial instruments” (as revised in November 2010) adds requirements for financial liabilities and for derecognition. Specifically under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. The Directors anticipate that the application of HKFRS 9 will affect the classification and measurement of the Group’s available-for-sale investment and may affect the classification and measurement of other financial assets.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

2. 主要會計政策(續)

與賬目綜合、共同安排及披露有關之五項新訂或經修訂準則(包括香港財務報告準則第10號、第11號及第12號，香港會計準則第27號(二零一一年重訂)及第28號(二零一一年重訂))，乃由香港會計師公會於二零一一年六月頒佈，並於二零一三年一月一日或其後開始之年度期間生效。該五項新訂或經修訂準則須同時提前應用方獲准提前應用。香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」中處理綜合財務報表之部分。香港財務報告準則第10號載有控制權之新定義，包括三項要素：(a)擁有控制被投資方之權力；(b)擁有因參與被投資方之業務而取得變動回報之機會或權利；及(c)擁有運用其對被投資方之權力以影響投資者回報金額之能力。香港財務報告準則第10號已新增多項指引以處理複雜情況。本公司董事預期該等新訂或經修訂準則將應用於本集團於二零一三年一月一日開始財政年度之綜合財務報表，且正評估影響。

除上述外，本公司董事預期應用其他新訂及經修訂的準則對本集團之業績及財務狀況並無重大影響。

2. Principal Accounting Policies (Continued)

The five new or revised standards on consolidation, joint arrangements and disclosures including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (Revised 2011) and HKAS 28 (Revised 2011) were issued by the HKICPA in June 2011 and are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five new or revised standards are applied early at the same time. HKFRS 10 replaces the parts of HKAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios. The directors of the Company anticipate that these new or revised standards will be applied in the Group's consolidated financial statements for financial year beginning on 1 January 2013 and are in the process of assessing the impact.

Other than those disclosed above, the directors of the Company anticipate that the application of the other new and revised standards will have no material impact on the results and financial position of the Group.

3. 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，即溶劑、塗料、潤滑油及其他業務。本集團乃按該等業務類別向行政總裁(本集團之主要營運決策者)呈報其經營分類資料。

本集團呈列分類的主要業務如下：

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

分類業績指各分類在未有分配利息收入、衍生金融工具公允值之變化、出售集團資產之盈虧、中央行政費用及利息費用前所賺取之溢利或產生之虧損。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。

3. Segment Information

For management purposes, the Group's operations are currently grouped into the following business divisions, namely solvents, coatings, lubricants and other businesses. These divisions are the basis on which the Group reports its operating segment information to the Chief Executive Officer, the Group's chief operating decision maker ("CODM").

Principal activities of the Group's reportable segments 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

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 or loss on disposal of corporate assets, central administration costs and interest expense. This is the information reported to the Chief Executive Officer, the Group's CODM, for the purposes of resource allocation and performance assessment.

3. 業務分類(續)

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：

		溶劑	塗料	潤滑油	分類呈列	其他	交易	綜合
					總計	業務	抵銷	
					Reportable segment	Other		
		Solvents	Coatings	Lubricants	total	businesses	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
截至二零一一年	Six months ended							
六月三十日止六個月	30 June 2011							
分類營業額	Segment revenue							
對外銷售	External sales	2,300,613	1,251,954	191,831	3,744,398	23,846	-	3,768,244
分類間銷售	Inter-segment sales	50,759	-	-	50,759	-	(50,759)	-
分類總營業額	Total segment revenue	<u>2,351,372</u>	<u>1,251,954</u>	<u>191,831</u>	<u>3,795,157</u>	<u>23,846</u>	<u>(50,759)</u>	<u>3,768,244</u>
業績	Results							
分類業績	Segment result	<u>132,808</u>	<u>18,401</u>	<u>2,808</u>	<u>154,017</u>	<u>436</u>	<u>806</u>	155,259
衍生金融工具公允值之變化	Fair value change on derivative financial instruments							(2,049)
未分配收入	Unallocated income							20,893
未分配費用	Unallocated expenses							(14,364)
利息費用	Interest expense							(10,352)
除稅前溢利	Profit before taxation							<u>149,387</u>

3. Segment Information (Continued)

Segment revenue and results

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

3. 業務分類 (續)

3. Segment Information (Continued)

		溶劑	塗料	潤滑油	分類呈列 總計	其他 業務	交易 抵銷	綜合
		Solvents	Coatings	Lubricants	Reportable segment total	Other businesses	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 六月三十日止六個月	Six months ended 30 June 2010							
分類營業額	Segment revenue							
對外銷售	External sales	1,846,883	1,081,718	157,908	3,086,509	68,300	-	3,154,809
分類間銷售	Inter-segment sales	57,318	-	-	57,318	-	(57,318)	-
分類總營業額	Total segment revenue	<u>1,904,201</u>	<u>1,081,718</u>	<u>157,908</u>	<u>3,143,827</u>	<u>68,300</u>	<u>(57,318)</u>	<u>3,154,809</u>
業績	Results							
分類業績	Segment result	<u>123,464</u>	<u>26,773</u>	<u>13,785</u>	<u>164,022</u>	<u>1,109</u>	<u>1,714</u>	166,845
衍生金融工具公允值之變化	Fair value change on derivative financial instruments							4,938
未分配收入	Unallocated income							19,200
未分配費用	Unallocated expenses							(8,373)
利息費用	Interest expense							<u>(8,132)</u>
除稅前溢利	Profit before taxation							<u>174,478</u>

分類間銷售與給予外界人士的條款相近。

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

3. 業務分類(續)

3. Segment Information (Continued)

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	綜合 Consolidated 千港元 HK\$'000
於二零一一年 六月三十日		At 30 June 2011			
分類呈列資產	Reportable segment assets	2,237,777	2,096,952	302,966	4,637,695
其他業務	Other businesses				102,678
其他未分配資產	Other unallocated assets				<u>946,233</u>
綜合總資產	Consolidated total assets				<u><u>5,686,606</u></u>
		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	綜合 Consolidated 千港元 HK\$'000
於二零一零年 十二月三十一日		At 31 December 2010			
分類呈列資產	Reportable segment assets	1,963,052	1,927,140	226,554	4,116,746
其他業務	Other businesses				59,222
其他未分配資產	Other unallocated assets				<u>951,589</u>
綜合總資產	Consolidated total assets				<u><u>5,127,557</u></u>

4. 其他收入和其他收益及虧損

4. Other Income and Other Gains and Losses

		截至六月三十日止六個月 Six months ended	
		二零一一年 30.6.2011	二零一零年 30.6.2010
		千港元 HK\$'000	千港元 HK\$'000
本集團之其他收入主要包括：	The Group's other income mainly comprises:		
銀行利息收入	Bank interest income	6,832	6,829
提早終止經營租賃之補償(註)	Compensation for early termination of operating lease (Note)	21,515	–
可供出售投資的股息收入	Dividend income from available-for-sale investment	8,590	6,742
確認的政府補助金	Government grants recognised	5,126	10,830
本集團之其他收益及虧損包括：	The Group's other gains and losses comprise:		
衍生金融工具之公允值(虧損)收益	Fair value (loss) gain on derivative financial instruments	(2,049)	4,938
出售物業、廠房及設備和預付土地租金之收益(虧損)(註)	Gain (loss) on disposal of property, plant and equipment and prepaid lease payments (Note)	10,600	(3,956)
淨匯兌收益	Net exchange gain	<u>26,748</u>	<u>25,395</u>

註：根據於二零一一年四月與獨立第三方訂立之協議，本集團於中國大陸出售若干物業(包括廠房及辦公樓)，並確認期內出售物業、廠房及設備和預付土地租金之收益11,152,000港元。此外，根據於二零一一年四月與同一獨立第三方(「業主」)訂立之另一份協議，由於業主希望提早終止向本集團出租一幅位於中國大陸之土地的经营租賃協議，本集團獲得21,515,000港元補償。

Note: Pursuant to an agreement entered into with an independent third party in April 2011, the Group disposed of certain properties, including plant and office buildings, in Mainland China and recognised gain on disposal of property, plant and equipment and prepaid lease payments of HK\$11,152,000 for the period. In addition, the Group received a compensation of HK\$21,515,000 pursuant to another agreement entered into with the same independent third party (the "Landlord") in April 2011 as the Landlord would like to early terminate an operating lease agreement in respect of a land leased to the Group located in Mainland China.

5. 除稅前溢利

		截至六月三十日止六個月 Six months ended	
		二零一一年 30.6.2011	二零一零年 30.6.2010
		千港元 HK\$'000	千港元 HK\$'000
除稅前溢利已扣除：	Profit before taxation has been arrived at after charging:		
無形資產攤銷	Amortisation of intangible assets	3,219	2,276
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	39,299	35,601
預付土地租金攤銷	Release of prepaid lease payments	<u>1,789</u>	<u>1,537</u>

6. 稅項

		截至六月三十日止六個月 Six months ended	
		二零一一年 30.6.2011	二零一零年 30.6.2010
		千港元 HK\$'000	千港元 HK\$'000
此費用包括：	The charge comprises:		
現行稅項－香港	Current tax – Hong Kong		
本期間	Current period	310	388
往年少提撥備	Underprovision in prior periods	<u>95</u>	<u>1,649</u>
		<u>405</u>	<u>2,037</u>
現行稅項－中國大陸	Current tax – Mainland China		
本期間	Current period	27,370	27,718
往年(多)/少提撥備	(Over) underprovision in prior periods	<u>(12,727)</u>	<u>192</u>
		<u>14,643</u>	<u>27,910</u>
遞延稅項	Deferred taxation	15,048	29,947
本期間	Current period	<u>1,981</u>	<u>(219)</u>
		<u>17,029</u>	<u>29,728</u>

6. 稅項 (續)

香港利得稅按回顧期間應課稅溢利之16.5%計提。

中國大陸企業所得稅(「企業所得稅」)已按25%之稅率或集團實際享有之優惠稅率作出撥備。

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業務錄得溢利之年度起首兩年獲豁免中國大陸企業所得稅，而後該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。此外，若干附屬公司享有高新技術企業適用所得稅稅率15%。中國大陸企業所得稅已於計入該等稅務優惠後作出撥備。

本集團已根據中國大陸企業所得稅法實施條例規定，計算將從若干中國大陸附屬公司自二零零八年一月一日起賺取之溢利分派之股息，就附屬公司未分派之溢利確認遞延稅項。中國大陸企業所得稅法實施條例規定向股東分派有關溢利時須按5%至10%的稅率繳納預扣稅。由於董事認為本集團可控制撥回暫時差異之時間，而暫時差異於可預見將來可能不會撥回，故本集團並無就中國大陸附屬公司自二零零八年一月一日起已賺取之若干未分派保留溢利1,251,559,000港元(二零一零年十二月三十一日：1,150,726,000港元)確認遞延稅項。

6. Taxation (Continued)

Hong Kong Profits Tax has been provided at the rate of 16.5% of the assessable profit for the period under review.

Enterprise income tax ("EIT") in Mainland China has been provided at 25% or at concession rate entitled to the group entities.

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. Also, certain subsidiaries are entitled to High and New Technology Enterprise Status which applicable income tax rate is 15%. EIT of Mainland China has been provided for after taking these tax incentives into account.

Deferred taxation on undistributed profits of subsidiaries has been recognised taking into accounts the dividends to be distributed from profits earned by certain subsidiaries in Mainland China starting from 1 January 2008 under the Implementation Regulation of the EIT Law of Mainland China that requires withholding tax with tax rate ranging from 5% to 10% upon the distribution of such profits to the shareholders. Deferred taxation has not been recognised in respect of certain undistributed retained profits earned by the subsidiaries in Mainland China starting from 1 January 2008 amounting to HK\$1,251,559,000 (31 December 2010: HK\$1,150,726,000) as the directors are of the opinion that 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.

7. 股息

期內，有關截至二零一零年十二月三十一日止九個月之每股10.0港仙之期末股息55,496,000港元已於二零一一年六月二十八日之股東週年大會上獲股東批准。截至二零一零年六月三十日止六個月，有關截至二零一零年三月三十一日止年度之每股20.0港仙之期末股息110,211,000港元已於二零一零年六月二十九日經董事提呈，並隨後於二零一零年九月九日之股東週年大會上獲股東批准。

二零一一年六月三十日後，董事議決宣佈截至二零一一年六月三十日止六個月之中期股息每股8.0港仙及特別股息每股4.0港仙，合共不少於66,000,000港元。中期股息及特別股息於二零一一年十月十八日應付予於二零一一年十月十日名列本公司股東名冊之本公司股東。

7. Dividends

During the period, a final dividend of HK10.0 cents per share in respect of the nine months ended 31 December 2010 amounting to HK\$55,496,000 was approved by the shareholders in the annual general meeting on 28 June 2011. For the six months ended 30 June 2010, final dividend of HK20.0 cents per share in respect of the year ended 31 March 2010 amounting to HK\$110,211,000 has been proposed by the directors on 29 June 2010 and was subsequently approved by the shareholders in the annual general meeting on 9 September 2010.

Subsequent to 30 June 2011, the directors resolved to declare an interim dividend of HK8.0 cents and a special dividend of HK4.0 cents per share totalling not less than HK\$66,000,000 for the six months ended 30 June 2011. The interim dividend and special dividend are payable on 18 October 2011 to the shareholders of the Company whose names appear on the Company's register of members on 10 October 2011.

10. 應收賬款及應收票據、其他應收賬款及預付款項

10. Trade and Bills Receivables, Other Debtors and Prepayments

		二零一一年 六月三十日 30.6.2011 千港元 HK\$'000	二零一零年 十二月三十一日 31.12.2010 千港元 HK\$'000
應收賬款	Trade receivables	1,420,090	1,340,393
應收票據	Bills receivables	720,878	635,872
		<u>2,140,968</u>	<u>1,976,265</u>

其他應收賬款及預付款項主要包括預付供應商款項、應收供應商佣金及進項增值稅。

Other debtors and prepayments mainly consist of payments in advance to suppliers, commission receivable from suppliers and value-added tax receivable.

於報告期末應收賬款按發票日期之賬齡分析如下：

An aged analysis of trade receivables presented based on the invoice date at the end of the reporting period is as follows:

		二零一一年 六月三十日 30.6.2011 千港元 HK\$'000	二零一零年 十二月三十一日 31.12.2010 千港元 HK\$'000
零至三個月	0 – 3 months	1,255,649	1,148,182
四至六個月	4 – 6 months	150,522	183,425
六個月以上	Over 6 months	13,919	8,786
		<u>1,420,090</u>	<u>1,340,393</u>

本集團容許向其餘銷客戶提供由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大規模或長期客戶。

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.

應收票據為國內銀行承兌及擔保付款之銀行承兌匯票，本集團按個別情況接受客戶以國內銀行承兌之銀行承兌匯票償還應收賬款。

Bills receivables represent 銀行承兌匯票 (“banker’s acceptances”), i.e. time drafts accepted and guaranteed for payment by PRC banks. The Group accepts the settlement of trade receivables by customers using banker’s acceptances accepted by PRC banks on a case by case basis.

10. 應收賬款及應收票據、其他應收賬款及預付款項(續)

此類出具或背書給本集團之銀行承兌匯票於出具日期起計六個月內到期。承兌銀行承兌匯票之銀行為國內之國有銀行或商業銀行，並於銀行承兌匯票之到期日為主要負責支付人。

11. 應付賬款及應計費用

應付賬款及應計費用包括應付貨款1,033,744,000港元(於二零一零年十二月三十一日：863,801,000港元)，於報告期末應付貨款按發票日期之賬齡分析如下：

		二零一一年 六月三十日 30.6.2011 千港元 HK\$'000	二零一零年 十二月三十一日 31.12.2010 千港元 HK\$'000
零至三個月	0 – 3 months	971,173	823,007
四至六個月	4 – 6 months	53,490	35,529
六個月以上	Over 6 months	9,081	5,265
		<u>1,033,744</u>	<u>863,801</u>

12. 銀行借貸

期內，本集團取得1,624,353,000港元(截至二零一零年六月三十日止六個月：622,225,000港元)新銀行借貸，並償還1,323,858,000港元(截至二零一零年六月三十日止六個月：288,219,000港元)銀行借貸。新銀行借貸按市場息率計息及須在一個月至五年內償還。

10. Trade and Bills Receivables, Other Debtors and Prepayments (Continued)

These banker's acceptances are issued to or endorsed to the Group and are due within six months from the date of issuance. Those banks accepting the banker's acceptances, which are state-owned banks or commercial banks in the PRC, are the primary obligors for payment on the due date of such banker's acceptances.

11. Creditors and Accrued Charges

Included in creditors and accrued charges are trade creditors of HK\$1,033,744,000 (31 December 2010: HK\$863,801,000), the aged analysis of trade creditors at the end of the reporting period based on the invoice date is as follows:

12. Bank Borrowings

During the period, the Group obtained new bank borrowings in the amount of HK\$1,624,353,000 (six months ended 30 June 2010: HK\$622,225,000) and repaid bank borrowings of HK\$1,323,858,000 (six months ended 30 June 2010: HK\$288,219,000). The new bank borrowings bear interest at market rates and are repayable ranging from 1 month to 5 years.

13. 股本

13. Share Capital

	法定	
	二零一一年 六月三十日及 二零一零年 十二月三十一日	已發行及繳足 二零一一年 六月三十日 二零一零年 十二月三十一日
	Authorised	Issued and fully paid
	30.6.2011 & 31.12.2010	30.6.2011 31.12.2010
	千港元	千港元 千港元
	HK\$'000	HK\$'000 HK\$'000
每股面值0.10港元之股份 Shares of HK\$0.10 each	<u>80,000</u>	<u>55,496</u> <u>55,304</u>

期內，本公司已發行股本之變動如下：

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
於二零一一年一月一日	553,037	55,304
行使購股權（附註）	<u>1,926</u>	<u>192</u>
於二零一一年六月三十日	<u>554,963</u>	<u>55,496</u>

附註：於截至二零一一年六月三十日止六個月內，有1,926,000份購股權獲行使，本公司因此而分別發行300,000股、230,000股、508,000股、170,000股及718,000股每股面值0.10港元之股份，每股作價分別為1.590港元、2.004港元、4.050港元、1.950港元及4.536港元。

Note: During the six months ended 30 June 2011, 1,926,000 share options were exercised, resulting in the issue of 300,000 shares, 230,000 shares, 508,000 shares, 170,000 shares and 718,000 shares of HK\$0.10 each in the Company at a price of HK\$1.590, HK\$2.004, HK\$4.050, HK\$1.950 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已發行股份享有同等權益。

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

14. 收購附屬公司額外權益

期內，本集團以現金代價16,000,000港元收購葉氏太平洋有限公司（「葉氏太平洋」）額外40%股本及葉氏太平洋於收購事項後成為本集團之全資附屬公司。葉氏太平洋之非控股權益調整19,285,000港元與代價16,000,000港元間之差額3,285,000港元已直接於權益內確認，而入賬列作葉氏太平洋非控股權益賬面值之匯兌差額8,384,000港元已轉撥至本公司股東應佔匯兌儲備。

14. Acquisition of Additional Interest in a Subsidiary

During the period, the Group acquired an additional 40% equity capital of Yip's Pacific Limited ("Yip's Pacific") for a cash consideration of HK\$16,000,000 and Yip's Pacific became a wholly-owned subsidiary of the Group after the acquisition. The difference of HK\$3,285,000 between the adjustment to non-controlling interests of Yip's Pacific amounting to HK\$19,285,000 and the consideration of HK\$16,000,000 has been recognised directly in equity and the translation difference of HK\$8,384,000 included in the carrying value of the non-controlling interests of Yip's Pacific was transferred to translation reserve attributable to owners of the Company.

15. 承擔

15. Commitments

	二零一一年 六月三十日 30.6.2011 千港元 HK\$'000	二零一零年 十二月三十一日 31.12.2010 千港元 HK\$'000
有關收購物業、廠房及設備 之資本開支		
– 已訂約但簡明綜合財務 報告中未予撥備	<u>65,860</u>	<u>48,780</u>
– 已授權但未訂約	<u>733,665</u>	<u>602,510</u>
有關添置預付土地租金之開支		
– 已訂約但簡明綜合財務 報告中未予撥備	<u>99,500</u>	<u>107,848</u>
– 已授權但未訂約	<u>34,800</u>	<u>34,800</u>

16. 關連人士交易

- (a) 期內，本集團分別支付480,000港元(截至二零一零年六月三十日止六個月：480,000港元)及300,000港元(截至二零一零年六月三十日止六個月：300,000港元)之租金予港德投資有限公司(「港德」)及嘉捷投資有限公司(「嘉捷」)，本公司之董事葉志成先生及葉子軒先生分別於港德及嘉捷持有控股權。

(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11,279,000港元(截至二零一零年六月三十日止六個月：13,806,000港元)。

16. Related Party Transactions

- (a) During the period, the Group paid rent of HK\$480,000 (six months ended 30 June 2010: HK\$480,000) and HK\$300,000 (six months ended 30 June 2010: HK\$300,000) to Goldex Investments Limited ("Goldex") and Galsheer Investments Limited ("Galsheer") respectively in which Mr. Ip Chi Shing and Mr. Yip Tsz Hin, directors of the Company, have controlling interests over Goldex and Galsheer respectively.

(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\$11,279,000 (six months ended 30 June 2010: HK\$13,806,000).



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