



ZHENGYE
INTERNATIONAL

正業國際控股有限公司

ZHENGYE INTERNATIONAL HOLDINGS COMPANY LIMITED

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立的有限公司)

Stock Code 股份代號 : 3363.HK

www.zhengye-cn.com

2020 INTERIM REPORT 中期報告





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Corporate Information

公司資料

Board of Directors

Executive Directors

Mr. Hu Zheng (*Chairman*)
(Mr. Hu Jianpeng as his alternate)
Mr. Hu Hancheng (*Co-Chairman*)
(Mr. Hu Jianjun as his alternate)
Mr. Hu Hanchao
(Mr. Tan Xijian as his alternate)

Non-Executive Director

Mr. Chen Riyue

Independent Non-Executive Directors

Mr. Chung Kwok Mo John
Mr. Liew Fui Kiang
Mr. Shin Yick Fabian

Chief Executive Officer

Mr. Hu Jianpeng

Company Secretary

Mr. Kersen Chan

Audit Committee

Mr. Chung Kwok Mo John (*Chairman*)
Mr. Liew Fui Kiang
Mr. Shin Yick Fabian

Remuneration Committee

Mr. Shin Yick Fabian (*Chairman*)
Mr. Chung Kwok Mo John
Mr. Hu Zheng
Mr. Liew Fui Kiang

董事會

執行董事

胡正先生 (*董事長*)
(胡健鵬先生為其候補董事)
胡漢程先生 (*聯席董事長*)
(胡健君先生為其候補董事)
胡漢朝先生
(譚錫健先生為其候補董事)

非執行董事

陳日月先生

獨立非執行董事

鍾國武先生
劉懷鏡先生
冼易先生

行政總裁

胡健鵬先生

公司秘書

陳鉅升先生

審核委員會

鍾國武先生 (*主席*)
劉懷鏡先生
冼易先生

薪酬委員會

冼易先生 (*主席*)
鍾國武先生
胡正先生
劉懷鏡先生

Corporate Information

公司資料

Nomination Committee

Mr. Hu Zheng (*Chairman*)
Mr. Chung Kwok Mo John
Mr. Liew Fui Kiang
Mr. Shin Yick Fabian

Risk Management Committee

Mr. Liew Fui Kiang (*Chairman*)
Mr. Chung Kwok Mo John
Mr. Shin Yick Fabian
Mr. Hu Zheng

Budget Management Committee

Mr. Hu Hanchao (*Chairman*)
Mr. Hu Zheng
Mr. Hu Haocheng

Registered Office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Registered Office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

提名委員會

胡正先生 (*主席*)
鍾國武先生
劉懷鏡先生
冼易先生

風險管理委員會

劉懷鏡先生 (*主席*)
鍾國武先生
胡正先生
冼易先生

預算管理委員會

胡漢朝先生 (*主席*)
胡正先生
胡漢程先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Corporate Information

公司資料

Headquarters and Principal Place of Business in China

20th Floor, Building 2, Ocean Plaza
28 Boai No.6 Road, Eastern District
Zhongshan City, Guangdong
The People's Republic of China

Principal Place of Business in Hong Kong

Suite 1404, 14th Floor
Jubilee Centre
18 Fenwick Street
Wan Chai
Hong Kong

Authorized Representatives

Mr. Hu Zheng
Mr. Kersen Chan

Legal Adviser

As to Hong Kong
Loeb & Loeb LLP

As to Bermuda law
Conyers Dill & Pearman

Auditor

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

中國總公司及主要營業地點

中華人民共和國
廣東省中山市
東區博愛六路28號
遠洋廣場2幢20樓

香港主要營業地點

香港
灣仔
分域街18號
捷利中心
14樓1404室

授權代表

胡正先生
陳鉅升先生

法律顧問

香港法律
樂博律師事務所

百慕達法律
Conyers Dill & Pearman

核數師

德勤•關黃陳方會計師行
註冊公眾利益實體核數師

Corporate Information

公司資料

Principal Share Registrar and Transfer Office in Bermuda

MUFG Fund Services (Bermuda) Limited
4th Floor North Cedar House
41 Cedar Avenue
Hamilton HM 12, Bermuda

Branch Share Registrar and Transfer Office in Hong Kong

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

Principal Bankers

Bank of China
Industrial and Commercial Bank of China
Industrial Bank Company Limited

Share Information

Stock code: 3363

Company's Official Website Address

<http://www.zhengye-cn.com>

百慕達主要股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
4th Floor North Cedar House
41 Cedar Avenue
Hamilton HM 12, Bermuda

香港股份過戶登記分處

卓佳證券登記有限公司
香港灣仔
皇后大道東 183 號
合和中心 54 樓

主要往來銀行

中國銀行
中國工商銀行
興業銀行股份有限公司

股份資料

股份編號：3363

本公司官方網站

<http://www.zhengye-cn.com>

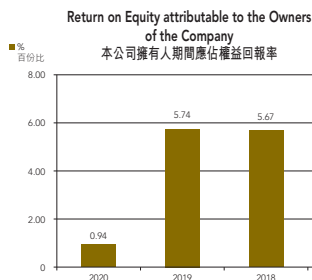
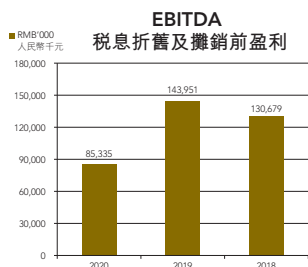
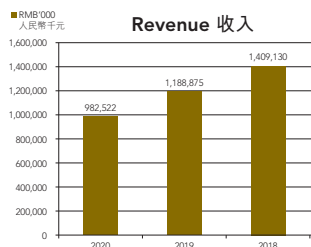
Financial Highlights

財務摘要

For the period ended 30 June
截至六月三十日止期間

2020 2019
二零二零年 二零一九年
RMB'000 RMB'000
人民幣千元 人民幣千元

Revenue	收入	982,522	1,188,875
EBITDA	稅息折舊及攤銷前盈利	85,335	143,951
Profit attributable to the Owner of the Company for the period	本公司擁有人期間應佔全面收益總額	8,743	51,382
Return on Equity attributable to the Owners of the Company for the period	本公司擁有人期間應佔權益回報率	0.94%	5.74%



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 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)	
		NOTES 附註		
Revenue	收入	3	982,522	1,188,875
Cost of sales	銷售成本		(842,424)	(940,920)
Gross profit	毛利		140,098	247,955
Other income	其他收入	4	14,893	4,001
Other gains and losses	其他收益及虧損	5	(1,490)	(979)
Distribution and selling expenses	分銷及銷售費用		(32,465)	(35,822)
Administrative expenses	行政開支		(60,018)	(68,537)
Finance costs	融資成本	6	(20,307)	(20,825)
Research and development expenses	研發支出		(30,133)	(44,324)
Profit before tax	除稅前溢利	7	10,578	81,469
Income tax expense	所得稅開支	8	(3,058)	(16,796)
Profit and total comprehensive Income for the period	期間溢利及全面收益總額		7,520	64,673
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:	本公司擁有人應佔期間溢利及全面收益總額：			
Owners of the Company	本公司擁有人		8,743	51,382
Non-controlling interests	非控股權益		(1,223)	13,291
			7,520	64,673
EARNINGS PER SHARE	每股盈利			
Basic (RMB)	基本(人民幣)	10	0.02	0.10

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020

於二零二零年六月三十日

			30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (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	12	1,031,899	892,291
Right-of-use-assets	使用權資產		208,925	216,194
Other intangible assets	其他無形資產	13	-	-
Deferred tax assets	遞延稅項資產	19	7,624	6,475
Deposits for acquisition of a subsidiary	收購附屬公司按金		-	5,000
Deposits paid for acquisition of property, plant and equipment	購買物業、廠房及設備按金		15,465	6,785
			1,263,913	1,126,745
Current Assets	流動資產			
Inventories	存貨		149,397	137,275
Trade and other receivables	貿易及其他應收款項	14	722,205	771,974
Contract assets	合約資產		12,219	16,957
Tax recoverable	可回收稅項		959	607
Pledged bank deposits	已抵押銀行存款		156,530	139,904
Bank balances and cash	銀行結餘及現金	15	144,534	231,089
			1,185,844	1,297,806

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020

於二零二零年六月三十日

			30 June 2020	31 December 2019
			二零二零年 六月三十日	二零一九年 十二月三十一日
	NOTES		RMB'000	RMB'000
	附註		人民幣千元 (unaudited) (未經審核)	人民幣千元 (audited) (經審核)
Current Liabilities		流動負債		
Trade and other payables		貿易及其他 應付款項		
	16		285,540	307,580
Tax liabilities		稅項負債	5,324	6,452
Bank borrowings	18	銀行借款	775,879	777,488
Other borrowings	18	其他借款	72,214	39,105
Lease liabilities		租賃負債	15,121	17,277
Contract liabilities		合約負債	3,771	2,215
Amounts due to directors	17	應付董事款項	419	354
			1,158,268	1,150,471
Net Current Assets		流動資產淨值	27,576	147,335
Total Assets Less Current Liabilities		資產總值減 流動負債	1,291,489	1,274,080

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020

於二零二零年六月三十日

			30 June 2020	31 December 2019
			二零二零年 六月三十日	二零一九年 十二月三十一日
		NOTES 附註	RMB'000 人民幣千元 (unaudited) (未經審核)	RMB'000 人民幣千元 (audited) (經審核)
Capital and Reserves	資本及儲備			
Share capital	股本	20	41,655	41,655
Reserves	儲備		892,997	884,254
Equity attributable to owners of the Company	本公司擁有人 應佔權益		934,652	925,909
Non-controlling interests	非控制權益		214,786	198,498
Total Equity	權益總額		1,149,438	1,124,407
Non-current Liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	19	4,574	5,629
Bank borrowings	銀行借款	18	23,411	33,250
Other borrowings	其他借款	18	41,202	23,469
Lease liabilities	租賃負債		33,579	48,407
Deferred income	遞延收入		39,285	38,918
			142,051	149,673
			1,291,489	1,274,080

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital	Share premium	Statutory reserves	Other reserves	Retained earnings	Sub-total	Non-controlling interest	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	41,655	92,968	129,481	(23,389)	653,010	893,725	179,654	1,073,379
Profit and total comprehensive income for the period	期間溢利及全面收益總額	-	-	-	-	51,382	51,382	13,291	64,673
Dividend paid	已付股息	-	-	-	-	(50,000)	(50,000)	-	(50,000)
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	41,655	92,968	129,481	(23,389)	654,392	895,107	192,945	1,088,052
At 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	41,655	92,968	135,174	(23,389)	679,501	925,909	198,498	1,124,407
Acquisition of a subsidiary	收購附屬公司	-	-	-	-	-	-	14,311	14,311
Capital injection by non-controlling shareholder of a subsidiary	附屬公司的非控股股東注資	-	-	-	-	-	-	3,200	3,200
Profit and total comprehensive income for the period	期間溢利及全面收益總額	-	-	-	-	8,743	8,743	(1,223)	7,520
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	41,655	92,968	135,174	(23,389)	688,244	934,652	214,786	1,149,438

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
OPERATING ACTIVITIES	經營業務		
Profit before tax	稅前溢利	10,578	81,469
Adjustments for:	就以下各項作出調整：		
Finance costs	融資成本	20,307	20,825
Interest income	利息收入	(2,720)	(2,161)
Depreciation of property, plant and equipment	物業、工廠及設備折舊	44,042	39,096
Depreciation of right-of-use assets	使用權資產折舊	10,408	2,360
Impairment gain recognized on trade and other receivables	已確認貿易及其他應收款項減值收益	40	(10)
Amortisation of other intangible assets	其他無形資產攤銷	-	201
Gain (loss) on disposal of property, plant and equipment	出售物業、工廠及設備的收益(虧損)	(275)	(211)
Exchange gain on borrowings equipment	借款產生的匯兌收益	204	-
Amortisation of government grant relating to non-current assets	有關非流動資產之政府補貼攤銷	(1,633)	(1,533)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Operating cash flows before movements in working capital	營運資本變動前經營現金流量	80,951	140,036
Decrease in inventories	存貨減少	8,023	26,725
Decrease in trade and other receivables	貿易及其他應收款項減少	57,205	115,948
Decrease in borrowings relating to discounted bills receivables	有關已貼現應收票據之借款減少	(92,690)	-
Increase in right-of-use assets	使用權資產增加	-	(38,519)
Increase in lease liabilities	租賃負債增加	-	41,071
Decrease in contract assets	合約資產減少	4,738	782
Decrease in trade and other payables	貿易及其他應付款項減少	(98,269)	(200,689)
Increase (decrease) in contract liabilities	合約負債增加(減少)	1,556	(446)
Increase (decrease) in amounts due to directors	應付董事款項增加(減少)	65	(1,700)
Cash (used in) generated from operations	經營業務(所用)所得現金	(38,421)	83,208
Income tax paid	已付所得稅	(5,939)	(23,154)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營業務(所用)所得現金淨額	(44,360)	60,054

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2020

截至二零二零年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
INVESTING ACTIVITIES	投資業務		
Interest received	已收利息	2,669	2,161
Proceeds from disposals of property, plant and equipment	出售收購物業、工廠及設備所得款項	1,085	6,133
Purchase of property, plant and equipment	購置物業、工廠及設備	(72,103)	(23,353)
Deposits paid for acquisition of property, plant and equipment	購置物業、工廠及設備按金	(15,465)	(8,375)
Refund deposit for acquisition of a subsidiary	退回收購附屬公司按金	5,000	–
Acquisition of a subsidiary	收購附屬公司	(17,011)	–
Placement of pledged bank deposits	存入已抵押銀行存款	(176,419)	(141,789)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	159,792	110,826
Receipt of government grant relating to non-current assets	收取有關非流動資產之政府補貼	2,000	9,014
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額	(110,452)	(45,383)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
FINANCING ACTIVITIES	融資業務		
Interest paid	已付利息	(20,307)	(20,825)
Dividend paid	已付股息	-	(50,000)
Repayments of lease liabilities	償還租賃負債	(12,316)	(7,446)
New bank and other borrowings raised	新取得銀行及其他借款	368,278	291,748
Repayment of bank and other borrowings	償還銀行及其他借款	(267,398)	(254,781)
NET CASH FROM (USED IN) FINANCING ACTIVITIES	融資業務所得(所用)現金淨額	68,257	(41,304)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加(減少)淨額	(86,555)	(26,633)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日的現金及現金等價物	231,089	258,981
CASH AND CASH EQUIVALENTS AT 30 JUNE	於六月三十日的現金及現金等價物	144,534	232,348

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

1. Basis of Preparation

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

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis.

Except as described below, the accounting policies and method of computations used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2019.

1. 編製基準

簡明綜合財務報表乃根據香港會計師公會頒佈的香港會計準則34「中期財務報告」以及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄16的適用披露規定編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本基準編製。

除下文所述外，截至二零二零年六月三十日止六個月之簡明綜合財務報表所採納之會計政策及計算方法與編製本公司及本集團截至二零一九年十二月三十一日止年度之財務報表所採納者一致。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

2. Principal Accounting Policies

(Continued)

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of Business
Amendments to HKFRS 9 HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

Except as described below, the application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the 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. 主要會計政策(續)

於本中期期間，本集團已首次應用以下與編製本集團簡明綜合財務報表相關的由香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)修訂本：

香港會計準則1 香港會計準則8 (修訂本)	重大之定義
香港財務報告準則 3預付款項	業務之定義
香港財務報告準則9、 香港會計準則39及 香港財務報告 準則7(修訂本)	利率基準改革

除下文外，本期間應用香港財務報告準則經修訂概念框架指引及經修訂香港財務報告準則對本集團於本期間及過往期間之財務狀況及表現及／或載於簡明綜合財務報表之披露並無重大影響。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

2. Principal Accounting Policies

(Continued)

2.1 Impacts of application on Amendments to HKAS 1 and HKAS 8 “Definition of Material”

The amendments provide a new definition of material that states “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.”

The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments in the current period had no impact on the condensed consolidated financial statements. Changes in presentation and disclosures on the application of the amendments, if any, will be reflected on the consolidated financial statements for the year ending 31 December 2020.

2. 主要會計政策(續)

2.1 應用香港會計準則1及香港會計準則8(修訂本)「重大的定義」之影響

修訂本為重大提供新的定義，列明「倘遺漏、錯誤陳述或隱瞞資訊可以合理預期會影響一般用途財務報表的主要用戶基於該等提供有關特定報告實體之財務資訊的財務報表作出之決策，則該資訊屬重大」。

修訂本並釐清在整體財務報表的範圍內，重要性取決於資訊的性質或幅度(單獨或與其他資訊結合使用)。

本期間應用修訂本對簡明綜合財務報表並無影響。應用修訂本之呈報及披露的變更(倘有)，將於截至二零二零年十二月三十一日止年度之綜合財務報表中反映。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

2. Principal Accounting Policies

(Continued)

2.2 Impacts of application on Amendments to HKFRS 3 “Definition of Business”

2.2.1 Accounting policies

Business combinations or asset acquisitions

Optional concentration test

Effective from 1 January 2020, the Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

2. 主要會計政策(續)

2.2 應用香港財務報告準則3(修訂本)「業務的定義」之影響及會計政策

2.2.1 會計政策

業務合併或收購資產

可選集中度測試

自二零二零年一月一日起生效，本集團可選擇以逐項交易基準應用可選集中度測試，可對所收購之一組活動及資產是否並非一項業務作簡化評估。倘所收購總資產的公允值幾乎全部都集中在單一可識別資產或一組類似可識別資產中，則符合集中度測試。評估之總資產不包括現金及現金等價物、遞延稅項資產、及由遞延稅項負債影響產生之商譽。倘符合集中度測試，該組活動及資產被釐定為並非業務及毋須作進一步評估。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

2. Principal Accounting Policies

(Continued)

2.2 Impacts of application on Amendments to HKFRS 3 “Definition of Business”

(Continued)

2.2.2 Transition and summary of effects

The amendments had no impact on the condensed consolidated financial statements of the Group.

2. 主要會計政策 (續)

2.2 應用香港財務報告準則3(修訂本)「業務的定義」之影響及會計政策

2.2.2 過渡及影響之總結

修訂本對本集團之簡明綜合財務報表並無影響。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

3. Segment Information

The following is an analysis of the Group's revenue and results by operating segment.

Six months ended 30 June 2020
(unaudited)

3. 分部資料

本集團按營運分部劃分的收入及業績分析如下。

截至二零二零年六月三十日止六個月(未經審核)

		Corrugated medium paper 瓦楞芯紙 RMB'000 人民幣千元	Paper-based packaging 紙製包裝 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
REVENUE	收入			
External sales	外間銷售	630,221	352,301	982,522
Inter-segment sales	分部間銷售	63,528	-	63,528
Segment revenue	分部收入	693,749	352,301	1,046,050
Eliminations	抵銷			(63,528)
Group Revenue	集團收入			982,522
Segment Profit	分部溢利	1,968	13,116	15,084
Eliminations	抵銷			546
Unallocated corporate income, net	未分配企業收入淨額			(5,052)
Profit before tax	集團稅前溢利			10,578

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

3. Segment Information (Continued) Six months ended 30 June 2019 (unaudited)

3. 分部資料(續) 截至二零一九年六月三十日 止六個月(未經審核)

		Corrugated medium paper 瓦楞芯紙 RMB'000 人民幣千元	Paper-based packaging 紙製包裝 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
REVENUE	收入			
External sales	外間銷售	753,118	435,757	1,188,875
Inter-segment sales	分部間銷售	74,756	–	74,756
Segment revenue	分部收入	827,874	435,757	1,263,631
Eliminations	抵銷			(74,756)
Group Revenue	集團收入			1,188,875
Segment Profit	分部溢利	71,744	14,402	86,146
Unallocated corporate income, net	未分配企業收入淨額			(4,677)
Profit before tax	集團稅前溢利			81,469

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

3. Segment Information (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represented the profit earned by each segment without allocation of legal and professional fee, bank interest income and other corporate income and expenses.

No reconciliation of reportable segment revenues is provided as the total revenues for reportable segments excluded inter-segment revenue is the same as the Group's revenue.

4. Other Income

3. 分部資料(續)

營運分類之會計政策與本集團會計政策相同。分部業績指各分部賺取的溢利，未扣除法律及專業費用、銀行利息收入以及其他企業收入及開支。

因可申報分部的總收入(剔除分部間收入)與本集團的收入相同，故並無提供可申報分部收入的對賬。

4. 其他收入

Six months ended 30 June

截至六月三十日止六個月

		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interest income from bank deposits	銀行存有利息收入	2,669	2,161
Interest income from rental deposits	租賃按金利息收入	51	–
Government grant	政府補貼	9,932	1,533
Sundry income	雜項收入	2,241	307
		14,893	4,001

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

5. Other Gains and Losses

5. 其他收益及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Exchange loss, net	外匯虧損淨額	(1,215)	(1,190)
Gain on disposals of property, plant and equipment	出售物業、工廠及設備收益(虧損)	(275)	211
		(1,490)	(979)

6. Finance Costs

6. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Interest on:	以下項目的利息：		
Bank borrowings	銀行借款	17,273	18,440
Other borrowings	其他借款	2,489	2,125
Finance lease	融資租賃	–	260
Lease liabilities	租賃負債	545	–
		20,307	20,825

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

7. Profit for the Period

7. 期間溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Profit before tax has been arrived at after charging the following items:	除稅前溢利已扣除下列各項：		
Depreciation of property, plant and equipment	物業、工廠及設備折舊	44,042	39,096
Depreciation of right-of-use assets	使用權資產折舊	10,408	2,360
Amortisation of other intangible assets (included in cost of sales)	其他無形資產攤銷 (在銷售成本內)	-	201

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

8. Income Tax Expense

8. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current tax:	即期稅項		
PRC Enterprise Income Tax	中國企業所得稅	3,915	21,175
Deferred tax (note 19)	遞延稅項(附註19)		
Current period	當前期間	(857)	(4,379)
Income tax expense	所得稅開支	3,058	16,796

Accordingly, stating from the current year, the Hong Kong profit tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profit above HK\$2 million.

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits for both periods.

因此，由本年度開始，香港利得稅估計應課稅溢利的首兩百萬港元將按8.25%計算，而超過兩百萬港元的估計應課稅溢利則按16.5%的計算。

本集團於兩年期間均無在香港產生應課稅溢利，故並無就香港利得稅作出撥備。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

8. Income Tax Expense (Continued)

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. Certain PRC subsidiaries approved as advanced-technology enterprises by the relevant government authorities are subject to a preferential rate of 15%. During the year, four PRC subsidiaries were approved as “small and low-profit enterprises” by the relevant government authorities are subject to a two-tiered preferential rate. The first RMB1 million of taxable profit of the qualifying group entities will be taxed at 5%, and taxable profit above RMB1 million will be taxed at 10%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. Dividends

The directors have determined that no interim dividend has been paid for the six months ended 30 June 2020 (for the six months ended 30 June 2019: nil).

8. 所得稅開支(續)

按中華人民共和國企業所得稅法(「企業所得稅法」)及其實施條例規定，中國附屬公司的稅率兩個年度均為25%。若干中國附屬公司得到相關政府部門批准為高新技術企業，優惠稅率為15%。於本年內，四家附屬公司獲相關政府部門批准為「小型微利企業」，並享有兩級制優惠。合資格的實體組合，其首人民幣一百萬元應納稅所得利潤按稅率5%計算，而超過人民幣一百萬元應納稅所得利潤則按稅率10%計算。

其他司法管轄區產生的稅項則按個別司法管轄區適用之稅率計算。

9. 股息

董事會決定不會派付截至二零二零年六月三十日止六個月的股息(截至二零一九年六月三十日止六個月：無)。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

10. Earnings per Share

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

10. 每股盈利

本公司擁有人應佔每股基本盈利按以下數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Earnings	盈利		
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share	用以計算每股基本盈利的本公司擁有人應佔期間溢利	8,743	51,382
Number of shares	股份數目		
Number of ordinary shares for the purpose of basic earnings per shares per share	用於計算每股基本盈利的普通股股數	500,000,000	500,000,000

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簡明綜合財務報表附註

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

11. Business Combination

On 1 March 2020, the Group acquired the 80% equity interests of Yudu County Zhengyi Paper Products and Paper Industry Company Limited* (于都縣正億紙品紙業有限公司) (“Zhengyi”) for a total cash consideration of RMB60,000,000. Zhengyi is engaged in the manufacture and sale of corrugated papers and paper cycling in the PRC. The acquisition can provide additional production capacity to boost the market share of the Group in high end corrugated medium paper of the Group. This operating results have been included in the corrugated medium papers segment.

11. 業務合併

於二零二零年三月一日，本集團以總現金代價人民幣60,000,000元完成收購于都縣正億紙品紙業有限公司(「正億」)的80%股權。正億在中國從事生產及銷售瓦楞紙及廢紙回收，該收購可提供本集團額外產能，有助提升高端瓦楞芯紙市場份額。正億經營之業績已包含於瓦楞芯紙的分類。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

11. Business Combination (Continued)

The following summaries the consideration paid for Zhengyi, the fair value of assets acquired and liabilities assumed at the acquisition date (determined on a provisional basis):

11. 業務合併(續)

以下概述就正億於收購日所支付的代價、所購得的資產及所承擔的負債的公平價值(按暫定基準釐定)：

		RMB'000 人民幣千元
Property, plant and equipment	物業、工廠及設備	105,572
Right-of-use assets	使用權資產	7,806
Deferred tax assets	遞延稅項資產	802
Inventories	存貨	20,145
Trade and other receivables	貿易及其他應收款項	4,225
Bank balances and cash equivalents	銀行結餘及現金等值項目	12,789
Trade and other payables	貿易及其他應付款項	(48,687)
Borrowings	貸款	(31,000)
Net assets	淨資產	71,652
Non-controlling interests	非控制權益	(14,311)
Total consideration satisfied by cash	以現金支付之總代價	57,341
Net cash outflow arising on acquisition:	收購的現金流出淨額：	
Cash consideration paid	已支付之現金代價	29,800
Bank balances and cash equivalents acquired	已收購之銀行結餘及現金等值項目	(12,789)
		17,011

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

11. Business Combination (Continued)

The total revenue included in the consolidated statement of comprehensive income from its date of acquisition (i.e., 1 March 2020) to 30 June 2020 contributed by Zhengyi was approximately RMB75,945,000. Zhengyi reported net profit of approximately RMB8,990,000 over the same period.

Had Zhengyi been consolidated from 1 January 2020, there was should not be no change for revenue and profit attributable to owners of the Company.

11. 業務合併(續)

正億自收購日期(即二零二零年三月一日)至二零二零年六月三十日計入綜合全面收入表的總收入約為人民幣75,945,000元。同期正億錄得利潤約人民幣8,990,000元。

倘正億於二零二零年一月一日已綜合計入，本公司的收入及擁有人所佔溢利並沒有任何變動。

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簡明綜合財務報表附註

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

12. Property, Plant and Equipment

The movements in property, plant and equipment during the period is summarised as follows:

12. 物業、廠房及設備

期間物業、工廠及設備之變動概述如下：

		RMB'000 人民幣千元
As at 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	891,169
Transitional adjustments on the initial application of HKFRS 16	首次採用香港財務報告準則16之過渡性調整	(4,221)
Adjusted as at 1 January 2019	於二零一九年一月一日 (經調整)	886,948
Additions of plant and equipment	添置工廠及設備	26,124
Disposals of plant and equipment	出售工廠及設備	(1,701)
Depreciation for the period	期間折舊	(39,096)
As at 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	872,275
As at 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	892,291
Acquisition of a subsidiary	收購附屬公司	104,816
Additions of plant and equipment	添置工廠及設備	79,644
Disposals of plant and equipment	出售工廠及設備	(810)
Depreciation for the period	期間折舊	(44,042)
As at 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	1,031,899

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簡明綜合財務報表附註

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13. Other Intangible Assets

13. 其他無形資產

		RMB'000 人民幣千元
As at 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	338
Charge for the period	期間計提	(201)
As at 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	137
As at 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	-
Charge for the period	期間計提	-
As at 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	-

Development costs are internally generated.

開發成本源自內部。

Such intangible asset are amortised on a straight-line basis over 5 years.

該無形資產按直線法分五年攤銷。

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14. Trade and Other Receivables

14. 貿易及其他應收款項

		30 June	31 December
		2020	2019
		二零二零年	二零一九年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Trade receivables	貿易應收款項	405,915	431,716
Less: allowance for credit losses	減：呆賬準備	(1,912)	(1,912)
		404,003	429,804
Trade receivables backed by bank bills	以銀行票據為後盾的貿易應收款項	265,153	298,640
		669,156	728,444
Advances to suppliers	墊付供應商款項	32,506	25,693
Prepayments	預付款項	5,498	5,304
Other receivables	其他應收款項	15,045	12,533
		53,049	43,530
Total trade and other receivables	貿易及其他應收款項總額	722,205	771,974

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14. Trade and Other Receivables

(Continued)

As at 30 June 2020 and 31 December 2019, gross amount of trade receivables from contracts with customers amounted to RMB671,068,000 and RMB730,356,000 respectively.

The Group allows an average credit period of 30 to 120 days from the invoice date to its trade customers except for the customers newly accepted of which payment is made when goods are delivered. For customers with good credit quality, the Group also allows them to provide bank bills before the due date of trade receivables. Those bills have maturity ranging from 60 to 180 days guaranteed by bank.

As at 30 June 2020, total bills received amounting to RMB265,153,0000 (31 December 2019: RMB298,640,000) are held by the Group for future settlement of trade receivables, of which certain bills were further discounted/endorsed by the Group. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of less than one year.

14. 貿易及其他應收款項

(續)

於二零二零年六月三十日及二零一九年十二月三十一日，與客戶的合約應收貿易賬款總額分別為人民幣671,068,000元及人民幣730,356,000元。

本集團由發票開具日期起計算，向貿易客戶提供30天至120天的信用期，惟承接的客戶須於貨品交付時付款。對於信譽良好的客戶，本集團亦允許其於應收貿易賬款到期日前提供銀行票據。這些賬單的到期日為60至180天，由銀行擔保。

於二零二零年六月三十日，本集團持有未來結算貿易應收款項的賬面總額為人民幣265,153,000元（二零一九年十二月三十一日：人民幣298,640,000元），其中若干票據進一步貼現／認可本集團。本集團於報告期末繼續確認其全部賬面值。本集團收到的所有賬單的到期日均不足一年。

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簡明綜合財務報表附註

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14. Trade and Other Receivables

(Continued)

The following is an aged analysis of trade receivables not backed by bank bills presented based on dates of delivery of goods, at the end of the reporting period:

14. 貿易及其他應收款項

(續)

列載於報告期末按照貨品發送日期為基準呈列的貿易應收款項不受銀行票據支持的賬齡分析：

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
0 to 60 days	0至60天	313,610	307,211
61 to 90 days	61至90天	37,282	40,519
91 to 180 days	91至180天	46,072	59,461
Over 180 days	180天以上	7,039	22,613
		404,003	429,804

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簡明綜合財務報表附註

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14. Trade and Other Receivables

(Continued)

The aged analysis of trade receivables backed by bank bills based on dates of delivery of goods or recognition date of the gross trade receivables, at the end of the reporting period are analysed as follows:

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
0 to 60 days	0至60天	62,854	65,413
61 to 90 days	61至90天	55,801	35,514
91 to 180 days	91至180天	128,463	148,813
Over 180 days	180天以上	18,035	48,900
		265,153	298,640

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer.

14. 貿易及其他應收款項

(續)

列載於報告期末按照貨品發送日期或貿易應收款項總額確認日期以銀行票據支持呈列的票據應收賬齡分析如下：

在承接任何新客戶前，本集團先評估潛在客戶的信用質量及釐定客戶信用限額。

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15. Pledged Bank Deposits and Bank Balances and Cash

Bank balances carry interest at market rates within range from 0.36% to 1.65% (31 December 2019: 0.01% to 0.35%) per annum. The pledged deposits carry interest rates which range from 1.50% to 2.10% (31 December 2019: 0.30% to 1.65%) per annum.

Pledged bank deposits represent deposit pledged to banks to secure banking facilities granted to the Group. Deposits amounting to RMB156,530,000 (31 December 2019: RMB139,904,000) have been pledged to secure the short-term bank borrowings and bills payables repayable within three to six months and are therefore classified as current assets. The pledged bank deposits will be released upon the settlement of relevant bank borrowings.

15. 已抵押銀行存款及銀行結餘及現金

銀行結餘附帶市場年利率介乎0.36%至1.65%（二零一九年十二月三十一日：0.01%至0.35%）。已抵押存款附帶年利率介乎1.50%至2.10%（二零一九年十二月三十一日：0.30%至1.65%）。已抵押銀行存款將在償還相關銀行借貸後即可動用。

已抵押銀行存款指抵押予銀行的存款，以擔保向本集團授出銀行融資。為數人民幣156,530,000元（二零一九年十二月三十一日：人民幣139,904,000元）的存款為須於三至六個月內償還的銀行借款及應付票據作出抵押，因此分類為流動資產。已抵押銀行存款會在償還相關銀行借款時解除。

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簡明綜合財務報表附註

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16. Trade and Other Payables

16. 貿易及其他應付款項

		30 June	31 December
		2020	2019
		二零二零年	二零一九年
		六月三十日	十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Trade payables	貿易應付款項	122,872	156,003
Bills payables — secured	應付票據 — 有抵押	51,142	68,572
Other taxes payables	其他應付稅項	36,165	30,800
Payroll and welfare payables	應付薪酬及福利費	19,529	30,901
Construction payables	應付工程款項	3,918	3,918
Others	其他	51,914	17,386
		285,540	307,580

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簡明綜合財務報表附註

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16. Trade and Other Payables

(Continued)

The following is an aged analysis of trade payables presented based on the dates of receipt of goods at the end of the reporting period:

16. 貿易及其他應付款項

(續)

載列於報告期末按照貨品收取日期呈列的貿易應付款項賬齡分析：

		30 June 2020	31 December 2019
		二零二零年 六月三十日	二零一九年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
0 to 60 days	0至60天	106,848	131,759
61 to 90 days	61至90天	7,364	11,822
91 to 180 days	91至180天	4,786	4,181
Over 180 days	180天以上	3,874	8,241
		122,872	156,003

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簡明綜合財務報表附註

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16. Trade and Other Payables

(Continued)

The aged analysis of bills payables based on the dates of receipt of goods at the end of the reporting period are analysed as follows:

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
0 to 60 days	0至60天	7,705	20,538
61 to 90 days	61至90天	21,492	13,744
91 to 180 days	91至180天	21,945	34,290
		51,142	68,572

The credit period on purchase of material is 30 to 120 days. The Group has financial risk management policies in place to monitor the settlement.

購買材料的平均信用期介乎30至120天。本集團設有財務風險管理政策以監控償還情況。

17. Amounts due to Directors

The amounts due to directors are unsecured, interest free and repayable on demand.

16. 貿易及其他應付款項 (續)

列載於報告期末按照貨品收取日期呈列的票據應付賬齡分析如下：

17. 應付董事款項

款項為非貿易相關、無抵押、免息及應要求償還。

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簡明綜合財務報表附註

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18. Bank and Other Borrowings

18. 銀行及其他借款

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Bank borrowings, secured	銀行借款，有抵押	753,618	758,918
Bank borrowings, unsecured	銀行借款，無抵押	45,672	51,820
Sub-total	小計	799,290	810,738
Other borrowings, secured	其他借款，有抵押	94,936	44,094
Other borrowings, unsecured	其他借款，無抵押	18,480	18,480
Sub-total	小計	113,416	62,574
Total	總計	912,706	873,312
Carrying amount repayable:	於以下期間償還的 賬面值：		
Within one year	一年內	848,093	816,593
Within in a period more than one year but not exceeding two years	一年以上但不超過 兩年	51,148	35,576
Within in a period more than two years but not exceeding five years	兩年以上但 不超過五年	13,465	21,143
		912,706	873,312
Less: Amounts due within one year shown under current liabilities	減：流動負債項 一年內之償還款項	(848,093)	(816,593)
Amounts shown under non-current liabilities	非流動負債項下之 償還款項	64,613	56,719

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18. Bank and Other Borrowings

(Continued)

Bank borrowings and other borrowings as at period end were secured by the pledged of assets set out in note 21.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

18. 銀行及其他借款(續)

誠如附註21所載，期間銀行借款及其他借款以資產抵押作抵押。

本集團借貸的實際利率(該亦相等於已訂約利率)的幅度如下：

	30 June 2020 二零二零年六月三十日	31 December 2019 二零一九年十二月三十一日
Effective interest rate: 實際利率：		
Fixed rate borrowings 定息借款	2.00% to 5.22% per annum 年利率 2.00% 至 5.22%	2.50% to 5.44% per annum 年利率2.50%至5.44%
Variable rate borrowings 浮息借款	2.80% to 6.90% per annum 年利率 2.80% 至 6.90%	3.85% to 5.66% per annum 年利率3.85%至5.66%

Benchmark interest rate is quoted by the Peoples' Bank of China.

基準利率由中國人民銀行提供。

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19. Deferred Taxation

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

19. 遞延稅項

為作呈列之用，若干遞延稅項資產及負債已於簡明綜合財務狀況表內對銷。為作財務呈報之用，遞延稅項結餘分析如下：

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Deferred tax assets	遞延稅項資產	(7,624)	(6,475)
Deferred tax liabilities	遞延稅項負債	4,574	5,629
		(3,050)	(846)

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19. Deferred Taxation (Continued)

The following are the major deferred taxation liabilities recognised and movement thereon during the current and preceding interim period:

19. 遞延稅項(續)

以下為於當前及過往期間主要已確認遞延稅項負債及其變動：

		Right-of-use assets	Lease liabilities	Contract assets	Provision for inventory	Deferred income	Impairment of receivables	Depreciation differences	Undistributable profit of subsidiaries	Total
		使用權資產	租賃負債	合約資產	存貨撥備	遞延收入	應收款項減值	折舊差額	不可分派溢利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	-	-	664	(1,924)	(3,862)	(281)	1,574	7,284	3,455
Reversal of deferred tax liabilities upon distribution of profits	分派溢利之遞延稅項負債回撥	-	-	-	-	(467)	-	-	(3,288)	(3,755)
Charge (credit) for the period	期間計提(回撥)	-	-	-	-	-	(624)	-	-	(624)
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	-	-	664	(1,924)	(4,329)	(905)	1,574	3,996	(924)
At 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	8,177	(8,329)	510	(1,986)	(5,839)	(287)	1,408	5,500	(846)
Reversal of deferred tax liabilities upon distribution of profits	分派溢利之遞延稅項負債回撥	-	-	-	-	(655)	(59)	(742)	(1,000)	(2,456)
Charge (credit) for the period	期間計提(回撥)	(847)	954	(156)	14	-	(3)	290	-	252
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	7,330	(7,375)	354	(1,972)	(6,494)	(349)	956	4,500	(3,050)

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簡明綜合財務報表附註

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19. Deferred Taxation (Continued)

Under the EIT Law of PRC, withholding tax is imposed on 10% of dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. As at the end of the current interim period, the aggregate amount of taxable temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised amounted to RMB588,783,000 (31 December 2019: RMB588,783,000).

No deferred tax liability has been recognised in respect of these differences because the Group's is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

19. 遞延稅項(續)

中國企業所得稅法規定，就中國附屬公司所賺取溢利中宣派的股息徵收百分之十的預扣稅，自二零零八年一月一日起生效。截至本期間，尚未確認遞延稅項負債的附屬公司未分派盈利相關暫時差額，合共人民幣588,783,000元(二零一九年十二月三十一日：人民幣588,783,000元)。

由於本集團能控制暫時差額的回撥時間，且該等差額在可見將來可能不會回撥，故並無就該等差額確認遞延稅項負債。

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簡明綜合財務報表附註

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20. Share Capital

20. 股本

		Number of share 股份數目	Share Capital 股本 HK\$ 港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元的 普通股		
Authorised:	法定：		
At 1 January 2019, 30 June 2019, 1 January 2020 and 30 June 2020	於二零一九年一月一日、 二零一九年六月三十日、 二零二零年一月一日及 二零二零年六月三十日	1,000,000,000	100,000,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2019, 30 June 2019, 1 January 2020 and 30 June 2020	於二零一九年一月一日、 二零一九年六月三十日、 二零二零年一月一日及 二零二零年六月三十日	500,000,000	50,000,000
			RMB'000 人民幣千元
Presented as: (At 31 December 2019 and 30 June 2020)	呈列為：(於二零一九年 十二月三十一日及 二零二零年六月三十日)		41,655

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簡明綜合財務報表附註

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21. Pledge of Assets

The following assets were pledged to secure certain banking and other facilities (including properties, plant and equipment under a finance lease) granted to the Group at the end of the reporting period:

21. 資產抵押

以下為於報告期末本集團已抵押資產，作為授予本集團若干銀行及其他融資的擔保（包括融資下的物業、廠房及設備）：

	30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Buildings and construction in progress 樓宇及在建工程	96,239	61,361
Plant and machinery 工廠及機器	178,137	134,378
Land use right — prepaid lease payment 土地使用權 — 預付租賃款項	111,305	106,269
Trade receivables 貿易應收款項	80,000	80,000
Bills receivables 應收票據	85,156	213,978
Pledge bank deposits 已抵押銀行存款	156,530	139,904
Inventories 存貨	42,612	53,657
	749,979	789,547

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

22. Capital Commitments

22. 資本承諾

	30 June 2020	31 December 2019
	二零二零年 六月三十日	二零一九年 十二月三十一日
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	(unaudited)	(audited)
	(未經審核)	(經審核)
Capital expenditure in respect of acquisition of property, plant and equipment and leasehold land contracted for but not provided in the consolidated financial statements	8,735	23,275
新物業、工廠及設備收購以及租賃土地已訂約但未於綜合財務報表撥備的資本開支		

23. Related Parties Transactions and Balances

23. 關連人士交易及結餘

(a) Name and relationship

(a) 名稱及關係

Name	Relationship
Zhongshan City Zheng Ye Leasing Company Limited ("Zheng Ye Leasing") 中山市正業租賃有限公司(「正業租賃」)	Controlled by the controlling shareholders of the Company 由本公司控股股東控制

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

23. Related Parties Transactions and Balances (Continued)

(b) Related parties transactions

23. 關連人士交易及結餘

(續)

(b) 關連人士交易

Six months ended 30 June
截至六月三十日止六個月

		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Zheng Ye Leasing	正業租賃		
— Rental expense of property	— 物業租金開支	N/A 不適用	3,572
— Interest on lease liabilities	— 租賃負債利息	503	N/A 不適用
— Lease liabilities	— 租賃負債	15,939	N/A 不適用

Note:

Rental deposit of RMB450,000 paid to Zheng Ye Leasing has been included in trade and other receivables on the Condensed Consolidated Statement of Financial Position at 30 June 2020.

附註：

已付正業租賃的人民幣450,000元租賃按金已載入於二零二零年六月三十日簡明綜合財務狀況表中的貿易及其他應收款項。

Notes to Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

23. Related Parties Transactions and Balances (Continued)

(c) Related parties balances

Amount due from a related party, amounts due to directors and amounts due to related parties are separately disclosed on the Condensed Consolidated Statement of Financial Position.

(d) Compensation of key management

The remuneration of directors of the Company and other members of key management during the period were as follows:

23. 關連人士交易及結餘 (續)

(c) 關連人士結餘

應收一名關連人士款項、應付董事款項及應付關連人士款項在簡明綜合財務狀況表分別披露。

(d) 主要管理人員的薪酬

以下是本公司董事及主要管理層其他成員於期間的酬金：

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (unaudited) (未經審核)
Salaries and other benefits	薪酬及其他福利	8,403	8,118
Retirement benefits scheme contributions	退休福利計劃供款	69	122
		8,472	8,240

Management Discussion and Analysis

管理層討論與分析

Business Review

The Group mainly provides supporting paper-based packaging products for well-known domestic and foreign manufacturers of household air conditioners, food seasonings, and small household electronic products. At the same time, it provides comprehensive customers services including design, printing, logistics as well as the integrated packaging solution. In addition, in order to enhance the competitiveness of the Group's paper-based packaging products, the Group has also extended the back-end industry chain to use recycled waste paper as raw materials to produce corrugated medium paper for the use of the Group's paper packaging products and external sales.

The Group is committed to becoming the leading environmental friendly paper packaging company in China.

The Group's products mainly include corrugated medium paper and paper-based packaging products (including watermarked cartons, colour printing cartons and honeycomb paper-based products).

The Group currently has six subsidiaries and one holding subsidiary in different regions of China to conduct business and provide quality services to customers.

業務回顧

本集團主要為國內外知名家用空調、食品調味料、小型家用電子產品等製造商提供配套的紙製包裝產品，並同時提供包括設計、印刷、物流等客戶服務在內的全面服務，為客戶提供一體化的包裝解決方案。以及，為提升集團紙製包裝產品的競爭力，本集團還向後端產業鏈延伸，利用回收廢紙為原料生產瓦楞芯紙提供本集團紙製包裝產品使用並對外銷售。

本集團致力成為中國領先環保紙類包裝企業。

本集團的產品主要包括紙製包裝產品（浮水印紙箱、彩印紙箱、蜂窩紙製品）及瓦楞芯紙。

本集團現於中國不同地區共有六家全資子公司、一家控股子公司開展經營業務並為客戶提供優質服務。

Management Discussion and Analysis

管理層討論與分析

The Group's paper-based packaging products have been deeply cultivated for many years in air-conditioning packaging, condiment packaging and small household electronic product packaging. They have been trusted by many well-known brands at home and abroad, and have a group of customers who have established stable relationships for more than ten years.

The low-weight and high-strength corrugated medium paper products produced by the Group are favoured by customers in the market segment with stable quality and leading service.

For the six months ended 30 June 2020:

- The Group recorded operating revenue of RMB982,522,000, a decrease of 17.36% compared with the same period of last year;
- The profit for the period attributable to owners of the Company was RMB8,743,000, representing a significant decrease of 82.98% as compared with the same period last year; and
- The basic earnings per share of the Company was RMB2 cents approximately.

本集團紙製包裝產品在空調包裝、調味品包裝以及小型家用電子產品包裝等細分領域深耕多年，得到多個國內外知名品牌信任，擁有一批建立了長達十年以上穩定關係的客戶群。

本集團生產的低克重高強度瓦楞芯紙產品在細分市場以品質穩定、領先服務贏得客戶青睞。

截至二零二零年六月三十日止六個月：

- 本集團錄得營業收入人民幣982,522,000元，較去年同期下降17.36%；
- 本公司期間股東應佔之溢利約為人民幣8,743,000元，較去年同期大幅下降82.98%；及
- 本公司之基本每股盈利約為人民幣2分。

Management Discussion and Analysis

管理層討論與分析

Macro Environment

In the first half of 2020, affected by the sudden catastrophe of the COVID-19 epidemic, the global economy suffered a disaster impact, leading to a sharp decline in international trade and investment. The concentrated outbreak of the Chinese epidemic in the first quarter severely impacted both ends of the macroeconomic supply and demand, but the Chinese government with a strong ability to respond to public crisis events demonstrated by the COVID-19 epidemic made the domestic epidemic basically controlled at the beginning of the second quarter; the domestic economic growth in the second quarter turned from negative to positive, which showing the strong resilience of the Chinese economy. At the same time, the overseas epidemic was spreading comprehensively, which China cannot be able to discharge the epidemic prevention completely. The Chinese economy is facing the impact of the epidemic as well as the structural and institutional cyclical contradictions. This has also added uncertainties to the recovering of the Chinese economy. Future risks and challenges should not be underestimated, and we are still facing great difficulties and pressures. However, the fundamentals of China's economic has not changed and is showing its stability and long-term improvement. In the second half of the year, China's economic growth will continue to recover, which maintain to improve the effectiveness in terms of continuity and stability in the macroeconomic policies. China can recover from the impact of the epidemic as soon as possible and further recovery from investment and consumption under the firmly stabilizing in employment, enterprises functions, industry's supply chain, firmly implementing the expanding domestic demand strategy and unswervingly deepening reform and opening up the Chinese economy.

宏觀環境

二零二零年上半年，受新冠肺炎疫情這一突發災難事件的影響，全球經濟都遭受強烈衝擊，國際貿易和投資大幅萎縮。中國疫情在一季度集中爆發嚴重衝擊宏觀經濟供需兩端，但中國政府在新冠疫情中展現出來的應對公共危機事件的強大能力使得國內疫情在二季度初基本得到控制，二季度國內經濟增長由負轉正，顯示中國經濟的強大韌性。但與此同時，海外疫情全面擴散，國內防疫措施尚未完全解除，中國經濟既面臨疫情衝擊影響，也有結構性體制性週期性交織的矛盾，這也給正在逐步復蘇的中國經濟增添了不確定性，未來風險與挑戰不容低估，仍然面臨很大的困難與壓力。但中國經濟穩中向好、長期向好的基本面沒有改變而且正在展現，下半年中國經濟增長將延續復蘇的態勢，繼續保持宏觀經濟政策連續性、穩定性，並且提高有效性，堅持不懈穩定就業、穩定企業、穩定產業鏈供應鏈，堅定實施擴大內需戰略，堅定不移深化改革擴大開放，以使中國儘快從疫情影響中恢復，使投資、消費能夠進一步復蘇。

Management Discussion and Analysis

管理層討論與分析

Products Review

Paper-based packaging products

During the period under review, the Group's paper-based packaging business was affected by the epidemic and macro environment. The downstream customers' orders decreased about 15.61% and the order price dropped around 3.20%. The Group's paper packaging business achieved operating turnover of RMB352,301,000 during the period, a decrease of 19.15% compared with the same period of last year. The operating income of floating watermark cartons, colour printing cartons and honeycomb paper-based products was RMB228,137,000, RMB73,603,000 and RMB50,561,000 respectively (the six months ended 30 June 2019 were RMB274,456,000, RMB67,523,000 and RMB93,778,000 respectively). The Group's paper packaging business seized the opportunity after the peak of the domestic epidemic, and cooperated with the downstream consumer, food and beverage industries to resume production. Meanwhile the Group implemented with various cost control measurements during the period. The raw paper procurement cost decreased 8.11% during the period was compared with last year, the gross profit margin during the period was around 19%, basically maintaining the industry level. With the gradual recovery of the economy in the second half of the year and the Group's efforts to develop new customers in the food and beverage consumer industry during the period, it is expected that the sales revenue of the paper packaging business will rebound steadily and create greater contributions to the Group's profitability.

產品回顧

紙製包裝產品

於回顧期內，本集團紙製包裝業務受疫情衝擊及宏觀環境影響，下游客戶訂單減少約15.61%、訂單價格回落約3.20%，集團紙製包裝業務於期內實現營業收入人民幣352,301,000元，較去年同期下降19.15%，其中浮水印紙箱、彩印紙箱、蜂窩紙製品各實現營業收入人民幣228,137,000元、人民幣73,603,000元及人民幣50,561,000元（二零一九年上半年分別為人民幣274,456,000元、人民幣67,523,000元及人民幣93,778,000元）。集團紙製包裝業務於國內疫情高峰期後抓住機遇，配合下游日用消費類、食品飲料等行業率先恢復開工生產，並且於期內積極落實各項控成本措施，期內原紙採購成本較去年同期下降8.11%，期內毛利率19%，基本保持在行業水準。隨著下半年經濟的逐步恢復，以及集團於期內努力開拓食品飲料類消費行業新客戶，預期紙製包裝業務銷售收入能夠穩步回升，為集團盈利做出更大貢獻。

Management Discussion and Analysis

管理層討論與分析

Corrugated medium paper

In the first half of 2020, under the influence of the COVID-19 epidemic and the continuous downturn of the world and domestic economies, the demand declined in the downstream paper packaging industry, products price dropped and the profits fell due to the contradiction between supply and demand in the paper industry. The Guangdong Provincial Government has issued stricter “coal-to-gas” policy for cities in the Pearl River Delta in the context of the national “Blue Sky Defense War”. In response to this policy, cities in the Pearl River Delta region include Foshan, Zhuhai, Jiangmen, Guangzhou, Zhongshan, Dongguan and others have successively promulgated relevant policies and regulations, requiring relevant enterprises to implement coal-to-gas conversion. According to the above policy, the Group’s two paper mills in Zhongshan took the lead in completing the coal-to-gas project during the period. This change resulted in a certain increase in the fuel cost per ton of paper production compared to the same period last year. At the same time, in order to cope with the impact of the aforementioned increase in fuel costs on product profitability, the Group actively upgraded the main production facilities of the two papermaking companies during the period, which increased the downtime losses during the period. The Group’s paper making segments recorded the turnover of RMB630,221,000 during the first half of 2020, representing a decrease of 16.32% compared with the same period last year, which was mainly due to the selling price per unit had dropped 11% approximately during the period. The gross profit margin dropped to 11.61% during the period. In the second half of the year, it is expected that the Group’s two paper mills in Zhongshan will be able to operate normally and continue to create stable profits for the Group after the transformation. The Group completed the acquisition of Jiangxi papermaking base, which also achieved its profitability during the period, and adding momentum to the continuous growth of the Group’s papermaking business.

瓦楞芯紙

二零二零年上半年，受新冠肺炎疫情以及世界、國內經濟持續下行影響，下游紙包裝行業需求下降，造紙行業供需矛盾顯現，產品價格下跌，利潤下降。廣東省政府在國家「藍天保衛戰」的大背景下對珠三角城市出台了較嚴格的「煤改氣」政策，為響應此政策，珠三角地區城市包括佛山、珠海、江門、廣州、中山、東莞等陸續頒佈相關政策及規定，要求相關企業實施煤改氣。根據上述政策，本集團位於中山兩家造紙廠房在期內率先完成煤改氣項目，此更改導致每噸紙生產的燃料成本較去年同期有一定幅度增加。同時，為應對上述燃料成本增加對產品盈利能力造成的影響，本集團於期內積極對兩家造紙企業的主要生產設施分別停機進行升級改造，增加了期內的停機損失。本集團造紙業務在二零二零上半年期內錄得營業收入人民幣630,221,000元，較去年同期下降16.32%，主要由於期內銷售單價下降約11%所致。期內造紙業務毛利率亦跌至11.61%。下半年，預期本集團位於中山兩家造紙廠房改造完成後，此兩家造紙企業能夠正常運營，繼續為本集團創造穩定盈利。本集團於期內並購完成之江西造紙基地，亦於期內實現盈利，為集團造紙業務持續增長增添動力。

Management Discussion and Analysis

管理層討論與分析

Financial Review

The Group's revenue for the six months ended 30 June 2020 was approximately RMB982,522,000, representing a decrease of approximately RMB206,353,000 or 17.36% from RMB1,188,875,000 for the same period in 2019, of which the turnover of the packaging segment decreased by RMB83,456,000. The turnover of paper-making segment products decreased to RMB122,897,000 compared with last year, it was mainly affected by the epidemic and the economic downturn, causing the order demand decreased 15.61% and decline in product prices of papermaking segments of the Group, exceeds around 11% during the period. The Group's gross profit margin for the six-month period ended 30 June 2020 was 14.26%, compared with 20.86% for the six months ended 30 June 2019, representing an increase of 6.60 percentage points over the same period last year.

The profit for the period attributable to the owners of the Company for the six months ended 30 June 2020 was approximately RMB8,743,000, representing a significant decrease of RMB42,639,000, or 82.98%, compared with RMB51,382,000 for the same period last year.

財務回顧

截至二零二零年六月三十日止六個月，本集團的收入約人民幣982,522,000元（二零一九年同期：1,188,875,000元），減少約人民幣206,353,000元或17.36%，其中包裝板塊的銷售收入同比下降人民幣83,456,000元，造紙板塊的銷售收入較去年下降122,897,000元，主要受疫情及經濟下行影響集團包裝業務期內訂單減少15.61%，以及造紙板塊期內銷售單價下跌超過11%所致。二零二零年上半年集團毛利率14.26%（二零一九年同期約20.86%），較去年同期下跌6.60百分點。

截至二零二零年六月三十日止六個月，本集團股本持有人應佔期間溢利約人民幣8,743,000元，較去年同期的人民幣51,382,000元，大幅下降人民幣42,639,000元，或82.98%。

Management Discussion and Analysis

管理層討論與分析

Group's Profit

For the six months ended 30 June 2020, the Group's profit before income tax was approximately RMB10,578,000, representing a huge decrease of RMB70,891,000 or 87.02% as compared with RMB81,469,000 for the same period last year.

During the period under review, the financial expenses were approximately RMB20,307,000, representing a slight decrease RMB518,000 or 2.49% from RMB20,825,000 for the same period last year.

During the period under review, the income tax expense was approximately RMB3,058,000, representing a significant decrease of RMB13,738,000 from RMB16,796,000 for the same period last year.

集團盈利

截至二零二零年六月三十日止六個月，本集團所得稅前利潤約為人民幣10,578,000元，較去年同期的人民幣：81,469,000元），較去年同期大幅下降70,891,000元或87.02%。

於回顧期內，財務費用約為人民幣20,307,000元，較去年同期的20,825,000元下降518,000元或2.49%。

所得稅項開支約人民幣3,058,000元，較去年同期的人民幣16,796,000元，較去年同期大幅下降13,738,000元。

Management Discussion and Analysis

管理層討論與分析

Prospect

In the second half of 2020, there is still great uncertainty in the evolution of the global COVID-19 epidemic. The global supply chain interruption caused by the epidemic and the stagnation of international trade are still fermenting. Due to the impact of the epidemic and the narrow policies space of major countries, the global economy will slow down significantly. In China, with the gradual improvement in demand, the momentum of economic growth is recovering; the trend of low in the first half and high in the second half in the economic growth throughout the year has gradually become clear; the economic growth rate in the second half of the year will be significantly faster than that of the first half. The development situation in the global epidemic and the degree of recovery of external demand will have an impact on the operation of China's economy; China's proactive fiscal policy, monetary policy and credit policy will also play a role in stabilizing growth as soon as possible, directly benefiting enterprises and the people, which contributing to the Chinese economy. In the second half of the year, domestic demand rebounded and consumption recovery set a clear direction.

展望

二零二零年下半年，全球新冠疫情的演變仍有較大不確定性，因疫情導致的全球供應鏈中斷、國際貿易停滯等仍在發酵，受疫情衝擊和主要國家政策空間較窄的影響，全球經濟將顯著放緩。而在中國國內，隨著需求逐漸改善，經濟增長動能正在恢復；全年經濟增長前低後高態勢已經逐步明確，下半年經濟增速將顯著快於上半年。全球疫情發展狀況和外需的恢復程度，將對中國經濟運行帶來影響；而中國的積極財政政策以及寬貨幣、寬信用政策，將儘快發揮穩增長的作用，直接惠企利民，為中國經濟下半年內需回暖以及消費復蘇定下明確方向。

Management Discussion and Analysis

管理層討論與分析

The Group will also continue to pay attention to the opportunities, changes and risks in the paper packaging industry market, which gradually transform to a high-tech and high-equipment manufacturing industry. The Group are also strengthen the intelligence of paper packaging equipment and its design and development capabilities, and enhance the in innovation and research and development capabilities of corrugated medium paper products to keep maintaining the competitiveness of products in the market, survive in adversity, seek development in difficulties, strengthen confidence, move forward steadily, and create maximization value for shareholders continuously.

本集團亦將持續關注紙製包裝行業市場的機遇、變化與風險，逐步向高技術、高裝備製造產業轉型，增強紙製包裝裝備的智能化及產品的設計開發能力，提升瓦楞芯紙產品的創新及研發能力，繼續在市場中保持產品的競爭力，在逆境中求生存，在困難中求發展，堅定信心，穩步前行，繼續為股東創造價值。

Management Discussion and Analysis

管理層討論與分析

Current Assets, Liquidity, Financial Resources and Capital Structure

In 30 June 2020, the Group's main sources of funding were cash generated from operating activities and bank loans

流動資產、流動資金、財政資源及資本結構

於二零二零年六月三十日，本集團的資金來源主要為經營活動所產生的現金及銀行貸款。

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Net assets	資產淨額	1,149,438	1,124,407
Bank balances and cash	銀行結餘及現金	301,064	370,993
Total borrowings [#]	借款總額 [#]	912,706	873,312
Equity attributable to the Owners of the Company	本公司擁有人應佔權益	934,652	925,909
Current ratios	流動比率	1.02	1.13
Net gearing ratio [*]	淨資產負債比率 [*]	65.44%	54.25%

[#] As at 30 June 2020, secured bank borrowings include the discounting of bills receivables from external trade customers amounting to RMB222,790,000 (31 December 2019: RMB213,978,000).

[#] 於二零二零年六月三十日，已向銀行追索基準貼現的有抵押銀行借貸包括外間貿易客戶應收票據金額為人民幣222,790,000元(二零一九年十二月三十一日：人民幣213,978,000元)。

^{*} The net gearing ratio is calculated as net borrowings divided by equity attributable to the Owners of the Company, in which the net borrowings are calculated as total bank and other borrowings less pledge deposits and bank balances and cash.

^{*} 淨資產負債比率乃按借款總額除以本公司擁有人應佔權益計算，其中借款淨額按銀行及其他借款總額減去已抵押銀行存款及銀行結餘及現金計算。

Management Discussion and Analysis

管理層討論與分析

Cash flow

As at 30 June 2020, the Group had a net cash outflow of RMB86,555,000.

The net amount of the cash outflow generated from investing activities for the purchase of property, plant and equipment in amount of RMB72,103,000.

Capital Expenditure, Commitments and Contingent Liabilities

Capital expenditures

For the six months ended 30 June 2020, the Group's capital expenditure was approximately RMB45,061,000, which was as follows:

現金流量

於二零二零年六月三十日，本集團現金淨額流出人民幣86,555,000元。

投資活動所用的現金淨額主要為購入物業、廠房及設備，金額為人民幣72,103,000元。

資本開支、承諾及或然負債

資本開支

截至二零二零年六月三十日止六個月，本集團資本性開支約為人民幣45,061,000元，資本開支分別如下：

		RMB'000	Percentage of capital expenditure
		人民幣千元	佔資本開支百分比
Paper-making projects	造紙項目	38,491	85.42%
Packaging projects	包裝項目	6,570	14.58%
Total	合計	45,061	100.00%

Management Discussion and Analysis

管理層討論與分析

Capital commitments

As at 30 June 2020, the Group had the following capital commitments:

資本承諾

於二零二零年六月三十日，本集團之資本承諾如下：

	30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Capital expenditure in respect of acquisition of property, plant and equipment and leasehold land contracted for but not provided in the consolidated financial statements	新物業、工廠及設備收購以及租賃土地已訂約但未於綜合財務報表撥備的資本開支	
	8,735	23,275

Contingent liabilities

The Group had no significant contingent liabilities or litigation or arbitration of material importance as at 30 June 2020.

或然負債

於二零二零年六月三十日，本集團並無重大或然負債或重大訴訟或仲裁。

Foreign currency exposure

The Group collects most of its revenue and incurs most of the expenditures in RMB. Although the Group undertakes certain transactions denominated in foreign currencies, mainly the currency of United States and the currency of Hong Kong, the exposures to exchange rate fluctuations is minimal. The Group currently does not have a foreign currency hedging policy. The Directors, however, will monitor foreign exchange rate closely and consider entering into foreign currency hedging arrangement should the need arise.

匯率風險

本集團大部份收入及產生的支出以人民幣計算。本集團進行若干以外幣計值的交易，主要是美元及港元，其承受匯率波動風險較低。本集團現時並無外幣對沖政策。然而，董事會緊密地監督外匯匯率及有必要時考慮安排進行外幣對策之需要。

Management Discussion and Analysis

管理層討論與分析

Human Resources Management

The Group had 2,814 employees as at 30 June 2020 (as at 30 June 2019: 2,822 employees), in which approximately 468 were engineers and technical staff or employees with higher education backgrounds. The table below shows the number of employees of the Group by function as at 30 June 2020:

人力資源

於二零二零年六月三十日，本集團僱用2,814名員工（於二零一九年六月三十日：2,822名員工），當中約468名為工程師及技術人員或具有高等教育背景的僱員。下表載列於二零二零年六月三十日本集團按職能劃分的僱員數目：

Function		Number of employees	Percentage of total number of employees
職能		僱員數目	百分比
Management and Administration	管理及行政	495	17.59%
Sales and Marketing	銷售及營銷	86	3.06%
Research and Development in Technology and Engineering	研發技術及工程	335	11.90%
Production and Quality Control	生產及質量控制	1,898	67.45%
Total	合計	2,814	100.00%

Management Discussion and Analysis

管理層討論與分析

Our remuneration is determined by reference to the employees' experience, qualification and overall market situation, while the bonus is related to the financial performance of the Group and the individual performance. The Group also undertakes to provide proper trainings and sustainable professional development opportunities for the employees if needed.

The Company has also adopted a share option scheme (the "**Share Option Scheme**") and share award scheme (the "**Share Award Scheme**") with a primary purpose of motivating our employees and other eligible persons entitled under the Share Option Scheme and the Share Award Scheme to optimize their contributions to the Group and to reward them for their contribution to the Group.

本集團的薪酬待遇乃參考個別員工的經驗及資質及整體市況而定。花紅與本集團的財務業績及個別表現掛鉤。本集團亦保證會根據所有雇員的需求向彼等提供適當的培訓及持續專業發展機會。

本公司同時已採納購股權計劃(「**購股權計劃**」)及股權獎勵計劃(「**股權獎勵計劃**」)，主要目的是透過購股權計劃及股權獎勵計劃激勵員工及其他合資格人士，提升其對本集團的貢獻，及就彼等過去的貢獻給予獎勵。

Corporate Governance and Other Information

企業管治及其他資料

Directors' and Chief Executives' Interests in the Securities of the Company or its Associated Corporations

As at 30 June 2020, the interests and short positions of the directors and chief executive(s) of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed issuers contained in the Listing Rules were as follows:

董事及主要行政人員於本公司或其相聯法團的證券中的權益

於二零二零年六月三十日，本公司董事及主要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》（「證券及期貨條例」）第XV部）的股份、相關股份及債券證擁有的權益及淡倉而須根據證券及期貨條例第352條記錄於本公司所存置登記冊內，或須根據上市規則所載的上市發行人董事進行證券交易的標準守則規定知會本公司及香港聯合交易所有限公司（「聯交所」）者如下：

Name of Directors	Name of Group member/ associated corporation	Capacity/ Nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding
董事姓名	本集團成員公司/ 相關法團名稱	身份/權益性質	證券數目及類別(附註1)	股權概約 百分比
Mr. Hu Zheng	The Company	Interest of controlled corporation (Note 2)	191,250,000 ordinary shares of HK\$0.10 each	38.25%
胡正先生	本公司	受控制法團權益 (附註2)	191,250,000股每股面值 0.10港元的普通股	
	Gorgeous Rich Development Limited ("Gorgeous Rich")	Beneficial owner 實益擁有人	1 ordinary share of US\$1.00 1股面值1.00美元的普通股	100%

Corporate Governance and Other Information

企業管治及其他資料

Name of Directors	Name of Group member/ associated corporation 本集團成員公司/ 相關法團名稱	Capacity/ Nature of interest 身份/權益性質	Number and class of securities (Note 1) 證券數目及類別(附註1)	Approximate percentage of shareholding 股權概約 百分比
Mr. Hu Hancheng 胡漢程先生	The Company 本公司	Interest of controlled corporation (Note 3) 受控制法團權益 (附註3)	93,750,000 ordinary shares of HK\$0.10 each 93,750,000股每股面值 0.10港元的普通股	18.75%
	Golden Century Assets Limited ("Golden Century")	Beneficial owner 實益擁有人	1 ordinary share of US\$1.00 1股面值1.00美元的普通股	100%
Mr. Hu Hanchao 胡漢朝先生	The Company 本公司	Interest of controlled corporation (Note 4) 受控制法團權益 (附註4)	75,000,000 ordinary shares of HK\$0.10 each 75,000,000股每股面值 0.10港元的普通股	15%
	Leading Innovation Worldwide Corporation ("Leading Innovation")	Beneficial owner 實益擁有人	1 ordinary share of US\$1.00 1股面值1.00美元的普通股	100%
Mr. Chen Riyue 陳日月先生	The Company 本公司	Interest of controlled corporation (Note 5) 受控制法團權益 (附註5)	15,000,000 ordinary shares of HK\$0.10 each 15,000,000股每股面值 0.10港元的普通股	3%
	Fortune View Services Limited ("Fortune View")	Interest of spouse 配偶權益	1 ordinary share of US\$1.00 1股面值1.00美元的普通股	100%

Corporate Governance and Other Information

企業管治及其他資料

Notes:

1. All the interests stated above represent long positions. The percentage shown was the number of shares the relevant directors or chief executive was interested in expressed as a percentage of the number of issued shares as at 30 June 2019.
2. These shares were held by Gorgeous Rich, which was wholly owned by Mr. Hu Zheng. By virtue of the SFO, Mr. Hu Zheng was deemed to be interested in the shares held by Gorgeous Rich.
3. These shares were held by Golden Century, which was wholly owned by Mr. Hu Hancheng. By virtue of the SFO, Mr. Hu Hancheng was deemed to be interested in the shares held by Golden Century.
4. These shares were held by Leading Innovation, which was wholly owned by Mr. Hu Hanchao. By virtue of the SFO, Mr. Hu Hanchao was deemed to be interested in the shares held by Leading Innovation.
5. These shares were held by Fortune View, which was wholly owned by Ms. Hu Jianwen, a spouse of Mr. Chen Riyue. By virtue of the SFO, Mr. Chen Riyue was deemed to be interested in the shares held by Fortune View.

附註：

1. 上述所有權益均為好倉。所示百分比為相關董事或主要行政人員擁有權益的股份數目，以佔二零一九年六月三十日已發行股份數目百分比表示。
2. Gorgeous Rich持有該等股份，而胡正先生全資擁有Gorgeous Rich。根據證券及期貨條例，胡正先生被視為於Gorgeous Rich所持有的股份擁有權益。
3. Golden Century持有該等股份，而胡漢程先生全資擁有Golden Century。根據證券及期貨條例，胡漢程先生被視為於Golden Century所持有的股份擁有權益。
4. Leading Innovation持有該等股份，而胡漢朝先生全資擁有Leading Innovation。根據證券及期貨條例，胡漢朝先生被視為於Leading Innovation所持有的股份擁有權益。
5. Fortune View持有該等股份，而陳日月先生之配偶胡健雯女士全資擁有Fortune View。根據證券及期貨條例，陳日月先生被視為於Fortune View所持有的股份擁有權益。

Corporate Governance and Other Information

企業管治及其他資料

Share Options to subscribe for the ordinary shares of HK\$0.10 each in the Company were granted to, among others, certain Directors pursuant to the Share Option Scheme adopted by the Company on 3 June 2011. Information in relation to these Share Options was shown in the following section under the heading “Share Option Scheme”.

Save as disclosed above and in the paragraph headed “Share Option Scheme” below, no other interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations were recorded in the register required to be kept by the Company under Section 352 of the SFO.

根據本公司於二零一一年六月三日採納的購股權計劃，若干本公司董事獲授予認股權，以認購本公司每股面值0.10港元的普通股股份。有關此等認股權的資料，見於下列「購股權計劃」項下。

除以上所述及於「購權股計劃」一節所披露外，本公司概無於本公司或其相聯法團之股份、相關股份或債券，並記錄於本公司根據證券及期貨條例第352條記錄於本公司所存置登記冊中。

Corporate Governance and Other Information

企業管治及其他資料

Substantial Shareholders' Interests in the Securities of the Company

As at 30 June 2020, so far as are known to any directors or chief executive(s) of the Company, the following parties (other than directors or chief executive(s) of the Company) were recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company.

主要股東於本公司證券的權益

於二零二零年六月三十日，就任何董事或本公司主要行政人員所知，下列人士（非董事及本公司主要行政人員）須根據證券及期貨條例第336條記錄於本公司所存置登記冊內，或因其他原因知會本公司其直接或間接擁有或被視為擁有本公司已發行股本5%或以上的權益。

Name of Shareholder 股東名稱	Capacity/ Nature of interest 身份／權益性質	Number and class of shares held in the Company percentage (Note 1) 所持本公司股份 數目及類別（附註1）	Approximate shareholding percentage 股權概約 百分比
Gorgeous Rich (Note 2)	Beneficial owner	191,250,000 ordinary shares of HK\$0.10 each	38.25%
Gorgeous Rich (附註2)	實益擁有人	191,250,000股每股面值0.10港元的普通股	
Ms. Li Lifan (Note 2)	Interest of spouse	191,250,000 ordinary shares of HK\$0.10 each	38.25%
李麗芬女士(附註2)	配偶權益	191,250,000股每股面值0.10港元的普通股	
Golden Century (Note 3)	Beneficial owner	93,750,000 ordinary shares of HK\$0.10 each	18.75%
Golden Century (附註3)	實益擁有人	93,750,000股每股面值0.10港元的普通股	
Ms. Li Siyuan (Note 3)	Interest of spouse	93,750,000 ordinary shares of HK\$0.10 each	18.75%
李思媛(附註3)	配偶權益	93,750,000股每股面值0.10港元的普通股	

Corporate Governance and Other Information

企業管治及其他資料

Name of Shareholder 股東名稱	Capacity/ Nature of interest 身份／權益性質	Number and class of shares held in the Company percentage (Note 1) 所持本公司股份 數目及類別 (附註1)	Approximate shareholding percentage 股權概約 百分比
Leading Innovation (Note 4)	Beneficial owner	75,000,000 ordinary shares of HK\$0.10 each	15.00%
Leading Innovation (附註4)	實益擁有人	75,000,000股每股面值 0.10港元的普通股	
Ms. He Lijuan (Note 4)	Interest of spouse	75,000,000 ordinary shares of HK\$0.10 each	15.00%
何麗娟女士(附註4)	配偶權益	75,000,000股每股面值 0.10港元的普通股	
RAYS Capital Partners Limited (Note 5)	Investment manager/ Beneficial owner/ Interest of controlled corporation	47,542,000 ordinary shares of HK\$0.10 each	9.50%
RAYS Capital Partners Limited (附註5)	投資經理／ 實益擁有人／ 受控制法團權益	47,542,000股每股面值 0.10港元的普通股	
Mr. Ruan David Ching-chi (Note 6)	Interest of controlled corporation	47,542,000 ordinary shares of HK\$0.10 each	9.50%
Ruan David Ching-chi 先生 (附註6)	受控制法團權益	47,542,000股每股面值 0.10港元的普通股	
Asian Equity Special Opportunities Portfolio Master Fund Limited (Note 5)	Beneficial owner	46,516,000 ordinary shares of HK\$0.10 each	9.30%
Asian Equity Special Opportunities Portfolio Master Fund Limited (附註5)	實益擁有人	46,516,000股每股面值 0.10港元的普通股	

Corporate Governance and Other Information

企業管治及其他資料

Notes:

1. All the interests stated above represent long positions. The percentage shown was the number of shares in the Company that the relevant director of chief executive was interested in expressed as a percentage of the number of issued shares in the Company as at 30 June 2020.
2. Gorgeous Rich is wholly-owned by Mr. Hu Zheng. By virtue of the SFO, Mr. Hu Zheng was deemed to be interested in the shares held by Gorgeous Rich. Ms. Li Lifan is the spouse of Mr. Hu Zheng. Under the SFO, Ms. Li Lifan was taken to be interested in the same number of shares in which Mr. Hu Zheng was interested.
3. Golden Century is wholly-owned by Mr. Hu Hancheng. By virtue of the SFO, Mr. Hu Hancheng was deemed to be interested in the shares held by Golden Century. Ms. Li Si Yuan is the spouse of Mr. Hu Hancheng. Under the SFO, Ms. Li Si Yuan was taken to be interested in the same number of shares in which Mr. Hu Hancheng was interested.
4. Leading Innovation is wholly-owned by Mr. Hu Hanchao. By virtue of the SFO, Mr. Hu Hanchao was deemed to be interested in the shares held by Leading Innovation. Ms. He Lijuan is the spouse of Mr. Hu Hanchao. Under the SFO, Ms. He Lijuan was taken to be interested in the same number of shares in which Mr. Hu Hanchao was interested.

附註：

1. 上述所有權益均為好倉。所示百分比為相關股東擁有權益的本公司股份數目，以佔二零二零年六月三十日本公司已發行股份數目百分比表示。
2. 胡正先生全資擁Gorgeous Rich。根據證券及期貨條例，胡正先生被視為於Gorgeous Rich所持有的股份擁有權益。李麗芬女士為胡正先生的配偶。根據證券及期貨條例，李麗芬女士被當作於胡正先生擁有權益的相同數目股份中擁有權益。
3. 胡漢程先生全資擁有Golden Century。根據證券及期貨條例，胡漢程先生被視為於Golden Century所持有的股份擁有權益。李思媛女士為胡漢程先生的配偶。根據證券及期貨條例，李思媛女士被當作於胡漢程先生擁有權益的相同數目股份中擁有權益。
4. 胡漢朝先生全資擁有Leading Innovation。根據證券及期貨條例，胡漢朝先生被視為於Leading Innovation所持有的股份擁有權益。何麗娟女士為胡漢朝先生的配偶。根據證券及期貨條例，何麗娟女士被當作於胡漢朝先生擁有權益的相同數目股份中擁有權益。

Corporate Governance and Other Information

企業管治及其他資料

5. Asian Equity Special Opportunities Portfolio Master Fund Limited (“**Asian Equity**”) is wholly-owned by RAYS Capital Partners Limited. Therefore, RAYS Capital Partners Limited is deemed to be interested in all the Shares held by Asian Equity.
6. The shares in RAYS Capital Partners Limited is held by Ruan David Ching-chi. Therefore, he is deemed interested in all the Shares held by RAYS Capital Partners Limited.
5. Asian Equity Special Opportunities Portfolio Master Fund Limited (「**Asian Equity**」) 由 RAYS Capital Partners Limited 全資擁有。因此，RAYS Capital Partners Limited 視為擁有 Asian Equity 所持股份的全部權益。
6. Ruan David Ching-chi 先生持有 RAYS Capital Partners Limited 股份。因此，彼等視為擁有 RAYS Capital Partners Limited 所持股份的全部權益。

Save as disclosed above, no other interest or short position in the shares or underlying shares in the Company were recorded in the Register.

除上述披露外，概無其他公司或其任何相聯法團的部份、相關股份或債權證的權益或淡倉載於該登記冊內。

Corporate Governance and Other Information

企業管治及其他資料

Share Option Scheme

The Company operates a share option scheme (the **"Share Option Scheme"**), which was adopted on 3 June 2011 (the **"Adoption Date"**). Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for 10 years from the Adoption Date. The major terms of the Share Option Scheme are summarized as follows:

The purpose of the Share Option Scheme is to provide incentives or rewards to selected eligible participants for their contribution to the Group. Under the share Option Scheme, the is Directors of the Company may grant options to any Directors, employees, suppliers, customers, service providers, shareholder, advisors of any member of the Group or any entity in which any member of the Group holds and equity include 3 June 2011, and any other person who the Directors considers, in its discretion, have contributed to the Group.

The total number of share which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 10% of the share in issue as at the date of listing, unless shareholders approved has been obtained, and which must not in aggregate exceed 30% of the share of the company in issue from time to time. The total number of share issued and to be issued upon the exercise of the options granted to or to be granted to each participate under the Share Option Scheme in any 12-month period shall not exceed 1% of the share of the Company in issue.

購股權計劃

本公司設有一項購股權計劃(「購股權計劃」)，該計劃於二零一一年六月三日(「採納日期」)採納。除非另行取消或修訂，否則購股權計劃將由採納日期起一直有效，為期十年。購股權計劃的主要條款概述如下：

購股權計劃旨在向經甄選合資格參與者提供獎勵或獎賞，以表揚彼等對本集團作出的貢獻。根據購股權計劃，本公司董事可將購股權授予本集團任何成員公司或本集團任何成員公司持有任何權益的任何實體的任何董事、僱員、供應商、客戶、服務提供者、股東、顧問以及董事酌情認為已對本集團作出貢獻的任何其他人士。

因行使根據購股權計劃將予授出的所有購股權而可能發行的股份總數，合共不得超過於上市日期已發行股份的10%(除非股東批准)，且合共不得超過本公司不時已發行股份的30%。於任何十二個月期間，因行使根據購股權計劃向各參與者授出或將授出的購股權而已發行及將予發行的股份總數，不得超過本公司不時已發行股份的1%。

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The exercise price for the shares under the Share Option Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the option but the subscription price shall not be less than the highest of the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets on the date of the Board approving the grant of an option, which must be a business day ("**Offer Date**"); the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date; and the nominal value of the Company's shares. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

根據購股權計劃，股份的行使價應為董事會於授出購股權時可全權酌情決定的價格，惟認購價不得少於以下的最高者：於董事會批准授出購股權日期（必須為營業日（「授出日期」）），本公司股份在聯交所每日報價表所報的收市價；於緊接授出日期前五個營業日，本公司股份在聯交所每日報價表所報的平均收市價；以及本公司股份的面值。並須於接納授出之購股權時支付1港元之象徵式代價。

購股權可根據購股權計劃之條款在董事決定及知會各承授人之期間內隨時行使。此期間可自要約授出購股權當日開始，但於任何情況下不得遲於授出購股權當日起計10年結束，惟須遵守提前終止該等購股權之規定。除非董事另行決定及在向承授人提呈授出購股權要約時表明，否則購股權計劃並無規定在行使前所需持有購股權之最短期限。

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Share Award Scheme

The Company operates a share award scheme (the “**Share Award Scheme**”), which was adopted on 23 April 2019 (the “**Adoption Date**”). Unless otherwise cancelled or amended, the Share Award Scheme will remain in force for 10 years from the Adoption Date.

The Board may, from time to time and at its sole discretion, select any eligible person to participate in the Share Award Scheme and determine the number of Shares to be awarded and the terms and conditions of the awards. Awards shall be satisfied by Shares acquired in the market at the prevailing market price and no new Shares will be allotted and issued under the Share Award Scheme. The trustee of the Share Award Scheme (the “**Trustee**”) shall hold the awarded shares on trust for the award holders until the awarded Shares are vested in the relevant award holders according to the Share Award Scheme rules. Upon vesting, the Trustee shall either transfer the vested awarded Shares at no cost to such award holders or sell the vested awarded Shares at the then prevailing market price by way of market order and remit the net proceeds to the award holders in accordance with the direction given by such award holders.

The Board will constantly review and determine at its absolute discretion such number of Awarded Shares to be awarded to the selected persons under the Share Award Plan with such vesting conditions as the Board may deem appropriate.

股份獎勵計劃

本公司設有一項股份獎勵計劃(「**股份獎勵計劃**」)，該計劃於二零一九年四月二十三日(「**採納日期**」)採納。除非另行取消或修訂，否則股份獎勵計劃將由採納日期起一直有效，為期十年。

董事會可不時按其全權酌情決定選擇任何合資格人士參與股份獎勵計劃及釐定將授予的股份數目以及獎勵的條款及條件。獎勵將以按當時市價於市場上購買的股份撥付而概不會根據股份獎勵計劃配發及發行任何新股份。股份獎勵計劃的受託人(「**受託人**」)應以信託方式為獎勵持有人持有獎勵股份，直至獎勵股份根據股份獎勵計劃規則歸屬予有關獎勵持有人為止。於歸屬後，受託人須按照該等獎勵持有人作出的指示，將已歸屬之獎勵股份免費轉讓予該等獎勵持有人，或於市場上按當時現行之市價盤出售已歸屬之獎勵股份並將所得款項淨額匯付予獎勵持有人。

董事會將不斷檢討及全權酌情釐定根據股份獎勵計劃按董事會可能視為合適的有關歸屬條件將向獲選人士授出的有關獎勵股份數目。

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Model Code for Securities Transactions by Directors

The Company has adopted the code of conduct regarding securities transactions by directors as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix 10 to the Listing Rules. All the Directors of the Company have confirmed that they have complied with the required standards as set out in the Model Code throughout the period under review.

Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company’s listed securities during the period under review.

Corporate Governance

The Company had adopted and complied with the code provisions (the “**Code Provisions**”) of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules and certain recommended best practices set out in the CG Code throughout the period under review.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「**標準守則**」)作為董事進行證券交易的操守守則。經本公司向全體董事作出具體查詢後，彼等均確認於回顧期一直遵守標準守則所載的規定準則。

購回、出售或贖回證券

於回顧期內，本公司或其任何附屬公司並無購回、出售或贖回本公司之上市證券。

企業管治

本公司於本回顧期一直採納並遵守上市規則附錄十四所載之企業管治守則(「**企業管治守則**」)的原則，並遵守企業管治守則所載之守則的條文及若干建議最佳常規。

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Audit Committee

The Company established the Audit Committee with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to make recommendation to the Board on the appointment of the external auditors, review and supervise the financial reporting process and the internal control procedures of our Group. The Audit Committee consists of three independent non-executive Directors, namely Mr. Chung Kwok Mo John, Mr. Liew Fui Kiang and Mr. Shin Yick Fabian. Mr. Chung Kwok Mo John is the chairman of the Audit Committee.

Risk Management Committee

The Company established the Risk Management Committee with written terms of reference. The primary duties of the Risk Management Committee are to assist the Board on deciding the risk level and risk appetite of the Group and considering the Group's risk management strategies. The Risk Management Committee has eight members, including four directors namely Mr. Liew Fui Kiang, Mr. Chung Kwok Mo John, Mr. Shin Yick Fabian and Mr. Hu Zheng; and four senior managements, namely Ms. Chen Wei, Ms. Hou Lusi, Ms. Cai Yan and Mr. Ye Ningfei. Mr. Liew Fui Kiang is the chairman of the Risk Management Committee.

審核委員會

本公司按上市規則附錄十四企業管治守則的規定，成立有書面職權範圍的審核委員會。審核委員會的主要職責包括就委任外部核數師向董事會提出推薦意見、檢討及監察本集團財務申報程序及內部監控系統。審核委員會由三名獨立非執行董事鍾國武先生、劉懷鏡先生及冼易先生組成。審核委員會主席為鍾國武先生。

風險管理委員會

本公司已成立有書面職權範圍的風險管理委員會。風險管理委員會的主要職責是協助董事會決定本集團的風險水平及可承受風險程度及考慮本公司的風險管理策略。風險管理委員會有八名成員，包括四名董事即劉懷鏡先生、鍾國武先生、冼易先生及胡正先生；以及四名高層管理人員，分別為陳威女士、侯鸞絲女士、蔡琰女士及葉寧飛先生。風險管理委員會主席為劉懷鏡先生。

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Remuneration Committee

The Company established the Remuneration Committee with written terms of reference. The primary duties of the Remuneration Committee are to make recommendations to the Board on the remuneration of our Directors and senior management and determine on behalf of the Board specific remuneration packages and conditions of employment for the Directors and senior management. The Remuneration Committee has four members, namely Mr. Chung Kwok Mo John, Mr. Liew Fui Kiang, Mr. Shin Yick Fabian and Mr. Hu Zheng. Mr. Shin Yick Fabian is the chairman of the Remuneration Committee.

Nomination Committee

The Company established the Nomination Committee with written terms of reference. The primary duty of Nomination Committee is to make recommendation to the Board regarding candidates to fill vacancies on the Board and senior management. The Nomination Committee consists of four members, namely Mr. Chung Kwok Mo John, Mr. Liew Fui Kiang, Mr. Shin Yick Fabian and Mr. Hu Zheng. Mr. Hu Zheng is the chairman of the Nomination Committee.

薪酬委員會

本公司已成立有書面職權範圍的薪酬委員會。薪酬委員會的主要職責包括向董事會就董事及高級管理層薪酬提出推薦意見，以及代表董事會釐定董事及高級管理層的指定薪酬待遇及僱傭條件。薪酬委員會有四名成員，包括鍾國武先生、劉懷鏡先生、冼易先生及胡正先生。薪酬委員會主席為冼易先生。

提名委員會

本公司已成立有書面職權範圍的提名委員會。提名委員會的主要職責為向董事會就填補董事會及高級管理層的臨時空缺提出推薦意見。提名委員會有四名成員，包括為鍾國武先生、劉懷鏡先生、冼易先生及胡正先生。提名委員會主席為胡正先生。

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Audit Committee Review

The condensed consolidated financial statements of the Group for the six months ended 30 June 2020 have not been audited but have been reviewed by the audit committee of the Company (comprised all the independent non-executive directors of the Company).

Events after the Reporting Period

As at the date of approval of this interim condensed financial information, the Group has no event after the reporting period that need to be disclosed.

審核委員會審閱

本集團截至二零二零年六月三十日止六個月的簡明綜合財務報表未經審核；但經本公司的審核委員會（由全體獨立非執行董事組成）所審閱。

報告期間後事件

於本中期簡明財務資料批准日期，本集團並無須披露的報告期間後事件。



ZHENGYE
INTERNATIONAL

正業國際控股有限公司
ZHENGYE INTERNATIONAL HOLDINGS COMPANY LIMITED