



CHINA ENVIRONMENTAL TECHNOLOGY AND BIOENERGY HOLDINGS LIMITED 中科生物控股有限公司

(formerly known as Merry Garden Holdings Limited 美麗家園控股有限公司)
(前稱 Merry Garden Holdings Limited 美麗家園控股有限公司)

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

Stock Code 股份代號: 1237



2016

INTERIM REPORT
中期報告



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Corporate Information

公司資料

CORPORATE PROFILE

China Environmental Technology and Bioenergy Holdings Limited (the "Company") is a specialist in wood processing technology. Holding over 100 registered patents, the Company has a leading position in the innovation of wood modification and eco-friendly technology. Via advanced wood processing technology, the Company provides one-stop services on home building materials, leisure furniture and tourism facilities to customers in over 35 countries and regions. The Company also supply clean energy such as biomass fuel to the market through its innovative eco-friendly technology. The customer base of the Company covers large home improvement chain stores, tourism industry developers, builders and end consumers.

BOARD OF DIRECTORS

Executive Directors

Ms. Xie Qingmei (*Chairman*)

Mr. Wu Zheyang (*Chief Executive Officer*)

Non-executive Director

Mr. Wu Dongping

Independent Non-executive Directors

Mr. Lam Hin Chi

Prof. Jin Zhongwei

Prof. Su Wenqiang

AUDIT COMMITTEE

Mr. Lam Hin Chi (*chairman*)

Prof. Su Wenqiang

Prof. Jin Zhongwei

RISK MANAGEMENT COMMITTEE

Mr. Lam Hin Chi (*chairman*)

Prof. Su Wenqiang

Prof. Jin Zhongwei

REMUNERATION COMMITTEE

Prof. Jin Zhongwei (*chairman*)

Prof. Su Wenqiang

Mr. Lam Hin Chi

公司簡介

中科生物控股有限公司(「本公司」)是木材科技的專家，在木材改性及環保科技之科研創新方面領先行業，並擁有超過100項註冊專利。本公司透過尖端木材處理技術，為全球超過35個國家及地區之客戶提供一站式家居建材、休閒傢俱及旅遊設施服務。本公司同時亦透過創新之環保技術，為市場提供生物質燃料等潔淨能源。本公司的客戶群涵蓋大型家居連鎖店、旅遊產業發展商、建築商以及終端消費者等。

董事會

執行董事

謝清美女士 (*主席*)

吳哲彥先生 (*行政總裁*)

非執行董事

吳冬平先生

獨立非執行董事

藍顯賜先生

金重為教授

蘇文強教授

審計委員會

藍顯賜先生 (*主席*)

蘇文強教授

金重為教授

風險管理委員會

藍顯賜先生 (*主席*)

蘇文強教授

金重為教授

薪酬委員會

金重為教授 (*主席*)

蘇文強教授

藍顯賜先生

Corporate Information (Continued)

公司資料(續)

NOMINATION COMMITTEE

Prof. Jin Zhongwei (*chairman*)

Prof. Su Wenqiang

Mr. Lam Hin Chi

提名委員會

金重為教授(主席)

蘇文強教授

藍顯賜先生

COMPANY SECRETARY

Mr. Yu Hok Sum, *CPA ACIS ACS*

公司秘書

余學深先生, *CPA ACIS ACS*

AUTHORISED REPRESENTATIVES

Mr. Wu Zheyang

Mr. Yu Hok Sum

授權代表

吳哲彥先生

余學深先生

AUDITORS

KPMG

Certified Public Accountants

核數師

畢馬威會計師事務所

執業會計師

LEGAL ADVISOR

Eversheds

法律顧問

安睿國際律師事務所

PRINCIPAL BANKERS

Agricultural Bank of China, Zhangping Branch

China Construction Bank, Zhangping Branch

Bank of China, Zhangping Branch

主要往來銀行

中國農業銀行漳平支行

中國建設銀行漳平支行

中國銀行漳平支行

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1610

The Metropolis Tower

10 Metropolis Drive

Hunghom

Hong Kong

香港主要營業地點

香港

紅磡

都會道10號

都會大廈

1610室

HEAD OFFICE IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

Fushan Industrial District,

Zhangping, Fujian, the PRC

中華人民共和國(「中國」)總部

中國福建省漳平市

富山工業區

Corporate Information (Continued)

公司資料(續)

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

WEBSITE

www.merrygardenholdings.com

STOCK CODE

1237

開曼群島主要股份過戶登記處

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
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

網站

www.merrygardenholdings.com

股份代號

1237

Financial Summary

財務概要

(in RMB'000 unless otherwise stated)
(除另有指示外，以人民幣千元列示)

Profitability data and ratios	盈利數據及比率	Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
Revenue	收入	205,900	339,265
Timber houses and their related parts and structures	木屋及其相關部件及構件	129,949	204,945
Leisure household products	休閒傢俱產品		
Outdoor and indoor furniture	室內外傢俱產品	18,107	38,839
Recreational products	遊戲類產品	8,062	22,514
Landscape garden products	園藝類產品	19,763	12,039
Pet-home designs	寵物屋產品	6,502	4,050
Trading of timber	木材貿易	14,347	42,237
Renewable energy products	再生能源產品	9,170	14,641
Gross profit	毛利	23,623	93,384
Gross profit margin	毛利率	11.5%	27.5%
Net profit	淨溢利	(4,175)	62,294
Net profit margin	淨溢利率	-2.0%	18.4%
Earnings per share (RMB)	每股盈利(人民幣)	(0.0016)	0.05

Financial position data and ratios	財務狀況數據及比率	At 30 June		At 31 December	
		2016		2015	
		於二零一六年	於二零一五年	於二零一六年	於二零一五年
		六月三十日	十二月三十一日		
Non-current assets	非流動資產	693,804	663,519		
Current assets	流動資產	968,268	961,148		
Current liabilities	流動負債	415,947	377,544		
Non-current liabilities	非流動負債	109,084	111,613		
Equity attributable to equity shareholders	權益股東應佔資本	1,137,041	1,135,510		
Current ratio (Note 1)	流動比率(附註1)	2.3:1	2.5:1		
Quick ratio (Note 2)	速動比率(附註2)	1.5:1	1.7:1		
Inventory turnover days (Note 3) (days)	存貨周轉天數(附註3)(天)	343	224		
Trade receivables turnover days (Note 4) (days)	貿易應收款項周轉天數(附註4)(天)	117	96		
Turnover days on prepayment for raw materials (Note 5) (days)	原材料預付款周轉天數(附註5)(天)	102	55		
Total borrowings to total assets (Note 6)	借貸總額與總資產比率(附註6)	27.6%	25.5%		
Net borrowings to total equity (Note 7)	借貸淨額與權益比率(附註7)	10.2%	7.2%		

Financial Summary (Continued)

財務概要 (續)

(in RMB'000 unless otherwise stated)
(除另有指示外，以人民幣千元列示)

Operational data	營運數據	Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
Staff costs	員工成本	18,718	18,645
Capital expenditures	資本開支	26,465	108,327
Research and development costs	研發成本	10,757	8,912
Effect tax rate (Note 8)	實際稅率 (附註8)	-27.5%	20.2%

Notes:

附註：

- Current ratio is the ratio of current assets to current liabilities.
 - Quick ratio is calculated by dividing current assets (excluding inventories) by current liabilities.
 - Inventory turnover days is calculated by dividing average inventories by cost of inventories and multiplying the resulting value by 183 days for the six months ended 30 June 2016 and 365 days for the year ended 31 December 2015.
 - Trade receivables turnover days is calculated by dividing average trade receivables (excluding VAT) by turnover and multiplying the resulting value by 183 days for the six months ended 30 June 2016 and 365 days for the year ended 31 December 2015.
 - Turnover days on prepayment for raw materials is calculated by dividing average prepayment for raw materials by cost of inventories (excluding staff costs, depreciation and research and development costs) and multiplying the resulting value by 183 days for the six months ended 30 June 2016 and 365 days for the year ended 31 December 2015.
 - Total borrowings to total assets is calculated by dividing the total of bank loans and interest-bearing borrowings by total assets.
 - Net borrowings to total equity is calculated by dividing the total of bank loans and interest-bearing borrowings, less cash and cash equivalents and pledged deposits by total equity.
 - Effective tax rate is calculated as income tax divided by profit before taxation.
- 流動比率為流動資產對流動負債的比率。
 - 速動比率按流動資產(不包括存貨)除以流動負債計算。
 - 截至二零一五年十二月三十一日止年度及截至二零一六年六月三十日止六個月的存貨周轉天數按平均存貨除以存貨成本再分別乘以365天及183天計算。
 - 截至二零一五年十二月三十一日止年度及截至二零一六年六月三十日止六個月的貿易應收款項周轉天數按平均貿易應收賬款(不包括增值稅)除以營業額再分別乘以365天及183天計算。
 - 截至二零一五年十二月三十一日止年度及截至二零一六年六月三十日止六個月的原材料預付款周轉天數按平均原材料預付款除以存貨成本(不包括員工成本、折舊及研發成本)再分別乘以365天及183天計算。
 - 借貸總額與總資產比率按銀行借款及計息借貸總額除以總資產計算。
 - 借貸淨額與總權益比率按銀行貸款及計息借貸總額，扣除現金及現金等價物及已抵押存款，除以總權益計算。
 - 實際稅率是以所得稅除以除稅前溢利計算。

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board ("the Board") of directors ("the Directors") of the Company, I am pleased to present you the results of the Company and its subsidiaries ("the Group") for the six months period ended 30 June 2016 (the "Period").

FINANCIAL PERFORMANCE

During the Period, revenue of the Group amounted to RMB205.9 million, represented a 39% decrease as compared with the six months period ended 30 June 2015. Loss attributable to shareholders during the Period amounted to RMB4.2 million, which was a result of the macro-economic downturn and an increase in operating expenses of the Group especially the soaring processing and production cost. The Board recommended not to declare any dividend for the Period.

BUSINESS PERFORMANCE

The world shows a diverse but challenging economic picture during the Period. The United States of America ("the US") and Europe has maintained continuous growth in the property market and the economy. As for China, confronting the downward pressure on its economy, slow down in market demand resulting the trading of timber and sales in the PRC significant decrease. During the Period, the Group's revenue from the Europe market has maintained a steady growth of 52% to RMB23.4 million attributed to the solid sales of the timber houses structures products in the Europe, while the revenue from the Chinese and the US market has plunged 80.0% and 13.0% to RMB31.8 million and RMB132.6 million respectively attributed to the decrease in the sales of the Group's leisure household products in China and North America as a result of the macro-economic downturn environment, as well as the increasing operating expenses. During the Period, the Group successfully develop new business in Australia. The revenue from the Australia market is RMB 6.2 million.

On 2 June 2016, the Company changed the English name of the Company from "Merry Garden Holdings Limited" to "China Environmental Technology and Bioenergy Holdings Limited" and the Chinese name of the Company from "美麗家園控股有限公司" to "中科生物控股有限公司". In consideration of the best interests of the Company and the Shareholders as a whole, the Company believes that the change of company name will better reflect the Group's business development, its leading technology in the industry and its dedication to the expansion of the environmentally friendly and renewable bioenergy field.

各位股東：

本人謹代表本公司董事(「董事」)會(「董事會」)，欣然向各股東提呈本公司及其附屬公司(「本集團」)截至二零一六年六月三十日止六個月(「本期間」)的業績。

財務表現

於本期間，本集團的收入為人民幣205.9百萬元，較截至二零一五年六月三十日止六個月下降39%。本期間股東應佔虧損為人民幣4.2百萬元，乃由於宏觀經濟放緩及本集團的經營開支增加，尤其是加工生產成本急漲所致。董事會建議不就本期間宣派任何股息。

業務表現

本期間各國經濟表現不一，但經濟狀況仍面臨挑戰。美利堅合眾國(「美國」)及歐洲房地產市場及經濟持續增長。就中國而言，其經濟面臨下行壓力，市場需求放緩影響本公司木材貿易大幅減少和國內銷售下降。本期間，受惠於歐洲木屋構件產品的強勁銷售，本集團歐洲市場的收入穩定增長52%至人民幣23.4百萬元，而由於受宏觀經濟環境不佳以及經營開支增加所拖累，本集團於中國及北美的休閒傢俱產品銷售出現下降，導致中國及美國市場的收入分別下降80.0%及13.0%至人民幣31.8百萬元及人民幣132.6百萬元。於本期間，本集團成功在澳洲發展業務，澳洲市場收入為人民幣6.2百萬元。

於二零一六年六月二日，本公司將其英文名稱由「Merry Garden Holdings Limited」更改為「China Environmental Technology and Bioenergy Holdings Limited」以及將本公司的中文名稱由「美麗家園控股有限公司」更改為「中科生物控股有限公司」。經考慮本公司及股東的整體最佳利益，本公司相信更改公司名稱將可更好地反映本集團之業務發展、其行業領先技術及其在環保及可再生生物能源領域的擴張努力。

Chairman's Statement (Continued)

主席報告(續)

As "Merry Garden" is still the major trade name in the Group, the Group keeps the logo and website address unchanged.

PROSPECTS

During 2015, the US Federal Reserve has raised interest rates for the first time in almost a decade. It is expected that the economy and the property market in the US will show steady growth in 2016. The China's economy stabilized after reaching the bottom, hoping that demand will gradually recover in China and greater demand for the Group's products in the Asia-Pacific region, the Group will endeavor to capture all opportunities presented by the emerging markets.

During the Period, the Group successfully developed new business in sales of wood in new geographical areas such as Australia and Korea. This could help the Company to develop a more diversified customer base. The Group will continue to seek for new business opportunity.

Meanwhile, standing on the well establishment of the Group's self-owned "Merry Garden" brand and the impeccable strategy for the Group in development renewable energy products, the Group looks forward to making further breakthroughs and expanding our market shares internationally.

The development during the Period has provided a solid foundation for the Group's further growth in the coming years.

APPRECIATION

On behalf of the Board, I would like to extend my sincere thanks for the support and trust from our shareholders and business partners. I would also like to thank our employees for your efforts and contributions to the Group over the Period.

Xie Qingmei

Chairman

由於「美麗家園」仍然是本集團的主要商標名稱，故本集團的標誌和網址保持不變。

展望

於二零一五年，美聯儲近十年來首次加息。預期二零一六年美國的經濟及房地產市場將穩定增長。隨着中國經濟觸底企穩，未來市場需求將有望逐步復甦，加上亞太區對本集團產品的需求加大，本集團將盡力把握該等新興市場的所有機會。

於本期間，本集團成功在新的地域發展木材銷售之新業務，如澳洲及韓國。這會助推本公司實現客戶群更加多元化。本集團將繼續物色新的商機。

同時，憑藉本集團成熟的自有品牌「美麗家園」以及本集團發展可再生能源產品的完美策略，本集團預期將可在進一步擴大全球市場份額方面獲得突破。

本期間的發展為本集團未來幾年的增長提供了穩固基礎。

致謝

本人謹此代表董事會衷心感謝一直以來支持及信任本集團的每一位股東及業務夥伴，同時亦感謝每一位員工於本期間為本集團付出的辛勞及貢獻。

謝清美

主席

Management Discussion and Analysis

管理層討論與分析

RESULTS OF OPERATION

The Group has recorded a downturn for the Period with its revenue decreased by 39.3% to RMB205.9 million as compared to the corresponding period of the previous year ("2015 1H") (2015 1H: RMB339.3 million). The Group also recorded a turn from profit to RMB4.2 million loss (2015 1H: RMB62.3 million profit).

SEGMENT REVIEW

During the Period, the performance of our business segments is as follows:

經營業績

於本期間，本集團錄得業績下滑。收入較去年同期（「二零一五年上半年」）下降39.3%至人民幣205.9百萬元（二零一五年上半年：人民幣339.3百萬元）。本集團亦轉盈為虧，錄得人民幣4.2百萬元虧損（二零一五年上半年：人民幣62.3百萬元溢利）。

分部回顧

於本期間，我們各經營分部之表現如下：

		Segment revenue derived from external customers 源自外部客戶之 分部收入		Change 變動	% to total segment revenue derived from external customers 佔源自外部客戶之 總分部收益百分比		Reportable segment (loss)/profit 可呈報分部 (虧損)/溢利	
		Six months ended 30 June 截至六月三十日止六個月			Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	%	2016 二零一六年 %	2015 二零一五年 %	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Manufacturing and sales of wooden products	生產及銷售木製品	193,507	314,697	-38.5%	94.0%	92.8%	(7,528)	44,486
Retail business	零售業務	3,223	9,727	-66.9%	1.6%	2.9%	(1,438)	212
Projects of outdoor wooden products	戶外木製品項目	-	200	-100.0%	0.0%	0.1%	(98)	(60)
Manufacturing and sales of renewable energy products	生產及銷售 再生能源產品	9,170	14,641	-37.4%	4.4%	4.2%	15	5,784
		205,900	339,265	-39.3%	100.0%	100.0%	(9,049)	50,422

During the Period, the Group continued to consolidate its core business into the following segments: manufacturing and sales of wooden products, retail business and projects of outdoor wooden products. The Group's relatively new business in the manufacturing and sales of renewable energy products has successfully continued its operation for the third year since its commencement in 2014. The revenue derived from each of the four business segments during the Period were RMB193,507,000, RMB3,223,000, Nil and RMB9,170,000 (2015 1H: RMB314,697,000, RMB9,727,000, RMB200,000 and RMB14,641,000, representing 94.0%, 1.6%, 0.0% and 4.4% of the total revenue derived (2015 1H: 92.8%, 2.9%, 0.1% and 4.2%) respectively.

本期間，本集團繼續將其核心業務整合為以下分部：即生產及銷售木製品、零售業務以及戶外木製品項目。本集團於生產及銷售再生能源產品方面的相對較新業務自二零一四年開始營運以來順利持續其營運三年。本期間，四個業務分部各自產生的收入分別為人民幣193,507,000元、人民幣3,223,000元、零及人民幣9,170,000元（二零一五年上半年：人民幣314,697,000元、人民幣9,727,000元、人民幣200,000元及人民幣14,641,000元），分別佔所源自總收入94.0%、1.6%、0.0%及4.4%。（二零一五年上半年：92.8%、2.9%、0.1%及4.2%）。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Manufacturing and sales of wooden products remains the Group's largest business. The revenue derived from such business decreased by 38.5% which was attributable to the slowdown of growth in the emerging economies and increased competition in the domestic and overseas timber house and structure markets. Also, a drop in selling price of the products met by an increase in processing and production cost to improve product competitiveness caused by stiff competition, which led to a significant decrease in the gross profit margin and turn from profit to a loss of RMB7.5 million (2015 1H: RMB44.5 million profit). However, in light of the recent recovery of the economies of US and Europe, the Group will monitor the performance of each market and hope to stabilize the overall revenue of the Company.

The Group's self-owned brand is engaged in the retail of leisure household products. Since its establishment in 2010, its sales network has grown to cover major cities in more than 10 provinces in the PRC with over 60 self-operated stores and distribution outlets. The Group aims to improve the operation by improving its cost control.

As mentioned above, the Group has continued its renewable energy business for a third successful year. This aspect of the business involves the recycling of residue, such as leftover sawdust from the production of our wooden products, into biomass pellet fuel. The biomass pellet fuel and its production process, are fully compliant with the national development directions on new energies in the PRC.

The Group's renewable energy business recorded a decrease in revenue by 37.4% to RMB9.1 million and a decrease in profit by 99.7% to RMB15,000 (2015 1H: revenue of RMB14.6 million and profit of RMB5.8 million) during the Period. It is expected that this business will generate further revenue to the Group in the future.

生產及銷售木製品仍然是本集團的最大業務。受新興經濟體增長放緩加上國內外木屋構件市場競爭加劇，使得收入減少38.5%。此外，產品售價下跌但激烈競爭導致產生額外加工生產成本以提高產品競爭力，毛利率大幅下跌及轉盈為虧至人民幣7.5百萬元（二零一五年上半年：人民幣44.5百萬元溢利）。然而，由於近期歐美經濟復甦，本集團將會監察各個市場的表現，有望使本公司整體收入保持穩定。

本集團自有品牌涉及零售休閒傢俱用品。自二零一零年成立以來，其銷售網絡已覆蓋超過十個中國主要省份的主要城市，並設有60多個自營及分銷網點。本集團致力加強成本控制以改善經營狀況。

如上所述，本集團再生能源業務已順利連續經營3年。該業務涉及回收木製品生產過程中產生的廢屑，然後將其轉化為生物質顆粒燃料。有關生物質顆粒燃料及其生產工藝完全符合中國新能源的國家發展方針。

本期間本集團再生能源業務錄得收入減少37.4%至人民幣9.1百萬元及溢利進一步減少99.7%至人民幣1.5萬元（二零一五年上半年：收入人民幣14.6百萬元及溢利人民幣5.8百萬元）。預期日後該業務會為本集團創造更多的收入。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

MARKET REVIEW

During the Period, the distribution of revenue from our global markets is as follows:

市場回顧

於本期間，我們來自全球市場之收入分佈如下：

		Revenue		% to total revenue	
		收入		佔總收入百分比	
		Six months ended 30 June		Six months ended 30 June	
		截至六月三十日止六個月		截至六月三十日止六個月	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		RMB'000	RMB'000	%	%
		人民幣千元	人民幣千元	%	%
The PRC	中國	31,763	158,935	16%	47%
North America	北美洲	132,634	152,377	64%	45%
Europe	歐洲	23,387	15,385	11%	5%
Asia Pacific (Exclusive of the PRC)	亞太區 (不包括中國)	11,893	12,568	6%	3%
Australia	澳洲	6,223	-	3%	0%
		205,900	339,265	100%	100%

The Group has strategically positioned itself “to align with the trend of Chinese tourism and leisure market and to capitalize on the recovery of the property markets of the US and Europe. The Group’s aim is to take advantage of opportunities within the market and to develop the Group’s business at a faster pace whilst complying with all relevant laws, rules and regulations.

During the Period, revenue from the PRC market decreased by 80% to RMB31.7 million (2015 1H: RMB158.9 million), contributing 16% (2015 1H: 47%) to the total revenue of the Group. The decrease in revenue was mainly attributable to the economic slowdown in the PRC, timber sales and products sales decreased significantly as a result. In 2016, the growth of the PRC’s investments in fixed assets was further decelerated. Although interest rates were lowered in the PRC, the finance costs remained relatively high. The Group expects that the PRC economy will continue to fluctuate in the rest of 2016 and it will continue to strengthen its business portfolio in order to maintain its competitiveness in the PRC market.

本集團以「緊扣中國休閒旅遊市場的趨勢，把握歐美房產市場復甦」為策略定位，旨在於遵守所有相關法律、規則及法規的同時利用市場機遇快速發展本集團業務。

本期間，中國市場收入減少80%至人民幣31.7百萬元(二零一五年上半年：人民幣158.9百萬元)，佔本集團總收入的16%(二零一五年上半年：47%)。收入減少乃主要受中國經濟放緩所影響，造成木材貿易和產品銷售大幅減少。二零一六年中國固定資產投資增速進一步放緩。雖然中國的利率有所下調，惟融資成本仍相對高企。本集團預期二零一六年餘下的期間中國經濟會持續波動及其會繼續加強其業務組合，以保持在中國市場的競爭力。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

According to the US Department of Commerce, the new housing increased by approximately 8% to 6.9 million units in the first six month period of 2016. Nevertheless, the growth of the US economy in June 2016 was 1.2%. Due to the stable economy in the US and the decline in the PRC market, the North America became the largest market of the Group. Although the revenue from the North America market declined by 13.0% to RMB132.6 million (2015 1H: RMB152.4 million), the revenue contributes 64% (2015 1H: 45%) to the Group's total revenue. The Group expects that, with the further recovery of the US economy, the Group will be able to capture further opportunities and business so as to help stabilize the Group's total revenue.

During the Period, the Group's revenue from the European market increased by 52% to RMB23.4 million (2015 1H: RMB15.4 million). Germany was the largest market of the Group in Europe. The number of residential building approvals in Germany rose by 8.4% to 309,000 in 2015, the highest in 15 years. The Group expects to capture further opportunities and business as a result of the acceleration in construction of new housing this year.

During the Period, the Group successfully developed new business in sales of wood in new geographical areas such as Australia and Korea. This could help the Company to develop a more diversified customer base. The Group will continue to seek for new business opportunity.

據美國商務部公佈，二零一六年前六個月新屋增長約8%至690萬戶。然而，美國二零一六年六月經濟增速為1.2%。由於美國經濟維持平穩及中國市場下滑，北美成為本集團最大的市場。儘管源自北美市場的收入下降13.0%至人民幣132.6百萬元(二零一五年上半年：人民幣152.4百萬元)，但收入佔本集團總收入的64%(二零一五年上半年：45%)。本集團預計，隨著美國經濟進一步復甦，本集團將能獲得其他機會與業務，進而有助穩定本集團的總收入。

本期間，本集團歐洲市場收入增加52%至人民幣23.4百萬元(二零一五年上半年：人民幣15.4百萬元)。德國是本集團在歐洲的最大市場。二零一五年德國的住宅建築許可數量增長8.4%至309,000，創十五年新高。由於本年新屋建設加快，本集團預計將獲得其他機會與業務。

本期間，本集團成功在新地域發展木材銷售之新業務，如澳洲及韓國。這會助推本公司實現客戶群更加多元化。本集團將繼續物色全新商機。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

FINANCIAL REVIEW

Revenue and gross profit margin by product category

財務回顧

收入及毛利率(按產品分類劃分)

	Revenue		Change	% to total revenue		Gross margin		
	收入			佔總收入百分比		毛利率		
	Six months ended			Six months ended		Six months ended		
	30 June			30 June		30 June		
	截至六月三十日止六個月			截至六月三十日止六個月		截至六月三十日止六個月		
	2016	2015		2016	2015	2016	2015	
	二零一六年	二零一五年	變動	二零一六年	二零一五年	二零一六年	二零一五年	
	RMB'000	RMB'000	%	%	%	%	%	
	人民幣千元	人民幣千元	%	%	%	%	%	
Timber houses and their related parts and structures	木屋及其相關部件及構件	129,949	204,945	-36.6%	63.1%	60.4%	7.9%	27.9%
Leisure household products	休閒傢俱產品							
Outdoor and indoor furnitures	室內外傢俱產品	18,107	38,839	-53.4%	8.8%	11.4%	11.7%	33.8%
Recreational products	遊戲類產品	8,062	22,514	-64.2%	3.9%	6.6%	1.8%	26.1%
Landscape garden products	園藝類產品	19,763	12,039	64.2%	9.6%	3.6%	13.4%	32.7%
Pet-home designs	寵物屋產品	6,502	4,050	60.5%	3.2%	1.2%	18.6%	41.1%
Trading of timber	木材貿易	14,347	42,237	-66.0%	7.0%	12.5%	16.1%	7.8%
Renewable energy products	再生能源產品	9,170	14,641	-37.4%	4.4%	4.3%	53.5%	56.1%
Total	總計	205,900	339,265	-39.3%	100.0%	100.0%	11.5%	27.5%

The sales of timber houses, related parts and structures remained the largest product category income stream of the Group during the Period. Revenue from such products decreased by 36.6% to RMB 129.9 million (2015 1H: RMB204.9 million), representing 63.1% (2015 1H: 60.4%) of total sales for the Period. Fluctuations in exchange rates, however, required the Group to adjust its product pricing in order to maintain market competitiveness and stability. Additional processing and production costs incurred caused the overall gross profit margin on the sale of such products drop to 7.9% (2015 1H: 27.9%).

During the Period, there was an overall decrease in trade within the timber market which provides an explanation to the decrease in revenue by the Group. Despite the uncertain and slowly recovering global economy, the Group intends to balance the growth with stability in the foreseeable future.

本期間，木屋、相關部件及構件銷售仍是本集團最大產品類別的收入來源。有關產品收入下跌36.6%至人民幣129.9百萬元(二零一五年上半年：人民幣204.9百萬元)，佔本期間銷售總額的63.1%(二零一五年上半年：60.4%)。然而，由於匯率波動，本集團須調整產品定價以保持市場競爭力及維持穩定。所產生的額外加工生產成本導致有關產品銷售的整體毛利率下降至7.9%(二零一五年上半年：27.9%)。

本期間，木材市場整體貿易量的減少為本集團收入錄得下跌提供了解釋。儘管存在不明朗因素及全球經濟復甦緩慢，本集團擬於可見將來兼顧穩定與增長，平衡發展。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Other revenue

Other revenue decreased to RMB16.8 million for the Period from RMB22.9 million for 2015 1H as a result of the government subsidies received during the Period as a recognition of the reduction of the Group's operations.

Other net gain

The Group recorded other net gain of RMB0.9 million for the Period (2015 1H: RMB5.8 million), which was primarily a result of the changes in fair value of derivative financial instruments during the Period.

Selling and distribution expenses

Our selling and distribution expenses reached RMB11.5 million (2015 1H: RMB10.7 million). The increase was primarily due to inflation.

Administrative expenses

Our administrative expenses decreased to RMB27.4 million (2015 1H: RMB27.8 million), which was a result of the improvement in cost control.

Finance costs

Our finance costs increased to RMB5.7 million during the Period (2015 1H: RMB5.6 million), which was mainly due to the increase in bank borrowings.

Income tax

Our income tax decreased to RMB0.9 million (2015 1H: RMB15.7 million), primarily due to a decrease in profit before taxation during the Period.

(Loss)/profit for the Period

As a result of the foregoing factors, profit for the Period recorded a turn from profit to RMB4.2 million loss (2015 1H: RMB62.3 million profit). Loss before taxation amounted to RMB3.3 million loss (2015 1H: RMB78.0 million profit).

其他收入

其他收入由二零一五年上半年的人民幣22.9百萬元減少至本期間的人民幣16.8百萬元，此乃由於本期間確認本集團經營規模減少而獲得政府補貼所致。

其他收益淨額

本集團於本期間錄得其他收益淨額人民幣0.9百萬元(二零一五年上半年：人民幣5.8百萬元)，主要由於本期間之衍生金融工具公平值變動所致。

銷售及分銷開支

銷售及分銷開支達到人民幣11.5百萬元(二零一五年上半年：人民幣10.7百萬元)。該增加主要由於通脹所致。

行政開支

由於加強成本控制，我們的行政費用減少至人民幣27.4百萬元(二零一五年上半年：人民幣27.8百萬元)。

融資成本

我們的融資成本於本期間增加至人民幣5.7百萬元(二零一五年上半年：人民幣5.6百萬元)，主要由於銀行借款增加所致。

所得稅

我們的所得稅減少至人民幣0.9百萬元(二零一五年上半年：人民幣15.7百萬元)，主要是由於本期間的除稅前溢利減少所致。

期內(虧損)/溢利

基於上述因素，本期間的溢利轉盈為虧，虧損人民幣4.2百萬元(二零一五年上半年：溢利人民幣62.3百萬元)。稅前虧損為虧損人民幣3.3百萬元(二零一五年上半年：溢利人民幣78.0百萬元)。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Liquidity and capital resources

The Group principally meets its working capital and other liquidity requirements through operating cash flows and proceeds from bank borrowings. As at 30 June 2016, the Group had current assets of RMB968.3 million (31 December 2015: RMB961.1 million), of which bank deposits and cash (including pledged deposits) were RMB343.2 million (31 December 2015: RMB332.2 million). To better manage our funds, the Group's cash is generally deposited with banks and denominated mostly in RMB and USD. As at 30 June 2016, the total available banking facilities of the Group amounted to RMB554.3 million (31 December 2015: RMB652.9 million), banking facilities utilised as at 30 June 2016 were RMB442.2 million (31 December 2015: RMB396.9 million) and these bank borrowings were denominated in RMB, EURO and USD.

As at 30 June 2016, the ratio of total borrowings to total assets and net borrowings to total equity of the Group were 27.6% and 10.2% respectively (31 December 2015: 25.5% and 7.2% respectively), current ratio and quick ratio were 2.3 and 1.5 respectively (31 December 2015: 2.5:1 and 1.7:1 respectively).

Pledge of assets

As at 30 June 2016, the Group pledged its plant and machinery, lease prepayments and buildings held for own use and accounts receivable with net book value of RMB217.0 million (31 December 2015: RMB213.1 million) and deposits with banks of RMB165.9 million (31 December 2015: RMB135.3 million) mainly for the purpose of securing bank loans and financial derivative contracts issued by banks to the Group.

Capital expenditure

During the Period, the Group's total expenditure in respect of property, plant and equipment, lease prepayments and non-current prepayments for acquisitions of property, plant and equipment amounted to RMB26.5 million (2015 1H: RMB108.3 million).

Contingent liabilities

There were no significant contingent liabilities for the Group as at 30 June 2016.

流動資金及資本來源

本集團主要透過營運現金流量及銀行貸款的所得款項滿足營運資金及其他資金需求。於二零一六年六月三十日，本集團擁有流動資產人民幣968.3百萬元(二零一五年十二月三十一日：人民幣961.1百萬元)，其中銀行存款及現金(包括已抵押存款)為人民幣343.2百萬元(二零一五年十二月三十一日：人民幣332.2百萬元)。為更有管理制資金，本集團的現金一般存置於銀行並大部分以人民幣及美元計值。於二零一六年六月三十日，本集團的可動用銀行融資總額為人民幣554.3百萬元(二零一五年十二月三十一日：人民幣652.9百萬元)，於二零一六年六月三十日已動用的銀行融資額為人民幣442.2百萬元(二零一五年十二月三十一日：人民幣396.9百萬元)，該等銀行借款以人民幣、歐元及美元計值。

於二零一六年六月三十日，本集團的借貸總額與總資產比率及借貸淨額與總權益比率分別為27.6%及10.2%(二零一五年十二月三十一日：分別為25.5%及7.2%)。流動比率及速動比率分別為2.3及1.5(二零一五年十二月三十一日：分別為2.5:1及1.7:1)。

資產抵押

於二零一六年六月三十日，本集團已抵押賬面淨值人民幣217.0百萬元(二零一五年十二月三十一日：人民幣213.1百萬元)的廠房及機器、租賃預付款、持作自用樓宇及應收賬款以及人民幣165.9百萬元(二零一五年十二月三十一日：人民幣135.3百萬元)的銀行存款，主要用於取得銀行向本集團發出之銀行貸款及金融衍生工具合約。

資本開支

於本期間，本集團有關物業、廠房及設備、租賃預付款項的總開支及有關收購物業、廠房及設備的非即期預付款為人民幣26.5百萬元(二零一五年上半年：人民幣108.3百萬元)。

或然負債

於二零一六年六月三十日，本集團概無任何重大或然負債。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Significant investment, material acquisitions and disposals of subsidiaries, future plans for material investments or acquisition of capital assets

There was no significant investment, material acquisition and disposal of subsidiaries by the Company. The Group currently has no plan to make any substantial investment in or acquisition of capital assets, but will continue to seek out potential investment or acquisition opportunities according to the Group's development needs.

Foreign currency risks

The Group's sales are mainly denominated in USD and RMB while our cost of sales and operating costs are mainly denominated in RMB. Therefore, the Group's profit margin would be affected if RMB appreciates against USD as the Group may not be able to reflect the appreciation in selling prices to overseas customers that were determined in USD. In response to this, the Group manages the fluctuations in the exchange rate of RMB against USD by entering into foreign currency forward contracts denominated in USD and RMB with banks when sales contracts were entered with overseas customers. As at 30 June 2016, the Group has net outstanding USD denominated forward foreign currency contracts of USD48.6 million (31 December 2015: USD51.9 million). All the contracts are to be settled within one year.

With the increasing level of our overseas purchases, the Group also manages the foreign exchange risks by matching the cash inflow from our export sales denominated in USD with the cash outflow from our import of timber denominated in USD.

重大投資、重大收購及出售附屬公司、重大投資或收購資本資產的未來計劃

本公司並無重大投資、重大收購及出售附屬公司。本集團現時並無計劃作出任何重大投資或收購資本資產，但會按本集團發展需要，繼續物色潛在投資或收購機會。

貨幣風險

本集團的銷售主要以美元及人民幣計值，而銷售成本及經營開支則主要以人民幣計值。由於本集團可能無法在向海外客戶銷售時，將人民幣兌美元的升值反映於以美元釐定的售價中，故如人民幣升值，毛利率將受影響。為此，本集團在與海外客戶訂立銷售合約同時透過與銀行訂立以美元及人民幣計值的遠期外幣合約以管理人民幣兌美元的匯率波動。於二零一六年六月三十日，本集團有淨值48.6百萬美元（二零一五年十二月三十一日：51.9百萬美元）以美元計值的未結算遠期外幣合約。所有合約將於一年內結算。

隨著本集團的海外採購增加，本集團亦透過以美元計值的出口銷售現金流入配合以美元計值的木材進口現金流出管理外匯風險。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Use of net proceeds from the global offering, placing, subscription and open offer

The shares of the Company were listed on the Main Board of the Stock Exchange on 6 July 2012. Net proceeds from the global offering were approximately HK\$144.3 million (after deducting the underwriting commission and relevant expenses).

On 26 June 2014, the Company issued 200,000,000 new ordinary shares of HK\$0.01 each at HK\$0.80 per share by way of placing (the “June 2014 Placement”). On 7 October 2014, the Company issued 165,000,000 new ordinary shares of HK\$0.01 each at HK\$0.93 per share by way of placing (the “October 2014 Placement”). On 5 August 2015, the Company issued 272,600,000 new ordinary shares of HK\$0.01 each at HK\$0.55 per share by way of placing (the “August 2015 Subscription”). On 21 December 2015, the Company issued 857,945,000 new ordinary shares of HK\$0.01 each at HK\$0.20 per share by way of Open Offer (the “December 2015 Open Offer”). The net proceeds from the issue of new shares under the June 2014 Placement, October 2014 Placement, August 2015 Subscription, December 2015 Open Offer after deducting related transaction costs, were HK\$155.0 million, HK\$148.0 million, HK\$149.7 million, HK\$170.0 million respectively.

全球發售、配售、認購事項及公開發售所得款項淨額的用途

本公司的股份於二零一二年七月六日在聯交所主板上市。全球發售的所得款項淨額(經扣除包銷佣金及相關開支後)約為144.3百萬港元。

於二零一四年六月二十六日，本公司透過配售方式按每股0.80港元發行200,000,000股每股面值0.01港元的新普通股(「二零一四年六月配售」)。於二零一四年十月七日，本公司透過配售方式按每股0.93港元發行165,000,000股每股面值0.01港元的新普通股(「二零一四年十月配售」)。於二零一五年八月五日，本公司透過配售方式按每股0.55港元發行272,600,000股每股面值0.01港元的新普通股(「二零一五年八月認購事項」)。於二零一五年十二月二十一日，本公司透過公開發售方式按每股0.20港元發行857,945,000股每股面值0.01港元的新普通股(「二零一五年十二月公開發售」)。經扣除相關交易費用後，根據自二零一四年六月配售、二零一四年十月配售、二零一五年八月認購事項、二零一五年十二月公開發售發行新股份的所得款項淨額分別為155.0百萬港元、148.0百萬港元、149.7百萬港元、170.0百萬港元。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

As at 30 June 2016, all the unutilised proceeds were deposited in licensed banks in Hong Kong and the PRC. A breakdown of the use of net proceeds is set forth in the table below:

於二零一六年六月三十日，所有未動用所得款項已存置於香港及中國的持牌銀行。動用所得款項淨額之明細列載於下表：

			The financing of the acquisition of automated production machinery and equipment	Establishing new production facilities	Establishing own-brand self-operated store network	Merger and acquisition of small to medium sized companies, other timber processing plants, and/or other resources	Own-brand promotion and other marketing events	Increasing and enhancing our research and development activities	General working capital	Total
	購置自動化生產機器及設備的融資	HK\$' million	百萬元	建立新生產設施	建立自有品牌的自營店網絡	併購中小型公司、其他木材加工廠及/或其他資源	宣傳自有品牌及其他市場推廣活動	加強及提升本公司的研發活動	一般營運資金	總額
	HK\$' million	百萬元	百萬元	HK\$' million	百萬元	HK\$' million	百萬元	HK\$' million	百萬元	百萬元
From global offering 來自全球發售										
Amount of net proceeds	所得款項淨額	N/A 不適用	41.8	39.8	27.9	11.1	9.8	13.9	144.3	
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	29.0%	27.6%	19.3%	7.7%	6.8%	9.6%	100.0%	
Utilised amount as at 30 June 2016	於二零一六年六月三十日已動用金額	N/A 不適用	41.8	39.8	1.1	11.1	9.8	13.9	117.5	
Unutilised amount as at 30 June 2016	於二零一六年六月三十日未動用金額	N/A 不適用	-	-	26.8	-	-	-	26.8	
From June 2014 Placement 來自二零一四年六月配售										
Amount of net proceeds	所得款項淨額	N/A 不適用	125.0	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	30.0	155.0	
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	80.6%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	19.4%	100.0%	
Utilised amount as at 30 June 2016	於二零一六年六月三十日已動用金額	N/A 不適用	125.0	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	30.0	155.0	
Unutilised amount as at 30 June 2016	於二零一六年六月三十日未動用金額	N/A 不適用	-	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	-	-	
From October 2014 Placement 來自二零一四年十月配售										
Amount of net proceeds	所得款項淨額	N/A 不適用	73.0	N/A 不適用	50.0	N/A 不適用	N/A 不適用	25.0	148.0	
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	49.3%	N/A 不適用	33.8%	N/A 不適用	N/A 不適用	16.9%	100.0%	
Utilised amount as at 30 June 2016	於二零一六年六月三十日已動用金額	N/A 不適用	73.0	N/A 不適用	27.3	N/A 不適用	N/A 不適用	25	125.3	
Unutilised amount as at 30 June 2016	於二零一六年六月三十日未動用金額	N/A 不適用	-	N/A 不適用	22.7	N/A 不適用	N/A 不適用	-	22.7	
From August 2015 Subscription 來自二零一五年八月認購事項										
Amount of net proceeds	所得款項淨額	N/A 不適用	74.9	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	74.8	149.7	
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	50.0%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	50.0%	100%	
Utilised amount as at 30 June 2016	於二零一六年六月三十日已動用金額	N/A 不適用	74.9	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	74.8	149.7	
Unutilised amount as at 30 June 2016	於二零一六年六月三十日未動用金額	N/A 不適用	-	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	-	-	
From December 2015 Open Offer 來自二零一五年十二月公開發售										
Amount of net proceeds	所得款項淨額	119	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	17	34.0	170	
Percentage to total net proceeds	佔所得款項總淨額百分比	70.0%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	10.0%	20.0%	100%	
Utilised amount as at 30 June 2016	於二零一六年六月三十日已動用金額	46.3	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	17	34	97.3	
Unutilised amount as at 30 June 2016	於二零一六年六月三十日未動用金額	72.7	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	-	-	72.7	

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Human resources

As at 30 June 2016, we employed a total of 618 (30 June 2015: 668) full time employees mainly in the PRC and Hong Kong including management staff, product designers, technicians, salespersons and workers. The Group's total expenses on the remuneration of employees for the Period were RMB18.7 million (2015 1H: RMB18.6 million). The Group has been consistently increasing production process automation, strengthening the training of staff with an emphasis on high-technique processing with a mission on the continuous development and enhancing of competitiveness. The Group offered highly competitive salary package, as well as discretionary bonuses and contribution to social insurance to its employees.

The Group's emolument policies are formulated based on the performance of individual employee which will be reviewed periodically. Apart from the provident fund scheme (operated in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or social insurance (including retirement pension insurance, medical insurance, unemployment insurance, injury insurance and maternity insurance for the PRC employees), discretionary bonuses and share options may also be awarded to employees according to the assessment of individual performance. Since the adoption of the share option scheme on 15 June 2012 and up to 30 June 2016, no options have been granted.

Events after the reporting period

Up to the date of this report, the Group has no material events after the reporting period.

人力資源

於二零一六年六月三十日，本集團主要於中國及香港共聘用618名全職僱員(二零一五年六月三十日：668名)，當中包括管理人員、產品設計人員、技術人員、銷售人員及工人。於本期間，本集團就僱員薪酬的總開支為人民幣18.7百萬元(二零一五年上半年：人民幣18.6百萬元)。本集團一直透過提高工序自動化，加強員工培訓以及專注高技術加工，維持員工的持續發展及提高員工競爭力。本集團為僱員提供具競爭力的薪酬組合，並有酌情花紅以及會為僱員繳納社會保險供款。

本集團的薪酬政策乃按個別僱員的表現而制訂，並將定期檢討。除公積金計劃(根據強制性公積金計劃條例的條文為香港僱員執行)或社會保險(包括中國僱員的退休養老保險、醫療保險、失業保險、工傷保險及生育保險)外，本集團亦將根據對個別僱員表現的評估向僱員發放酌情花紅及授出僱員購股權。自購股權計劃於二零一二年六月十五日獲採納以來至二零一六年六月三十日止，本集團概無授出任何購股權。

報告期後事項

截至本報告日期，本集團並無重大報告期後事項。

Other Information

其他資料

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

As at 30 June 2016, the interests and short positions of the Directors or the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of part XV of the Securities and Futures Ordinance (the "SFO") which would have to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), will be as follows:

Interest in shares

董事及高級行政人員於股份、相關股份及債券的權益及淡倉

於二零一六年六月三十日，董事或本公司高級行政人員在本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文其被視為或當作擁有的權益及淡倉)，或根據證券及期貨條例第352條須記入該條所述登記冊或根據聯交所證券上市規則(「上市規則」)附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

股份權益

Name of Director	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholding interest (%)
董事姓名	身份／權益性質	股份數目	持股概約百分比(%)
Mr. Wu Zheyang 吳哲彥先生	Interest in controlled corporation/ Long position (Note) 受控制法團的權益／好倉(附註)	449,647,412	17.46%
	Beneficial owner/Long position 實益擁有人／好倉	11,002,940	0.43%
Ms. Xie Qingmei 謝清美女士	Beneficial owner/Long position 實益擁有人／好倉	9,633,380	0.37%

Note: Mr. Wu Zheyang is deemed to be interested in the shares held by Green Seas Capital Limited, his wholly-owned company.

附註：吳哲彥先生被視為於其全資擁有的公司Green Seas Capital Limited持有的股份中擁有權益。

Other Information (Continued)

其他資料(續)

Save as disclosed above, none of the Directors and chief executive of the Company had interests or in short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any associated corporation defined under the SFO which would have to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2016.

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2016, the following persons (other than a director or chief executive of the Company), who had interests or short positions in the shares or the underlying shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein, were as follows:

Interest in shares

除上述披露者外，於二零一六年六月三十日，董事及本公司高級行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例）的股份、股本衍生工具相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的有關條文其被視為或當作擁有的權益及淡倉），或根據證券及期貨條例第352條須記入該條所述登記冊或根據標準守則須知會本公司及聯交所的權益或淡倉。

主要股東於本公司股份及相關股份的權益及淡倉

於二零一六年六月三十日，下列人士（並非董事或本公司高級行政人員）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須予披露的權益或淡倉，或根據證券及期貨條例第336條須記入該條所述登記冊的權益或淡倉：

股份權益

Name	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholding interest (%)
名稱／姓名	身份／權益性質	股份數目	持股概約百分比(%)
Green Seas Capital Limited	Beneficial owner/Long position (Note 1) 實益擁有人／好倉(附註1)	449,647,412	17.46%

Note:

1. The entire issued share capital of Green Seas Capital Limited is legally and beneficially owned by Mr. Wu Zheyuan, who is deemed to be interested in the Shares held by Green Seas Capital Limited.

附註：

1. Green Seas Capital Limited的全部已發行股本由吳哲彥先生合法及實益擁有，吳哲彥先生被視為於Green Seas Capital Limited持有的股份中擁有權益。

Other Information (Continued)

其他資料(續)

Save as disclosed above, the Directors are not aware of any person, other than the Directors whose interests are set out in the section “Directors’ and chief executive’s interests and short positions in shares, underlying shares and debentures” above, who had an interest or short positions in the shares or underlying shares that were required to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or recorded pursuant to Section 336 of Part XV of the SFO as of 30 June 2016.

SHARE OPTION SCHEME

Pursuant to a resolution passed by all the shareholders on 15 June 2012, the Company has conditionally adopted the share option scheme (the “Share Option Scheme”) for the purpose of recognising and acknowledging the contributions the eligible participants had or may have made to the Group. The Board may, at its discretion, grant options pursuant to the Share Option Scheme to the Directors (including executive Directors, non-executive Directors and independent non-executive Directors), the directors of the Company’s subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group. The Directors were authorised to grant options to subscribe for shares of the Company and to allot, issue and deal with the shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such steps as may be necessary and/or desirable to implement and give effect to the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue immediately following completion of the Global Offering (as defined in the Company’s prospectus dated 25 June 2012), being 100,000,000 shares, excluding any shares that may be issued under the options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company), unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time.

除上文披露者外，於二零一六年六月三十日，董事概不知悉任何人士(權益已於上文「董事及高級行政人員於股份、相關股份及債券的權益及淡倉」一節載列的董事除外)於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須予披露的權益或淡倉，或根據證券及期貨條例第XV部第336條須予登記的權益或淡倉。

購股權計劃

根據全體股東於二零一二年六月十五日通過的決議案，本公司已有條件採納一項購股權計劃(「購股權計劃」)，以肯定及嘉許曾經或可能對本集團作出貢獻的合資格參與人士。根據購股權計劃，董事會可酌情向董事(包括執行董事、非執行董事及獨立非執行董事)、本公司附屬公司之董事、本集團僱員及董事會會全權酌情認為曾經或將對本集團作出貢獻的任何其他人士(包括專家顧問或顧問)授出購股權。董事獲授權授出購股權以認購本公司股份，及根據購股權計劃項下授出的購股權獲行使而配發、發行及處理股份，以及採取對實行購股權計劃及使之生效而言為必需及/或合宜的一切步驟。根據購股權計劃及任何其他本公司購股權計劃而可授予的購股權的最高股份數目，合共不得超過緊隨全球發售(定義見本公司日期為二零一二年六月二十五日的招股章程)完成後已發行股份總數的10%，即100,000,000股股份，不包括任何根據購股權計劃(或本公司任何其他購股權計劃)的條款已失效的購股權而可發行的股份，惟獲本公司股東在股東大會上另行批准及/或上市規則不時另有其他規定者除外。

Other Information (Continued)

其他資料(續)

Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to an eligible participant under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 1% of the shares in issue of the Company within any 12-month period. Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by our independent non-executive Directors. Unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules, the number of shares that may be granted to a substantial shareholder or any independent non-executive Director or their respective associates under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 0.1% of the shares in issue, having an aggregate value in excess of HK\$5 million, within any 12-month period.

There is no minimum period for which an option must be held before it can be exercised, and the period during which an option may be exercised will be determined by the Board in its absolute discretion, however, no options shall be exercised 10 years after they have been granted. The subscription price of a share in respect of a particular option shall be not less than the highest of (a) the official closing price of the shares on the daily quotation sheet of the Stock Exchange; (b) the average official closing price of the shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

From the date that the Share Option Scheme became effective and unconditional and up to the date of this interim report, no share options were granted under the Share Option Scheme.

除非獲本公司股東於股東大會上另行批准，否則可基於購股權計劃及任何其他本公司購股權計劃(包括已行使及未行使購股權)向一名合資格參與者授出的股份數目，不得超過本公司在任何一個12個月期間的已發行股份的1%。任何向董事、本公司高級行政人員或主要股東(定義見上市規則)或其任何各自的聯繫人(定義見上市規則)授予的購股權須獲我們的獨立非執行董事批准。除非本公司股東在股東大會上另行批准及/或上市規則另有規定，否則根據購股權計劃及任何其他本公司購股權計劃(包括已行使及未行使購股權)可授予主要股東或任何獨立非執行董事或其各自的聯繫人的股份數目，不得超過任何一個12個月期間已發行股份的0.1%或合共價值超過5百萬港元。

概無訂有購股權在行使前必須持有的最短期限，而購股權可行使的期間將由董事會全權酌情決定，然而，購股權於授出10年後便不得行使。有關特定購股權的股份認購價不得低於下列最高者：(a)於聯交所每日報價表所報的官方股份收市價；(b)緊接授出日期前五個營業日聯交所每日報價表所報的官方股份平均收市價；及(c)股份面值。購股權計劃將自其獲採納日期起生效並將自該日起10年期間內一直有效。

自購股權計劃生效及成為無條件起及直至本中期報告日期，概無根據購股權計劃授出購股權。

Other Information (Continued)

其他資料(續)

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the Period and up to the date of this report, the Company complied with the principles set out in the Corporate Governance Code, except code provision C.1.2 of the Corporate Governance Code as explained below.

According to code provision C.1.2, the Management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules.

The Company has deviated from C.1.2 in that while the management has updated most of the Directors on a monthly basis about the business operation and performance of the Company, not all the Directors received such updates as the monthly updates were conducted on-site at the Group's factory in China. Members of the Board who did not attend such on-site meetings did not receive the updates. However, the management would provide detailed updates to all the Directors on a half-yearly and yearly basis. In the event there are any significant updates to be provided, the management will update all the Directors as early as practicable for discussion and passing resolution. The Company also has in place a system for every Director to make enquiries with the senior management about the business operation of the Group and to give suggestions or feedback in the event such Director is not able attend the monthly on-site updates session.

中期股息

董事會議決不會就本期間宣派任何中期股息。

遵守企業管治守則

於本期間及直至本報告日期，本公司一直遵守企業管治守則載列的原則，惟偏離企業管治守則的守則條文第C.1.2條，詳情如下。

根據守則條文第C.1.2條，管理層每月須向董事會全體成員提供最新資料，列載有關發行人表現、狀況及前景的公正及易明的詳細評估，讓董事會全體及各董事可根據上市規則第3.08條及第13章履行職務。

雖然管理層每月向大多數董事提供有關本公司業務營運及表現的更新資料，但由於每月的更新乃於本集團中國的工廠現場進行，因此並非全體董事收到相關更新資料，本公司偏離第C.1.2條。未出席現場會議的董事會成員並無收到更新資料。然而，管理層會每半年及按年向全體董事提供詳細的更新資料。倘需提供任何重要的更新資料，管理層會於可行情況下盡早向全體董事提供更新資料以便進行討論及通過決議。本公司亦制定制度，如各董事未能出席每月現場更新會議，則須向高級管理層查詢本集團業務營運相關事項並提出建議或反饋。

Other Information (Continued)

其他資料(續)

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Pursuant to a resolution passed by the Board on 15 June 2012, the Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Specific enquiries have been made with the Directors, and all Directors confirmed that they have complied with the required standards set out in the Model Code regarding their securities transactions for the Period.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with management the accounting principles and policies adopted by the Group and discussed auditing, internal control and financial reporting matters, and also reviewed the unaudited interim financial report for the Period.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the Period and until the date of this report.

董事進行證券交易的標準守則

根據董事會於二零一二年六月十五日通過的決議案，本公司已採納標準守則，作為其自身董事進行本公司證券交易時須遵守的行為守則。經向董事作出具體查詢後，全體董事已確認彼等於本期間一直遵守標準守則所載有關證券交易的規定標準。

審計委員會

本公司審計委員會已聯同管理層審閱本集團採納的會計原則及政策，並討論審核、內部監控及財務申報事宜，亦已審閱本期間的未經審核中期財務報告。

購買、出售及贖回上市證券

於本期間及直至本報告日期，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Consolidated Statement of Profit or Loss — Unaudited

綜合損益表 — 未經審核

for the six months ended 30 June 2016 截至二零一六年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

				Six months ended 30 June	
				截至六月三十日止六個月	
				2016	2015
				二零一六年	二零一五年
				RMB'000	RMB'000
				人民幣千元	人民幣千元
		Note			
		附註			
Revenue	收入	3, 4	205,900	339,265	
Cost of sales	銷售成本		(182,277)	(245,881)	
Gross profit	毛利		23,623	93,384	
Other revenue	其他收入	6(a)	16,797	22,856	
Other net gain	其他收益淨額	6(b)	865	5,772	
Selling and distribution expenses	銷售及分銷開支		(11,466)	(10,657)	
Administrative expenses	行政開支		(27,358)	(27,827)	
Profit from operations	經營溢利		2,461	83,528	
Finance costs	融資成本	7(a)	(5,676)	(5,555)	
Share of (loss)/profits of associates	分佔聯營公司 (虧損) / 溢利		(60)	61	
(Loss)/profit before taxation	除稅前 (虧損) / 溢利	7	(3,275)	78,034	
Income tax	所得稅	8	(900)	(15,740)	
(Loss)/profit for the period	期內 (虧損) / 溢利		(4,175)	62,294	
Earnings per share	每股盈利				
Basic and diluted (RMB)	基本及攤薄 (人民幣元)	9	(0.0016)	0.05	

The notes on pages 33 to 60 form part of this interim financial report.

第33頁至第60頁的附註為本中期財務報告的一部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income – Unaudited

綜合損益及其他全面收益表 — 未經審核

for the six months ended 30 June 2016 截至二零一六年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(Loss)/profit for the period	期內（虧損）／溢利	(4,175)	62,294
Other comprehensive income for the period (after tax and reclassification adjustments):	期內其他全面收益（扣除稅項及重新分類調整後）：		
Items that may be classified subsequently to profit or loss:	其後可能分類至損益表的項目：		
— Exchange differences on translation of financial statements of subsidiaries outside the PRC, net of nil tax	— 換算中國境外附屬公司財務報表產生的匯兌差額，扣除零稅項	5,706	(232)
Total comprehensive income for the period	期內全面收益總額	1,531	62,062

The notes on pages 33 to 60 form part of this interim financial report.

第33頁至第60頁的附註為本中期財務報告的一部分。

Consolidated Statement of Financial Position — Unaudited

綜合財務狀況表 — 未經審核

at 30 June 2016 於二零一六年六月三十日
(Expressed in Renminbi) (以人民幣列示)

			At	At
			30 June	31 December
			2016	2015
			於二零一六年	於二零一五年
			六月三十日	十二月三十一日
		<i>Note</i>	RMB'000	RMB'000
		<i>附註</i>	人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	520,275	466,501
Lease prepayments	租賃預付款		99,279	100,032
Non-current prepayments for acquisitions of property, plant and equipment	收購物業、廠房及設備的非即期預付款		39,692	70,952
Interest in associates	於聯營公司的權益	11	23,360	13,970
Goodwill	商譽		4,300	4,300
Other financial assets	其他金融資產		2,495	2,495
Deferred tax assets	遞延稅項資產		4,403	5,269
			693,804	663,519
Current assets	流動資產			
Inventories	存貨	12	347,381	336,409
Current portion of lease prepayments	租賃預付款的即期部分		1,966	1,966
Trade and other receivables	貿易及其他應收款項	13	275,716	290,525
Pledged deposits	已抵押存款	14	165,884	135,347
Cash and cash equivalents	現金及現金等價物	15	177,321	196,901
			968,268	961,148
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	16	20,966	28,178
Bank loans	銀行貸款	17	368,264	322,459
Current portion of deferred income	遞延收入的即期部分	19	1,163	1,163
Current taxation	即期稅項		25,554	25,744
			415,947	377,544
Net current assets	流動資產淨值		552,321	583,604

Consolidated Statement of Financial Position — Unaudited (Continued)

綜合財務狀況表 — 未經審核(續)

at 30 June 2016 於二零一六年六月三十日
(Expressed in Renminbi) (以人民幣列示)

			At	At
			30 June	31 December
			2016	2015
			於二零一六年	於二零一五年
			六月三十日	十二月三十一日
			RMB'000	RMB'000
		Note	人民幣千元	人民幣千元
		附註		
Total assets less current liabilities	總資產減流動負債		1,246,125	1,247,123
Non-current liabilities	非流動負債			
Interest-bearing borrowings	計息借貸	18	90,983	91,216
Non-current portion of deferred income	遞延收入的非即期部分	19	17,783	18,364
Deferred tax liabilities	遞延稅項負債		318	2,033
			109,084	111,613
NET ASSETS	資產淨值		1,137,041	1,135,510
CAPITAL AND RESERVES	資本及儲備	20		
Capital	資本		20,987	20,987
Reserves	儲備		1,116,054	1,114,523
TOTAL EQUITY	權益總額		1,137,041	1,135,510

The notes on pages 33 to 60 form part of this interim financial report.

第33頁至第60頁的附註為本中期財務報告的一部分。

Consolidated Statement of Changes in Equity — Unaudited

綜合權益變動表 — 未經審核

for the six months ended 30 June 2016 截至二零一六年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity holders of the Company					Total
		Share capital	Share premium	Exchange reserve	Statutory reserve	Retained profits	
		股本	股份溢價	匯兌儲備	法定儲備	保留溢利	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 20(b))					
		(附註 20(b))					
At 1 January 2015	於二零一五年一月一日	11,053	342,158	4,087	47,291	392,753	797,342
Changes in equity for the six months ended 30 June 2015:	截至二零一五年六月三十日止六個月權益變動：						
Profit for the period	期內溢利	-	-	-	-	62,294	62,294
Other comprehensive income	其他全面收益	-	-	(232)	-	-	(232)
Total comprehensive income for the period	期內全面收益總額	-	-	(232)	-	62,294	62,062
Consideration issue	代價發行	524	37,979	-	-	-	38,503
Purchase of own shares	購回本身股份	(19)	(1,171)	-	-	-	(1,190)
Dividend approved and paid in respect of the previous year	過往年度已批准及已付股息	-	(5,648)	-	-	-	(5,648)
Appropriations to statutory reserve	撥往法定儲備	-	-	-	6,154	(6,154)	-
		505	31,160	-	6,154	(6,154)	31,665
At 30 June 2015 and 1 July 2015	於二零一五年六月三十日及二零一五年七月一日	11,558	373,318	3,855	53,445	448,893	891,069
Changes in equity for the six months ended 31 December 2015:	截至二零一五年十二月三十一日止六個月權益變動：						
Profit for the period	期內溢利	-	-	-	-	(18,492)	(18,492)
Other comprehensive income	其他全面收益	-	-	4,038	-	-	4,038
Total comprehensive income for the period	期內全面收益總額	-	-	4,038	-	(18,492)	(14,454)
Issue of shares upon placing	配售時發行股份	9,429	249,804	-	-	-	259,233
Dividend approved and paid in respect of the previous year	過往年度已批准及已付股息	-	(338)	-	-	-	(338)
Appropriations to statutory reserve	撥往法定儲備	-	-	-	(1,044)	1,044	-
		9,429	249,466	-	(1,044)	1,044	258,895
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	20,987	622,784	7,893	52,401	431,445	1,135,510

Consolidated Statement of Changes in Equity — Unaudited (Continued)

綜合權益變動表 — 未經審核(續)

for the six months ended 30 June 2016 截至二零一六年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity holders of the Company					
		本公司權益持有人應佔					
		Share capital	Share premium	Exchange reserve	Statutory reserve	Retained profits	Total
		股本	股份溢價	匯兌儲備	法定儲備	保留溢利	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 20(b))					
		(附註 20(b))					
Changes in equity for the six months ended 30 June 2016:	截至二零一六年六月三十日止六個月權益變動：						
Loss for the period	期內虧損	—	—	—	—	(4,175)	(4,175)
Other comprehensive income	其他全面收益	—	—	5,706	—	—	5,706
Total comprehensive income for the period	期內全面收益總額	—	—	5,706	—	(4,175)	1,531
Appropriations to statutory reserve	撥往法定儲備	—	—	—	(602)	602	—
		—	—	—	(602)	602	—
At 30 June 2016	於二零一六年六月三十日	20,987	622,784	13,599	51,799	427,872	1,137,041

The notes on pages 33 to 60 form part of this interim financial report.

第33頁至第60頁的附註為本中期財務報告的一部分。

Consolidated Cash Flow Statement — Unaudited

綜合現金流量表 — 未經審核

for the six months ended 30 June 2016 截至二零一六年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note 附註		
Operating activities	經營活動		
Cash generated from operations	經營業務所得現金	7,306	74,473
Income tax paid	已付所得稅	(1,939)	(12,811)
Net cash generate from operating activities	經營活動所得現金淨額	5,367	61,662
Investing activities	投資活動		
Payment for the purchase of property, plant and equipment	就購買物業、廠房及設備付款	(26,465)	(94,286)
Payment for lease prepayments	支付租賃預付款項	-	(14,041)
Interest received	已收利息	2,674	1,174
Decrease/(increase) in amount due from an associate	應收一家聯營公司款項減少/(增加)	4,110	(330)
Entrusted loans repaid by third party	第三方償還之委託貸款	-	30,000
Payment for investment in an associate	支付於聯營公司的投資	(9,450)	-
Net cash inflow from acquisition of subsidiary	來自收購附屬公司之現金流入淨值	-	5,475
Purchase of own shares	購回本身股份	-	(1,190)
Net cash used in investing activities	投資活動所用現金淨額	(29,131)	(73,198)
Financing activities	融資活動		
Proceeds from new bank loans	新增銀行貸款所得款項	441,099	395,604
Repayments of bank loans	償還銀行貸款	(395,864)	(384,111)
Increase in pledged deposits	已抵押存款增加	(30,537)	(34,709)
Interest paid	已付利息	(10,277)	(8,451)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額	4,421	(31,667)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(19,343)	(43,203)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	196,901	174,144
Effect of foreign exchange rate changes	匯率變動的影響	(237)	(22)
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	177,321	130,919

The notes on pages 33 to 60 form part of this interim financial report.

第33頁至第60頁的附註為本中期財務報告的一部分。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (“IASB”). It was authorised for issue by the Board of Directors on 31 August 2016.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2015 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2016 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2015 annual financial statements. The consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The financial information relating to the financial year ended 31 December 2015 that is included in the interim financial report as being previously reported information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2015 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 29 March 2016.

1 編製基準

本中期財務報告乃遵照《香港聯合交易所有限公司證券上市規則》（「上市規則」）的適用披露條文編製，包括遵守由國際會計準則委員會（「國際會計準則委員會」）頒佈的《國際會計準則》（「國際會計準則」）第34號「中期財務報告」的規定。本中期財務報告於二零一六年八月三十一日獲董事會授權刊發。

中期財務報告乃根據二零一五年度財務報表採納的相同會計政策編製，惟預期將於二零一六年度財務報表內反映的會計政策變動除外。此等會計政策變動的詳情載於附註2。

於編製符合《國際會計準則》第34號的「中期財務報告」時，管理層須作出判斷、估計及假設，而該等判斷、估計及假設影響政策的應用及按本年至今基準所呈報的資產及負債、收入及開支金額。實際結果可能有別於此等估計。

本中期財務報告載有綜合財務報表及經節選的解釋附註。附註載有對了解本集團自編製二零一五年度財務報表以來的財政狀況及表現變動而言屬重大的事項及交易的闡釋。綜合中期財務報表及其附註不包括根據《國際財務報告準則》（「國際財務報告準則」）編製完整的財務報表所需的一切資料。

中期財務報告所載有關截至二零一五年十二月三十一日止財政年度的財務資料為過往已呈報的資料，並不構成本公司該財政年度的法定財務報表，惟有關財務資料乃摘錄自該等財務報表。截至二零一五年十二月三十一日止年度的法定財務報表於本公司的註冊辦事處可供查閱。核數師已於二零一六年三月二十九日的報告中對該等財務報表發表無保留意見。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued the following amendments to International Financial Reporting Standards (“IFRSs”) and new Interpretation that are first effective for the current accounting period of the Group and the Company:

- Annual Improvements to IFRSs 2012–2014 Cycle
- Amendments to IAS 16 and IAS 38, Clarification of acceptable methods of depreciation and amortization

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE

The principal activities of the Group are manufacturing and sales of outdoor wooden products, engaging in projects of outdoor wooden products including the provision of design and installation services, retail sales of outdoor wooden products through self-operated retail shops and manufacturing and sales of renewable energy products.

Revenue represents

- (i) the sales value of goods sold to customers less returns, discounts, and value added taxes and other sales tax; and
- (ii) contract revenue derived from projects of outdoor wooden products including the provision of design and installation services.

2 會計政策變動

國際會計準則委員會已頒布以下於本集團及本公司的本會計期間首次生效的經修訂國際財務報告準則(「國際財務報告準則」)及新訂詮釋：

- 國際財務報告準則二零一二年至二零一四年週期之年度改進
- 國際會計準則第16號及國際會計準則第38號(修訂)·澄清折舊及攤銷的可接受方法

本集團並無應用於本會計期間尚未生效的任何新訂準則或詮釋。

3 收入

本集團的主要業務為生產及銷售戶外木製品、從事戶外木製品項目(包括提供設計及安裝服務)、透過自營零售店零售戶外木製品以及生產及銷售再生能源產品。

收入指

- (i) 售予客戶貨品的銷售價值減退貨、折扣及增值稅與其他銷售稅項；及
- (ii) 從事戶外木製品項目(包括提供設計及安裝服務)所得的合約收入。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

3 REVENUE (Continued)

Revenue represents (Continued)

The amount of each significant category of revenue recognised in revenue is analysed as follows:

3 收入(續)

收入指(續)

於收入內確認的各重大類別收益的金額分析如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sales of outdoor wooden products	銷售戶外木製品	193,507	314,697
Retail sales of wooden products	零售木製品	3,223	9,727
Contract revenue derived from projects of outdoor wooden products including the provision of design and installation services	從事戶外木製品項目(包括提供設計及安裝服務)所得的合約收入	-	200
Sales of renewable energy products	銷售再生能源產品	9,170	14,641
		205,900	339,265

4 SEGMENT REPORTING

In a manner consistent with how the Group manages its business and the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified four reportable segments, namely Manufacturing and sales of wooden products, Retail business, Projects of outdoor wooden products and Manufacturing and sales of renewable energy products. No operating segments have been aggregated to form the above reportable segments.

- Manufacturing and sales of wooden products: manufacturing and sales of outdoor wooden products to both domestic and overseas customers, and trading of timber.
- Retail business: retail sales of outdoor wooden products through self-operated retail shops.

4 分部呈報

按照與本集團管理其業務一致的方式，及與就資源分配及表現評估向本集團最高層管理人員內部呈報資料一致的方式，本集團已確定四個可呈報分部，即生產及銷售木製品、零售業務、戶外木製品項目及生產及銷售再生能源產品。本集團並無聚合經營分部以構成上述可呈報分部。

- 生產及銷售木製品：向國內外客戶生產及銷售戶外木製品及木材貿易。
- 零售業務：透過自營零售店零售戶外木製品。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

- Projects of outdoor wooden products: engaged in projects of outdoor wooden products including the provision of design and installation services to domestic customers.
- Manufacturing and sales of renewable energy products: manufacturing and sales of biomass pellet fuel to both domestic and overseas customers.

(a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Reportable segment revenue represents the revenue derived from the Group's external customers by Manufacturing and sales of wooden products, Retail business, Projects of outdoor wooden products and Manufacturing and sales of renewable energy products, respectively.

The measure used for reportable segment profit/(loss) is "profit/(loss) after taxation (excluding the after tax effect of government subsidies)" of Manufacturing and sales of wooden products, Retail business, Projects of outdoor wooden products and Manufacturing and sales of renewable energy products, respectively.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management and accordingly, no segment assets or liabilities information is presented.

4 分部呈報(續)

- 戶外木製品項目：從事戶外木製品項目，包括向本地客戶提供設計及安裝服務。
- 生產及銷售再生能源產品：生產及銷售生物質顆粒燃料予國內外客戶。

(a) 分部業績

為評估分部表現及於各分部間分配資源，本集團最高層管理人員按下列基準監察來自各可呈報分部的業績：

可呈報分部收入指生產及銷售木製品、零售業務、戶外木製品項目及生產及銷售再生能源產品分別從本集團外部客戶所得的收入。

就可呈報分部溢利／(虧損)採用的計量單位為生產及銷售木製品、零售業務、戶外木製品項目及生產及銷售再生能源產品各自的「除稅後溢利／(虧損) (不包括政府補貼之稅後影響)」。

分部資產及負債的計量乃不定期向本集團最高層管理人員提供，故並無呈列分部資產或負債資料。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

(a) Segment results (Continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2016 and 2015 is set out below:

4 分部呈報(續)

(a) 分部業績(續)

於截至二零一六年及二零一五年六月三十日止六個月，就資源分配及分部表現評估向本集團最高層管理人員提供的有關本集團可呈報分部的資料載列如下：

		Six months ended 30 June 2016 截至二零一六年六月三十日止六個月				
		Manufacturing and sales of wooden products 生產及銷售木製品 RMB'000 人民幣千元	Retail business 零售業務 RMB'000 人民幣千元	Projects of outdoor wooden products 戶外木製品項目 RMB'000 人民幣千元	Manufacturing and sales of renewable energy products 生產及銷售再生能源產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue derived from the Group's external customers	源自本集團外部客戶的收入	193,507	3,223	-	9,170	205,900
Inter-segment revenue	分部間收入	24,334	-	-	-	24,334
Reportable segment revenue	可呈報分部收入	217,841	3,223	-	9,170	230,234
Reportable segment profit/(loss) (profit/(loss) after taxation (excluding the after tax effect of government subsidies))	可呈報分部溢利/(虧損) (除稅後溢利/(虧損) (不包括政府補貼之稅後影響))	(7,528)	(1,438)	(98)	15	(9,049)

		Six months ended 30 June 2015 截至二零一五年六月三十日止六個月				
		Manufacturing and sales of wooden products 生產及銷售木製品 RMB'000 人民幣千元	Retail business 零售業務 RMB'000 人民幣千元	Projects of outdoor wooden products 戶外木製品項目 RMB'000 人民幣千元	Manufacturing and sales of renewable energy products 生產及銷售再生能源產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue derived from the Group's external customers	源自本集團外部客戶的收入	314,697	9,727	200	14,641	339,265
Inter-segment revenue	分部間收入	48,814	-	-	-	48,814
Reportable segment revenue	可呈報分部收入	363,511	9,727	200	14,641	388,079
Reportable segment profit/(loss) (profit/(loss) after taxation (excluding the after tax effect of government subsidies))	可呈報分部溢利/(虧損) (除稅後溢利/(虧損) (不包括政府補貼之稅後影響))	44,486	212	(60)	5,784	50,422

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment revenue and reportable segment (loss)/profit

4 分部呈報(續)

(b) 可呈報分部收入與可呈報分部(虧損)/溢利的對賬

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入		
Reportable segment revenue	可呈報分部收入	230,234	388,079
Elimination of inter-segment revenue	抵銷分部間收入	(24,334)	(48,814)
Consolidated revenue	綜合收入	205,900	339,265
(Loss)/profit	(虧損)/溢利		
Reportable segment (loss)/profit derived from the Group's external customers	源自本集團外部客戶的可呈報分部(虧損)/溢利	(9,049)	50,422
Government subsidies (net of tax)	政府補貼(扣除稅項)	10,521	16,262
Unallocated head office and corporate expenses	未分配總辦事處及公司開支	(5,647)	(4,390)
Consolidated (loss)/profit after taxation	綜合除稅後(虧損)/溢利	(4,175)	62,294

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

(c) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods were delivered or the services were provided.

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
The PRC	中國	31,763	158,935
North America	北美洲	132,634	152,377
Europe	歐洲	23,387	15,385
Asia Pacific (exclusive of the PRC)	亞太區 (不包括中國)	11,893	12,568
Australia	澳洲	6,223	-
		205,900	339,265

5 SEASONALITY OF OPERATIONS

The Group's operations are not subject to significant seasonal fluctuations. Sales revenue recorded in the first and second half of the financial year is not affected by seasonal fluctuations.

5 經營季節性

本集團業務並無受重大季節性波動所影響。於財政年度上半年及下半年錄得的銷售收入並無受季節性波動所影響。

6 OTHER REVENUE AND OTHER NET GAIN

(a) Other revenue

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income on bank deposits	銀行存款利息收入	2,674	1,174
Government subsidies	政府補貼	14,029	21,682
Other	其他	94	-
		16,797	22,856

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

6 OTHER REVENUE AND OTHER NET GAIN

(Continued)

(a) Other revenue (Continued)

The Group received unconditional government subsidies of RMB13,447,000 (six months ended 30 June 2015: RMB21,100,000) for the six months ended 30 June 2016. These government subsidies were granted to Fujian Zhangping Kimura Forestry Products Co., Ltd. ("Zhangping Kimura") for subsidising various expenses already incurred and were recognised as other revenue when they became receivable.

The Group recognised government subsidies as deferred income which compensates the Group for the cost of its land use right and the cost of infrastructure development. Government subsidies (deferred income) of RMB582,000 (six months ended 30 June 2015: RMB582,000) were recognised as other revenue for the six months ended 30 June 2016, which is on a systematic basis over the useful life of the relevant assets.

(b) Other net gain

6 其他收入及其他收益淨額(續)

(a) 其他收入(續)

截至二零一六年六月三十日止六個月，本集團收取無條件政府補貼人民幣13,447,000元(截至二零一五年六月三十日止六個月：人民幣21,100,000元)。漳平木村林產有限公司(「漳平木村」)獲授此等政府補貼以補貼其已產生的多項開支及於可收取時確認為其他收入。

本集團確認政府補貼為遞延收入作為補償本集團土地使用權成本及基建設施開發成本。截至二零一六年六月三十日止六個月，政府補貼(遞延收入)人民幣582,000元(截至二零一五年六月三十日止六個月：人民幣582,000元)已確認為其他收入，此乃按有關資產的可使用年期有系統地確認。

(b) 其他收益淨額

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net foreign exchange (loss)/gain	匯兌(虧損)/收益淨額	(1,994)	4,649
Changes in fair value of derivative financial instruments	衍生金融工具公平值變動	2,833	1,123
Others	其他	26	-
		865	5,772

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

7 (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging:

(a) Finance costs

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest expense on bank loans and interest-bearing borrowings wholly repayable within five years	須於五年內悉數償還 銀行貸款及計息借貸 的利息開支	10,277	8,451
Less: Interest expense capitalised into construction in progress*	減：撥入在建工程的 資本化利息開支*	(4,601)	(2,896)
		5,676	5,555

* The borrowing costs have been capitalised at a rate of 3.17% (six months ended 30 June 2015: 3.63%) per annum for the six months ended 30 June 2016.

* 截至二零一六年六月三十日止六個月的借貸成本已按3.17% (截至二零一五年六月三十日止六個月：3.63%)的年率資本化。

(b) Other items

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of inventories	存貨成本	182,277	245,881
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,552	9,038
Amortisation of lease prepayments	租賃預付款攤銷	753	573
Operating lease charges for properties	物業經營租賃支出	498	1,600
Research and development costs	研發成本	10,757	8,912

(b) 其他項目

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Income tax in the consolidated statement of profit or loss represents:

8 綜合損益表內的所得稅

綜合損益表內的所得稅指：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax — PRC corporate income tax	即期稅項 — 中國企業所得稅	41	14,958
Deferred tax expense	遞延稅項開支	859	782
		900	15,740

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision was made for Hong Kong Profits Tax as the Group did not earn any assessable profits subject to Hong Kong Profits Tax during the six months ended 30 June 2016 and 2015.

- (ii) Zhangping Kimura applied and was approved for the High and New Technology Entities (“HNTE”) qualification under the PRC Corporate Income Tax Law and its relevant regulations during 2013, and therefore is entitled to the preferential income tax rate of 15% for a period of three years from October 2013.

The Group’s other PRC subsidiaries are subject to PRC corporate income tax at the statutory rate of 25%.

- (i) 根據開曼群島及英屬處女群島(「英屬處女群島」)的法則及法規，本集團毋須在開曼群島及英屬處女群島繳納任何所得稅。

截至二零一六年及二零一五年六月三十日止六個月，本集團並無賺取須繳納香港利得稅的任何應課稅溢利，故並無就香港利得稅計提撥備。

- (ii) 漳平木村已於二零一三年根據中國企業所得稅法及其相關法規申請並獲得高新技術企業(「高新技術企業」)的認證資格，故自二零一三年十月起三年期間有權享有15%的優惠所得稅稅率。

本集團其他中國附屬公司須按25%法定稅率繳納中國企業所得稅。

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未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

9 EARNINGS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2016 is based on the loss attributable to equity shareholders of the Company of RMB4,175,000 (six months ended 30 June 2015: RMB62,294,000 profit) and weighted average of 2,573,835,000 shares (six months ended 30 June 2015: 1,380,636,000 shares) in issue during the six months ended 30 June 2016, calculated as follows.

Weighted average number of ordinary shares

		Number of shares	
		股份數目	
		2016	2015
		二零一六年	二零一五年
		'000	'000
		千股	千股
Issued ordinary shares at 1 January	於一月一日的已發行普通股	2,573,835	1,365,000
Effect of purchasing of own shares on 12 January 2015	於二零一五年一月十二日 購買自身股份的影響	-	(1,867)
Effect of issue of shares upon placing on 13 May 2015	於二零一五年五月十三日 配售時發行股份的影響	-	17,503
Weighted average number of ordinary shares at 30 June	於六月三十日的普通股 加權平均數	2,573,835	1,380,636

There were no potential dilutive ordinary shares during the six months ended 30 June 2016 and 2015 and, therefore, diluted earnings per share are the same as the basic earnings per share.

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired items of plant and machinery with a cost of RMB3,110,000 (six months ended 30 June 2015: RMB70,903,000).

9 每股盈利

截至二零一六年六月三十日止六個月的每股基本盈利乃按截至二零一六年六月三十日止六個月的本公司權益股東應佔虧損人民幣4,175,000元(截至二零一五年六月三十日止六個月: 人民幣62,294,000元溢利), 以及2,573,835,000股已發行股份(截至二零一五年六月三十日止六個月: 1,380,636,000股股份)的加權平均數計算。

普通股的加權平均數

由於截至二零一六年及二零一五年六月三十日止六個月並無潛在攤薄普通股，故每股攤薄盈利與每股基本盈利相同。

10 物業、廠房及設備

截至二零一六年六月三十日止六個月，本集團購入廠房及機器項目的成本為人民幣3,110,000元(截至二零一五年六月三十日止六個月: 人民幣70,903,000元)。

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未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

11 INTEREST IN ASSOCIATES

11 於聯營公司權益

		The Group	
		本集團	
		At	At
		30 June	31 December
		2016	2015
		於二零一六年	於二零一五年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Share of net assets	應佔資產淨值	23,360	13,970

Details of the Group's interest in the associates are as follows:

本集團於聯營公司的權益詳情如下：

Name of associate	Place of establishment and operation	Particulars of paid up capital	Proportion of ownership interest		
			Group's effective interest	Held by a subsidiary	Principal activity
聯營公司名稱	成立及經營地點	實繳資本詳情	本集團的實際權益	由附屬公司持有	主要活動
Jiangxi Lv Yuan Trading Co., Ltd. ("Lv Yuan") (note (i))	The PRC 中國	RMB5,600,000 人民幣	45%	45%	Trading of imported timber
江西綠源貿易有限公司(「綠源」) (附註(i))		5,600,000元			買賣進口木材
Longyan Deliyuan Biomass Energy Co., Ltd. ("Deliyuan")	The PRC 中國	RMB9,450,000 人民幣	45%	45%	Research & development and sales of biomass energy
龍岩市得利源生物能源有限公司 (「得利源」)		9,450,000元			生物質能源的研發及銷售
Xiamen Zhonglisheng Trading Co., Ltd. ("Zhonglisheng")	The PRC 中國	RMB9,450,000 人民幣	45%	45%	Whole sale of Forestry products and building material
廈門中利盛貿易有限公司 (「中利盛」)		9,450,000元			林業產品及建材批發

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未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

11 INTEREST IN ASSOCIATES (Continued)

Note:

- (i) On 26 November 2015, the Group contributed capital of RMB3,600,000 to Lv Yuan.

Lv Yuan, Deliyuan and Zhonglisheng are accounted for using the equity method in the consolidated financial statements.

Summary of financial information of the associates:

11 於聯營公司權益(續)

附註：

- (i) 於二零一五年十一月二十六日，本集團向綠源注資人民幣3,600,000元。

綠源、得利源及中利盛於綜合財務報表內採用權益法入賬。

該聯營公司的財務資料摘要：

		Lv Yuan 綠源		Deliyuan 得利源		Zhonglisheng 中利盛	
		At 30 June 2016 於 二零一六年 六月三十日 RMB'000 人民幣千元	At 31 December 2015 於 二零一五年 十二月三十一日 RMB'000 人民幣千元	At 30 June 2016 於 二零一六年 六月三十日 RMB'000 人民幣千元	At 31 December 2015 於 二零一五年 十二月三十一日 RMB'000 人民幣千元	At 30 June 2016 於 二零一六年 六月三十日 RMB'000 人民幣千元	
Gross amounts of the associates' Assets	聯營公司以下各項的總數額 資產	11,807	14,479	9,445	9,449	9,451	
Liabilities	負債	(6,276)	(8,835)	(1)	-	(5)	
Equity	權益	5,531	5,644	9,444	9,449	9,446	
Revenue for the six month period ended 30 June 2016/2015	截至二零一六年/ 二零一五年六月三十日 止六個月收入	2,227	9,546	-	-	-	
Profit/(loss) and total comprehensive income for the six month period ended 30 June 2016/2015	截至二零一六年/ 二零一五年六月三十日 止六個月溢利/(虧損) 及全面收益總額	(105)	136	(5)	-	(4)	
Reconciled to the Group's interests in the associates	與本集團於聯營公司 的權益對賬						
Gross amounts of net assets of the associates	聯營公司資產淨值總額	5,531	5,644	9,444	9,449	9,446	
Group's effective interest	本集團的實際權益	45%	45%	45%	45%	45%	
Group's share of net assets of the associates	本集團應佔聯營公司 的資產淨值	2,489	2,540	4,250	4,252	4,251	
Elimination of share of unrealised profits arising from unsold inventories of the associates	抵銷應佔聯營公司未售 存貨產生之未變現溢利	(20)	-	-	-	-	
Capital contributed by the Group in excess of its proportional share as at 30 June 2016	於二零一六年六月三十日 本集團的注資超過其 比例份額	1,980	1,980	5,198	5,198	5,198	
Carrying amount in the consolidated financial statements	於綜合財務報表的賬面值	4,463	4,520	9,448	9,450	9,449	

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

12 INVENTORIES

12 存貨

		At	At
		30 June	31 December
		2016	2015
		於二零一六年	於二零一五年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	235,822	181,157
Work in progress	在製品	47,465	52,935
Finished goods	製成品	64,094	102,317
		347,381	336,409

There was no write down of inventories during the six months ended 30 June 2016 and 2015.

截至二零一六年及二零一五年六月三十日止六個月概無撇減存貨。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

13 TRADE AND OTHER RECEIVABLES

13 貿易及其他應收款項

		At 30 June 2016 於二零一六年 六月三十日 RMB'000 人民幣千元	At 31 December 2015 於二零一五年 十二月三十一日 RMB'000 人民幣千元
Trade and bills receivables (note (a))	貿易應收款項及應收票據 (附註(a))	119,428	183,678
Trade receivable from associates	應收聯營公司貿易款項	6,545	10,270
Amount due from a related company (note 23(c))	應收關聯公司款項 (附註23(c))	1,007	1,007
Total trade receivables	貿易應收款項總額	126,980	194,955
Prepayment for raw materials	原材料預付款	101,792	80,162
Derivative financial instruments (note 21(a))	衍生金融工具(附註21(a))	3,956	3,064
Gross amount due from customers for contract work (note)	應收客戶合同工程總額 (附註)	708	708
Other receivables	其他應收款項	42,280	11,636
		275,716	290,525

Note: The aggregate amount of costs incurred plus recognised profits less recognised losses to date, included in the gross amount due from customers for contract work at 30 June 2016 was RMB1,108,000 (31 December 2015: RMB1,108,000). This balance includes retention receivables at 30 June 2016 of RMB181,000 (31 December 2015: RMB181,000), of which RMBNil (31 December 2015: Nil) was expected to be recovered after more than one year.

附註：於二零一六年六月三十日的應收客戶合同工程總額內包括已產生成本加已確認溢利減截至當日的已確認虧損為人民幣1,108,000元(二零一五年十二月三十一日：人民幣1,108,000元)。此結餘包括於二零一六年六月三十日的保留應收款項人民幣181,000元(二零一五年十二月三十一日：人民幣181,000元)，其中人民幣零元(二零一五年十二月三十一日：無)預計將於一年後收回。

All of the trade and other receivables, apart from those balances specified in note above are expected to be recovered or recognised as expense within one year.

除上文附註指明的該等結餘外，預計所有貿易及其他應收款項將於一年內收回或確認為開支。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

13 TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis

As at 30 June 2016, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on invoice date and net of allowances of doubtful debts, is as follows:

		At 30 June 2016 於二零一六年 六月三十日 RMB'000 人民幣千元	At 31 December 2015 於二零一五年 十二月三十一日 RMB'000 人民幣千元
Within 1 month	於1個月內	51,323	69,438
1 to 2 months	1至2個月	26,319	31,024
2 to 3 months	2至3個月	12,475	14,539
Over 3 months	超過3個月	29,311	79,954
		119,428	194,955

Trade and bills receivables are normally due within 15 days to 3 months from the date of billing.

貿易應收款項及應收票據一般於出具發票日期起計15天至3個月內到期。

14 PLEDGED DEPOSITS

Pledged deposits with banks have been placed as security for banking facilities and financial derivative instruments issued by banks to the Group.

13 貿易及其他應收款項(續)

(a) 賬齡分析

於二零一六年六月三十日，按發票日期並扣除呆賬備抵的貿易應收款項及應收票據(已計入貿易及其他應收款項)賬齡分析如下：

14 已抵押存款

抵押予銀行的存款已用作銀行向本集團發出銀行融資及金融衍生工具的抵押。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

15 CASH AND CASH EQUIVALENTS

- (a) Cash and cash equivalents in the consolidated statement of financial position and consolidated cash flow statement comprise:

15 現金及現金等價物

- (a) 於綜合財務狀況表及綜合現金流量表內的現金及現金等價物包括：

		At 30 June 2016	At 31 December 2015
		於二零一六年 六月三十日 RMB'000 人民幣千元	於二零一五年 十二月三十一日 RMB'000 人民幣千元
Deposits with banks and other financial institutions	銀行及其他財務機構存款	102,760	130,290
Cash at bank and in hand	銀行及手頭現金	74,561	66,611
		177,321	196,901

- (b) Reconciliation of (loss)/profit before taxation to cash generated from operations:

- (b) 除稅前(虧損)/溢利與經營業務所得現金對賬如下：

			Six months ended 30 June	
			截至六月三十日止六個月	
			2016	2015
			二零一六年	二零一五年
		Note 附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
(Loss)/profit before taxation	除稅前(虧損)/溢利		(3,275)	78,034
Adjustments for:	就以下各項作出調整：			
Interest expense	利息開支	7(a)	5,676	5,555
Depreciation	折舊	7(b)	8,552	9,038
Amortisation of lease prepayments	租賃預付款攤銷	7(b)	753	573
Amortisation of deferred income	遞延收入攤銷		(581)	(582)
Net foreign exchange loss/(gain)	外匯虧損/(收益)			
	淨值		1,994	(1,338)
Interest income	利息收入	6(a)	(2,674)	(1,174)
Share of profit associates, net of tax	應佔聯營公司溢利 扣除稅項		60	-
Changes in working capital:	營運資金變動：			
Increase in inventories	存貨增加		(10,972)	(46,441)
Decrease in trade and other receivables	貿易及其他應收款項 減少		15,641	7,357
(Decrease)/increase in trade and other payables	貿易及其他應付款項 (減少)/增加		(7,868)	23,451
Cash generated from operations	經營業務所得現金		7,306	74,473

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未經審核中期財務報告附註(續)

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16 TRADE AND OTHER PAYABLES

16 貿易及其他應付款項

		At	At
		30 June	31 December
		2016	2015
		於二零一六年	於二零一五年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables (note (a))	貿易應付款項 (附註(a))	5,905	8,749
Receipts in advance	預收款項	1,039	484
Derivative financial instruments (note 21(a))	衍生金融工具(附註21(a))	1,718	5,112
Amount due to a director	應付一名董事款項	17	16
Salaries, wages, bonus and other accrued benefits	薪金、工資、花紅及其他應計福利	2,407	2,752
Payables for the purchase of property, plant and equipment	購買物業、廠房及設備的應付款項	403	956
Other tax payables	其他應付稅項	2,414	686
Professional fees payables	應付專業費用	1,520	1,966
Transportation fee payables	應付運輸費用	664	1,968
Others	其他	4,879	5,489
		20,966	28,178

All of the above balances are expected to be settled within one year or repayable on demand.

所有上述結餘預計將於一年內償付或按要求償還。

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未經審核中期財務報告附註(續)

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16 TRADE AND OTHER PAYABLES (Continued)

(a) A maturity analysis of the trade payables is as follows:

As at 30 June 2016, the maturity analysis of the trade payables balance is as follows:

		At 30 June 2016	At 31 December 2015
		於二零一六年 六月三十日	於二零一五年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Due within 1 month or on demand	1個月內到期償付或 按要求償付	5,488	8,164
Due after 1 month but within 3 months	1個月後但3個月內 到期償付	417	585
		5,905	8,749

16 貿易及其他應付款項(續)

(a) 貿易應付款項的到期日分析如下：

於二零一六年六月三十日，貿易應付款項的到期日分析如下：

17 BANK LOANS

(a) As at 30 June 2016, the bank loans were repayable as follows:

		At 30 June 2016	At 31 December 2015
		於二零一六年 六月三十日	於二零一五年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 year or on demand	一年內或按要求	368,264	322,459
After 1 year but within 2 years	一年後但兩年內	37,810	47,932
After 2 year but within 5 years	兩年後但五年內	36,080	26,528
		73,890	74,460
		442,154	396,919

17 銀行貸款

(a) 於二零一六年六月三十日，須償還的銀行貸款如下：

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17 BANK LOANS (Continued)

(b) As at 30 June 2016, the bank loans were secured as follows:

		At	At
		30 June	31 December
		2016	2015
		於二零一六年	於二零一五年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans (note (c))	銀行貸款(附註(c))		
— Secured	— 有抵押	264,802	255,420
— Unsecured	— 無抵押	177,352	141,499
		442,154	396,919

(c) The secured banking facilities were secured by the following assets with carrying values as follows:

		At	At
		30 June	31 December
		2016	2015
		於二零一六年	於二零一五年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Pledged deposits (note 14)	已抵押存款(附註14)	158,984	128,983
Buildings	樓宇	84,759	87,593
Plant and machinery	廠房及機器	34,585	37,117
Construction in progress	在建工程	13,723	13,603
Lease prepayments	租賃預付款	71,291	71,982
Trade receivables	貿易應收款項	12,621	2,812
		375,963	342,090

17 銀行貸款(續)

(b) 於二零一六年六月三十日，有抵押銀行貸款如下：

(c) 有抵押銀行融資以下列資產的賬面值作抵押：

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未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

18 NON-CURRENT INTEREST-BEARING BORROWINGS

(a) The analysis of the carrying amount of non-current interest-bearing borrowings is as follows:

		At 30 June 2016 於二零一六年 六月三十日 RMB'000 人民幣千元	At 31 December 2015 於二零一五年 十二月三十一日 RMB'000 人民幣千元
Bank loans (note 17)	銀行貸款(附註17)		
— secured	— 已抵押	37,810	46,460
— unsecured	— 無抵押	36,080	28,000
		73,890	74,460
Unsecured debentures 5% 2017 (note 18(b))	票息5%的二零一七年 無抵押債券(附註18(b))	17,093	16,756
		90,983	91,216

(b) Significant terms and repayment schedule of non-bank borrowings

Debentures

The Group has entered into agreements with two individual third parties issuing unsecured debentures with principal amounting to HK\$20,000,000. The debentures are bearing interest at 5% per annum, unsecured and repayable on 29 August 2017.

19 DEFERRED INCOME

Deferred income represented government subsidies that compensated the Group for the cost of its land use right and the cost of infrastructure development which are recognised in profit or loss on a systematic basis over the useful life of the assets (note 6(a)).

18 非流動計息借款

(a) 非流動計息借款賬面值之分析如下：

At 30 June 2016 於二零一六年 六月三十日 RMB'000 人民幣千元	At 31 December 2015 於二零一五年 十二月三十一日 RMB'000 人民幣千元
37,810	46,460
36,080	28,000
73,890	74,460
17,093	16,756
90,983	91,216

(b) 非銀行借款之重大條款及償還安排

債券

本集團已與兩名第三方個人訂立協議，發行本金額20,000,000港元的無抵押債券。相關債券按年息5%計算，為無抵押且應於二零一七年八月二十九日償還。

19 遞延收入

遞延收入指政府補貼，用於補貼本集團的土地使用權成本及基礎設施發展成本，於資產的可使用年期內有系統地於損益表內確認(附註6(a))。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

20 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

- (i) The Board of Directors does not recommend the payment of an interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: Nil).
- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year approved and paid during the Period:

20 資本、儲備及股息

(a) 股息

- (i) 董事會並不建議就截至二零一六年六月三十日止六個月派付中期股息 (截至二零一五年六月三十日止六個月：無)。
- (ii) 於本期間批准及派付於上一個財政年度應付本公司權益股東股息：

Six months ended 30 June

截至六月三十日止六個月

2016	2015
二零一六年	二零一五年
RMB'000	RMB'000
人民幣千元	人民幣千元

No final dividend proposed in respect of the previous financial year (six months ended 30 June 2015: HK\$0.005 (equivalent to approximately RMB0.004))

並無就上一個財政年度建議末期股息 (截至二零一五年六月三十日止六個月：0.005港元(相當於約人民幣0.004元))

-	5,648
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At a Board meeting held on 29 March 2016, the Directors proposed no final dividend distribute for the year ended 31 December 2015, and the proposal is approved in the Annual General Meeting on 26 May 2015. Therefore no final dividend payable in respect of year ended 31 December 2015.

於二零一六年三月二十九日的董事會會議上，董事並無建議派發截至二零一五年十二月三十一日止年度末期股息，該建議於二零一五年五月二十六日之股東週年大會上得到批准。截至二零一五年十二月三十一日止年度並無應付末期股息。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

20 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(b) Share capital

20 資本、儲備及股息(續)

(b) 股本

		2016 二零一六年		2015 二零一五年	
		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元的 普通股	10,000,000	100,000	10,000,000	100,000
Ordinary shares, issued and fully paid:	普通股，已發行及 繳足：				
At 1 January	於一月一日	2,573,835	25,738	1,365,000	13,650
Consideration issue	代價發行	-	-	66,000	660
Purchase of own shares	購回本身股份	-	-	(2,000)	(20)
At 30 June	於六月三十日	2,573,835	25,738	1,429,000	14,290

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets measured at fair value

As at 30 June 2016, the Group's derivative financial instruments assets and liabilities amounting to RMB3,956,000 and RMB1,718,000 respectively (31 December 2015: assets and liabilities of RMB3,064,000 and RMB5,112,000 respectively) (notes 13 and 16) were carried at fair value, and these instruments fall into Level 2 of the fair value hierarchy as defined in IFRS 13, *Fair value measurement*.

During the six months ended 30 June 2016 and 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(i) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of forward exchange contracts in Level 2 is determined by discounting the contractual forward price and deducting the current spot rate. The discount rate used is derived from the relevant government yield curve as at the end of reporting period plus an adequate constant credit spread.

There were no other financial assets or liabilities carried at fair value as at 30 June 2016 and 31 December 2015.

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying values of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2016 and 31 December 2015.

21 金融工具的公平值計量

(a) 按公平值計量的金融資產

於二零一六年六月三十日，本集團的衍生金融工具資產及負債分別為人民幣3,956,000元及人民幣1,718,000元(二零一五年十二月三十一日：資產及負債分別為人民幣3,064,000元及人民幣5,112,000元)(附註13及16)按公平值列賬，該等工具屬於國際財務報告準則第13號：公平值計量定義的公平值等級的第二級。

截至二零一六年及二零一五年六月三十日止六個月，第一級與第二級工具間並無轉移，亦無轉入第三級或自第三級轉出。本集團的政策為於公平值等級的各級在報告期末發生轉移時確認有關轉移。

(i) 第二級公平值計量使用的估值技術及輸入數據

第二級的遠期外匯合約公平值乃透過貼現合約遠期價格及扣除現有即期利率而釐定。所使用貼現率按於報告期末相關政府債券孳息率加足夠固定信貸息差而計算得出。

於二零一六年六月三十日及二零一五年十二月三十一日，概無其他按公平值列賬的金融資產或負債。

(b) 未按公平值列賬的金融工具的公平值

本集團按成本或攤銷成本列賬的金融工具賬面值與彼等於二零一六年六月三十日及二零一五年十二月三十一日的公平值並無重大差異。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

22 COMMITMENTS

- (a) Capital commitments outstanding at 30 June 2016 not provided for in these consolidated financial statements were as follows:

	At 30 June 2016	At 31 December 2015
	於二零一六年 六月三十日	於二零一五年 十二月三十一日
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Contracted for	69,646	74,970
已訂約		

- (b) As at 30 June 2016, the total future minimum lease payments under non-cancellable operating leases in respect of rental of offices and retail shops are repayable as follows:

	At 30 June 2016	At 31 December 2015
	於二零一六年 六月三十日	於二零一五年 十二月三十一日
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Within 1 year	481	728
After 1 year but within 5 years	574	24
	1,055	752
一年內		
一年後但五年內		

The leases typically run for an initial period of one to five years, with an option to renew when all terms are renegotiated. None of the leases include contingent rentals.

22 承擔

- (a) 於此等綜合財務報表內未作出撥備且於二零一六年六月三十日尚未償還的資本承擔如下：

- (b) 於二零一六年六月三十日，有關辦公室及零售店租金的不可撤銷經營租約項下須償還的未來最低租賃付款總額如下：

租約一般初步為期一年至五年不等，可選擇於所有條款重新磋商時續期。該等租約均不包括或然租金。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

23 MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into the following significant related party transactions during the periods presented.

(a) Name and relationship with related parties

During the periods presented, the directors are of the view that related parties of the Group include the following entity:

Name of party 關聯方名稱	Relationship 關係
-------------------------------	---------------------------

Zhangping Jiupengxi Ecological Tourism Development Company Limited ("Jiupengxi") 漳平市九鵬溪生態旅遊發展有限責任公司 (「九鵬溪」)	A private company controlled by Wu Zheyang. Wu Zheyang is the ultimate controlling shareholder and a director of the Company. 吳哲彥控制的私營公司。吳哲彥為本公司最終控股股東及董事。
Jiangxi Lv Yuan Trading Co., Ltd. ("Lv Yuan") 江西綠源貿易有限公司(「綠源」)	An associate of the Group. 本集團之聯營公司。
Longyan Deliyuan Biomass Energy Co., Ltd. ("Deliyuan") 龍岩市得利源生物能源有限公司(「得利源」)	An associate of the Group. 本集團之聯營公司。
Xiamen Zhonglisheng Trading Co., Ltd. ("Zhonglisheng") 廈門中利盛貿易有限公司(「中利盛」)	An associate of the Group. 本集團之聯營公司。

The English translation of the name is for reference only.
The official name of this related party is in Chinese.

23 重大關聯方交易

本集團於呈報期間訂立下列重大關聯方交易。

(a) 關聯方名稱及與關聯方的關係
於呈報期間，董事認為，本集團的關聯方包括下列實體：

英文譯名僅供參考，此關聯方的正式名稱以中文為準。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Significant related party transactions

Particulars of significant related party transactions during the periods presented are as follows:

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sales of wooden products to Lvyuan	向綠源銷售木製品	782	5,292
Sales of wooden products and contract revenue of outdoor wooden projects derived from Jiupengxi	向九鵬溪銷售木製品及來自九鵬溪的戶外木項目合約收益	-	2,451

The directors confirm that the above sales and purchase transactions are entered into with trading terms similar to those with third parties.

董事確認，上述買賣交易乃以與彼等與第三方訂立的類似交易條款訂立。

(c) Amount due from a related company

		At	At
		30 June	31 December
		2016	2015
		於二零一六年	於二零一五年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount due from Jiupengxi	應收九鵬溪款項	1,007	1,007
		1,007	1,007

The amount due from a related company was arisen from normal sales transactions. It was unsecured, interest-free and expected to be settled according to credit term which is similar to that with third parties.

應收關聯公司款項乃源自一般銷售交易。該等款項為無抵押、免息及預期將根據其與第三方所訂立類似的信用條款償付。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

23 重大關聯方交易(續)

(d) 主要管理層人員薪酬

本集團主要管理層人員薪酬如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2016	2015
		二零一六年	二零一五年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term employee benefits	短期僱員福利	3,166	770
Retirement scheme contributions	退休計劃供款	32	22
		3,198	792



**CHINA ENVIRONMENTAL TECHNOLOGY AND
BIOENERGY HOLDINGS LIMITED**

中科生物控股有限公司

Stock Code 股份代號:1237



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