

自然美  
natural beauty

NATURAL BEAUTY BIO-TECHNOLOGY LIMITED

自然美生物科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：00157



INTERIM REPORT 2010

二零一零年中期報告

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# Corporate Information

## 公司資料

### Board of Directors

#### Executive Directors

Dr. Tsai Yen Yu

(alias Dr. Tsai Yen Pin) (*Chairman*)

Mr. Lee Ming Ta

(alias Mr. Lee Ming Tah) (*Vice Chairman*)

#### Non-Executive Directors

Dr. Su Chien Cheng

Dr. Su Sh Hsyu

Mr. Gregory Michael Zeluck

Mr. Patrick Thomas Siewert (*Vice Chairman*)

Ms. Ng Shieu Yeing Christina

Ms. Feng Janine Junyuan

#### Independent Non-Executive Directors

Mr. Francis Goutenmacher

Ms. Su-Mei Thompson

Mr. Chen Ruey Long

Mr. Yang Tze Kaing

#### Authorised Representatives

Mr. Lee Ming Ta (alias Mr. Lee Ming Tah)

Dr. Su Chien Cheng

#### Company Secretary

Mr. Chan Yan Kwan, Andy CPA, FCCA

#### Members of the Audit Committee

Dr. Su Chien Cheng

Ms. Ng Shieu Yeing Christina

Mr. Francis Goutenmacher

Ms. Su-Mei Thompson

Mr. Chen Ruey Long

Mr. Yang Tze Kaing

### 董事會

#### 執行董事

蔡燕玉博士

(又名蔡燕萍博士)(*主席*)

李明達先生(*副主席*)

#### 非執行董事

蘇建誠博士

蘇詩琇博士

Gregory Michael Zeluck先生

Patrick Thomas Siewert先生(*副主席*)

吳秀濶女士

馮軍元女士

#### 獨立非執行董事

Francis Goutenmacher先生

周素媚女士

陳瑞隆先生

楊子江先生

#### 法定代表

李明達先生

蘇建誠博士

#### 公司秘書

陳仁君先生CPA, FCCA

#### 審核委員會成員

蘇建誠博士

吳秀濶女士

Francis Goutenmacher先生

周素媚女士

陳瑞隆先生

楊子江先生

## Members of the Remuneration Committee

Dr. Tsai Yen Yu  
(alias Dr. Tsai Yen Pin)  
Dr. Su Sh Hsyu  
Mr. Patrick Thomas Siewert  
Mr. Gregory Michael Zeluck  
Ms. Su-Mei Thompson  
Mr. Chen Ruey Long

## Members of the Executive Committee

Dr. Tsai Yen Yu  
(alias Dr. Tsai Yen Pin)  
Dr. Su Sh Hsyu  
Mr. Patrick Thomas Siewert  
Mr. Gregory Michael Zeluck  
Mr. Francis Goutenmacher  
Mr. Yang Tze Kaing

## Registered Office

P. O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

## Head Office and Principal Place of Business in Hong Kong

Unit 3512, 35/F  
The Center  
99 Queen's Road Central  
Central  
Hong Kong

## Auditor

Deloitte Touche Tohmatsu  
Certified Public Accountants  
35/F One Pacific Place  
88 Queensway  
Hong Kong

## 薪酬委員會成員

蔡燕玉博士  
(又名蔡燕萍博士)  
蘇詩琇博士  
Patrick Thomas Siewert先生  
Gregory Michael Zeluck先生  
周素媚女士  
陳瑞隆先生

## 執行委員會成員

蔡燕玉博士  
(又名蔡燕萍博士)  
蘇詩琇博士  
Patrick Thomas Siewert先生  
Gregory Michael Zeluck先生  
Francis Goutenmacher先生  
楊子江先生

## 註冊辦事處

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

## 總辦事處及香港主要營業地點

香港  
中環  
皇后大道中99號  
中環中心  
35樓3512室

## 核數師

德勤•關黃陳方會計師行  
執業會計師  
香港  
金鐘道88號  
太古廣場一期35樓

### Legal Advisers

King & Wood  
9/F Hutchison House  
10 Harcourt Road  
Central  
Hong Kong

### 法律顧問

金杜律師事務所  
香港  
中環  
夏慤道10號  
和記大廈9樓

### Principal Bankers

#### **The Hongkong and Shanghai Banking Corporation Limited**

1 Queen's Road Central  
Hong Kong

### 主要往來銀行

#### **香港上海滙豐銀行有限公司**

香港  
皇后大道中1號

### Land Bank of Taiwan

No. 76, Section 2, Tun Hua South Road  
Taipei  
Taiwan

### 台灣土地銀行

台灣  
台北  
敦化南路2段76號

### Mega International Commercial Bank

No. 62, Section 2, Tun Hua South Road  
Taipei  
Taiwan

### 兆豐國際商業銀行

台灣  
台北  
敦化南路2段62號

### Agricultural Bank of China

Shanghai Branch  
3rd Floor, 26 Zhong Shan Dong Yi Road  
Shanghai  
The PRC

### 中國農業銀行

上海市分行  
中國  
上海  
中山東一路26號3樓

### Bank of Communications

Shanghai Branch, Zhabei Sub-branch  
211 Hengtong Road  
Shanghai  
The PRC

### 交通銀行

上海市分行閘北支行  
中國  
上海  
恆通路211號

### Website

[www.nblife.com/ir](http://www.nblife.com/ir)

### 網址

[www.nblife.com/ir](http://www.nblife.com/ir)

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

Turnover by geographical region	按地域劃分之營業額	1H2010 二零一零年上半年		1H2009 二零零九年上半年		Changes 變動	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
PRC	中國大陸	167,730	73.1%	191,042	74.8%	(23,312)	-12.2%
Taiwan	台灣	57,230	24.9%	59,706	23.4%	(2,476)	-4.1%
Others	其他地區	4,645	2.0%	4,581	1.8%	64	1.4%
<b>Total</b>	<b>總計</b>	<b>229,605</b>	<b>100.0%</b>	<b>255,329</b>	<b>100.0%</b>	<b>(25,724)</b>	<b>-10.1%</b>

During the six months ended 30 June 2010, turnover of the Group dropped 10.1% to HK\$229.6 million as compared with HK\$255.3 million recorded for the six month ended 30 June 2009, due to a change of trade inventory strategy where we focus more on sell-through (i.e. to the end consumers) instead of sell-in (i.e. to our franchisees). In addition, as the new franchise incentive scheme announced in June which will be launched in July 2010, most of the franchisees will defer the purchase into the next season thus deferring their order of goods for the six months ended 30 June 2010.

Turnover in the PRC market decreased by 12.2% from HK\$191.0 million to HK\$167.7 million for the six month ended 30 June 2010. The decrease in turnover was mainly due to a reduction of HK\$22.0 million in product sales. Meanwhile, service income declined by 1.2 million from HK\$2.6 million for the six months ended 30 June 2009 to HK\$1.4 million for the corresponding period of 2010 as a result of closure of one of our self-owned spas during the period under review. In Taiwan, turnover dropped 4.1% to reach HK\$57.2 million for the six months ended 30 June 2010 as compared with HK\$59.7 million for the same period in 2009. There was also one self-owned spa in Taiwan closed during the period under review. Affected customers were transferred to independent franchisees.

Sales in other regions such as Hong Kong, Macau and Malaysia increased slightly by 1.4% to HK\$4.6 million. The turnover contribution from these regions remained insignificant and accounted for 2% of total turnover.

### 財務回顧

截至二零一零年六月三十日止六個月，本集團之營業額較截至二零零九年六月三十日止六個月錄得之255,300,000港元下跌10.1%至229,600,000港元，原因為貿易庫存策略改變，本集團由向加盟店銷售轉為更集中向終端客戶銷售。此外，由於在六月宣佈之新加盟經營獎勵計劃將於二零一零年七月推出，大部分加盟者於截至二零一零年六月三十日止六個月均延遲至下季採購，因而延遲訂購貨品。

中國大陸市場之營業額由191,000,000港元下跌12.2%至截至二零一零年六月三十日止六個月之167,700,000港元。營業額下跌之主要原因為產品銷售額減少22,000,000港元。此外，由於回顧期內本集團關閉一家自資經營水療中心，故服務收入由截至二零零九年六月三十日止六個月之2,600,000港元減少1,200,000港元至二零一零年同期之1,400,000港元。台灣方面，截至二零一零年六月三十日止六個月之營業額達57,200,000港元，較二零零九年同期之59,700,000港元下跌4.1%。回顧期內，本集團另關閉台灣一家自資經營水療中心。受影響客戶已由獨立加盟者接收。

香港、澳門及馬來西亞等其他地區之銷售額微升1.4%至4,600,000港元。該等地區所佔營業額貢獻比例仍不大，佔總營業額2%。

## FINANCIAL REVIEW (Continued)

The Group's overall gross profit margin decreased from 81.7% for the six months ended 30 June 2009 to 69.4% for the same period in 2010. During the period, the Group decided to discontinue some product lines and shift their focus to more profitable core products. As a result, non-cash provision for slow moving and obsolete inventory were charged to the cost of sales. If the non-cash provision for slow moving and obsolete inventory of HK\$24.9 million were excluded, the overall gross profit margin would be approximately 80%.

## 財務回顧(續)

本集團之整體邊際毛利率由截至二零零九年六月三十日止六個月之81.7%縮減至二零一零年同期之69.4%。期內，本集團決定停止銷售若干產品系列，從而專注銷售盈利更豐厚的核心產品。因此，就滯銷及陳舊存貨作出之非現金撥備自銷售成本扣除。倘不計算就滯銷及陳舊存貨作出之非現金撥備24,900,000港元，整體邊際毛利率應約為80%。

Turnover by activities	按業務劃分之營業額	1H2010	1H2009	Changes	
		二零一零年 上半年 HK\$'000 千港元	二零零九年 上半年 HK\$'000 千港元	變動 HK\$'000 千港元	%
<b>Products</b>	<b>產品</b>				
PRC	中國大陸	166,288	188,321	(22,033)	-11.7%
Taiwan	台灣	54,355	56,093	(1,738)	-3.1%
Others	其他地區	4,246	4,193	53	1.3%
<b>Total</b>	<b>總計</b>	<b>224,889</b>	<b>248,607</b>	<b>(23,718)</b>	<b>-9.5%</b>
<b>Services</b>	<b>服務</b>				
PRC	中國大陸	1,399	2,565	(1,166)	-45.5%
Taiwan	台灣	2,875	3,613	(738)	-20.4%
Others	其他地區	399	388	11	2.8%
<b>Total</b>	<b>總計</b>	<b>4,673</b>	<b>6,566</b>	<b>(1,893)</b>	<b>-28.8%</b>
<b>Entrustment</b>	<b>委託經營</b>				
PRC	中國大陸	43	156	(113)	-72.4%
Taiwan	台灣	-	-	-	n/a
Others	其他地區	-	-	-	n/a
<b>Total</b>	<b>總計</b>	<b>43</b>	<b>156</b>	<b>(113)</b>	<b>-72.4%</b>

## FINANCIAL REVIEW (Continued)

Turnover by activities	按業務劃分之營業額	1H2010 二零一零年上半年		1H2009 二零零九年上半年		Changes 變動	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Products	產品	224,889	97.9%	248,607	97.4%	(23,718)	-9.5%
Services	服務	4,673	2.1%	6,566	2.5%	(1,893)	-28.8%
Entrustment	委託經營	43	0.0%	156	0.1%	(113)	-72.4%
<b>Total</b>	<b>總計</b>	<b>229,605</b>	<b>100.0%</b>	<b>255,329</b>	<b>100.0%</b>	<b>(25,724)</b>	<b>-10.1%</b>

### Products

The Group is principally engaged in the manufacture and sale of several types of products, namely skin care products, beauty products, aromatherapeutic products, color make up and health supplements, under the "Natural Beauty" brand name. Product sales is the Group's key revenue contributor and is primarily made through franchise spas, self-owned spas and counters in department stores. Products sales for the six months ended 30 June 2010 amounted to HK\$224.9 million, or 97.9% of total revenue, representing a decrease of HK\$23.7 million when compared with the amount of HK\$248.6 million, which accounted for 97.4% of total revenue for the same period in 2009. The decrease in product sales was mainly due to change of trade inventory strategy and the launch of new franchisee incentive scheme in July 2010 which deferred the order of goods before the end of the review period. Gross margin of product sales for the year decreased from 87.5% for the six months ended 30 June 2009 to 74.4% for the corresponding period in 2010. The decrease of product gross margin was due to the non-cash provision for slow moving and obsolete inventory amounting to HK\$24.9 million, which has been charged to the cost of sales.

Other markets such as Hong Kong, Macau and Malaysia only accounted for 1.9% of total product sales for the period.

## 財務回顧(續)

### 產品

本集團主要以「自然美」品牌製造及銷售護膚產品、美容產品、香薰產品、彩妝及健康食品等各式各樣產品。產品銷售為本集團主要收益來源，主要源自加盟水療中心、自資經營水療中心及百貨公司專櫃。截至二零一零年六月三十日止六個月，產品銷售額為224,900,000港元（佔總收入97.9%），較二零零九年同期之248,600,000港元（佔總收入97.4%）減少23,700,000港元。產品銷售額減少之主要因為貿易庫存策略改變，加上於二零一零年七月推出新加盟店獎勵計劃，令回顧期末前之貨品訂單推遲落實。年內產品銷售之邊際毛利由截至二零零九年六月三十日止六個月之87.5%減至二零一零年同期之74.4%。產品邊際毛利率減少乃由於就滯銷及陳舊存貨作出之非現金撥備24,900,000港元自銷售成本扣除。

香港、澳門及馬來西亞等其他市場僅佔期內產品總銷售額1.9%。

Service income	服務收益	1H2010 二零一零年上半年		1H2009 二零零九年上半年		Changes 變動	
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Training income	培訓收益	370	7.9%	694	10.6%	(324)	-46.7%
SPA service income	水療服務收益	3,740	80.0%	4,848	73.8%	(1,108)	-22.9%
Management fee income	管理費收益	-	0.0%	26	0.4%	(26)	-100.0%
Others	其他	563	12.1%	998	15.2%	(435)	-43.6%
<b>Total</b>	<b>總計</b>	<b>4,673</b>	<b>100.0%</b>	<b>6,566</b>	<b>100.0%</b>	<b>(1,893)</b>	<b>-28.8%</b>



## FINANCIAL REVIEW (Continued)

### Services

Service income includes income from self-owned spa with services provision, training income and management fee received from franchisees, and other service-related income.

The Group provides skin treatment, beauty and spa services through its self-owned spas. It is necessary to establish self-owned stores as model spas in new markets as the Group considers it as a more profitable and cost-efficient way on the whole to allocate resources to stimulate overall product sales.

Service income is generated solely from our self-owned spas as the Group does not share any service income generated from franchised spas with franchisees under the current franchise arrangement. Service income generated from franchised spas is vital for them to cover their operating expenses such as rental, salary and utilities. During the period under review, service income decreased by 28.8% to HK\$4.7 million when compared with HK\$6.6 million for the same period in 2009. The decrease was mainly due to the shrinkage in SPA service income by approximately HK\$1.1 million which resulted from the closure of two self-owned spa during the period under review.

### Entrustment

Entrusted spas, which were previously operated by the Group, are owned by the Group and operated by reputable operators. In order to have a more efficient allocation of financial and human resources, the Group put entrustment arrangements in place in the PRC and its self-owned spas were entrusted to local reputable operators. The operators are responsible for selling the Group's products in their stores and they bear all the profits and losses of the operations, while the Group receives a fixed annual entrustment fee from the operators until the Group's initial investment is repaid in five years' time. By then, the entrusted spas will become regular franchised spas.

During the six months ended 30 June 2010, entrustment income recorded a further decrease of 72.4% to HK\$43,000 when compared with HK\$156,000 for the corresponding period of 2009. The drop in entrustment income was attributable to the expiration of remaining entrustment arrangements in 2010. There was no entrusted spa as at 30 June 2010.

## 財務回顧(續)

### 服務

服務收益包括自資經營水療中心所得服務收益、來自加盟者的培訓收益及管理費以及其他服務相關收益。

本集團透過其自資經營水療中心提供肌膚護理、美容及水療服務。本集團認為必須於新市場設立自資經營水療中心作為水療中心模範，並認為將資源用於刺激整體產品銷售，整體而言能帶來更為豐厚盈利，且更具成本效益。

由於按照現行加盟經營安排，本集團不能分佔加盟者經營水療中心所得任何服務收益，因此，服務收益僅源自自資經營的水療中心。加盟水療中心所得服務收益對加盟者甚為重要，彼等賴以承擔租金、薪金及水電費等經營開支。回顧期內，服務收益較二零零九年同期之6,600,000港元減少28.8%至4,700,000港元。減少主要由於回顧期內關閉兩間自資經營水療中心，令水療服務收益縮減約1,100,000港元。

### 委託經營

以往由本集團經營之委託經營水療中心現由本集團擁有並由信譽昭著之經營者經營。為更有效分配財務及人力資源，本集團在中國大陸推出委託經營安排，委託當地優秀經營者經營本集團自資經營之水療中心。經營者將自負盈虧及於店內銷售本集團產品，而本集團則向經營者每年收取定額委託經營費用，直至該等經營者於五年內清償本集團初步投資額為止。屆時委託經營之水療中心將成為一般加盟水療中心。

截至二零一零年六月三十日止六個月，委託經營收益由二零零九年同期之156,000港元進一步減少72.4%至43,000港元。委託經營收益減少乃由於剩餘之委託經營安排於二零一零年屆滿所致。於二零一零年六月三十日，並無委託經營之水療中心。

## FINANCIAL REVIEW (Continued)

### Other income

Other income mainly comprised rental income of other properties, interest income and financial refunds, which amounted to HK\$1.5 million, HK\$1.1 million, HK\$8.0 million and the remaining balance respectively. Other income decreased by 45.6%, or HK\$8.7 million, from HK\$19.2 million for the six months ended 30 June 2009 to HK\$10.5 million for the same period in 2010. The decrease was mainly due to the one-off disposal gain of buildings in Guangzhou and Ningbo of HK\$3.3 million and the one-off income received from the promotion activities for the six months ended 30 June 2009.

### Distribution and administrative expenses

The Group's distribution and selling expenses as a percentage of turnover increased significantly to 29.5% for the six month ended 30 June 2010 compared with 22.3% for the last corresponding period. Total expenses in dollar terms increased by HK\$10.8 million from HK\$57.0 million for the six months ended 30 June 2009 to HK\$67.8 million for the same period of 2010. During the period under review, we arranged a cruise event for approximately 1,000 of our franchisees and staff, together with over 70 media reporters and partners for a 6-day-5-night tour on a chartered cruise to Japan and Korea, at which we launched our new concept store, new products and made the announcement of a new incentive scheme effective July 2010. This one-off marketing event recorded HK\$10.8 million expenses during the period under review. Thus, advertising and promotion expenses as a percentage of total turnover was 12.6% for the six months ended 30 June 2010, when compared with 6.9% for the same period in 2009. Other key expenses mainly included salary, commission, travel and transportation expenses as well as rental expenses, which amounted to HK\$11.6 million, HK\$1.1 million, HK\$3.2 million and HK\$10.0 million respectively.

Total administrative expenses in dollar terms increased by HK\$15.4 million to HK\$64.3 million for the six months ended 30 June 2010. Administrative expenses as a percentage of turnover increased from 19.2% for the six months ended 30 June 2009 to 28.0% for the corresponding period in 2010. The increase in amount and percentage was attributable to the provision for doubtful debt amounted to HK\$5.9 million and the additional salary paid to the new management team (including but not limited to chief executive officer, chief operating officer and chief financial officer and vice president of franchise network who have been on board since January/February 2010). The administrative cost mainly covered staff costs and retirement benefits, legal and professional fee, traveling expenses, depreciation and rental charges which amounted to HK\$31.4 million, HK\$5.0 million, HK\$3.1 million, HK\$4.4 million and HK\$6.7 million respectively.

## 財務回顧(續)

### 其他收益

其他收益主要包括其他物業之租金收益1,500,000港元、利息收益1,100,000港元及財務退款8,000,000港元，餘額則來自其他項目。其他收益由截至二零零九年六月三十日止六個月之19,200,000港元減少8,700,000港元至二零一零年同期之10,500,000港元，減幅為45.6%。減少主要由於截至二零零九年六月三十日止六個月出售位於廣州及寧波樓宇帶來的一次性收益3,300,000港元及收取宣傳活動的一次性收入所致。

### 分銷及行政費用

截至二零一零年六月三十日止六個月，本集團分銷及銷售費用佔營業額百分比為29.5%，較去年同期之22.3%顯著增長。按幣值計，總費用由截至二零零九年六月三十日止六個月之57,000,000港元增加10,800,000港元至二零一零年同期之67,800,000港元。於回顧期內，本集團租用郵輪舉行六日五夜之活動，邀請約1,000名加盟者及員工以及逾70名傳媒記者及合作夥伴乘坐郵輪前赴日本及韓國。在郵輪上，本集團推廣新概念店舖及新產品，並宣佈新獎勵計劃於二零一零年七月起生效。於回顧期內，是項一次性市場推廣活動錄得開支10,800,000港元。因此，於截至二零一零年六月三十日止六個月，廣告及宣傳開支佔總營業額之百分比為12.6%，而二零零九年同期則為6.9%。其他重要開支項目主要包括薪金、佣金、差旅費及租金開支，分別為11,600,000港元、1,100,000港元、3,200,000港元及10,000,000港元。

按幣值計，截至二零一零年六月三十日止六個月之總行政費用增加15,400,000港元至64,300,000港元。行政費用佔營業額百分比由截至二零零九年六月三十日止六個月之19.2%增加至二零一零年同期之28.0%。金額及百分比均有所增加乃由於呆賬撥備5,900,000港元及支付予新管理層（包括及不限於自二零一零年一月／二月起履新的行政總裁、首席營運官、首席財務官及零售業務管理部副總裁）的額外薪酬。行政成本主要包括員工成本及退休福利、法律及專業費用、差旅費、折舊及租金開支，分別為31,400,000港元、5,000,000港元、3,100,000港元、4,400,000港元及6,700,000港元。

## FINANCIAL REVIEW (Continued)

### Other expenses

Other expenses decreased from HK\$3.1 million for the six months ended 30 June 2009 to HK\$1.1 million for the same period in 2010, representing a decrease of HK\$2.0 million or 63.4%. Other expenses mainly included the loss on disposal of fixed assets due to the closure of spas which amounted to HK\$1.0 million.

### Profit before taxation

A decrease in gross profit and other income, and an increase of administrative expenses, distribution and selling expenses netting a decrease of other expenses, contributed to the decline of 69.2% in profit before tax from HK\$118.9 million for the six months ended June 2009 to HK\$36.6 million for the six months ended 30 June 2010.

### Taxation

Taxation expenses increased 107.1% from HK\$10.0 million for the six months ended 30 June 2009 to HK\$20.7 million for the same period in 2010. The effective tax rates of the Group for the six months ended 30 June 2009 and 2010 were 8.4% and 56.7% respectively. The increase in taxation expenses and effective tax rates were due to the payment of under-provided profits tax in 2009 amounting to HK\$5.1 million during the six months ended 30 June 2010, while there was tax refund of HK\$2.6 million recorded for the same period in last year.

### Profit for the period

As a result, profit for the period declined by 85.4% from HK\$108.9 million for the six months ended 30 June 2009 to HK\$15.8 million for the six months ended 30 June 2010.

### Liquidity and financial resources

Cash generated from operating activities for the six months ended 30 June 2010 was approximately HK\$51.0 million (for the six months ended 30 June 2009: HK\$46.6 million). The increase was primarily due to changes in working capital. As at 30 June 2010, the Group had bank balances and cash of approximately HK\$531.9 million (as at 31 December 2009: HK\$559.3 million) with no external bank borrowing.

## 財務回顧(續)

### 其他支出

其他支出由截至二零零九年六月三十日止六個月之3,100,000港元減少至二零一零年同期之1,100,000港元，減少2,000,000港元或63.4%。其他支出主要包括因關閉水療中心而出售固定資產虧損1,000,000港元。

### 除稅前溢利

由於毛利及其他收益減少，而行政開支、分銷及銷售費用增加抵銷了其他開支減少，除稅前溢利由截至二零零九年六月三十日止六個月之118,900,000港元減少69.2%至截至二零一零年六月三十日止六個月之36,600,000港元。

### 稅項

稅項支出由截至二零零九年六月三十日止六個月之10,000,000港元增加107.1%至二零一零年同期之20,700,000港元。本集團於截至二零零九年及二零一零年六月三十日止六個月之實際稅率分別為8.4%及56.7%。稅項支出及實際稅率增加乃由於為數達5,100,000港元之二零零九年度撥備不足的利得稅於截至二零一零年六月三十日止六個月內支付，而去年同期則有退稅2,600,000港元。

### 期內溢利

基於上述各項，期內溢利由截至二零零九年六月三十日止六個月之108,900,000港元減少85.4%至截至二零一零年六月三十日止六個月之15,800,000港元。

### 流動資金及財務資源

於截至二零一零年六月三十日止六個月，經營業務所得現金約為51,000,000港元(截至二零零九年六月三十日止六個月：46,600,000港元)，增加主要由於營運資金變動所致。於二零一零年六月三十日，本集團有銀行結存及現金約531,900,000港元(二零零九年十二月三十一日：559,300,000港元)，且並無外界銀行借款。

## FINANCIAL REVIEW (Continued)

### Liquidity and financial resources (Continued)

In terms of gearing, as at 31 December 2009 and 30 June 2010, the Group's gearing ratios were zero (defined as net debt divided by shareholders' equity) as the Group was in net cash balance as at both year/period end dates. Current ratios of the Group (defined as current assets divided by current liabilities) as at 31 December 2009 and 30 June 2010 were 6.2 times and 6.5 times respectively. As at 30 June 2010, the Group had no material contingent liabilities, other than those disclosed in its financial statements and notes thereto. With the cash and bank balances in hand, the Group's liquidity position remains strong and the Group has sufficient financial resources to finance its commitments and to meet working capital requirements.

### Charges on assets

As at 30 June 2010, the Group had a pledge of bank deposit of HK\$430,000 (as at 31 December 2009: HK\$430,000) in order to ensure that one of its wholly owned subsidiaries complied with the terms stipulated in the Tenancy Agreement which had been entered into with the landlord so as to obtain a right of use of a self-owned store in Macau.

### Treasury policies and exposure to fluctuations in exchange rates

The Group derives most of its revenue denominated in Renminbi and New Taiwan Dollars from the PRC and Taiwan as our operations are mainly located in these two areas. As at 30 June 2010, approximately 58.7% (as at 31 December 2009: 46.7%) of the Group's bank balances and cash was denominated in Renminbi, while approximately 10.5% (as at 31 December 2009: 6.8%) in New Taiwan Dollars. The remaining 30.8% (as at 31 December 2009: 46.5%) was denominated in US Dollar, Hong Kong Dollars, Macau Pataca and Malaysia Ringgits. The Group continued to adopt a conservative approach in terms of foreign exchange exposure management. Review of the Group's exposure to foreign exchange risk will be conducted periodically and derivative financial instruments may be used to hedge against such risks when necessary.

## 財務回顧(續)

### 流動資金及財務資源(續)

資產負債方面，於二零零九年十二月三十一日及二零一零年六月三十日，本集團資產負債比率(界定為淨負債除股東權益)均為零，此乃由於本集團於兩個年/期結日均有淨現金結餘。於二零零九年十二月三十一日及二零一零年六月三十日，本集團之流動比率(界定為流動資產除流動負債)分別為6.2倍及6.5倍。於二零一零年六月三十日，除於其財務報表及有關附註披露者外，本集團並無重大或然負債。憑藉所持有之現金及銀行結存，本集團流動資金狀況維持穩健，且財務資源充裕，足以應付其承擔及營運資金所需。

### 資產抵押

於二零一零年六月三十日，本集團已抵押銀行存款430,000港元(二零零九年十二月三十一日：430,000港元)，以確保其中一家全資附屬公司遵守就取得澳門一家自資經營店舖使用權而與業主訂立之租賃協議所規定條款。

### 理財政策及所承受匯率波動風險

基於本集團業務主要集中於中國大陸及台灣，大部分收入均來自上述兩地，並分別以人民幣及新台幣計值。於二零一零年六月三十日，本集團銀行結存及現金中約58.7%(二零零九年十二月三十一日：46.7%)以人民幣計值，另約10.5%(二零零九年十二月三十一日：6.8%)以新台幣計值，餘下30.8%(二零零九年十二月三十一日：46.5%)則以美元、港元、澳門元及馬來西亞幣計值。本集團繼續外幣風險管理採取審慎政策，定期檢討其所承受外幣風險，並於需要時使用衍生金融工具對沖有關風險。

## BUSINESS REVIEW

## 業務回顧

Turnover by geographic region	按地域劃分之營業額	1H2010	1H2009	Changes	
		二零一零年 上半年 HK\$'000 千港元	二零零九年 上半年 HK\$'000 千港元	變動	%
<b>PRC</b>	<b>中國大陸</b>				
Products	產品	166,288	188,321	(22,033)	-11.7%
Services	服務	1,399	2,565	(1,166)	-45.5%
Entrustment	委託經營	43	156	(113)	-72.4%
<b>PRC Total</b>	<b>中國大陸總計</b>	<b>167,730</b>	<b>191,042</b>	<b>(23,312)</b>	<b>-12.2%</b>
<b>Taiwan</b>	<b>台灣</b>				
Products	產品	54,355	56,093	(1,738)	-3.1%
Services	服務	2,875	3,613	(738)	-20.4%
Entrustment	委託經營	–	–	–	n/a
<b>Taiwan Total</b>	<b>台灣總計</b>	<b>57,230</b>	<b>59,706</b>	<b>(2,476)</b>	<b>-4.1%</b>
<b>Others</b>	<b>其他地區</b>				
Products	產品	4,246	4,193	53	1.3%
Services	服務	399	388	11	2.8%
Entrustment	委託經營	–	–	–	n/a
<b>Others Total</b>	<b>其他地區總計</b>	<b>4,645</b>	<b>4,581</b>	<b>64</b>	<b>1.4%</b>

### PRC Market

Turnover in the PRC market dropped by 12.2% for the six months ended 30 June 2010. The decline was mainly due to change of trade inventory strategy and the launch of new franchisee incentive scheme in July 2010 which deferred the order of goods before the end of reviewing period. At the same time, the Group decided to discontinue the business of some product lines and re-focus on more profitable core products. Thus, non-cash provision for slow moving and obsolete inventory of HK\$10.9 million were made on inventories and charged to the cost of sales. Product gross margin dropped from 87.0% for the six months ended 30 June 2009 to 81.5% for the same period in 2010. If these non-cash provision for slow moving and obsolete inventory were excluded, the product gross profit margin would be approximately 88%.

Operating profit and net profit decreased by HK\$54.6 million and HK\$65.7 million respectively for the period under review.

### 中國大陸市場

中國市場營業額於截至二零一零年六月三十日止六個月下跌12.2%。跌幅主要由於貿易存貨策略變動及二零一零年七月實施新加盟者獎勵計劃，令回顧期結算日前之貨品訂單延遲落實所致。同時，本集團決定終止若干產品系列之業務及重新專注銷售盈利更豐厚的核心產品。因此，就滯銷及陳舊存貨作出之非現金撥備10,900,000港元自銷售成本中扣除。產品邊際毛利率由截至二零零九年六月三十日止六個月之87.0%下降至二零一零年同期之81.5%。倘不計入滯銷及陳舊存貨之非現金撥備，產品邊際毛利率將約為88%。

於回顧期內，經營溢利及純利分別減少54,600,000港元及65,700,000港元。

## BUSINESS REVIEW (Continued)

### Taiwan Market

Taiwan market also experienced similar trend as in the PRC market. During the six months ended 30 June 2010, product sales in Taiwan market declined by 3.1% to HK\$54.4 million as compared with HK\$56.1 million for the corresponding period in 2009. Operating profit and net profit decreased by HK\$21.0 million and HK\$22.0 million respectively.

### Distribution channels

## 業務回顧(續)

### 台灣市場

台灣市場走勢與中國大陸市場相若。截至二零一零年六月三十日止六個月，台灣市場之產品銷售額較二零零九年同期之56,100,000港元減少3.1%至54,400,000港元。經營溢利及純利分別減少21,000,000港元及22,000,000港元。

### 分銷渠道

Store Number by Ownership As at 30 June 2010	按擁有權劃分之店舖 數目於二零一零年 六月三十日	Franchisee	Self	Total Spa 水療中心 總計	Entrusted Counter 委託經營 專櫃	Self	Total Counter 專櫃 總計	Grand Total 集團 總計
		owned Spa 加盟者擁有 水療中心	owned Spa 自資經營 水療中心			owned Counter 自資經營 專櫃		
Taiwan	台灣	366	8	374	-	-	-	374
PRC	中國大陸	1,079	6	1,085	15	42	57	1,142
Others	其他地區	32	2	34	-	-	-	34
<b>Total</b>	<b>總計</b>	<b>1,477</b>	<b>16</b>	<b>1,493</b>	<b>15</b>	<b>42</b>	<b>57</b>	<b>1,550</b>

Store Number by Ownership As at 30 June 2010	按擁有權劃分之店舖數目 於二零一零年六月三十日	Franchisee	Entrusted 委託經營	Self	Total 總計
		owned 加盟者擁有		owned 自資經營	
Taiwan	台灣	366	-	8	374
PRC	中國大陸	1,079	15	48	1,142
Others	其他地區	32	-	2	34
<b>Total</b>	<b>總計</b>	<b>1,477</b>	<b>15</b>	<b>58</b>	<b>1,550</b>

**BUSINESS REVIEW (Continued)**  
**Distribution channels (Continued)**

**業務回顧(續)**  
**分銷渠道(續)**

Average sales per store	每間店舖 平均銷售額	1H2010	1H2009	1H2010	1H2009	Changes 變動	Changes 變動
		Average store* 二零一零年 上半年店舖 平均數目*	Average store* 二零零九年 上半年店舖 平均數目*	Average sales per store 二零一零年 上半年 每間店舖 平均銷售額 HK\$ 港元	Average sales per store 二零零九年 上半年 每間店舖 平均銷售額 HK\$ 港元		
PRC	中國大陸	1,168.5	1,451.0	144,000	132,000	12,000	9.1%
Taiwan	台灣	405.5	444.0	141,000	129,000	12,000	9.3%
<b>Group total**</b>	<b>集團總計**</b>	<b>1,574.0</b>	<b>1,895.0</b>	<b>143,000</b>	<b>131,000</b>	<b>12,000</b>	<b>9.2%</b>

\* Average store number is calculated by (opening period total + closing period total)/2

\*\* Group total does not include Hong Kong, Macau and Malaysia turnover and store count.

\*\*\* Taiwan sales figure excluded retail sales of "Fonperi" brand products which are sold by different distribution channel.

\* 平均店舖數目以(期初總計+期末總計)/2計算

\*\* 集團總計不包括於香港、澳門及馬來西亞的營業額及店舖數目。

\*\*\* 台灣銷售額數字不包括透過不同銷售渠道出售的[Fonperi]品牌產品零售額。

The Group principally derives its income from its unique distribution channels, namely spas and counters in department stores. As at 30 June 2010, there were 1,493 spas and 57 counters. All spas provide a variety of services, including hydrotherapy, facial treatment, body care and skin care analysis, whereas counters in department stores usually provide skin care analysis.

本集團收益主要來自其獨有的水療中心及百貨公司專櫃分銷渠道。於二零一零年六月三十日，本集團共有1,493間水療中心及57個專櫃。各水療中心均提供多種服務，包括水療、面部及身體護理以及皮膚護理分析服務，而百貨公司專櫃一般提供皮膚護理分析。

As at 30 June 2010, there were a total of 1,477 franchisee spas, and 16 spas and 42 counters were directly operated by the Group. There were also 15 counters entrusted to reputable operators.

於二零一零年六月三十日，本集團共有1,477間加盟水療中心，並直接經營16間水療中心及42個專櫃，另有15個專櫃委託優秀經營者經營。

A total of 19 new stores were opened and 155 stores were closed during the period under review. The closure was mainly due to franchisees' violation of franchise terms as concluded by our store audit carried out during 2010. Franchisees who sold non-Natural Beauty products, failed to achieve minimum targets or failed to attend our free and compulsory training programs would have the franchise arrangement terminated. Through the elimination of those non-compliant stores, a good and consistent franchise network is maintained so as to ensure the service quality for consumers.

於回顧期內，本集團合共開設19間新店舖，另有155間店舖結業，關閉該等店舖乃主要由於本集團於二零一零年進行店舖審查，發現部分加盟者違反加盟條款所致。倘加盟者銷售非自然美產品、未能符合最低目標或缺席本集團提供的免費強制性培訓課程，其加盟安排即被終止。在剔除該等違規店舖後，本集團將可維持良好的劃一加盟經營網絡，確保為客戶提供優質服務。

## BUSINESS REVIEW (Continued)

### Distribution channels (Continued)

Despite the drop in sales and the number of stores, the average sales per store for the six months ended 30 June 2010 showed an improvement. Average sales per store in PRC for the six months ended 30 June 2010 increased by 9.1% to HK\$144,000. In Taiwan, average sales per store rose by 9.3% from HK\$129,000 to HK\$141,000 during the period under review.

With the change in trade inventory strategy, the inventory level in the channel should have reduced and in turn improve the cashflow of the franchisees.

Franchised spas are owned by franchisees and are responsible for the capital investment of their spas. They are obliged to use “Natural Beauty” or “NB” brand for all products in their spas.

### Retail Business – Fonperi

During the period under review, the Group has decided to terminate the operation of the Fonperi brand sold through retail channels in Taiwan and focus on its high-margin core business.

### Research and Development

The Group puts much emphasis on research and development so as to maintain its competitive edge as well as improving the quality of existing products and developing new products. The Group has been collaborating with overseas cosmetic companies on technological development, and biotechnology materials were imported from Europe, Japan and Australia and applied to over 700 NB's products. The Group's research and development team comprises a number of overseas consultants with experience and expertise in cosmetics, medical, pharmacy and bio-chemistry. NB's products are constantly enhanced and modified with the use of new ingredients developed by its research and development team. The Group believes that the collaboration of experts with different expertise and experience, together with Dr. Tsai's over 30 years of industry experience and knowledge, will create high quality beauty and skin care products. NB principally uses natural ingredients to manufacture the products and adopts special formulation to cater to the specific needs of women with delicate skin. NB's products are attentive to the natural metabolism of skin with long-lasting effects.

## 業務回顧(續)

### 分銷渠道(續)

儘管銷售額下跌及店舖數目減少，每間店舖平均銷售額於截至二零一零年六月三十日止六個月有所改善。於中國大陸，截至二零一零年六月三十日止六個月之每間店舖平均銷售額增加9.1%至144,000港元。於台灣，回顧期內之每間店舖平均銷售額由129,000港元增加9.3%至141,000港元。

隨著改變貿易存貨策略，存貨量應已下降，並因而改善加盟者的現金流量。

加盟水療中心由加盟者擁有，彼等須承擔水療中心的資本投資。彼等須於水療中心使用「自然美」或「NB」品牌產品。

### 零售業務 – Fonperi

於回顧期內，本集團決定終止經營於台灣銷售Fonperi品牌的零售渠道，並專注於利潤較高的核心業務。

### 研究及開發

為保持競爭優勢，並改善其現有產品的質素及開發新產品，本集團高度重視研究及開發。本集團與海外化妝品公司合作研發新技術，同時引入歐洲、日本及澳洲之生物科技物料，應用於自然美逾700種產品中。本集團之研究及開發隊伍由多名具備化妝品、醫學、藥劑及生物化學經驗與專業知識之海外顧問組成。本集團不斷改良自然美產品，並於當中使用研究及開發隊伍研發之新成分。本集團相信，透過隊伍內不同專家之通力合作與經驗交流，加上蔡博士於業內積逾30年之經驗及知識，將有助開發優質美容及護膚產品。自然美產品主要使用天然成分，並採用特別配方，迎合東方女性嬌嫩肌膚的特別需要。自然美產品針對肌膚自然新陳代謝，功效持久。



## BUSINESS REVIEW (Continued)

### Research and Development (Continued)

In terms of new products development, the research and development team will take into account the feedback and advice from senior management of the Group. Prototype of new products will be distributed to over 1,000 selected senior beauty professionals. In accordance with the outcome of the tests, refinements or modifications to the products may be made prior to its full commercial launch, with a view to ensuring the high quality, effectiveness and safety standard of NB's products. When a product requires registration with relevant authorities, it will be done before it is launched in the market. All NB products are carefully produced to meet all relevant regulations.

NB has collaborated with a leading researcher in the field of human genome and stem cell technology, in the development of anti-aging NB-1 product family and other products for spot removing, whitening, anti-allergy and slimming. With Dr. Tsai's over 30 years of experience in the beauty and skin care industry and the strong professional portfolio of our research and development staff members, NB enjoys competitive advantages in the research and development of beauty and skin care products.

The total research and development costs for the six months ended 30 June 2010 amounted to HK\$0.7 million compared with HK\$1.7 million for the six months ended 30 June 2009.

### New Products

Our flagship product, NB-1 products family includes anti-aging NB-1 series, NB-1 Whitening series, NB-1 anti-allergy, NB-1 pore refining series, etc. During the six months ended 30 June 2010, over 138,000 sets/bottles (1H2009: 114,000 sets/bottles) of NB-1 family products were sold with a turnover of HK\$84.2 million (1H2009: HK\$84.0 million), accounting for more than one-third of total product sales recorded during the period under review.

During the period under review, the Group continued to enrich the product range and launched 28 new products, including 6 new health supplement products.

### Human Resources

As at 30 June 2010, the Group had a total of 958 employees, of whom 770 were based in the PRC, 169 in Taiwan and 19 in other areas. Total remuneration (excluding directors' emoluments) for the six months ended 30 June 2010 was approximately HK\$61.5 million (1H2009: HK\$52.5 million), including retirement benefits cost of HK\$6.7 million (1H2009: HK\$6.0 million). Competitive remuneration packages are maintained to attract, retain and motivate capable staff and are reviewed on a regular basis.

## 業務回顧(續)

### 研究及開發(續)

開發新產品時，研究及開發隊伍將考慮本集團高級管理人員的回應及意見。新產品的樣本將會分發予超過1,000名經選定的資深美容專業人士。產品全面推出市場前，或需因應測試結果調整或修正，以確保自然美產品達致一貫高水平的質素、功效及安全標準。倘產品須向有關機關登記，有關手續將於產品面市前辦妥。所有自然美產品之生產均一絲不苟，以符合一切相關規定。

自然美亦與人類基因及幹細胞科技頂尖研究人員合作，開發抗衰老NB-1產品系列及其他去斑、美白、抗敏及纖體產品。憑藉蔡博士於美容及護膚業超過30年的經驗，加上本集團研究及開發人員優良的專業背景，自然美於研究及開發美容及護膚產品方面具備競爭優勢。

截至二零一零年六月三十日止六個月，研究及開發成本總額為700,000港元，而截至二零零九年六月三十日止六個月則為1,700,000港元。

### 新產品

本集團旗艦產品NB-1系列產品包括抗衰老NB-1系列、NB-1美白系列、NB-1防敏感及NB-1細緻毛孔系列等。截至二零一零年六月三十日止六個月，本集團已售出超過138,000套/件(二零零九年上半年：114,000套/件)NB-1系列產品，帶來營業額84,200,000港元(二零零九年上半年：84,000,000港元)，佔回顧期內產品銷售總額逾三分之一。

本集團於回顧期內繼續豐富產品種類，推出28款新產品，其中包括6款嶄新健康食品。

### 人力資源

於二零一零年六月三十日，本集團合共聘有958名僱員，其中770名派駐中國，台灣有169名，其他地區則有19名。截至二零一零年六月三十日止六個月，總酬金(不包括董事酬金)約為61,500,000港元(二零零九年上半年：52,500,000港元)，其中包括退休福利成本6,700,000港元(二零零九年上半年：6,000,000港元)。為招聘、留聘及鼓勵能幹的僱員，本集團保持具競爭力之酬金組合，並定期檢討。

## BUSINESS REVIEW (Continued)

### Human Resources (Continued)

During the year, the Group has appointed new directors to strengthen the management team. In addition, the Group's chief executive officer, chief operating officer and chief financial officer and vice president of retail management have been on board since January/February 2010. The chief marketing officer was also reported to duty in July 2010. Leveraging the extensive franchise network management experience of the new management team, the Group is confident of the future development of its business.

The Group maintains good relations with its employees and is committed to offering them training. Professional training courses are offered to beauticians employed by the Group and to our franchisees on a regular basis, so as to promote and maintain the quality and consistency of the services provided.

### Capital Expenditures

The Group's major capital expenditures were related to self-owned spas, office renovation, IT infrastructure and machinery in its factories. There were HK\$4.0 million additions to fixed assets for the six months ended 30 June 2010 (1H2009: HK\$15.5 million).

Franchisees are responsible for the capital expenditures of their spas.

## OUTLOOK

As the PRC government's efforts to develop the domestic demand market are in full force, China's urbanization continually advances and the high-speed growth of disposable income per capita in the urban population continues, we have a very optimistic outlook on the PRC's beauty and spa market.

To achieve our goal of becoming the leading professional beauty and spas chain network in China, we have mapped out our retail strategies based on our ample market survey data and made a successful trial run of our new store model – "NB Total Skin Care Solution Center" in the first half of 2010. Under the new store model, our single-store revenue recorded a significant growth, and we intend to develop more than 100 "NB Total Skin Care Solution Center" across China in the second half of 2010.

## 業務回顧(續)

### 人力資源(續)

本集團於年內委任新董事加強管理團隊之實力。此外，本集團之行政總裁、首席營運官及首席財務官及零售業務管理部副總裁自二零一零年一月／二月起加入本集團。首席營銷官亦於二零一零年七月履任。憑藉新管理團隊在管理加盟者網絡方面之豐富經驗，本集團對未來業務發展充滿信心。

本集團與僱員維持良好合作關係，著重僱員培訓，更定期為本集團聘用的美容師及加盟者提供專業培訓課程，從而提升及確保所提供服務之質素及一貫性。

### 資本開支

本集團主要資本開支涉及自資經營水療中心、辦公室翻新、資訊科技設施及廠內的機器。於截至二零一零年六月三十日止六個月，本集團添置固定資產總值4,000,000港元(二零零九年上半年：15,500,000港元)。

加盟者須承擔其水療中心的資本開支。

## 前景

隨著中國政府全力拓展內需市場，中國的城市化不斷推進以及城市居民人均可支配收入不斷快速增長，我們對於中國美容美體及水療市場的前景抱持非常樂觀的看法。

在二零一零年上半年，為了實現本集團致力成為中國最大的專業美容水療連鎖網路的目標，我們依據充分的市場研究資料確定了公司的零售通路策略，並成功測試嶄新的店舖模式—「自然美全方位美容美體中心」。我們的單店營收在新的店舖模式下呈現大幅增長，並計劃在二零一零年下半年在全國拓展超過100家「自然美全方位美容美體中心」。

# Corporate Governance

## 企業管治

### CORPORATE GOVERNANCE

The Company is committed to achieving high standards of corporate governance that properly protect and promote the interests of its shareholders.

Accordingly, the Board has established the audit committee and the remuneration committee with defined terms of reference which are of no less exacting terms than those set out in the Code on Corporate Governance Practices (the “Code on Corporate Governance”) as set out in Appendix 14 to the Listing Rules. These committees are chaired by non-executive directors. The Board considers the determination of the appointment and removal of directors to be the Board’s collective decision and accordingly, it does not intend to adopt the recommended best practice of the Code on Corporate Governance to set up a nomination committee.

#### Audit Committee

Ms. Christina Shieu Yeing Ng was appointed as member of the audit committee of the Company with effect from 24 November 2009. Dr. Su Sh Hsyu, Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching resigned and Dr. Su Chien Cheng, Mr. Francis Goutenmacher, Ms. Su Mei Thompson, Mr. Chen Ruey Long and Mr. Yang Tze Kaing were appointed as the members of the audit committee of the Company with effect from 1 February 2010. The Audit Committee has adopted terms of reference which are in line with the code provisions of the Code on Corporate Governance. The unaudited financial statements of the Company for the six months ended 30 June 2010 have been reviewed by the audit committee who is of the opinion that such statements comply with the applicable accounting standards, legal requirements and the Listing Rules, and that adequate disclosures have been made.

#### Remuneration Committee

Mr. Patrick Thomas Siewert was appointed as member of the remuneration committee of Natural Beauty with effect from 24 November 2009. Dr. Su Chien Cheng, Mr. Yeh Liang Fei, Mrs. Chen Shieh Shu Chen and Mr. Chen Ching resigned and Dr. Tsai Yen Yu, Dr. Su Sh Hsyu, Mr. Gregory Michael Zeluck, Mr. Chen Ruey Long and Ms. Su Mei Thompson were appointed as the members of the remuneration committee of the Company with effect from 1 February 2010. The remuneration committee has adopted terms of reference which are in line with the code provisions of the Code on Corporate Governance. The duties of the remuneration committee include reviewing and evaluating the remuneration packages of executive directors and senior management and making recommendations to the Board from time to time.

### 企業管治

本公司致力達致高企業管治水平，以妥為保障及提升股東利益。

因此，董事會已成立具明確職權範圍之審核委員會及薪酬委員會，有關職權範圍書之條款不寬鬆於上市規則附錄14所載企業管治常規守則（「企業管治守則」）所載條款。該等委員會由非執行董事擔任主席。董事會認為，委任及撤換董事之決定須由董事會全體成員作出，故無意按企業管治守則建議之最佳常規成立提名委員會。

#### 審核委員會

吳秀滢女士獲委任為本公司審核委員會委員，於二零零九年十一月二十四日生效。蘇詩琇博士、葉良輝先生、陳謝淑珍女士及譚清先生已辭任，而蘇建誠博士、Francis Goutenmacher先生、周素媚女士、陳瑞隆先生及楊子江先生獲委任為本公司審核委員會委員，於二零一零年二月一日生效。審核委員會已採納條款符合企業管治守則守則條文之職權範圍書。本公司截至二零一零年六月三十日止六個月之未經審核財務報表已由審核委員會審閱，委員會認為該等報表符合適用會計準則、法律規定及上市規則，並已作出充分披露。

#### 薪酬委員會

Patrick Thomas Siewert先生獲委任為自然美薪酬委員會委員，於二零零九年十一月二十四日生效。蘇建誠博士、葉良輝先生、陳謝淑珍女士及譚清先生已辭任，而蔡燕玉博士、蘇詩琇博士、Gregory Michael Zeluck先生、陳瑞隆先生及周素媚女士獲委任為本公司薪酬委員會委員，於二零一零年二月一日生效。薪酬委員會已採納條款符合企業管治守則守則條文之職權範圍書。薪酬委員會職責包括審閱及評估執行董事及高級管理人員之薪酬組合，及不時向董事會提供建議。

## CORPORATE GOVERNANCE (Continued) Compliance with the Code on Corporate Governance Practices

The Company recognises the importance of good corporate governance in enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Board is of the view that the Company has met the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules for the six months ended 30 June 2010, except for the following deviation:

### Code provision E.1.2

This code provision stipulates that the chairman of the board of a listed issuer should attend the issuer's annual general meeting. Dr. Tsai Yen Yu, the Chairperson of the Company, was unfit to travel under medical advice and was unable to present at the Company's 2010 annual general meeting held on 24 May 2010. The Board had arranged for Mr. Patrick Thomas Siewert, the Vice-Chairman of the Company and a member of the Executive Committee of the Group, who is well versed in all the business activities and operations of the Group, to attend on her behalf and to chair the meeting and to respond to shareholders' questions.

Mr. Francis Goutenmacher, an independent non-executive director of the Company, also attended the AGM.

### Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they fully complied with the required standard as set out in the Model Code throughout the review period.

## 企業管治(續) 遵守企業管治常規守則

本公司明白良好企業管治對提升本公司管理水平以及保障股東整體利益之重要性。董事會認為，本公司於截至二零一零年六月三十日止六個月已遵守上市規則附錄14所載企業管治常規守則之守則條文，惟下列偏離情況除外：

### 守則條文E.1.2

此守則條文規定上市發行人董事會主席須出席發行人之股東週年大會。本公司主席蔡燕玉博士獲醫生診斷不適合外遊，故未能出席本公司於二零一零年五月二十四日舉行之二零一零年股東週年大會。董事會已安排熟悉本集團所有業務及運作的本公司副主席兼執行委員會成員Patrick Thomas Siewert先生代彼出席及主持大會，並回應股東提問。

本公司獨立非執行董事Francis Goutenmacher先生亦出席股東週年大會。

### 遵守標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)。經本公司作出特定查詢後，全體董事確認，彼等於回顧期內一直全面遵守標準守則所載規定標準。

## Other Information 其他資料

### PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2010, the Company had not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities.

### INTERIM DIVIDEND

The Board has resolved to recommend the payment of an interim dividend of 3.5 HK cents per share (2009: interim dividend of 3.5 HK cents per share). The interim dividend will be distributed on or around 8 October 2010 to shareholders whose names appear on the register of members of the Company as at the close of business on 10 September 2010.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 9 September 2010 to 10 September 2010, both dates inclusive, during which period no transfer of shares may be registered. In order to qualify for the interim dividend, all completed transfer forms together with the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 8 September 2010. The interim dividend will be distributed on or around 8 October 2010.

### DIRECTORS' SERVICE CONTRACTS

The directors' service contracts entered into between the Company and certain directors were for a term of three years, commencing from 11 March 2008 in the case of Dr. TSAI Yen Yu, Mr. LEE Ming Ta and Dr. SU Chien Cheng; commencing from 21 September 2007 in the case of Dr. SU Sh Hsyu; and commencing from 1 February 2010 in the case of Mr. Francis GOUTENMACHER, Ms. Su Mei THOMPSON, Mr. CHEN Ruey Long and Mr. YANG Tze Kaing. These service contracts may be terminated by either party giving to the other not less than three calendar months' notice in writing.

There was no service contracts entered into between the Company and each of Mr. Patrick Thomas SIEWERT, Mr. Gregory Michael ZELUCK, Ms. FENG Janice Junyuan and Ms. NG Shieu Yeing Christina.

### 購買、出售或贖回本公司上市證券

截至二零一零年六月三十日止六個月，本公司並無贖回，且本公司或其任何附屬公司亦無購買或出售本公司任何上市證券。

### 中期股利

董事會議決建議派發中期股利每股3.5港仙(二零零九年：中期股利每股3.5港仙)。本公司將於二零一零年十月八日或前後向於二零一零年九月十日營業時間結束時名列本公司股東名冊的股東派發中期股利。

### 暫停辦理股東登記手續

本公司將於二零一零年九月九日至二零一零年九月十日(包括首尾兩天)期間暫停辦理股東登記手續，期間不會辦理任何股份過戶登記。為符合資格獲取中期股利，所有填妥之過戶表格連同有關股票，最遲須於二零一零年九月八日下午四時三十分前，交回本公司之香港股份過戶登記分處香港證券登記有限公司，地址為香港皇后大道東183號合和中心17樓1712-1716室。中期股利將於二零一零年十月八日或前後派發。

### 董事服務合約

本公司與若干董事訂立之董事服務合約均為期三年，蔡燕玉博士、李明達先生及蘇建誠博士之合約年期由二零零八年三月十一日開始；蘇詩琇博士之合約年期由二零零七年九月二十一日開始；Francis GOUTENMACHER先生、周素媚女士、陳瑞隆先生及楊子江先生之合約年期則由二零一零年二月一日開始。該等服務合約可由任何一方對對方發出不少於三個曆月的書面通告終止。

本公司並無與Patrick Thomas SIEWERT先生、Gregory Michael ZELUCK先生、馮軍元女士及吳秀濠女士訂立服務合約。

## Other Information

### 其他資料

#### DIRECTORS' SERVICE CONTRACTS (Continued)

The initial annual remuneration pursuant to such service contracts are summarised as follows:

#### 董事服務合約(續)

根據該等服務合約，初步年度酬金概述如下：

Name of Director 董事姓名		Director type 董事類別	Annual director fee 年度董事酬金	Annual increment on director fee 董事袍金年度增幅	Discretionary bonus 酌情花紅
Dr. TSAI Yen Yu	蔡燕玉博士	ED	\$1,000,000	Note (a)附註(a)	Note (b)附註(b)
Mr. LEE Ming Ta	李明達先生	ED	\$700,000	Note (a)附註(a)	Note (b)附註(b)
Dr. SU Chien Cheng	蘇建誠博士	NED	\$600,000	Note (a)附註(a)	Note (b)附註(b)
Dr. SU Sh Hsyu	蘇詩琇博士	NED	\$600,000	Note (a)附註(a)	Note (b)附註(b)
Mr. Francis GOUTENMACHER	Francis GOUTENMACHER先生	INED	\$240,000	N/A不適用	N/A不適用
Ms. Su Mei THOMPSON	周素媚女士	INED	\$240,000	N/A不適用	N/A不適用
Mr. CHEN Ruey Long	陳瑞隆先生	INED	\$240,000	N/A不適用	N/A不適用
Mr. YANG Tze Kaing	楊子江先生	INED	\$240,000	N/A不適用	N/A不適用
Total	總計		\$3,860,000		

ED: Executive Director

ED：執行董事

NED: Non-Executive Director

NED：非執行董事

INED: Independent Non-Executive Director

INED：獨立非執行董事

Notes:

附註：

- (a) The annual increment of the directors' fee for executive directors and non-executive directors shall not exceed 10% of the annual fee of preceding year.
- (b) Executive directors and non-executive directors may receive bonus approved by and at the discretion of the Board from time to time. The bonus to all executive directors and non-executive directors shall not exceed 15% of the audited consolidated profit attributable to owners of the Company in respect of that financial year of the Group.

- (a) 執行董事及非執行董事袍金每年增幅不得超過前一年之年度袍金10%。
- (b) 執行董事及非執行董事可收取董事會不時酌情批准之花紅。全體執行董事及非執行董事之花紅不得超過本集團有關財政年度本公司擁有人應佔經審核綜合溢利15%。

For the six months ended 30 June 2010, Mr. LEE Ming Ta had waived his director fee for the period.

截至二零一零年六月三十日止六個月，李明達先生豁免期內董事袍金。

No director bonus was proposed nor paid for the period.

並無就期內建議或派付董事花紅。

Save as disclosed above, no director has any unexpired service contract which is not determined by the Group within one year without payment of compensation, other than normal statutory obligations.

除上文披露者外，各董事概無訂立任何本集團不可於一年內免付補償（一般法定補償除外）而終止的尚未屆滿服務合約。

## DIRECTORS' INTERESTS IN SHARES

As at 30 June 2010, the interests of the directors, the chief executive and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules, were as follows:

### Long positions in shares and underlying shares of the Company

#### Ordinary shares

Name of Director 董事姓名	Nature of interest 權益性質	Number of ordinary shares 普通股數目	% of the issued share capital of the Company 佔本公司已 發行股本百分比
Dr. TSAI Yen Yu <sup>(1)</sup> 蔡燕玉博士 <sup>(1)</sup>	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
Mr. LEE Ming Ta <sup>(2)</sup> 李明達先生 <sup>(2)</sup>	Interest of spouse 配偶權益	1,314,030,000	65.63%
Dr. SU Chien Cheng <sup>(3)</sup> 蘇建誠博士 <sup>(3)</sup>	Deemed interest 視為權益	1,314,030,000	65.63%
Dr. SU Sh Hsyu <sup>(3)</sup> 蘇詩琇博士 <sup>(3)</sup>	Deemed interest 視為權益	1,314,030,000	65.63%

Notes:

- Dr. TSAI Yen Yu directly owns 40% of Next Focus Holdings Limited, which, in turn, indirectly owns 50% of Standard Cosmos Limited. Standard Cosmos Limited is therefore a controlled corporation of Dr. TSAI Yen Yu pursuant to Section 316 of the SFO. As such, the 1,314,030,000 shares of the Company attributable to Standard Cosmos Limited are attributable to Dr. TSAI.
- Mr. LEE Ming Ta is the spouse of Dr. TSAI Yen Yu and accordingly, is deemed to be interested in the 1,314,030,000 shares of the Company attributable to Dr. TSAI Yen Yu pursuant to Section 316 of the SFO.
- Each of Dr. SU Chien Cheng and Dr. SU Sh Hsyu is taken to be interested in the 1,314,030,000 shares of the Company which are indirectly owned by Starsign International Limited pursuant to Sections 317 and 318 of the SFO by virtue of Dr. SU Chien Cheng and Dr. SU Sh Hsyu being parties to a shareholders' agreement dated 15 October 2009 which imposes obligations or restrictions on the parties thereto with respect to their use, retention or disposal of their interest in shares of the Company.

Other than as disclosed above, none of the directors, the chief executive nor their associates had any interests or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30 June 2010.

## 董事於股份的權益

於二零一零年六月三十日，董事、主要行政人員及彼等之聯繫人士於本公司及其相聯法團的股份、相關股份及債券中，擁有記錄於本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置的登記冊，或根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）已知會本公司及聯交所的權益如下：

### 於本公司股份及相關股份的好倉

#### 普通股

Name of Director 董事姓名	Nature of interest 權益性質	Number of ordinary shares 普通股數目	% of the issued share capital of the Company 佔本公司已 發行股本百分比
Dr. TSAI Yen Yu <sup>(1)</sup> 蔡燕玉博士 <sup>(1)</sup>	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
Mr. LEE Ming Ta <sup>(2)</sup> 李明達先生 <sup>(2)</sup>	Interest of spouse 配偶權益	1,314,030,000	65.63%
Dr. SU Chien Cheng <sup>(3)</sup> 蘇建誠博士 <sup>(3)</sup>	Deemed interest 視為權益	1,314,030,000	65.63%
Dr. SU Sh Hsyu <sup>(3)</sup> 蘇詩琇博士 <sup>(3)</sup>	Deemed interest 視為權益	1,314,030,000	65.63%

附註：

- 蔡燕玉博士直接擁有Next Focus Holdings Limited 40%權益，該公司則間接擁有Standard Cosmos Limited 50%權益。根據證券及期貨條例第316條，Standard Cosmos Limited因而屬蔡燕玉博士之受控制法團。因此，Standard Cosmos Limited應佔之1,314,030,000股本公司股份可歸於蔡博士。
- 李明達先生為蔡燕玉博士之配偶，根據證券及期貨條例第316條，因而被視作於蔡燕玉博士應佔之1,314,030,000股本公司股份中擁有權益。
- 根據證券及期貨條例第317及318條，由於蘇建誠博士及蘇詩琇博士為日期為二零零九年十月十五日之股東協議之訂約方，該協議就使用、保留或出售彼等於本公司股份之權益向訂約方施加責任或限制，蘇建誠博士及蘇詩琇博士各自被視作於Starsign International Limited間接擁有之1,314,030,000股本公司股份中擁有權益。

除上文披露者外，於二零一零年六月三十日，概無董事、主要行政人員或彼等之聯繫人士於本公司或其任何相聯法團的任何股份、相關股份或債券中擁有任何權益或淡倉。

Other Information  
其他資料

## SUBSTANTIAL SHAREHOLDERS

As at 30 June 2010, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, the following shareholders other than the directors of the Company had notified the Company of relevant interests in the issued capital of the Company.

### Long position in shares and underlying shares of the Company

Ordinary shares of HK\$0.10 each of the Company

## 主要股東

於二零一零年六月三十日，本公司根據證券及期貨條例第336條存置的主要股東名冊顯示，除本公司董事以外，以下股東已知會本公司彼等於本公司已發行股本的有關權益。

### 於本公司股份及相關股份的好倉

本公司每股面值0.10港元的普通股

Name of substantial shareholder 主要股東姓名／名稱	Notes 附註	Nature of interest 權益性質	Number of ordinary shares beneficially held 實益持有 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Efficient Market Investments Limited		Beneficial owner 實益擁有人	838,530,000	41.88%
Adventa Group Limited		Beneficial owner 實益擁有人	236,580,000	11.82%
Fortune Bright Group Limited		Beneficial owner 實益擁有人	236,580,000	11.82%
Standard Cosmos Limited	1	Beneficial owner and interest of controlled companies 實益擁有人及受控制公司權益	1,314,030,000	65.63%
Starsign International Limited	1	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
Next Focus Holdings Limited	2	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
CA NB Limited	3	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
CA North Beach Limited	3	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
Carlyle Asia Partners III, L.P.	3	Interest of controlled companies 受控制公司權益	1,314,030,000	65.63%
Martin Currie Inc		Beneficial owner 實益擁有人	130,491,000	6.52%
Martin Currie Investment Management 馬丁可利投資管理有限公司		Beneficial owner 實益擁有人	94,805,000	4.73%
Martin Currie Ltd	4	Interest of controlled companies 受控制公司權益	225,296,000	11.25%
Martin Currie (Holdings) Limited 馬丁可利(控股)有限公司	4	Interest of controlled companies 受控制公司權益	225,296,000	11.25%
Keywise Capital Management (HK) Limited 凱思博投資管理(香港)有限公司		Beneficial owner 實益擁有人	181,210,000	9.05%



## SUBSTANTIAL SHAREHOLDERS (Continued)

### Long position in shares and underlying shares of the Company (Continued)

Ordinary shares of HK\$0.10 each of the Company (Continued)

Notes:

- (1) Starsign International Limited is the sole shareholder of Standard Cosmos Limited, which, in turn, is the sole shareholder of Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited. As such, the 1,311,690,000 shares of the Company collectively held by Efficient Market Investments Limited, Adventa Group Limited and Fortune Bright Group Limited and 2,340,000 shares of the Company held directly by Standard Cosmos Limited (totalling 1,314,030,000 shares of the Company) are attributable to Standard Cosmos Limited and Starsign International Limited.
- (2) Next Focus Holdings Limited directly owns 50% of Starsign International Limited. As such, the 1,314,030,000 shares of the Company in which Starsign International Limited is interested are attributable to Next Focus Holdings Limited.
- (3) Carlyle Asia Partners III, L.P. is the sole shareholder of CA North Beach Limited, which, in turn, is the sole shareholder of CA NB Limited. CA NB Limited directly owns 50% of Starsign International Limited. As such, the 1,314,030,000 shares of the Company in which Starsign International Limited is interested are attributable to CA NB Limited, CA North Beach Limited and Carlyle Asia Partners III, L.P..
- (4) Martin Currie (Holdings) Limited is the sole shareholder of Martin Currie Ltd, which, in turn, is the sole shareholder of Martin Currie Inc and Martin Currie Investment Management. Martin Currie Inc and Martin Currie Investment Management directly hold 130,491,000 (approximately 6.52%) and 94,805,000 (approximately 4.73%) of the shares of the Company, respectively. As such, the 225,296,000 Natural Beauty Shares (approximately 11.25%) held by Martin Currie Inc and Martin Currie Investment Management are attributable to Martin Currie Ltd and Martin Currie (Holdings) Limited.

Save as the interests disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2010.

## 主要股東(續)

### 於本公司股份及相關股份的好倉(續)

本公司每股面值0.10港元的普通股(續)

附註：

- (1) Starsign International Limited為Standard Cosmos Limited之唯一股東，而該公司為Efficient Market Investments Limited、Adventa Group Limited及Fortune Bright Group Limited之唯一股東。因此，由Efficient Market Investments Limited、Adventa Group Limited及Fortune Bright Group Limited共同持有之1,311,690,000股本公司股份及由Standard Cosmos Limited直接持有之2,340,000股本公司股份，合共1,314,030,000股本公司股份可歸於Standard Cosmos Limited及Starsign International Limited。
- (2) Next Focus Holdings Limited直接擁有Starsign International Limited 50%權益，因此Starsign International Limited持有權益之1,314,030,000股本公司股份可歸於Next Focus Holdings Limited。
- (3) Carlyle Asia Partners III, L.P.為CA North Beach Limited之唯一股東，而該公司為CA NB Limited之唯一股東。CA NB Limited直接擁有Starsign International Limited 50%權益，因此Starsign International Limited持有權益之1,314,030,000股本公司股份可歸於CA NB Limited、CA North Beach Limited及Carlyle Asia Partners III, L.P.。
- (4) 馬丁可利(控股)有限公司為Martin Currie Ltd之唯一股東，而該公司為Martin Currie Inc及馬丁可利投資管理有限公司之唯一股東。Martin Currie Inc及馬丁可利投資管理有限公司分別直接持有本公司130,491,000(約6.52%)及94,805,000(約4.73%)股股份。因此Martin Currie Inc及馬丁可利投資管理有限公司持有之225,296,000股自然美股份(約11.25%)可歸於Martin Currie Ltd及馬丁可利(控股)有限公司。

除上文披露的權益外，於二零一零年六月三十日，本公司並無獲知會於本公司已發行股本之任何其他有關權益或淡倉。

# Condensed Consolidated Statement of Comprehensive Income

## 簡明綜合全面收益表

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月  
(With comparatives for the six months ended 30 June 2009) (連同截至二零零九年六月三十日止六個月的比較數字)  
(Expressed in thousands of Hong Kong dollars (HK\$'000)) (以千港元為單位)

				For the six months ended 30 June 截至六月三十日止六個月	
				2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
		Notes 附註			
Revenue	收入	4	229,605	255,329	
Cost of sales	銷售成本		<b>(70,195)</b>	(46,672)	
Gross profit	毛利		<b>159,410</b>	208,657	
Other income	其他收益		<b>10,453</b>	19,221	
Distribution and selling expenses	分銷及銷售費用		<b>(67,831)</b>	(56,966)	
Administrative expenses	行政開支		<b>(64,313)</b>	(48,901)	
Other expenses	其他支出		<b>(1,146)</b>	(3,133)	
Profit before taxation	除稅前溢利		<b>36,573</b>	118,878	
Income tax expense	所得稅開支	5	<b>(20,729)</b>	(10,007)	
Profit for the period	期內溢利	6	<b>15,844</b>	108,871	
Other comprehensive income	其他全面收益				
Exchange differences arising on translation	換算產生的匯兌差額		<b>5,800</b>	2,576	
Total comprehensive income for the period	期內全面收益總額		<b>21,644</b>	111,447	
Profit for the period attributable to:	以下人士應佔期內溢利：				
Owners of the Company	本公司擁有人		<b>15,900</b>	108,958	
Minority interests	少數股東權益		<b>(56)</b>	(87)	
			<b>15,844</b>	108,871	
Total comprehensive income attributable to:	以下人士應佔全面收益總額：				
Owners of the Company	本公司擁有人		<b>21,693</b>	111,529	
Minority interests	少數股東權益		<b>(49)</b>	(82)	
			<b>21,644</b>	111,447	
Dividends – proposed	股利－擬派	7	<b>70,074</b>	70,055	
Earnings per share	每股盈利	8			
– Basic and diluted	– 基本及攤薄		<b>0.79 HK cents</b> 港仙	5.45 HK cents 港仙	

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況報表

At 30 June 2010 於二零一零年六月三十日

(With comparatives at 31 December 2009) (連同於二零零九年十二月三十一日的比較數字)

(Expressed in thousands of Hong Kong dollars (HK\$'000)) (以千港元為單位)

		Notes 附註	At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment properties	投資物業		4,754	4,710
Property, plant and equipment	不動產、廠場及設備		211,262	217,760
Prepaid lease payments	自用土地租賃款		9,497	9,562
Goodwill	商譽		26,004	25,833
Available-for-sale investments	可供出售投資		3,926	3,926
Deferred taxation assets	遞延稅項資產		2,643	3,016
			<b>258,086</b>	<b>264,807</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		63,917	89,076
Trade and other receivables	貿易及其他應收賬款	9	68,673	85,382
Prepaid lease payments	自用土地租賃款		281	278
Pledged bank deposit	已抵押銀行存款		432	430
Bank balances and cash	銀行結存及現金		531,945	559,346
			<b>665,248</b>	<b>734,512</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付賬款	10	79,820	93,836
Deferred income	遞延收益		10,200	10,290
Taxation payable	應付稅項		10,614	14,490
			<b>100,634</b>	<b>118,616</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>564,614</b>	<b>615,896</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>822,700</b>	<b>880,703</b>
<b>Non-current liability</b>	<b>非流動負債</b>			
Retirement benefit obligations	退休福利責任	11	12,312	11,875
			<b>810,388</b>	<b>868,828</b>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	12	200,210	200,210
Reserves	儲備		609,481	667,872
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔權益</b>		<b>809,691</b>	<b>868,082</b>
<b>Minority interests</b>	<b>少數股東權益</b>		<b>697</b>	<b>746</b>
<b>Total equity</b>	<b>總權益</b>		<b>810,388</b>	<b>868,828</b>

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月  
(Expressed in thousands of Hong Kong dollars (HK\$'000)) (以千港元為單位)

For the six months ended 30 June 2010

截至二零一零年六月三十日止六個月

(Unaudited)

(未經審核)

		Attributable to owners of the Company								
		本公司擁有人應佔								
		Share Capital	Capital Surplus	Share Premium	Statutory Reserve	Translation Reserve	Retained profits	Total	Minority interests	Total
		股本	股本盈餘	股份溢價	法定儲備	匯兌儲備	保留溢利	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
THE GROUP	本集團									
At 1 January 2010	於二零一零年一月一日	200,210	42,554	41,016	151,857	66,255	366,190	868,082	746	868,828
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	15,900	15,900	(56)	15,844
Exchange difference arising from translation	換算產生的匯兌差額	-	-	-	-	5,793	-	5,793	7	5,800
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	5,793	15,900	21,693	(49)	21,644
Dividends declared*	已宣派股利*	-	-	-	-	-	(80,084)	(80,084)	-	(80,084)
At 30 June 2010	於二零一零年六月三十日	200,210	42,554	41,016	151,857	72,048	302,006	809,691	697	810,388

\* Dividends declared represent the final dividend for 2009 and do not include the interim dividend for 2010.

\* 已宣派股利指二零零九年之末期股利，但不包括二零一零年之中期股利。

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

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月  
(Expressed in thousands of Hong Kong dollars (HK\$'000)) (以千港元為單位)

The comparative figures for 2009 are set out as follows:  
二零零九年之比較數字載列如下：

		For the six months ended 30 June 2009 截至二零零九年六月三十日止六個月 (Unaudited) (未經審核)									
		Attributable to owner of the Company 本公司擁有人應佔									
		Share Capital	Capital Surplus	Share Premium	Statutory Reserve	Translation Reserve	Share option reserve	Retained profits	Total	Minority interests	Total
		股本	股本盈餘	股份溢價	法定儲備	匯兌儲備	認股權儲備	保留溢利	總計	少數股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>THE GROUP</b>	<b>本集團</b>										
At 1 January 2009	於二零零九年一月一日	200,064	42,554	38,024	148,346	63,722	109	357,141	849,960	6,447	856,407
Profit for the period	期內溢利	-	-	-	-	-	-	108,958	108,958	(87)	108,871
Exchange difference arising from translation	換算產生的匯兌差額	-	-	-	-	2,571	-	-	2,571	5	2,576
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	2,571	-	108,958	111,529	(82)	111,447
Dividends declared*	已宣派股利*	-	-	-	-	-	-	(67,021)	(67,021)	-	(67,021)
Recognition of share-based payments	確認股份付款	-	-	-	-	-	84	-	84	-	84
At 30 June 2009	於二零零九年六月三十日	200,064	42,554	38,024	148,346	66,293	193	399,078	894,552	6,365	900,917

\* Dividends declared represent the final dividend for 2008 and do not include the interim dividend for 2009.

\* 已宣派股利指二零零八年之末期股利，但不包括二零零九年之中期股利。

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月  
(With comparatives for the six months ended 30 June 2009) (連同截至二零零九年六月三十日止六個月的比較數字)  
(Expressed in thousands of Hong Kong dollars (HK\$'000)) (以千港元為單位)

		For the six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
		Note 附註	
<b>Cash generated from operations</b>	<b>經營業務產生之現金</b>	13	<b>75,230</b>
Overseas taxation paid	已付海外稅項		(24,232)
Net cash from operating activities	經營活動所得現金淨額		<b>50,998</b>
<b>Investing activities</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購置不動產、廠場及設備		(3,977)
Proceeds from disposal of property, plant and equipment	出售不動產、廠場及設備所得款項		887
Interest received	已收利息		1,076
Net cash used in investing activities	投資活動所用現金淨額		<b>(2,014)</b>
Financing activities	融資活動		
Dividend paid	派付股利		(80,084)
Net cash used in financing activities	融資活動所用現金淨額		<b>(80,084)</b>
Net (decrease) increase in cash and cash equivalents	現金及現金等價物(減少)增加淨額		<b>(31,100)</b>
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物		559,346
Effect of foreign exchange rate changes	匯率變動之影響		3,699
Cash and cash equivalents at 30 June, represented by bank balances and cash	於六月三十日之現金及現金等價物(指銀行結存及現金)		<b>531,945</b>
			44,597
			546,205
			2,656
			593,458

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

As of 30 June 2010 於二零一零年六月三十日

(With comparatives for the six months ended 30 June 2009 and as of 31 December 2009) (連同截至二零零九年六月三十日止六個月及二零零九年十二月三十一日的比較數字)

(Expressed in thousands of Hong Kong dollars (HK\$'000) unless otherwise stated) (除另有列明外，以千港元為單位)

### 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited consolidated accounts 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 ("Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The condensed consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which are carried at their fair values. The accounting policies adopted are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2009, except as described below.

In the current period, the Group has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning 1 January 2010.

HKFRSs (Amendments)	Amendment to HKFRS 5 included in Improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HK (IFRIC) - Int 17	Distributions of Non-cash Assets to Owners

### 1. 編製基準及會計政策

未經審核綜合賬目根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄16之適用披露規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」編製。

簡明綜合財務報表乃按照歷史成本基準編製，並就重估按公平值列賬之投資物業作出修正。所採納會計政策與編製本集團截至二零零九年十二月三十一日止年度綜合財務報表所遵從者貫徹一致，惟下述者除外。

本集團於本期間首次應用香港會計師公會(「香港會計師公會」)所頒佈，且於二零一零年一月一日開始之本集團財政年度生效之以下新訂準則、修訂及詮釋(「新香港財務報告準則」)。

香港財務報告準則 (修訂)	香港財務報告準則5號之修訂(包括在二零零八年香港財務報告準則之改進內)
香港財務報告準則 (修訂)	二零零九年香港財務報告準則之改進
香港會計準則第27號 (經修訂)	綜合及獨立財務報表
香港會計準則第39號 (修訂)	合資格對沖項目
香港財務報告準則第1號(修訂)	首次採納者之額外豁免
香港財務報告準則第2號(修訂)	集團現金結算之股份付款交易
香港財務報告準則第3號(經修訂)	業務合併
香港(國際財務報告詮釋委員)一詮釋第17號	向擁有人派發非現金資產

## 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

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

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

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

As part of Improvements to HKFRSs issued in 2009, HKAS 17 "Leases" has been amended in relation to the classification of leasehold land. Before the amendments to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the condensed consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The adoption of improvements to HKAS 17 had no material effect on the Group's condensed consolidated financial statements for the current or prior accounting period.

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

## 1. 編製基準及會計政策(續)

本集團就收購日期為二零一零年一月一日或以後之業務合併預期應用香港財務報告準則第3號(經修訂)「業務合併」。香港會計準則第27號(經修訂)「綜合及獨立財務報表」有關於取得控制權後附屬公司之擁有權變動或失去附屬公司控制權之會計處理，本集團預期於二零一零年一月一日或之後應用。

由於在本中期間並無交易適用香港財務報告準則第3號(經修訂)及香港會計準則第27號(經修訂)，故香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及其他香港財務報告準則之往後修訂對本集團目前及過往會計期間之簡明綜合財務報表並無影響。

本集團於未來期間之業績或會受香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及其他香港財務報告準則之往後修訂適用之未來交易影響。

作為二零零九年頒佈之香港財務報告準則改進之一部分，香港會計準則第17號「租賃」對租賃土地之分類已作出修訂。香港會計準則第17號修訂前，承租人須將租賃土地分類為經營租賃，並於簡明綜合財務狀況表中之自用土地租賃款內呈報。新修訂免除了此規定。取而代之，修訂規定租賃土地根據香港會計準則第17號所載一般原則分類，即以租賃資產所有權有關之風險及回報歸屬於承租人或出租人之程度為依據。採納香港會計準則第17號之改進對本集團目前或過往會計期間之簡明綜合財務報表並無重大影響。

本集團並無提前採納下列已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。



## 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

HKFRSs (Amendments)	Improvements to HKFRSs 2010 <sup>1</sup>
HKAS 24 (Revised)	Related Party Disclosures <sup>4</sup>
HKAS 32 (Amendment)	Classification of Rights Issues <sup>2</sup>
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters <sup>3</sup>
HKFRS 9	Financial Instruments <sup>5</sup>
HK (IFRIC) - Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement <sup>4</sup>
HK (IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate.

<sup>2</sup> Effective for annual periods beginning on or after 1 February 2010.

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2010.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2011.

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2013.

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

## 2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions as appropriate in the preparation of the accounts. These estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities include the productive life of property, plant and equipment, impairment of goodwill, allowances for trade receivable and inventories and the determination of income tax.

## 1. 編製基準及會計政策(續)

香港財務報告準則 (修訂)	二零一零年香港財務報告準則之改進 <sup>1</sup>
香港會計準則第24號 (經修訂)	關連人士披露 <sup>4</sup>
香港會計準則第32號 (修訂)	供股分類 <sup>2</sup>
香港財務報告準則第1號(修訂)	首次採納者根據香港財務報告準則第7號披露比較數字之有限豁免 <sup>3</sup>
香港財務報告準則第9號	金融工具 <sup>5</sup>
香港(國際財務報告詮釋委員會)－詮釋第14號(修訂)	最低資本規定之預付款項 <sup>4</sup>
香港(國際財務報告詮釋委員會)－詮釋第19號	以股本工具清償金融負債 <sup>3</sup>

<sup>1</sup> 於二零一零年七月一日及二零一一年一月一日或之後開始之年度期間生效(視適用情況而定)。

<sup>2</sup> 於二零一零年二月一日或之後開始之年度期間生效。

<sup>3</sup> 於二零一零年七月一日或之後開始之年度期間生效。

<sup>4</sup> 於二零一一年一月一日或之後開始之年度期間生效。

<sup>5</sup> 於二零一三年一月一日或之後開始之年度期間生效。

本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋，對本集團業績及財務狀況並無重大影響。

## 2. 重要會計估計及判斷

本集團在編製賬目中作出適當估算及假設。此等估算乃根據過往經驗及其他因素作出，包括在該等情況下對未來事項相信屬合理的預測，而按定義而言，對未來事項之預測甚少等同於相關實際結果。對資產及負債賬面值數額有重大影響之估算及假設，包括不動產、廠場及設備之生產壽命與商譽減值、貿易應收賬款及存貨撥備以及所得稅釐定。

### 3. SEGMENT INFORMATION

The accounting policies of the operating segments are the same as the Group's accounting policies in the preparation of the Group's annual financial statements. The performance assessment of the Group is measured based on segment profit that is used by the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. Taxation is not allocated to reportable segments.

The Group's operating profits were recorded in geographical segments by location of customers.

#### Segment revenues and results

The Group's operations are located in the PRC, Taiwan and Others (Hong Kong, Malaysia and Macau).

An analysis of the Group's revenue and results by reportable segment based on customers' location is presented below:

### 3. 分部資料

營運分部之會計政策與本集團編製年度財務報表採用之會計政策相同。本集團根據主要營運決策人就資源分配及分部表現評估所用分部溢利計量表現。稅項並不分配至可報告分部。

本集團經營溢利乃按客戶所在地劃分地域分部記賬。

#### 分部收入及業績

本集團之業務位於中國大陸、台灣及其他(香港、馬來西亞及澳門)。

本集團收入及業績根據客戶所在地按可報告分部呈列如下：

		For the six months ended 30 June 2010 截至二零一零年六月三十日止六個月			
		PRC 中國大陸 (unaudited) (未經審核) HK\$'000 千港元	Taiwan 台灣 (unaudited) (未經審核) HK\$'000 千港元	Others 其他地區 (unaudited) (未經審核) HK\$'000 千港元	Total 總計 (unaudited) (未經審核) HK\$'000 千港元
Revenue	收入	167,730	57,230	4,645	229,605
Segment profit (loss)	分部溢利(虧損)	58,352	(5,917)	(8,988)	43,447
Unallocated corporate expenses	未撥配公司支出				(7,950)
Unallocated income	未撥配收益				1,076
Profit before taxation	除稅前溢利				36,573
Income tax expense	所得稅開支				(20,729)
Profit for the period	期內溢利				15,844

### 3. SEGMENT INFORMATION (Continued)

### 3. 分部資料(續)

		For the six months ended 30 June 2009 截至二零零九年六月三十日止六個月			
		PRC 中國大陸 (unaudited) (未經審核) HK\$'000 千港元	Taiwan 台灣 (unaudited) (未經審核) HK\$'000 千港元	Others 其他地區 (unaudited) (未經審核) HK\$'000 千港元	Total 總計 (unaudited) (未經審核) HK\$'000 千港元
Revenue	收入	191,042	59,706	4,581	255,329
Segment profit (loss)	分部溢利(虧損)	112,966	15,115	(5,093)	122,988
Unallocated corporate expenses	未撥配公司支出				(7,347)
Unallocated income	未撥配收益				3,237
Profit before taxation	除稅前溢利				118,878
Income tax expense	所得稅開支				(10,007)
Profit for the period	期內溢利				108,871

### 4. REVENUE

Revenue represents the net amount received and receivables for (i) goods sold by the Group to outside customers which is stated net of sales returns and allowances, (ii) service income from provision of skin treatments, beauty and SPA services and (iii) entrustment fee income for the period, and is analysed as follows:

### 4. 收入

收入指期間本集團(i)售予外界客戶貨品，乃扣除銷售退貨及折扣後列賬；(ii)來自提供肌膚護理、美容及水療服務之服務收入；及(iii)委託經營收益之已收及應收淨額，分析如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
Sales of goods	產品銷售	224,889	248,607
Service income	服務收入	4,673	6,566
Entrustment fee income	委託經營收益	43	156
		<b>229,605</b>	<b>255,329</b>

## 5. INCOME TAX EXPENSE

No Hong Kong profits tax has been provided, as the Group has no assessable profits in Hong Kong for the six months ended 30 June 2010 (2009: Nil).

Taxation in overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries/places in which the Group operates.

## 5. 所得稅開支

由於本集團於截至二零一零年六月三十日止六個月於香港並無應課稅溢利(二零零九年：無)，故並無提撥香港利得稅。

海外溢利之稅項已就期內之估計應課稅溢利按本集團經營所在國家／地點通行之稅率計算。

Group:	本集團：
Overseas taxation	海外稅項
Deferred taxation	遞延稅項
Taxation for the period	期內稅項

### For the six months ended 30 June 截至六月三十日止六個月

2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
20,356	6,254
373	3,753
<b>20,729</b>	<b>10,007</b>

## 6. PROFIT FOR THE PERIOD

Profit for the period in the condensed consolidated statement of comprehensive income was determined after crediting and charging the following items:

## 6. 期內溢利

簡明綜合全面收益表內的期內溢利已計入及扣除下列各項：

		For the six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
Crediting:	計入：		
Interest income on bank deposits	銀行存款利息收益	1,076	1,473
Gain on held-for-trading investments	持作買賣投資收益	—	12
Charging:	扣除：		
Net loss (gain) on disposals of property, plant and equipment	出售不動產、廠場及設備之淨虧損(收益)	1,044	(3,114)
Net exchange loss (gain)	匯兌虧損(收益)淨額	339	(1,740)
Staff costs, excluding directors' emoluments	員工成本(不包括董事酬金)		
– Salaries and wages	– 薪金及工資	54,873	46,537
– Pension costs	– 退休金成本		
– PRC	– 中國大陸	5,137	4,715
– Taiwan	– 台灣	1,411	1,191
– Hong Kong and other regions	– 香港及其他地區	114	101
Directors' emoluments (salaries and allowances)*	董事酬金(薪金及津貼)*	1,967	403
Depreciation of property, plant and equipment	不動產、廠場及設備之折舊	10,350	9,675
Allowance for obsolete inventories	陳舊存貨撥備	24,937	1,112
Provision for doubtful debts	呆賬撥備	5,922	1,101
Operating lease expense on land and buildings	土地及樓宇之經營租賃開支	14,801	14,175
Research and development costs	研發成本	677	1,696

\* Included in directors' remuneration were fees of HK\$1,586,000 (2009: HK\$44,000), paid or payable to directors during the report period.

\* 董事酬金中包括於報告期內已付或應付董事之袍金1,586,000港元(二零零九年：44,000港元)。

## 7. DIVIDENDS

The directors proposed an interim dividend of 3.5 HK cents per share (2009: interim dividend of 3.5 HK cents per share). This proposed dividend has not been recognised as a liability at the balance sheet date.

## 8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the Group's unaudited profit attributable to owners of the Company of approximately HK\$15,900,000 for the six months ended 30 June 2010 (2009: HK\$108,958,000) divided by weighted average number of approximately 2,002,100,932 ordinary shares (2009: 2,000,639,430) in issue during the period.

The computation of diluted earnings per share does not take into accounts the outstanding share options because the exercise price of these options was higher than the average market price of shares' for both six months ended 30 June 2009 and 2010.

## 9. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款	
Less: allowance for doubtful debts	減：呆賬撥備	
Prepayments and deposits	預付款項及押金	
Other receivables	其他應收賬款	
Total trade and other receivables	貿易及其他應收賬款總額	

## 7. 股利

董事擬派中期股利每股3.5港仙(二零零九年：中期股利每股3.5港仙)。於結算日，此擬派股利並無確認為負債。

## 8. 每股盈利

每股基本盈利乃根據本集團截至二零一零年六月三十日止六個月之未經審核本公司擁有人應佔溢利約15,900,000港元(二零零九年：108,958,000港元)除期內已發行普通股加權平均數約2,002,100,932股(二零零九年：2,000,639,430股)計算。

於截至二零零九年及二零一零年六月三十日止六個月，每股攤薄盈利之計算並無計及尚未行使之購股權，原因為該等購股權之行使價高於股份於該兩段期間之平均市價。

## 9. 貿易及其他應收賬款

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
44,039	62,088
(8,443)	(2,688)
35,596	59,400
14,102	11,263
18,975	14,719
68,673	85,382

As of 30 June 2010 於二零一零年六月三十日

## 9. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows a credit period ranging from one to six months to its trade customers. The following is an aged analysis of trade receivables (net of allowance for doubtful debts) presented based on the invoice date at the end of the reporting period:

Within 180 days	180日內
181 days to 365 days	181日至365日
1 to 2 years	1至2年
Over 2 years	2年以上

The fair value of the Group's trade and other receivables at 30 June 2010 was approximate to the corresponding carrying amount.

## 10. TRADE AND OTHER PAYABLES

Trade payables	貿易應付賬款
Deposits from customers	客戶押金
Other tax payables	其他應付稅項
Other payables	其他應付賬款
Total trade and other payables	貿易及其他應付賬款總額

## 9. 貿易及其他應收賬款(續)

本集團給予其貿易客戶一至六個月之信貸期。於報告期間結算日按發票日期呈列之貿易應收賬款(扣除呆賬撥備)賬齡分析如下：

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
33,025	50,875
2,515	4,670
56	3,580
-	275
<b>35,596</b>	<b>59,400</b>

本集團貿易及其他應收賬款於二零一零年六月三十日之公平值與其相應賬面值相若。

## 10. 貿易及其他應付賬款

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
9,904	12,079
18,621	22,894
2,527	8,917
48,768	49,946
<b>79,820</b>	<b>93,836</b>

## 10. TRADE AND OTHER PAYABLES (Continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

Within 180 days	180日內
181 days to 365 days	181日至365日

The average credit period on purchases of goods is 90 days. The fair value of the Group's trade and other payables at 30 June 2010 was approximate to the corresponding amount.

## 11. RETIREMENT BENEFIT OBLIGATIONS

Obligations on:
– defined contribution plans
– defined benefits plans

責任：
– 一定額供款計劃
– 一定額福利計劃

## 10. 貿易及其他應付賬款(續)

於報告期間結算日按發票日期呈列之貿易應付賬款賬齡分析如下：

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
9,882	10,587
22	1,492
<b>9,904</b>	<b>12,079</b>

購買貨品之平均信貸期為90日。本集團貿易及其他應付賬款於二零一零年六月三十日之公平值與其相應價值相若。

## 11. 退休金責任

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
–	–
12,312	11,875
<b>12,312</b>	<b>11,875</b>



## 11. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Movement in the liability recognised for the period:

Accrued retirement benefit obligations, beginning	期初應計退休責任
Total expense (Note)	總支出(附註)
Contributions paid	已付供款
Currency realignments	匯率折算差額
Accrued retirement benefit obligations, ending	期末應計退休責任

Note: Actuarial valuation of the pension plan is performed by a qualified actuary annually. Last actuarial valuation was made as at 31 December 2009. The amount charged for the period was based on the projected pension cost per last actuarial report for the forecoming year on a straight line basis.

## 11. 退休金責任(續)

期內確認之負債變動如下：

For the six months ended 30 June 2010 截至二零一零年 六月三十日 止六個月 (unaudited) (未經審核) HK\$'000 千港元	For the year ended 31 December 2009 截至二零零九年 十二月三十一日 止年度 (audited) (經審核) HK\$'000 千港元
11,875	12,259
1,411	598
(1,083)	(1,196)
109	214
12,312	11,875

附註：退休金計劃每年由合資格精算師進行精算估值。上一次精算估值於二零零九年十二月三十一日作出。本期間所扣除金額乃根據上一次精算報告所示預計退休金成本按直線法計算。

## 12. SHARE CAPITAL

## 12. 股本

		Number of shares 股份數目		Share Capital 股本	
		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日	At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核)	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核)
		'000 千股	'000 千股	HK\$'000 千港元	HK\$'000 千港元
Ordinary shares of HK\$0.1 each	每股面值0.1港元之 普通股				
Authorised:	法定股本：				
At beginning of period/year and end of period/year	於期／年初及 期／年終	<b>4,000,000</b>	4,000,000	<b>400,000</b>	400,000
Issued and fully paid:	已發行及繳足：				
At beginning of period/year	於期／年初	<b>2,002,100</b>	2,000,640	<b>200,210</b>	200,064
Shares issued upon exercise of share options	行使認股權時 發行股份	—	1,460	—	146
At end of period/year	於期／年終	<b>2,002,100</b>	2,002,100	<b>200,210</b>	200,210

### 13. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of operating profit before working capital changes to net cash generated from operations.

Operating profit before working capital changes	營運資金變動前之經營溢利
Decrease (increase) in inventories	存貨減少(增加)
Decrease (increase) in trade and other receivables	貿易及其他應收賬款減少(增加)
Decrease in trade, other payables, and deferred income	貿易、其他應付賬款及遞延收益減少
Increase in retirement benefit obligations	退休金責任增加
Cash generated from operations	經營業務產生之現金

### 13. 簡明綜合現金流量表附註

營運資金變動前之經營溢利與營業所得現金流入淨額對賬。

For the six months ended 30 June  
截至六月三十日止六個月

2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
77,890	128,918
222	(9,565)
10,787	(12,421)
(14,106)	(21,596)
437	177
<b>75,230</b>	<b>85,513</b>

### 14. CONNECTED AND RELATED PARTY TRANSACTIONS

During the period, the Group had significant transactions with related parties, some of which are also deemed to be connected parties pursuant to the Listing Rules. The significant transactions with these parties during the period are as follows:

Rental income	租金收入
Rental expenses	租金開支

The rental transactions were carried out in accordance with terms determined and agreed by both parties.

### 14. 關連及有關連人士交易

期內，本集團與有關連人士進行重大交易，部分有關連人士根據上市規則被視作關連人士。與該等人士於期內進行之重大交易詳情如下：

For the six months ended 30 June  
截至六月三十日止六個月

2010 二零一零年 (unaudited) (未經審核) HK\$'000 千港元	2009 二零零九年 (unaudited) (未經審核) HK\$'000 千港元
42	42
<b>5,367</b>	<b>5,186</b>

租金交易乃根據訂約雙方釐定及同意之條款進行。

## 15. OPERATING LEASES

### The Group as lessee

At the reporting date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)
Over five years	超過五年

Operating lease payments represent rentals payable by the Group for certain of its leased properties. Leases are negotiated and rentals are fixed for an average term of five years. In addition, the Group's PRC subsidiaries have commitments to make rental payments at a percentage of turnover for certain leased properties.

### The Group as lessor

At the reporting date, the Group had contracted with tenants for the future minimum lease payments of HK\$277,050 (as at 31 December 2009: HK\$329,000) within one year.

## 15. 經營租約

### 本集團作為承租人

於報告日期，本集團根據不可撤銷經營租約就於下列到期日繳付之最低租金承擔如下：

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
15,215	21,629
14,869	16,956
1,036	7,748
<b>31,120</b>	<b>46,333</b>

經營租約承擔即本集團就若干租賃物業支付之款項。租期經磋商而租金按平均五年訂定。此外，本集團中國附屬公司須按若干租賃物業營業額若干百分比支付租金。

### 本集團作為出租人

於報告日期，本集團與租戶所訂合約於一年內之未來最低租金付款為277,050港元(於二零零九年十二月三十一日：329,000港元)。

## 16. CAPITAL COMMITMENTS

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the financial statements

就收購不動產、廠場及設備之已訂約但未於財務報表撥備之資本開支

## 16. 資本承擔

At 30 June 2010 於二零一零年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2009 於二零零九年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
738	1,090

## 17. SUBSEQUENT EVENTS

On 17 August 2010, the Company entered into a consultancy services agreement with CA NB Limited, a substantial shareholder of the Company, for a period from 17 August 2010 to 31 December 2011, with an annual cap of HK\$5,347,056. Certain directors of the Company are also directors of CA NB Limited. Hence the consultancy services provided by CA NB Limited constitute a continuing connected transaction under the listing rules.

## 17. 結算日後事項

於二零一零年八月十七日，本公司與本公司主要股東CA NB Limited訂立顧問服務協議，年期由二零一零年八月十七日至二零一一年十二月三十一日，年度上限為5,347,056港元。本公司若干董事亦為CA NB Limited董事。因此，根據上市規則，CA NB Limited提供之顧問服務構成持續關連交易。

