



葉氏化工集團有限公司
Yip's Chemical Holdings Limited

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

股份代號 Stock Code: 408



Innovating for a
Brighter Future
勇於創新

2019

Interim Report
中期業績報告

集團宏圖

CORPORATE VISION



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概要 Highlights

營業額
Revenue

4,937,746,000

港元 HK\$

↓ 19.7%

本公司股東應佔純利
Profit attributable to
owners of the Company

88,388,000

港元 HK\$

↑ 1.3%

中期股息
Interim dividend

7

港仙 HK CENTS

↑ 16.7%

借貸比率*
Gearing ratio*

47.6%

↓ 18.6 個百分點
%points

每股盈利
Earnings per share

15.7

港仙 HK CENTS

↑ 1.3%

* 淨銀行借貸佔本公司股東應佔權益的百分比為計算基準

* Measured by net bank borrowings as a percentage of equity attributable to owners of the Company

截至二零一九年六月三十日止六個月期間(未經審核)

For the six-month period ended 30 June 2019 (Unaudited)



主席報告 — 回顧及展望

Chairman's Statement — Review & Outlook

回顧

本人欣然向葉氏化工集團有限公司（「本公司」）及其附屬公司（統稱「葉氏化工」或「集團」）全體股東們呈報二零一九年上半年集團業務概況。

期內的整體經營狀況較之去年更是充滿挑戰和增添諸多不明朗因素。中東等地區的地緣政治震盪升級，單邊主義復熾，導致多國間的貿易磨擦不斷，全球的經濟狀況普遍低迷。然而影響更切身的當是期內中美貿易衝突不但不見舒緩，反有愈演愈烈的趨勢，對中國的經濟下行構成了無可避免的壓力。集團整體業務自然難以獨善其身，尚幸能夠堅守信念，迅速應變，積極作為。因此在一個相對不利的經營環境中，可以安然渡過，且兼有所獲！

上半年集團的營業額錄得近50億港元，比較去年同期的約61億港元，降幅近兩成。一方面是因為期內普遍產品銷售單價有所下調及同期比人民幣的貶值；另一方面是去年期間，各核心業務均決心致力優化客戶質素，與部份客戶終止合作，對銷售額也構成了影響。產品銷售量方面，期內錄得約62.8萬噸，較去年同期僅下降4%。在股東應佔純利方面，則錄得與去年同期相約的8,800萬港元。這實是有賴於集團在優化盈利質素和成本控制方面取得頗令人欣慰的初步成果！

另一方面，基於集團期內經營狀況的改善，集團的借貸比率也從去年同期的66.2%下降至47.6%。因此經綜合評估和秉持積極回饋股東的一貫做法，本公司董事會（「董事會」）議決向全體股東派發中期股息每股7港仙，去年同期為6港仙。

Review

It is my pleasure to present to all shareholders of Yip's Chemical Holdings Limited (the "Company") and its subsidiaries (collectively "Yip's Chemical" or the "Group") the business overview of the Group for the first half of 2019.

In the period, the overall operating environment was more challenging than that of last year while uncertainties mounted. The worsening geopolitical shocks in the Middle East and elsewhere, as well as the resurgence of unilateralism, had led to incessant trade conflicts among many countries and a general softening of global economic growth. Yet, a closer-to-home influence was that the Sino-US trade conflict during the period had not eased up, but had instead intensified, resulting in an inevitable downturn pressure on China's economy. It was therefore unlikely for the Group's overall business to remain unaffected. Fortunately, we were committed to respond to changes speedily and take positive actions. As such, we were able to cope with such an unfavourable operating environment and even to reap profits.

In the first half of the year, the Group recorded sales revenue of close to HK\$5 billion, which was approximately a 20% drop from the approximately HK\$6.1 billion for the same period last year. On one hand, product unit prices were generally lower in the period and the Renminbi ("RMB") depreciated year-on-year. On the other hand, as we were determined to optimise customer quality in respect of our core businesses, we terminated our partnership with some customers throughout last year, which had also affected our sales revenue to a certain extent. Sales volume recorded in the period was approximately 628,000 metric tons, which represented a slight decline of 4% from the same period last year. Profit attributable to owners of the Company was, similar to that of the same period last year, around HK\$88 million. The initial results were pleasing due to the Group's efforts in profit quality optimisation and cost control.

Meanwhile, with an improvement in the operational situation, the Group's gearing ratio decreased from 66.2% in the same period last year to 47.6%. Upon due and careful consideration and our established practice of rewarding shareholders earnestly, the board of directors of the Company (the "Board") resolved to declare an interim dividend of HK7 cents per share to all shareholders, as compared with HK6 cents per share for the same period last year.

主席報告 — 回顧及展望

Chairman's Statement — Review & Outlook

展望

本人對二零一九年下半年的業務前景持十分審慎樂觀態度，縱然預期近年對環球和國內經濟構成負面影響的多項因素，年內不易消除，特別是中美磨擦升級，預料會繼續由貿易向科技和金融等領域蔓延，對國內的經濟衝擊不容低估。然而本人也確信經濟全球化的趨勢不會逆轉，貿易磨擦總有舒緩和平息的一天。在這反覆和多變的過程中，預期中國消費水平不斷提高，消費結構繼續優化，成就一個全球最大的內需市場以應對嚴峻的局勢。中國政府繼年初實施的減稅降費，旨在舒緩企業壓力措施後，為了進一步提振經濟，刺激消費增加，把內需市場的餅做得更大，相信有關當局將更不遺餘力。與此同時，集團的業務策略也已迅速的作出相應的調整，在繼續致力優化業務質素和成本控制的同時，集團將針對性的在建築、汽車等與擴內需相關行業，加大產品的研發和市場推廣，務求進一步鞏固和壯大集團的市佔率。因此本人有信心，憑藉集團在中國紮根多年，深耕細種，實力堅穩，有望乘中國經濟平穩增長的東風，配合集團「環保化」、「終端化」和「服務化」的發展策略，集團業務將持續穩定向前發展，不斷提昇對股東的價值與回饋。藉此，本人謹代表董事們對全體員工們的辛勞和貢獻；集團高層領導團隊的不懈努力；董事會的領導；各界合作伙伴的大力支持和信任，致以衷心的感謝。

葉志成
主席

二零一九年八月二十三日

Outlook

I take a very prudent and optimistic view of our business prospects in the second half of 2019 even though it is not easy to eliminate the various factors which have been dampening global and domestic economies in recent years. In particular, as the Sino-US conflict exacerbates, and is expected to continue to extend from trade to sectors such as technology and finance, its impacts on China's economy cannot be underestimated. However, I am still convinced that economic globalisation is a trend that will not be reversed. All trade conflicts will eventually fade and subside. It is expected that, in the course of this rapid transformation process, China's consumption level will increase constantly and its consumption structure will keep improving, thus forming the world's largest domestic market that will offset the grim situation. At the beginning of this year, the central government of the People's Republic of China implemented taxes and administrative fees reduction measures to alleviate corporate burden. It is believed that China will spare no effort to boost the economy and stimulate consumption to enlarge the domestic market pie. Concurrently, corresponding adjustments have been quickly made to the Group's business strategies. Thus, while business quality and cost control are still being optimised, we will focus on redoubling efforts in product research and development ("R&D") and marketing in sectors related to domestic demand expansion including construction and automobiles so as to consolidate and increase the Group's market share. Since we are deeply rooted in China and have been developing the mainland market for years, we have sufficient solid strength to capitalise on the stable growth of the Chinese economy. I am confident that, through our "environmentally friendly", "end-user oriented" and "service oriented" strategies, we can achieve steady growth and continuous enhancement of shareholder values and returns. On behalf of the Board, I would like to take this opportunity to express our most sincere gratitude to all staff members for their hard work and dedication, to the Group's Senior Leadership Team for their untiring efforts, to the Board for their leadership, and to our partners from different sectors for their generous support and trust.

Ip Chi Shing
Chairman

23 August 2019



行政總裁報告 Report of the Chief Executive Officer

二零一九年上半年度本集團業績的要點包括：

- 一. 整體銷量達62.8萬噸，與去年同期對比輕微下跌2.3萬噸或4%。銷售金額錄得接近50億港元，同比下跌12.1億港元或接近20%；
- 二. 整體毛利率逐見改善，上升1個百分點至14%；
- 三. 期內人民幣匯率波動，集團損益賬上錄得匯兌損失約500萬港元；
- 四. 由於期內溶劑業務的原材料價格顯著下跌，令該業務的利潤下挫，加上匯兌損失等；但因受惠於塗料、油墨兩業務的業績大幅改善，因此集團股東應佔純利仍輕微上升至8,800萬港元(詳見以下業績分類解說)；
- 五. 資金運用更見改善，集團借貸比率下降至47.6%，同比大降18.6個百分點；
- 六. 去年成功簽約，出售集團原上海青浦廠地。期內按合同收取第一筆款1.07億元人民幣，預期可望於本年內完成交易。如公司二零一八年年報所述，預料此出售可錄得稅前溢利約1.6億港元。

Key aspects of the Group's performance in the first half of 2019 are as follows:

1. Overall sales volume reached 628,000 metric tons, a slight drop of 23,000 metric tons or 4% from the same period last year. Sales revenue was close to HK\$5 billion, down HK\$1.21 billion or close to 20% over the same period last year.
2. Overall gross profit margin saw a gradual improvement by edging up 1 percentage point to 14%.
3. The RMB exchange rate fluctuated during the period, and the Group recorded an exchange loss of around HK\$5 million in profit or loss.
4. A significant fall in raw material prices for the solvents business had led to a decline in profits. Business performance was further dragged down by exchange loss but was boosted by marked improvement in the coatings and inks businesses. Profit attributable to owners of the Company therefore still rose slightly to HK\$88 million (detailed review is given below).
5. The use of working capital further improved. The Group's gearing ratio fell to 47.6%, which was a significant drop of 18.6 percentage points when compared with the same period last year.
6. Last year, the Group entered into an agreement for disposal of its former factory premises in Qingpu, Shanghai. The first instalment payment of RMB107 million was duly received in the period, and it is expected that the transaction will be completed within this year. As mentioned in the 2018 annual report of the Company, it is expected that a gain before tax of approximately HK\$160 million will be recorded from the disposal.

行政總裁報告 Report of the Chief Executive Officer

主要業務檢視及分析如下：

溶劑

期內銷量達50萬噸，微跌3%。由於期內原材料價格下跌導致銷售金額下跌22%及毛利率下跌1.2個百分點，經營溢利較去年同期下跌近一半至1.02億港元左右。

管理層研判：二零一九年上半年的艱難局面可能是短暫性的材料波動期，整體經營環境大致穩定。隨著六月份起各種原材料價格見止跌微升，加上傳統旺季來臨，期望本業務於二零一九年下半年可扭轉難局，經營溢利預料能有一定的改善。

江蘇泰興擴產55萬噸的新工程已竣工，並已呈報政府各部驗收，預計第三季或能順利投產。

二零一九年下半年主要的工作有兩點：

- 一、泰興廠的新產能帶來新的原材料供應、物流運作、增加銷售等一連串的新挑戰；
- 二、應對中美貿易磨擦或未妥善解決，中國經濟下行，帶來的市場需求和價格波動的問題。

Review and analysis of the Group's major business segments are given below:

Solvents

In the period, sales volume fell slightly by 3% to 500,000 metric tons. The fall in raw material prices in the period had led to a 22% fall in sales revenue and a 1.2 percentage point decline in gross profit margin for the segment. Operating profit dropped by almost half over the same period last year to around HK\$102 million.

The management was of the view that the difficult situation in the first half of 2019 would only be temporary as a result of fluctuation in raw material prices given that the overall operating environment is generally stable. As raw material prices stopped falling and rose slightly since June, coupled with the traditional peak season drawing near, the solvents business is expected to turn around in the second half of 2019, and the operating profit arising therefrom is expected to improve to a certain extent.

The expansion project of 550,000 metric tons capacity at the Taixing plant in Jiangsu Province has been completed, and has been undergoing checks and approval by various government authorities. It is expected the new capacity can be put on stream in the third quarter.

In the second half of 2019, we will focus our work on the following two areas:

1. The host of new challenges brought about by Taixing's additional production capacity, including new material supply, logistics arrangement and sales increases.
2. Problems in market demand and price fluctuations if the Sino-US trade conflict is not properly resolved and a downturn in China's economy emerges.



行政總裁報告 Report of the Chief Executive Officer

塗料及油墨

期內兩業務的業績大幅改善。儘管銷售金額同比下跌約15%（單與去年同期比，人民幣貶值引致銷售金額以港元計下跌6%），但毛利率增長5個百分點，經營溢利分別是塗料業務轉虧為盈，獲利3,400萬港元，油墨業務亦大幅上升至超過5,000萬港元。

分析兩業務的業績改善大致是三點因素：

- 一. 追求「素質」銷售策略成功，敢攻優質大客，敢棄劣質銷售，求精不求多；
- 二. 大幅下壓經營成本。塗料及油墨業務的經營費用同比分別下跌15%及19%；及
- 三. 原材料成本下滑也有助舒緩了此兩業務追求毛利的壓力。

管理層對上述的改善大感鼓舞。於半年總結會議上，我們要求鞏固及放大既有的改善成果，並計劃如何進一步加強、加大有素質的銷售，充分使用手上富餘的產能，為進一步加大收益創造條件。

潤滑油

銷售下跌至接近1.1億港元。受惠於毛利率改善及大幅減低經營成本，潤滑油業務的生意素質已有所改善。

Coatings and Inks

The performance of both business segments improved substantially during the period. Despite the sales revenue was down by about 15% year-on-year (compared with the same period last year, RMB depreciation alone led to a 6% decline in sales revenue when denominated in Hong Kong Dollars), the gross profit margin grew by 5 percentage points. In terms of operating profit, the coatings business turned around and delivered a profit of HK\$34 million, while the operating profit of the inks business increased to more than HK\$50 million.

The improvement in the performance of these two business segments was attributable to the following three factors:

1. The strategy of pursuing “quality sales” — plucking up the courage to cultivate quality customers and let go inferior customers, i.e., quality over quantity — proved to be successful.
2. Operating costs reduced substantially. Operating expenses for the coatings and inks businesses fell 15% and 19% year-on-year respectively.
3. The decline in raw material costs helped alleviate pressure on gross profit.

The management was much delighted with the above improvements. During the half-year review meeting, we encouraged our team to strengthen and scale up the improvements obtained so far. We are also planning to boost quality sales further and to make use of surplus production capacity to create rooms for more revenue.

Lubricants

Sales dropped to nearly HK\$110 million. Thanks to the improved gross profit margin and the sharp reduction in operating costs, the lubricants business had reaped initial benefits from the business quality improvement initiatives.

行政總裁報告

Report of the Chief Executive Officer

物業

期內收入560萬港元。經營溢利大幅下跌至150萬港元，主因去年同期出售樹脂廠地獲收益2,800萬港元、投資物業公允值升幅不及去年同期及出售上海青浦物業前期費用等。香港粉嶺前總部租金收入穩定。集團研發部門經內部重組後，上海張江的研發中心大樓對外招租，期內已租出物業的一半，餘下一半對外租賃亦已於二零一九年八月簽約，估計年收益約1,000萬港元。

投資大嘜養車

集團近年踏足汽車維修保養市場，經試營後，管理層認同養車業務的前景是樂觀的，故持續擴大於中國汽車保養連鎖品牌——大嘜養車的投資，並於本年初出資約3,000萬元人民幣，增持大嘜養車的股權至39%，及將集團自營的東莞汽車維修保養店出售併入大嘜養車的聯營公司。我們會繼續支持該養車業務的發展，期望能長遠獲得健康穩定的回報。

展望

中美貿易戰持續，中國經濟下行是現狀。本集團已洞悉在先，從去年中下旬的策略調整漸見成果，將繼續深化：追優質銷售，審慎投資，再降借貸等有效措施。可預見下半年的經營狀況是：銷售額或難增長，但經營素質，純利比例將持續改善。隨著傳統銷售旺季的來臨，管理層有信心二零一九年下半年的整體業績表現持續優化。

葉子軒
行政總裁

二零一九年八月二十三日

Properties

Revenue of this segment was HK\$5.6 million in the period. Operating profit was down considerably to HK\$1.5 million, which was mainly because, in the same period last year, the disposal of the resin plant premises generated a gain of HK\$28 million; the growth in the fair values of investment properties was lower when compared with the last period; and the disposal of the Qingpu property in Shanghai incurred initial expenses. Rental income from the former headquarters in Fanling, Hong Kong remained stable. Upon restructuring of the Group's R&D Department, the R&D centre in Zhangjiang, Shanghai, was open for leasing. Half of this property has been leased out during the period, and a leasing agreement for the remaining half of the R&D Centre was also entered into in August 2019. It is estimated that rental income will amount to around HK\$10 million annually.

Investment in Damai

In recent years, the Group has ventured into the automobile repair and maintenance market. After running the business for some time, the management has agreed that its prospects are promising and so we continued to increase our investment in Damai, a car maintenance chain brand in China. Early this year, the Group injected about RMB30 million to increase its equity interest in Damai to 39%. The Group also sold its self-operated car repair and maintenance shops in Dongguan to its associate company, Damai. We will continue to support the development of this car maintenance business, hoping that it will generate healthy and stable returns in the long run.

Outlook

The Sino-US trade war is still ongoing and the downturn of the Chinese economy is prevailing. The Group had adjusted its strategies mid-to-late last year in advance to better cope with the situation. These strategies include the pursuit of quality sales, prudent investments and further reduction of borrowings. Since the effects of these adjustments have gradually become apparent, the management has decided to enhance them. In the second half of 2019, it is expected that sales revenue might not grow much, but operation quality and profitability will continue to improve. With the traditional peak season approaching, the management is confident that there will be sustained improvement in the overall business performance in the second half of this year.

Yip Tsz Hin
Chief Executive Officer

23 August 2019



獎項及榮譽 Awards and Recognitions

香港

BDO 環境、社會及管治大獎2019
ESG 最佳表現大獎 (主板小市值)

《HR Asia》雜誌
2019年亞洲最理想工作公司

香港社會服務聯會
10年Plus「商界展關懷」標誌

香港工業總會
中銀香港企業環保領先大獎2018
— 環保傑出夥伴

世界綠色組織
「綠色辦公室」及「健康工作間」標誌

中國內地

中國財經峰會
2019行業影響力品牌
2019傑出品牌形象獎

《北京商報》
2018–2019中國家居十大品牌
— 十大塗料品牌

慧聰網
年度牆面漆影響力民族品牌

《中國塗料報》
第十屆金漆獎 —
傑出內牆塗料品牌
年度塗料品牌創新獎

第八屆質量榜樣2018年度傳媒大獎
2018年度顧客滿意十佳品牌稱號

廣東卓越質量品牌研究院
洋紫荊油墨(中山)有限公司生產的
油墨獲評為「廣東省名牌產品」

Hong Kong

BDO ESG Awards 2019
Best in ESG (Small Market Capitalisation)

HR Asia
Best Company to Work for in Asia 2019

The Hong Kong Council of Social Service
10 Years Plus “Caring Company” Logo

Federation of Hong Kong Industries
BOCHK Corporate Environmental Leadership Awards 2018
— EcoPartner

World Green Organisation
“Green Office” and “Eco-Healthy Workplace” Labels

Mainland China

China Finance Summit
Influential Industry Brand 2019
Best Brand Image 2019

Beijing Business
Top 10 Household Brands in China 2018–2019
— Top 10 Coatings Brands

HC360.com
Annual Wall Coatings Influential National Brand

China Coatings News
The 10th Golden Paint Award —
Outstanding Interior Wall Coatings Brand
Annual Coatings Brand Innovation Award

The 8th Quality Model Media Awards 2018
2018 Customer Satisfaction Top Ten Brand Name

Research Institute of Guangdong Outstanding Quality Brands
Inks produced by Bauhinia Variegata Ink & Chemicals
(Zhongshan Limited) was named “Guangdong Province Top
Brand Product”



流動資金及財務資源 Liquidity and Financial Resources

於二零一九年六月三十日，集團的借貸比率（以淨銀行借貸佔本公司股東應佔權益的百分比為計算基準）為47.6%（二零一八年六月三十日：66.2%），大幅改善18.6個百分點。由於銷售單價下降及集團致力追求質素銷售，導致銷售總額比往年同期下跌，故佔用營運資金減少。加上出售上海青浦廠的首筆款項已於上半年收取，大幅改善了集團現金流，因此借貸比率亦得到顯著改善。人民幣匯率繼續因中美貿易戰持續而波動，上半年首數月原本錄得微升，卻因其後美國加徵關稅而完全被抵消，二零一九年上半年人民幣匯率下跌0.1%。集團會繼續謹慎管理外匯風險，盡量減低人民幣匯率波動對集團業績之影響。經營業務所產生之現金流量方面，期內集團錄得淨現金流入94,385,000港元（截至二零一八年六月三十日止六個月：淨現金流出192,740,000港元），對比去年同期淨現金流入改善主要因為存貨及應收賬得以改善，以及支付稅款減少。

As at 30 June 2019, the Group's gearing ratio (measured by net bank borrowings as a percentage of equity attributable to owners of the Company) was 47.6% (30 June 2018: 66.2%), a significant improvement of 18.6 percentage points year-on-year. The reduction in sales as compared with the same period last year was the result of the drop in unit price and the Group pursuing better quality of sales. That, nevertheless, helped the Group lower the level of working capital. Coupled with the receipt of first instalment payment for the disposal of Qingpu plant in Shanghai during the period, the Group's cash flow position improved substantially and in turn its gearing ratio also improved notably. The RMB exchange rate has continued to fluctuate due to the ongoing Sino-US trade conflict. In the first few months of 2019, the RMB initially saw slight appreciation, however, that was then totally offset by the impact of the increased US tariff, resulting in a depreciation by 0.1% over the first half of 2019. The Group remains prudent in managing foreign exchange risks to minimise the impact of RMB exchange rate fluctuation on its business results. As for operating cash flow, the Group recorded a net cash inflow of HK\$94,385,000 (six months ended 30 June 2018: net cash outflow of HK\$192,740,000). The improvement in operating cash flow compared with the same period last year was mainly attributable to improved inventories and receivables as well as reduced tax payment.



流動資金及財務資源 Liquidity and Financial Resources

於二零一九年六月三十日，集團的銀行總欠款為2,442,827,000港元(二零一八年十二月三十一日：2,640,377,000港元)，扣除短期銀行存款、銀行結餘及現金1,080,534,000港元(二零一八年十二月三十一日：1,335,154,000港元)後，淨銀行借貸為1,362,293,000港元(二零一八年十二月三十一日：1,305,223,000港元)。銀行總欠款中，須於一年內清還之短期貸款為1,192,077,000港元(二零一八年十二月三十一日：1,320,977,000港元)，其中1,117,050,000港元以港幣定值，75,027,000港元以人民幣定值(二零一八年十二月三十一日：1,184,357,000港元以港幣定值，136,620,000港元以人民幣定值)。此外，一年後到期的長期貸款為1,250,750,000港元(二零一八年十二月三十一日：1,319,400,000港元)，全數以港幣定值(二零一八年十二月三十一日：全數以港幣定值)。短期銀行存款、銀行結餘及現金使用以下貨幣定值，包括21,397,000港元以港幣定值、957,947,000港元以人民幣定值、101,182,000港元以美元定值、8,000港元以其他貨幣等定值(二零一八年十二月三十一日：32,278,000港元以港幣定值、978,478,000港元以人民幣定值、324,383,000港元以美元定值、15,000港元以其他貨幣等定值)。

As at 30 June 2019, gross bank borrowings of the Group amounted to HK\$2,442,827,000 (31 December 2018: HK\$2,640,377,000). After deduction of short-term bank deposits, bank balances and cash amounting to HK\$1,080,534,000 (31 December 2018: HK\$1,335,154,000), net bank borrowings amounted to HK\$1,362,293,000 (31 December 2018: HK\$1,305,223,000). Of the gross bank borrowings, HK\$1,192,077,000 (31 December 2018: HK\$1,320,977,000) were short-term loans repayable within one year. Such loans were denominated in two currencies, HK\$1,117,050,000 in Hong Kong Dollars and HK\$75,027,000 in RMB (31 December 2018: HK\$1,184,357,000 in Hong Kong Dollars and HK\$136,620,000 in RMB). Long-term loans repayable after one year amounted to HK\$1,250,750,000 (31 December 2018: HK\$1,319,400,000), all denominated in Hong Kong Dollars (31 December 2018: all in Hong Kong Dollars). The short-term bank deposits, bank balances and cash were denominated in the following currencies: HK\$21,397,000 in Hong Kong Dollars, HK\$957,947,000 in RMB, HK\$101,182,000 in US Dollars and HK\$8,000 in other currencies (31 December 2018: HK\$32,278,000 in Hong Kong Dollars, HK\$978,478,000 in RMB, HK\$324,383,000 in US Dollars and HK\$15,000 in other currencies).

流動資金及財務資源 Liquidity and Financial Resources

為延續過往到期的中長期貸款，集團於二零一九年上半年已合共取得400,000,000港元之三至四年長期雙邊貸款。於二零一九年六月三十日，中長期貸款(含一年內須償還之部份為727,050,000港元)佔所有貸款的比例為81%。由於集團部份借貸以浮動利率計息，借貸成本受利率波動影響。為減低利率波動對集團融資成本的影响，集團不時與銀行簽訂利率掉期等協議，以固定部分中長期雙邊貸款之借貸利率，對沖貸款利率波動的風險。於二零一九年六月三十日，集團以定息安排的貸款佔銀行總借貸32%。

於二零一九年六月三十日，共有19間於香港及中國大陸的銀行向集團提供合共5,920,233,000港元的銀行額度，足夠應付現時集團營運及未來發展所需資金。銀行額度中，69%以港幣定值、28%以人民幣定值及3%以美元定值。正如以往報告中提及，集團一直擴充其人民幣貸款組合，以應付人民幣匯率潛在波動及香港利率上升之影響。於二零一九年六月三十日，集團人民幣流動貸款額度為730,000,000人民幣(二零一八年十二月三十一日：690,000,000人民幣)，已動用之流動貸款為49,900,000人民幣(二零一八年十二月三十一日：120,000,000人民幣)及有追索權之票據貼現為16,076,000人民幣(二零一八年十二月三十一日：無)。另外，集團已與主要銀行成立人民幣跨境現金池，以促進香港與國內之間的資金管理工作。集團將不時在香港和國內以港幣、美元、人民幣或其他外幣構建最理想的銀行貸款組合，繼續在降低借貸成本及控制匯兌風險之間取得合適平衡。

To refinance previous mid-to-long-term loans due for repayment, the Group obtained bilateral long-term (three to four years) loans of HK\$400,000,000 in the first half of 2019. As at 30 June 2019, mid-to-long-term loans (including portions repayable within one year of HK\$727,050,000) accounted for 81% of the total bank loans. Since some of the borrowings of the Group carry interest at floating rates, borrowing costs are subject to interest rate fluctuation. To mitigate the impact of interest rate fluctuations on its financing costs, the Group, from time to time, makes arrangements such as interest rate swaps to fix the interest rates of some of its bilateral mid-to-long-term loans with banks to hedge against the risk of such fluctuations. As at 30 June 2019, the Group's loans under fixed rate arrangement made up 32% of its total bank borrowings.

As at 30 June 2019, a total of 19 banks in Hong Kong and Mainland China granted banking facilities of HK\$5,920,233,000 to the Group, providing it with sufficient funds to meet present working capital and expansion requirements. Of these banking facilities, 69%, 28% and 3% were denominated in Hong Kong Dollars, RMB and US Dollars respectively. As explained in previous reports, the Group has been expanding its RMB loan portfolio to address exposure to potential RMB exchange rate fluctuation and impact from interest rate rises in Hong Kong. As at 30 June 2019, the Group's RMB revolving loan facilities totalled at RMB730,000,000 (31 December 2018: RMB690,000,000), the utilised revolving loan amounted to RMB49,900,000 (31 December 2018: RMB120,000,000) and bills receivables discounted with recourse amounted to RMB16,076,000 (31 December 2018: nil). The Group has also set up a cross-border RMB cash pool with its major banks to facilitate management of capital flow between Hong Kong and Mainland China. The Group will continue to strike an optimal balance between lowering borrowing costs and minimising currency exposure by structuring a favourable combination of Hong Kong Dollars, US Dollars, RMB or other foreign currency bank loans in Hong Kong and Mainland China.



人力資源 Human Resources

於二零一九年六月三十日，集團之僱員人數合共為2,982人，其中75人來自香港，2,907人來自中國各個省份。

集團對人力資源資本的管理及發展非常重視。除鼓勵所有僱員透過內部、外部培訓課程及崗位轉換不斷自我提升外，集團還提供教育資助計劃讓員工自我增值，提高工作技能及績效，於工作上發揮所長。對於有承擔、有能力的員工，不論背景、地區、學歷，集團均提供合適之發展平台。集團亦會定期識別具發展潛力的員工，為他們制定發展計劃，確保能在職涯上不斷提升。集團現時的管理團隊，在各領域經過不斷的磨練而晉身管理層，負起領導集團發展的責任。除積極在內部提升優秀的員工外，集團亦會從外間直接聘用一些卓越的管理人才，或從香港、內地、及國際間的高等學府招聘有潛質的應屆畢業生加以培育。

集團提供具挑戰性的工作環境，設置多方面的激勵機制，鼓勵員工自強不息，從而不斷提升集團的人才競爭力，推動業務持續發展。集團不時參考市場趨勢檢討薪酬及獎勵政策，提供合理及具競爭力的薪酬與福利，包括底薪及以業績和個人表現為評核目標而發放的花紅，確保有效吸引和挽留人才。

As of 30 June 2019, the Group has a total number of 2,982 employees, among which 75 of them are from Hong Kong while the remaining 2,907 are from different provinces in China.

The Group places great emphasis on the management and development of human capital. The employees are encouraged to strive for improvement through internal and external training program, job rotation and participation in the Group's educational subsidy programmes, allowing for self-development in knowledge and skills and to maximize their potential in their work. We offer suitable platform for development of highly committed and capable employees, regardless of their background, geographical region or educational levels. The Group regularly identifies talented employees and tailors career plan to support their continuous development. Through versatile experience in challenging roles, the current management team of the Group has come through the ranks to advance to positions of management. Besides the focus of developing employees internally, the Group seeks not only to attract talent from outside but also recruit top graduates from the best tertiary institutions in Hong Kong, Mainland China, and abroad as well as provide them with training and development opportunities.

The Group offers a challenging work environment, sets up different programs for motivating employees to strive for improvement and to upgrade their skills in order to strive for the development of business. From time to time, the Group will make reference to market trends for reviewing its remuneration policy so as to ensure reasonable and competitive compensation and benefits for its employees. These include basic salary and results and individual performance-based bonus to attract and retain talents.

董事及最高行政人員於證券之權益及淡倉

Directors' and Chief Executives' Interests and Short Positions in Securities

盡本公司所知，於二零一九年六月三十日，本公司董事（「董事」）及其各自的聯繫人士於本公司股份中的權益（定義見香港法例第571章《證券及期貨條例》（「證券及期貨條例」）第XV部須(a)根據證券及期貨條例第XV部第7及第8部知會本公司及香港聯合交易所有限公司（「聯交所」）（包括彼等根據證券及期貨條例之該等條文擁有或被視為已擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條記載置存之登記冊內的權益；或(c)根據上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所的權益如下：

To the best of the Company's knowledge, as at 30 June 2019, the interests of the directors of the Company (the "Directors") and their respective associates in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which are required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of the Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provision of the SFO); or (b) to be recorded in the register to be kept pursuant to Section 352 of the SFO; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") to be notified to the Company and the Stock Exchange were as follows:

好倉

Long positions

		所持普通股份及相關股份數目				於二零一九年 六月三十日 佔本公司 已發行股本 之百分比	
		Number of Ordinary Shares and Underlying Shares held				Percentage of the Issued Share Capital of the Company as at 30.6.2019	
董事姓名	Name of Directors	股份權益	股份權益	股份權益	購股權權益 ¹	總數	
		Interests in Shares 個人 <i>Personal</i>	Interests in Shares 家族 <i>Family</i>	Interests in Shares 公司 <i>Corporate</i>	Interests in Share Options ¹ 個人 <i>Personal</i>		
葉志成先生	Mr. Ip Chi Shing	155,042,532	8,802,000 (a)	24,380,000 (b)	—	188,224,532	33.37%
葉子軒先生	Mr. Yip Tsz Hin	31,316,248	14,000,000 (c)	—	—	45,316,248	8.03%
葉鈞先生 ²	Mr. Ip Kwan ²	11,084,000	—	—	290,000	11,374,000	2.02%
何世豪先生	Mr. Ho Sai Hou	—	—	—	200,000	200,000	0.04%
王旭先生	Mr. Wong Yuk	—	—	—	—	—	—
黃廣志先生	Mr. Wong Kong Chi	—	100,000 (d)	—	—	100,000	0.02%
古遠芬先生	Mr. Ku Yuen Fun	20,680	14,000 (e)	—	—	34,680	0.01%
何百川先生	Mr. Ho Pak Chuen, Patrick	—	—	—	—	—	—



董事及最高行政人員於證券之權益及淡倉 Directors' and Chief Executives' Interests and Short Positions in Securities

附註：

- (a) 此等股份當中，6,796,000股由葉志成先生與妻子梁碧瑜女士共同持有，2,006,000股則由其妻子持有。
- (b) 此等股份分別由一間葉志成慈善基金有限公司之慈善組織(20,300,000股)和一間葉氏關愛延續基金有限公司之有限公司(4,080,000股)所持有。葉志成先生於葉志成慈善基金有限公司和葉氏關愛延續基金有限公司的股東大會分別擁有50% (與其妻子共有100%)及60% (與其弟妹共有100%)之投票權，故被視為擁有在該兩間公司持有此等股份之權益。
- (c) 此等股份由葉子軒先生之妻子葉曹家麗女士持有。
- (d) 此等股份由黃廣志先生之妻子詹小慧女士持有。
- (e) 此等股份由古遠芬先生之妻子蘇艷霞女士持有。
- ¹ 所有購股權為非上市實物結算股本衍生工具。
- ² 葉鈞先生於二零一九年一月一日起獲委任為執行董事。

董事在本公司購股權計劃(即部分相關股份的權益)下所持有購股權之詳情可見下一節「購股權」。

葉志成先生、葉子軒先生及葉志成先生妻子梁碧瑜女士各持有本公司之附屬公司葉氏恒昌(集團)有限公司之無投票權遞延股一股。

除上文所披露者及董事以本公司或其附屬公司受托人身份持有附屬公司若干代名人股份外，於二零一九年六月三十日，各董事、最高行政人員或其聯繫人士均沒有於本公司或其任何聯營公司(按證券及期貨條例)之證券中持有任何權益或淡倉。

Notes:

- (a) Out of these shares, 6,796,000 shares are jointly held with Madam Liang Bih Yu, the wife of Mr. Ip Chi Shing and 2,006,000 shares are held by his wife.
- (b) These shares are held respectively by Ip Chi Shing Charitable Foundation Limited, a charitable organisation (20,300,000 shares) and Yip's Care Extension Foundation Limited, a limited company, (4,080,000 shares). Mr. Ip Chi Shing controls 50% (together with his wife control 100%) and 60% (together with his younger sister and brother control 100%) of the voting power at the general meetings of Ip Chi Shing Charitable Foundation Limited and Yip's Care Extension Foundation Limited respectively. He is therefore deemed to be interested in these shares held by these two corporations.
- (c) These shares are held by Madam Yip Tso Ka Lai, Brenda, the wife of Mr. Yip Tsz Hin.
- (d) These shares are held by Madam Jim Siu Wai, the wife of Mr. Wong Kong Chi.
- (e) These shares are held by Madam So Yim Ha, the wife of Mr. Ku Yuen Fun.
- ¹ All the share options are unlisted physically settled equity derivatives.
- ² Mr. Ip Kwan was appointed as an Executive Director with effect from 1 January 2019.

Details of the share options held by the Directors under the Company's existing share option scheme (i.e. part of the interests in the underlying shares) are shown in the next section headed "Share Options".

Each of Mr. Ip Chi Shing, Mr. Yip Tsz Hin and Madam Liang Bih Yu, the wife of Mr. Ip Chi Shing, holds one non-voting deferred share of Yip's H.C. (Holding) Limited, a subsidiary of the Company.

Other than as disclosed above and certain nominee shares in subsidiaries held by directors in trust for the Company or its subsidiaries, as at 30 June 2019, none of the Directors, chief executive nor their associates held any interests or short positions in the securities of the Company or any of its associated corporations as defined in the SFO.

購股權 Share Options

股東於二零一二年五月二十五日舉行之股東週年大會上已批准採納新購股權計劃(「新計劃」)及終止本公司於二零零二年九月三日已採納的舊有購股權計劃(「舊計劃」)，連同新計劃，統稱為(「購股權計劃」)。新計劃將於二零二二年五月二十四日到期屆滿。而在舊計劃終止前授出之購股權將繼續生效並可根據舊購股權計劃之規則下行使。而新計劃之主要目的是確定及激勵合資格參與人士作出貢獻、提供獎勵、協助本公司挽留合資格參與人士及招攬額外僱員，並向彼等提供直接經濟利益，以達致本公司之長期業務目標。

於截至二零一九年六月三十日止六個月期間，根據本公司購股權計劃已授予若干董事及合資格人士購股權之變動如下：

The Shareholders at the annual general meeting held on 25 May 2012 approved the adoption of a new share option scheme (the “New Share Option Scheme”) and the termination of the old share option scheme which was adopted by the Company on 3 September 2002 (the “Old Share Option Scheme”, together with the “New Share Option Scheme”, collectively known as “Share Option Schemes”). The New Share Option Scheme will expire on 24 May 2022. Options granted under the Old Share Option Scheme prior to its termination will continue to be valid and exercisable in accordance with the rules thereof. The main purpose of the New Share Option Scheme is to recognise and motivate the contribution of eligible participants, to provide incentives to them, to help the Company retain eligible participants and recruit additional employees and to provide them with a direct economic interest in attaining the long term business objectives of the Company.

During the six months ended 30 June 2019, movements in the number of options which had been granted to certain Directors and eligible persons under the Company’s Share Option Schemes are as follows:

	授出日期 Date of grant	行使價 Exercise price 港元 HK\$	購股權行使期 Exercise period of share options	購股權數目 Number of Share Options		
				於二零一九年 一月一日 尚未行使 Outstanding as at 1.1.2019	本期內 已失效/註銷 Lapsed/Cancelled during the period	於二零一九年 六月三十日 尚未行使 Outstanding as at 30.6.2019
董事 Directors						
葉鈞先生 Mr. Ip Kwan	二零零九年十月五日 5 October 2009	4.536	二零零九年十月五日至二零一九年十月四日 5 October 2009 to 4 October 2019	90,000	—	90,000
	二零一三年一月十一日 11 January 2013	5.942	二零一五年一月十一日至二零二三年一月十日 11 January 2015 to 10 January 2023	200,000	—	200,000
何世豪先生 Mr. Ho Sai Hou	二零一三年一月十一日 11 January 2013	5.942	二零一五年一月十一日至二零二三年一月十日 11 January 2015 to 10 January 2023	200,000	—	200,000
				490,000	—	490,000
合資格人士¹ Eligible Persons ¹						
	二零零九年十月五日 5 October 2009	4.536	二零零九年十月五日至二零一九年十月四日 5 October 2009 to 4 October 2019	490,000	—	490,000
	二零一三年一月十一日 11 January 2013	5.942	二零一五年一月十一日至二零二三年一月十日 11 January 2015 to 10 January 2023	3,790,000	(180,000)	3,610,000
				4,280,000	(180,000)	4,100,000
				4,770,000	(180,000)	4,590,000

¹ 葉鈞先生於二零一九年一月一日獲委任執行董事及其購股權數目已由「合資格人士」轉到「董事」。

¹ Mr. Ip Kwan was appointed as Executive Director with effect from 1 January 2019 and his number of share options was transferred from “Eligible Persons” to “Directors”.



購股權 Share Options

在截至二零一九年六月三十日止期間，沒有授出購股權予董事或僱員及沒有任何購股權持有人行使購股權。

除上文所披露者外，於期內任何時間，本公司或其任何附屬公司概無參與任何安排，以使董事藉收購本公司或任何其他法人團體之股份或債券而獲益。

除上文所披露者外，於期內各董事或其配偶或十八歲以下之子女均無任何權利以認購本公司之證券，或曾行使任何該項權利。

During the period ended 30 June 2019, no share option was granted to Directors or employees and there was no share option exercised by share option holders.

Other than as disclosed above, at no time during the period was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Other than as disclosed above, none of the Directors, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

主要股東 Substantial Shareholders

盡本公司所知，於二零一九年六月三十日，於本公司股份及相關股份中擁有需記錄於根據證券及期貨條例第336條規定所存置之登記冊或另行知會本公司之權益之本公司股東(除上文所披露的本公司董事或最高行政人員外)如下：

To the best of the Company's knowledge, as at 30 June 2019, the following shareholders of the Company (other than the Directors or chief executives of the Company disclosed above) had interest in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company:

好倉

Long positions

主要股東名稱 Name of Substantial Shareholders	身份 Capacity	附註 Notes	所持股份數目 Number of shares held	於二零一九年六月三十日佔本公司已發行股本之百分比 Percentage of the issued share capital of the Company as at 30.6.2019
葉鳳娟女士 Ms. Ip Fung Kuen	實益擁有人 Beneficial Owner	1	47,547,913	8.43%
FMR LLC	公司權益 Corporate Interest	2	39,640,000	7.03%
FIDELITY PURITAN TRUST	實益擁有人 Beneficial Owner	3	28,220,000	5.00%

附註：

Notes:

- 1 持有股份數目之計算為(i)葉女士根據證券及期貨條例披露持有本公司已發行股份之權益為47,592,000股；(ii)葉女士於二零一二年六月購買955,913股股份及(iii)葉女士於二零一五年三月出售1,000,000股股份。

- 1 The calculation of the number of shares held takes into account (i) the interests of Ms. Ip in the issued share capital of the Company disclosed under the SFO (i.e. 47,592,000); (ii) the acquisition of 955,913 shares by Ms. Ip in June 2012 and (iii) the disposal of 1,000,000 shares by Ms. Ip in March 2015.



主要股東 Substantial Shareholders

- | | |
|---|---|
| <p>2 FMR LLC透過FMR Co., Inc.間接持有39,640,000股本公司股份。FMR Co., Inc.由FMR LLC之全資附屬公司Fidelity Management & Research Company全資擁有。本公司獲通知於上述由FMR Co., Inc.持有之39,640,000股本公司股份中，3,710,000股本公司股份為FMR LLC全資擁有之Fidelity Management Trust Company持有，而7,536,000股本公司股份為FMR LLC若干僱員及股東最終擁有之Fidelity Investments Canada ULC持有。該等FMR LLC僱員及股東擁有Fidelity Canada Investors LLC之100%股權，而Fidelity Canada Investors LLC擁有483A Bay Street Holdings LP之64%股權。483A Bay Street Holdings LP擁有BlueJay Lux 1 S.a.r.l.之100%股權，而BlueJay Lux 1 S.a.r.l.擁有FIC Holdings ULC之100%股權，繼而FIC Holdings ULC擁有Fidelity Investments Canada ULC之100%股權。</p> | <p>2 FMR LLC held 39,640,000 shares of the Company indirectly through FMR Co., Inc.. FMR Co., Inc. is wholly owned by Fidelity Management & Research Company, which is a wholly-owned subsidiary of FMR LLC. The Company was notified that of the above mentioned 39,640,000 shares of the Company held by FMR Co., Inc., 3,710,000 shares of the Company were held for Fidelity Management Trust Company, which is wholly-owned by FMR LLC, while 7,536,000 shares of the Company were held for Fidelity Investments Canada ULC, which is ultimately owned by certain employees and shareholders of FMR LLC. Those employees and shareholders of FMR LLC own 100% equity interest in Fidelity Canada Investors LLC, which owns 64% equity interest in 483A Bay Street Holdings LP. 483A Bay Street Holdings LP owns 100% equity interest in BlueJay Lux 1 S.a.r.l., which owns 100% equity interest in FIC Holdings ULC, which in turn owns 100% equity interest in Fidelity Investments Canada ULC.</p> |
| <p>3 Fidelity Puritan Trust直接持有28,220,000股本公司股份，本公司獲告知該股份視為FMR LLC名下之權益。</p> | <p>3 28,220,000 shares of the Company were held directly by Fidelity Puritan Trust and the Company were notified that such shares are deemed interest of FMR LLC.</p> |

除上文所披露外，於二零一九年六月三十日，除了以上一節「董事及最高行政人員於證券之權益及淡倉」已披露之權益外，概無人士通知本公司指彼等在本公司股份中的權益或淡倉需根據證券及期貨條例第336條登記。

Save as disclosed above, as at 30 June 2019, no person, other than the interests disclosed above in the section "Directors' and Chief Executives' Interests and Short Positions in Securities", had notified the Company of an interest or short position in the shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

其他資料 Other Information

中期股息

董事會欣然宣派截至二零一九年六月三十日止六個月之中期股息每股7港仙(截至二零一八年六月三十日止六個月：每股6港仙)。上述中期股息將於二零一九年十月十日或前後派付予於二零一九年九月十二日名列本公司股東名冊內之股東。

暫停辦理過戶登記手續

本公司將於二零一九年九月十日至二零一九年九月十二日(首尾兩天包括在內)暫停辦理股東名冊之登記，以釐定本公司股東獲派中期股息之權利，該等日期內將不會進行任何股份過戶登記。為符合資格獲派中期股息，所有過戶表格連同有關之股票，最遲須於二零一九年九月九日下午四時三十分送達香港皇后大道東183號合和中心54樓本公司之香港股份過戶登記處卓佳秘書商務有限公司以辦理過戶登記手續。

購買、出售或贖回本公司之上市證券

在截至二零一九年六月三十日止六個月期間，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

企業管治

在截至二零一九年六月三十日止六個月期間，除並無設立提名委員會(守則條文第A.5.1至A.5.4項)外，本公司均遵守聯交所證券上市規則(「上市規則」)附錄十四之「《企業管治守則》及《企業管治報告》」(「守則」)。本公司認為由整個董事會履行提名委員會的職能會更為有利及有效。

Interim Dividend

The Directors are pleased to declare an interim dividend of HK7 cents per share for the six months ended 30 June 2019 (six months ended 30 June 2018: HK6 cents per share). The interim dividend will be payable on or about 10 October 2019 to shareholders whose names appear on the register of members of the Company on 12 September 2019.

Closure of Register of Members

The Hong Kong branch register of members of the Company will be closed from 10 September 2019 to 12 September 2019 (both dates inclusive) for the purpose of determining the entitlements of the members of the Company to the interim dividend. No transfer of shares may be registered during the said period. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates, should be lodged with the Company's Share Registrars in Hong Kong, Tricor Secretaries Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 9 September 2019.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Corporate Governance

During the six months ended 30 June 2019, the Company has complied with "Corporate Governance Code and Corporate Governance Report" (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") except that the Company does not have a nomination committee (CG Code provisions A.5.1 to A.5.4). The Company considers it is more beneficial and efficient for the full Board to perform the functions of the nomination committee.



其他資料 Other Information

審核委員會

本公司審核委員會(「審核委員會」)於一九九八年十一月成立。於二零一九年六月三十日，審核委員會由本公司三位獨立非執行董事及一位非執行董事組成，主席為黃廣志先生。審核委員會主要職責包括審閱本集團財務資料、監控本集團財務申報制度及內部控制程序和監察本集團與外聘核數師的關係。

審核委員會已於二零一九年八月十九日之審核委員會會議上審閱本集團截至二零一九年六月三十日止六個月的未經審核中期財務報告。本公司核數師德勤•關黃陳方會計師行已按照香港會計師公會頒佈之香港會計準則第34條「中期財務報告」審閱本集團截至二零一九年六月三十日止六個月的未經審核中期財務報告。

公司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的有關上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易行為的標準。在作出特定查詢後，本公司所有董事確認在截至二零一九年六月三十日止六個月期內已遵從標準守則所載之規定準則。

企業可持續發展

本集團確立「百年葉氏，引以為傲，備受尊崇」的企業宏圖，致力朝可持續發展模式邁進，成為「百年企業」。本集團定期向持份者闡述集團在員工、供應鏈、顧客、社區及環境五大推動業務可持續發展範疇的管理方針和表現。自二零一六年起，本集團按香港聯合交易所《環境、社會及管治報告指引》的要求，每年發佈《環境、社會及管治報告》。本集團的二零一八年《環境、社會及管治報告》已經發佈，並第二次以獨立成刊的形式上載於本集團官方網站。請瀏覽<http://www.yipschemical.com> 參閱報告全文。

Audit Committee

The audit committee of the Company (the "Audit Committee") was formed in November 1998. As of 30 June 2019, the Audit Committee comprised three independent non-executive directors and one non-executive director of the Company and is chaired by Mr. Wong Kong Chi. Major duties of the Audit Committee include reviewing financial information of the Group, overseeing the Group's financial reporting system and internal control procedures, and monitoring of the relationship between the Group and its external auditors.

An Audit Committee meeting was held on 19 August 2019 to review the Group's unaudited interim financial statements for the six months ended 30 June 2019. Deloitte Touche Tohmatsu, the Group's external auditor, has carried out a review of the Group's unaudited interim financial statements for the six months ended 30 June 2019, which is prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. After making specific enquiries, all Directors have confirmed that they have fully complied with the required standard as set out in the Model Code during the six months ended 30 June 2019.

Corporate Sustainability

The Group has set its sights "Towards a Century of Revered Leadership", with sustainable development at the heart of its vision of becoming a respected century-old corporation. The Group regularly communicates its management approach and performance in five key aspects of sustainable business development: employees, supply chains, customers, communities and the environment with its stakeholders. The Group has issued the *Environmental, Social and Governance ("ESG") Report* annually in accordance with the *Hong Kong Stock Exchange ESG Reporting Guide* since 2016. The Group's 2018 *ESG Report* was published and was uploaded to the Group's official website as a standalone report for the second time. Please visit <http://www.yipschemical.com> to view the full report.

簡明綜合財務報告之審閱報告

Report on Review of Condensed Consolidated Financial Statements

Deloitte.

德勤

致葉氏化工集團有限公司 董事會

引言

本核數師行已審閱載於第24至72頁有關葉氏化工集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之簡明綜合財務報告，包括於二零一九年六月三十日之簡明綜合財務狀況表與截至該日止六個月之相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表以及若干說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第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號編製及呈列該等簡明綜合財務報告。本行之責任為根據本行之審閱對該等簡明綜合財務報告作出結論，並按照委聘之協定條款僅向作為實體之貴公司報告結論，且並無其他目的。本行不會就本報告之內容對任何其他人士承擔或接受任何責任。

審閱範圍

本行已根據香港會計師公會頒佈之香港審閱委聘準則第2410號「公司獨立核數師對中期財務資料之審閱」進行審閱。審閱該等簡明綜合財務報告包括主要向負責財務和會計事務之人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故不能讓本行保證本行將知悉在審核中可能發現之所有重大事項。因此，本行不會發表審核意見。

TO THE BOARD OF DIRECTORS OF YIP'S CHEMICAL HOLDINGS LIMITED

Introduction

We have reviewed the condensed consolidated financial statements of Yip's Chemical Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 24 to 72, which comprise the condensed consolidated statement of financial position as of 30 June 2019 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months period then ended and certain 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. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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.

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 Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements 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.



簡明綜合財務報告之審閱報告
Report on Review of Condensed Consolidated Financial Statements

結論

按照本行之審閱，本行並無發現任何事項，令本行相信簡明綜合財務報告在各重大方面並未根據香港會計準則第34號編製。

Conclusion

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

德勤 • 關黃陳方會計師行
執業會計師
香港
二零一九年八月二十三日

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23 August 2019

簡明綜合損益及其他全面收益表

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

		截至六月三十日止六個月 Six months ended 30 June		
		二零一九年 2019	二零一八年 2018	
		千港元 HK\$'000	千港元 HK\$'000	
		(未經審核) (Unaudited)	(未經審核) (Unaudited)	
	附註 NOTES			
營業額	Revenue	3	4,937,746	6,149,526
銷售成本	Cost of sales		(4,254,015)	(5,358,898)
毛利	Gross profit		683,731	790,628
其他收入	Other income	4a	30,257	31,392
其他收益及虧損	Other gains and losses	4b	3,995	18,882
銷售及經銷費用	Selling and distribution expenses		(208,299)	(229,775)
一般及行政費用	General and administrative expenses		(309,885)	(393,003)
財務費用	Finance costs		(37,808)	(29,775)
應佔聯營公司業績	Share of results of associates		(6,352)	—
除稅前溢利	Profit before taxation	5	155,639	188,349
稅項	Taxation	6	(42,525)	(64,825)
本期純利	Profit for the period		113,114	123,524
其他全面(支出)收益：	Other comprehensive (expenses) income:			
不會重新分類為損益之項目：	Items that will not be reclassified to profit or loss:			
因折算至呈列貨幣而產生之匯兌差額	Exchange differences arising on translation to presentation currency		(5,934)	(61,683)
按公允值計入其他全面收益之權益工具之公允值變動	Fair value changes on equity instruments at fair value through other comprehensive income		(31)	(956)
轉撥物業、廠房及設備至投資物業	Transfer of property, plant and equipment to investment properties			
— 重估盈餘	— Surplus on revaluation		4,281	—
— 遞延稅項	— Deferred taxation		(1,045)	—
			(2,729)	(62,639)

簡明綜合損益及其他全面收益表

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 2018 千港元 HK\$'000 (未經審核) (Unaudited)
	附註 NOTE		
其後可重新分類為損益之項目：	Items that may be reclassified subsequently to profit or loss:		
現金流對沖中對沖工具之公允值變動	Fair value change on hedging instruments in cash flow hedge	(1,610)	2,570
因折算海外業務而產生之匯兌差額	Exchange differences arising on translation of foreign operations	(378)	(3,387)
		(1,988)	(817)
本期其他全面支出	Other comprehensive expenses for the period	(4,717)	(63,456)
本期全面收益總額	Total comprehensive income for the period	108,397	60,068
本期純利應佔份額：	Profit for the period attributable to:		
本公司股東	Owners of the Company	88,388	87,260
非控股權益	Non-controlling interests	24,726	36,264
		113,114	123,524
本期全面收益總額應佔份額：	Total comprehensive income for the period attributable to:		
本公司股東	Owners of the Company	84,215	32,170
非控股權益	Non-controlling interests	24,182	27,898
		108,397	60,068
每股盈利	Earnings per share		
— 基本	— Basic	HK15.7 cents 港仙	HK15.5 cents 港仙
— 攤薄	— Diluted	HK15.7 cents 港仙	HK15.5 cents 港仙

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簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

於二零一九年六月三十日 At 30 June 2019

			二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
		附註 NOTES		
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	9	1,873,244	1,558,088
預付土地租金	Prepaid lease payments		—	232,436
投資物業	Investment properties	9	314,101	252,561
於聯營公司之權益	Interests in associates	10	47,446	23,289
按公允值計入其他全面 收益之權益工具	Equity instruments at fair value through other comprehensive income		11,719	11,750
商譽	Goodwill		112,776	112,776
無形資產	Intangible assets		70,181	71,299
已付購買物業、廠房及 設備之訂金	Deposits paid for acquisition of property, plant and equipment		112,555	102,328
衍生金融工具	Derivative financial instruments		2,400	3,086
			2,544,422	2,367,613
流動資產	Current assets			
存貨	Inventories		1,125,796	831,485
貿易應收款項及應收票據	Trade and bills receivables	11	2,698,148	3,185,746
其他應收賬款及預付款項	Other debtors and prepayments	11	369,801	386,416
預付土地租金	Prepaid lease payments		—	6,333
應收聯營公司款項	Amounts due from associates	12	23,303	—
衍生金融工具	Derivative financial instruments		2,911	3,654
短期銀行存款 — 於三個月內到期	Short-term bank deposits — with original maturity within three months		231,525	208,046
銀行結餘及現金	Bank balances and cash		849,009	1,127,108
			5,300,493	5,748,788
分類為持作出售之資產	Assets classified as held for sale	13	203,853	204,309
			5,504,346	5,953,097
流動負債	Current liabilities			
應付賬款及應計費用	Creditors and accrued charges	14	1,835,410	2,077,436
合約負債	Contract liabilities		30,097	25,695
應付稅款	Taxation payables		59,783	61,446
應付股息	Dividend payables		56,403	—
租賃負債	Lease liabilities		17,047	—
衍生金融工具	Derivative financial instruments		181	—
借貸 — 一年內到期	Borrowings — amount due within one year	15	1,192,077	1,320,977
			3,190,998	3,485,554
與分類為持作出售之 資產相關之負債	Liabilities associated with assets classified as held for sale	13	74,141	70,162
			3,265,139	3,555,716
流動資產淨值	Net current assets		2,239,207	2,397,381
總資產減流動負債	Total assets less current liabilities		4,783,629	4,764,994

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

於二零一九年六月三十日 At 30 June 2019

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
	附註 NOTES		
非流動負債	Non-current liabilities		
租賃負債	Lease liabilities	48,534	—
借貸 — 一年後到期	Borrowings — amount due after one year	1,250,750	1,319,400
	15		
遞延稅項負債	Deferred tax liabilities	16,120	11,168
		1,315,404	1,330,568
		3,468,225	3,434,426
股本及儲備	Capital and reserves		
股本	Share capital	56,403	56,403
儲備	Reserves	2,808,135	2,780,323
本公司股東應佔權益	Equity attributable to owners of the Company	2,864,538	2,836,726
非控股權益	Non-controlling interests	603,687	597,700
		3,468,225	3,434,426

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

		歸屬於本公司股東 Attributable to owners of the Company													
		股本	股份溢價	購股權儲備	不可分派儲備	對沖儲備	投資重估儲備	匯兌儲備	法定儲備	資本回購儲備	物業重估儲備	保留溢利	合計	非控股權益	合計
		Share capital	Share premium	Share option reserve	Non-distributable reserve	Hedging reserve	Investment revaluation reserve	Translation reserve	Legal reserve	Capital redemption reserve	Property revaluation reserve	Retained profits	Total	Non-controlling interests	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(附註a) (Note a)				(附註b) (Note b)						
於二零一九年一月一日(經審核)	At 1 January 2019 (Audited)	56,403	505,188	4,762	67,666	6,740	(4,187)	(16,836)	162,769	5,416	117,671	1,931,134	2,836,726	597,700	3,434,426
本期純利	Profit for the period	-	-	-	-	-	-	-	-	-	-	88,388	88,388	24,726	113,114
因折算呈列貨幣而產生不會重新分類為溢利或虧損之匯兌差額	Exchange differences arising on translation to presentation currency that will not be reclassified to profit or loss	-	-	-	-	-	-	(5,390)	-	-	-	-	(5,390)	(544)	(5,934)
因折算海外業務而產生可重新分類為溢利或虧損之匯兌差額	Exchange differences arising on translation of foreign operations that may be reclassified to profit or loss	-	-	-	-	-	-	(378)	-	-	-	-	(378)	-	(378)
按公允值計入其他全面收益之權益工具之公允值變動	Fair value changes on equity instruments at fair value through other comprehensive income	-	-	-	-	-	(31)	-	-	-	-	-	(31)	-	(31)
現金流對沖對沖工具之公允值變動	Fair value change on hedging instruments in cash flow hedge	-	-	-	-	(1,610)	-	-	-	-	-	-	(1,610)	-	(1,610)
轉讓物業、廠房及設備至投資物業	Transfer of property, plant and equipment to investment properties	-	-	-	-	-	-	-	-	-	4,281	-	4,281	-	4,281
— 重估盈餘	— Surplus on revaluation	-	-	-	-	-	-	-	-	-	4,281	-	4,281	-	4,281
— 遞延稅項	— Deferred taxation	-	-	-	-	-	-	-	-	-	(1,045)	-	(1,045)	-	(1,045)
本期全面收益總額	Total comprehensive income for the period	-	-	-	-	(1,610)	(31)	(5,768)	-	-	3,236	88,388	84,215	24,182	108,397
小計	Sub-total	56,403	505,188	4,762	67,666	5,130	(4,218)	(22,604)	162,769	5,416	120,907	2,019,522	2,920,941	621,882	3,542,823
取消購股權及轉入保留溢利	Share options cancelled and transfer to retained profits	-	-	(182)	-	-	-	-	-	-	-	182	-	-	-
一間附屬公司撤銷註冊撥回	Released upon deregistration of a subsidiary	-	-	-	-	-	-	2,275	-	-	-	(2,275)	-	-	-
應付本公司股東股息	Dividends payable to owners of the Company	-	-	-	-	-	-	-	-	-	-	(56,403)	(56,403)	-	(56,403)
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(18,195)	(18,195)
於二零一九年六月三十日 (未經審核)	At 30 June 2019 (Unaudited)	56,403	505,188	4,580	67,666	5,130	(4,218)	(20,329)	162,769	5,416	120,907	1,961,026	2,864,538	603,687	3,468,225

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

		歸屬於本公司股東 Attributable to owners of the Company													
		股本	股份溢價	購股權儲備	不可分派儲備	對沖儲備	投資重估儲備	匯兌儲備	法定儲備	資本回購儲備	物業重估儲備	保留溢利	合計	非控股權益	合計
		Share capital	Share premium	Share option reserve	Non-distributable reserve	Hedging reserve	Investment revaluation reserve	Translation reserve	Legal reserve	Capital redemption reserve	Property revaluation reserve	Retained profits	Total	Non-controlling interests	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(附註a) (Note a)				(附註b) (Note b)						
於二零一八年一月一日 (經審核)	At 1 January 2018 (Audited)	56,389	504,902	5,280	67,666	6,971	—	215,787	154,456	5,416	117,671	1,844,379	2,978,917	572,261	3,551,178
本期純利	Profit for the period	—	—	—	—	—	—	—	—	—	—	87,260	87,260	36,264	123,524
因折算呈列貨幣而產生不會重新分類為權益之匯兌差額	Exchange differences arising on translation to presentation currency that will not be reclassified to profit or loss	—	—	—	—	—	—	(53,317)	—	—	—	—	(53,317)	(8,366)	(61,683)
因折算海外業務而產生可重新分類為權益之匯兌差額	Exchange differences arising on translation of foreign operations that may be reclassified to profit or loss	—	—	—	—	—	—	(3,387)	—	—	—	—	(3,387)	—	(3,387)
按公允值計入其他全面收益之權益工具之公允值變動	Fair value changes on equity instruments at fair value through other comprehensive income	—	—	—	—	—	(956)	—	—	—	—	—	(956)	—	(956)
現金流對沖中對沖工具之公允值變動	Fair value change on hedging instruments in cash flow hedge	—	—	—	—	2,570	—	—	—	—	—	—	2,570	—	2,570
本期全面收益總額	Total comprehensive income for the period	—	—	—	—	2,570	(956)	(56,704)	—	—	—	87,260	32,170	27,898	60,068
小計	Sub-total	56,389	504,902	5,280	67,666	9,541	(956)	159,083	154,456	5,416	117,671	1,931,639	3,011,087	600,159	3,611,246
取消購股權及轉入保留溢利	Share options cancelled and transfer to retained profits	—	—	(243)	—	—	—	—	—	—	—	243	—	—	—
已付本公司股東股息	Dividends paid to owners of the Company	—	—	—	—	—	—	—	—	—	—	(56,389)	(56,389)	—	(56,389)
於二零一八年六月三十日 (未經審核)	At 30 June 2018 (Unaudited)	56,389	504,902	5,037	67,666	9,541	(956)	159,083	154,456	5,416	117,671	1,875,493	2,954,698	600,159	3,554,857

附註：

Notes:

- (a) 不可分派儲備指若干於中華人民共和國(「中國」)成立之附屬公司將保留溢利撥充資本，用於該等附屬公司之資本再投資及用作以下各項之資金：
(i)彌補以往年度虧損或(ii)擴大生產運作。
- (a) The non-distributable reserve represents capitalisation of retained profits of certain subsidiaries established in the People's Republic of China (the "PRC") for capital re-investment in these subsidiaries and funds shall be used to (i) make up prior year losses or (ii) expand production operations.
- (b) 不可分派之法定儲備為香港以外附屬公司根據有關註冊地點之法定要求撥入之溢利。
- (b) The legal reserve is non-distributable and represents the transfer of profits of a subsidiary outside Hong Kong pursuant to the legal requirements in the relevant place of registration.

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019	二零一八年 2018
		千港元 HK\$'000	千港元 HK\$'000
		(未經審核) (Unaudited)	(未經審核) (Unaudited)
		附註 NOTES	
經營業務所產生(所用)之淨現金	Net cash from (used in) operating activities	94,385	(192,740)
投資業務所用之淨現金	Net cash used in investing activities		
購買物業、廠房及設備	Purchases of property, plant and equipment	(91,742)	(50,283)
已付購買物業、廠房及設備之訂金	Deposits paid for acquisition of property, plant and equipment	(58,310)	(61,004)
增加於聯營公司之權益之投資	Additional investment for interests in associates	(34,461)	—
向聯營公司所作之貸款	Advance to associates	(1,442)	—
出售附屬公司之(流出)所得款項淨額	Net (outflow) proceeds from disposal of subsidiaries	(547)	38,281
已收出售分類為持作出售之淨資產之訂金	Deposit received from disposal of net assets classified as held for sale	103,017	—
已收利息	Interest received	12,121	5,247
出售物業、廠房及設備之所得款項	Proceeds from disposal of property, plant and equipment	1,790	874
出售分類為持作出售之非流動資產之資產之所得款項	Proceeds from disposal of assets classified as non-current assets held for sale	—	5,377
收購業務	Acquisition of business	(11,154)	(125,181)
已付購入一項權益工具之訂金	Deposits paid for acquisition of an equity instrument	—	(11,773)
購入按公允值計入其他全面收益之權益工具	Acquisition of equity instruments at fair value through other comprehensive income	—	(9,902)
購入無形資產	Acquisition of intangible assets	—	(1,355)
		(80,728)	(209,719)
融資業務(所用)所產生之淨現金	Net cash (used in) from financing activities		
新增借貸	Borrowings raised	1,058,727	1,020,189
償還借貸	Repayment of borrowings	(1,256,277)	(985,275)
已付利息	Interest paid	(36,629)	(29,775)
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	(18,195)	—
支付租賃負債	Payment of lease liabilities	(13,832)	—
		(266,206)	5,139

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一九年	二零一八年
		2019	2018
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
現金及現金等額淨減少	Net decrease in cash and cash equivalents	(252,549)	(397,320)
期初之現金及現金等額	Cash and cash equivalents at beginning of the period	1,335,154	946,074
匯率變動所產生之影響	Effect of foreign exchange rate changes	(2,071)	(1,042)
期末之現金及現金等額	Cash and cash equivalents at end of the period	1,080,534	547,712
現金及現金等額結餘分析	Analysis of balances of cash and cash equivalents		
於三個月內到期之短期銀行存款	Short-term bank deposits with original maturity within three months	231,525	28,655
銀行結餘及現金	Bank balances and cash	849,009	519,057
		1,080,534	547,712

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

1. 編製基準

簡明綜合財務報告乃按照香港會計師公會頒佈之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則附錄十六之適用披露規定編製。

2. 主要會計政策

簡明綜合財務報告乃按歷史成本法編製，惟按公允值計量之衍生金融工具、按公允值計入其他全面收益之權益工具及投資物業除外。

除因應用新訂香港財務報告準則及香港財務報告準則之修訂而產生之會計政策變動外，於截至二零一九年六月三十日止六個月之簡明綜合財務報告內採用之會計政策及計算方法與編製本公司及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度之全年財務報告時依循者相同。此外，於本中期期間，本集團已就向一間現有聯營公司出售於一間附屬公司之控股權益應用下列會計政策。

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for the derivative financial instruments, equity instruments at fair value through other comprehensive income (“FVTOCI”) and investment properties, which are measured at fair values.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the annual financial statements of the Company and its subsidiaries (collectively referred as the “Group”) for the year ended 31 December 2018. In addition, the Group has applied the following accounting policy for disposal of its controlling interest in a subsidiary to an existing associate during the current interim period.



簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

本集團於現有附屬公司之 權益之變動

當本集團失去附屬公司之控制權時，本集團會終止確認該附屬公司之資產及負債以及非控股權益（如有）。收益或虧損乃於損益確認，並按(i)已收代價公允值及任何保留權益公允值之總額與(ii)本公司股東應佔該附屬公司資產（包括商譽）及負債之賬面金額之差額計算。本集團會將先前就該附屬公司於其他全面收益確認之所有金額入賬，猶如本集團已直接出售該附屬公司之相關資產或負債（即按適用香港財務報告準則所指／允許重新分類至損益或轉撥至另一權益類別）。當本集團向一間現有聯營公司出售於附屬公司之權益時，本集團會就該附屬公司內之非相關權益於損益確認出售收益／虧損，餘額則扣減其於該聯營公司之權益。

2. Principal Accounting Policies

(Continued)

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable HKFRSs). When the Group disposes of its interest in a subsidiary to an existing associate, the Group recognises a gain/loss on disposal in respect of the unrelated interest in the subsidiary in profit or loss and the remaining amount as a reduction in its interest in the associate.

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則 及香港財務報告準則之修訂

於本中期期間，本集團已首次應用以下由香港會計師公會頒佈之新訂香港財務報告準則及香港會計準則以及香港財務報告準則及香港會計準則之修訂及詮釋，而就編製本集團之簡明綜合財務報告而言，有關準則、修訂及詮釋乃就二零一九年一月一日或之後開始之年度期間強制生效：

香港財務報告準則 第16號	租賃
香港(國際財務報告 詮釋委員會) — 詮釋第23號	所得稅處理之不確定性
香港財務報告準則 第9號之修訂	具有負補償之提前還款特性
香港會計準則 第19號之修訂	計劃修訂、縮減或結算
香港會計準則 第28號之修訂	於聯營公司及合營企業之 長期權益
香港財務報告準則 之修訂	香港財務報告準則二零一五年至 二零一七年週期之年度改進

除下述者外，於本期間應用新訂香港財務報告準則及香港會計準則以及香港財務報告準則及香港會計準則之修訂及詮釋對本集團本期間及過往期間之財務表現及狀況及／或本簡明綜合財務報告所載之披露事項並無重大影響。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs and Hong Kong Accounting Standards (“HKASs”) and an interpretation issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 16	Leases
HK (IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs and HKASs and the interpretation in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.



簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動

本集團於本中期間首次應用香港財務報告準則第16號。香港財務報告準則第16號已取代香港會計準則第17號「租賃」及相關詮釋。

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動

本集團已按照香港財務報告準則第16號之過渡條文應用下列會計政策。

租賃之定義

倘某合約給予權利在一段時間內控制所識別資產之使用以換取代價，則該合約屬租賃或包含租賃。

就於初始應用日期或之後訂立或修改之合約而言，本集團於開始或修改日期基於香港財務報告準則第16號下之定義評估合約是否屬租賃或包含租賃。除非合約條款及條件其後有變，否則該合約將不作重新評估。

作為承租人

短期租賃

本集團對於租賃年期為自開始日期起計12個月或以內且不包含購買選擇權之辦公室及員工宿舍租賃應用短期租賃確認豁免。短期租賃之租賃付款於租賃年內以直線法確認為開支。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases"

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 "Leases", and the related interpretations.

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases of office and staff quarters that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動 (續)

作為承租人 (續)

使用權資產

除短期租賃外，本集團於租賃開始日期(即相關資產可供使用當日)確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。

使用權資產之成本包括：

- 初始計量租賃負債之金額；
- 於開始日期或之前支付之任何租賃付款減任何已收租賃獎勵；
- 本集團產生之任何初始直接成本；及
- 本集團將於拆除及移除相關資產、復修相關資產位處之場址或將相關資產復修至租賃條款及條件規定之狀況時產生之估計成本。

本集團合理確定會於租賃年期結束時取得相關租賃資產擁有權之使用權資產於開始日期至可使用年期結束計算折舊，否則使用權資產於估計可使用年期與租賃年期兩者之較短者以直線法計算折舊。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.



簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動 (續)

作為承租人 (續)

使用權資產 (續)

本集團於簡明綜合財務狀況表之「物業、廠房及設備」內呈列不符合投資物業定義之使用權資產，所屬分項與呈列如擁有相應相關資產者相同。

租賃土地及樓宇

就包括租賃土地及樓宇部分之物業權益之付款而言，當該等付款無法於租賃土地及樓宇部分之間可靠分配時，整項物業會呈列為本集團之物業、廠房及設備，惟分類及入賬列為投資物業者除外。

可退回租賃按金

已付之可退回租賃按金根據香港財務報告準則第9號「金融工具」入賬，初始按公允值計量。對於初始確認時公允值之調整會被視為額外租賃付款，並計入使用權資產之成本。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets (Continued)

The Group presents right-of-use assets that do not meet the definition of investment properties in "property, plant and equipment" on the condensed consolidated statement of financial position, the same line item as that within which the corresponding underlying assets would be presented if they were owned.

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements, except for those that are classified and accounted for as investment properties.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 "Financial Instruments" and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動 (續)

作為承租人 (續)

租賃負債

於租賃開始日期，本集團按於該日未支付之租賃付款之現值確認及計量租賃負債。計算租賃付款之現值時，倘租賃內含之利率無法輕易地釐定，則本集團會利用於租賃開始日期之遞增借貸利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 取決於指數或比率之可變租賃付款；
- 預期根據剩餘價值擔保支付之金額；
- 合理確定本集團將行使之購買選擇權之行使價；及
- (倘租賃條款反映本集團行使終止選擇權)就終止租賃支付之罰金。

開始日期後，租賃負債乃透過利息孳長及租賃付款調整。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動 (續)

作為承租人 (續)

租賃負債 (續)

每當出現下列情況時，本集團會重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租賃年期已更改或對行使購買選擇權之評估有變，在此情況下，相關租賃負債乃透過利用於重新評估日期之經修訂貼現率貼現經修訂租賃付款重新計量。
- 因檢討市場租金後市場租金率有變而引致租賃付款變動，在此情況下，相關租賃負債乃透過利用初始貼現率貼現經修訂租賃付款重新計量。

租賃修改

倘出現下列情況，則本集團將租賃修訂入賬列為一項獨立租賃：

- 進行修改時透過加入使用一項或多項相關資產之權利，令租賃範圍增加；及
- 租賃之代價按與範圍增加之單獨價格相符之金額及為反映特定合約之情況而對該單獨價格進行之任何適當調整增加。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動 (續)

作為承租人 (續)

租賃修改 (續)

對於並無入賬列作一項獨立租賃之租賃修訂，本集團會透過利用於修改生效日期之經修訂貼現率貼現經修訂租賃付款，基於經修改租賃之租賃年期重新計量租賃負債。

稅項

就計量本集團確認使用權資產及相關租賃負債之租賃交易之遞延稅項而言，本集團會首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸屬於租賃負債之租賃交易而言，本集團會對使用權資產及租賃負債分開應用香港會計準則第12號「所得稅」之規定。由於應用初始確認豁免，故有關使用權資產及租賃負債之暫時差異不會於初始確認時及租賃年期內確認。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.



簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.1 因應用香港財務報告準則第16 號而引致之會計政策主要變動 (續)

作為出租人

將代價分配至合約之組成部分

由二零一九年一月一日起，本集團應用香港財務報告準則第15號「客戶合約營業額」分配合約內之代價至租賃及非租賃組成部分。

可退回租賃按金

已收之可退回租賃按金根據香港財務報告準則第9號入賬，初始按公允值計量。對於初始確認時公允值之調整會被視為承租人之額外租賃付款。

分租賃

當本集團為中介出租人時，本集團會將主租賃與分租賃入賬列為兩項獨立合約。本集團參照主租賃所產生之使用權資產（而非相關資產）將分租賃分類為融資或經營租賃。

租賃修改

本集團由經營租賃修改之生效日期起將修改入賬列為新租賃，當中會將任何就原租賃預付或累計之租賃付款視為新租賃之租賃付款的一部分。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessor

Allocation of consideration to components of a
contract

Effective on 1 January 2019, the Group applies HKFRS 15 "Revenue from Contracts with Customers" to allocate consideration in a contract to lease and non-lease components.

Refundable rental deposits

Refundable rental deposits received are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Sublease

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

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截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16號「租賃」之影響及其會計政策變動 (續)

2.1.2 因初始應用香港財務報告準則第16號而產生之過渡安排及影響概要

租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包括租賃」識別為租賃之合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃之合約應用該準則。因此，本集團並無重新評估於初始應用日期前已存在之合約。

對於在二零一九年一月一日或之後訂立或修改之合約，本集團於評估合約是否包含租賃時按照香港財務報告準則第16號所載之規定應用租賃之定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，並於初始應用日期二零一九年一月一日確認累積影響。於初始應用日期之任何差額乃於期初保留溢利確認，比較資料不予重列。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK (IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.



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截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16號「租賃」之影響及其會計政策變動 (續)

2.1.2 因初始應用香港財務報告準則第16號而產生之過渡安排及影響概要 (續)

作為承租人 (續)

當於過渡期間根據香港財務報告準則第16號應用經修改追溯方法時，本集團已在與各別租賃合約相關之情況下，按逐項租賃基準對先前根據香港會計準則第17號分類為經營租賃之租賃應用下列可行權宜方法：

- i. 選擇不就租賃年期於由初始應用日期起計12個月內結束之租賃確認使用權資產及租賃負債；
- ii. 計量於初始應用日期之使用權資產時豁除初始直接成本；
- iii. 對於類似經濟環境下有關類似相關資產類別且具有類似剩餘年期之租賃組合應用單一貼現率。具體而言，香港及中華人民共和國（「中國」）物業之若干租賃之貼現率乃按組合基準釐定；及

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- ii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- iii. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of properties in Hong Kong and the People's Republic of China ("PRC") was determined on a portfolio basis; and

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截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16號「租賃」之影響及其會計政策變動 (續)

2.1.2 因初始應用香港財務報告準則第16號而產生之過渡安排及影響概要 (續)

作為承租人 (續)

- iv. 基於在初始應用日期之事實及情況，事後釐定本集團附帶延期及終止選擇權之租賃之租賃年期。

於過渡期間，本集團已在應用香港財務報告準則第16號時作出以下調整：

於二零一九年一月一日，本集團透過應用香港財務報告準則第16號C8(b)(ii)之過渡安排確認租賃負債及金額相等於相關租賃負債之使用權資產。

就先前分類為經營租賃之租賃確認租賃負債時，本集團已應用於初始應用日期相關公司之遞增借貸利率。相關公司所應用之加權平均遞增借貸利率的範圍由4.35%至4.75%。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

- iv. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

On transition, the Group has made the following adjustments upon application of HKFRS 16:

As at 1 January 2019, the Group recognised lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant entities at the date of initial application. The weighted average incremental borrowing rate applied by relevant entities range from 4.35% to 4.75%.

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2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16 號「租賃」之影響及其會計 政策變動 (續)

2.1.2 因初始應用香港財務報告準則 第16號而產生之過渡安排及 影響概要 (續) 作為承租人 (續)

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

		於二零一九年 一月一日 At 1 January 2019 千港元 HK\$'000
於二零一八年十二月三十一日 已披露之經營租賃承擔 減：確認豁免 — 短期租賃	Operating lease commitments disclosed as at 31 December 2018 Less: Recognition exemption — short-term leases	84,383 (497) 83,886
於二零一九年一月一日應用香港 財務報告準則第16號時確認 有關經營租賃按相關遞增借貸 利率貼現之租賃負債	Lease liabilities discounted at relevant incremental borrowing rates relating to operating leases recognised upon application of HKFRS 16 as at 1 January 2019	70,210
分析為 流動 非流動	Analysed as Current Non-current	15,827 54,383 70,210

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16號「租賃」之影響及其會計政策變動 (續)

2.1.2 因初始應用香港財務報告準則第16號而產生之過渡安排及影響概要 (續)

作為承租人 (續)

使用權資產於二零一九年一月一日之賬面金額如下：

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

	使用權資產 Right-of-use assets 千港元 HK\$'000
應用香港財務報告準則第16號時 確認有關經營租賃之使用權資產 從預付土地租金重新分類 (附註)	Right-of-use assets relating to operating leases recognised upon application of HKFRS 16 Reclassified from prepaid lease payments (Note)
	70,210
	238,769
	308,979
按類別：	By class:
租賃土地	Leasehold lands
土地及樓宇	Land and buildings
	238,769
	70,210
	308,979

附註：於二零一八年十二月三十一日，中國租賃土地之前期付款分類為預付土地租金。於應用香港財務報告準則第16號時，預付土地租金之非流動部分232,436,000港元及流動部分6,333,000港元已重新分類為使用權資產。

Note: Upfront payments for leasehold lands in the PRC were classified as prepaid lease payments as at 31 December 2018. Upon application of HKFRS 16, the non-current and current portion of prepaid lease payments amounting to HK\$232,436,000 and HK\$6,333,000 respectively were reclassified to right-of-use assets.

簡明綜合財務報告附註
Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16號「租賃」之影響及其會計政策變動 (續)

2.1.2 因初始應用香港財務報告準則第16號而產生之過渡安排及影響概要 (續)

作為承租人 (續)

於二零一九年一月一日之簡明綜合財務狀況表內確認之金額已作下列調整。並不包括不受變動影響之分項。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

		先前呈報 於二零一八年 十二月三十一日 之賬面金額 Carrying amounts previously reported at 31 December 2018 千港元 HK\$'000	調整	根據香港財務 報告準則第16號 於二零一九年 一月一日之 賬面金額 Carrying amounts under HKFRS 16 at 1 January 2019 千港元 HK\$'000
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	1,558,088	308,979	1,867,067
預付土地租金	Prepaid lease payments	232,436	(232,436)	—
流動資產	Current assets			
預付土地租金	Prepaid lease payments	6,333	(6,333)	—
流動負債	Current liabilities			
租賃負債	Lease liabilities	—	15,827	15,827
非流動負債	Non-current liabilities			
租賃負債	Lease liabilities	—	54,383	54,383

附註：為根據間接法呈列截至二零一九年六月三十日止六個月之經營業務所產生現金流，已如上文所披露基於二零一九年一月一日之期初財務狀況表計算營運資金變動。

Note: For the purpose of reporting cash flows from operating activities under indirect method for the six months ended 30 June 2019, movements in working capital have been computed based on opening statement of financial position as at 1 January 2019 as disclosed above.

簡明綜合財務報告附註 Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

2. 主要會計政策 (續)

應用新訂香港財務報告準則
及香港財務報告準則之修訂
(續)

2.1 應用香港財務報告準則第16號「租賃」之影響及其會計政策變動 (續)

2.1.2 因初始應用香港財務報告準則第16號而產生之過渡安排及影響概要 (續)

作為出租人

按照香港財務報告準則第16號之過渡條文，本集團無須於過渡期間就本集團為出租人之租賃作出任何調整，但會由初始應用日期起按照香港財務報告準則第16號將該等租賃入賬，比較資料不予重列。

3. 營業額及分類資料

營業額

營業額指期內就向客戶銷售貨品已收及應收之款項(扣除折扣及銷售相關稅項)以及已收及應收租戶之租金收入。

2. Principal Accounting Policies

(Continued)

Application of new and amendments to
HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

3. Revenue and Segment Information Revenue

Revenue represents the amount received and receivable for goods sold to customers, net of discounts and sales related taxes, and rental income received and receivable from tenants during the period.



簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

3. 營業額及分類資料 (續)**分類資料**

為進行管理，本集團之可呈報經營分類現時分為以下業務分部，即溶劑、塗料、油墨、潤滑油及物業。本集團乃按該等分部呈報其經營分類資料。

本集團可呈報分類之主要業務如下：

溶劑	— 製造及買賣單體溶劑及相關產品
塗料	— 製造及買賣塗料及相關產品
油墨	— 製造及買賣油墨及相關產品
潤滑油	— 製造及買賣潤滑油產品
物業	— 物業投資及持有本集團並非用作生產廠房、研發、中央行政辦公室，亦不用作其他經營分類之物業，包括但不限於供出租之物業

分類業績指本期各分類在分配應佔聯營公司業績、利息收入、中央行政費用、財務費用及未分配其他收入前賺取之溢利或產生之虧損。此乃向本公司行政總裁(本集團之主要營運決策者)呈報之資料，旨在作出資源分配及表現評估。

3. Revenue and Segment Information*(Continued)***Segment information**

For management purposes, the Group's reportable operating segments are currently classified under the following business divisions, namely solvents, coatings, inks, lubricants and properties. These divisions are the basis on which the Group reports its operating segment information.

Principal activities of the Group's reportable segments are as follows:

Solvents	— manufacture of and trading in raw solvents and related products
Coatings	— manufacture of and trading in coatings and related products
Inks	— manufacture of and trading in inks and related products
Lubricants	— manufacture of and trading in lubricants products
Properties	— property investment and holding of the Group's properties not used for production plants, research and development, central administration office, and not used for other operating segments, including but not limited to properties for rental

Segment results represent the profit earned or loss incurred for the period by each segment without allocation of share of results of associates, interest income, central administration costs, finance costs and unallocated other income. This is the information reported to the Chief Executive Officer of the Company, the Group's chief operating decision maker, for the purposes of resource allocation and performance assessment.

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截至二零一九年六月三十日止六個月 For the six months ended 30 June 2019

3. 營業額及分類資料 (續)

分類資料 (續)

分類營業額及業績 (續)

3. Revenue and Segment Information

(Continued)

Segment information (Continued)

Segment revenue and results (Continued)

		溶劑	塗料	油墨	潤滑油	物業	可呈報分類 總計	抵銷	綜合
		Solvents	Coatings	Inks	Lubricants	Properties	Reportable segment total	Elimination	Consolidated
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
截至二零一八年 六月三十日止 六個月 (未經審核)	Six months ended 30 June 2018 (unaudited)								
分類營業額	Segment revenue								
客戶合約收益	Revenue from contracts with customers — recognised at a point in time								
對外銷售	External sales	4,323,313	948,547	730,567	139,013	—	6,141,440	—	6,141,440
分類間銷售	Inter-segment sales	63,926	24	348	81	—	64,379	(64,379)	—
對外租金收入	External rental income	—	—	—	—	8,086	8,086	—	8,086
分類間租金收入	Inter-segment rental income	—	—	—	—	200	200	(200)	—
總額	Total	4,387,239	948,571	730,915	139,094	8,286	6,214,105	(64,579)	6,149,526
業績	Results								
分類業績	Segment results	183,753	(4,868)	10,085	(8,367)	39,548	220,151	(81)	220,070
未分配收入	Unallocated income								
未分配費用	Unallocated expenses								
財務費用	Finance costs								
除稅前溢利	Profit before taxation								

收取分類間銷售／租金收入與收取對外銷售／租金收入之條款相近。

Inter-segment sales/rental income are charged at the similar terms as external sales/rental income.

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4. 其他收入以及其他 收益及虧損

4. Other Income and Other Gains and Losses

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 2018 千港元 HK\$'000 (未經審核) (Unaudited)
(a) 本集團之其他收入主要 包括：	(a) The Group's other income mainly comprises:		
利息收入	Interest income	12,121	5,247
已確認之政府補助金	Government grants recognised	8,815	8,886
(b) 本集團之其他收益(虧損) 包括：	(b) The Group's other gains (losses) comprise:		
出售附屬公司之收益 (附註19)	Gain on disposal of subsidiaries (Note 19)	5,758	28,406
投資物業公允值變動之 收益	Gain on fair value change of investment properties	5,305	12,225
貿易應收款項撥回(確認) 之減值虧損	Impairment losses reversed (recognised) on trade receivables	650	(4,182)
出售分類為持作出售之 非流動資產之資產之 收益	Gain on disposal of assets classified as non-current assets held for sale	—	2,727
出售物業、廠房及設備之 虧損	Loss on disposal of property, plant and equipment	(2,861)	(1,729)
因外幣結餘及交易而產生 之淨匯兌(虧損)收益	Net exchange (loss) gain arising from foreign currency balances and transactions	(4,857)	2,368
撇銷物業、廠房及設備	Written off of property, plant and equipment	—	(20,291)
商譽確認之減值虧損	Impairment loss recognised on goodwill	—	(642)
		3,995	18,882

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5. 除稅前溢利

5. Profit Before Taxation

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 2018 千港元 HK\$'000 (未經審核) (Unaudited)
除稅前溢利乃於扣除(計入) 下列各項後達致：	Profit before taxation has been arrived at after charging (crediting):		
無形資產攤銷	Amortisation of intangible assets	1,118	1,532
確認為開支之存貨成本	Cost of inventories recognised as an expense	4,254,015	5,358,898
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	80,492	95,280
預付土地租金攤銷	Release of prepaid lease payments	—	3,518
滯銷存貨撥備撥回	Reversal of allowance for slow- moving inventories	(6,359)	(65)
註銷存貨	Written off of inventories	7,039	7,331

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6. 稅項

6. Taxation

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一九年	二零一八年
		2019	2018
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
此支出包括：	The charge comprises:		
即期稅項 — 中國	Current tax — the PRC		
本期間	Current period	37,897	48,745
預扣稅	Withholding Tax	726	12,434
		38,623	61,179
遞延稅項	Deferred taxation		
本期間	Current period	3,902	3,646
		42,525	64,825

根據中國企業所得稅法及企業所得稅法實施條例，中國附屬公司之稅率自二零零八年一月一日起為25%。

本集團若干於中國經營之附屬公司符合資格作為高新技術企業或設於中國西部地區之鼓勵類產業企業，有權享有15%之所得稅率。中國企業所得稅已於計入該等稅務優惠後計提撥備。

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of EIT Law, the tax rate of the subsidiaries in the PRC is 25% from 1 January 2008 onwards.

Certain of the Group's subsidiaries operating in the PRC are either eligible as High and New Technology Enterprise or operating in encouraged industries in Western Region of China, and are entitled to an income tax rate of 15%. EIT of the PRC has been provided for after taking these tax incentives into account.



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6. 稅項 (續)

預扣稅指貸款予中國附屬公司產生之利息收入及從若干中國附屬公司自二零零八年一月一日起賺取之溢利中分派之股息確認之稅項。源自中國之利息收入須按7%之稅率確認預扣稅，而中國企業所得稅法實施條例規定，須就從若干中國附屬公司賺取之溢利中分派之股息確認預扣稅，從有關溢利中向股東分派之股息須按5%或10%之稅率繳納預扣稅。

由於本公司董事認為本集團可控制撥回暫時差異之時間，而暫時差異不大可能於可預見將來撥回，故本集團並無就中國附屬公司自二零零八年一月一日起賺取之若干未經分派保留溢利1,609,562,000港元(二零一八年十二月三十一日：1,600,198,000港元)確認遞延稅項。

7. 股息

期內，本集團宣派並其後於二零一九年七月派付有關截至二零一八年十二月三十一日止年度之末期股息每股10港仙(合共56,403,000港元)。

於截至二零一八年六月三十日止六個月，本集團宣派並其後於二零一八年七月派付有關截至二零一七年十二月三十一日止年度之末期股息每股10港仙(合共56,389,000港元)。

二零一九年六月三十日後，本公司董事決議宣派截至二零一九年六月三十日止六個月之中期股息每股7港仙，合共約39,482,000港元(截至二零一八年六月三十日止六個月：每股6港仙，合共33,838,000港元)。中期股息將於二零一九年十月十日或前後支付予於二零一九年九月十二日名列本公司股東名冊之本公司股東。

6. Taxation (Continued)

The withholding tax represented taxation recognised in respect of interest income derived from loans to subsidiaries in the PRC and dividends to be distributed from profits earned by certain subsidiaries in the PRC starting from 1 January 2008. The withholding tax is recognised for interest income derived from the PRC at tax rate of 7% and dividends to be distributed from profits earned by certain subsidiaries in the PRC in accordance with the Implementation Regulation of the EIT Law of the PRC that requires withholding tax with tax rate at 5% or 10% for dividend upon the distribution of such profits to the shareholders.

Deferred taxation has not been recognised in respect of certain undistributed retained profits earned by the subsidiaries in the PRC starting from 1 January 2008 amounting to HK\$1,609,562,000 (31 December 2018: HK\$1,600,198,000) as the directors of the Company are of the opinion that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

7. Dividends

During the period, a final dividend of HK10 cents per share totalling HK\$56,403,000 in respect of the year ended 31 December 2018 were declared and subsequently paid in July 2019.

During the six months ended 30 June 2018, a final dividend of HK10 cents per share totalling HK\$56,389,000 in respect of the year ended 31 December 2017 were declared and subsequently paid in July 2018.

Subsequent to 30 June 2019, the directors of the Company resolved to declare an interim dividend of HK7 cents per share totalling approximately HK\$39,482,000 for the six months ended 30 June 2019 (six months ended 30 June 2018: HK6 cents per share totalling HK\$33,838,000). The interim dividend will be payable on or about 10 October 2019 to the owners of the Company whose names appear on the Company's register of members on 12 September 2019.

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8. 每股盈利

本公司股東應佔每股基本及攤薄盈利乃基於下列數據計算：

8. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 2018 千港元 HK\$'000 (未經審核) (Unaudited)
本公司股東應佔本期純利以及用於計算每股基本及攤薄盈利之盈利	Profit for the period attributable to owners of the Company and earnings for the purposes of calculating basic and diluted earnings per share	88,388	87,260
		股份數目 Number of shares	
		千股 '000	千股 '000
用於計算每股基本盈利之加權平均股數	Weighted average number of shares for the purpose of calculating basic earnings per share	564,029	563,889
可能對普通股產生之攤薄影響： 購股權	Effect of dilutive potential ordinary shares: Share options	—	44
用於計算每股攤薄盈利之加權平均股數	Weighted average number of shares for the purpose of calculating diluted earnings per share	564,029	563,933



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9. 物業、廠房及設備、投資物業以及使用權資產之變動

於截至二零一九年六月三十日止期間，本集團動用約139,387,000港元(截至二零一八年六月三十日止六個月：95,627,000港元)，主要用於添置中國之製造廠房以擴大產能。

於截至二零一九年六月三十日止期間，由於相關租賃開始令用途有變，故於轉移當天之總公允值為56,235,000港元(截至二零一八年六月三十日止六個月：無)之兩項物業已轉移至投資物業。於轉移當天之公允值由一名獨立估值師釐定，而超出賬面金額之部分已於轉移當天在其他全面收益確認，並使物業重估儲備增加。

於截至二零一九年六月三十日止期間，投資物業公允值之淨增加5,305,000港元(截至二零一八年六月三十日止六個月：12,225,000港元)已直接於損益確認。估值由一名與本集團並無關連之獨立合資格專業估值師進行。該獨立合資格專業估值師進行估值時乃採用直接比較法，當中已參考類似位置及狀況之類似物業之近期市價；並同時採用投資法，當中已參考香港及中國之市場租金。

於截至二零一九年六月三十日止期間，本集團就使用辦公室及倉庫訂立新租賃協議，為期一至五年。於租賃開始時，本集團已確認使用權資產(包括在物業、廠房及設備內)33,009,000港元及租賃負債33,009,000港元。

9. Movements in Property, Plant and Equipment, Investment Properties and Right-of-use Assets

During the period ended 30 June 2019, the Group incurred approximately HK\$139,387,000 (six months ended 30 June 2018: HK\$95,627,000) mainly for additions to a manufacturing plant in the PRC to expand its manufacturing capacity.

During the period ended 30 June 2019, two properties with aggregate fair value at the date of transfer of HK\$56,235,000 (six months ended 30 June 2018: nil) was transferred to investment properties due to change of use as a result of commencement of relevant leases. The fair value at the date of transfer was determined by an independent valuer and the excess over the carrying amount was recognised in other comprehensive income and increased property revaluation reserve at the date of transfer.

During the period ended 30 June 2019, a net increase in fair value of investment properties of HK\$5,305,000 (six months ended 30 June 2018: HK\$12,225,000) has been recognised directly in profit or loss. The valuations are carried out by an independent qualified professional valuer, which is not connected with the Group. The valuations by the independent qualified professional valuer are arrived by direct comparison approach with reference to recent market prices for similar properties in similar locations and conditions and investment approach with reference to market rent in Hong Kong and the PRC.

During the period ended 30 June 2019, the Group entered into new lease agreements for the use of offices and warehouses for the periods arranging form 1 to 5 years. On lease commencement, the Group recognised HK\$33,009,000 of right-of-use assets, including in property, plant and equipment, and HK\$33,009,000 of lease liabilities.

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10. 於聯營公司之權益

10. Interest in Associates

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
非上市聯營公司之投資成本	Cost of investment on associates, unlisted	55,346	24,501
應佔收購後虧損及 其他全面支出	Share of post-acquisition loss and other comprehensive expense	(7,551)	(1,199)
貨幣調整	Currency realignment	(349)	(13)
		47,446	23,289

於報告期末，本集團聯營公司之詳情如下：

Details of the Group's associates at the end of the reporting period are as follows:

聯營公司名稱 Name of associate	註冊成立國家 Country of incorporation	主要營業地點 Principal place of business	本集團持有股本 權益之百分比 Percentage of equity interest held by the Group		主要業務 Principal activity
			二零一九年 六月三十日 30.6.2019	二零一八年 十二月三十一日 31.12.2018	
直接持有 Directly held					
河北大慶汽車維修服務有限公司	中國 PRC	中國 PRC	38.58% 38.58%	27.75% 27.75%	提供汽車保養服務 Provision of car maintenance services
間接持有 Indirectly held					
山東大慶汽車維修服務有限公司	中國 PRC	中國 PRC	38.58% 38.58%	27.75% 27.75%	提供汽車保養服務 Provision of car maintenance services
南京大慶汽車維修服務有限公司	中國 PRC	中國 PRC	38.58% 38.58%	27.75% 27.75%	提供汽車保養服務 Provision of car maintenance services
東莞市大慶趣車汽車服務有限公司	中國 PRC	中國 PRC	38.58% 38.58% (附註19(a)) (Note 19(a))	-	提供汽車保養服務 Provision of car maintenance services
中山市大慶趣車汽車服務有限公司	中國 PRC	中國 PRC	38.58% 38.58% (附註19(a)) (Note 19(a))	-	提供汽車保養服務 Provision of car maintenance services
佛山市大慶趣車汽車服務有限公司	中國 PRC	中國 PRC	38.58% 38.58% (附註19(a)) (Note 19(a))	-	提供汽車保養服務 Provision of car maintenance services
長沙市大慶趣車汽車服務有限公司	中國 PRC	中國 PRC	38.58% 38.58% (附註19(a)) (Note 19(a))	-	提供汽車保養服務 Provision of car maintenance services
江門市大慶趣車汽車維修服務有限公司	中國 PRC	中國 PRC	38.58%# 38.58%#	-	提供汽車保養服務 Provision of car maintenance services

該聯營公司於本中期間內註冊成立。

The associate was incorporated during the current interim period.

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11. 貿易應收款項及應收
票據、其他應收賬款
及預付款項

11. Trade and Bills Receivables, Other
Debtors and Prepayments

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
貿易應收款項	Trade receivables	1,581,171	1,657,543
減：信貸損失撥備	Less: Allowance for credit losses	(58,688)	(65,162)
		1,522,483	1,592,381
應收票據	Bills receivables	1,175,665	1,593,365
		2,698,148	3,185,746

其他應收賬款及預付款項主要包括墊付供應商款項、應收供應商佣金及可收回增值稅。

Other debtors and prepayments mainly consist of payments in advance to suppliers, commission receivable from suppliers and value-added tax receivable.

於報告期末，貿易應收款項(經扣除信貸損失撥備)基於發票日期呈列之賬齡分析如下：

An aged analysis of trade receivables net of allowance for credit losses, presented based on the invoice date at the end of the reporting period is as follows:

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
零至三個月	0 – 3 months	1,273,988	1,332,750
四至六個月	4 – 6 months	174,748	209,019
六個月以上	Over 6 months	73,747	50,612
		1,522,483	1,592,381

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11. 貿易應收款項及應收票據、其他應收賬款及預付款項 (續)

本集團容許向貿易客戶提供介乎30天至90天之信貸期。本集團或會給予付款紀錄良好之大額或長期客戶較長信貸期。

應收票據指國內銀行承兌及擔保付款之銀行承兌匯票，屬遠期匯票。本集團按個別情況接受客戶以國內銀行承兌之銀行承兌匯票結清貿易應收款項。

該等出具或背書給本集團之銀行承兌匯票一般於由出具日起不超過十二個月內到期。銀行承兌匯票將主要由國內有銀行或商業銀行於該等銀行承兌匯票到期日支付。

12. 應收聯營公司款項

除為數1,469,000港元之貿易結餘外，該等款項均為無抵押、須於一年內償還及按年利率5%計息。

13. 分類為持作出售之資產／與分類為持作出售之資產相關之負債

於二零一八年十二月五日，董事議決出售本公司中國間接全資附屬公司紫荊花製漆(上海)有限公司(「紫荊花製漆」)之全部權益。預計將於十二個月內出售之資產及負債已分類為一個持作出售之出售組別，並於簡明綜合財務狀況表分開呈列(見下文)。出售所得款項淨額預計將超過相關資產及負債之賬面淨額，因此，概無確認減值虧損。出售事項已於報告期末後完成。

11. Trade and Bills Receivables, Other Debtors and Prepayments (Continued)

The Group allows a credit period ranging from 30 to 90 days to its trade customers. A longer credit period may be granted to large or long established customers with good payment history.

Bills receivables represent 銀行承兌匯票 (“banker’s acceptances”), i.e. time drafts accepted and guaranteed for payment by the PRC banks. The Group accepts the settlement of trade receivables by customers using banker’s acceptances accepted by PRC banks on a case by case basis.

These banker’s acceptances are issued to or endorsed to the Group and with due date in general not longer than twelve months from the date of issuance. The banker’s acceptances will be settled by the banks, which are mainly state-owned banks or commercial banks in the PRC, on the due date of such banker’s acceptances.

12. Amounts due from Associates

The amounts are unsecured, repayable within one year and carries interest at a rate of 5% per annum, except for the trade balances of HK\$1,469,000.

13. Assets Classified as Held for Sale/Liabilities Associated with Assets Classified as Held for Sale

On 5 December 2018, the directors resolved to dispose of the entire interest in an indirect wholly-owned subsidiary of the Company, Bauhinia Paints Manufacturing (Shanghai) Company Limited (“Bauhinia Paints”), in the PRC. The assets and liabilities, which are expected to be sold within twelve months, have been classified as a disposal group held for sale and were presented separately in the condensed consolidated statement of financial position (see below). The net proceeds of disposal were expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss had been recognised. The disposal was completed subsequent to the date of the reporting period.

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13. 分類為持作出售之資產／與分類為持作出售之資產相關之負債

(續)

分類為持作出售之紫荊花製漆之資產及負債如下：

13. Assets Classified as Held for Sale/Liabilities Associated with Assets Classified as Held for Sale

(Continued)

The assets and liabilities of Bauhinia Paints classified as held for sale are as follows:

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
物業、廠房及設備	Property, plant and equipment	5,780	2,334
投資物業	Investment properties	192,187	192,407
預付土地租金	Prepaid lease payments	—	3,701
其他應收款項	Other receivables	5,709	5,732
銀行結餘及現金	Bank balances and cash	177	135
分類為持作出售之資產總值	Total assets classified as held for sale	203,853	204,309
其他應付款項	Other payables	(6,357)	(2,301)
應付稅款	Taxation payables	(2,930)	(2,933)
遞延稅項負債	Deferred tax liabilities	(64,854)	(64,928)
與分類為持作出售之資產相關之負債總額	Total liabilities associated with assets classified as held for sale	(74,141)	(70,162)

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14. 應付賬款及應計費用

14. Creditors and Accrued Charges

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
貿易應付賬款	Trade creditors	1,374,478	1,697,230
其他應付賬款及應計費用	Other creditors and accrued charges	460,932	380,206
		1,835,410	2,077,436

其他應付賬款及應計費用主要包括應付員工薪金及福利、銷售佣金、應付倉儲及運費以及其他應付款項。

Other creditors and accrued charges mainly consist of payables of staff salaries and benefits, sales commission, payable of storage and transportation and other payables.

於報告期末，貿易應付賬款基於發票日期之賬齡分析如下：

An aged analysis of trade creditors at the end of the reporting period based on the invoice date is as follows:

		二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
零至三個月	0 – 3 months	1,115,331	1,357,137
四至六個月	4 – 6 months	245,328	324,770
六個月以上	Over 6 months	13,819	15,323
		1,374,478	1,697,230

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15. 借貸

期內，本集團獲新造銀行借貸1,058,727,000港元(截至二零一八年六月三十日止六個月：1,020,189,000港元)，並償還銀行借貸1,256,277,000港元(截至二零一八年六月三十日止六個月：985,275,000港元)。截至二零一八年及二零一九年六月三十日止六個月內之新造銀行借貸按市場利率計息及須於介乎一個星期至四年期間內償還。

15. Borrowings

During the period, the Group obtained new bank borrowings in the amount of HK\$1,058,727,000 (six months ended 30 June 2018: HK\$1,020,189,000) and repaid bank borrowings of HK\$1,256,277,000 (six months ended 30 June 2018: HK\$985,275,000). The new bank borrowings during the six months ended 30 June 2018 and 2019 bear interest at market rates and are repayable ranging from 1 week to 4 years.

16. 股本

16. Share Capital

		股份數目 Number of shares 千股 '000	股本 Share capital 千港元 HK\$'000
法定：	Authorised:		
每股面值0.10港元之股份	Shares of HK\$0.10 each		
於二零一九年一月一日及	At 1 January 2019 and		
二零一九年六月三十日	30 June 2019	800,000	80,000
已發行及繳足：	Issued and fully paid:		
每股面值0.10港元之股份	Shares of HK\$0.10 each		
於二零一九年一月一日及	At 1 January 2019 and		
二零一九年六月三十日	30 June 2019	564,029	56,403

17. 以股份為基礎之付款

本公司之現有購股權計劃(「新購股權計劃」)於二零一二年五月二十五日舉行之股東週年大會上獲批准採納，其主要旨在激勵參與者，向彼等提供獎勵及直接利益，以達致本公司之長期業務目標。根據舊購股權計劃(「舊購股權計劃」，連同「新購股權計劃」統稱「購股權計劃」)(於終止有關計劃前於二零零二年九月三日獲本公司採納)授出之購股權將繼續生效並可根據舊購股權計劃之規則行使。

17. Share-based Payments

The Company's existing share option scheme was adopted pursuant to the annual general meeting approved on 25 May 2012 (the "New Share Option Scheme") for the primary purpose of motivating the participants and providing incentives and a direct interest in attaining the long term business objective with the Company. Options granted under the old share option scheme (the "Old Share Option Scheme", together with the "New Share Option Scheme" collectively known as "Share Option Schemes"), which was adopted by the Company on 3 September 2002 prior to the termination of such scheme, will continue to be valid and exercisable in accordance with the rules of the Old Share Option Scheme.

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17. 以股份為基礎之付款

(續)

下表披露本公司參與者所持有之本公司購股權之變動情況：

		購股權數目		
		Number of share option		
		董事	合資格人士	合計
		Directors	Eligible persons	Total
於二零一九年一月一日	Outstanding as at 1 January 2019			
尚未行使		200,000	4,570,000	4,770,000
期內已重新分類(附註)	Reclassified during the period (Note)	290,000	(290,000)	-
期內已失效	Lapsed during the period	-	(180,000)	(180,000)
於二零一九年六月三十日	Outstanding as at 30 June 2019			
尚未行使		490,000	4,100,000	4,590,000

附註：葉鈞先生於二零一九年一月一日獲委任為執行董事，其購股權數目已由「合資格人士」轉到「董事」。

兩個期間內均無授出購股權。

根據舊購股權計劃授出之所有購股權於授出當日即時歸屬，行使期為自授出日期起計十年。根據新購股權計劃授出之購股權於授出日期起計兩年後歸屬，該等購股權自二零一五年一月十一日起至二零二三年一月十日止可予行使。

18. 業務收購

於二零一八年一月二日，本公司兩間間接全資附屬公司與若干獨立第三方(其主要業務活動為製造、銷售、分銷及營銷塗料)訂立一份協議，以按現金代價人民幣111,741,000元(相等於136,813,000港元)收購業務(「駱駝漆業務」)(「駱駝漆收購事項」)。業務收購已於二零一八年二月一日完成並已使用收購法入賬。因收購事項而產生之商譽金額為43,844,000港元。

17. Share-based Payments (Continued)

The table below discloses movement of the Company's share options held by the Company's participants:

		購股權數目		
		Number of share option		
		董事	合資格人士	合計
		Directors	Eligible persons	Total
於二零一九年一月一日	Outstanding as at 1 January 2019			
尚未行使		200,000	4,570,000	4,770,000
期內已重新分類(附註)	Reclassified during the period (Note)	290,000	(290,000)	-
期內已失效	Lapsed during the period	-	(180,000)	(180,000)
於二零一九年六月三十日	Outstanding as at 30 June 2019			
尚未行使		490,000	4,100,000	4,590,000

Note: Mr. Ip Kwan was appointed as Executive Director with effect from 1 January 2019 and his number of share options was transferred from "Eligible Persons" to "Directors".

No share options were granted for both periods.

All share options granted under the Old Share Option Scheme vested immediately at the dates of grant with the exercisable period of ten years from the dates of grant. The share options granted under the New Share Option Scheme were vested over two years from the dates of grant and they are exercisable commencing from 11 January 2015 to 10 January 2023.

18. Acquisition of Business

On 2 January 2018, two indirect wholly-owned subsidiaries of the Company, entered into an agreement with certain independent third parties, of which principal business activities were manufacture, sale, distribution and marketing of coatings, to acquire the business ("Camel") at a cash consideration of RMB111,741,000 (equivalent to HK\$136,813,000) ("Camel Acquisition"). The acquisition of business was completed on 1 February 2018 and had been accounted for using the acquisition method. The amount of goodwill arising as a result of the acquisition was HK\$43,844,000.

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18. 業務收購 (續)

於收購日期收購之資產及確認之負債如下：

18. Acquisition of Business (Continued)

Assets acquired and liabilities recognised at the date of acquisition were as follows:

		於二零一八年 二月一日 At 1 February 2018 千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	993
無形資產	Intangible assets	71,479
存貨	Inventories	7,191
貿易應收款項	Trade receivables	13,306
		92,969

已轉讓代價：

Consideration transferred:

		千港元 HK\$'000
已支付購買代價	Purchase consideration paid	125,181
或然代價安排(附註)	Contingent consideration arrangement (note)	11,632
		136,813

附註：於收購日期，董事認為應付駱駝漆業務賣方之或然代價估計可能約為人民幣9,500,000元(相等於約11,632,000港元)，當中已參考駱駝漆業務之估計銷售表現預測及可能結算未償付合約責任。或然代價安排規定，本集團須參考駱駝漆業務之經營表現及倘賣方已履行於完成日期前累計之彼等對客戶之未償付合約責任，向駱駝漆業務之賣方付款。或然代價人民幣9,500,000元(相等於約11,154,000港元)已於截至二零一九年六月三十日止六個月內支付。

Note: At the date of acquisition, the directors considered that the contingent consideration payable to the vendors of Camel was estimated to be probable at approximately RMB9,500,000 (equivalent to approximately HK\$11,632,000) with reference to the estimated sales performance forecast of Camel and possible settlement of the outstanding contractual obligations. The contingent consideration arrangement required the Group to pay the vendors of Camel by reference to the operating performance of Camel, and if the vendors have fulfilled their outstanding contractual obligations to customers accrued prior to the completion date. The contingent consideration was settled during the six months ended 30 June 2019 of RMB9,500,000 (equivalent to approximately HK\$11,154,000).

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18. 業務收購 (續)

因收購而產生之商譽：

		千港元 HK\$'000
已轉讓代價	Consideration transferred	136,813
減：已收購淨資產	Less: net assets acquired	(92,969)
因收購而產生之商譽	Goodwill arising on acquisition	43,844

已收購可識別淨資產之公允值採用收入法估計。釐定公允值所用之主要模型輸入數據為假設貼現率13.1%以及香港及中國業務之假設長期可持續增長率分別1.36%及3.0%。

貿易應收款項於收購日期之公允值為13,306,000港元。該等已收購貿易應收款項於收購日期之合約總金額為33,263,000港元。本公司董事認為，預期無法收回之合約現金流於收購日期之最佳估計為19,957,000港元。

收購產生商譽是由於合併成本包括控制溢價。此外，就合併支付之代價實際上包括與駱駝漆業務預期協同效應、營業額增長、未來市場發展及集合之人員有關之裨益金額。由於該等裨益不符合可識別無形資產之確認條件，因此並無與商譽分開確認。

18. Acquisition of Business (Continued)

Goodwill arising on acquisition:

		千港元 HK\$'000
已轉讓代價	Consideration transferred	136,813
減：已收購淨資產	Less: net assets acquired	(92,969)
因收購而產生之商譽	Goodwill arising on acquisition	43,844

The fair value of the identified net assets acquired was estimated by applying an income approach. The key model inputs used in determining the fair value were assumed discount rate of 13.1% and assumed long-term sustainable growth rates of 1.36% and 3.0% for the businesses in Hong Kong and the PRC, respectively.

The fair value of trade receivables at the date of acquisition amounted to HK\$13,306,000. The gross contractual amount of those trade receivables acquired amounted to HK\$33,263,000 at the date of acquisition. The directors of the Company considered the best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to HK\$19,957,000.

Goodwill arose in the acquisition because the cost of the combination includes a control premium. In addition, the consideration paid for the combination effectively included an amount in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Camel. These benefits were not recognised separately from goodwill because they did not meet the recognition criteria for identifiable intangible assets.

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19. 出售附屬公司

- (a) 於二零一九年一月二十九日，本集團訂立一份協議向一間現有聯營公司出售東莞市大嘜趣車汽車服務有限公司（「東莞趣車」）及其附屬公司全部股本權益，總現金代價為人民幣1,000,000元（相等於約1,167,000港元）。

東莞趣車及其附屬公司於出售日期之淨資產如下：

19. Disposal of Subsidiaries

- (a) On 29 January 2019, the Group entered into an agreement to dispose the entire equity interest in 東莞市大嘜趣車汽車服務有限公司（“東莞趣車”） and its subsidiaries, to an existing associate at a total cash consideration of RMB1,000,000 (equivalent to approximately HK\$1,167,000).

The net assets of 東莞趣車 and its subsidiaries at the date of disposal were as follows:

		千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	28,704
存貨	Inventories	2,338
貿易及其他應收款項	Trade and other receivables	10,715
銀行結餘及現金	Bank balances and cash	1,714
應付一間同系附屬公司款項	Amount due to a fellow subsidiary	(22,376)
租賃負債	Lease liabilities	(25,049)
貿易及其他應付款項	Trade and other payables	(4,253)
已出售淨負債	Net liabilities disposed of	(8,207)
出售附屬公司之收益：	Gain on disposal of subsidiaries:	
已收代價	Consideration received	1,167
減：	Less:	
已出售淨負債	Net liabilities disposed of	(8,207)
與出售本集團於該聯營公司之權益有關之收益	Gain on disposal relating to the Group's interest in the associate	3,616
出售收益	Gain on disposal	5,758
出售所產生之現金流出淨額：	Net cash outflow arising on disposal:	
已收現金代價	Cash consideration received	1,167
已出售銀行結餘及現金	Bank balances and cash disposed of	(1,714)
		(547)

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19. 出售附屬公司 (續)

- (b) 於二零一八年三月一日，本集團向一名獨立第三方出售其間接全資附屬公司億澤發展有限公司(「億澤」)之全部股權，總現金代價約為4,911,000美元(相等於約38,305,000港元)。億澤持有一幅位於中國之土地之預付土地租金。

億澤於出售日期之淨資產如下：

19. Disposal of Subsidiaries (Continued)

- (b) On 1 March 2018, the Group disposed of the entire equity interest of its indirect wholly-owned subsidiary, Base Rich Development Limited ("Base Rich"), to an independent third party at a total cash consideration of approximately USD4,911,000 (equivalent to approximately HK\$38,305,000). Base Rich held the prepaid lease payments of a land located in the PRC.

The net assets of Base Rich at the date of disposal were as follows:

		千港元 HK\$'000
預付土地租金	Prepaid lease payments	9,451
物業、廠房及設備	Property, plant and equipment	414
銀行結餘及現金	Bank balances and cash	24
其他應付款項	Other payables	(24)
已出售淨資產	Net assets disposed of	<u>9,865</u>
出售一間附屬公司之收益：	Gain on disposal of a subsidiary:	
已收代價	Consideration received	38,305
減：	Less:	
已出售淨資產	Net assets disposed of	9,865
出售交易成本	Transaction cost for disposal	34
出售收益	Gain on disposal	<u>28,406</u>
出售產生之淨現金流入：	Net cash inflow arising on disposal:	
已收現金代價	Cash consideration received	38,305
已出售銀行結餘及現金	Bank balances and cash disposed of	(24)
		<u><u>38,281</u></u>

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20. 資本承擔

20. Capital Commitments

	二零一九年 六月三十日 30.6.2019 千港元 HK\$'000 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 千港元 HK\$'000 (經審核) (Audited)
有關收購物業、廠房及設備之資本開支，已訂約但未於簡明綜合財務報告撥備	Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	
	82,327	89,365

21. 或然負債

21. Contingent Liability

於二零一九年六月三十日，本集團根據一份租賃協議向業主發出約1,254,000港元之銀行擔保（二零一八年十二月三十一日：無），因而須承擔或然負債。董事認為，本集團該等財務擔保合約之公允值於初步確認時並不重大，而董事認為有關各方違約之機會極微。因此，於擔保合約開始時及於二零一九年六月三十日報告期末，概無確認任何數值。

As at 30 June 2019, the Group has contingent liability in respect of a bank guarantee granted to the landlords for a tenancy agreement amounting to approximately HK\$1,254,000 (31 December 2018: nil). In the opinion of the directors, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors consider that the possibility of default of the parties involved is remote. Accordingly, no value has been recognised at the inception of the guarantee contracts and at the end of the reporting period as at 30 June 2019.

22. 金融工具之公允值計量

22. Fair Value Measurements of Financial Instruments

本集團部分金融資產及金融負債於各報告期末按公允值計量。下表提供有關如何釐定該等金融資產及金融負債之公允值（尤其是所使用之估值技術及輸入數據），以及公允值計量基於公允值計量輸入數據之可觀察程度分類之公允值級別（第一至三級）之資料。

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- 第一級公允值計量為相同資產或負債之活躍市場報價（未經調整）；

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;

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22. 金融工具之公允價值計量 (續)

- 第二級公允價值計量乃就資產或負債可直接(即價格)或間接(即按價格推算)觀察之輸入數據(第一級包括之報價除外)得出；及
- 第三級公允價值計量乃採用包括就資產或負債並非建基於可觀察市場數據之輸入數據(不可觀察輸入數據)之估值技術得出。

22. Fair Value Measurements of Financial Instruments (Continued)

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

金融資產/金融負債	於下列日期之公允價值		公允價值級別	估值技術及主要輸入數據	重大不可觀察輸入數據
Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key input(s)	Significant unobservable inputs
	二零一九年 六月三十日 30.6.2019 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 (經審核) (Audited)			
分類為衍生金融工具之 利率掉期合約	資產(根據對沖 會計法) — 5,311,000港元	資產(根據對沖 會計法) — 6,740,000港元	第二級	貼現現金流。未來現金流乃基於 遠期利率(從報告期末之可觀 察收益率曲線得出)及已訂約 利率(按適用貼現率貼現，已 計及交易方及本集團之信貸風 險(倘適用))估計。	不適用
	負債(根據對沖 會計法) — 181,000港元	負債(根據對沖 會計法) — 無			
Interest rate swap contracts classified as derivative financial instruments	Assets (under hedge accounting) — HK\$5,311,000	Assets (under hedge accounting) — HK\$6,740,000	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at an applicable discount rate taking into account the credit risk of the counterparties and of the Group as appropriate.	N/A
	Liabilities (under hedge accounting) — HK\$181,000	Liabilities (under hedge accounting) — Nil			

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22. 金融工具之公允價值計量 (續)

金融資產/金融負債

於下列日期之公允價值

公允價值級別

估值技術及主要輸入數據

重大不可觀察輸入數據

Financial assets/
financial liabilities

Fair value as at

Fair value
hierarchy

Valuation techniques
and key input(s)

Significant
unobservable
inputs

	二零一九年 六月三十日 30.6.2019 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31.12.2018 (經審核) (Audited)			
按公允價值計入其他全面收益之金融資產 — 按公允價值計入其他全面收益之無報價權益工具	於Common Good (Cayman) Holdings Limited之3.29%權益工具 — 11,719,000港元；及	於Common Good (Cayman) Holdings Limited之3.29%權益工具 — 11,750,000港元；及	第三級	從近期交易中Common Good (Cayman) Holdings Limited股份之市值得出之公允價值。	用以計量估計公允價值之代價或會因時機、銷售條件、協議條款、類似業務之規模和性質之差異而有顯著不同。
Financial assets at FVTOCI — unquoted equity instruments at FVTOCI	3.29% equity instruments in Common Good (Cayman) Holdings Limited — HK\$11,719,000; and	3.29% equity instruments in Common Good (Cayman) Holdings Limited — HK\$11,750,000; and	Level 3	Fair value derived from market value of the shares of Common Good (Cayman) Holdings Limited in recent transactions.	The considerations may vary significantly due to difference in timing, condition of sales and terms of agreements, size and nature of similar business to derive the estimated fair value.
	於深圳市補優優網絡科技有限公司之3.33%權益工具 — 無	於深圳市補優優網絡科技有限公司之3.33%權益工具 — 無	第三級	已使用貼現現金流方法，以獲得將源自該等投資之擁有權之預期未來經濟利益之現值。	貼現率，已計及資本之加權平均成本7.78% (二零一八年十二月三十一日：7.78%)。貼現率愈高，公允價值愈低，反之亦然。
	3.33% equity instruments in 深圳市補優優網絡科技有限公司 — Nil	3.33% equity instruments in 深圳市補優優網絡科技有限公司 — Nil	Level 3	Discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.	Discount rate taking into account of weighted average cost of capital of 7.78% (31 December 2018: 7.78%). The higher the discount rate, the lower the fair value and vice versa.

本公司董事認為，於簡明綜合財務報告內按攤銷成本記賬之其他金融資產及金融負債之賬面金額與其公允價值相若。

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

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23. 關聯方交易

- (a) 期內，本集團支付480,000港元(截至二零一八年六月三十日止六個月：480,000港元)之租金予港德投資有限公司(「港德」)，本公司之董事葉志成先生於港德持有控股權益。於截至二零一八年六月三十日止六個月，本集團支付300,000港元之租金予嘉捷投資有限公司(「嘉捷」)，本公司之董事葉子軒先生於嘉捷持有控股權益(二零一九年：無)。
- (b) 期內，本集團收到葉志成慈善基金有限公司之租金及使用費用246,000港元(截至二零一八年六月三十日止六個月：255,000港元)及服務費用收入27,000港元(截至二零一八年六月三十日止六個月：27,000港元)，葉志成先生為本公司董事並擁有該公司控股權益。
- (c) 期內，本集團向本集團之聯營公司出售為數2,035,000港元(截至二零一八年六月三十日止六個月：無)之貨品及向本集團之聯營公司購入為數1,015,000港元(截至二零一八年六月三十日止六個月：無)之貨品。期內，本集團從一間聯營公司收取利息454,000港元(截至二零一八年六月三十日止六個月：無)。
- (d) 主要管理人員為本公司董事及本公司行政管理人員。期內，主要管理人員之薪酬為13,892,000港元(截至二零一八年六月三十日止六個月：14,866,000港元)。

23. Related Party Transactions

- (a) During the period, the Group paid rent of HK\$480,000 (six months ended 30 June 2018: HK\$480,000) to Goldex Investments Limited (“Goldex”) in which Mr. Ip Chi Shing, a director of the Company, has controlling interest over Goldex. During the six months ended 30 June 2018, the Group paid rent of HK\$300,000 to Galsheer Investments Limited (“Galsheer”) in which Mr. Yip Tsz Hin, a director of the Company, had controlling interest over Galsheer (2019: nil).
- (b) During the period, the Group received rent and license fee of HK\$246,000 (six months ended 30 June 2018: HK\$255,000) and service fee income of HK\$27,000 (six months ended 30 June 2018: HK\$27,000) from Ip Chi Shing Charitable Foundation Limited in which Mr. Ip Chi Shing, director of the Company, had controlling interest over it.
- (c) During the period, the Group sells goods to associates of the Group amounting to HK\$2,035,000 (six months ended 30 June 2018: nil) and purchases goods from associates of the Group amounting to HK\$1,015,000 (six months ended 30 June 2018: nil). During the period, the Group received interest of HK\$454,000 (six months ended 30 June 2018: nil) from an associate.
- (d) The key management personnel are the directors of the Company and the management executives of the Company. During the period, the remuneration of the key management personnel was HK\$13,892,000 (six months ended 30 June 2018: HK\$14,866,000).

