

The background of the entire page is a photograph of two young girls in a photo booth. They are both wearing matching purple, long-sleeved dresses with white lace-up details at the waist and gold, sparkly crowns. The girl on the right is smiling at the camera, while the girl on the left has her back to it. The photo booth has a wooden frame with several round white lights around the perimeter. The background behind the girls is a dark red curtain.

CHINA PARTYTIME CULTURE HOLDINGS LIMITED
中國派對文化控股有限公司

(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: 1532

2018
Interim Report
中期報告

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Lin Xin Fu (*Chairman*)
Mr. Ma Chi Kwan
Mr. Phen Chun Shing, Vincent

Non-Executive Director

Ms. Chen Sheng

Independent Non-executive Directors

Mr. Leung Siu Hong
Mr. Chen Wen Hua
Ms. Peng Xu

AUDIT COMMITTEE

Mr. Leung Siu Hong (*Chairman*)
Mr. Chen Wen Hua
Ms. Peng Xu

REMUNERATION COMMITTEE

Mr. Chen Wen Hua (*Chairman*)
Mr. Lin Xin Fu
Ms. Peng Xu

NOMINATION COMMITTEE

Ms. Peng Xu (*Chairlady*)
Ms. Chen Sheng
Mr. Chen Wen Hua

COMPANY SECRETARY

Mr. Chong Man Hung Jeffrey

REGISTERED OFFICE

P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 3 Chunchao Road
Yichun Economic & Technological Development Zone
Jiangxi Province, China

董事會

執行董事

林新福先生 (*主席*)
馬志鈞先生
彭鎮城先生

非執行董事

陳升女士

獨立非執行董事

梁兆康先生
陳文華先生
彭淑女士

審核委員會

梁兆康先生 (*主席*)
陳文華先生
彭淑女士

薪酬委員會

陳文華先生 (*主席*)
林新福先生
彭淑女士

提名委員會

彭淑女士 (*主席*)
陳升女士
陳文華先生

公司秘書

莊文鴻先生

註冊辦事處

P.O. Box 1350
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Grand Cayman KY1-1108
Cayman Islands

中國總公司及主要營業地點

中國江西省
宜春經濟技術開發區
春潮路3號

PLACE OF BUSINESS IN HONG KONG

Room 1907
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25 Chong Yip Street
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SHARE REGISTRAR AND TRANSFER OFFICE

Principal

Estera Trust (Cayman) Ltd.
P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

Hong Kong branch

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

LEGAL ADVISOR

TC & Co., Solicitors

AUDITOR

Grant Thornton Hong Kong Limited
Certified Public Accountants

STOCK CODE

1532

COMPANY WEBSITE

www.partytime.com.cn

INVESTORS RELATIONS

ir@partytime.com.cn

香港營業地點

香港
九龍觀塘
創業街25號
創富中心
1907室

股份登記及過戶處

主要股份登記及過戶處

Estera Trust (Cayman) Ltd.
P.O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

香港股份登記及過戶分處

卓佳證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心22樓

法律顧問

崔曾律師事務所

核數師

致同(香港)會計師事務所有限公司
執業會計師

股份代號

1532

公司網址

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投資者關係

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Financial Highlights

財務摘要

Six months ended 截至以下日期止六個月

		30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元	30 June 2017 二零一七年 六月三十日 RMB'000 人民幣千元	% change 變動(%)
Revenue	收益	226,142	254,270	(11.1)%
Gross Profit	毛利	47,812	67,528	(29.2)%
Profit for period attributable to the equity holders of the Company	本公司權益持有人應佔期間溢利	10,412	18,967	(45.1)%
Gross Profit Margin	毛利率	21.1%	26.6%	(5.5)%
Net Profit Margin	純利率	4.6%	7.5%	(2.9)%
Earnings per share	每股盈利			
— basic (RMB cents)	— 基本(人民幣分)	1.24	2.51	(50.6)%
— diluted (RMB cents)	— 攤薄(人民幣分)	1.24	2.49	(50.2)%

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元	As at 31 December 2017 於二零一七年 十二月 三十一日 RMB'000 人民幣千元	% change 變動(%)
Total assets	總資產	650,006	541,612	20.0%
Total liabilities	總負債	137,118	100,307	36.7%
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	512,888	441,305	16.2%
Bank balances and cash	銀行結餘及現金	106,816	69,206	54.3%
Current ratio	流動比率	135.5%	142.3%	(6.8)%
Gearing ratio	資產負債比率	13.0%	15.7%	(2.7)%

Directors' Business Review and Management Discussion and Analysis

董事業務回顧與管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in design, develop, produce, sell and market cosplay products (including cosplay costumes and cosplay wigs) and noncosplay apparels including mainly sexy lingerie. Our products are principally for export sales to more than 30 countries and regions around the globe including mainly the US, Germany, the UK and Australia.

Our business can be classified into two major categories, namely Contract Manufacturing Service ("CMS") business and Original Brand Manufacturing ("OBM") business.

業務回顧

本集團主要從事設計、開發、生產、銷售及營銷角色扮演產品(包括角色扮演服飾及角色扮演假髮)及非角色扮演服飾(主要包括性感內衣)。我們的產品主要出口銷售至全球30多個國家及地區，主要包括美國、德國、英國及澳洲。

我們的業務可劃分為兩個主要類別，即合約製造服務(「CMS」)業務及原品牌製造(「OBM」)業務。

		Six months ended 30 June 截至六月三十日止六個月				
		2018 二零一八年		2017 二零一七年		Increase (decrease) of revenue 收益增加(減少) (approximate %) (概約百分比)
		Revenue 收益 RMB'000 人民幣千元	% of total 佔總額百分比	Revenue 收益 RMB'000 人民幣千元	% of total 佔總額百分比	
CMS business	CMS業務	154,125	68.2%	180,939	71.2%	(14.8)%
OBM business	OBM業務	72,017	31.8%	73,331	28.8%	(1.8)%
Total	總計	226,142	100.0%	254,270	100.0%	(11.1)%

Revenue by operating and reportable segments

以經營及可呈報分部劃分的收益

		Six months ended 30 June 截至六月三十日止六個月				
		2018 二零一八年		2017 二零一七年		Increase (decrease) of revenue 收益增加(減少) (approximate %) (概約百分比)
		Revenue 收益 RMB'000 人民幣千元	% of total 佔總額百分比	Revenue 收益 RMB'000 人民幣千元	% of total 佔總額百分比	
Wigs	假髮	91,545	40.5%	109,642	43.1%	(16.5)%
Clothing and others	服裝及其他	134,597	59.5%	144,628	56.9%	(6.8)%
Total	總計	226,142	100.0%	254,270	100.0%	(11.1)%

Directors' Business Review and Management Discussion and Analysis

董事業務回顧與管理層討論及分析

Profit attributable to the equity holders of the Company for the six months ended 30 June 2018 amounted to approximately RMB10.4 million, representing a 45.1% decrease compared with the corresponding period, mainly due to a decline in turnover due to a drop in the demand of the Group's products in overseas market and a decrease in the gross profit margin resulting from the increase in the cost for certain major raw material and packaging material.

BUSINESS PROSPECTS

In the first half of 2018, the Group faced challenges from the rising production cost, such as wages and raw materials costs; more stringent environmental policies in Mainland China and also changing in customer demand and standards towards our products, which leads to the decline in turnover and gross profit margin. Looking ahead to the second half of the year, there will still be pressure on the structural adjustment of economic growth, especially the increasingly harsh foreign trade environment due to the escalation of the China-U.S. trade dispute. The Company is of the view that it is necessary to optimize and adjust its strategy such that the Group will look for other opportunities.

On 13 March 2018, we have completed the placing of new shares under the general mandate with net proceeds of approximately HK\$72.5 million. The proceeds have been mainly used for the subscription of convertible bonds of HK\$70.0 million issued by Charm Success Global Investment Limited ("Issuer"). The Issuer's holding company has entered into a license agreement with Viacom Media Networks, a division of the Viacom International Inc., ("VMN"), pursuant to which VMN granted to the Issuer's holding company a right to, among others, design, develop, construct, launch and operate and manage a theme park in the PRC as a Nickelodeon themed and branded theme park using the approved licensed property elements as defined in the license agreement.

截至二零一八年六月三十日止六個月，本公司權益持有人應佔溢利約為人民幣10.4百萬元，較去年同期減少45.1%，主要乃由於海外市場對本集團產品的需求減少致令營業額下跌及若干主要原材料及包裝物料成本上漲導致毛利率減少所致。

業務前景

於二零一八年上半年，本集團面臨的挑戰包括生產成本如工資及原材料成本上升、中國內地日益嚴格的環境政策以及客戶需求及對我們產品標準的變化，從而導致營業額及毛利率下降。展望二零一八年下半年，我們將面臨經濟增長結構調整的壓力，尤其是中美貿易爭端升級導致外貿環境日益嚴峻。本公司認為，優化及調整策略實為必要，本集團亦將尋求其他機會。

於二零一八年三月十三日，我們已根據一般授權完成配售新股，所得款項淨額約為72.5百萬港元。所得款項主要用於認購Charm Success Global Investment Limited（「發行人」）發行之可換股債券。發行人之控股公司已與Viacom International Inc.分部Viacom Media Networks（「VMN」）訂立許可協議，據此，VMN授權發行人控股公司（其中包括）於中國設計、開發、建造、發佈及經營並管理主題公園，作為使用經批准許可物業（定義見許可協議）的Nickelodeon主題及品牌主題公園。

Other than the above strategic investment in the above mentioned international intellectual property right holder, we will also proceed to mergers and acquisitions, industrial integration and business expansion as and when appropriate, seek for cooperation with other intellectual property right owners to engage in different business, strengthen the Group's capabilities and rapidly enhance our competitive and operation scale.

除上述於相關國際知識產權持有人的策略性投資之外，我們亦將進行併購、產業融合及業務擴展，並於適當時尋求與其他知識產權擁有人合作從事不同業務，以增強本集團能力，快速提高我們的競爭力，擴大營運規模。

FINANCIAL REVIEW

Revenue and Gross Profit

財務回顧

收益及毛利

Six months ended 30 June
截至六月三十日止六個月

		2018 二零一八年		2017 二零一七年		
		Revenue	Gross Profit	Revenue	Gross Profit	Revenue %
		收益	margin	收益	margin	change
		RMB'000	%	RMB'000	%	收益變動%
		人民幣千元	%	人民幣千元	%	
CMS business	CMS業務					
Cosplay costumes	角色扮演服飾	72,857	20.2%	60,220	26.4%	21.0%
Cosplay wigs	角色扮演假髮	60,730	22.5%	79,093	25.3%	(23.2)%
Sexy lingerie	性感內衣	20,538	21.8%	37,101	27.9%	(44.6)%
Others	其他	—	N/A 不適用	4,525	27.3%	(100.0)%
		<u>154,125</u>	<u>21.3%</u>	<u>180,939</u>	<u>26.2%</u>	
OBM business	OBM業務					
Cosplay costumes	角色扮演服飾	30,197	21.9%	25,426	29.8%	18.8%
Cosplay wigs	角色扮演假髮	30,815	19.5%	30,549	24.3%	0.9%
Sexy lingerie	性感內衣	11,005	21.1%	16,942	29.3%	(35.0)%
Others	其他	—	N/A 不適用	414	19.8%	(100.0)%
		<u>72,107</u>	<u>20.8%</u>	<u>73,331</u>	<u>27.3%</u>	
Total	總計	<u>226,142</u>	<u>21.1%</u>	<u>254,270</u>	<u>26.6%</u>	

Directors' Business Review and Management Discussion and Analysis

董事業務回顧與管理層討論及分析

Revenue

During the six months ended 30 June 2018, 68.2% (2017: 71.2%) of our total revenue was mainly derived from our CMS business. Our revenue derived from the CMS business decreased from approximately RMB180.9 million to approximately RMB154.1 million, representing a decrease of approximately 14.8%. Such decrease was mainly due to the drop in certain markets' demand in cosplay wigs and sexy lingerie.

The revenue derived from our OBM business decreased from approximately RMB73.3 million to approximately RMB72.0 million, representing a decrease of approximately 1.8%. Such decrease was mainly attributable to the decrease in the revenue from the OBM sexy lingerie and offset by the increase in demand for OBM cosplay costumes.

Gross profit margin

Our gross profit margin decreased from approximately 26.6% to approximately 21.1% during the period was mainly attributable to the increase on the cost of operation.

Cost of sales

Our cost of sales mainly comprised raw material cost, direct labor cost and manufacturing overhead. Manufacturing overhead includes subcontracting payments, utilities and social insurance for our production staff and other miscellaneous items.

Other income

Our other income increased by approximately RMB2.5 million, from approximately RMB0.3 million to approximately RMB2.8 million. The increase was primarily due to an increase in exchange gain of approximately RMB0.6 million and interest income on financial assets at fair value through profit or loss of approximately RMB1.2 million.

收益

截至二零一八年六月三十日止六個月，我們的總收益之68.2%（二零一七年：71.2%）主要來自CMS業務。我們來自CMS業務的收益由約人民幣180.9百萬元減少至約人民幣154.1百萬元，減少約14.8%。有關減少乃主要由於角色扮演假髮及性感內衣的若干市場需求下降所致。

我們來自OBM業務的收益由約人民幣73.3百萬元減少至約人民幣72.0百萬元，減少約1.8%。該減少主要是由於OBM性感內衣收益減少及由OBM角色扮演服飾之需求增加抵銷所致。

毛利率

我們的毛利率於期內由約26.6%減少至約21.1%，其乃主要由於運營成本增加所致。

銷售成本

銷售成本主要包括原材料成本、直接勞工成本及生產費用。生產費用包括分期付款、公用設施及生產員工社保以及其他雜項開支。

其他收入

其他收入由約人民幣0.3百萬元增加約人民幣2.5百萬元至約人民幣2.8百萬元。該增加主要是由於匯兌收益增加約人民幣0.6百萬元及按公平值計入損益的金融資產之利息收入約人民幣1.2百萬元所致。

Selling expenses

Our selling expenses primarily consist of delivery expenses, staff costs and advertising and marketing expenses. Selling expenses represent approximately 2.6% and 2.3% of the revenue for the six months ended 30 June 2018 and 2017, respectively.

Administrative and other operating expenses

Our administrative and other operating expenses decreased by approximately RMB4.5 million, from approximately RMB33.2 million to approximately RMB28.7 million. The decrease was primarily due to a decrease in research and development cost of approximately RMB4.6 million and offset by the increase on depreciation of approximately RMB2.1 million.

Finance costs

Our finance costs increased by approximately RMB0.9 million, from approximately RMB1.4 million to approximately RMB2.3 million. The increase in finance costs was primarily due to the payment of interests on convertible bonds and other short term borrowings.

Income tax

Our income tax expense decreased by approximately RMB5.1 million, from approximately RMB8.3 million to approximately RMB3.2 million. Our effective tax rate maintained at 23.6% and 30.4% for both periods under review respectively.

銷售開支

銷售開支主要包括交付開支、員工成本以及廣告及市場推廣開支。截至二零一八年及二零一七年六月三十日止六個月，銷售開支分別相當於收益之約2.6%及2.3%。

行政及其他營運開支

行政及其他營運開支由約人民幣33.2百萬元減少約人民幣4.5百萬元至約人民幣28.7百萬元。該減少乃主要由於研發成本減少約人民幣4.6百萬元及由折舊增加約人民幣2.1百萬元抵銷所致。

融資成本

融資成本由約人民幣1.4百萬元增加約人民幣0.9百萬元至約人民幣2.3百萬元。融資成本增加主要是由於支付可換股債券及其他短期借款利息所致。

所得稅

所得稅開支由約人民幣8.3百萬元減少約人民幣5.1百萬元至約人民幣3.2百萬元。於兩個回顧期間內，我們的實際稅率分別維持於23.6%及30.4%。

Financial Resources and Liquidity

As at 30 June 2018, the total amount of cash and cash equivalent of the Group was approximately RMB106.8 million, an increase of approximately RMB37.6 million compared with that as at 31 December 2017. The increase was mainly arose from the increase in net borrowings and trade and other payables of approximately RMB13.9 million and RMB39 million respectively. As at 30 June 2018, the financial ratio of the Group were as follows:

財務資源及流動資金

於二零一八年六月三十日，本集團的現金及現金等價物總額約為人民幣106.8百萬元，較二零一七年十二月三十一日增加約人民幣37.6百萬元。增加主要是由於借款淨額以及貿易及其他應付款項分別增加約人民幣13.9百萬元及人民幣39百萬元所致。於二零一八年六月三十日，本集團之財務比率如下：

		As at 30 June 2018 於二零一八年 六月三十日	As at 31 December 2017 於二零一七年 十二月三十一日
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	135.5%	142.3%
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	13.0%	15.7%

Notes:

- (1) Current ratio is calculated based on the total current assets divided by the total current liabilities and multiplied by 100%.
- (2) Gearing ratio is calculated based on the total borrowings divided by total equity and multiplied by 100%.

附註：

- (1) 流動比率乃按流動資產總值除以流動負債總額再乘以100%計算。
- (2) 資產負債比率乃按借款總額除以總權益再乘以100%計算。

Capital Expenditure

During the six months ended 30 June 2018, the Group invested approximately RMB15.5 million in property, plant and equipment, which mainly consist of construction and decoration of a new factory building at our Yichun Production Plant and a Research and Development Centre, and Service and Experience Centre at our Yiwu Production Plant.

The installation of machinery and equipment in our new Research and Development Centre had been completed and put into service since May 2018.

資本開支

於截至二零一八年六月三十日止六個月，本集團於物業、廠房及設備投資約人民幣15.5百萬元，主要包括建造及裝修宜春生產廠房的新工廠大樓、義烏生產廠房的研發中心以及服務及體驗中心。

新研發中心的機器及設備安裝工作已完成，並自二零一八年五月起投入服務。

The construction of the E-commerce Operation Centre and the Service and Experience Centre is slightly behind schedule and is expected to be completed by the end of the year.

For the new factory building at our Yichun Production Plant, infrastructure construction and related fire control work were expected to be completed in the fourth quarter of 2018. However, due to the continuous decline in the turnover in the past 2 years and the uncertain foreign trade environment due to the escalation of the China-U.S. trade dispute, the management of the Group have a reservation view over the current timetable to expand the production capacity. The Group will closely monitor both the internal and the external factors and will decide on the investment of new production lines in due course.

Pledged of assets

As at 30 June 2018, the bank loans were secured by the Group's prepaid land lease payments with carrying value of approximately RMB12.5 million (31 December 2017: RMB12.7 million) and buildings with carrying value of approximately RMB197.8 million (31 December 2017: RMB200.7 million).

Contingent liabilities

The Group did not have any significant contingent liabilities as at 30 June 2018 and 31 December 2017.

Foreign currency exposure

Our exposures to currency risk arise from our sales to and purchases from overseas, which are primarily denominated in USD. This is not the functional currency of the entities to which the transactions relate. We currently do not have a group foreign currency hedging policy. However, the management of the Group will monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

電子商務經營中心以及服務及體驗中心的建造進度稍為落後於原有安排，預期於本年度末完成。

宜春生產廠房新工廠大樓的基礎設施建設及相關消防工作預期於二零一八年第四季完成。然而，由於過去兩年間營業額持續下跌，以及中美貿易爭端升級為外貿環境帶來不明朗因素，本集團管理層對目前擴大產能的時間計劃持保留意見。本集團將密切監控內部及外部因素，並將於適當時候就投資新生產線作出決策。

資產質押

於二零一八年六月三十日，銀行貸款由本集團預付土地租賃款項賬面值約人民幣12.5百萬元(二零一七年十二月三十一日：人民幣12.7百萬元)及樓宇賬面值約人民幣197.8百萬元(二零一七年十二月三十一日：人民幣200.7百萬元)作抵押。

或然負債

本集團於二零一八年六月三十日及二零一七年十二月三十一日並無任何重大或然負債。

外幣風險

我們面對的貨幣風險乃源自主要以美元計值的海外銷售及採購。該貨幣並非為與該等交易有關的實體的功能貨幣。我們現時並無集團外幣對沖政策。然而，本集團管理層將監控外匯風險，並將於必要時考慮對沖重大外幣風險。

Termination of joint venture agreement and redemption of Convertible Bonds

Convertible Bonds in the principal amount of HK\$20,000,000 were issued on 18 May 2016. After deducting the legal cost and issue expenses, the net proceeds of HK\$19,550,000 are intended to be used for future possible acquisition(s), future development and general working capital of the Group. As at 31 December 2017, a sum of HK\$4,750,000 from the net proceeds has been assigned to the development of a joint venture engaged in the development of mobile games and gaming derivative products which include cosplay costumes and other entertainment products and subsequent reallocated for the purpose of general working capital of the Group upon the redemption of Convertible Bonds by the Company and termination of the joint venture agreement on 18 May 2018.

Use of proceed

On 13 March 2018, the Company issued 141,890,000 ordinary shares by way of placing at a price of HK\$0.53 per share, and the net proceeds from the placing is approximately HK\$72.5 million. The net proceeds have been used (i) as to HK\$70.0 million for the subscription of convertible bonds issued by Charm Success Global Investment Limited which completed on 15 March 2018; (ii) as to approximately HK\$2.5 million for working capital of the Group and had been fully utilised during the six months ended 30 June 2018.

For details of the above transactions, please refer to the announcements dated 14 February 2018; 21 February 2018; 23 February 2018; 2 March 2018; 13 March 2018 and 15 March 2018.

Employees and Remuneration Policy

As of 30 June 2018, we had approximately 1,389 employees. Total staff costs for the period amounted to approximately RMB49.0 million. The remuneration policy of the Group is reviewed regularly according to the relevant market practice, employee performance and the financial performance of the Group. There is no significant change in the Group's remuneration policies.

終止合營協議及贖回可換股債券

本金金額為20,000,000港元之可換股債券已於二零一六年五月十八日發行。經扣除法律成本及發行開支後，所得款項淨額19,550,000港元擬用於未來可能收購事項、未來發展及本集團之一般營運資金。於二零一七年十二月三十一日，所得款項淨額4,750,000港元已分配予發展從事開發手機遊戲及遊戲衍生產品（包括角色扮演服飾及其他娛樂產品）之合營公司並其後於二零一八年五月十八日贖回可換股債券及終止合營協議後重新分配作本集團一般營運資金。

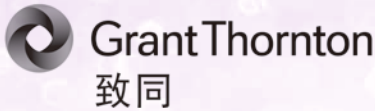
所得款項用途

於二零一八年三月十三日，本公司按每股股份0.53港元透過配售發行141,890,000股普通股，配售所得款項淨額約為72.5百萬港元。所得款項淨額中(i)70.0百萬港元用於認購Charm Success Global Investment Limited發行之可換股債券，並已於二零一八年三月十五日完成；(ii)約2.5百萬港元用於本集團一般營運資金，並已於截至二零一八年六月三十日止六個月悉數動用。

有關上述交易的詳情，請參閱日期為二零一八年二月十四日、二零一八年二月二十一日、二零一八年二月二十三日、二零一八年三月二日、二零一八年三月十三日及二零一八年三月十五日之公告。

僱員及薪酬政策

於二零一八年六月三十日，我們約有1,389名僱員。期內之總員工成本約為人民幣49.0百萬元。本集團根據有關市場慣例、僱員表現及本集團的財務表現定期檢討薪酬政策。本集團之薪酬政策並無重大變動。



To the board of directors of China Partytime Culture Holdings Limited

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated interim financial information set out on pages 15 to 63 which comprises the condensed consolidated statement of financial position of China Partytime Culture Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with HKAS 34.

Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致中國派對文化控股有限公司董事會

(於開曼群島註冊成立的有限公司)

緒言

我們已審閱列載於第15至63頁的簡明綜合中期財務資料，其中包括中國派對文化控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於二零一八年六月三十日的簡明綜合財務狀況表與截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表和其他附註解釋。香港聯合交易所有限公司證券上市規則規定，編製中期財務資料報告必須符合以上規則的有關條文以及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事須負責根據香港會計準則第34號編製及列報本簡明綜合中期財務資料。

我們的責任是根據我們的審閱對本簡明綜合中期財務資料作出結論，並按照雙方協定之委聘條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Independent Review Report

獨立審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Grant Thornton Hong Kong Limited

Certified Public Accountants

Level 12
28 Hennessy Road
Wanchai
Hong Kong

24 August 2018

Shaw Chi Kit

Practising Certificate No.: P04834

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱簡明綜合中期財務資料包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信簡明綜合中期財務資料在各重大方面未有根據香港會計準則第34號編製。

致同(香港)會計師事務所有限公司

執業會計師

香港
灣仔
軒尼詩道28號
12樓

二零一八年八月二十四日

邵子傑

執業證書編號：P04834

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
	Notes 附註		
Revenue	收益	226,142	254,270
Costs of sales	銷售成本	<u>(178,330)</u>	<u>(186,742)</u>
Gross profit	毛利	47,812	67,528
Other income	其他收入	2,798	286
Selling expenses	銷售開支	(5,951)	(5,904)
Administrative and other operating expenses	行政及其他經營開支	<u>(28,721)</u>	<u>(33,189)</u>
Profit from operations	經營溢利	15,938	28,721
Finance costs	融資成本	<u>(2,316)</u>	<u>(1,458)</u>
Profit before income tax	除所得稅前溢利	13,622	27,263
Income tax expense	所得稅開支	(3,210)	(8,296)
Profit for the period	期內溢利	10,412	18,967
Other comprehensive income: Items that will be reclassified subsequently to profit or loss	其他全面收入：其後將重新分類至損益之項目		
Exchange differences on translation of foreign operation recognised	已確認換算海外業務之匯兌差異	2,434	533
Other comprehensive income for the period, net of nil tax	期內其他全面收入，扣除稅項零	<u>2,434</u>	<u>533</u>
Total comprehensive income for the period	期內全面收入總額	12,846	19,500
Earnings per share for profit attributable to equity holders of the Company	本公司權益持有人應佔溢利之每股盈利		
Basic	基本	<u>RMB1.24 cents</u>	<u>RMB2.51 cents</u>
Diluted	攤薄	<u>RMB1.24 cents</u>	<u>RMB2.49 cents</u>

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2018 於二零一八年六月三十日

		30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動資產		
Trademark	商標	14	203
Prepaid land lease payments	預付土地租賃款項	12	12,243
Property, plant and equipment	物業、廠房及設備	13	391,401
Interest in a joint venture	於一間合營公司的權益		2
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	17	60,400
		464,249	398,872
Current assets	流動資產		
Inventories	存貨	15	14,387
Trade and other receivables	貿易及其他應收款項	16	62,113
Prepaid land lease payments	預付土地租賃款項	12	293
Tax recoverable	可收回稅項		2,148
Bank balances and cash	銀行結餘及現金	18	106,816
		185,757	142,740
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	19	69,968
Short term borrowings	短期借款	20	66,882
Income tax payable	應付所得稅		268
Convertible bonds	可換股債券	21	—
		137,118	100,307
Net current assets	流動資產淨值	48,639	42,433
Total assets less current liabilities	總資產減流動負債	512,888	441,305
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	22	7,352
Reserves	儲備		505,536
Total equity	總權益	512,888	441,305

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Share capital	Share premium	Capital reserve	Statutory reserve	Translation reserve	Convertible bond reserve	Retained profits	Total
		股本	股份溢價	資本儲備	法定儲備	換算儲備	債券儲備	保留溢利	總計
		RMB'000	RMB'000	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	人民幣千元	人民幣千元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
As at 1 January 2017	於二零一七年一月一日	6,209	139,245	85,160	30,414	307	1,240	163,430	426,005
Profit for the period	期內溢利	—	—	—	—	—	—	18,967	18,967
Other comprehensive income:	其他全面收入：								
— Exchange differences on translation of foreign operation recognised	— 已確認換算海外業務之匯兌差異	—	—	—	—	533	—	—	533
Total comprehensive income for the period	期內全面收入總額	—	—	—	—	533	—	18,967	19,500
Transaction with owners:	與擁有人交易：								
— Transfer to statutory reserves	— 轉撥至法定儲備	—	—	—	2,436	—	—	(2,436)	—
Transaction with owners	與擁有人交易	—	—	—	2,436	—	—	(2,436)	—
As at 30 June 2017	於二零一七年六月三十日	6,209	139,245	85,160	32,850	840	1,240	179,961	445,505

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Share	Capital	Statutory	Translation	Convertible	Retained	Total	
	Share capital	premium*	reserve*	reserve*	reserve*	bond reserve* 可換股	profits*		
	股本	股份溢價*	資本儲備*	法定儲備*	換算儲備*	債券儲備*	保留溢利*	總計	
	RMB'000	RMB'000	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	人民幣千元	人民幣千元	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
As at 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日及 二零一八年一月一日	6,209	139,245	85,160	32,641	1,619	1,240	175,191	441,305
Profit for the period	期內溢利	—	—	—	—	—	10,412	10,412	
Other comprehensive income:	其他全面收入：								
— Exchange differences on translation of foreign operation recognised	— 已確認換算 海外業務之 匯兌差異	—	—	—	2,434	—	—	2,434	
Total comprehensive income for the period	期內全面收入總額	—	—	—	2,434	—	10,412	12,846	
Transaction with owners:	與擁有人的交易：								
— Transfer to statutory reserves	— 轉撥至法定儲備	—	—	1,344	—	—	(1,344)	—	
— Transfer of convertible bonds reserve upon derecognition	— 於終止確認時轉撥 可換股債券儲備	—	—	—	—	(1,240)	1,240	—	
— Issue of share capital (note 22)	— 發行股本(附註22)	1,143	57,594	—	—	—	—	58,737	
Transaction with owners	與擁有人的交易	1,143	57,594	—	1,344	(1,240)	(104)	58,737	
As at 30 June 2018	於二零一八年六月三十日	7,352	196,839	85,160	33,985	4,053	185,499	512,888	

* The reserves accounts comprise the Group's reserves of RMB505,536,000 in the consolidated statement of financial position as at 30 June 2018 (as at 31 December 2017: RMB435,096,000).

* 儲備賬目包括本集團於二零一八年六月三十日綜合財務狀況表內的儲備人民幣505,536,000元(二零一七年十二月三十一日：人民幣435,096,000元)。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Cash flows from operating activities 經營活動現金流量			
Cash generated from operations 經營所得現金		55,858	29,691
Interest paid 已付利息		(2,323)	(1,816)
Income taxes paid 已付所得稅		(228)	(2,391)
<i>Net cash generated from operating activities</i>	<i>經營活動所得現金淨額</i>	<u>53,307</u>	<u>25,484</u>
Cash flows from investing activities 投資活動現金流量			
Interest received 已收利息		123	94
Purchase of property, plant and equipment 購置物業、廠房及設備		(15,518)	(44,185)
Proceeds from subscription of financial assets at fair value through profit or loss 認購按公平值計入損益之金融資產的所得款項		(56,693)	—
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>	<u>(72,088)</u>	<u>(44,091)</u>

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Cash flows from financing activities	融資活動現金流量		
Proceeds from issuance of share capital by placing	透過配售發行股本的所得款項	60,579	—
Share issue expenses	發行股份開支	(1,842)	—
Proceeds from bank borrowings	銀行借款所得款項	44,882	76,804
Repayment of bank borrowings	償還銀行借款	(31,000)	(84,504)
Redemption of convertible bonds	贖回可換股債券	(16,224)	—
<i>Net cash generated from/(used in) financing activities</i>	<i>融資活動所得/(所用)現金淨額</i>	56,395	(7,700)
Net increase/(decreased) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	37,614	(26,307)
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物	69,206	81,604
Effect of foreign exchange rate changes	匯率變動的影響	(4)	75
Cash and cash equivalents at the end of the period, represented by bank balances and cash	期末現金及現金等價物，以銀行結餘及現金表示	106,816	55,372

Notes to the Interim Financial Report

中期財務報告附註

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

1. GENERAL INFORMATION

China Partytime Culture Holdings Limited (the “Company”) was incorporated in the Cayman Islands as exempted company on 12 February 2015 with limited liability. The Company’s shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 16 October 2015. The address of its registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is No.3 Chunchao Road, Yichun Economic & Technological Development Zone, Jiangxi Province, the People’s Republic of China (“PRC”).

The Company is an investment holding company and its subsidiaries are principally engaged in the design, development, production, sales and marketing of cosplay products (including cosplay costumes and cosplay wigs) and sexy lingerie.

1. 一般資料

中國派對文化控股有限公司(「本公司」)於二零一五年二月十二日在開曼群島註冊成立為獲豁免有限責任公司。本公司股份於二零一五年十月十六日於香港聯合交易所有限公司(「聯交所」)上市。其註冊辦事處地址為Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands。其主要營業地點地址為中華人民共和國(「中國」)江西省宜春經濟技術開發區春潮路3號。

本公司為一間投資控股公司及其附屬公司主要從事設計、開發、生產、銷售及營銷角色扮演產品(包括角色扮演服飾及角色扮演假髮)及性感內衣。

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2. BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2018 has been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The condensed consolidated interim financial information does not include all of the information required in annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2017.

The condensed consolidation interim financial information is unaudited, but has been reviewed by the Company’s auditor, Grant Thornton Hong Kong Limited.

The condensed consolidated interim financial information is presented in thousands of units of Renminbi (“RMB’000”), except when otherwise indicated, which was approved for issue by the Board of Directors on 24 August 2018.

2. 編製基準

截至二零一八年六月三十日止六個月之簡明綜合中期財務資料已根據聯交所證券上市規則的適用披露規定及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。簡明綜合中期財務資料並不包括年度綜合財務報表所規定之一切資料且應與本集團截至二零一七年十二月三十一日止年度的年度綜合財務報表一併閱讀。

簡明綜合中期財務資料未經審核，但已由本公司核數師致同（香港）會計師事務所有限公司審閱。

除另有指明外，簡明綜合中期財務資料以人民幣千元（「人民幣千元」）呈列，其已於二零一八年八月二十四日獲董事會批准刊發。

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial information has been prepared in accordance with the accounting policies adopted in the Group's most recent annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of new accounting policies as a result of the adoption of the new and amended Hong Kong Financial Reporting Standards ("HKFRSs") as set out below:

(i) Adoption of new and amended HKFRSs

In addition to the adoption of the following amendments to HKFRSs that have become effective for accounting period beginning on 1 January 2018 and are relevant to the Group:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014–2016 Cycle
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

3. 主要會計政策

本簡明綜合中期財務資料已根據本集團截至二零一七年十二月三十一日止年度之最近期年度綜合財務報表所採納的會計政策編製，惟下文所載之因採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）所採納之新會計政策除外：

(i) 採納新訂及經修訂香港財務報告準則

採納以下於二零一八年一月一日開始之會計期間生效及有關本集團之香港財務報告準則的修訂之外：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	與客戶的合約收益
香港財務報告準則第2號的修訂	以股份為基礎的付款交易的分類及計量
香港財務報告準則的修訂	香港財務報告準則二零一四年至二零一六年週期的年度改進
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Adoption of new and amended HKFRSs (Continued)

The Group has applied all the other amendments, which are mandatory for the financial year beginning 1 January 2018.

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies and disclosures as described below.

The adoption of these newly effective HKFRSs has no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented. For those which are not yet effective and have not been early adopted by the Group, the Group is in the process of assessing their impact on the Group's results and financial position.

3. 主要會計政策(續)

(i) 採納新訂及經修訂香港財務報告準則(續)

本集團已應用所有其他於自二零一八年一月一日開始之財政年度強制生效的修訂。

新訂及經修訂香港財務報告準則乃根據各項準則及修訂的相關過渡條文應用，導致下文所述的會計政策及披露變動。

採納該等新生效的香港財務報告準則對本集團當期及過往期間業績及財務狀況的編製及呈列方式並無重大影響。就尚未生效且並未獲本集團提早採納的該等準則而言，本集團正評估該等準則對本集團業績及財務狀況的影響。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(i) Adoption of new and amended HKFRSs**
*(Continued)***3.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers**

HKFRS 15 contains a single model that applies to contracts with customers and two approaches to recognising revenue; at a point in time or overtime. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

1. Identify the contract(s) with customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer.

3. 主要會計政策 (續)**(i) 採納新訂及經修訂香港財務報告準則 (續)****3.1 應用香港財務報告準則第15號與客戶的合約收益之會計政策的影響及變動**

香港財務報告準則第15號載有適用於客戶合約收益之單一模式及確認收益的兩種方法：於一個時間點或於一段時間內。該模式之特點為以合約為基礎，對交易進行五步分析，以釐定是否確認收益、確認收益之金額及確認收益之時間。分析的五個步驟如下：

1. 識別與客戶之合約
2. 識別合約之履約責任
3. 釐定交易價
4. 將交易價分配至履約責任
5. 於(或按)實體完成履約責任時確認收益

根據香港財務報告準則第15號，本集團於(或按)履約責任完成時，即與特定履約責任相關的商品或服務之控制權轉移至客戶時確認收益。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Adoption of new and amended HKFRSs (Continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers (Continued)

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. The Group's contract liability included deposits from customer (note 19).

3. 主要會計政策 (續)

(i) 採納新訂及經修訂香港財務報告準則 (續)

3.1 應用香港財務報告準則第15號與客戶的合約收益之會計政策的影響及變動 (續)

當(或按)本集團透過向其客戶轉讓承諾貨品或服務達成履約責任時,收益會於某一時間點或隨時間確認。

合約資產指本集團就本集團已向客戶轉移之商品或服務換取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反,應收款項指本集團收取代價的無條件權利,即只需待時間過去即須到期支付代價。

合約負債指本集團因已自客戶收取代價(或已到期代價金額)而須向客戶轉移商品或服務的義務。本集團的合約負債包括客戶按金(附註19)。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(i) Adoption of new and amended HKFRSs**
*(Continued)***3.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers**
(Continued)

Revenue from the sale of goods for a fixed fee is recognised when (or as) the Group transfers control of the assets to the customer. For stand-alone sales of goods that are neither customised by the Group nor subject to significant integration services, control transfers at the point in time when the customer takes undisputed delivery of the goods.

There was no impact of transition to HKFRS15 on retained profits at 1 January 2018.

3.2 Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments”

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 “Financial Instruments” from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the interim financial information.

3. 主要會計政策 (續)**(i) 採納新訂及經修訂香港財務報告準則 (續)****3.1 應用香港財務報告準則第15號與客戶的合約收益之會計政策的影響及變動 (續)**

以固定費用銷售商品產生的收益於(或按)本集團向客戶轉移資產控制權時確認。就既非由本集團定制亦不受重大綜合服務影響的獨立銷售商品而言，其控制權於客戶接受無可爭議的商品交付時轉移。

於二零一八年一月一日，過渡至香港財務報告準則第15號對保留溢利並無影響。

3.2 應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策的影響及變動

香港財務報告準則第9號取代香港會計準則第39號有關金融資產與金融負債的確認、分類及計量、終止確認金融工具、金融資產減值以及對沖會計處理的條文。

自二零一八年一月一日起採納香港財務報告準則第9號「金融工具」導致會計政策變動及中期財務資料中所確認金額的調整。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Adoption of new and amended HKFRSs (Continued)

3.2 Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments” (Continued)

The adoption has not had a significant effect on the Group’s accounting policies related to financial liabilities.

The impact of HKFRS 9 on the measurement of financial assets are set out below.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (“ECL”) rather than incurred credit losses as is the case under HKAS 39. The Group’s trade and other receivables which are measured at amortised cost are subject to HKFRS 9’s new expected credit loss model.

Under HKFRS 9, the Group was required to revise its impairment methodology for each of these classes of assets. The Group applies the HKFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables, contract assets and finance lease receivables. Impairment on other receivables is measured as either 12-month expected credit loss or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition.

3. 主要會計政策 (續)

(i) 採納新訂及經修訂香港財務報告準則 (續)

3.2 應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策的影響及變動 (續)

採納該項準則對本集團有關金融負債的會計政策並無重大影響。

香港財務報告準則第9號對計量金融資產的影響載列如下。

新減值模式要求按預期信貸虧損(「預期信貸虧損」)確認減值撥備，而非按香港會計準則第39號項下已產生信貸虧損確認減值撥備。本集團按攤銷成本計量的貿易及其他應收款項受限於香港財務報告準則第9號新預期信貸虧損模式。

根據香港財務報告準則第9號，本集團須修改各該等類別資產的減值方法。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，對所有貿易應收款項、合約資產及融資租賃應收款項使用年期預期虧損撥備。其他應收款項的減值按12個月預期信貸虧損或年期預期信貸虧損計量，取決於信貸風險自初始確認以來是否顯著增加。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(i) Adoption of new and amended HKFRSs***(Continued)***3.2 Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments” (Continued)**

The Group established expected credit loss model based on historical settlement records, past experience and available forward-looking information. The Group has concluded that the impact of ECL on financial assets is insignificant as at 1 January 2018.

The following describes the Group’s updated accounting policy in relation to financial assets to reflect the adoption of HKFRS 9:

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- debt instruments to be measured at amortised cost; and
- financial assets measured at fair value through profit or loss.

3. 主要會計政策 (續)**(i) 採納新訂及經修訂香港財務報告準則 (續)****3.2 應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策的影響及變動 (續)**

本集團已基於歷史結算記錄、過往經驗及可獲得的前瞻性資料建立預期信貸虧損模型。本集團得出結論，於二零一八年一月一日，金融資產預期信貸虧損的影響並不重大。

下文說明本集團採納香港財務報告準則第9號後有關金融資產的經更新會計政策：

金融資產的分類

本集團將金融資產分為以下計量類別：

- 按攤銷成本計量的債務工具；及
- 按公平值計入損益的金融資產。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Adoption of new and amended HKFRSs (Continued)

3.2 Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments” (Continued)

Measurements

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets

The Group assesses on a forward looking basis the ECL associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

3. 主要會計政策 (續)

(i) 採納新訂及經修訂香港財務報告準則 (續)

3.2 應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策的影響及變動 (續)

計量

符合以下條件的債務工具其後按攤銷成本計量：

- 持有金融資產之業務模式旨在透過持有金融資產收取合約現金流量；及
- 金融資產的合約條款導致於特定日期產生僅用於支付本金及未償還本金之利息的現金流量。

金融資產減值

本集團按前瞻性基準評估與按攤銷成本列賬之債務工具有關的預期信貸虧損。所應用之減值方法取決於信貸風險是否顯著增加。

就貿易應收款項而言，本集團應用香港財務報告準則第9號允許的簡化方法，要求自初始確認應收款項起確認預期年期虧損。

3. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***(i) Adoption of new and amended HKFRSs**
*(Continued)***3.2 Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments”** *(Continued)**Impairment of financial assets*
(Continued)

For other receivables, the Group adopted a “three-stage” model for impairment based on changes in credit quality since initial recognition as summarised below:

- The receivables with low credit risk on initial recognition is classified in “Stage 1” and has its credit risk continuously monitored by the Group;
- If a significant increase in credit risk since initial recognition is identified, the receivables is moved to “Stage 2” but is not yet deemed to be credit impaired;
- If the receivables is credit-impaired, the financial instrument is then moved to “Stage 3”.

Receivables in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on ECL on a lifetime basis.

3. 主要會計政策 (續)**(i) 採納新訂及經修訂香港財務報告準則 (續)****3.2 應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策的影響及變動 (續)***金融資產減值 (續)*

就其他應收款項而言，本集團基於自初始確認以來的信貸質素變動採用「三階段」減值模式，概述如下：

- 於初始確認時有較低信貸風險的應收款項分類為「階段1」，其信貸風險由本集團持續監控；
- 倘識別出信貸風險自初始確認後顯著增加，則應收款項轉移至「階段2」，但未被視為信貸減值；
- 倘應收賬款已出現信貸減值，則金融工具轉移至「階段3」。

階段1的應收款項的預期信貸虧損按等同年期預期信貸虧損於未來12個月內可能發生的違約事件導致的部分金額計量。階段2或階段3工具的預期信貸虧損按年期預期信貸虧損計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Adoption of new and amended HKFRSs (Continued)

3.2 Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments” (Continued)

Measurement of ECLs

When estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

4. ESTIMATES AND JUDGEMENTS

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

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Group for the year ended 31 December 2017.

3. 主要會計政策 (續)

(i) 採納新訂及經修訂香港財務報告準則 (續)

3.2 應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策的影響及變動 (續)

預期信貸虧損的計量

於估計預期信貸虧損時，本集團考慮無需付出不必要成本或努力可得的合理且可支持的相關資料，包括基於本集團過往經驗及已知信貸評估得出的定量及定性資料分析，亦包括前瞻性資料。

4. 估計及判斷

編製簡明綜合中期財務資料時，管理層須作出會計判斷、估計及假設，而其將影響會計政策之應用，以及資產及負債、收入及開支之呈報金額。實際結果可能與該等估計有所差異。

於編製本簡明綜合中期財務資料時，管理層應用本集團會計政策時所作重大判斷及估計不確定因素之主要來源與本集團於截至二零一七年十二月三十一日止年度的年度綜合財務報表所應用者相同。

5. SEGMENT INFORMATION

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker for the purpose of allocating resources to the segment and to assess its performance. The executive directors of the Company, being the chief operating decision maker, have identified the Group's two product and service lines as operating segments.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

Segment results represented operating results of each reportable segment without allocation of finance costs, interest income, unallocated other operating income, unallocated corporate expenses, and income tax expenses. All assets are allocated to reportable segments other than cash and cash equivalents and other corporate assets which are not directly attributable to the business activities of any reportable segments. All liabilities are allocated to reportable segments other than corporate liabilities which are not directly attributable to the business activities of any reportable segments.

5. 分部資料

香港財務報告準則第8號經營分部規定，經營分部須按本集團組成部分的內部報告識別，有關內部報告經由主要營運決策者定期審閱，以分配資源予分部及評估分部表現。本公司執行董事（即主要營運決策者）已識別本集團的兩個產品及服務系列作為經營分部。

該等經營分部均受到監管，而策略性決定乃根據經調整分部經營業績作出。

分部業績為每個可匯報分部之營運業績，且未計及分配融資成本、利息收入、未經分配之其他經營收入、未經分配之公司開支及所得稅開支。所有資產皆分配予各可匯報之分部，惟不直接歸屬於任何可匯報分部業務活動之現金及現金等價物以及其他公司資產除外。所有負債皆分配予各可匯報之分部，惟不直接歸屬於任何可匯報分部業務活動之公司負債除外。

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中期財務報告附註

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results by operating and reportable segments:

5. 分部資料(續)

以下為本集團按經營及可呈報分部劃分的收益及業績的分析：

		Six months ended 30 June 2018 截至二零一八年六月三十日止六個月		
		Wigs 假髮	Clothing and others 服裝及其他	Total 總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)
Revenue from external customers	來自外部客戶的收益	91,545	134,597	226,142
Segment results	分部業績	17,237	24,624	41,861
Finance costs	融資成本			(2,316)
Bank interest income	銀行利息收入			123
Unallocated income	未經分配收入			2,675
Unallocated expenses	未經分配開支			(28,721)
Profit before income tax	除所得稅前溢利			13,622
Income tax expense	所得稅開支			(3,210)
Profit for the period	期內溢利			10,412
Other segment items	其他分部項目			
Depreciation and amortisation	折舊及攤銷	1,928	8,613	10,541
Capital expenditure	資本開支	4,305	11,213	15,518

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Six months ended 30 June 2017
截至二零一七年六月三十日止六個月

		Clothing and		Total
		Wigs	others	Total
		假髮	服裝及其他	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
		(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)
Revenue from external customers	來自外部客戶的 收益	109,642	144,628	254,270
Segment results	分部業績	24,991	36,722	61,713
Finance costs	融資成本			(1,458)
Bank interest income	銀行利息收入			94
Unallocated income	未經分配收入			192
Unallocated expenses	未經分配開支			(33,278)
Profit before income tax	除所得稅前溢利			27,263
Income tax expense	所得稅開支			(8,296)
Profit for the period	期內溢利			18,967
Other segment items	其他分部項目			
Depreciation and amortisation	折舊及攤銷	1,705	6,716	8,421
Capital expenditure	資本開支	126	44,059	44,185

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中期財務報告附註

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

5. SEGMENT INFORMATION (Continued)

5. 分部資料 (續)

		As at 30 June 2018 於二零一八年六月三十日			
		Clothing and		Unallocated	Total
		Wigs 假髮	others 服裝及其他	未經分配	總計
		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
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Reportable segment assets	可呈報分部資產	<u>104,290</u>	<u>361,140</u>	<u>184,576</u>	<u>650,006</u>
Reportable segment liabilities	可呈報分部負債	<u>22,155</u>	<u>31,863</u>	<u>83,100</u>	<u>137,118</u>
		As at 31 December 2017 於二零一七年十二月三十一日			
		Clothing and		Unallocated	Total
		Wigs 假髮	others 服裝及其他	未經分配	總計
		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
		(audited)	(audited)	(audited)	(audited)
		(經審核)	(經審核)	(經審核)	(經審核)
Reportable segment assets	可呈報分部資產	<u>100,693</u>	<u>358,817</u>	<u>82,102</u>	<u>541,612</u>
Reportable segment liabilities	可呈報分部負債	<u>11,587</u>	<u>11,334</u>	<u>77,386</u>	<u>100,307</u>

6. REVENUE

The Group's principal activities are disclosed in note 1 to the condensed consolidated interim financial information. Information of revenue by product line with disaggregation of revenue are as follows. Product line classification is consistent with the revenue information that is disclosed for each reportable segment under HKFRS 8 (note 5).

6. 收益

本集團的主要業務披露於簡明綜合中期財務資料附註1。按產品系列劃分收益細項的收益資料如下。產品系列劃分與根據香港財務報告準則第8號披露的各可呈報分部收益資料一致(附註5)。

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Wigs	假髮	91,545	109,642
Clothing and others	服裝及其他	134,597	144,628
		226,142	254,270

All the performance obligation of revenue from contracts with customers of the Group are satisfied at a point in time.

本集團來自客戶合約收益的所有履約責任皆於某一時間點達成。

The Group's contracts with customers usually have original expected duration of one year or less, no consideration received from customers is not included in the transaction price.

本集團與客戶的合約一般設有一年或以內的原預期持續時間。所有從客戶收取的代價均計入交易價。

The Group expects all of unsatisfied contracts as at the end of each reporting period will be recognised as revenue during the next reporting period.

本集團預期於各報告期末的所有未履行合約將於下一個報告期確認為收益。

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中期財務報告附註

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

6. REVENUE (Continued)

The following tables shows how much of the revenue recognised in the current reporting period relates to brought-forward deposits from customers (note 19). There was no revenue recognised during the six months ended 30 June 2018 that is related to performance obligations that were satisfied in a prior year (2017: nil).

6. 收益(續)

下表呈列於本報告期有關結轉客戶按金(附註19)所確認的收益金額。概無於截至二零一八年六月三十日止六個月期間確認有關去年達成的履約責任的收益(二零一七年：無)。

		Six months ended 30 June 2018 截至 二零一八年 六月三十日 止六個月 RMB'000 人民幣千元 (unaudited) (未經審核)
Wigs	假髮	226
Clothing and others	服裝及其他	847
		<hr/>
		1,073

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

7. OTHER INCOME

7. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Exchange gain	匯兌收益	587	—
Bank interest income	銀行利息收入	123	94
Interest income on financial assets at fair value through profit or loss	按公平值計入損益的 金融資產利息收入	1,187	—
Rental income	租金收入	626	192
Government grant (note)	政府補助(附註)	252	—
Others	其他	23	—
		2,798	286

Note: The Group was entitled to receive subsidy from local government authority for export sales business conduct in Yichun Development Zone.

附註：本集團有權就於宜春開發區進行出口銷售業務收取當地政府機構的補貼。

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中期財務報告附註

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

8. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after (crediting)/charging:

8. 除所得稅前溢利

除所得稅前溢利於(計入)/扣除以下各項後釐定：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Cost of inventories recognised as an expense	確認為開支的 存貨成本	134,208	140,537
Depreciation	折舊	10,347	8,227
Amortisation of prepaid land lease payments	預付土地租賃款項的 攤銷	147	147
Amortisation of trademark	商標的攤銷	47	47
Operating lease charges in respect of land and buildings	有關土地及樓宇的 經營租賃開支	114	265
Exchange (gain)/loss	匯兌(收益)/損失	(587)	1,316
Research and development cost	研發成本	12,176	16,727
Staff costs	員工成本		
— Salaries, allowances and other benefits	— 薪金、津貼及 其他福利	42,344	44,218
— Contributions to defined contribution retirement plans	— 界定供款退休 計劃的供款	6,650	7,344
		48,994	51,562

9. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the six months ended 30 June 2018 and 2017.

The provision for PRC enterprise income tax has been provided at the applicable tax rate of 25% (2017: 25%) on the assessable profits of the PRC subsidiaries.

9. 所得稅開支

於截至二零一八年及二零一七年六月三十日止六個月內，由於本集團於香港並無產生應課稅溢利，故並無對香港利得稅作出任何撥備。

中國企業所得稅乃按適用稅率 25% (二零一七年：25%) 就中國附屬公司的應課稅溢利計提撥備。

**Six months ended 30 June
截至六月三十日止六個月**

2018	2017
二零一八年	二零一七年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

**Current tax — PRC enterprise
income tax**

Current period

**當期稅項 — 中國企業
所得稅**

本期間

3,210**8,296**

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. Certain subsidiaries of the Group were accredited as "High and New Technology Enterprise" in the PRC with effect from 13 November 2017, and subject to a concessionary tax rate of 15% for three years in accordance with the EIT Law.

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施規例，中國附屬公司的稅率為25%，本集團若干附屬公司已自二零一七年十一月十三日起獲認證為中國「高新技術企業」，根據企業所得稅法可享有三年的15%優惠稅率。

10. DIVIDENDS

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2018 (2017: nil).

10. 股息

董事不建議派發截至二零一八年六月三十日止六個月之中期股息(二零一七年：無)。

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11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to equity holders of the Company of RMB10,412,000 (2017: RMB18,967,000) and the weighted average number of ordinary shares of 841,440,000 in issue during the period (2017: 756,234,000).

11. 每股盈利

每股基本盈利乃根據本公司權益持有人應佔溢利人民幣10,412,000元(二零一七年：人民幣18,967,000元)及於期間內已發行普通股加權平均數為841,440,000股(二零一七年：756,234,000股)計算。

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Earnings	盈利		
Profit for the period attributable to equity holders of the Company for the purpose of basic earnings per share	用於計算每股基本盈利之本公司權益持有人應佔期內溢利	10,412	18,967
Effect of dilutive potential ordinary shares	具攤薄效應之潛在普通股之影響	—	767
Interest on convertible bonds	可換股債券之利息	—	767
		<u>10,412</u>	<u>19,734</u>
Earnings for the purpose of diluted earnings per share	用於計算每股攤薄盈利之盈利	<u>10,412</u>	<u>19,734</u>
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利之普通股加權平均數	841,440	756,234
Effect of dilutive potential ordinary shares: — convertible bonds	具攤薄效應之潛在普通股之影響： — 可換股債券	—	37,807
		<u>841,440</u>	<u>794,041</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用於計算每股攤薄盈利之普通股加權平均數	<u>841,440</u>	<u>794,041</u>

11. EARNINGS PER SHARE (Continued)

For the six months ended 30 June 2018, the computation of diluted earnings per share has not assumed the conversion of the Company's outstanding convertible bonds (note 21) since the conversion would result in an increase in earnings per share.

The calculation of the diluted earnings per share for the six months ended 30 June 2017 is based on the profit attributable to equity holders of the Company, adjusted to reflect the interest of the convertible bonds issued by the Company during six months ended 30 June 2017. The weighted average number of ordinary shares used in the calculation of the diluted earnings per share for the six months ended 30 June 2017 is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed conversion of the convertible bonds into ordinary shares for the period.

11. 每股盈利 (續)

截至二零一八年六月三十日止六個月，由於轉換將導致每股盈利增加，於計算每股攤薄盈利時並無假設轉換本公司尚未轉換的可換股債券(附註21)。

截至二零一七年六月三十日止六個月之每股攤薄盈利乃根據本公司權益持有人應佔溢利計算，經調整以反映本公司於截至二零一七年六月三十日止六個月之已發行可換股債券之利息。計算於截至二零一七年六月三十日止六個月之每股攤薄盈利時所採用的加權平均普通股數目即為計算每股基本盈利所採用期內的已發行普通股數目，而普通股的加權平均數則假設為在視為於期內將可換股債券轉換為普通股時已發行。

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中期財務報告附註

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

12. PREPAID LAND LEASE PAYMENTS

12. 預付土地租賃款項

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Carrying amount at the beginning of the period/year 期/年初賬面值	12,683	12,976
Amortised during the period/year 期/年內攤銷	(147)	(293)
Carrying amount at the end of the period/year 期/年末賬面值	12,536	12,683
Represented by: 代表:		
Non-current portion 非流動部分	12,243	12,390
Current portion 流動部分	293	293
	12,536	12,683

The leasehold land is situated in the PRC and is held under a medium term lease.

租賃土地位於中國，按中期租約持有。

As at 30 June 2018, the Group's prepaid land lease payments amounting to RMB12,536,000 (31 December 2017: RMB12,683,000) were pledged to secure bank borrowings granted to the Group (note 20).

於二零一八年六月三十日，本集團的預付土地租賃款項人民幣12,536,000元(二零一七年十二月三十一日：人民幣12,683,000元)已質押，以取得授予本集團的銀行借款(附註20)。

For the Six months ended 30 June 2018 截至二零一八年六月三十日止六個月

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings	Plant and machineries	Motor vehicles	Furniture and equipment	Leasehold improvement	Construction in progress	Total
		樓宇	廠房及機械	汽車	傢俬及設備	租賃物業裝修	在建工程	總計
		RMB'000	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	人民幣千元
Cost	成本							
As at 1 January 2018	於二零一八年一月一日	242,368	29,600	3,190	5,020	51,030	99,268	430,476
Additions	添置	—	6,894	102	24	—	8,498	15,518
As at 30 June 2018	於二零一八年六月三十日							
(unaudited)	(未經審核)	242,368	36,494	3,292	5,044	51,030	107,766	445,994
Accumulated depreciation	累計折舊							
As at 1 January 2018	於二零一八年一月一日	13,986	9,970	1,981	2,585	15,724	—	44,246
Charge for the period	期內支出	3,333	1,489	189	330	5,006	—	10,347
As at 30 June 2018	於二零一八年六月三十日							
(unaudited)	(未經審核)	17,319	11,459	2,170	2,915	20,730	—	54,593
Net book amount	賬面淨值							
As at 30 June 2018	於二零一八年六月三十日							
(unaudited)	(未經審核)	225,049	25,035	1,122	2,129	30,300	107,766	391,401
As at 31 December 2017	於二零一七年十二月							
(audited)	三十一日(經審核)	228,382	19,630	1,209	2,435	35,306	99,268	386,230

As at 30 June 2018, the Group's buildings amounting to RMB197,823,000 (31 December 2017: RMB200,724,000) were pledged to the banks to secure the bank borrowings granted to the Group (note 20).

於二零一八年六月三十日，本集團人民幣197,823,000元(二零一七年十二月三十一日：人民幣200,724,000元)的樓宇已質押予銀行，以取得授予本集團的銀行借款(附註20)。

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14. TRADEMARK

14. 商標

		Trademark 商標 RMB'000 人民幣千元
Cost	成本	
As at 1 January 2018 and 30 June 2018 (unaudited)	於二零一八年一月一日及 二零一八年六月三十日 (未經審核)	500
Accumulated amortisation	累計攤銷	
As at 1 January 2018	於二零一八年一月一日	250
Charge for the period	期內支出	47
As at 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	297
Net book amount	賬面淨值	
As at 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	203
As at 31 December 2017 (audited)	於二零一七年十二月三十一日 (經審核)	250

The amortisation charge for the period is included in “administrative and other operating expenses” on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

期內攤銷支出計入簡明綜合損益及其他全面收益表中「行政及其他經營開支」內。

15. INVENTORIES

15. 存貨

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Raw materials	原材料	12,341	20,881
Work in progress	在製品	832	1,429
Finished goods	製成品	1,214	2,440
		<u>14,387</u>	<u>24,750</u>

16. TRADE AND OTHER RECEIVABLES

16. 貿易及其他應收款項

		As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Trade receivables	貿易應收款項		
— from third parties	— 來自第三方	<u>47,091</u>	<u>27,757</u>
Deposits, prepayments and other receivables	按金、預付款項及 其他應收款項		
Prepayments	預付款項	3,617	1,541
Prepayments for construction materials	建築材料預付款項	—	8,050
Other tax receivables	其他應收稅款	9,936	5,063
Deposits	按金	224	221
Other receivables	其他應收款項	1,245	997
		<u>15,022</u>	<u>15,872</u>
		<u>62,113</u>	<u>43,629</u>

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16. TRADE AND OTHER RECEIVABLES

(Continued)

The Group usually requires advance deposits from its customers. Before accepting any new customer, the Group applied an internal credit assessment policy to assess the potential customer's credit quality. The credit period is generally for a period of 30 days. Overdue balances are reviewed regularly by senior management. Trade receivables are non interest-bearing.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("life time ECL"). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables over one year past due. There has been no change in the estimation techniques or significant assumptions made.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, eg when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

16. 貿易及其他應收款項 (續)

本集團通常要求其客戶預先支付按金。於接收任何新客戶前，本集團應用內部信用評估政策評估潛在客戶的信用質素。信用期通常為30天期限。逾期結餘由高級管理人員定期審閱。貿易應收款項不計息。

本集團一直按年期預期信貸虧損(「年期預期信貸虧損」)計量貿易應收款項的虧損撥備。貿易應收款項的預期信貸虧損使用撥備矩陣估計，並參考債務人的過往違約記錄及債務人目前財務狀況的分析，根據於報告日期債務人特定的因素、債務人營運所在行業的一般經濟狀況以及目前及預測狀況方向的評估作出調整。本集團就逾期超過一年的所有應收款項確認全額虧損撥備。估計技巧或所作出的重大假設概無變動。

倘有資料顯示債務人面對嚴重財務困難且收回款項的機率不大(如債務人遭清盤或啟動破產程序，或貿易應收款項已逾期超過兩年，以較早者為準)，本集團將撇銷貿易應收款項。概無貿易應收款項因執法行動而撇銷。

16. TRADE AND OTHER RECEIVABLES*(Continued)*

Generally the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base. As at 30 June 2018, the Group did not have any material impairment on trade receivable (31 December 2017: nil). As at 30 June 2018, no lifetime ECL (whether not credit-impaired or credit-impaired) or write-off has been recognised for trade receivables (31 December 2017: nil). There has not been any significant change in the gross amounts of trade receivables that has affected the estimation of the loss allowance during the six months period ended 30 June 2018.

An aged analysis of the trade receivables based on the invoice date and net of impairment, is as follows:

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
0-30 days	47,091	23,569
31-60 days	—	2,301
61-90 days	—	1,887
	47,091	27,757

As at 30 June 2018, no trade receivables were individually determined to be impaired (31 December 2017: nil).

16. 貿易及其他應收款項 (續)

一般而言，本集團過往信貸虧損記錄並未就不同客戶分部呈現顯著不同的虧損模式。並未就本集團不同客戶群體進一步區分根據逾期情況作出的虧損撥備。於二零一八年六月三十日，本集團貿易應收款項並無重大減值(二零一七年十二月三十一日：無)。於二零一八年六月三十日，並未就貿易應收款項確認年期預期信貸虧損(不論是否出現信貸減值)或撇銷貿易應收款項(二零一七年十二月三十一日：無)。貿易應收款項的總金額概無出現重大變動，導致影響截至二零一八年六月三十日止六個月的虧損撥備估計。

按發票日期的貿易應收款項(扣除減值)的賬齡分析如下：

於二零一八年六月三十日，並無個別貿易應收款項釐定為減值(二零一七年十二月三十一日：無)。

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17. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

17. 按公平值計入損益的金融資產

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Unlisted convertible bond	60,400	—

Unlisted convertible bond

未上市可換股債券

60,400

—

On 23 February 2018, Unlock Bound Investments Limited (“UBI”), a wholly-owned subsidiary of the Group, subscribed for a convertible bond with a principal of HK\$70,000,000 (equivalent to RMB56,693,000) (“CSG Convertible Bond”) with annual coupon of 6%, issued by Charm Success Global Investment Limited (“CSG”), an independent third party. CSG is an unlisted company incorporated in the BVI with limited liability. The CSG Convertible Bond will mature on 23 February 2022.

The CSG Convertible Bond will, at the discretion of UBI, be convertible at any time between the date of issue of the CSG Convertible Bond and on the second business day immediately preceding its maturity date on 23 February 2022 into fully paid ordinary shares of CSG. The total percentage of ordinary share hold by UBI upon full conversion of the CSG convertible bonds in the enlarged share capital of CSG will be equal to the aggregate principal amount of the CSG Convertible Bond divided by the value of CSG and its subsidiaries to be agreed by the UBI and CSG. If the bonds have not been converted, they will be redeemed on maturity date at 110% of the outstanding principal amount of the CSG Convertible Bond plus accrued interest.

於二零一八年二月二十三日，Unlock Bound Investments Limited (「UBI」)(本集團之全資附屬公司)認購獨立第三方Charm Success Global Investment Limited (「CSG」)發行的可換股債券(「CSG可換股債券」)，其本金額為70,000,000港元(相當於人民幣56,693,000元)，每年票息為6厘。CSG為於英屬處女群島註冊成立的非上市有限公司。CSG可換股債券於二零二二年二月二十三日到期。

CSG可換股債券可於CSG可換股債券發行日期至緊接其於二零二二年二月二十三日到期前第二個營業日期間，由UBI酌情決定隨時兌換為CSG的繳足普通股。悉數兌換CSG可換股債券後，UBI持有於CSG經擴大股本的普通股股權百分比總額將相當於CSG可換股債券本金總額除以UBI與CSG將予協定之CSG及其附屬公司價值。倘債券未獲兌換，將按CSG可換股債券於到期日尚未償還的本金額之110%加應計利息贖回。

17. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The movement of the CSG Convertible Bond during the period are set out below:

		For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月 RMB'000 人民幣千元 (unaudited) (未經審核)
Fair value at 23 February 2018	於二零一八年二月二十三日之公平值	56,693
Accrued interest income	應計利息收入	1,235
Exchange adjustments	匯兌調整	2,472
Fair value at the end of the period	期末公平值	<u>60,400</u>

The fair value of the CSG Convertible Bonds had been measured as described in note 23.

CSG可換股債券的公平值已按附註23所述方法計量。

18. BANK BALANCES AND CASH

Bank balances and cash 銀行結餘及現金

18. 銀行結餘及現金

As at 30 June 2018 於二零一八年六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
<u>106,816</u>	<u>69,206</u>

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18. BANK BALANCES AND CASH (Continued)

Included in bank and cash balances of the Group of approximately RMB104,570,000 as at 30 June 2018 (31 December 2017: RMB68,541,000) are bank balances denominated in RMB placed with banks in the PRC. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business. Cash at banks earns interest at floating rates based on daily bank deposit rates.

18. 銀行結餘及現金(續)

於二零一八年六月三十日，計入本集團的銀行及現金結餘約人民幣104,570,000元(二零一七年十二月三十一日：人民幣68,541,000元)為存於中國銀行以人民幣計值的銀行結餘。人民幣為不可自由兌換貨幣。根據中國的外匯管理條例及《結匯、售匯及付匯管理規定》，本集團獲許可透過獲授權進行外匯業務的銀行將人民幣兌換為外幣。銀行現金按基於每日銀行存款利率的浮動利率賺取利息。

19. TRADE AND OTHER PAYABLES

19. 貿易及其他應付款項

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)	
Trade payables	貿易應付款項		
— to third parties	— 應付予第三方	44,577	17,100
Accrued charges and other payables	應計開支及其他應付款項		
— Deposits from customers	— 客戶按金	1,359	322
— Salaries payables	— 應付薪金	8,082	5,498
— Other tax payables	— 其他應付稅款	803	1,252
— Other payables	— 其他應付款項	15,147	6,723
		25,391	13,795
		69,968	30,895

19. TRADE AND OTHER PAYABLES (Continued)

The Group was granted by its suppliers credit periods ranging from 15 to 60 days. An aged analysis of the trade payables based on the invoice date, is as follows:

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
0-30 days	44,577	17,100

20. SHORT TERM BORROWINGS**20. 短期借款**

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Bank loans, secured	50,000	53,000
Unsecured borrowings	16,882	—
	66,882	53,000

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20. SHORT TERM BORROWINGS (Continued)

As at 30 June 2018, bank loans amounted total RMB50,000,000 (31 December 2017: RMB53,000,000) bear interest at 4.4% to 5.84% (31 December 2017: 4.53% to 5.84%) per annum. The bank loans were secured by certain assets of the Group (notes 12 and 13) as at 30 June 2018 and 31 December 2017.

As at 30 June 2018, unsecured borrowing amounted total RMB16,882,000 bear interest at 15% per annum.

21. CONVERTIBLE BONDS

On 18 May 2016, the Company issued convertible bonds due 17 May 2018 ("Maturity Date"), in the aggregate principal amount of HK\$20,000,000 (equivalent to RMB17,130,000) with annual coupon rate of 4%. Each bond will, at the discretion of the holder, be convertible at any time between the date of issue of the bonds and their maturity date on 17 May 2018 into fully paid ordinary shares of the Company with a par value of HK\$1.00 each at an initial conversion price of HK\$0.529 per share. If the bonds have not been converted, they will be redeemed on maturity date at par plus accrued interest. The initial fair values of the liability component and the equity conversion component, based on net proceeds, were determined at issuance of the bonds. On initial recognition, the fair value of the liability component, included in the convertible, was calculated using a market interest rate of 9.38% for an equivalent non-convertible bonds. The residual amount, representing the value of the equity conversion component, is included in equity in convertible bonds reserves.

20. 短期借款(續)

於二零一八年六月三十日，銀行貸款總額為人民幣50,000,000元(二零一七年十二月三十一日：人民幣53,000,000元)，按年利率4.4%至5.84%(二零一七年十二月三十一日：4.53%至5.84%)計息。於二零一八年六月三十日及二零一七年十二月三十一日，銀行貸款以本集團若干資產(附註12及13)作抵押。

於二零一八年六月三十日，無抵押借款總額為人民幣16,882,000元，按年利率15%計息。

21. 可換股債券

於二零一六年五月十八日，本公司發行二零一八年五月十七日(「到期日」)到期年票息率4%之可換股債券，本金總額20,000,000港元(相等於人民幣17,130,000元)。持有人可酌情決定各債券於債券發行日期至二零一八年五月十七日到期日期間隨時以初始轉換價每股0.529港元轉換為每股面值1.00港元之本公司繳足普通股。倘債券未獲轉換，則彼等將按面值加應計利息於到期日贖回。根據所得款項淨額，負債部分及股權轉換部分之初始公平值於發行債券時釐定。於初始確認時，負債部分之公平值(計入可換股)按同等非可換股債券之市場利率9.38%計算。餘下金額(相當於股權轉換部分之價值)乃計入可轉換債券儲備權益。

21. CONVERTIBLE BONDS (Continued)

The liability component and equity conversion component upon issuance are as follows:

21. 可換股債券(續)

於發行時之負債部分及權益轉換部分如下：

		<i>RMB'000</i> 人民幣千元
Face value of convertible bonds issued on 18 May 2016	於二零一六年五月十八日發行之可換股債券面值	17,130
Transaction costs	交易成本	(343)
Equity component credited to the equity	計入權益之股權部分	(1,240)
Liability component	負債部分	15,547

The movement of the convertible bonds during the period/year are set out below:

期間／年內可換股債券之變動載列如下：

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Liability component	負債部分	
Carrying amount at the beginning of the period/year	16,412	17,107
Effective interest charges	561	1,536
Interest paid	(239)	(1,041)
Exchange adjustments	(510)	(1,190)
Redemption of convertible bonds	(16,224)	—
Carrying amount at the end of the period/year	—	16,412

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21. CONVERTIBLE BONDS (Continued)

The convertible bonds matured on 18 May 2018 and all the convertible bonds were redeemed by the Group on the same day.

21. 可換股債券(續)

可換股債券於二零一八年五月十八日到期。本集團已於同日贖回所有可換股債券。

22. SHARE CAPITAL

22. 股本

		<i>No. of shares</i> 股份數目	<i>RMB'000</i> 人民幣千元
Authorised:	法定：		
As at 30 June 2018 and 31 December 2017	於二零一八年六月三十日 及二零一七年 十二月三十一日	1,560,000,000	12,313
Issued and fully paid:	已發行及繳足：		
As at 1 January 2018	於二零一八年一月一日	756,234,000	6,209
Issue of shares by placing (note)	透過配售發行股份(附註)	141,489,000	1,143
As at 30 June 2018	於二零一八年 六月三十日	897,723,000	7,352

Note: On 13 March 2018, an aggregate of 141,489,000 ordinary shares with par value of HK\$0.01 each were issued at HK\$0.53 per share by placing, according to a placing agreement under general mandate signed on 14 February 2018. The proceeds of HK\$1,415,000 (equivalent to RMB1,143,000) representing the par value of these ordinary shares were credited to the Company's share capital account. The remaining proceeds after deducting placing commission, professional fees and all related expenses amounted to approximately RMB57,594,000, were credited to the Company's share premium account.

*附註：*於二零一八年三月十三日，根據於二零一八年二月十四日簽署之一般授權配售協議，按每股0.53港元透過配售發行合共141,489,000股每股面值0.01港元的普通股。所得款項為1,415,000港元(相當於人民幣1,143,000元)，為該等普通股之面值，計入本公司股本賬。經扣除配售佣金、專業費用及所有相關費用約人民幣57,594,000元後的剩餘所得款項計入本公司股份溢價帳。

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value in the consolidated statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurements, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

23. 金融工具之公平值計量

於綜合財務狀況表中按公平值計量的金融資產及負債可分為三個公平值等級。三個等級基於可觀察之計量重大輸入值，定義如下：

- 第一級：相同資產及負債於活躍市場的報價(未作調整)。
- 第二級：就資產或負債直接或間接地可觀察之輸入數據(不包括第一級所包含的報價)。
- 第三級：資產或負債的不可觀察輸入值。

金融資產或負債整體所應歸入的公平值等級內的層次，應基於對公平值計量具有重大意義的最低層次輸入值。

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23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

The financial instruments measured at fair value in the consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy as follows:

23. 金融工具之公平值計量(續)

按經常基準於綜合財務狀況表中按公平值計量的金融工具所歸入的公平值等級如下：

		Fair value measurements categorised into 公平值計量分類為				
		Carrying amounts 賬面值	Fair value 公平值	Level 1 第一級	Level 2 第二級	Level 3 第三級
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 30 June 2018	於二零一八年六月三十日					
Financial assets of fair value through profit or loss	按公平值計入損益的金融資產					
Convertible bond	可換股債券	60,400	60,400	—	—	60,400

The methods and valuation techniques and inputs used in Level 3 fair value measurements are described below:

第三級公平值計量所使用的方法及估值技術以及輸入值說明如下：

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

CSG Convertible Bond

For the CSG Convertible Bond subscribed on 23 February 2018, the management has engaged Roma Appraisals Limited to carry out valuations on the fair value of the CSG Convertible Bond. The fair value were determined by using a binomial option pricing model. Asset-based approach was used in determining the equity value of CSG as input in the binomial option pricing model. The other inputs into the model were as follows:

		As at 30 June 2018 於二零一八年 六月三十日	As at 23 February 2018 於二零一八年 二月二十三日
Expected volatility	預期波幅	45.242%	45.226%
Bond Life (year)	債券期限(年)	3.7	4
Risk-free rate	無風險利率	1.996%	1.571%
Other spread	其他價差	9.455%	9.104%
Expected dividend Yield	預期股息收益率	0.000%	0.000%

The fair value of the CSG Convertible Bond depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of share options. Expected volatility was determined by using the historical volatility of selected companies operated in similar industry. Based on Roma Appraisals Limited's valuation report, the fair value of the CSG Convertible Bond is valued at approximately HK\$71,557,000 (equivalent to RMB60,400,000) as at 30 June 2018.

23. 金融工具之公平值計量(續)

CSG可換股債券

於二零一八年二月二十三日認購的CSG可換股債券方面，管理層已委聘羅馬國際評估有限公司就CSG可換股債券的公平值進行估值。公平值採用二項式期權定價模型釐定。資產基礎法用於釐定CSG的股權價值作為二項式期權定價模型的輸入資料。此模型的其他輸入資料如下：

CSG可換股債券的公平值取決於多個因素，此等因素按精算基準採用多個假設釐定。該等假設的任何變動會影響購股權的賬面值。預期波幅乃使用在類近行業營運的經甄選公司的過往波幅釐定。根據羅馬國際評估有限公司的估值報告，於二零一八年六月三十日，CSG可換股債券的公平值約為71,557,000港元(相當於人民幣60,400,000元)。

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23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2017 and 30 June 2018.

24. OPERATING LEASE COMMITMENTS

As lessee

At the reporting date, the total future minimum lease payments payable by the Group under non-cancellable operating leases are as follows:

Land and buildings:	土地及樓宇：
Within one year	一年以內
In the second to fifth years	於第二年至第五年內
	236
	59
	295

The Group leased a number of properties under operating lease. The leases run for a fixed 2 years term. None of the leases include contingent rentals.

23. 金融工具之公平值計量(續)

並非按公平值列賬之金融資產及負債的公平值

於二零一七年十二月三十一日及二零一八年六月三十日，本集團按成本或攤銷成本列賬之金融工具的賬面值與其公平值並無重大差異。

24. 經營租賃承擔

作為承租人

於報告日期，本集團根據不可撤銷經營租賃而須於未來支付的最低租賃付款總額如下：

As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
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本集團根據經營租賃承租多項物業。該等租賃固定年期為2年。該等租賃並不包括或然租金。

24. OPERATING LEASE COMMITMENTS*(Continued)***As lessor**

At the reporting date, the Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of plant and machinery are as follows:

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Plant and machinery:	廠房及機械	
Within one year	1,870	675
In the second to fifth years	6,072	2,723
	7,942	3,398

The Group leases out its plant and equipment (note 13) under operating lease arrangements which run for an initial period of five years, with an option to renew the lease term at the expiry date.

24. 經營租賃承擔 (續)**作為出租人**

於報告日期，本集團就廠房及機械於不可撤銷經營租賃項下之未來最低租賃收款總額如下：

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
廠房及機械		
一年內	1,870	675
第二至第五年	6,072	2,723
	7,942	3,398

本集團根據經營租賃安排出租其廠房及設備(附註13)，初始租期為五年，並可於屆滿日重續租期。

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25. CAPITAL COMMITMENTS

25. 資本承擔

	As at 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)	
Contracted but not provided for	已訂約但未撥備		
— Property, plant and equipment	— 物業、廠房及設備	11,398	12,989
— Investment in a joint venture (note)	— 於一間合營公司的投資 (附註)	—	3,958
		11,398	16,947

Note: On 20 June 2016, Unlock Bound Investments Limited, a wholly owned subsidiary of the Company, entered into an agreement with the convertible bonds holder (note 21) and an independent third party to set up Idream Partytime Limited (“Idream Partytime”) for the development of mobile games and gaming derivative products (the “Joint Venture Agreement”). Unlock Bound has committed to subscribe for 4,750,000 ordinary shares at HK\$1 each of Idream Partytime which representing 47.5% of equity interest within six months from the date of the agreement. Addendum has been signed to extend the prescribed time to 19 June 2018.

As at 18 May 2018, Unlock Bound agree to terminate the Joint Venture Agreement and release all respective obligation under the Joint Venture Agreement.

附註：於二零一六年六月二十日，Unlock Bound Investments Limited (本公司之全資附屬公司) 與可換股債券持有人(附註21) 及一名獨立第三方訂立協議，以成立創夢派對文化有限公司(「創夢派對文化」)發展手機遊戲及遊戲衍生產品(「合營公司協議」)。Unlock Bound已承諾於自協議日期起計六個月內認購創夢派對文化4,750,000股每股面值1港元之普通股(相當於47.5%股權)。Addendum已簽名將上述時間延長至二零一八年六月十九日。

於二零一八年五月十八日，Unlock Bound同意終止合營公司協議，並解除合營公司協議項下各項相關責任。

26. RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties:

Compensation of key management personnel**26. 關連方交易**

本集團與關連方有以下交易：

主要管理人員薪酬

		Six months ended 30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Short term employee benefits	短期僱員福利	991	1,186
Retirement scheme contributions	退休計劃供款	34	35
		1,025	1,221

Other Information

其他資料

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2018.

Directors' And Chief Executive's Interests And Short Positions In Shares, Underlying Shares And Debentures

As at 30 June 2018, none of the Directors, chief executives of the Company and/or any of their respective associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire such rights in any other body corporate.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor its subsidiary purchased, redeemed or sold any of the Company's listed securities for the six months ended 30 June 2018.

中期股息

董事會議決不宣派截至二零一八年六月三十日止六個月之任何中期股息。

董事及最高行政人員於股份、相關股份及債券中之權益及淡倉

於二零一八年六月三十日，概無本公司董事及最高行政人員及／或任何彼等各自聯繫人士於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的任何股份、相關股份及債券中，擁有須根據證券及期貨條例第352條存置之登記冊所記錄，或須根據上市發行人董事進行證券交易的標準守則另行知會本公司及聯交所的權益或淡倉。

董事購買股份或債券的權利

除上文所披露者外，本公司或其任何附屬公司於本期間內任何時間概無訂立任何安排，以使董事可獲取於任何其他法人團體之同樣權利。

購買、贖回或出售本公司的上市證券

截至二零一八年六月三十日止六個月，本公司或其附屬公司概無購買、贖回或出售本公司的任何上市證券。

SHARE OPTION SCHEME

Pursuant to a share option scheme (the “Share Option Scheme”) adopted by the Company and a written resolution passed by the shareholders of the Company on 7 August 2015, the Company may grant options to Directors and employees of the Group and other eligible participants to subscribe for ordinary shares in the Company, subject to a maximum of 75,000,000 new shares.

No option was granted to any employee of the Group and no option was exercised during the period under review. There was no option under the Share Option Scheme outstanding at the end of the reporting period.

INTERESTS OF SHAREHOLDERS DISCLOSABLE UNDER THE SFO

As at 30 June 2018, so far as is known to the Directors, the following persons (other than the Directors and chief Executives of the Company) had interests or short positions in the Shares and underlying Shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO.

購股權計劃

根據本公司採納的購股權計劃(「購股權計劃」)及本公司股東於二零一五年八月七日通過之一項書面決議案，本公司可向董事及本集團僱員以及其他合資格參與者授出購股權，以認購本公司普通股，其涉及最多75,000,000股新股份。

本集團於回顧期內並無向任何僱員授出購股權及並無購股權獲行使。於報告期末，購股權計劃項下並無尚未行使之購股權。

根據證券及期貨條例須予以披露之股東權益

於二零一八年六月三十日，據董事所知，下列人士(董事及本公司最高行政人員除外)於本公司的股份及相關股份中，擁有須根據證券及期貨條例第XV部第2及3分部知會本公司，或須根據證券及期貨條例第336條存置之登記冊所記錄的權益或淡倉。

Other Information

其他資料

Long positions in the Shares and underlying shares of the Company:

於本公司股份及相關股份的好倉：

Name of Director	Notes	Nature of interest	Number of ordinary shares	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的概約百分比
董事姓名／名稱	附註	權益性質	普通股數目	
Master Professional Holdings Limited ("Master Professional")	(a)	Beneficial owner 實益擁有人	371,859,000	41.42%
Mr. Chen Sheng Bi 陳聖弼先生	(a)	Interest of controlled corporation 受控制法團的權益	371,859,000	41.42%
Ms. Li Zhi Ping 李志萍女士	(b)	Interest of spouse 配偶權益	371,859,000	41.42%

(a) Master Professional is 100% beneficially owned by Mr. Chen Sheng Bi. Accordingly, Mr. Chen Sheng Bi is deemed to be interested on the Shares held by Master Professional.

(b) Ms. Li Zhi Ping is the spouse of Mr. Chen Sheng Bi. Under the SFO, Ms. Li Zhi Ping is taken to be interested in the same number of Shares in which Mr. Chen Sheng Bi is interested.

(a) Master Professional由陳聖弼先生100%實益擁有。因此，陳聖弼先生被視為於Master Professional持有之股份中擁有權益。

(b) 李志萍女士為陳聖弼先生之配偶。根據證券及期貨條例，李志萍女士被視為於陳聖弼先生擁有權益的相同數目股份中擁有權益。

Save as disclosed above, the Directors are not aware of any other persons who have interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the registered required to be kept under section 336 of the SFO.

除上文所披露者外，董事概不知悉任何其他人士於本公司的股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露，或須根據證券及期貨條例第336條存置之登記冊所記錄的權益或淡倉。

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report (“CG Code”) as set out in Appendix 14 to the Listing Rules.

To the knowledge of the Board, the Company had fully complied with the relevant code provisions in the CG Code for the six months ended 30 June 2018 save for the deviation as explained below.

CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The roles of the chairman and the chief executive officer of the Company are not separate and both are performed by Mr. Lin Xin Fu. In view of Mr. Lin joined our group since 2006, our Board believes that it is in the best interest of our Group to have Mr. Lin taking up both roles for effective management and business development. Therefore, our Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors.

Having made specific enquiry of all directors, all directors declared that they have complied with the Model Code throughout the review period.

REVIEW OF INTERIM RESULTS AND INTERIM REPORT

The audit committee of the Company (the “Audit Committee”) comprises all the three INEDs. The Audit Committee has reviewed the results (including the unaudited condensed consolidated financial statements) of the Group and this interim report.

企業管治

本公司已採納上市規則附錄十四內之企業管治守則及企業管治報告(「企業管治守則」)所載的守則條文。

據董事會所知，截至二零一八年六月三十日止六個月，本公司已全面遵守企業管治守則的相關守則條文，惟下文所述偏離者則除外。

企業管治守則條文A.2.1規定，主席及行政總裁的角色須分開，且不應由同一位人士擔任。本公司主席及行政總裁職務並無分開及兩者均由林新福先生擔任。鑑於林先生自二零零六年起加入本集團，董事會相信，林先生兼任兩個職務可進行有效的管理及業務發展，符合本集團的最佳利益。因此，董事認為偏離企業管治守則條文A.2.1在該情況下乃屬適當。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則，作為其本身之董事進行證券交易之標準守則。

經向全體董事進行特定查詢後，各董事均聲明彼等已於整個回顧期間遵守標準守則。

審閱中期業績及中期報告

本公司審核委員會(「審核委員會」)由全體三名獨立非執行董事組成。審核委員會已審閱本集團之業績(包括未經審核簡明綜合財務報表)及本中期報告。

Other Information

其他資料

In addition, the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2018 have been reviewed by our independent auditor, Messrs. Grant Thornton Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA, whose review report is set out on page 13 and 14 of this report.

On behalf of the Board

Mr. Lin Xin Fu

Chairman and Chief Executive Officer

Hong Kong, 24 August 2018

此外，本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合財務報表已由本公司獨立核數師致同(香港)會計師事務所有限公司根據由香港會計師公會所頒佈之香港審閱工作準則第2410號「實體的獨立核數師對中期財務資料之審閱」進行審閱，其審閱報告載於本報告第13及14頁。

代表董事會

林新福先生

主席兼行政總裁

香港，二零一八年八月二十四日

CHINA PARTYTIME CULTURE HOLDINGS LIMITED
中國派對文化控股有限公司

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