



萬桐園

China Wan Tong Yuan (Holdings) Limited

中國萬桐園(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 6966

2021

INTERIM REPORT 中期報告

CONTENTS

目錄

| | |
|----|--|
| 2 | Corporate Information 公司資料 |
| 4 | Financial Highlights 財務摘要 |
| 5 | Report on Review of Condensed Consolidated Financial Statements 簡明合併財務報表審閱報告 |
| 7 | Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明合併損益及其他全面收益表 |
| 8 | Condensed Consolidated Statement of Financial Position 簡明合併財務狀況表 |
| 9 | Condensed Consolidated Statement of Changes in Equity 簡明合併權益變動表 |
| 10 | Condensed Consolidated Statement of Cash Flows 簡明合併現金流量表 |
| 11 | Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註 |
| 30 | Management Discussion and Analysis 管理層討論及分析 |
| 35 | Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較 |
| 44 | Other Information 其他資料 |

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Non-executive Director

Ms. Zhao Ying (*Chairman*)

Executive Directors

Ms. Li Xingying

Mr. Huang Guangming (*resigned on 29 March 2021*)

Ms. Wang Wei (*appointed on 29 March 2021*)

Mr. Huang Peikun (*appointed on 29 March 2021*)

Independent Non-executive Directors

Mr. Cheung Ying Kwan

Dr. Wong Wing Kuen Albert

Mr. Choi Hon Keung Simon

COMPLIANCE OFFICER

Mr. Huang Guangming

AUTHORIZED REPRESENTATIVES

Ms. Li Xingying

Mr. Tang Chun Man Adam (*CPA*) (*resigned on 29 March 2021*)

Ms. Li Ming Wai (*ACIS ACS*) (*appointed on 29 March 2021*)

COMPANY SECRETARY

Mr. Tang Chun Man Adam (*CPA*) (*resigned on 29 March 2021*)

Ms. Li Ming Wai (*ACIS ACS*) (*appointed on 29 March 2021*)

AUDIT COMMITTEE

Dr. Wong Wing Kuen Albert (*Chairman*)

Mr. Cheung Ying Kwan

Mr. Choi Hon Keung Simon

NOMINATION COMMITTEE

Ms. Zhao Ying (*Chairman*)

Mr. Cheung Ying Kwan

Mr. Choi Hon Keung Simon

REMUNERATION COMMITTEE

Dr. Wong Wing Kuen Albert (*Chairman*)

Mr. Cheung Ying Kwan

Ms. Zhao Ying

REGISTERED OFFICE

2nd Floor

The Grand Pavilion Commercial Centre

802 West Bay Road, P.O. Box 10338

Grand Cayman KY1-1003

Cayman Islands

董事會

非執行董事

趙穎女士(主席)

執行董事

李興穎女士

黃廣明先生(於2021年3月29日辭任)

王薇女士(於2021年3月29日獲委任)

黃培坤先生(於2021年3月29日獲委任)

獨立非執行董事

張應坤先生

王永權博士

蔡漢強先生

合規主任

黃廣明先生

授權代表

李興穎女士

鄧峻文先生(*CPA*)(於2021年3月29日辭任)

李銘慧女士(*ACIS ACS*)(於2021年3月29日獲委任)

公司秘書

鄧峻文先生(*CPA*)(於2021年3月29日辭任)

李銘慧女士(*ACIS ACS*)(於2021年3月29日獲委任)

審核委員會

王永權博士(主席)

張應坤先生

蔡漢強先生

提名委員會

趙穎女士(主席)

張應坤先生

蔡漢強先生

薪酬委員會

王永權博士(主席)

張應坤先生

趙穎女士

註冊辦事處

2nd Floor

The Grand Pavilion Commercial Centre

802 West Bay Road, P.O. Box 10338

Grand Cayman KY1-1003

Cayman Islands

Corporate Information 公司資料

HEADQUARTERS IN CHINA

No. 48, Louzhuang Road,
Langfang Development Area,
Langfang, Hebei, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3508, 35th Floor
West Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

LEGAL ADVISER TO THE COMPANY

Jeffrey Mak Law Firm
(as to Hong Kong laws)

PRINCIPAL BANKER

China Construction Bank

COMPANY WEBSITE

www.chinawty.com

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

TMF (Cayman) Ltd.
2nd Floor
The Grand Pavilion Commercial Centre
802 West Bay Road, P.O. Box 10338
Grand Cayman KY1-1003
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

6966

中國總部

中國河北省廊坊市
廊坊開發區
樓莊路48號

香港主要營業地點

香港
干諾道中168-200號
信德中心
西座
35樓3508室

核數師

德勤•關黃陳方會計師行
執業會計師

本公司法律顧問

麥振興律師事務所
(有關香港法律)

主要往來銀行

中國建設銀行

本公司網站

www.chinawty.com

股份過戶登記總處

TMF (Cayman) Ltd.
2nd Floor
The Grand Pavilion Commercial Centre
802 West Bay Road, P.O. Box 10338
Grand Cayman KY1-1003
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716室

股份代號

6966

FINANCIAL HIGHLIGHTS

財務摘要

The board of directors (the “Board”) of China Wan Tong Yuan (Holdings) Limited (the “Company”) hereby presents the unaudited consolidated financial results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months (the “Half-Yearly Period”) ended 30 June 2021 (the “Period”), together with the unaudited comparative figures for the corresponding period in 2020 as follows:

FINANCIAL HIGHLIGHTS

The unaudited revenue of the Group amounted to approximately RMB20,745,000 (six months ended 30 June 2020: RMB19,096,000) for the Period which represented an increase of RMB1,649,000 or 8.6% as compared with the corresponding period in 2020.

The profit attributable to owners of the Company was RMB7,655,000 (six months ended 30 June 2020: RMB8,654,000) for the Period, which represented a decrease of RMB999,000 or 11.5% as compared with the same period last year.

The Board does not recommend the payment of an interim dividend for the Period.

中國萬桐園(控股)有限公司(「本公司」)董事會(「董事會」)謹此提呈本公司及其附屬公司(統稱為「本集團」)截至2021年6月30日(「期間」)止六個月(「半年期間」)之未經審核合併財務業績，連同2020年同期之未經審核比較數字如下：

財務摘要

期間的本集團未經審核收益約為人民幣20,745,000元(截至2020年6月30日止六個月：人民幣19,096,000元)，較2020年同期增加人民幣1,649,000元或8.6%。

期間的本公司擁有人應佔溢利為人民幣7,655,000元(截至2020年6月30日止六個月：人民幣8,654,000元)，較去年同期減少人民幣999,000元或11.5%。

董事會並不建議就期間派付中期股息。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表審閱報告

Deloitte.

德勤

**TO THE BOARD OF DIRECTORS OF
CHINA WAN TONG YUAN (HOLDINGS) LIMITED**
(incorporated in the Cayman Islands with limited liability)

致中國萬桐園(控股)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 China Wan Tong Yuan (Holdings) Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 7 to 29, which comprise the condensed consolidated statement of financial position as of 30 June 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and 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 International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the International Auditing and Assurance Standards Board. 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 International 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.

引言

吾等已審閱列載於第7頁至29頁之中國萬桐園(控股)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之簡明合併財務報表。簡明合併財務報表包括於2021年6月30日之簡明合併財務狀況表與截至該日止六個月期間之相關簡明合併損益及其他全面收益表、簡明合併權益變動表及簡明合併現金流量表，以及若干解釋附註。香港聯合交易所有限公司證券上市規則規定，編製中期財務資料之報告須符合當中之相關條文及國際會計準則理事會頒布之國際會計準則第34號「中期財務報告」(「國際會計準則第34號」)。貴公司董事須負責按照「國際會計準則第34號」編製及呈列該等簡明合併財務報表。吾等之責任為根據吾等之審閱，對該等簡明合併財務報表作出結論，並按照吾等雙方所協議之委聘條款，僅向閣下整體作出報告，除此以外，本報告不作其他用途。吾等概不就本報告之內容對任何其他人士負責或承擔任何責任。

審閱範圍

吾等已根據國際審計及鑒證準則委員會頒布之國際審閱工作準則第2410號「由實體獨立核數師審閱中期財務資料」進行審閱。該等簡明合併財務報表之審閱工作包括向主要負責財務及會計事項的人員作出查詢，並採用分析及其他審閱程序。由於審閱的範圍遠較按照國際審計準則進行的審計範圍為小，所以不能保證吾等會注意到在審計中可能會被發現的所有重大事項。因此吾等不會發表審計意見。



Report on Review of Condensed Consolidated Financial Statements 簡明合併財務報表審閱報告

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 IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
11 August 2021

結論

根據吾等的審閱，吾等未獲悉任何事項，使吾等相信簡明合併財務報表在所有重大方面並無按照國際會計準則第34號編製。

德勤•關黃陳方會計師行
執業會計師
香港
2021年8月11日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明合併損益及其他全面收益表

For the six months ended 30 June 2021 截至2021年6月30日止六個月

| | | Six months ended 30 June 截至6月30日止六個月 | | |
|--|-------------------------------|--|--|--|
| | | Notes 附註 | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Revenue | 收益 | 4 | 20,745 | 19,096 |
| Cost of sales and services | 銷售及服務成本 | | (3,349) | (3,177) |
| Gross profit | 毛利 | | 17,396 | 15,919 |
| Other income | 其他收入 | 5 | 2,298 | 2,287 |
| Other (losses)/gains | 其他(虧損)/收益 | 6 | (464) | 1,025 |
| Loss on fair value changes of financial assets at fair value through profit or loss | 按公平值計入損益的 金融資產之公平值 變動虧損 | 13 | (422) | (440) |
| (Loss)/gain on fair value change of investment property | 投資物業公平值變動 (虧損)/收益 | 11 | (110) | 60 |
| Distribution and selling expenses | 分銷及銷售開支 | | (3,573) | (3,349) |
| Administrative expenses | 行政開支 | | (3,750) | (3,851) |
| Finance costs | 財務成本 | | (765) | (42) |
| Profit before tax | 除稅前溢利 | 7 | 10,610 | 11,609 |
| Income tax expense | 所得稅開支 | 8 | (2,955) | (2,955) |
| Profit and total comprehensive income for the period attributable to owners of the Company | 本公司擁有人應佔 期間溢利及全面 收益總額 | | 7,655 | 8,654 |
| Earnings per share | 每股盈利 | | | |
| Basic (RMB cents) | 基本(人民幣分) | 9 | 0.8 | 0.9 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明合併財務狀況表

As at 30 June 2021 於2021年6月30日

| | | Notes 附註 | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|---|-------------------|-------------|---|---|
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | | 3,954 | 3,249 |
| Right-of-use assets | 使用權資產 | | 335 | 623 |
| Investment property | 投資物業 | 11 | 6,090 | 6,200 |
| Cemetery assets | 墓園資產 | 12 | 9,650 | 8,904 |
| Prepayments and other receivables | 預付款項及其他應收款項 | 14 | 37,256 | 8,000 |
| Financial assets at fair value through profit or loss | 按公平值計入損益的金融資產 | 13 | 8,478 | 8,900 |
| | | | 65,763 | 35,876 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | | 18,490 | 18,605 |
| Prepayments and other receivables | 預付款項及其他應收款項 | 14 | 1,311 | 1,265 |
| Bank balances and cash | 銀行結餘及現金 | | 175,469 | 197,630 |
| | | | 195,270 | 217,500 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 15 | 5,149 | 6,099 |
| Lease liabilities | 租賃負債 | | 318 | 598 |
| Contract liabilities | 合約負債 | 16 | 8,554 | 8,033 |
| Income tax payable | 應付所得稅 | | 1,556 | 3,181 |
| | | | 15,577 | 17,911 |
| Net current assets | 流動資產淨值 | | 179,693 | 199,589 |
| Total assets less current liabilities | 總資產減流動負債 | | 245,456 | 235,465 |
| Non-current liabilities | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | | — | 15 |
| Contract liabilities | 合約負債 | 16 | 65,704 | 63,194 |
| Deferred tax liabilities | 遞延稅項負債 | | 2,075 | 2,234 |
| | | | 67,779 | 65,443 |
| Net assets | 資產淨值 | | 177,677 | 170,022 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 17 | 66,192 | 66,192 |
| Reserves | 儲備 | | 111,485 | 103,830 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | 177,677 | 170,022 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明合併權益變動表

For the six months ended 30 June 2021 截至2021年6月30日止六個月

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | |
|--|-------------|---|---------------------------|---------------|-------------------|----------------|
| | | Share capital | Statutory surplus reserve | Other reserve | Retained earnings | Total |
| | | 股本 | 法定盈餘儲備 | 其他儲備 | 保留盈利 | 總計 |
| | | 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 |
| At 1 January 2020 | 於2020年1月1日 | 66,192 | 9,771 | 1,309 | 75,209 | 152,481 |
| Profit and total comprehensive income for the period | 期內溢利及全面收益總額 | — | — | — | 8,654 | 8,654 |
| Transfer to statutory surplus reserve | 轉至法定盈餘儲備 | — | 965 | — | (965) | — |
| At 30 June 2020 | 於2020年6月30日 | 66,192 | 10,736 | 1,309 | 82,898 | 161,135 |
| At 1 January 2021 | 於2021年1月1日 | 66,192 | 12,143 | 1,309 | 90,378 | 170,022 |
| Profit and total comprehensive income for the period | 期內溢利及全面收益總額 | — | — | — | 7,655 | 7,655 |
| Transfer to statutory surplus reserve | 轉至法定盈餘儲備 | — | 997 | — | (997) | — |
| At 30 June 2021 | 於2021年6月30日 | 66,192 | 13,140 | 1,309 | 97,036 | 177,677 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明合併現金流量表

For the six months ended 30 June 2021 截至2021年6月30日止六個月

| | | Six months ended 30 June 截至6月30日止六個月 | |
|--|-------------------------------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Net cash (used in)/generated from operating activities | 經營活動(所用)/ 所得現金淨額 | (21,783) | 7,037 |
| INVESTING ACTIVITIES | 投資活動 | | |
| Purchase of property, plant and equipment | 購買物業、廠房及 設備 | (1,190) | (82) |
| Proceeds on disposal of property, plant and equipment | 出售物業、廠房及 設備所得款項 | 20 | — |
| Interest received | 已收利息 | 860 | 1,367 |
| Dividend income received from financial assets at fair value through profit or loss | 來自按公平值計入 損益的金融資產 已收股息收入 | 700 | 800 |
| Placement of restricted bank deposits | 存入受限制銀行存款 | — | (1,600) |
| Placement of term deposits | 存入定期存款 | (11,200) | — |
| Net cash (used in)/generated from investing activities | 投資活動(所用)/ 所得現金淨額 | (10,810) | 485 |
| FINANCING ACTIVITIES | 融資活動 | | |
| Interest paid | 已付利息 | (21) | (42) |
| Repayments of leases liabilities | 償還租賃負債 | (295) | (183) |
| Net cash used in financing activities | 融資活動所用現金淨額 | (316) | (225) |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等價物 (減少)/增加淨額 | (32,909) | 7,297 |
| Cash and cash equivalents at the beginning of period | 期初現金及現金等價物 | 143,830 | 189,280 |
| Effect of foreign exchange rate changes | 匯率變動的影響 | (452) | 896 |
| Cash and cash equivalents at the end of period represented by bank balances and cash | 期末以銀行結餘及 現金列賬的現金及 現金等價物 | 175,469 | 197,473 |
| Less: bank deposits with original maturity over three months | 減：原到期日為三個月 以上的銀行存款 | (65,000) | — |
| Cash and cash equivalents at the end of the period | 期末的現金及現金等 價物 | 110,469 | 197,473 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

1. GENERAL

China Wan Tong Yuan (Holdings) Limited (the “Company”) was incorporated and registered in the Cayman Islands on 25 January 2017 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The shares of the Company had been listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 27 September 2017, and the listing of its shares was transferred from GEM to the Main Board of the Stock Exchange on 17 December 2019. The principal activity of the Company is investment holding. Its subsidiaries are primarily engaged in the sale of burial plots and columbarium units, provision of other burial-related services and provision of cemetery maintenance services.

The ultimate holding company and immediate holding company of the Company is Tai Shing International Investment Company Limited (“Tai Shing International”), a company which was incorporated in the British Virgin Islands (the “BVI”) and is ultimately controlled by Ms. Zhao Ying (the “Ultimate Controlling Shareholder”).

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company and its subsidiaries (collectively referred to as the “Group”), and all values are rounded to the nearest thousand (‘000) unless otherwise indicated.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 June 2021 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board 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”).

1. 一般資料

中國萬桐園(控股)有限公司(「本公司」)於2017年1月25日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。本公司的股份自2017年9月27日起於香港聯合交易所有限公司(「聯交所」)的GEM上市，而其股份於2019年12月17日由GEM轉至聯交所主板上。本公司的主要業務為投資控股，而其附屬公司主要從事墓地及骨灰廊銷售、提供其他殯葬相關服務及墓園維護服務。

本公司的最終控股公司及直接控股公司是在英屬處女群島(「英屬處女群島」)註冊成立的公司泰盛國際投資有限公司(「泰盛國際」)，並最終由趙穎女士(「最終控股股東」)控制。

簡明合併財務報表以本公司及其附屬公司(統稱為「本集團」)的功能貨幣人民幣(「人民幣」)呈列，而除另有說明外，所有數值均約整至最接近的千元。

2. 編製基準

截至2021年6月30日止六個月的簡明合併財務報表已按照國際會計準則理事會頒佈的國際會計準則第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(「上市規則」)附錄16的適用披露規定編製。

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment property and certain financial instruments which are measured at fair values.

Other than changes in accounting policies resulting from application of new and amendments to International Financial Reporting Standards (“IFRSs”) and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2020.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2021 for the preparation of the Group’s condensed consolidated financial statements:

| | |
|--|--|
| Amendment to IFRS 16 | Covid-19-Related Rent Concessions |
| Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 | Interest Rate Benchmark Reform — Phase 2 |

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group’s financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策

除投資物業及若干金融工具按公平值計量外，簡明合併財務報表乃按歷史成本基準編製。

除應用新訂及經修訂國際財務報告準則（「國際財務報告準則」）及應用若干與本集團相關的會計政策造成的會計政策變動外，截至2021年6月30日止六個月的簡明合併財務報表所用的會計政策及計算方式與編製本集團截至2020年12月31日止年度的年度財務報表所用者相同。

應用經修訂國際財務報告準則

於本中期間，本集團已首次應用國際會計準則委員會頒佈的於2021年1月1日或之後開始的年度期間強制生效的下列經修訂國際財務報告準則，以編製本集團簡明合併財務報表：

| | |
|--|------------------|
| 國際財務報告準則第16號（修訂本） | 與COVID-19相關的租金減免 |
| 國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號（修訂本） | 利率基準改革 — 第二期 |

於本中期間應用經修訂國際財務報告準則對本集團於本期間及過往期間的財務表現及狀況及／或該等簡明合併財務報表所載的披露並無重大影響。

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

4. REVENUE AND SEGMENT INFORMATION

4.1 Disaggregation of revenue

4. 收益及分部資料

4.1 收益分類

| | | For the six months ended 30 June 2021 截至2021年6月30日止六個月 | | |
|--|------------|---|--|--|
| | | Sales of burial plots, columbarium units and provision of other burial- related services 銷售墓地、 骨灰廊及 提供其他墓地 相關服務 RMB'000 人民幣千元 (unaudited) (未經審核) | Provision of cemetery maintenance services 提供墓園 維護服務 RMB'000 人民幣千元 (unaudited) (未經審核) | Total 總計 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Types of goods and service | 商品和服務種類 | | | |
| Sales of burial plots | 銷售墓地 | 16,188 | — | 16,188 |
| Provision of other burial- related services | 提供其他墓地相關服務 | 2,323 | — | 2,323 |
| Provision of cemetery maintenance services | 提供墓園維護服務 | — | 2,234 | 2,234 |
| Total | 總計 | 18,511 | 2,234 | 20,745 |
| Timing of revenue recognition | 確認收益的時間 | | | |
| A point in time | 在某一時間點 | 16,188 | — | 16,188 |
| Over time | 隨時間流逝 | 2,323 | 2,234 | 4,557 |
| Total | 總計 | 18,511 | 2,234 | 20,745 |

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

4. REVENUE AND SEGMENT INFORMATION

(Continued)

4.1 Disaggregation of revenue (Continued)

4. 收益及分部資料(續)

4.1 收益分類(續)

For the six months ended
30 June 2020

截至2020年6月30日止六個月

| | Sales of burial plots, columbarium units and provision of other burial- related services 銷售墓地、 骨灰廊及 提供其他墓地 相關服務 RMB'000 人民幣千元 (unaudited) (未經審核) | Provision of cemetery maintenance services 提供墓園 維護服務 RMB'000 人民幣千元 (unaudited) (未經審核) | Total 總計 RMB'000 人民幣千元 (unaudited) (未經審核) |
|--|---|--|--|
| Types of goods and service | 商品和服務種類 | | |
| Sales of burial plots | 13,730 | — | 13,730 |
| Sales of columbarium units | 1,682 | — | 1,682 |
| Provision of other burial- related services | 1,723 | — | 1,723 |
| Provision of cemetery maintenance services | — | 1,961 | 1,961 |
| Total | 17,135 | 1,961 | 19,096 |
| Timing of revenue recognition | 確認收益的時間 | | |
| A point in time | 15,412 | — | 15,412 |
| Over time | 1,723 | 1,961 | 3,684 |
| Total | 17,135 | 1,961 | 19,096 |

All of the Group's revenue is from contracts with customers and generated in the People's Republic of China (the "PRC") based on where goods are sold or services are rendered, and substantially all of the Group's identifiable assets and liabilities are located in the PRC.

本集團所有收益均來自客戶合約及於中華人民共和國(「中國」)產生，並在中國出售商品或提供服務，本集團絕大部分可識別資產及負債均位於中國。

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

4. REVENUE AND SEGMENT INFORMATION

(Continued)

4.2 Segment information

The Group determines its operating segments based on the reports reviewed by the chief operating decision makers, including Ms. Li Xingying, the general manager of Langfang Wantong Cemetery Co., Ltd. (“Langfang Wantong”), Ms. Wang Wei and Mr. Huang Peikun (executive Directors of Langfang Wantong appointed on 29 March 2021), Mr. Huang Guangming (the deputy general manager of Langfang Wantong resigned on 29 March 2021), and Mr. Yu Minghua (the chief executive officer of Langfang Wantong resigned on 31 March 2020) (collectively the “CODM”), that are used to make strategic decisions. Information reported to the CODM is based on the products and services delivered or provided by the Group.

The Group’s operating and reporting segments are (i) sales of burial plots, columbarium units and provision of other burial-related services; and (ii) provision of cemetery maintenance services in the PRC.

4. 收益及分部資料(續)

4.2 分部資料

本集團根據主要經營決策者(包括廊坊市萬桐公墓有限公司(「廊坊萬桐」)總經理李興穎女士、王薇女士及黃培坤先生(於2021年3月29日獲委任為廊坊萬桐執行董事)、黃廣明先生(於2021年3月29日辭任廊坊萬桐副總經理)及余明華先生(於2020年3月31日辭任最高行政人員)(統稱「主要經營決策者」))所審閱用於作出戰略決策的報告釐定經營分部。呈報予主要經營決策者的資料基於本集團所交付或提供的產品及服務作出。

本集團的經營及呈報分部為在中國(i)銷售墓地、骨灰廊及提供其他墓地相關服務；及(ii)提供墓園維護服務。

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

4. REVENUE AND SEGMENT INFORMATION

(Continued)

4.2 Segment information (Continued)

Segment revenue and results

For the six months ended 30 June 2021 (unaudited)

4. 收益及分部資料(續)

4.2 分部資料(續)

分部收益及業績

截至2021年6月30日止六個月(未經審核)

| | | Sales of burial plots, columbarium units and provision of other burial- related services 銷售墓地、 骨灰廊及 提供其他墓地 相關服務 RMB'000 人民幣千元 | Provision of cemetery maintenance services 提供墓園 維護服務 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|---|--|---|---------------------------------|
| Segment revenue | 分部收益 | 18,511 | 2,234 | 20,745 |
| Segment results | 分部業績 | 15,424 | 1,972 | 17,396 |
| Other income | 其他收入 | | | 2,298 |
| Other losses | 其他收益 | | | (464) |
| Loss on fair value changes of financial assets at fair value through profit or loss ("FVTPL") | 按公平值計入損益 (「按公平值計入 損益」)的金融資產之 公平值變動虧損 | | | (422) |
| Loss on fair value change of investment property | 投資物業公平值變動 虧損 | | | (110) |
| Distribution and selling expenses | 分銷及銷售開支 | | | (3,573) |
| Administrative expenses | 行政開支 | | | (3,750) |
| Finance costs | 財務成本 | | | (765) |
| Profit before tax | 除稅前溢利 | | | 10,610 |

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

4. REVENUE AND SEGMENT INFORMATION

(Continued)

4.2 Segment information (Continued)

Segment revenue and results (Continued)

For the six months ended 30 June 2020 (unaudited)

| | | Sales of burial plots, columbarium units and provision of other burial- related services 銷售基地、 骨灰廊及 提供其他墓地 相關服務 RMB'000 人民幣千元 | Provision of cemetery maintenance services 提供墓園 維護服務 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|-------------------------------|--|---|-------------------------------------|
| Segment revenue | 分部收益 | 17,135 | 1,961 | 19,096 |
| Segment results | 分部業績 | 14,109 | 1,810 | 15,919 |
| Other income | 其他收入 | | | 2,287 |
| Other gains | 其他收益 | | | 1,025 |
| Loss on fair value changes of financial assets FVTPL | 按公平值計入損益的 金融資產之公平值 變動虧損 | | | (440) |
| Gain on fair value change of investment property | 投資物業公平值變動 收益 | | | 60 |
| Distribution and selling expenses | 分銷及銷售開支 | | | (3,349) |
| Administrative expenses | 行政開支 | | | (3,851) |
| Finance costs | 財務成本 | | | (42) |
| Profit before tax | 除稅前溢利 | | | 11,609 |

Segment results represent the gross profit attributable to each segment. This is the measure reported to the Group's CODM for the purpose of resource allocation and performance assessment. There were no inter-segment revenue during the current and prior periods. No analysis of segment assets and liabilities is presented as it is not regularly reviewed by the Group's CODM.

分部業績指各分部應佔毛利。此為向本集團主要經營決策者呈報以作資源分配及業績評估的計量基準。本期間及過往期間並無分部間收益。由於本集團主要經營決策者並無定期檢討，故並無呈列有關分部資產及負債的分析。

4. 收益及分部資料 (續)

4.2 分部資料 (續)

分部收益及業績 (續)

截至2020年6月30日止六個月 (未經審核)

Notes to the Condensed Consolidated Financial Statements
 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

5. OTHER INCOME

5. 其他收入

| | | Six months ended 30 June 截至6月30日止六個月 | |
|--|------------------------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Interest income on bank deposits | 銀行存款利息收入 | 1,503 | 1,367 |
| Dividend income from financial assets at FVTPL | 按公平值計入損益的 金融資產之股息收入 | 700 | 800 |
| Government grant | 政府補助 | — | 25 |
| Rental income | 租金收入 | 95 | 95 |
| | | 2,298 | 2,287 |

6. OTHER (LOSSES)/GAINS

6. 其他(虧損)/收益

| | | Six months ended 30 June 截至6月30日止六個月 | |
|---|------------------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及 設備收益 | 19 | — |
| Foreign exchange (losses)/gains, net | 外匯(虧損)/收益淨額 | (483) | 1,025 |
| | | (464) | 1,025 |

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

7. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

7. 除稅前溢利

除稅前溢利經扣除以下各項：

| | | Six months ended 30 June 截至6月30日止六個月 | |
|---|-------------------------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 484 | 421 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 288 | 240 |
| Amortisation of cemetery assets (included in cost of sales and services) | 墓園資產攤銷(計入 銷售及服務成本內) | 236 | 188 |
| Total depreciation and amortisation | 折舊及攤銷總額 | 1,008 | 849 |
| Cost of inventories recognised as an expense | 確認為開支的存貨成本 | 2,144 | 2,285 |
| Staff costs, including Directors' remuneration: | 員工成本，包括 | | |
| Salaries, wages and other benefits | 董事酬金： 薪金、工資及其他 福利 | 3,093 | 2,927 |
| Retirement benefits scheme contributions | 退休福利計劃供款 | 175 | 33 |
| Total staff costs | 總員工成本 | 3,268 | 2,960 |

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

8. INCOME TAX EXPENSE

8. 所得稅開支

| | | Six months ended 30 June 截至6月30日止六個月 | |
|-------------------------------|---------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Current enterprise income tax | 即期企業所得稅 | 3,222 | 3,050 |
| Over provision in prior year | 上年度過度撥備 | (108) | — |
| Deferred tax | 遞延稅項 | (159) | (95) |
| | | 2,955 | 2,955 |

9. EARNINGS PER SHARE

9. 每股盈利

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

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：

| | | Six months ended 30 June 截至6月30日止六個月 | |
|--|-----------------------------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Earnings | 盈利 | | |
| Earnings for the purpose of calculating basic earnings per share (profit for the period attributable to owners of the Company) | 用以計算每股基本盈利的盈利(本公司擁有人應佔期內溢利) | 7,655 | 8,654 |
| Numbers of shares | 股份數目 | | |
| Number of ordinary shares for the purpose of calculating basic earnings per share | 用以計算每股基本盈利的普通股數目 | 1,000,000,000 | 1,000,000,000 |

No diluted earnings per share were presented as there was no potential ordinary shares in issue for both periods.

由於兩個期間均無潛在已發行普通股，故並無呈列每股攤薄盈利。

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

10. DIVIDEND

The directors of the Company (the “Directors”) have determined that no dividend will be paid in respect of the current interim period (six months ended 30 June 2020: nil).

10. 股息

本公司董事(「董事」)已決定於本中期期間將不會支付股息(截至2020年6月30日止六個月：無)。

11. INVESTMENT PROPERTY

11. 投資物業

| | | RMB'000 人民幣千元 |
|--|-------------------|------------------|
| Fair value | 公平值 | |
| At 31 December 2020 (audited) | 於2020年12月31日(經審核) | 6,200 |
| Loss on fair value change of investment property | 投資物業公平值變動虧損 | (110) |
| <hr/> | | |
| At 30 June 2021 (unaudited) | 於2021年6月30日(未經審核) | 6,090 |

The fair values of the Group's investment property as at 30 June 2021 and 31 December 2020 have been arrived at based on a valuation performed by Vigers Appraisal & Consulting Limited (a member of the Hong Kong Institute of Surveyors), an independent qualified professional valuer not connected with the Group.

於2021年6月30日及2020年12月31日，本集團投資物業的公平值按與本集團並無關連的獨立合資格專業估值師威格斯資產評估顧問有限公司(香港測量師學會會員)的估值達致。

The fair value of investment property is derived using the direct comparison method. Direct comparison method is by reference to market comparable with adjustments to reflect the additions and locations of the subject property.

投資物業的公平值透過直接比較法而得。直接比較法參考市場可比較物業並作出調整，反映標的物業的附加部分及位置。

There has been no changes in the valuation technique during the current period.

估值方法在本期間並無改變。

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

12. CEMETERY ASSETS

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|----------------------|------|---|---|
| Leasehold land | 土地成本 | 4,086 | 4,156 |
| Landscape facilities | 景觀設施 | 5,170 | 4,346 |
| Development costs | 發展成本 | 394 | 402 |
| | | 9,650 | 8,904 |

12. 墓園資產

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|--|------------------|---|---|
| Unlisted investments: — equity securities | 非上市投資： — 股本證券 | 8,478 | 8,900 |

13. 按公平值計入損益的金融資產

At 31 December 2020 and 30 June 2021, the Group had 10% equity interests in Huimin Town Bank Co., Ltd of Anci District, Langfang City (廊坊市安次區惠民村鎮銀行股份有限公司), which was classified as financial assets at FVTPL. During the six months ended 30 June 2021, the amount of loss on fair value changes of financial assets at FVTPL of RMB422,000 (six months ended 30 June 2020: RMB440,000) was charged to profit or loss.

The fair value of financial assets at FVTPL has been arrived at on the basis of valuation performed by Vigers Appraisal & Consulting Limited, an independent qualified professional valuer not connected with the Group. The Directors work closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model.

於2020年12月31日及2021年6月30日，本集團擁有廊坊市安次區惠民村鎮銀行股份有限公司10%股權，該股權被分類為按公平值計入損益的金融資產。於截至2021年6月30日止六個月，按公平值計入損益的金融資產之公平值變動虧損的金額人民幣422,000元（截至2020年6月30日止六個月：人民幣440,000元）已於損益中扣除。

按公平值計入損益的金融資產的公平值乃基於與本集團並無關連的獨立合資格專業估值師威格斯資產評估顧問有限公司執行的估值達致。董事與合資格外部估值師密切合作，為模型建立適當的估值技術及輸入數據。

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

| Financial assets | Fair value as at 30 June 2021 於2021年6月30日之公平值 (unaudited) (未經審核) RMB'000 人民幣千元 | Fair value hierarchy | Valuation techniques and key inputs | Significant unobservable input(s) |
|--|---|----------------------|---|--|
| 金融資產 | | 公平值層級 | 估值技術及主要輸入數據 | 重大不可觀察輸入數據 |
| Financial assets at FVTPL 按公平值計入損益的金融資產 | 8,478 | Level 3 第三級 | Market approach: based on the target companies' financial performance and the multiples of comparable companies The key inputs are: (1) Price to book ratio ("P/B ratio") (2) Discount for lack of marketability ("DLOM") 市場法：基於目標公司財務表現及可資比較公司倍數 主要輸入數據為： (1) 市賬率（「市賬率」） (2) 缺乏市場流通性折讓（「缺乏市場流通性折讓」） | P/B ratio: 0.80 (note) DLOM: 30% 市賬率：0.80（附註） 缺乏市場流通性折讓：30% |

Note: An increase in the P/B ratio used in isolation would result in an increase in the fair value measurement of the financial assets at FVTPL, and vice versa. A 5% increase/decrease in the P/B ratio holding all other variables constant would increase/decrease the carrying amount of the investment by RMB424,000 (2020: RMB408,000).

13. 按公平值計入損益的金融資產 (續)

下表提供有關如何釐定該等金融資產的公平值（特別是所用的估值技術及輸入數據）的資料。

附註：單獨使用的市賬率增加將導致按公平值計入損益的金融資產公平值計量增加，反之亦然。倘所有其他變量不變，市賬率增加／減少5%將導致投資賬面值增加／減少人民幣424,000元（2020年：人民幣408,000元）。

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

14. PREPAYMENTS AND OTHER RECEIVABLES 14. 預付款項及其他應收款項

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|-------------------------------|-------------|---|---|
| Current | 即期 | | |
| Interest receivables accrual | 應計應收利息 | 643 | — |
| Staff advance | 員工墊款 | 70 | 30 |
| Prepayments | 預付款項 | 303 | 1,002 |
| Others | 其他 | 295 | 233 |
| | | 1,311 | 1,265 |
| Non-current | 非即期 | | |
| Guarantee deposits (note (a)) | 保證金(附註(a)) | 7,256 | 8,000 |
| Prepayments (note (b)) | 預付款項(附註(b)) | 30,000 | — |
| | | 37,256 | 8,000 |

Notes:

- (a) The amount represented the guarantee deposits to a third party, Langfang Xinhangcheng Real Estate Development Co., Limited (廊坊市新航城房地產開發有限公司, "Xinhangcheng") for the development of a new cemetery project located in Langfang relocation and settlement zone, Beijing, and should there be no breach on the part of the Group before the official commencement of operation of the cemetery, Xinhangcheng shall within 90 days therefrom refund the guarantee deposit to the Group.
- (b) The amount represented the prepayment to a third party company for the demolition works for the new cemetery project as aforementioned in note (a). Subsequently, following Guangyang district government entrusted Baijiawu Office (白家務辦事處) to take lead in demolition and coordination works in the initial stage of the cemetery project, the Group requested to terminate the service agreement with the third party company and the prepayment was refunded on 11 August 2021 accordingly.

附註：

- (a) 該款項為向第三方廊坊市新航城房地產開發有限公司(「新航城」)支付的保證金，以開發位於北京廊坊回遷安置區的新公墓項目，且倘本集團於公墓正式開始營運前並無違約，新航城須於其後90日內向本集團退還保證金。
- (b) 該金額指就上文附註(a)所述新墓園項目的拆卸工程向第三方公司支付的預付款項。隨後，於廣陽區政府委託白家務辦事處牽頭進行墓園項目初期的拆遷及協調工作後，本集團要求終止與第三方公司的服務協議，而預付款項已於2021年8月11日相應退還。

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

15. TRADE AND OTHER PAYABLES

15. 貿易及其他應付款項

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|------------------|--------|---|---|
| Trade payables | 貿易應付款項 | 2,562 | 2,122 |
| Accrued expenses | 應計開支 | 2,587 | 3,977 |
| | | 5,149 | 6,099 |

The following is an aged analysis of trade payables presented based on the invoice date at 30 June 2021 and 31 December 2020:

以下為於2021年6月30日及2020年12月31日按發票日期呈列的貿易應付款項的賬齡分析：

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|------------------|------|---|---|
| Less than 1 year | 1年內 | 2,277 | 886 |
| 1 to 2 years | 1至2年 | 197 | 1,133 |
| 2 to 3 years | 2至3年 | — | 15 |
| Over 3 years | 3年以上 | 88 | 88 |
| | | 2,562 | 2,122 |

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

16. CONTRACT LIABILITIES

Contract liabilities represent the obligations to transfer burial plots, columbarium units and cemetery maintenance services in accordance with the revenue recognition policy and the nature of the business.

16. 合約負債

合約負債指根據收益確認政策及業務性質轉讓墓地、骨灰廊及墓園維護服務的責任。

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|---|------------|---|---|
| Carrying amount analysed as: | 賬面值分析如下： | | |
| Amounts shown under current liabilities | 列為流動負債的金額 | 8,554 | 8,033 |
| Amounts shown under non-current liabilities | 列為非流動負債的金額 | 65,704 | 63,194 |
| | | 74,258 | 71,227 |

Customers who purchase burial services are required to make advance payments for maintenance fees, relating to the ongoing cemetery maintenance services of their burial plots and memorials over 20 years, and such amounts are generally paid together with the purchase of burial plots.

購買殯葬服務的客戶須就持續維護墓地及墓碑服務預先支付20年的維護費，該等款項一般於購買墓地時一併支付。

During the six months ended 30 June 2021, the Group generated revenue from the provision of cemetery maintenance services in the amount of approximately RMB2,234,000 (six months ended 30 June 2020: RMB1,961,000).

於截至2021年6月30日止六個月，本集團提供墓園維護服務所產生的收益約為人民幣2,234,000元(截至2020年6月30日止六個月：人民幣1,961,000元)。

17. SHARE CAPITAL

17. 股本

| | | Number of shares 股份數目 | RMB'000 人民幣千元 |
|---|---|-----------------------------|------------------|
| Ordinary shares of United States Dollar 0.01 each Authorised: | 每股0.01美元的普通股法定： | | |
| At 1 January 2020, 31 December 2020 and 30 June 2021 | 於2020年1月1日、 2020年12月31日及 2021年6月30日 | 3,000,000,000 | 205,984 |
| Issue and fully paid: | 發行及繳足： | | |
| At 1 January 2020, 31 December 2020 and 30 June 2021 | 於2020年1月1日、 2020年12月31日及 2021年6月30日 | 1,000,000,000 | 66,192 |

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

18. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The investment property held by the Group for rental purpose has committed tenants for one year with fixed rental.

At the end of each reporting period, minimum lease payments receivable on leases are as follow:

18. 經營租賃安排

本集團作為出租人

本集團持作賺取租金的投資物業與租戶訂約於一年內租用，租金固定。

各報告期末，就租賃應收最低租賃付款如下：

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|-----------------|-----|---|---|
| Within one year | 一年內 | 200 | 200 |

19. CAPITAL COMMITMENTS

19. 資本承擔

| | | At 30 June 2021 於2021年 6月30日 RMB'000 人民幣千元 (unaudited) (未經審核) | At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元 (audited) (經審核) |
|---|-------------------|---|---|
| Contracted but not provided for in the condensed consolidated financial statements: | 已訂約但未於簡明合併財務報表撥備： | | |
| — Expenditure in respect of cemetery assets | — 墓園資產方面的開支 | — | 73 |
| — Expenditure in respect of property, plant and equipment | — 物業、廠房及設備方面的開支 | — | 88 |

Notes to the Condensed Consolidated Financial Statements

簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

20. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of Directors and chief executive, who are also key management, is disclosed as follows:

20. 關聯方交易

主要管理人員薪酬

董事及主要行政人員(同時為主要管理層)的薪酬,披露如下:

| | | Six months ended 30 June 截至6月30日止六個月 | |
|---|----------|--|--|
| | | 2021 2021年 RMB'000 人民幣千元 (unaudited) (未經審核) | 2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核) |
| Salaries and other benefits | 薪金及其他福利 | 645 | 443 |
| Contribution to retirement benefit scheme | 退休福利計劃供款 | 36 | 5 |
| Discretionary performance-related bonus | 酌情績效獎金 | 264 | 186 |
| | | 945 | 634 |

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Except for the financial assets at FVTPL disclosed in note 13, there are no other financial instruments measured at fair value on a recurring basis. The fair values of financial assets and financial liabilities measured at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flows analysis.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in these condensed consolidated financial statements approximate their fair values at the end of each reporting period.

21. 金融工具的公平值計量

除附註13所披露的按公平值計入損益的金融資產外,並無其他按照週期性基準以公平值計量的金融工具。按攤銷成本計量的金融資產及金融負債公平值根據公認定價模式按貼現現金流量分析釐定。

董事認為,簡明合併財務報表內按攤銷成本列賬的金融資產及金融負債的賬面值於各報告期末與其公平值相若。

Notes to the Condensed Consolidated Financial Statements 簡明合併財務報表附註

For the six months ended 30 June 2021 截至2021年6月30日止六個月

22. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (a) On 7 May 2021, the Company entered into the loan agreement with China VAST Industrial Urban Development Company Limited (“China VAST”) (the “Loan Agreement”). Pursuant to the Loan Agreement, the Company had conditionally agreed to provide a loan in the principal amount of RMB100,000,000 (or its equivalent in Hong Kong dollars) to China VAST for a term of one year at an interest rate of 12% per annum. Ms. Zhao Ying is the controlling shareholder of both the Company and China VAST and accordingly, China VAST was regarded as a related party and a connected person of the Company pursuant to the Listing Rules. The Loan Agreement and the Loan contemplated thereunder constituted a major and connected transaction of the Company. The Loan has been drawn down on 2 July 2021.
- (b) Subsequent to the period end, Guangyang district government entrusted Baijiawu Office (白家務辦事處) to take lead in demolition and coordination works in the initial stage of the cemetery project located in Langfang relocation and settlement zone, Beijing. Accordingly, the Group requested to terminate the service agreement with a third party company and an amount of RMB30 million prepaid to the third party company was refunded to the Group on 11 August 2021. Further details are set out in note 14 to these financial statements.

22. 報告期間結束後的事件

- (a) 於2021年5月7日，本公司與中國宏泰產業市鎮發展有限公司（「中國宏泰」）訂立貸款協議（「貸款協議」）。根據貸款協議，本公司已有條件同意向中國宏泰提供本金額為人民幣100,000,000元（或其等值港元）的貸款，為期一年，年利率為12%。趙穎女士為本公司及中國宏泰的控股股東，因此，根據上市規則，中國宏泰被視為本公司的關聯方及關連人士。貸款協議及其項下擬進行之貸款構成本公司之主要及關連交易。貸款已於2021年7月2日被提取。
- (b) 於期末後，廣陽區政府委託白家務辦事處牽頭進行位於北京廊坊拆遷安置區的墓園項目初期的拆遷及協調工作。因此，本集團要求終止與第三方公司的服務協議，而向第三方公司預付的人民幣30百萬元已於2021年8月11日退還予本集團。進一步詳情載於該等財務報表附註14。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

During the Period, the Group was principally engaged in the sale of burial plots and columbarium units, provision of other burial-related services and provision of cemetery maintenance services.

Sales of burial plots and columbarium units and provision of other burial-related services

The Group's burial service consists primarily of (1) sale of burial plots and columbarium units, which includes the right to use the burial plots and headstones and other ancillary products to be used on the burial plots, and the right to use the columbarium units; and (2) other burial-related services such as the organization and conducting of interment rituals, the design, construction and landscaping of the burial plots, and the engraving of inscriptions and ceramic photographs on the headstones. Burial service is the largest component of the Group's revenue, representing 89.2% of its revenue for the six months ended 30 June 2021 (2020: 89.7%). The Group's revenue from burial service, in particular, the sale of burial plots, for a given period is dependent upon the number and the average selling price of burial plots sold and recognized as revenue during the Period.

Providing cemetery maintenance services

The Group provides ongoing cemetery maintenance services as an integral part of its burial service to maintain its beautiful landscaped cemetery. Customers pay for maintenance fees upfront when signing the sales contracts to purchase the burial plots. The Group's revenue from cemetery maintenance was RMB2,234,000 for the six months ended 30 June 2021 (2020: RMB1,961,000).

FINANCIAL REVIEW

Revenue

The Group's revenue increased by 8.6% from RMB19.1 million for the six months ended 30 June 2020 to RMB20.7 million for the six months ended 30 June 2021, with an increase in the revenue recorded from the sale of burial plots by RMB2.46 million and a slight increase in revenue from burial plots-related services.

Cost of sales and services

The Group's cost of sales and services was approximately RMB3.2 million and RMB3.3 million for the six months ended 30 June 2020 and 30 June 2021 respectively, representing an increase of 5.4%, due to the Group's cost of the sale of burial plots and burial plots-related services slightly increased.

業務回顧

於該期間內，本集團主要從事銷售墓地及骨灰廊、提供其他殯葬相關服務及墓園維護服務。

出售墓地及骨灰廊及提供其他殯葬相關服務

本集團的殯葬服務主要包括(1)銷售墓地及骨灰廊，包括墓地使用權及墓碑及於墓地使用的其他配套產品及骨灰廊使用權；及(2)其他殯葬相關服務，例如安排及舉行安葬儀式以及墓地的設計、建造及景觀、於墓碑雕刻銘文及陶瓷照片等配套服務。殯葬服務是本集團收益的最大組成部分，佔截至2021年6月30日止六個月本集團收益的89.2%（2020年：89.7%）。本集團在指定期間的殯葬服務（特別是銷售墓地）收益取決於本集團於該期間內所售墓地數目及平均售價，且會確認為當期收益。

提供墓園維護服務

本集團提供墓園持續維護服務，維持墓園美景，這是本集團殯葬服務不可或缺的一環。客戶簽訂購買墓地的銷售合約時提前支付維護費。截至2021年6月30日止六個月，本集團自墓地維護服務的收益為人民幣2,234,000元（2020年：人民幣1,961,000元）。

財務回顧

收益

本集團的收益由截至2020年6月30日止六個月的人民幣19.1百萬元增加8.6%至截至2021年6月30日止六個月的人民幣20.7百萬元，主要是由於墓地銷售收入增加人民幣2.46百萬元及墓地相關服務收益的小幅增加。

銷售及服務成本

本集團的銷售及服務成本於截至2020年6月30日止六個月及截至2021年6月30日止六個月分別大概為人民幣3.2百萬元及人民幣3.3百萬元，上升5.4%，此乃由於本集團墓地銷售及墓地相關服務的成本分別小幅增加。

Management Discussion and Analysis 管理層討論及分析

The Gross profit and gross profit margin

As a result of the foregoing, the Group's gross profit increased by 9.3% from RMB15.9 million for the six months ended 30 June 2020 to RMB17.4 million for the six months ended 30 June 2021. The Group's overall gross profit margin increased slightly from 83.4% for the six months ended 30 June 2020 to 83.9% for the six months ended 30 June 2021.

The Group's gross profit for burial service increased by 9.3% from RMB14.1 million for the six months ended 30 June 2020 to RMB15.4 million for the six months ended 30 June 2021, while the gross profit margin for burial service increased slightly from 82.3% for the six months ended 30 June 2020 to 83.3% for the six months ended 30 June 2021, which is fairly stable.

The gross profit for cemetery maintenance was RMB1.8 million and RMB2.0 million for the six months ended 30 June 2020 and 2021, respectively. The gross profit margin for cemetery maintenance decreased slightly from 92.3% for the six months ended 30 June 2020 to 88.3% for the six months ended 30 June 2021, which is considered fairly stable in terms of absolute amount.

Other income

The Group's other income for the six months ended 30 June 2021 was RMB2.3 million, which remained the same compared to that for the six months ended 30 June 2020.

Distribution and selling expenses

The Group's distribution and selling expenses increased by 6.7% from RMB3.3 million for the six months ended 30 June 2020 to RMB3.6 million for the six months ended 30 June 2021. This increment was primarily due to increase in (1) business development and (2) others tender agency fee and the consulting service fee of conservancy engineering.

Administrative expenses

The Group's administrative expenses decreased by 2.6% from RMB3.9 million for the six months ended 30 June 2020 to RMB3.8 million for the six months ended 30 June 2021.

毛利及毛利率

由於上述原因，本集團的毛利由截至2020年6月30日止六個月的人民幣15.9百萬元增加9.3%至截至2021年6月30日止六個月的人民幣17.4百萬元。本集團的整體毛利率由截至2020年6月30日止六個月的83.4%稍為增加至截至2021年6月30日止六個月的83.9%。

本集團殯葬服務的毛利由截至2020年6月30日止六個月的人民幣14.1百萬元增加9.3%至截至2021年6月30日止六個月的人民幣15.4百萬元。殯葬服務的毛利率由截至2020年6月30日止六個月的82.3%稍為增加至截至2021年6月30日止六個月的83.3%，相對穩定。

截至2020年及2021年6月30日止六個月，墓園維護的毛利分別為人民幣1.8百萬元及人民幣2.0百萬元。墓園維護的毛利率由截至2020年6月30日止六個月的92.3%稍為減少至截至2021年6月30日止六個月的88.3%，其實質金額被視為穩定。

其他收入

本集團截至2021年6月30日止六個月的其他收入為人民幣2.3百萬元，截至2020年6月30日止六個月為人民幣2.3百萬元，未發生變動。

分銷及銷售開支

本集團的分銷及銷售開支由截至2020年6月30日止六個月的人民幣3.3百萬元增加6.7%至截至2021年6月30日止六個月的人民幣3.6百萬元，增長主要是由於(1)業務發展及(2)其他招標代理和水土保持工程的諮詢服務費。

行政開支

本集團的行政開支由截至2020年6月30日止六個月的人民幣3.9百萬元減少2.6%至截至2021年6月30日止六個月的人民幣3.8百萬元。

Management Discussion and Analysis 管理層討論及分析

Income tax expenses

The Group's income tax expense for the six months ended 30 June 2021 was RMB3.0 million, which remained the same compared to that for the six months ended 30 June 2020.

Profit and total comprehensive income for the period

As a result of the foregoing, the Group's profit and total comprehensive income for the Period decreased by 11.5% from RMB8.7 million for the six months ended 30 June 2020 to RMB7.7 million for the six months ended 30 June 2021. The Group's net profit margin decreased from 45.3% for the six months ended 30 June 2020 to 36.9% for the six months ended 30 June 2021, primarily due to the foreign exchange losses.

Liquidity and financial resources

The Group generally financed its operations with its internally generated cash flows. The Group's total equity was RMB177.7 million as at 30 June 2021, compared to RMB170.0 million as at 31 December 2020. Total assets amounted to RMB261.0 million as at 30 June 2021, compared to RMB253.4 million as at 31 December 2020, of which RMB175.5 million (2020: RMB197.6 million) was bank balances and cash.

Capital structure

The shares of the Company have been listed on the Main Board since 17 December 2019 (the "Listing Date"). There are no material change in the capital structure of the Company since the Listing Date. The capital of the Group comprises only ordinary shares.

Pledge of assets

There was no charge on the Group's assets as at 30 June 2021 and 31 December 2020.

Gearing ratio

As at 30 June 2021, the gearing ratio of the Group, being total liabilities to total assets, was 31.9% (31 December 2020: 32.9%), which indicates the Group's healthy liquidity position.

所得稅開支

本集團截至2021年6月30日止六個月的所得稅開支為人民幣3.0百萬元，截至2020年6月30日止六個月為人民幣3.0百萬元，未發生變動。

期內溢利及全面收入總額

由於上述原因，本集團的期內溢利及全面收入總額由截至2020年6月30日止六個月的人民幣8.7百萬元減少11.5%至截至2021年6月30日止六個月的人民幣7.7百萬元。本集團的淨利潤率由截至2020年6月30日止六個月的45.3%減少至截至2021年6月30日止六個月的36.9%，主要是由於外匯虧損。

流動資金及財務資源

本集團一般以內部產生之現金流量為其經營業務提供資金。本集團於2021年6月30日之總權益為人民幣177.7百萬元，而於2020年12月31日則為人民幣170.0百萬元。於2021年6月30日之總資產為人民幣261.0百萬元，而於2020年12月31日則為人民幣253.4百萬元，其中人民幣175.5百萬元(2020年：人民幣197.6百萬元)為銀行結餘及現金。

資本架構

本公司股份已自2019年12月17日(「上市日期」)起在主板上市。本公司的資本架構自上市日期起概無發生任何重大變動。本集團股本僅包括普通股。

資產抵押

於2021年6月30日及2020年12月31日，本集團並無任何資產抵押。

資產負債比率

本集團於2021年6月30日之資產負債比率(即總負債與總資產之比率)為31.9%(2020年12月31日：32.9%)，表示本集團流動資金狀況穩健。

Management Discussion and Analysis 管理層討論及分析

Material acquisitions, disposals of subsidiaries, associates and joint ventures and significant investments

There were no material acquisitions, disposals of subsidiaries, associates and joint ventures or significant investments during the Period.

Employee information

As at 30 June 2021, the Group had a total of 56 employees (30 June 2020: 57 employees). The Group provides employees with competitive remuneration and benefits, and the remuneration policy will be reviewed on a regular basis based on the performance and contribution of the employees and the industry remuneration level. In addition, the Group also provides various training courses to enhance the employees' skills and capabilities in all aspects.

Segmental information

For the six months ended 30 June 2021, the Group has two operating and reporting segments namely (1) sales of burial plots and columbarium units and provision of other burial-related services and (2) provision of cemetery maintenance service.

PROSPECTS

The Group aspires to strengthen its market position in Langfang and expand its business in the Jing-Jin-Ji megalopolis and beyond through (1) expanding its business scope to provide funeral services; (2) tapping further into the burial services market in the Jing-Jin-Ji megalopolis; (3) providing columbarium collective storage services, actively cooperating and supporting the local government's city development plan; and (4) pursuing strategic alliance and acquisition opportunities, and actively develop the JV Cemetery Project.

附屬公司、聯營公司及合營企業的重大收購、出售及重大投資

於期間，本集團並無作出附屬公司、聯營公司及合營企業的重大收購、出售或重大投資。

僱員資料

於2021年6月30日，本集團共有56名僱員（2020年6月30日：57名僱員）。本集團為僱員提供具競爭力的薪酬及福利，並會按照僱員表現及貢獻以及行業薪酬水平定期檢討薪酬政策。此外，本集團亦提供不同培訓課程，藉以提升僱員各方面的技能與能力。

分部資料

截至2021年6月30日止六個月，本集團主要有兩個經營及報告分部—(1)銷售墓園及骨灰廊以及提供其他墓地相關服務及(2)提供墓園維護服務。

展望

本集團冀望透過(1)擴大集團的業務範圍以提供殯儀服務；(2)進一步深入京津冀都市圈的殯葬服務市場；(3)提供骨灰集體存放服務，積極配合和支持當地政府城市發展計劃；以及(4)尋求戰略聯盟和收購機會，積極發展公墓合資項目，以鞏固其在廊坊的市場地位並擴大在京津冀都市圈及其他地區的業務。

Management Discussion and Analysis 管理層討論及分析

The Group strengthens its market position in Langfang by further continuing to innovate and enhance our cemetery operations, upgrading our “Cloud Tomb-sweeping” online sweeping services, diversifying its burial-related services, and enhancing its marketing efforts.

The Group plans to operate its funeral services segment which not only allows the Group to diversify and step into other services areas besides its own products and services, but also enables the Group to maximize the productivity of its existing burial-related professionals and create synergy effects.

In respect of provision of columbarium collective service, the Group will continue to cooperate and support the local government’s city development plan, to provide funeral services and columbarium storage services and undertake tomb moving projects and projects and adding columbarium storage services for multiple villages at Beijing New Airport Zone (Langfang Region).

Due to the impact of epidemic, the development plan in the area of pursuing strategic alliance and acquisition opportunities is delayed, the JV Cemetery Project will be one of the major development projects of the Group. The Group will continue its further communication with related government departments to fasten the strategic planning and development progress. The management believes that the project will facilitate the Group to strengthen and expand its market position in Langfang and Jing-Jin-Ji megalopolis.

The Directors are confident that the Group’s core business can be strengthened with its stable and ordered operations and innovation.

本集團通過進一步持續創新及升級墓園運作、升級網絡祭掃「雲祭掃」服務、殯葬相關服務多元化及加大宣傳力度進一步鞏固本集團於廊坊市的市場地位。

本集團計劃經營殯儀服務分部不僅使本集團能多元化，進軍其自有產品及服務外的其他服務領域，亦使本集團能提高其現有殯葬相關專業人士的生產力及創造協同作用。

關於提供骨灰集體存放服務，本集團將繼續積極配合和支持當地政府的城市發展計劃，提供殯葬服務及骨灰廊寄存服務，及承接為北京新機場臨空區（廊坊片區）多個村街的遷墳工程及增加骨灰廊寄存服務。

由於疫情影響，延緩了在尋求戰略聯盟和收購機會的發展計劃，公墓合資項目將會是本集團重點發展項目之一。本集團將會繼續與相關政府部門，推動項目規劃及發展進度。管理層相信，項目更有利鞏固及擴大本集團在廊坊及京津冀都市圈市場地位。

董事相信憑藉穩定有序經營和創新可以加強本集團的核心業務。

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

業務目標與實際業務進展的比較

An analysis comparing the business objectives as set out in the prospectus with the Group's actual business progress for the period from the listing date to 30 June 2021 is set out below:

招股章程所載業務目標與本集團自上市日期至2021年6月30日期間的實際業務進展比較之分析載列如下：

STRENGTHENING THE MARKET POSITION IN LANGFANG

鞏固於廊坊的市場地位

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|--|---|--|
| <p>(i) Upgrading the environment and roads in the cemetery and developing new sectioned burial areas 升級墓園的環境及道路以及發展新的劃定墓區</p> | <ul style="list-style-type: none"> • Continue to design other burial services and develop burial plots, carrying out relevant construction for flower burial, tree burial and other burial services, and prefabricated burial plots 繼續設計其他殯葬服務及發展墓地，進行花壇葬、樹葬及其他殯葬服務的相關建設，及預製墓地 • Making customized burial plots according to customer's requirements from time to time 根據客戶要求不時製造定制墓地 • Upgrading the passages of the northern part of the cemetery 升級墓園北面通道 • Setting up a cemetery services center 設立墓園服務中心 | <ul style="list-style-type: none"> • Designed and constructed the family graves in crypt-style and hill-style 已設計及建設地宮式及小丘式家庭墓 • Designed and started providing flower burial and tree burial services 已設計並開始提供花壇葬及樹葬服務 • Designed sea burial services and sculptures for sea burial services and designed wall burials 已設計海葬服務及海葬服務雕塑，並已設計壁葬 • Carrying out relevant construction for artistic burial services as well as relevant burial plots according to customers' requirements from time to time 根據客戶要求不時進行藝術墓及有關墓地的相關建設 • Upgraded for the greening appearance of main entrance of the cemetery is underway 升級墓園主入口的綠化外觀進行中 • Upgraded the main entrance area and roads and passages of the western part of the cemetery 已升級墓園主入口區及道路及西面通道 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|---------------|--|--|
| | <ul style="list-style-type: none"> • Designing and constructing landscaping elements in the cemetery to enhance the cemetery environment 從事墓園設計及建設景觀元素以改善墓園環境 • Upgrading the existing burial areas environment construction and greening management, and adding green plants and decorations along the landscape of tomb selection and visit 現有的墓區環境建設和綠化管理將會全面提升，在營銷選墓、參觀的景觀沿線增加小品和綠植景觀佈置 • Beautifying the surrounding areas of the artificial hill 美化假山的附近區域 • Building waterscape with Chinese traditional cultural elements 修建具有中國傳統文化元素的水景 • Conducting regular inspection of the burial plots 進行骨灰廊定期檢查 • Building a platform to conduct public memorial ceremonies 修建公開紀念儀式平台 | <ul style="list-style-type: none"> • Completed the gardening and building of the landscape connecting different sectioned burial areas 已完成園藝及建造連接墓園內不同劃定墓區的景觀 • Started the environment construction and greening management, and adding green plants along the landscape of the cemetery 已經開始對墓園環境、綠化管理及增加景觀沿線小品進行規劃 • Upgraded the infrared facilities on the west side of Block C, Block D and Block E 已升級C座、D座及E座西側的紅外線設施 • Conducted fire inspection of all five burial plots and the buildings structure inspection and acceptance 已為5棟的骨灰廊進行消防檢查及建築結構檢查及驗收 • Designed memorial for the body donors 已設計遺體捐獻者紀念碑 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|--|--|--|
| | <ul style="list-style-type: none"> Continue to develop and complete the construction of the entire Pine Garden with more burial plots available for sale 繼續開發及完成建設整個松園，提供更多可供出售的墓地 Developing Langfang Garden according to the market demand, and considering to rename Langfang Garden 根據市場需求開發廊坊園，並正考慮更改廊坊園的命名 Continue to develop and beautify artistic burial areas 繼續開發及美化藝術墓區 | <ul style="list-style-type: none"> Renamed Rose Garden to Pine Garden and sectioned more areas in the cemetery for further development of burial plots. The design of Pine Garden had been completed and the construction is in progress. Part of the burial plots in Pine Garden are already launched for sale 月季園已改名為松園，並劃定更多墓園區域以進一步開發墓地。松園的設計已完成，而建設仍在進行中。部分松園內的墓地已推出銷售 Artistic burial areas are under continuous development 藝術墓區正持續發展 |
| <p>(ii) Acquisition of additional facilities and vehicles 購置額外設施及車輛</p> | <ul style="list-style-type: none"> Purchasing a vehicle for the daily operation of the cemetery and machineries (such as lawn movers and other machinery and equipment) according to the development of the cemetery 根據墓園的發展添置車輛及機器(例如割草機、其他機械和設備)作墓園日常營運之用 | <ul style="list-style-type: none"> Purchased lawn mowers, sprinkler truck, and purchased and upgraded incinerators 已添置割草機、澆水車以及已添置及升級焚化爐 Purchased new equipment and constructed new facilities, such as electricity system and water wells 已添置新設備及建設電力系統及水井等新設施 |
| <p>(iii) Provide additional burial services 提供額外殯葬服務</p> | <ul style="list-style-type: none"> Providing additional burial services according to the necessity of Langfang area and continuing to provide columbarium storage services 根據廊坊地區的需求提供額外的殯葬服務及持續提供骨灰廊寄存服務 | <ul style="list-style-type: none"> Provided columbarium storage services at Beijing New Airport Zone (Langfang Region) 為北京新機場臨空區(廊坊片區)提供骨灰寄存服務 Provided a euphoria hall for the reconstructed urban village in the old town of Langfang 為廊坊舊城改造的城中村提供安樂堂一間 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|---------------|---|---|
| | <ul style="list-style-type: none"> Undertaking multiple relocation burial projects in the village streets of New Airport Zone and increasing the columbarium storage services in the village streets 承接臨空區多個村街的遷墳工程及增加骨灰廊寄存服務的村街 | |

EXPANDING THE BUSINESS SCOPE OF THE GROUP TO PROVIDE FUNERAL SERVICES

擴大本集團業務範疇以提供殯儀服務

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|---|---|---|
| <p>(i) Locating, leasing, designing and constructing premises for the operation of funeral services center and funeral services store in the living community 物色、租用、設計及建造用作營運殯儀服務中心及於社區內殯儀服務店的場地</p> | <ul style="list-style-type: none"> Communicating with local government and civil affairs bureau to discuss the cooperation plan of the new funeral parlor to be established, a further implementation plan will be expected by the end of 2021 與當地政府及民政局溝通並商討將予設立的新殯儀館合作方案，預計2021年年底會有進一步落實的計劃 | <ul style="list-style-type: none"> Due to the epidemic situation, the Langfang government has restricted the gatherings policy, which restricts and delays the use and promotion of funeral services of the Group, such as funeral hall services. The relevant promotions and plans are subject to the latest government notification and the epidemic situation before further implementation 由於疫情的關係，廊坊政府不讓聚集，限制及延誤本集團在殯儀服務的使用及推廣，例如告別廳服務。相關的推廣及計劃有待政府最新通知及疫情情況，再進一步實施 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|---|--|--|
| (ii) Recruiting and training staff for provision of funeral services 招聘及培訓提供殯儀服務的人員 | <ul style="list-style-type: none"> According to demand from business development, recruiting and training more staff for funeral services center and newly-established funeral services store 根據業務發展需要，為殯儀服務中心及新設立的殯儀服務店招聘及培訓更多人員 | <ul style="list-style-type: none"> 10 people including the manager of the funeral services center have been recruited and over 10 people have been provided with training 已招聘殯儀服務中心包括經理在內的殯儀服務人員十人，已培訓十餘人 |
| (iii) Purchasing vehicles for funeral rituals and other business operation 為殯儀儀式及其他業務經營購置車輛 | <ul style="list-style-type: none"> Purchasing additional vehicle for business operation 為業務經營購置額外車輛 | <ul style="list-style-type: none"> A funeral vehicle and two electric vehicles have been purchased 已購置一部殯葬車及兩部電瓶車 |
| (iv) Conducting marketing activities for the Group's funeral services via mass media (such as newspapers) 利用報紙等大眾媒體進行有關本集團殯儀服務的行銷活動 | <ul style="list-style-type: none"> Continuing to promote online "Cloud tomb sweeping" services and providing tomb sweeping services on behalf of customers, such as wreath placing ceremony on behalf of customers 繼續推廣網上「雲祭掃」服務及提供代客祭掃服務，例如進行代客獻花儀式 Increasing the publicity and promotion efforts, making more use of online sales platforms and combining the funeral service needs of our upcoming new funeral service center to move with time 將加大宣傳推廣力度，利用更多網絡銷售平台，並結合我們即將推出的新殯儀館的殯儀服務需求，與時俱進 Expanding cooperation with those Beijing-based funeral services providers and mortuaries, and carrying out marketing activities 拓展與北京殯儀服務供應商和太平間的合作，並進行行銷活動 | <ul style="list-style-type: none"> Promoting online "Cloud tomb sweeping" services and providing tomb sweeping services on behalf of customers has started, such as the memorial service and online shop to buy tomb sweeping products 推廣網上「雲祭掃」服務及提供代客祭掃服務已經進行，例如追思留言服務及網上商店購買祭品 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

TAPPING FURTHER INTO THE BURIAL MARKET IN THE JING-JIN-JI MEGALOPOLIS & PURSUING STRATEGIC ALLIANCE AND ACQUISITION OPPORTUNITIES

深入發掘京津冀都市圈殯葬市場，爭取戰略聯盟及收購機會

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|--|---|--|
| (i) Liaising and cooperating with more Beijing-based funeral services providers and mortuaries 與更多北京殯儀服務供應商及太平間洽談及合作 | <ul style="list-style-type: none">Expanding cooperation with those Beijing-based funeral services providers and mortuaries 拓展與北京殯儀服務供應商和太平間的合作Carrying out marketing activities, including sales referrals and giving out leaflets to increase brand awareness in Beijing 進行行銷活動，包括銷售推薦及派發傳單以增加於北京的品牌知名度Leveraging the Group's first store in Beijing to extend cooperation with funeral services providers in other cities in the Jing-Jin-Ji megalopolis 憑藉本集團首間北京經營店拓展與京津冀都市圈其他城市的殯儀服務供應商的合作Continue to develop the Group's brand through its network with other funeral services providers in the Jing-Jin-Ji megalopolis 透過本集團與京津冀都市圈其他殯儀服務供應商的人脈繼續發展本集團的品牌 | <ul style="list-style-type: none">The Group has liaised and started cooperation with ten Beijing-based funeral services providers and one hospital mortuary, while further marketing activities are delayed and suspended due to the effect of the epidemic 本集團已與十家北京殯儀服務供應商及一個醫院太平間洽談並開始合作，而進一步行銷活動受疫情影響，推遲因而工作暫緩The Group is also negotiating with other potential partners 本集團正與其他潛在合作夥伴協商 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

| Objects 目標 | Implementation plan of 2021 2021年的實施計劃 | Actual Business Progress up to the 30 June 2021 截至2021年6月30日的實際業務進展 |
|---|--|--|
| (ii) Establishing the first Beijing-based store for marketing purpose 設立首間北京經營店用作行銷 | <ul style="list-style-type: none"> Continue to seek suitable sites in Beijing and expand to other cities in the Jing-Jin-Ji megalopolis for setting up more stores for promoting the Group's brand and services 為設立更多經營店繼續於北京尋找合適的地點及拓展至京津冀都市圈其他城市以推廣本集團的品牌及服務 | <ul style="list-style-type: none"> Not set up yet 尚未設立 |
| (iii) Selecting potential targets for acquisition and conducting acquisition 選擇收購的潛在目標及進行收購 | <ul style="list-style-type: none"> Continuing to actively develop the Cemetery JV Project. A contract will be signed with the planning company, and further arrange the land acquisition process and procedures and the construction and planning plan of the project 繼續積極發展公墓合資項目，將會與規劃公司簽訂合同，並進一步處理拿地事宜及安排手續，及項目的建設和規劃計劃 Seeking suitable strategic alliances and acquisition opportunities proactively, completing such acquisition, forming strategic alliance with suitable partners, and making relevant investment into the cooperation 積極尋找合適的戰略聯盟及收購機會，完成有關收購，與合適合作夥伴組成戰略聯盟，並於合作中作出有關投資 | <ul style="list-style-type: none"> Started the planning of the cemetery, and actively to communicate with relevant government departments to fasten the progress of work 已經開始對園區進行規劃，並積極和相關政府部門對接，對各項工作進行推進 |

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the GEM Listing, after deducting listing related expenses, were approximately HK\$43.6 million (equivalent to approximately RMB36.4 million), of which approximately RMB19.8 million was unutilised as at 1 January 2021. The following table sets forth a breakdown of the Group's use of proceeds up to 30 June 2021:

| | | Proposed use of net proceeds as stated in the Prospectus ^{Note} 按招股章程所述擬定使用的所得款項淨額 ^{附註} RMB 人民幣 | Unutilised net proceeds as at 1 January 2021 於2021年1月1日未動用所得款項淨額 RMB 人民幣 | Actual use of proceeds used during the period 於期間實際動用的所得款項 RMB 人民幣 | Actual use of net proceeds up to 30 June 2021 直至2021年6月30日實際使用的所得款項淨額 RMB 人民幣 | Unutilized net proceeds as at 30 June 2021 於2021年6月30日尚未動用的所得款項淨額 RMB 人民幣 | Expected Timeline for the utilization of the unutilized net proceeds 動用未動用所得款項淨額的預期時間表 |
|---|------------------------------|--|---|---|--|--|---|
| Strengthening market position in Langfang | 鞏固於廊坊的市場地位 | 14.6 million 14.6百萬元 | 1.3 million 1.3百萬元 | 1.3 million 1.3百萬元 | 14.6 million 14.6百萬元 | — | — |
| Expanding business scope of the Group to provide funeral services | 擴大本集團業務範疇以提供殯儀服務 | 9.1 million 9.1百萬元 | 7.6 million 7.6百萬元 | 0.5 million 0.5百萬元 | 2.0 million 2.0百萬元 | 7.1 million 7.1百萬元 | By 31 December 2021 2021年12月31日 |
| Tapping further into the burial market in the Jing-Jin-Ji megalopolis & pursuing strategic alliance and acquisition opportunities | 深入發掘京津冀都市圈的葬服務市場，尋求戰略聯盟及收購機會 | 12.7 million 12.7百萬元 | 10.9 million 10.9百萬元 | 0.5 million 0.5百萬元 | 2.3 million 2.3百萬元 | 10.4 million 10.4百萬元 | By 31 December 2021 2021年12月31日 |
| Total | 總計 | 36.4 million 36.4百萬元 | 19.8 million 19.8百萬元 | 2.3 million 2.3百萬元 | 18.9 million 18.9百萬元 | 17.5 million 17.5百萬元 | |

Note:

Figures in this column are adjusted based on the actual amount of net proceeds received from the GEM Listing. The difference between the actual amount of net proceeds received and the expected amount disclosed in the Prospectus was allocated on a pro rata basis with reference to the percentage of allocation set out in the Prospectus.

As at 30 June 2021, the net proceeds of approximately RMB17.5 million have not been utilized and are held by the Company in short-term deposits with licensed banks in Hong Kong.

全球發售所得款項用途

GEM上市所得款項淨額(經扣除上市相關開支後)約為43.6百萬港元(相當於約人民幣36.4百萬元)，當中於2021年1月1日還未運用的所得款項淨額約為人民幣19.8百萬元。下表載列本集團直至2021年6月30日的所得款項用途明細：

附註：

此列金額乃按GEM上市所得款項淨額的實際金額調整後之金額。所得款項淨額的實際金額與招股章程披露的預期金額之間的差額乃參照載於招股章程的分配百分比按比例分配。

於2021年6月30日，尚未動用所得款項淨額約為人民幣17.5百萬元，由本公司於香港持牌銀行以短期存款方式持有。

Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進展的比較

Updated information on the use of the Net Proceeds

Details on the use of the Net Proceeds since the GEM listing until end of 2020 were set out in the 2020 annual report.

During the current Period, the expansion of business scope to provide extensive funeral services and tapping further into the burial market in the Jing-Jin-Ji megalopolis and pursuing strategic alliance and acquisition opportunities are still the major development plan, despite delayed due to the impact on COVID-19. For the Net Proceeds reserved for the pursuing strategic alliance and acquisition opportunities, we expect to utilize all the funds in the second half of 2021 as funds will be invested in the Cemetery JV Project.

所得款項淨額用途的更新資料

自GEM上市起直至2020年年底所得款項淨額用途的詳情載於2020年年報。

於本期間內，由於COVID-19的影響導致擴大業務範疇以提供殯儀服務及深入發掘京津冀都市圈的殯葬服務市場，尋求戰略聯盟及收購機會出現延誤。但該兩大業務範疇仍為主要發展計劃。就保留作爭取戰略聯盟及收購機會的所得款項淨額而言，我們預期於2021年下半年動用所有資金作為將予投資公基金資項目的資金。

OTHER INFORMATION

其他資料

FOREIGN EXCHANGE EXPOSURE

The Group's business is principally denominated in RMB. As certain bank deposits denominated in Hong Kong dollars, therefore, the Group is exposed to foreign currency exchange risk. No currency hedging arrangement has been made by the Group during the period. The Directors are actively and regularly monitoring the exposure to foreign exchange so as to minimize the foreign exchange rate risk.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

As at 30 June 2021, the Group did not have any material contingent liabilities.

As at 30 June 2021, the Group did not have capital commitments in respect of expenditure in cemetery assets (2020: RMB0.6 million).

UPDATE ON DIRECTOR'S INFORMATION

Pursuant to Rule 13.51B of the Listing Rules, the changes in information of the Directors since the date of the Company's 2020 Annual Report are set out below:

1. Mr. Huang Peikun resigned as an executive director and the chief financial officer of China VAST, the shares of which are listed on the Stock Exchange (stock code: 6166), with effect from 19 July 2021.
2. Ms. Zhao Ying resigned as a non-executive director of China VAST, the shares of which are listed on the Stock Exchange (stock code: 6166), with effect from 19 July 2021.
3. Mr. Choi Hon Keung Simon was appointed as an executive director of Sun International Group Limited, the shares of which are listed on GEM of the Stock Exchange (stock code: 8029), on 2 June 2021.

外匯風險

本集團的業務主要以人民幣計值。由於若干銀行存款以港幣計值，因此，本集團承受外匯風險。本集團在期內概無進行外幣對沖安排。董事積極定期監察所承受的外匯風險，以盡可能降低外匯風險。

或然負債及資本承擔

截至2021年6月30日，本集團並無任何重大或然負債。

於2021年6月30日，本集團並無任何基園資產方面的開支資本承擔(2020年：人民幣0.6百萬元)。

變更董事資料

根據上市規則第13.51B條，自本公司2020年年報刊發日起董事的資料變動載列如下：

1. 黃培坤先生於2021年7月19日辭任為中國宏泰(其股份於聯交所上市，股份代號6166)的執行董事及首席財務官職務。
2. 趙穎女士於2021年7月19日辭任為中國宏泰(其股份於聯交所上市，股份代號6166)的非執行董事職務。
3. 蔡漢強先生於2021年6月2日獲委任為太陽國際集團有限公司(其股份於聯交所GEM上市，股份代號8029)執行董事。

EVENTS AFTER THE REPORTING PERIOD

- (a) On 7 May 2021, the Company entered into the loan agreement with China VAST Industrial Urban Development Company Limited (“China VAST”) (the “Loan Agreement”). Pursuant to the Loan Agreement, the Company had conditionally agreed to provide a loan in the principal amount of RMB100,000,000 (or its equivalent in Hong Kong dollars) to China VAST for a term of one year at an interest rate of 12% per annum. Ms. Zhao Ying is the controlling shareholder of both the Company and China VAST and accordingly, China VAST was regarded as a related party and a connected person of the Company pursuant to the Listing Rules. The Loan Agreement and the Loan contemplated thereunder constituted a major and connected transaction of the Company. The Loan has been drawn down on 2 July 2021.
- (b) Subsequent to the period end, Guangyang district government entrusted Baijiawu Office (白家務辦事處) to take lead in demolition and coordination works in the initial stage of the cemetery project located in Langfang relocation and settlement zone, Beijing. Accordingly, the Group requested to terminate the service agreement with a third party company and an amount of RMB30 million prepaid to the third party company was refunded to the Group on 11 August 2021. Further details are set out in note 14 to these financial statements.

ADVANCEMENT OF LOAN TO CHINA VAST AND DISCLOSURE UNDER RULE 13.20 OF THE LISTING RULES

The Company as lender and China VAST Industrial Urban Development Company Limited (中國宏泰產業市鎮發展有限公司) (“China VAST”) as borrower entered into a loan agreement on 7 May 2021, pursuant to which the Company has agreed to provide a loan (the “Loan”) in the principal amount of RMB100,000,000 (or its equivalent in Hong Kong dollars) to China VAST for a term of one year at an interest rate of 12% per annum. The Loan was unsecured but had the benefit of a guarantee provided by Profit East Limited (利東有限公司) as guarantor. For further details in relation to the Loan, please refer to the circular of the Company dated 4 June 2021. Ms. Zhao Ying is a controlling shareholder of both the Company and China VAST. Accordingly, China VAST is a connected person of the Company under Chapter 14A of the Listing Rules. The Loan Agreement and transactions contemplated thereunder were approved by the independent shareholders at the extraordinary general meeting of the Company held on 24 June 2021. The Loan was drawn by and advanced to China VAST in full on 2 July 2021.

報告期後事件

- (a) 於2021年5月7日，本公司與中國宏泰產業市鎮發展有限公司(「中國宏泰」)訂立貸款協議(「貸款協議」)。根據貸款協議，本公司已有條件同意向中國宏泰提供本金額為人民幣100,000,000元(或其等值港元)的貸款，為期一年，年利率為12%。趙穎女士為本公司及中國宏泰的控股股東，因此，根據上市規則，中國宏泰被視為本公司的關聯方及關連人士。貸款協議及其項下擬進行之貸款構成本公司之主要及關連交易。貸款已於2021年7月2日被提取。
- (b) 於期末後，廣陽區政府委託白家務辦事處牽頭進行位於北京廊坊拆遷安置區的墓園項目初期的拆遷及協調工作。因此，本集團要求終止與第三方公司的服務協議，而向第三方公司預付的人民幣30百萬元已於2021年8月11日退還予本集團。進一步詳情載於該等財務報表附註14。

向中國宏泰提供貸款及根據上市規則第13.20條的披露

本公司(作為貸款人)與中國宏泰產業市鎮發展有限公司(「中國宏泰」)(作為借款人)於2021年5月7日訂立貸款協議，據此，本公司同意向中國宏泰提供本金額為人民幣100,000,000元(或其等值港元)的貸款(「貸款」)，為期一年，年利率為12%。貸款為無抵押，但有利東有限公司(作為擔保人)提供擔保的利益。有關貸款之進一步詳情，請參閱本公司日期為2021年6月4日之通函。趙穎女士為本公司及中國宏泰的控股股東。因此，根據上市規則第14A章，中國宏泰為本公司的關連人士。貸款協議及其項下擬進行之交易已於2021年6月24日舉行之本公司股東特別大會上獲獨立股東批准。該貸款於2021年7月2日墊付予中國宏泰並由中國宏泰悉數提取。

INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION OF THE DIRECTORS AND CHIEF EXECUTIVE

As at 30 June 2021, the interests and short positions of each of the Directors and chief executive and their associates 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") which would have to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were required to be recorded in the register maintained by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Exchange pursuant to Appendix 10 of the Listing Rules, were as follows:

董事及最高行政人員於本公司或任何相聯法團的股份、相關股份及債權證中的權益及淡倉

截至2021年6月30日，各董事、最高行政人員及彼等的聯繫人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、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的該等條文彼等被當作或視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須記入本公司所存置登記冊的權益及淡倉，或根據上市規則附錄10須另行知會本公司及聯交所的權益及淡倉如下：

| Name of the Director 董事姓名 | Capacity/nature of interests 身份／權益性質 | Number and class of Securities 證券數目及類別 | Percentage of Shareholding 佔股權百分比 (Note 3) (附註3) |
|------------------------------|---|---|---|
| Ms. Zhao Ying (Note 2) | Founder of a discretionary trust who can influence how the trustee exercises its discretion | 700,000,000 (L) (Note 1) | 70% (Note 3) |
| 趙穎女士(附註2) | 全權信託創立人，可影響受託人行使其酌情權之方式 | 700,000,000 (L) (附註1) | 70% (附註3) |

Notes:

- (1) The letter "L" refers to the long position of the Shares.
- (2) Ms. Zhao Ying is the chairman and a non-executive director of the Company. She is the settlor, sole member of The Hope Trust's protective committee and a beneficiary of The Hope Trust, which is a discretionary trust with TMF (Cayman) Ltd. as trustee. TMF (Cayman) Ltd. wholly owns the entire share capital of Lily Charm Holding Limited. Lily Charm Holding Limited wholly owns the entire issued share capital of Tai Shing International Investment Company Limited. Therefore, Ms. Zhao Ying is deemed to be interested in the 700,000,000 Shares directly held by Tai Shing International Investment Company Limited under Part XV of the SFO.
- (3) The percentage is calculated on the basis of 1,000,000,000 Shares in issue as at 30 June 2021.

附註：

- (1) 英文字母「L」表示股份中之好倉。
- (2) 趙穎女士為本公司主席兼非執行董事。彼為The Hope Trust財產授予人及受益人，以及The Hope Trust保護委員會之唯一成員。The Hope Trust為全權信託，而TMF (Cayman) Ltd.為The Hope Trust受託人。TMF (Cayman) Ltd.全資擁有Lily Charm Holding Limited之全部股本。Lily Charm Holding Limited全資擁有泰盛國際投資有限公司之全部已發行股本。因此，根據證券及期貨條例第XV部，趙穎女士被視為於泰盛國際投資有限公司直接持有之700,000,000股股份中擁有權益。
- (3) 百分比按截至2021年6月30日已發行之1,000,000,000股股份計算。

Other Information 其他資料

Save as disclosed above, as at 30 June 2021, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provisions of the SFO) or which were required to be recorded in the register maintained by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Exchange pursuant to Appendix 10 of the Listing Rules.

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

As at 30 June 2021, so far as was known to the Directors, the following persons/entities (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

除上文所披露者外，截至2021年6月30日，概無本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之任何其他權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益或淡倉），或根據證券及期貨條例第352條須記錄於本公司存置之登記冊之權益或淡倉，或根據上市規則附錄10須知會本公司及聯交所之權益或淡倉。

主要股東於本公司的股份及相關股份中的權益及淡倉

截至2021年6月30日，據董事所知，以下人士／實體（並非董事或本公司最高行政人員）於股份或相關股份中，擁有或視為擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露的權益或淡倉，或直接或間接擁有附帶權利可在任何情況下於本公司或本集團任何其他成員公司的股東大會上投票的任何類別股本面值10%或以上的權益：

| Name of Shareholder 股東名稱 | Capacity/nature of interests 身份／權益性質 | Number and class of Securities 證券數目及類別 (Note 1) (附註1) | Percentage of Shareholding 佔股權百分比 (Note 5) (附註5) |
|--|--|---|--|
| Tai Shing International Investment Company Limited 泰盛國際投資有限公司 | Beneficial owner (Note 2) 實益擁有人(附註2) | 700,000,000 (L) | 70% |
| Lily Charm Holding Limited | Interest in a controlled corporation (Notes 2, 3) 受控法團權益(附註2、3) | 700,000,000 (L) | 70% |
| Lily Charm Holding Limited | 受控法團權益(附註2、3) | 700,000,000 (L) | 70% |
| TMF (Cayman) Ltd. | Trustee (Notes 2, 3, 4) 受託人(附註2、3、4) | 700,000,000 (L) | 70% |
| TMF (Cayman) Ltd. | 受託人(附註2、3、4) | 700,000,000 (L) | 70% |

Other Information 其他資料

Notes:

- (1) The letter “L” refers to the entity/person’s long position in the Shares.
- (2) Tai Shing International Investment Company Limited directly holds 700,000,000 Shares of the Company.
- (3) Lily Charm Holding Limited holds the entire of issued share capital of Tai Shing International Investment Company Limited, thus Lily Charm Holding Limited is deemed to be interested in the 700,000,000 Shares of the Company.
- (4) TMF (Cayman) Ltd. is the trustee of The Hope Trust, which is a discretionary trust set up by Ms. Zhao Ying, the chairman and a non-executive Director of the Company. TMF (Cayman) Ltd. directly holds the entire issued share capital of Lily Charm Holding Limited. Therefore, TMF is deemed to be interested in 700,000,000 Shares of the Company under Part XV of the SFO.
- (5) The percentage is calculated on the basis of 1,000,000,000 Shares in issue as at 30 June 2021.

Save as disclosed above, as at 30 June 2021, the Directors were not aware of any other persons, except disclosed below under “Other persons’ interests and short positions in the Shares and underlying Shares of the Company” other than the Directors and chief executive of the Company who had, or was deemed to have, interests or short positions in the Shares, underlying Shares and debenture of the Company and its associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO; or who is directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

附註：

- (1) 英文字母「L」表示該實體／人士於股份中的好倉。
- (2) 泰盛國際投資有限公司直接持有700,000,000股本公司股份。
- (3) Lily Charm Holding Limited持有泰盛國際投資有限公司全部已發行股本，因此Lily Charm Holding Limited被視為於700,000,000股本公司股份中擁有權益。
- (4) TMF (Cayman) Ltd.為The Hope Trust之受託人，而The Hope Trust為本公司主席兼非執行董事趙穎女士成立之全權信託。TMF (Cayman) Ltd.直接持有Lily Charm Holding Limited之全部已發行股本。因此，根據證券及期貨條例第XV部，TMF被視為於700,000,000股本公司股份中擁有權益。
- (5) 百分比按截至2021年6月30日已發行之1,000,000,000股股份計算。

除上文所披露者外，截至2021年6月30日，除於下文「其他人士於本公司的股份及相關股份中的權益及淡倉」所披露者外，董事概不知悉有任何人士（本公司董事及最高行政人員除外）於本公司及其相聯法團股份、相關股份及債權證中擁有或視作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉；或根據證券及期貨條例第336條須記錄於本公司存置之登記冊之權益或淡倉；或將直接或間接擁有附有權利可在所有情況下於本公司或本集團任何其他成員公司的股東大會上投票的任何類別股本面值10%或以上權益。

Other Information 其他資料

OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2021, so far as was known to the Directors, the following persons/entities (not being Directors, chief executive or substantial shareholders of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

其他人士於本公司的股份及相關股份中的權益及淡倉

截至2021年6月30日，就董事所知，以下人士／實體（本公司董事、最高行政人員或主要股東除外）於股份或相關股份中擁有或被視作擁有須根據證券及期貨條例第XV部第2及3分部的條文向本公司披露之權益或淡倉，或根據證券及期貨條例第336條須記錄於本公司存置之登記冊之權益或淡倉：

| Name of shareholders 股東姓名／名稱 | Capacity/nature of interests 身份／權益性質 | Number and class of Securities 證券數目及類別 (Note 1) (附註1) | Percentage of Shareholding 佔股權百分比 (Note 3) (附註3) |
|-------------------------------------|--|--|---|
| Fairich Trading Limited 飛富貿易有限公司 | Beneficial owner 實益擁有人 | 87,650,000 (L) 87,650,000 (L) | 8.8% 8.8% |
| Ms. Xing Junying 邢軍英女士 | Interest in a controlled corporation (Note 2) 受控法團權益(附註2) | 87,650,000 (L) 87,650,000 (L) | 8.8% 8.8% |

Notes:

- (1) The letter "L" denotes the entity/person's long position in the Shares.
- (2) Fairich Trading Limited is directly wholly owned by Ms. Xing Junying.
- (3) The percentage is calculated on the basis of 1,000,000,000 Shares in issue as at 30 June 2021.

附註：

- (1) 英文字母「L」表示該實體／人士於股份中的好倉。
- (2) 飛富貿易有限公司由邢軍英女士直接全資擁有。
- (3) 百分比按截至2021年6月30日已發行之1,000,000,000股股份計算。

Save as disclosed above, as at 30 June 2021, the Directors are not aware of any other person or corporation other than the Directors, the chief executive and substantial shareholders of the Company who had, or was deemed to have, interests or short positions in the Shares, underlying Shares and debenture of the Company and its associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

除上文所披露者外，截至2021年6月30日，董事概不知悉有任何其他人士或公司（本公司董事、最高行政人員及主要股東除外）於本公司及其相聯法團股份、相關股份及債權證中擁有或視作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉；或根據證券及期貨條例第336條須記錄於本公司存置之登記冊之權益或淡倉。

PURCHASES, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period and up to the date of this announcement.

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING INTERESTS OR CONFLICT OF INTEREST

Ms. Zhao Ying, The Hope Trust, Lily Charm Holding Limited, Tai Shing International Investment Company Limited, individually and collectively as the controlling shareholder(s) (the "Controlling Shareholder(s)") (as defined under the Listing Rules) of the Company, has entered into the deed of non-competition dated 5 December 2019 (the "Deed of Non-competition") in favor of the Company, details of which were set out in the Prospectus. Pursuant to the Deed of Non-competition, the Controlling Shareholders have irrevocably undertaken to the Company that they will not and will procure their respective close associate (except any member of the Group) not to, directly or indirectly (whether in the capacity of principal or agent, whether for its own benefit or jointly with or on behalf of any person, firm or company, whether within or outside China), commence, engage in, participate in or acquire any business which competes or may compete directly or indirectly with the core business of the Group, being burial service business and funeral services that the Group plans to expand into or own any rights or interests in such businesses.

During the Period, the Directors are not aware of any business or interest of the Directors, the Controlling Shareholders and their respective associates (as defined in the Listing Rules) that competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests which any such person has or may have with the Group.

購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司概無於本期間內及直至本公告日期購買、出售或贖回任何本公司的上市證券。

董事及主要股東於競爭權益的權益或利益衝突

於2019年12月5日，趙穎女士、The Hope Trust、Lily Charm Holding Limited及泰盛國際投資有限公司（個別及共同作為本公司的控股股東（「控股股東」，定義見上市規則）以本公司為受益人訂立不競爭契據（「不競爭契據」），詳情載於招股章程。根據不競爭契據，控股股東不可撤回地向本公司承諾，彼等不會並將促使彼等各自的緊密聯繫人（本集團任何成員公司除外）不會直接或間接（不論以當事人或代理身份、不論為自身利益或與任何人士、商號或公司共同或代表彼等、不論在中國境內或境外）開展、從事、參與或收購與本集團核心業務（即殯葬服務業務及本集團計劃拓展的殯儀服務）直接或間接競爭或可能競爭的任何業務，或擁有該等業務的任何權利或權益。

於期間，董事並不知悉董事、控股股東及彼等各自的聯繫人（定義見上市規則）從事任何與本集團業務直接或間接構成或可能構成競爭的業務或於其中擁有權益，或任何有關人士與本集團存在或可能存在任何其他利益衝突。

Other Information 其他資料

The Controlling Shareholders have confirmed to the Company that from the effective date of the Deed of the Non-competition and up to the date of this announcement, Ms. Zhao Ying, The Hope Trust, Lily Charm Holding Limited, Tai Shing International Investment Company Limited and their respective close associates (as defined under the Listing Rules) have complied with the undertakings contained in the Deed of Non-competition.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Appendix 10 of the Listing Rules on terms no less exacting than the required standard of dealings. Having made specific enquiries of the Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the Period.

CORPORATE GOVERNANCE PRACTICES

The Board recognizes the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve accountability. In the opinion of the Board, the Company has applied the principles and complied with all the applicable code provisions as set out in the Corporate Governance Code in Appendix 14 to the Listing Rules (the "Corporate Governance Code") during the Period.

AUDIT COMMITTEE

The Company established the audit committee (the "Audit Committee") with written terms of reference in accordance with Rules 3.22 of the Listing Rules and paragraphs C.3.3 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, making recommendations to the Board on the appointment and removal of external auditors, reviewing the financial information and disclosures, to oversee the audit process, to develop and review the policies and to perform other duties and responsibilities as assigned by the Board. The Audit Committee consists of three independent non-executive Directors, namely Dr. Wong Wing Kuen Albert, Mr. Cheung Ying Kwan and Mr. Choi Hon Keung Simon. Dr. Wong Wing Kuen Albert is the chairman of the Audit Committee.

控股股東已向本公司確認，自不競爭契據生效日期起至本公告日期止，趙穎女士、The Hope Trust、Lily Charm Holding Limited及泰盛國際投資有限公司及彼等各自的緊密聯繫人(定義見上市規則)均已遵守不競爭契據所載的承諾。

董事的證券交易

本公司已根據上市規則附錄10就董事進行本公司證券交易採納一套不低於所規定的交易標準的行為守則。經向全體董事作出具體查詢後，全體董事已確認，於期間，彼等已遵守交易必守標準及本公司所採納有關董事進行證券交易的行為守則。

企業管治常規

董事會深明良好的企業管治對本集團管理架構及內部監控程序相當重要，藉以達致有效的問責。董事會認為，本公司於期間一直應用載於上市規則附錄十四所載的企業管治守則(「企業管治守則」)所載的原則並遵守所有適用守則條文。

審核委員會

本公司已成立審核委員會(「審核委員會」)並以上市規則第3.22條及上市規則附錄十四所載企業管治守則C.3.3段制定其職權範圍。審核委員會的主要職責為透過提供有關本集團財務報告程序、內部控制及風險管理制度有效性的獨立意見、向董事會提供有關任免外聘核數師的推薦意見、審閱財務資料及披露、監察審核過程、制定及審閱政策以及履行董事會指派的其他職務與職責。審核委員會由三名獨立非執行董事組成，即王永權博士、張應坤先生及蔡漢強先生。王永權博士為審核委員會主席。

Other Information 其他資料

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the Period, which is of the opinion that such statements comply with the applicable accounting standards, the Exchange and legal requirements, and that adequate disclosures have been made.

By order of the Board
China Wan Tong Yuan (Holdings) Limited
Zhao Ying
Chairman

Hong Kong, 11 August 2021

As at the date of this report, the Board of the Company comprises the chairman and non-executive Director of the Company, namely Ms. Zhao Ying, three executive Directors of the Company, namely Ms. Li Xingying, Ms. Wang Wei and Mr. Huang Peikun, and three independent non-executive Directors of the Company, namely Mr. Cheung Ying Kwan, Dr. Wong Wing Kuen Albert and Mr. Choi Hon Keung Simon.

審核委員會已審閱本集團該期間的未經審核簡明合併財務報表，認為該等報表符合適用的會計準則、聯交所及法例規定，並且已作出充分披露。

承董事會命
中國萬桐園(控股)有限公司
主席
趙穎

香港，2021年8月11日

截至本報告日期，本公司董事會包括主席兼非執行董事趙穎女士，本公司三名執行董事李興穎女士、王薇女士及黃培坤先生，以及本公司三名獨立非執行董事張應坤先生、王永權博士及蔡漢強先生。



萬桐園

No.48, Louzhuang Road, Langfang
Development Area, Langfang, Hebei, PRC

中國河北省廊坊市
廊坊開發區樓莊路48號

Unit 3508, 35th Floor,
West Tower,
Shun Tak Centre,
168-200 Connaught Road Central,
Hong Kong

香港上環干諾道中168—200號
信德中心西座35樓3508室

www.chinawty.com