

A. 重大事項

1. 本公司於2002年6月7日成立了董事會戰略發展委員會、薪酬與考核委員會和提名委員會等三個委員會，並分別制定了相應的工作細則。《股東大會議事規則》的完善、獨立董事制度的建立將根據有關指引，預計本年度內完成。
2. 2001年度利潤分配方案執行情況：

2001年末期股息已於2002年7月10日前派發完畢。
3. 就2001年年度報告披露的有關本公司被列為阿司匹林傾銷供應商一案，目前該案件仍在審理之中，董事會認為案情正朝有利於本公司方向發展。除此之外，本期內本集團無涉及或任何未完結或面臨的重大訴訟、仲裁事項。
4. 本報告期內本公司未發生重大資產收購、出售或處置以及企業收購兼併事項，亦無以前期間發生但持續到報告期上述事項。
5. 本公司於本報告期內進行的有關連公司交易見按中國會計準則編制的財務報告之財務附註33及按香港普遍採納之會計原則之財務報表附註12。

A. IMPORTANT ISSUES

1. On 7 June 2002, the Company set up a Strategic Development Committee, a Remuneration and Assessment Committee and a Nominating Committee and devised the corresponding rules and regulations. The Company will further amend its rules for general meetings, and formulate and implement rules in respect of its independent non-executive directors.
2. The distribution of profit for 2001 was as follows:

The final dividend for the year 2001 was fully distributed before 10 July 2002.
3. Regarding the case in relation to the anti-dumping claim against the Company as one of the leading producers of Acetylsalicylic Acid as disclosed in the 2001 Annual Report, this case is currently being heard. In the opinion of Directors, the final judgement may be in favour of the Company. Other than the above-mentioned pending claim, the Group was not involved in any material litigation or arbitration and no material litigation or claim is pending, or threatened or made against the Group.
4. There is no material purchasing, selling or handling of assets, nor material mergers or acquisition occurred in this reporting period. No such issue occurred in last reporting period and are carried over in this reporting period.
5. The related party transactions of the Company are set out in the Note 33 to the Accounts prepared in conformity with PRC accounting standards and Note 12 to the Accounts prepared in conformity with HKGAAP.

6. 本報告期內本公司無託管、承包、租賃其他公司資產或其他公司託管、承包、租賃本公司資產事項本報告期內。

7. 本報告期內，本公司無重大擔保及未履行完畢的重大擔保。

8. 本公司未發生委託他人進行現金資產管理事項。

9. 公司或持股5%以上股東沒有在指定報紙和網站上披露承諾事項。

6. In the reporting period, there is no trust, subcontract and lease of the assets between the Company and other companies.

7. In this reporting period, the Company did not give any material guarantee and it does not have any outstanding obligation pursuant to any material guarantees that it has given before.

8. The Company did not appoint any custodian for the management of funds.

9. The Company and its shareholders holding more than 5% of shares of the Company have not provided any undertakings in newspapers and websites designated by the CSRC for information disclosure.

B. 購買、出售及購回股份

本報告期內本公司或其附屬公司概無購買、出售及購回或註銷本公司之上市股份。

B. PURCHASE, SALES AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2002, the Company or any of its subsidiaries did not purchase, sell, redeem or cancel any of its listed shares.

C. 董事及監事購買、出售股份限制

本報告期內任何時間，本公司無授予任何董事、監事或其配偶或十八歲以下子女認購本公司的股份的權利。

C. DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

At no time during the six months ended 30 June 2002 was the Company a party to any arrangement which would have enabled any of the Company's Directors, Supervisors, or their spouses or children under 18 years of age to acquire benefits through acquisition of shares in the Company.

D. 最佳應用守則

本公司董事並不知悉有任何資料顯示本集團於截至2002年6月30日止6個月內任何時間並無遵守聯交所上市規則附錄十四所載之最佳應用守則。

E. 稅收優惠問題

2002年1月30日山東省淄博市地方稅務局開發區分局以淄地稅開字[2002]5號文確認，本公司在2002年度內，減按15%的稅率繳納企業所得稅。但本公司不能保證以後年度仍然享受該等稅收優惠。

F. 委託存款問題

截至2002年6月30日止6個月，本公司沒有於非銀行金融機構的存款及屬於委託性質的存款，也不存在到期不能收回的定期存款。

G. 員工及其薪酬

於2002年6月30日，本公司員工人數為4,945人，2002年上半年員工工資總額為人民幣45,708千元。

D. CODE OF BEST PRACTICE

None of the Directors of the Company was aware of any information that would reasonably indicate that the Group was not in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities issued by SEHK at any time during the six months ended 30 June 2002.

E. PREFERENTIAL TAX TREATMENT

On 30 January 2002, Shandong Province Zibo Municipal Local Taxation Bureau Development Zone Sub-Division confirmed in its document ZiDiShuiKaiZi [2002] No.5 that the rate of the income tax for the Company would be reduced to 15% for the year ending 31 December 2002. However, there can be no assurance that the preferential tax treatment would be maintained for financial years beyond 2002.

F. DESIGNATED DEPOSITS

For the six months ended 30 June 2002, the Group had neither placed any deposits with any non-banking financial institutions, nor had it placed any designated deposits. The Group does not have any overdue time-deposits.

G. STAFF AND REMUNERATION

The number of staff of the Company as at 30 June 2002 was 4,945, and their total amount of salaries and wages paid and payable for the six months ended 30 June 2002 was RMB45,708,000.