

2020 INTERIM REPORT

2020 中期報告



曠世控股有限公司
KWUNG'S HOLDINGS LIMITED

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code: 1925



KWUNG'S





CONTENTS

目錄

- 2 Definition
釋義
- 4 Corporate information
公司資料
- 6 Management discussion and analysis
管理層討論與分析
- 13 Corporate governance report
企業管治報告
- 14 Other information
其他資料
- 19 Interim condensed consolidated statement of comprehensive income
中期簡明綜合全面收益表
- 21 Interim condensed consolidated statement of financial position
中期簡明綜合財務狀況表
- 23 Interim condensed consolidated statement of changes in equity
中期簡明綜合股權變動表
- 25 Interim condensed consolidated statement of cash flows
中期簡明綜合現金流量表
- 27 Notes to the interim condensed consolidated financial statements
中期簡明綜合財務報表附註



Definition

釋義

In this interim report, unless the context otherwise requires, the following terms shall have the meanings set out below:

於本中期報告內，除文義另有所指外，下列詞彙應具有下文所載涵義：

“Board” 「董事會」	指	the board of Directors 董事會
“China” or “PRC” 「中國」或「內地」	指	the People’s Republic of China and, except where the context requires and only for the purpose of this interim report, references to China do not include Taiwan, the Hong Kong Special Administrative Region of the People’s Republic of China or the Macao Special Administrative Region of the People’s Republic of China 指中華人民共和國，除文義另有指明者外及僅就本中期報告而言，就中國的提述不包括台灣、中華人民共和國香港特別行政區及中華人民共和國澳門特別行政區
“Company” 「本公司」	指	Kwung’s Holdings Limited 曠世控股有限公司
“Directors” 「董事」	指	the directors of the Company 本公司董事
“Group”, “our Group”, “we”, “us” or “our” 「本集團」或「我們」	指	the Company and its subsidiaries or, where the context so requires in respect of the period before the Company became the holding company of the present subsidiaries, the present subsidiaries of the Company and the business carried on by such subsidiaries or (as the case may be) their predecessors 本公司及其附屬公司，或倘文義另有指明者，於本公司成為其現時附屬公司的控股公司之前的期間，本公司現時附屬公司或（視情況而定）其前身公司從事的業務
“HK\$” 「港元」	指	Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Listing” 「上市」	指	listing of Shares on the Main Board of the Stock Exchange 股份於聯交所主板上市
“Listing Date” 「上市日期」	指	16 January 2020, the date of Listing 2020年1月16日，上市日期
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則

“Model Code” 「標準守則」	指	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules 上市規則附錄十上市發行人董事進行證券交易的標準守則
“Prospectus” 「招股章程」	指	prospectus of the Company dated 30 December 2019 本公司日期為2019年12月30日的招股章程
“RMB” 「人民幣」	指	Renminbi Yuan, the lawful currency of the PRC 中國法定貨幣人民幣
“SFO” 「證券及期貨條例」	指	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time 香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改
“Share(s)” 「股份」	指	ordinary shares of HK\$0.001 each in the share capital of the Company 本公司股本中每股面值0.001港元的普通股
“Shareholder(s)” 「股東」	指	holder(s) of the Share(s) 股份持有人
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司

Corporate Information

公司資料

BOARD OF DIRECTORS

Mr. JIN Jianxin (Chairman and executive Director)
Mr. RU Liming (Executive Director)
Mr. TIAN Dong (Executive Director)
Mr. SHAO Patrick (Non-executive Director)
Mr. LAI Chun Yu (Independent non-executive Director)
Mr. YANG Herong (Independent non-executive Director)
Mr. ZHOU Kai (Independent non-executive Director)

COMPANY SECRETARY

Mr. LAU Chung Wai (FCPA (Practising))

AUDIT COMMITTEE

Mr. LAI Chun Yu (Chairman)
Mr. SHAO Patrick
Mr. ZHOU Kai

REMUNERATION COMMITTEE

Mr. ZHOU Kai (Chairman)
Mr. JIN Jianxin
Mr. LAI Chun Yu

NOMINATION COMMITTEE

Mr. YANG Herong (Chairman)
Mr. JIN Jianxin
Mr. LAI Chun Yu

AUTHORISED REPRESENTATIVES

(for the purpose of the Listing Rules)
Mr. LAU Chung Wai
Mr. TIAN Dong

EXTERNAL AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22nd Floor
Prince's Building
Central, Hong Kong

COMPLIANCE ADVISER

China Industrial Securities International Capital Limited

董事會

金建新先生(主席及執行董事)
茹黎明先生(執行董事)
田東先生(執行董事)
邵平先生(非執行董事)
黎振宇先生(獨立非執行董事)
楊和榮先生(獨立非執行董事)
周凱先生(獨立非執行董事)

公司秘書

劉仲緯先生(資深執業會計師)

審核委員會

黎振宇先生(主席)
邵平先生
周凱先生

薪酬委員會

周凱先生(主席)
金建新先生
黎振宇先生

提名委員會

楊和榮先生(主席)
金建新先生
黎振宇先生

授權代表

(就上市規則而言)
劉仲緯先生
田東先生

外聘核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師
香港中環
太子大廈
22樓

合規顧問

興證國際融資有限公司

REGISTERED OFFICE

89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 629A, 6th Floor
Star House
No. 3 Salisbury Road
Tsim Sha Tsui, Kowloon
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

827 Qixiang Road
Ningbo City, Zhejiang Province
PRC

PRINCIPAL SHARE REGISTRAR

Ogier Global (Cayman) Limited
89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

STOCK CODE

1925

WEBSITE

<http://www.kwungs.com>
(information on the website does not form part of
this interim report)

註冊辦事處

89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

香港主要營業地點

香港
九龍尖沙咀
梳士巴利道3號
星光行
6樓629A室

中國總辦事處及主要營業地點

中國
浙江省寧波市
氣象路827號

股份過戶登記總處

Ogier Global (Cayman) Limited
89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

股份代號

1925

網站

<http://www.kwungs.com>
(此網站內容並不構成本中報一部分)

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

The Group is a prominent original design manufacturer and supplier of home decoration products, comprising candles, home fragrance and home accessories. The Group's principal products are candles, home fragrance and home accessories. The Group's products are sold to customers situated in more than 20 countries and regions, including France, United Kingdom, the Netherlands, Germany, Canada and Australia where candles and home fragrance are widely used in ordinary people's daily life.

The global outbreak of a novel coronavirus ("COVID-19") since January 2020 has affected many countries, including but not limited to, the PRC and European countries such as France, United Kingdom, Netherlands and Germany, where our customers are located. A series of precautionary and control measures have been adopted and continued to be in place across the PRC and other countries, including certain level of restrictions and controls on travelling and traffic arrangements, quarantine restrictions, heightening of hygiene and epidemic prevention requirements in factories and offices and reducing social activities, etc..

During the six months ended 30 June 2020, the outbreak of COVID-19 has temporarily affected the demand for our products from our customers. We have been in close communication with our customers, especially the ones from European countries, from time to time, and some of them requested for postponement of the shipment of our products. In addition, there has been some cancellation of purchase orders from our customers. Accordingly, the Directors believe that the impact from COVID-19 on the Group's financial performance has been reflected in our interim results for the six months ended 30 June 2020.

Despite the drop in the Group's revenue and net profit for the six months ended 30 June 2020, we are still optimistic about the Group's performance in the foreseeable future. We maintain a good communication and relationship with our existing customers, and we understand that our customers will resume those suspended purchase orders once the COVID-19 situation becomes stable, particularly for our European market. In addition, the Group has established an online showroom earlier this year where large variety of products are displayed for customers to remotely select and the sales team can then react instantly through the online platform to provide further information such as products specification and price quotes. The online showroom has been very helpful for the Group's business in the midst of restrictions on social activities such as trade fair and exhibition events.

業務回顧

本集團為家居裝飾品(包括蠟燭、家居香薰及家居飾品)的知名原始設計製造商及供應商。本集團的主要產品為蠟燭、家居香薰及家居飾品。本集團產品銷往20多個國家及地區的顧客，包括法國、英國、荷蘭、德國、加拿大及澳洲，蠟燭和家居香薰廣泛用於普羅大眾日常生活。

自2020年1月開始爆發的新型冠狀病毒(「COVID-19」)疫情影響全球多國，包括但不限於我們客戶所在的中國以及法國、英國、荷蘭和德國等歐洲國家。中國和其他國家一直且將繼續採取連串的預防和防疫措施，包括若干程度的旅遊和交通安排的限制和管控、檢疫限制、提高衛生標準及工廠和辦公室防疫要求以及減少社交活動等。

截至2020年6月30日止六個月，COVID-19爆發短暫影響了客戶對我們產品的需求。我們不時與客戶保持緊密溝通，尤其是歐洲國家的客戶，其中部份客戶要求延後付運我們的產品，亦有部份客戶取消採購訂單。因此，董事相信，COVID-19疫情對本集團財務表現的影響已反映於我們截至2020年6月30日止六個月的中期業績。

儘管本集團截至2020年6月30日止六個月的收益及淨溢利有所下降，但我們對本集團可見將來的表現仍抱樂觀態度。我們與現有客戶維持良好的溝通和關係，只要COVID-19疫情穩定緩和後，我們深信客戶(尤其歐洲市場的客戶)將恢復之前暫停的採購訂單。此外，本集團於年初推出網上陳列室，展示多種產品以供客戶選購，銷售團隊隨即於網上平台提供產品規格和報價等詳情。在限制交易會、展覽等社交活動的環境下，網上陳列室對本集團的業務有莫大裨益。

During the six months ended 30 June 2020, the Group continued to strengthen its channel operation capabilities and intensify its brand promotion efforts while maintaining the key customer channels, targeting to develop our own direct sales channel. The number of retail stores has increased to 19, and store sales revenue has been increased by 9.9 times as compared with the corresponding period in the last year. Online sales performance has also improved, as shown by the increase in revenue from online sales by 3.6 times as compared with the corresponding period in the last year. The expansion of overseas branded sales channels has also achieved certain results. Revenue from overseas branded sales increased from accounting for approximately 1.3% of the total overseas sales in the corresponding period in the last year to approximately 1.7% of the total overseas sale this year. Going forward, we will continue to promote the brand expansion strategy, optimise the product layout, accelerate the establishment of sales channels, and continuously improve the market coverage.

FINANCIAL REVIEW

Revenue

The Group's revenue mainly arises from the export sales of the Group's candles products, home fragrance products and home accessories during the six months ended 30 June 2020. It decreased by approximately RMB56.6 million or 26.2% to approximately RMB159.7 million for the six months ended 30 June 2020 from approximately RMB216.3 million for the six months ended 30 June 2019.

We recorded a decrease in revenue for all products of the Group. The decrease in the revenue was mainly due to decrease in sales volume as a result of the postponement of purchase orders by customers mainly in European countries suffering from the global outbreak of COVID-19 since January 2020.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately RMB9.5 million or 17.8% to approximately RMB44.1 million for the six months ended 30 June 2020 from approximately RMB53.6 million for the six months ended 30 June 2019. Such decrease in the gross profit was mainly due to the drop in the Group's sales volume for the six months ended 30 June 2020.

The Group recorded a slight increase in gross profit margin despite a drop in sales volume for the six months ended 30 June 2020. The gross profit margin increased to approximately 27.6% for the six months ended 30 June 2020 from approximately 24.8% for the six months ended 30 June 2019. Such increase was mainly contributed by the appreciation of United States dollars against RMB during the six months ended 30 June 2020, which resulted in an increase in revenue from purchase orders denominated in United States dollars but brought minimal impact in the production costs of the Group since the majority of the Group's suppliers are local enterprises in PRC and the Group was billed in RMB.

截至2020年6月30日的六個月期間內，本集團繼續鞏固其渠道營運能力，加大品牌推廣力度，同時保持關鍵客戶渠道，致力開發自身直銷渠道。零售商店數目已增至19家，商店銷售收益較去年同期增長9.9倍。網上銷售表現亦有所提升，收益較去年同期增長3.6倍。海外品牌銷售渠道的拓展亦取得若干成果，收益佔海外總銷售約1.7%，較去年同期約佔1.3%有所上升。我們將繼續推廣品牌拓展策略，優化產品組合，加快建設銷售渠道，以持續擴大市場覆蓋。

財務回顧

收入

本集團的收入主要由本集團的蠟燭產品、家居香薰產品及家居飾品於截至2020年6月30日止六個月的出口銷售所產生。收入由截至2019年6月30日止六個月約人民幣216.3百萬元減少約人民幣56.6百萬元或26.2%至截至2020年6月30日止六個月約人民幣159.7百萬元。

我們所有產品的收入均有所減少。收入減少主要由於歐洲國家等自2020年1月起受全球爆發COVID-19疫情影響，該等國家的客戶延後發出採購訂單，使我們的銷量減少所致。

毛利及毛利率

本集團的毛利由截至2019年6月30日止六個月約人民幣53.6百萬元減少約人民幣9.5百萬元或17.8%至截至2020年6月30日止六個月約人民幣44.1百萬元。毛利減少主要由於本集團截至2020年6月30日止六個月的銷量下降所致。

儘管截至2020年6月30日止六個月的銷量下降，但本集團的毛利率錄得輕微上升。毛利率由截至2019年6月30日止六個月約24.8%升至截至2020年6月30日止六個月約27.6%。上升主要由於截至2020年6月30日止六個月美元兌人民幣升值，使來自以美元計值的採購訂單之收入增加，同時由於本集團的供應商大多為中國的地方企業，發票以人民幣計算，故此美元兌人民幣升值對本集團生產成本的影響輕微。

Management Discussion and Analysis (continued) 管理層討論與分析 (續)

Other income

The Group's other income represents income from government grants in PRC. It increased by approximately RMB3.0 million or 340.8% to approximately RMB3.9 million for the six months ended 30 June 2020 from approximately RMB0.9 million for the six months ended 30 June 2019. The increase in other income during the current period was mainly contributed by the grant from the local government in PRC to support the Group against COVID-19.

Administrative expenses

The Group's administrative expenses mainly comprise payroll costs for the management team and supporting staff, expenses incurred in relation to the Listing, costs of raw materials consumed for research and development purpose, depreciation expenses in relation to the Group's office buildings and office equipment and cost of utilities for office use.

There was a slight increase in administrative expenses of approximately RMB0.2 million or approximately 0.6% to approximately RMB25.3 million for the six months ended 30 June 2020 from approximately RMB25.2 million for the six months ended 30 June 2019. The change in the Group's administrative expenses for the six months ended 30 June 2020 was mainly due to the net effects of the following: (i) additional depreciation expenses in relation to the new production facilities in Yinzhou district, Ningbo City, Zhejiang Province, PRC (the "New Production Facilities"); (ii) additional employee benefit expenses for the administrative team of the New Production Facilities; and (iii) smaller expenses incurred in relation to the Listing.

Selling and marketing expenses

The Group's selling and marketing expenses mainly comprise payroll costs for staff in the sales departments, sample inspection and delivery costs, commissions to agents, advertising and promotion expenses and operating costs for the Group's retail stores.

There was an increase in selling and marketing expenses of approximately RMB3.7 million or 125.8% to approximately RMB6.7 million for the six months ended 30 June 2020 from approximately RMB3.0 million for the six months ended 30 June 2019. Increase in the Group's selling and marketing expenses for the current period was mainly due to additional advertising costs incurred to promote the online direct sales channel, costs incurred to establish the online showroom in response to the outbreak of COVID-19 and also operating costs for the newly set up self-operated retail stores.

其他收益

本集團的其他收益為來自中國政府補助的收益，其他收益由截至2019年6月30日止六個月約人民幣0.9百萬元增加約人民幣3.0百萬元或340.8%至截至2020年6月30日止六個月約人民幣3.9百萬元。本期間其他收益增加主要由於中國的地方政府就支持本集團應對COVID-19疫情提供補助所致。

行政開支

本集團的行政開支主要包括管理團隊及支援人員的薪金成本、有關上市產生的開支、用於研發目的耗用的原材料成本、與本集團的辦公大樓及辦公設備有關的折舊開支，以及用於辦公用途的公用事業費用。

行政開支由截至2019年6月30日止六個月約人民幣25.2百萬元微增約人民幣0.2百萬元或約0.6%至截至2020年6月30日止六個月約人民幣25.3百萬元。本集團截至2020年6月30日止六個月行政開支的變動主要由於下列各項的淨影響：(i)中國浙江省寧波市鄞州區新生產設施（「新生產設施」）的額外折舊開支；(ii)新生產設施行政團隊的額外僱員福利開支；及(iii)上市產生的開支減少。

銷售及營銷開支

本集團的銷售及營銷開支主要包括銷售部門員工的工資成本、樣品檢查及快遞費、代理佣金、廣告及推廣開支以及本集團零售店的營運成本。

銷售及營銷開支由截至2019年6月30日止六個月約人民幣3.0百萬元增加約人民幣3.7百萬元或125.8%至截至2020年6月30日止六個月約人民幣6.7百萬元。本集團本期的銷售及營銷開支增加主要由於為推廣網上直銷渠道產生的額外廣告成本、應對COVID-19疫情設立網上陳列室產生的成本及新成立自營零售店的營運成本所致。

Other gains and losses

The Group's other gains and losses mainly comprise net foreign exchange differences and net losses on forward contracts.

Forward contracts for foreign currencies, mainly RMB against United States dollars, are arranged over the years to manage the foreign currency exposure arising from purchase orders from overseas customers, which are mainly denominated in United States dollars. Depreciation of United States dollars against RMB would have negative impact to the Group's revenue amounts while the gain from the forward contracts arranged would offset such impact, and vice versa. Given the extent of appreciation of United States dollars against RMB during the six months ended 30 June 2020 reduced as compared to the corresponding period in the last year and also the maturity of certain forward contracts during the six months ended 30 June 2020, the net fair losses on forward contracts incurred during the six months ended 30 June 2020 decreased as compared to the corresponding period in the last year.

Finance income and finance costs

The Group's finance income represents the interest income earned from financial institutions and the Group's finance costs comprising interest charged on a short-term bank loan and also the interest expense component on the operating lease arrangement in relation to the Group's leased production facilities.

There is a decrease in the Group's finance costs by approximately RMB0.2 million or 43.8% to approximately RMB0.2 million for the six months ended 30 June 2020 from approximately RMB0.4 million for the six months ended 30 June 2019. Such decrease was mainly because there was no short-term bank borrowing arranged during the six months ended 30 June 2020 while there was a short-term bank borrowing of RMB20 million arranged during the six months ended 30 June 2019.

Income tax expenses

The Group is subject to income tax on an individual legal entity basis on profits arising in or derived from the tax jurisdictions in which companies comprising our Group domicile or operate.

There was a decrease in the Group's income tax expense by approximately RMB0.4 million or 20.5% to approximately RMB1.5 million for the six months ended 30 June 2020 from approximately RMB1.8 million for the six months ended 30 June 2019. Such decrease was mainly due to the decrease in profit before tax of the Group's PRC subsidiaries for the six months ended 30 June 2020.

The overall effective tax rate of the Group increased from approximately 19.5% for the six months ended 30 June 2019 to approximately 25.4% for the six months ended 30 June 2020. Such increase was mainly because the expenses incurred in Hong Kong, which were not deductible for tax purpose, attributed to a larger portion of the Group's total expenses as compared to the corresponding period in the last year.

其他損益

本集團的其他損益主要包括外匯差異淨額及遠期合約的虧損淨額。

外幣遠期合約主要以人民幣兌美元，多年來合約旨在管理主要以美元列值海外客戶購買訂單所產生的外幣風險。美元兌人民幣貶值將對本集團的收入金額產生負面影響，而安排的遠期合約將獲得收益以抵銷該影響，反之亦然。截至2020年6月30日止六個月，鑒於美元兌人民幣升值幅度不及去年同期，同時若干遠期合約於截至2020年6月30日止六個月期滿，故此截至2020年6月30日止六個月遠期合約產生的公允虧損淨額較去年同期為少。

財務收益及財務成本

本集團的財務收益為從金融機構獲取的利息收益，而本集團財務成本為就短期銀行貸款支付的利息，以及與本集團租賃生產設施有關的經營租賃安排的利息開支。

本集團財務成本由截至2019年6月30日止六個月約人民幣0.4百萬元減少約人民幣0.2百萬元或43.8%至截至2020年6月30日止六個月約人民幣0.2百萬元。減少主要由於截至2020年6月30日止六個月並無獲取短期銀行借款，而截至2019年6月30日止六個月則獲取短期銀行借款人民幣20百萬元。

所得稅開支

本集團須就組成本集團之各公司於所處或營運所在稅務司法權區產生或賺取之溢利按個別法人實體基準繳納所得稅。

本集團的所得稅開支由截至2019年6月30日止六個月約人民幣1.8百萬元減少約人民幣0.4百萬元或20.5%至截至2020年6月30日止六個月約人民幣1.5百萬元。該減少主要乃由於本集團中國附屬公司截至2020年6月30日止六個月的除稅前溢利減少所致。

本集團的整體實際稅率由截至2019年6月30日止六個月約19.5%增加至截至2020年6月30日止六個月約25.4%。增加主要由於香港產生且不可扣稅的開支佔本集團總開支的比重較去年同期上升所致。

Property, plant and equipment

The Group's property, plant and equipment mainly comprise net carrying amounts of the office building, production plants, machinery and the corresponding capitalised renovation costs. There was a slight decrease in the net carrying amounts of the Group's property, plant and equipment by approximately RMB1.3 million during the six months ended 30 June 2020 which was mainly due to the net effects of the costs incurred for the set up and the renovation of the New Production Facilities and the depreciation charge for the six months ended 30 June 2020.

Right-of-use assets

The Group's right-of-use assets comprise net carrying amounts of the prepaid land use rights for the lands used by the Group's office building and production plants, and also the net carrying amounts of the properties leased by the Group.

There was a decrease in the net carrying amounts of the Group's right-of-use assets by approximately RMB2.9 million during the six months ended 30 June 2020 mainly due to the amortisation charge for the period.

Inventories

The Group's inventory balance comprises raw materials, work in progress and finished goods for the Group's candle products, home fragrance products and home accessories products. There was an increase in the Group's inventory balance by approximately RMB6.8 million or 16.0% to approximately RMB49.5 million as at 30 June 2020 from approximately RMB42.7 million as at 31 December 2019 which was mainly due to the increased stock level of raw materials for upcoming production plans in the third quarter of 2020.

Trade receivables

Trade receivables balance as at 30 June 2020 mainly represented the outstanding balance from the Group's overseas customers. There was a decrease in trade receivables balance before allowance for impairment of approximately RMB3.5 million or 5.4% from approximately RMB65.9 million as at 31 December 2019 to approximately RMB62.3 million as at 30 June 2020. The decrease in the Group's trade receivables balance was mainly due to the postponement or cancellation of some purchase orders by overseas customers as a result of the outbreak of COVID-19.

Most of the Group's trade receivables balance were aged within 180 days. The Group experienced limited bad debt issues over the years and a small provision for impairment of trade receivables of approximately RMB1.3 million was recorded as at 30 June 2020, which is calculated based on the expected credit loss percentage for the aged trade receivables balance.

物業、廠房及設備

本集團的物業、廠房及設備主要包括辦公大樓、生產廠房、機器及相應資本化裝修成本的賬面淨值。截至2020年6月30日止六個月，本集團物業、廠房及設備的賬面淨值微降約人民幣1.3百萬元，主要由於截至2020年6月30日止六個月設置及裝修新生產設施產生的成本及折舊開支之淨影響。

使用權資產

本集團的使用權資產包括本集團辦公大樓及生產廠房使用的土地的預付土地使用權的賬面淨值，以及本集團租賃的物業的賬面淨值。

截至2020年6月30日止六個月，本集團的使用權資產賬面淨值減少約人民幣2.9百萬元，主要由於期內攤銷開支所致。

存貨

本集團存貨結餘包括本集團蠟燭產品、家居香薰產品及家居飾品的原材料、半成品及製成品。本集團的存貨結餘由2019年12月31日約人民幣42.7百萬元增加約人民幣6.8百萬元或16.0%至2020年6月30日約人民幣49.5百萬元，主要為2020年第三季度即將進行的生產計劃提升原材料庫存水平所致。

貿易應收款項

於2020年6月30日，貿易應收款項結餘主要指本集團海外客戶的未償還結餘。於減值撥備前的貿易應收款項結餘由2019年12月31日約人民幣65.9百萬元減少約人民幣3.5百萬元或5.4%至2020年6月30日約人民幣62.3百萬元。本集團貿易應收款項結餘減少主要由於COVID-19疫情的影響，海外客戶延後或取消部份採購訂單所致。

本集團貿易應收款項結餘大部分於180天內到期。多年來，本集團經歷的壞賬事宜有限，而2020年6月30日，貿易應收款項錄得小額減值撥備約人民幣1.3百萬元，金額有期限的貿易應收款項結餘的預期信貸虧損百分比計算。

Prepayments, deposits and other receivables

The balance of prepayments, deposits and other receivables comprises mainly advances to suppliers, deferred costs in relation to the Listing and recoverable value-added tax.

There was a decrease in the balance of approximately RMB4.0 million or 14.4% to approximately RMB23.6 million as at 30 June 2020 from approximately RMB27.6 million as at 31 December 2019, which was mainly due to the capitalisation of the deferred costs relating to the Listing to the Company's share premium account upon Listing.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss as at 30 June 2020 represented a short-term low risk financial instrument arranged with a commercial bank in the PRC during the six months ended 30 June 2020.

Cash and cash equivalents

The balance of cash and cash equivalents as at 30 June 2020 comprised cash deposited into financial institutions in the PRC and Hong Kong.

There was an increase in the balance of approximately RMB70.4 million or 103.8% to approximately RMB138.3 million as at 30 June 2020 from approximately RMB67.8 million as at 31 December 2019. Such increase in balance was mainly because of the combined effects of unutilised portion of the net proceeds raised from the Listing in the first quarter of 2020 and the utilisation of RMB30 million for the subscription of financial instrument from a commercial bank in the PRC.

Trade and other payables

The balance of trade and other payables comprises mainly payables to suppliers of raw materials, amounts due to related parties and payroll payables to the Group's employees.

There was a decrease in the balance of approximately RMB10.0 million or 21.4% to approximately RMB36.8 million as at 30 June 2020 from approximately RMB46.8 million as at 31 December 2019, which was mainly due to settlement of the yearly bonus to employees during the six months ended 30 June 2020.

預付款項、按金及其他應收款項

預付款項、按金及其他應收款項結餘主要包括向供應商墊款、有關上市的遞延成本及可收回增值稅。

結餘由2019年12月31日約人民幣27.6百萬元減少約人民幣4.0百萬元或14.4%至2020年6月30日約人民幣23.6百萬元，主要由於上市後與上市有關的遞延成本於本公司股本溢價賬內撥充資本所致。

按公允值計入損益之金融資產

2020年6月30日按公允值計入損益之金融資產代表截至2020年6月30日止六個月與中國一家商業銀行安排的短期低風險金融工具。

現金及現金等價物

於2020年6月30日，現金及現金等價物結餘包括存於中國及香港金融機構的現金。

結餘由2019年12月31日約人民幣67.8百萬元上升約人民幣70.4百萬元或103.8%至2020年6月30日約人民幣138.3百萬元。結餘上升主要由於2020年首季度未動用上市所得款項淨額部份以及使用人民幣30百萬元向中國一家商業銀行認購金融工具之合併影響。

貿易及其他應付款項

貿易及其他應付款項結餘主要包括應付原材料供應商款項、應付關聯方款項及應付本集團僱員的薪金。

結餘由2019年12月31日約人民幣46.8百萬元減少約人民幣10.0百萬元或21.4%至2020年6月30日約人民幣36.8百萬元，主要由於截至2020年6月30日止六個月向僱員支付年度花紅所致。

Financial liabilities at fair value through profit or loss

The balance of financial liabilities at fair value through profit or loss represented the fair value of the foreign currency forward agreements entered into with commercial banks in respect of the exchange rate of RMB against United States dollars. Appreciation of RMB against United States dollars would decrease the liability amount of the forward agreement and vice versa and such financial instruments are arranged to reduce the Group's exposure to the financial risk arising from the purchase orders from overseas customers which are mainly denominated in United States dollars.

The balance as at 30 June 2020 remained similar as compared to 31 December 2019 despite the general depreciation of RMB against United States dollars during the six months ended 30 June 2020, which was mainly because of the maturity of certain forward agreements during the period.

Lease liabilities

The balance of lease liabilities represents the present value of future lease payments in respect of office premises and production plants leased by the Group.

There is a decrease in the balance of approximately RMB2.2 million to approximately RMB7.3 million as at 30 June 2020 from approximately RMB9.5 million as at 31 December 2019 as a result of the early termination of the lease arrangement for a warehouse and also settlement to the lessors during the six months ended 30 June 2020.

按公允值計入損益之金融負債

按公允值計入損益之金融負債結餘指與商業銀行訂立關於人民幣兌美元匯率的外匯遠期合約的公允值。人民幣兌美元升值將降低遠期合約的負債金額，反之亦然，而安排該等金融工具旨在減低本集團就海外客戶發出主要以美元計值的採購訂單之財務風險。

儘管截至2020年6月30日止六個月人民幣兌美元整體貶值，但2020年6月30日的結餘與2019年12月31日的結餘保持相若水平，主要由於期內若干遠期合約到期所致。

租賃負債

租賃負債結餘指本集團租賃的辦公場所及生產廠房的未來租賃付款現值。

結餘由2019年12月31日約人民幣9.5百萬元減少約人民幣2.2百萬元至2020年6月30日約人民幣7.3百萬元，此乃由於截至2020年6月30日止六個月提前終止倉庫租賃安排及向出租人結付款項所致。

Corporate Governance Report

企業管治報告

COMPLIANCE WITH THE CG CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code in Appendix 14 to the Listing Rules (the "CG Code"). Save as disclosed below, the Company has complied with the CG Code throughout the period from the Listing Date to 30 June 2020.

Pursuant to code provision A.2.1 of the CG Code, the responsibilities between the chairman and the chief executive should be segregated and should not be performed by the same individual. However, we do not have a separate chairman and chief executive and Mr. JIN Jianxin ("Mr. JIN") currently performs these two roles. Throughout the Group's business history, Mr. JIN, being a founder of the Group and a controlling Shareholder, has held the key leadership position of the Group and has been deeply involved in the formulation of corporate strategies and management of the business and operations of the Group since its establishment.

Taking into account the consistent leadership within the Group, the Board believes that it is in the best interests of the Group and the Shareholders as a whole to have Mr. JIN taking up both roles for effective and efficient overall strategic planning and continuation of the implementation of such plans for the Group. The Board considers that the balance of power and authority under the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company's code of conduct regarding Directors' securities transactions.

All Directors have confirmed that they have complied with the standards set out in the Model Code throughout the period from the Listing Date to 30 June 2020.

AUDIT COMMITTEE

The audit committee of the Company has reviewed this interim report, including the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2020.

遵守企業管治守則

本公司之企業管治常規根據上市規則附錄十四的企業管治守則（「企業管治守則」）所載的原則及守則條文而設。除下文所披露者外，本公司自上市日期起至2020年6月30日期間已遵守企業管治守則。

根據企業管治守則之守則條文第A.2.1條，主席與首席執行官之職務應有區分，並不應由同一人兼任。然而，我們並無區分主席與首席執行官，而現時由金建新先生（「金先生」）兼任該兩個職位。於本集團之整個業務歷史中，金先生作為本集團之創始人兼控股股東，一直擔任本集團之關鍵領導職務，且已自其建立起深入參與本集團之企業戰略制定以及業務管理及營運。

考慮到本集團內領導之一致性，為有效及迅速地為本集團作出整體策略規劃並繼續實施有關計劃，董事會相信金先生擔任兩個職位符合本集團及股東之整體最佳利益。董事會認為，目前之安排不會損害權力與權限之平衡，而此架構將使本公司得以即時及有效作出及實施決策。

董事進行的證券交易

本公司已採納標準守則作為本公司有關董事證券交易行為守則。

所有董事已確認，彼等自上市日期至2020年6月30日止期間已貫徹遵守標準守則所載的標準。

審核委員會

本公司審核委員會已審閱本中期報告，包括截至2020年6月30日止六個月的未經審核中期簡明綜合財務報表。

Other Information 其他資料

USE OF PROCEEDS

100,000,000 Shares at HK\$1.28 each were issued upon Listing and 5,042,000 Shares also at HK\$1.28 each were issued pursuant to the partial exercise of the Over-Allotment Option (as defined in the Prospectus) on 5 February 2020. The net proceeds raised by the Company from the Listing (including the proceeds from the partial exercise of the Over-Allotment Option amounted to HK\$6,453,760 (equivalent to approximately RMB5.8 million) and after deducting the listing expenses) amounted to approximately RMB84.1 million. Such net proceeds are intended to be applied in the same manner and the same proportion as disclosed in the section headed "Future Plans and Use of Proceeds" of the Prospectus. The table below sets out the proposed application and the status of utilisation as at 30 June 2020:

所得款項用途

上市時按每股1.28港元發行100,000,000股股份，另於2020年2月5日根據行使部份超額配股權（定義見招股章程）按1.28港元發行5,042,000股股份。本公司從上市籌得款項淨額（包括行使部份超額配股權所得款項6,453,760港元（相等於約人民幣5.8百萬元）並扣除上市開支後）約為人民幣84.1百萬元。本公司擬按招股章程「未來計劃及所得款項用途」一節所載相同方式和相同比重使用上述所得款項淨額。下表載列擬定用途及2020年6月30日的使用狀況：

	Planned 計劃 RMB'000 人民幣千元	Net proceeds utilised during the current period 本期已動用所得款項淨額 RMB'000 人民幣千元	Net proceeds unutilised as at 30 June 2020 於2020年6月30日未動用所得款項淨額 RMB'000 人民幣千元	Expected timeline for full utilisation of the unutilised proceeds 全數動用未使用所得款項預期時間表 RMB'000 人民幣千元
Increasing production lines for candles and expanding production capability in home fragrance 增加蠟燭的生產線以及擴充家居香薰的產能	39,963	(16,054)	23,909	By the end of 2022 2022年年底前
Establishing two regional sales offices in Europe 於歐洲設立兩所區域銷售辦事處	18,846	-	18,846	By the end of 2022 2022年年底前
Strengthening research and development capabilities 加強我們的研發能力	10,348	-	10,348	By the end of 1st half of 2022 2022年上半年結束前
Upgrading information system and logistics capacities 將資訊系統及物流能力升級	7,067	(686)	6,381	By the end of 2022 2022年年底前
General working capital purpose 作一般營運資金用途	7,908	(7,908)	-	N/A 不適用
	84,132	(24,648)	59,484	

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

董事及主要行政人員於股份、相關股份及債權證的權益及淡倉

As at 30 June 2020, the interests and short positions of the Directors and chief executive in the share capital and underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

於2020年6月30日，董事及本公司主要行政人員已登記根據證券及期貨條例第352條規定須予記錄，或根據標準守則另行知會本公司及聯交所之本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股本及相關股份及債權證中之權益及淡倉如：

Long positions in Shares

股份的好倉

Name of Directors	Notes	Number of Shares held		Total	Percentage of the Company's share capital
		Directly beneficially owned	Through controlled corporation		
董事姓名	附註	直接實益擁有	通過受控法團	總計	佔本公司股本之百分比
JIN Jianxin 金建新	(a)	4,028,000	217,294,000	221,322,000	54.64%
RU Liming 茹黎明	(b)	–	54,102,857	54,102,857	13.36%
		4,028,000	271,396,857	275,424,857	68.00%

Notes:

附註：

- (a) King Harmony Limited is wholly owned by Mr. JIN Jianxin, and Mr. JIN Jianxin is deemed to be interested in the 217,294,000 Shares owned by King Harmony Limited under the SFO.
- (b) DMA Limited is owned as to 80.70% by Mr. RU Liming and Mr. RU Liming is deemed to be interested in the 54,102,857 Shares owned by DMA Limited under the SFO.

- (a) 環和有限公司由金建新先生全資擁有，根據證券及期貨條例，金建新先生被視為於環和有限公司擁有的217,294,000股股份中擁有權益。
- (b) 德瑪有限公司由茹黎明先生擁有80.70%，根據證券及期貨條例，茹黎明先生被視為於德瑪有限公司擁有的54,102,857股股份中擁有權益。

Save as disclosed above, as at 30 June 2020, none of the Directors and chief executive had registered an interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2020年6月30日，概無董事及本公司主要行政人員已登記根據證券及期貨條例第352條規定須予記錄，或根據標準守則另行知會本公司及聯交所之本公司或其任何相聯法團之股份、相關股份或債權證中之權益或淡倉。

Other Information (continued)
其他資料 (續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, the following interests and short positions of 5% or more of the share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long positions in Shares

Name 姓名／名稱	Notes 附註	Number of Shares held 持有股份數目			Total 總計	Percentage of the Company's share capital 佔本公司股本百分比
		Directly beneficially owned 直接實益擁有	Through spouse 通過配偶	Through controlled corporations 通過受控法團		
CHEN Jiangyan 陳薑諺	(a)	–	221,322,000	–	221,322,000	54.64%
King Harmony Limited 環和有限公司		217,294,000	–	–	217,294,000	53.65%
DMA Limited 德瑪有限公司		54,102,857	–	–	54,102,857	13.36%
Unione Limited 天人合一有限公司		23,357,143	–	–	23,357,143	5.84%
Industrial Securities (Hong Kong) Financial Holdings Limited 興證(香港)金融控股有限公司	(b)	–	–	20,530,000	20,530,000	5.07%

Notes:

- (a) Ms. CHEN Jiangyan is the spouse of Mr. JIN Jianxin and therefore is deemed to be interested in all the Shares Mr. JIN Jianxin is interested in under the SFO.
- (b) 15,000,000 Shares are held by China Industrial Securities International Capital Limited and 5,530,000 Shares are held by China Industrial Securities International Brokerage Limited, both of which are wholly owned by China Industrial Securities International Financial Group Limited. China Industrial Securities International Financial Group Limited is owned as to 51.93% by Industrial Securities (Hong Kong) Financial Holdings Limited and therefore Industrial Securities (Hong Kong) Financial Holdings Limited is deemed to be interested in the 20,530,000 Shares under the SFO.

Save as disclosed above, as at 30 June 2020, no person, other than the Directors and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in Shares and underlying shares and debentures" above, had registered an interest or short position in the Shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

主要股東及其他人士於股份及相關股份之權益或淡倉

於2020年6月30日，以下佔本公司股本及購股權5%或以上之權益及淡倉記錄於證券及期貨條例第336條規定本公司須存置之權益登記冊內：

股份好倉

Name 姓名／名稱	Notes 附註	Number of Shares held 持有股份數目			Total 總計	Percentage of the Company's share capital 佔本公司股本百分比
		Directly beneficially owned 直接實益擁有	Through spouse 通過配偶	Through controlled corporations 通過受控法團		
CHEN Jiangyan 陳薑諺	(a)	–	221,322,000	–	221,322,000	54.64%
King Harmony Limited 環和有限公司		217,294,000	–	–	217,294,000	53.65%
DMA Limited 德瑪有限公司		54,102,857	–	–	54,102,857	13.36%
Unione Limited 天人合一有限公司		23,357,143	–	–	23,357,143	5.84%
Industrial Securities (Hong Kong) Financial Holdings Limited 興證(香港)金融控股有限公司	(b)	–	–	20,530,000	20,530,000	5.07%

附註：

- (a) 陳薑諺女士為金建新先生的配偶，故此根據證券及期貨條例，陳薑諺女士被視為於金建新先生擁有權益的所有股份中擁有權益。
- (b) 15,000,000股股份由興證國際融資有限公司持有，而5,530,000股股份則由興證國際證券有限公司持有，兩家公司均為興證國際金融集團有限公司的全資公司。由於興證(香港)金融控股有限公司持有興證國際金融集團有限公司的51.93%，故此根據證券及期貨條例，興證(香港)金融控股有限公司被視為擁有20,530,000股股份的權益。

除上文披露者外，於2020年6月30日，除上文「董事及主要行政人員於股份、相關股份及債權證的權益及淡倉」一節所載擁有權益的董事及本公司主要行政人員外，概無人士已登記根據證券及期貨條例第336條規定須予記錄之本公司股份或相關股份中之權益或淡倉。

EMOLUMENT POLICY

The Group had 510 employees in the PRC, Australia and Hong Kong as at 30 June 2020. The total salaries and related costs granted to employees amounted to approximately RMB23.6 million for the six months ended 30 June 2020. The Group's remuneration policy, bonus and share option scheme determines benefits of employees (including Directors) based on the duties and performance of each individuals. The Group has also participated in the mandatory provident fund retirement benefit scheme in Hong Kong, and the central pension scheme operated by the local municipal government in the PRC. The Group arranges trainings necessary to employees for performing their duties.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "Scheme") for the purpose of providing incentives or rewards to eligible participants who contribute to the Group. Eligible participants of the Scheme include full-time or part-time employee of the Company or any member of the Group, including any executive Director, non-executive Director and independent nonexecutive Director, adviser and consultant of the Group or any subsidiaries of the Company. The Scheme is effective for a period of ten years commencing on 16 January 2020, after which period no further options may be granted but the provisions of the Scheme shall remain in full force and effect in all other respects and options granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 40,000,000 Shares. The maximum number of Shares issuable under the Scheme to each eligible participant in the Scheme within any 12-month period is limited to 1% of the Shares in issue as of the date of grant. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

Share options granted to a Director, chief executive or substantial Shareholder, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial Shareholder or an independent non-executive Director, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to Shareholders' approval in advance in a general meeting.

薪酬政策

本集團於2020年6月30日在中國、澳洲及香港擁有510名僱員。於截至2020年6月30日止六個月，向僱員提供的薪金及相關成本總額約為人民幣23.6百萬元。本集團的薪酬政策、花紅及購股權計劃基於各僱員(包括董事)的職責及表現而釐定其福利。本集團亦於香港參與強制性公積金退休福利計劃，及於中國參與由地方市政府管理的中央退休金計劃。本集團為僱員安排履行職責所需的培訓。

購股權計劃

本公司已採納購股權計劃(「計劃」)，目的為向對本集團有貢獻的合資格參與者給予獎勵或回報。計劃的合資格參與者包括本公司或本集團任何成員公司的全職或兼職僱員，包括本集團或本公司任何附屬公司的任何執行董事、非執行董事及獨立非執行董事、顧問及諮詢人。計劃於2020年1月16日起計十年期間生效，期後概不會進一步授出任何購股權，惟計劃的條文在所有其他方面仍有十足效力及效用，而於計劃期限內授出的購股權可繼續根據其發行條款予以行使。

因行使可根據該計劃授出的未行使購股權而可發行的股份最高數目相當於(在其行使時)40,000,000股股份。於任何十二個月期間根據該計劃而可向該計劃項下各合資格參與者發行股份的最高數目，不得超過於授出日期已發行股份的1%。凡進一步授出超過此限額的購股權，必須於股東大會獲得股東批准。

向董事、主要行政人員或主要股東或彼等任何聯繫人授出購股權，必須獲得獨立非執行董事的事先批准。此外，倘在任何十二個月期間向本公司主要股東或獨立非執行董事或彼等任何聯繫人授出的任何購股權超過本公司於任何時間的已發行股份的0.1%，或總值(按本公司股份於授出日期的價格計算)超過5,000,000港元，則必須經股東於股東大會上事先批准。

Other Information (continued) 其他資料(續)

The offer of a grant of share options may be accepted upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Scheme. Subject to earlier termination by our Company in general meeting or by our Board, the Scheme shall be valid and effective for a period of 10 years from the date of its adoption. There is no minimum period for which an option must be held before it can be exercised.

The subscription price of a Share in respect of any particular option granted under the Scheme shall be such price as our Board in its absolute discretion shall determine, save that such price will not be less than the highest of: (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities; (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Shares trading days immediately preceding the date of grant; and (iii) the nominal value of a Share.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the period from the Listing Date to 30 June 2020.

DIVIDENDS

The Board resolved not to declare any interim dividend for the six months ended 30 June 2020.

授出購股權的要約可於承授人支付合共1港元名義代價後接納。所授購股權的行使期由董事全權酌情釐定，惟概無購股權可於授出後十年後行使。計劃批准日期起十年後不得再授出購股權。除非本公司經由股東大會或經由董事會提前終止，否則計劃自採納日期起十年期間內合法及有效。於購股權可獲行使前並無最短持有購股權的期限。

根據計劃授出任何特定購股權所涉及股份的認購價須由董事會全權酌情釐定，惟該價格應不低於下列最高者：(i) 股份於購股權授出日期(須為聯交所開放進行證券買賣之日)於聯交所每日報價表所示的正式收市價；(ii) 緊接購股權授出日期前五個股份交易日於聯交所每日報價表所示的平均正式收市價；及(iii) 股份的面值。

購買、贖回或出售本公司之上市證券

自上市日期起至2020年6月30日期間，本公司或其附屬公司概無購買、贖回或出售本公司上市證券。

股息

董事會決議不宣派截至2020年6月30日止六個月的任何中期股息。

Interim Condensed Consolidated Statement of Comprehensive Income

中期簡明綜合全面收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
Revenue	收入	7	159,662
Cost of sales	銷售成本	7,8	(115,599)
Gross profit	毛利		44,063
Administrative expenses	行政開支	8	(25,346)
Selling and marketing expenses	銷售及營銷開支	8	(6,698)
Net impairment losses on financial assets	金融資產減值虧損淨額	19,20	(389)
Other income	其他收益	9	3,892
Other losses – net	其他虧損淨額	10	(9,788)
Operating profit	經營溢利		5,734
Finance income	財務收益		263
Finance costs	財務成本		(208)
Finance income/(costs) – net	財務收益/(成本)–淨額	11	55
Profit before income tax	除所得稅前溢利		5,789
Income tax expense	所得稅開支	12	(1,470)
Profit for the period	期內溢利		4,319
Profit attributable to:	以下人士應佔溢利：		
– Owners of the Company	– 本公司擁有人		4,357
– Non-controlling interests	– 非控股權益		(38)

Interim Condensed Consolidated Statement of Comprehensive Income (continued)
 中期簡明綜合全面收益表(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
		<i>Note</i> 附註	
Other comprehensive income	其他全面收益		
<i>Items that may be reclassified subsequently to profit or loss</i>	<i>隨後可重新分類至損益之項目</i>		
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		
		71	(1)
Total other comprehensive income, net of tax	其他全面收益總額 (扣除稅項)		
		71	(1)
Total comprehensive income attributable to:	以下人士應佔之全面收益總額：		
– Owners of the Company	– 本公司擁有人	4,414	7,630
– Non-controlling interests	– 非控股權益	(24)	(25)
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)	本公司擁有人應佔之溢利之每股盈利 (按每股人民幣表示)		
– Basic and diluted	– 基本及攤薄	13	
		1.1 cents 分	2.5 cents 分

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes to the interim condensed consolidated financial statements.

上文中期簡明綜合全面收益表應與簡明綜合中期財務報表附註一併閱讀。

Interim Condensed Consolidated Statement of Financial Position

中期簡明綜合財務狀況表

As at 30 June 2020 於二零二零年六月三十日

			As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Assets	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	47,021	48,278
Right-of-use assets	使用權資產	16	13,847	16,720
Intangible assets	無形資產	15	4,782	3,504
Deferred income tax assets	遞延所得稅資產		3,820	3,043
Total non-current assets	非流動資產總值		69,470	71,545
Current assets	流動資產			
Inventories	存貨	18	49,514	42,671
Trade receivables	貿易應收款項	19	61,016	64,920
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	23,607	27,566
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	21	30,000	-
Cash and cash equivalents	現金及現金等價物	22	138,257	67,843
Total current assets	流動資產總值		302,394	203,000
Total assets	資產總值		371,864	274,545
Equity	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	23	359	-
Share premium	股份溢價	23	270,278	163,681
Other reserves	其他儲備		(34,499)	(34,556)
Retained earnings	保留盈利		73,314	68,957
Non-controlling interests	非控股權益		309,452	198,082
			614	638
Total equity	權益總值		310,066	198,720

Interim Condensed Consolidated Statement of Financial Position (continued)

中期簡明綜合財務狀況表(續)

As at 30 June 2020 於二零二零年六月三十日

			As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
	Note 附註			
Liabilities		負債		
Current liabilities		流動負債		
Trade and other payables		貿易應付款項及其他 應付款項	24 36,815	46,815
Contract liabilities	7	合約負債	2,611	4,054
Current income tax liabilities		即期所得稅負債	662	950
Financial liabilities at fair value through profit or loss	21	按公允價值計入損益之 金融負債	14,404	14,472
Lease liabilities	25	租賃負債	3,973	3,863
Total current liabilities		流動負債總值	58,465	70,154
Non-current liabilities		非流動負債		
Lease liabilities	25	租賃負債	3,333	5,671
Total liabilities		負債總值	61,798	75,825
Total equity and liabilities		權益及負債總值	371,864	274,545

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes to the interim condensed consolidated financial statements.

上文中期簡明綜合財務狀況表應與中期簡明綜合財務報表附註一併閱讀。

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔					Non-	Total	
		Share capital 股本	Share premium 股份溢價	Other reserves 其他儲備	Retained earnings 保留盈利	Subtotal 小計	controlling interests 非控股權益	equity 總權益	
Note 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
(Unaudited)	(未經審核)								
Balance at 1 January 2020	於2020年1月1日的結餘	-	163,681	(34,556)	68,957	198,082	638	198,720	
Comprehensive income	全面收益								
Profit/(loss) for the period	期內溢利/(虧損)	-	-	-	4,357	4,357	(38)	4,319	
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	57	-	57	14	71	
		-	163,681	(34,499)	73,314	202,496	614	203,110	
Transactions with owners in their capacity as owners	與擁有人以其作為擁有人身份進行的交易								
Capitalisation of shares	股份資本化	23(a)	266	(266)	-	-	-	-	
Issuance of shares by share offer, net of expenses related to issuance of shares	就股份發售發行股份(扣除與發行股份有關的開支)	23(b)	93	106,863	-	-	-	106,956	
Balance at 30 June 2020	於2020年6月30日的結餘		359	270,278	(34,499)	73,314	309,452	614	310,066

Interim Condensed Consolidated Statement of Changes in Equity (continued) 中期簡明綜合權益變動表(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔					Non- controlling interests 非控股權益	Total equity 總權益
		Share capital 股本	Share premium 股份溢價	Other reserves 其他儲備	Retained earnings 保留盈利	Subtotal 小計		
Note 附註		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
(Audited) Balance at 1 January 2019	(經審核) 於2019年1月1日的 結餘	-	163,681	(39,513)	46,087	170,255	646	170,901
Comprehensive income	全面收益							
Profit/(loss) for the year	年內溢利/(虧損)	-	-	-	7,631	7,631	(25)	7,606
Exchange differences on translation of foreign operations	換算海外業務之 匯兌差額	-	-	(1)	-	(1)	-	(1)
Balance at 30 June 2019	於2019年6月30日的 結餘	-	163,681	(39,514)	53,718	177,885	621	178,506

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the interim condensed consolidated financial statements.

上文中期簡明綜合股權變動表應與中期簡明綜合財務報表附註一併閱讀。

Interim Condensed Consolidated Statement of Cash Flows

中期簡明綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
	Note 附註		
Cash flows from operating activities	經營活動所得現金流量		
Cash generated used in operations	經營所用現金	(12,142)	(3,078)
Interest received	已收利息	263	32
Income tax paid	已付所得稅	(2,536)	(8,486)
Net cash generated used in operating activities	經營活動所用現金淨額	(14,415)	(11,532)
Cash flows from investing activities	投資活動所得現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(3,782)	(3,610)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	-	28,970
Deemed distribution	視為分派	-	(163,681)
Purchases of intangible assets	購買無形資產	(782)	(70)
Payments for purchase of wealth management products issued by commercial banks	購買商業銀行發行之理財產品之付款	(77,693)	-
Proceeds from disposal of wealth management products issued by commercial banks	出售商業銀行發行之理財產品之所得款項	47,776	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	23	9
Net cash used in investing activities	投資活動所用現金淨額	(34,458)	(138,382)
Cash flows from financing activities	融資活動所得現金流量		
Proceeds from bank borrowings	銀行借貸所得款項	-	20,000
Repayments of bank borrowings	償還銀行借貸	-	(20,000)
Loans from a related party	一名關聯方貸款	-	6,861
Repayments of loans from a related party	償還一名關聯方之貸款	(269)	-
Interest paid	已付利息	(208)	(370)
Capital contribution from the owners of the Company	本公司擁有人出資	-	114,632
Payments for listing expenses	支付上市開支	(1,305)	(1,061)
Principal elements of lease payments	租賃付款本金部分	(1,932)	(583)
Proceeds from share issuance upon listing	上市時發行股份所得款項	119,157	-

Interim Condensed Consolidated Statement of Cash Flows (continued)
 中期簡明綜合現金流量表(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
		<i>Note</i> 附註	
Net cash generated from financing activities	融資活動所得現金淨額		115,443 119,479
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		66,570 (30,435)
Cash and cash equivalents at beginning of the period	於期初現金及現金等價物		67,843 92,611
Effect of foreign exchange rate changes	外匯匯率變動之影響		3,844 157
Cash and cash equivalents at end of the period	於期末現金及現金等價物		138,257 62,333

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes to the interim condensed consolidated financial statements.

上文中期簡明綜合現金流量表應與中期簡明綜合財務報表附註一併閱讀。

Notes to the Interim Condensed Consolidated Financial Statements

中期簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

1 GENERAL INFORMATION

Kwung's Holdings Limited (the "Company") was incorporated in the Cayman Islands on 13 November 2018 as an exempted company with limited liability under the Companies Law (Cap.22, law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "Group") are principally engaged in design and manufacturing of home fragrance related products in the People's Republic of China (the "PRC"), distributing the products to overseas and in the PRC. The ultimate controlling company is King Harmony Limited. The ultimate controlling shareholder of the Group is Mr. Jin Jianxin ("Mr. Jin" or the "Ultimate Controlling Shareholder").

The Company's shares began to list on the Stock Exchange on 16 January 2020.

These interim condensed consolidated financial statements are presented in thousands of Renminbi ("RMB'000"), unless otherwise stated.

These condensed consolidated interim financial statements have been not been audited.

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2020 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2019.

1 一般資料

曠世控股有限公司（「本公司」）於2018年11月13日根據開曼群島公司法（第22章，1961年第3號法例，經綜合及修訂）在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands。

本公司為一家投資控股公司。本公司與其附屬公司（統稱「本集團」）主要於中華人民共和國（「中國」）從事家居香薰相關產品的設計及製造，並於海外及中國分銷產品。最終控股公司為環和有限公司。本集團的最終控股股東為金建新先生（「金先生」或「最終控股股東」）。

本公司股份於2020年1月16日開始於聯交所上市。

除非另有說明，否則該等中期簡明綜合財務報表乃以人民幣千元（「人民幣千元」）呈列。

該等簡明綜合中期財務報表未經審核。

2 編製基準

截至2020年6月30日止六個月中期簡明綜合財務報表已按照香港會計準則第34號《中期財務報告》編製。中期簡明綜合財務資料並不包括年度財務報表規定載入的所有資料和披露信息，故此應與本集團截至2019年12月31日止年度的綜合財務報表一併閱讀。

Notes to the Interim Condensed Consolidated Financial Statements (continued)

中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the newly effective standards, amendments and interpretations that became applicable to the Group first time in the six months ended 30 June 2020, the accounting policies adopted are consistent with those of the Group's consolidated financial statements for the year ended 31 December 2019 as described therein.

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

3.1 New standards, amendments and interpretations of HKFRSs adopted by the Group

- Amendments to HKAS 1 and HKAS 8 – Definition of Material
- Revised Conceptual Framework for Financial Reporting
- Amendments to HKFRS 3 – Definition of a Business
- Amendments to HKFRS 9, HKAS 39 and HKFRS 7 – Interest Rate Benchmark Reform

The adoption of the above new standard, amendments and interpretation starting from 1 January 2020 did not give rise to any significant impact on the Group's results of operations and financial position for the six months ended 30 June 2020.

3.2 New standard and amendments of HKFRSs not yet adopted by the Group

Certain new accounting standard, amendments and interpretation have been published but are not mandatory for the financial year beginning 1 January 2020 and have not been early adopted by the Group. These new accounting standard, amendments and interpretation are not expected to have a material impact on the Group's financial statements when they become effective.

3. 重大會計政策概要

除本集團截至2020年6月30日止六個月首次適用的新生效準則、修訂本及詮釋外，本簡明中期財務報表所採納的會計政策與本集團截至2019年12月31日止年度綜合財務報表所述的相符。

中期所得稅利用適用於預期全年盈利總額之稅率累計。

3.1 本集團採納香港財務報告準則的新訂準則、修訂本及詮釋

- 香港會計準則第1號及香港會計準則第8號(修訂本)－重大的定義
- 財務報告的經修訂概念框架
- 香港財務報告準則第3號(修訂本)－業務的定義
- 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)－利率基礎改革

自2020年1月1日起開始採納上述新訂準則、修訂本及詮釋並無對本集團截至2020年6月30日止六個月的經營業績及財務狀況構成任何重大影響。

3.2 本集團尚未採納的新訂及經修訂香港財務報告準則

若干新訂會計準則、修訂本及詮釋已經刊發但尚未於自2020年1月1日開始的財政年度強制採納且本集團尚未提前採納。該等新訂準則、修訂本及詮釋於生效時預計不會對本集團的財務報表構成重大影響。

4 FINANCIAL RISK MANAGEMENT

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and foreign exchange risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

There have been no changes in the risk policies since 31 December 2019.

4.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total debt less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

As at 30 June 2020 and 31 December 2019, the Group maintained at net cash position.

4 財務風險管理

4.1 財務風險因素

本集團的業務使本集團面對不同財務風險：信貸風險、流動資金風險及外匯風險。本集團的整體風險管理計劃著重金融市場不可預見的情況，並力求盡量降低對本集團財務表現的潛在不利影響。

自2019年12月31日以來，風險政策並無改變。

4.2 資本管理

本集團的資本管理旨在維護本集團持續經營的能力，從而為擁有人提供回報，為其他持份者提供利益，並維持理想的資本架構以降低資本成本。

為了維持或調整資本結構，本集團可能會調整向股東支付的股息金額、發行新股份或出售資產以減少債務。

本集團以資本負債比率為基礎監控其資本。該比率按淨負債除以總資本計算。淨負債按總負債減現金及現金等價物計算。總資本按綜合財務狀況表中所示的「權益」加淨負債計算。

於2020年6月30日及2019年12月31日，本集團均維持淨現金狀態。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

4.3 Fair value estimation

(i) Fair value hierarchy of financial assets and financial liabilities

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements

			Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
(Unaudited)	(未經審核)					
At 30 June 2020	於 2020 年 6 月 30 日					
Financial assets	金融資產					
Wealth management products issued by commercial banks	商業銀行發行的理財產品	20	-	-	30,000	30,000
Financial liabilities	金融負債					
Foreign currency forwards	外幣遠期合約	20	-	14,404	-	14,404
(Audited)	(經審核)					
At 31 December 2019	於 2019 年 12 月 31 日					
Financial liabilities	金融負債					
Foreign currency forwards	外幣遠期合約	20	-	14,472	-	14,472

There were no transfers among level 1, level 2 and level 3 for recurring fair value measurements during the six months ended 30 June 2020 and 2019.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

4 財務風險管理(續)

4.3 公允值估計

(i) 金融資產及金融負債的公允值層級

本節闡述釐定於財務報表中確認及按公允值計量的金融工具公允值所作出的判斷及估計。為得出有關釐定公允值所用輸入數據之可靠性指標，本集團已按會計準則規定將其金融工具分為三個等級。各等級於下表進行闡述。

經常性公允值計量

截至2020年及2019年6月30日止六個月，就經常性公允值計量而言，第一層、第二層以及第三層之間並無轉撥。

本集團的政策是於報告期末確認公允值層級之間的轉入及轉出。

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

4.3 Fair value estimation (continued)

(i) Fair value hierarchy of financial assets and financial liabilities (continued)

Recurring fair value measurements (continued)

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

4 財務風險管理(續)

4.3 公允值估計(續)

(i) 金融資產及金融負債的公允值層級(續)

經常性公允值計量(續)

第一層：於活躍市場買賣的金融工具的公允值根據報告期末的市場報價列賬。本集團持有的金融資產的市場報價為當時買盤價。該等工具列入第一層。

第二層：並非於活躍市場買賣的金融工具(例如場外交易衍生工具)的公允值採用估值技術釐定，估值技術盡量利用可觀察市場數據，盡量少依賴主體的特定估計。如計算一項金融工具的公允值所需的所有重大輸入為可觀察數據，則該工具列入第二層。

第三層：如一項或多項重大輸入並非根據可觀察市場數據，則該工具列入第三層。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

4.3 Fair value estimation (continued)

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for USD:RMB fixed-fixed cross-currency interest rate swap – present value of estimated future cash flows based on observable yield curves
- for foreign currency forwards – based on forward exchange rates at the end of the reporting period
- other techniques, such as discounted cash flow analysis

There were no changes in valuation techniques during the six months ended 30 June 2020 and 2019.

4 財務風險管理(續)

4.3 公允值估計(續)

(ii) 釐定公允值所用估值技術

評估金融工具所用特定估值技術包括：

- 採用類似工具的市場報價或交易商報價
- 就美元兌人民幣固定交叉貨幣利率掉期—根據可觀察收益率曲線之預期未來現金流量現值
- 有關外幣遠期合約—於報告期結算日根據外匯匯率
- 其他技術，例如折現現金流量分析

截至2020年及2019年6月30日止六個月，估值技術並無變動。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Group for the year ended 31 December 2019.

6 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

The Group is principally engaged in the design, manufacture and processing of wax products, metal products, glass products and aromatherapy products. The CODM reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions.

As at 30 June 2020 and 31 December 2019, all of the non-current assets of the Group were located in the PRC.

5 重大會計估計及判斷

編製中期簡明綜合財務報表要求管理層作出判斷、估算及假設，而該等判斷、估算及假設影響會計政策的應用以及資產及負債、收入及開支之呈報金額。實際結果可能有別於該等估算。

編製該等中期簡明綜合財務報表時，管理層在應用本集團會計政策時作出的重大判斷及估算不確定性的關鍵來源與應用於本集團截至2019年12月31日止年度全年綜合財務報表的相同。

6 分部資料

管理層根據由主要經營決策者審閱的報告釐定經營分部。主要經營決策者為本公司的執行董事，負責分配資源及評估經營分部的表現。

本集團主要從事蠟製品、金屬產品、玻璃產品及香薰產品之設計、製造及加工。主要經營決策者將該項業務作為一個經營分部，審閱其經營業績，以就資源如何分配作出決策。因此，主要經營決策者認為僅有一個可作出戰略性決策的分部。

於2020年6月30日及2019年12月31日，本集團的所有非流動資產均位於中國。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

7 REVENUE AND COST OF SALES

Revenue mainly comprises of proceeds from export sales of goods. An analysis of the Group's revenue and cost of sales by product type is as follows:

7 收入及銷售成本

收入主要包括出口銷售貨品所得款項。本集團按產品類型劃分的收入及銷售成本分析如下：

		Six months ended 30 June 截至6月30日止六個月			
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元		2019 2019年 (Audited) (經審核) RMB'000 人民幣千元	
		Revenue 收入	Cost of sales 銷售成本	Revenue 收入	Cost of sales 銷售成本
Revenue from customers:	來自客戶之收入：				
Candles	蠟燭	110,256	(79,288)	139,888	(104,363)
Home fragrance	家居香薰	18,249	(12,676)	35,528	(26,130)
Home accessories	家居飾品	31,157	(23,635)	40,840	(32,174)
		159,662	(115,599)	216,256	(162,667)
Timing of revenue recognition	收入確認時間				
- At a point in time	- 某時點	159,662		216,256	

(a) Contract liabilities

The Group recognised the following revenue-related contract liabilities:

	As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Advanced payments from customers	2,611	4,054

(b) Significant change in contract liabilities

Contract liabilities of the Group mainly arise from the advanced payments made by customers while the underlying goods are yet to be delivered. Such liabilities increased as a result of the growth of the Group's business.

(a) 合約負債

本集團確認下列收入相關的合約負債：

(b) 合約負債的重大變動

本集團的合約負債主要產生自客戶支付的墊付款項，而相關貨品尚未交付。有關負債增加乃由於本集團業務增長所致。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

7 REVENUE AND COST OF SALES (CONTINUED)

(c) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised during the six months ended 30 June 2020 and 2019 related to carried-forward contract liabilities.

<i>Revenue recognised that was included in the contract liabilities balance at the beginning of the year</i>	計入年初合約負債結餘 確認的收入
Advanced payments from customers	來自客戶之墊付款項

(d) Unsatisfied performance obligations

The Group applies the practical expedient and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

(e) Assets recognised from incremental costs to obtain a contract

Contract obtaining costs incurred related to contracts such as sales commissions with an amortisation period of one year or less have been expensed as incurred.

7 收入及銷售成本(續)

(c) 就合約負債確認的收入

下表顯示截至2020年及2019年6月30日止六個月確認有關結轉合約負債的收入：

Six months ended 30 June	
截至6月30日止六個月	
2020	2019
2020年	2019年
(Unaudited)	(Audited)
(未經審核)	(經審核)
RMB'000	RMB'000
人民幣千元	人民幣千元

4,054

2,428

(d) 未履行的履約義務

本集團應用切合實際的權宜之計，而並無披露有關原預計期限一年或以下的餘下履約義務資料。

(e) 自獲得合約的遞增成本確認的資產

就合約產生之取得合約之成本(例如攤銷期一年或以下之銷售佣金)已於產生時列作開支。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

8 EXPENSES BY NATURE

8 按性質劃分的開支

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Raw materials and consumables used	所用原材料及可消耗品	31,830	65,417
Subcontracting costs	分包成本	70,513	83,493
Employee benefit expenses	僱員福利開支	23,568	17,883
Transportation expenses	交通開支	4,123	5,988
Utilities	公用事業開支	1,425	1,602
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備折舊 (附註14)	4,212	1,560
Amortisation of intangible assets (Note 15)	無形資產攤銷(附註15)	304	194
Amortisation and depreciation of right-of-use assets (Note 16)	使用權資產攤銷及折舊 (附註16)	2,004	1,066
Taxes and surcharges	稅項及附加費	801	1,478
Travelling expenses	差旅開支	353	600
Operating lease expenses on short-term leases	短期租賃的運營租賃開支	785	253
Business entertainment expenses	業務招待開支	457	391
Sample inspection and express fees	樣品檢查及快遞費	2,171	1,376
Advertising and promotion expenses	廣告及推廣開支	2,154	309
Statutory audit fees	法定審核費用	-	127
Other service fees	其他服務費	1,184	406
Listing expenses	上市開支	422	7,539
Office expenses	辦公開支	272	290
Insurance expenses	保險開支	76	43
Sales commission	銷售佣金	691	600
Others	其他	298	203
		147,643	190,818

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

9 OTHER INCOME

9 其他收益

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Government grants – relating to financial support	政府補助 – 與財務支持有關	3,892	883

Government grants were mainly unconditional government subsidies received by the Group from relevant government bodies.

政府補助主要為本集團收到相關政府機構之無條件政府補貼。

10 OTHER LOSSES – NET

10 其他虧損 – 淨額

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Losses on disposal of property, plant and equipment – net	出售物業、廠房及設備 虧損 – 淨額	(4)	(33)
Gains on disposal of right-of-use assets – net	出售使用權資產收益 – 淨額	118	–
Net foreign exchange (losses)/gains	外匯(虧損)/收益淨額	(3,639)	1,622
Net realised and unrealised fair value losses on foreign exchange forward contracts	外幣遠期合約之已變現及未變現公允值虧損淨額	(6,263)	(16,950)
Net fair value gains on wealth management products issued by commercial banks	商業銀行發行之理財產品之公允值收益淨額	83	–
Donation expenses	捐款開支	(500)	–
Others	其他	417	(364)
		(9,788)	(15,725)

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

11 FINANCE INCOME/(COSTS) – NET

Finance income	財務收益
Interest income	利息收益
Finance costs	財務成本
Interest expenses	利息開支
Interest expenses on lease liabilities	租賃負債利息開支

11 財務收益／(成本)－淨額

Six months ended 30 June
 截至6月30日止六個月

2020	2019
2020年	2019年
(Unaudited)	(Audited)
(未經審核)	(經審核)
RMB'000	RMB'000
人民幣千元	人民幣千元

	263	32
	-	(250)
	(208)	(120)
	(208)	(370)
	55	(338)

12 INCOME TAX EXPENSE

(a) Cayman Island income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(b) British Virgin Islands income tax

Under the current laws of the British Virgin Islands, entities incorporated in British Virgin Islands are not subject to tax on their income or capital gains.

(c) Hong Kong profits tax

No provision for Hong Kong profits tax was made as the Group did not derive any income subject to Hong Kong profits tax during the six months ended 30 June 2020 and 2019.

12 所得稅開支

(a) 開曼群島所得稅

本公司為根據開曼群島公司法於開曼群島註冊成立的獲豁免有限公司，因此，獲豁免繳納開曼群島所得稅。

(b) 英屬處女群島所得稅

根據英屬處女群島現有法律，於英屬處女群島註冊成立之實體無須就其收益或資本收益繳納稅費。

(c) 香港利得稅

由於本集團於截至2020年及2019年6月30日止六個月並無任何須繳納香港利得稅的收益，故並無就香港利得稅計提撥備。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

12 INCOME TAX EXPENSE (CONTINUED)

(d) PRC corporate income tax

Income tax provision of the Group in respect of operations in Mainland China was calculated at the applicable tax rate on the estimated assessable profits for the year, based on the existing legislation, interpretations and practices in respect thereof. The statutory tax rate was 25% for the six months ended 30 June 2020 and 2019.

Ningbo Kwung's was qualified as a "High and New Technology Enterprise" ("HNTE") since 2008 and renewed its qualification in November 2017. It is subject to a reduced preferential corporate income tax rate of 15% from 2008 to November 2020 according to the applicable tax preference applicable to the HNTE.

According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2018, during the period from 1 January 2018 to 31 December 2020, enterprises engaging in research and development activities are entitled to claim 175% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year ("Super Deduction"), while the deduction rate was 150% before then. The Group made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the the six months ended 30 June 2020 and 2019.

12 所得稅開支(續)

(d) 中國企業所得稅

本集團就中國內地的經營作出的所得稅撥備已根據現行法律、解釋及慣例，以預估年內應課稅溢利適用稅率計算。截至2020年及2019年6月30日止六個月，該等年度的法定稅率為25%。

寧波曠世自2008年以來符合資格作為「高新技術企業」(「高新技術企業」)並於2017年11月更新其資格，且根據適用於高新技術企業之適用稅項優惠，其自2008年至2020年11月期間按15%的下調優惠企業所得稅稅率繳稅。

依據中國國家稅務總局頒佈自2018年起生效的相關法律法規，於2018年1月1日至2020年12月31日期間從事研發活動的企業於該年度釐定應課稅溢利時，有權要求將其產生的研發開支的175%列作可扣減稅項開支(「超額抵扣」)，而抵扣率之前為150%。本集團已就本集團實體可要求的超額抵扣做出其最佳估價，以確定截至2020年及2019年6月30日止六個月的應課稅溢利。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

12 INCOME TAX EXPENSE (CONTINUED)

(d) PRC corporate income tax (Continued)

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	5,789	9,454
Tax calculated at applicable corporate income tax rate of 25%	按適用企業所得稅稅率25%計算的稅項		
Tax effects of:	以下各項稅務影響：	1,447	2,364
– Expenses not deductible for taxation purposes	– 就稅項而言不可扣除的開支	28	40
– Preferential income tax rate applied in Ningbo Kwung's	– 寧波曠世適用的優惠所得稅稅率	(875)	(1,941)
– Super deduction for research and development expenses	– 研發開支之超額抵扣	(726)	(1,058)
– Deductible tax losses and temporary differences not recognised for deferred income tax assets	– 未確認為遞延所得稅資產的可抵扣稅項虧損及暫時性差異	1,596	2,443
Income tax expense	所得稅開支	1,470	1,848

12 所得稅開支(續)

(d) 中國企業所得稅(續)

13 EARNINGS PER SHARE

The basic Basic earnings per share for the six months ended 30 June 2020 is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issued during the period.

13 每股盈利

截至2020年6月30日止六個月每股基本盈利按期內本公司擁有人應佔溢利除以已發行普通股加權平均數計算。

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核)	2019 2019年 (Audited) (經審核)
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利 (人民幣千元)	4,357	7,631
Weighted average number of ordinary shares in issue (expressed in thousand)	已發行普通股的加權平均數 (以千股列示)	395,831	300,000
Basic earnings per share for profit attributable to the owners of the Company (expressed in RMB cents per share)	本公司擁有人應佔溢利的每股基本盈利 (按每股人民幣分表示)	1.1 cents 分	2.5 cents 分

The Company did not have any potential ordinary shares outstanding during the six months ended 30 June 2020 and 2019. Diluted earnings per share is equal to basic earnings per share.

截至2020年及2019年6月30日止六個月，本公司並無任何發行在外的潛在普通股。每股攤薄盈利相等於每股基本盈利。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Transportation Buildings 樓宇	equipment 運輸設備	Electronic equipment 電子設備	Machinery 機械	Furniture 傢具	Leasehold improvements 租賃裝修	Assets under construction 在建資產	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
(Unaudited)	(未經審核)								
As at 1 January 2020	於2020年1月1日								
Cost	成本	27,869	2,753	2,038	11,759	2,018	15,553	4,814	66,804
Accumulated depreciation	累計折舊	(7,003)	(2,394)	(1,349)	(4,116)	(1,188)	(2,476)	-	(18,526)
Net book value	賬面淨值	20,866	359	689	7,643	830	13,077	4,814	48,278
Six months ended 30 June 2020	截至2020年6月30日 止六個月								
Opening net book value	期初賬面淨值	20,866	359	689	7,643	830	13,077	4,814	48,278
Additions	添置	26	6	211	714	3	2,008	814	3,782
Transfers	轉讓	-	-	-	-	-	925	(1,725)	(800)
Disposals	出售	-	-	-	(27)	-	-	-	(27)
Depreciation (Note 8)	折舊(附註8)	(506)	(51)	(91)	(449)	(88)	(3,027)	-	(4,212)
Closing net book value	期末賬面淨值	20,386	314	809	7,881	745	12,983	3,903	47,021
As at 30 June 2020	於2020年6月30日								
Cost	成本	27,895	2,759	2,249	12,197	2,021	18,486	3,903	69,510
Accumulated depreciation	累計折舊	(7,509)	(2,445)	(1,440)	(4,316)	(1,276)	(5,503)	-	(22,489)
Net book value	賬面淨值	20,386	314	809	7,881	745	12,983	3,903	47,021

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED) 14 物業、廠房及設備(續)

		Buildings 樓宇 RMB'000 人民幣千元	Transportation equipment 運輸設備 RMB'000 人民幣千元	Electronic equipment 電子設備 RMB'000 人民幣千元	Machinery 機械 RMB'000 人民幣千元	Furniture 傢具 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Assets under construction 在建資產 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
(Audited)	(經審核)								
As at 1 January 2019	於2019年1月1日								
Cost	成本	19,676	2,753	1,811	10,104	1,453	2,521	8,150	46,468
Accumulated depreciation	累計折舊	(5,999)	(2,115)	(1,305)	(3,397)	(953)	(1,345)	-	(15,114)
Net book value	賬面淨值	13,677	638	506	6,707	500	1,176	8,150	31,354
Six months ended 30 June 2019	截至2019年6月30日 止六個月								
Opening net book value	期初賬面淨值	13,677	638	506	6,707	500	1,176	8,150	31,354
Additions	添置	-	-	134	448	110	671	3,829	5,192
Transfers	轉讓	8,193	-	-	-	329	686	(9,208)	-
Disposals	出售	-	-	-	(42)	-	-	-	(42)
Depreciation (Note 8)	折舊(附註8)	(480)	(142)	(77)	(408)	(63)	(390)	-	(1,560)
Closing net book value	期末賬面淨值	21,390	496	563	6,705	876	2,143	2,771	34,944
At at 30 June 2019	於2019年6月30日								
Cost	成本	27,869	2,753	1,945	10,402	1,892	3,878	2,771	51,510
Accumulated depreciation	累計折舊	(6,479)	(2,257)	(1,382)	(3,697)	(1,016)	(1,735)	-	(16,566)
Net book value	賬面淨值	21,390	496	563	6,705	876	2,143	2,771	34,944

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation of property, plant and equipment was charged to the interim condensed consolidated statement of comprehensive income (Note 8) as follows:

14 物業、廠房及設備(續)

物業、廠房及設備之折舊已計入中期簡明綜合全面收益表(附註8)如下:

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of sales	銷售成本	2,393	589
Administrative expenses	行政開支	1,516	811
Research and development expenses	研發開支	303	160
		4,212	1,560

As at 30 June 2020, assets under construction represented the machinery cost of Ningbo Fenyan.

於2020年6月30日，在建資產指寧波芬緣的機械成本。

As at 31 December 2019, assets under construction represented the machinery cost of Ningbo Kwung's and Ningbo Fenyan.

於2019年12月31日，在建資產指寧波曠世及寧波芬緣的機械成本。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

15 INTANGIBLE ASSETS

15 無形資產

		Patent right 專利權 RMB'000 人民幣千元	Software 軟件 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
(Unaudited)	(未經審核)			
At 1 January 2020	於2020年1月1日			
Cost	成本	998	4,893	5,891
Accumulated amortisation	累計攤銷	(835)	(1,552)	(2,387)
Net book value	賬面淨值	163	3,341	3,504
Six months ended 30 June 2020	截至2020年6月30日止六個月			
Opening net book value	期初賬面淨值	163	3,341	3,504
Additions	添置	–	782	782
Transfer	轉讓	–	800	800
Amortisation (Note 8)	攤銷(附註8)	(14)	(290)	(304)
Closing net book value	期末賬面淨值	149	4,633	4,782
At 30 June 2020	於2020年6月30日			
Cost	成本	998	6,475	7,473
Accumulated amortisation	累計攤銷	(849)	(1,842)	(2,691)
Net book value	賬面淨值	149	4,633	4,782
(Audited)	(經審核)			
At 1 January 2019	於2019年1月1日			
Cost	成本	974	3,519	4,493
Accumulated amortisation	累計攤銷	(766)	(1,202)	(1,968)
Net book value	賬面淨值	208	2,317	2,525
Six months ended 30 June 2019	截至2019年6月30日止六個月			
Opening net book value	期初賬面淨值	208	2,317	2,525
Additions	添置	23	48	71
Amortisation (Note 8)	攤銷(附註8)	(31)	(163)	(194)
Closing net book value	期末賬面淨值	200	2,202	2,402
At 30 June 2019	於2019年6月30日			
Cost	成本	997	3,566	4,564
Accumulated amortisation	累計攤銷	(797)	(1,364)	(2,161)
Net book value	賬面淨值	200	2,202	2,402

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

15 INTANGIBLE ASSETS (CONTINUED)

Amortisation of intangible assets was charged to the interim condensed consolidated statement of comprehensive income (Note 8) as follows:

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Administrative expenses	行政開支	304	194

15 無形資產(續)

無形資產攤銷已於中期簡明綜合全面收益表(附註8)扣除如下:

16 RIGHT-OF-USE ASSETS

		As at	As at
		30 June	31 December
		2020	2019
		於2020年	於2019年
		6月30日	12月31日
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Land use rights	土地使用權	7,634	7,757
Properties	物業	6,213	8,963
		13,847	16,720

16 使用權資產

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

16 RIGHT-OF-USE ASSETS (CONTINUED)

(1) Land use rights

The Group's interests in land use rights represent prepaid operating lease payments for land located in the PRC and the lease term is 50 years. The net book amount of land use rights is analyzed as follows:

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Cost	成本	10,807	(3,173)
Accumulated amortisation	累計攤銷	(3,173)	(2,927)
Net book value	賬面淨值	7,634	7,880
Opening net book value	期初賬面淨值	7,757	8,003
Amortisation charges (Note 8)	攤銷費用(附註8)	(123)	(123)
Closing net book value	期末賬面淨值	7,634	7,880

Amortisation of land use rights was charged to the interim condensed consolidated statement of comprehensive income as follows:

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Administrative expenses	行政開支	123	123

16 使用權資產(續)

(1) 土地使用權

本集團的土地使用權權益指就位於中國的土地的預付經營租賃付款，而租賃期為50年。土地使用權賬面淨值分析如下：

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Cost	成本	10,807	(3,173)
Accumulated amortisation	累計攤銷	(3,173)	(2,927)
Net book value	賬面淨值	7,634	7,880
Opening net book value	期初賬面淨值	7,757	8,003
Amortisation charges (Note 8)	攤銷費用(附註8)	(123)	(123)
Closing net book value	期末賬面淨值	7,634	7,880

土地使用權的攤銷已於中期簡明綜合全面收益表扣除如下：

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
Administrative expenses	行政開支	123	123

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

16 RIGHT-OF-USE ASSETS (CONTINUED)

(2) Properties

The Group leases properties for own use. Information about leases for which the Group is a lessee is presented below:

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost	成本	9,856	6,235
Accumulated depreciation	累計折舊	(3,643)	(1,958)
Net book value	賬面淨值	6,213	4,277
Opening net book value	期初賬面淨值	8,963	5,220
Additions	添置	-	-
Depreciation charge (Note 8)	折舊費用(附註8)	(1,881)	(943)
Disposal	出售	(869)	-
Closing net book value	期末賬面淨值	6,213	4,277

The interim condensed consolidated statement of comprehensive income and the consolidated statement of cash flows contain the following amounts relating to leases:

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Depreciation and amortisation charges of right-of-use assets	使用權資產折舊及攤銷費用	1,881	943
Interest paid	已付利息	208	120
Expenses relating to low value or short-term leases	低值或短期租賃相關開支	785	253
The cash outflows for leases as operating activities	租賃作為經營活動的現金流出	785	253
The cash outflows for leases as financing activities	租賃作為融資活動的現金流出	1,932	582

本集團租賃物業乃供自用。關於本集團作為承租人的租賃資料呈列如下：

中期簡明綜合全面收益表及綜合現金流量表包括以下有關租賃的金額：

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

17 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

17 按類別劃分之金融工具

本集團持有以下金融工具：

			As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
		<i>Note 附註</i>		
Financial assets	金融資產			
Financial assets at amortised cost:	按攤銷成本之金融資產：			
Trade receivables	貿易應收款項	19	61,016	64,920
Other receivables (excluding recoverable value added tax)	其他應收款項(可收回增值稅除外)	20	2,394	2,542
Cash and cash equivalents	現金及現金等價物	22	138,257	67,843
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	21	30,000	-
			231,667	135,305
Financial liabilities	金融負債			
Liabilities at amortised cost:	按攤銷成本之負債：			
Trade and other payables	貿易及其他應付款項	24	31,565	32,170
Lease liabilities	租賃負債	25	7,306	9,534
Financial liabilities at fair value through profit or loss	按公允值計入損益之金融負債	21	14,404	14,472
			53,275	56,176

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

18 INVENTORIES

18 存貨

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Raw materials	原材料	27,905	23,300
Work in progress	半成品	4,119	2,818
Finished goods	製成品	17,520	16,583
Provision for impairment of inventories	存貨減值撥備	(30)	(30)
		49,514	42,671

The cost of inventories recognised as expense and included in "cost of sales" in the interim condensed consolidated statement of comprehensive income amounted to RMB111,586,903 for the six months ended 30 June 2020 (for the six months ended 30 June 2019: RMB154,941,000).

截至2020年6月30日止六個月，被確認為開支並被計入中期簡明綜合全面收益表內「銷售成本」的存貨成本為人民幣111,586,903元（截至2019年6月30日止六個月：人民幣154,941,000元）。

19 TRADE RECEIVABLES

19 貿易應收款項

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Trade receivables due from third parties	應收第三方之貿易應收款項	62,335	65,877
Less: Allowance for impairment of trade receivables	減：貿易應收款項減值撥備	(1,319)	(957)
Trade receivables – net	貿易應收款項－淨額	61,016	64,920

Trade receivables all arise from sales of goods.

貿易應收款項由貨品銷售產生。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

19 TRADE RECEIVABLES (CONTINUED)

As at 30 June 2020 and 31 December 2019, the gross carrying amounts of trade receivables before provision were denominated in the following currencies:

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
US\$	美元	60,968	63,915
RMB	人民幣	1,367	1,962
		62,335	65,877

As at 30 June 2020 and 31 December 2019, the ageing analysis of the trade receivables based on invoice date was as follows:

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Within 30 days	30日內	37,181	37,034
Over 30 days and within 180 days	超過30日至180日內	21,791	26,799
Over 180 days and within one year	超過180日至1年內	2,577	1,296
Over one year and within two years	超過1年至2年內	528	708
Over two years and within three years	超過2年至3年內	218	-
Over three years	超過3年	40	40
		62,335	65,877

As at 30 June 2020 and 31 December 2019, the fair value of trade receivables approximated their carrying amounts. Sales of products are received in accordance with the terms of the relevant sales agreements, and due for payment upon the issuance of invoice.

19 貿易應收款項(續)

於2020年6月30日及2019年12月31日，於撥備前貿易應收款項之總賬面值按以下貨幣計值：

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
US\$	美元	60,968	63,915
RMB	人民幣	1,367	1,962
		62,335	65,877

於2020年6月30日及2019年12月31日，基於發票日期的貿易應收款項的賬齡分析如下：

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Within 30 days	30日內	37,181	37,034
Over 30 days and within 180 days	超過30日至180日內	21,791	26,799
Over 180 days and within one year	超過180日至1年內	2,577	1,296
Over one year and within two years	超過1年至2年內	528	708
Over two years and within three years	超過2年至3年內	218	-
Over three years	超過3年	40	40
		62,335	65,877

於2020年6月30日及2019年12月31日，貿易應收款項公允值與其賬面值相近。產品銷售根據相關銷售協議條款收取，並於出具發票後到期支付。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

19 TRADE RECEIVABLES (CONTINUED)

The Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the factors such as GDP of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed. As at 30 June 2020 and 31 December 2019, the Group did not hold any collateral as security over these debtors.

19 貿易應收款項(續)

本集團應用香港財務報告準則第9號許可的簡化方法，其要求自資產初步確認後確認預期存續期間虧損。預期虧損率乃基於36個月期間之銷售付款組合及該期間內經歷之相應歷史信貸虧損。歷史虧損率乃經調整以反映有關影響客戶結清應收款項之能力的宏觀經濟因素之當前及前瞻性資料。本集團已識別該等因素，例如其出售貨品所在國家之國內生產總值為最大相關因素，因此，根據該等因素基於預期變動調整歷史虧損率。於各報告日期，已觀察之歷史違約率已更新且前瞻性估值之變動已進行分析。於2020年6月30日及2019年12月31日，本集團並無持有任何抵押品作為該等應收款項之抵押。

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 30 days	30日內	0.08%	0.11%
Over 30 days and within 180 days	超過30日至180日內	0.17%	0.22%
Over 180 days and within one year	超過180日至1年內	22.77%	28.31%
Over one year and within two years	超過1年至2年內	77.47%	83.60%
Over two years	超過2年	100.0%	100.0%

Movements in the provision for impairment of trade receivables are as follows:

貿易應收款項減值撥備變動如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of the period	於期初	(957)	(453)
Provision for impairment	減值撥備	(362)	(693)
At the end of the period	於期末	(1,319)	(1,146)

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

20 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

20 預付款項、按金及其他應收款項

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Prepayments	預付款項		
– Advances to suppliers	– 向供應商墊款	15,708	10,266
– Listing expenses	– 上市開支	–	6,966
– Prepaid income tax	– 預付所得稅	6	416
– Prepaid value-added tax	– 預付增值稅	2,270	4,199
Subtotal	小計	17,984	21,847
Other receivables	其他應收款項		
– Deposits	– 按金	663	513
– Advances to employees	– 向僱員墊款	615	650
– Recoverable value-added tax	– 可收回之增值稅	3,465	3,386
– Amounts due from related parties (Note 27(c))	– 應收關聯方款項 (附註27(c))	50	468
– Others	– 其他	1,066	911
Subtotal	小計	5,859	5,928
Total	總計	23,843	27,775
Less: allowance for impairment of other receivables	減：其他應收款項減值撥備	(236)	(209)
		23,607	27,566

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

20 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Movements in the provision for impairment of other receivables are as follows:

		Six months ended 30 June 截至6月30日止六個月	
		2020 2020年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 2019年 (Audited) (經審核) RMB'000 人民幣千元
At the beginning of the period	於期初	(209)	(51)
Provision for impairment	減值撥備	(27)	(111)
At the end of the period	於期末	(236)	(162)

21 FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Wealth management products issued by commercial banks (Note a)	商業銀行發行的理財產品 (附註a)	30,000	-

Note a: For the six months ended 30 June 2020, the financial instruments measured at fair value through profit or loss are wealth management products issued by commercial banks, denominated in RMB, with expected rate of return of 1.3% to 4.3% per annum. The return on these wealth management products is not guaranteed, hence the contractual cash flow does not qualify for solely payments of principal and interest. Therefore they are measured at fair value through profit or loss.

20 預付款項、按金及其他應收款項

其他應收款項減值撥備的變動如下：

21 按公允值計入損益之金融資產／負債

金融資產

附註a：截至2020年6月30日止六個月，按公允值計入損益之金融工具為商業銀行發行的理財產品，以人民幣計值，預期回報率每年介乎1.3%至4.3%。該等理財產品的回報率並非保證回報率，故此合約現金流量並不合資格純粹支付本金及利息。因此，該等產品按公允值計入損益計算。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

21 FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Financial liabilities

Foreign currency forwards (Note b)	外匯遠期合約(附註b)
- Current	- 即期

Note b: The Group entered into a number of foreign currency forward agreements with commercial banks for the sale of US\$39,200,000 on a future date within the six months ended 30 June 2020, with the forward exchange rates ranged from 6.686 to 6.842; and for the sale of US\$59,100,000 on a future date within 1 year at 31 December 2019, with the forward exchange rates ranged from 6.671 to 6.841.

For information about the methods used in determining fair value, please refer to Note 3.3.

21 按公允值計入損益之金融資產／負債(續)

金融負債

As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
--	--

14,404

14,472

附註b: 本集團與商業銀行訂立若干外匯遠期合約, 以截至2020年6月30日止六個月內的未來日期出售39,200,000美元, 匯率介乎6.686至6.842; 以及於2019年12月31日起計一年內的未來日期出售59,100,000美元, 匯率介乎6.671至6.841。

有關用於釐定公允值之方法之資料, 請參閱附註3.3。

22 CASH AND CASH EQUIVALENTS

Cash on hand	手頭現金
Cash in banks	銀行現金
Cash in other financial institutions	於其他金融機構的現金

Cash in other financial institutions was related to online sales and classified as cash and cash equivalents.

22 現金及現金等價物

As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
--	--

21

30

137,443

67,118

793

695

138,257

67,843

於其他金融機構的現金與網上銷售相關, 並分類為現金及現金等價物。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

22 CASH AND CASH EQUIVALENTS (CONTINUED)

The carrying amounts of cash and cash equivalents were denominated in the following currencies:

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
RMB	人民幣	81,724	42,785
US\$	美元	9,133	24,840
HK\$	港元	47,400	-
EUR	歐元	-	218
		138,257	67,843

All cash at bank are deposits with original maturity within 3 months. The Group earns interest on cash at bank at floating bank deposit rates ranged from 0.30% to 1.94% during the six months ended 30 June 2020 and the year ended 31 December 2019.

22 現金及現金等價物(續)

現金及現金等價物的賬面值以下列貨幣計值：

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
RMB	人民幣	81,724	42,785
US\$	美元	9,133	24,840
HK\$	港元	47,400	-
EUR	歐元	-	218
		138,257	67,843

所有銀行現金均為原屆滿期限為3個月內之存款。本集團截至2020年6月30日止六個月及截至2019年12月31日止年度按銀行浮動存款率0.30%至1.94%賺取銀行現金利息。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

23 SHARE CAPITAL AND SHARE PREMIUM

On 13 November 2018, the Company was incorporated in the Cayman Islands. At the date of incorporation, the authorised share capital was HK\$ 380,000 at par value of HK\$0.001.

Ordinary shares issued and fully paid:

		Number of ordinary shares 普通股 數目	Share capital 股本 HK\$ 港元	Equivalent nominal value of share capital 股本票面 價值等值 RMB 人民幣	Share premium 股份溢價 RMB'000 人民幣千元
(Unaudited)	(未經審核)				
At 1 January 2020	於2020年1月1日	70,000	70	61	163,681
Shares issued pursuant to Capitalisation Shares (note a)	根據股份資本化發行 股份(附註a)	299,930,000	299,930	265,615	(266)
New shares issued pursuant to the share offer (note b)	根據股份發售發行新 股份(附註b)	105,042,000	105,042	93,091	106,863
At 30 June 2020	於2020年6月30日	405,042,000	405,042	358,767	270,278

Notes:

- a. Pursuant to the proposed offering of the Company's shares, on 16 January 2020, the Company issued additional 299,930,000 shares, credited as fully paid, to the existing shareholders of the Company, by way of capitalisation of HK\$299,930 (approximately RMB266,000) standing to the credit of the Company's share premium account.
- b. On 16 January 2020, the shares of the Company were listed on the Stock Exchange. In connection with the listing, 100,000,000 shares of HK\$0.001 each were issued at the offer price of HK\$1.28 with gross proceeds of HK\$128,000,000 (approximately RMB113,356,000). In the current financial period, approximately RMB89,000 was credited to the share capital account and approximately RMB101,065,000 net of expenses related to issuance of shares of approximately RMB12,202,000 was credited to the share premium account.

On 5 February 2020, 5,042,000 over-allotment shares were issued and allotted by the Company at HK\$1.28 with proceeds of HK\$6,454,000 (approximately RMB5,801,000). In the current financial period, approximately RMB5,000 was credited to the share capital account and approximately RMB 5,797,000 was credited to the share premium account.

23 股本及股份溢價

本公司已於2018年11月13日在開曼群島註冊成立。於註冊成立日期，法定股本為380,000港元，每股面值0.001港元。

已發行及繳足普通股：

		Number of ordinary shares 普通股 數目	Share capital 股本 HK\$ 港元	Equivalent nominal value of share capital 股本票面 價值等值 RMB 人民幣	Share premium 股份溢價 RMB'000 人民幣千元
(Unaudited)	(未經審核)				
At 1 January 2020	於2020年1月1日	70,000	70	61	163,681
Shares issued pursuant to Capitalisation Shares (note a)	根據股份資本化發行 股份(附註a)	299,930,000	299,930	265,615	(266)
New shares issued pursuant to the share offer (note b)	根據股份發售發行新 股份(附註b)	105,042,000	105,042	93,091	106,863
At 30 June 2020	於2020年6月30日	405,042,000	405,042	358,767	270,278

附註：

- a. 根據本公司於2020年1月16日建議發售其股份，本公司將本公司股份溢價賬的進賬額299,930港元(約人民幣266,000元)撥充資本，額外向本公司現有股東發行299,930,000股入賬列作繳足的股份。
- b. 於2020年1月16日，本公司股份於聯交所上市。就上市而言，本公司以發售價每股1.28港元發行100,000,000股每股面值0.001港元的股份，所得款項總額為128,000,000港元(約人民幣113,356,000元)。於本財政期間，約人民幣89,000元撥入股本賬，而約人民幣101,065,000元(扣除與股份發行有關的開支約人民幣12,202,000元後)撥入股份溢價賬。

於2020年2月5日，本公司以1.28港元發行及配發5,042,000股超額配發股份，所得款項為6,454,000港元(約人民幣5,801,000元)。於本財政期間，約人民幣5,000元撥入股本賬，而約人民幣5,797,000元則撥入股份溢價賬。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

24 TRADE AND OTHER PAYABLES

24 貿易及其他應付款項

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Trade payables due to third parties	應付第三方之貿易應付款項	24,122	19,452
– related parties (Note 27(c))	– 關聯方(附註27(c))	191	–
– third parties	– 第三方	23,931	19,452
Other payables due to	應付以下人士之其他應付款項	7,443	12,719
– related parties (Note 27(c))	– 關聯方(附註27(c))	668	269
– third parties	– 第三方	6,775	12,450
Staff salaries and welfare payables	應付職員薪資及福利	4,506	13,546
Accrued taxes other than income tax	應計稅項(所得稅除外)	744	1,098
		36,815	46,815

- (a) As at 30 June 2020 and 31 December 2019, all trade and other payables of the Group were non-interest bearing.
- (a) 於2020年6月30日及2019年12月31日，本集團所有貿易及其他應付款項為免息。
- (b) During the six months ended 30 June 2020 and the year ended 31 December 2019, the majority of the Group's trade and other payables were denominated in RMB.
- (b) 截至2020年6月30日止六個月及截至2019年12月31日止年度，本集團大部分貿易及其他應付款項均按人民幣計值。
- (c) Ageing analysis of trade payables to third parties and related parties based on invoice date at the end of the respective reporting periods was as follows:
- (c) 於各報告期末根據發票日期應付第三方及關聯方之貿易應付款項賬齡分析如下：

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Within one year	1年以內	23,123	18,453
Over one year and within two years	超過1年至2年內	155	311
Over two years	超過2年	844	688
		24,122	19,452

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

25 LEASE LIABILITIES

25 租賃負債

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Minimum lease payments due	到期最低租賃付款		
– Within 1 year	– 於1年內	4,217	4,232
– Between 1 and 2 years	– 1至2年	2,379	3,764
– Between 2 and 5 years	– 2至5年	1,073	2,146
		7,669	10,142
Less: Future finance charges	減：未來融資費用	(363)	(608)
Present value of lease liabilities	租賃負債現值	7,306	9,534
– Within 1 year	– 於1年內	3,973	3,863
– Between 1 and 2 years	– 1至2年	2,275	3,580
– Between 2 and 5 years	– 2至5年	1,058	2,091
Present value of lease liabilities	租賃負債現值	7,306	9,534

The Group leases offices and warehouses and these lease liabilities were measured at net present value of the lease payments to be paid during the lease terms. Certain of the lease liabilities were payable to related parties (Note 27(c)).

本集團租賃辦公室及倉庫，而該等租賃負債按將於租期內支付的租賃付款淨現值計量。若干租賃負債應付予關聯方(附註27(c))。

Lease liabilities were discounted at incremental borrowing rate. The weighted average lessee's incremental borrowing rate applied to the lease liabilities was 4.75%.

租賃負債按增額借款利率折現。應用於租賃負債的加權平均承租人的增額借款利率為4.75%。

For the total cash outflows for leases including payments of lease liabilities and payments of interest expenses on leases are disclosed in Note 16.

包括租賃負債付款及租賃利息開支付款的租賃總現金流出於附註16披露。

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

26 COMMITMENTS

(a) Operating lease commitments – as lessee

The Group leases certain warehouse and factory workshop under non-cancellable operating lease agreements within 1 year contract periods. Majority of the lease agreements are signed with related parties at market price.

The future aggregate minimum lease payments under these short-term non-cancellable operating leases are as follows:

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Within one year	1年以內	1,628	546

(b) Capital commitments

Significant capital expenditure contracted for as at 30 June 2020 and 31 December 2019 but not recognised as liabilities is as follows:

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	1,445	2,979

26 承諾事項

(a) 經營租賃承諾 – 作為承租人

本集團根據不可撤銷經營租約租用若干倉庫及工廠車間，合約期為一年內。大多數租約乃與關聯方按市價簽署。

該等短期不可撤銷經營租約的未來最低租賃付款總額如下：

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Within one year	1年以內	1,628	546

(b) 資本承諾

於2020年6月30日及2019年12月31日已訂約但未確認為負債的重大資本開支如下：

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	1,445	2,979

Notes to the Interim Condensed Consolidated Financial Statements (continued) 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

27 RELATED PARTY TRANSACTIONS

(a) Names and relationships with related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the six months ended 30 June 2020 and 2019, and balances arising from related party transactions as at 30 June 2020 and 31 December 2019.

Name of related parties

關聯方名稱

Mr. Jin Jianxin
金建新先生

Ningbo Kwung's Investment Holdings Company Limited

寧波曠世投資控股有限公司

Shaoxing Shi Jingming Cultural Development Co., Limited

紹興市景明文化發展有限公司

Ningbo Internet Trading Cultural Development Co., Limited

寧波曠世網貿園文化發展有限公司

Ningbo Jingyuan Cultural Development Company Limited

寧波璟元文化發展有限公司

27 關聯方交易

(a) 關聯方名稱及與關聯方的關係

如一方有能力直接或間接控制另一方或對另一方在作出財務和經營決策方面有重大影響力，則各方被認為是關聯的。如彼等受共同控制限制，則各方亦被認為是關聯的。

以下為截至2020年及2019年6月30日止六個月本集團與其關聯方於一般業務過程中進行的重大交易概要，以及於2020年6月30日及2019年12月31日的關聯方交易產生的結餘。

Nature of relationship

關係性質

Ultimate Controlling Shareholder
最終控股股東

Entity controlled by Ultimate Controlling Shareholder
最終控股股東控制之實體

Entity controlled by Ultimate Controlling Shareholder
最終控股股東控制之實體

Entity controlled by Ultimate Controlling Shareholder
最終控股股東控制之實體

Entity controlled by Ultimate Controlling Shareholder
最終控股股東控制之實體

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

27 RELATED PARTY TRANSACTIONS (CONTINUED)

27 關聯方交易(續)

(b) Transactions with related parties

(b) 關聯方交易

		Six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<i>Loan borrowed from a relate party</i>	一名關聯方借出之貸款		
- Mr. Jin Jianxin	一金建新先生	-	6,681
<i>Repayment of loans borrowed from a related party</i>	償還向一名關聯方借入的貸款		
- Mr. Jin Jianxin	一金建新先生	269	-
<i>Payment on behalf of a related party</i>	代表一名關聯方的付款		
- Ningbo Internet Trading Cultural Development Co., Limited	一寧波曠世網貿園文化發展有限公司	472	-
<i>Repayment from a related party</i>	關聯方還款		
- Ningbo Internet Trading Cultural Development Co., Limited	一寧波曠世網貿園文化發展有限公司	890	-
<i>Expenses paid by a related party on behalf of the Group</i>	一關聯方代本集團墊付之款項		
- Shaoxing Shi Jingming Cultural Development Co., Ltd.	一紹興市景明文化發展有限公司	191	-
<i>Rental fee charged by related parties</i>	關聯方收取租賃費用		
- Ningbo Kwung's Investment Holdings Company Limited	一寧波曠世投資控股有限公司	311	311
- Shaoxing Shi Jingming Cultural Development Co., Ltd.	一紹興市景明文化發展有限公司	668	668
- Ningbo Jingyuan Cultural Development Company Limited	一寧波璟元文化發展有限公司	492	-
		1,471	979

Notes to the Interim Condensed Consolidated Financial Statements (continued)
 中期簡明綜合財務報表附註(續)

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

27 RELATED PARTY TRANSACTIONS (CONTINUED)

27 關聯方交易(續)

(c) Balances with related parties

(c) 與關聯方的結餘

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
<i>Amounts due from related parties</i>	應收關聯方款項		
<i>Non-trade:</i>	非貿易：		
- Ningbo Jingyuan Cultural Development Company Limited	- 寧波環元文化發展有限公司	697	-
- Ningbo Internet Trading Cultural Development Co., Limited	- 寧波曠世網貿園文化發展有限公司	-	418
- Shaoxing Shi Jingming Cultural Development Co., Ltd.	- 紹興市景明文化發展有限公司	50	50
		747	468

The amounts due from related parties are unsecured, interest-free, repayable on demand.

應收關聯方款項為無抵押、免息及應要求償還。

		As at 30 June 2020 於2020年 6月30日 (Unaudited) (未經審核) RMB'000 人民幣千元	As at 31 December 2019 於2019年 12月31日 (Audited) (經審核) RMB'000 人民幣千元
<i>Amounts due to related parties</i>	應付關聯方款項		
<i>Lease liabilities:</i>	租賃負債：		
- Shaoxing Shi Jingming Cultural Development Co., Ltd.	- 紹興市景明文化發展有限公司	2,257	2,244
- Ningbo Kwung's Investment Holdings Company Limited	- 寧波曠世投資控股有限公司	-	1,302
- Ningbo Jingyuan Cultural Development Company Limited	- 寧波環元文化發展有限公司	5,049	-
		7,306	3,546
<i>Non-trade:</i>	非貿易：		
- Mr. Jin Jianxin	- 金建新先生	-	269
- Shaoxing Shi Jingming Cultural Development Co., Ltd.	- 紹興市景明文化發展有限公司	859	-
		859	269
		8,165	3,815



曠世控股有限公司
KWUNG'S HOLDINGS LIMITED

香港九龍尖沙咀梳士巴利道3號星光行6樓629A室
Unit 629A, 6th Floor, Star House, No. 3 Salisbury Road,
Tsim Sha Tsui, Kowloon, Hong Kong

電話 TEL: +852 3110 1839
網址 URL: <http://www.kwungs.com>