



NB[®] 自然美



Natural Beauty Bio-Technology Limited
自然美生物科技有限公司



中期報告 2004



CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

FOR THE SIX MONTHS ENDED 30 JUNE 2004

截至二零零四年六月三十日止六個月

(With comparatives for the six months ended 30 June 2003)

(連同截至二零零三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**

		Note 附註	2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
Turnover	營業額	3	150,817	103,390
Cost of sales	銷售成本		(26,796)	(20,163)
Gross profit	毛利		124,021	83,227
Other revenues	其他收入		6,522	10,959
Distribution costs	分銷成本		(65,572)	(40,322)
Administrative expenses	行政開支		(31,598)	(23,754)
Other operating expenses	其他業務支出		(818)	(391)
Income from trading securities	買賣證券收益		215	271
Operating profit	經營溢利		32,770	29,990
Share of loss of an associate	應佔一家聯營公司虧損		(349)	–
Finance costs	融資成本		–	–
Profit before taxation	除稅前溢利	4	32,421	29,990
Taxation	稅項	5	(1,596)	(6,438)
Profit after taxation	除稅後溢利		30,825	23,552
Minority interests	少數股東權益		396	689
Profit attributable to shareholders	股東應佔溢利		31,221	24,241
Dividends	股利	6	15,000	12,000
Earnings per share	每股盈利	7		
– Basic	– 基本		0.016	0.012
– Diluted	– 攤薄		Not applicable 不適用	Not applicable 不適用

CONDENSED CONSOLIDATED BALANCE SHEET

AS OF 30 JUNE 2004

(With comparatives as of 31 December 2003)

(Expressed in thousands of Hong Kong dollars (HK\$'000))

簡明綜合資產負債表

於二零零四年六月三十日

(連同於二零零三年十二月三十一日的比較數字)

(以千港元為單位)

		As of 30 June 2004 於二零零四年 六月三十日	As of 31 December 2003 於二零零三年 十二月三十一日
		(unaudited) (未經審核)	(audited) (經審核)
		HK\$'000 千港元	HK\$'000 千港元
		Note 附註	
Non-current assets	非流動資產		
Intangible assets	無形資產	8	26,828
Property, plant and equipment	不動產、廠場及設備	8	352,527
Interests in an associated company	於一家聯營公司之投資		942
Non-trading securities	非買賣證券		11,282
Deferred tax assets	遞延稅項資產		9,825
Other long term receivable	其他長期應收賬款		8,739
			<hr/>
			410,143
			<hr/>
Current assets	流動資產		
Inventories	存貨		62,706
Trade and other receivables	貿易及其他應收賬款	9	130,659
Trading securities	買賣證券		67,642
Bank balances and cash	銀行結存及現金		170,265
			<hr/>
			431,272
			<hr/>
Total assets	資產總值		841,415
			<hr/> <hr/>
			877,920

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS OF 30 JUNE 2004

(With comparatives as of 31 December 2003)

(Expressed in thousands of Hong Kong dollars (HK\$'000))

簡明綜合資產負債表 (續)

於二零零四年六月三十日

(連同於二零零三年十二月三十一日的比較數字)

(以千港元為單位)

			As of 30 June 2004 於二零零四年 六月三十日	As of 31 December 2003 於二零零三年 十二月三十一日
		Note 附註	(unaudited) (未經審核) HK\$'000 千港元	(audited) (經審核) HK\$'000 千港元
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	10	46,728	53,675
Dividend payable	應付股利		30,000	—
Deferred income	遞延收益		6,732	5,244
Current taxation payable	即期應付稅項		12,106	13,532
			95,566	72,451
Net current assets	流動資產淨值		371,638	358,821
Total assets less current liabilities	總資產減流動負債		782,354	768,964
Non-current liabilities	非流動負債			
Defined benefit liability	定額福利負債	11	9,262	8,376
Minority interests	少數股東權益		9,803	10,199
			763,289	750,389
Financed by:	資金來源:			
Capital and reserves	股本及儲備			
Share capital	股本	12	200,000	200,000
Reserves	儲備	13	453,760	442,081
Retained earnings	保留盈利			
Proposed dividend	建議股利	13	15,000	30,000
Others	其他	13	94,529	78,308
Shareholders' funds	股東資金		763,289	750,389

**CONDENSED CONSOLIDATED STATEMENT OF
RECOGNISED GAINS**

FOR THE SIX MONTHS ENDED 30 JUNE 2004

(Expressed in thousands of Hong Kong dollars (HK\$'000))

簡明綜合已確認收益表

截至二零零四年六月三十日止六個月

(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**

			2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
Total equity as at 1 January	於一月一日之股東權益		750,389	743,814
Exchange differences arising on translation of the accounts of foreign subsidiaries and associated companies	國外附屬公司及聯營公司之賬目匯率折算差額	13	11,679	(55)
Gain/(loss) not recognised in the condensed consolidated income statement	簡明綜合收益表內未有確認收益／(虧損)		11,679	(55)
Profit for the period	期間溢利	13	31,221	24,241
Dividends	股利	13	(30,000)	(40,000)
Total equity as at 30 June	於六月三十日之股東權益		763,289	728,000

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2004

(With comparatives for the six months ended 30 June 2003)

(Expressed in thousands of Hong Kong dollars (HK\$'000))

簡明綜合現金流量表

截至二零零四年六月三十日止六個月

(連同截至二零零三年六月三十日止六個月的比較數字)

(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**

			2004 二零零四年	2003 二零零三年
			(unaudited) (未經審核)	(unaudited) (未經審核)
			HK\$'000 千港元	HK\$'000 千港元
		Note 附註		
Cash inflow/(outflow) generated from operations	經營業務之現金流入／(流出)	14	57,268	(18,426)
Interest paid	支付利息		-	-
Interest received	收取利息		652	756
Overseas taxation paid	支付海外稅項		(4,252)	(6,899)
Net cash inflow/(outflow) from operating activities	來自經營業務之現金流入／(流出)淨額		53,668	(24,569)
Investing activities	投資業務			
Acquisition of property, plant and equipment	購置不動產、廠場及設備		(10,346)	(2,103)
Proceeds from disposals of property, plant and equipment	出售不動產、廠場及設備所得款項		488	87
Net increase in trading securities	買賣證券增加淨額		(29,752)	(1,166)
Net realized gain from trading securities	買賣證券之已變現收益淨額		215	271
Increase in intangible assets	無形資產增加		(158)	(161)
Net cash outflow from investing activities	來自投資業務之現金流出淨額		(39,553)	(3,072)
Net cash inflow/(outflow) before financing activities	融資業務前之現金流入／(流出)淨額		14,115	(27,641)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT*(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2004

*(With comparatives for the six months ended 30 June 2003)**(Expressed in thousands of Hong Kong dollars (HK\$'000))***簡明綜合現金流量表 (續)**

截至二零零四年六月三十日止六個月

*(連同截至二零零三年六月三十日止六個月的比較數字)**(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

		2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
	Note 附註		
Financing activities	融資業務		
Dividends paid	支付股利	—	(40,000)
Net cash outflow from financing activities	融資業務之現金流出淨額	—	(40,000)
Effect of foreign exchange rate changes	匯率變動之影響	11,265	(88)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額	25,380	(67,729)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	170,265	216,778
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等價物	195,645	149,049

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2004

(With comparatives for the six months ended 30 June 2003 and as of 31 December 2003)

(Expressed in thousands of Hong Kong dollars (HK\$'000) unless otherwise stated)

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

The accompanying unaudited condensed consolidated interim financial statements are prepared in accordance with Statements of Standard Accounting Practice ("SSAP") 25, Interim Financial Reporting, issued by the Hong Kong Society of Accountants and accounting principles generally accepted in Hong Kong and Appendix 16 of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The principal accounting policies and basis of preparation adopted in preparing the condensed consolidated interim financial statements of the Group are the same as those adopted in the preparation of the annual financial statements as of and for the year ended 31 December 2003.

Cost that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

These interim financial statements should be read in conjunction with the 2003 annual financial statements.

Comparative figures have been adjusted to conform with the current year's presentation.

簡明綜合財務報表附註

於二零零四年六月三十日

(連同截至二零零三年六月三十日止六個月及於二零零三年十二月三十一日的比較數字)

(除另有說明外，所有款項均以千港元為單位)

1. 會計政策及編製基準

隨附的未經審核簡明綜合中期財務報表乃根據香港會計師公會頒佈的會計實務準則(「會計實務準則」)第25號「中期財務報告」及香港公認會計原則及香港聯合交易所有限公司證券上市規則附錄16的規定編製。

編製本集團簡明綜合中期財務報表所採用的主要會計政策及編製基準，與編製結算至二零零三年十二月三十一日及截至該日止年度的全年財務報表所採用者相同。

於財政年度內不定期產生的費用只在亦同時適宜於財政年度終結時預計或遞延處理的情況下始在中期報告中預計或遞延處理。

此等中期財務報表應與二零零三年度的全年財務報表一併閱讀。

比較數字已予調整，以符合本年度之呈列方式。

Details of the Group's subsidiaries as of 30 June 2004 were as follows:

本集團附屬公司於二零零四年六月三十日之詳情如下：

Name of company 公司名稱	Place of incorporation and operation 註冊成立及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團實際權益	held by the company 本公司所持權益	held by subsidiary 附屬公司所持權益	
Shanghai Natural Beauty Cosmetics Company Limited 上海自然美化粧品有限公司	PRC 中國大陸	US\$29,980,000 美金29,980,000元	100%	–	100%	Production and sale of skin care and beauty products 生產及銷售護膚及美容產品
Shanghai Natural Beauty Sanlian Cosmetics Company Limited ("NB Sanlian") 上海自然美三聯化粧品有限公司 ("自然美三聯")	PRC 中國大陸	RMB8,000,000 人民幣8,000,000元	90%	–	90%	Wholesale and retail of skin care and beauty products; provision of beauty treatments 批發及零售護膚及美容產品；提供美容護理服務
Shanghai Natural Beauty Qingbo Cosmetics Company Limited ("NB Qingbo") 上海自然美清波化粧品有限公司 ("自然美清波")	PRC 中國大陸	RMB5,000,000 人民幣5,000,000元	90%	–	90%	Wholesale and retail of skin care and beauty products 批發及零售護膚及美容產品
Shanghai Natural Beauty Fansi Jewellery Company Limited 上海自然美梵斯珠寶有限公司	PRC 中國大陸	RMB5,000,000 人民幣5,000,000元	90%	–	90%	Sale of jewellery, craftwork, adornment, leather and horologe 銷售珠寶、工藝品、裝飾品、皮革及鐘錶
Xi An Natural Beauty Mingyu Cosmetics Company Limited 西安自然美明宇化粧品有限公司	PRC 中國大陸	RMB3,000,000 人民幣3,000,000元	81%	–	90%	Sale of skin care and beauty products and related instruments; provision of skin care and beauty consulting 銷售護膚及美容產品及相關器材；提供皮膚護理及美容諮詢
Qingdao Natural Beauty Ornaments Company Limited 青島自然美飾品有限公司	PRC 中國大陸	RMB4,000,000 人民幣4,000,000元	81%	–	90%	Sale of skin care and beauty products and adornment 銷售護膚及美容產品及裝飾品

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團 實際權益	held by the company 本公司 所持權益	held by subsidiary 附屬公司 所持權益	
Nanjing Natural Beauty Cosmetics Company Limited 南京自然美化粧品有限責任公司	PRC 中國大陸	RMB2,000,000 人民幣2,000,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Chengdu Natural Beauty Cosmetics Company Limited 成都自然美化粧品有限公司	PRC 中國大陸	RMB2,500,000 人民幣2,500,000元	81%	–	90%	Sale of skin care and beauty products; provision of beauty treatments and skin care and beauty consulting and training 銷售護膚及美容產品; 提供美容 護理和護膚及美容諮詢及培訓
Hainan Natural Beauty Cosmetics Company Limited 海南自然美化粧品有限公司	PRC 中國大陸	RMB2,500,000 人民幣2,500,000元	81%	–	90%	Sale of skin care and beauty products; provision of beauty treatments and beauty consulting and training 銷售護膚及美容產品; 提供美容 護理和美容諮詢及培訓
Shenzhen Natural Beauty Cosmetics Company Limited 深圳市自然美化粧品有限公司	PRC 中國大陸	RMB4,000,000 人民幣4,000,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Haerbin Sanlian Natural Beauty Cosmetics Company Limited ("NB Haerbin") 哈爾濱三聯自然美化粧品 有限公司(「自然美哈爾濱」)	PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	72%	–	80%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Ningbo Hai Shu Natural Beauty Cosmetics Company Limited 寧波海曙自然美化粧品有限公司	PRC 中國大陸	RMB3,500,000 人民幣3,500,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團 實際權益	held by the company 本公司 所持權益	held by subsidiary 附屬公司 所持權益	
Wuhan Natural Beauty Cultural Development Company Limited 武漢自然美容文化發展有限公司	PRC 中國大陸	RMB2,500,000 人民幣2,500,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Jiangxi Natural Beauty Sanlian Cosmetics Company Limited 江西自然美三聯化粧品有限公司	PRC 中國大陸	RMB3,000,000 人民幣3,000,000元	81%	–	90%	Sale of skin care and beauty products; provision of beauty treatments and skin care and beauty consulting and training 銷售護膚及美容產品; 提供美容 護理和護膚及美容諮詢及培訓
Tianjin Natural Beauty Cosmetics Company Limited 天津自然美化粧品有限公司	PRC 中國大陸	RMB2,000,000 人民幣2,000,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Wenzhou Natural Beauty Cosmetics Company Limited 溫州市自然美化粧品有限公司	PRC 中國大陸	RMB2,000,000 人民幣2,000,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Beijing Natural Beauty Cosmetics Company Limited ("NB Beijing") 北京自然美化粧品有限公司 (「自然美北京」)	PRC 中國大陸	RMB20,000,000 人民幣20,000,000元	72%	–	80%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Kunshan Natural Beauty Sanlian Cosmetics Company Limited 昆山自然美三聯化粧品有限公司	PRC 中國大陸	RMB1,500,000 人民幣1,500,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Xiangfan Natural Beauty Cosmetics Company Limited 襄樊自然美化粧品有限公司	PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	81%	–	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團 實際權益	held by the company 本公司 所持權益	held by subsidiary 附屬公司 所持權益	
Taiyuan Natural Beauty Cosmetics Company Limited 太原市自然美化粧品有限公司	PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	81%	-	90%	Wholesale and retail of skin care and beauty products; provision of beauty treatments and skin care and beauty consulting 批發及零售護膚及美容產品； 提供美容護理服務和護膚及 美容諮詢
Changchun Natural Beauty Cosmetics Company Limited 長春自然美化粧品有限公司	PRC 中國大陸	RMB1,500,000 人民幣1,500,000元	81%	-	90%	Sale of skin care and beauty products; provision of beauty treatments and skin care and beauty consulting 銷售護膚及美容產品；提供美容 護理服務和護膚及美容諮詢
Mudanjiang Natural Beauty Cosmetics Company Limited 牡丹江市自然美化粧品有限公司	PRC 中國大陸	RMB800,000 人民幣800,000元	81%	-	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Lanzhou Natural Beauty Cosmetics Company Limited 蘭州自然美化粧品有限公司	PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	81%	-	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理
Anshan Natural Beauty Cosmetics Company Limited 鞍山市自然美化粧品有限公司	PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	81%	-	90%	Sale of skin care and beauty products and related instruments; provision of skin care and beauty consulting 銷售護膚及美容產品及相關器材； 提供護膚及美容諮詢
Henan Natural Beauty Cosmetics Company Limited 河南自然美化粧品有限公司	PRC 中國大陸	RMB3,000,000 人民幣3,000,000元	81%	-	90%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團 實際權益	held by the company 本公司 所持權益	held by subsidiary 附屬公司 所持權益	
Suzhou Natural Beauty Cosmetics Company Limited 蘇州自然美化粧品有限公司	PRC 中國大陸	RMB1,200,000 人民幣1,200,000元	81%	–	90%	Sale of skin care and beauty products and related instruments 銷售護膚及美容產品及相關器材
Kunming Natural Beauty Cosmetics Company Limited 昆明自然美化粧品有限公司	PRC 中國大陸	RMB1,000,000 人民幣1,000,000元	81%	–	90%	Wholesale and retail of skin care and beauty products; provision of beauty treatments and skin care and beauty consulting 批發及零售護膚及美容產品; 提供 美容護理和護膚及美容諮詢
Fuzhou Natural Beauty Cosmetics Company Limited ("NB Fuzhou") 福州自然美化粧品有限公司 (「自然美福州」)	PRC 中國大陸	RMB1,500,000 人民幣1,500,000元	81%	–	90%	Wholesale and retail of skin care and beauty products and related instruments; provision of skin care and beauty consulting 批發及零售護膚及美容產品及 相關器材; 提供護膚及美容諮詢
上海自然美富儂化粧品有限公司	PRC 中國大陸	RMB500,000 人民幣500,000元	81%	–	90%	Wholesale and retail of skin care and beauty products 批發及零售護膚及美容產品
Shanghai Full-Beauty Cosmetics Company Limited 上海富麗化粧品有限公司	PRC 中國大陸	US\$1,408,000 美金1,408,000元	100%	–	100%	Production and sale of skin care and beauty products 生產及銷售護膚及美容產品
Tsai Yen Ping Natural Beauty Cosmetics (Shanghai) Company Limited 蔡燕萍自然美化粧品(上海)有限公司	PRC 中國大陸	US\$180,000 美金180,000元	100%	–	100%	Investment holding 投資控股
Natural Beauty Cosmetics Company Limited ("NB Taiwan") 自然美化粧品股份有限公司 (「自然美台灣」)	Taiwan 台灣	NT\$670,000,000 新台幣 670,000,000元	100%	–	100%	Production and sale of skin care and beauty products 生產及銷售護膚及美容產品

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團 實際權益	held by the company 本公司 所持權益	held by subsidiary 附屬公司 所持權益	
Tian Ran Mei Bio-Technology Company Limited 天然美生物科技股份有限公司	Taiwan 台灣	NT\$32,000,000 新台幣 32,000,000元	100%	–	100%	Production and sale of skin care and beauty products 生產及銷售護膚及美容產品
Da Shun Development Company Limited 達順開發股份有限公司	Taiwan 台灣	NT\$90,000,000 新台幣 90,000,000元	100%	–	100%	Investment holding 投資控股
Jiun Yuh Investment Company Limited 駿鈺投資股份有限公司	Taiwan 台灣	NT\$174,681,140 新台幣 174,681,140元	100%	–	100%	Investment holding 投資控股
Huei Yao Investment Company Limited 輝耀投資股份有限公司	Taiwan 台灣	NT\$234,681,140 新台幣 234,681,140元	100%	–	100%	Investment holding 投資控股
Wan Fang Investment Company Limited 萬方投資股份有限公司	Taiwan 台灣	NT\$242,681,140 新台幣 242,681,140元	100%	–	100%	Investment holding 投資控股
Belem Holdings Sdn. Bhd.	Malaysia 馬來西亞	MYR123,235,408 Class B shares MYR10,000 Class A shares B股馬來西亞幣 123,235,408元 A股馬來西亞幣 10,000元	100%	100%	–	Investment holding 投資控股
Billion Synergy Sdn. Bhd	Malaysia 馬來西亞	MYR2 馬來西亞幣2元	100%	–	100%	Wholesale of skin care and beauty products 批發護膚及美容產品

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particular of issued and fully paid up capital/ registered capital 已發行繳足股本/ 註冊資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			group's effective interest 本集團 實際權益	held by the company 本公司 所持權益	held by subsidiary 附屬公司 所持權益	
Ice Crystal Management Limited 水晶管理有限公司	British Virgin Islands ("BVI") 英屬維京群島 (「英屬維京群島」)	US\$52,000 美金52,000元	100%	100%	–	Investment holding 投資控股
Great Glamour Company Limited	BVI 英屬維京群島	US\$50,000 美金50,000元	100%	100%	–	Investment holding 投資控股
Next Success International Limited	BVI 英屬維京群島	US\$50,000 美金50,000元	100%	100%	–	Investment holding 投資控股
Fortune Investment Global Limited	BVI 英屬維京群島	US\$50,000 美金50,000元	100%	100%	–	Investment holding 投資控股
Natural Beauty Bio-Technology (Hong Kong) Company Limited ("NB Hong Kong") 自然美生物科技(香港)有限公司 (「香港自然美」)	Hong Kong 香港	HK\$10,000 10,000港元	100%	–	100%	Sale of cosmetic products and provision of beauty treatments 銷售美容產品及提供美容護理

Notes:

- (a) The group has entered into agreements with the minority shareholders of NB Sanlian and NB Qingbo to the effect that each of these minority shareholders receive a fixed amount per annum and the group is entitled to/responsible for the entire profits/losses of the relevant subsidiaries for the whole duration of the operating periods of the subsidiaries. The fixed amounts paid/payable to these minority shareholders of the subsidiaries as set out below are recognised as minority interests in the consolidated income statement.

Name 名稱		Fixed amount per annum 每年預設固定分利 RMB'000 人民幣千元	Commencement date 開始日期
NB Sanlian	自然美三聯	200	20 December 2001 二零零一年十二月二十日
NB Qingbo	自然美清波	125	30 September 2002 二零零二年九月三十日

(b) Assets entrustment agreements

In July 2002, NB Beijing entered into an Assets Entrustment Agreement with Ms Wang On Cheung (the "Operator"). Pursuant to the agreement, NB Beijing appointed the Operator to manage and operate its entire business (the "Entrusted Assets"), including the provision of SPA and beauty services, the sale of beauty and skin care products, the provision of beauty training courses and the provision of assistance to NB Beijing in the development of the franchise network. The appointment of the Operator is effective for a period of five years and the operator is required to pay NB Beijing an annual fee which is determined with reference to the net asset value of NB Beijing at the date of the agreement. The Operator is entitled to retain any profits and is obligated to bear any losses, excluding the depreciation of fixed assets, arising from the Entrusted Assets under the Operator's management and operation. NB Beijing retains the title to the fixed assets. As security for the Operator's obligations under the agreement, the Operator is required to place a security deposit with NB Beijing. Ms Wang On Cheung was a director of NB Beijing until her resignation on 15 September 2002.

In addition to the above, certain other subsidiaries have also entered into Assets Entrustment Agreements with various operators on terms similar to those described above. Some of the operators were the former minority shareholders of the subsidiaries concerned. In addition to the annual entrustment fees, certain assets of the subsidiaries such as inventories, trade receivables etc at the date of the agreement were transferred to the operators for a total consideration of approximately \$19,379,000 payable in instalments over the next five years up to 31 December 2003.

附註:

- (a) 本集團與自然美三聯及自然美清波之少數股東訂立協議，根據該等協議，該等少數股東每年收取定額款項，而於有關附屬公司整個營業期間，本集團有權收取／須負責附屬公司全部溢利／虧損。下列已付予／應付予該等附屬公司少數股東定額款項於綜合收益表確認為少數股東權益。

(b) 資產委託經營協議

於二零零二年七月，自然美北京與王安祥女士（「經營者」）訂立資產委託經營協議。根據該協議，自然美北京委任經營者管理及經營其全部業務（「受託管資產」），包括提供SPA及美容服務、銷售美容及護膚產品、提供美容培訓課程及就發展加盟經營網絡向自然美北京提供支援。經營者任期為期五年，而經營者須向自然美北京支付年費，有關年費經參考自然美北京於協議日期之資產淨值釐定。經營者有權保留產生自經營者管理及經營之受託管資產的任何溢利，亦須承擔任何有關虧損，惟不包括固定資產折舊。自然美北京保留固定資產所有權。作為經營者根據該協議須承擔責任之抵押，經營者須向自然美北京提供保證金。王安祥女士為自然美北京董事，直至彼於二零零二年九月十五日辭任為止。

除上述者外，若干其他附屬公司亦按與上述相若之條款與多名經營者訂立資產委託經營協議。若干經營者為有關附屬公司的前少數股東。除年度委託經營收益外，該等附屬公司於協議日期之存貨及貿易應收賬款等若干資產已轉讓予經營者，總代價約為19,379,000元，須於截至二零零三年十二月三十一日止五個年度分期支付。

The Operator of NB Hong Kong was Ms Niu Jia Lin, a former general manager of NB Hong Kong. In March 2004, the assets entrustment agreement was assumed by Ms Wang On Cheung, the operator of NB Beijing.

During the interim period, NB Fuzhou also entered into an Assets Entrustment Agreement with an operator for a consideration of approximately HK\$1.2 million.

香港自然美之經營者為香港自然美前總經理牛嘉林女士。於二零零四年三月，資產委託經營協議由自然美北京經營者王安祥女士承擔。

於中期期間，自然美福州亦與一名經營者訂立一份資產委託經營協議，代價約為1,200,000港元。

2. SEGMENT INFORMATION

(a) Geographical segment

The Group conducts the majority of its business activities in different geographical areas, the PRC, Taiwan, Hong Kong and other region. An analysis by geographical segment is as follows:

2. 分部資料

(a) 地域分部

本集團業務主要在中國大陸、台灣及香港和其他地區經營，按地域分部的分析如下：

		For the six months ended 30 June 2004 截至二零零四年六月三十日止六個月				For the six months ended 30 June 2003 截至二零零三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	Hong Kong and other region 香港和 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	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	Hong Kong and other region 香港和 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	86,530	63,173	1,114	150,817	48,487	53,245	1,658	103,390
SEGMENT RESULTS	分部業績	22,277	14,173	(52)	36,398	21,828	11,254	(368)	32,714
Unallocated costs	未撥配成本				(3,843)				(2,995)
Income from trading securities	來自買賣證券之收益				215				271
Operating profit	經營溢利				32,770				29,990
Finance costs	融資成本	-	-	-	-	-	-	-	-
Share of loss of an associate	應佔一家聯營公司虧損	(349)	-	-	(349)	-	-	-	-
Profit before taxation	除稅前溢利				32,421				29,990
Taxation	稅項				(1,596)				(6,438)
Profit after taxation	除稅後溢利				30,825				23,552
Minority interests	少數股東權益				396				689
Profit attributable to shareholders	股東應佔溢利				31,221				24,241

(b) Business segment

The group comprises the following main business segments:

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

(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

		For the six months ended 30 June 2004 截至二零零四年 六月三十日止六個月			For the six months ended 30 June 2003 截至二零零三年 六月三十日止六個月		
		Other		Other			
Turnover	revenue	Total	Turnover	revenue	Total		
營業額	其他收入	總計	營業額	其他收入	總計		
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		
Cosmetics products and beauty services	美容產品及美容服務	150,817	3,825	154,642	103,390	8,731	112,121
Investment properties	投資物業	-	2,697	2,697	-	2,228	2,228
		150,817	6,522	157,339	103,390	10,959	114,349
		As at 30 June 2004 於二零零四年 六月三十日			As of 31 December 2003 於二零零三年 十二月三十一日		
Segment	Capital	Segment	Capital				
Assets	expenditure	Assets	expenditure				
分部資產	資本開支	分部資產	資本開支				
HK\$'000	HK\$'000	HK\$'000	HK\$'000				
千港元	千港元	千港元	千港元				
Cosmetics products	美容產品	726,935	10,346	634,328	11,368		
Investment properties	投資物業	150,985	-	145,673	-		
		877,920	10,346	780,001	11,368		

3. 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	服務收益
Entrustment fee income	委託經營收益

3. 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**

2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
138,844	92,450
9,191	10,940
2,782	-
150,817	103,390

4. PROFIT BEFORE TAXATION

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

4. 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	
		2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
Crediting:	計入：		
Interest income on bank deposits	銀行結存利息收益	652	756
Realized gain on disposal of short-term investments	出售短期投資之 已變現收益	215	271
Charging:	扣除：		
Loss on disposals of property, plant and equipment	出售不動產、廠場及設備 之虧損	4,438	117
Staff costs, excluding directors' emoluments	員工成本(不包括 董事酬金)		
– Salaries and wages	– 薪金及工資	14,457	16,451
– Pension costs	– 退休金成本		
– PRC	– 中國大陸	2,036	1,338
– Taiwan	– 台灣	927	665
– Hong Kong	– 香港	19	9
Directors' emoluments (salaries and allowances)*	董事酬金(薪金及津貼)*	367	350
Depreciation of property, plant and equipment	不動產、廠場及設備 之折舊	12,238	6,896
Provision for write-down of inventory	存貨減值撥備	–	–
Provision for doubtful debts	呆賬撥備	–	–
Interest expense on bank borrowings	銀行借款利息開支	–	–
Operating lease expense on land and buildings	土地及樓宇之經營租賃 開支	7,982	7,185
Research and development costs	研發成本	504	721
Amortization of other long-term assets	其他長期資產攤銷	3,214	206

* Included in directors' remuneration were fees of HK\$20,000 (2003: HK\$20,000), paid to independent non-executive directors during the report period.

* 董事酬金中包括於報告期內付予獨立非執行董事之袍金20,000港元(二零零三年:20,000港元)。

5. TAXATION

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 2004.

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.

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

6. DIVIDENDS

2003 Interim, paid, of HK\$0.0060 per ordinary share	二零零三年已派付之中期股利 每股普通股0.0060港元
2004 Interim, proposed, of HK\$0.0075 per ordinary share	二零零四年建議之中期股利 每股普通股0.0075港元

The directors proposed an interim dividend of HK\$0.0075 per share. This proposed dividend is not reflected as dividend payable in the current period financial statements, but will be reflected as an appropriation of retained earnings for the period ended 30 June 2004.

5. 稅項

由於本集團於截至二零零四年六月三十日止六個月並無在香港賺得任何應課稅溢利，故並無提撥香港利得稅。

海外溢利之稅項已就期間之預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。

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

2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
1,471	6,112
125	326
1,596	6,438

6. 股利

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

2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
-	12,000
15,000	-
15,000	12,000

董事擬派中期股利每股0.0075港元。此等擬派股利並不反映本期間財務報表之應付股利，惟反映了於截至二零零四年六月三十日止期間所撥配之保留盈利。

7. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the Group's unaudited profit attributable to shareholders of approximately HK\$31,221,000 for the six months ended 30 June 2004 (2003: HK\$24,241,000) divided by weighted average number of approximately 2,000,000,000 ordinary shares (2003: 2,000,000,000) in issue during the period.

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

7. 每股盈利

每股基本盈利乃根據本集團截至二零零四年六月三十日止六個月的未經審核股東應佔溢利約31,221,000港元(二零零三年:24,241,000港元)除以期內已發行加權平均普通股數目約2,000,000,000股(二零零三年: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。

8. CAPITAL EXPENDITURE

8. 資本支出

For the six months ended 30 June 2004
截至二零零四年六月三十日止六個月

		Property, plant and equipment 不動產、廠場 及設備	Freehold investment properties 具有永久業權 之投資物業	Intangible assets 無形資產	Goodwill 商譽	Total 總計
		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
Opening net book amount (audited)	期初賬面淨值 (經審核)	206,854	145,673	3,203	23,625	379,355
Addition	增添	10,346	-	158	-	10,504
Disposal	出售	(4,926)	-	-	-	(4,926)
Depreciation/amortisation charge	折舊/攤銷費用	(12,238)	-	(293)	(2,921)	(15,452)
Currency realignment	匯率折算差額	5,621	5,312	49	16	10,998
Closing net book amount (unaudited)	期終賬面淨值 (未經審核)	205,657	150,985	3,117	20,720	380,479

9. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款
Other receivables	其他應收賬款

Trade receivables were generated from credit sales with general credit terms of one to six months.

Ageing analysis of accounts receivable was as follows:

Ageing	賬齡
- Within 6 months	- 6個月內
- 6 to 12 months	- 6至12個月
- 1 to 2 years	- 1至2年
- Over 2 years	- 2年以上

9. 貿易及其他應收賬款

As of 30 June 於六月三十日 2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	As of 31 December 於十二月三十一日 2003 二零零三年 (audited) (經審核) HK\$'000 千港元
66,296	68,254
53,258	62,405
119,554	130,659

貿易應收賬款來自信貸銷售，信貸期一般為一至六個月。

應收賬款之賬齡分析如下：

As of 30 June 於六月三十日 2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	As of 31 December 於十二月三十一日 2003 二零零三年 (audited) (經審核) HK\$'000 千港元
56,615	63,249
8,323	4,171
857	669
501	165
66,296	68,254

10. TRADE AND OTHER PAYABLES

The Group's trade payables were all with ageing less than one year.

11. RETIREMENT BENEFIT OBLIGATION

Obligations on:

- defined contribution plans
- defined benefits plans

責任:

- 界定供款計劃
- 界定福利計劃

The Group has defined benefit plans in Taiwan. Most of the pension plans are final salary defined benefit plans. The assets of the funded plans are held independently of the Group assets in separate trustee administered funds.

10. 貿易及其他應付賬款

本集團貿易應付賬款的賬齡全部均不足一年。

11. 退休金責任

As of 30 June 於六月三十日 2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	As of 31 December 於十二月三十一日 2003 二零零三年 (audited) (經審核) HK\$'000 千港元
-	-
9,262	8,376
9,262	8,376

本集團於台灣設有界定福利計劃。大多數退休金計劃為最終薪金界定福利計劃。基金計劃資產由受託人管理基金另外持有，與本集團資產分開處理。

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 截至 六月三十日 止六個月 2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	For the year ended 31 December 截至 十二月三十一日 止年度 2003 二零零三年 (audited) (經審核) HK\$'000 千港元
Accrued retirement benefit obligations, beginning	期初應計退休金責任	8,376	7,598
Total expense (Note)	總支出(附註)	927	1,138
Contributions paid	已付供款	(346)	(360)
Currency realignments	匯率折算差額	305	-
Accrued retirement benefit obligations, ending	期末應計退休金責任	9,262	8,376

Note: Actuarial valuation of the pension plan is performed by a qualified actuary annually. Last actuarial valuation was made as at 31 December 2003. 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。上一次精算估值於二零零三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估值所估計之來年退休金成本按直線法計算。

12. SHARE CAPITAL

12. 股本

		Nominal value 面值	
		As of 30 June 於六月三十日 2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	As of 31 December 於十二月三十一日 2003 二零零三年 (audited) (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	400,000	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	200,000	200,000

The Company adopted a share option scheme under which the directors may, at their absolute discretion, invite any executive and/or employee of the Company and/or its subsidiaries to take up options to subscribe for shares. The exercise price is determined by the directors and will at least be the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which shall be a business day; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

As of 30 June 2004, no share options were granted.

本公司採納一項認股權計劃；據此，董事可行使絕對酌情權邀請本公司及／或其附屬公司的任何行政人員及／或僱員接納認股權以便認購股份。行使價由董事釐定，金額至少須為以下兩種價格的較高者：(i) 授予認股權日期（必須為營業日），股份在聯交所每日報價單所示的收市價；及(ii) 於授予有關認股權日期前五個營業日，股份於聯交所每日報價單所示的平均收市價。

截至二零零四年六月三十日，本公司並未授出任何認股權。

13. RESERVES

13. 儲備

Group

本集團

		Capital surplus 資本盈餘 HK\$'000 千港元	Share premium 股票溢價 HK\$'000 千港元	Property revaluation reserve 不動產 重估儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Exchange translation reserve 外匯儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balances as of 31 December 2003 (audited)	於二零零三年 十二月三十一日 之結存(經審核)	42,554	336,758	14,236	66,702	(18,169)	108,308	550,389
Currency realignment	匯率折算差額	-	-	-	-	11,679	-	11,679
Net profit	純利	-	-	-	-	-	31,221	31,221
2003 final dividend	二零零三年末期股利	-	-	-	-	-	(30,000)	(30,000)
Balances as of 30 June 2004 (unaudited)	於二零零四年 六月三十日 之結存(未經審核)	42,554	336,758	14,236	66,702	(6,490)	109,529	563,289
Representing:	包括:							
2004 interim dividend proposed	二零零四年建議 中期股利						15,000	
Others	其他						94,529	
Retained profits as at 30 June 2004 (unaudited)	於二零零四年 六月三十日之保留 溢利(未經審核)						109,529	

14. NOTES TO THE CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Reconciliation of operating profit before working capital changes to net cash inflow/(outflow) 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之現金流入／(流出)淨額對賬。

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

		2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (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	51,225	31,940
Decrease/(increase) in inventories	存貨減少／(增加)	8,095	(12,383)
Decrease/(increase) in trade and other receivables	貿易及其他應收賬款減少／(增加)	2,521	(30,807)
Decrease in trade, other payables, and deferred income	貿易應付賬款、其他應付賬款及遞延收益減少	(5,459)	(7,690)
Increase in retirement benefit obligations	退休金責任增加	886	514
Cash inflow/(outflow) generated from operations	經營業務之現金流入／(流出)	57,268	(18,426)

15. RELATED PARTY TRANSACTIONS

Parties are considered to be related if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence.

The Group had the following material transactions with related parties in the usual course of business. In the opinion of the directors of the Company, these related party transactions were carried out on normal commercial terms and will continue after the listing of the Company's shares on the Stock Exchange.

15. 關聯人士交易

關聯人士指企業在財務及經營決策中，如果一方有能力直接或間接地控制另一方或對另一方施加重大影響，則雙方互為關聯人士。如果雙方同受另一方控制或重大影響，則該雙方亦為關聯人士。

本集團與關聯人士在日常業務範圍內訂有以下各項重大交易，本公司董事認為，此等關聯人士交易乃按一般商業條款進行，並將於本公司股份在聯交所上市後繼續進行。

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

		2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	2003 二零零三年 (unaudited) (未經審核) HK\$'000 千港元
Rental income	租金收入	61	16
Rental expenses	租金開支	98	95
Purchase of finished goods from related companies	向關連公司購入製成品	208	-

In addition to above transactions, the Group also had the following material transactions with related parties for the six months ended 30 June 2004:

- (a) Under a licensing agreement, a director of the Company granted to NB Taiwan the license to use a skin test software from 1 January 1997 to 31 December 2011 for a nominal consideration of NT\$1.
- (b) On 5 October 2001, NB Taiwan entered into two separate licensing agreements with two directors of the Company. Under the agreements, the directors agreed to license a number of trademarks to NB Taiwan, on an exclusive basis, for a nominal consideration of NT\$1. The licensing agreements will be effective till the expiry of the registration of the respective trademarks.

Amounts due to related parties are unsecured and interest-free, and have no fixed repayment terms.

除上述交易外，於截至二零零四年六月三十日止六個月，本集團亦曾與關聯人士進行下列重大交易：

- (a) 根據一項特許權協議，本公司一位董事授予自然美台灣對皮膚測試軟件的使用權，年期由一九九七年一月一日至二零一一年十二月三十一日，象徵性收費為新台幣1元。
- (b) 於二零零一年十月五日，自然美台灣與本公司兩位董事分別簽訂了兩份特許權協議。根據該等協議，有關董事同意特許自然美台灣獨家使用若干商標，象徵性收費為新台幣1元。特許權協議的有效期限直至各項商標的註冊期滿之日止。

應付關聯公司款項均無抵押及免息且無固定償還期限。

16. COMMITMENTS**Commitments under operating leases**

At 30 June 2004, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

Not later than one year	一年內
Later than one year and not later than five years	一年後但於五年內
Later than five years	五年後

17. SUBSEQUENT EVENTS

There was no significant subsequent event as of 30 June 2004.

18. COMPARATIVE FIGURES

The presentation of certain comparative figures in the condensed consolidated income statement has been revised. The directors are of the opinion that this revised presentation is more appropriate after considering the nature of the items. The major change is financial refund of HK\$4,242,000 from taxation to other revenues.

16. 承諾事項**經營租賃承諾**

於二零零四年六月三十日，本集團根據不可撤銷經營租賃於日後支付的最低租賃款項總額如下：

As of 30 June 於六月三十日 2004 二零零四年 (unaudited) (未經審核) HK\$'000 千港元	As of 31 December 於十二月三十一日 2003 二零零三年 (audited) (經審核) HK\$'000 千港元
9,975	8,318
25,728	21,222
5,196	3,959
40,899	33,499

17. 結算日後事項

於二零零四年六月三十日，並無任何重大的結算日後事項。

18. 比較數字

簡明綜合收益表內若干比較數字之呈列方式已作出修訂。董事於考慮各項目之性質後，認為經修訂呈列方式更為合適。主要呈列變動為將財務退款4,242,000港元由稅項轉為列入其他收入一項。

CHAIRPERSON'S STATEMENT

Overview

In the wake of improved economic recovery across Asia, our Group has registered strong business growth in the first half of the year 2004. Not only have our sales and earnings improved but we have also made significant progress in strengthening our distribution, product development as well as supply chain management. All these improvements are leading us to a future where stronger growth can be expected.

As I pointed out before, the mass outbreak of SARS was a single exceptional incident and its impact on our sales was only short-lived. I am glad to say our fundamentals remain strong and have enabled us to weather the worst storm that has hit the market across Asia in recent years. This is most evident in our improved operating performance in the first half of 2004, when the business was picking up well as a result of resumed patronage to our spa centres and beauty salons.

Financial Performance

For the first half of 2004, our Group recorded a turnover of HK\$150.8 million, up 45.9% from that of the last corresponding period (1H 2003: HK\$103.4 million). Operating profit was HK\$32.8 million, up 9.3% from the last corresponding period (1H 2003: HK\$30.0 million) and net profit recorded a healthy growth of 28.8% to HK\$31.2 million. The encouraging results can be attributed to increased sales volume and strengthen distribution outlets.

Our gross margin continued to maintain at the high 82.2%, a further improvement of 1.7 percentage point, partly due to the new products launch and lowering of discounts offered to our distributors as the negative impact of SARS faded away.

主席報告書

概覽

隨著亞洲經濟漸見起色，本集團於二零零四年上半年度錄得強勁業務增長。除銷售及盈利情況有所改善外，本集團亦於加強分銷、產品開發及供應鏈管理方面取得重大進展，使集團可望於日後以更凌厲之步伐增長。

誠如本人過往所提及，非典型肺炎大規模爆發純粹屬偶發事件，僅對集團銷售構成短暫影響。本人欣然指出，集團根基仍然穩固，讓我們可處之泰然，面對近年來沖擊亞洲市場的種種逆境。本集團經營業績於二零零四年上半年度隨著客戶再度惠顧我們的spa中心及美容中心而得到改善，集團業務乘勢而起，是我們紮根穩健的最佳佐證。

財務表現

二零零四年上半年，本集團錄得營業額150,800,000港元，較去年同期（二零零三年上半年：103,400,000港元）增加45.9%。經營溢利為32,800,000港元，較去年同期（二零零三年上半年：30,000,000港元）增加9.3%，而純利則增長穩健，上升28.8%至31,200,000港元。本集團取得令人鼓舞之業績，可歸功於銷量攀升及強化銷售網絡。

集團毛利繼續維持於82.2%之高位，進一步增加1.7個百分點，部分原因為推出新產品，以及隨著非典型肺炎陰霾漸退，集團向分銷商提供之折扣減少。

Geographically, the performance of both the PRC and Taiwan operations in 1H 2004 exceeded our internal target. Turnover from the PRC business increased 78.5% to HK\$86.5 million, accounting for 57.4% of the total turnover of the Group. Taiwan also recorded a 18.6% and 25.9% growth in turnover and in operating profits for the first six months compared to same period last year. The increase was mainly attributable to the introduction of high margin products like NB-1 series and lesser discounts were offered to our customers since the adverse effect of SARS subsided in the second half of last year.

The Group's operations in Hong Kong and other region recorded HK\$1.1 million, with a drop of 32.8% and operating loss of HK\$52,000. The decrease in turnover was the result of change of operation mode to entrustment basis, whose revenues and expenses are no longer included in the Group. The Group instead receives a fixed entrustment fee annually from the operator.

Operating expenses including distribution, administrative and other expenses increased 52.0% to HK\$98.0 million for the first six months this year compared to HK\$64.5 million same period last year. As the per capita disposable income is growing steadily in PRC, we believe consumers are more and more brand-aware and they are willing to pay premium for better products and services. With the China's accession to WTO, the cosmetics and beauty market will be fully open up in 2005, foreign renowned brands of products and service providers will continue to land on PRC markets. With such potential threat in mind, the Group invested heavily in the advertising and distribution networks to boost sales and strengthen NB brand awareness and its predominant position in the general public, both in Taiwan and PRC. We believe our current investment will ensure fruitful results in future and put ourselves in the level battle ground to compete with any renowned foreign counterparts.

The board of directors declared an interim dividend of HK\$0.0075.

按地域分佈而言，中國大陸及台灣業務於二零零四年上半年度之表現超出內部目標。中國大陸方面的營業額增加78.5%至86,500,000港元，佔集團總營業額57.4%。與去年同期相比，台灣業務於首六個月之營業額及經營溢利亦分別錄得18.6%及25.9%增幅，主要因為集團推出NB-1系列這類高利潤產品，加上去年下半年度非典型肺炎之不利影響漸退而向客戶提供較少折扣所致。

本集團於香港及其他地區之業務營業額為1,100,000港元，跌幅達32.8%，並錄得經營虧損52,000港元。營業額下降原因是集團將業務轉為委託經營，因此其店舖之收入及支出不再納入本集團之範圍計算。本集團取而代之向各經營商每年收取定額委託經營費。

包括分銷、行政及其他支出之經營支出於本年度首六個月增加52.0%至98,000,000港元，而去年同期則為64,500,000港元。由於中國大陸之人均可支配收入遞增，故我們相信隨著消費者對品牌認知度日增，他們會願意支付額外價格換取更優質產品及服務。隨著中國加入世貿，化妝及美容市場將於二零零五年全面開放，而外國著名品牌及服務供應商將繼續進軍中國大陸市場。在該等潛在威脅之大前題下，本集團投放大量資源於廣告及分銷網絡，務求在提升銷量之餘，亦加強自然美品牌在台灣及中國之知名度和在普羅大眾心目中的領先地位。我們相信，目前之投資將確保集團於日後取得豐碩成果，並保持與各著名外國對手之競爭優勢。

董事會宣派中期股息0.0075港元。

Business Review

A major focus of the Group in the period under review was to strengthen our distribution network. The Group has encouraged and provided assistance in the set up of mini spas which are “shop within shop”, a hybrid of store in the front and spa center at the back. These mini spas provide convenience to customers assessing our products as well as receiving spa services and have directly contributed to increased sales of our products. We expect this pioneering business model will strengthen our capabilities to generate multi-fold product sales growth. At the same time, we have also introduced new standards about the sales productivity, customer flow and in-store image of our stores. As a result, a number of stores which failed to meet the new requirements had ceased operation, bringing the number of our stores to about 2,163 across in China, Taiwan and Hong Kong. The Group believes that albeit the smaller number, our network now maintains a higher efficiency and more unified image which will have positive effects on sales per store as a whole. Within our network, there are 60 spas and 123 dedicated sales counters which are self-owned and self-run, while the rest are operating on a franchised basis.

To further consolidate our premium brand image amongst our customers, we have completed a new branding exercise in early July 2004. All our spa centers, stores and sales counters have taken on a unified, refreshing new look. We believe our new image will have positive effects in attracting customers and sales.

Product Expansion

Further to the successful launch of our flagship product, NB-1 in November 2003, our Group has stepped up its efforts to collaborate with Harvard NB Bio-Science LLC to explore other new products within the NB-1 series product family. A new NB-1 whitening product line is scheduled to be launched to market in the fourth quarter of 2004. At the same time, taking advantage of the rising trend of body slimming in major China cities, the Group has invested heavily in developing the second generation of body slimming female undergarments and body slimming nutritional products. The Group believes that this new product line will be another key success in China that will capture the demand of affluent customers increasingly seeking physical well-being.

業務回顧

本集團於回顧期內以加強旗下分銷網絡為主要重點。本集團推動以「店中店」形式（即店舖前排設有一系列商店，而後排則設有spa中心）設立迷你spa，並提供所需支援。該等迷你spa為方便客戶評價本集團產品及享用spa服務，直接為提升產品銷量作出貢獻。我們預期這種嶄新之業務模式將可加強我們令銷售增長培增之能力。與此同時，我們亦為店舖之銷售生產力、客戶人流及店面形象訂立新標準，故多間未能符合新要求之店舖已終止營業，使集團於中港台三地之店舖數目減至2,163間。本集團相信，儘管店舖數目減少，集團網絡現可維持更高效率，形象更為統一，整體而言對每間店舖之銷售將帶來正面影響。集團網絡擁有60間spa及123個銷售專櫃，全屬自行擁有及經營，餘下則以專利形式經營。

為進一步鞏固集團品牌於客戶心目中的優質形象，我們於二零零四年七月初完成一項全新品牌活動。集團旗下所有spa中心、店舖及銷售專櫃均以劃一的嶄新形象示人。我們相信，新形象對吸納客戶及增加銷售方面將會帶來正面影響。

產品擴充

繼本集團於二零零三年十一月成功推出旗艦產品NB-1後，本集團加緊與Harvard NB Bio-Science LLC合作發展NB-1產品系列旗下其他新產品。全新NB-1美白產品系列預期將於二零零四年第四季推出市場。與此同時，本集團抓緊中國主要城市之新興纖體熱潮，投放大量資源開發第二代矯型女仕內衣及瘦身營養產品。本集團相信，全新產品系列將為集團於中國再創佳績，滿足富裕客戶追求美態身段之殷切需求。

Our Group has always monitored closely any untapped market opportunities and is constantly exploring new product types to match customers' needs through different stages of the life cycle. We have plans to enter the lucrative baby care market by the launch of the "Natural Baby" series, jointly developed with Harvard NB. The new series consists of baby care and cleansing products made of natural oil and herbs suitable for Asian baby skin type. We expect the new series will be ready for launch in the fourth quarter of 2004 and the first half of 2005.

To capture the market share as well as build our brand in the baby market quickly, we have reached a consignment sales agreement with C-ONE, a Sino-US JV engaged in the business of marketing and distribution products to leading foreign retailers such as Carrefour.

Enhanced Distribution Network

Following the opening our own NB spas in Four Seasons Hotel and Howard Johnson Hotel in Shanghai, we will increase our exposure to the high-end market through the continual establishment of NB Spas in top-class hotels in China. Currently, we are targeting 20 5-star hotels for partnership. At the same time, we are broadening our distribution channels into well-known local and foreign hypermarkets for some of our new products such as baby products.

We are in active discussion with internationally renowned beauty companies for partnership through which we hope will assist us to make forays into US and European market by leveraging their international experience, while helping them advance into the domestic market through our distribution network.

We have also explored a number of alternative sales channels to continue to reach out to customers. Building on the success of using TV shopping channel in Taiwan, we are planning to use the same channel strategy in China to actively promote our products. Discussion is currently underway with the Shanghai Oriental TV.

本集團一直緊密注視任何未被發掘之市場機會，並不斷尋找新產品種類，配合客戶於不同年齡階段之需要。我們計劃推出與Harvard NB共同研發的「Natural Baby」系列，以進軍利潤可觀的嬰兒護理市場。新系列包括嬰兒護理及清潔產品，由適合亞裔嬰兒皮膚使用之天然油及草本製造而成。我們預期，新系列將於二零零四年第四季及二零零五年上半年度推出市場。

為爭取市場佔有率並於嬰兒市場迅速建立品牌，我們與中美合營企業C-ONE訂立寄售協議。C-ONE從事向嘉樂福等主要海外零售商推廣及分銷產品之業務。

增強分銷網絡

繼集團於上海四季大飯店及古象豪生大酒店自設NB Spa後，我們將可透過不斷於中國頂級酒店設立NB Spa，提升集團於高檔市場之知名度。本集團現計劃與二十間五星級酒店合作。與此同時，我們亦將分銷渠道擴展至本地及海外知名的大型超級市場，分銷集團部分新產品，包括嬰兒產品。

我們正積極就與享譽國際之美容公司合作展開討論，我們期望有關合作將有助集團借助該等美容公司之國際經驗，進軍歐美市場；而該等美容公司亦可借助集團分銷網絡，打入本地市場。

我們亦物色多個額外銷售渠道，繼續向更多客戶推廣產品。集團秉承在台灣採用電視購物頻道之成功策略，計劃於中國採用相同頻道策略，積極推廣產品。我們現正與上海東方電視台展開磋商。

Internally, we have enjoyed great advantage in operating efficiency having unified our system of inventory management, logistics and sales and distribution on a single platform to supply to our stores. Through our active management of customer database, we are exploring more opportunities to cross-sell NB products to reach various customer segments, thereby widening our market share in the industry.

Future Plans

Looking ahead, optimization of our network will be a key priority for 2004. We will strive for additional outlets as well as maintaining a high standard across the board. Of the new outlets we are going to add, many will be “shop within shop” type. Another key focus of our expansion is the opening of concept stores in upper-end locations in major cities as well as franchisee spas and the continued conversion of NB beauty salons to mini SPAs to provide full services.

Building on our existing strategic blueprint, we will continue to enhance our exposure to premium venue providers in China and join hands with selective hypermarkets to market new products. In addition, we will leverage on our leading position in biotechnological research and come up with a wider range of products.

Our Group continues to look for ways to improve its business processes so as to enhance its competitive advantage. During the period under review, the Group has reached agreement with a logistics company in Taiwan and China Post in China for them to handle product delivery directly. Coming into effect in September in Taiwan and in October in China respectively, this new arrangement allows our Group to cut down on our inventory management and delivery costs, hence boosting our operating margin as well as provide speedier services to our distributors and shops across the markets.

All our products are sold under our NB brand, which is an important asset as we compete more and more with domestic and international brands. This is further enhanced by our dedicated commitment in rigorous R&D in biotechnology, and possessing qualities that are developed with the Asian skin characteristics in mind.

至於對內方面，我們透過將存貨管理系統、物流及銷售及分銷系統結合於單一平台供應予各店舖，使經營效率有所提升，對集團裨益良多。通過積極管理客戶數據庫，我們得以發掘更多互相銷售NB產品之機會，令產品接觸不同客戶層面，從而擴闊集團於業界之市場佔有率。

未來計劃

展望未來，優化分銷網絡將為本集團於二零零四年之首要任務。我們將致力開設更多專門店，同時確保各專門店保持高水準。在集團即將新設之專門店當中，大多數將為「店中店」形式。業務擴充之另一主要重點為於主要城市之高檔地點開設概念店及專營spa，以及繼續將NB美容中心轉型為迷你SPA以提供全面服務。

集團建基於現有策略藍本，將繼續加強與中國頂級店舖供應商之聯繫，並與選定超級市場攜手推廣新產品。此外，我們將利用本身於生物技術研究方面之領先地位，開發更多元化之產品。

本集團會繼續謀求改善業務流程之方法，以提升本身競爭優勢。於回顧期內，本集團與台灣一間物流公司及中國郵政就彼等直接處理產品運送達成協議。新安排已分別於九月及十月在台灣及中國生效，讓本集團可減少存貨管理與付運成本，提升經營利潤之餘，亦可向分銷商及各市場之店舖提供更快捷服務。

我們所有產品均以自然美品牌出售，在眾多國際品牌的競爭下，自然美品牌成為本集團重要資產。此外，我們積極投入生物技術研發工作，研製專門針對亞洲人皮膚特性之產品，進一步加強自然美品牌之聲譽。

Note of thanks

Last but not least, I would like to thank our directors, shareholders, staff and business partners for their efforts to bringing the Group to a healthy growth path in the first half of 2004. Over the years, the NB brand has built a prominent image that represents credibility, quality and a customer-centric approach to business. We believe this has given us a strong position for market leadership and laid down the foundation for us to grow by leaps and bounds in the years ahead.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Turnover increased by approximately 45.9% or approximately HK\$47.4 million to approximately HK\$150.8 million for the six months ended 30 June 2004 compared to the corresponding period in last year (2003: approximately HK\$103.4 million).

The increase in turnover is primarily due to the recovery from outbreak of the Severe Acute Respiratory Syndrome ("SARS") over the Greater China area in 2003. The mass outbreak of SARS was a single exceptional incident and its impact on our sales was only short-lived.

Gross profit margin of the Group further improved from 80.5% in first half 2003 and 80.9% for full year 2003, to 82.2% in first half this year. The improvement in gross profit margin is attributable to the introduction of high margin products like NB-1 series and lesser discounts were offered to our customers since the adverse effect of SARS subsided in the second half of last year.

Other revenues mainly include rental income and financial refunds. It dropped 40.5% to HK\$6.5 million for the first six months in current year compared to HK\$11.0 million in the same period last year. This is due to no financial refund was recognized this year while HK\$4.2 million related to PRC subsidiaries were recognized same period last year. The financial refunds were granted by local tax bureaus and are subject to annual approval. As at 30 June 2004, the Group has not been informed about the result of current year application.

致謝

最後，本人謹此向董事、股東、員工及業務夥伴於二零零四年首半年引領本集團踏上穩步發展之路致以衷心感謝。多年來，我們已為自然美品牌建立優質可信的形象，並採用以客為本的業務模式。我們相信，自然美品牌已為我們奠定領先市場之穩固位置，並為我們於來年大展鴻圖打穩基礎。

管理層討論及分析

財務回顧

截至二零零四年六月三十日止六個月，營業額約為150,800,000港元（二零零三年：約103,400,000港元），較去年同期上升約45.9%或約47,400,000港元。

營業額上升，主要由於大中華地區已從二零零三年爆發嚴重急性呼吸系統綜合症（「非典型肺炎」）之影響復甦。非典型肺炎大規模爆發是單一例外事件，對本集團銷售之影響僅屬短暫。

本集團之邊際毛利由二零零三年上半年之80.5%上升至二零零三年全年之80.9%，而於本年度上半年更進一步升至82.2%。邊際毛利上升之原因為本集團推出NB-1系列等高利潤產品，加上隨著非典型肺炎之負面影響於去年下半年減退後本集團減少給予客戶之折扣。

其他收入主要包括租金收入及財務退款。其他收入於本年度首六個月跌至6,500,000港元，較去年同期之11,000,000港元減少40.5%。此乃由於本年度並無確認任何財務退款，而去年同期則確認有關中國附屬公司之財務退款4,200,000港元所致。財務退款乃由當地稅務機關授出，惟須每年審批。於二零零四年六月三十日，本集團仍未得知本年度申請結果。

Distribution costs increased 62.6% to HK\$65.6 million in first half 2004 from HK\$40.3 million same period last year. As the per capita disposable income is growing steadily in PRC, we believe consumers are more and more brand-aware and they are willing to pay premium for better products and services. With the China's accession to WTO, the cosmetics and beauty market will be fully open up in 2005, foreign renowned brands of products and service providers will continue to land on PRC markets. With such potential threat in mind, the Group invested heavily in the advertising and distribution networks to boost sales and strengthen NB brand awareness and its predominant position in the general public, both in Taiwan and PRC. We believe our current investment will ensure fruitful results in future and put ourselves in the level battle ground to compete with any renowned foreign counterparts.

Administrative expenses increased HK\$7.9 million (or 33%) to HK\$31.6 million in first half this year from HK\$23.7 million last year. The increase was mainly due to the additional HK\$5.3 million amortization expenses and HK\$2.9 million additional depreciation charges on fixed assets. The goodwill expense was related to the acquisition of additional equity interests in non-wholly subsidiaries in PRC, where the acquisitions were completed in 2003. If such effect was excluded, administrative expense is basically same as in first half last year.

Operating profit margin dropped from 29.0% first half last year to 21.7% in current year. This is the net effect of improved sales, against no tax refunds recognized in current year and additional distribution expenses incurred. Despite drop in margin terms, operating profits actually increased by HK\$2.8 million from HK\$30.0 million for the first six months last year to HK\$32.8 million this year.

Tax expenses for the six months ended 30 June 2004 amounted to approximately HK\$1.6 million (2003: approximately HK\$6.4 million), representing a decrease of approximately 75.2% over 2003. The decrease in tax expenses was mainly attributable to the grant of a new tax incentive scheme from Taiwan tax authority, where the assessable profit was substantially reduced.

分銷成本於二零零四年上半年升至65,600,000港元，較去年同期之40,300,000港元升62.6%。由於中國之人均可用收入穩步增長，我們相信消費者越來越著重品牌，願意支付較高價格換取更優質產品及服務。隨著中國加入世貿，化粧品及美容市場將於二零零五年全面開放，而外國著名品牌產品及服務供應商將繼續進軍中國市場。在該等潛在威脅之大前提下，本集團已投放大量資源於廣告及分銷網絡，務求在提升銷量之餘，亦加強自然美品牌在台灣及中國之知名度和在公眾心目中之領先地位。我們相信，目前之投資將確保集團日後取得豐碩成果，並保持與各著名外國對手之競爭優勢。

於本年度上半年，行政開支由去年23,700,000港元上升7,900,000港元或33%至31,600,000港元。行政開支之升幅主要來自額外攤銷開支5,300,000港元以及額外固定資產折舊支出2,900,000港元。該項商譽開支乃與增購在中國之非全資附屬公司股本權益有關，有關收購已於二零零三年完成。撇除該項商譽開支之影響，行政開支基本上與去年上半年相同。

邊際經營溢利由去年上半年之29.0%下降至本年之21.7%。此乃為銷售改善、本年度無確認稅務退款以及產生額外分銷開支之淨影響。儘管邊際利潤下降，經營溢利實際上由去年首六個月之30,000,000港元增長2,800,000港元至本年度之32,800,000港元。

截至二零零四年六月三十日止六個月之稅務開支約為1,600,000港元（二零零三年：約6,400,000港元），較二零零三年下降約75.2%。稅務開支減少主要歸因於台灣稅務當局頒布新稅務優惠計劃，大幅減少應課稅溢利。

As a result of the above, the Group recorded profit attributable to shareholders amounted to HK\$31.2 million (2003: HK\$24.2 million), representing an increase of 28.8% over corresponding period in 2003. The increase was mainly attributable to the recovery of beauty market after the adverse effect of SARS faded away. The net profit margin was 20.7% (2003: 23.4%). The slight decrease in the net profit margin was mainly attributable to additional advertising and distribution costs to further strengthen the predominant position of our Group in Taiwan and PRC markets.

We believe that we are now in a much better position to face direct foreign competitions.

Segment Performance

In the PRC, the turnover and segment result for the six months ended 30 June 2004 were approximately HK\$86.5 million (2003: approximately HK\$48.5 million) and HK\$22.3 million (2003: approximately HK\$21.8 million) respectively. The increase in turnover and segment result was primarily due to no adverse impact of SARS in current year compared to the same period last year in China. Last year SARS significantly affected the Group's key markets in China, including the northern and southern regions of the Chinese Mainland. The closure of public facilities and shopping centers and decrease in total number of local and foreign visitors during the SARS period made the sale turnover in China decreased by approximately 45.3% compared with the first half of 2002. We also entrusted certain of our Spas to the local management where all the sales and operating expenses were borne by the operators and are not included in the Group. In return, the Group receives a fixed sum of entrustment fee annually. We believe such arrangement will enable us to fully utilize the local expertise of our operators to make all our Spas best-tailored to local markets. In addition, we can further consolidate our financial and management resources to span our presence and development in second and third tier cities in China. There was HK\$4.2 million financial refunds recognized in 2003 but none in 2004, as the Group was not informed about the decision of the annual application for the financial refunds as of 30 June 2004 and up to the date of this report.

基於上述因素，本集團錄得股東應佔溢利 31,200,000 港元 (二零零三年: 24,200,000 港元)，較二零零三年同期增長 28.8%。美容市場隨著非典型肺炎陰霾漸退而開始復甦，是股東應佔溢利增加之主要原因。邊際純利為 20.7% (二零零三年: 23.4%)，較去年輕微下降，主要為由於本集團為進一步鞏固在台灣及中國市場之主導地位投入額外廣告及分銷成本所致。

我們認為，本集團現已處於更有利位置迎接外國競爭對手之直接挑戰。

分部業績

在中國，截至二零零四年六月三十日止六個月之營業額及分部業績分別約為 86,500,000 港元 (二零零三年: 約 48,500,000 港元) 及 22,300,000 港元 (二零零三年: 約 21,800,000 港元)。營業額及分部業績上升，主要由於中國於本年度未曾遭受去年非典型肺炎所帶來負面影響。非典型肺炎去年嚴重打擊本集團在中國之主要市場，包括華北及華南地區。於非典型肺炎爆發期間，公共設施及購物中心暫停營業，本地及外國遊客總數減少，導致本集團之中國銷售營業額較二零零二年上半年下降約 45.3%。我們亦將旗下部分 Spa 委託予當地管理層經營，因此所有銷售額及經營支出均由營運商負擔，而不計入本集團賬目。不過，本集團可每年收取固定金額之委託經營費作為回報。我們認為，該項安排讓本集團全面運用營運商對當地之認識，令本集團旗下各 Spa 能夠切合當地市場需要。此外，我們亦可以將財務及管理資源集中於在中國第二及第三線城市發展業務。本集團於二零零三年確認財務退款 4,200,000 港元，但由於本集團直至本報告日期仍未知悉截至二零零四年六月三十日之財務退款申請結果，故並無於二零零四年確認任何財務退款。

In Taiwan, the turnover and segment result for the six months ended 30 June 2004 were approximately HK\$63.2 million (2003: approximately HK\$53.2 million) and HK\$14.2 million (2003: approximately HK\$11.3 million) respectively. The impact of SARS on the Group's result in this region in last year was short and not very substantial compared with China. The increase in the turnover and result was mainly attributable to the broaden products range, including NB-1 introduced at the end of last year.

In Hong Kong and other region, the loss in respect of the segment result was HK\$0.1 million (2003: loss of HK\$0.4 million). In Hong Kong, an assets entrustment program for the outlets in Hong Kong was introduced during first half of 2003. The revenues and operating expenses are no longer included in the Group. The Group receives a fixed sum of entrustment fee from the operator annually. We also established our presence in Malaysia in 2003 and the result of Malaysia is still immaterial to the Group.

To summarise, the Group has been performing well both in PRC and Taiwan markets. We believe with the continuous growth of the PRC economies, and the increase in average per-capita disposable income, the beauty market in PRC will continue to blossom. The Board of Directors of the Company is confident about the future prospects of the Group. With a strong balance sheet and steady cash flow, the Group is well positioned to capitalise on the tremendous opportunities ahead.

Liquidity and Financial Management

As at 30 June 2004, the Group's total shareholders' funds were approximately HK\$763.3 million including share capital and reserves of approximately HK\$200.0 million and HK\$563.3 million respectively. The Group continued to maintain a strong financial position with cash and bank balances plus investment securities (which are mainly capital guaranteed bond funds held in Taiwan) in aggregate of approximately HK\$293.0 million with no external bank borrowing or any charge on assets. Net Cash inflow from operating activities was approximately HK\$53.7 million for the six months ended 30 June 2004. Accordingly, the Group has adequate resources to fund its future operation.

台灣方面，截至二零零四年六月三十日止六個月之營業額及分部業績分別約為63,200,000港元（二零零三年：約53,200,000港元）及14,200,000港元（二零零三年：約11,300,000港元）。與中國相比，台灣爆發非典型肺炎對本集團業績之影響僅屬短暫輕微。營業額及業績增長主要歸因於本集團擴大產品種類，包括於去年年底推出NB-1系列。

在香港和其他地區，分部虧損為100,000港元（二零零三年：虧損400,000港元）。本集團於二零零三年上半年在香港推出委託經營計劃。據此，零售店之收入及經營開支不再計入本集團賬目。本集團每年向營運商收取固定金額之委託經營費。我們於二零零三年打入馬來西亞市場，但該市場對本集團之貢獻仍然不大。

概括而言，本集團在中國及台灣市場均表現優異。我們相信，隨著中國經濟持續增長，人均可用收入不斷提升，中國之美容市場將繼續蓬勃發展。本公司董事會對本集團前景充滿信心。憑藉雄厚之財政實力及穩定之現金流量，本集團已作好準備把握未來之龐大商機。

流動資金及財務管理

於二零零四年六月三十日，本集團之股東資金總額約為763,300,000港元，其中包括股本及儲備分別約200,000,000港元及563,300,000港元。本集團之財務狀況仍然穩健，現金及銀行結存以及投資證券（主要為於台灣持有之保本債券基金）合共約為293,000,000港元，並無外界銀行借款或抵押資產。於截至二零零四年六月三十日止六個月，經營活動所得之現金流入淨額約為53,700,000港元。因此，本集團之財務資源充裕，足以應付其日後營運所需。

In terms of gearing, as at 30 June 2004, the Group had a negative gearing level (defined as net debt divided by shareholders' funds) as the Group has a net cash balance at the period end date. Current ratio of the Group (defined as the current assets divided by the current liabilities) as at 30 June 2004 was approximately 4.9 times (as at 31 December 2003: approximately 6.0 times). As at 30 June 2004, the Group had no material contingent liabilities or outstanding contracted capital commitments.

Treasury Policies and Exposure to Fluctuations in Exchange Rates

The Group derives most of its revenue from the PRC and Taiwan as its operations are mainly concentrated in these two areas. The Group did not engage in highly leverage or speculative derivative products. In this respect, the Group continued to adopt a conservative approach to financial risk management and with no external bank borrowing during the current period. The Group does not have significant exposure to foreign exchange fluctuations. Periodic review of the Group's exposure to foreign exchange risk will be conducted and derivative financial instruments may be used to hedge against such risks when necessary.

Employment, Training and Employment

As at 30 June 2004, the Group had a total of 745 employees of which 506 were based in the PRC, 232 in Taiwan and 7 in Hong Kong and other region, total remuneration for the period ended 30 June 2004 was approximately HK\$14.8 million. Remuneration package of the Group are maintained at a competitive level to attract, retain and motivate high performing staff and are reviewed on a periodical basis.

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

關於資產負債情況，於二零零四年六月三十日，本集團之資產負債比率（即負債淨額除以股東資金）為負值，原因是本集團於期末日有淨現金結餘。於二零零四年六月三十日，本集團之流動比率（即流動資產除以流動負債）約為4.9倍（於二零零三年十二月三十一日：約6.0倍）。於二零零四年六月三十日，本集團並無重大或有負債或未履約資本承擔。

理財政策及所承受之匯兌風險

基於本集團業務主要集中於中國大陸及台灣，故其大部分收入均來自上述兩地。本集團並無涉足於高槓桿作用或投機衍生產品。在財務風險管理方面，本集團繼續採取審慎政策，且於本期間內並無外界銀行借款，本集團亦毋須承受重大外匯波動風險。本集團將定期檢討其所承受之外匯風險，並將於有需要時使用金融衍生工具對沖有關風險。

員工、培訓及發展

於二零零四年六月三十日，本集團分別在中國大陸、台灣及香港和其他地區聘用506名、232名及7名僱員，合共745名。於截至二零零四年六月三十日止期間之酬金總額約為14,800,000港元。為吸引、留聘及激勵表現卓越的僱員，本集團採取具競爭力的酬金組合，並定期檢討有關組合。

本集團與僱員一向維持良好合作關係，並且著重彼等的培訓及發展。本集團定期為所聘用的美容師及其加盟經營者提供專業培訓課程，以提升及保證所提供服務之質量及統一性。

In addition, the Group has adopted a share option scheme on 11 March 2002, for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operation. The directors of the Company may at their discretion invite any employees or directors of the Group and any qualified persons as set out on the scheme, to subscribe for the shares of the Company. Up to the date of this report, no share option has been granted under the share option scheme.

Closure of Register of Members

The register of members of the Company will be closed from 27 September 2004 to 28 September 2004, both dates inclusive, during which period no transfer of shares may be registered. In order to qualify for the interim dividend, all completed transfer forms together with relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Hong Kong Registrars Limited at Room 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 24 September 2004. The dividend will be paid on 15 October 2004.

Directors

At the annual general meeting held on 25 June 2004, Mr. Yeh Liang Fei and Mrs. Chen Shieh Shu Chen retired and re-elected by shareholders as independent non-executive directors of the Company.

The directors of the Company during the interim period and up to the date of this report were:

Executive Directors:

Dr. Tsai Yen Yu
Mr. Lee Ming Ta
Mr. Su Chien Cheng

Non-executive Director:

Ms. Su Sh Hsyu

Independent non-executive Directors

(and members of the audit committee):

Mr. Yeh Liang Fei
Mrs. Chen Shieh Shu Chen

此外，本集團已於二零零二年三月十一日採納認股權計劃，旨在回饋及激勵對本集團業務成就有所貢獻的合資格參與人士。本公司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本公司股份。截至本報告日期止，並無根據認股權計劃授出任何認股權。

暫停辦理股份過戶登記

本公司之股份過戶登記處將於二零零四年九月二十七日至二零零四年九月二十八日（包括首尾兩日）暫停辦理股份過戶登記手續。為確保獲派發中期股利，所有填妥之過戶表格，連同有關股票必須於二零零四年九月二十四日下午四時正前，送交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19樓1901-5室。股利將於二零零四年十月十五日派付。

董事

於二零零四年六月二十五日召開之股東週年大會上，葉良輝先生及陳謝淑珍女士輪值告退，惟獲股東重選為本公司獨立非執行董事。

於中期期間及截至本報告刊發日期止，本公司之董事包括：

執行董事：

蔡燕玉博士
李明達先生
蘇建誠先生

非執行董事：

蘇詩琇女士

獨立非執行董事

(及審核委員會成員)：

葉良輝先生
陳謝淑珍女士

Directors' service Contracts

Each of Dr. Tsai Yen Yu ("Dr. Tsai"), Mr. Lee Ming Ta ("Mr. Lee"), Mr. Su Chien Cheng ("Mr. Su"), Ms. Su Sh Hsyu ("Ms. Su"), Mr. Yeh Liang Fei and Mrs. Chen Shieh Shu Chen, being all the executive and non-executive Directors, has entered into a Director's service contract dated 11 March 2002 with the Company under which they have been appointed to act as executive Directors (in the case of Dr. Tsai, Mr. Lee and Mr. Su) and non-executive directors (in the case of Ms. Su, Mr. Yeh Liang Fei and Mrs. Chen Shieh Shu Chen) for an initial term of three years commencing from 11 March 2002 and shall continue thereafter until 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\$2,840,000 (as to HK\$1,000,000 to Dr. Tsai, HK\$700,000 to Mr. Lee, HK\$600,000 to Mr. Su, HK\$500,000 to Ms. Su, HK\$20,000 to Mr. Yeh Liang Fei and HK\$20,000 to Mrs. Chen Shieh Shu 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, Mr. Su and Ms. Su is also entitled to a management bonus. The aggregate amount of the bonuses payable to these executive Directors and the non-executive Director will not exceed 15% of the audited consolidated profit after taxation and minority interests but before extraordinary items of the Group in respect of that financial year of the Company. For the six months ended 30 June 2004, no Director has received the management bonus.

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

全體執行董事及非執行董事蔡燕玉博士（「蔡博士」）、李明達先生（「李先生」）、蘇建誠先生（「蘇先生」）、蘇詩琇女士（「蘇女士」）、葉良輝先生及陳謝淑珍女士於二零零二年三月十一日各自與本公司訂立董事服務合約，彼等根據合約獲委任為執行董事（指蔡博士、李先生及蘇先生）及非執行董事（指蘇女士、葉良輝先生及陳謝淑珍女士），初步任期由二零零二年三月十一日起為期三年，並將繼續直至任何一方給予另一方不少於三個曆月的書面通知終止為止。根據該等服務合約的首次年度酬金總額為2,840,000港元（蔡博士獲1,000,000港元、李先生獲700,000港元、蘇先生獲600,000港元、蘇女士獲500,000港元、葉良輝先生獲20,000港元及陳謝淑珍女士獲20,000港元），董事每年可酌情增加酬金，惟增幅不得超過於緊接增加前之年度酬金的10%。

蔡博士、李先生、蘇先生及蘇女士亦可享有管理花紅。應付所有執行董事及非執行董事的花紅總額不得超逾於本公司有關財政年度的本集團除稅及少數股東權益後但未計特殊項目前的經審核合併溢利之15%。截至二零零四年六月三十日止六個月，概無董事收取管理花紅。

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。

Directors' Interests in Securities

As at 30 June 2004, the interests of the Directors and the chief executive of the Company in the equity securities of the Company (the "Shares") and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO and the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

董事於證券的權益

於二零零四年六月三十日，本公司董事及行政總裁於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）股本證券（「股份」）中，擁有記錄於根據證券及期貨條例第352條存置的登記冊，或根據證券及期貨條例第XV部及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：

Number of ordinary shares of the Company

本公司普通股數目

Name of directors 董事姓名		Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other Interests 其他權益	Number of share options 認股權數目
Dr. Tsai Yen Yu	蔡燕玉博士	-	-	1,500,000,000 (Note 1 and 3) (附註1及3)	-	-
Mr. Su Chien Cheng	蘇建誠先生	-	-	225,000,000 (Note 2) (附註2)	-	-
Ms. Su Sh Hsyu	蘇詩琇女士	-	-	225,000,000 (Note 2) (附註2)	-	-
Mr. Lee Ming Ta	李明達先生	-	1,500,000,000 (Note 1) (附註1)	-	-	-

Notes:

附註：

- | | |
|---|---|
| <p>(1) The two references to 1,500,000,000 shares relate to the same block of shares. Such shares are held by Efficient Market Investments Limited which is beneficially owned as to 70% by Dr. Tsai Yen Yu through Knightcote Enterprises Limited.</p> <p>(2) The two references to 225,000,000 shares are included in the 1,500,000,000 shares held by Efficient Market Investments Limited which Mr. Su Chien Cheng and Ms. Su Sh Hsyu each have 15% beneficial interest through Knightcote Enterprises Limited.</p> | <p>(1) 以上兩次提述的1,500,000,000股股份指同一批股份。該等股份由Efficient Market Investments Limited持有，而Efficient Market Investments Limited則由蔡燕玉博士透過Knightcote Enterprises Limited實益擁有70%。</p> <p>(2) 以上兩次提述的225,000,000股股份計入由Efficient Market Investments Limited所持有的1,500,000,000股股份中，而蘇建誠先生及蘇詩琇女士各於Efficient Market Investments Limited透過Knightcote Enterprises Limited佔有15%實益權益。</p> |
|---|---|

- (3) Dr. Tsai further held 1 ordinary share in form of trust in Natural Beauty Bio-Technology (Hong Kong) Company Limited which is beneficially owned in trust of by Great Glamour Company Limited, a wholly owned subsidiary of the Company.

- (3) 蔡博士另外以信託形式持有1股自然美生物科技(香港)有限公司普通股,而該股份權益乃以信託形式由本公司全資附屬公司Great Glamour Company Limited擁有。

Other than as disclosed above, none of the directors, the chief executive or their associates had any personal, family, corporate or other interests in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance as at 30 June 2004.

除上文所披露者外,於二零零四年六月三十日,概無董事、行政總裁或其聯繫人士於本公司或其他任何相聯法團(定義見披露權益條例)的證券中擁有任何個人、家族、公司或其他權益。

Share Option Scheme and Directors' Rights to Acquire Shares in the Company

Pursuant to the Company's share option scheme approved by a resolution of the shareholders of the Company dated 11 March 2002 (the "Share Option Scheme"), the Company may grant options to full-time employees (including executive or non-executive directors) of the Company or its subsidiaries to subscribe for the shares at a consideration of HK\$1 for each lot of share options granted. The Share Option Scheme will remain valid for a period of ten years commencing on 11 March 2002. Options granted may be exercised during such period as would be determined by the board of directors of the Company (the "Board") and notified to each grantee upon grant of the option, but in any event not later than 10 years from the date of grant of the option. The subscription price for the shares under the Share Option Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the higher of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; and (b) the average of the closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the relevant option.

認股權計劃及董事購買本公司股份之權利

根據由日期為二零零二年三月十一日之本公司股東決議案批准之本公司認股權計劃(「認股權計劃」),本公司可向本公司或其附屬公司之全職僱員(包括執行董事或非執行董事)授出認股權,就每批授出認股權以1港元代價認購股份。認股權計劃於二零零二年三月十一日起十年期間將持續生效。認股權承授人可於本公司董事會(「董事會」)授出認股權時決定並知會承授人的期間行使認股權,惟在任何情況下,必須於授出認股權日期起計十年內行使。根據認股權計劃,董事會對於釐訂股份認購價有絕對酌情權,惟在任何情況下,認購價不可少於(a)授出認股權日期(必須為營業日),股份在聯交所每日報價單所示的收市價;及(b)於緊接授出有關認股權日期前五個營業日,股份於聯交所每日報價單所示的平均收市價(以較高者為準)。

The maximum number of shares in respect of which options may be granted under the Share Option Scheme shall not, when aggregated with any shares subject to any other schemes, exceed 10% of the number of shares of the Company in issue as at the date of approval of the scheme (the "Scheme Mandate Limit"). The Company may seek approval by its shareholders in general meeting for "refreshing" the 10% limit under the scheme. However, the total number of shares which may be issued upon exercise of all options to be granted under all of the schemes of the Company (or its subsidiary) under the limit as "refreshed" must not exceed 10% of the shares in issue as at the date of approval of the limit. Options previously granted under the scheme (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as "refreshed".

The Company may grant share options to specified participants over and above the Scheme Mandate Limit or the refreshed Scheme Mandate Limit referred to above subject to shareholders' approval in general meetings and the issue of a circular.

The total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company (or the subsidiary) must not exceed 30% of the relevant class of securities of the Company (or the subsidiary) in issue from time to time. No options may be granted under any schemes of the Company (or the subsidiary) if this will result in the limit being exceeded.

The total number of shares issued and to be issued upon exercise of the options granted to a participant of the Share Option Scheme (including both exercised and outstanding options) in any 12-month period up to the date of grant to each participant shall not exceed 1% of the shares in issue, and any further grant of options in excess of such limit shall be approved by shareholders in general meeting with such participant and his associates abstaining from voting. The Company must also send a circular to the shareholders.

根據認股權計劃可能授出的認股權所涉及的有關股份數目，與任何其他計劃有關股份合計時，最多不得超過於計劃獲批准當日本公司已發行股份數目之10%（「計劃授權限額」）。本公司可於股東大會上，向其股東尋求批准「重續」計劃規定10%限額。然而，行使根據本公司（或其附屬公司）的所有計劃授出的所有認股權「重續」限額而可能發行的股份總數不得超過批准限額之日已發行股份的10%。先前根據計劃獲授出的認股權（包括根據計劃之該等未行使、已註銷及已失效的認股權，或已行使認股權）不會計入計算「重續」限額內。

本公司可向指定參與者授出超過計劃授權限額或上文所述的重續計劃授權限額的認股權，惟須取得股東在股東大會上的批准及刊發通函。

根據認股權計劃及本公司（或附屬公司）的任何其他計劃授出所有發行在外但尚未行使的認股權獲行使而可發行的股份總數，不得超過本公司（或附屬公司）不時已發行的有關類別證券的30%。如超逾限額，則不得根據本公司（或附屬公司）的任何計劃授出認股權。

於直至向各參與者授出認股權之日止之任何十二個月期間，由一名認股權計劃參與者行使獲授認股權（包括經已行使及未行使的認股權）而發行及將予發行的股份總數不得超過已發行股份的1%，而再授出認股權以至超過該限額須在股東大會上取得股東的批准，而參與者及其聯繫人士須就此放棄投票。本公司亦須就此向其股東寄發通函。

No option had been granted by the Company under the Share Option Scheme since its adoption.

Save as disclosed above, at no time during the interim period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and neither the directors, supervisors nor the chief executive, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

Substantial Shareholders

The register of substantial shareholders maintained under the SFO showed that, other than the interests disclosed above in respect of certain directors, the following shareholders had a beneficial interest of 5% or more in the issued share capital of the Company as at 30 June 2004:

本公司自採納認股權計劃以來並無根據認股權計劃授出任何認股權。

除上文披露者外，於中期期間之任何時間，本公司或其任何附屬公司並無訂立任何安排，令本公司董事可藉收購本公司或任何其他法人團體的股份或債券獲利，而董事、主管或行政總裁或彼等的配偶或十八歲以下子女亦無擁有任何權利可認購本公司的證券或曾行使任何該等權利。

主要股東

根據證券及期貨條例規定存置的主要股東登記冊顯示，除上文所披露有關若干董事持有的權益外，於二零零四年六月三十日，下列股東擁有本公司已發行股本5%或以上的實益權益：

Name		Note	Number of ordinary shares	Percentage of the Company's issued share capital
名稱		附註	普通股數目	佔本公司已發行股本之百分比
Efficient Market Investments Limited	Efficient Market Investments Limited	1	1,500,000,000	75.00%
Knightcote Enterprise Limited	Knightcote Enterprises Limited	2	1,500,000,000	75.00%
Dr. Tsai Yen Yu	蔡燕玉博士	3	1,500,000,000	75.00%
Mr. Su Chien Cheng	蘇建誠先生	4	225,000,000	11.25%
Ms. Su Sh Hsyu	蘇詩琇女士	5	225,000,000	11.25%

Notes:

1. Efficient Market Investments Limited is beneficially owned by Knightcote Enterprises Limited.
2. Knightcote Enterprises Limited is beneficially owned by Dr. Tsai Yen Yu as to 70%, Mr. Su Chien Cheng as to 15% and Ms. Su Sh Hsyu as to 15%.
3. These shares are attributable to Dr. Tsai Yen Yu in respect of 70% interest in Knightcote Enterprises Limited.
4. These shares are attributable to Mr. Su Chien Cheng in respect of 15% interest in Knightcote Enterprises Limited.
5. These shares are attributable to Ms. Su Sh Hsyu in respect of 15% interest in Knightcote Enterprises Limited.

Directors' Interests in Contracts of Significance

Save as disclosed in note 15 to the unaudited condensed consolidated financial statements, no director had a significant beneficial interest, either direct or indirect, in any contracts of significance to the business of the Group to which the Company or any of its holding companies and subsidiaries was a party during the interim period.

Directors' Interests in Competing Business

During the six months ended 30 June 2004 and up to the date of this report, no director is considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, as defined by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), other than those businesses of which the directors of the Company have been appointed as directors to represent the interests of the Company and/or the Group.

Management Contract

Save as disclosed in the section headed "Directors's service contracts" under Management Discussion and Analysis, and Note 1(b) to the condensed consolidated financial statements, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the interim period.

附註:

1. Efficient Market Investments Limited乃由Knightcote Enterprises Limited實益擁有。
2. Knightcote Enterprises Limited分別由蔡燕玉博士實益擁有70%、蘇建誠先生實益擁有15%及蘇詩琇女士實益擁有15%。
3. 由於蔡燕玉博士擁有Knightcote Enterprises Limited的70%權益，故該等股份屬彼所擁有。
4. 由於蘇建誠先生擁有Knightcote Enterprises Limited的15%權益，故該等股份屬彼所擁有。
5. 由於蘇詩琇女士擁有Knightcote Enterprises Limited的15%權益，故該等股份屬彼所擁有。

董事於重大合約之權益

除未經審核簡明綜合財務報表附註15所披露者外，各董事概無在本公司或其任何控股公司及附屬公司於中期期間訂立任何與本集團業務存有密切關係的合約中直接或間接擁有重大實益權益。

董事在競爭性業務中擁有之權益

截至二零零四年六月三十日止六個月內及截至本報告日期止，除本公司董事獲委任為董事以代表本公司及／或本集團權益的業務外，各董事概無被視為在一項足以或可能足以與本集團業務構成直接或間接競爭的業務中擁有權益（定義見聯交所證券上市規則（「上市規則」））。

管理合約

除了管理層討論及分析「董事服務合約」一節，以及簡明綜合財務報表附註1(b)披露者外，本公司於中期期間並無訂立或訂有關於本公司整體或其中重要部分業務之管理及行政的合約。

Connected Transactions

Details of the connected transactions that are required to be disclosed for the interim ended 30 June 2004 are set out in Note 15 to the condensed consolidated financial statements.

Purchase, Redemption or Sale of Listed Securities

During the six months ended 30 June 2004, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

Corporate Governance

The audit committee has reviewed the unaudited consolidated financial statements of the Group for the six months ended 30 June 2004.

None of the directors of the Company is aware of information that would reasonably indicate that the Company is not, or was not at any time during the six months ended 30 June 2004, in compliance with the Code of Best Practice as set out in appendix 14 of the Listing Rules.

By Order of the Board

Dr. Tsai Yen Yu

Chairperson

Hong Kong, 25 August 2004

關連交易

截至二零零四年六月三十日止中期期間須予披露之關連交易詳情載於簡明綜合財務報表附註15。

購買、贖回或出售上市證券

截至二零零四年六月三十日止六個月，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

企業管治

審核委員會已審閱本集團截至二零零四年六月三十日止六個月的未經審核綜合財務報表。

本公司董事並不知悉任何資料合理顯示本公司於截至二零零四年六月三十日止六個月內任何時間並無遵守載於上市規則附錄14的最佳應用守則。

承董事會命

主席

蔡燕玉博士

香港，二零零四年八月二十五日