



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

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

股份代號 Stock Code: 408



砥礪奮進
五十年
50 YEARS
of Resilience and
Progression

2021
中期業績報告
INTERIM REPORT

集團宏圖

CORPORATE VISION



目錄

CONTENTS

- | | | | |
|----|--|----|---|
| 2 | 概要
Highlights | 26 | 企業管治
Corporate Governance |
| 3 | 主席報告 — 回顧及展望
Chairman's Statement — Review and Outlook | 27 | 審核委員會
Audit Committee |
| 6 | 行政總裁報告
Report of the Chief Executive Officer | 27 | 上市公司董事進行證券交易的標準守則
Model Code for Securities Transactions by Directors of a Listed Company |
| 11 | 獎項及榮譽
Awards and Recognitions | 28 | 董事詳情變更
Change of Particulars of the Directors |
| 12 | 流動資金及財務資源
Liquidity and Financial Resources | 28 | 企業可持續發展
Corporate Sustainability |
| 15 | 人力資源
Human Resources | 29 | 簡明綜合財務報告之審閱報告
Report on Review of Condensed Consolidated Financial Statements |
| 16 | 董事及最高行政人員於證券之權益及淡倉
Directors' and Chief Executives' Interests and Short Positions in Securities | 31 | 簡明綜合損益及其他全面收益表
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income |
| 19 | 購股權
Share Options | 33 | 簡明綜合財務狀況表
Condensed Consolidated Statement of Financial Position |
| 21 | 主要股東
Substantial Shareholders | 35 | 簡明綜合權益變動表
Condensed Consolidated Statement of Changes in Equity |
| 23 | 中期股息及特別股息
Interim Dividend and Special Dividend | 37 | 簡明綜合現金流量表
Condensed Consolidated Statement of Cash Flows |
| 24 | 暫停辦理過戶登記手續
Closure of Register of Members | 39 | 簡明綜合財務報告附註
Notes to the Condensed Consolidated Financial Statements |
| 24 | 購買、出售或贖回本公司之上市證券
Purchase, Sale or Redemption of the Company's Listed Securities | | |
| 25 | 須予披露交易及不行使認沽期權
Discloseable Transactions and Non-exercise of the Put Option | | |

概要 Highlights

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

299,824,000

港元HK\$

↑ **410%**

特別股息+
Special dividend+

10

港仙HK CENTS

中期股息+
Interim dividend+

12

港仙HK CENTS

↑ **100%**

營業額
Revenue

8,453,208,000

港元HK\$

↑ **89%**

銷售量
Sales volume

767,000

↑ **16%** 噸
metric tons

每股盈利
Earnings per share

53.9

港仙HK CENTS

↑ **418%**

借貸比率*
Gearing ratio*

51.7%

↑ **22.5** 個百分點
% points

+ 總股息可選擇以現金及/或以股代息的方法支付
+ Total dividend payable in cash with a scrip dividend alternative
* 淨銀行借貸佔本公司股東應佔權益之百分比為計算基準
* Measured by net bank borrowings as a percentage of equity attributable to owners of the Company

截至二零二一年六月三十日止六個月期間（未經審核）
For the six-month period ended 30 June 2021 (unaudited)

主席報告 — 回顧及展望

Chairman's Statement — Review and Outlook

回顧

本人欣然向葉氏化工集團有限公司(「本公司」)全體股東(「股東」)們呈報截至二零二一年六月三十日止六個月(「回顧期內」)，本公司及其附屬公司(統稱「葉氏化工」或「本集團」)的業務概況。

回顧期內，對本集團核心業務構成重大挑戰和機遇的眾多因素中，首推就是原材料價格在承接去年底普遍呈現上漲趨勢下，更在農曆年後，因受全球新冠肺炎疫情有所舒緩，普遍預期環球經濟有望逐步復蘇，因而國際油價隨之逐步攀升。同時，中斷多時，各地區的供應鏈雖重新啟動，但恢復需時等因素影響下，導致供求嚴重失衡。在持續近四個月內，其價格的漲幅之大；漲勢之急均是多年來之罕見，直至五月才稍見緩和。受此影響，期內集團各核心業務之間展現的內部對沖效應顯得前所未有的強烈。以塗料為代表的幾個核心業務首當其衝，並受制於同業競爭更加激烈，成本上升難以即時轉嫁，各類產品的毛利率在不同程度上深受折損。但另一方面，多年來穩居全球醋酸酯最大的溶劑業務則充份掌握了這次原材料價格急劇波動的節奏，其規模效應和主導市場的能力均得到了更充份的體現。回顧期內，溶劑業務錄得的優異業績呈獻不但完全抵銷了塗料等業務的不利影響；更因為結合了集團於回顧期之後成功出售葉氏化工大廈的一次性特殊收益而回顧期內錄得公允值增加，因此創下了集團上市三十年以來的最佳半年業績。期內集團銷售額錄得84.5億港元，同比增長近九成。銷售量則錄得76.7萬噸，同比增長16%。在本公司股東應佔純利方面，回顧期內錄得

Review

I am pleased to present to all shareholders (“Shareholders”) of Yip’s Chemical Holdings Limited (the “Company”) the business overview of the Company and its subsidiaries (collectively “Yip’s Chemical” or the “Group”) for the six months ended 30 June 2021 (“period under review”).

Foremost among all the factors that constituted major challenges and opportunities to the Group’s core businesses in the period under review was the rise in raw material prices, which has appeared as a general trend since the end of last year. After the Chinese New Year, as the global COVID-19 pandemic situation improved, international oil prices climbed in tandem with the expectation that the world economy would recover gradually. On the other hand, though regional supply chains which had been disrupted for quite some time became operational again, there was a serious supply-demand imbalance resulted from various factors, such as the fact that recovery takes time. In almost the entire four months that ensued, the magnitude and speed with which raw material prices shot up have rarely been seen in recent years, and did not ease up until May. As a result, the effect of internal hedging among the core business segments of the Group in the period under review was exceptionally strong. Core business segments typified by coatings bore the brunt of such price increases. Hampered by more vigorous competition in the market, these business segments were unable to pass on the rising costs immediately, so the gross profit margin of various products suffered to one extent or another. On the other hand, our solvents business, which for years has been dominating the global acetate market, was in full grasp of the tempo of the volatile fluctuations in raw material prices, fully reflecting its economy of scale and market-leading capability. For the period under review, the excellent performance of the solvents business fully offset the negative effects of other business segments such as coatings. Adding the one-off special gain from the recent disposal of Yip’s Chemical Building which took place subsequent to the period under review which recorded an increase in fair value during the period under review, the Group registered its best interim performance since its public listing 30 years ago.

主席報告 — 回顧及展望

Chairman's Statement — Review and Outlook

約3億港元，比去年同期大增410%。另一方面，向股東們呈報回顧期內，集團整體信貸狀態保持良好。惟因原材料價格急升的緣故，集團各種產品的售價均有不同幅度的提升，以及珠海溶劑新廠在建，期內耗資約1.4億港元，直接對借貸比率構成影響。於二零二一年六月三十日錄得51.7%，比去年同期增加22.5個百分點。經綜合周詳評估業務前景和奉行積極回饋股東的一貫做法，本公司董事會（「董事會」）議決向全體股東們派發中期股息每股12港仙，比去年的每股6港仙增加一倍。另外為慶祝集團創辦五十周年，同時議決向股東們派發特別股息每股10港仙。總股息每股22港仙將以現金及/或以股代息的方法回饋股東。股東們可選擇部份或全部以本公司發行的已繳足新普通股（「代息股份」）（「以股代息計劃」）收取全數股息。

展望

本人對二零二一年下半年的業務前景持審慎樂觀的態度。儘管包括台海、南海、東海等地區地緣政治緊張，時有震蕩；中美全方位的衝突續有升溫之勢；肆虐全球的新冠肺炎疫情對環球經濟造成的損害仍未見舒緩，但令人欣慰的是中國的經濟活力經歷了疫情和與西方等國家的角力後，基本上全面恢復。今年首兩季的GDP增長均符預期，充份體現了中國經濟發展模式的獨特特性和持久性。乘此良好勢頭，本集團國內的各項核心業務有望繼續穩中漸進。同時，本人也預期原材料價格在二零二一年下半年高位稍回，大幅波動不若二零二一年上半年之強度，集團各項業務的業績呈獻可望日趨均衡。

In the period under review, the Group recorded a sales revenue of HK\$8.45 billion, increasing by nearly 90% year-on-year. Sales volume grew by 16% from the corresponding period last year to 767,000 metric tons. Profit attributable to owners was approximately HK\$300 million, representing a surge of 410% from the corresponding period last year. The Group's overall credit status in the period under review remained strong. Due to a rapid rise in raw material prices, however, the selling prices of the Group's various products increased to one extent or another. Furthermore, during the period under review, the construction of the new solvents plant in Zhuhai at approximately HK\$140 million affected the gearing ratio, which came to 51.7% as at 30 June 2021, representing a year-on-year increase of 22.5 percentage points. Upon a comprehensive assessment of business prospects, and considering the established practice of rewarding Shareholders earnestly, the Company's board of directors (the "Board") declared an interim dividend of HK12 cents per share, which doubled the HK6 cents per share for last year. To celebrate the 50th anniversary of the founding of the Group, the Board also declared a special dividend of HK10 cents per share. The total dividend of HK22 cents per share will be payable to Shareholders in cash with a scrip dividend alternative, thus allowing Shareholders to choose to receive the Group's dividend wholly or partly in the form of allotment of new ordinary shares in the Company ("Scrip Shares"), credited as fully paid, in lieu of cash ("Scrip Dividend Scheme").

Outlook

I am cautiously optimistic about the Group's business prospects in the second half of 2021. Despite the geopolitical tension and occasional instability in the Taiwan Strait, the South China Sea and the East China Sea, intensifying tendency of the Sino-US conflict, and the as-yet unmitigated harm of the raging COVID-19 pandemic have inflicted on the global economy, China's economic vitality has fully recovered after the pandemic and engaging in altercations with Western countries. With China's GDP growth in the first two quarters of this year meeting expectations, the unparalleled resilience and sturdiness of China's economic development model are in full evidence. Riding on such good momentum, the Group's core business segments can be expected to continue to grow steadily and gradually. At the same time, I also expect a slight drop in raw material prices in the second half of 2021, and that the magnitude of any fluctuation will not be as great as in the first half of 2021. The results of the Group's various business segments are expected to get increasingly balanced.

主席報告 — 回顧及展望 Chairman's Statement — Review and Outlook

今年是集團創辦五十周年，上市三十周年的重要里程碑，集團不忘初心，繼續秉承其經營理念：「略帶輕狂，早定目標，充份準備，砥礪奮進」。五十年如一日，過去如是；將來亦然。此經營理念勢將引領集團繼續朝著 — 為員工們謀福祉；為股東們創價值；為社會添能量的經營願景，行穩致遠，引以為傲，備受尊崇，百年葉氏的宏圖得以完夢！

藉此謹代表董事會向過去五十年，曾服務和現職的全體員工們特別致以深切的感激，同時也對股東們多年來的大力支持、指導，歷屆董事會和高層管理團隊，卓越領導，精誠團結，致以衷心的感謝！

葉志成
主席

二零二一年八月十九日

This year marks the important milestone of the 50th anniversary of the founding of Yip's Chemical and the 30th anniversary of its public listing. We will stay true to our original aspirations and continue to uphold our business philosophy of "Be Daring, Set Goals Early, Be Prepared Fully, Forge Ahead with Courage". This has been so in the last 50 years, and will also be upheld in the future. This business philosophy will continue to guide the Group in attending to its goals of seeking benefits for employees, creating values for Shareholders and building vigour for society so that the Group will fulfil the mission of making strong and steady strides towards a century of revered leadership for Yip's Chemical.

On behalf of the Board, I would like to convey the deepest gratitude to all past and current employees in the past 50 years and send our sincere thanks to Shareholders for their unfailing support and guidance. We are also grateful to all past and current Board members and senior management teams for their outstanding leadership and solidarity.

Ip Chi Shing
Chairman

19 August 2021

行政總裁報告

Report of the Chief Executive Officer

二零二一年上半年度本集團業績的要點包括：

一. 原材料急升，導致回顧期內銷售額大增至84.5億港元，增長89%，實際銷量76.7萬噸，同比增長16%。

二. 股東應佔純利約3億港元，比對同期大增410%，構成純利大增有幾大因素：

- 溶劑業務受惠於原材料大升，二零二一年上半年經營溢利創紀錄達4.36億港元，比對同期大增190%；
- 期內位於粉嶺的葉氏化工大廈賬面增值6,600萬港元；
- 然而，由於各種原材料價大漲而未能及時轉嫁終端用戶，導致塗料、油墨兩主業業績受損，詳見下列業務具體分析。

三. 借貸比率上升至51.7%，主要原因有：

- 溶劑業務於珠海興建新廠房，回顧期內投入約1.4億港元；
- 溶劑業務因為原材料價、產品售價大升，營運資金顯著上升，比對去年同期增加8億港元。

四. 本集團分拆屬下的洋紫荊油墨於深圳證券交易所（「深交所」）獨立上市的工作正有序進行，我們正密切關注具體進程。

Key aspects of the Group's performance in the first half of 2021 are as follows:

1. A rapid increase in raw material prices led to a growth of 89% in sales revenue to HK\$8.45 billion in the period under review, while actual sales volume grew 16% year-on-year to 767,000 metric tons.

2. Profit attributable to owners rose sharply by 410% from the corresponding period last year to approximately HK\$300 million mainly due to the following factors:

- The solvents business benefited from the upsurge in raw material prices, so much so that operating profit for the first half of 2021 hit a record of HK\$436 million, up 190% year-on-year;
- An increase in fair value of Yip's Chemical Building in Fanling recorded at HK\$66 million in the period;
- Nevertheless, as the sharp rise in raw material prices could not be passed on to end-users in time, the performance of coatings and inks, two other core business segments, were affected. A detailed analysis is given below.

3. Gearing ratio increased to 51.7%, the main reasons include:

- In the period under review, the solvents business invested approximately HK\$140 million for a new plant in Zhuhai;
- As a result of substantial increase in raw material prices and product selling prices of the solvents business, working capital grew significantly by HK\$800 million compared with the corresponding period last year.

4. The spin-off of Bauhinia Ink for a separate listing on the Shenzhen Stock Exchange ("SSE") by the Group proceeded as planned. We are monitoring closely the progress of our listing application.



行政總裁報告 Report of the Chief Executive Officer

五. 小結二零二一年上半年，溶劑業務大豐收。塗料、油墨業務業績受挫，惟該兩業務銷售增長可觀。管理層有信心二零二一年下半年起，各原材料成本日漸回復正常，兩業務獲利當可預期。

主要業務檢視及分析如下：

溶劑

回顧期內，銷量增長約7萬噸至61萬噸。銷售額按年大升106%至66.3億港元。受惠於原材料供應緊缺，價格持續上升，溶劑市場團隊緊貼市場，及時備貨，物流團隊克服時間緊、運作難的挑戰，做到及時，保質供應，確保足量開車，因此創造了歷來最高盈利的半年業績。

珠海新廠建造正有序展開，預期順利建成投產的目標不變。管理層將確保現正運作的江門廠與珠海新廠無縫對接，並為華南區提供充足的產品供應，令我們作為該地區主要供應商的地位不變。

自二零二一年七月份以來，溶劑業務的上游材料已有明顯下跌趨勢，對本業績或有短期壓力。管理層正縝密研判，做好有序降庫存，更積極拓展外銷渠道，以求平穩渡過大升市後的跌市狀況。

5. Summing up the first half of 2021, the solvents business yielded good results. Though the results of coatings business and inks business were negatively affected, they recorded promising growth in sales. The management is confident that, in the second half of 2021, raw material costs will return to a normal level gradually and the profitability of both the coatings and inks businesses is expected to improve.

Review and analysis of the major business segments are as follows:

Solvents

In the period under review, sales volume increased by approximately 70,000 metric tons to 610,000 metric tons and sales revenue shot up 106% year-on-year to HK\$6.63 billion. Due to the tight raw material supply, prices rose continuously. By monitoring the market closely, the solvents marketing team was able to stock up in time. On the other hand, the logistic team succeeded in overcoming the challenges posed by operating with tight schedules so that products of good quality were delivered in time and production capacity was fully utilized. As a result, a half-year performance with the highest profitability ever was achieved.

Construction of the new plant in Zhuhai is proceeding as planned and the target of putting it into operation smoothly remains unchanged. The management will ensure a seamless transition from the Jiangmen plant currently in use to the new Zhuhai plant so as to ensure an adequate supply of products for the Southern China market and to maintain our status as the main supplier in the region.

Since July 2021, prices of upstream raw materials for the solvents business have been in a downward trend, and this may impart short-term pressure on the performance of this business segment. The management is now undertaking careful analysis in order to reduce inventory systematically and develop export markets more proactively. The aim is to sail through the expected market correction unscathed.

行政總裁報告

Report of the Chief Executive Officer

塗料

回顧期內，塗料業務銷售額達到9.8億港元，對比去年同期增長56%。去年同期受疫情影響，中國塗料需求下滑。回顧期內，隨著疫情在中國內地受控，經濟復蘇，各類工程項目、家居裝修及工業品生產逐步恢復。與此同時，管理層在期間有效地投入市場，擴大銷售網絡，並提升市場份額。但塗料的各種核心原材料在二零二零年底開始大幅增長，成本大幅上升，導致毛利率下滑至23.5%，經營溢利錄得1,600萬港元。

展望二零二一年下半年，管理層將繼續以搶佔市場份額為主要目標，目的是在高成本的競爭環境下增加銷售和影響力，為集團旗下的品牌「紫荊花」、「駱駝」、「恒昌」及「大昌」在建築塗料、工業塗料及樹脂的未來奠定更好的盈利基礎。

油墨

整體銷售額上升至6.8億港元，按年增長30%，受高價原材料影響，經營溢利錄得449萬港元，比對同期下跌1,250萬港元。

回顧期內，本業務的工作重點在於應對原材料短缺、價高，用戶難以分擔材料價格上漲等問題。銷售團隊緊貼市場、緊訪用戶，不厭其煩跟用戶分享資訊，共商對策應對困難。特別在備材料，保供應上竭盡全力成功做到，為緊扣客戶，深耕市場份額作出了堅實的基礎。

Coatings

Sales revenue of the coatings business for the period under review reached HK\$980 million, which was a growth of 56% from the corresponding period last year. In the corresponding period last year, demand for coatings dropped due to the pandemic. During the period under review, with the pandemic under control in Mainland China, construction projects, home refurbishing as well as industrial production gradually resumed as the economy recovered. Meanwhile, the management timely invested in the market to expand the sales network and raise market share. Yet, because the prices of various key raw materials began to rise considerably since the end of 2020, the substantial cost increases brought gross profit margin down to 23.5% while operating profit was HK\$16 million.

In the second half of 2021, the management will continue to focus on capturing market share. The aim is to boost sales and build leverage in a high-cost competitive environment so as to lay a better foundation of profitability for the future of coating brands of the Group including “Bauhinia”, “Camel”, “Hang Cheung” and “Da Chang” in the markets for architectural coatings, industrial coatings and resins.

Inks

Overall sales revenue increased 30% year-on-year to HK\$680 million, though operating profit declined by HK\$12.5 million to HK\$4.49 million because of high raw material prices.

In the period under review, the priority of the inks business was to deal with the problems of shortage and high prices of raw materials and the difficulties in passing on increased costs to users, etc. The sales team stayed close to the market and users with frequent visits and was persistent in sharing information and discussing ways of tackling the challenges with users. In particular, they spared no efforts and also succeeded in stocking raw materials and in ensuring adequate supply for clients. In so doing, they did a solid job of penetrating the market and securing market share.



行政總裁報告 Report of the Chief Executive Officer

潤滑油

回顧期內，潤滑油業務繼續穩步拓展汽車潤滑油市場，在中國內地開拓經銷商網絡以及代工業務。對比去年同期，銷售額按年增長132%至1.9億港元。雖然油價及連帶的原材料價格在期內持續上升，但透過有效的供應鏈管理及策略性原材料備貨，毛利率微跌一個百分點至25.5%，經營溢利錄得1,130萬港元，對比去年同期虧損930萬港元，業績大幅改善並轉虧為盈。

潤滑油業務已經在穩固的軌道上發展，二零二一年下半年將聚焦在銷售網絡的開拓以及供應鏈的精細管理，務求在充滿挑戰的潤滑油市場內保持合理的盈利能力。

其他業務

集團不斷往「環保化」、「終端化」及「服務化」發展，積極開拓和「家」及「車」相關的商機。集團在期內繼續支持大嘜養車為中國龐大的終端車主提供專業、便捷及高性價比的養車服務體驗。回顧期內，商店開發速度受個別省份間歇性的疫情影響，大嘜養車在山東、廣東、河北、湖南及江蘇的服務點達到111家，自開業起已服務接近27萬輛車。本公司的管理層認為標準化、高性價比的養車服務體驗符合未來中國中產階層的消費習慣，短期內將繼續投入開拓商店網絡。

物業分類方面，營業額上升13%至490萬港元，為出租上海物業收取的租金收入。惟經營溢利卻因回顧期內葉氏化工大廈錄得公允值增加而大升至6,010萬港元，該物業於二零二一年七月十六日售出。

Lubricants

In the period under review, the lubricants business continued to make inroads into the automotive lubricants market via distributor network development and OEM operations in Mainland China. Compared with the corresponding period last year, sales revenue grew 132% year-on-year to HK\$190 million. In view of the continuous rise in the prices of oil and associated raw materials, we carried out effective supply chain management and strategic stocking of raw materials. As a result, gross profit margin inched down only one percentage point to 25.5%, while an operating profit of HK\$11.3 million was recorded. Compared with the loss of HK\$9.3 million recorded in the corresponding period last year, performance greatly improved and turned around.

While the lubricants business is developing steadily on the right track, the attention for the second half of 2021 will be focused on the development of the sales network and the enhanced management of the supply chain, so as to maintain reasonable profitability in the highly competitive lubricants market.

Other Businesses

The Group is relentless in attaining environmentally-friendly, end-user oriented and service-oriented development and is actively seeking “home” and “car” related business opportunities. In the period under review, the Group continued to support Damai in offering the huge group of car owners in China with professional and convenient car maintenance service of high cost-effectiveness. In the period under review, though Damai’s rate of opening new shops was slowed down by the intermittent outbreaks of the pandemic in individual provinces, it had 111 locations of services located in Shandong, Guangdong, Hebei, Hunan and Jiangsu, which together have provided services to approximately 270,000 vehicles since Damai’s establishment. The management of the Company believes that standardised and value for money car maintenance service is consistent with the future consumption habit of the Chinese middle class. Therefore, in the short term, the management will continue to invest in developing Damai’s store network.

For the properties segment, revenue was up 13% to HK\$4.9 million for rental income generated from leasing of Shanghai property. Operating profit was however boosted to HK\$60.1 million with increase of fair value recorded for Yip’s Chemical Building during the period under review, which was disposed of on 16 July 2021.

行政總裁報告

Report of the Chief Executive Officer

展望

隨著溶劑售價下跌，我們預期溶劑業務於二零二一年下半年獲利或受影響，但塗料、油墨兩個業務將因此受惠。管理層明白經營溢利或時有波動，但我們相信只要操作得宜，生意有序，平穩增長，加上適時調節，集團有信心化危為機，化機為再增長的動力。

本年初訂下本集團的三大工作目標：包括溶劑業務再尋新項目，塗料業務激增銷售，洋紫荊油墨力保於深交所上市成功。目前三項工作頗有進展，本財政年度年結時再詳向各股東作出匯報。

葉子軒
行政總裁

二零二一年八月十九日

Outlook

With a drop in selling prices of solvents, we expect that the profitability of the solvents business in the second half of 2021 will be affected, but the coatings and inks businesses will be benefited. We fully understand that operating profit could fluctuate from time to time. However, we are confident that, as long as we make the right moves and our businesses are in order and grow steadily, by making timely adjustment, we can always turn crises into opportunities and turn those opportunities into momentum for further growth.

At the beginning of this year, the Group has set three key objectives: exploring new projects for the solvents business, boosting sales for the coatings business and ensuring the successful listing of Bauhinia Ink on SSE. Currently, we are progressing quite well in all three areas and will report back to Shareholders at the end of this financial year.

Yip Tsz Hin
Chief Executive Officer

19 August 2021

獎項及榮譽 Awards and Recognitions

香港

香港社會服務聯會

15年Plus「商界展關懷」標誌

世界綠色組織

「綠色辦公室3+」及「健康工作間」標誌

《HR Asia》雜誌

2021年亞洲最理想工作公司

衛生署、勞工處及職業安全健康局
精神健康友善卓越機構

中國內地

中國公益節

2020企業社會責任行業典範獎

中外塗料網

第十二屆中國金漆獎 — 傑出內牆塗料
品牌、傑出工程塗料品牌、年度創新
品牌

買化塑及慧聰塗料網

牆面漆影響力品牌

Hong Kong

The Hong Kong Council of Social Service

15 Years Plus "Caring Company" Logo

World Green Organisation

"Green Office 3+" and "Eco-Healthy Workplace" Labels

HR Asia

Best Company to Work for in Asia 2021

The Department of Health, the Labour Department and
the Occupational Safety and Health Council

Mental Health Friendly Supreme Organisation

Mainland China

China Charity Festival

2020 Corporate Social Responsibility Industry Model Award

27580.cn

The 12th Golden Paint Award — Outstanding Interior Wall Coatings
Brand, Outstanding Construction Coatings Brand, Annual Innovation
Award

ibuychem.com & coatings.hc360.com

Wall Coatings Influential National Brand

流動資金及財務資源

Liquidity and Financial Resources

於二零二一年六月三十日，集團的借貸比率(以淨銀行借貸佔本公司股東應佔權益為計算基準)為51.7%，比去年同期上升22.5個百分點(二零二零年六月三十日：29.2%)。期內溶劑業務的銷售上升，故需要脹升的營運資金以支持貿易應收賬及應收票據、預付款及存貨，加上投資建造溶劑業務的新廠房，令集團的借貸比率大幅上升。

二零二一年上半年人民幣匯率上升0.8%，儘管人民幣匯率於回顧期內表現相對穩定，集團會繼續謹慎管理外匯風險，以盡量減低人民幣匯率波動對集團業績之影響。另一方面，雖然集團總借貸有所上升，但受惠於低息環境，回顧期內淨利息支出減少19%至16,329,000港元(截至二零二零年六月三十日止六個月：20,131,000港元)。

經營業務所產生之現金流量方面，回顧期內集團錄得淨現金流出394,198,000港元(截至二零二零年六月三十日止六個月：淨現金流入251,760,000港元)。對比去年同期主要由於本期存貨、預付款、貿易應收賬及應收票據增加，並扣除應付賬、應付票據及應計費用上升的影響後，令本期經營淨現金流出。

As at 30 June 2021, the Group's gearing ratio (measured by net bank borrowings as a percentage of equity attributable to owners of the Company) was 51.7% (30 June 2020: 29.2%), representing an increase of 22.5 percentage points year-on-year. The Group's gearing ratio substantially increased as a result of its investment in the construction of the new solvents plant as well as inflated working capital required to finance trade receivables and bills receivables, prepayments and inventories due to the rising sales of solvents business during the period under review.

The RMB exchange rate recorded an appreciation of 0.8% over the first half of 2021. Although the RMB exchange rate was relatively stable during the period under review, the Group will remain prudent in managing its foreign exchange exposure so as to minimise the impact of RMB fluctuation on its results. On the other hand, the Group benefited from the low interest rate and reduced its net interest expense for the period under review by 19% to HK\$16,329,000 (six months ended 30 June 2020: HK\$20,131,000), despite a rise in the Group's total bank borrowings.

As for operating cash flow, the Group recorded a net cash outflow of HK\$394,198,000 for the period under review (six months ended 30 June 2020: net cash inflow of HK\$251,760,000). Compared with the corresponding period in the preceding year, the operating cash outflow was driven by the increase in inventories, prepayments, trade receivables and bills receivables, although the effect was partly offset by the increase in the accounts payables, bills payables and accrued expenses.



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

於二零二一年六月三十日，集團的銀行總欠款為2,251,721,000港元(二零二零年十二月三十一日：1,624,487,000港元)，扣除短期銀行存款、銀行結餘以及現金364,619,000港元(二零二零年十二月三十一日：565,302,000港元)後，淨銀行借貸為1,887,102,000港元(二零二零年十二月三十一日：1,059,185,000港元)。銀行總欠款中，須於一年內清還之短期貸款為1,538,004,000港元(二零二零年十二月三十一日：706,887,000港元)，以兩種貨幣定值，其中954,433,000港元以港幣定值，583,571,000港元以人民幣定值(二零二零年十二月三十一日：671,100,000港元以港幣定值，35,787,000港元以人民幣定值)。一年後到期的長期貸款為713,717,000港元(二零二零年十二月三十一日：917,600,000港元)，全數以港幣定值(二零二零年十二月三十一日：全數以港幣定值)。短期銀行存款、銀行結餘以及現金使用以下貨幣定值，包括21,446,000港元以港幣定值、270,264,000港元以人民幣定值、72,463,000港元以美元定值、446,000港元以其他貨幣定值(二零二零年十二月三十一日：24,309,000港元以港幣定值、425,408,000港元以人民幣定值、110,879,000港元以美元定值、4,706,000港元以其他貨幣定值)。

為延續到期的中長期貸款，集團於二零二一年上半年已與六間銀行簽訂600,000,000港元之四年期可持續發展表現掛鉤銀團貸款協議，當集團達至多項與銀行預先訂立的環境、社會及管治表現相關目標，即可獲得此貸款利率的折扣優惠。

As at 30 June 2021, gross bank borrowings of the Group amounted to HK\$2,251,721,000 (31 December 2020: HK\$1,624,487,000). After the deduction of short-term bank deposits, bank balances and cash amounted to HK\$364,619,000 (31 December 2020: HK\$565,302,000), net bank borrowings amounted to HK\$1,887,102,000 (31 December 2020: HK\$1,059,185,000). Of the gross bank borrowings, HK\$1,538,004,000 (31 December 2020: HK\$706,887,000) were short-term loans repayable within one year. Such loans were denominated in two currencies, HK\$954,433,000 in Hong Kong Dollars and HK\$583,571,000 in RMB (31 December 2020: HK\$671,100,000 in Hong Kong Dollars and HK\$35,787,000 in RMB). Long-term loans repayable after one year amounted to HK\$713,717,000 (31 December 2020: HK\$917,600,000), and they were all denominated in Hong Kong Dollars (31 December 2020: all in Hong Kong Dollars). The short-term bank deposits, bank balances and cash were denominated in the following currencies: HK\$21,446,000 in Hong Kong Dollars, HK\$270,264,000 in RMB and HK\$72,463,000 in US Dollars and HK\$446,000 in other currencies (31 December 2020: HK\$24,309,000 in Hong Kong Dollars, HK\$425,408,000 in RMB and HK\$110,879,000 in US Dollars and HK\$4,706,000 in other currencies).

To refinance mid-to-long-term loans due for repayment, the Group has entered into an agreement for a four-year sustainability-linked embedded syndicated loan facility agreement of HK\$600,000,000 (the "Facility Agreement") in the first half of 2021 with six banks. Under the Facility Agreement, the Group is eligible to receive interest rate savings upon achieving pre-determined targets which address environmental, social and governance performance mutually agreed with the banks.

流動資金及財務資源

Liquidity and Financial Resources

回顧期內集團增加使用短期貸款，除可更靈活使用資金外，亦能降低借貸成本，於二零二一年六月三十日，中長期貸款(含一年內須償還之部份為454,433,000港元)佔本集團所有銀行貸款的比例為52%。集團預期現時低息環境仍會持續一段較長時期，因此回顧期內未有新增利率掉期或其他安排以固定其借貸利率，集團會不時檢視利率波動情況，於合適時間與銀行簽訂利率掉期或定息協議，以對沖貸款利率波動的風險。於二零二一年六月三十日，集團以定息安排的貸款佔其銀行總借貸23%。

於二零二一年六月三十日，共有24間位於香港及中國內地的銀行向集團提供合共6,237,706,000港元的銀行額度，足夠應付現時集團營運資金及擴展所需。銀行額度中，51%以港元定值、48%以人民幣定值及1%以美元定值。於二零二一年六月三十日，集團人民幣流動貸款額度為1,470,000,000人民幣(二零二零年十二月三十一日：950,000,000人民幣)，由於國內借貸利率於過往數年不斷下降，集團已增加其人民幣貸款額度，以應付國內循環資金需求及減輕人民幣匯率潛在波動之影響。集團將不時在香港和國內以港幣、美元、人民幣或其他外幣構建最理想的銀行貸款組合，繼續在降低借貸成本及控制匯兌風險之間取得理想平衡。

於二零二一年六月三十日，本集團並沒有持有重大投資、質押資產及重大或然負債。除本中期報告披露外，本集團於二零二一年下半年並沒有任何重大投資或重大資本資產實質性計劃。

During the period under review, the Group increased the utilization of the short-term loan facility, which not only allowed more flexibility for use of fund, but also reduced borrowing costs. As at 30 June 2021, mid-to-long-term loans (including portions repayable within one year of HK\$454,433,000) accounted for 52% of the total bank loans of the Group. The Group did not enter into new interest rate swaps or other arrangements to fix the interest rates for its borrowings during the period under review as the current low interest rate environment is expected to persist for a longer period. The Group will monitor the interest rate fluctuation from time to time and enter into interest rate swaps or fix rate arrangement with the banks at an appropriate time to hedge against the risk of interest rate fluctuation. As at 30 June 2021, the Group's loans under fixed rate arrangement made up 23% of its total bank borrowings.

As at 30 June 2021, a total of 24 banks in Hong Kong and Mainland China granted banking facilities of HK\$6,237,706,000 to the Group, providing it with sufficient funds to meet present working capital and expansion requirements. Of these banking facilities, 51%, 48% and 1% were denominated in Hong Kong Dollars, RMB and US Dollars respectively. As at 30 June 2021, the Group's RMB revolving loan facilities amounted to RMB1,470,000,000 (31 December 2020: RMB950,000,000). As the interest rate in Mainland China continued to decline in the past few years, the Group has increased its RMB loan portfolio to address the revolving funding needs in Mainland China as well as to mitigate the exposure to potential RMB exchange rate fluctuation. The Group will continue to strike an optimal balance between lowering borrowing costs and minimising currency exposure by structuring a favourable combination of Hong Kong Dollars, US Dollars, RMB or other foreign currency bank loans in Hong Kong and Mainland China.

As at 30 June 2021, the Group did not have any significant investment, pledged asset and significant contingent liabilities. Save as disclosed in this interim report, the Group did not have any concrete plans for material investments or capital assets for the second half of 2021.



人力資源 Human Resources

於二零二一年六月三十日，集團之僱員人數合共為3,393人，其中83人來自香港，3,303人來自內地各個省份及7人來自越南。

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

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

As of 30 June 2021, the Group has a total of 3,393 employees, among which 83 of them are from Hong Kong, 3,303 are from different provinces in Mainland China and 7 are from Vietnam.

The Group places great emphasis on the management and development of human capital. The employees are encouraged to strive for improvement through internal and external training programs, job rotations and participation in the Group's educational subsidy programs, allowing for development in knowledge and skills and to maximize their potential in their work. We offer suitable platform for development of highly committed and capable employees, regardless of their background, geographical location or educational level. The Group regularly identifies talented employees and tailor-makes career plans to support their continuous development. With versatile experience in challenging roles in different areas, the current management team of the Group has risen through the ranks to positions of management. In addition to the focus of developing employees internally, the Group also seeks to recruit talent from outside.

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

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

盡本公司所知，於二零二一年六月三十日，本公司董事及最高行政人員於本公司股份（「股份」）、本公司或其任何相聯法團的相關股份或債券的權益（定義見《證券及期貨條例》（「證券及期貨條例」）第XV部份）須(a)根據證券及期貨條例第XV部份第7及第8部知會本公司及香港聯合交易所有限公司（「聯交所」）（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條記載本公司置存之登記冊內的權益；或(c)根據載於上市規則附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所的權益如下：

To the best of the Company's knowledge, as at 30 June 2021, the interests of the directors and chief executives of the Company in the shares of the Company ("Shares"), underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which are required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of the Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provision of the SFO); or (b) to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

(a) 於本公司股份、相關股份及債券的權益及淡倉

(a) Interests and short positions in the Shares, underlying Shares and debentures of the Company

		所持普通股份及相關股份數目 Number of ordinary shares and underlying shares held				於二零二一年 六月三十日 佔本公司 已發行股本 之百分比 Percentage of the issued share capital of the Company as at 30.06.2021	
董事姓名 Name of Directors		股份權益 Interests in Shares	股份權益 Interests in Shares	股份權益 Interests in Shares	購股權權益 ¹ Interests in share options ¹	總數 Total	
		個人 Personal	家族 Family	公司 Corporate	個人 Personal		
葉志成先生	Mr. Ip Chi Shing	154,442,532	8,802,000 (a)	25,380,000 (b)	—	188,624,532	34.06%
葉子軒先生	Mr. Yip Tsz Hin	31,116,248	14,000,000 (c)	—	—	45,116,248	8.15%
葉鈞先生	Mr. Ip Kwan	11,084,000	—	—	200,000	11,284,000	2.04%
何世豪先生	Mr. Ho Sai Hou	—	—	—	200,000	200,000	0.04%
王旭先生	Mr. Wong Yuk	—	—	—	—	—	—
何百川先生	Mr. Ho Pak Chuen, Patrick	—	—	—	—	—	—
古以道先生	Mr. Ku Yee Dao, Lawrence	—	—	—	—	—	—
#	除上文披露的本公司董事或最高行政人員外						# other than the Directors or chief executives of the Company disclosed above

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

(a) 於本公司股份、相關股份及債券的權益及淡倉 (續)

附註：

- (a) 此等股份當中，6,796,000股股份由葉志成先生與配偶梁碧瑜女士共同持有，2,006,000股股份則由其配偶持有。
- (b) 此等股份分別由葉志成慈善基金有限公司(一間慈善組織)(20,300,000股股份)和葉氏關愛延續基金有限公司(一間有限公司)(5,080,000股股份)所持有。葉志成先生於葉志成慈善基金有限公司和葉氏關愛延續基金有限公司的股東大會分別擁有50% (與其配偶共有100%)及60% (與其弟妹共有100%)之投票權，故就證券及期貨條例第XV部而言被視為擁有在該兩間公司持有此等股份之權益。
- (c) 此等股份由葉子軒先生之配偶葉曹家麗女士持有。
- ¹ 所有購股權為非上市實物結算股本衍生工具。

(a) Interests and short positions in the Shares, underlying Shares and debentures of the Company

(Continued)

Notes:

- (a) Out of these Shares, 6,796,000 Shares are jointly held by Mr. Ip Chi Shing with his spouse Madam Liang Bih Yu and 2,006,000 Shares are held by his spouse.
- (b) These Shares are held respectively by Ip Chi Shing Charitable Foundation Limited, a charitable organisation (20,300,000 Shares) and Yip's Care Extension Foundation Limited, a limited company, (5,080,000 Shares). Mr. Ip Chi Shing controls 50% (together with his spouse control 100%) and 60% (together with his younger sister and brother control 100%) of the voting power at the general meetings of Ip Chi Shing Charitable Foundation Limited and Yip's Care Extension Foundation Limited respectively. He is therefore deemed to be interested in these Shares held by these two corporations for the purpose of Part XV of the Securities and Future Ordinance.
- (c) These Shares are held by Madam Yip Tso Ka Lai, Brenda, the spouse of Mr. Yip Tsz Hin.
- ¹ All the share options are unlisted physically settled equity derivatives.

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

(b) 於本公司相聯法團之 股份、相關股份及債 券的權益及淡倉

洋紫荊油墨股份有限公
司(「洋紫荊油墨」)

(b) Interests and short positions in the shares, underlying shares and debentures of the associated corporation of the Company Bauhinia Ink Company Limited ("Bauhinia Ink")

董事姓名	Name of Director	所持股份數目			總數	於二零二一年 六月三十日佔 洋紫荊油墨已發行股本 之概約百分比 Approximate percentage of the issued share capital of Bauhinia Ink as at 30 June 2021
		股份權益 Interests in shares	股份權益 Interests in shares	股份權益 Interests in shares		
		個人 Personal	家族 Family	公司 Corporate		
葉子軒先生	Mr. Yip Tsz Hin	—	—	1,593,000	1,593,000	0.53% (a)

附註：

(a) 就證券及期貨條例第XV部而言，於二零二一年六月三十日，葉子軒先生被視為於中山市裕貿投資諮詢合夥企業(有限合夥)於洋紫荊油墨所持之1,593,000股股份(佔洋紫荊油墨已發行股本約0.53%)中擁有權益(其中葉子軒先生作為其有限合夥人持有約54.49%經濟利益)。

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

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

除上文所披露者及董事以本公司或其附屬公司受托人身份持有附屬公司若干代名人股份外，於二零二一年六月三十日，本公司董事或最高行政人員均沒有於本公司或其任何聯營公司(按證券及期貨條例第XV部份)之證券中持有任何權益或淡倉。

Note:

(a) For the purpose of Part XV of the SFO, as at 30 June 2021, Mr. Yip Tsz Hin was deemed to be interested in 1,593,000 shares in Bauhinia Ink (representing approximately 0.53% of the issued share capital of Bauhinia Ink) held by 中山市裕貿投資諮詢合夥企業(有限合夥) (Zhongshan Yumao Investment Advisory Partnership (Limited Partnership)), in which Mr. Yip Tsz Hin held approximately 54.49% economic interest as a limited partner thereof.

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

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

Other than as disclosed above and certain nominee shares in subsidiaries held by Directors in trust for the Company or its subsidiaries, as at 30 June 2021, none of the Directors and chief executives of the Company held any interests or short positions in the securities of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

For identification purpose only

購股權 Share Options

股東於二零一二年五月二十五日舉行之股東週年大會上已批准採納新購股權計劃(「新計劃」)及終止本公司於二零零二年九月三日已採納的舊有購股權計劃(「舊計劃」)，連同新計劃，統稱為(「購股權計劃」)。新計劃將於二零二二年五月二十四日到期屆滿。截至二零二一年六月三十日止，按舊計劃發行之所有購股權已經行使或失效。

新計劃之主要目的是確定及激勵合資格參與人士作出貢獻、提供獎勵、協助本公司挽留合資格參與人士及招攬額外僱員，並向彼等提供直接經濟利益，以達致本公司之長期業務目標。

於截至二零二一年六月三十日止六個月期間，根據本公司購股權計劃已授予若干董事及合資格人士購股權之變動如下：

The Shareholders at the annual general meeting of the Company held on 25 May 2012 approved the adoption of a new share option scheme (the “New Share Option Scheme”) and the termination of the old share option scheme which was adopted by the Company on 3 September 2002 (the “Old Share Option Scheme”, together with the “New Share Option Scheme”, collectively known as “Share Option Schemes”). The New Share Option Scheme will expire on 24 May 2022. All share options granted under the Old Share Option Scheme have either been exercised or lapsed as of 30 June 2021.

The main purpose of the New Share Option Scheme is to recognise and motivate the contribution of eligible participants, to provide incentives to them, to help the Company retain eligible participants and recruit additional employees and to provide them with a direct economic interest in attaining the long term business objectives of the Company.

During the six months ended 30 June 2021, movements in the number of share options which had been granted to certain Directors and eligible persons under the Company's Share Option Schemes are as follows:

	授出日期 Date of grant	行使價 Exercise price 港元 HK\$	購股權行使期 Exercise period of share options	購股權數目 Number of share options		
				於二零二一年 一月一日 尚未行使 Outstanding as at 1.1.2021	本期內 已失效/註銷 Lapsed/Cancelled during the period	於二零二一年 六月三十日 尚未行使 Outstanding as at 30.6.2021
董事 Directors						
葉鈞先生 Mr. Ip Kwan	二零一三年一月十一日 11 January 2013	5.942	二零一五年一月十一日至二零二三年一月十日 11 January 2015 to 10 January 2023	200,000	—	200,000
何世豪先生 Mr. Ho Sai Hou	二零一三年一月十一日 11 January 2013	5.942	二零一五年一月十一日至二零二三年一月十日 11 January 2015 to 10 January 2023	200,000	—	200,000
				400,000	—	400,000
若干人士 Eligible Persons						
員工 Employees	二零一三年一月十一日 11 January 2013	5.942	二零一五年一月十一日至二零二三年一月十日 11 January 2015 to 10 January 2023	3,200,000	—	3,200,000
				3,200,000	—	3,200,000
				3,600,000	—	3,600,000

購股權 Share Options

於截至二零二一年六月三十日止期間，並沒有授出購股權予董事或僱員，亦未有購股權遭行使。

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

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

During the six months ended 30 June 2021, no share option was granted to Directors or employees and no share option has been exercised.

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

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



主要股東 Substantial Shareholders

盡本公司所知，於二零二一年六月三十日，於根據證券及期貨條例第336條規定所存置之登記冊或已知會持有股份或相關股份權益之股東(除上文所披露的本公司董事或最高行政人員外)如下：

好倉

To the best of the Company's knowledge, as at 30 June 2021, the following Shareholders (other than the Directors or chief executives of the Company disclosed above) had interest in the Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company:

Long positions

主要股東名稱 Name of substantial shareholders	身份 Capacity	附註 Notes	所持股份數目 Number of Shares held	於二零二一年 六月三十日 佔本公司已發行 股本之百分比 Percentage of the issued share capital of the Company as at 30.6.2021
葉鳳娟女士 Ms. Ip Fung Kuen	實益擁有人 Beneficial Owner		47,347,913	8.55%
FMR LLC	公司權益 Corporate Interest	1	45,892,643	8.29%
FIDELITY PURITAN TRUST	實益擁有人 Beneficial Owner	2	32,563,479	5.88%

除上文披露的本公司董事或最高行政人員外

other than the Directors or chief executives of the Company disclosed

附註：

Notes:

1 本公司獲FMR LLC告知FMR LLC於二零二一年六月三十日實益擁有本公司45,892,643股股份，當中44,888,643股股份為透過Fidelity Management & Research Company LLC直接持有及管理，及1,004,000股股份為透過FIAM LLC直接持有及管理。Fidelity Management & Research Company LLC由FMR LLC全資擁有。FIAM LLC由FMR LLC之全資附屬公司FIAM Holdings LLC全資擁有。

1 The Company was notified by FMR LLC that FMR LLC was beneficially interested in 45,892,643 Shares as of 30 June 2021, which 44,888,643 Shares were directly held and managed by Fidelity Management & Research Company LLC, and 1,004,000 Shares were directly held and managed by FIAM LLC respectively. Fidelity Management & Research Company LLC is wholly owned by FMR LLC. FIAM LLC is wholly owned by FIAM Holdings LLC, which is a wholly-owned subsidiary of FMR LLC.

主要股東 Substantial Shareholders

本公司獲進一步通知上述由Fidelity Management & Research Company LLC 持有之44,888,643股股份當中，4,250,164股股份由FMR LLC全資擁有之Fidelity Management Trust Company 建議及因此間接持有，而8,075,000股股份由FMR LLC若干僱員及股東最終擁有之Fidelity Investments Canada ULC 建議及因此間接持有。該等FMR LLC僱員及股東擁有Fidelity Canada Investors LLC之100%股權，而Fidelity Canada Investors LLC擁有Bay Street Holdings LLC之100%股權，繼而Bay Street Holdings LLC擁有483A Bay Street Holdings LP之18%股權。483A Bay Street Holdings LP擁有BlueJay Lux 1 S.a.r.l之100%股權，繼而BlueJay Lux 1 S.a.r.l擁有Fidelity Investments Canada ULC之100%股權。此外，上述44,888,643股股份當中的207,019股股份由Fidelity Management & Research (Canada) ULC投資及間接持有。Fidelity Management & Research (Canada) ULC 由Fidelity (Canada) Investment Management Holdings LLC全資擁有，繼而Fidelity (Canada) Investment Management Holdings LLC由Fidelity Management & Research Company LLC全資擁有。

本公司亦獲通知上述由FIAM LLC持有之1,004,000股股份當中，450,000股股份由Strategic Advisers LLC建議及因此間接持有。Strategic Advisers LLC由Fidelity Advisory Holdings LLC全資擁有，繼而Fidelity Advisory Holdings LLC由FMR LLC全資擁有。

- 2 本公司獲FMR LLC告知Fidelity Puritan Trust直接持有32,563,479股股份，而該等股份由Fidelity Management & Research Company LLC (FMR LLC之全資附屬公司)管理。因此，該等股份被視為FMR LLC名下之權益。

除上文所披露外，於二零二一年六月三十日，除了以上一節「董事及最高行政人員於證券之權益及淡倉」已披露之權益外，概無人士通知本公司指彼等在本公司股份中的權益或淡倉需根據證券及期貨條例第336條登記。

The Company was further notified that of the above mentioned 44,888,643 Shares held by Fidelity Management & Research Company LLC, 4,250,164 Shares were advised and hence indirectly held by Fidelity Management Trust Company, which is wholly owned by FMR LLC, while 8,075,000 Shares were advised and hence indirectly held by Fidelity Investments Canada ULC, which is ultimately owned by certain employees and shareholders of FMR LLC. Those employees and shareholders of FMR LLC own 100% equity interest in Fidelity Canada Investors LLC, which owns 100% equity interest in Bay Street Holdings LLC, which in turn owns 18% equity interest in 483A Bay Street Holdings LP. 483A Bay Street Holdings LP owns 100% equity interest in BlueJay Lux 1 S.a.r.l., which in turn owns 100% equity interest in Fidelity Investments Canada ULC. Moreover, another 207,019 Shares out of the 44,888,643 Shares were being invested by and hence indirectly held by Fidelity Management & Research (Canada) ULC, a 100% owned company of Fidelity (Canada) Investment Management Holdings LLC which in turn is 100% owned by Fidelity Management & Research Company LLC.

The Company was also notified that of the above mentioned 1,004,000 Shares held by FIAM LLC, 450,000 Shares were advised and hence indirectly held by Strategic Advisers LLC. Strategic Advisers LLC is wholly owned by Fidelity Advisory Holdings LLC, which is a wholly-owned subsidiary of FMR LLC.

- 2 The Company was notified by FMR LLC that 32,563,479 Shares were held directly by Fidelity Puritan Trust, and that such Shares were managed by Fidelity Management & Research Company LLC, which is a wholly owned subsidiary of FMR LLC. Therefore, such Shares are deemed interest of FMR LLC.

Save as disclosed above, as at 30 June 2021, no person, other than the interests disclosed above in the section "Directors' and Chief Executives' Interests and Short Positions in Securities", had notified the Company of any interest or short position in the shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

其他資料 Other Information

中期股息及特別股息

董事會欣然宣派截至二零二一年六月三十日止六個月之中期股息每股12港仙(截至二零二零年六月三十日止六個月:每股6港仙),同時派發特別股息每股10港仙。總股息每股22港仙將採用現金派發並提供以股代息的選擇,因此,股東按以股代息計劃有權選擇以全部收取配發的代息股份或部分收取配發的代息股份及部分收取現金之方式收取該本集團股息。董事會於查詢將註冊地址於香港之外的股東(「境外股東」)納入以股代息計劃的合法性後,可決定若屬必要或適宜,可將若干境外股東排除於以股代息計劃下選擇以股代息透過配發入賬為繳足之代息股份代替現金收取全部或部分中期股息及特別股息。因此,該等境外股東將全數以現金收取中期股息及特別股息。上述現金股息之支票及/或配發代息股份之股票將於二零二一年十月十二日或前後派付予於二零二一年九月八日名列本公司股東名冊(「股東名冊」)內之合資格股東(「合資格股東」)。

以股代息計劃須待聯交所批准根據此項計劃所配發及發行之代息股份上市及買賣後,方可作實。

載有以股代息計劃全部詳情之通函連同有關選擇表格將於二零二一年九月十四日或前後寄予合資格股東。

Interim Dividend and Special Dividend

The Directors are pleased to declare an interim dividend of HK12 cents per share for the six months ended 30 June 2021 (six months ended 30 June 2020: HK6 cents per share) and a special dividend of HK10 cents per share. The total dividend of HK22 cents per share will be payable in cash with a scrip dividend alternative, thus allowing Shareholders to choose to receive the Group's dividend wholly or partly in the form of allotment of Scrip Shares in lieu of cash under the Scrip Dividend Scheme. The Board after making enquiries in relation to the legality of including Shareholders with registered addresses outside Hong Kong ("Overseas Shareholders") in the Scrip Dividend Scheme may decide that exclusion of certain Overseas Shareholders from the scrip alternative to elect to receive the interim dividend and special dividend wholly or partly by allotment of Scrip Shares credited as fully paid in lieu of cash under the Scrip Dividend Scheme is necessary or expedient. Such Overseas Shareholders would therefore receive the interim dividend and special dividend wholly in cash. The cheques for cash dividend and/or share certificates for the Scrip Shares will be despatched on or about 12 October 2021 to the eligible Shareholders ("Eligible Shareholders") whose names appear on the register of members of the Company (the "Register of Members") on 8 September 2021.

The Scrip Dividend Scheme is subject to the granting of the listing of and permission to deal in the Scrip Shares to be allotted and issued pursuant thereto on the Stock Exchange.

A circular containing details of the Scrip Dividend Scheme together with the relevant form of election will be sent to the Eligible Shareholders on or around 14 September 2021.

其他資料 Other Information

暫停辦理過戶登記手續

本公司將於二零二一年九月三日至二零二一年九月八日(首尾兩天包括在內)暫停辦理股東名冊之登記，以釐定本公司股東獲派中期股息及特別股息之權利，該等日期內將不會進行任何股份過戶登記。為符合資格獲派中期股息及特別股息，所有過戶表格連同有關之股票，最遲須於二零二一年九月二日下午四時三十分送達香港皇后大道東183號合和中心54樓本公司之香港股份過戶登記處卓佳秘書商務有限公司以辦理過戶登記手續。

購買、出售或贖回本公司之上市證券

回購股份

於截至二零二一年六月三十日止六個月期間，本公司於聯交所回購合共2,780,000股本公司股份(「股份」)，總代價(扣除支出前)為10,309,040港元。全部回購股份其後均已註銷。董事相信購回股份將有助提高本公司每股資產淨值及／或每股盈利。

Closure of Register of Members

The Hong Kong branch register of members of the Company will be closed from 3 September 2021 to 8 September 2021 (both dates inclusive) for the purpose of determining the entitlements of the members of the Company to the interim dividend and special dividend. No transfer of Shares may be registered during the said period. In order to qualify for the interim dividend and special dividend, all transfer forms accompanied by the relevant share certificates, shall be lodged with the Company's share registrar in Hong Kong, Tricor Secretaries Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 2 September 2021.

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

Repurchase of Shares

During the six months ended 30 June 2021, the Company repurchased a total of 2,780,000 shares in the Company ("Shares") on the Stock Exchange at an aggregate consideration (before expenses) of HK\$10,309,040. All the repurchased Shares were subsequently cancelled. The Directors believe that the repurchases of Shares would lead to an enhancement of the net assets value per Share and/or earnings per Share of the Company.



其他資料 Other Information

回購的細節如下：

Particulars of the repurchases are as follows:

月份	Month	回購股份 數目 Total number of Shares repurchased	每股購買價 Purchase price per Share		總代價 (扣除支出前) Aggregate consideration (before expenses) 港元 HK\$
			最高 Highest 港元 HK\$	最低 Lowest 港元 HK\$	
三月	March	2,178,000	3.72	3.64	8,037,660
四月	April	602,000	3.83	3.74	2,271,380
		<u>2,780,000</u>			<u>10,309,040</u>

除以上披露外，於截至二零二一年六月三十日止六個月期間，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

Saved as disclosed above, during the six months ended 30 June 2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

須予披露交易及 不行使認沽期權

(I) 出售大勇投資有限公司 權益及轉讓銷售貸款以 及授出認沽期權之須予 披露交易

於二零二一年七月十六日，葉氏恒昌(集團)有限公司(「賣方」，本公司之間接全資附屬公司)訂立買賣協議(「買賣協議」)，向STRG Holdings III Limited(「買方」)出售大勇投資有限公司(本公司之間接全資附屬公司，「大勇投資」)全部已發行股本(「銷售股份」)，並各自接受銷售貸款(「銷售貸款」)的利益轉讓，總現金代價為282,681,616港元(受代價調整所規限)(「出售事項」)。

Discloseable Transactions and Non-exercise of the Put Option

(I) Discloseable Transactions in Disposal of Interests in Big Youth Investments Limited and the Assignment of Sale Loan and the Grant of the Put Option

On 16 July 2021, Yip's H.C. (Holding) Limited (the "Vendor", an indirect wholly-owned subsidiary of the Company) entered into a sale and purchase agreement ("Sale and Purchase Agreement") to dispose the entire issued share capital (the "Sale Shares") of Big Youth Investments Limited (an indirect wholly-owned subsidiary of the Company, "Big Youth") to STRG Holdings III Limited (the "Purchaser") and to take the assignment of the benefit of a sale loan (the "Sale Loan") respectively, for the aggregate consideration of HK\$282,681,616 (subject to consideration adjustment) in cash (the "Disposal").

其他資料 Other Information

作為買方同意訂立上述協議的代價，倘根據同意指定的專業顧問發出的調查報告(i)任何地下儲罐曾被使用；及(ii)存在污染的情況時(取決於賣方選擇自二零二一年七月十六日起計六個月內改正或補救該污染的權利)，則賣方向買方授出認沽期權(「認沽期權」)，以要求賣方向其購回所有銷售股份及銷售貸款的利益。

出售事項於訂立買賣協議同日完成。完成出售事項後，大勇投資不再為本公司的附屬公司及其財務業績不再併入本集團之帳目。交易詳情已載於二零二一年七月十六日之本公司公告。

(II) 不行使認沽期權

於二零二一年八月十九日，買方與賣方訂立補充買賣協議之契據(「契據」)，據此買方同意不行使認沽期權並放棄其權利(如有)，且賣方同意，買方毋須履行其根據買賣協議條款的有關認沽期權的責任。根據契據，買方或賣方不須支付任何代價或賠償。於契據簽署後，認沽期權已失效或被視為已失效且不得再行使，即時生效。除上述者外，買賣協議所有其他條款及條件維持不變，且繼續具有十足效力及作用。

企業管治

在截至二零二一年六月三十日止六個月期間，除並無設立提名委員會(守則條文第A.5.1至A.5.4項)外，本公司均遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四之「《企業管治守則》及《企業管治報告》」之守則條文(「守則條文」)。本公司認為由整個董事會履行提名委員會的職能會更為有利及有效。

In consideration of the Purchaser agreeing to enter into the Sale and Purchase Agreement, the Vendor granted to the Purchaser a put option (the "Put Option") to require the Vendor to re-purchase from it all Sale Shares and the benefit of the Sale Loan, if, according to investigation report issued by agreed designated professional advisers, that (i) any of the underground storage tanks was used; and (ii) there is contamination, subject to the right of the Vendor to elect to rectify or remediate such contamination within 6 months from 16 July 2021.

Completion of the Disposal took place on the same date of the Sale and Purchase Agreement. Upon completion of the Disposal, Big Youth had ceased to be a subsidiary of the Company and the financial results thereof would no longer be consolidated into the accounts of the Group. The details of the transaction were disclosed in the Company's announcement dated 16 July 2021.

(II) Non-exercise of the Put Option

On 19 August 2021, the Purchaser and the Vendor entered into a deed (the "Deed") supplemental to the Sale and Purchase Agreement whereby the Purchaser has agreed not to, and waived its right (if any) to, exercise the Put Option and the Vendor has agreed that the Purchaser shall no longer be required to perform its obligations in relation to the Put Option pursuant to the terms of the Sale and Purchase Agreement. No consideration or compensation is payable by the Purchaser or the Vendor under the Deed. Upon execution of the Deed, the Put Option has lapsed or shall be deemed to have lapsed and shall no longer be exercisable with immediate effect. Save as aforesaid, all other terms and conditions of the Sale and Purchase Agreement shall remain unchanged and shall continue to be in full force and effect.

Corporate Governance

During the six months ended 30 June 2021, the Company has complied with the code provisions ("Code Provisions") of the "Corporate Governance Code and Corporate Governance Report" (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") except that the Company does not have a nomination committee (CG Code provisions A.5.1 to A.5.4). The Company considers that it is more beneficial and efficient for the full Board to perform the functions of the nomination committee.

其他資料 Other Information

審核委員會

本公司審核委員會（「審核委員會」）於一九九八年十一月成立。於二零二一年六月三十日，審核委員會由本公司三位獨立非執行董事古以道先生、王旭先生及何百川先生組成，主席為古以道先生。由二零二一年一月一日起，黃廣志先生榮休及辭任審核委員會主席，古以道先生於同日獲委任審核委員會主席。審核委員會主要職責包括審閱本集團財務資料、監管本集團財務申報制度、風險管理及內部監控程序和監察本集團與外聘核數師的關係。

審核委員會已於二零二一年八月十六日之審核委員會會議上審閱本集團截至二零二一年六月三十日止六個月的未經審核中期財務報告。本公司核數師德勤•關黃陳方會計師行已按照香港會計師公會頒佈之香港會計準則第34條「中期財務報告」審閱本集團截至二零二一年六月三十日止六個月的中期財務報告。

上市公司董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易行為的標準。在向每一位董事作出特定查詢後，本公司所有董事確認在截至二零二一年六月三十日止六個月期內已遵從標準守則所載之規定準則。

Audit Committee

The audit committee of the Company (the "Audit Committee") was formed in November 1998. As of 30 June 2021, the Audit Committee comprised the three independent non-executive directors of the Company, namely Mr. Ku Yee Dao, Lawrence, Mr. Wong Yuk and Mr. Ho Pak Chuen, Patrick, and is chaired by Mr. Ku Yee Dao, Lawrence. Mr. Wong Kong Chi retired and resigned as the chairman of the Audit Committee and Mr. Ku Yee Dao, Lawrence was appointed as the chairman of the Audit Committee with effect from 1 January 2021. Major duties of the Audit Committee include reviewing financial information of the Group, overseeing the Group's financial reporting system, risk management and internal control procedures, and monitoring of the relationship between the Group and its external auditors.

An Audit Committee meeting was held on 16 August 2021 to review the Group's unaudited interim financial statements for the six months ended 30 June 2021. Deloitte Touche Tohmatsu, the Group's external auditor, has carried out a review of the Group's unaudited interim financial statements for the six months ended 30 June 2021, which is prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

Model Code for Securities Transactions by Directors of a Listed Company

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. After making specific enquiries with each of the Directors, all Directors have confirmed that they have fully complied with the required standard as set out in the Model Code during the six months ended 30 June 2021.

其他資料 Other Information

董事詳情變更

於二零二一年九月三日，即確訂本中期業績報告資料之實際可行日期，部份董事資料自發佈本公司二零二零年年報起有所變更，並根據上市規則第13.51B(1)條需要披露：

董事

Director

何百川先生
Mr. Ho Pak Chuen, Patrick

詳情變更

Change of Particulars

獲委任為利標品牌有限公司(其股份於聯交所上市)(股份代號：787)之執行董事，自二零二一年八月十日生效。
Appointed as an executive director of Global Brands Group Holding Limited (Stock Code: 787), the shares of which are listed on the Stock Exchange, with effect from 10 August 2021.

Change of Particulars of the Directors

As at 3 September 2021, being the latest practicable date for ascertaining certain information in this interim report, certain particulars of Directors had been changed in the following respects since the publication date of the annual report 2020 of the Company, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

企業可持續發展

本集團確立「百年葉氏，引以為傲，備受尊崇」的企業宏圖，致力朝可持續發展模式邁進，成為「百年企業」。本集團定期向持份者闡述集團在環境、社區、員工、供應鏈及顧客五大推動業務可持續發展範疇的管理方針和表現。自二零一六年起，本集團按上市規則附錄二十七之香港聯合交易所《環境、社會及管治(「環社管」)報告指引》的要求，每年發佈《環社管報告》。本集團的《2020環社管報告》已經發佈，並以獨立成刊的形式上載於本集團官方網站。請瀏覽<http://www.yipschemical.com> 參閱報告全文。

Corporate Sustainability

The Group has set its sights “Towards a Century of Revered Leadership”, with sustainable development at the heart of its vision of becoming a respected century-old corporation. The Group regularly communicates its management approach and performance in five key aspects of sustainable business development: the environment, communities, employees, supply chains, and customers with its stakeholders. The Group has issued the *Environmental, Social and Governance (“ESG”) Report* annually in accordance with the *Hong Kong Stock Exchange ESG Reporting Guide* as set out in Appendix 27 of the Listing Rules since 2016. The Group’s *2020 ESG Report* was published and was uploaded to the Group’s official website as a standalone report. Please visit <http://www.yipschemical.com> to view the full report.

簡明綜合財務報告之審閱報告

Report on Review of Condensed Consolidated Financial Statements

Deloitte.

德勤

致葉氏化工集團有限公司 董事會

引言

本核數師行已審閱載於第31至76頁有關葉氏化工集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之簡明綜合財務報告，包括於二零二一年六月三十日之簡明綜合財務狀況表與截至該日止六個月之相關簡明綜合損益及其他全面收益表、權益變動表及現金流量表以及若干說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)。貴公司董事須負責根據香港會計準則第34號編製及呈列該等簡明綜合財務報告。本行之責任為根據本行之審閱對該等簡明綜合財務報告作出結論，並按照委聘之協定條款僅向作為實體之貴公司報告結論，且並無其他目的。本行不會就本報告之內容對任何其他人士承擔或接受任何責任。

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

Introduction

We have reviewed the condensed consolidated financial statements of Yip's Chemical Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 31 to 76, 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, statement of changes in equity and statement of cash flows for the six months then ended and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

簡明綜合財務報告之審閱報告

Report on Review of Condensed Consolidated Financial Statements

審閱範圍

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

結論

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

德勤•關黃陳方會計師行
執業會計師
香港
二零二一年八月十九日

Scope of Review

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

Conclusion

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
19 August 2021



簡明綜合損益及其他全面收益表

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

		截至六月三十日止六個月		
		Six months ended 30 June		
		二零二一年	二零二零年	
		2021	2020	
		千港元	千港元	
		HK\$'000	HK\$'000	
		(未經審核)	(未經審核)	
		(Unaudited)	(Unaudited)	
營業額	Revenue	4	8,453,208	4,465,680
銷售成本	Cost of sales		(7,353,863)	(3,814,826)
毛利	Gross profit		1,099,345	650,854
其他收入	Other income	5a	31,484	38,010
其他收益及虧損	Other gains and losses	5b	72,190	(49,291)
銷售及經銷費用	Selling and distribution expenses		(282,955)	(196,550)
一般及行政費用	General and administrative expenses		(421,114)	(281,330)
財務費用	Finance costs		(21,451)	(27,880)
應佔聯營公司業績	Share of results of associates		(463)	(925)
除稅前溢利	Profit before taxation	6	477,036	132,888
稅項	Taxation	7	(90,273)	(43,476)
本期純利	Profit for the period		386,763	89,412
其他全面收益(支出)：	Other comprehensive income (expense)：			
不會重新分類為損益之項目：	Items that will not be reclassified to profit or loss：			
因折算至呈列貨幣而產生之匯兌差額	Exchange differences arising on translation to presentation currency		33,909	(84,014)
於按公允值計入其他全面收益之金融資產及按公允值計入其他全面收益之債務工具之公允值變動	Fair value changes on financial assets at FVTOCI and debt instruments at FVTOCI		(885)	(102)
			33,024	(84,116)

簡明綜合損益及其他全面收益表

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零二一年	二零二零年
		2021	2020
		千港元	千港元
		HK\$'000	HK\$'000
		(未經審核)	(未經審核)
		(Unaudited)	(Unaudited)
其後可重新分類為損益之項目：	Items that may be reclassified subsequently to profit or loss:		
對沖工具產生之淨調整	Net adjustment arising from hedging instruments	3,168	(12,757)
因折算海外業務而產生之匯兌差額	Exchange differences arising on translation of foreign operations	15,484	8,565
		18,652	(4,192)
本期其他全面收益(支出)	Other comprehensive income (expense) for the period	51,676	(88,308)
本期全面收益總額	Total comprehensive income for the period	438,439	1,104
本期純利應佔份額：	Profit for the period attributable to:		
本公司股東	Owners of the Company	299,824	58,803
非控股權益	Non-controlling interests	86,939	30,609
		386,763	89,412
本期全面收益(支出)總額應佔份額：	Total comprehensive income (expense) for the period attributable to:		
本公司股東	Owners of the Company	343,795	(17,409)
非控股權益	Non-controlling interests	94,644	18,513
		438,439	1,104
每股盈利	Earnings per share		
— 基本	— Basic	HK53.9 cents港仙	HK10.4 cents港仙
— 攤薄	— Diluted	HK53.9 cents港仙	HK10.4 cents港仙

附註
NOTE

9

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

於二零二一年六月三十日 At 30 June 2021

		二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
		附註 NOTES	
非流動資產	Non-current assets		
物業、廠房及設備	Property, plant and equipment	10	2,055,493
投資物業	Investment properties	10	2,032,633
於聯營公司之權益	Interests in an associate		133,007
按公允值計入損益之金融資產	Financial assets at FVTPL		5,358
按公允值計入其他全面收益之金融資產	Financial assets at FVTOCI	11	84,005
按公允值計入其他全面收益之債務工具	Debt instruments at FVTOCI	11	19,115
商譽	Goodwill	12	—
無形資產	Intangible assets		148,878
已付購買物業、廠房及設備之訂金	Deposits paid for acquisition of property, plant and equipment		82,104
遞延稅項資產	Deferred tax assets		103,736
			7,697
			2,639,456
			2,737,807
流動資產	Current assets		
存貨	Inventories		1,578,784
貿易應收款項	Trade receivables	13	4,315,888
其他應收賬款及預付款項	Other debtors and prepayments	13	806,099
衍生金融工具	Derivative financial instruments		1,861
按公允值計入損益之金融資產	Financial assets at FVTPL	11	57,849
按公允值計入其他全面收益之債務工具	Debt instruments at FVTOCI	12	59,134
短期銀行存款 — 於三個月內到期	Short-term bank deposits — with original maturity within three months		7,444
銀行結餘及現金	Bank balances and cash		357,175
			7,184,234
			5,701,556
分類為持作出售之資產	Assets classified as held for sale	14	383,106
			7,567,340
			5,701,556

簡明綜合財務狀況表

Condensed Consolidated Statement of Financial Position

於二零二一年六月三十日 At 30 June 2021

			二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
		附註 NOTES		
流動負債	Current liabilities			
應付賬款及應計費用	Creditors and accrued charges	15	3,058,916	2,325,974
合約負債	Contract liabilities		44,173	44,028
應付稅款	Taxation payables		95,035	86,772
應付股息	Dividend payables		88,621	—
衍生金融工具	Derivative financial instruments		3,870	5,761
租賃負債	Lease liabilities		27,571	27,879
借貸 — 一年內到期	Borrowings — amount due within one year	16	1,538,004	706,887
			4,856,190	3,197,301
與分類為持作出售資產 相關之負債	Liabilities associated with assets classified as held for sale	14	14,829	—
			4,871,019	3,197,301
流動資產淨值	Net current assets		2,696,321	2,504,255
總資產減流動負債	Total assets less current liabilities		5,335,777	5,242,062
非流動負債	Non-current liabilities			
衍生金融工具	Derivative financial instruments		2,194	3,755
租賃負債	Lease liabilities		55,506	64,404
借貸 — 一年後到期	Borrowings — amount due after one year	16	713,717	917,600
遞延稅項負債	Deferred tax liabilities		32,023	30,104
			803,440	1,015,863
			4,532,337	4,226,199
股本及儲備	Capital and reserves			
股本	Share capital	17	55,388	55,666
儲備	Reserves		3,593,421	3,350,258
本公司股東應佔權益	Equity attributable to owners of the Company		3,648,809	3,405,924
非控股權益	Non-controlling interests		883,528	820,275
			4,532,337	4,226,199

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

		歸屬於本公司股東														
		Attributable to owners of the Company														
		股本	股份溢價	購股權儲備	不可分派儲備	對沖儲備	投資重估儲備	匯兌儲備	法定儲備	其他儲備	資本回購儲備	物業重估儲備	保留溢利	合計	非控股權益	合計
		Share capital	Share premium	Share option reserve	Non-distributable reserve	Hedging reserve	Investment revaluation reserve	Translation reserve	Legal reserve	Other reserve	Capital redemption reserve	Property revaluation reserve	Retained profits	Total	Non-controlling interests	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
					(附註a)				(附註b)	(附註c)						
					(Note a)				(Note b)	(Note c)						
於二零二一年一月一日(經審核)	At 1 January 2021 (Audited)	55,666	505,188	3,738	255,881	(9,232)	(2,597)	180,740	191,340	3,262	6,153	121,287	2,094,498	3,405,924	820,275	4,226,199
本期溢利	Profit for the period	-	-	-	-	-	-	-	-	-	-	-	299,824	299,824	86,939	386,763
因折算呈列貨幣而產生不會重新分類為權益之匯兌差額	Exchange differences arising on translation to presentation currency that will not be reclassified to profit or loss	-	-	-	-	-	-	26,204	-	-	-	-	-	26,204	7,705	33,909
因折算海外業務而產生可重新分類為權益之匯兌差額	Exchange differences arising on translation of foreign operations that may be reclassified to profit or loss	-	-	-	-	-	-	15,484	-	-	-	-	-	15,484	-	15,484
按公允值計入其他全面收益的金融資產及按公允值計入其他全面收益的債務工具之公允值變動	Fair value changes on financial assets at FVTOCI and debt instruments at FVTOCI	-	-	-	-	-	(885)	-	-	-	-	-	-	(885)	-	(885)
對沖工具產生之淨調整	Net adjustment arising from hedging instruments	-	-	-	-	3,168	-	-	-	-	-	-	-	3,168	-	3,168
本期全面收益(支出)總額	Total comprehensive income (expenses) for the period	-	-	-	-	3,168	(885)	41,688	-	-	-	-	299,824	343,795	94,644	438,439
小計	Sub-total	55,666	505,188	3,738	255,881	(6,064)	(3,482)	222,428	191,340	3,262	6,153	121,287	2,394,322	3,749,719	914,919	4,664,638
已購回及註銷股份	Shares repurchased and cancelled	(278)	-	-	-	-	-	-	-	-	278	-	(10,309)	(10,309)	-	(10,309)
轉撥	Transfer	-	-	-	-	-	-	-	10,952	-	-	-	(12,832)	(1,980)	-	(1,980)
已付本公司股東股息	Dividends payable to owners of the Company	-	-	-	-	-	-	-	-	-	-	-	(88,621)	(88,621)	-	(88,621)
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(31,391)	(31,391)
於二零二一年六月三十日(未經審核)	At 30 June 2021 (Unaudited)	55,388	505,188	3,738	255,881	(6,064)	(3,482)	222,428	202,292	3,262	6,431	121,287	2,282,460	3,648,809	883,528	4,532,337

簡明綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

		歸屬於本公司股東 Attributable to owners of the Company														
		股本	股份溢價	購股權儲備	不可分派儲備	對沖儲備	投資重估儲備	匯兌儲備	法定儲備	其他儲備	資本回購儲備	物業重估儲備	保留溢利	合計	非控股權益	合計
		Share capital	Share premium	Share option reserve	Non-distributable reserve	Hedging reserve	Investment revaluation reserve	Translation reserve	Legal reserve	Other reserve	Capital redemption reserve	Property revaluation reserve	Retained profits	Total	Non-controlling interests	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零二一年一月一日 (經審核)	At 1 January 2020 (Audited)	56,403	505,188	4,103	48,866	3,285	(4,187)	(114,023)	155,335	—	5,416	121,287	2,159,806	2,941,479	620,718	3,562,197
本期溢利	Profit for the period	—	—	—	—	—	—	—	—	—	—	—	58,803	58,803	30,609	89,412
因折算呈列貨幣而產生不會重新分類為溢利或虧損之匯兌差額	Exchange differences arising on translation to presentation currency that will not be reclassified to profit or loss	—	—	—	—	—	—	(71,918)	—	—	—	—	—	(71,918)	(12,096)	(84,014)
因折算海外業務而產生可重新分類為溢利或虧損之匯兌差額	Exchange differences arising on translation of foreign operations that may be reclassified to profit or loss	—	—	—	—	—	—	8,565	—	—	—	—	8,565	—	—	8,565
按公允價值計入其他全面收益的金額資產之公允價值變動	Fair value changes on financial assets at FVTOCI	—	—	—	—	—	(102)	—	—	—	—	—	—	(102)	—	(102)
對沖工具產生之淨調整	Net adjustment arising from hedging instruments	—	—	—	—	(12,757)	—	—	—	—	—	—	—	(12,757)	—	(12,757)
本期全面(支出)收益總額	Total comprehensive (expense) income for the period	—	—	—	—	(12,757)	(102)	(63,353)	—	—	—	—	58,803	(17,409)	18,513	1,104
小計	Sub-total	56,403	505,188	4,103	48,866	(9,472)	(4,289)	(177,376)	155,335	—	5,416	121,287	2,218,609	2,924,070	639,231	3,563,301
終止確認時撥回	Release upon derecognition	—	—	—	—	—	4,187	—	—	—	—	—	(4,187)	—	—	—
一間附屬公司撤銷註冊時撥回	Release upon deregistration of a subsidiary	—	—	—	—	—	—	(4,973)	—	—	—	—	4,973	—	—	—
購股權失效及轉入保留溢利	Share options lapsed and transfer to retained profits	—	—	(223)	—	—	—	—	—	—	—	—	223	—	—	—
部分出售附屬公司	Partial disposal of a subsidiary	—	—	—	—	—	—	—	—	3,262	—	—	—	3,262	67,590	70,852
收購附屬公司(附註19)	Acquisition of subsidiaries (note 19)	—	—	—	—	—	—	—	—	—	—	—	—	—	9,871	9,871
轉讓	Transfer	—	—	—	—	—	—	—	5,155	—	—	—	(5,155)	—	—	—
應付本公司股東股息	Dividends payable to owners of the Company	—	—	—	—	—	—	—	—	—	—	—	(73,324)	(73,324)	—	(73,324)
已付附屬公司非控股股東股息	Dividends paid to non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	—	—	—	—	—	(11,326)	(11,326)
於二零二一年六月三十日 (未經審核)	At 30 June 2020 (Unaudited)	56,403	505,188	3,880	48,866	(9,472)	(102)	(182,349)	160,490	3,262	5,416	121,287	2,141,139	2,854,008	705,366	3,559,374

附註：

- (a) 不可分派儲備指若干於中華人民共和國(「中國」)成立之附屬公司將保留溢利撥充資本，用於該等附屬公司之資本再投資及用作以下各項之資金：(i)彌補以往年度虧損或(ii)擴大生產運作。於二零二零年，洋紫荊油墨股份有限公司(「洋紫荊油墨」)金額為人民幣175,556,000元(相當於約207,015,000港元)的保留溢利於完成股改方案時轉移至不可分派儲備。
- (b) 不可分派之法定儲備為香港以外附屬公司根據有關註冊地點之法定要求撥入之溢利。
- (c) 本集團於二零二零年出售洋紫荊油墨8.24%之權益，總代價為人民幣65,883,000元。其他儲備指非控股權益於洋紫荊油墨所持權益比例與已收代價之間的差額。股本權益減少並未導致喪失對洋紫荊油墨的控制。

Notes:

- (a) The non-distributable reserve represents capitalisation of retained profits of certain subsidiaries established in the People's Republic of China (the "PRC") for capital re-investment in these subsidiaries and funds shall be used to (i) make up prior year losses or (ii) expand production operations. In 2020, retained profits of 洋紫荊油墨股份有限公司 (Bauhinia Ink Company Limited) ("Bauhinia Ink"), amounting to RMB175,556,000 (equivalent to approximately HK\$207,015,000) was transferred to non-distributable reserve upon completion of share restructuring proposal.
- (b) The legal reserve is non-distributable and represents the transfer of profits of subsidiaries outside Hong Kong pursuant to the legal requirements in the relevant place of registration.
- (c) The Group disposed of 8.24% interest in Bauhinia Ink in 2020 at an aggregate consideration of RMB65,883,000. The other reserve represents the difference between the non-controlling interest's proportionate interest in Bauhinia Ink and the consideration received. The decrease in equity interest did not result in a loss of control over Bauhinia Ink.

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021	二零二零年 2020
		千港元 HK\$'000	千港元 HK\$'000
		(未經審核) (Unaudited)	(未經審核) (Unaudited)
	附註 NOTES		
經營業務(所用)所產生之淨現金		(394,198)	251,760
投資業務所用之淨現金			
購買物業、廠房及設備		(142,146)	(37,090)
已付購買物業、廠房及設備之訂金		(83,367)	(27,679)
購入按公允值計入損益之金融資產		(119,946)	—
已收利息		5,122	7,749
出售物業、廠房及設備之所得款項		1,035	5,938
收購附屬公司之淨現金流出	19	—	(20,514)
已收出售一間附屬公司之訂金	14	12,007	—
		(327,295)	(71,596)
融資業務所產生(所用)之淨現金			
新增借貸		1,346,522	507,775
償還借貸		(719,288)	(791,650)
已付利息		(17,745)	(27,880)
已付附屬公司非控股股東股息		(31,391)	(11,326)
支付租賃負債		(18,138)	(18,304)
已收部分出售一間附屬公司之所得款項		—	29,415
股份購回		(10,309)	—
結算用於對沖利率風險之衍生金融工具已付之現金		(2,916)	—
		546,735	(311,970)

簡明綜合現金流量表

Condensed Consolidated Statement of Cash Flows

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
現金及現金等額淨減少	Net decrease in cash and cash equivalents	(174,758)	(131,806)
期初之現金及現金等額	Cash and cash equivalents at beginning of the period	565,302	1,009,542
匯率變動所產生之影響	Effect of foreign exchange rate changes	3,856	(14,212)
期末之現金及現金等額	Cash and cash equivalents at end of the period	394,400	863,524
現金及現金等額結餘分析	Analysis of balances of cash and cash equivalents		
於三個月內到期之短期 銀行存款	Short-term bank deposits with original maturity within three months	7,444	241,451
銀行結餘及現金	Bank balances and cash	357,175	622,073
銀行結餘被分類為持作出 售資產	Bank balances classified as assets held for sale	29,781	—
		394,400	863,524

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

1. 編製基準

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

2. 本中期期間之重大事件

於二零二一年一月二十七日，本公司一間間接非全資附屬公司，洋紫荊油墨，已向深圳證券交易所提交洋紫荊油墨（主要從事製造及買賣油墨及有關產品）於深圳證券交易所創業板建議獨立上市之申請。於二零二一年二月三日，洋紫荊油墨獲深圳證券交易所通知該申請已獲受理。

3. 主要會計政策

簡明綜合財務報告乃按歷史成本法編製，惟於報告期末按公允值計量之投資物業及有關金融工具除外。

除因應用香港財務報告準則之修訂而產生之新會計政策外，於截至二零二一年六月三十日止六個月之簡明綜合財務報告內採用之會計政策及計算方法與本集團截至二零二零年十二月三十一日止年度之全年財務報告所呈列的相同。

1. BASIS OF PREPARATION

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

2. SIGNIFICANT EVENT IN THE CURRENT INTERIM PERIOD

On 27 January 2021, Bauhinia Ink, an indirect non-wholly owned subsidiary of the Company, has submitted an application to The Shenzhen Stock Exchange for the proposed separate listing of Bauhinia Ink which is engaged in the manufacturing and trading of inks and related products, on the ChiNext Board of The Shenzhen Stock Exchange. Bauhinia Ink was notified by The Shenzhen Stock Exchange on 3 February 2021 that the application was acknowledged.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair value at the end of the reporting period.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2020.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

3. 主要會計政策 (續)

本集團最新應用的會計政策

於本中期期間，本集團已首次應用以下由香港會計師公會頒佈之香港財務報告準則之修訂，而就編製本集團之簡明綜合財務報告而言，有關修訂乃就二零二一年一月一日或之後開始之年度期間強制生效：

香港財務報告準則第16號之修訂	新冠肺炎相關租金寬免
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂	利率基準改革 — 第二階段

除下述者外，於本中期期間應用香港財務報告準則之修訂對本集團本中期期間及過往期間之財務狀況及表現及／或該等簡明綜合財務報告所載披露事項並無重大影響：

3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Accounting policy newly applied by the Group

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16	Covid-19 Related Rent Concession
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2

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

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

3. 主要會計政策 (續)

本集團最新應用的會計政策 (續)

3.1 應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂「利率基準改革 — 第二階段」的影響及會計政策

金融工具

因利率基準改革導致釐定合約現金流之基準變動

就因利率基準改革導致應用攤銷成本計量釐定金融資產或金融負債的合約現金流之基準變動，本集團應用實際可行權宜方法，以更新實際利率將該等變動入賬，而該等實際利率的變動一般對相關金融資產或金融負債的賬面值並無重大影響。

當且僅當滿足以下兩個條件時，利率基準改革方要求釐定合約現金流之基準變動：

- 因利率基準改革的直接後果而導致必須作變動；及
- 釐定合約現金流的新基準在經濟上等同於過往基準(即緊隨變動前的基準)。

3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Accounting policy newly applied by the Group (Continued)

3.1 Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 "Interest Rate Benchmark Reform — Phase 2"

Financial instruments

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform

For changes in the basis for determining the contractual cash flows of a financial asset or financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial asset or financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately preceding the change).

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

3. 主要會計政策 (續)

本集團最新應用的會計政策 (續)

3.1 應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂「利率基準改革 — 第二階段」的影響及會計政策 (續)

金融工具 (續)

對沖會計

對於利率基準改革要求而對對沖風險、對沖項目或對沖工具作出的變更，本集團修訂對沖關係的正式指派，反映於期內作出相關變更的報告期末的變更。對沖關係正式指派的有關修訂不構成對沖關係的終止亦不構成新對沖關係的指派。

現金流對沖

當現金流對沖的對沖項目乃為反映利率基準改革要求變更而修訂時，對沖儲備的累計金額視為基於釐定對沖未來現金流的替代基準利率。

3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Accounting policy newly applied by the Group (Continued)

3.1 Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 "Interest Rate Benchmark Reform — Phase 2" (Continued)

Financial instruments (Continued)

Hedge accounting

For changes made to the hedged risk, hedged item or hedging instrument required by interest rate benchmark reform, the Group amends the formal designation of a hedging relationship to reflect the changes by the end of the reporting period during which the relevant changes were made. Such an amendment to the formal designation of the hedging relationship constitutes neither the discontinuation of the hedging relationship nor the designation of a new hedging relationship.

Cash flows hedges

When a hedged item in a cash flow hedge is amended to reflect the changes that are required by the interest rate benchmark reform, the amount accumulated in the hedging reserve is deemed to be based on the alternative benchmark rate on which the hedged future cash flows are determined.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

3. 主要會計政策 (續)

本集團最新應用的會計政策 (續)

3.1 應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂「利率基準改革 — 第二階段」的影響及會計政策 (續)

租賃

本集團作為承租人

因利率基準改革而導致未來租賃付款釐定基準的變更

對於因利率基準改革而導致未來租賃付款釐定基準的變更，本集團應用實際可行權宜方法重新計量租賃負債，使用不變的貼現率貼現修訂後的租賃付款（因浮動利率變動導致的租賃付款變更除外）。在該情況下，本集團使用反映利率變動的修訂後貼現率及對相關使用權資產作出相應調整。當且僅當滿足以下兩個條件時，利率基準改革才能要求租賃修改：

- 因利率基準改革的直接後果而導致必須作修改；及
- 釐定租賃付款的新基準在經濟上等同於過往基準（即緊隨修改前的基準）。

3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Accounting policy newly applied by the Group (Continued)

3.1 Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 "Interest Rate Benchmark Reform — Phase 2" (Continued)

Leases

The Group as a lessee

Changes in the basis for determining the future lease payments as a result of interest rate benchmark reform

For changes in the basis for determining the future lease payments as a result of interest rate benchmark reform, the Group applies the practical expedient to remeasure the lease liabilities by discounting the revised lease payments using the unchanged discount rate, unless the change in lease payments results from a change in floating interest rates. In that case, the Group uses revised discount rate that reflects change in the interest rate and makes a corresponding adjustment to the related right-of-use assets. A lease modification is required by interest rate benchmark reform if, and only if, both of these conditions are met:

- the modification is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the lease payments is economically equivalent to the previous basis (i.e. the basis immediately preceding the modification).

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

3. 主要會計政策 (續)

本集團最新應用的會計政策 (續)

3.1 應用香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂「利率基準改革 — 第二階段」的影響及會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

因利率基準改革而導致未來租賃付款釐定基準的變更 (續)

本集團擬就按攤銷成本計量的銀行借貸及按公允值計量的利率掉期合約因利率基準改革而導致的合約現金流變動應用實際可行權宜方法。由於上述合約概無於中期期間過渡至相關替代利率，故此有關修訂對簡明綜合財務報告並無影響。應用有關修訂的影響(如有)，包括作出額外披露，將於本集團截至二零二一年十二月三十一日止年度的綜合財務報告中反映。

3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Accounting policy newly applied by the Group (Continued)

3.1 Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 "Interest Rate Benchmark Reform — Phase 2" (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Changes in the basis for determining the future lease payments as a result of interest rate benchmark reform (Continued)

The Group intends to apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for bank borrowings measured at amortised cost and interest rate swap contracts measured at fair value. The amendments have had no impact on the condensed consolidated financial statements as none of the above contracts has been transitioned to the relevant replacement rates during the interim period. The impacts on application of the amendments, if any, including additional disclosures, will be reflected in the Group's consolidated financial statements for the year ending 31 December 2021.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

4. 營業額及分類資料

營業額

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

4. REVENUE AND SEGMENT INFORMATION

Revenue

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

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
根據客戶位置之地區市場：	Geographical market based on location of customers:		
中國	The PRC	6,178,810	3,611,626
香港	Hong Kong	36,318	31,841
海外(主要包括東南亞國家)	Overseas (mainly including countries in South East Asia)	2,238,080	822,213
		8,453,208	4,465,680

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

4. 營業額及分類資料 (續)

分類資料

為進行管理，本集團於香港財務報告準則第8號「經營分類」項下之可呈報及經營分類包括五個業務分部，即(i)溶劑、(ii)塗料、(iii)油墨、(iv)潤滑油及(v)物業。

本集團可呈報分類之主要業務如下：

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

此外，本集團有關製造及買賣其他化工產品、買賣汽車保養產品及汽車保養服務的業務於本期間及過往期間均無達到可呈報分類的量化要求，故該等分類於「其他」合併呈列。

本集團乃按該等分部呈報其經營分類資料。

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

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment information

For management purposes, the Group's reportable and operating segments under HKFRS 8 "Operating Segments" included five business divisions, namely (i) solvents, (ii) coatings, (iii) inks, (iv) lubricants and (v) properties.

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

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

In addition, the Group's operation relating to the manufacturing of and trading in other chemical products, trading of car maintenance products and car maintenance services do not meet the quantitative threshold for reportable segment in both current and prior periods. Accordingly, these were aggregated and presented in "Others".

These divisions are the basis on which the Group reports its operating segment information.

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

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

4. 營業額及分類資料 (續)

分類資料 (續)

(a) 分類營業額及業績 (續)

	溶劑	塗料	油墨	潤滑油	物業	可呈報 分類總計	其他	抵銷	綜合
	Solvents	Coatings	Inks	Lubricants	Properties	Reportable segment total	Others	Elimination	Consolidated
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
截至二零二一年六月三十日止六個月	Six months ended 30 June 2020								
(未經審核)	(unaudited)								
分類營業額	Segment revenue								
客戶合約營業額	Revenue from contracts with customers								
— 於某一時間點確認	3,187,851	628,603	524,949	81,152	—	4,422,555	27,962	—	4,450,517
— 於一段時間內確認	—	—	—	—	—	—	11,055	—	11,055
對外銷售	3,187,851	628,603	524,949	81,152	—	4,422,555	39,017	—	4,461,572
分類間銷售	37,707	13	85	217	—	38,022	11,662	(49,684)	—
對外租金收入	—	—	—	—	4,108	4,108	—	—	4,108
分類間租金收入	—	—	—	—	222	222	—	(222)	—
總額	3,225,558	628,616	525,034	81,369	4,330	4,464,907	50,679	(49,906)	4,465,680
業績	Results								
分類業績	Segment results								
應佔聯營公司業績	Share of results of associates								
未分配收入	Unallocated income								
未分配費用	Unallocated expenses								
財務費用	Finance costs								
除稅前溢利	Profit before taxation								
	150,562	1,892	17,022	(9,311)	2,218	162,383	(6,089)	(70)	156,224
									(925)
									10,625
									(5,156)
									(27,880)
									132,888

收取分類間銷售／租金收入與收取對外銷售／租金收入之條款相近。

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

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

4. 營業額及分類資料 (續)

分類資料 (續)

(b) 分類資產及負債

本集團按可呈報及經營分類劃分之分類資產及分類負債分析如下：

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment information (Continued)

(b) Segment assets and liabilities

An analysis of the Group's segment assets and segment liabilities by reportable and operating segments is as follows:

		溶劑	塗料	油墨	潤滑油	物業	可呈報 分類總計	其他	綜合
		Solvents	Coatings	Inks	Lubricants	Properties	Reportable segment total	Others	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零二一年六月三十日(未經審核)	At 30 June 2021 (unaudited)								
資產	Assets								
可呈報分類資產	Reportable segment assets	5,332,711	1,783,707	1,579,666	253,728	126,477	9,076,289	112,011	9,188,300
遞延稅項資產	Deferred tax assets								7,760
其他未分配資產	Other unallocated assets								1,010,736
綜合總資產	Consolidated total assets								10,206,796
負債	Liabilities								
可呈報分類負債	Reportable segment liabilities	2,312,192	703,035	572,712	104,427	3,446	3,695,812	51,368	3,747,180
應付稅款	Taxation payables								95,035
遞延稅項負債	Deferred tax liabilities								32,023
其他未分配負債	Other unallocated liabilities								1,800,221
綜合總負債	Consolidated total liabilities								5,674,459
於二零二零年十二月三十一日(經審核)	At 31 December 2020 (audited)								
資產	Assets								
可呈報分類資產	Reportable segment assets	4,081,726	1,458,571	1,441,038	168,189	364,357	7,513,881	200,209	7,714,090
遞延稅項資產	Deferred tax assets								7,697
其他未分配資產	Other unallocated assets								717,576
綜合總資產	Consolidated total assets								8,439,363
負債	Liabilities								
可呈報分類負債	Reportable segment liabilities	1,313,935	559,864	466,568	55,651	3,410	2,399,428	70,419	2,469,847
應付稅款	Taxation payables								86,772
遞延稅項負債	Deferred tax liabilities								30,104
其他未分配負債	Other unallocated liabilities								1,626,441
綜合總負債	Consolidated total liabilities								4,213,164

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

5. 其他收入以及其他收益及虧損

5. OTHER INCOME AND OTHER GAINS AND LOSSES

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
(a) 本集團之其他收入主要包括：	(a) The Group's other income mainly comprises:		
利息收入	Interest income	5,122	7,749
已確認之政府補助(附註)	Government grants recognised (note)	8,864	14,072

附註：於截至二零二零年六月三十日止六個月，本集團就新冠肺炎相關補貼確認政府補助3,320,000港元(截至二零二一年六月三十日止六個月：零)，其中2,050,000港元(截至二零二一年六月三十日止六個月：零)與香港政府提供的保就業計劃有關。

Note: During the six months ended 30 June 2020, the Group recognised government grants of HK\$3,320,000 (six months ended 30 June 2021: nil) in respect of COVID-19 related subsidies, of which HK\$2,050,000 (six months ended 30 June 2021: nil) was related to Employment Support Scheme provided by the government in Hong Kong.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

5. 其他收入以及其他收益及虧損(續)

5. OTHER INCOME AND OTHER GAINS AND LOSSES (Continued)

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
(b) 本集團之其他收益(虧損)包括：	(b) The Group's other gains (losses) comprise of:		
投資物業公允值變動之收益(虧損)	Gain (loss) on fair value change of investment properties	66,000	(1,703)
按公允值計入損益之金融資產公允值變動之收益	Gain from change in fair value of financial assets at FVTPL	22,192	—
遠期外匯合約公允值變動之收益	Gain from change in fair value of foreign exchange forward contracts	1,648	—
根據預期信貸虧損(「預期信貸虧損」)模型貿易應收款項確認減值虧損	Recognition of impairment loss on trade receivables under expected credit loss ("ECL") model	(10,832)	(14,339)
因外幣結餘及交易而產生之淨匯兌虧損	Net exchange loss arising from foreign currency balances and transactions	(4,846)	(12,424)
出售／註銷物業、廠房及設備之淨虧損(附註)	Net loss on disposal/written off of property, plant and equipment (note)	(1,972)	(10,763)
已付購買物業、廠房及設備之訂金之減值虧損	Impairment loss on deposit paid for acquisition of property, plant and equipment	—	(10,819)
於債務工具之投資公允值變動之收益	Gain from change in fair value of investments in debt instruments	—	757
		72,190	(49,291)

附註：於截至二零二零年六月三十日止六個月，註銷物業、廠房及設備約9,748,000港元(截至二零二一年六月三十日止六個月：零)已就泰興金江化學工業有限公司製造溶劑產品的工廠確認入賬損益。

Note: During the six months ended 30 June 2020, the written off of property, plant and equipment amounting to approximately HK\$9,748,000 (six months ended 30 June 2021: nil) was recognised to profit or loss in relation to a plant of Taixing Jinjiang Chemical Industry Company Limited for manufacturing of solvents products.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

6. 除稅前溢利

6. PROFIT BEFORE TAXATION

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
除稅前溢利乃於扣除下列各項後達致：	Profit before taxation has been arrived at after charging:		
無形資產攤銷	Amortisation of intangible assets	1,023	1,114
確認為開支之存貨成本(附註)	Cost of inventories recognised as expense (note)	7,353,863	3,814,826
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	116,287	90,226

附註：於截至二零二一年六月三十日止六個月，於存貨確認撥備淨值15,003,000港元。於截至二零二零年六月三十日止六個月，於存貨確認撥備撥回淨值2,652,000港元，乃由於若干滯銷原材料用於生產，且存貨隨後以高於可變現淨值的價格出售。於本中期期間，確認為開支之存貨註銷為3,381,000港元(截至二零二零年六月三十日止六個月：2,490,000港元)。

Note: During the six months ended 30 June 2021, net allowance recognised in inventories amounting to HK\$15,003,000. During the six months ended 30 June 2020, net reversal of allowance recognised on inventories amounting to HK\$2,652,000 as certain slow-moving raw materials were utilised for production and inventories sold subsequently at price higher than net realisable value. Written off of inventories amounting to HK\$3,381,000 (six months ended 30 June 2020: HK\$2,490,000) was recognised as an expense during the current interim period.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

7. 稅項

7. TAXATION

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
此支出包括：	The charge comprises:		
即期稅項 — 中國	Current tax — the PRC		
本期間	Current period	79,744	35,046
預扣稅	Withholding tax	4,968	10,105
		84,712	45,151
即期稅項 — 海外	Current tax — Overseas	1,176	—
		85,888	45,151
遞延稅項支出(抵免)	Deferred tax charge (credit)	4,385	(1,675)
		90,273	43,476

由於本公司及附屬公司並無產生任何應課稅溢利或有轉結自過往年度之稅務虧損可供抵銷產生的應課稅溢利，因此並無作出香港利得稅撥備。

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

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

No provision for Hong Kong Profits Tax has been made as the Company and subsidiaries did not generate any assessable profits or have available tax losses brought forward from prior years to offset against assessable profits generated.

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

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

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

7. 稅項 (續)

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

於其他司法權區產生之稅項乃按有關司法權區之通行稅率計算。

本集團已根據中國企業所得稅法實施條例規定，經計及將從若干中國附屬公司自二零零八年一月一日起賺取之溢利中分派之股息後，就附屬公司未分派溢利確認遞延稅項。該條例規定向股東分派有關溢利須按5%之稅率繳納預扣稅。由於董事認為本集團可控制撥回暫時差異之時間，而暫時差異不大可能於可預見將來撥回，故本集團並無就中國附屬公司自二零零八年一月一日起賺取之若干未經分派保留溢利1,811,310,000港元(二零二零年十二月三十一日：1,593,231,000港元)確認遞延稅項。

7. TAXATION (Continued)

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

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

Deferred taxation on undistributed profits of subsidiaries has been recognised taking into accounts the dividends to be distributed from profits earned by certain subsidiaries in the PRC starting from 1 January 2008 under the Implementation Regulation of the EIT Law of the PRC that requires withholding tax with tax rate at 5% upon the distribution of such profits to the shareholders. Deferred taxation has not been recognised in respect of certain undistributed retained profits earned by the subsidiaries in the PRC starting from 1 January 2008 amounting to HK\$1,811,310,000 (31 December 2020: HK\$1,593,231,000) as the directors are of the opinion that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

8. 股息

期內，本集團宣派並其後於二零二一年七月派付有關截至二零二零年十二月三十一日止年度之期末股息每股16港仙，合共88,621,000港元。

於截至二零二零年六月三十日止六個月，本集團宣派並其後於二零二零年七月派付有關截至二零一九年十二月三十一日止年度之期末股息每股13港仙，合共73,324,000港元。

二零二一年六月三十日後，本公司董事決議宣派截至二零二一年六月三十日止六個月之中期股息每股12港仙及特別股息每股10港仙(可選擇收取本公司股票)，合共約121,853,000港元(截至二零二零年六月三十日止六個月：每股6港仙，合共33,706,000港元)。中期股息及特別股息將於二零二一年十月十二日或前後支付予於二零二一年九月八日名列本公司股東名冊之本公司股東。

8. DIVIDENDS

During the period, a final dividend of HK16 cents per share totalling HK\$88,621,000 in respect of the year ended 31 December 2020 were declared and subsequently paid in July 2021.

During the six months ended 30 June 2020, a final dividend of HK13 cents per share totalling HK\$73,324,000 in respect of the year ended 31 December 2019 were declared and subsequently paid in July 2020.

Subsequent to 30 June 2021, the directors of the Company resolved to declare an interim dividend of HK12 cents per share and a special dividend of HK10 cents per share, totalling approximately HK\$121,853,000 for the six months ended 30 June 2021 with an option to receive shares of the Company (six months ended 30 June 2020: HK6 cents per share totalling HK\$33,706,000). The interim dividend and special dividend will be payable on or about 12 October 2021 to the owners of the Company whose names appear on the Company's register of members on 8 September 2021.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

9. 每股盈利

本公司股東應佔每股基本及攤薄盈利乃基於下列數據計算：

9. EARNINGS PER SHARE

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

		截至六月三十日止六個月 Six months ended 30 June	
		二零二一年 2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 2020 千港元 HK\$'000 (未經審核) (Unaudited)
本公司股東應佔本期純利以及用於計算每股基本及攤薄盈利之盈利	Profit for the period attributable to owners of the Company and earnings for the purposes of calculating basic and diluted earnings per share	299,824	58,803
		股份數目 Number of shares	
		千股 '000	千股 '000
用於計算每股基本及攤薄盈利之加權平均股數	Weighted average number of shares for the purpose of calculating basic and diluted earnings per share	556,137	564,029

計算每股攤薄盈利時並無假設本公司之購股權按5.942港元(截至二零二零年六月三十日止六個月：4.536港元及5.942港元)之行使價獲行使，原因是截至二零二一年及二零二零年六月三十日止六個月該等購股權之行使價高於股份之平均市價。

The computation of diluted earnings per share does not assume the exercise of the Company's options of exercise prices of HK\$5.942 (six months ended 30 June 2020: HK\$4.536 and HK\$5.942) because the exercise prices of those options were higher than the average market price for shares for six months ended 30 June 2021 and 2020.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

10. 物業、廠房及設備以及投資物業之變動

於截至二零二一年六月三十日止六個月，本集團動用約151,029,000港元(截至二零二零年六月三十日止六個月：45,056,000港元)，用於就業務營運收購物業、廠房及設備。

於截至二零二一年六月三十日止六個月，本集團訂立新租賃協議，為期一至五年(截至二零二零年六月三十日止六個月：為期一至五年)。於租賃開始時，本集團已確認使用權資產(包括在物業、廠房及設備內)11,127,000港元(截至二零二零年六月三十日止六個月：13,451,000港元)及租賃負債11,127,000港元(截至二零二零年六月三十日止六個月：13,451,000港元)。

於截至二零二一年六月三十日止六個月，投資物業公允值淨增加66,000,000港元(截至二零二零年六月三十日止六個月：公允值淨減少1,703,000港元)已直接於損益確認。估值由本公司董事及一名與本集團並無關連之獨立合資格專業估值師進行。本公司董事及該獨立合資格專業估值師進行估值時乃採用直接比較法，並假設該等物業均經參照有關市場上可資比較銷售交易在現況下交吉出售，或使用收入法釐定，並計及當前轉移物業權益之市場租金，及就任何潛在復歸收入計提適當撥備。直接比較法建基於類似地點之類似物業近期市場可觀察交易。收入法建基於類似地點之類似物業近期市場可觀察租金收入。

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the six months ended 30 June 2021, the Group incurred approximately HK\$151,029,000 (six months ended 30 June 2020: HK\$45,056,000) to acquire property, plant and equipment for its operations.

During the six months ended 30 June 2021, the Group entered into new lease agreements with lease terms ranged from 1 to 5 years (six months ended 30 June 2020: from 1 to 5 years). On lease commencement, the Group recognised HK\$11,127,000 (six months ended 30 June 2020: HK\$13,451,000) of right-of-use assets, included in property, plant and equipment, and HK\$11,127,000 (six months ended 30 June 2020: HK\$13,451,000) of lease liabilities.

During the six months ended 30 June 2021, a net increase in fair value of investment properties of HK\$66,000,000 (six months ended 30 June 2020: net decrease in fair value of HK\$1,703,000) has been recognised directly in profit or loss. The valuations are carried out by the directors of the Company and an independent qualified professional valuer, which is not connected with the Group. The valuations by the directors of the Company and the independent qualified professional valuer are arrived by direct comparison approach assuming sale of the properties in their existing states with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market, or by using income approach taking into account the current market rent passing of the property interest with due provision of any reversionary income potential. The direct comparison approach is based on market observable recent transactions of similar properties in similar location. The income approach is based on market observable recent rental income of similar properties in similar locations.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

11. 按公允值計入損益／ 按公允值計入其他全 面收益之金融資產

11. FINANCIAL ASSETS AT FVTPL/ FVTOCI

		二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
金融資產分類為非流動資產	Financial assets classified as non-current assets		
按公允值計入損益之非上市 投資基金(附註a)	Unlisted investment funds at FVTPL (note a)	84,005	—
按公允值計入其他全面收益之 非上市股權投資(附註b)	Unlisted equity investments at FVTOCI (note b)	19,115	19,083
		103,120	19,083
按公允值計入損益之金融資產 分類為流動資產	Financial assets at FVTPL classified as current assets		
於香港以外上市的股本證券 (附註c)	Equity securities listed outside Hong Kong (note c)	57,849	—

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

11. 按公允值計入損益／ 按公允值計入其他全 面收益之金融資產 (續)

附註：

- (a) 於截至二零二一年六月三十日止六個月，本集團訂立認購協議，以認購由金融機構管理的兩筆非上市投資基金之權益。
- (b) 該金額指本集團於在開曼群島成立之私人實體之股本權益，本公司董事已選擇指定為按公允值計入其他全面收益之於權益工具之投資，原因是本集團擬持有該股本投資作長期策略用途。於二零二一年六月三十日及二零二零年十二月三十一日，該權益工具包括於 Green Monday Holdings Limited 之 0.7% 股本權益。
- (c) 於截至二零二一年六月三十日止六個月，本集團投資一間股份於上海證券交易所上市的實體的股本證券，禁售期直至二零二一年十月止。該等投資乃持作買賣及分類為按公允值計入損益之股本證券之投資。

11. FINANCIAL ASSETS AT FVTPL/ FVTOCI (Continued)

Notes:

- (a) During the six months ended 30 June 2021, the Group entered into subscription agreements to subscribe for interests in two unlisted investment funds that are managed by financial institutions.
- (b) Amount represents the Group's equity interest in a private entity established in the Cayman Islands and the directors of the Company have elected to designate this investment in equity instruments at FVTOCI as the Group intends to hold this equity investment for long term strategic purposes. As at 30 June 2021 and 31 December 2020, the equity instruments comprised of 0.7% equity interest in Green Monday Holdings Limited.
- (c) During the six months ended 30 June 2021, the Group invested in equity securities of an entity with its shares listed on the Shanghai Stock Exchange with a lock-up period up to October 2021. These investments are held for trading and are classified as investments in equity securities at FVTPL.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

12. 按公允值計入其他全面收益之債務工具

於二零二一年六月三十日及二零二零年十二月三十一日，該金額指本集團於由一間公司（其股份於深圳證券交易所上市）發行的債務證券之投資，而債務工具按公允值計入其他全面收益計量。

13. 貿易應收款項、其他應收賬款及預付款項

(a) 貿易應收款項

來自客戶合約之貿易應收款項
減：預期信貸虧損撥備

本集團已收票據指國內銀行承兌及擔保付款之銀行承兌匯票 2,019,177,000 港元（二零二零年十二月三十一日：1,650,402,000 港元）。本集團按個別情況接受客戶以國內銀行承兌之銀行承兌匯票結清貿易應收款項。

該等出具或背書給本集團之銀行承兌匯票一般於出具日起不超過十二個月內到期。銀行承兌匯票將由國內國有銀行或商業銀行或金融機構等銀行於該等銀行承兌匯票到期日支付。

12. DEBT INSTRUMENTS AT FVTOCI

As at 30 June 2021 and 31 December 2020, amount represents the Group's investments in debt securities issued by a company with its shares listed on the Shenzhen Stock Exchange and the debt instruments are measured at fair value through other comprehensive income.

13. TRADE RECEIVABLES, OTHER DEBTORS AND PREPAYMENTS

(a) Trade receivables

二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
4,381,421	3,533,739
(65,533)	(59,200)
4,315,888	3,474,539

Bills received by the Group which represent 銀行承兌匯票 ("banker's acceptances") i.e. time drafts accepted and guaranteed for payment by the PRC banks, amounting to HK\$2,019,177,000 (31 December 2020: HK\$1,650,402,000). The Group accepts the settlement of trade receivables by customers using banker's acceptances accepted by the PRC banks on a case-by-case basis.

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

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

13. 貿易應收款項、其他應收賬款及預付款項

(續)

(a) 貿易應收款項 (續)

於報告期末，貿易應收款項（經扣除信貸損失撥備，不包括本集團因未來結算所持有之票據）基於發票日期呈列之賬齡分析如下：

		二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
零至三個月	0-3 months	1,955,059	1,556,828
四至六個月	4-6 months	255,351	211,846
六個月以上	Over 6 months	86,301	55,463
		2,296,711	1,824,137

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

於二零二一年六月三十日，本集團向債權人背書若干銀行承兌匯票，金額為1,414,790,000港元（二零二零年十二月三十一日：1,057,946,000港元），以向彼等結清貿易應付款項。本集團繼續將確認該等已背書之銀行承兌匯票全額及應付債權人之相關款項，直至已背書銀行承兌匯票之到期日。

13. TRADE RECEIVABLES, OTHER DEBTORS AND PREPAYMENTS

(Continued)

(a) Trade receivables (Continued)

An aged analysis of trade receivables net of allowance for credit losses (excluding bills held by the Group for future settlement), presented based on the invoice date at the end of the reporting period is as follows:

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

At 30 June 2021, the Group endorsed certain banker's acceptances with an amount of HK\$1,414,790,000 (31 December 2020: HK\$1,057,946,000) to creditors to settle the trade payables to them. The Group continued to recognise the full amount of these endorsed banker's acceptances and the relevant payable to creditors until the maturity date of the endorsed banker's acceptances.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

13. 貿易應收款項、其他
應收賬款及預付款項

(續)

(a) 貿易應收款項 (續)

以下為背書予供應商並具有全面追索權之本集團已收票據。由於本集團並無轉讓有關該等應收款項的重大風險及回報，其繼續悉數確認應收款項之賬面值。該等應收款項按攤銷成本列入本集團之簡明綜合財務狀況表。

13. TRADE RECEIVABLES, OTHER
DEBTORS AND PREPAYMENTS

(Continued)

(a) Trade receivables (Continued)

The following were the Group's bills received that were endorsed to suppliers with full recourse. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise in full carrying amount of the receivables. These receivables are carried at amortised cost in the Group's condensed consolidated statement of financial position.

背書予供應商並具有
全面追索權之已收票據
Bills received endorsed to
suppliers with full recourse

	二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
已轉讓資產之賬面值	Carrying amount of transferred assets	1,414,790
相關負債之賬面值	Carrying amount of associated liabilities	(1,057,946)

(b) 其他應收賬款及預
付款項

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

(b) Other debtors and prepayments

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

14. 分類為持作出售之資產

- (a) 於二零二一年七月十六日，葉氏恒昌(集團)有限公司(「葉氏恒昌」)，本公司一間間接全資附屬公司，與獨立第三方(「買方」)訂立買賣協議(「買賣協議」)，內容有關建議出售大勇投資有限公司(「大勇」)全部股本，並接受股東貸款轉讓，總代價約282,682,000港元(受代價調整所規限)。大勇的主要資產為一座位於香港被稱為葉氏化工大廈的投資物業，於二零二一年六月三十日，其公允值為278,000,000港元。經計及該股權即時可供出售，及相關協議所載就完成該項出售須符合之條件，本公司董事認為符合香港財務報告準則第五號「持作出售非流動資產及已終止經營業務」所載持作出售標準。

作為買方同意訂立買賣協議的代價，倘根據專業顧問發出的調查報告(i)任何地下儲罐曾被使用；及(ii)存在污染的情況時(取決於賣方選擇自二零二一年七月十六日起計六個月內改正或補救該污染的權利)，則葉氏恒昌向買方授出認沽期權(「認沽期權」)，以要求葉氏恒昌向其購回所有銷售股份及銷售貸款的利益。

大勇的股份已於二零二一年七月十六日轉讓予買方。

於二零二一年八月十九日，買方與葉氏恒昌訂立補充買賣協議之契據(「契據」)，據此買方同意不行使認沽期權並放棄其權利(如有)。於契據行使後，認沽期權已失效或被視為已失效且不得再行使，即時生效。

14. ASSETS CLASSIFIED AS HELD FOR SALE

- (a) On 16 July 2021, Yip's H.C. (Holding) Limited ("Yip's H.C."), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement ("Sale and Purchase Agreement") with an independent third party ("Purchaser"), in relation to the proposed disposal of the entire share capital of Big Youth Investments Limited ("Big Youth") and assignment of shareholder loan for an aggregate consideration of approximately HK\$282,682,000, subject to consideration adjustment. The major asset of Big Youth is an investment property known as Yip's Chemical Building located in Hong Kong with fair value of HK\$278,000,000 as at 30 June 2021. The directors of the Company considered that the held-for-sale criteria as set out in HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" were met, by taking into account the fact that the subject equity interest was immediately available for sale, and the conditions to be met to complete the disposal as set out in the terms of the relevant agreement.

In consideration of the Purchaser agreeing to enter into the Sale and Purchase Agreement, Yip's H.C. granted to the Purchaser a put option (the "Put Option") to require Yip's H.C. to re-purchase from it all sale shares and the benefit of the shareholder loan, if, according to investigation report issued by profession advisors, that (i) any of the underground storage tanks was used; and (ii) there is contamination, subject to the right of Yip's H.C. to elect to rectify or remediate such contamination within six months from 16 July 2021.

The shares of Big Youth have been transferred to the Purchaser on 16 July 2021.

On 19 August 2021, the Purchaser and Yip's H.C. entered into a deed (the "Deed") supplemental to the Sale and Purchase Agreement whereby the Purchaser has agreed not to, and waived its right (if any) to, exercise the Put Option. Upon exercise of the Deed, the Put Option has lapsed or shall be deemed to have lapsed and shall no longer be exercisable with immediate effect.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

14. 分類為持作出售之資產 (續)

- (b) 於二零二一年六月二十八日，本集團訂立一份協議向德慶華彩合成樹脂有限公司(「德慶華彩」，一間從事製造及買賣樹脂的公司)的其他股東(即非控股股東)出售於德慶華彩的60%股權，現金代價為人民幣34,000,000元(相等於約40,824,000港元)。於本中期期間，已收取有關出售的訂金為12,007,000港元。交易已於二零二一年七月六日完成。

於二零二一年六月三十日，大勇及德慶華彩的資產及負債於簡明綜合財務狀況表中單獨呈列。

14. ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

- (b) On 28 June 2021, the Group entered into an agreement to dispose of the 60% equity interest in 德慶華彩合成樹脂有限公司(“德慶華彩”), a company engaging in manufacturing and trading of resins, to the other shareholder of 德慶華彩, i.e. a non-controlling shareholder, at a cash consideration of RMB34,000,000 (equivalent to approximately HK\$40,824,000). During the current interim period, a deposit amounting to HK\$12,007,000 was received in relation to the disposal. The transaction has been completed on 6 July 2021.

As at 30 June 2021, the assets and liabilities of Big Youth and 德慶華彩 are presented separately in the condensed consolidated statement of financial position.

15. 應付賬款及應計費用

15. CREDITORS AND ACCRUED CHARGES

		二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
貿易應付賬款	Trade creditors	2,584,642	1,888,204
其他應付賬款及應計費用	Other creditors and accrued charges	474,274	437,770
		3,058,916	2,325,974

其他應付賬款及應計費用主要包括應付收購物業、廠房及設備款項、應付員工薪金及福利(包括銷售佣金)以及應付倉儲及運費。

Other creditors and accrued charges mainly consist of payables of acquisition of property, plant and equipment, payables of staff salaries and benefits (including sales commission) and payable of storage and transportation.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

15. 應付賬款及應計費用

(續)

於報告期末，貿易應付賬款基於發票日期之賬齡分析如下：

零至三個月	0-3 months
四至六個月	4-6 months
六個月以上	Over 6 months

15. CREDITORS AND ACCRUED CHARGES (Continued)

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

二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
1,859,923	1,331,888
660,832	515,257
63,887	41,059
2,584,642	1,888,204

16. 借貸

期內，本集團獲新造銀行借貸1,346,522,000港元(截至二零二零年六月三十日止六個月：507,775,000港元)並償還銀行借貸719,288,000港元(截至二零二零年六月三十日止六個月：791,650,000港元)。截至二零二零年及二零二一年六月三十日止六個月內之新造銀行借貸按市場利率計息及須於介乎一個星期至四年期間內償還。

16. BORROWINGS

During the period, the Group obtained new bank borrowings in the amount of HK\$1,346,522,000 (six months ended 30 June 2020: HK\$507,775,000) and repaid bank borrowings of HK\$719,288,000 (six months ended 30 June 2020: HK\$791,650,000). The new bank borrowings during the six months ended 30 June 2020 and 2021 bear interest at market rates and are repayable ranging from 1 week to 4 years.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

17. 股本

17. SHARE CAPITAL

		法定 二零二一年 六月三十日及 二零二零年 十二月三十一日 Authorised 30.6.2021 & 31.12.2020 千港元 HK\$'000
每股面值0.10港元之股份	Shares of HK\$0.10 each	80,000

期內本公司之已發行股本有以下變動：

Movements in the issued share capital of the Company during the period are as follows:

		股份數目 Number of shares 千股 '000	金額 Amount 千港元 HK\$'000
已發行及繳足：	Issued and fully paid:		
於二零二零年一月一日	At 1 January 2020	564,029	56,403
已購回及註銷之股份	Share repurchased and cancelled	(7,370)	(737)
於二零二零年十二月三十一日 及二零二一年一月一日	At 31 December 2020 and 1 January 2021	556,659	55,666
已購回及註銷之股份	Share repurchased and cancelled	(2,780)	(278)
於二零二一年六月三十日	At 30 June 2021	553,879	55,388

截至二零二一年六月三十日止六個月已購回之2,780,000股(截至二零二零年十二月三十一日止年度：7,370,000股)本公司股份被註銷，因此，本公司之已發行股本已扣除該等股份的面值。相當於該等已註銷股份面值之金額已從保留溢利轉撥至資本回購儲備。購回該等股份之應付溢價從保留溢利中扣除。

During the six months ended 30 June 2021, 2,780,000 shares (year ended 31 December 2020: 7,370,000 shares) of the Company repurchased were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. An amount equivalent to the nominal value of these shares cancelled was transferred from retained profits to the capital redemption reserve. The premium payable on repurchase of those shares was charged against the retained profits.

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

18. 購股權計劃

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

下表披露本集團參與者所持有之本公司購股權之變動情況：

		購股權數目		
		Number of share option		
		董事	合資格人士	合計
		Directors	Eligible Persons	Total
於二零二一年一月一日及	Outstanding as at 1 January 2021			
二零二一年六月三十日	and 30 June 2021			
尚未行使		400,000	3,200,000	3,600,000

兩個期間內均無授出購股權。

根據舊購股權計劃授出之所有購股權於授出當日即時歸屬，行使期自授出日期起計為期十年。根據新購股權計劃授出之購股權於授出日期起計兩年後歸屬，自二零一五年一月十一日起至二零二三年一月十日止可予行使。

18. SHARE OPTION SCHEME

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

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

No share options were granted for both periods.

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

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

19. 收購附屬公司

於二零二零年一月二日，本集團訂立兩份協議，按人民幣12,130,000元(相等於約13,500,000港元)認購河北大麥汽車維修服務有限公司(「河北大麥」)之人民幣1,800,000元實繳資本及按代價人民幣10,000,000元(相等於約11,130,000港元)收購河北大麥之額外權益。於交易完成後，本集團於河北大麥之股權上升至61%，而河北大麥及其附屬公司成為本公司之間接非全資附屬公司。收購事項是本集團化工業務(特別是本集團潤滑油業務)的下游延伸，而收購事項為本集團提供了多元化業務經營及拓寬收入來源的機會。因收購事項而產生之商譽金額為33,298,000港元。

於收購日期收購之資產及確認之負債如下：

19. ACQUISITION OF SUBSIDIARIES

On 2 January 2020, the Group entered into two agreements to subscribe for RMB1,800,000 paid-up capital of 河北大麥汽車維修服務有限公司(“河北大麥”) at RMB12,130,000 (equivalent to approximately HK\$13,500,000) and to acquire additional interest in 河北大麥 at a consideration of RMB10,000,000 (equivalent to approximately HK\$11,130,000). Upon completion of the transactions, the Group’s equity interest in 河北大麥 increased to 61%, and 河北大麥 and its subsidiaries became indirect non-wholly owned subsidiaries of the Company. The acquisition was considered to be a downstream extension of the Group’s chemical business particularly for the lubricants business of the Group and the acquisition provided an opportunity for the Group to diversify its business and widen its source of income. The amount of goodwill arising as a result of acquisition was HK\$33,298,000.

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

		於收購日期 At date of acquisition 千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	50,082
無形資產	Intangible assets	14,964
遞延稅項資產	Deferred tax assets	4,297
存貨	Inventories	8,067
貿易應收款項	Trade receivables	245
應收本集團款項	Amount due from the Group	6,750
其他應收款項	Other receivables	5,059
可收回稅款	Tax recoverable	274
銀行結餘及現金	Bank balances and cash	4,116
貿易應付款項	Trade payables	(154)
其他應付款項	Other payables	(9,565)
應付本集團款項	Amount due to the Group	(21,370)
租賃負債	Lease liabilities	(33,713)
遞延稅項負債	Deferred tax liabilities	(3,741)
		25,311

簡明綜合財務報告附註

Notes to the Condensed Consolidated Financial Statements

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

19. 收購附屬公司 (續)

於收購日期，貿易應收款項公允值為245,000港元。於收購日期，所收購該等貿易應收款項之總合約金額為245,000港元。預期無法收回之合約現金流於收購日期之最佳估計為零。

已轉讓代價：

		千港元 HK\$'000
現金	Cash	24,630

因收購而產生之商譽：

		千港元 HK\$'000
已轉讓代價	Consideration transferred	24,630
加：於聯營公司之權益	Plus: interests in associates	24,108
加：非控股權益	Plus: non-controlling interests	9,871
減：已收購淨資產	Less: net assets acquired	(25,311)
因收購而產生之商譽	Goodwill arising on acquisition	33,298

本集團先前所持河北大麥股本權益重新計量至收購日期之公允值為24,108,000港元是非現金交易。

因河北大麥增資，本集團聯營公司當時之權益曾由38.58%一度被攤薄至30.78%，加上新認購的實繳資本及收購河北大麥之額外權益後，本集團所持股權增加至61%。

於收購日期確認之河北大麥非控股權益(39%)乃按非控股權益攤佔河北大麥可識別資產淨值已確認金額之比例計算。

19. ACQUISITION OF SUBSIDIARIES

(Continued)

The fair value of trade receivables at the date of acquisition amounted to HK\$245,000. The gross contractual amounts of those trade receivables acquired amounted to HK\$245,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

Consideration transferred:

		千港元 HK\$'000
Cash	Cash	24,630

Goodwill arising on acquisition:

		千港元 HK\$'000
Consideration transferred	Consideration transferred	24,630
Plus: interests in associates	Plus: interests in associates	24,108
Plus: non-controlling interests	Plus: non-controlling interests	9,871
Less: net assets acquired	Less: net assets acquired	(25,311)
Goodwill arising on acquisition	Goodwill arising on acquisition	33,298

The Group's previously held equity interest in 河北大麥 was remeasured to fair value amounting to HK\$24,108,000 at the acquisition date which was a non-cash transaction.

The Group's then existing interests in associates had once been diluted from 38.58% to 30.78%, as a result of increase in paid-up capital of 河北大麥, and together with the newly subscribed paid-up capital and acquisition of additional interest of 河北大麥, the equity interest in held by the Group increased to 61%.

The non-controlling interests (39%) in 河北大麥 recognised at acquisition date was measured at the non-controlling interests' proportionate share of the recognised amounts of the identifiable net assets of 河北大麥.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

19. 收購附屬公司 (續)

於收購日期就於聯營公司之權益之公允值重新計量並無大幅收益或虧損。此外，就合併支付之代價實際上包括與河北大麥預期協同效應、營業額增長、未來市場發展及集合之人員有關之裨益金額。由於該等裨益不符合可識別無形資產之確認條件，因此並無與商譽分開確認。是項收購產生之商譽預期不可扣稅。

收購產生之現金流出淨額：

以現金支付之代價
減：所收購銀行結餘及現金

19. ACQUISITION OF SUBSIDIARIES

(Continued)

There was no significant gain or loss on remeasurement of fair value of interests in associates on date of acquisition. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of 河北大麥. These benefits were not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The goodwill arising from this acquisition was not expected to be deductible for tax purposes.

Net cash outflows arising on acquisition:

	千港元 HK\$'000
Consideration paid in cash	24,630
Less: bank balances and cash acquired	(4,116)
	20,514

收購對本集團業績之影響

截至二零二零年六月三十日止六個月溢利包括河北大麥產生之業務營運應佔虧損13,598,000港元。截至二零二零年六月三十日止六個月營業額包括河北大麥產生之15,862,000港元。

假設收購於二零二零年一月一日完成，本集團截至二零二零年六月三十日止六個月之營業額將為4,469,446,000港元，而本集團截至二零二零年六月三十日止六個月純利將為85,349,000港元。備考資料僅供說明之用，並非表示若收購於二零二零年一月一日完成而將會實際錄得之本集團營業額及營運業績之指標，亦非未來業績之預測。

Impacts of acquisition on the results of the Group

Included in the profit for the six months ended 30 June 2020, loss amounting of HK\$13,598,000 was attributable to the business operation from 河北大麥. Revenue for the six months ended 30 June 2020 included HK\$15,862,000 which was generated from 河北大麥.

Had the acquisition been completed on 1 January 2020, revenue for the six months ended 30 June 2020 of the Group would have been HK\$4,469,446,000, and profit for the six months ended 30 June 2020 of the Group would have been HK\$85,349,000. The pro forma information was for illustrative purposes only and was not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2020, nor was it intended to be a projection of future results.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

20. 資本承擔

20. CAPITAL COMMITMENTS

	二零二一年 六月三十日 30.6.2021 千港元 HK\$'000 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 千港元 HK\$'000 (經審核) (Audited)
有關收購物業、廠房及設備及 土地使用權之資本開支，已 訂約但未於簡明綜合財務報 告撥備	Capital expenditure in respect of the acquisition of property, plant and equipment and land use right contracted for but not provided in the condensed consolidated financial statements	
	232,215	101,996

21. 金融工具之公允值計量

本集團部分金融資產及金融負債於各報告期末按公允值計量。本公司董事釐定公允值計量之適當估值技術及輸入數據。在估計公允值時，本公司董事盡可能使用現有可觀察市場數據。

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The directors of the Company determine the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value, the directors of the Company use market-observable data to the extent it is available.

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

21. 金融工具之公允值計量 (續)

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

- 第一級公允值計量為相同資產或負債之活躍市場報價(未經調整);
- 第二級公允值計量乃就資產或負債可直接(即價格)或間接(即按價格推算)觀察之輸入數據(第一級包括之報價除外)得出; 及
- 第三級公允值計量乃採用包括就資產或負債並非基於可觀察市場數據之輸入數據(不可觀察輸入數據)之估值技術得出。

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

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



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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

21. 金融工具之公允值計量 (續)

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

金融資產/金融負債 Financial assets/ financial liabilities	於下列日期的公允值 Fair value as at		公允值級別 Fair value hierarchy	估值技術及主要輸入數據 Valuation techniques and key input(s)	重大無法觀察輸入數據 Significant unobservable inputs
	二零二一年 六月三十日 30.6.2021 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 (經審核) (Audited)			
分類為衍生金融工具之利率掉期合約	負債(根據對沖會計法) — 6,064,000港元	負債(根據對沖會計法) — 9,232,000港元	第二級	貼現現金流。未來現金流乃基於遠期利率(從報告期末之可觀察收益率曲線得出)及已訂約利率估計,按反映交易方及本集團信貸風險(倘適用)之貼現率貼現。	不適用
Interest rate swap contracts classified as derivative financial instruments	Liabilities (under hedge accounting) — HK\$6,064,000	Liabilities (under hedge accounting) — HK\$9,232,000	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contracted interest rates, discounted at a rate reflects the credit risk of the counter-parties and of the Group as appropriate.	N/A
外匯遠期合約	資產(並非根據對沖會計法) — 1,861,000港元	無	第二級	貼現現金流。未來現金流乃基於遠期貨幣匯率及已訂約外匯匯率(按適用貼現率貼現,已計及交易方及本集團之信貸風險(倘適用))估計。	不適用
Foreign exchange forward contracts	Assets (not under hedge accounting) — HK\$1,861,000	Nil	Level 2	Discount cash flow. Future cash flows are estimated based on forward currency exchange rate and contracted foreign currency exchange rate discounted at an applicable discount rate taking into account the credit risk of the counter-parties and of the Group as appropriate.	N/A
	Nil	負債(並非根據對沖會計法) — 284,000港元			
		Liabilities (not under hedge accounting) — HK\$284,000			

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

21. 金融工具之公允值計量 (續)

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

金融資產/金融負債 Financial assets/ financial liabilities	於下列日期的公允值		公允值級別 Fair value hierarchy	估值技術及主要輸入數據 Valuation techniques and key input(s)	重大無法觀察輸入數據 Significant unobservable inputs
	二零二一年 六月三十日 30.6.2021 (未經審核) (Unaudited)	二零二零年 十二月三十一日 31.12.2020 (經審核) (Audited)			
按公允值計入其他全面收益之 金融資產—非上市股本投資 Financial asset at FVTOCI — unlisted equity investments	19,115,000港元 HK\$19,115,000	19,083,000港元 HK\$19,083,000	第三級 Level 3	管理層經參考行業市銷率估算 得出之公允值。 Fair value derived by the management estimation with reference to the price to sales ratio of the industry.	市銷率。市銷率愈高，公允值 愈高，反之亦然。 Price to sales ratio. The higher the price to sales ratio, the higher the fair value and vice versa.
按公允值計入損益之金融資產 —上市股本證券 Financial asset at FVTPL — listed equity securities	57,849,000港元 HK\$57,849,000	無 Nil	第三級 Level 3	一個活躍市場之報價(就缺乏市 場化的考量調整)。 Quoted price in an active market adjusted for consideration of lack of marketability.	缺乏市場化貼現。缺乏市場 化貼現越低，公允值越高， 反之亦然。 Discount on lack of marketability. The lower the discount on lack of marketability, the higher the fair value and vice versa.
按公允值計入損益之金融資產 —非上市投資基金 Financial asset at FVTPL — unlisted investment funds	84,005,000港元 HK\$84,005,000	無 Nil	第二級 Level 2	按近期投資交易之市場價值得 出之公允值。 Fair value derived from market value of recent investment transactions.	不適用 N/A
按公允值計入其他全面收益之 債務工具 Debt instruments at FVTOCI	59,134,000港元 HK\$59,134,000	62,369,000港元 HK\$62,369,000	第一級 Level 1	一個活躍市場之報價。 Quoted price in an active market.	不適用 N/A

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

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

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

22. 關聯方交易

除簡明綜合財務報告其他部分所披露者外，期內之關聯方交易呈列如下：

- (a) 期內，本集團支付480,000港元(截至二零二零年六月三十日止六個月：480,000港元)之租金予港德投資有限公司(「港德」)，本公司董事葉志成先生於港德擁有控股權益。租期為12個月的租賃安排被視為短期租賃。
- (b) 期內，本集團收到葉志成慈善基金有限公司之租金及使用費用192,000港元(截至二零二零年六月三十日止六個月：228,000港元)及服務費用收入27,000港元(截至二零二零年六月三十日止六個月：27,000港元)，本公司董事葉志成先生於該公司擁有控股權益。
- (c) 於截至二零二零年六月三十日止六個月，本集團從一間聯營公司收取利息87,000港元(截至二零二一年六月三十日止六個月：無)及向一間聯營公司出售金額為49,000港元(截至二零二一年六月三十日止六個月：828,000港元)之貨品。

22. RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in the condensed consolidated financial statements, the related party transactions for the period are presented below:

- (a) During the period, the Group paid rent of HK\$480,000 (six months ended 30 June 2020: HK\$480,000) to Goldex Investments Limited ("Goldex") in which Mr. Ip Chi Shing, a director of the Company, has controlling interests over Goldex. The lease arrangement with lease term of 12 months is considered as a short-term lease.
- (b) During the period, the Group received rent and license fee of HK\$192,000 (six months ended 30 June 2020: HK\$228,000) and service fee income of HK\$27,000 (six months ended 30 June 2020: HK\$27,000) from Ip Chi Shing Charitable Foundation Limited in which Mr. Ip Chi Shing, a director of the Company, has controlling interest over it.
- (c) During the six months ended 30 June 2020, the Group received interest of HK\$87,000 from an associate (six months ended 30 June 2021: nil) and sold goods to an associate amounting to HK\$49,000 (six months ended 30 June 2021: HK\$828,000).

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

截至二零二一年六月三十日止六個月 For the six months ended 30 June 2021

22. 關聯方交易 (續)

- (d) 於截至二零二零年六月三十日止六個月，本集團與多名買方訂立協議，以出售於一間全資附屬公司洋紫荊油墨合共8.24%之股權。有關出售包括向本公司若干董事及本集團高級管理層以人民幣6,951,000元(相當於約7,512,000港元)出售於洋紫荊油墨之0.87%股權。
- (e) 主要管理人員為本公司董事及本公司行政管理人員。期內，主要管理人員之薪酬為16,449,000港元(截至二零二零年六月三十日止六個月：12,807,000港元)。

22. RELATED PARTY TRANSACTIONS

(Continued)

- (d) During the six months ended 30 June 2020, the Group entered into agreements with several buyers to dispose of an aggregate of 8.24% equity interest in a wholly owned subsidiary, Bauhinia Ink. Such disposals included a sale of 0.87% equity interest in Bauhinia Ink to certain directors of the Company and senior management of the Group at RMB6,951,000 (equivalent to approximately HK\$7,512,000).
- (e) The key management personnel are the directors of the Company and the management executives of the Company. During the period, the remuneration of the key management personnel was HK\$16,449,000 (six months ended 30 June 2020: HK\$12,807,000).



