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EcoGreen International Group Limited

中怡國際集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock code: 2341; Website: www.ecogreen.com)

(股份代號：2341；網址：www.ecogreen.com)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2019

截至二零一九年六月三十日止六個月之 中期業績公佈

FINANCIAL HIGHLIGHTS

(All amounts in RMB million unless otherwise stated)

財務摘要

(除另有指名者外，所有款額以百萬元人民幣列值)

		Six months ended 30 June 截至六月三十日止六個月		
		2019 二零一九年	2018 二零一八年	Change 變動
Revenue	收入	1,246	1,027	+21%
Gross profit	毛利	305.7	264.5	+16%
Operating profit	經營溢利	236.8	198.9	+19%
EBITDA	未扣除利息、稅項、折舊及 攤銷前盈利	286.7	229.0	+25%
Adjusted EBITDA*	經調整未扣除利息、稅項、 折舊及攤銷前盈利*	267.7	236.8	+13%
Profit for the period attributable to owners of the Company	本公司持有人期內利潤			
– Reported profit for the period	一期內賬面利潤	155.4	108.2	+44%
– Non-GAAP underlying profit for the period**	– 非公認會計原則之 期內基本利潤**	158.9	130.7	+22%
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)			
– Based on reported profit for the period	– 以期內賬面利潤計算	20.05	13.97	+44%
– Based on non-GAAP underlying profit for the period**	– 以非公認會計原則之 期內基本利潤計算**	20.51	16.87	+22%
Interim dividend per share (HK cents)	每股中期股息(港幣仙)	1.7	1.5	13%
Net asset value per share (RMB)	每股資產淨值(人民幣)	2.88	2.58	+12%

* Details of the adjusted EBITDA is set out in Note 2.

** Non-GAAP financial measures were adopted in order to have more clearly illustration of the financial results by excluding the impact of net foreign exchange loss of RMB3.56 million on financing activities for the six months ended 30 June 2019 (six months ended 30 June 2018: RMB22.51 million).

These unaudited non-GAAP financial measures should be considered in addition to, not as a substitute for, analysis of the Company's financial performance prepared in accordance with Hong Kong Financial Reporting Standard ("HKFRS").

* 經調整之未扣除利息、稅項、折舊及攤銷前盈利的詳情載於附註2。

** 藉排除於二零一九年六月三十日止六個月之財務活動內的淨匯兌損失共人民幣356萬元(截至二零一八年六月三十日止六個月：人民幣2,251萬元)，非公認會計原則財務計量之採用以更清晰呈列財務業績。

該等未經審核非公認會計原則財務計量應被視為根據香港財務報告準則編製的本公司財務業績的補充分析而非替代計量。

Chairman's Statement

Review

On behalf of the board of directors (the "Board"), I would like to report the interim results of the Group for the six months ended 30 June 2019 (the "Period") to the shareholders. During the Period, the Group's turnover rose by 21% year on year to approximately RMB1,246 million. Unaudited profit attributable to shareholders increased by 44% year on year to RMB155 million (1H2018: RMB108.2 million). Earnings before interest, taxes, depreciation and amortization ("EBITDA") increased by 25% year on year to RMB287 million. Basic earnings per share for the Period were 20.05 RMB cents (1H2018: 13.97 RMB cents). In appreciation of the shareholders' support, the Board resolved to declare an interim dividend of 1.7 HK cents per share for the Period (1H2018: 1.5 HK cents).

In the first half of 2019, the escalating China-United States trade disputes, rising global trade costs, strained supply chain and increasing risks associated with trading and currency exchanges combined to derail the global economy from steady recovery and sent it hurtling towards instability. However, the fine chemicals industry and the flavor and fragrance industry, in particular, managed to grow steadily on the back of the consistently growing demand. One problem that persisted was the fluctuations in the costs of raw materials and transactions that exerted downward pressure on the operating profit. The Group already took effective countermeasures to mitigate the impact.

The Group's philosophy is to fulfil its principles and responsibilities by pursuing excellence ceaselessly, keeping customers satisfied, seizing opportunities and creating value. While coping with the challenges posed by the fluctuating costs, stringent requirements of regulatory compliance and the strain on supply chain, the Group continued with its proactive and pragmatic approach to further enhance its existing businesses.

主席報告

回顧

本人謹代表董事會向各股東彙報本集團截至二零一九年六月三十日止六個月之業績。集團期內營業額約為人民幣12.46億元，與去年同期相比上升21%。未經審核之期內股東應佔賬面利潤同比增加44%至人民幣1.55億元(二零一八年上半年：人民幣1.082億元)。期內未計利息、稅項、折舊及攤銷之溢利(「EBITDA」)為人民幣2.87億元，同比上升25%。期內每股基本溢利為人民幣20.05分(二零一八年上半年：人民幣13.97分)。為了回報廣大股東之支持，董事會決議通過宣派二零一九年中期股息每股1.7港仙(二零一八年上半年：港幣1.5仙)。

在二零一九年上半年度，中美的貿易糾紛加劇，全球的貿易成本上升、供應鏈受壓、交易以及匯兌的風險提升，使得全球經濟從穩定復甦開始進入動蕩。在精細化工、以及香精香料的細分領域，行業的景氣尚能維持穩中有升，整體的需求保持增長，惟原材料以及交易成本上的波動給經營盈利帶來一些壓力，集團為此採取了有力的措施加以應對。

在經營理念上，管理層堅持原則，善盡本分；持續精進，滿足客戶；掌握機緣，創造價值。面對著成本、監管以及供應鏈壓力的多重挑戰，本集團一貫以務實的態度積極地提升現有業務。

To ensure a stable supply of resources and raw materials, the Group strengthened its worldwide procurement of resources and global supply chain. The Group sources turpentine, its major natural raw material, mainly from China, and supplemented the procurement by sourcing crude sulphate turpentine, by-products from pulp and paper industries from foreign countries. This enabled the Group to ensure sufficient raw material supply even though its suppliers were suffering from a highly volatile operating environment. By increasing the proportion of imported raw materials to an appropriate level, the Group has maintained a sufficient supply of raw materials at stabilized prices. This resulted in improved overall cost-effectiveness. In addition, to satisfy the rapidly increasing demand for petroleum-based products, the Group achieved an optimal production capacity by adjusting self-owned facilities and cooperating with external producers. As a result, the Group has seized more market opportunities and achieved significant progress in the economies of scale in its aroma chemicals business.

Meanwhile, the Group continued to improve its production techniques profoundly. It reduced the consumption of materials during the production of turpentine- and petroleum-based products. This also led to significant reduction in costs.

It has also compiled a list of the first batch of its product mix to be produced at Phase I of its Gulei Chemical Industrial Park in Gulei, Fujian province. The industrial park is scheduled to start producing aroma chemicals and functional chemical products by the end of 2019.

Despite the stringent enforcement of new environmental policies in China in recent years and the government's measures to substantially suppress production capacity that failed to meet the environmental requirements, the Group was still able to ensure smooth operation of its production and operate its factories at full capacity. It was because the Group conscientiously complied with both the international industry standards and the domestic environmental regulations. It has been actively upgrading and reforming its production facilities to meet more stringent regulatory requirements of environmental protection and safety practices. During the Period, the Group continued to enhance its various systems, especially those for refined management of safety and environmental protection to ensure its operational sustainability. The Group also completed its *Environmental, Social and Governance ("ESG") Report 2018* and underwent the environmental assessments conducted by a number of domestic and international environmental organizations.

在資源保障和原料供應上，本集團積極加強了全球性的資源採購和供應鏈運營。以集團主要的天然基原料—松節油為例，集團所建立的以國內純天然採集來源為主、與國外工業再生來源為輔的均衡互補供應機制，在劇烈波動的供應環境中繼續發揮作用，通過適當增加進口原料比重，有效地保障了集團的資源供應和價格穩定，實現了較佳的綜合成本效益。同時，針對急增的石油基系列產品需求，通過內部設備調整及外協工廠的產能協同，集團贏得更多市場機會，並在香原料產品的規模化經營上進一步獲得更大的收益。

在工藝技術上，本集團繼續進行深度的技術改良，使松節油、石油基的主流產品均在物料消耗有所降低，獲得明顯的成本改善。

在新產品組合上，為迎接古雷廠區第一期在本年底投產的計劃，本集團反覆論證了計劃在古雷落地的香原料以及功能化學品產品的組合，完成了首批產品的組合清單。

同時，在業務經營上，受益於本集團在合規方面自覺地嚴格遵從國際的行業標準和國內的環保法規，多年來一直主動地在環保、安全上進行升級和改造，面對中國近年厲行的環保新政、和對環保不達標的國內產能大規模的緊縮，集團的生產得到保障，產能也得以充分發揮。回顧期內，本集團繼續強化了各項制度的建設與執行，實施了安全環保的精細化管理，確保了企業的長期可持續運行。本集團完成了2018年度的「可持續發展報告」，並積極參與多項國內及國際的綠色企業和環保資格的評核。

“Scent & Taste” is the Group’s core business.

In its “Taste” business, the Group diligently developed downstream business to provide standardized compound sauces for catering companies (centralized kitchens) that specialized in Chinese cuisine. The product series have been well received by the domestic catering industry. The Group is now bolstering its cooperation and business with chain restaurants and supermarkets by supplying the compound sauces. The Group ceaselessly improved the “Scent & Taste” business by implementing stringent quality control, ensuring stable supply and providing excellent customer service. The Group is confident that it can become one of the leading suppliers of “Scent & Taste” products in the global market.

In its “Naturals” business, the Group produces three major categories of products, namely natural food ingredients, natural essential oil, and natural extracts. During the Period, all the three sub-business segments recorded steady growth. With better control over the procurement of raw materials in the production of the seafood extract (fresh oysters) at the business of natural food ingredients, the Group has expanded its cooperation with major domestic soy sauce producers. In addition, the Group has received more orders at its businesses of “natural essential oils” and “natural extracts”. The Group has carried out its visionary plan to secure raw material supply by establishing an integrated platform at its upstream natural essential oil businesses. The Group also built a management center and a warehouse for its natural essential oil business in Yunnan province. Moreover, its natural resources data analytical system has also been put into operation. Presently, the construction of the Group’s production base in Changtai, Fujian province (“Changtai production base”) is in full swing. The Group plans to upgrade Changtai production base and position it as an industrial park for natural products, and it will install new production facilities and capacity for its businesses of natural food ingredients, natural essential oil, and natural extracts.

Apart from Changtai production base, the Group’s new phase development will be the Gulei Chemical Industrial Park. During the Period, the construction of Phase I of Gulei Chemical Industrial Park has been progressing steadily and the civil engineering works are nearly completed. The production equipment is expected to be installed in the third quarter of this year and to undergo a trial run in the fourth quarter of 2019. The trial production of new products is expected to be in the latter part of the fourth quarter. The product mix at the Phase I of Gulei Chemical Industrial Park will also include functional materials in addition to aroma chemicals for “Scent & Taste” business. The product mix will become a new growth driver for the Group’s business in the future.

在業務組成上，「芳香與味道」是本集團的核心業務單元。

在「味道」業務領域裡，集團繼續拓展了下游業務，面對團餐客戶(中央廚房)提供中餐標準化的複合調味醬料產品，在國內餐飲界已獲得認同。目前在加強與餐飲連鎖食肆和超市的合作，爭取有關業務可更快地做大。希望通過在「芳香」及「味道」上的持續精進，嚴格把控品質，以提供安全穩健供應以及精準客戶服務，本集團有信心成為一家在全球市場領先的「芳香和味道」綜合供應商。

在天然產物業務單元上，本集團的產品包含了「天然食品配料」、「天然精油」與「天然提取物」三大業務類別。回顧期內，該三大業務都有穩定的增長，其中，「天然食品配料」中的海鮮提取物(鮮蠔)在資源控制進一步提升的支援下，產品端擴大了與國內主要醬油生產商的合作。「天然精油」與「天然提取物」的業務獲得了更多的訂單，集團通過建立「天然精油」的全產業鏈運營及集成平臺，在其上游資源產地展開了前瞻性的佈局，並在雲南建立了天然精油管理中心和儲備倉庫。天然資源的資訊數據庫和採集分析共用系統亦已投入運作。目前，集團已著手加快建設長泰廠區。升級後的長泰廠區，將打造成為集團的天然產物工業園，為上述的「天然食品配料」、「天然精油」與「天然提取物」的業務發展提供嶄新的生產裝置和產能。

在產業基礎上，除長泰廠區外，本集團新時期的產業基地重點在古雷。回顧期內，古雷第一期的建設已按計劃有序地進行，目前土建接近完工，設備安裝計劃在本年度第三季開始，第四季中完成並調試。第四季後段開始安排新產品的試產。古雷一期的產品組合中，除了「芳香」及「味道」業務的「香原料」外，預計會增加嶄新的「功能材料」類別。新的產品組合將成為集團未來業務的新增長點。

Under its development strategy, the Group has been seeking opportunities in the industry for mergers and acquisitions or partnerships that can lead to synergies. This is in addition to the Group's ongoing effort to improve its existing operations and to enhance both its technology and capacity. The Group aims to accelerate its business growth in the future through prudent cooperation, investment or acquisitions.

The Group always aims for its sustainable development, and as such, it is fostering talents and carrying out people-oriented innovations. Adhering to its motto of "Diversity, Synergy, Sharing and Unity", the Group enhanced the development of its human resources through both recruitment and internal training courses, keeping our Group vibrant and revitalized.

Outlook

In the second half of 2019, globalization will continue to be challenged by protectionism spearheaded by the United States. This directly threatens the stability of the global supply chain and the recovery of the world economy. There has been no sign of reconciliation between China and the United States in their trade conflicts. On the contrary, their disputes are escalating. Furthermore, under the pressure of the US domestic politics, the Federal Reserve did an about-turn by switching to interest rate cuts from interest rate hikes and the tight monetary policy. This has led to wild fluctuations in the exchange rates of major currencies, including renminbi, interest rates and borrowing costs. The threat of a currency war has also risen and treasury risks have increased. In addition, geopolitical risks also seem to increase. From the perspective of risk prediction, the business environment is expected to face greater challenges in the future. Nevertheless, the demand for fine chemicals, which are the Group's main products, has remained strong. There is still shortage of various products because of the stringent environmental regulations and trade disputes. The Group is still confident about its business growth in the future so long as it is able to seize market opportunities, to well serve its customers and to effectively manage its investment, operations and risks associated with both the business and the operating environment.

In respect of operations, the Group will continue to adopt various flexible, proactive measures to cope with the fluctuations in the costs of raw materials. On one hand, the Group will continuously press on with its worldwide procurement of main raw materials and strategies for coordinated businesses operation. On the other hand, the Group will actively diversify the raw materials sources and increase the use of petrochemical raw materials for production, as it strives to establish a balanced mechanism for sourcing both the natural renewable raw materials and the petrochemical raw materials. It aims to reduce the risk of unstable supply of resources and to keep the overall cost of raw materials at an optimum level.

在發展策略上，除了主力於持續精進內在業務、穩步提升技術和產能外，集團仍在努力地尋找具有協同效益的企業並購或業務合作機會，包括對一些同行的關注。目的是通過審慎的合作、投資或收購，加快自身業務的未來成長。

本集團一直致力於企業永續經營發展。企業的人才培養、人本創新是企業得以持續發展的核心價值觀。企業以「多元融匯、協同共創、共享共好、合眾為一」為理念。通過引進外部資源和內部人才培養為手段，相輔相成地推動公司人力資源的提升，點燃企業生機與活力。

展望

進入2019年下半年，以美國為首的貿易保護主義在全球抬頭，對經濟全球化帶來了重大的挑戰，直接威脅到全球供應鏈的安全和世界經濟的復甦。中美的貿易摩擦至今沒有和解的跡象，在未來一段時間還有加劇的可能。加上，美聯儲在美國國內政治的壓力下，由加息、縮表急劇地轉向減息，導致了主要貨幣包括人民幣的匯率出現了劇烈的波動，市場利息以及借貸成本也出現了異常的波動。貨幣摩擦甚至貨幣戰的威脅上升，財資風險在增加。此外，地緣政治風險在周邊地區也出現增加的跡象。從風險預判的角度看，未來的經營環境估計會面臨較大的挑戰。儘管如此，本集團主業所在的精細化工領域，全球的需求仍然強勁，供應端因為環保壓力、和貿易摩擦導致多類產品仍存在著供應短缺。只要抓住市場、服務好客戶、管理好投資和經營、控制好風險，本集團對未來業務的增長仍然抱有堅定的信心。

在經營方面，面對格價的波動，在原料策略上，本集團會繼續採取多種靈活的措施積極應對。一方面，繼續推動主要原料的全球性採購和協同運營的資源策略。另一方面，努力地實現產品的多元化資源部署，提升使用石化類原料的產品生產比重，努力達成天然可再生原料與石化原料協調並行的資源體制，目的為降低資源端的風險，平衡原料的綜合成本。

In light of the growing demand and deficient supply, the Group will expand production capacity and increase output in the second half of the year so as to meet the demand of various customers. Meanwhile, the Group will also adopt flexible pricing strategies according to demand, the business environment of the industry and costs so that it can provide quality products for the customers at reasonable prices. This can be conducive to the market's long term healthy development and hence generate higher returns to the Group. The Group expects these moves can boost sales and increase the average selling price in the future.

To capitalize on China's consumption upgrade, the Group will continue to leverage its technological advantages and industry experience in fine chemicals and natural chemicals to develop and launch more new, promising fragrance and flavor products that meet the criteria of customers' comfort and safety needs. The Group will seize more market opportunities to expand the business of its existing advantaged products and increase global market share. At the same time, the Group will proactively launch various new petroleum-based products to further develop the business, by launching new functional chemical products that can be produced through the synergistic combination of resources and technology. It will carry out this move while simultaneously constructing the Gulei Chemical Industrial Park to gain a strong foothold in the rapidly growing market. In regard to natural extracts, the Group will make use of the big data technology and fully utilize China's rich resources, while it will upgrade the Changtai production base to produce more edible flavor products, enhancing both product quality and production capacity.. Through these measures, the Group expects to turn its new businesses into growth drivers.

In respect of the infrastructure and the enhancement of production capacity, the Group will further improve the environmental standards at its Haicang plant so as to make it a role model of "Green Chemical" factory in China. The plant in Haicang will also expand production capacity and raise the efficiency of the core processes to serve as an essential support to the global industrial supply chain, achieving with greater and more stable supply. Meanwhile, the Group will accelerate the transformation and upgrade of the Changtai production base to provide reliable production and processing capability and thus increase the output and turnover of the business of "Naturals" products. As for the Gulei Chemical Industrial Park, which will fulfil the mission of "New EcoGreen", the construction of the major part of Phase I of the industrial park is in full swing with the support and facilitation of capital, talents, technology and market. The installation and testing of its equipment will be completed by the end of 2019. This will lay a solid foundation for the full production to be started at the beginning of next year. Looking ahead, the Gulei Chemical Industrial Park will gradually become the Group's major production base for its functional chemicals and functional materials.

面對需求增長而供應不足，在產出和定價上，本集團在下半年會全面使用現有產能，儘快落實新增產能，增加產出，盡量滿足各類客戶的需求。同時，繼續採取靈活的定價策略，將價格與市場需求、產業環境以及自身成本相協調，為客戶提供優質的產品、合理的定價，促使市場達致長期的健康發展，也為集團帶來更高的價值回報。期待本集團在未來的經營中，能在銷量和平均售價上都能獲得新的動力。

面對消費的升級需求，在產品種類上，從為消費品帶來「香氣」、「味道」，到「舒適」和「安全」的應用價值角度，本集團將會運用精細化工以及天然化學上的技術優勢和行業經驗，繼續努力推出更多有良好前景的產品組合。包括，在香原料上把握市場良機，做大已有的優勢品種，提升全球份額。同時積極推出各種石油基的新品種，深耕市場。在功能化學品上，與古雷廠區的建設同步，大力地推出具有資源以及技術協同性的新型功能化學品，在快速增長的市場上搶佔重要的位置。在天然提取物上，利用大數據技術，充分發揮中國豐富的資源優勢，配合長泰的轉型改造升級，增加食用級產品組合，整體提升品質和產能，以增加營收。通過這些努力，集團可望將現有的多個業務新生點，較快地變成未來收入和利潤的新引擎。

在基礎建設和產能提升上，本集團一方面會將海滄主廠進一步提升環保標準以成為中國的「綠色化工」樣板工廠，同時提升核心流程的產能和效率，以期獲得更為強大、安全的供應能力，為全球產業的供應鏈作出關鍵支持。另一方面，加快長泰的轉型改造升級，提供可靠的生產和加工實力，提升天然產品的產出和營收。再一方面，承接「新中怡」使命的古雷項目，將在資金、人才、技術以及市場的支持下，全力推進第一期的主體建設，達成本年底完成設備安裝和調試的目標，為明年初全面投產做好準備。展望古雷，它將會逐步發展成為集團功能化學品和功能材料的主要製造基地。

With the above-mentioned efforts, EcoGreen is creating value in different aspects as follows:

1. To pursue organic growth in the core business of aroma chemicals, with new products, new production techniques and new supply chains. As a leading supplier, the Group will rebuild a more reliable and sustainable supply chain.
2. To actively explore new functional material businesses so as to build a “World class and Comprehensive” new product portfolio, that can become a growth driver in the future.
3. To further develop solutions for various chemical related industries by integrating its technologies and supply chain, so as to boost the revenue.
4. To expand the existing business segments market and customer base, by expanding the domestic market and overseas markets. To seize opportunities by developing imports substitutes while capitalizing on China’s Belt and Road Initiative. All this can help the Group minimize the risks associated with the prolonged trade disputes between China and the United States.

The Group aims to pursue profitable growth and create the greatest value for all parties in society, customers, suppliers, shareholders and employees.

Faced with the uncertainties of both the political and economic environment, the Group will remain prudent and work even more diligently to seize market opportunities and overcome various challenges. We are prudently optimistic about the Group’s operation in the second half of the year, and expect good results in terms of revenue for the full year. EcoGreen is well prepared for entering a new period of growth in the next year and achieving “New EcoGreen” with rapid growth to come.

Lastly, on behalf of the Board, I would like to express my heartfelt gratitude to all our shareholders, customers, suppliers and staff members for their unswerving trust and support, which have been crucial to the Group’s success. I would also like to extend my sincere thanks to all the directors of the Company and the Group’s advisors for their great support and valuable advice.

Yang Yirong
Chairman

Hong Kong, 28 August 2019

以上各項的努力，要集中展現在中怡集團未來的價值開創上。包括：

- 一. 集團在發展新產品，新工藝和新供應鏈的基礎上，持續追求在香港原料業務的有機成長，作為主導供應商，為市場重塑更安全可靠的可持續發展的供應鏈。
- 二. 勵行務實地拓展功能材料領域的新業務，使之開花結果。保證中怡新產品「立足一流，主流對應」(World class, Comprehensive portfolio)成為公司未來價值創造的新利基。
- 三. 深耕集團的化學品關聯產業的解決方案之道，通過技術和供應鏈的協同性產出更多的營收貢獻。
- 四. 擴展其餘各個業務群的市場和客戶佈局，在推動產品國際化銷售的同時，重點拓展國內市場，發掘「替代進口」的商機，並跟進「一帶一路」國策下的外展市場，平衡中美貿易長期摩擦帶來的長期風險。

集團的經營目標是堅定追求持續有利潤的成長，為社會、客戶、供應商、股東和公司員工之各方創造最大的利益。

面對未來宏觀政治經濟環境的不確定性，本集團將會更加謹慎、更加精進努力，更好地把握市場的機會，戰勝各種挑戰。我們有信心對集團下半年經營抱持審慎樂觀，並期待全年會有良好的營收表現。為明年中怡進入新的產業成長時期作好預備，以實現新中怡成長躍升的宏偉願景。

謹此，本人代表董事會，對廣大股東、客戶、供應商及全體員工致以衷心謝意。大家對本集團一如以往的信任與支持是本集團事業取得成功的根本要素。同時，也真誠感謝本公司董事以及本集團顧問給予大力支持和寶貴建議。

主席
楊毅融

香港，二零一九年八月二十八日

Management Discussion and Analysis

FINANCIAL REVIEW

Turnover

The Group's sales revenue amounted to RMB1,246 million for the period ended 30 June 2019, representing an increase of approximately 21% as compared with RMB1,027 million for the corresponding period last year. The continued growth in sales revenue was mainly attributable to the significant year-on-year increase of approximately 33% in sales revenue of "Scent & Taste" business, and a sizable year-on-year increase of 42% in sales revenue of "Specialties & Others". Sales of "Natural" business in this period decreased by approximately 18% compared with that for the corresponding period last year.

For the six months ended 30 June 2019, sales revenue from "Scent & Taste" business reached RMB868 million, contributing 70% of total sales revenue, sales revenue from "Naturals" reached RMB214 million, contributing approximately 17% of the total sales revenue while sales revenue from "Specialties & Others" business reached RMB164 million, contributing approximately 13% of total sales revenue.

Gross Profit

During the period under review, the Group's gross profit totaled RMB306 million, increased by 16% when compared to the corresponding period last year. Overall gross profit margin was 24.5%, representing an increase of 0.3 percentage point from 24.2% for the last financial year.

Operating Income and Expense

For the six months ended 30 June 2019, selling and marketing expenses accounted for 1.3% of the Group's turnover (2018: 1.4%) whereas the administrative expenses accounted for 4.3% of the turnover (2018: 4.2%).

Finance Costs – Net

During the period, interest expense recorded an increase of RMB8.26 million while interest income decreased by RMB2.68 million as compared to the same period last year. However, the depreciation of Renminbi against the United States dollars in the first half of the year led to an exchange loss of RMB3.56 million (1H2018: an exchange loss of RMB22.51 million) from bank borrowings denominated in foreign currencies. Interest capitalised during the period was RMB6.78 million (1H2018: nil). As a result, net finance expenses decreased by RMB14.78 million as compared with that for the same period last year.

管理層討論與分析

財務回顧

營業額

截至二零一九年六月三十日止六個月期間，本集團的營業額達人民幣12.46億元，較上年同期的人民幣10.27億元增長了21%。銷售額的持續增長，主要是由於「芳香及味道」業務的銷售收入持續顯著增加，銷售收入同比增長了33%；以及「特殊化學品及其他」的銷售收入比去年同期大幅度增加了42%；本期間「天然產物」業務的銷售收入比去年同期下跌了18%。

截至二零一九年六月三十日止六個月期間，「芳香和味道」業務的銷售額達人民幣8.68億元，佔總收入70%；「天然產物」的銷售額達人民幣2.14億元，佔總收入17%；及「特殊化學品及其他」業務的銷售額達人民幣1.64億元，佔總收入約13%。

毛利

回顧期間，本集團的毛利為人民幣3.06億元，比起去年同期增加約16%。總體毛利率為24.5%，較上一財政年度的24.2%上升了0.3個百分點。

經營收入及開支

二零一九年上半年之銷售及市場推廣成本佔銷售百分比1.3%（二零一八年：1.4%）及行政費用佔銷售百分比4.3%（二零一八年：4.2%）。

財務成本－淨額

於本期間，利息支出與去年同期比較增加人民幣826萬元；與此同時，利息收入卻比去年同期減少人民幣268萬元。惟人民幣兌美元匯率於上半年出現貶值導致以外幣列值的銀行貸款錄得滙兌虧損共人民幣356萬元（二零一八年上半年：人民幣2,251萬元），期內資本化利息為人民幣678萬元（二零一八年上半年：無）。綜合而言，淨財務費用較去年同期減少約人民幣1,478萬元。

Profit for the Period

During the period under review, profit attributable to equity holders of the Group amounted to RMB155 million, up by 44% over that for the same period last year. During the period, basic earnings per share amounted to RMB20.05 cents. EBITDA increased by 25% year-on-year.

The Board has resolved to declare payment of an interim dividend of HK1.7 cents per share for the period ended 30 June 2019.

Liquidity and Financial Resources

The Group's financial position was solid throughout the period. As at 30 June 2019, the net current assets and the current ratio of the Group were approximately RMB1,559 million (31 December 2018: approximately RMB1,740 million) and 2.0 (31 December 2018: 2.4), respectively.

The Group will continue to maintain a sound finance position and with the positive cash inflow from operations and its available banking facilities, the Group has sufficient financial resources to fulfill its commitments, meet its working capital requirements and invest in the expansion of business in the future.

Capital Structure and Gearing Ratio

As at 30 June 2019, the equity attributable to the Company's equity holders amounted to approximately RMB2,224 million (31 December 2018: RMB2,096 million). The increase in shareholders' funds was mainly attributable to the profit generated in the period less payment of dividend during the period.

Total borrowings as of 30 June 2019 amounted to approximately RMB1,856 million (31 December 2018: RMB1,716 million). The Group's gearing ratio (total debt over total equity) increased from 82% at 31 December 2018 to 83% at 30 June 2019.

Treasury Policies and Exposure to Fluctuations in Exchange Rates

The Group's assets, liabilities, revenues and transactions are mainly denominated in Renminbi, United States dollars and Hong Kong dollars with its operating activities being mainly in the PRC. Bank borrowings were denominated in United States dollars, Renminbi and Hong Kong dollars.

The Group's exposure on the foreign exchange market fluctuations mainly came from the Renminbi's exchange rate during the period under review. Nevertheless, the Group has not experienced any material difficulties or effects on its operation or liquidity as a result of the fluctuations in the currency exchange rate during the period.

本期間利潤

回顧期內，本集團權益持有人應佔利潤為人民幣1.55億元，比去年同期上升44%。期內，每股基本收益為每股人民幣20.05分。未計利息、稅項、折舊及攤銷之利潤，較去年同期增加25%。

董事會已議決就截至二零一九年六月三十日止期間宣佈派發每股1.7港仙之中期股息。

流動資金及財務資源

期內，本集團之財政狀況穩健。於二零一九年六月三十日，本集團流動資產淨值及流動比率分別約為人民幣15.59億元（於二零一八年十二月三十一日：約人民幣17.40億元）及2.0（二零一八年十二月三十一日：2.4）。

本集團將繼續維持穩健財務狀況。憑藉經營所得之正數現金流入及其可用銀行信貸，本集團具備充裕財務資源以應付其承擔、營運資金需要及日後擴展投資之用。

股本架構及負債比率

於二零一九年六月三十日，本公司權益持有人應佔權益約為人民幣22.24億元（於二零一八年十二月三十一日：約人民幣20.96億元）。股東應佔權益增加主要源自期內所產生利潤減去期內派付之股息。

二零一九年六月三十日，借貸總額約為人民幣18.56億元（二零一八年十二月三十一日：人民幣17.16億元）。本集團之負債比率（總負債相對總權益）由二零一八年十二月三十一日之82%上升至二零一九年六月三十日之83%。

庫務政策及外匯波動風險

本集團之資產、負債、收入及交易主要以人民幣、美元及港元結算，而其經營活動主要於中國進行。銀行借貸均分別以美元、人民幣及港元結算。

於回顧期內，本集團主要的外匯波動風險乃因人民幣匯率的波動所致。儘管如此，本集團於期內並無因匯率波動而於營運或流動資金方面遇上任何重大困難或影響。

Charge on Assets

As at 30 June 2019, bank deposits of RMB63.44 million (31 December 2018: RMB66.09 million) were pledged to secure the Group's bank borrowings.

Capital Expenditure

During the period under review, the Group invested approximately RMB236 million (1H2018: RMB120 million) in the additions to property, plant and equipment and RMB33.56 million (1H2018: RMB8.3 million) in the addition to intangible assets.

Capital Commitment

As at 30 June 2019, the Group had RMB286 million (31 December 2018: RMB158 million) capital commitments in respect of purchases of property, plant and equipment, construction-in-progress, product development projects and land use rights.

Contingent Liabilities

As at 30 June 2019, the Group did not have any material contingent liabilities.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2019, the Group had 572 full-time employees of whom 566 are based in the PRC and 6 worked at the Hong Kong office. Remuneration packages offered to the staff are in line with the prevailing market terms and reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the Group's and the staff's individual performance. Besides salaries and bonus, staff are also entitled to other benefits, including participation in retirement benefits schemes and the share option schemes adopted by the Company pursuant to resolutions in writing by all the shareholders of the Company passed on 28 May 2014. 24,777,000 share options remained outstanding at the period end.

資產抵押

於二零一九年六月三十日，銀行存款人民幣6,344萬元(二零一八年十二月三十一日：人民幣6,609萬元)作為本集團銀行借貸之抵押品。

資本開支

於回顧期內，本集團就添置物業、廠房及設備投資約人民幣2.36億元(二零一八年上半年：人民幣1.2億元)及就無形資產投資約人民幣3,356萬元(二零一八年上半年：人民幣830萬元)。

資本承擔

於二零一九年六月三十日，本集團就購買物業、廠房及設備、在建工程、產品開發項目及土地使用權存在人民幣2.86億元(二零一八年十二月三十一日：人民幣1.58億元)之資本承擔。

或然負債

於二零一九年六月三十日，本集團並無任何重大或然負債。

僱員及酬金政策

於二零一九年六月三十日，本集團有572名全職僱員，其中566名駐中國，其餘6名則駐於香港。向員工提供之薪酬與現行市場條款一致，並定期檢討。酌情花紅可於評估本集團及個別員工表現後向僱員發放。除薪金及花紅外，員工亦有權獲取其他福利，包括參與退休福利計劃及本公司根據本公司全體股東於二零一四年五月二十八日通過之書面決議案採納之購股權計劃。於期間結束時，仍有24,777,000份購股權尚未行使。

Condensed Consolidated Statement

– by function of Expense

For the six months ended 30 June 2019

簡明合併收益表

– 按費用的功能列報

截至二零一九年六月三十日止六個月

		Six months ended 30 June		
		截至六月三十日止六個月		
			2019	2018
			二零一九年	二零一八年
		Note	(Unaudited)	(Unaudited)
		附註	(未經審核)	(未經審核)
			RMB'000	RMB'000
			人民幣千元	人民幣千元
Revenue	收入	3	1,245,836	1,027,212
Cost of sales	銷售成本		(940,118)	(762,680)
Gross profit	毛利		305,718	264,532
Other gain/(losses) – net	其他收益／(損失) – 淨額	4	511	(1,448)
Selling and marketing costs	銷售及市場推廣成本		(15,777)	(19,148)
Administrative expenses	行政費用		(50,474)	(41,543)
Less allowance of financial assets	金融資產虧損撥備		(3,154)	(3,530)
Operating profit	經營利潤	5	236,824	198,863
Finance income	財務收益	6	19,708	22,389
Finance expenses	財務費用	6	(44,847)	(62,310)
Net finance expenses	財務費用淨額	6	(25,139)	(39,921)
Share of profit of an associate	應佔聯營利潤份額		930	329
Profit before taxation	除稅前利潤		212,615	159,271
Taxation	稅項	7	(57,125)	(51,035)
Profit for the period	期內利潤		155,490	108,236
Profit attributable to:	利潤歸屬於：			
Owners of the Company	本公司擁有人		155,361	108,236
Non-controlling interests	非控制性權益		129	–
			155,490	108,236
Earnings per share attributable to owners of the Company for the period (expressed in RMB per share)	期內每股收益歸屬於本公司擁有人 (每股以人民幣列示)			
– Basic	– 基本	8	20.05 cents分	13.97 cents分
– Diluted	– 攤薄	8	20.05 cents分	13.96 cents分

Condensed Consolidated Statement of Income and Comprehensive Income

For the six months ended 30 June 2019

簡明合併綜合收益表

截至二零一九年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元	2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元
	Note 附註		
Profit for the period	期內利潤	155,490	108,236
Other comprehensive gain: <i>Items that may be reclassified to profit or loss</i>	其他綜合收益： 其後可能被重新分類為損益的 項目		
Currency translation differences	外幣折算差額	26	129
Other comprehensive gain for the period	期內其他綜合總額	26	129
Total comprehensive income for the period	期內綜合收益總額	155,516	108,365
Attributable to:	歸屬於：		
Owners of the Company	本公司擁有者	155,387	108,365
Non-controlling interests	非控制性權益	129	-
Total comprehensive income for the period	期內綜合收益總額	155,516	108,365

Condensed Consolidated Balance Sheet

As at 30 June 2019

簡明合併資產負債表

於二零一九年六月三十日

		30 June 2019 二零一九年 六月三十日	31 December 2018 二零一八年 十二月三十一日
	Note 附註	(Unaudited) (未經審核) RMB'000 人民幣千元	(Audited) (經審核) RMB'000 人民幣千元
ASSETS			
Non-current assets	資產		
	非流動資產		
Land use rights	土地使用權	–	39,424
Property, plant and equipment	物業、廠房及設備	1,150,048	934,193
Right-of-use assets	使用權資產	44,869	–
Intangible assets	無形資產	185,591	160,875
Investment in an associate	聯營投資	9,626	8,696
Loan to an associate	聯營方借貸	–	3,000
Deferred income tax assets	遞延所得稅資產	4,889	4,889
Financial assets at fair value through other comprehensive income	按公允價值計入其他綜合收益 之金融資產	200	200
Prepayments	預付款	29,600	27,820
		1,424,823	1,179,097
Current assets	流動資產		
Inventories	存貨	223,158	245,778
Trade receivables and bills receivable	應收賬款及應收票據	10 1,107,935	942,952
Prepayments and other receivables	預付款及其他應收款	225,090	237,607
Amounts due from related companies	應收關聯方款項	2,100	967
Derivative financial instruments	衍生金融工具	251	1,416
Pledged bank deposits	已抵押之銀行存款	63,439	66,090
Short-term bank deposits	短期銀行存款	1,063,662	629,650
Cash and cash equivalents	現金及現金等價物	410,355	897,903
		3,095,990	3,022,363
Total assets	總資產	4,520,813	4,201,460
EQUITY AND LIABILITIES	權益及負債		
Equity attributable to owners of the Company	權益歸屬於本公司擁有人		
Share capital	股本	75,380	75,380
Share premium	股本溢價	341,876	341,876
Other reserves	其他儲備	155,496	155,470
Retained earnings	保留盈利	1,651,291	1,523,113
		2,224,043	2,095,839
Non-controlling interests	非控制性權益	4,910	–
Total equity	總權益	2,228,953	2,095,839

			30 June 2019 二零一九年 六月三十日	31 December 2018 二零一八年 十二月三十一日
		Note 附註	(Unaudited) (未經審核) RMB'000 人民幣千元	(Audited) (經審核) RMB'000 人民幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸		667,030	743,743
Lease liabilities	租賃負債		2,562	-
Deferred income tax liabilities	遞延所得稅負債		85,250	79,600
			754,842	823,343
Current liabilities	流動負債			
Trade payables and bills payable	應付賬款及應付票據	11	239,425	228,822
Current income tax liabilities	即期所得稅負債		30,144	23,153
Borrowings	借貸		1,188,925	972,007
Lease liabilities	租賃負債		3,445	-
Derivative financial instruments	衍生金融工具		2,373	1,516
Amounts due to related companies	應付關聯方款項		230	644
Accruals and other payables	應計費用及其他應付款		72,450	56,106
Amount due to a director	應付一董事款項		26	30
			1,537,018	1,282,278
Total liabilities	總負債		2,291,860	2,105,621
Total equity and liabilities	總權益及負債		4,520,813	4,201,460

Notes to the Interim Financial Information

As at 30 June 2019

1. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2019 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS(s)”).

Certain comparative figures have been reclassified to conform with current period presentation.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2018, as described in those annual financial statements except for the adoption of new and amendments to HKFRSs effective for the financial year ending 31 December 2019.

Application of new and amendments to HKFRSs

The following new or amended standards, interpretations and annual improvements are mandatory for the first time for the Group’s financial year beginning on 1 January 2019.

- IFRS 16 Leases
- Prepayment Features with Negative Compensation — Amendments to IFRS 9
- Long-term Interests in Associates and Joint Ventures — Amendments to IAS 28
- Annual Improvements to IFRS Standards 2015–2017 Cycle
- IFRIC 23 Uncertainty over Income Tax Treatments
- Plan Amendment, Curtailment or Settlement — Amendments to IAS 19

中期財務資料附註

於二零一九年六月三十日

1. 編製基準

截至二零一九年六月三十日止六個月的簡明合併中期財務資料乃遵照香港會計師公會（「香港會計師公會」）頒佈之《香港會計準則》（「HKAS」）第34號「中期財務報告」之規定及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16之適用披露規定而編製。

本簡明合併中期財務資料應與截至二零一八年十二月三十一日止年度財務報表一起閱讀，該財務報表是根據《香港財務報告準則》（「HKFRS(s)」）編製的。

若干比較數字已重新分類，以符合本期間之呈列。

2. 會計政策和披露的變動

除了採納截至二零一九年十二月三十一日止財政年度生效的香港財務報告準則的修訂外，編製本簡明合併中期財務資料所採用之會計政策與截至二零一八年十二月三十一日止年度之年度財務報表所採用的會計政策（見有關的年度財務報表）一致。

應用新增及經修訂之香港財務申報準則

下列新訂及經修訂準則，詮釋及年度修訂於本集團二零一九年一月一日開始的財政年度首次強制執行且適用於本集團：

- 國際財務報告準則第16號「租賃」
- 反向賠償的提前還款特徵—國際財務報告準則第9號（修訂）
- 對聯營或合營的長期權益—國際會計準則第28號（修訂）
- 2015-2017年國際財務報告準則年度改進項目
- 國際財務報告解釋委員會—解釋公告23「所得稅處理之不確定性」
- 計劃修改削減或結算—國際會計準則第19號（修訂）

Except for the impact on the adoption of the IFRS 16 as described below, the adoption of the aforesaid new or amended standards, interpretation and annual improvements does not have any material impact on the Group's interim condensed consolidated financial information.

IFRS 16 "Leases"

The Group has adopted IFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019.

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 "Leases". These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The Group's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 5.18%.

除下述採納國際財務報告準則第16號的影響外，採納上述新訂及經修訂準則、詮釋及年度修訂並無對本集團的中期簡明綜合財務報表造成任何重大影響。

國際財務報告準則第16號「租賃」

本集團於二零一九年一月一日起採納國際財務報告準則第16號並追溯調整，但本集團不會重列二零一八年報告期間可比較金額，此做法是該準則的特定過渡條款所允許的。由於新準則所導致的重新分類及調整於二零一九年一月一日期初結餘中確認。

採納國際財務報告準則第16號後，本集團將原根據國際會計準則第17號「租賃」分類為經營租賃的租賃確認為租賃負債。此負債以剩餘租金並以承租人於二零一九年一月一日的增量借貸利率折現計算。本集團於二零一九年一月一日適用於該租賃負債的增量借貸利率為5.18%。

		RMB'000 人民幣千元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	8,439
Discounted using the Group's incremental borrowing rate of at the date of initial application	本集團於初次採納日的增量借貸利率折現	8,266
Less: Short-term leases recognised on a straight-line basis as expense	減：直線法確認的短期租賃開支	(547)
Low-value leases recognised on a straight-line basis as expense	直線法確認的低值租賃開支	(23)
Lease liabilities recognised as at 1 January 2019	於二零一九年一月一日確認的租賃負債	7,696
Of which are:	包括：	
– Current lease liabilities	– 流動租賃負債	3,389
– Non-current lease liabilities	– 非流動租賃負債	4,307
		7,696

The right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets as at the date of initial application.

The change in accounting policy affected the following items in the balance sheet on 1 January 2019:

- Right-of-use assets — increased by RMB47,120,000
- Land use rights — decreased by RMB39,424,000
- Lease liabilities — increased by RMB7,696,000

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standards:

- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Reliance on previous assessments on whether leases are onerous;
- The accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying IAS 17 and IFRIC 4 “Determining whether an Arrangement contains a Lease”.

The Group has not early adopted the new standards and amendments to IFRSs that have been issued and not yet effective for the year ending 31 December 2019 in the interim condensed consolidated financial information.

Taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual earnings.

使用權資產按等同於租賃負債的金額計量，並就與於二零一八年十二月三十一日確認的租賃相關的預付和應計租金做出調整。於初次採納日，無重大租賃合同需要對使用權資產做出調整。

於二零一九年一月一日，會計政策變更對資產負債表有如下影響：

- 使用權資產 — 上升人民幣 47,120,000元
- 土地使用權 — 下降人民幣 39,424,000元
- 租賃負債 — 上升人民幣 7,696,000元

在首次執行國際財務報告準則第16號的過程中，本集團使用了該準則允許採用的下列實務簡易處理方法：

- 對具有合理相似特徵的租賃組合採用單一折現率；
- 前期評估租賃合同是否是虧損性的；
- 截至二零一九年一月一日的剩餘租賃期短於12個月的經營租賃作為短期租賃處理；
- 首次採用日計量使用權時扣除初始直接費用；以及
- 如果合同包含續租或終止租賃的選擇權，則可在確定租賃期時使用後見之明。

本集團已選擇不在首次採用日重新評估一項合同是否為租賃合同或是否包含租賃。對於在過渡日之前簽訂的合同，本集團根據國際會計準則第17號和國際財務報告解釋公告第4號—確定一項安排是否包含租賃評估。

本集團在中期簡明綜合財務資料中未提前採納於二零一九年十二月三十一日已發佈但尚未生效的國際財務報告準則新訂及經修訂準則。

中期應計所得稅使用預計年盈利總額適用的稅率。

3. SEGMENT INFORMATION

The segment information for the period ended 30 June 2019 is presented below:

3. 分部資料

截至二零一九年六月三十日止年度之分部資料呈列如下：

		Scent and Taste 芳香及 味道 RMB'000 人民幣千元	Naturals 天然產物 RMB'000 人民幣千元	Specialties and Others 特殊化學品 及其他 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Revenue	收入	867,871	214,156	163,809	-	1,245,836
Adjusted EBITDA	經調整未計利息、稅項、 折舊及攤銷之利潤	192,292	35,924	39,461	-	267,677
Depreciation	折舊	-	-	-	(16,842)	(16,842)
Amortisation	攤銷	-	-	-	(9,348)	(9,348)
Net losses on financial instruments	金融工具虧損淨額	-	-	-	(2,323)	(2,323)
Net finance expenses	財務費用淨額	-	-	-	(25,139)	(25,139)
Others	其他	-	-	-	(7,553)	(7,553)
Gain on disposal of non-controlling interests	出售非控制性權益之 收益	-	-	-	5,213	5,213
Share of profit of an associate	應佔聯營利潤	-	-	-	930	930
Taxation	稅項	-	-	-	(57,125)	(57,125)
Profit for the period	期內利潤	192,292	35,924	39,461	(112,187)	155,490

The segment information for the period ended 30 June 2018 is presented below:

截至二零一八年六月三十日止年度之分部資料呈列如下：

		Scent and Taste 芳香及 味道 RMB'000 人民幣千元	Naturals 天然產物 RMB'000 人民幣千元	Specialties and Others 特殊化學品 及其他 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Revenue	收入	651,846	260,193	115,173	–	1,027,212
Adjusted EBITDA	經調整未計利息、稅項、 折舊及攤銷之利潤	169,363	38,339	29,183	–	236,885
Depreciation	折舊	–	–	–	(20,717)	(20,717)
Amortisation	攤銷	–	–	–	(9,229)	(9,229)
Net losses on financial instruments	金融工具虧損淨額	–	–	–	(384)	(384)
Net finance expenses	財務費用淨額	–	–	–	(39,921)	(39,921)
Others	其他	–	–	–	(7,692)	(7,692)
Share of profit of an associate	應佔聯營利潤	–	–	–	329	329
Taxation	稅項	–	–	–	(51,035)	(51,035)
Profit for the period	期內利潤	169,363	38,339	29,183	(128,649)	108,236

In presenting information of geographical segments, segment revenue from external customers by continent is based on the destination of the customer. The Group's available-for-sale financial assets and deferred income tax assets are not considered to be segment non-current assets for reporting. Total assets are allocated based on where the assets are located. The Group's deferred income tax liabilities, borrowings and derivative financial instruments are not considered to be segment liabilities for reporting as they are managed by the Group's central treasury.

於呈列地域資料時，外部客戶分部收入乃根據客戶所在地，按洲份劃分進行計算。本集團的可供出售金融資產和遞延所得稅資產不被視為分部非流動資產。資產總值乃按資產所在地分配。由於集團的遞延所得稅負債、借款及衍生金融工具由中央資金部管理，故此不被視為分部負債。

		Mainland China	Asia (excluding Mainland China)	North America	Europe	Others/ Unallocated	Total
		中國內地 RMB'000 人民幣千元	亞洲(中國 內地除外) RMB'000 人民幣千元	北美洲 RMB'000 人民幣千元	歐洲 RMB'000 人民幣千元	其他/ 未分配 RMB'000 人民幣千元	總額 RMB'000 人民幣千元
For the six months ended	截至二零一九年						
30 June 2019	六月三十日止六個月						
Revenue	收入	1,022,967	61,459	58,671	78,903	23,836	1,245,836
At 30 June 2019	於二零一九年						
	六月三十日						
Non-current assets	非流動資產	1,419,604	130	-	-	5,089	1,424,823
Total assets	資產總值	4,353,356	157,907	-	4,454	5,096	4,520,813
Total liabilities	負債總額	309,805	37,912	-	564	1,943,579	2,291,860
For the six months ended	截至二零一八年						
30 June 2018	六月三十日止六個月						
Revenue	收入	840,316	68,137	52,039	50,296	16,424	1,027,212
At 31 December 2018	於二零一八年						
	十二月三十一日						
Non-current assets	非流動資產	1,173,795	-	213	-	5,089	1,179,097
Total assets	資產總值	4,081,182	6,412	107,361	-	6,505	4,201,460
Total liabilities	負債總額	293,255	529	14,971	-	1,796,866	2,105,621

4. OTHER GAIN/(LOSSES) – NET

4. 其他收益/(損失) – 淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元	2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元
Gain on disposal of non-controlling interests	出售非控制性權益之收益	5,213	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(81)	(365)
Net foreign exchange losses	滙兌損失淨額	(2,714)	(2,752)
Derivative financial instruments:	衍生金融工具：		
– Net realised losses	– 已變現損失淨額	(301)	-
– Net fair value losses	– 公允價值損失	(2,021)	(384)
Others	其他	415	2,053
		511	(1,448)

5. OPERATING PROFIT

Operating profit is stated after charging the following:

5. 經營利潤

經營利潤已扣除以下各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元	2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元
Amortisation of prepaid operating lease payments	預付經營租金款項攤銷	-	428
Amortisation of intangible assets	無形資產攤銷	8,838	8,801
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	16,842	20,717
Depreciation of right-of-use assets	使用權資產之折舊	2,930	-
(Reversal of)/provision for impairment of inventories	存貨減值(回撥)/撥備計提	(633)	2,084

6. NET FINANCE EXPENSES

6. 財務費用淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元	2018 二零一八年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest expense on bank borrowings	銀行借貸之利息費用	48,063	39,803
Net foreign exchange losses on financing activities	融資活動的淨匯兌虧損	3,561	22,507
Finance expenses	財務費用	51,624	62,310
Less: amounts capitalised on qualifying assets	減：合資格資產資本化數額	(6,777)	-
Total finance expenses	總財務費用	44,847	62,310
Finance income	財務收益		
- Interest income on short-term bank deposits	- 短期銀行存款的利息收益	(19,708)	(22,389)
Net finance expenses	財務費用淨額	25,139	39,921

7. TAXATION

Current tax	現有稅項		
– Mainland China enterprise income tax	– 中國內地企業所得稅	51,125	45,035
Deferred income tax	遞延所得稅項	6,000	6,000

7. 稅項

Six months ended 30 June		截至六月三十日止六個月	
2019	2018		
二零一九年	二零一八年		
(Unaudited)	(Unaudited)		
(未經審核)	(未經審核)		
RMB'000	RMB'000		
人民幣千元	人民幣千元		

附註： 57,125 51,035

Notes:

No Hong Kong profits tax has been provided as the Group had no assessable profit arising in or derived from Hong Kong.

The subsidiaries established in Mainland China are subject to Mainland China corporate income tax at a rate of 25% (2018: 25%).

Xiamen Doingcom Chemicals Co. Ltd was granted the High and New Technology Enterprise status in October 2018, being valid for 3 years, and therefore is entitled to a preferential rate at 15%.

由於本集團並無在香港獲得或賺取應課稅溢利，因此並無就香港利得稅作出撥備。

於中國內地成立之附屬公司須按25%（二零一八年：25%）之稅率繳納中國內地企業所得稅。

廈門中坤化學有限公司於二零一八年十月，獲授予高新技術企業的地位，為期三年，因此可按優惠稅率15%繳稅。

8. EARNINGS PER SHARE

Basic

8. 每股收益

基本

Six months ended 30 June
截至六月三十日止六個月

2019	2018		
二零一九年	二零一八年		
(Unaudited)	(Unaudited)		
(未經審核)	(未經審核)		
RMB'000	RMB'000		
人民幣千元	人民幣千元		

Earnings	收益		
Profit attributable to owners of the Company	利潤歸屬於本公司擁有人	155,361	108,236
Shares	股份		
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均股數 (千計)	775,059	775,059
Basic earnings per share (RMB per share)	每股基本收益 (每股人民幣)	20.05 cents分	13.97 cents分

Diluted

攤薄

Six months ended 30 June
截至六月三十日止六個月

2019	2018
二零一九年	二零一八年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
RMB'000	RMB'000
人民幣千元	人民幣千元

Earnings	收益		
Profit attributable to owners of the Company	利潤歸屬於本公司擁有人	155,361	108,236
<hr/>			
Shares	股份		
Weighted average number of ordinary shares in issue (thousands)	已發行普通股的加權平均股數 (千計)	775,059	775,059
Adjustments assuming the exercise of share options (thousands)	假設購股權被行使的調整 (千計)	-	68
<hr/>			
Weighted average number of ordinary shares for diluted earnings per share (thousands)	計算每股攤薄盈利的普通股的加權平均股數 (千計)	775,059	775,127
<hr/>			
Diluted earnings per share	每股攤薄收益		
(RMB per share)	(每股人民幣)	20.05 cents分	13.96 cents分

9. DIVIDENDS

An interim dividend in respect of the six months ended 30 June 2019 of HK1.7 cents per share, totalling approximately of RMB11,893,000, is declared. This interim dividend has not been recognised as a liability in this interim financial information. It will be recognised in owners' equity in the year ending 31 December 2019.

9. 股息

有關截至二零一九年六月三十日止六個月期間已宣派中期股息每股1.7港仙，合共約人民幣11,893,000元。於本中期財務資料內，並未將中期股息確認為負債，該中期股息將於截至二零一九年十二月三十一日止年度之本公司擁有人權益中確認。

Six months ended 30 June
截至六月三十日止六個月

2019	2018
二零一九年	二零一八年
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
RMB'000	RMB'000
人民幣千元	人民幣千元

Interim dividend declared of HK1.7 cents (2018: HK1.5 cents) per ordinary share	已宣派中期股息每股普通股1.7港仙 (二零一八年：1.5港仙)	11,893	10,146
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The 2018 final dividend of HK4.1 cents per ordinary share, totalling RMB27,183,000 was paid in July 2019. The 2017 final dividend of HK3.3 cents per ordinary share, totalling RMB20,702,000 was paid in July 2018.

二零一八年的末期股息每股4.1港仙已於二零一九年七月份內支付，合計為人民幣27,183,000元。二零一七年的末期股息每股3.3港仙已於二零一八年七月份內支付，合計為人民幣20,702,000元。

10. TRADE RECEIVABLES AND BILLS RECEIVABLE

The credit period granted by the Group to its customers is between 60 and 90 days. For certain customers with good credit history, an extended period up to 180 days is allowed. The aging analysis of trade receivables and bills receivable is as follows:

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0 to 30 days	0至30天	225,511	238,906
31 to 60 days	31至60天	227,110	201,838
61 to 90 days	61至90天	199,918	179,321
91 to 180 days	91至180天	443,705	314,592
181 to 365 days	181至365天	15,725	9,531
Over 365 days	365天以上	4,331	3,975
		1,116,300	948,163
Less: Loss allowance	減：虧損撥備	(8,365)	(5,211)
		1,107,935	942,952

11. TRADE PAYABLES AND BILLS PAYABLE

Included in the balance was trade payables and bills payable amounting to RMB63,306,000 and RMB176,119,000 (31 December 2018: RMB55,190,000 and RMB173,632,000) respectively.

As at 30 June 2019, the aging analysis of trade payables and bills payable based on invoice date were as follows:

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0 to 30 days	0至30天	51,634	71,482
31 to 60 days	31至60天	47,322	49,395
61 to 90 days	61至90天	50,798	40,357
91 to 180 days	91至180天	75,993	60,334
181 to 365 days	181至365天	9,395	1,533
Over 365 days	365天以上	4,283	5,721
		239,425	228,822

10. 應收賬款及應收票據

本集團給予其客戶之信貸期一般60至90天。對於有良好信貸歷史的客戶，集團容許達至180日的信貸期。應收賬款及應收票據之賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0 to 30 days	0至30天	225,511	238,906
31 to 60 days	31至60天	227,110	201,838
61 to 90 days	61至90天	199,918	179,321
91 to 180 days	91至180天	443,705	314,592
181 to 365 days	181至365天	15,725	9,531
Over 365 days	365天以上	4,331	3,975
		1,116,300	948,163
Less: Loss allowance	減：虧損撥備	(8,365)	(5,211)
		1,107,935	942,952

11. 應付賬款及應付票據

餘額內包括應付賬款及應付票據，金額分別為63,306,000元人民幣及176,119,000元人民幣(二零一八年十二月三十一日：55,190,000元人民幣及173,632,000元人民幣)。

於二零一九年六月三十日，應付賬款及應付票據跟據發票日期之賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0 to 30 days	0至30天	51,634	71,482
31 to 60 days	31至60天	47,322	49,395
61 to 90 days	61至90天	50,798	40,357
91 to 180 days	91至180天	75,993	60,334
181 to 365 days	181至365天	9,395	1,533
Over 365 days	365天以上	4,283	5,721
		239,425	228,822

INTERIM DIVIDEND

The Directors have resolved to pay an interim dividend of HK1.7 cents per share for the six months ended 30 June 2019 to the shareholders whose names appear on the register of members of the Company on 15 November 2019. Dividend warrants will be despatched to shareholders on or about Wednesday, 18 December 2019.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 13 November 2018 to Friday, 15 November 2019, both days inclusive. In order to qualify for the proposed interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, not later than 4:30 p.m. on Tuesday, 12 November 2019.

Corporate Governance

Throughout the six months ended 30 June 2019, the Company has complied with the code provisions under the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") except for code provisions as explained below.

Code provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing. The Company does not presently have any officer with the title CEO. At present, Mr. Yang Yirong, being the Chairman and the President of the Company, is responsible for the strategic planning, formulation of overall corporate development policy and running the business of the Group as well as the duties of Chairman. The Board considers that, due to the nature and extent of the Group's operations, Mr. Yang is the most appropriate chief executive because he possesses in-depth knowledge and experience in fine chemicals business and is able to ensure the sustainable development of the Group. Besides, he is the founder, the chairman and the controlling shareholder of the Group since its establishment and till now. Notwithstanding the above, the Board will review the current structure from time to time. When at the appropriate time and if candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may make the necessary amendments.

中期股息

董事議決就截至二零一九年六月三十日止六個月，向於二零一九年十一月十五日名列本公司股東名冊之股東，派付中期股息每股1.7港仙。股息單將於二零一九年十二月十八日(星期三)或該日前後寄發予股東。

暫停辦理股份過戶登記手續

本公司將於二零一九年十一月十三日(星期三)至二零一九年十一月十五日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續。為符合資格獲取擬派之中期股息，所有填妥之股份過戶表格連同有關股票，須於二零一九年十一月十二日(星期二)下午四時三十分前交回本公司之股份過戶登記處香港分處卓佳登捷時有限公司。

企業管治

截至二零一九年六月三十日止六個月內，本公司一直遵守聯交所證券上市規則(「上市規則」)附錄14所載之《企業管治守則》之守則條文，惟下文闡述之守則條文條則除外。

守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責之分工應清楚界定並以書面列載。本公司並無高級職員獲授行政總裁職銜。本公司主席兼總裁楊毅融先生現負責策略規劃、整體企業發展政策制定及本集團業務營運以及主席職責。董事會認為，基於本集團之業務性質及範疇，楊先生不但具備精細化工業務之豐富知識及經驗，並有能力推動本集團持續發展，故為最合適的行政總裁人選。此外，彼亦為本集團之創辦人、自成立至今之主席兼控股股東。惟董事會將不時檢討現行架構，並於合適時候及倘本集團自內部或外界物色到具備適當領導才能、知識、技能及經驗之人選，本公司或會作出所需修訂。

During the period from 1 January 2019 to 9 April 2019, the Board cannot meet the requirements of the Listing Rules relating to the appointment of at least three INEDs. Pursuant to Rules 3.10(1), 3.10A, 3.21 and 3.25 of the Listing Rules and CG Code Provision A.5.1, (i) the Board is required to have at least three independent non-executive directors (“INED(s)”); (ii) the Board is required to have INEDs representing at least one third of the Board; (iii) the audit committee must comprise a minimum of three members, at least one of whom is an INED with appropriate professional qualifications or accounting or related financial management expertise; (iv) the remuneration committee is required to be chaired by an INED and (v) the nomination committee is required to be chaired by the chairman of the board or an INED.

Dr. Lin David Ying Tsung (“Dr. Lin”) was redesignated as executive director on 28 March 2018. On the same date, he was resigned as an independent non-executive director, and a member of each of the remuneration committee, the audit committee and the nomination committee of the Company. The Company has not appointed a suitable candidate to fill the vacancy till 9 April 2019. Since the Company was not able to identify suitable candidate to take up the vacancy left by Mr. Dr. Lin, the Company was not in compliance with the requirements prescribed under Rules 3.10(1), 3.10A, 3.21 and 3.25 of the Listing Rules and CG Code Provision A.5.1 during the period from 1 January 2019 to 9 April 2019.

Purchase, Sale or Redemption of the Company’s Listed Shares

During the six months ended 30 June 2019, the Company had not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold any of the Company’s listed shares.

Model Code for Securities Transactions

The Company has adopted a code of conduct regarding the Directors’ securities transactions on terms not less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made to all Directors and all the Directors have confirmed that they have complied with all the relevant requirements as set out in the Model Code throughout the six months ended 30 June 2019.

於二零一九年一月一日至二零一九年四月九日期間，董事會未能符合上市規則有關董事會須委任最少三名獨立非執行董事的規定。根據上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則條文A.5.1，(i)董事會必須至少有三名獨立非執行董事；(ii)董事會中獨立非執行董事人數必須佔董事會成員人數至少三分之一；(iii)審核委員會至少要有三名成員，其中至少一名為具備合適專業資格或會計或相關財務管理專長之獨立非執行董事；(iv)薪酬委員會必須由獨立非執行董事出任主席及(v)提名委員會必須由董事會主席或獨立非執行董事出任主席。

林英宗博士(「林博士」)於二零一八年三月二十八日調任為執行董事，並於同日辭任本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。於二零一九年四月九日前，本公司沒有委任適當人選填補空缺。由於本公司未能物色合適人選，以填補林博士調任後出現之空缺，本公司於二零一九年一月一日至二零一九年四月九日期間未能符合上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則條文A.5.1之規定。

購買、出售或贖回本公司之上市股份

截至二零一九年六月三十日止六個月，本司並無贖回，而本公司或其任何附屬公司亦無購買或出售本公司任何上市股份。

進行證券交易的標準守則

本公司已採納一套有關董事進行證券交易的行為守則，條款不遜於上市規則附錄所載上市發行人董事進行證券交易的標準守則(「標準守則」)的規定標準。本公司已向全體董事作出具體查詢，而全體董事亦已確認，彼等於截至二零一九年六月三十日止六個月期間一直遵守標準守則所載所有有關規定。

Audit Committee

The audit committee of the Company has reviewed with the management in relation to the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited consolidated interim financial information for the six months ended 30 June 2019.

Publication of the Interim Results and Interim Report

This results announcement is published on the designated website of the Stock Exchange (www.hkexnews.hk) and on the website of the Company (www.ecogreen.com). The 2019 interim report containing all the information required by The Listing Rules will be despatched to shareholders and will be published on the aforementioned websites in due course.

By order of the Board

EcoGreen International Group Limited

Yang Yirong

Chairman & President

Hong Kong, 28 August 2019

As at the date of this announcement, the Board of Directors of the Company comprises of six executive Directors, namely Mr. Yang Yirong (Chairman), Mr. Gong Xionghui, Ms. Lu Jiahua, Mr. Han Huan Guang, Mr. Lin David Ying Tsung and Mr. Lin Zhigang, and three independent non-executive Directors, namely Mr. Yau Fook Chuen, Mr. Wong Yik Chung, John and Mr. Xiang Ming.

審核委員會

本公司審核委員會已與管理層審閱本集團所採納之會計原則及準則，並討論內部監控及財務申報等事宜，包括審閱截至二零一九年六月三十日止六個月之未經審核合併中期財務資料。

刊登中期業績及中報

本業績公佈於聯交所指定網站 (www.hkexnews.hk) 及本公司網站 (www.ecogreen.com)內刊載。載有上市規則所規定一切資料之二零一九年中報，將於適當時候寄交股東及於上述網站內刊載。

承董事會命

中怡國際集團有限公司

主席及總裁

楊毅融

香港，二零一九年八月二十八日

於本公佈日期，本公司之董事會包括六位執行董事，分別為楊毅融先生(主席)、龔雄輝先生、盧家華女士、韓歡光先生、林英宗先生及林志剛先生；及三位獨立非執行董事，名字為丘福全先生、黃翼忠先生及向明先生。