

自然美  
natural beauty

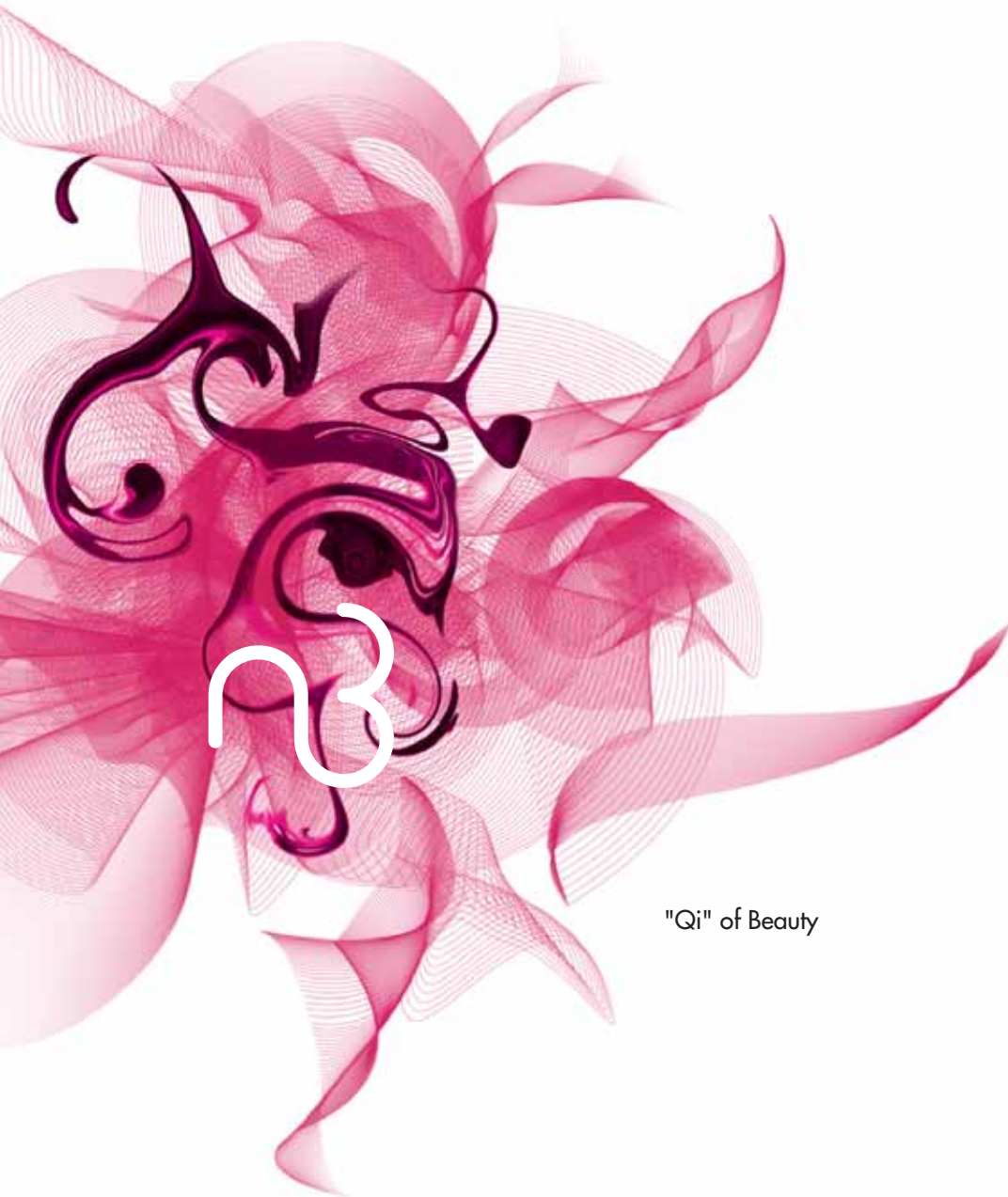
NATURAL BEAUTY BIO-TECHNOLOGY LIMITED

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：157



"Qi" of Beauty

INTERIM REPORT 2007

二零零七年中期報告

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Dr. Tsai Yen Yu  
(alias Dr. Tsai Yen Pin) (*Chairman*)  
Mr. Lee Ming Ta  
(alias Mr. Lee Ming Tah)  
Dr. Su Chien Cheng  
Dr. Su Sh Hsyu  
Mr. Yeh Liang Fei  
(*Independent Non-executive Director*)  
Mrs. Chen Shieh Shu Chen  
(*Independent Non-executive Director*)  
Mr. Chen Ching  
(*Independent Non-executive Director*)

### 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

Mr. Yeh Liang Fei  
Mrs. Chen Shieh Shu Chen  
Mr. Chen Ching

### MEMBERS OF THE REMUNERATION COMMITTEE

Mr. Yeh Liang Fei  
Mrs. Chen Shieh Shu Chen  
Mr. Chen Ching

### REGISTERED OFFICE

P. O. Box 309  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

17th Floor, Chuang's Tower  
30-32 Connaught Road Central  
Hong Kong

### AUDITORS

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

### LEGAL ADVISERS

Arculli Fong & Ng  
In association with King & Wood (PRC lawyers)  
908 Hutchison House  
Central  
Hong Kong

### PRINCIPAL BANKERS

**The Hongkong and Shanghai Banking Corporation Limited**  
1 Queen's Road Central  
Hong Kong

### Land Bank of Taiwan

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

### The International Commercial Bank of China

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

### Agricultural Bank of China

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

### Bank of Communications

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

### WEBSITE

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

## Contents

### 目錄

Chairman's Statement 主席報告書	2	Condensed Consolidated Balance Sheet 簡明綜合資產負債表	29
Management Discussion and Analysis 管理層討論及分析	5	Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	31
Corporate Governance 企業管治	21	Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表	33
Other Information 其他資料	23	Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註	34
Condensed Consolidated Income Statement 簡明綜合收益表	28		

# Chairman's Statement

## 主席報告書

Dear Shareholders,

### PERFORMANCE

I am pleased to present Natural Beauty's interim results for the six months ended 30 June 2007. During the review period, our PRC operation, accountable for 72.1% of the total turnover, remained as the Group's major growth driver. The PRC market achieved 22.5% increase in turnover to reach HK\$139.2 million (1H 2006: HK\$113.7 million) and its operating profit posted a growth of 14.6% to HK\$84.1 million (1H 2006: HK\$73.4 million). Net profit of PRC increased 32.3% to HK\$70.6 million for the first six months this year compared to the same period last year. Taiwan also registered 8.8% year-on-year growth in turnover to HK\$50.6 million (1H 2006: HK\$46.5 million) and 48% growth in operating profit. Net profit of Taiwan operation surged 65.0% to HK\$16.1 million for the first six months this year compared to HK\$9.8 million for the same period in 2006. Backed by the strong growth coupled with effective cost controls, the Group's net profit for the period increased significantly by 50.4% to HK\$74.3 million (1H 2006: HK\$49.4 million).

The Group's key performance indicators have demonstrated satisfactory performance during the first half of 2007. Operating margin and net margin both showed significant improvement with year-on-year increases of 4.8 percentage points and 8.2 percentage points respectively. Our return of equity has further improved and increased from 14.5% in fiscal year 2006 to 16.9% for the first six months of this year, while return on assets has improved from 12.7% in fiscal year 2006 to 14.3% during the review period.

Earnings per share for the first half of 2007 increased by 49.9% to HK3.72 cents (1H 2006: HK2.48 cents).

The Board of Directors has resolved to declare an interim dividend of HK3.0 cents and a special interim dividend of HK2.0 cents. Total interim dividends per share amounted to HK5.0 cents, up by 150% relative to HK2.0 cents for the corresponding period in 2006. This high dividend payout ratio of 135% (1H 2006: 80.7%) demonstrated the strength of our business model and the Group's appreciation of the continuous support from our shareholders.

各位股東：

### 表現

本人欣然提呈自然美截至二零零七年六月三十日止六個月之中期業績。於回顧期間，本集團之中國業務佔總營業額72.1%，仍為本集團主要增長動力。中國市場之營業額增加22.5%至139,200,000港元（二零零六年上半年：113,700,000港元），而經營溢利則增長14.6%至84,100,000港元（二零零六年上半年：73,400,000港元）。本年度首六個月來自中國之純利較去年同期增加32.3%至70,600,000港元。台灣之營業額亦按年增長8.8%至50,600,000港元（二零零六年上半年：46,500,000港元），而經營溢利則增加48%。來自台灣業務之純利由二零零六年同期之9,800,000港元大增65.0%至本年度首六個月之16,100,000港元。在強勁增長支持下，加上成本控制措施奏效，本集團期內純利大幅增加50.4%至74,300,000港元（二零零六年上半年：49,400,000港元）。

本集團主要表現指標顯示於二零零七年上半年表現令人滿意。經營業務邊際毛利及邊際純利均顯著改善，分別按年上升4.8個百分點及8.2個百分點。本集團股本回報進一步改善，由二零零六財政年度之14.5%升至本年度首六個月之16.9%，而資產回報則由二零零六財政年度之12.7%升至回顧期間之14.3%。

二零零七年上半年之每股盈利增加49.9%至3.72港仙（二零零六年上半年：2.48港仙）。

董事會議決宣派中期股利3.0港仙，連同特別中期股利2.0港仙，每股中期股利總額為5.0港仙，較二零零六年同期之2.0港仙增加150%。派息率高達135%（二零零六年上半年：80.7%），反映本集團之業務實力雄厚及衷心感謝股東之持續支持。

## BUSINESS REVIEW

### Brand Revamp Program Continues to Reap Benefits

During the review period, we have seen improvement in our profit margins in both China and Taiwan. Our NB-1 Family products, a premium line that has been very popular, has contributed to higher product margin with its premium pricing. Overall, our brand revamp exercise, of which product packaging is an important aspect, has enabled us to successfully reduce the number of bottle types. We have repackaged 314 products as of June 2007. The repackaged products and around 1,646 franchisee stores which completed the store image revamp further strengthen the Group's updated brand image, and most importantly, continue to boost our product margin to 88.7% for the first six month of 2007 from 84.4% in the previous corresponding period.

The effects of the brand revamp were also reflected on the growth in average store sales. In the PRC, the average store sales for the first six months further grew by 13.9% to HK\$82,000 this year compared to HK\$72,000 for the same period last year. Taiwan also registered a 5.7% year-on-year growth to HK\$92,000 for the first six months this year, despite the weak economy.

### New Retail Brand to Capture New Market

In April this year, we have launched a retail brand "Fonperi" in Taiwan to capture the growing segment of the middle-end retail skin-care market. Despite the economic recession in Taiwan, initial response from the market was encouraging. There were 1,100 outlets offering the Fonperi products and, up to 30 June 2007, we have sold HK\$5.4 million of this product line since its launch in April 2007. Currently, there are nine models of this product line and more models will be introduced in near future. This retail brand may be introduced to the PRC market in future.

### Professional Management Team to Gear Up the Group's Future Growth

To support the growth strategy of the Group, we continue to build up our professional management teams in PRC and in Taiwan. With their extensive knowledge and experiences in channel distribution and people management in the beauty and consumer industry, we are confident that our leading position as the professional beauty products and license training provider in the Greater China region will be further consolidated.

## 業務回顧

### 品牌翻新計劃持續錄得成效

於回顧期間，本集團於中國及台灣之邊際利潤有所改善。本集團大受歡迎之優質NB-1系列產品定價較高，故邊際利潤得以提升。整體而言，本集團之品牌翻新計劃重點之一為重新包裝產品，成功減少本集團所用瓶子種類。截至二零零七年六月，本集團已經重新包裝314款產品。本集團成功重新包裝產品及約1,646間加盟店，完成店舖形象翻新計劃，令本集團品牌形象煥然一新。此舉更令本集團之產品邊際利潤由去年同期之84.4%升至二零零七年首六個月之88.7%。

品牌翻新計劃之成效亦反映於平均店舖銷售額增長。在中國，首六個月之平均店舖銷售額由去年之72,000港元進一步增加13.9%至本年度之82,000港元。儘管經濟低迷，台灣之平均店舖銷售額於本年度首六個月仍按年增長5.7%至92,000港元。

### 推出新零售品牌以進軍新市場

本年四月，本集團於台灣推出「Fonperi」零售品牌，以進軍不斷增長之中檔零售護膚品市場。儘管台灣經濟衰退，市場初步反應理想。現時共有1,100間店舖出售Fonperi產品。自二零零七年四月推出市面直至二零零七年六月三十日為止，此系列共售出價值5,400,000港元之產品。Fonperi系列現有九款產品，將於短期內推出更多新產品。本集團日後或會將此零售品牌引入中國市場。

### 建立專業管理隊伍以推動本集團未來增長

為支持本集團增長策略，我們不斷在中國及台灣招聘專業人才加入管理隊伍。憑藉彼等於美容及消費行業所累積之豐富分銷渠道及人事管理知識與經驗，我們深信，本集團作為大中華區專業美容產品及持牌培訓供應商之領導地位將會加強。

## Chairman's Statement (Continued)

### 主席報告書 (續)

#### PROSPECTS

Leveraging on the robust economic growth of the China economy, we maintain an optimistic outlook on the PRC market as we expect a healthy growth of the market. We will accelerate the expansion of our franchise network in the PRC and at the same time further enhance the average store sales.

In regard to Taiwan, a stagnant economic growth is expected. We anticipate our franchise business will continue to grow due to our revamp effort given that our average sales per store (excluding the retail sales) in the Taiwan market still managed to grow by 5.7% for the first six months of this year against the backdrop of the sluggish economy. An additional growth driver for our Taiwan market is the launch of the retail brand "Fonperi", which is targeted to generate around HK\$15 million sales in the first year of its launch.

#### NOTE OF APPRECIATION

With great pleasure, I would like to thank the members of our Board, our shareholders, and business partners for their continuous support and guidance throughout the period. I would also like to thank the Group's management team and employees for their commitment and hard work, which is instrumental to the Group's continuous growth and expansion.

**Dr. Yen Yu Tsai**

*Chairman*

Hong Kong, 10 September 2007

#### 展望

鑑於中國經濟蓬勃增長，我們對中國市場前景充滿信心，預期有關市場將穩健增長。本集團將加快擴展在中國之加盟經營網絡，同時進一步提升平均店舖銷售額。

就台灣而言，預計經濟增長將會放緩。在經濟不景之情況下，本集團在台灣市場之平均每間店舖銷售額（不包括零售銷售額）於本年首六個月仍有5.7%增長，我們預期，在全面翻新旗下店舖之策略下，本集團之加盟經營業務將會持續增長。此外，本集團推出「Fonperi」零售品牌，亦會刺激本集團在台灣市場之銷售額增長。本集團現時之目標為於「Fonperi」推出首年錄得約15,000,000港元之銷售額。

#### 致謝

本人欣然向董事會成員、股東及業務夥伴期內鼎力支持及指導致以衷心謝意，亦感謝本集團管理隊伍及僱員之竭誠服務及努力工作，致令本集團持續發展及擴充業務。

**蔡燕玉博士**

*主席*

香港，二零零七年九月十日

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

### 財務回顧

Turnover by geographical region	按地區劃分之營業額	1H2007 二零零七年 上半年		1H2006 二零零六年 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	139,282	72.1%	113,733	69.5%	25,549	22.5%
Taiwan	台灣	50,565	26.2%	46,467	28.4%	4,098	8.8%
Others	其他地區	3,341	1.7%	3,425	2.1%	(84)	-2.5%
<b>Total</b>		<b>193,188</b>	<b>100.0%</b>	<b>163,625</b>	<b>100.0%</b>	<b>29,563</b>	<b>18.1%</b>

Average sales per store	店舖平均銷售額	1H2007 Average store* 二零零七年 上半年店舖 平均數目*		1H2006 Average store* 二零零六年 上半年店舖 平均數目*		1H2007 Average sales per store 二零零七年 上半年店舖 平均銷售額		1H2006 Average sales per store 二零零六年 上半年店舖 平均銷售額		Changes 變動	
		HK\$ 港元		HK\$ 港元		HK\$ 港元		HK\$ 港元		HK\$ 港元	%
PRC	中國大陸	1,708.5	1,569.0	82,000	72,000	10,000	13.9%				
Taiwan***	台灣***	493.5	531.5	92,000	87,000	5,000	5.7%				
<b>Group total**</b>	<b>集團總計**</b>	<b>2,202.0</b>	<b>2,100.5</b>	<b>84,000</b>	<b>76,000</b>	<b>8,000</b>	<b>10.5%</b>				

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

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

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

\* 平均店舖數目按(期初店舖總數+期末店舖總數)/2計算

\*\* 集團總計並無計入香港及馬來西亞之營業額及店舖數目。

\*\*\* 台灣銷售數字並不包括透過不同分銷渠道售出之「Fonperi」品牌產品。

Turnover increased by 18.1% to HK\$193.2 million for the six months ended 30 June 2007, compared to HK\$163.6 million for the same period last year. PRC market continues to demonstrate robust growth at 22.5% due to the strong Chinese economy. Taiwan market was still weak but we managed to turn around the decline and recorded a 8.8% year on year growth in turnover. The growth was attributable to the new retail brand "Fonperi" we launched in April this year. Other markets, including Hong Kong and Malaysia, remained small and accounted for less than 2% of the total turnover.

截至二零零七年六月三十日止六個月，營業額上升18.1%至193,200,000港元，去年同期則為163,600,000港元。於強勁之中國大陸經濟帶動下，中國大陸市場繼續錄得22.5%之蓬勃增長。儘管台灣市場仍然疲弱，本集團營業額依然錄得8.8%按年增長，扭轉下降趨勢，歸功於本年四月推出之全新零售品牌「Fonperi」。包括香港及馬來西亞之其他地區市場維持較小規模，佔總營業額不足2%。



## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### FINANCIAL REVIEW (Continued)

In the PRC, the turnover surged by 22.5% or HK\$25.5 million to HK\$139.3 million. The increase in turnover generated from the PRC market was mainly due to an encouraging increase of HK\$24.4 million in product sales, representing a year-on-year growth of 22.5% for the first six months of 2007. Increase in product sales was resulted from effective brand and store image revamping program commenced in April 2005. During the first half of 2007, average store sales of the PRC market recorded a further growth of 13.9%, from HK\$72,000 for the six months ended 30 June 2006 to HK\$82,000 for the same period this year. Service income during the period also recorded a 46.4% growth year on year, as a result of renovated self-owned spas and a beauty mix store in Shanghai.

In Taiwan, turnover increased by HK\$4.1 million, or 8.8%, to HK\$50.6 million for the first six months of 2007 compared to HK\$46.5 million in the corresponding period in 2006. The improvement in turnover was resulted from the introduction of our new retail brand "Fonperi" in the Taiwan market. The initial response from the market of this new retail brand is encouraging. There was HK\$5.4 million product sales directly attributable to the Fonperi line. Excluding the retail products which were sold under different distribution channel, the average store sales in Taiwan registered a 5.7% year on year growth for the first six months of 2007 on our existing spa channel.

Other markets include Hong Kong and Malaysia. As at 30 June 2007, the Group has 1 store in Hong Kong and 51 stores in Malaysia. Contribution to the Group's operations from these regions remained insignificant, which only accounted for less than 2% of the Group's total turnover.

### 財務回顧(續)

中國大陸方面，營業額躍升22.5%或25,500,000港元至139,300,000港元。中國大陸市場營業額增加，主要由於產品銷售額錄得24,400,000港元之可觀升幅，二零零七年首六個月按年增長22.5%。產品銷售額增加歸功於自二零零五年四月以來展開之品牌提升及店舖形象翻新計劃湊效。於二零零七年上半年，中國大陸市場之店舖平均銷售額進一步增長13.9%，由截至二零零六年六月三十日止六個月72,000港元增至本年同期82,000港元。期內，服務收益按年增長46.4%，源自位於上海經翻新之自資經營水療中心及美容綜合商店。

台灣方面，二零零七年首六個月之營業額增加4,100,000港元或8.8%至50,600,000港元，二零零六年同期則為46,500,000港元。營業額改善乃於台灣市場推出全新零售品牌「Fonperi」之成果。市場對該全新零售品牌之初步反應令人鼓舞。「Fonperi」系列直接為本集團帶來5,400,000港元之產品銷售額。撇除透過其他分銷渠道售出之產品，於二零零七年首六個月，本集團現有台灣水療中心之店舖平均銷售額按年增長5.7%。

其他市場包括香港及馬來西亞。於二零零七年六月三十日，本集團分別於香港及馬來西亞設有1間及51間店舖。該等地區對本集團業務之貢獻仍然不大，僅佔本集團總營業額不足2%。



Management Discussion and Analysis (Continued)  
管理層討論及分析(續)

FINANCIAL REVIEW (Continued)

財務回顧(續)

By Activities	按業務劃分	1H2007	1H2006	Variance	Variance
		二零零七年 上半年 HK\$'000 千港元	二零零六年 上半年 HK\$'000 千港元	變動 HK\$'000 千港元	變動 %
<b>Products</b>	<b>產品</b>				
PRC	中國大陸	133,004	108,605	24,399	22.5%
Taiwan	台灣	46,226	41,716	4,510	10.8%
Others	其他地區	2,728	2,646	82	3.1%
<b>Total</b>	<b>總計</b>	<b>181,958</b>	<b>152,967</b>	<b>28,991</b>	<b>19.0%</b>
<b>Services</b>	<b>服務</b>				
PRC	中國大陸	4,147	2,833	1,314	46.4%
Taiwan	台灣	4,339	4,751	(412)	-8.7%
Others	其他地區	613	779	(166)	-21.3%
<b>Total</b>	<b>總計</b>	<b>9,099</b>	<b>8,363</b>	<b>736</b>	<b>8.8%</b>
<b>Entrustment</b>	<b>委託經營</b>				
PRC	中國大陸	2,131	2,295	(164)	-7.1%
Taiwan	台灣	-	-	-	n/a
Others	其他地區	-	-	-	n/a
<b>Total</b>	<b>總計</b>	<b>2,131</b>	<b>2,295</b>	<b>(164)</b>	<b>-7.1%</b>
<b>GROUP TOTAL</b>	<b>集團總計</b>				
PRC	中國大陸	139,282	113,733	25,549	22.5%
Taiwan	台灣	50,565	46,467	4,098	8.8%
Others	其他地區	3,341	3,425	(84)	-2.5%
<b>Total</b>	<b>總計</b>	<b>193,188</b>	<b>163,625</b>	<b>29,563</b>	<b>18.1%</b>

Turnover by activities	按業務劃分之營業額	1H2007		1H2006		Changes	
		二零零七年 上半年 HK\$'000 千港元	%	二零零六年 上半年 HK\$'000 千港元	%	HK\$'000 千港元	%
Products	產品	181,958	94.2%	152,967	93.5%	28,991	19.0%
Services	服務	9,099	4.7%	8,363	5.1%	736	8.8%
Entrustment	委託經營	2,131	1.1%	2,295	1.4%	(164)	-7.1%
<b>Total</b>	<b>總計</b>	<b>193,188</b>	<b>100.0%</b>	<b>163,625</b>	<b>100.0%</b>	<b>29,563</b>	<b>18.1%</b>

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### FINANCIAL REVIEW (Continued)

#### Products

The Group is principally engaged in the manufacture and sale of several types of products, namely skin care products, aromatherapeutic products, color make up and health supplements, under the "Natural Beauty" brand name. Sales of products represent the Group's key revenue contributor and are primarily made through spas and dedicated counters. For the six months ended 30 June 2007, product sales accounted for HK\$182.0 million, or 94.2%, of total turnover for the period, compared to HK\$153.0 million, or 93.5% for the corresponding period in 2006. Gross margin of products increased by 4.3 percentage points to 88.7% for the six months ended 30 June 2007, from 84.4% for the same period in 2006.

The increase in products sales was mainly attributable to the HK\$24.4 million increase in product sales generated from the PRC market as a result of the robust growth of the Chinese economy, a successful brand revamping program, including the overall brand image, franchised store image and new product packaging of the Group initialed in 2005. In the PRC, a total of 204 products were repackaged by the end of June 2007. This successfully increased the product sales margins to 88.2%, up 1.2 percentage points from 87.0% in the corresponding period of last year. Taiwan market also recovered from the declining trend in sales for the past two years while the Taiwan economy was in recession. Taiwan market recorded HK\$46.2 million in sales, with an encouraging growth of 10.8% from HK\$41.7 million in the same period last year. There were also 110 products re-packaged in Taiwan market as of 30 June 2007.

Other markets, including Hong Kong and Malaysia, only accounted for 1.5% of total product sales for the period under review.

### 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、香薰產品、彩妝及健康食品等多種產品。產品銷售為本集團之重要收益來源，主要源自水療中心及專櫃。截至二零零七年六月三十日止六個月，產品銷售額佔期內總營業額182,000,000港元或94.2%，二零零六年同期則為153,000,000港元或93.5%。產品邊際毛利自二零零六年同期之84.4%增加4.3個百分點至截至二零零七年六月三十日止六個月之88.7%。

產品銷售額增加主要歸因於中國大陸經濟增長強勁以及自二零零五年起推行涉及本集團整體品牌形象、加盟店形象及新產品包裝之品牌革新計劃湊效，中國大陸市場之產品銷售額因而增加24,400,000港元。中國大陸方面，截至二零零七年六月底共204種產品已轉換包裝。產品銷售邊際毛利因而成功由去年同期之87.0%上升1.2%至88.2%。台灣市場亦從過往兩年台灣經濟衰退帶來之銷售額下調復甦，錄得46,200,000港元之銷售額，較去年同期41,700,000港元增長10.8%，成績令人鼓舞。於二零零七年六月三十日，台灣市場110種產品已轉換包裝。

回顧期內，包括香港及馬來西亞之其他市場僅佔產品銷售總額1.5%。

## Management Discussion and Analysis (Continued)

### 管理層討論及分析(續)

#### FINANCIAL REVIEW (Continued)

##### Services

Service income includes income from self-owned spa with services provided, training income and management fee received from franchisees, and other service related income, amounting to HK\$6.2 million, HK\$0.6 million, HK\$0.6 million and HK\$1.7 million respectively.

The Group provides skin treatments, beauty and spa services through its self-owned spas. Service income is mainly derived from our self-owned spas as the Group does not share any service income generated from the franchised spas which are operated by franchisees under the current franchise programme. During the period under review, service income increased by 8.8% to HK\$9.1 million when compared with the first half of 2006, which was mainly attributable to the growth in income derived from self-own spas in PRC market.

While self-owned stores are necessary to be established as model spas in new markets, the Group considers it will be more profitable and cost-efficient as a whole to allocate resources to stimulate product sales.

##### Entrustment

In order to allocate our financial and human resources more efficiently, the Group has entrustment arrangements in PRC ranging from one to five years, where our self-owned spas were entrusted to reputable operators in local areas. The operators will be responsible for all the profits and losses of the operations and the Group will receive a fixed annual entrustment income. In addition, the Group sells products to the operators as one of our franchisees.

The Group believes the entrustment arrangement will create a win-win situation for both the operators and the Group. Local operators can better serve the specific needs of the local customers, and hence generate more product sales and service revenue. The Group, on the other hand, can secure a steady annual entrustment income while maintaining an extensive distribution network and allocating its executives to explore new markets.

For the six months ended 30 June 2007, the Group's entrustment income decreased by 7.1%, from HK\$2.3 million for the same period in 2006 to HK\$2.1 million. The drop in entrustment income was caused by the expiry of certain entrustment arrangements. Expired entrustment store will be converted into franchisee stores.

#### 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、源自加盟商之培訓收益及管理費以及其他服務相關收益，分別為6,200,000港元、600,000港元、600,000港元及1,700,000港元。

本集團透過其自資經營水療中心提供皮膚護理、美容及SPA服務。由於按照現行加盟經營計劃，本集團無權分佔加盟商經營之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水療中心。於回顧期間，服務收益較二零零六年上半年增加8.8%至9,100,000港元，主要源自中國大陸市場之自資經營水療中心所產生收益增加。

儘管本集團有必要於新市場經營自資經營水療中心作為水療中心之模範，本集團認為調撥資源刺激產品銷售，整體而言可帶來更高利潤且更具成本效益。

##### 委託經營

為更有效分配財務及人力資源，本集團委託中國大陸當地優秀經營者經營本集團擁有之水療中心，訂立經營年期由一至五年不等之委託安排。經營者將自負盈虧，而本集團則每年向經營者收取定額委託經營收益。此外，本集團亦向經營者銷售產品，銷售條件與加盟者相若。

本集團相信，委託安排將為經營者及本集團締造雙贏局面。本地經營者可提供更能迎合本地顧客特定需要之服務，從而獲取更多產品銷售及服務收益。另一方面，本集團可每年獲取穩定委託經營收益，同時維持廣闊之分銷脈絡，並有效調配行政人員開拓新市場。

截至二零零七年六月三十日止六個月，本集團委託經營收益由二零零六年同期之2,300,000港元減少7.1%至2,100,000港元。委託經營收益減少乃由於若干委託安排年期屆滿所致。年期已屆滿之委託經營店舖將轉型為加盟店。

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### FINANCIAL REVIEW (Continued)

#### Other operating income

Other operating income includes rental income, interest income and financial refunds, which amounted to HK\$3.4 million, HK\$2.6 million and HK\$19.7 million respectively for the six months ended 30 June 2007. During the period under review, the Group recorded a growth of 5.8%, or HK\$1.6 million, to HK\$29.0 million in other operating income from HK\$27.4 million for the six months ended 30 June 2006. The increase was mainly attributable to the increase in financial refund in PRC as a result of higher operating profits of the PRC subsidiaries.

#### Distribution and administrative cost

The Group's distribution costs as a percentage of turnover slightly decreased from 27.8% for the six months ended 30 June 2006 to 27.6% for the corresponding period in 2007. The total costs in dollar terms increased by HK\$7.9 million, from HK\$45.5 million for the six months ended 30 June 2006 compared to HK\$53.4 million for the same period in 2007. We continue to increase our advertising exposure in various media, the Group's advertising costs and promotional expenses increased by HK\$2.6 million to HK\$24.3 million for the six months ended 30 June 2007. In percentage terms, it represents 12.6% of total turnover for the first six months of 2007 compared to 13.3% in the corresponding period in 2006. Other key expense items mainly include salary, commission, travel expenses and rental expense, which amounted to HK\$8.1 million, HK\$2.0 million, HK\$2.8 million and HK\$5.7 million respectively.

Administrative expenses as a percentage of turnover reduced slightly to 19.9% for the first six months of 2007 compared to 20.7% for the same period in 2006. The cost mainly covered salary, legal and professional fee, depreciation and rental charges. Total administrative expenses increased by HK\$4.6 million to HK\$38.5 million for the six months ended 30 June 2007 as compared to HK\$33.9 million for the same period in 2006. It is mainly caused by the additional salary expenses for the professional managers recruited from multinational corporations for PRC and Taiwan operation.

### 財務回顧(續)

#### 其他經營收益

截至二零零七年六月三十日止六個月，其他經營收益包括租金收益、利息收益及財務退款分別3,400,000港元、2,600,000港元及19,700,000港元。於回顧期間，本集團之其他經營收益較截至二零零六年六月三十日止六個月之27,400,000港元上升5.8%或1,600,000港元至29,000,000港元，主要由於中國大陸附屬公司經營溢利上升帶動財務退款增加所致。

#### 分銷及行政成本

本集團分銷成本佔營業額百分比由截至二零零六年六月三十日止六個月之27.8%稍減至二零零七年同期之27.6%。總成本由截至二零零六年六月三十日止六個月之45,500,000港元增加7,900,000港元至二零零七年同期之53,400,000港元。本集團繼續增加於各媒體之曝光率，截至二零零七年六月三十日止六個月，本集團之廣告成本及宣傳開支因而增加2,600,000港元至24,300,000港元，相當於二零零七年首六個月總營業額之12.6%，二零零六年同期則為13.3%。其他主要開支項目包括薪金、佣金、旅費及租金開支，分別為8,100,000港元、2,000,000港元、2,800,000港元及5,700,000港元。

二零零七年首六個月之行政開支佔營業額百分比由二零零六年同期之20.7%稍減至19.9%。有關成本主要包括薪金、法律及專業費用以及折舊及租金開支。截至二零零七年六月三十日止六個月之行政開支總額由二零零六年同期之33,900,000港元增加4,600,000港元至38,500,000港元，主要源自為中國大陸及台灣業務自跨國企業聘請專業經理產生之額外薪金開支。

## Management Discussion and Analysis (Continued)

### 管理層討論及分析 (續)

#### FINANCIAL REVIEW (Continued)

##### Other operating expenses

For the six months ended 30 June 2007, other operating expenses totaled HK\$3.2 million, which mainly represented the provision of obsolete inventory of HK\$2.3 million and bank charges of HK\$0.9 million. The main reason for the fluctuation as compared to last corresponding period was due to a reduction in the loss of disposal of fixed assets, primarily resulting from the shop revamping exercises in PRC in the previous year.

##### Profit before taxation

The increase in gross profit, other operating income, coupled with the savings in other operating expenses contributed to the surge of 31.1% in profit before tax, from HK\$72.8 million for the six months ended 30 June 2006 to HK\$95.5 million for the same period in 2007.

##### Taxation

Taxation expenses reduced by 9.6% from HK\$23.4 million for the six months ended 30 June 2006 to HK\$21.2 million for the six months ended 30 June 2007. The effective tax rate of the Group for period ended 30 June 2006 and 2007 were 29.6% and 22.2% respectively. The drop in effective tax rate was benefited from our PRC operation, where a subsidiary started to utilize the first year benefit from its two-year exemption followed by three-year half deduction profit tax holiday (2 + 3 tax holiday). As a result, the effective tax rate has dropped to 22.2% from 29.6% for the same period last year.

##### Net profit for the period

For the six months ended 30 June 2007, the Group's net income increased by 50.4% to HK\$74.3 million from HK\$49.4 million for the six months ended 30 June 2006.

##### Liquidity and financial resources

Cash generated from operations for the six months ended 30 June 2007 was approximately HK\$145.1 million. As at 30 June 2007, the Group had bank balances and cash of approximately HK\$501.4 million (as at 31 December 2006: HK\$356.2 million)

#### 財務回顧 (續)

##### 其他經營開支

截至二零零七年六月三十日止六個月，其他經營開支合共為3,200,000港元，主要為陳舊存貨撥備2,300,000港元及銀行費用900,000港元，較去年同期有所波動，主要由於去年為中國大陸之店舖進行翻新工程導致出現出售固定資產虧損所致。

##### 除稅前溢利

由於毛利及其他經營收益增加，加上其他經營開支之減省，帶動除稅前溢利由截至二零零六年六月三十日止六個月之72,800,000港元上升31.1%至二零零七年同期之95,500,000港元。

##### 稅項

稅項開支由截至二零零六年六月三十日止六個月之23,400,000港元下降9.6%至截至二零零七年六月三十日止六個月之21,200,000港元。本集團截至二零零六年及二零零七年六月三十日止期間之實際稅率分別為29.6%及22.2%。實際稅率下調因本集團中國大陸之業務產生，當地一家附屬公司踏入其兩年免稅期之首年，並將於免稅期過後繼續享有三年所得稅減半之稅率優惠（2免3減半稅率優惠）。因此，實際稅率由去年同期29.6%下調至22.2%。

##### 期內純利

截至二零零七年六月三十日止六個月，本集團之收益淨額由截至二零零六年六月三十日止六個月之49,400,000港元飆升50.4%至74,300,000港元。

##### 流動資金及財務資源

截至二零零七年六月三十日止六個月，經營業務所得現金約為145,100,000港元。於二零零七年六月三十日，本集團持有銀行結存及現金約501,400,000港元（二零零六年十二月三十一日：356,200,000港元）

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### FINANCIAL REVIEW (Continued)

In terms of gearing, as at 31 December 2006 and 30 June 2007, the Group's gearing ratio was zero (defined as net debt divided by shareholders' equity) as the Group has a net cash balance as at both balance sheet dates. Current ratio of the Group (defined as current assets divided by current liabilities) as at 31 December 2006 and 30 June 2007 were 5.7 times and 4.8 times respectively. The drop in the current ratio was due to the final and final special dividend of 2006 totaling HK\$85 million was only payable in July 2007 and therefore included as part of the current liabilities at the balance sheet date. As at 30 June 2007, the Group had no material contingent liabilities, other than those disclosed in its financial statements and notes thereto. With the cash on hand, the Group's liquidity position remains strong and the Group has sufficient financial resources to finance its commitments and working capital requirements.

The Group also entered into a sale and purchase agreement for the disposal of an investment property in Taiwan in April 2007. The majority of the sales proceed of TWD677 million (approximately HK\$159 million) was received and legal title transferred in July 2007. Majority of the sales proceed will be distributed as dividends to shareholders over a few years. We expect to maintain our dividend pay-out at or above 100% in the foreseeable future.

### Charges on assets

Certain freehold investment properties of the Group with a carrying amount of HK\$157.3 million (as at 31 December 2006: HK\$157.8 million) were pledged to a bank. The banking facilities granted by the bank were terminated in 2002. The charge had been released in April 2007 to facilitate the disposal of the investment properties.

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

The Group derives most of its revenue denominated in Renminbi and New Taiwan Dollar from the PRC and Taiwan as its operations are mainly concentrated in these two geographical areas. As at 30 June 2007, approximately 39.5% (as at 31 December 2006: 66.9%) of the Group's bank balances and cash was denominated in Renminbi, while approximately 27.0% (as at 31 December 2006: 22.2%) was denominated in New Taiwan Dollar and the remaining 33.5% (as at 31 December 2006: 10.9%) was denominated in United States Dollars, Hong Kong Dollars and Malaysia Ringgits. The Group continued to adopt a prudent approach in respect of foreign exchange exposure management. Review of the Group's exposure to foreign exchange risk are conducted periodically and derivative financial instruments may be used to hedge against such risks when necessary.

### 財務回顧(續)

資產負債情況方面，於二零零六年十二月三十一日及二零零七年六月三十日，本集團資產負債比率(界定為淨負債除股東權益)為零，乃由於本集團於兩個結算日均出現淨現金結餘。於二零零六年十二月三十一日及二零零七年六月三十日，本集團之流動比率(界定為流動資產除流動負債)分別為5.7倍及4.8倍。流動比率下降乃由於二零零六年之末期股利及末期特別股利合共85,000,000港元於二零零七年七月方須派付，故於結算日列作流動負債之一部分。於二零零七年六月三十日，除於本集團財務報表及有關附註披露者外，本集團並無重大或然負債。憑藉所持之現金，本集團流動資金狀況維持穩健，財務資源充裕，足以應付其承擔及營運資金所需。

本集團於二零零七年四月訂立買賣協議，出售於台灣一項投資物業。出售所得款項新台幣677,000,000元(約相當於159,000,000港元)已於二零零七年七月收妥大部分，法定業權也於同期轉讓。大部分出售所得款項將於未來數年以向股東派發股利方式分派。本集團預期股利派付於可見將來將維持100%或以上。

### 資產抵押

本集團若干賬面值為157,300,000港元(二零零六年十二月三十一日:157,800,000港元)之永久業權投資物業已抵押予一家銀行。該銀行授出之銀行融資已於二零零二年終止，有關抵押亦已於二零零七年四月解除，以便出售該等投資物業。

### 理財政策及所承受匯率波動風險

鑑於本集團業務主要集中於中國大陸及台灣，故大部分收益亦來自上述兩地，分別以人民幣及新台幣計值。於二零零七年六月三十日，本集團銀行結存及現金約39.5% (二零零六年十二月三十一日:66.9%)以人民幣計值，另約27.0% (二零零六年十二月三十一日:22.2%)以新台幣計值，餘下33.5% (二零零六年十二月三十一日:10.9%)則以美元、港元及馬來西亞元計值。於外幣風險管理方面，本集團繼續採取審慎政策，定期檢討其承受之外幣風險，並且於需要時使用金融衍生工具對沖有關風險。

Management Discussion and Analysis (Continued)  
 管理層討論及分析(續)

**BUSINESS REVIEW**

**業務回顧**

<b>By Geographic Region</b> 按地區劃分		<b>1H2007</b> 二零零七年 上半年 <b>HK\$'000</b> 千港元	<b>1H2006</b> 二零零六年 上半年 <b>HK\$'000</b> 千港元	<b>Variance</b> 變動 <b>HK\$'000</b> 千港元	<b>Variance</b> 變動 %
<b>PRC</b>	<b>中國大陸</b>				
Products sales	銷售額	<b>133,004</b>	108,605	24,399	22.5%
Service	服務	<b>4,147</b>	2,833	1,314	46.4%
Entrustment	委託經營	<b>2,131</b>	2,295	(164)	-7.1%
<b>PRC Total</b>	<b>中國大陸總計</b>	<b>139,282</b>	<b>113,733</b>	<b>25,549</b>	<b>22.5%</b>
<b>Taiwan</b>	<b>台灣</b>				
Products sales	銷售額	<b>46,226</b>	41,716	4,510	10.8%
Service	服務	<b>4,339</b>	4,751	(412)	-8.7%
Entrustment	委託經營	-	-	-	n/a
<b>Taiwan Total</b>	<b>台灣總計</b>	<b>50,565</b>	<b>46,467</b>	<b>4,098</b>	<b>8.8%</b>
<b>Others</b>	<b>其他地區</b>				
Products sales	銷售額	<b>2,728</b>	2,646	82	3.1%
Service	服務	<b>613</b>	779	(166)	-21.3%
Entrustment	委託經營	-	-	-	n/a
<b>Others Total</b>	<b>其他地區總計</b>	<b>3,341</b>	<b>3,425</b>	<b>(84)</b>	<b>-2.5%</b>
<b>GROUP TOTAL</b>	<b>集團總計</b>				
Products sales	銷售額	<b>181,958</b>	152,967	28,991	19.0%
Service	服務	<b>9,099</b>	8,363	736	8.8%
Entrustment	委託經營	<b>2,131</b>	2,295	(164)	-7.1%
<b>Group Total</b>	<b>集團總計</b>	<b>193,188</b>	<b>163,625</b>	<b>29,563</b>	<b>18.1%</b>



## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

#### PRC Market

The Group has implemented its brand revamping exercise since 2005. During the period under review, the benefits started to reflect on the growth of product sales. The product sales in the PRC increased 22.5% to HK\$133.0 million. Gross margin of product sales also recorded growth, from 87.0% to 88.2% for the six months ended 30 June 2007, representing a year-on-year growth of 1.2 percentage points.

The Group's entrustment strategy continued to pay off. The Group entrusted its spas to reputable operators in established areas to enhance cost-efficiency. Although the Group only received entrustment fees and product revenue from the operators, the entrustment successfully minimized the loss occurred in the past. Therefore, despite the decrease in entrustment income of HK\$0.1 million, the Group's overall gross profit in the PRC increased by HK\$23.6 million and the overall gross margin also increased from 83.1% to 84.8% for the six months ended 30 June 2007, representing a year-on-year growth of 1.7 percentage points.

With the increase in other operating income, mainly tax refund, the operating profit for the first six months of 2007 surged by 14.6%, to HK\$84.1 million as compared to HK\$73.4 million for the same period in 2006.

#### Taiwan Market

Despite Taiwan was still experiencing economic recession during the period under review, the product sales in Taiwan has increased by 10.8% to HK\$46.2 for the six months ended 30 June 2007 compared to HK\$41.8 million for the corresponding period in 2006, which was mainly attributable to the HK\$5.4 million from our newly launched retail brand "Fonperi" products.

The service revenue generated from the Taiwan market slightly decreased by HK\$0.4 million compared to the same period of last year, with a small gross profit of HK\$0.1 million for six months ended 30 June 2007, as our strategy has been shifted from service income oriented to product sales oriented.

### 業務回顧(續)

#### 中國大陸市場

本集團自二零零五年起實行品牌提升計劃，其效益開始於回顧期間之銷售額增長中反映。於中國大陸之產品銷售額上升22.5%至133,000,000港元。截至二零零七年六月三十日止六個月，銷售額邊際毛利亦由87.0%增至88.2%，按年增長1.2%。

本集團之委託經營策略持續獲得成果。本集團將位於已開發地區之水療中心委託予優秀經營者營運，以增加成本效益。儘管本集團僅向經營者收取委託經營費用及產品收益，但已成功將過往出現之虧損減至最低。因此，儘管委託經營收益減少100,000港元，本集團截至二零零七年六月三十日止六個月於中國大陸之整體毛利仍增加23,600,000港元，整體邊際毛利亦由83.1%上升至84.8%，按年增長1.7%。

由於其他經營收益（主要為退稅）增加，二零零七年首六個月之經營溢利較二零零六年同期73,400,000港元上升14.6%至84,100,000港元。

#### 台灣市場

儘管於回顧期間台灣經濟持續衰退，截至二零零七年六月三十日止六個月，本集團於台灣之產品銷售額仍錄得10.8%增長，由二零零六年同期41,800,000港元增加至46,200,000港元，主要由於本集團推出之全新零售品牌「Fonperi」帶來5,400,000港元產品銷售額。

台灣市場之服務收益較去年同期輕微減少400,000港元，截至二零零七年六月三十日止六個月錄得毛利100,000港元，主要由於本集團策略已由服務收益為主轉向以產品銷售為主。

## Management Discussion and Analysis (Continued)

### 管理層討論及分析(續)

#### BUSINESS REVIEW (Continued)

##### Distribution channels

Store Number by Ownership As at 30 June 2007	按擁有權劃分之 店舖數目 於二零零七年六月三十日	Franchisee			Self			Total Counter	Group Total	Retail Channel	Grand Total
		owned	Entrusted	owned	Total	Entrusted	owned				
		Spa	Spa	Spa	Spa	Counter	Counter				
		加盟商擁有 水療中心	委託經營 水療中心	自資經營 水療中心	水療中心 總計	委託經營 專櫃	自資經營 專櫃				
Taiwan	台灣	468	-	9	477	-	-	-	477	1,100	1,577
PRC	中國大陸	1,613	21	5	1,639	19	52	71	1,710	-	1,710
Others	其他地區	51	-	1	52	-	-	-	52	-	52
<b>Total</b>	<b>總計</b>	<b>2,132</b>	<b>21</b>	<b>15</b>	<b>2,168</b>	<b>19</b>	<b>52</b>	<b>71</b>	<b>2,239</b>	<b>1,100</b>	<b>3,339</b>

Store Number by Ownership As at 30 June 2007	按擁有權劃分之 店舖數目 於二零零七年六月三十日	Franchisee		Self		Group Total	Retail Channel	Grand Total
		owned	Entrusted	owned	Entrusted			
Taiwan	台灣	468	-	9	-	477	1,100	1,577
PRC	中國大陸	1,613	40	57	-	1,710	-	1,710
Others	其他地區	51	-	1	-	52	-	52
<b>Total</b>	<b>總計</b>	<b>2,132</b>	<b>40</b>	<b>67</b>	<b>-</b>	<b>2,239</b>	<b>1,100</b>	<b>3,339</b>

The Group principally derives income through its unique distribution channels, namely spas and counters in department stores. As at 30 June 2007, there were a total of 2,239 store outlets, of which 2,168 were spas and 71 were counters. All spas provide a variety of services, including hydrotherapy, facial, body care and skin care analysis to its customers, whereas counters in department stores usually provide skin care analysis.

There were a total of 2,132 franchised spas as of 30 June 2007. There were also 15 spas and 52 counters directly operated by the Group. Furthermore, there were a total of 21 spas and 19 counters being entrusted to reputable operators.

A total of 74 new stores were opened during the period under review, while we ordered the closure of 103 stores, mainly less effective stores. Our target is to encourage franchisees to open bigger spas with revamped image, to improve the average store sales through enhancement of spa service experience by customers. There were also 161 retail outlets in Taiwan to pilot test retail products as of 31 December 2006. Since the launch of the Fonperi products, the retail outlets in Taiwan has increased to 1,100 point of sales including Watsons, Carrefour, Geant, RT-Mart, Wellcome, Well-Care and others.

#### 業務回顧(續)

##### 分銷渠道

本集團收益主要來自其獨有之水療中心及百貨公司專櫃分銷渠道。於二零零七年六月三十日，本集團合共擁有2,239間店舖，其中2,168間為水療中心，另外71間則為專櫃。各水療中心向顧客提供多種服務，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服務。

於二零零七年六月三十日，本集團共有2,132間水療中心加盟店。此外，本集團另直接經營15間水療中心及52個專櫃，而另外21間水療中心及19個專櫃則委託優秀經營者經營。

於回顧期間，本集團合共新增74間店舖，另103間較遜色之店舖已被本集團勒令關閉。本集團旨在鼓勵加盟商開設更大型及經過翻新形象之水療中心，從而透過改善顧客對水療服務的經驗，增加平均店舖銷售額。截至二零零六年十二月三十一日，台灣共有161間零售點，作為零售產品試點。自「Fonperi」產品推出市場以來，本集團於台灣之零售點已增加至1,100個，包括屈臣氏、家樂福(Carrefour)、愛買(Geant)、大潤發(RT-Mart)、惠康、Well-Care及其他店舖。

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

Franchised spas are owned by franchisees and they are responsible for the capital investment of their spas, which are obliged to use "Natural Beauty" or "NB" brand of products.

Self-owned spas are primarily set up to act as a model spa for potential franchisees. While there are needs to establish self-owned spas as model spas in new markets, the Group considers it will be more profitable and cost-efficient as a whole to allocate resources to stimulate product sales instead of expanding the operation of self-owned spas as higher overhead costs were incurred when compared to franchised spas. The Group, therefore, has entrusted and will continue to entrust certain of its self-owned spas in explored markets to reputable operators.

Entrusted spas are owned by the Group and operated by reputable operators. Prior to the entrustment, the spas were previously operated by the Group. In order to allocate financial and human resources more efficiently, the Group has entrustment arrangements in PRC ranging from one to five years, where its self-owned spas were entrusted to reputable operators in local areas. The operators will be responsible for all the profits and losses of the operations and the Group will receive a fixed annual entrustment income from the operators. The Group will also sell its products to the operators as one of the franchises.

The Group believes the entrustment arrangement will create a win-win situation for both the operators and the Group. Local operators can better serve the specific needs of local customers, and hence generate more sales and service revenues. The Group, on the other hand, can secure a steady annual entrustment income while maintaining its distribution network and re-allocating its resources to explore new markets. For the six months ended 30 June 2007, the Group's overall gross margin has surged to 83.8%, compared to 78.7% for the same period last year, representing a year on year growth of 5.1 percentage points on overall gross margin.

#### Store-Front Revamping of Existing Franchised Spas

As the Group has a vast network of franchised spas, it is impractical to request all the franchisees to renovate their spas according to the Group's new franchised store image. Therefore, the Group has an interim arrangement, for the existing franchisees to revamp their spa, with minimum efforts and financial resources. As of 30 June 2007, a total of 1,646 franchise spas have completed or in the process of their store revamping exercise.

### 業務回顧(續)

水療中心加盟店由加盟商擁有，其須負責水療中心之資本投資，並須於其水療中心使用「自然美」或「NB」品牌產品。

自資經營水療中心之設立目的主要為作為潛在加盟經營者之水療中心模範。儘管本集團需於新市場設立自資經營水療中心作為水療中心模範，但由於自資經營水療中心的經常開支較加盟水療中心為高，本集團認為將自資經營水療中心之資源用於刺激產品銷售，整體而言盈利更為豐厚，亦更具成本效益。因此，本集團已經及將會繼續將已開發市場若干自資經營水療中心委託優秀經營者經營。

委託經營之水療中心由本集團擁有及由優秀經營者經營，在未進行委託經營前，該等水療中心原由本集團經營。為更有效分配財務及人力資源，本集團於中國大陸訂立經營年期由一至五年不等之委託安排，將部分自資經營水療中心委託當地之優秀經營者經營。經營者將自負盈虧，而本集團則每年向經營者收取定額委託經營收益。本集團亦向經營者銷售產品，銷售條件跟加盟商相若。

本集團相信，委託安排將為經營者及本集團締造雙贏局面。本地經營者可提供更能迎合本地顧客特定需要之服務，從而獲取更多銷售及服務收益。另一方面，本集團可每年獲取穩定委託經營收益，同時維持廣闊之分銷脈絡，並重新調配資源開拓新市場。截至二零零七年六月三十日止六個月，本集團之整體邊際毛利躍升至83.8%，去年同期則為78.7%，按年增長5.1%。

#### 翻新現有水療中心加盟店店面

由於本集團之水療中心加盟店網絡龐大，要求所有加盟商按照本集團新加盟店之形象翻新所有水療中心並不切實可行，因此本集團設有過渡安排，容許現有加盟商以最少時間及財務資源翻新其水療中心。截至二零零七年六月三十日，合共1,646間水療中心加盟店已完成或正進行翻新工程。

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

#### Product Repackaging

The Group's brand revamping exercise is also extended to product packaging. In order to have a consistent image, the Group re-designed all its product packages and simplified the package type of over 200 various forms for more than 700 types of products to 24 standard forms only. There were 204 products in PRC and 110 products in Taiwan, total of 314 products have changed their product packages by 30 June 2007. This led to a higher product gross margin of 88.7% as compared to 84.4% for the same period last year for the group, up by 4.3 percentage points. We will continue to repackage our products throughout the year.

#### Research & Development

In order to maintain its competitive edge, the Group emphasized on research and development, so as to improve the quality of its existing products and develop new products. The Group has been collaborating with overseas cosmetic companies on technological development, imported biotechnology materials from Europe, Japan and Australia, which were applied in over 700 NB's products. The Group's research and development team comprises 13 members and 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 new ingredients developed by its research and development team. The Group believes that the collaboration of different expertise and experience within the team, together with Dr. Tsai's over 30 years of industry experience and knowledge, can help developing high quality beauty and skin care products. NB principally uses natural ingredients in producing its products and adopts special formulation to suit the specific needs of the delicate skin type for oriental women. NB's products are attentive to the natural metabolism of skin with long-lasting effects.

In developing new products, 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 of 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 to ensure the quality, effectiveness and safety standard of NB's products. When a product requires registration with relevant authorities, it will be done prior to market launch. All NB products are assured to meet all relevant regulations.

### 業務回顧(續)

#### 革新產品包裝

本集團之品牌提升計劃亦伸延至產品包裝。為統一形象，本集團已重新設計所有產品包裝，並已將七百多款產品之二百多款包裝，簡化為24種標準款式。截至二零零七年六月三十日，於中國大陸及台灣已分別有204種及110種，合共314種產品已轉換包裝，帶動本集團產品邊際毛利由去年同期84.4%上升4.3%至88.7%。本集團將於年內繼續革新產品包裝。

#### 研究及開發

為保持競爭優勢，本集團重視研究及開發，務求改善其現有產品質素及開發新產品。本集團與海外化妝品公司合作研發新技術，同時引入歐洲、日本及澳洲生物科技物料，應用於NB逾700種產品中。本集團之研究及開發隊伍由13名成員及多名具備化妝品、醫學、藥劑及生物化學經驗以及專業知識之海外顧問組成。本集團不斷改良自然美產品，並於其中加入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合作，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之特別需要。自然美產品配合肌膚之新陳代謝，效用持久。

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。新產品之樣本將先分發予逾千名經選定之資深美容專業人士。產品全面推出市場前，或需按照測試結果進行調整或修正，以確保自然美產品之質素、功效及安全標準。倘產品須向有關機構註冊，註冊程序將於產品推出市面前辦妥。所有自然美產品均保證符合所有相關規定。

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

In addition to NB's dedicated research and development team, 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. Combining Dr. Tsai's over 30 years of experience in the beauty and skin care industry with the strong background of its research and development staff, NB has the competitive advantages in the research and development of beauty and skin care products.

The total research & development cost of the Group for the six months ended 30 June 2007 amounted to HK\$0.9 million (1H 2006: HK\$1.4 million).

### New Products

After the successful launch of our flagship product, anti-aging NB-1 series in late 2003, we further launched NB-1 whitening series, NB-1 anti-allergy and NB-1 pore refining series. For the six months ended 30 June 2007, over 62,000 sets/bottles of NB-1 family products were sold, with a turnover of HK\$48.4 million.

We also launched a retail brand "Fonperi" in Taiwan in April this year, Fonperi products are sold via retail channel like hypermarkets and drugstores, including 6 key accounts, namely Watsons, Carrefour, Geant, RT-Mart, Wellcome and Well-Care, as well as 10 wholesalers. These outlets have over 1,100 points of sales in Taiwan. Since the launch in April this year, there were over 116,000 units sold with a turnover of HK\$5.4 million by the end of June 2007.

In 2007, the Group continued to enrich its product range and launched 6 new products in PRC and 38 products in Taiwan, including 13 products related to Fonperi brand during the period under review.

### Information Technology

The Group started to implement ERP system by Oracle to link up the key decision making process throughout the Group's value chain. The ERP system is expected to enhance the Group's information flow, enabling the generation of more accurate and timely production planning and sales forecast.

The implementation of the ERP system in Taiwan was completed in 2004. There were three logistics centres in PRC operated by the Group. The Warehouse Management System (WMS) is now linked to Oracle ERP system. The implementation of all modules of the ERP in the PRC is expected to complete by end of 2007.

### 業務回顧(續)

除自然美盡責之研究及開發隊伍外，自然美亦與人類基因及幹細胞科技頂尖研究家合作，開發抗衰老NB-1產品系列及其他去斑、美白、防敏感及纖體產品。憑藉蔡博士於美容及護膚業超過30年之經驗，加上研究及開發人員之雄厚背景，自然美於研究及開發美容及護膚產品方面具備競爭優勢。

截至二零零七年六月三十日止六個月，本集團之研究及開發成本合共為900,000港元（二零零六年上半年：1,400,000港元）。

### 新產品

本集團繼二零零三年底成功推出旗艦產品－抗衰老NB-1系列後，進一步推出NB-1美白系列、NB-1防敏感及細緻毛孔系列。於截至二零零七年六月三十日止六個月，本集團已售出超過62,000套／件NB-1系列產品，帶來48,400,000港元營業額。

本集團於本年四月在台灣推出零售品牌「Fonperi」，「Fonperi」產品透過大型超級市場及藥房等零售渠道銷售，其中包括6名主要客戶屈臣氏、家樂福（Carrefour）、愛買（Geant）、大潤發（RT-Mart）、惠康及Well-Care以及10名批發商。該等店舖於台灣擁有超過1,100個銷售點。自本年四月面世以來，截至二零零七年六月底，已售出116,000件產品，並帶來5,400,000港元營業額。

本集團於二零零七年繼續加強產品組合，分別於中國大陸及台灣推出6項及38項新產品，其中包括13項於回顧期間推出之「Fonperi」品牌產品。

### 資訊科技

本集團推行甲骨文企業資源規劃系統，以聯繫本集團價值鏈主要決策程序。企業資源規劃系統預期將可提升本集團訊息流程，從而迅速作出更準確之生產計劃及銷售預測。

台灣之企業資源規劃系統已於二零零四年完成。本集團於中國大陸運作三間物流中心。倉庫管理系統（Warehouse Management System）現已與甲骨文企業資源規劃系統連接。中國大陸方面之企業資源規劃系統執行預期將於二零零七年底前完成。



## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

The Group also has developed a B2B portal for our franchisee to order goods online to improve our operating efficiency. In addition, we also have a B2C portal in our website for retail customers to shop online.

### Human Resources

As at 30 June 2007, the Group had a total of 899 employees, of which 699 were based in PRC, 184 in Taiwan and 16 in other areas. Total remuneration (excluding directors' emoluments) for the six months ended 30 June 2007 was approximately HK\$38.1 million (1H 2006: HK\$30.4 million), including retirement benefits cost of HK\$3.9 million (1H 2006: HK\$3.1 million). Competitive remuneration packages are maintained to attract, retain and motivate capable staff and are reviewed periodically.

The Group maintains good employee relations and is committed to employee training and development. Professional training courses are offered to beauticians employed by the Group and its franchisees on a regular basis to promote and maintain the quality and consistency of the services provided.

In addition, the Group adopted a share option scheme on 11 March 2002, for the purpose of providing incentives and rewards to eligible participants who contributed to the success of the Group's operations. The Directors may, at their discretion, invite any employee or director of the Group and any qualified person as set out in the scheme, to subscribe for shares. No share option had been granted under the share option scheme up to 30 June 2007. On 27 July 2007, the Group granted options to certain employees to subscribe a maximum of 1,729,542 shares, subject to achieving certain performance targets. The stock options could be vested at a ratio of 50%, 30% and 20% for a three-year period.

The Directors also strengthened its professional management team by recruiting chief operational officer, and some key management positions like head of sales and head of marketing for PRC and Taiwan market from multinational companies. The board believes that the recruitment of more industry experts will be beneficial to the Group's expansion for its long-term development in future.

### 業務回顧(續)

本集團亦同時開發商業對商業(「B2B」)入門網站,供加盟商於網上訂購貨品,藉此提升本集團之營運效率。此外,本公司於網站內另設商業對客戶(「B2C」)入門網站,供零售客戶網上購物。

### 人力資源

於二零零七年六月三十日,本集團合共聘有899名僱員,其中699名駐守中國大陸,184名位於台灣,另16名駐守其他地區。截至二零零七年六月三十日止六個月,總薪酬開支(不包括董事酬金)約為38,100,000港元(二零零六年上半年:30,400,000港元),其中包括退休福利成本3,900,000港元(二零零六年上半年:3,100,000港元)。為招聘、留聘及鼓勵表現卓越之僱員,本集團保持具競爭力之酬金組合,並定期作出檢討。

本集團一向與僱員維持良好合作關係,並且著重員工之培訓及發展,定期為集團聘用之美容師及加盟商提供專業培訓課程,以提升及確保所提供服務之質素及穩定性。

此外,本集團已於二零零二年三月十一日採納認股權計劃,旨在回饋及鼓勵對本集團業務成就有所貢獻之合資格參與人士。董事可酌情邀請本集團任何僱員或董事及該計劃所載任何合資格人士認購股份。截至二零零七年六月三十日止,該認股權計劃下並無任何認股權獲授出。於二零零七年七月二十七日,本集團向若干僱員授出認股權,於達成若干表現目標後可認購最多1,729,542股股份。認股權可於三年內按50%、30%及20%比率行使。

董事亦自跨國公司聘請營運總監及銷售總監以及市場策劃主管等若干主要管理職位專責中國大陸及台灣市場,壯大本集團之專業管理隊伍。董事會相信,增聘行業專才將有利本集團日後長遠發展之拓展工作。

## Management Discussion and Analysis (Continued) 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

#### Capital Expenditures

The Group's major capital expenditures were related to self-owned spas and machinery in our factories. There were HK\$8.4 million additions to fixed assets for the period ended 30 June 2007 (30 June 2006: HK\$3.8 million). The increase in capital expenditure was mainly due to renovation of the existing self-own spas and offices of our Shanghai headquarter.

Franchisees are responsible for the capital expenditures of the spa operation.

Since our factories in PRC and Taiwan still have spare capacities, current utilization rate was estimated to be around 70% during the period under review. The management is in the process of evaluating the need for any new factory.

#### OUTLOOK

The robust growth in the PRC market is expected to continue and will remain the Group's focus for business development in the near future. With the extensive training provided to the franchisees and better communication, we will fortify our leading position in the spa market and continue to expand our franchise network and to improve the average sales per store.

Taiwan economy remain weak and in its process of recovery. We expect flat economic growth in Taiwan with a rising consumer price index. Hence, the need for less price premium products is high, and our strategy of launching the Fonperi brand is targeting that segment of the market. The result of presidential election next year will have a major impact on the Taiwan economy in the near future.

### 業務回顧(續)

#### 資本開支

本集團主要資本開支與自資經營水療中心及本集團廠房內機器相關。於截至二零零七年六月三十日止期間，添置固定資產8,400,000港元(二零零六年六月三十日:3,800,000港元)。資本開支增加主要由於為現有自資經營水療中心及本集團上海總部之辦公室進行翻新工程所致。

加盟商須承擔其水療中心之資本開支。

本集團於中國及台灣之廠房生產能力尚未耗盡，回顧期間使用率估計約為70%。管理層現正評估興建任何新廠房之需要。

#### 前景

預期中國大陸市場將繼續蓬勃發展，短期內仍將為本集團業務發展焦點所在。本集團將透過向加盟商提供全面培訓及改善溝通，進一步鞏固其於水療市場之領導地位，並繼續擴大加盟網絡及提升店舖平均銷售額。

台灣經濟仍舊疲弱，惟正呈復甦跡象。本集團預期台灣經濟增長維持平穩，消費物價指數不斷上揚。因此，低價格優質產品之需求殷切，本集團推出「Fonperi」品牌之策略正正針對此市場。來年總統選舉之結果將為台灣短期內之經濟帶來深遠影響。



# 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 independent 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

The audit committee comprises three independent non-executive directors of the Company. It 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 2007 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

The remuneration committee comprises three independent non-executive directors of the Company. It 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。該等委員會由獨立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

審核委員會由本公司三名獨立非執行董事組成。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。本公司截至二零零七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原則、法律規定及上市規則，並已作出充分披露。

#### 薪酬委員會

薪酬委員會由本公司三名獨立非執行董事組成。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

Mrs. Chen Shieh Shu Chen ("Mrs. Chen"), an Independent Non-executive Director, having served on the Board as an Independent Non-executive Director since 2002, retired and was re-elected as an Independent Non-executive Director in 2004. According to Article 117 of the articles of association of the Company ("Articles"), at each annual general meeting, one-third of the directors for the time being, or if the total number of Directors is not three or a multiple of three, such number of Directors nearest to but not exceeding one-third shall retire from office by rotation. As the Company has a total of 7 Directors at the time of the annual general meeting of the Company held on 15 June 2007 ("AGM"), according to the Articles, the number of directors who were required to retire from office was 2 and as a result, Mrs. Chen did not retire from office at the AGM. However, according to Code A.4.2 of the Code on Corporate Governance, every Director should be subject to retirement by rotation at least once every 3 years. Mrs. Chen, who has been in office since her re-election in 2004, will have served the Company for 3 years by the end of 2007 and is therefore subject to retirement by rotation in 2007.

In order to conform to the Listing Rules and the requirements set out in Code A.4.2 of the Code on Corporate Governance, the Company proposes in a circular to its shareholders dated 27 August 2007 to amend the Articles. The proposed amendments to the Company's articles of association are subject to the approval of the Shareholders by way of a special resolution at the extraordinary general meeting of the Company to be held on 8 October 2007 ("EGM") and the aforesaid amendments shall become effective once the Shareholders of the Company shall have duly passed the relevant special resolution at the EGM. Mrs. Chen will retire at the EGM and being eligible, offers herself for re-election at the EGM as an Independent Non-executive Director.

Saved as disclosed above, none of the Directors of the Company is aware of any information that would reasonably indicated that the Company is not, or was not any part of the accounting period covered by the 2007 interim financial statements, in compliance of the Code of Corporate Governance Practices as set out in Appendix 14 of the Listing Rules.

### 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

自二零零二年以來一直擔任董事會獨立非執行董事之陳謝淑珍女士(「陳女士」)退休,並於二零零四年獲重選為獨立非執行董事。根據本公司組織章程細則(「章程細則」)第117條,於每屆股東週年大會上,當時在任董事人數之三分之一,或倘董事人數並非三或三之倍數,則最接近但不超逾三分之一之董事須輪值告退。由於在二零零七年六月十五日舉行之本公司股東週年大會(「股東週年大會」)之時,董事人數合共為七人,根據章程細則,須退任之董事人數應為兩名,因此陳女士並無於股東週年大會退任董事。然而,根據企業管治守則條文第A.4.2條,每名董事須最少每三年輪值退任一次。陳女士自二零零四年獲重選以來一直出任董事,將於二零零七年底服務本公司滿三年,因而須於二零零七年輪值退任。

為符合上市規則及企業管治守則條文第A.4.2條所載規定,本公司在二零零七年八月二十七日向股東發出的通函中建議修訂章程細則。建議對就本公司章程細則作出之修訂須於二零零七年十月八日舉行之本公司股東特別大會(「股東特別大會」)獲股東通過特別決議案批准,方可作實,上述修訂將於相關特別決議案於股東特別大會獲股東正式通過後隨即生效。陳女士將於股東特別大會退任,彼合資格並願意於股東特別大會應選連任獨立非執行董事。

除上文披露者外,本公司董事並無得悉有任何資料合理顯示本公司現時或於二零零七年年中期財務報表所涵蓋會計期間內任何時間曾經不遵守上市規則附錄14所載企業管治常規守則。

### 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 2007, 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.

### **SHARE OPTION SCHEME**

The Company has adopted share option scheme on 11 March 2002 (the "Scheme"). Details of the Scheme are set out in the published annual report of the Company for the year ended 31 December 2006. There were no outstanding options at the beginning and at the end of the period. No option were granted, exercised, cancelled or lapsed during the six months ended 30 June 2007.

On 27 July 2007, the Group has granted options to certain employees to subscribe a maximum of 1,729,542 shares and the stock options will be vested at a ratio of 50%, 30% and 20% over a three-year period subject to achieving certain performance targets.

### **INTERIM AND INTERIM SPECIAL DIVIDEND**

The Board has resolved to recommend the payment of an interim dividend of 3.0 HK cents per share (2006: interim dividend of 1.4 HK cents) and an interim special dividend of 2.0 HK cents per share (2006: 0.6 HK cents). The interim dividend and interim special dividend will be distributed on or around 18 October 2007 to shareholders whose names appear on the register of members of the Company as at the close of business on 28 September 2007.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 27 September 2007 to 28 September 2007, both dates inclusive, during which period no transfer of shares may be registered. In order to qualify for the interim dividend and interim special 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 Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 25 September 2007. The interim dividend and interim special dividend will be distributed on or around 18 October 2007.

### **購買、出售或贖回本公司上市證券**

截至二零零七年六月三十日止六個月，本公司並無贖回本身任何上市證券，本公司及其附屬公司亦無購買或出售本公司任何上市證券。

### **認股權計劃**

本公司於二零零二年三月十一日採納認股權計劃（「該計劃」）。該計劃詳情載於本公司已刊發之截至二零零六年十二月三十一日止年度年報。於期初及期終概無任何尚未行使認股權。截至二零零七年六月三十日止六個月，並無認股權獲授出、行使、註銷或失效。

本集團於二零零七年七月二十七日向若干僱員授出認股權，於達成若干表現目標後可認購最多1,729,542股股份，認股權可於三年內按50%、30%及20%比率行使。

### **中期及中期特別股利**

董事會議決建議派發中期股利每股3.0港仙（二零零六年：中期股利1.4港仙）及中期特別股利每股2.0港仙（二零零六年：0.6港仙）。本公司將於二零零七年十月十八日或前後向於二零零七年九月二十八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及中期特別股利。

### **暫停辦理股東登記手續**

本公司將於二零零七年九月二十七日至二零零七年九月二十八日（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及中期特別股利，所有填妥之過戶表格連同有關股票，最遲須於二零零七年九月二十五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。中期股利及中期特別股利將於二零零七年十月十八日或前後派發。

### DIRECTORS' SERVICE CONTRACTS

The directors' service contracts entered into between the Company and all executive directors were for a term of three years, commencing from 11 March 2005, in the case of Dr. Tsai, Yen Yu ("Dr. Tsai"), Mr. Lee Ming Ta ("Mr. Lee") and Dr. Su Chien Cheng ("Dr. Su Chien Cheng") and from 21 September 2004 in the case of Dr. Su Sh Hsyu ("Dr. Su Sh Hsyu"). The service contracts of the independent non-executive directors were also for a term of three years, commencing from 11 March 2005 in the case of Mr. Yeh Liang Fei ("Mr. Yeh") and Mrs. Chen and from 21 September 2004 in the case of Mr. Chen Ching ("Mr. Chen"). These services contracts may be terminated by either party giving to the other not less than three calendar months' notice in writing. The initial aggregate annual remuneration pursuant to such service contracts is HK\$2,988,000 (as to HK\$1,000,000 to Dr. Tsai, HK\$700,000 to Mr. Lee, HK\$600,000 to Dr. Su Chien Cheng, HK\$600,000 to Dr. Su Sh Hsyu, HK\$20,000 to Mr. Yeh, HK\$20,000 to Mrs. Chen and HK\$48,000 to Mr. Chen) subject to an annual increment at the discretion of the directors of not more than 10% of the annual remuneration immediately prior to such increase.

Each of Dr. Tsai, Mr. Lee, Dr. Su Chien Cheng and Dr. Su Sh Hsyu is also entitled to a management bonus. The aggregate amount of the bonuses payable to these executive directors will not exceed 15% of the audited consolidated profit attributable to equity holders of the Company in respect of that financial year of the Group.

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

### 董事服務合約

全體執行董事與本公司訂立之董事服務合約均為期三年。蔡燕玉博士(「蔡博士」)、李明達先生(「李先生」)及蘇建誠博士(「蘇建誠博士」)之合約年期由二零零五年三月十一日開始；蘇詩琇博士(「蘇詩琇博士」)之合約年期由二零零四年九月二十一日開始。各獨立非執行董事亦訂立為期三年之服務合約。葉良輝先生(「葉先生」)及陳女士之合約年期由二零零五年三月十一日開始；譚清先生(「譚先生」)之合約年期則由二零零四年九月二十一日開始。該等服務合約可由任何一方向對方發出不少於三個曆月的書面通告終止。根據該等服務合約的初步年度酬金總額為2,988,000港元(蔡博士獲1,000,000港元、李先生獲700,000港元、蘇建誠博士獲600,000港元、蘇詩琇博士獲600,000港元、葉先生獲20,000港元、陳女士獲20,000港元及譚先生獲48,000港元)。董事每年可酌情增加酬金，惟增幅不得超過於緊接該增加前之年度酬金的10%。

蔡博士、李先生、蘇建誠博士及蘇詩琇博士亦可享有管理花紅。應付該等執行董事的花紅總額不得超過本集團有關財政年度的本公司股東應佔經審核綜合溢利之15%。

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

## Other Information (Continued)

### 其他資料(續)

#### DIRECTORS' INTERESTS IN SHARES

As at 30 June 2007, the interests of the directors, the chief executives 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

#### 董事於股份的權益

於二零零七年六月三十日，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」）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 directors 董事姓名	Family interests 家族權益	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
		Corporate interests 公司權益		
Dr. Tsai 蔡博士	—	1,400,000,000 (Note 1) (附註1)	70.00%	
Dr. Su Chien Cheng 蘇建誠博士	—	210,000,000 (Note 2) (附註2)	10.50%	
Dr. Su Sh Hsyu 蘇詩琇博士	—	210,000,000 (Note 2) (附註2)	10.50%	
Mr. Lee 李先生	1,400,000,000 (Note 1) (附註1)	—	70.00%	

## Other Information (Continued)

### 其他資料(續)

#### DIRECTORS' INTERESTS IN SHARES (Continued)

Notes:

- (1) The two references to 1,400,000,000 shares relate to the same block of shares. Such block of shares are held by Efficient Market Investments Limited ("Efficient Market") which is beneficially owned as to 70% by Dr. Tsai through Knightcote Enterprises Limited ("Knightcote").

Mr. Lee, the spouse of Dr. Tsai, is deemed to be interested in 1,400,000,000 ordinary shares of the Company.

- (2) The two references to 210,000,000 shares are included in the 1,400,000,000 shares held by Efficient Market which Dr. Su Chien Cheng and Dr. Su Sh Hsyu each has 15% beneficial interest through Knightcote. Dr. Su Chien Cheng and Dr. Su Sh Hsyu are the son and daughter of Dr. Tsai respectively.

Other than as disclosed above, none of the directors, the chief executives 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 2007.

#### SUBSTANTIAL SHAREHOLDERS

As at 30 June 2007, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, the following shareholders had notified the Company of relevant interests in the issued capital of the Company.

#### 董事於股份的權益(續)

附註:

- (1) 以上兩次提述的1,400,000,000股股份指同一批股份。該等股份由Efficient Market Investments Limited (「Efficient Market」) 持有，而Efficient Market則由蔡博士透過Knightcote Enterprises Limited (「Knightcote」) 實益擁有70%。

蔡博士之配偶李先生被視作擁有本公司1,400,000,000股普通股之權益。

- (2) 以上兩次提述的210,000,000股股份計入由Efficient Market持有的1,400,000,000股股份中，而蘇建誠博士及蘇詩琇博士各自透過Knightcote於Efficient Market佔有15%實益權益。蘇建誠博士及蘇詩琇博士乃蔡博士子女。

除上文披露者外，於二零零七年六月三十日，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。

#### 主要股東

於二零零七年六月三十日，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，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。

## Other Information (Continued)

### 其他資料(續)

#### SUBSTANTIAL SHAREHOLDERS (Continued)

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

Ordinary shares of HK\$0.10 each of the Company

#### 主要股東(續)

##### 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 shareholder 股東姓名/名稱	Notes 附註	Capacity 身分	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	1	Beneficial owner 實益擁有人	1,400,000,000	70.00%
Knightcote	1 & 2	Beneficial owner and held by a controlled corporation 實益擁有人及由受控制法團持有	1,400,000,000	70.00%
Dr. Tsai 蔡博士	2 & 3	Beneficial owner and held by a controlled corporation 實益擁有人及由受控制法團持有	1,400,000,000	70.00%
Dr. Su Chien Cheng 蘇建誠博士	4	Beneficial owner and held by a controlled corporation 實益擁有人及由受控制法團持有	210,000,000	10.50%
Dr. Su Sh Hsyu 蘇詩琇博士	5	Beneficial owner and held by a controlled corporation 實益擁有人及由受控制法團持有	210,000,000	10.50%
Keywise Capital Management (HK) Limited		Investment Manager 投資經理人	101,370,000	5.07%

Notes:

- Efficient Market is beneficially owned by Knightcote.
- The controlled corporation, Knightcote, is beneficially owned by Dr. Tsai as to 70%, Dr. Su Chien Cheng as to 15% and Dr. Su Sh Hsyu as to 15%.
- These shares are attributable to Dr. Tsai in respect of her 70% interest in Knightcote.
- These shares are attributable to Dr. Su Chien Cheng in respect of his 15% interest in Knightcote.
- These shares are attributable to Dr. Su Sh Hsyu in respect of her 15% interest in Knightcote.

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 2007.

附註:

- Efficient Market由Knightcote實益擁有。
- 受控制法團Knightcote分別由蔡博士、蘇建誠博士及蘇詩琇博士實益擁有70%、15%及15%權益。
- 由於蔡博士擁有Knightcote 70%權益，故該等股份屬彼所擁有。
- 由於蘇建誠博士擁有Knightcote 15%權益，故該等股份屬彼所擁有。
- 由於蘇詩琇博士擁有Knightcote 15%權益，故該等股份屬彼所擁有。

除上文披露的權益外，於二零零七年六月三十日，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 Income Statement

## 簡明綜合收益表

For the six months ended 30 June 2007 截至二零零七年六月三十日止六個月

(With comparatives for the six months ended 30 June 2006)

(連同截至二零零六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	
		2007 二零零七年 (unaudited) (未經審核) HK\$'000 千港元	2006 二零零六年 (unaudited) (未經審核) HK\$'000 千港元
	Note 附註		
Turnover	4	193,188	163,625
Cost of sales		<b>(31,298)</b>	(34,860)
Gross profit		<b>161,890</b>	128,765
Other operating income		<b>29,004</b>	27,421
Distribution costs		<b>(53,409)</b>	(45,527)
Administrative expenses		<b>(38,486)</b>	(33,947)
Other operating expenses		<b>(3,217)</b>	(3,729)
Share of loss of an associate		<b>(348)</b>	(190)
Share of profit of a jointly controlled entity		<b>19</b>	-
Profit before taxation	5	<b>95,453</b>	72,793
Income tax expense	6	<b>(21,157)</b>	(23,405)
Profit for the period		<b>74,296</b>	49,388
Attributable to:			
Equity holders of the Company		<b>74,329</b>	49,584
Minority interests		<b>(33)</b>	(196)
		<b>74,296</b>	49,388
Dividends	7	<b>100,000</b>	40,000
Earnings per share	8		
– Basic		<b>3.72 HK cents</b> 港仙	2.48 HK cents 港仙
– Diluted		<b>Not applicable</b> 不適用	Not applicable 不適用

# Condensed Consolidated Balance Sheet

## 簡明綜合資產負債表

At 30 June 2007 於二零零七年六月三十日

(with comparatives at 31 December 2006)

(連同二零零六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)

			<b>At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元</b>	At 31 December 2006 二零零六年 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		<b>4,456</b>	162,228
Property, plant and equipment	不動產、廠場及設備		<b>175,936</b>	173,479
Prepaid lease payments	自用土地租賃款		<b>9,272</b>	9,119
Goodwill	商譽		<b>23,782</b>	23,207
Interest in an associate	於一家聯營公司之權益		<b>24</b>	373
Interest in a jointly controlled entity	於一家共同控制實體 之權益		<b>372</b>	353
Available-for-sale investments	可供出售投資		<b>6,786</b>	6,786
Deferred taxation assets	遞延稅項資產		<b>5,518</b>	9,437
			<b>226,146</b>	384,982
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		<b>67,584</b>	63,573
Trade and other receivables	貿易及其他應收賬款	9	<b>125,809</b>	164,905
Prepaid lease payments	自用土地租賃款		<b>252</b>	244
Held-for-trading investments	持作買賣投資		<b>–</b>	27,713
Bank balances and cash	銀行結存及現金		<b>501,378</b>	356,243
			<b>695,023</b>	612,678
Assets held for sale	持作出售資產	10	<b>157,274</b>	–
			<b>852,297</b>	612,678
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付賬款	11	<b>77,276</b>	70,198
Dividend payable	應付股利		<b>85,001</b>	–
Deferred income	遞延收益		<b>8,811</b>	9,336
Taxation payable	應付稅項		<b>7,695</b>	27,638
			<b>178,783</b>	107,172

Condensed Consolidated Balance Sheet (Continued)  
 簡明綜合資產負債表 (續)

		Notes 附註	At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2006 二零零六年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
<b>Net current assets</b>	流動資產淨值		<b>673,514</b>	505,506
<b>Total assets less current liabilities</b>	總資產減流動負債		<b>899,660</b>	890,488
<b>Non-current liability</b>	非流動負債			
Retirement benefit obligations	退休福利責任	12	<b>11,560</b>	11,317
			<b>888,100</b>	879,171
<b>Capital and reserves</b>	股本及儲備			
Share capital	股本	13	<b>200,000</b>	200,000
Reserves	儲備		<b>682,665</b>	678,739
<b>Equity attributable to equity holders of the Company</b>	本公司股東應佔權益		<b>882,665</b>	878,739
<b>Minority interests</b>	少數股東權益		<b>5,435</b>	432
<b>Total equity</b>	總權益		<b>888,100</b>	879,171

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

For the six months ended 30 June 2007 截至二零零七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 2007  
截至二零零七年六月三十日止六個月  
(Unaudited)  
(未經審核)

		Attributable to shareholders of the Company					Minority interests	Total
		本公司股東應佔					少數股東權益	
		Share Capital	Capital Surplus	Share Premium	Statutory Reserve	Exchange Reserve	Accumulated profits	
		股本	股本盈餘	股份溢價	法定儲備	匯兌儲備	累計溢利	總計
		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
<b>THE GROUP</b>	<b>本集團</b>							
At 1 January 2007	於二零零七年一月一日	200,000	42,554	336,758	106,803	26,124	166,500	432
Net gain/(loss) recognized directly in equity:	直接於權益之收益/(虧損)淨額:							
Exchange difference arising from translation of overseas operations	折算海外業務匯率差額	-	-	-	-	14,597	-	85
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	4,716	-	(4,716)	-
Formation of non-wholly owned subsidiary	成立非全資附屬公司	-	-	-	-	-	-	4,951
		200,000	42,554	336,758	111,519	40,721	161,784	5,468
Profit for the period	期內溢利	-	-	-	-	-	74,329	(33)
Dividends declared*	已宣派股利*	-	-	-	-	-	(85,000)	-
At 30 June 2007	於二零零七年六月三十日	200,000	42,554	336,758	111,519	40,721	151,113	5,435

\* Dividends declared represent the final dividend and final special dividend for 2006 and do not included the interim dividend and interim special dividend for 2007.

\* 已宣派股利指二零零六年末期股利及末期特別股利，並不包括二零零七年中期股利及中期特別股利。

## Condensed Consolidated Statement of Changes in Equity (Continued)

### 簡明綜合權益變動表 (續)

For the six months ended 30 June 2007 截至二零零七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 2006 are set out as follows:

二零零六年之比較數字載列如下：

		For the six months ended 30 June 2006 截至二零零六年六月三十日止六個月 (Unaudited) (未經審核)						Minority interests	Total
		Attributable to shareholders of the Company 本公司股東應佔					少數股東權益		
		Share Capital 股本	Capital Surplus 股本盈餘	Share Premium 股份溢價	Statutory Reserve 法定儲備	Exchange Reserve 匯兌儲備	Accumulated profits 累計溢利		
		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
<b>THE GROUP</b>	<b>本集團</b>								
At 1 January 2006	於二零零六年 一月一日	200,000	42,554	336,758	94,975	4,094	135,130	6,786	820,297
Net gain/(loss) recognized directly in equity:	直接於權益之收益/ (虧損)淨額:								
Exchange difference arising from translation of overseas operations	折算海外業務 匯率差額	-	-	-	-	8,470	-	62	8,532
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	11	-	(11)	-	-
Acquisition of additional interest in subsidiaries	收購附屬公司 額外權益	-	-	-	-	-	-	(769)	(769)
Payment of fixed compensation to minority interest	向少數股東權益 支付定額補償	-	-	-	-	-	-	(323)	(323)
		<u>200,000</u>	<u>42,554</u>	<u>336,758</u>	<u>94,986</u>	<u>12,564</u>	<u>135,119</u>	<u>5,756</u>	<u>827,737</u>
Profit for the period	期內溢利	-	-	-	-	-	49,584	(196)	49,388
Dividends paid	已派股利	-	-	-	-	-	(40,000)	-	(40,000)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>	<u>(40,000)</u>
At 30 June 2006	於二零零六年 六月三十日	<u>200,000</u>	<u>42,554</u>	<u>336,758</u>	<u>94,986</u>	<u>12,564</u>	<u>144,703</u>	<u>5,560</u>	<u>837,125</u>

# Condensed Consolidated Cash Flow Statement

## 簡明綜合現金流量表

For the six months ended 30 June 2007 截至二零零七年六月三十日止六個月

(With comparatives for the six months ended 30 June 2006)

(連同截至二零零六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	
		2007 二零零七年 (unaudited) (未經審核) HK\$'000 千港元	2006 二零零六年 (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>	14	<b>162,382</b>
Overseas taxation paid	已付海外稅項		(17,238)
Net cash from operating activities	經營活動所得現金淨額		<b>145,144</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		<b>(8,351)</b>
Proceeds from disposal of property, plant and equipment	出售不動產、廠場及設備所得款項		96
Purchase of held-for-trading investments	購買持作買賣投資		-
Proceeds from disposal of held-for-trading investments	出售持作買賣投資所得款項		341,524
Interest received	已收利息		2,615
Net cash used in investing activities	投資業務所用現金淨額		<b>(10,869)</b>
<b>Financing activities</b>	<b>融資業務</b>		
Dividends paid	派付股利		-
Fixed compensation paid to minority interest	向少數股東支付定額補償		(40,000)
Net cash used in financing activities	融資活動所用現金淨額		-
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		<b>134,275</b>
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物		<b>356,243</b>
Effect of foreign exchange rate changes	匯率變動之影響		<b>10,860</b>
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>501,378</b>
			259,956

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

As of 30 June 2007 截至二零零七年六月三十日止六個月

(With comparatives for the six months ended 30 June 2006 and as of 31 December 2006)

(連同截至二零零六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)

### 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited consolidated accounts have been prepared on a basis consistent with the principal accounting policies adopted in the 2006 annual accounts with the addition of certain new standards and interpretations of Hong Kong Financial Reporting Standards ("HKFRS") issued and effective as at the time of preparing this information. These are:

HKAS 1 (Amendment)

香港會計準則第1號(修訂本)

HK(IFRIC)-Int 8

香港(國際財務報告詮釋委員會)詮釋第8號

HK(IFRIC)-Int 9

香港(國際財務報告詮釋委員會)詮釋第9號

HK(IFRIC)-Int 10

香港(國際財務報告詮釋委員會)詮釋第10號

HKFRS 7

香港財務報告準則第7號

The adoption of such standards or interpretations does not result in substantial changes to the Group's accounting policies and has no significant effect on the results reported for the first half of 2007.

The consolidated accounts have been prepared in accordance with the HKAS 34 "Interim Financial Reports" issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules"). This consolidated financial information should be read in conjunction with the 2006 annual financial statements.

### 1. 編製基準及會計政策

未經審核綜合賬目乃以與二零零六年度賬目所採納主要會計政策一致的基礎編製，並採納下列於編製有關資料時已頒佈及生效之香港財務報告準則(「香港財務報告準則」)若干新準則及詮釋：

Presentation of Financial Statements: Capital Disclosures

財務報表之呈列：資本披露

Scope of HKFRS 2

香港財務報告準則第2號之範圍

Reassessment of Embedded Derivatives

重估內含衍生工具

Interim Financial Reporting and Impairment

中期財務報告及減值

Financial instruments: Disclosures

金融工具：披露

採納該等準則或詮釋不會對本集團之會計政策造成重大改變，對所報告二零零七年上半年業績亦無重大影響。

綜合賬目乃按照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」及香港聯合交易所有限公司證券上市規則(「上市規則」)之披露規定編製。本綜合財務資料應連同二零零六年度財務報表一併閱覽。



Notes to the Condensed Consolidated Financial Statements (Continued)  
簡明綜合財務報表附註(續)

**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.

**3. SEGMENT INFORMATION**

**(a) Geographical segment**

The Group's operations are located in the People's Republic of China other than Hong Kong (the "PRC"), Taiwan and others.

An analysis of the Group's revenue and contribution to operating results and segmental assets and liabilities by geographic segments, irrespective of the origin of the goods, is presented below:

**2. 重要會計估計及判斷**

本集團在編製賬目過程中已作出適當估算及假設。此等估計乃根據過往經驗及其他因素而作出，其他因素包括在該等情況下對未來事項相信為合理的預測，而按定義而言，對未來事項之預測很少與相關實際結果相等。對資產及負債賬面值有重大影響之估計及假設，包括不動產、廠場及設備之生產壽命、商譽減值、貿易應收賬款及存貨撥備以及所得稅項釐定。

**3. 分部資料**

**(a) 地域分部**

本集團之業務位於中華人民共和國（香港除外，「中國大陸」）、台灣及其他地區。

本集團按地域分部（不論貨品來源地）劃分之收入、對經營業績的貢獻及分部資產與負債之分析如下：

Turnover	營業額	
Other operating income	其他經營收益	
Total revenue	總收入	
Segment results	分部業績	
Unallocated corporate expenses	未撥配公司支出	
Unallocated income	未撥配收益	
Share of loss of an associate	應佔一家聯營公司虧損	
Share of profit of a jointly controlled entity	應佔一家共同控制實體溢利	
Profit before taxation	除稅前溢利	
Income tax expense	所得稅開支	
Profit for the period	期內溢利	

For the six months ended 30 June 2007 截至二零零七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
139,282	50,565	3,341	193,188
23,196	4,886	922	29,004
<b>162,478</b>	<b>55,451</b>	<b>4,263</b>	<b>222,192</b>
<b>84,135</b>	<b>17,748</b>	<b>(1,830)</b>	<b>100,053</b>
			(6,886)
			2,615
			(348)
			19
			95,453
			(21,157)
			<b>74,296</b>

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

**3. SEGMENT INFORMATION (Continued)**  
**(a) Geographical segment (Continued)**

**3. 分部資料(續)**  
**(a) 地域分部(續)**

		For the six months ended 30 June 2006 截至二零零六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
Turnover	營業額	113,733	46,467	3,425	163,625
Other operating income	其他經營收益	20,446	6,276	699	27,421
<b>Total revenue</b>	<b>總收入</b>	<b>134,179</b>	<b>52,743</b>	<b>4,124</b>	<b>191,046</b>
<b>Segment results</b>	<b>分部業績</b>	<b>73,389</b>	<b>11,976</b>	<b>(2,710)</b>	<b>82,655</b>
Unallocated corporate expenses	未撥配公司支出				(9,672)
Share of loss of an associate	應佔一家聯營公司虧損				(190)
Profit before taxation	除稅前溢利				72,793
Income tax expense	所得稅開支				(23,405)
<b>Profit for the period</b>	<b>期內溢利</b>				<b>49,388</b>

Notes to the Condensed Consolidated Financial Statements (Continued)  
簡明綜合財務報表附註(續)

3. SEGMENT INFORMATION (Continued)

(b) Business segment

The group comprises the following main business segments:

- sale of cosmetic products and provision of beauty services
- leasing of investment properties

3. 分部資料(續)

(b) 業務分部

本集團包括以下主要業務分部:

- 銷售美容產品及提供美容服務
- 出租投資物業

		截至二零零七年六月三十日止六個月 For the six months ended 30 June 2007			截至二零零六年六月三十日止六個月 For the six months ended 30 June 2006		
		Other		Other			
		operating	Capital	operating	Capital		
		Turnover	income	Turnover	income	expenditure	
		其他	其他	其他	其他	其他	
		營業額	經營收益	營業額	經營收益	資本開支	
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
		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	
Cosmetics products and beauty services	美容產品及美容服務	193,188	-	8,351	163,625	-	3,848
Investment properties	投資物業	-	3,362	-	-	2,964	-
Others	其他	-	25,642	-	-	24,457	-
		<b>193,188</b>	<b>29,004</b>	<b>8,351</b>	<b>163,625</b>	<b>27,421</b>	<b>3,848</b>

Segment Assets

分部資產

		At	At
		30 June	31 December
		2007	2006
		於二零零七年	於二零零六年
		六月三十日	十二月三十一日
		(unaudited)	(audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Cosmetics products and beauty services	美容產品及美容服務	273,098	426,906
Investment properties	投資物業	161,730	162,228
		<b>434,828</b>	<b>589,134</b>

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

**4. TURNOVER**

Turnover represents the net invoiced value of goods sold or services rendered after allowances for returns and discounts, net of consumption tax.

An analysis of turnover by major categories is as follows:

Sales of goods	產品銷售
Service income	服務收入
Entrustment fee income	委託經營收益

**4. 營業額**

營業額指銷售貨品或提供服務的發票淨值(已扣除退貨、折扣及消費稅)。

以下為按主要類別劃分的營業額分析：

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

<b>2007</b> 二零零七年 <b>(unaudited)</b> (未經審核) <b>HK\$'000</b> 千港元	2006 二零零六年 (unaudited) (未經審核) <b>HK\$'000</b> 千港元
<b>181,958</b>	152,967
<b>9,099</b>	8,363
<b>2,131</b>	2,295
<b>193,188</b>	163,625

**5. PROFIT BEFORE TAXATION**

Profit before taxation in the condensed consolidated income statement was determined after crediting and charging the following items:

Crediting:	計入：
Interest income on bank deposits	銀行存款利息收益
Realized gain on disposal of short-term investments	出售短期投資之已變現收益

**5. 除稅前溢利**

簡明綜合收益表內的除稅前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

<b>2007</b> 二零零七年 <b>(unaudited)</b> (未經審核) <b>HK\$'000</b> 千港元	2006 二零零六年 (unaudited) (未經審核) <b>HK\$'000</b> 千港元
<b>2,615</b>	1,653
<b>1,406</b>	1,224

Notes to the Condensed Consolidated Financial Statements (Continued)  
簡明綜合財務報表附註(續)

5. PROFIT BEFORE TAXATION (Continued)

5. 除稅前溢利(續)

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2007</b>	2006
		二零零七年	二零零六年
		<b>(unaudited)</b>	(unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Charging:	扣除:		
Net loss on disposals of property, plant and equipment	出售不動產·廠場及設備之淨虧損	<b>87</b>	542
Staff costs, excluding directors' emoluments	員工成本 (不包括董事酬金)		
– Salaries and wages	– 薪金及工資	<b>34,147</b>	27,356
– Pension costs	– 退休金成本		
– PRC	– 中國大陸	<b>2,606</b>	1,964
– Taiwan	– 台灣	<b>1,187</b>	1,032
– Hong Kong and other regions	– 香港及其他地區	<b>111</b>	62
Directors' emoluments (salaries and allowances)*	董事酬金 (薪金及津貼)*	<b>2,089</b>	586
Depreciation of property, plant and equipment	不動產·廠場及 設備之折舊	<b>9,171</b>	9,731
Provision for write-down of inventory	存貨撇減撥備	<b>1,852</b>	682
Provision for doubtful debts	呆賬撥備	<b>1,824</b>	69
Operating lease expense on land and buildings	土地及樓宇之 經營租賃開支	<b>8,385</b>	7,132
Research and development costs	研發成本	<b>892</b>	1,411
Amortization of other long-term assets	其他長期資產攤銷	–	329

\* Included in directors' remuneration were fees of HK\$1,494,000 (2006: HK\$44,000), paid to directors during the report period.

\* 董事酬金中包括於報告期內向董事支付之袍金1,494,000港元(二零零六年:44,000港元)。

## Notes to the Condensed Consolidated Financial Statements (Continued)

### 簡明綜合財務報表附註(續)

#### 6. 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 2007 (2006: 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.

#### 6. 所得稅開支

由於本集團於截至二零零七年六月三十日止六個月於香港並無應課稅溢利(二零零六年: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。

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2007</b>	2006
		二零零七年	二零零六年
		<b>(unaudited)</b>	(unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Group:	本集團:		
Overseas taxation	海外稅項	<b>17,238</b>	25,851
Deferred taxation	遞延稅項	<b>3,919</b>	(2,446)
		<hr/>	<hr/>
Taxation for the period	期內稅項	<b>21,157</b>	23,405
		<hr/>	<hr/>

#### 7. DIVIDENDS

#### 7. 股利

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2007</b>	2006
		二零零七年	二零零六年
		<b>(unaudited)</b>	(unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
2006 Interim, paid, of 1.40 HK cents per ordinary share	二零零六年已派付之中期股利 每股普通股1.40港仙	-	28,000
2006 Interim Special, paid, of 0.60 HK cents per ordinary share	二零零六年已派付之中期特別股利 每股普通股0.60港仙	-	12,000
2007 Interim, proposed, of 3.0 HK cents per ordinary share	二零零七年擬派之中期股利 每股普通股3.0港仙	<b>60,000</b>	-
2007 Interim Special, proposed, of 2.0 HK cents per ordinary share	二零零七年擬派之中期特別股利 每股普通股2.0港仙	<b>40,000</b>	-
		<hr/>	<hr/>
		<b>100,000</b>	40,000
		<hr/>	<hr/>

Notes to the Condensed Consolidated Financial Statements (Continued)  
簡明綜合財務報表附註(續)

**7. DIVIDENDS (Continued)**

The directors proposed an interim dividend of 3.0 HK cents per share and a interim special dividend of 2.0 HK cents per share. These proposed dividends have 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 equity holders of approximately HK\$74,329,000 for the six months ended 30 June 2007 (2006: HK\$49,584,000) divided by weighted average number of approximately 2,000,000,000 ordinary shares (2006: 2,000,000,000) in issue during the period.

No diluted earnings per share is presented, as the Company has no dilutive potential shares.

**9. TRADE AND OTHER RECEIVABLES**

**7. 股利(續)**

董事擬派中期股利每股3.0港仙及中期特別股利每股2.0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二零零七年六月三十日止六個月之未經審核股東應佔溢利約74,329,000港元(二零零六年:49,584,000港元)除期內已發行普通股加權平均數約2,000,000,000股(二零零六年:2,000,000,000股)計算。

由於本公司並無具潛在攤薄影響的股份，故並無呈列每股攤薄盈利。

**9. 貿易及其他應收賬款**

Trade receivables	貿易應收賬款
Prepayments and deposits	預付款項及押金
Financial refunds receivable	應收財務退款
Other receivables	其他應收賬款
Total trade and other receivables	貿易及其他應收賬款總額

<b>At 30 June 2007 於二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元</b>	<b>At 31 December 2006 於二零零六年 十二月三十一日 (audited) (經審核) HK\$'000 千港元</b>
<b>67,765</b>	85,990
<b>11,487</b>	20,446
<b>19,944</b>	26,858
<b>26,613</b>	31,611
<b>125,809</b>	164,905



Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

**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 at the balance sheet date:

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 2007 was approximate to the corresponding carrying amount.

**10. ASSETS HELD FOR SALE**

On 10 April 2007, the directors resolved to dispose of one of the Group's investment properties in Taiwan. Negotiation with a buyer was in final stage and the investment property was expected to be sold within twelve months, has been classified as assets held for sale and is presented as current assets. The investment properties are included in the Group's leasing of investment properties for segment reporting purposes (see note 3).

The net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets, and accordingly, no impairment loss has been recognized on the classification of this investment property as assets held for sale.

**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。於結算日之貿易應收賬款賬齡分析如下：

<b>At 30 June 2007 於二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元</b>	<b>At 31 December 2006 於二零零六年 十二月三十一日 (audited) (經審核) HK\$'000 千港元</b>
<b>50,410</b>	73,836
<b>10,446</b>	8,937
<b>5,716</b>	2,944
<b>1,193</b>	273
<b>67,765</b>	85,990

本集團貿易及其他應收賬款於二零零七年六月三十日之公平值與其相應賬面值相若。

**10. 持作出售資產**

於二零零七年四月十日，董事議決出售本集團其中一項位於台灣之投資物業。與買家之磋商已進入最後階段，預期該投資物業將於十二個月內售出，並已分類為持作出售資產，並呈列為流動資產。就分部報告而言，投資物業已計入本集團出租投資物業(見附註3)。

預期出售所得款項淨額將超逾相關資產之賬面淨值。因此，於該投資物業分類為持作出售資產時，並無確認任何減值虧損。

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

11. 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

The following is an aged analysis of trade payables at the balance sheet date:

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 payables at 30 June 2007 was approximate to the corresponding amount.

11. 貿易及其他應付賬款

<b>At 30 June 2007</b> 於二零零七年 六月三十日 <b>(unaudited)</b> (未經審核) <b>HK\$'000</b> 千港元	At 31 December 2006 於二零零六年 十二月三十一日 (audited) (經審核) <b>HK\$'000</b> 千港元
<b>13,013</b>	16,607
<b>33,652</b>	20,896
<b>3,423</b>	8,618
<b>27,188</b>	24,077
<hr/> <b>77,276</b> <hr/>	<hr/> 70,198 <hr/>

於結算日之貿易應付賬款賬齡分析如下:

<b>At 30 June 2007</b> 於二零零七年 六月三十日 <b>(unaudited)</b> (未經審核) <b>HK\$'000</b> 千港元	At 31 December 2006 於二零零六年 十二月三十一日 (audited) (經審核) <b>HK\$'000</b> 千港元
<b>12,136</b>	15,347
<b>17</b>	16
<b>656</b>	607
<b>204</b>	637
<hr/> <b>13,013</b> <hr/>	<hr/> 16,607 <hr/>

本集團貿易及其他應付賬款於二零零七年六月三十日之公平值與其相應賬面值相若。

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

12. RETIREMENT BENEFIT OBLIGATION

12. 退休金責任

	At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2006 二零零六年 十二月三十一日 (unaudited) (未經審核) HK\$'000 千港元
Obligations on:		
– defined contribution plans	–	–
– defined benefits plans	11,560	11,317
	<b>11,560</b>	<b>11,317</b>

Movement in the liability recognised in the balance sheet:

於資產負債表確認之負債變動如下:

	For the six months ended 30 June 2007 截至 二零零七年 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 2006 截至 二零零六年 十二月三十一日 止年度 (unaudited) (未經審核) HK\$'000 千港元
Accrued retirement benefit obligations, 期初應計退休責任 beginning	11,317	10,890
Total expense (Note) 總支出(附註)	1,187	673
Contributions paid 已付供款	(909)	(425)
Currency realignments 匯率折算差額	(35)	179
Accrued retirement benefit obligations, 期末應計退休責任 ending	<b>11,560</b>	<b>11,317</b>

Note: Actuarial valuation of the pension plan is performed by a qualified actuary annually. Last actuarial valuation was made as at 31 December 2006. 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.

附註: 退休金計劃每年由合資格精算師進行精算估值。上一次精算估值於二零零六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。

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

13. SHARE CAPITAL

13. 股本

		Nominal value 面值	
		At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2006 二零零六年 十二月三十一日 (unaudited) (未經審核) HK\$'000 千港元
Authorised:	法定:		
- 4,000,000,000 ordinary shares of HK\$0.10 each	- 4,000,000,000股 每股面值0.10港元 普通股	<b>400,000</b>	400,000
Issued and fully paid:	已發行及繳足股款:		
- 2,000,000,000 ordinary shares of HK\$0.10 each	- 2,000,000,000股 每股面值0.10港元 普通股	<b>200,000</b>	200,000

14. NOTES TO THE CONDENSED CONSOLIDATED CASH FLOW STATEMENT

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

14. 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	
		2007 二零零七年 (unaudited) (未經審核) HK\$'000 千港元	2006 二零零六年 (unaudited) (未經審核) HK\$'000 千港元
Operating profit before working capital changes	營運資金變動前之經營溢利	<b>106,586</b>	80,807
Increase in inventories	存貨增加	<b>(6,265)</b>	(7,252)
Decrease in trade and other receivables	貿易及其他應收賬款減少	<b>50,264</b>	23,769
Increase/(decrease) in trade, other payables, and deferred income	貿易·其他應付賬款及遞延收益增加/(減少)	<b>11,554</b>	(23,157)
Increase in retirement benefit obligations	應計退休責任增加	<b>243</b>	488
Cash generated from operations	經營業務之現金流入	<b>162,382</b>	74,655

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

**15. 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
Purchase of finished goods from related companies	向有關連公司購入製成品

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

The purchase transactions were carried out at cost plus a percentage profit mark-up.

**15. 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：

<b>For the six months ended 30 June</b>	
截至六月三十日止六個月	
<b>2007</b>	2006
二零零七年	二零零六年
<b>(unaudited)</b>	(unaudited)
(未經審核)	(未經審核)
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>19</b>	480
<b>99</b>	101
<b>1,419</b>	1,238

租金交易乃根據訂約雙方釐定及同意之條款進行。

有關採購交易乃按成本加提價百分比計算。

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

**16. OPERATING LEASES**

**The Group as lessee**

At the balance sheet 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.

**16. 經營租約**

**本集團作為承租人**

於結算日，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：

<b>At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元</b>	<b>At 31 December 2006 二零零六年 十二月三十一日 (audited) (經審核) HK\$'000 千港元</b>
<b>10,832</b>	6,860
<b>14,653</b>	10,214
<b>5,775</b>	-
<b>31,260</b>	17,074

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。

Notes to the Condensed Consolidated Financial Statements (Continued)  
 簡明綜合財務報表附註(續)

**16. OPERATING LEASES** (Continued)

**The Group as lessor**

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

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)

**16. 經營租約** (續)

**本集團作為出租人**

於結算日，本集團與租戶所訂合約之未來最低租金付款如下：

<b>At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元</b>	At 31 December 2006 二零零六年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
<b>383</b>	6,625
<b>194</b>	5,185
<b>577</b>	11,810

**17. 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
--	--------------------------------

**17. 資本承擔**

<b>At 30 June 2007 二零零七年 六月三十日 (unaudited) (未經審核) HK\$'000 千港元</b>	At 31 December 2006 二零零六年 十二月三十一日 (audited) (經審核) HK\$'000 千港元
<b>2,782</b>	3,002

**18. SUBSEQUENT EVENTS**

There was no significant subsequent events occurred after 30 June 2007 and up to the date of this report.

**18. 結算日後事項**

於二零零七年六月三十日至本報告日期間，並無任何重大結算日後事項。



## 公司資料

### 董事會

蔡燕玉博士  
(又名蔡燕萍博士) (主席)  
李明達先生  
蘇建誠博士  
蘇詩琇博士  
葉良輝先生  
(獨立非執行董事)  
陳謝淑珍女士  
(獨立非執行董事)  
譚清先生  
(獨立非執行董事)

### 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

葉良輝先生  
陳謝淑珍女士  
譚清先生

### 薪酬委員會成員

葉良輝先生  
陳謝淑珍女士  
譚清先生

### 註冊辦事處

P.O. Box 309  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

### 總辦事處及香港主要營業地點

香港  
干諾道中30-32號  
莊士大廈17樓

### 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  
太古廣場一座35樓

### 法律顧問

夏佳理方和吳正和律師事務所  
聯同金杜律師事務所(中國大陸律師)  
香港  
中環  
和記大廈908室

### 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

### 台灣土地銀行

台灣  
台北  
敦化南路2段76號

### 中國國際商業銀行

台灣  
台北  
敦化南路2段62號

### 中國農業銀行

上海市分行  
中國  
上海  
中山東一路26號3樓

### 交通銀行

上海市分行閘北支行  
中國  
上海  
211恆通路

### 網址

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

