

INTERIM REPORT 中期報告

2019



SINOMAX

Sinomax Group Limited
盛諾集團有限公司

(incorporated under the laws of the Cayman Islands with limited liability)
(根據開曼群島法例註冊成立的有限公司)

Stock Code 股份代號: 1418

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

LAM Chi Fan (*Chairman of the Board*)

CHEUNG Tung (*President*)

CHEN Feng

LAM Kam Cheung

LAM Fei Man

Independent Non-Executive Directors

WONG Chi Keung

Professor LAM Sing Kwong Simon

FAN Chun Wah Andrew, J.P.

ZHANG Hwo Jie

WU Tak Lung

AUDIT COMMITTEE

WONG Chi Keung (*Chairman*)

Professor LAM Sing Kwong Simon

FAN Chun Wah Andrew, J.P.

ZHANG Hwo Jie

WU Tak Lung

NOMINATION COMMITTEE

LAM Chi Fan (*Chairman*)

WONG Chi Keung

Professor LAM Sing Kwong Simon

REMUNERATION COMMITTEE

Professor LAM Sing Kwong Simon (*Chairman*)

LAM Chi Fan

FAN Chun Wah Andrew, J.P.

董事會

執行董事

林志凡 (*董事會主席*)

張棟 (*總裁*)

陳楓

林錦祥

林斐雯

獨立非執行董事

王志強

林誠光教授

范駿華太平紳士

張傑

吳德龍

審核委員會

王志強 (*主席*)

林誠光教授

范駿華太平紳士

張傑

吳德龍

提名委員會

林志凡 (*主席*)

王志強

林誠光教授

薪酬委員會

林誠光教授 (*主席*)

林志凡

范駿華太平紳士

CORPORATE GOVERNANCE COMMITTEE

WONG Chi Keung (*Chairman*)
Professor LAM Sing Kwong Simon
FAN Chun Wah Andrew, J.P.
ZHANG Hwo Jie
WU Tak Lung

COMPANY SECRETARY

LAM Kam Cheung

AUTHORISED REPRESENTATIVES

CHEUNG Tung
LAM Kam Cheung

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F, One Pacific Place
88 Queensway
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LEGAL ADVISOR

MinterEllison LLP
Level 32, Wu Chung House
213 Queen's Road East
Hong Kong

企業管治委員會

王志強 (主席)
林誠光教授
范駿華太平紳士
張傑
吳德龍

公司秘書

林錦祥

授權代表

張棟
林錦祥

核數師

德勤 • 關黃陳方會計師行
註冊會計師
香港
金鐘道88號
太古廣場一期35樓

法律顧問

銘德有限法律責任合夥律師事務所
香港
皇后大道東213號
胡忠大廈32樓

CORPORATE INFORMATION

公司資料

TRADING BANKERS

Bank of China (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited
Citibank, N.A., Hong Kong Branch
Hang Seng Bank Limited
OCBC Wing Hang Bank Limited
Standard Chartered Bank (Hong Kong) Limited
The Hong Kong and Shanghai Banking Corporation Limited
United Overseas Bank Limited
The Bank of East Asia, Limited

SHARE REGISTRARS

Hong Kong share registrar

Tricor Investor Services Limited
Level 54 Hopewell Centre
183 Queen's Road East
Hong Kong

Cayman Islands principal share registrar and transfer office

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

交易銀行

中國銀行(香港)有限公司
中國建設銀行(亞洲)股份有限公司
花旗銀行香港分行
恒生銀行有限公司
華僑永亨銀行有限公司
渣打銀行(香港)有限公司
香港上海滙豐銀行有限公司
大華銀行有限公司
東亞銀行有限公司

股份過戶登記處

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

開曼群島股份過戶登記總處

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P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

REGISTERED OFFICE

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HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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LISTING INFORMATION

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Stock Code: 1418

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香港
九龍灣
宏照道38號
企業廣場五期MegaBox
I座20樓
2005-2007室

上市資料

香港聯合交易所有限公司
股份代號：1418

網站

www.sinomax.com/group

投資者關係聯絡

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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The board (the “Board”) of directors (the “Directors”) of Sinomax Group Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2019 (the “Period”).

BUSINESS REVIEW

Revenue by operating segments

Revenue for the Period decreased by approximately HK\$559.0 million or approximately 27.4% to approximately HK\$1,479.9 million, as compared to approximately HK\$2,038.9 million for the corresponding period last year.

盛諾集團有限公司(「本公司»)董事(「董事»)會(「董事會»)欣然宣佈本公司及其附屬公司(統稱「本集團»)截至2019年6月30日止六個月(「期間»)的未經審核簡明綜合中期業績。

業務回顧

按經營分部劃分的收入

期間的收入減少約559.0百萬港元或約27.4%至約1,479.9百萬港元，而去年同期則約為2,038.9百萬港元。

		For the six months ended 30 June 截至6月30日止六個月		
		2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	Changes 變動 %
China market	中國市場	907,765	1,208,192	-24.87%
North American market	北美市場	548,058	800,684	-31.55%
Europe and other overseas markets	歐洲及其他海外市場	24,060	30,039	-19.90%
Total	總計	1,479,883	2,038,915	-27.42%

Sales to China market recorded a decrease of approximately 24.87% for the Period, as compared to the corresponding period last year.

與去年同期相比，向中國市場的銷售於期間錄得減少約24.87%。

The North American market was very dynamic during the Period and we experienced some delay in our projects with certain customers in the United States of America (“US”).

北美市場於期間非常動盪，且我們與若干美利堅合眾國(「美國»)客戶之項目出現延遲。

We started to diversify our customer base by developing business relationships with more new customers in the US and the Directors consider that it may take some time for us to develop and approve the products with these new customers.

我們透過於美國與更多新客戶拓展業務關係而多元化發展客戶基礎，而董事認為與該等新客戶發展及批准產品可能需要一段時間。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Sales in the North American market decreased by approximately 31.55% for the Period as compared to the corresponding period last year.

In Europe and other overseas markets, we recorded a decrease of sales in this region of approximately 19.90% for the Period, as compared to the corresponding period last year:

Gross profit

With a decrease of approximately 27.4% in the Group's revenue, gross profit (the "GP") increased by approximately HK\$17.7 million or approximately 5.1% to approximately HK\$365.0 million during the Period as compared to approximately HK\$347.3 million for the corresponding period last year. The GP margin increased by approximately 7.7% from approximately 17.0% to approximately 24.7% as compared to the corresponding period last year. The major reasons of the increase in the GP margin during the Period were:

- (1) the significant decrease in the purchase price of a key raw material of polyurethane foam, namely, toluene diisocyanate ("TDI") for the Period, as compared to the corresponding period last year; and
- (2) factory rent of approximately HK\$20.3 million was recorded as cost of goods sold in the corresponding period last year. Due to the adoption of HKFRS 16, we recorded approximately HK\$16.5 million as depreciation of right-of-use assets in cost of goods sold during the Period.

Costs and expenses

Selling and distribution costs for the Period increased by approximately HK\$7.1 million or approximately 3.7% to approximately HK\$197.2 million, as compared to approximately HK\$190.1 million for the six months ended 30 June 2018. The increase was mainly due to the increase in depreciation of right-of-use assets as the Group adopted HKFRS 16.

期間之北美市場銷售較去年同期減少約31.55%。

於歐洲及其他海外市場，我們於期間錄得該地區銷售較去年同期減少約19.90%。

毛利

本集團的收入減少約27.4%，期間毛利（「毛利」）增加約17.7百萬港元或約5.1%至約365.0百萬港元，而去年同期則為約347.3百萬港元。毛利率由去年同期的約17.0%增加約7.7%至約24.7%。期間內，毛利率增加的主要原因為：

- (1) 聚氨酯泡沫的一種主要原材料（即甲苯二異氰酸酯（「TDI」））於期間的採購價與去年同期相比大幅下降；及
- (2) 於去年同期，工廠租金約20.3百萬港元入賬為銷售貨品成本。由於採納香港財務報告準則第16號，故我們於期間將約16.5百萬港元於銷售貨品成本入賬為使用權資產折舊。

成本及開支

期間內銷售及分銷成本增加約7.1百萬港元或約3.7%至約197.2百萬港元，而截至2018年6月30日止六個月則約為190.1百萬港元。增加乃主要由於使用權資產折舊因本集團採納香港財務報告準則第16號而增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Administrative expenses for the Period decreased by approximately HK\$5.0 million or approximately 4.9% to approximately HK\$97.2 million, as compared to approximately HK\$102.2 million for the six months ended 30 June 2018. The decrease was mainly due to the reduction in staff costs as the number of headcount decreased.

Other expenses, mainly consisted of research and development expenses, decreased by approximately HK\$1.8 million or approximately 5.8% from approximately HK\$32.9 million for the six months ended 30 June 2018 to approximately HK\$31.1 million for the Period.

Finance costs for the Period increased by approximately HK\$5.2 million or approximately 27.7% to approximately HK\$24.0 million, as compared to approximately HK\$18.8 million for the six months ended 30 June 2018. The increase was mainly due to interest expenses on lease liability of approximately HK\$5.0 million as the Group adopted HKFRS 16.

Profit for the Period

As a result of the increase in the GP and decreases in costs and expenses as mentioned above, profit for the Period increased by approximately HK\$1.5 million or approximately 16.5% to approximately HK\$10.6 million, as compared to approximately HK\$9.1 million for the six months ended 30 June 2018.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

The financial position of the Group was healthy as at 30 June 2019. As at 30 June 2019, the Group had net current assets of approximately HK\$288.0 million, as compared to approximately HK\$531.1 million as at 31 December 2018.

Net cash from operating activities amounted to approximately HK\$235.3 million for the Period, as compared to approximately HK\$5.6 million for the corresponding period last year.

Bank balances and cash as at 30 June 2019 increased by approximately HK\$63.4 million or approximately 27.0% to approximately HK\$297.8 million as compared to approximately HK\$234.4 million as at 31 December 2018, meanwhile the inventory level as at 30 June 2019 increased by approximately HK\$69.5 million or approximately 13.1% to approximately HK\$600.6 million as compared to approximately HK\$531.1 million as at 31 December 2018 in order to cope with the increasing demand of several large customers in the coming months.

期間內之行政開支減少約5.0百萬港元或約4.9%至約97.2百萬港元，而截至2018年6月30日止六個月則約為102.2百萬港元。減少乃主要由於員工成本因員工人數減少而下降所致。

其他開支主要包括研發開支，其已由截至2018年6月30日止六個月之約32.9百萬港元減少約1.8百萬港元或約5.8%至期間內之約31.1百萬港元。

期間內之財務成本較截至2018年6月30日止六個月之約18.8百萬港元增加約5.2百萬港元或約27.7%至約24.0百萬港元。增加乃主要由於本集團採納香港財務報告準則第16號產生之租賃負債利息開支約5.0百萬港元所致。

期間溢利

由於上文所述的毛利上升以及成本及開支下降，期間溢利增加約1.5百萬港元或約16.5%至約10.6百萬港元，而截至2018年6月30日止六個月則為約9.1百萬港元。

流動資金、財務及資本資源

本集團於2019年6月30日的財務狀況穩健。於2019年6月30日，本集團的流動資產淨值約為288.0百萬港元，而於2018年12月31日則約為531.1百萬港元。

期間內經營活動產生現金淨額約235.3百萬港元，而去年同期約為5.6百萬港元。

於2019年6月30日，銀行結餘及現金由2018年12月31日之約234.4百萬港元增加約63.4百萬港元或約27.0%至約297.8百萬港元，同時，存貨水平由2018年12月31日的約531.1百萬港元增加約69.5百萬港元或約13.1%至2019年6月30日的約600.6百萬港元，增加乃為應付在未來數月多個大客戶的需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Borrowings and pledge of assets

As at 30 June 2019, the Group had banking facilities amounting to approximately HK\$1,952.2 million of which approximately HK\$823.6 million was utilized (31 December 2018: banking facilities amounting to approximately HK\$2,156.5 million of which approximately HK\$959.9 million was utilized) (which included unsecured bank borrowings and bills payables).

Capital expenditure

The Group's capital expenditure for the Period amounted to approximately HK\$33.0 million mainly for the purchasing of the Group's plant and machinery (for the year ended 31 December 2018: approximately HK\$46.0 million)

Financial ratios

		As at 30 June 2019 於2019年 6月30日	As at 31 December 2018 於2018年 12月31日
Current ratio ⁽¹⁾	流動比率 ⁽¹⁾	121.5%	141.1%
Quick ratio ⁽²⁾	速動比率 ⁽²⁾	76.7%	100.0%
Gearing ratio ⁽³⁾	資產負債比率 ⁽³⁾	63.7%	71.3%
Debt to equity ratio ⁽⁴⁾	債務對權益比率 ⁽⁴⁾	39.6%	52.2%

Notes:

- (1) Current ratio is equal to current assets divided by current liabilities.
- (2) Quick ratio is equal to current assets less inventories and divided by current liabilities.
- (3) Gearing ratio is derived by dividing interest-bearing debt incurred in the ordinary course of business by total equity.
- (4) Debt to equity ratio is calculated by dividing net debt by total equity. Net debt is defined to include all borrowings net of cash and cash equivalents.

借款及抵押資產

於2019年6月30日，本集團的銀行融資約為1,952.2百萬港元，其中約823.6百萬港元已動用（2018年12月31日：銀行融資約為2,156.5百萬港元，其中約959.9百萬港元已動用）（包括無抵押銀行借款及應付票據）。

資本開支

期間本集團的資本開支約為33.0百萬港元（截至2018年12月31日止年度：約46.0百萬港元），主要用於購買本集團的設備及機器。

財務比率

	As at 30 June 2019 於2019年 6月30日	As at 31 December 2018 於2018年 12月31日
流動比率 ⁽¹⁾	121.5%	141.1%
速動比率 ⁽²⁾	76.7%	100.0%
資產負債比率 ⁽³⁾	63.7%	71.3%
債務對權益比率 ⁽⁴⁾	39.6%	52.2%

附註：

- (1) 流動比率按流動資產除以流動負債計算。
- (2) 速動比率按流動資產減存貨除以流動負債計算。
- (3) 資產負債比率通過日常業務過程中產生的計息債務除以權益總額而得出。
- (4) 債務對權益比率按債務淨額除以權益總額計算。債務淨額被界定為包括所有借款扣除現金及現金等價物。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FOREIGN CURRENCY EXPOSURE

The Group carries on business mainly in Hong Kong, the People's Republic of China ("the PRC") and the US. The Group is exposed to foreign exchange risk principally in Renminbi which can be largely offset by its revenue and expenditure in the PRC. The Group does not expect any appreciation or depreciation of the Hong Kong Dollar against Renminbi which could materially affect the Group's results of operations, and therefore no hedging instrument has been employed. The Group will closely monitor the trends of various foreign currencies and take appropriate measures to deal with the foreign exchange exposure if necessary.

TREASURY POLICY AND MARKET RISKS

The Group has a treasury policy that aims at better controlling its treasury operations and lowering borrowing cost. Such treasury policy requires the Group to maintain an adequate level of cash and cash equivalents, and sufficient available banking facilities to finance the Group's daily operations and to address short term funding needs. The Group reviews and evaluates its treasury policy from time to time to ensure its adequacy and effectiveness.

PROSPECTS

2019 is a very challenging year. There is a general slowdown in the economy around the world. We also faced uncertainties over US-Canada trade war and the antidumping investigation initiated in the mattress industry in the US for the mattresses imported from China. All these events will inevitably affect our normal business growth adversely.

The Group has set up production facilities in Vietnam and trial production has started in the second quarter of 2019. The facilities are gradually approved by our various customers for producing their products in Vietnam. With factories located in China, the US and Vietnam, we would be able to supply globally and to serve customers with various needs with the flexibility in our production and logistics schedules to minimize the overall costs (including production, tariff and transportation).

外匯風險

本集團主要在香港、中華人民共和國（「中國」）及美國經營業務。本集團於中國主要面對人民幣的外匯風險，而此種風險基本可做到收支相抵。本集團預期港幣兌人民幣升值或貶值不會對本集團的經營業績產生任何重大影響，因而並無採用任何對沖工具。本集團將會密切留意多種外匯走勢，必要時將採取適當的措施以應對外匯風險。

庫務政策及市場風險

本集團設有庫務政策，旨在更有效地控制其庫務運作及降低借貸成本。該等庫務政策要求本集團維持足夠水平的現金及現金等價物，以及充分的可動用銀行融資，以撥付本集團日常營運及應付短期資金需要。本集團不時檢討及評價庫務政策，以確保其充足及有效程度。

前景

2019年為富挑戰的一年。全世界經濟總體放緩。本集團亦面對美加貿易戰之不確定因素，及美國床褥業已就自中國進口之床褥展開反傾銷調查。所有有關事件將無可避免影響我們的一般業務增長。

本集團已於越南設立生產設施，試行生產已於2019年第二季度開始。設施逐漸就於越南生產其產品獲得不同客戶之批准。憑藉本集團位於中國、美國及越南之廠房，本集團將能夠為全球具有不同需要之客戶供應產品，且本集團可靈活安排生產及物流時間表，以盡量減低整體成本（包括生產、關稅及運輸）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

We will continue to diversify our customer base and to deploy more resources on e-commerce and direct to customers sales.

In the China market, the Group offers a wide range of health and household products under its flagship brand “SINOMAX”. The Group will further enhance brand management through various marketing activities to reinforce brand recognition and enhance the image of health, relaxation and comfort of the “SINOMAX” brand. Sales under the brands “Octaspring”, “SPA Supreme” and “ZEO-SLEEP” increased steadily during the Period. The Group will continue to promote its brands and products to corporate customers so as to attract more corporate sales.

The Group will continue to upgrade the machinery so as to improve production efficiency and increase the competitiveness of the Group.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed “Prospects” above, the Group does not have other plans for material investments or capital assets.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the Period.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the Period (for the six months ended 30 June 2018: Nil).

本集團將持續多元化其客戶基礎，以投入更多資源於電子商務及客戶直銷。

本集團以旗艦品牌「SINOMAX」在中國市場提供範圍廣泛的健康及家居產品。本集團將藉多項市場推廣活動進一步提升品牌管理，以加強品牌認知度以及提升「SINOMAX」品牌的健康、放鬆及舒適形象。於期間內，「Octaspring」、「SPA Supreme」及「ZEO-SLEEP」品牌旗下的銷量已穩定增長。本集團將持續向企業客戶推廣其品牌及產品，以吸引更多企業銷售。

本集團將繼續對有關機器進行升級，以改善生產效率及提高本集團的競爭力。

重大投資或資本資產的日後計劃

除上文「前景」一節披露者外，本集團並無有關重大投資或資本資產的其他計劃。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於期間概無購買、出售或贖回本公司任何上市證券。

中期股息

董事會並無建議就期間支付任何中期股息（截至2018年6月30日止六個月：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2019, the employee headcount of the Group was 3,297 (30 June 2018: 3,408) and the total staff costs, including Directors' remuneration and share option expenses, amounted to approximately HK\$218.3 million for the Period (for the six months ended 30 June 2018: approximately HK\$219.6 million). The decrease in staff costs was primarily due to the decrease in headcount.

The Group offers competitive remuneration packages commensurate with industry practice and provides various fringe benefits to employees including housing and travel allowances depending on their grade and ranking within the Group. The Group also maintains medical insurance for the benefit of its employees. The Group conducts induction training for all of its new employees and on-going training from time to time during their employment. The nature of training offered depends on their specific field of operation. The Group also operates an employee incentive scheme pursuant to which rewards take the form of promotions, salary raises and monetary bonuses, and a share option scheme.

僱員及薪酬政策

於2019年6月30日，本集團僱員總數為3,297人（2018年6月30日：3,408人），期間員工總成本（包括董事酬金及購股權開支）約為218.3百萬港元（截至2018年6月30日止六個月：約219.6百萬港元）。員工成本減少乃主要由於人數減少所致。

本集團為僱員提供符合行業慣例並具競爭力的薪酬待遇及各種福利，包括視乎其在本集團內的級別和等級享有住房及差旅津貼。本集團亦為僱員的利益投購醫療保險。本集團為所有新僱員進行入職培訓，並在彼等受僱期間不時提供持續培訓。所提供培訓的性質取決於彼等具體的工作領域。本集團亦實行僱員獎勵計劃，獎勵將以晉升、加薪及獎金以及購股權計劃方式作出。

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

As at 30 June 2019, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Company

Name of Director 董事姓名	Nature of interest 權益性質	Number of shares ⁽¹⁾ 股份數目 ⁽¹⁾	Approximate percentage of shareholding ⁽²⁾ 股權概約百分比 ⁽²⁾
LAM Chi Fan 林志凡	Founder of a discretionary trust 全權信託的成立人	1,275,906,000 (L) ⁽³⁾	72.91%
	Beneficial owner 實益擁有人	8,150,000 (L) ⁽⁴⁾	0.47%
CHEUNG Tung 張棟	Beneficial owner 實益擁有人	7,876,200 (L) ⁽⁴⁾	0.45%
CHEN Feng 陳楓	Beneficial owner 實益擁有人	4,050,000 (L) ⁽⁴⁾	0.23%
LAM Fei Man 林斐雯	Beneficial owner 實益擁有人	3,150,000 (L) ⁽⁴⁾	0.18%
LAM Kam Cheung 林錦祥	Beneficial owner 實益擁有人	3,000,000 (L) ⁽⁴⁾	0.17%
WONG Chi Keung 王志強	Beneficial owner 實益擁有人	300,000 (L) ⁽⁴⁾	0.02%

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於2019年6月30日，本公司董事及最高行政人員於本公司或其任何相聯法團（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）之股份、相關股份及債權證中擁有(a)根據證券及期貨條例第XV部第7及8分部規定須知會本公司及香港聯合交易所有限公司（「聯交所」）的權益及淡倉（包括按照證券及期貨條例有關條文被視為或當作擁有的權益或淡倉）；(b)根據證券及期貨條例第352條須登記於其中所述由本公司存置之登記冊的權益及淡倉；或(c)根據聯交所證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益及淡倉如下：

於本公司之權益

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其他資料

Name of Director 董事姓名	Nature of interest 權益性質	Number of shares ⁽¹⁾ 股份數目 ⁽¹⁾	Approximate percentage of shareholding ⁽²⁾ 股權概約百分比 ⁽²⁾
Professor LAM Sing Kwong, Simon 林誠光教授	Beneficial owner 實益擁有人	300,000 (L) ⁽⁴⁾	0.02%
FAN Chun Wah, Andrew, J. P. 范駿華太平紳士	Beneficial owner 實益擁有人	300,000 (L) ⁽⁴⁾	0.02%
ZHANG Hwo Jie 張傑	Beneficial owner 實益擁有人	300,000 (L) ⁽⁴⁾	0.02%
WU Tak Lung 吳德龍	Beneficial owner 實益擁有人	300,000 (L) ⁽⁴⁾	0.02%

Notes:

(1) The letter "L" denotes long position.

(2) The calculation is based on the total number of 1,750,002,000 shares in issue as at 30 June 2019.

(3) These shares belong to Sinomax Enterprises Limited ("Sinomax Enterprises"). Sinomax Enterprises is legally and beneficially owned as to 37.5% by each of Chi Fan Holding Limited and The Frankie Trust, respectively. The Frankie Trust is a discretionary family trust established by LAM Chi Fan as settlor and Vistra Trustees (BVI) Limited ("Vistra", previously known as Orangefield Trustees (BVI) Limited) acting as the trustee. The beneficiaries of The Frankie Trust are LAM Chi Fan and his family members.

(4) Each of LAM Chi Fan, CHEUNG Tung, CHEN Feng, LAM Fei Man and LAM Kam Cheung, each being the executive Director, has been granted share options to subscribe for 6,650,000, 6,376,200, 3,050,000, 2,150,000 and 2,000,000 shares, respectively, under the Pre-IPO Share Option Scheme, all of which are still outstanding. Each of LAM Chi Fan, CHEUNG Tung, CHEN Feng, LAM Fei Man and LAM Kam Cheung, each being the executive Director, has been granted share options to subscribe for 1,500,000, 1,500,000, 1,000,000, 1,000,000 and 1,000,000 shares, respectively, under the Post-IPO Share Option Scheme, all of which are still outstanding. Each of WONG Chi Keung, Professor LAM Sing Kwong Simon, FAN Chun Wah Andrew, J.P., ZHANG Hwo Jie and WU Tak Lung, each being the independent non-executive Director, has been granted share options to subscribe for 300,000 shares respectively, under the Post IPO Share Option Scheme.

附註：

(1) 「L」指好倉。

(2) 計算乃根據於2019年6月30日已發行股份總數1,750,002,000股進行。

(3) 該等股份屬聖諾盟企業有限公司（「聖諾盟企業」）所有。聖諾盟企業分別由 Chi Fan Holding Limited 及 Frankie 信託各自法定及實益擁有37.5%權益。Frankie 信託乃林志凡成立的全權家族信託，林志凡為財產授予人，而 Vistra Trustees (BVI) Limited（「Vistra」，前稱 Orangefield Trustees (BVI) Limited）為受託人。Frankie 信託的受益人為林志凡及其家族成員。

(4) 執行董事林志凡、張棟、陳楓、林斐雯及林錦祥均已根據首次公開發售前購股權計劃分別獲授予購股權以認購6,650,000、6,376,200、3,050,000、2,150,000及2,000,000股股份，全部尚未行使。執行董事林志凡、張棟、陳楓、林斐雯及林錦祥均已根據首次公開發售後購股權計劃分別獲授予購股權以認購1,500,000、1,500,000、1,000,000、1,000,000及1,000,000股股份，全部尚未行使。獨立非執行董事王志强、林誠光教授、范駿華太平紳士、張傑及吳德龍均已根據首次公開發售後購股權計劃分別獲授予購股權以認購300,000股股份。

Interests in associated corporation – Sinomax Enterprises

於相聯法團之權益－聖諾盟企業

Name of Director 董事姓名	Nature of interest 權益性質	Number of shares ⁽¹⁾ 股份數目 ⁽¹⁾	Approximate percentage of shareholding ⁽²⁾ 股權概約百分比 ⁽²⁾
LAM Chi Fan 林志凡	Beneficiary of The Frankie Trust Frankie信託的受益人	15 (L)	37.5%
CHEUNG Tung 張棟	Beneficiary of The Cheung's Family Trust 張氏家族信託的受益人	5 (L)	12.5%
CHEN Feng 陳楓	Beneficiary of The Feng Chen's Family Trust 陳楓家族信託的受益人	5 (L)	12.5%

Note:

- (1) The letter "L" denotes long position.
- (2) The above percentage is compiled based on the total number of 40 shares of Sinomax Enterprises in issue as at 30 June 2019, and the remaining 15 shares of Sinomax Enterprises in issue are owned by The James' Family Holding Limited, which is owned as to 100% by The James' Family Trust. The James' Family Trust is a discretionary trust established by Ms. CHEUNG Shui Ying (the mother of Mr. CHEUNG Tung) as settlor and Vistra acting as the trustee. The beneficiaries of The James' Family Trust are Ms. CHEUNG Shui Ying and her family members.

Saved as disclosed above, as at 30 June 2019, none of the Directors and the chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 「L」指好倉。
- (2) 以上百分比乃根據聖諾盟企業於2019年6月30日之已發行股份總數40股計算，而餘下15股聖諾盟企業已發行股份乃由The James' Family Holding Limited擁有，The James' Family Holding Limited由James家族信託擁有100%。James家族信託為由張水英女士（張棟先生之母）（作為財產授予人）成立之全權信託，而Vistra為受託人。James家族信託之受益人為張水英女士及其家庭成員。

除上文披露者外，於2019年6月30日，概無董事及本公司之最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有已登記於本公司根據證券及期貨條例第352條存置之登記冊內之任何權益及淡倉，或已根據標準守則另行知會本公司及聯交所之任何權益及淡倉。

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INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2019, the person(s) (other than a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of substantial shareholder of the Company 本公司主要股東姓名	Nature of interest 權益性質	Number of shares ⁽¹⁾ 股份數目 ⁽¹⁾	Approximate percentage of shareholding ⁽²⁾ 股權概約百分比 ⁽²⁾
Sinomax Enterprises ⁽³⁾ 聖諾盟企業 ⁽³⁾	Beneficial owner 實益擁有人	1,275,906,000 (L)	72.91%
Chi Fan Holding Limited	Interest of a controlled corporation 受控制法團權益	1,275,906,000 (L) ⁽⁴⁾	72.91%
The James' Family Holding Limited	Interest of a controlled corporation 受控制法團權益	1,275,906,000 (L) ⁽⁵⁾	72.91%
Vistra ⁽⁶⁾	Trustee of various trusts 多個信託的受託人	1,275,906,000 (L)	72.91%
CHEUNG Shui Ying 張水英	Founder of a discretionary trust 全權信託成立人	1,275,906,000 (L) ⁽⁷⁾	72.91%
LI Ching Hau 李晶霞	Interest of spouse 配偶權益	1,284,056,000 (L) ⁽⁸⁾	73.38%

Notes:

- (1) The letter "L" denotes long position.
- (2) The calculation is based on the total number of 1,750,002,000 shares in issue as at 30 June 2019.
- (3) Sinomax Enterprises is legally owned as to 37.5%, 12.5%, 37.5% and 12.5% by Chi Fan Holding Limited, Wing Yiu Investments Limited, The James' Family Holding Limited and Venture Win Holdings Limited, respectively, and beneficially owned in the same proportion by The Frankie Trust, The Cheung's Family Trust, The James' Family Trust and The Feng Chen's Family Trust, respectively.
- (4) These Shares belong to Sinomax Enterprises, which is legally owned as to 37.5% by Chi Fan Holding Limited.

主要股東之權益及淡倉

於2019年6月30日，有關人士（不包括本公司董事或最高行政人員）於股份或相關股份中擁有記錄於根據證券及期貨條例第336條本公司須存置的登記冊的權益或淡倉如下：

Name of substantial shareholder of the Company 本公司主要股東姓名	Nature of interest 權益性質	Number of shares ⁽¹⁾ 股份數目 ⁽¹⁾	Approximate percentage of shareholding ⁽²⁾ 股權概約百分比 ⁽²⁾
Sinomax Enterprises ⁽³⁾ 聖諾盟企業 ⁽³⁾	Beneficial owner 實益擁有人	1,275,906,000 (L)	72.91%
Chi Fan Holding Limited	Interest of a controlled corporation 受控制法團權益	1,275,906,000 (L) ⁽⁴⁾	72.91%
The James' Family Holding Limited	Interest of a controlled corporation 受控制法團權益	1,275,906,000 (L) ⁽⁵⁾	72.91%
Vistra ⁽⁶⁾	Trustee of various trusts 多個信託的受託人	1,275,906,000 (L)	72.91%
CHEUNG Shui Ying 張水英	Founder of a discretionary trust 全權信託成立人	1,275,906,000 (L) ⁽⁷⁾	72.91%
LI Ching Hau 李晶霞	Interest of spouse 配偶權益	1,284,056,000 (L) ⁽⁸⁾	73.38%

附註：

- (1) 「L」指好倉。
- (2) 計算乃根據於2019年6月30日之已發行股份總數1,750,002,000股進行。
- (3) 聖諾盟企業分別由Chi Fan Holding Limited、Wing Yiu Investments Limited、The James' Family Holding Limited及Venture Win Holdings Limited擁有37.5%、12.5%、37.5%及12.5%法定權益，並分別由Frankie信託、張氏家族信託、James家族信託及陳楓家族信託擁有相同比例實益權益。
- (4) 該等股份屬聖諾盟企業所有，而聖諾盟企業乃由Chi Fan Holding Limited擁有37.5%法定權益。

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- (5) These Shares belong to Sinomax Enterprises, which is legally owned as to 37.5% by The James' Family Holding Limited.
- (6) Vistra acts as the trustee of The Frankie Trust, The James' Family Trust, The Cheung's Family Trust and The Feng Chen's Family Trust. The beneficiaries of The Frankie Trust are Mr. LAM Chi Fan and his family members. The beneficiaries of The Cheung's Family Trust are Mr. CHEUNG Tung and his family members. The beneficiaries of The James' Family Trust are Ms. CHEUNG Shui Ying and her family members. The beneficiaries of The Feng Chen's Family Trust are Mr. CHEN Feng and his family members.
- (7) These Shares belong to Sinomax Enterprises. Sinomax Enterprises is legally owned as to 37.5% by The James' Family Holding Limited, which is beneficially owned by The James' Family Trust. The James' Family Trust is a discretionary trust established by Ms. CHEUNG Shui Ying as settlor and Vistra acting as the trustee. The beneficiaries of The James' Family Trust are Ms. CHEUNG Shui Ying and her family members.
- (8) These interests belong to Mr. LAM Chi Fan, the spouse of Ms. LI Ching Hau. Under the SFO, Ms. LI Ching Hau is deemed to be interested in the same number of Shares which Mr. LAM Chi Fan are interested.
- (5) 該等股份屬聖諾盟企業所有，其由The James' Family Holding Limited擁有37.5%法定權益。
- (6) Vistra擔任Frankie信託、James家族信託、張氏家族信託及陳楓家族信託的受託人。Frankie信託的受益人為林志凡先生及其家族成員。張氏家族信託的受益人為張棟先生及其家族成員。James家族信託的受益人為張水英女士及其家族成員。陳楓家族信託的受益人為陳楓先生及其家族成員。
- (7) 該等股份屬聖諾盟企業所有。聖諾盟企業由The James' Family Holding Limited擁有37.5%法定權益，The James' Family Holding Limited由James家族信託實益擁有。James家族信託為由張水英女士（作為財產授予人）成立之全權信託，而Vistra擔任受託人。James家族信託之受益人為張水英女士及其家庭成員。
- (8) 該等權益屬李晶霞女士之配偶林志凡先生所有。根據證券及期貨條例，李晶霞女士被視為於林志凡先生擁有權益之相同數目股份中擁有權益。

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SHARE OPTION SCHEME

(i) The Pre-IPO Share Option Scheme

On 13 December 2013, the Pre-IPO Share Option Scheme which complies with the requirements of Chapter 17 of the Listing Rules was adopted by the shareholders of the Company.

The Pre-IPO Share Option Scheme expired on 10 July 2014 and ceased to have effect after 10 July 2014. Share options granted prior to the expiration of the Pre-IPO Share Option Scheme but not yet exercised at that time shall continue to be valid and exercisable in accordance with the Pre-IPO Share Option Scheme.

The following table discloses details of movements of the share options granted under the Pre-IPO Share Option Scheme:

Grantee	Date of grant	Vesting period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價 HK\$ 港元	1月1日 尚未行使	於期間內 授出	於期間內 失效	於期間內 行使	6月30日 尚未行使
LAM Chi Fan (Chairman) 林志凡 (主席)	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2014 2014年2月10日至 2014年7月10日	10 Jul 2014-10 Jul 2019 2014年7月10日至 2019年7月10日	0.74	1,330,000	-	-	-	1,330,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2015 2014年2月10日至 2015年7月10日	10 Jul 2015-10 Jul 2019 2015年7月10日至 2019年7月10日	0.74	1,330,000	-	-	-	1,330,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2016 2014年2月10日至 2016年7月10日	10 Jul 2016-10 Jul 2019 2016年7月10日至 2019年7月10日	0.74	1,330,000	-	-	-	1,330,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2017 2014年2月10日至 2017年7月10日	10 Jul 2017-10 Jul 2019 2017年7月10日至 2019年7月10日	0.74	1,330,000	-	-	-	1,330,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2018 2014年2月10日至 2018年7月10日	10 Jul 2018-10 Jul 2019 2018年7月10日至 2019年7月10日	0.74	1,330,000	-	-	-	1,330,000

購股權計劃

(i) 首次公開發售前購股權計劃

於2013年12月13日，本公司股東採納符合上市規則第17章規定的首次公開發售前購股權計劃。

首次公開發售前購股權計劃於2014年7月10日屆滿，並於2014年7月10日後不再生效。於首次公開發售前購股權計劃屆滿前授出但於當時尚未獲行使的購股權將持續有效且可根據首次公開發售前購股權計劃予以行使。

下表披露根據首次公開發售前購股權計劃授出的購股權變動詳情：

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Grantee	Date of grant	Vesting period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價	於2019年1月1日尚未行使	於期間內授出	於期間內失效	於期間內行使	於2019年6月30日尚未行使
				HK\$ 港元					
CHEUNG Tung (President) 張棟 (總裁)	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2014 2014年2月10日至 2014年7月10日	10 Jul 2014-10 Jul 2019 2014年7月10日至 2019年7月10日	0.74	1,275,240	-	-	-	1,275,240
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2015 2014年2月10日至 2015年7月10日	10 Jul 2015-10 Jul 2019 2015年7月10日至 2019年7月10日	0.74	1,275,240	-	-	-	1,275,240
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2016 2014年2月10日至 2016年7月10日	10 Jul 2016-10 Jul 2019 2016年7月10日至 2019年7月10日	0.74	1,275,240	-	-	-	1,275,240
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2017 2014年2月10日至 2017年7月10日	10 Jul 2017-10 Jul 2019 2017年7月10日至 2019年7月10日	0.74	1,275,240	-	-	-	1,275,240
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2018 2014年2月10日至 2018年7月10日	10 Jul 2018-10 Jul 2019 2018年7月10日至 2019年7月10日	0.74	1,275,240	-	-	-	1,275,240
CHEN Feng 陳楓	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2014 2014年2月10日至 2014年7月10日	10 Jul 2014-10 Jul 2019 2014年7月10日至 2019年7月10日	0.74	610,000	-	-	-	610,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2015 2014年2月10日至 2015年7月10日	10 Jul 2015-10 Jul 2019 2015年7月10日至 2019年7月10日	0.74	610,000	-	-	-	610,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2016 2014年2月10日至 2016年7月10日	10 Jul 2016-10 Jul 2019 2016年7月10日至 2019年7月10日	0.74	610,000	-	-	-	610,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2017 2014年2月10日至 2017年7月10日	10 Jul 2017-10 Jul 2019 2017年7月10日至 2019年7月10日	0.74	610,000	-	-	-	610,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2018 2014年2月10日至 2018年7月10日	10 Jul 2018-10 Jul 2019 2018年7月10日至 2019年7月10日	0.74	610,000	-	-	-	610,000

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Grantee	Date of grant	Vesting period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價	於2019年1月1日尚未行使	於期間內授出	於期間內失效	於期間內行使	於2019年6月30日尚未行使
				HK\$ 港元					
LAM Kam Cheung 林錦祥	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2014 2014年2月10日至 2014年7月10日	10 Jul 2014-10 Jul 2019 2014年7月10日至 2019年7月10日	0.74	400,000	-	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2015 2014年2月10日至 2015年7月10日	10 Jul 2015-10 Jul 2019 2015年7月10日至 2019年7月10日	0.74	400,000	-	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2016 2014年2月10日至 2016年7月10日	10 Jul 2016-10 Jul 2019 2016年7月10日至 2019年7月10日	0.74	400,000	-	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2017 2014年2月10日至 2017年7月10日	10 Jul 2017-10 Jul 2019 2017年7月10日至 2019年7月10日	0.74	400,000	-	-	-	400,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2018 2014年2月10日至 2018年7月10日	10 Jul 2018-10 Jul 2019 2018年7月10日至 2019年7月10日	0.74	400,000	-	-	-	400,000
LAM Fei Man 林斐雯	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2014 2014年2月10日至 2014年7月10日	10 Jul 2014-10 Jul 2019 2014年7月10日至 2019年7月10日	0.74	430,000	-	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2015 2014年2月10日至 2015年7月10日	10 Jul 2015-10 Jul 2019 2015年7月10日至 2019年7月10日	0.74	430,000	-	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2016 2014年2月10日至 2016年7月10日	10 Jul 2016-10 Jul 2019 2016年7月10日至 2019年7月10日	0.74	430,000	-	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2017 2014年2月10日至 2017年7月10日	10 Jul 2017-10 Jul 2019 2017年7月10日至 2019年7月10日	0.74	430,000	-	-	-	430,000
	10 Feb 2014 2014年2月10日	10 Feb 2014-10 Jul 2018 2014年2月10日至 2018年7月10日	10 Jul 2018-10 Jul 2019 2018年7月10日至 2019年7月10日	0.74	430,000	-	-	-	430,000

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Grantee	Date of grant	Vesting period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價	於2019年1月1日尚未行使	於期間內授出	於期間內失效	於期間內行使	於2019年6月30日尚未行使
				HK\$					
				港元					
Other employees (in aggregate)	10 Feb 2014	10 Feb 2014-10 Jul 2014	10 Jul 2014-10 Jul 2019	0.74	2,439,860	-	(8,000)	-	2,431,860
其他僱員 (合計)	2014年2月10日	2014年2月10日至 2014年7月10日	2014年7月10日至 2019年7月10日						
	10 Feb 2014	10 Feb 2014-10 Jul 2015	10 Jul 2015-10 Jul 2019	0.74	2,441,860	-	(8,000)	-	2,433,860
	2014年2月10日	2014年2月10日至 2015年7月10日	2015年7月10日至 2019年7月10日						
	10 Feb 2014	10 Feb 2014-10 Jul 2016	10 Jul 2016-10 Jul 2019	0.74	2,441,860	-	(8,000)	-	2,433,860
	2014年2月10日	2014年2月10日至 2016年7月10日	2016年7月10日至 2019年7月10日						
	10 Feb 2014	10 Feb 2014-10 Jul 2017	10 Jul 2017-10 Jul 2019	0.74	2,441,860	-	(8,000)	-	2,433,860
	2014年2月10日	2014年2月10日至 2017年7月10日	2017年7月10日至 2019年7月10日						
	10 Feb 2014	10 Feb 2014-10 Jul 2018	10 Jul 2018-10 Jul 2019	0.74	2,441,860	-	(8,000)	-	2,433,860
	2014年2月10日	2014年2月10日至 2018年7月10日	2018年7月10日至 2019年7月10日						
Total					32,433,500	-	(40,000)	-	32,393,500
合計									
Number of share options exercisable									
at 30 June 2019									
於2019年6月30日									
可行使購股權數目									32,393,500

Notes:

- (a) During the Period, 3 eligible participants, who had been granted share options, ceased to become eligible participants upon termination of employment and the said share options had automatically lapsed.
- (b) Other details of the Pre-IPO Share Option Scheme are set out in note 18 to the condensed consolidated financial statements.

附註:

- (a) 期間內，3名獲授購股權的合資格參與者於終止僱傭關係後不再為合資格參與者，而上述購股權已自動失效。
- (b) 首次公開發售前購股權計劃的其他詳情載於簡明綜合財務報表附註18。

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(ii) The Post-IPO Share Option Scheme

On 4 March 2014, a share option scheme was conditionally adopted by the shareholders of the Company (the "Post-IPO Share Option Scheme").

On 26 January 2017 (the "Date of Grant"), the Company granted a total of 30,800,000 share options to 58 eligible participants, representing approximately 1.76% of the 1,750,002,000 shares in issue as at the Date of Grant. All 30,800,000 share options are valid for a period of 5 years commencing from the relevant vesting date. Each option granted under the Post-IPO Share Option Scheme shall entitle the grantee to subscribe for one share upon exercise of such option at a subscription price of HK\$0.69 per share.

The following table discloses details of movements of the share options granted under the Post-IPO Share Option Scheme:

Grantee	Date of Grant	Vesting Period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價 HK\$ 港元	於2019年1月1日尚未行使	於期間內授出	於期間內失效	於期間內行使	於2019年6月30日尚未行使
LAM Chi Fan (Chairman) 林志凡 (主席)	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	750,000	-	-	-	750,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	750,000	-	-	-	750,000
CHEUNG Tung (President) 張棟 (總裁)	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	750,000	-	-	-	750,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	750,000	-	-	-	750,000
CHEN Feng 陳楓	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	500,000	-	-	-	500,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	500,000	-	-	-	500,000

(ii) 首次公開發售後購股權計劃

於2014年3月4日，本公司股東有條件採納購股權計劃（「首次公開發售後購股權計劃」）。

於2017年1月26日（「授出日期」），本公司向58名合資格參與者授出合共30,800,000份購股權，相當於授出日期1,750,002,000股已發行股份約1.76%。所有30,800,000份購股權自相關歸屬日期起有效期5年。各首次公開發售後購股權計劃項下授出的購股權賦予承授人權利在行使該購股權時以每股股份0.69港元的認購價認購一股股份。

下表披露根據首次公開發售後購股權計劃授出的購股權的變動詳情：

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Grantee	Date of Grant	Vesting Period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價 HK\$ 港元	於2019年1月1日尚未行使	於期間內授出	於期間內失效	於期間內行使	於2019年6月30日尚未行使
LAM Kam Cheung 林錦祥	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	500,000	-	-	-	500,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	500,000	-	-	-	500,000
LAM Fei Man 林斐雯	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	500,000	-	-	-	500,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	500,000	-	-	-	500,000
WONG Chi Keung 王志強	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
Professor LAM Sing Kwong, Simon 林誠光教授	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
FAN Chun Wah, Andrew, J.P. 范駿華太平紳士	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
ZHANG Hwo Jie 張傑	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000

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Grantee	Date of Grant	Vesting Period	Exercisable period	Exercise price per Share	Outstanding as at 1 Jan 2019	Granted during the Period	Lapsed during the Period	Exercised during the Period	Outstanding as at 30 June 2019
承授人	授出日期	歸屬期	行使期	每股股份行使價 HK\$ 港元	1月1日 尚未行使	於期間內 授出	於期間內 失效	於期間內 行使	6月30日 尚未行使
WU Tak Lung 吳德龍	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	150,000	-	-	-	150,000
Other employees (in aggregate) 其他僱員(合計)	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2018 2017年1月26日至 2018年1月26日	27 Jan 2018-26 Jan 2022 2018年1月27日至 2022年1月26日	0.69	9,600,000	-	(800,000)	-	8,800,000
	26 Jan 2017 2017年1月26日	26 Jan 2017-26 Jan 2019 2017年1月26日至 2019年1月26日	27 Jan 2019-26 Jan 2022 2019年1月27日至 2022年1月26日	0.69	9,600,000	-	(800,000)	-	8,800,000
Total 合計					26,700,000	-	(1,600,000)	-	25,100,000
Number of share options exercisable at 30 June 2019 於2019年6月30日 可行使的購股權數目									25,100,000

Notes:

- (a) During the Period, 3 eligible participants, who had been granted share options, ceased to become eligible participants upon termination of employment and the said share options had automatically lapsed.
- (b) Other details of the Post-IPO Share Option Scheme are set out in note 18 to the condensed consolidated financial statements.

附註：

- (a) 期間內，3名獲授購股權的合資格參與者於終止僱傭關係後不再為合資格參與者，而上述購股權已自動失效。
- (b) 首次公開發售後購股權計劃的其他詳情載於簡明綜合財務報表附註18。

DISCLOSURE OF INFORMATION ON DIRECTORS

Changes in Directors' biographical details since the date of the Annual Report 2018 of the Company which are required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules, is set out as follows:

FAN Chun Wah Andrew, J.P., an independent non-executive Director; has served as an independent non-executive director of Universal Star (Holdings) Limited (Stock Code: 2346) with effect from 2 April 2019.

Mr. Wu Tak Lung, an independent non-executive Director; has resigned as an independent non-executive director of Sinotrans Shipping Limited (Stock Code: 0368) with effective from 16 January 2019 and Olympic Circuit Technology Co., Ltd. (Stock Code: 603920) with effect from 22 May 2019.

SPECIFIC PERFORMANCE OBLIGATIONS OF THE CONTROLLING SHAREHOLDER

The Company's wholly-owned subsidiary, Sinomax International Trading Limited (the "Subsidiary"), as borrower and the Company as guarantor had entered into a facility agreement (the "Facility Agreement") with Hang Seng Bank Limited, OCBC Wing Hang Bank Limited and United Overseas Bank Limited as lenders and mandated lead arrangers, and Hang Seng Bank Limited as agent and security trustee, in respect of term loan facilities of up to the aggregate principal amount of US\$35 million and HK\$273 million (the "Loan Facilities") with a final maturity date falling thirty-six months after the date of the Facility Agreement (the outstanding loan balances were US\$28 million and HK\$218.4 million as at 30 June 2019). It is provided in the Facility Agreement, among other things, that an event of default will occur if, without the prior consent of the majority of the lenders: (i) Sinomax Enterprises, a controlling shareholder of the Company, ceases to maintain (directly or indirectly) at least 51% of the entire beneficial ownership interest in the Company; (ii) the following persons cease to collectively maintain/retain (directly or indirectly) at least 51% beneficial ownership interest over the entire issued share capital of Sinomax Enterprises: (a) Mr. Lam Chi Fan; (b) Mr. Cheung Tung; (c) any parent, spouse, child, brother or sister of the persons referred to in (a) and (b) above; and (d) any trust whose principal beneficiary(ies) is any one or more of the persons referred to under (a) to (c) above; (iii) Mr. Lam Chi Fan ceases to be the chairman of the Board; or (iv) Mr. Lam Chi Fan ceases to maintain control over the management and business of the Company.

Failure to comply with any of the said obligations regarding control of the Company will trigger an event of default under the Facility Agreement which may result in, inter alia, the cancellation of all or any part of the commitments under the Facility Agreement and all or part of the loans under the Loan Facilities becoming immediately due and payable or becoming payable on demand.

董事資料披露

自本公司2018年年報刊發日期以來根據上市規則第13.51B (1)條須予披露的董事履歷變動詳情如下：

獨立非執行董事范駿華太平紳士由2019年4月2日起擔任星宇(控股)有限公司(股份代號: 2346)的獨立非執行董事。

獨立非執行董事吳德龍先生分別由2019年1月16日及2019年5月22日起辭任中外運航運有限公司(股份代號: 0368)及廣東世運電路科技股份有限公司(股份代號: 603920)之獨立非執行董事。

控股股東之特定履約責任

本公司之全資附屬公司聖諾盟國際貿易有限公司(「附屬公司」)(作為借款人)及本公司(作為擔保人)與恒生銀行有限公司、華僑永亨銀行有限公司及大華銀行有限公司(作為貸款人及授權牽頭安排人)以及恒生銀行有限公司(作為代理及抵押受託人)訂立融資協議(「融資協議」),內容有關最多本金總額為35百萬美元及273百萬港元之定期貸款融資(「貸款融資」),最終到期日為融資協議日期後滿三十六個月(於2019年6月30日之尚未償還貸款結餘為28百萬美元及218.4百萬港元)。融資協議規定(其中包括)倘於未經大多數貸款人事先同意下:(i)本公司之控股股東聖諾盟企業不再維持(直接或間接)本公司全部實益擁有權權益之至少51%;(ii)下列人士不再合共維持/保留(直接或間接)聖諾盟企業全部已發行股本之實益擁有權權益之至少51%:(a)林志凡先生;(b)張棟先生;(c)上述(a)及(b)項所述之人士之任何父母、配偶、子女、兄弟或姐妹;及(d)主要受益人為上述(a)至(c)項所述之任何一名或多名人士之任何信託;(iii)林志凡先生不再為董事會主席;或(iv)林志凡先生不再對本公司之管理及業務維持控制權,則將發生違約事件。

未能遵守任何上述有關本公司控制權之責任將觸發融資協議項下之違約事件,其可能導致(其中包括)取消於融資協議項下之全部或任何部分承諾,且於融資協議項下之全部或任何部分貸款成為即時到期及應付或成為須按要求支付。

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CORPORATE GOVERNANCE CODES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of its shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules as its own code of corporate governance. During the Period, all the code provisions set out in the CG Code were met by the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuer (the “Model Code”) in Appendix 10 to the Listing Rules. The Company has made specific enquiry of all Directors and all Directors confirmed that they have complied with the required standards of the Model Code regarding Directors’ securities transactions during the Period.

REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed, together with the management of the Group, the accounting principles and policies adopted by the Group, and discussed the unaudited condensed consolidated financial statements and interim report of the Group for the Period and recommended its adoption by the Board.

In addition, the unaudited condensed consolidated financial statements of the Group for the Period have been reviewed by the independent auditors of the Company, Messrs. Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA.

On behalf of the Board
Sinomax Group Limited
Lam Chi Fan
Chairman

Hong Kong, 27 August 2019

企業管治守則

本公司致力於維持高標準的企業管治以保障其股東的利益及提升企業價值及問責性。本公司已採納上市規則附錄14所載企業管治守則（「企業管治守則」）作為其本身的企業管治守則。期間內，本公司遵守企業管治守則所載的一切守則條文。

進行證券交易的標準守則

本公司已採納一個條款不寬鬆於上市規則附錄10上市發行人董事進行證券交易的標準守則（「標準守則」）所載的規定標準的董事進行證券交易的行為守則。本公司已向全體董事作出特別查詢，且全體董事確認，彼等已遵守標準守則對董事於期間內的證券交易提出的必要規定。

審閱中期業績

本公司審核委員會已與本集團管理層共同審閱本集團採納的會計原則及政策，並討論本集團於期間內的未經審核簡明綜合財務報表及中期報告及建議董事會採納。

此外，本集團於期間內的未經審核簡明綜合財務報表亦已由本公司的獨立核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體獨立核數師執行之中期財務資訊審閱」審閱。

代表董事會
盛諾集團有限公司
主席
林志凡

香港，2019年8月27日

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表之審閱報告

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF SINOMAX GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

致盛諾集團有限公司董事會
(於開曼群島註冊成立的有限公司)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Sinomax Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 28 to 84, 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-month 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.

引言

吾等已審閱第28至第84頁所載的盛諾集團有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的簡明綜合財務報表,包括於2019年6月30日的簡明綜合財務狀況表,以及截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表及若干解釋附註。香港聯合交易所有限公司證券上市規則規定,中期財務資料報告須按其相關條文以及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」(「**香港會計準則第34號**」)編製。貴公司董事負責按照香港會計準則第34號編製及呈報該等簡明綜合財務報表。吾等之責任在於根據受聘之協定條款審閱該等簡明綜合財務報表,並就此達成結論,並僅向閣下全體匯報,而不作任何其他用途。吾等不就本報告之內容向任何其他人士承擔或負上任何責任。

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.

審閱範圍

吾等根據香港會計師公會頒佈的香港審閱委聘準則第2410號「實體之獨立核數師審閱中期財務資料」進行審閱。該等簡明綜合財務報表之審閱包括詢問(主要對負責財務及會計事務之人士),以及採納分析及其他審閱程序。審閱之範圍遠小於根據香港審核準則進行之審核,故吾等無法確保吾等已知悉可能通過審核辨別之所有重要事項。因此,吾等並不發表審核意見。

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.

結論

基於吾等之審閱,吾等並無注意到任何事宜可引起吾等相信簡明綜合財務報表並非在所有重大方面按照香港會計準則第34號編製。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 August 2019

德勤 • 關黃陳方會計師行
執業會計師
香港
2019年8月27日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2019

截至2019年6月30日止六個月

For the six months ended 30 June

截至6月30日止六個月

2019 2018

2019年 2018年

HK\$'000 HK\$'000

千港元 千港元

NOTES (unaudited) (unaudited)
附註 (未經審核) (未經審核)

Revenue	收入	4	1,479,883	2,038,915
Cost of sales	銷售成本		(1,114,925)	(1,691,606)
Gross profit	毛利		364,958	347,309
Other income	其他收入		27,310	29,968
Other gains and losses	其他收益及虧損		(1,073)	(4,460)
Impairment losses reversed (recognised) under expected credit loss model, net	預期信貸虧損模式項下 撥回(確認)之減值 虧損·淨額	13	2,345	(4,351)
Selling and distribution costs	銷售及分銷成本		(197,184)	(190,127)
Administrative expenses	行政開支		(97,177)	(102,238)
Finance costs	財務成本		(24,034)	(18,784)
Other expenses	其他開支		(46,435)	(46,737)
Profit before taxation	除稅前溢利		28,710	10,580
Income tax expense	所得稅開支	5	(18,158)	(1,496)
Profit for the period	期內溢利	6	10,552	9,084
Other comprehensive expense:	其他全面開支:			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至 損益的項目:</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生的 匯兌差額		(337)	(18,865)
Total comprehensive income (expense) for the period	期內全面收入(開支)總額		10,215	(9,781)
Profit (loss) for the period attributable to:	下列人士應佔期內			
	溢利(虧損):			
Owners of the Company	本公司擁有人		11,436	4,563
Non-controlling interests	非控股權益		(884)	4,521
			10,552	9,084

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2019

截至2019年6月30日止六個月

For the six months ended 30 June

截至6月30日止六個月

2019 2018

2019年 2018年

HK\$'000 HK\$'000

千港元 千港元

NOTES (unaudited) (unaudited)

附註 (未經審核) (未經審核)

Total comprehensive income (expense) for the period attributable to:	下列人士應佔期內全面收入(開支)總額:		
Owners of the Company	本公司擁有人	10,883	(12,949)
Non-controlling interests	非控股權益	(668)	3,168
		10,215	(9,781)
Earnings per share	每股盈利	9	
– Basic	– 基本	HK0.65 cent 港仙	HK0.26 cent 港仙
– Diluted	– 攤薄	HK0.65 cent 港仙	HK0.26 cent 港仙

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2019

於2019年6月30日

			At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
		NOTES 附註		
NON-CURRENT ASSETS				
	非流動資產			
Property, plant and equipment	物業、廠房及設備	7	679,610	682,084
Right-of-use assets	使用權資產	7	390,428	–
Investment properties	投資物業		88,179	90,224
Prepaid lease payments	預付租賃款項		–	62,479
Deposits paid for acquisition of property, plant and equipment	就收購物業、廠房及 設備支付的按金		16,465	13,182
Goodwill	商譽		61,388	61,409
Intangible assets	無形資產		117,003	122,399
Rental deposits	租金按金		21,278	23,365
Deferred tax assets	遞延稅項資產		27,423	25,451
			1,401,774	1,080,593
CURRENT ASSETS				
	流動資產			
Prepaid lease payments	預付租賃款項		–	1,638
Inventories	存貨		600,594	531,071
Trade and other receivables	貿易及其他應收款項	10	559,893	843,359
Bills receivables	應收票據	11	76,056	91,960
Trade receivables at fair value through other comprehensive income	透過其他全面收益 按公平值列賬之 貿易應收款項	12	70,437	87,769
Fixed bank deposits	定期銀行存款		25,300	32,394
Bank balances and cash	銀行結餘及現金		297,847	234,435
			1,630,127	1,822,626

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2019
於2019年6月30日

			At 30 June 2019 於2019年 6月30日 HK\$'000 千港元	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元
	NOTES 附註	(unaudited) (未經審核)	(audited) (經審核)	
CURRENT LIABILITIES				
Trade and other payables	14	517,226	600,258	流動負債 貿易及其他應付款項
Bills payables	15	37,331	86,181	應付票據
Contract liabilities		692	893	合約負債
Lease liabilities		220,088	–	租賃負債
Unsecured bank borrowings	16	560,966	584,369	無抵押銀行借款
Taxation payable		5,829	19,825	應付稅項
		1,342,132	1,291,526	
NET CURRENT ASSETS		287,995	531,100	流動資產淨值
TOTAL ASSETS LESS CURRENT LIABILITIES		1,689,769	1,611,693	總資產減流動負債
NON-CURRENT LIABILITIES				非流動負債
Lease liabilities		123,959	–	租賃負債
Unsecured bank borrowings	16	225,315	289,388	無抵押銀行借款
Deferred tax liabilities		106,004	96,462	遞延稅項負債
		455,278	385,850	
NET ASSETS		1,234,491	1,225,843	資產淨值
CAPITAL AND RESERVES				資本及儲備
Share capital	17	175,000	175,000	股本
Reserves		915,423	904,429	儲備
Equity attributable to owners of the Company		1,090,423	1,079,429	本公司擁有人應佔權益
Non-controlling interests		144,068	146,414	非控股權益
TOTAL EQUITY		1,234,491	1,225,843	權益總額

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2019

截至2019年6月30日止六個月

		Equity attributable to owners of the Company 本公司擁有人應佔權益										
		Share capital	Share premium	Merger reserve	Statutory reserve	Capital reserve	Share option reserve	Translation reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	股份溢價	合併儲備	法定儲備	資本儲備	購股權儲備	匯兌儲備	保留溢利	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		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
				(Note (i)) (附註(i))	(Note (ii)) (附註(ii))	(Note (iii)) (附註(iii))						
At 1 January 2018	於2018年1月1日	175,000	404,520	(403,835)	15,529	1,510	19,163	32,740	909,939	1,154,566	154,436	1,309,002
Profit for the period	期內溢利	-	-	-	-	-	-	-	4,563	4,563	4,521	9,084
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	(17,512)	-	(17,512)	(1,353)	(18,865)
Total comprehensive (expense) income for the period	期內全面(開支)收入總額	-	-	-	-	-	-	(17,512)	4,563	(12,949)	3,168	(9,781)
Dividend recognised as distribution (note 8)	確認為分派的股息(附註8)	-	-	-	-	-	-	-	(17,500)	(17,500)	-	(17,500)
Dividend paid to non-controlling interests	向非控股權益所支付的股息	-	-	-	-	-	-	-	-	-	(9,899)	(9,899)
Recognition of share based payment expense	確認股份支付開支	-	-	-	-	-	1,405	-	-	1,405	-	1,405
Lapse of share options	購股權失效	-	-	-	-	-	(1,261)	-	1,261	-	-	-
Transfer	轉撥	-	-	-	2,473	-	-	-	(2,473)	-	-	-
At 30 June 2018 (unaudited)	於2018年6月30日(未經審核)	175,000	404,520	(403,835)	18,002	1,510	19,307	15,228	895,790	1,125,522	147,705	1,273,227
At 1 January 2019	於2019年1月1日	175,000	404,520	(403,835)	18,002	1,510	19,427	(20,236)	885,041	1,079,429	146,414	1,225,843
Profit (loss) for the period	期內溢利(虧損)	-	-	-	-	-	-	-	11,436	11,436	(884)	10,552
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	-	-	(553)	-	(553)	216	(337)
Total comprehensive (expense) income for the period	期內全面(開支)收入總額	-	-	-	-	-	-	(553)	11,436	10,883	(668)	10,215
Dividend paid to non-controlling interests	向非控股權益所支付的股息	-	-	-	-	-	-	-	-	-	(1,678)	(1,678)
Recognition of share based payment expense	確認股份支付開支	-	-	-	-	-	111	-	-	111	-	111
Lapse of share options	購股權失效	-	-	-	-	-	(343)	-	343	-	-	-
At 30 June 2019 (unaudited)	於2019年6月30日(未經審核)	175,000	404,520	(403,835)	18,002	1,510	19,195	(20,789)	896,820	1,090,423	144,068	1,234,491

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 June 2019

截至2019年6月30日止六個月

Notes:

(i) The merger reserve represented the difference between the total equity of those subsidiaries attributable to the owners of the Company which were transferred from the shareholders of Sinomax Enterprises Limited, the immediate holding company of the Company, ("Individual Shareholders") to Treasure Range Holdings Limited ("Treasure Range"), a wholly owned subsidiary of the Company, and the aggregated share capital of the relevant subsidiaries pursuant to the group reorganisation where the transfer of the relevant subsidiaries to Treasure Range as satisfied by issue of new shares from Treasure Range to the Company and from the Company to Sinomax Enterprises Limited.

(ii) According to the relevant requirements in the memorandum of association of the subsidiaries of the Company established in the People's Republic of China (the "PRC"), a portion of their profits after taxation has to be transferred to the statutory reserve and allocation to the statutory reserve which shall be approved by the board of directors of the entity. The transfer had been made before the distribution of a dividend to equity owners. The appropriation to statutory reserve may cease if the balance of the statutory reserve has reached 50% of the registered capital of the entity. The reserve can be applied either to set off accumulated losses, if any, or to increase registered capital. The statutory reserve is non-distributable other than upon liquidation.

In accordance with the provisions of the Macao Commercial Code, the subsidiary of the Company incorporated in Macau is required to transfer a minimum of 25% of annual net profit to statutory reserve until the accumulated amount equals half of its quota capital. This reserve is not distributable to the shareholders.

(iii) During the year ended 31 December 2011, the Individual Shareholders acquired an additional 34% interest in Trade Sincere Limited ("Trade Sincere"), a non-wholly owned subsidiary of the Company, from a non-controlling shareholder for a consideration of United States dollars ("US\$") 998,012 (equivalent to HK\$7,755,000) and the Group's interest in Trade Sincere was then increased from 51% to 85%. Simultaneously, Trade Sincere disposed of its 40% equity interest in Sinomax Kuka (Zhejiang) Foam Co. Limited ("Sinomax Kuka"), a then wholly-owned subsidiary of Trade Sincere, to a non-controlling shareholder for a consideration of US\$1,174,132 (equivalent to HK\$8,855,000). Sinomax Kuka became a 60% owned subsidiary of Trade Sincere after this partial disposal. The Group's effective interest in Sinomax Kuka remained unchanged. The difference between the consideration received by the Group and the increase in non-controlling interests after these transactions amounting to approximately HK\$1,510,000 is recorded in capital reserve.

附註：

(i) 合併儲備乃指根據集團重組本公司擁有人應佔該等附屬公司的權益總額（由本公司的直接控股公司聖諾盟企業有限公司的股東（「個別股東」）向本公司全資附屬公司Treasure Range Holdings Limited（「Treasure Range」）轉讓）與相關附屬公司股本總額的差額。向Treasure Range轉讓相關附屬公司的代價乃透過Treasure Range向本公司發行新股份及本公司向聖諾盟企業有限公司發行新股份的方式支付。

(ii) 根據本公司於中華人民共和國（「中國」）成立的附屬公司組織章程大綱的相關規定，除稅後溢利部份須轉撥至法定儲備及分配予法定儲備須經實體董事會批准。該轉撥已於向權益擁有人分派股息前進行。倘法定儲備結餘已達實體註冊資本之50%，則可終止撥款至法定儲備。該儲備可用於抵銷累計虧損（如有）或增加註冊資本。除進行清盤時外，法定儲備不得用作分派。

根據澳門《商法典》的規定，本公司於澳門註冊成立的附屬公司須轉撥最少25%的年度純利至法定儲備，直至累計金額等同於配額資本的一半。該儲備不得用作股東分派。

(iii) 截至2011年12月31日止年度，個別股東向非控股股東收購本公司非全資附屬公司質誠有限公司（「質誠」）的額外34%權益，代價為998,012美元（「美元」）（相當於7,755,000港元）及本集團於質誠的權益因此由51%增加至85%。同時，質誠向非控股股東出售其於浙江聖諾盟顧家海綿有限公司（「聖諾盟顧家」）（當時質誠的一間全資附屬公司）的40%股權，代價為1,174,132美元（相當於8,855,000港元）。於該部份出售後，聖諾盟顧家成為質誠擁有60%權益的附屬公司。本集團於聖諾盟顧家的實際權益維持不變。於該等交易後，本集團所收取的代價與非控股權益增加的差額約為1,510,000港元，並計入資本儲備。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2019

截至2019年6月30日止六個月

For the six months ended 30 June

截至6月30日止六個月

2019 2018

2019年 2018年

HK\$'000 HK\$'000

千港元 千港元

(unaudited) (unaudited)

(未經審核) (未經審核)

Operating activities	經營活動		
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	117,320	83,325
Increase in inventories	存貨增加	(67,051)	(27,137)
Decrease in trade and other receivables	貿易及其他應收款項減少	288,142	62,698
Decrease in trade and other payables	貿易及其他應付款項減少	(129,087)	(99,591)
Other operating cash flows	其他經營現金流量	25,973	(13,649)
Net cash from operating activities	經營活動產生現金淨額	235,297	5,646
Investing activities	投資活動		
Payments for property, plant and equipment	支付物業、廠房及設備	(33,313)	(26,983)
Payments for rental deposits	支付租金按金	(3,364)	–
Refund of rental deposits	退還租金按金	465	–
Placement of pledged bank deposits	存放已抵押銀行存款	–	(3,684)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	–	2,947
Placement of fixed bank deposits	存放定期銀行存款	(11,980)	(72,234)
Withdrawal of fixed bank deposits	提取定期銀行存款	19,096	–
Interest received	已收利息	2,206	372
Net cash used in investing activities	投資活動動用現金淨額	(26,890)	(99,582)
Financing activities	融資活動		
New unsecured bank borrowings raised	新籌集的無抵押銀行借款	319,855	536,010
Repayment of unsecured bank borrowings	償還無抵押銀行借款	(407,644)	(293,543)
Repayment of lease liabilities	償還租賃負債	(30,611)	–
Interest paid	已付利息	(24,034)	(18,784)
Dividend paid to non-controlling interests	向非控股權益所支付的股息	(1,678)	(9,899)
Net cash (used in) from financing activities	融資活動(動用)產生現金淨額	(144,112)	213,784
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	64,295	119,848
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	234,435	155,485
Effect of foreign exchange rate changes	匯率變動的影響	(883)	(2,537)
Cash and cash equivalents at end of the period, represented by bank balances and cash	期末現金及現金等價物， 以銀行結餘及現金呈列	297,847	272,796

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019
截至2019年6月30日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Sinomax Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as 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 certain financial instruments, which are measured at fair values, as appropriate.

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 presented in the Group’s annual financial statements for the year ended 31 December 2018.

1. 編製基準

盛諾集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「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16之適用披露規定而編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準而編製，惟按公平值計量之若干金融工具(如適用)除外。

除應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂本導致之會計政策變動外，截至2019年6月30日止六個月之簡明綜合財務報表所用之會計政策及計算方法與本集團截至2018年12月31日止年度之全年財務報表所呈列者相同。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

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 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 in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

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 current interim period. HKFRS 16 superseded HKAS 17 *Leases* ("HKAS 17") and the related interpretations.

2. 主要會計政策（續）

應用新訂香港財務報告準則及其修訂本

於本中期間內，本集團已首次應用香港會計師公會頒佈之下列新訂香港財務報告準則及其修訂本，其於2019年1月1日或之後開始之年度期間對編製本集團之簡明綜合財務報表強制生效：

香港財務報告準則 租賃第16號	
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性
香港財務報告準則 第9號的修訂本	具有負補償的提前償付特性
香港會計準則 第19號的修訂本	計劃修訂、縮減或清償
香港會計準則 第28號的修訂本	於聯營公司及合資企業之長期權益
香港財務報告準則 的修訂本	2015年至2017年週期的香港財務報告準則的年度改進

除下文所述者外，於本期間應用新訂香港財務報告準則及其修訂本對本集團目前及過往期間之財務狀況及表現及／或該等簡明綜合財務報表所載之披露並無重大影響。

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動

本集團已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號取代香港會計準則第17號*租賃*（「香港會計準則第17號」）及相關詮釋。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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

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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動

本集團已根據香港財務報告準則16號之過渡性條文應用以下會計政策。

租賃之定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修訂之合約而言，本集團於開始或修改日期按香港財務報告準則第16號項下之定義評估合約是否為或是否包含租賃。除非合約之條款及條件其後變動，否則有關合約將不予重新評估。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人

分配代價至合約組成部分對於包含一項租賃組成部分及一項或多項額外的租賃或非租賃組成部分的合約，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總和將合約代價分配至各個租賃組成部分。

本集團亦應用可行權宜方法，並不將非租賃組成部分自租賃組成部分分開，反而將租賃組成部分及任何相關之非租賃組成部分作單一租賃組成部分入賬。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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)

Short-term leases

The Group applies the short-term lease recognition exemption to leases of warehouses, offices and retail shops 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.

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;

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

短期租賃

本集團將短期租賃確認豁免應用於租期自開始日期起為12個月或以下並且不包括購買選擇權之倉庫、辦公室及零售店之租賃。短期租賃之租賃付款於租期內按直線法確認為開支。

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日期）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，並就任何租賃負債之重新計量作出調整。

使用權資產成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減去所收取的任何租賃優惠；

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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)

- 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.

The Group presents right-of-use assets that do not meet the definition of investment property as a separate line item on the condensed consolidated statement of financial position.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

使用權資產 (續)

- 本集團產生的任何初步直接成本；及
- 本集團拆除及移除相關資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態產生的估計成本。

本集團合理確定將於租期結束時取得相關租賃資產之所有權之使用權資產自開始日期起至可使用年期結束折舊。否則，使用權資產於其估計可使用年期及租期之較短者以直線法折舊。

本集團將並不符合投資物業之定義之使用權資產於簡明綜合財務狀況表呈列為獨立項目。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

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2. PRINCIPAL ACCOUNTING POLICIES (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)

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* ("HKFRS 9") 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.

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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

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，當付款未能於租賃土地及樓宇部分之間可靠分配時，則整項物業呈列為本集團之物業、廠房及設備，惟分類及入賬為投資物業之物業除外。

可退還租賃按金

已付之可退還租賃按金根據香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）入賬及初步按公平值計量。於初步確認時對公平值之調整被視為額外租賃付款並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按於當日尚未支付之租賃付款之現值確認及計量租賃負債。於計算租賃付款之現值時，倘租賃隱含之利率無法容易釐定，則本集團使用於租賃開始日期之增量借款利率。

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簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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 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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

租賃負債 (續)

租賃付款包括：

- 固定付款 (包括實質固定付款) 減任何應收租賃優惠；
- 基於指數或利率的可變租賃付款；
- 剩餘價值擔保下的預期應付款項；
- 本集團合理確定將予行使之購買選擇權之行使價；及
- 支付終止租賃的罰款 (倘租賃條款反映本集團行使權利終止租賃)。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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)

Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period on which the event or condition that triggers the payment occurs.

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

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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

租賃負債 (續)

並非取決於指數或利率之可變租賃付款並不計入租賃負債及使用權資產之計量，並於觸發付款之事件或狀況發生之期間確認為開支。

於開始日期後，租賃負債按應計利息及租賃付款調整。

當以下事件發生時，本集團重新計量租賃負債（及對相關使用權資產作出相應調整）：

- 租賃期有所變動或行使購買選擇權的評估發生變化，在該情況下，相關租賃負債透過使用於重新評估日期之經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款於市場租金審查後因市場租金費率變動而出現變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款重新計量。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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

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.

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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

租賃修訂

倘出現以下情況，則本集團將租賃修訂作為一項單獨的租賃入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 增加租賃的代價，增加的金額相當於範圍擴大對應的單獨價格及對單獨價格進行的任何適當調整以反映特定合約的情況。

就並不以單獨租賃入賬之租賃修訂而言，本集團通過使用於修訂生效日期之經修訂貼現率貼現經修訂租賃付款按經修訂租賃之租期重新計量租賃負債。

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2. PRINCIPAL ACCOUNTING POLICIES (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)

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.

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* ("HKFRS 15") to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為承租人 (續)

稅項

為就本集團確認使用權資產及相關租賃負債之租賃交易計量遞延稅項，本集團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。有關使用權資產及租賃負債之暫時差額並不於初步確認時確認，因應用初步確認豁免而於租期內確認。

作為出租人

分配代價至合約組成部分於2019年1月1日生效，本集團應用香港財務報告準則第15號*客戶合約收益*（「香港財務報告準則第15號」）以分配合約之代價至租賃及非租賃組成部分。非租賃組成部分基於其相對單獨售價與租賃組成部分分開。

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2. PRINCIPAL ACCOUNTING POLICIES (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 (Continued)

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.

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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.1 應用香港財務報告準則第16號導致之主要會計政策變動 (續)

作為出租人 (續)

可退還租賃按金

已收取之可退還租賃按金根據香港財務報告準則第9號入賬，並初步按公平值計量。於初步確認時對公平值作出調整被視為承租人之額外租賃付款。

租賃修訂

本集團自修訂生效日期起將經營租賃修訂入賬為新租賃，將任何與原有租賃有關之預付或應計租賃付款視作新租賃之租賃付款之一部分。

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2. PRINCIPAL ACCOUNTING POLICIES (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.

2. 主要會計政策（續）

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動（續）

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述

租賃之定義

本集團已選擇對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的合約應用香港財務報告準則第16號的可行權宜方法，而並不將該準則應用於先前未識別為包括租賃的合約。因此，本集團並無重新評估於初步應用日期前已存在之合約。

就於2019年1月1日或之後訂立或修訂之合約而言，本集團根據香港財務報告準則第16號所載之規定應用租賃之定義以評估合約是否包括租賃。

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2. PRINCIPAL ACCOUNTING POLICIES (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

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.

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:

2. 主要會計政策（續）

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動（續）

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述（續）

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於2019年1月1日首次應用日期確認。首次應用日期的任何差額於期初保留溢利確認，及並無重列比較資料。

於過渡應用香港財務報告準則第16號項下之經修訂追溯法時，本集團對先前根據香港會計準則第17號分類為經營租賃之租賃按每項租賃就對各份租約之相關程度應用以下可行權宜方法：

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2. PRINCIPAL ACCOUNTING POLICIES (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)

- i. relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;
- ii. 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;
- iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and
- 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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

- i. 依賴透過應用香港會計準則第37號撥備、或然負債及或然資產作為減值審閱之替代方法，評估租賃是否屬虧損；
- ii. 選擇不確認租期於首次應用日期12個月內結束之租賃之使用權資產及租賃負債；
- iii. 自於首次應用日期對使用權資產之計量中排除初步直接成本；及
- iv. 根據於首次應用日期之事實及情況使用事後方式釐定本集團具有延長及終止選擇權之租賃之租期。

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2. PRINCIPAL ACCOUNTING POLICIES (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)

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

As at 1 January 2019, the Group recognised additional lease liabilities and the related right-of-use assets at the amount equal to the related lease liabilities adjusted by any prepaid or accrued lease payments by applying HKFRS 16.C8(b)(ii) transition. When recognising the lease liabilities for lease previously classified as operating lease, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied by the relevant entities ranging from 5% to 10%.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

於過渡時，本集團已於應用香港財務報告準則第16號時作出以下調整：

於2019年1月1日，本集團透過應用香港財務報告準則第16號第C8(b)(ii)項過渡法確認額外租賃負債及金額與相關租賃負債（經任何預付或應計租賃款項調整）相同之相關使用權資產。當就先前分類為經營租賃之租賃確認租賃負債時，本集團已應用於首次應用日期之相關集團實體之增量借款利率。相關實體所應用之加權平均承租人增量借款利率介乎5%至10%。

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2. PRINCIPAL ACCOUNTING POLICIES (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)

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

		At 1 January 2019 於2019年 1月1日 HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於2018年12月31日披露之經營租賃承擔	295,537
Lease liabilities discounted at relevant incremental borrowing rates	按相關增量借款利率貼現之租賃負債	262,644
Add: Purchase option reasonably certain to be exercised (Note)	加：合理確定將予行使之購買 選擇權 (附註)	79,104
Less: Recognition exemption – short-term leases	減：確認豁免—短期租賃	(14,725)
Lease liabilities relating to operating leases recognised upon application of HKFRS 16 as at 1 January 2019	於2019年1月1日應用香港財務報告 準則第16號時確認之 有關經營租賃之租賃負債	327,023
Analysed as	分析為	
Current	流動	219,849
Non-current	非流動	107,174
		327,023

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2. PRINCIPAL ACCOUNTING POLICIES (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)

Note: According to the operating lease agreement entered into by the Group in 2015, a purchase option exercisable within 3 years from the date of lease agreement was granted to the Group to acquire a factory in the US currently leased by the Group at a pre-determined purchase consideration. As of the date of initial application of HKFRS 16, the directors of the Company considered that continuing negotiation with the lessor since 2018 and the recent property market in US, and concluded that the purchase option is reasonably certain to be exercised during the year ending 31 December 2019. As a result, the lease liabilities have been adjusted and such adjustment represented the difference between the present value of the relevant lease commitment amounting to HK\$112,901,000 and the expected lease payments for such operating lease up to the date of exercise of the purchase option with the pre-determined purchase consideration.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

附註：根據本集團於2015年訂立之經營租賃協議，本集團獲授自租賃協議日期起三年內可行使的購買選擇權，以按預先釐定之購買代價收購本集團現時於美國租賃之工廠。截至初始應用香港財務報告準則第16號日期，本公司董事經考慮自2018年起與出租人之持續磋商及近期之美國物業市場，並得出結論為購買選擇權合理確定將於截至2019年12月31日止年度內行使。因此，租賃負債已獲調整，且有關調整指相關租賃承擔112,901,000港元與直至按預定購買代價行使購買選擇權日期就相關經營租賃作出之預期租賃付款之現值之差額。

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2. PRINCIPAL ACCOUNTING POLICIES (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:

			Right-of- use assets 使用權資產
		NOTES 附註	HK\$'000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號時 確認之有關經營租賃之 使用權資產		327,023
Reclassified from prepaid lease payments	自預付租賃款項重新分類	(a)	64,117
Adjustments on rental deposits at 1 January 2019	於2019年1月1日對租賃按金之調整	(b)	2,923
Less: Accrued lease liabilities relating to rent free period at 1 January 2019	減：於2019年1月1日有關免租 期間之應計租賃負債	(c)	(17,359)
Provision for onerous leases	虧損性租賃撥備	(c)	(2,935)
			373,769

(a) 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 current and non-current portion of prepaid lease payments amounting to HK\$1,638,000 and HK\$62,479,000 respectively were reclassified to right-of-use assets.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

於2019年1月1日之使用權資產之賬面值包括以下各項：

(a) 就中國租賃土地之首付款項於2018年12月31日分類為預付租賃款項。於應用香港財務報告準則第16號時，預付租賃款項之流動及非流動部分分別1,638,000港元及62,479,000港元重新分類為使用權資產。

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2. PRINCIPAL ACCOUNTING POLICIES (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)

- (b) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. Accordingly, HK\$2,923,000 was adjusted to refundable rental deposits paid and right-of-use assets.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

- (b) 於應用香港財務報告準則第16號前，本集團將已付可退還租賃按金視為已應用香港會計準則第17號之租賃項下之權利與義務。根據香港財務報告準則第16號項下租賃付款之定義，有關按金並非與相關資產之使用權有關之付款，且已調整以反映過渡時之貼現影響。因此，2,923,000港元已調整至已付可退還租賃按金及使用權資產。

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2. PRINCIPAL ACCOUNTING POLICIES (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)

(c) Rent free period

These relate to accrued lease liabilities for leases of properties in which the lessors provided rent-free period. The carrying amount of the lease incentive liabilities as at 1 January 2019 was adjusted to right-of-use assets at transition.

Provision for onerous leases

These relate to provision for onerous leases for several retail shops. The carrying amount of the provision as at 1 January 2019 was adjusted to right-of-use assets at transition.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為承租人 (續)

(c) 免租期

此與出租人提供免租期之物業租賃之應計租賃負債有關。於2019年1月1日之租賃優惠負債賬面值已調整至於過渡時之使用權資產。

虧損性租賃撥備

此與若干零售店舖之虧損性租賃之撥備有關。於2019年1月1日之撥備賬面值於過渡時調整至使用權資產。

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簡明綜合財務報表附註

For the six months ended 30 June 2019

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2. PRINCIPAL ACCOUNTING POLICIES (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.

Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 January 2019. The application has had no impact on the Group's condensed consolidated statement of financial position as at 1 January 2019. However, effective on 1 January 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

作為出租人

根據香港財務報告準則第16號之過渡性條文，本集團毋須就本集團為出租人之租賃於過渡時作出任何調整，惟須根據香港財務報告準則第16號自首次應用日期起為該等租賃入賬，而比較資料並未經重列。

於應用香港財務報告準則第16號時，有關現有租約項下相同相關資產之已訂立但於首次應用日期後開始之新租約以猶如現有租賃於2019年1月1日獲修訂之方式入賬。該項應用對本集團於2019年1月1日之簡明綜合財務狀況表並無影響。然而，於2019年1月1日生效，有關經修訂租期於修訂後之租賃付款按直線法於經延長租期內確認為收入。

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截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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 (Continued)

Effective on 1 January 2019, the Group has applied HKFRS 15 to allocate consideration in the contract to each lease and non-lease components. The change in allocation basis has had no material impact on the condensed consolidated financial statements of the Group for the current period.

The initial application of HKFRS 16 as a lessor has no material impact on the Group's condensed consolidated statement of financial position as at 1 January 2019 and 30 June 2019 and its condensed consolidated statement of profit or loss and other comprehensive income and statement of cash flows for the current interim period.

2. 主要會計政策（續）

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動（續）

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述（續）

作為出租人（續）

於2019年1月1日生效，本集團已應用香港財務報告準則第15號將合約代價分配至各租賃及非租賃組成部分。分配基準之變動對本集團於本期間之簡明綜合財務報表並無重大影響。

作為出租人首次應用香港財務報告準則第16號，對本集團於2019年1月1日及2019年6月30日之簡明綜合財務狀況表以及於本中期期間之簡明綜合損益及其他全面收益表及現金流量表並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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)

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.

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

下列為對於2019年1月1日之簡明綜合財務狀況表中確認之金額所作出的調整。未受變動影響的項目不計入在內。

			Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under HKFRS 16 at 1 January 2019
	Notes 附註	HK\$'000 千港元	先前於 2018年 12月31日 呈報之 賬面值	調整	根據香港 財務報告 準則第16號 於2019年 1月1日之 賬面值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current Assets					
Right-of-use assets		–	–	373,769	373,769
Prepaid lease payments	(a)	62,479	62,479	(62,479)	–
Rental deposits	(b)	23,365	23,365	(2,923)	20,442
Current Assets					
Prepaid lease payments	(a)	1,638	1,638	(1,638)	–

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簡明綜合財務報表附註

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截至2019年6月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (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)

2. 主要會計政策 (續)

2.1 應用香港財務報告準則第16號租賃之影響及會計政策變動 (續)

2.1.2 過渡及首次應用香港財務報告準則第16號產生之影響概述 (續)

			Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under HKFRS 16 at 1 January 2019
		Notes	HK\$'000	HK\$'000	HK\$'000
		附註	千港元	千港元	千港元
Current Liabilities	流動負債				
Trade and other payables	貿易及其他應付款項				
– Accrued lease liabilities	– 應計租賃負債	(c)	17,359	(17,359)	–
– Provision for onerous leases	– 虧損性租賃撥備	(c)	2,935	(2,935)	–
Lease liabilities	租賃負債		–	219,849	219,849
Non-current liabilities	非流動負債				
Lease liabilities	租賃負債		–	107,174	107,174

Note: For the purpose of reporting cash flows for the six months ended 30 June 2019, movements have been computed based on opening statement of financial position as at 1 January 2019 as disclosed above.

附註：就呈報截至2019年6月30日止六個月的現金流量而言，變動乃根據上文所披露的2019年1月1日期初財務狀況表計算。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

3. KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the condensed consolidated financial statements for the six months ended 30 June 2019, the key sources of estimation uncertainty made by the directors of the Company were the same as those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2018, except for the following key source of estimation uncertainty which is newly applied during the current interim period:

Impairment and estimate useful lives of right-of-use assets

Right-of-use assets are carried at cost less accumulated depreciation and accumulated impairment losses, if any. These carrying amounts are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The review comprises a comparison of the carrying amount and recoverable amount of the right-of-use assets. Where the actual future cash flows are less than expected, or unfavourable changes in facts and circumstances which result in downward revision of the estimated future cash flows for the purpose of determining the value in use, impairment loss may arise.

In addition, the Group's management determines the estimated useful lives and related depreciation charges for its right-of-use assets as disclosed in note 2. These estimations are based on the expected useful lives of right-of-use assets with similar nature and functions. Management will increase the depreciation charge where useful lives are expected to be shorter than estimated, or it will write-off or write-down obsolete right-of-use assets that have been abandoned or sold. Changes in these estimations may have a material impact on the results of the Group.

As at 30 June 2019, the carrying amount of right-of-use assets is approximately HK\$390,428,000.

3. 估計不確定因素之主要來源

於編製截至2019年6月30日止六個月的簡明綜合財務報表時，本公司董事所作出的估計不確定因素的主要來源與編製本集團截至2018年12月31日止年度的年度財務報表所應用者相同，惟下列於本中期期間新應用的估計不確定因素的主要來源除外：

使用權資產之減值及估計可使用年期

使用權資產按成本減累計折舊及累計減值虧損（如有）列賬。當發生任何事件或情況出現變化，顯示賬面值可能無法收回時，即檢討該等賬面值是否出現減值。該檢討包括比較使用權資產之賬面值與可收回資產。倘實際未來現金流量低於預期，或就釐定使用價值而言，事實及環境不利變動導致對估計日後現金流量進行下調修訂，則可能引致減值虧損。

此外，誠如附註2所披露，本集團管理層釐定其使用權資產之估計可使用年期及相關折舊開支。該等估計乃基於性質及功能相似之使用權資產之預期可使用年期作出。倘預期可使用年期短於估計年期，則管理層將上調折舊開支，或其將撇銷或撇減已棄用或售出之過時資產。該等估計之變動可能對本集團之業績造成重大影響。

於2019年6月30日，使用權資產之賬面值約為390,428,000港元。

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簡明綜合財務報表附註

For the six months ended 30 June 2019

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4. REVENUE AND SEGMENT INFORMATION

The Group sells health and household products, including quality visco-elastic pillows, mattress toppers and mattresses, to wholesalers and retailers and also directly to customers both through its retail network comprising self-operated stand-alone retail shops and concession counters in department stores and through internet sales. The Group also sells polyurethane foam to furniture manufacturers.

The executive directors of the Company, being the chief operating decision maker (“CODM”), make decisions about resource allocation based on the revenue from different geographical markets and reviews reports on the financial performance of the Group as a whole. No other discrete financial information is reviewed by the CODM for the assessment of performance of the Group. Therefore, no other segment information is presented. The Group is currently organised into the following three geographical markets as follows:

China market	–	manufacture and sale of health and household products and polyurethane foam for customers located in the PRC, Hong Kong and Macau
North American market	–	manufacture and sale of health and household products for customers located in the US, Canada and other North American countries
Europe and other overseas markets	–	manufacture and sale of health and household products for customers located in overseas countries except for those customers located in the North American market

4. 收入及分部資料

本集團向批發商及零售商銷售健康及家居產品（包括優質慢回彈枕頭、床墊及床褥），亦透過其零售網絡（包括自營獨立零售店及位於百貨公司的寄售專櫃）及透過互聯網銷售直接向客戶銷售健康及家居產品。本集團亦向傢具生產商銷售聚氨酯泡沫。

本公司執行董事（即首席營運決策者（「首席營運決策者」））根據來自不同地區市場的收益就資源分配作出決策及審閱本集團整體財務表現的報告。首席營運決策者並無就評估本集團表現審閱其他獨立財務資料。因此，並無呈列其他分部資料。目前本集團分為以下三個地區市場：

中國市場	–	為中國、香港及澳門客戶製造及銷售健康及家居產品及聚氨酯泡沫
北美市場	–	為美國、加拿大及其他北美國家客戶製造及銷售健康及家居產品
歐洲及其他海外市場	–	為海外國家的客戶（北美市場客戶除外）製造及銷售健康及家居產品

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簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Disaggregation of revenue from contracts with customers

Type of goods

		For the six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Sales of health and household products	銷售健康及家居產品	915,627	1,151,208
Sales of polyurethane foam	銷售聚氨酯泡沫	564,256	887,707
Total	總計	1,479,883	2,038,915

Geographical markets

地區市場

		For the six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
China market	中國市場		
– The PRC	– 中國	702,321	1,056,205
– Hong Kong, Macau and others	– 香港、澳門及其他	205,444	151,987
		907,765	1,208,192
North American market	北美市場		
– The US	– 美國	499,967	740,509
– Others	– 其他	48,091	60,175
		548,058	800,684
Europe and other overseas markets	歐洲及其他海外市場	24,060	30,039
Total	總計	1,479,883	2,038,915

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 June 2019

截至2019年6月30日止六個月

5. INCOME TAX EXPENSE

5. 所得稅開支

		For the six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	–	651
The PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	15,538	6,995
US Income Tax	美國所得稅	130	281
		15,668	7,927
Under (over) provision in prior years:	過往年度撥備不足(超額撥備)：		
Hong Kong Profits Tax	香港利得稅	303	–
The PRC EIT	中國企業所得稅	(5,537)	(4,281)
US Income Tax	美國所得稅	–	(727)
		(5,234)	(5,008)
Deferred taxation	遞延稅項	7,724	(1,423)
		18,158	1,496

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For the six months ended 30 June 2019

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6. PROFIT FOR THE PERIOD

6. 期內溢利

		For the six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Profit for the period has been arrived at after charging (crediting):	期內溢利乃經扣除(計入)以下各項後釐定:		
Total staff costs, including share based payment expenses (included in selling and distribution costs and administrative expenses)	員工成本總額, 包括股份支付開支(計入銷售及分銷成本以及行政開支)	218,332	219,625
Net (reversal of) allowance for inventories (included in cost of sales)	存貨(撥回)撥備淨額(計入銷售成本)	(2,576)	5,258
Amortisation of prepaid lease payments	預付租賃款項攤銷	–	880
Amortisation of intangible assets	無形資產攤銷	5,396	3,202
Depreciation of property, plant and equipment	物業、廠房及設備折舊	32,282	36,472
Depreciation of right-of-use assets	使用權資產折舊	31,807	–
Depreciation of investment properties	投資物業折舊	1,973	2,081

7. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group acquired certain plant and machinery of approximately HK\$30,030,000 (unaudited) (six months ended 30 June 2018: HK\$34,968,000 (unaudited)).

During the current interim period, the Group entered into new lease agreements for the use of warehouses, office and retail shops for terms ranging from 1 to 3 years. The Group is required to make fixed monthly payments for these lease agreements. On lease commencement, the Group recognised HK\$48,984,000 of right-of-use asset and HK\$47,455,000 lease liability.

7. 物業、廠房及設備及使用權資產變動

於本中期期間, 本集團收購約30,030,000港元(未經審核)(截至2018年6月30日止六個月: 34,968,000港元(未經審核))的若干廠房及機器。

於本中期期間, 本集團就使用貨倉、辦公室及零售店訂立新租賃協議, 期限介乎1至3年。本集團須就該等新租賃協議作出固定每月付款。於租賃開始時, 本集團確認使用權資產48,984,000港元及租賃負債47,455,000港元。

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8. DIVIDEND

8. 股息

For the six months ended 30 June

截至6月30日止六個月

2019	2018
2019年	2018年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

Dividends for ordinary shareholders of the Company recognised as distribution during the period: 期內確認為分派之本公司普通股股東之股息：

Final dividend declared – nil for 2018
(six months ended 30 June 2018: HK1.0 cent per share for 2017)

已宣派之末期股息
— 2018年：零
(截至2018年6月30日止六個月：
2017年每股1.0港仙)

— 17,500

No dividends were paid, declared or proposed during the interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

於中期期間內並無派付、宣派或建議股息。本公司董事已釐定將不會就中期期間派付股息。

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9. 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:

		For the six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
<i>Earnings for the purpose of basic and diluted earnings per share:</i>	計算每股基本及攤薄盈利之盈利：		
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利	11,436	4,563

		For the six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
<i>Number of shares:</i>	股份數目：		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的加權平均普通股數目	1,750,002,000	1,750,002,000
Effect of dilutive potential ordinary shares in respect of outstanding share options	尚未獲行使購股權涉及的潛在攤薄普通股影響	—	626
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的加權平均普通股數目	1,750,002,000	1,750,002,626

The computation of the diluted earnings per share for the six months ended 30 June 2019 does not assume the exercise of any (2018: certain) share options as the exercise prices of these share options are higher than the average market price of shares during the six months ended 30 June 2019 and 2018.

9. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		For the six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
<i>Earnings for the purpose of basic and diluted earnings per share:</i>	計算每股基本及攤薄盈利之盈利：		
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利	11,436	4,563

		For the six months ended 30 June 截至6月30日止六個月	
		2019	2018
		2019年	2018年
<i>Number of shares:</i>	股份數目：		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利的加權平均普通股數目	1,750,002,000	1,750,002,000
Effect of dilutive potential ordinary shares in respect of outstanding share options	尚未獲行使購股權涉及的潛在攤薄普通股影響	—	626
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利的加權平均普通股數目	1,750,002,000	1,750,002,626

截至2019年6月30日止六個月之每股攤薄盈利之計算並不假設任何(2018年：若干)購股權之行使，此乃由於該等購股權之行使價高於股份於截至2019年及2018年6月30日止六個月之平均市價。

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10. TRADE AND OTHER RECEIVABLES

10. 貿易及其他應收款項

		At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Trade receivables, at amortised cost	按攤銷成本計量之貿易應收款項	446,549	717,660
Less: allowance for credit losses	減：信貸虧損撥備	(22,568)	(24,913)
		423,981	692,747
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	135,912	150,612
		559,893	843,359

The Group's retail sales are made both through its retail network comprising stand-alone retail shops and concession counters in department stores and through internet sales. The Group also sells health and household products directly to overseas wholesalers and retailers and the polyurethane foam to furniture manufacturers in the PRC. Sales at self-operated retail shops and sales through retailers in the PRC and internet sales are transacted either by cash or credit cards. For sales made at concession counters, the department stores collect cash from the end customers and then repay the balance after deducting the concessionaire commission to the Group. The credit period granted to department stores ranges from 30 days to 120 days. For sales to wholesalers, retailers and furniture manufacturers, the Group generally allows a credit period ranging from 7 days to 90 days.

本集團透過其零售網絡（包括獨立零售店及位於百貨公司的寄售專櫃）及互聯網銷售進行零售銷售。本集團亦向海外批發商及零售商直接出售健康及家居產品，亦向中國的傢俬製造商出售聚氨酯泡沫。於自營零售店進行的銷售及透過中國零售商進行的銷售均以現金或信用卡進行交易。就於寄售專櫃進行的銷售而言，由百貨公司向終端客戶收取現金，於扣除特許經營佣金後，向本集團償還餘額。授予百貨公司的信貸期介乎30日至120日。就向批發商、零售商及家具生產商的銷售而言，本集團通常許允信貸期介乎7日至90日。

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10. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is the aging analysis of trade receivables, net of allowance for credit losses, presented based on the dates of delivery of goods.

10. 貿易及其他應收款項 (續)

經扣除信貸虧損撥備的貿易應收款項的賬齡分析 (根據貨品交付日期呈列) 如下:

		At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Within 30 days	30日以內	213,668	448,714
31 to 60 days	31至60日	114,245	149,877
61 to 90 days	61至90日	41,640	56,832
91 to 180 days	91至180日	49,432	34,030
181 to 365 days	181至365日	4,996	3,294
		423,981	692,747

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II. BILLS RECEIVABLES

The amount represents bills receivables which are not yet due at the end of the reporting period. The following is the aging analysis of bills receivables based on their time to maturities as at end of reporting periods:

		At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Within 30 days	30日以內	20,475	13,166
31 to 60 days	31至60日	8,444	18,877
61 to 90 days	61至90日	15,971	17,878
91 to 180 days	91至180日	28,917	41,578
181 to 365 days	181至365日	2,249	461
		76,056	91,960

Included in the bills receivables above amounting to approximately HK\$65,855,000 (31 December 2018: HK\$67,739,000) had been endorsed for settling the trade payables for which the maturity dates of the bills receivables have not yet fallen due as at the end of the reporting period. All bills receivables of the Group are with a maturity period of less than one year.

II. 應收票據

該等金額為於報告期末尚未逾期的應收票據。以下為於報告期末按其到期時間呈列的應收票據的賬齡分析：

計入上述約65,855,000港元(2018年12月31日：67,739,000港元)之應收票據已獲批准用以償付貿易應付款項，當中應收票據之到期日於報告期末尚未屆滿。本集團之所有應收票據乃於少於一年內到期。

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12. TRADE RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

As part of the Group's cash flow management, the Group has the practice of factoring some of the trade receivables to financial institutions before the trade receivables are due for repayment and derecognising factored trade receivables on the basis that the Group has transferred substantially all risks and rewards to the relevant counterparties. Accordingly, such trade receivables under the factoring arrangement were considered as within the hold to collect contractual cash flows and to sell business model and recognised as trade receivables at FVTOCI.

As at 30 June 2019, the effective interest rates of the trade receivables at FVTOCI ranged from 3.37% to 4.37% per annum (31 December 2018: 3.38% to 4.38% per annum). Details of the valuation techniques and key inputs adopted for their fair value measurements are disclosed in note 20. As at 30 June 2019 and 31 December 2018, the fair value changes on trade receivables at FVTOCI are insignificant and accordingly, no fair value changes are recognised in equity as FVTOCI reserve.

13. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS MODEL

12. 透過其他全面收益按公平值列賬 (「透過其他全面收益按公平值列賬」) 之貿易應收款項

作為本集團現金流量管理的一部分，本集團的慣例為於貿易應收款項到期償還之前向金融機構保理部分貿易應收款項及終止確認已保理之貿易應收款項，此乃基於本集團已將絕大部分風險及回報轉移至有關交易對手。因此，保理安排項下之有關貿易應收款項被視為屬於持有以收取合約現金流量及供出售的業務模式，並確認為透過其他全面收益按公平值列賬之貿易應收款項。

於2019年6月30日，透過其他全面收益按公平值列賬之貿易應收款項之實際利率介乎每年3.37%至4.37%（2018年12月31日：每年3.38%至4.38%）。該等公平值計量所採納之估值技術及主要輸入數據詳情披露於附註20。於2019年6月30日及2018年12月31日，透過其他全面收益按公平值列賬之貿易應收款項之公平值變動並不重大，因此，概無公平值變動於權益中確認為透過其他全面收益按公平值列賬儲備。

13. 受預期信貸虧損模式規限之金融資產減值評估

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2019	2018
2019年	2018年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

Impairment losses reversed (recognised) in respect of trade receivables, net

就貿易應收款項之撥回
(確認)減值虧損，淨額

2,345

(4,351)

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13. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS MODEL (CONTINUED)

The basis of determining the inputs and assumptions and the estimation techniques 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 Group's annual financial statements for the year ended 31 December 2018.

During the six months ended 30 June 2019, impairment allowance of HK\$7,660,000 was made and charged to profit or loss for trade receivable based on the provision matrix. A reversal of impairment allowance of HK\$10,005,000 has been made resulting from subsequent settlement of credit-impaired trade receivables during the current interim period.

14. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
Other payables and accrued expenses	其他應付款項及應計開支

13. 受預期信貸虧損模式規限之金融資產減值評估(續)

釐定截至2019年6月30日止六個月之簡明綜合財務報表之輸入數據及假設及估計方法之基準與編製本集團截至2018年12月31日止年度之年度財務報表所採用者貫徹一致。

截至2019年6月30日止六個月，已根據撥備矩陣就貿易應收款項作出減值撥備7,660,000港元，並於損益中扣除。於本中期期間已作出因期後清償信貸減值貿易應收款項而產生之減值撥備撥回10,005,000港元。

14. 貿易及其他應付款項

	At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Trade payables	319,741	363,303
Other payables and accrued expenses	197,485	236,955
	517,226	600,258

Included in the trade and other payables above amounting to HK\$65,855,000 (31 December 2018: HK\$67,739,000) had been settled by endorsed bills for which the maturity dates of the bills receivables are not yet fallen due as at the end of the reporting period (note 11).

計入上述貿易及其他應付款項65,855,000港元(2018年12月31日: 67,739,000港元)乃以已背書票據償付，其應收票據之到期日於報告期末尚未到期(附註11)。

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14. TRADE AND OTHER PAYABLES (CONTINUED)

The credit period of trade payables is ranging from 30 to 60 days. The following is the aging analysis of trade payables based on the invoice date at the end of each reporting period.

14. 貿易及其他應付款項(續)

貿易應付款項的信貸期介乎30至60日，而於各報告期末按發票日期呈列的貿易應付款項的賬齡分析如下：

		At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Within 30 days	30日以內	176,690	227,429
31 to 60 days	31至60日	67,851	62,015
61 to 90 days	61至90日	29,698	19,766
91 to 180 days	91至180日	36,695	45,399
Over 180 days	超過180日	8,807	8,694
		319,741	363,303

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15. BILLS PAYABLES

Bills payables were guaranteed by the Company and certain of its subsidiaries and the following is the aging analysis of bills payables at the end of the reporting period presented based on bills issue date:

15. 應付票據

應付票據由本公司及其若干附屬公司擔保，以下為於報告期末按票據發行日期所呈列之應付票據賬齡分析：

		At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Within 30 days	30日以內	10,102	15,319
31 to 60 days	31至60日	909	1,333
61 to 90 days	61至90日	449	15,735
91 to 180 days	91至180日	22,421	53,794
Over 180 days	超過180日	3,450	—
		37,331	86,181

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16. UNSECURED BANK BORROWINGS

During the current reporting period, the Group obtained new bank borrowings amounting to approximately HK\$319,855,000 (six months ended 30 June 2018: HK\$536,010,000).

The unsecured bank borrowings are repayable by instalments over a period ranging from one year to three years. The proceeds were used to finance the daily operations. The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's unsecured bank borrowings, are as follows:

16. 無抵押銀行借款

於本報告期間，本集團取得新造銀行借款額約319,855,000港元（截至2018年6月30日止六個月：536,010,000港元）。

無抵押銀行借款須於介乎一年至三年之期間內分期償還。所得款項已用於為日常營運提供資金。本集團無抵押銀行借款的實際利率（亦相等於訂約利率）範圍如下：

		At 30 June 2019 於2019年 6月30日 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 (audited) (經審核)
Effective interest rates (per annum):	實際利率（每年）：		
Variable-rate borrowings	浮動利率借款	3.80% – 5.60%	2.46% – 6.85%
Fixed-rate borrowings	固定利率借款	–	5.75% – 6.00%

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17. SHARE CAPITAL

17. 股本

Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
At 1 January 2019 and 30 June 2019 (unaudited)	於2019年1月1日及 2019年6月30日（未經審核）	10,000,000,000	1,000,000
			HK\$'000 千港元
Issued and fully paid:	已發行及繳足：		
At 1 January 2019 and 30 June 2019 (unaudited)	於2019年1月1日及 2019年6月30日（未經審核）	1,750,002,000	175,000

18. SHARE OPTION SCHEMES

18. 購股權計劃

(i) The Pre-IPO Share Option Scheme

On 13 December 2013, a share option scheme was adopted by the shareholders of the Company (the "Pre-IPO Share Option Scheme"). The Pre-IPO Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that the eligible participants under the scheme have or may have made to the Company.

Details of the Pre-IPO Share Option Scheme were disclosed in the consolidated financial statements for the year ended 31 December 2018. All the options were fully vested on or before 31 December 2018.

(i) 首次公開發售前購股權計劃

於2013年12月13日，本公司股東採納購股權計劃（「首次公開發售前購股權計劃」）。首次公開發售前購股權計劃為一項股份獎勵計劃，旨在肯定及認可該計劃項下的合資格參與者對本公司已作出或可能已作出的貢獻。

首次公開發售前購股權計劃的詳情披露於截至2018年12月31日止年度的綜合財務報表中。所有購股權已於2018年12月31日或之前悉數歸屬。

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18. SHARE OPTION SCHEMES (CONTINUED)

(i) The Pre-IPO Share Option Scheme (Continued)

The following table discloses details of the movement of share options granted to the Group's directors, senior management and employees under the Pre-IPO Share Option Scheme:

Options	Exercise period	Outstanding at		Outstanding at		Outstanding at	
		1 January 2018	Lapsed	30 June 2018	1 January 2019	Lapsed	30 June 2019
		於2018年 1月1日		於2018年 6月30日	於2019年 1月1日		於2019年 6月30日
購股權	行使期	尚未行使 (audited) (經審核)	已失效 (Note) (附註)	尚未行使 (unaudited) (未經審核)	尚未行使 (audited) (經審核)	已失效 (Note) (附註)	尚未行使 (unaudited) (未經審核)
Tranche 1	10 July 2014 – 10 July 2019	6,691,100	(49,000)	6,642,100	6,485,100	(8,000)	6,477,100
第一批	2014年7月10日至2019年7月10日						
Tranche 2	10 July 2015 – 10 July 2019	6,693,100	(49,000)	6,644,100	6,487,100	(8,000)	6,479,100
第二批	2015年7月10日至2019年7月10日						
Tranche 3	10 July 2016 – 10 July 2019	6,693,100	(49,000)	6,644,100	6,487,100	(8,000)	6,479,100
第三批	2016年7月10日至2019年7月10日						
Tranche 4	10 July 2017 – 10 July 2019	6,693,100	(49,000)	6,644,100	6,487,100	(8,000)	6,479,100
第四批	2017年7月10日至2019年7月10日						
Tranche 5	10 July 2018 – 10 July 2019	6,693,100	(49,000)	6,644,100	6,487,100	(8,000)	6,479,100
第五批	2018年7月10日至2019年7月10日						
		33,463,500	(245,000)	33,218,500	32,433,500	(40,000)	32,393,500

Note: 3 (six months ended 30 June 2018: 12) eligible participants, who have been granted share options have ceased to become eligible participants upon termination of employment and the said share options have automatically lapsed.

The Group recognised total expense of approximately HK\$410,000 (six months ended 30 June 2019: Nil) during the six months ended 30 June 2018 in relation to the Pre-IPO Share Options granted by the Company.

18. 購股權計劃 (續)

(i) 首次公開發售前購股權計劃 (續)

下表披露根據首次公開發售前購股權計劃向本集團董事、高級管理層及僱員授出的購股權的變動詳情：

附註：3名合資格參與者（截至2018年6月30日止六個月：12名）（彼等已獲授予購股權）於終止僱傭關係後已不再為合資格參與者，且上述購股權已自動失效。

截至2018年6月30日止六個月，本集團就本公司授出的首次公開發售前購股權確認總開支約410,000港元（截至2019年6月30日止六個月：無）。

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18. SHARE OPTION SCHEMES (CONTINUED)

(ii) The Post-IPO Share Option Scheme

On 4 March 2014, a share option scheme was conditionally adopted by the shareholders of the Company (the "Post-IPO Share Option Scheme").

The purpose of the Post-IPO Share Option Scheme is to provide incentive or reward to the eligible participants with an opportunity to acquire the equity interests in the Company, for their contributions to, and continuing efforts to promote the interest of the Group or for such other purposes as the board of directors of the Company may approve from time to time, linking their interests with the interests of the Group and thereby attracting and encouraging those parties to work better for the interests of the Group. Details of the Post-IPO Share Option Scheme were disclosed in the consolidated financial statements for the year ended 31 December 2018.

18. 購股權計劃 (續)

(ii) 首次公開發售後購股權計劃

於2014年3月4日，本公司股東有條件採納購股權計劃（「首次公開發售後購股權計劃」）。

首次公開發售後購股權計劃旨在向為增加本集團利益或本公司董事會不時批准的其他目的而作出貢獻或持續努力的合資格參與者提供一個獲取本公司股權的機會，作為對彼等的激勵或獎勵，以將彼等的利益與本集團的利益聯繫在一起，從而吸引及鼓勵有關各方為本集團的利益更加努力工作。首次公開發售後購股權計劃的詳情已於截至2018年12月31日止年度綜合財務報表中披露。

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18. SHARE OPTION SCHEMES (CONTINUED)

(ii) The Post-IPO Share Option Scheme (Continued)

The following table discloses details of the movement of share options granted to the Group's directors, senior management and employees under the Post-IPO Share Option Scheme:

Options	Exercise period	Outstanding at		Outstanding at		Outstanding at	
		1 January 2018 於2018年 1月1日 尚未行使 (audited) (經審核)	Lapsed	30 June 2018 於2018年 6月30日 尚未行使 (unaudited) (未經審核)	1 January 2019 於2019年 1月1日 尚未行使 (audited) (經審核)	Lapsed	30 June 2019 於2019年 6月30日 尚未行使 (unaudited) (未經審核)
Tranche 1 第一批	27 January 2018 – 26 January 2022 2018年1月27日至2022年1月26日	15,400,000	(2,540,000)	12,860,000	13,350,000	(800,000)	12,550,000
Tranche 2 第二批	27 January 2019 – 26 January 2022 2019年1月27日至2022年1月26日	15,400,000	(2,540,000)	12,860,000	13,350,000	(800,000)	12,550,000
		30,800,000	(5,080,000)	25,720,000	26,700,000	(1,600,000)	25,100,000

Note: 3 (six months ended 30 June 2018: 5) eligible participants, who have been granted share options have ceased to become eligible participants upon termination of employment and the said share options have automatically lapsed.

18. 購股權計劃 (續)

(ii) 首次公開發售後購股權計劃 (續)

下表披露根據首次公開發售後購股權計劃向本集團董事、高級管理層及僱員授出的購股權變動詳情：

附註：3名（截至2018年6月30日止六個月：5名）合資格參與者（彼等已獲授予購股權）於終止僱傭關係後已不再為合資格參與者，且上述購股權已自動失效。

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18. SHARE OPTION SCHEMES (CONTINUED)

(ii) The Post-IPO Share Option Scheme (Continued)

The Group recognised a total expense of approximately HK\$111,000 for the six months ended 30 June 2019 (six months ended 30 June 2018: HK\$995,000) in relation to the Post-IPO Share Options granted by the Company.

19. COMMITMENT

18. 購股權計劃 (續)

(ii) 首次公開發售後購股權計劃 (續)

截至2019年6月30日止六個月，本集團就本公司所授出的首次公開發售後購股權確認總開支約111,000港元（截至2018年6月30日止六個月：995,000港元）。

19 承擔

	At 30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	8,476	11,485

就收購已訂約但未於簡明綜合財務報表撥備的物業、廠房及設備的資本開支

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20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets that are not measured at fair value on a recurring basis

Some of the Group's financial assets 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 are determined (in particular, the valuation technique 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.

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

20. 金融工具之公平值計量

本集團並非按經常性基準以公平值計量之金融資產之公平值

本集團部分金融資產於各報告期末按公平值計量。下表提供有關如何釐定該等金融資產之公平值（特別是所使用的估值技術及輸入數據），及根據公平值計量之輸入數據之可觀察程度劃分之公平值層級水平（一至三層）之資料。

- 第一層公平值計量為基於相同資產或負債於活躍市場之報價（未經調整）者；
- 第二層公平值計量為自資產或負債之可直接（即作為價格）或間接（即自價格衍生）觀察之輸入數據（第一層計入之報價除外）得出者；及
- 第三層公平值計量為自估值技術得出者，包括並非以可觀察之市場數據為基礎之資產或負債之輸入數據（不可觀察輸入數據）。

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20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

20. 金融工具之公平值計量 (續)

Fair value of the Group's financial assets that are not measured at fair value on a recurring basis (Continued)

本集團並非按經常性基準以公平值計量之金融資產之公平值 (續)

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key inputs 估值技術及 主要輸入數據	Sensitivity
	30 June 2019	31 December 2018			
金融資產	於以下日期之公平值		公平值層級		敏感度
	2019年 6月30日 (unaudited) (未經審核)	2018年 12月31日 (audited) (經審核)			
Trade receivables at FVTOCI	70,437,000	87,769,000	Level 3	Discounted cash flows Estimated settlement period from these trade receivables and risk-adjusted discount rates of 3.37% to 4.37% (31 December 2018: 3.38% to 4.38%) quoted by the banks	A slight increase in risk-adjusted discount rates used would result in a slight decrease in fair value, and vice versa. A slight increase in estimated settlement period used would result in a slight decrease in fair value, and vice versa.
透過其他全面收益按公平值列賬之貿易應收款項	70,437,000	87,769,000	第三層	貼現現金流量 銀行所報之該等貿易應收款項之估計償付期間及風險調整貼現率 3.37%至4.37% (2018年12月31日: 3.38%至4.38%)	所使用的風險調整貼現率輕微上升將導致公平值輕微減少, 反之亦然。 所使用的估計償付期間輕微上升將導致公平值輕微減少, 反之亦然。

There were no transfers in different levels of the fair value hierarchy during the six months ended 30 June 2019.

於截至2019年6月30日止六個月, 公平值層級並無不同等級間的轉撥。

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20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

20. 金融工具之公平值計量 (續)

Reconciliation of Level 3 fair value measurements

第三層公平值計量對賬

		Trade receivables at FVTOCI 透過其他全面 收益按公平值 列賬之貿易 應收款項 HK\$'000 千港元
As at 1 January 2018 (audited)	於2018年1月1日 (經審核)	86,658
Loss on initial recognition of trade receivables at FVTOCI (included in other expenses)	透過其他全面收益按公平值列賬之 貿易應收款項之初步確認虧損 (計入其他開支)	(1,152)
Sales	銷售	576,653
Settlements	結付	(593,569)
Effective interest income (included in other income)	實際利息收入 (計入其他收入)	1,088
Exchange realignment	匯兌調整	2,386
As at 30 June 2018 (unaudited)	於2018年6月30日 (未經審核)	72,064
As at 1 January 2019 (audited)	於2019年1月1日 (經審核)	87,769
Loss on initial recognition of trade receivables at FVTOCI (included in other expenses)	透過其他全面收益按公平值列賬之 貿易應收款項之初步確認虧損 (計入其他開支)	(666)
Sales	銷售	413,191
Settlements	結付	(430,356)
Effective interest income (included in other income)	實際利息收入 (計入其他收入)	482
Exchange realignment	匯兌調整	17
As at 30 June 2019 (unaudited)	於2019年6月30日 (未經審核)	70,437

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20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures required)

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values based on discounted cash flow analysis.

21. RELATED PARTY DISCLOSURES

During the six months ended 30 June 2019 and 2018, the Group had entered into the following related party transaction:

Relationship with the Group 與本集團關係	Nature of transactions 交易性質	For the six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)
Fellow subsidiary of the Company 本公司的同系附屬公司	Rental expenses 租金開支	–	8,852
	Repayment of lease liabilities 償還租賃負債	3,545	–
	Interest paid for lease liabilities 已付租賃負債利息	823	–

20. 金融工具之公平值計量(續)

本集團並非按經常性基準以公平值計量(惟須披露公平值)之金融資產及金融負債之公平值

本公司董事認為,根據貼現現金流量分析,於簡明綜合財務報表內按攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若。

21. 關連方披露

於截至2019及2018年6月30日止六個月,本集團訂立下列關連方交易:

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21. RELATED PARTY DISCLOSURES (CONTINUED)

Relationship with the Group	Nature of balances	At	At
		30 June 2019 於2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 於2018年 12月31日 HK\$'000 千港元 (unaudited) (未經審核)
Fellow subsidiary of the Company 本公司的同系附屬公司	Lease liabilities 租賃負債	19,718	–

In addition, certain trademarks owned by fellow subsidiaries of the Company were used by the Group free of charge during both periods.

此外，本集團於兩個期間內免費使用若干本公司同系附屬公司擁有的商標。

Compensation of key management personnel

The remuneration of directors and other members of key management during the reporting period was as follows:

主要管理人員的補償

董事及其他主要管理層成員於報告期間的薪酬如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (unaudited) (未經審核)
Salaries and allowances	薪金及津貼	5,746	5,816
Retirement benefit schemes contributions	退休福利計劃供款	72	73
Share based payment expense	股份支付開支	34	615
		5,852	6,504



SINOMAX

Sinomax Group Limited
盛諾集團有限公司