

KINGDOM

KINGDOM HOLDINGS LIMITED

金達控股有限公司

(Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as "Kingdom (Cayman) Limited")
(於開曼群島註冊成立的有限公司，以「金達(開曼)有限公司」的名稱於香港經營業務)

(Stock Code 股份代號：528)

INTERIM REPORT **2021** 中期報告





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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Ren Weiming (*Chairman*)
Mr. Shen Yueming
Mr. Zhang Hongwen
Ms. Shen Hong

Non-executive Director:

Mr. Ngan Kam Wai Albert

Independent non-executive Directors:

Mr. Lau Ying Kit
Mr. Lo Kwong Shun Wilson
Mr. Yan Jianmiao

AUDIT COMMITTEE

Mr. Lau Ying Kit (*Chairman*)
Mr. Yan Jianmiao
Mr. Lo Kwong Shun Wilson

REMUNERATION COMMITTEE

Mr. Yan Jianmiao (*Chairman*)
Mr. Zhang Hongwen
Mr. Lo Kwong Shun Wilson

NOMINATION COMMITTEE

Mr. Lo Kwong Shun Wilson (*Chairman*)
Mr. Lau Ying Kit
Mr. Shen Yueming

COMPANY SECRETARY

Mr. Chan Yan Kwan Andy

LEGAL ADVISERS TO THE COMPANY AS TO HONG KONG LAW

Sidley Austin

AUDITORS

Ernst & Young

AUTHORISED REPRESENTATIVES

Mr. Ren Weiming
Mr. Chan Yan Kwan Andy

董事會

執行董事：

任維明先生 (*主席*)
沈躍明先生
張鴻文先生
沈鴻女士

非執行董事：

顏金煒先生

獨立非執行董事：

劉英傑先生
羅廣信先生
嚴建苗先生

審核委員會

劉英傑先生 (*主席*)
嚴建苗先生
羅廣信先生

薪酬委員會

嚴建苗先生 (*主席*)
張鴻文先生
羅廣信先生

提名委員會

羅廣信先生 (*主席*)
劉英傑先生
沈躍明先生

公司秘書

陳仁君先生

本公司有關香港法律之法律顧問

盛德律師事務所

核數師

安永會計師事務所

授權代表

任維明先生
陳仁君先生

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS IN CHINA

Henggang Town
Haiyan County
Zhejiang Province
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54
Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of China, Rugao Branch
Bank of China, Haiyan Branch

STOCK CODE

00528

COMPANY WEBSITE

<http://www.kingdom-china.com>

INVESTOR RELATIONS CONTACT

Email: ir@kingdom-china.com

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

中國總辦事處

中國
浙江省
海鹽縣
橫港鎮

香港主要營業地點

香港
皇后大道東183號
合和中心
54樓

主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman)
Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY-1110
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

主要往來銀行

中國銀行如皋支行
中國銀行海鹽支行

股份代號

00528

公司網站

<http://www.kingdom-china.com>

投資者關係聯繫方式

電郵：ir@kingdom-china.com

Financial Highlights

財務摘要

The board (the “Board”) of directors (the “Directors”) of Kingdom Holdings Limited (the “Company”) is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2021 (the “Review Period”):

- Revenue increased by approximately 78.3% to approximately RMB756,724,000 for the six months ended 30 June 2021 from approximately RMB424,317,000 for the six months ended 30 June 2020.
 - Gross profit margin improved by approximately 0.5 percentage point to approximately 13.7% for the six months ended 30 June 2021 from approximately 13.2% for the six months ended 30 June 2020 as a result of better operational efficiency during the Review Period as compared to the partial shutdown of factories in early 2020 due to the COVID-19 pandemic.
 - Profit for the Review Period increased by 8.4% to approximately RMB12,289,000 for the six months ended 30 June 2021 from approximately RMB11,340,000 for the six months ended 30 June 2020.
 - Profit attributable to the owners of the parent surged by approximately 41.5% to approximately RMB14,280,000 for the six months ended 30 June 2021 from approximately RMB10,093,000 for the six months ended 30 June 2020.
 - Basic earnings per share remained at approximately RMB0.02 for the six months ended 30 June 2021 (for the six months ended 30 June 2020: RMB0.02).
- 金達控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零二一年六月三十日止六個月(「回顧期間」)的未經審核合併中期業績如下：
- 收入由截至二零二零年六月三十日止六個月約人民幣424,317,000元增加約78.3%至截至二零二一年六月三十日止六個月約人民幣756,724,000元。
 - 由於與二零二零年初因COVID-19疫情導致部分廠房關閉相比，回顧期間的運營效率更高，毛利率由截至二零二零年六月三十日止六個月約13.2%上升約0.5個百分點至截至二零二一年六月三十日止六個月約13.7%。
 - 回顧期間溢利由截至二零二零年六月三十日止六個月約人民幣11,340,000元增加8.4%至截至二零二一年六月三十日止六個月約人民幣12,289,000元。
 - 母公司擁有人應佔溢利由截至二零二零年六月三十日止六個月約人民幣10,093,000元激增約41.5%至截至二零二一年六月三十日止六個月約人民幣14,280,000元。
 - 截至二零二一年六月三十日止六個月的每股基本盈利維持約人民幣0.02元(截至二零二零年六月三十日止六個月：人民幣0.02元)。

Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW

The COVID-19 pandemic has subsisted since its discovery in late 2019. Vaccination has become available in early 2021. Business activities generally resumed but the mutation of the virus has weakened the efficacy of the vaccine and many countries around the world have once again implemented partial lock down measures to curb the spreading of the virus.

During the Review Period, revenue of the Group surged by approximately 78.3% on a year-on-year basis from RMB424,317,000 to RMB756,724,000. The increase in revenue was mainly attributable to the recovery in demand of linen yarn in all markets during the Review Period, as the previous year was hard-hit by the COVID-19 pandemic.

Major Markets and Customers

By implementing an international sales strategy, the Group has a sales network covering approximately 20 countries and regions around the world. During the Review Period, the Group's domestic sales of RMB303,921,000, which contributed to approximately 40.2% of the Group's total revenue, recorded an increase of approximately 127.2% as compared to the corresponding period last year, while the Group's overseas sales of RMB452,803,000, which contributed to approximately 59.8% of the Group's total revenue, recorded an increase of approximately 55.8% on a year-on-year basis. In particular, total sales to European Union countries and non-European Union countries reported an increase of 44.5% and 68.8% on a year-on-year basis respectively, as a result of the business activities resumption from COVID-19 pandemic during the Review Period. Key European Union countries that the Group sold its products to include Italy, Portugal and Belgium. Meanwhile, the Group continues in developing the domestic market with an objective to secure more cooperation with target customers in China.

業務回顧

COVID-19疫情自二零一九年年底發現以來一直存在。疫苗已於二零二一年初開始接種。商業活動整體恢復，但病毒變異令疫苗功效削弱，全球多個國家再次實施部分封鎖措施以遏制病毒傳播。

於回顧期間，本集團的收入由人民幣424,317,000元按年飆升約78.3%至人民幣756,724,000元。收入增加主要是由於回顧期間所有市場對亞麻紗的需求回暖所致，而上一年度則受到COVID-19疫情的嚴重衝擊。

主要市場及客戶

本集團實行國際化的銷售策略，銷售網絡遍佈全球約20個國家及地區。於回顧期間，本集團的國內銷售額達人民幣303,921,000元，為本集團總收入貢獻約40.2%，較去年同期增加約127.2%；本集團海外銷售額達人民幣452,803,000元，為本集團總收入貢獻約59.8%，按年增加約55.8%。尤其是，於回顧期間，由於業務活動從COVID-19疫情中恢復，歐盟國及非歐盟國的銷售總額分別按年增加44.5%及68.8%。本集團產品出口的主要歐盟國包括意大利、葡萄牙及比利時。同時，本集團繼續拓展國內市場，旨在爭取與更多中國目標客戶合作。

Management Discussion and Analysis

管理層討論及分析

Raw Material Procurement

The Group mainly sources its fibre flax, the major raw material of linen yarn, from well established suppliers such as those in France, Belgium and the Netherlands. Being one of the largest buyers in these regions, the Group has developed long term business relationships with its suppliers. During the Review Period, the Group procured approximately 13,955 tonnes (six months ended 30 June 2020: 15,346 tonnes) of raw materials abroad, representing a year-on-year decrease of approximately 9%. The average procurement unit price was approximately RMB21,291 per tonne, representing a decrease of approximately 22.3% from approximately RMB27,430 for the corresponding period last year. The Group is optimistic about the future of the linen textile industry. It is the corporate procurement strategy of the Group to maintain its production scale and to secure a steady volume of production going forward. The Group will continue to closely monitor the international market development and plan its procurement cautiously at the same time.

Production Capacity

As at 30 June 2021, the Group had five productions bases as follows:

No. 編號	Factory 廠房	Location 地點	Country 國家	Annual capacity (Tonnes) 年產能(噸)	Utilisation/Status 利用率/狀況
1	Haiyan 1st Factory 海鹽一期廠房	Zhejiang 浙江	China 中國	7,000	Close to 100% 接近100%
2	Rugao Factory 如皋廠房	Jiangsu 江蘇	China 中國	6,000	Close to 100% 接近100%
3	Haiyan 2nd Factory 海鹽二期廠房	Zhejiang 浙江	China 中國	5,000	Close to 100% 接近100%
4	Qinggang Factory 青崗廠房	Heilongjiang 黑龍江	China 中國	4,000	Close to 100% 接近100%
5	Ethiopia 埃塞俄比亞	Adama 阿達瑪	Ethiopia 埃塞俄比亞	5,000	Re-commenced trial production in 2021 於二零二一年重新開始試產

原材料採購

本集團亞麻紗的主要原材料—亞麻纖維—主要從法國、比利時和荷蘭等優質亞麻產地的供應商進口。本集團是以上產地最大的採購商之一，與供應商建立了長期的業務關係。於回顧期間，本集團在海外採購約13,955噸（截至二零二零年六月三十日止六個月：15,346噸）原材料，按年減少約9%。採購平均單位價格約為每噸人民幣21,291元，較去年同期約人民幣27,430元減少約22.3%。本集團對亞麻紡織業的未來持樂觀態度。本集團的企業採購策略仍為維持生產規模及確保未來產量穩定。本集團將繼續密切監察國際市場發展情況，同時審慎制定採購計劃。

產能

於二零二一年六月三十日，本集團設有以下五個生產基地：

Management Discussion and Analysis 管理層討論及分析

The Group is equipped with advanced equipment for its unique spinning technique, namely wet spinning and long and short spinning, and can manufacture products with multiple specifications from 3nm to 75nm, thereby broadening its customers' choices and achieving higher satisfaction from them at the same time.

A total of 9,683 tonnes of linen and hemp yarn under various specifications was produced during the Review Period. The Group owns 72.73% of the equity interest of the Heilongjiang venture, namely Heilongjiang Jinda Flax Hemp Co., Ltd., and this is the Group's maiden attempt to explore the hemp yarn market. The Group believes that the hemp yarn market will grow rapidly in the next few years due to the national policy in China to promote the planting of hemp in the Heilongjiang region and the use of the hemp textile products. There were 348 tonnes of hemp yarn produced during the Review Period.

Apart from China, the Group has also committed to investing in Ethiopia. The investment is expected to help the Group outperform its competitors not only by helping the Group save land cost, labour cost, energy cost and tax expenses, but also by enabling the Group to benefit from the favourable treatment under the African Growth and Opportunity Act (AGOA), a legislation approved by the U.S. Congress which allows eligible apparel articles made in qualifying sub-Saharan African countries, including Ethiopia, to be imported without duty and quota. The Group also expects the investment to benefit from the Everything but Arms (EBA) initiative of the European Union for least developed countries (LDCs), which grants duty-free and quota-free access to all products into European Union countries, except for arms and ammunitions.

In order to ensure the well-being of the Group's employees in the Adama factory in Ethiopia, the factory operation in Ethiopia was halted last year but has re-commenced the trial production during the Review Period.

本集團擁有採用行業獨有的紡紗工藝—濕紡及長紡和短紡工藝的先進設備，並可生產3公支至75公支多種規格產品，為客戶提供更多產品選擇，更能滿足彼等的需求。

於回顧期間，合共生產多規格亞麻及漢麻紗9,683噸。本集團擁有黑龍江合資公司（即黑龍江金達麻業有限公司）的72.73%股權。此項投資為本集團進軍漢麻紗市場的首項舉措。本集團相信，受惠於中國推動黑龍江地區漢麻種植及漢麻紡織品使用的國策，漢麻紗市場將於未來數年急速增長。於回顧期間，已生產348噸漢麻紗。

除中國外，本集團亦致力投資於埃塞俄比亞。預期該項投資不僅有助本集團節省土地成本、勞工成本、能源成本及稅項開支，更可讓本集團受惠於非洲成長暨機會法案(AGOA)下的優惠待遇，因而使本集團較競爭對手更勝一籌。AGOA為美國國會批准的一項法例，准許以免關稅及無配額形式進口撒哈拉以南的合資格非洲國家（包括埃塞俄比亞）所生產的合資格服裝產品。本集團亦預計投資將從歐盟就最不發達國家採納「除武器外一切都行(EBA)」的倡議中獲益，給予所有進入歐盟國家的產品（武器及彈藥除外）免關稅及無配額的優惠待遇。

為確保本集團於埃塞俄比亞阿達瑪廠房的僱員的福祉，埃塞俄比亞廠房於去年停產，惟已於回顧期間重新開始試產。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

For the Review Period, the Group's revenue surged by approximately 78.3% to approximately RMB756,724,000 (six months ended 30 June 2020: RMB424,317,000). The increase of revenue was mainly attributable to the recovery in demand of linen yarn due to business activities resumption from the COVID-19 pandemic during the Review Period. An increase of approximately 104% was experienced in terms of sales quantity and thereby resulting in a total of 11,370 tonnes of linen yarn being sold during the Review Period (six months ended 30 June 2020: 5,567 tonnes). Sales to all regions had a year-on-year recovery, in particular, sales to each of the domestic, European Union and non-European Union regions increased by approximately 127.2%, 44.5% and 68.8%, respectively, during the Review Period.

The breakdown of revenue by sales regions is as follows:

		1H2021		1H2020		Year-on-year change in revenue 收入 同比變動 RMB'000 人民幣千元	Year-on-year change in revenue 收入 同比變動 %
		二零二一年上半年 RMB'000 人民幣千元	%	二零二零年上半年 RMB'000 人民幣千元	%		
China	中國	303,921	40.2%	133,763	31.5%	170,158	127.2%
European Union	歐盟	224,482	29.7%	155,314	36.6%	69,168	44.5%
Non-European Union	非歐盟	228,321	30.1%	135,240	31.9%	93,081	68.8%
Total Revenue	總收入	<u>756,724</u>	<u>100.0%</u>	<u>424,317</u>	<u>100.0%</u>	<u>332,407</u>	<u>78.3%</u>

財務回顧

收入

於回顧期間，本集團的收入飆升約78.3%至約人民幣756,724,000元（截至二零二零年六月三十日止六個月：人民幣424,317,000元）。收入增加主要是由於回顧期間業務活動從COVID-19疫情中恢復令亞麻紗需求回暖所致。於回顧期間，銷量增加約104%，導致銷售亞麻紗合共11,370噸（截至二零二零年六月三十日止六個月：5,567噸）。於回顧期間，所有地區的銷售額按年上升，尤其是國內、歐盟及非歐盟地區的銷售額各自分別上升約127.2%、44.5%及68.8%。

按銷售地區劃分的收入明細如下：

Management Discussion and Analysis

管理層討論及分析

Gross Profit and Gross Profit Margin

The Group's gross profit for the Review Period increased by approximately 84.9% to approximately RMB103,900,000 (six months ended 30 June 2020: approximately RMB56,198,000). Gross profit margin for the Review Period improved by approximately 0.5 percentage point to approximately 13.7% (six months ended 30 June 2020: approximately 13.2%) mainly due to improvement of operational efficiency of factories during the Review Period as compared to the partial shutdown of factories in early 2020 due to the COVID-19 pandemic.

Other Income and Gains

Other income and gains for the Review Period mainly comprises government grants and subsidies of approximately RMB1,001,000 (six months ended 30 June 2020: approximately RMB9,463,000), interest income of approximately RMB180,000 (six months ended 30 June 2020: approximately RMB328,000) and a net exchange gain of RMB1,295,000 (six months ended 30 June 2020: RMB5,399,000). There were more government grants and subsidies provided by the Chinese government in the first half of the previous year to assist corporates during the trade tension between the United States and China and the COVID-19 pandemic.

Selling and Distribution Expenses

The Group's selling and distribution expenses for the Review Period amounted to approximately RMB32,281,000 (six months ended 30 June 2020: approximately RMB15,947,000), which accounted for approximately 4.3% (six months ended 30 June 2020: approximately 3.8%) of the Group's total revenue. The increase in selling costs as a percentage of revenue was mainly due to the significant increase in sea freight costs during the Review Period, as a result of the COVID-19 pandemic.

毛利及毛利率

本集團於回顧期間的毛利增加約84.9%至約人民幣103,900,000元(截至二零二零年六月三十日止六個月:約人民幣56,198,000元)。回顧期間的毛利率上升約0.5個百分點至約13.7%(截至二零二零年六月三十日止六個月:約13.2%)，主要是由於與二零二零年初部分工廠因COVID-19疫情而關閉相比，回顧期間的工廠運營效率提升。

其他收益及得益

回顧期間的其他收益及得益主要包括政府補助及補貼約人民幣1,001,000元(截至二零二零年六月三十日止六個月:約人民幣9,463,000元)、利息收入約人民幣180,000元(截至二零二零年六月三十日止六個月:約人民幣328,000元)以及匯兌得益淨額人民幣1,295,000元(截至二零二零年六月三十日止六個月:人民幣5,399,000元)。於中美貿易衝突及COVID-19疫情期間，中國政府去年上半年提供更多政府補助及補貼以幫助企業。

銷售及分銷開支

本集團於回顧期間的銷售及分銷開支約為人民幣32,281,000元(截至二零二零年六月三十日止六個月:約人民幣15,947,000元)，佔本集團總收入約4.3%(截至二零二零年六月三十日止六個月:約3.8%)。回顧期間的銷售成本佔收入百分比上升，主要是由於海運成本因COVID-19疫情大幅增加所致。

Management Discussion and Analysis

管理層討論及分析

Administrative Expenses

The Group's administrative expenses for the Review Period amounted to approximately RMB37,354,000 (six months ended 30 June 2020: approximately RMB31,592,000), representing an increase of approximately 18.2% as compared with the corresponding period last year. The increase in the Group's administrative expenses was mainly due to additional staff costs arising from the increase in headcount and bonus of the Group and there was a reversal of share award expense of RMB1,790,000 in the corresponding period in previous year.

Other expenses

The Group's other expenses for the Review Period amounted to approximately RMB546,000 (six months ended 30 June 2020: approximately RMB1,683,000). The Group had donated RMB1,000,000 to the local community to combat the COVID-19 in the corresponding period previous year.

Finance Costs

Finance costs include net borrowing interest expense and interest on lease liabilities.

Net borrowing interests for the Review Period amounted to approximately RMB19,194,000 (six months ended 30 June 2020: approximately RMB11,230,000). Net borrowing interests represent the total interest expense on bank loans less amount capitalized attributable to capital assets.

An interest expense of approximately RMB2,706,000 was capitalized during the Review Period (six months ended 30 June 2020: approximately RMB10,209,000).

Interest on lease liabilities for the Review Period amounted to approximately RMB234,000 (six months ended 30 June 2020: RMB251,000).

Total finance costs for the Review Period amounted to approximately RMB19,428,000 (six months ended 30 June 2020: approximately RMB11,481,000).

行政開支

本集團於回顧期間的行政開支約為人民幣37,354,000元(截至二零二零年六月三十日止六個月：約人民幣31,592,000元)，較去年同期增加約18.2%。本集團的行政開支增加主要是由於本集團員工人數及花紅增加導致員工成本增加及去年同期轉回股份獎勵開支人民幣1,790,000元所致。

其他開支

本集團於回顧期間的其他開支約為人民幣546,000元(截至二零二零年六月三十日止六個月：約人民幣1,683,000元)。於去年同期，本集團已向當地社區捐款人民幣1,000,000元，用於應對COVID-19。

財務成本

財務成本包括借貸利息開支淨額及租賃負債利息。

回顧期間的借貸利息淨額約為人民幣19,194,000元(截至二零二零年六月三十日止六個月：約人民幣11,230,000元)。借貸利息淨額指銀行貸款的利息開支總額減資本資產應佔的已撥充資本金額。

於回顧期間撥充資本的利息開支約為人民幣2,706,000元(截至二零二零年六月三十日止六個月：約人民幣10,209,000元)。

回顧期間的租賃負債利息約為人民幣234,000元(截至二零二零年六月三十日止六個月：人民幣251,000元)。

回顧期間的財務成本總額約為人民幣19,428,000元(截至二零二零年六月三十日止六個月：約人民幣11,481,000元)。

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Income Tax Expense

Income tax expense for the Review Period amounted to approximately RMB5,698,000 (six months ended 30 June 2020: tax credit of approximately RMB336,000). The effective tax rate for the Review Period and the corresponding period in 2020 was approximately 31.7% and -3.1% respectively. The high effective tax rate was due to tax losses resulting from deferred tax assets of certain subsidiaries not being recognised during the Review Period. The negative effective tax rate for the corresponding period last year was due to the fact that the Company had been accruing the provision of dividend withholding tax using the standard rate of 10% but the relevant tax authorities had been charging at 5% in previous years. There was a net reversal of dividend withholding tax provision in the corresponding period last year.

Profit for the period

The Group recorded a profit for the Review Period of approximately RMB12,289,000 (six months ended 30 June 2020: RMB11,340,000), representing an increase of approximately 8.4% as compared with the corresponding period last year.

Minority interests

The minority interests of approximately RMB1,991,000 represents the share of the net loss of certain subsidiaries of the Group attributable to the minority shareholders during the Review Period (six months ended 30 June 2020: share of net profit of approximately RMB1,247,000).

Profit Attributable to Owners of the Parent

As a result of the aforesaid, the Group recorded a profit attributable to owners of the parent for the Review Period of approximately RMB14,280,000 (six months ended 30 June 2020: RMB10,093,000), representing an increase of approximately 41.5% as compared with the corresponding period last year.

所得稅開支

回顧期間的所得稅開支約為人民幣5,698,000元（截至二零二零年六月三十日止六個月：稅項抵免約人民幣336,000元）。回顧期間及二零二零年同期的實際稅率分別為約31.7%及-3.1%。實際稅率較高乃由於若干附屬公司的遞延稅項資產導致的稅項虧損並無於回顧期間確認。去年同期實際稅率為負的原因是本公司一直按10%的標準稅率計提股息預扣稅撥備，而相關稅務機構於過往年度只按5%稅率徵收。於去年同期產生股息預扣稅撥備轉回淨額。

期內溢利

本集團於回顧期間錄得溢利約人民幣12,289,000元（截至二零二零年六月三十日止六個月：人民幣11,340,000元），較去年同期增加約8.4%。

少數股東權益

約人民幣1,991,000元的少數股東權益指於回顧期間少數股東應佔本集團若干附屬公司應佔虧損淨額（截至二零二零年六月三十日止六個月：應佔純利約人民幣1,247,000元）。

母公司擁有人應佔溢利

由於上文所述，於回顧期間，本集團錄得母公司擁有人應佔溢利約人民幣14,280,000元（截至二零二零年六月三十日止六個月：人民幣10,093,000元），較去年同期增加約41.5%。

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Liquidity and Financial Resources

As at 30 June 2021, the Group had net current assets of approximately RMB120,451,000 (as at 31 December 2020: approximately RMB121,545,000). The Group financed its operations with internally generated resources and bank loans during the Review Period.

As at 30 June 2021, the Group had cash and cash equivalents of approximately RMB128,733,000 (as at 31 December 2020: approximately RMB166,761,000). The liquidity ratio of the Group as at 30 June 2021 was approximately 109.5% (as at 31 December 2020: approximately 109.1%).

Total equity of the Group as at 30 June 2021 was approximately RMB1,232,031,000 (as at 31 December 2020: approximately RMB1,227,235,000). As at 30 June 2021, the Group had interest bearing bank and other borrowings repayable within 12 months from the date of the statement of financial position of approximately RMB880,841,000 (as at 31 December 2020: approximately RMB962,399,000) and long-term interest bearing bank and other borrowings of approximately RMB52,067,000 (as at 31 December 2020: approximately RMB53,204,000). Together they represented a gross debt gearing ratio (i.e. total borrowings/total equity) amounted to approximately 75.7% (as at 31 December 2020: approximately 82.8%).

The Board believes that the Group's existing financial resources is relatively high. In the event that additional financing is required, the Group may consider all possible financing options, including capital raising in the capital market as and when appropriate, with an objective to maintain the Group's gearing ratio at a healthy level.

The Group's cash and cash equivalents as well as borrowings are mainly denominated in Renminbi, United States Dollars, Euro and Hong Kong Dollars.

流動資金及財務資源

於二零二一年六月三十日，本集團的流動資產淨值約為人民幣120,451,000元（於二零二零年十二月三十一日：約人民幣121,545,000元）。本集團於回顧期間以內部產生的資源及銀行貸款為營運提供資金。

於二零二一年六月三十日，本集團的現金及現金等價物約為人民幣128,733,000元（於二零二零年十二月三十一日：約人民幣166,761,000元）。本集團於二零二一年六月三十日的流動比率約為109.5%（於二零二零年十二月三十一日：約109.1%）。

本集團於二零二一年六月三十日的權益總額約為人民幣1,232,031,000元（於二零二零年十二月三十一日：約人民幣1,227,235,000元）。於二零二一年六月三十日，本集團須於由財務狀況表日期起計十二個月內償還的計息銀行及其他借貸約為人民幣880,841,000元（於二零二零年十二月三十一日：約人民幣962,399,000元），並有長期計息銀行及其他借貸約人民幣52,067,000元（於二零二零年十二月三十一日：約人民幣53,204,000元）。兩者反映的總資本負債率（即總借貸／權益總額）約為75.7%（於二零二零年十二月三十一日：約82.8%）。

董事會相信，本集團現有的財務資源處於相對較高水平。倘需額外資金，本集團可考慮一切可能的融資方案，包括於適當時在資本市場進行集資，旨在使本集團的資本負債率維持在穩健水平。

本集團的現金及現金等價物以及借貸主要以人民幣、美元、歐元及港元計值。

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CAPITAL COMMITMENTS

As at 30 June 2021, outstanding contractual capital commitments of the Group in respect of the purchase of property, plant and equipment not provided for in the interim condensed consolidated financial statements amounted to approximately RMB97,635,000 (as at 31 December 2020: approximately RMB100,889,000). As at 30 June 2021, there was no capital commitment authorised but not contracted for (as at 31 December 2020: Nil).

CONTINGENT LIABILITIES

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

CHARGE ON ASSETS

As at 30 June 2021, the current interest-bearing bank loans with a carrying amount of RMB383,184,000 were secured by certain property, plant and equipment, prepaid land lease payments, and inventories with carrying amounts of approximately RMB240,872,000 (31 December 2020: RMB252,403,000), approximately RMB55,403,000 (31 December 2020: RMB56,029,000), approximately RMB40,000,000 (31 December 2020: RMB40,000,000), respectively.

MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures during the Review Period.

SIGNIFICANT INVESTMENTS HELD

The Group did not have any significant investment held during the Review Period.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Save for the ongoing investment in our Ethiopia factory project, various up-keeping and maintenance of existing factory projects and to build a new warehouse in Heilongjiang, the Directors confirmed that as at the date of this report, there are no current plan to acquire any material investment or capital assets.

資本承擔

於二零二一年六月三十日，本集團就購買物業、廠房及設備未在中期簡明合併財務報表內計提的未償還合約資本承擔約為人民幣97,635,000元（於二零二零年十二月三十一日：約人民幣100,889,000元）。於二零二一年六月三十日，本集團並無已授權但尚未訂約的資本承擔（於二零二零年十二月三十一日：無）。

或有負債

於二零二一年六月三十日，本集團並無任何或有負債。

資產押記

於二零二一年六月三十日，賬面金額為人民幣383,184,000元的即期計息銀行貸款以賬面金額分別約人民幣240,872,000元（二零二零年十二月三十一日：人民幣252,403,000元）、約人民幣55,403,000元（二零二零年十二月三十一日：人民幣56,029,000元）及約人民幣40,000,000元（二零二零年十二月三十一日：人民幣40,000,000元）的若干物業、廠房及設備、預付土地租賃款項及存貨作抵押。

重大收購及出售

於回顧期間，本集團並無任何附屬公司、聯營公司及合營公司的重大收購或出售。

所持重大投資

本集團於回顧期間並無持有任何重大投資。

重大投資或資本資產的未來計劃

除對埃塞俄比亞工廠項目的持續投資、現有工廠項目的各種維護保養及於黑龍江省建立新倉庫外，董事確認於本報告日期，目前並無計劃收購任何重大投資或資本資產。

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FOREIGN CURRENCY EXPOSURE

The Group's transactions are mainly denominated in Renminbi, United States Dollars, Euros and Hong Kong Dollars. The exchange rate fluctuations of such currencies are monitored regularly and managed appropriately. Currently, the Company has also entered into certain foreign currency forward contracts and derivative financial instruments by utilising its credit line. There were derivative financial instruments assets of RMB431,000 as at 30 June 2021 (as at 31 December 2020: Nil).

REMUNERATION POLICY

As at 30 June 2021, the Group had a total of 3,254 employees (30 June 2020: 3,207 employees). Total staff costs incurred for the Review Period amounted to approximately RMB66,445,000 (six months ended 30 June 2020: RMB69,532,000).

The Group offers comprehensive and competitive remuneration, retirement scheme and benefit packages to its employees. The Group is required to make contributions to a social security scheme in China. Moreover, the Group and its employees in China are each required to make contributions to fund pension insurance and unemployment insurance at rates specified in the relevant laws and regulations in China.

The remuneration policy for the employees of the Group is formulated by the Board with reference to the employee's respective qualification, experience, responsibilities and contributions to the Group, as well as the prevailing market rate of remuneration for a similar position. The remuneration of the Directors are determined by the Board and the remuneration committee of the Company with the mandate given by the shareholders at the annual general meeting having regard to the Group's operating results, individual performance and comparable market statistics. The Group also provides both internal and external training programmes for its employees from time to time.

外幣風險

本集團的交易主要以人民幣、美元、歐元及港元計值。本集團定期監察並妥善管理該等貨幣之間的匯率波動。目前，本公司亦運用信貸額訂立了若干外幣遠期合約及衍生金融工具。於二零二一年六月三十日，本集團有人民幣431,000元的衍生金融工具資產（於二零二零年十二月三十一日：無）。

薪酬政策

於二零二一年六月三十日，本集團合共聘有3,254名僱員（二零二零年六月三十日：3,207名僱員）。回顧期間產生的員工總成本約為人民幣66,445,000元（截至二零二零年六月三十日止六個月：人民幣69,532,000元）。

本集團為其僱員提供全面及具競爭力的薪酬、退休計劃及福利待遇。本集團須向中國社會保障計劃供款。此外，本集團及其中國僱員須各自按有關中國法律及法規訂明的水平向養老保險及失業保險作出供款。

本集團僱員的薪酬政策由董事會參照各僱員的資歷、經驗、所承擔責任、對本集團的貢獻及類似職位的現行市場薪酬水平制定。董事會及本公司薪酬委員會獲股東於股東週年大會上授權，根據本集團經營業績、董事個別表現及可比較市場數字釐定董事薪酬。本集團亦不時為其僱員提供內部及外部培訓課程。

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The Group has also adopted a share option scheme and a share award plan for the purpose of providing incentives and rewards to the Directors, including independent non-executive Directors, and other employees of the Group who have contributed to the success of the Group's operations.

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

MISCELLANEOUS

The Board is of the opinion that there have been no material changes to the information published in the Company's annual report for the year ended 31 December 2020, other than those disclosed in this interim report.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

The Group is principally engaged in the manufacturing of linen yarn and the sale of the products to over 20 countries. Overseas sales are invoiced in United States Dollars, except for sales by the Group's subsidiary in Italy which are invoiced in Euros. Domestic sales in China are invoiced in Renminbi. Raw materials (fiber flax) are imported from Europe. The principal risks and uncertainties facing the Group include the demand for linen yarn, protectionism of certain countries and possible punitive tariffs of products made in China, stable supplies of raw materials, depreciation of United States Dollars against Renminbi, the implementation risks of the new expansion project in Ethiopia, and outbreak of epidemic causing disruption of production.

OUTLOOK AND PLANS

With the COVID-19 vaccination programs being rolled out for most of the countries in the world, business operation is gradually getting back to normal. No massive and prolong period of lock down is expected in the future.

The trade tension between the United States and China is expected to continue in the foreseeable future and unilateral sanction and retaliation cannot be ruled out.

本集團亦已採納購股權計劃及股份獎勵計劃，目的為向對本集團業務的成功作出貢獻的董事（包括獨立非執行董事）及本集團的其他僱員提供激勵及獎勵。

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

雜項資料

董事會認為，除本中期報告所披露者外，本公司截至二零二零年十二月三十一日止年度的年報內所刊發的資料並無重大變動。

本集團面對的主要風險及不明朗因素

本集團主要從事亞麻紗生產，並向超過20個國家銷售產品。海外銷售的發票以美元為單位，惟本集團的意大利附屬公司進行銷售的發票則以歐元為單位。中國內地銷售的發票以人民幣為單位。原材料（亞麻纖維）從歐洲進口。本集團面對的主要風險及不明朗因素包括對亞麻紗的需求、若干國家的貿易保護主義及可能對中國製產品徵收懲罰性關稅、穩定的原材料供應、美元兌人民幣貶值、埃塞俄比亞新擴充項目的執行風險及導致生產中斷的疫情爆發。

前景及計劃

隨著COVID-19疫苗接種計劃在世界上大多數國家開展，業務運營正在逐漸恢復正常。預計未來不會出現大規模及長時間的封鎖。

預計中美貿易衝突於可預見未來仍將持續，不排除單邊制裁及報復的可能性。

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Despite facing many challenges including but not limited to the COVID-19 pandemic and civil unrest in Ethiopia, the Group's factory in Ethiopia has gradually been put into production and its first batch of finished products was shipped out in August 2021 and hopefully production will gradually ramp up in the near future.

The Group has partnered with COTTONCONNECT from the United Kingdom for the development of REEL Linen Code of Conduct in last year. REEL stands for "Responsible Environment, Enhanced Livelihoods". REEL Linen Code of Conduct is a social responsibility initiative committed to the improvement and promotion of environmental safety, quality responsibility and traceability of the global flax industry from farm to yarn, and to promote the sustainable development of the whole industry chain from planting to end user. The Company will continue to promote the REEL Linen Code of Conduct for the sustainability of the linen industry.

儘管面臨包括但不限於COVID-19疫情及埃塞俄比亞內亂等諸多挑戰，本集團於埃塞俄比亞的廠房已逐步投產，第一批成品於二零二一年八月發貨，希望產量在不久的將來逐步提高。

本集團去年與英國的康特耐 (COTTONCONNECT) 合作制定瑞優亞麻行為守則。瑞優代表「對環境負責，讓生活改善」。瑞優亞麻行為守則為一項社會責任倡議，致力於改善及促進全球亞麻行業由農場到紗線的環境安全、質量責任及可追溯性，促進由種植到終端用戶的全產業鏈的可持續發展。本公司將繼續推廣瑞優亞麻行為守則，以促進亞麻行業的可持續發展。

Disclosure of Interests 權益披露

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

董事及最高行政人員於股份、相關股份及債券擁有的權益及淡倉

As at 30 June 2021, the Directors and their associates had the following interests in the Shares of the Company (the "Shares"), underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), or which were recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"):

於二零二一年六月三十日，董事及彼等的聯繫人於本公司股份（「股份」）、本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的相關股份及債券中擁有，或已記入證券及期貨條例第352條規定存置的登記冊的權益，或按照香港聯合交易所有限公司證券上市規則（「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」）須另行知會本公司及香港聯合交易所有限公司（「聯交所」）的權益如下：

Long positions in Shares

股份的好倉

Ordinary Shares of HK\$ 0.01 each 每股面值0.01港元的普通股

Name of Director	董事姓名	Personal interests	Corporate interests	Total number of Shares held	Approximately percentage of issued share capital (%)
		(Note 1)			
		個人權益 (附註1)	公司權益	所持股份總數	佔已發行股本 概約百分比(%)
Mr. Ren Weiming	任維明先生	12,072,000	302,800,000 (Note 2) (附註2)	314,872,000	50.01
Mr. Ngan Kam Wai Albert	顏金煒先生	418,000	67,000,000 (Note 3) (附註3)	67,418,000	10.71
Ms. Shen Hong	沈鴻女士	504,000	–	504,000	0.08

Notes:

附註：

1. The Shares are registered under the names of the Directors who are the beneficial Shareholders.

1. 該等股份以作為實益股東的董事的名義登記。

Disclosure of Interests 權益披露

2. Mr. Ren Weiming holds approximately 76.38% of the issued share capital of Kingdom Investment (BVI) (as defined below). Mr. Ren therefore holds a controlling interest in Kingdom Investment (BVI) and is deemed under the SFO to be interested in the Shares held by Kingdom Investment (BVI).
2. Kingdom Investment (BVI) (定義見下文) 由任維明先生持有約76.38%的已發行股本。因此，任先生對Kingdom Investment (BVI)持有控制權益。根據證券及期貨條例，任先生因而被視為於由Kingdom Investment (BVI)持有的股份中擁有權益。
3. Mr. Ngan Kam Wai Albert and Ms. Ngan Chan Kattie Sau Kat, the spouse of Mr. Ngan, holds approximately 51.00% and 23.00% of the issued share capital of Millionfull International (as defined below) and 57.98% and 29.76% of the issued share capital of Millionfull Company Limited, respectively. Mr. Ngan therefore holds controlling interests in both Millionfull International and Millionfull Company Limited and is deemed under the SFO to be interested in 64,800,000 Shares, i.e. 10.29%, held by Millionfull International and 2,200,000 Shares, i.e. 0.35%, held by Millionfull Company Limited.
3. Millionfull International (定義見下文) 由顏金煒先生及顏陳秀吉女士(顏先生的配偶)分別持有約51.00%及23.00%的已發行股本，而億裕有限公司則由彼等分別持有57.98%及29.76%的已發行股本。因此，顏先生對Millionfull International及億裕有限公司持有控制權益。根據證券及期貨條例，顏先生因而被視為於由Millionfull International持有的64,800,000股股份(即10.29%)及由億裕有限公司持有的2,200,000股股份(即0.35%)中擁有權益。

Share options

As at 30 June 2021, no share options were granted to the Directors or any of their associates.

Save as disclosed above, as at 30 June 2021, none of the Directors or their associates had or were deemed to have any interests or short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the Review Period was the Company or any of its subsidiary companies a party or parties to any arrangement to enable the Directors to acquire benefits by means of acquisition of Shares in or debentures of the Company or any other body corporate.

購股權

於二零二一年六月三十日，並無授出購股權予董事或彼等任何的聯繫人。

除以上所披露者外，於二零二一年六月三十日，概無董事或彼等的聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有或被視為擁有已記入證券及期貨條例第352條規定存置的登記冊，或按照標準守則已另行知會本公司及聯交所的任何權益或淡倉。

除以上所披露者外，本公司或其任何附屬公司於回顧期間任何時候均無訂立任何安排，使董事以收購本公司或任何其他法人團體的股份或債券的方式獲得利益。

Disclosure of Interests 權益披露

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

So far as it is known to the Directors, as at 30 June 2021, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the Shares or underlying shares of the Company which were recorded in the register required to be kept under Section 336 of the SFO:

Long positions in Shares

Name of Shareholder 股東名稱	Capacity 身份	Number of Shares 股份數目	Approximately percentage of issued share capital (%) 佔已發行股本概約百分比(%)
Kingdom Investment Holdings Limited ("Kingdom Investment (BVI)") (Note 1) Kingdom Investment Holdings Limited (「Kingdom Investment (BVI)」) (附註1)	Beneficial owner 實益擁有人	302,800,000	48.09
Millionfull International Co., Ltd. ("Millionfull International") (Note 2) Millionfull International Co., Ltd. (「Millionfull International」) (附註2)	Beneficial owner 實益擁有人	64,800,000	10.29

Notes:

- Kingdom Investment (BVI) is owned as to 76.38% by Mr. Ren Weiming, an executive Director and substantial Shareholder of the Company.
- Millionfull International is owned as to 51.00% by Mr. Ngan Kam Wai Albert, a non-executive Director, and 23.00% by Ms. Ngan Chan Kattie Sau Kat, the spouse of Mr. Ngan.

Save as disclosed above, as at 30 June 2021, the Company had not been notified by any person, other than a Director or chief executive of the Company, who had interests or short positions in the Shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO.

主要股東的權益及淡倉

就董事目前所知，於二零二一年六月三十日，以下人士（董事或本公司最高行政人員除外）於本公司股份或相關股份中擁有已記入證券及期貨條例第336條規定存置的登記冊的權益或淡倉：

股份好倉

附註：

- 本公司執行董事兼主要股東任維明先生擁有 Kingdom Investment (BVI) 76.38%的權益。
- 非執行董事顏金煒先生及顏陳秀吉女士（顏先生的配偶）分別擁有 Millionfull International 51.00% 及 23.00%的權益。

除以上所披露者外，於二零二一年六月三十日，本公司並無獲任何人士（董事或本公司最高行政人員除外）知會，其於本公司的股份或相關股份中擁有已記入證券及期貨條例第336條規定由本公司存置的登記冊的權益或淡倉。

Corporate Governance and Other Information

企業管治及其他資料

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

The Company or any of its subsidiaries did not purchase, sell or redeem any of the Company's listed securities during the Review Period.

CORPORATE STRATEGY AND LONG-TERM BUSINESS MODEL

The primary objective of the Group is to enhance long-term total return for Shareholders. The strategy of the Group is to deliver sustainable returns with solid financial fundamentals. To achieve this objective, the Company strives to be one of the largest linen yarn manufacturers in the world through implementation of strategic global production layout, its commitment to sustainable development and technical innovation, developing proprietary intellectual property rights, branding of products and pursuing advanced management for lean management and excellent performance to generate or preserve value over a longer term. The management discussion and analysis contains discussions and analyses of the performance of the Group and the basis on which the Group generates or preserves value over the long term and the strategy for delivering the objective of the Group.

INTERIM DIVIDEND

The Board has resolved not to recommend any interim dividend for the six months ended 30 June 2021 (30 June 2020: Nil).

根據上市規則的持續披露責任

本公司並無任何其他須根據上市規則第13.20、13.21及13.22條作出披露的責任。

購買、出售或贖回本公司上市股份

本公司或其任何附屬公司於回顧期間概無購買、出售或贖回本公司任何上市證券。

企業策略及長期業務模式

本集團的主要目標為提升股東長遠回報總額。本集團的策略為打造堅實的財務基礎，落實持續回報。為實現此目標，本公司實施了生產佈局全球化的策略，致力於可持續發展及技術創新，開發自主知識產權，產品品牌營銷，追求卓越管理從而達致精益管理及優秀表現，銳意成為全球最大型亞麻紗製造商之一，長期創造或維持價值。管理層討論及分析載有本集團表現的討論及分析，本集團長遠取得或維持有關價值的基礎，以及實現本集團目標的策略。

中期股息

董事會議決不建議就截至二零二一年六月三十日止六個月宣派任何中期股息（二零二零年六月三十日：無）。

Corporate Governance and Other Information 企業管治及其他資料

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the “Scheme”) on 30 May 2016, for the purpose of providing rewards and incentives to any Director, employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group who have contributed to the success of the Group’s operations. No option has been granted under the Scheme since its adoption on 30 May 2016.

SHARE AWARD PLAN

The Company has adopted a share award plan (the “Share Award Plan”) on 26 August 2016. The purpose of the Share Award Plan is to incentivise, recognize and reward eligible persons for their contribution to the Group, attract and retain personnel, and align the interests of award holders with that of the Shareholders to promote the long-term development and financial performance of the Company.

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

The Trustee had purchased an aggregate of 19,400,000 Shares on the market in 2017 as reserve for any future award of Shares and held them on trust for the selected eligible persons pursuant to the terms and conditions of the rules of the Share Award Plan and the trust deed. No Share was purchased by the Trustee during the Review Period.

On 25 May 2018, 19,400,000 Shares have been awarded to selected persons of which 19,370,000 Shares have been accepted pursuant to the Share Award Plan.

購股權計劃

本公司於二零一六年五月三十日採納購股權計劃（「計劃」），旨在向任何曾對本集團業務成功作出貢獻的董事、本集團的僱員、顧問、客戶、供應商、代理、業務夥伴、諮詢人或承辦商提供獎勵及激勵。自二零一六年五月三十日採納起，概無購股權根據計劃獲授出。

股份獎勵計劃

本公司已於二零一六年八月二十六日採納股份獎勵計劃（「股份獎勵計劃」）。股份獎勵計劃之目的為激勵、認可及獎勵合資格人士為本集團作出的貢獻、吸引及挽留人員以及使獎勵持有人與股東利益一致，以推動本公司長期發展及提升本公司財務表現。

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

於二零一七年，受託人已根據股份獎勵計劃規則及信託契約的條款及條件，於市場上購買合共 19,400,000 股股份作為任何未來股份獎勵的儲備，並以信託方式為獲選合資格人士持有該等股份。受託人於回顧期間概無購買股份。

於二零一八年五月二十五日，已根據股份獎勵計劃向獲選人士授出 19,400,000 股股份，其中 19,370,000 股股份已獲接納。

Corporate Governance and Other Information

企業管治及其他資料

On 25 May 2019, 1,010,000 of the awarded Shares which have been vested were transferred from the Trustee to the names of 29 awardees.

On 29 April 2020, 5,159,250 of the awarded Shares which have been vested were transferred from the Trustee to the names of 51 awardees. In addition, 1,000,000 granted Shares were returned to the share pool due to resignation of relevant employees during the year ended 31 December 2020.

No awarded Shares were vested during the Review Period as the vesting condition on performance target for the year 2020 was not satisfied.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code and devised its own code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard as set out in the Model Code. Having made specific enquiries with all Directors, all Directors have confirmed that they have complied with the required standards as set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions for the Review Period and up to the publication date of this interim report.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF THE LISTING RULES

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organisation which is open and accountable to the Company's Shareholders. The Directors believe that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. In the opinion of the Directors, save for the deviation to code provision A.2.1 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules (the "Code") as disclosed below, the Company has complied with all the code provisions set out in the Code throughout the Review Period.

於二零一九年五月二十五日，獲歸屬的1,010,000股獎勵股份已由受託人轉移至29位承授人名下。

於二零二零年四月二十九日，獲歸屬的5,159,250股獎勵股份已由受託人轉移至51位承授人名下。此外，截至二零二零年十二月三十一日止年度，1,000,000股已授出股份因相關員工辭職而退回股份池。

由於二零二零年績效目標的歸屬條件未獲達成，故於回顧期間概無歸屬任何獎勵股份。

董事進行證券交易的標準守則

本公司已就董事進行證券交易採納標準守則並制定其自身行為守則，其條款不遜於標準守則所載的規定標準。經向全體董事作出特定查詢後，全體董事已確認於回顧期間及直至本中期報告之刊發日期，彼等一直遵守標準守則所載的規定標準及本公司有關董事進行證券交易的行為守則。

遵守上市規則企業管治守則

本公司致力建立良好企業管治常規及程序，以成為具透明度及負責任的組織，並對本公司股東公開及負責。董事相信，良好企業管治常規對維持及提升投資者信心日益重要。董事認為，除下文所披露的偏離上市規則附錄十四所載企業管治守則（「守則」）之守則條文第A.2.1條的情況外，本公司於整個回顧期間一直遵守守則所載的所有守則條文。

Corporate Governance and Other Information

企業管治及其他資料

Code Provision A.2.1

Under code provision A.2.1 of the Code, the roles of the chairman and chief executive officer of the Company should be separated and should not be performed by the same individual. The Company does not have any officer with the title of “chief executive officer”. Mr. Ren Weiming, who acts as the chairman of the Company, is also responsible for overseeing the general operations of the Group. The Board meets regularly to consider major matters affecting the operations of the Group. Given the nature and extent of the Group’s operation and Mr. Ren’s extensive experience in the industry, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and is conducive to strong and consistent leadership, enabling the Company to operate efficiently.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company (the “**Audit Committee**”) was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and with written terms of reference in compliance with the Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Group as well as the Group’s internal audit function and to provide advice and comments to the Board. The Audit Committee comprises three members who are all independent non-executive Directors, namely, Mr. Lau Ying Kit, Mr. Yan Jianmiao and Mr. Lo Kwong Shun Wilson. Mr. Lau Ying Kit, who has appropriate professional qualifications and experience in accounting matters, was appointed as the chairman of the Audit Committee. The interim results of the Group for the Review Period and this interim report have been reviewed with no disagreement by the Audit Committee.

APPRECIATION

The chairman of the Company would like to take this opportunity to thank his fellow Directors for their invaluable advice and guidance, and to each and every one of the staff of the Group for their hard work and loyalty to the Group.

守則條文第A.2.1條

根據守則的守則條文第A.2.1條，本公司主席及行政總裁應有職責分工，兩職不應由同一人士擔任。本公司並無任何高級職員擁有「行政總裁」職銜。任維明先生為本公司主席，亦負責監察本集團一般營運。董事會定期舉行會議，以考慮影響本集團營運的主要事宜。基於本集團業務性質及規模，以及任先生於業內的豐富經驗，董事會認為此架構將不會損害董事會與本公司管理層之間的權力及職權平衡，且有助於建立有力而穩定的領導層，使本公司能有效營運。

審核委員會及中期業績審閱

本公司已遵照上市規則第3.21及3.22條成立審核委員會（「**審核委員會**」），並訂出符合守則的書面職權範圍。審核委員會的主要職責為檢討及監察本集團財務申報程序、風險管理及內部監控制度以及本集團內部審核職能，並向董事會提供意見及評議。審核委員會由三名均屬獨立非執行董事的成員組成，分別為劉英傑先生、嚴建苗先生及羅廣信先生，而於會計事宜擁有適當專業資格及經驗的劉英傑先生獲委任為審核委員會主席。本集團於回顧期間的中期業績及本中期報告已由審核委員會審閱，並無不同意之處。

致謝

本公司主席希望藉此機會感謝眾位董事給予寶貴意見及指導，以及本集團各員工為本集團勤奮工作及忠誠服務。

Interim Condensed Consolidated Statement of Profit or Loss

中期簡明合併損益表

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

		For the six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
REVENUE FROM CONTRACTS WITH CUSTOMERS	客戶合約收入	4	756,724
Cost of sales	銷售成本		(652,824)
Gross profit	毛利		103,900
Other income and gains	其他收益及得益	4	3,696
Selling and distribution expenses	銷售及分銷開支		(32,281)
Administrative expenses	行政開支		(37,354)
Other expenses	其他開支		(546)
Finance costs	財務成本	5	(19,428)
PROFIT BEFORE TAX	除稅前溢利	6	17,987
Income tax (expense)/credit	所得稅 (開支) / 抵免	7	(5,698)
PROFIT FOR THE PERIOD	期內溢利		12,289
Attributable to:	由下列項目應佔：		
Owners of the parent	母公司擁有人		14,280
Non-controlling interests	非控制性權益		(1,991)
			12,289
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權益持有人應佔每股盈利		
Basic	基本	9	RMB人民幣0.02元
Diluted	攤薄	9	RMB人民幣0.02元

Interim Condensed Consolidated Statement of Comprehensive Income

中期簡明合併全面收益表

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

For the six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
PROFIT FOR THE PERIOD	期內溢利	12,289	11,340
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	將於往後期間重新分類至損益的其他全面收益：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(493)	236
TOTAL COMPREHENSIVE INCOME, FOR THE PERIOD	期內全面收益總額	11,796	11,576
Attributable to:	由下列項目應佔：		
Owners of the parent	母公司擁有人	13,787	10,329
Non-controlling interests	非控制性權益	(1,991)	1,247
		11,796	11,576

Interim Condensed Consolidated Statement of Financial Position

中期簡明合併財務狀況表

As at 30 June 2021 於二零二一年六月三十日

			30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
	<i>Notes</i> <i>附註</i>			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment		物業、廠房及設備	1,065,843	1,050,539
Investment property		投資物業	5,432	5,729
Right-of-use assets		使用權資產	87,791	72,084
Other intangible assets		其他無形資產	4,295	4,158
Prepayments for equipment		設備預付款項	756	22,570
Deferred tax assets		遞延稅項資產	19,358	23,277
Other non-current assets		其他非流動資產	407	407
Total non-current assets		非流動資產總值	1,183,882	1,178,764
CURRENT ASSETS		流動資產		
Inventories		存貨	718,868	793,825
Trade and notes receivables		應收貿易賬款及應收票據	388,566	375,836
Prepayments, deposits and other receivables		預付款、押金及其他應收款項	88,601	85,947
Derivative financial instruments		衍生金融工具	431	-
Pledged deposits		已抵押存款	63,477	32,889
Cash and cash equivalents		現金及現金等價物	128,733	166,761
Total current assets		流動資產總值	1,388,676	1,455,258
CURRENT LIABILITIES		流動負債		
Trade and notes payables		應付貿易賬款及應付票據	235,149	198,863
Other payables and accruals		其他應付款項及預提費用	138,432	159,501
Interest-bearing bank and other borrowings		計息銀行及其他借貸	880,841	962,399
Dividend payable		應付股息	185	188
Tax payable		應付稅項	13,618	12,762
Total current liabilities		流動負債總額	1,268,225	1,333,713
NET CURRENT ASSETS		流動資產淨值	120,451	121,545
TOTAL ASSETS LESS CURRENT LIABILITIES		資產總值減流動負債	1,304,333	1,300,309

Interim Condensed Consolidated Statement of Financial Position

中期簡明合併財務狀況表

As at 30 June 2021 於二零二一年六月三十日

		30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	1,304,333	1,300,309
NON-CURRENT LIABILITIES	非流動負債		
Deferred tax liabilities	遞延稅項負債	20,235	19,870
Interest-bearing bank and other borrowings	計息銀行及其他借貸	52,067	53,204
	Notes 附註		
Total non-current liabilities	非流動負債總額	72,302	73,074
Net assets	資產淨值	1,232,031	1,227,235
EQUITY	權益		
Equity attributable to owners of the parent	母公司擁有人應佔權益		
Share capital	股本	6,329	6,329
Treasury shares	庫存股份	(13,305)	(13,305)
Reserves	儲備	1,206,107	1,192,320
		1,199,131	1,185,344
Non-controlling interests	非控制性權益	32,900	41,891
Total equity	權益總額	1,232,031	1,227,235

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明合併權益變動表

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

		Attributable to owners of the parent 母公司擁有人應佔									
		Issued capital 已發行股本	Share premium 股份溢價	Treasury shares 庫存股份	Merger reserve 合併儲備	Statutory reserve 法定儲備	Exchange reserve 匯兌儲備	Retained profits 保留溢利	Total 總計	Non-controlling interests 非控制性權益	Total equity 權益總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2020 (audited)	於二零二零年十二月三十一日 (經審核)	6,329	269,226	(13,305)	196,816	145,113	(2,662)	583,827	1,185,344	41,891	1,227,235
Profit/(Loss) for the period	期內溢利/(虧損)	-	-	-	-	-	-	14,280	14,280	(1,991)	12,289
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	-	-	(493)	-	(493)	-	(493)
Total comprehensive income/(loss) for the period	期內全面收益/(虧損) 總額	-	-	-	-	-	(493)	14,280	13,787	(1,991)	11,796
Dividend paid to non-controlling shareholders	支付予非控股股東的股息	-	-	-	-	-	-	-	-	(7,000)	(7,000)
At 30 June 2021 (unaudited)	於二零二一年六月三十日 (未經審核)	<u>6,329</u>	<u>269,226</u>	<u>(13,305)</u>	<u>196,816</u>	<u>145,113</u>	<u>(3,155)</u>	<u>598,107</u>	<u>1,199,131</u>	<u>32,900</u>	<u>1,232,031</u>

		Attributable to owners of the parent 母公司擁有人應佔										
		Issued capital 已發行股本	Share premium 股份溢價	Treasury shares 庫存股份	Merger reserve 合併儲備	Statutory reserve 法定儲備	Share award reserve 股份獎勵儲備	Exchange reserve 匯兌儲備	Retained profits 保留溢利	Total 總計	Non-controlling interests 非控制性權益	Total equity 權益總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2019 (audited)	於二零一九年十二月三十一日 (經審核)	6,329	270,308	(18,493)	196,816	144,757	8,401	(2,996)	632,688	1,237,810	43,085	1,280,895
Profit for the period	期內溢利	-	-	-	-	-	-	-	10,093	10,093	1,247	11,340
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	-	-	-	236	-	236	-	236
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	-	236	10,093	10,329	1,247	11,576
Equity-settled share awards plan	以權益結算股份獎勵計劃	-	-	-	-	-	(4,295)	-	-	(4,295)	-	(4,295)
Transfer of share award plan reserve upon the vesting	於歸屬時轉撥股份獎勵計劃儲備	-	(1,082)	5,188	-	-	(4,106)	-	-	-	-	-
Final 2019 dividend declared	已宣派二零一九年末期股息	-	-	-	-	-	-	-	(39,484)	(39,484)	-	(39,484)
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	<u>6,329</u>	<u>269,226</u>	<u>(13,305)</u>	<u>196,816</u>	<u>144,757</u>	<u>-</u>	<u>(2,760)</u>	<u>603,297</u>	<u>1,204,360</u>	<u>44,332</u>	<u>1,248,692</u>

Interim Condensed Consolidated Statement of Cash Flows

中期簡明合併現金流量表

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

		For the six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動的現金流量		
Profit before tax	除稅前溢利	17,987	11,004
Adjustments for:	調整項目：		
Fair value gain on derivative financial instruments transactions not qualifying as hedges	不合資格作對沖的衍生金融工具交易的公允價值得益	(431)	-
Reversal of equity-settled share award expenses	以權益結算股份獎勵開支轉回	-	(4,295)
Depreciation	折舊	38,308	33,775
Depreciation of right-of-use assets	使用權資產折舊	2,341	2,019
Amortisation of intangible assets	無形資產攤銷	272	273
Provision for impairment of inventories	存貨減值撥備	716	3,054
(Gains)/Losses on disposal of items of property, plant and equipment	出售物業、廠房及設備項目(得益)/虧損	(311)	69
Provision for impairment of trade and notes receivables	應收貿易賬款及應收票據減值撥備	1,783	786
Finance costs	財務成本	19,428	11,481
Bank interest income	銀行利息收入	(180)	(328)
		79,913	57,838
Decrease/(Increase) in inventories	存貨減少/(增加)	74,241	(150,528)
(Increase)/Decrease in trade and notes receivables	應收貿易賬款及應收票據(增加)/減少	(14,513)	113,919
(Increase)/Decrease in prepayments and other assets	預付款及其他資產(增加)/減少	(2,654)	6,829
Proceeds from pledged deposits	已抵押存款的所得款項	49,894	85,972
New pledged deposits	新造已抵押存款	(90,015)	(76,868)
Increase in derivative financial instruments	衍生金融工具增加	-	198
Increase/(Decrease) in trade and notes payables	應付貿易賬款及應付票據增加/(減少)	36,286	(194,722)
Decrease in other payables and accruals	其他應付款項及預提費用減少	(36,072)	(19,018)
Cash generated from/(used in) operations	經營產生/(所用)的現金	97,080	(176,380)
Interest received	已收利息	180	328
Income tax paid	已付所得稅	(573)	(21,027)
Net cash flows generated from/(used in) operating activities	經營活動產生/(所用)的現金流量淨額	96,687	(197,079)

Interim Condensed Consolidated Statement of Cash Flows

中期簡明合併現金流量表

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

For the six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動的現金流量		
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	(29,034)	(7,992)
Prepayments for land lease payment	土地租賃付款預付款項	(18,047)	–
Prepayments for equipment	設備預付款項	(756)	(16,638)
Proceeds from disposal of items of property, plant and equipment and other intangible assets	出售物業、廠房及設備項目及其他無形資產所得款項	893	111
Proceeds from disposal of a subsidiary	出售一家附屬公司所得款項	15,000	–
Net cash flows used in investing activities	投資活動所用的現金流量淨額	<u>(31,944)</u>	<u>(24,519)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動的現金流量		
New bank loans	新造銀行貸款	761,914	931,259
Repayment of bank loans	償還銀行貸款	(843,258)	(705,754)
Interest paid	已付利息	(22,134)	(21,690)
Principal portion of lease payment	租賃付款本金部分	(1,351)	(1,032)
Proceeds from pledged deposits	已抵押存款的所得款項	21,475	104,327
New pledged deposits	新造已抵押存款	(11,942)	(76,892)
Dividends paid to non-controlling shareholders	支付予非控股股東的股息	(7,000)	–
Net cash flows generated from financing activities	融資活動產生的現金流量淨額	<u>(102,296)</u>	<u>230,218</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨額	<u>(37,553)</u>	<u>8,620</u>
Cash and cash equivalents at beginning of period	期初現金及現金等價物	166,761	144,798
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(475)	236
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	<u><u>128,733</u></u>	<u><u>153,654</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	128,733	153,654
Cash and cash equivalents as stated in the statement of financial position	財務狀況表所列的現金及現金等價物	<u><u>128,733</u></u>	<u><u>153,654</u></u>

Notes to Interim Condensed Consolidated Financial Statements 中期簡明合併財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

Kingdom Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on 21 July 2006. The Company’s shares were listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 12 December 2006.

The Group is principally engaged in the manufacture and sale of linen yarns.

The Company’s registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Grand Cayman KY1-1111, Cayman Islands; and the principal place of business is located at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

2.1 BASIS OF PREPARATION

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

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2020.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of the following revised International Financial Reporting Standards (“IFRSs”) for the first time for the current period’s financial information.

Amendments to IFRS 9, IFRS 39, IAS 7, IFRS 4 and IFRS 16 *Interest Rate Benchmark Reform – Phase 2*

Amendment to IFRS 16 *Covid-19-Related Rent Concessions*

1. 公司及集團資料

金達控股有限公司（「本公司」）於二零零六年七月二十一日在開曼群島註冊成立為獲豁免有限公司。本公司股份於二零零六年十二月十二日在香港聯合交易所有限公司（「聯交所」）上市。

本集團主要從事生產及銷售亞麻紗。

本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Grand Cayman KY1-1111, Cayman Islands; 其主要營業地點則位於香港皇后大道東183號合和中心54樓。

2.1 編製基準

截至二零二一年六月三十日止六個月的中期簡明合併財務報表乃按照《國際會計準則》（「《國際會計準則》」）第34號「中期財務報告」編製。

本中期簡明合併財務報表並不包括全年財務報表所要求的全部資料及披露，故應與本集團截至二零二零年十二月三十一日止年度的全年財務報表一併閱覽。

2.2 會計政策及披露的變動

編製中期簡明合併財務報表所採納的會計政策與編製本集團截至二零二零年十二月三十一日止年度的全年合併財務報表所遵循者一致，惟就本期間的財務資料首次採納以下經修訂《國際財務報告準則》（「《國際財務報告準則》」）除外。

《國際財務報告準則》第9號、*利率基準改革*
《國際財務報告準則》第39號、*一第二階段*
《國際會計準則》第7號、
《國際財務報告準則》第4號及
《國際財務報告準則》第16號
的修訂本

《國際財務報告準則》第16號 *Covid-19相關租金*
的修訂本 *寬免*

Notes to Interim Condensed Consolidated Financial Statements 中期簡明合併財務報表附註

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and impact of the revised IFRSs are described below:

Amendments to IFRS 9, IFRS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate (“RFR”). The phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity’s financial instruments and risk management strategy.

2.2 會計政策及披露的變動 (續)

經修訂《國際財務報告準則》的性質及影響載述如下：

當現有利率基準被可替代無風險利率（「無風險利率」）替代時，《國際財務報告準則》第9號、《國際財務報告準則》第39號、《國際財務報告準則》第7號、《國際財務報告準則》第4號及《國際財務報告準則》第16號的修訂本解決先前影響財務報告之修訂本未處理的問題。第二階段修訂本提供對於釐定金融資產及負債之合約現金流量之基準之變動進行會計處理時無需調整金融資產及負債賬面金額而更新實際利率的可行權宜方法，前提為該變動為利率基準改革之直接後果且釐定合約現金流量的新基準於經濟上等同於緊接變動前的先前基準。此外，該等修訂本允許利率基準改革所規定對沖指定及對沖文件進行更改，而不會中斷對沖關係。過渡期間可能產生的任何損益均通過《國際財務報告準則》第9號的正常規定進行處理，以計量及確認對沖無效性。倘無風險利率被指定為風險組成部分時，該等修訂本亦暫時寬免實體必須滿足可單獨識別的要求。倘實體合理地預期無風險利率風險組成部分於未來24個月內將變得可單獨識別，則該寬免允許實體於指定對沖後假定已滿足可單獨識別之規定。此外，該等修訂本亦規定實體須披露額外資料，以使財務報表的使用者能夠瞭解利率基準改革對實體的金融工具及風險管理策略的影響。

Notes to Interim Condensed Consolidated Financial Statements 中期簡明合併財務報表附註

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amendment to IFRS 16

Amendment to IFRS 16 issued in April 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic by 12 months (the "2021 Amendment"). Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted. The amendment did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策及披露的變動 (續)

《國際財務報告準則》第16號的修訂本

二零二一年四月頒佈的《國際財務報告準則》第16號的修訂本將承租人可選擇可行權宜方法而不採用租賃變更的方法來核算因covid-19疫情直接導致的租金減讓延長了12個月(「二零二一年修訂本」)。因此，在滿足應用可行權宜方法的其他條件下，可行權宜方法適用於租金的減免為原定於二零二二年六月三十日或之前到期的租賃付款。該修訂本於二零二一年四月一日或之後開始的年度期間追溯有效，並將首次應用該修訂本之任何累計影響確認為對本會計期間開始時保留溢利期初結餘之一項調整。該修訂本允許提前應用。該修訂本對本集團財務狀況及表現並無任何重大影響。

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3. OPERATING SEGMENT

For management purposes, the Group is organised into one single business unit that includes primarily the manufacture and sale of linen yarns. Management reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group. Accordingly, no segmental analysis is presented.

Geographical information

- (a) Revenue from contracts with customers
An analysis of the Group's geographical information on revenue attributed to the regions on the basis of the customers' locations for the six months ended 30 June 2021 is set out in the following table:

Mainland China	中國大陸
European Union	歐盟
Non-European Union	非歐盟
Total	總額

3. 經營分部

為方便管理，本集團已組織成一個單一業務單位，主要包括生產及銷售亞麻紗。管理層於就分配本集團資源及評估表現作出決定時會審閱合併業績。因此，本集團並無呈列分部分析。

地理資料

- (a) 客戶合約收入
下表載列本集團於截至二零二一年六月三十日止六個月按客戶所在地劃分的地區應佔收入的地理資料分析：

Revenue from contracts
with customers
客戶合約收入
For the six months
ended 30 June
截至六月三十日止六個月

2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
303,921	133,763
224,482	155,314
228,321	135,240
756,724	424,317

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

3. OPERATING SEGMENT (continued)

Geographical information (continued)

(b) Non-current assets

Mainland China	中國大陸
Ethiopia	埃塞俄比亞

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

No revenue amounting to 10 percent or more of the Group's total revenue was derived from sales to a single customer for the six months ended 30 June 2021 (six months ended 30 June 2020: Nil).

3. 經營分部(續)

地理資料(續)

(b) 非流動資產

30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
806,104	800,801
358,419	354,686
1,164,523	1,155,487

上文所載之持續經營業務的非流動資產資料乃基於資產(金融工具及遞延稅項資產除外)所處的位置。

有關主要客戶的資料

於截至二零二一年六月三十日止六個月，並無向單一客戶進行的銷售收入佔本集團總收入10%或以上(截至二零二零年六月三十日止六個月：無)。

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4. REVENUE FROM CONTRACTS WITH CUSTOMERS, OTHER INCOME AND GAINS

Revenue from contracts with customers, which is also the Group's turnover, represents the sales value of linen yarn, hemp yarn and scraps, net of sales tax and deduction of any sales discounts and returns.

An analysis of revenue from contracts with customers, other income and gains is as follows:

4. 客戶合約收入、其他收益及得益

客戶合約收入（亦即本集團營業額）指亞麻紗、漢麻紗及廢料的銷售價值，經扣除銷售稅及扣減任何銷售折扣及退還。

客戶合約收入、其他收益及得益分析如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Type of goods or services	貨品或服務類型		
Sales of linen yarn, hemp yarn and scraps	銷售亞麻紗、漢麻紗及廢料	<u>756,724</u>	<u>424,317</u>
Timing of revenue recognition	收入確認時間		
Goods transferred at a point in time	於某一時點轉讓的貨品	<u>756,724</u>	<u>424,317</u>
Other income	其他收益		
Foreign exchange gains, net	外匯得益淨額	1,295	5,399
Government grants	政府補助	1,001	9,463
Bank interest income	銀行利息收入	180	328
Fair value gains on derivative financial instruments	衍生金融工具之公允價值得益	431	-
Others	其他	789	319
		<u>3,696</u>	<u>15,509</u>

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

5. FINANCE COSTS

5. 財務成本

		For the six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on bank loans	銀行貸款的利息	21,900	21,439
Interest on lease liabilities	租賃負債的利息	234	251
Total interest expense on financial liabilities not at fair value through profit or loss	未按公允價值計入損益的 金融負債的利息開支總額	22,134	21,690
Less: interest capitalised	減：資本化利息	(2,706)	(10,209)
		19,428	11,481

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中期簡明合併財務報表附註

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

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

6. 除稅前溢利

本集團除稅前溢利於扣除／(計入) 下列各項後得出：

		For the six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cost of inventories sold	出售存貨成本	652,824	368,119
Depreciation	折舊	38,308	33,775
Depreciation of right-of-use asset	使用權資產折舊	2,341	2,019
Amortisation of intangible assets	無形資產攤銷	272	273
Research and development ("R&D") expenses	研究及開發(「研發」)開支	7,099	8,271
Auditors' remuneration	核數師酬金	1,025	975
Employee benefit expense (including directors' and chief executive's remuneration):	僱員福利開支(包括董事及 最高行政人員薪酬)：		
Wages, salaries and other benefits	工資、薪金及其他福利	62,966	69,962
Pension scheme contributions	退休金計劃供款	3,479	3,865
Reversal of equity-settled share award expense	以權益結算股份獎勵開支轉回	-	(4,295)
		66,445	69,532
Foreign exchange gains, net	外匯得益淨額	(1,295)	(5,399)
Fair value gain on derivative financial instruments	衍生金融工具之公允價值得益		
- transactions not qualifying as hedges	- 不合資格作對沖的交易	(431)	-
Write-down of inventories to net realisable value	撇減存貨至可變現淨值	716	3,054
Provision for impairment of trade and notes receivables	應收貿易賬款及應收票據減值撥備	1,783	786
Finance costs	財務成本	19,428	11,481
Bank interest income	銀行利息收入	(180)	(328)

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

7. INCOME TAX

Major components of the Group's income tax expense/(credit) for the period are as follows:

Current charge for the period	即期期內支出
Deferred	遞延
Total tax charge/(credit) for the period	期內稅項支出／(抵免) 總額

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.
- (ii) In accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008, the provision for current income tax of Mainland China has been based on a statutory rate of 25% of the assessable profits of the Group for the year, Zhejiang Jinda Flax Co., Ltd. ("Zhejiang Jinda"), one indirectly wholly-owned subsidiary of the Group. Zhejiang Jinda obtained the High-new Technology Certificate for the years from 2019 to 2022 and was entitled to a tax rate of 15%.

7. 所得稅

本集團於期內的所得稅開支／(抵免) 主要項目如下：

For the six months
ended 30 June
截至六月三十日止六個月

2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
1,414	2,052
4,284	(2,388)
5,698	(336)

- (i) 根據開曼群島及英屬處女群島規則及法規，本集團毋須繳納開曼群島或英屬處女群島任何所得稅。
- (ii) 根據已通過並於二零零八年一月一日生效的《中國企業所得稅法》，中國大陸即期所得稅撥備已根據年內本集團的應課稅溢利按25%法定稅率計算，惟本集團的一間間接全資附屬公司浙江金達亞麻有限公司（「浙江金達」）除外。浙江金達取得於二零一九年至二零二二年各個年度的高新技術認證，可享有15%稅率。

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

7. INCOME TAX (continued)

- (iii) Hong Kong profits tax has been provided at the rate of 8.25% on the estimated assessable profits arising in Hong Kong up to HK\$2 million. The assessable profits over HK\$2 million are subject to a tax rate of 16.5%.
- (iv) Pursuant to the rules and regulations of Italy, the Group is subject to tax at an income tax rate of 28.82%, which comprises the Italy Corporate Income Tax at 24% and the Italy Regional Income Tax at 4.82%.

8. DIVIDEND

The board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2021 (six months ended 30 June 2020: Nil).

9. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares of 616,447,250 (six months ended 30 June 2020: 612,692,000) in issue during the reporting period.

The calculation of the diluted earnings per share amount is based on the profit for the reporting period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the reporting period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

7. 所得稅 (續)

- (iii) 香港利得稅按於香港產生的至多2百萬港元估計應課稅溢利以8.25%稅率計提撥備。超逾2百萬港元的應課稅溢利須按16.5%的稅率繳稅。
- (iv) 根據意大利規則及法規，本集團須按28.82%稅率繳納所得稅，當中包括按24%稅率計算的意大利企業所得稅及按4.82%稅率計算的意大利地區所得稅。

8. 股息

董事會議決不宣派截至二零二一年六月三十日止六個月的任何中期股息(截至二零二零年六月三十日止六個月：無)。

9. 母公司普通股權益持有人應佔每股基本及攤薄盈利

每股基本盈利金額乃根據母公司普通股權益持有人應佔期內溢利及報告期內已發行普通股加權平均數616,447,250股(截至二零二零年六月三十日止六個月：612,692,000股)計算。

每股攤薄盈利金額乃根據母公司普通股權益持有人應佔報告期內溢利計算。計算時使用的普通股加權平均數乃報告期內已發行普通股數目(與計算每股基本盈利所使用者相同)，以及假設全部攤薄潛在普通股被視為獲行使或兌換為普通股後無償發行的普通股加權平均數。

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9. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

The calculations of basic and diluted earnings per share are based on:

9. 母公司普通股權益持有人應佔每股 基本及攤薄盈利 (續)

每股基本及攤薄盈利的計算方式如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	用作計算每股基本盈利的母公司普通股權益持有人應佔溢利	<u>14,280</u>	<u>10,093</u>
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用作計算每股基本盈利的期內已發行普通股加權平均數	<u>616,447</u>	612,692
Effect of dilution – weighted average number of ordinary shares:	攤薄影響—普通股加權平均數：		
Share award plan	股份獎勵計劃	–	16,956
Share options		–	–
		<u>616,447</u>	<u>629,648</u>

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

10. PROPERTY, PLANT AND EQUIPMENT

10. 物業、廠房及設備

		Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Leasehold improvements 租賃物業裝修 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2020 and at 1 January 2021:	於二零二零年十二月三十一日及於二零二一年一月一日:							
Cost	成本	431,088	711,207	120,631	10,367	22,373	390,366	1,686,032
Accumulated depreciation	累計折舊	(145,467)	(412,085)	(55,528)	(8,113)	(14,300)	-	(635,493)
Net carrying amount	賬面淨額	<u>285,621</u>	<u>299,122</u>	<u>65,103</u>	<u>2,254</u>	<u>8,073</u>	<u>390,366</u>	<u>1,050,539</u>
At 1 January 2021, net of accumulated depreciation	於二零二一年一月一日，扣除累計折舊	285,621	299,122	65,103	2,254	8,073	390,366	1,050,539
Additions	添置	3,367	7,408	1,343	912	1,774	39,097	53,901
Depreciation provided during the period	期內折舊撥備	(11,024)	(20,109)	(4,961)	(296)	(1,621)	-	(38,011)
Transfers	轉撥	209,153	122,466	-	-	2,024	(333,643)	-
Disposals	出售	-	(582)	-	-	-	-	(582)
Exchange realignment	匯兌調整	-	(3)	(1)	-	-	-	(4)
At 30 June 2021, net of accumulated depreciation	於二零二一年六月三十日，扣除累計折舊	<u>487,117</u>	<u>408,302</u>	<u>61,484</u>	<u>2,870</u>	<u>10,250</u>	<u>95,820</u>	<u>1,065,843</u>
At 30 June 2021:	於二零二一年六月三十日:							
Cost	成本	643,608	832,811	121,967	11,279	26,170	95,820	1,731,655
Accumulated depreciation	累計折舊	(156,491)	(424,509)	(60,483)	(8,409)	(15,920)	-	(665,812)
Net carrying amount	賬面淨額	<u>487,117</u>	<u>408,302</u>	<u>61,484</u>	<u>2,870</u>	<u>10,250</u>	<u>95,820</u>	<u>1,065,843</u>

As at 30 June 2021, the Group's property, plant and equipment with a net carrying amount of approximately RMB240,872,000 (31 December 2020: RMB252,403,000) were pledged to secure bank loans granted to the Group as set out in note 15(i).

如附註15(i)所載，於二零二一年六月三十日，本集團賬面淨額約人民幣240,872,000元(二零二零年十二月三十一日：人民幣252,403,000元)的物業、廠房及設備已予質押，作為本集團獲授銀行貸款的擔保。

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11. OTHER INTANGIBLE ASSETS

11. 其他無形資產

		Certified emission rights 認證排放權 RMB'000 人民幣千元
At 1 January 2021, net of accumulated amortisation	於二零二一年一月一日，扣除累計攤銷	4,158
Additions	添置	409
Amortisation provided during the period	期內攤銷撥備	(272)
At 30 June 2021, net of accumulated amortisation	於二零二一年六月三十日，扣除累計攤銷	<u>4,295</u>
At 30 June 2021:	於二零二一年六月三十日：	
Cost	成本	10,262
Accumulated amortisation	累計攤銷	(5,967)
Net carrying amount	賬面淨額	<u>4,295</u>

12. INVENTORIES

12. 存貨

		30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Raw materials	原材料	348,334	346,190
Work in progress	在製品	44,526	54,503
Finished goods	製成品	326,008	393,132
		<u>718,868</u>	<u>793,825</u>

As at 30 June 2021, inventories with a carrying amount of RMB40,000,000 (31 December 2020: RMB40,000,000) were pledged to secure bank loans granted to the Group as set out in note 15(i).

如附註15(i)所載，於二零二一年六月三十日，賬面金額為人民幣40,000,000元（二零二零年十二月三十一日：人民幣40,000,000元）的存貨已予質押，作為本集團獲授銀行貸款的擔保。

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13. TRADE AND NOTES RECEIVABLES

Trade receivables	應收貿易賬款
Notes receivable	應收票據
Impairment	減值

Customers are normally granted credit terms ranging from 30 days to 150 days depending on the creditworthiness of the individual customers. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

The Group's notes receivables were all aged within six months and were neither past due nor impaired.

13. 應收貿易賬款及應收票據

30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
327,797	232,847
64,711	145,399
(3,942)	(2,410)
388,566	375,836

客戶一般獲授予信貸期30天至150天，視乎個別客戶的信譽而定。本集團力求持續嚴格控制未收回的應收款項，並設有信貸控制部以將信貸風險減至最低。高級管理層定期審閱逾期結餘。應收貿易賬款並不計息。

本集團的應收票據賬齡均為六個月內，並無逾期亦無減值。

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13. TRADE AND NOTES RECEIVABLES (continued)

An aged analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

Within 1 month	一個月內
1 to 2 months	一個月至兩個月
2 to 3 months	兩個月至三個月
Over 3 months	三個月以上

13. 應收貿易賬款及應收票據(續)

於報告期末，按發票日分類並扣減撥備的本集團的應收貿易賬款賬齡分析如下：

30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
242,264	127,831
3,513	40,951
55,873	25,872
22,205	35,783
323,855	230,437

14. TRADE AND NOTES PAYABLES

An aged analysis of the trade and notes payables as at 30 June 2021, based on the payment due date, is as follows:

Due within 1 month or on demand	一個月內到期或於要求時償還
Due after 1 month but within 3 months	一個月以後但三個月內到期

14. 應付貿易賬款及應付票據

於二零二一年六月三十日，按付款到期日分類的應付貿易賬款及應付票據賬齡分析如下：

30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
66,183	56,991
168,966	141,872
235,149	198,863

The above balances are unsecured and non-interest-bearing. The carrying amount of trade and notes payables at the end of each reporting period approximates to their fair value due to their short term maturity.

上述結餘為無抵押及不計息。於各報告期末，由於短期內到期，故應付貿易賬款及應付票據的賬面金額與其公允價值相若。

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15. INTEREST-BEARING BANK AND OTHER BORROWINGS

15. 計息銀行及其他借貸

			30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Current	即期			
Secured bank loans	有抵押銀行貸款	(i)	383,184	401,682
Unsecured bank loans	無抵押銀行貸款		489,936	488,832
Other loans – unsecured	其他貸款—無抵押		5,951	69,900
Lease liability	租賃負債		1,770	1,985
Subtotal	小計		<u>880,841</u>	<u>962,399</u>
Non-current	非即期			
Other loans – unsecured	其他貸款—無抵押		44,000	44,000
Lease liability	租賃負債		8,067	9,204
Subtotal	小計		<u>52,067</u>	<u>53,204</u>
Total	總計		<u>932,908</u>	<u>1,015,603</u>

Notes:

- (i) As at 30 June 2021, the current interest-bearing bank loans with a carrying amount of RMB383,184,000 were secured by certain property, plant and equipment, prepaid land lease payments, and inventories with carrying amounts of approximately RMB240,872,000 (31 December 2020: RMB252,403,000), approximately RMB55,403,000 (31 December 2020: RMB56,029,000), approximately RMB40,000,000 (31 December 2020: RMB40,000,000), respectively.

- (ii) The bank borrowings bear interest at rates ranging from 1.67% to 5.00% per annum (31 December 2020: 1.57% to 5.00% per annum).

The carrying amount of the current interest-bearing bank loans of the Group approximates to their fair value due to their short-term maturity.

附註：

- (i) 於二零二一年六月三十日，賬面金額為人民幣383,184,000元的即期計息銀行貸款以賬面金額分別約人民幣240,872,000元（二零二零年十二月三十一日：人民幣252,403,000元）、約人民幣55,403,000元（二零二零年十二月三十一日：人民幣56,029,000元）及約人民幣40,000,000元（二零二零年十二月三十一日：人民幣40,000,000元）的若干物業、廠房及設備、預付土地租賃款項及存貨作抵押。

- (ii) 銀行借貸按年利率1.67%至5.00%（二零二零年十二月三十一日：年利率1.57%至5.00%）計息。

由於短期內到期，故本集團即期計息銀行貸款的賬面金額與其公允價值相若。

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15. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

The fair values of the non-current interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings as at 30 June 2021 was assessed to be insignificant. Management has assessed that the carrying amount of the non-current interest-bearing bank loans of the Group approximates to the fair value due to their floating interest rate.

16. SHARE CAPITAL Authorised:

Ordinary shares of HK\$0.01 each 每股0.01港元普通股

Issued and fully paid:

At the beginning and the end 於期初及期末

15. 計息銀行及其他借貸(續)

非即期計息銀行借貸的公允價值按適用於具有類似條款、信貸風險及剩餘年期的工具的現行利率折現預期未來現金流量計算。於二零二一年六月三十日，本集團本身對計息銀行借貸的不履約風險被評定為並不重大。按管理層的評估，本集團的非即期計息銀行貸款由於按浮動利率計息，故其賬面金額與其公允價值相若。

16. 股本 法定：

已發行及繳足：

30 June 2021 二零二一年六月三十日		31 December 2020 二零二零年十二月三十一日	
Number of shares	Amount HK\$'000 金額	Number of shares	Amount HK\$'000 金額
(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (經審核)	(Audited) (經審核)
3,000,000,000	30,000	3,000,000,000	30,000

30 June 2021 二零二一年六月三十日			31 December 2020 二零二零年十二月三十一日		
Number of shares 股份數目	Amount 金額		Number of shares 股份數目	Amount 金額	
	HK\$'000 千港元	RMB'000 equivalent 人民幣千元等值		HK\$'000 千港元	RMB'000 equivalent 人民幣千元等值
(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (經審核)	(Audited) (經審核)	(Audited) (經審核)
629,678,000	6,297	6,329	629,678,000	6,297	6,329

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17. TREASURY SHARES

		30 June 2021 二零二一年六月三十日		
		Amount 金額		
	Number of shares	HK\$'000	RMB'000 equivalent	
	股份數目	千港元	人民幣千元 等值	
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	
At the beginning	於期初	13,230,750	14,632	13,305
Vested shares transferred	已轉讓的歸屬股份	-	-	-
At the end	於期末	<u>13,230,750</u>	<u>14,632</u>	<u>13,305</u>

On 26 August 2016, the Company adopted a share award plan, which is not subject to the provisions of Chapter 17 of the Listing Rules (the "Share Award Plan"). The board of directors may, at their discretion, grants shares of the Company to eligible participants. The Company has appointed a trustee for administration of the Share Award Plan (the "Trustee"). The principal activity of the Trustee is administrating and holding the Company's shares for the Share Award Plan for the benefit of the Company's award holders. The Company's shares will be purchased by the Trustee in the market with cash paid by the Company and held in the trust for relevant award holders until such shares are vested in accordance with the provisions of the Share Award Plan. Upon vesting, the Trustee shall either transfer the vested awarded shares at no cost to such award holders or sell the vested awarded shares at the then prevailing market price by way of market order and remit the net proceeds to the award holders in accordance with the direction given by such award holders. The Trustee purchased 19,400,000 shares of the Company at a total consideration of approximately RMB19,508,000 and 19,370,000 shares were granted to award holders. In the six months ended 30 June 2021, no vested shares were transferred to award holders.

17. 庫存股份

		31 December 2020 二零二零年十二月三十一日		
		Amount 金額		
	Number of shares	HK\$'000	RMB'000 equivalent	
	股份數目	千港元	人民幣千元 等值	
		(Audited) (經審核)	(Audited) (經審核)	
At the beginning	於期初	18,390,000	21,006	18,493
Vested shares transferred	已轉讓的歸屬股份	(5,159,250)	(6,374)	(5,188)
At the end	於期末	<u>13,230,750</u>	<u>14,632</u>	<u>13,305</u>

於二零一六年八月二十六日，本公司採納一項股份獎勵計劃（「股份獎勵計劃」），該計劃不受上市規則第十七章條文所規限。董事會可酌情向合資格參與人授出本公司股份。本公司已委聘受託人（「受託人」）管理股份獎勵計劃。受託人的主要活動乃為本公司獎勵持有人的利益就股份獎勵計劃管理及持有本公司股份。本公司之股份將由受託人於市場上使用本公司支付之現金購入並以信託方式為相關獎勵持有人而持有，直至有關股份根據股份獎勵計劃條文予以歸屬為止。於歸屬後，受託人須按照該等獎勵持有人作出的指示，將已歸屬之獎勵股份免費轉讓予該等獎勵持有人，或於市場上按當時現行之市價盤出售已歸屬之獎勵股份並將所得款項淨額匯付予獎勵持有人。受託人以總代價約人民幣19,508,000元購入本公司19,400,000股股份，而19,370,000股股份已授予獎勵持有人。截至二零二一年六月三十日止六個月，概無歸屬股份已轉讓予獎勵持有人。

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18. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

	Financial assets at amortised cost 按攤銷 成本列賬 的金融資產 RMB'000 人民幣千元 (Unaudited) (未經審核)	Financial assets at fair value through profit or loss 按公允價值 計入損益的 金融資產 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
As at 30 June 2021	於二零二一年六月三十日		
Trade and notes receivables	應收貿易賬款及應收票據	388,566	388,566
Financial assets included in deposits and other receivables	計入押金及其他應收款項的 金融資產	37,344	37,344
Derivative financial instruments	衍生金融工具	–	431
Pledged deposits	已抵押存款	63,477	63,477
Cash and cash equivalents	現金及現金等價物	128,733	128,733
		618,120	618,551
			Financial assets at amortised cost 按攤銷 成本列賬 的金融資產 RMB'000 人民幣千元 (Audited) (經審核)
As at 31 December 2020	於二零二零年十二月三十一日		
Trade and notes receivables	應收貿易賬款及應收票據		375,836
Financial assets included in deposits and other receivables	計入押金及其他應收款項的金融資產		33,705
Pledged deposits	已抵押存款		32,889
Cash and cash equivalents	現金及現金等價物		166,761
			609,191

18. 按類別分類的金融工具

於報告期末，各類別金融工具的賬面金額如下：

金融資產

	Financial assets at fair value through profit or loss 按公允價值 計入損益的 金融資產 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
As at 30 June 2021	於二零二一年六月三十日	
Trade and notes receivables	應收貿易賬款及應收票據	388,566
Financial assets included in deposits and other receivables	計入押金及其他應收款項的 金融資產	37,344
Derivative financial instruments	衍生金融工具	–
Pledged deposits	已抵押存款	63,477
Cash and cash equivalents	現金及現金等價物	128,733
		618,120
		Financial assets at amortised cost 按攤銷 成本列賬 的金融資產 RMB'000 人民幣千元 (Audited) (經審核)
As at 31 December 2020	於二零二零年十二月三十一日	
Trade and notes receivables	應收貿易賬款及應收票據	375,836
Financial assets included in deposits and other receivables	計入押金及其他應收款項的金融資產	33,705
Pledged deposits	已抵押存款	32,889
Cash and cash equivalents	現金及現金等價物	166,761
		609,191

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18. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

(continued)

As at 30 June 2021

Interest-bearing bank and other borrowings
Financial liabilities included in other payables
Dividend payable
Trade and notes payables

18. 按類別分類的金融工具(續)

於報告期末，各類別金融工具的賬面金額如下：(續)

Financial liabilities at amortised cost
按攤銷成本列賬的金融負債
RMB'000
人民幣千元
(Unaudited)
(未經審核)

於二零二一年六月三十日

計息銀行及其他借貸
計入其他應付款項的金融負債
應付股息
應付貿易賬款及應付票據

932,908
117,733
185
235,149

1,285,975

Financial liabilities at amortised cost
按攤銷成本列賬的金融負債
RMB'000
人民幣千元
(Audited)
(經審核)

As at 31 December 2020

Interest-bearing bank and other borrowings
Financial liabilities included in other payables
Dividend payable
Trade and notes payables

於二零二零年十二月三十一日

計息銀行及其他借貸
計入其他應付款項的金融負債
應付股息
應付貿易賬款及應付票據

1,015,603
117,021
188
198,863

1,331,675

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19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Set out below is a comparison of the carrying amounts and fair values of financial instruments as at 30 June 2021:

19. 金融工具的公允價值及公允價值等級架構

下文載列於二零二一年六月三十日金融工具賬面金額及公允價值的比較：

		Carrying amounts 賬面金額		Fair values 公允價值	
		2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Audited) (經審核)	2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Audited) (經審核)
Financial assets	金融資產				
Derivative financial instruments	衍生金融工具	431	-	431	-

Management has assessed that the fair values of cash and cash equivalents, trade and notes receivables, financial assets included in prepayments, deposits and other receivables, pledged deposits, current interest-bearing bank and other borrowings, trade and notes payables, dividend payable, financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments. The carrying amount of the non-current interest-bearing bank and other borrowings of the Group approximates to their fair value because the loans have a floating interest rate.

按管理層的評估，現金及現金等價物、應收貿易賬款及應收票據、計入預付款、押金及其他應收款項的金融資產、已抵押存款、即期計息銀行及其他借貸、應付貿易賬款及應付票據、應付股息、計入其他應付款項及預提費用的金融負債的公允價值與其賬面金額相若，主要由於該等工具於短期內到期所致。本集團的非即期計息銀行及其他借貸由於按浮動利率計息，故其賬面金額與其公允價值相若。

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19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with AAA credit ratings. Derivative financial instruments, including forward currency contracts and cross-currency swap, are measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts are the same as their fair values.

As at the end of the period, the marked to market value of the derivative asset position is net of a debt valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the financial instruments recognised at fair value.

19. 金融工具的公允價值及公允價值等級架構(續)

以本集團財務經理為首的財務部負責釐定金融工具公允價值計量的政策及程序。財務經理直接向財務總監及審核委員會匯報。於各報告日期，財務部分析金融工具的價值變動並釐定估值所採用的主要輸入值。估值由財務總監審閱及批准。審核委員會每年討論估值過程及結果兩次以進行中期及年度財務呈報。

金融資產及負債的公允價值按當前交易(強制或清算出售除外)中雙方自願交換工具的金額入賬。

本集團與多個對手方(主要為具AAA信貸評級的金融機構)訂立衍生金融工具。衍生金融工具(包括遠期貨幣合約及換匯換利掉期)乃採用與遠期定價及掉期模型類似的估值技巧計量(採用現值計算)。該等模型納入了多項不同的市場可觀察輸入值,包括對手方的信貸素質、外匯即期及遠期匯率與利率曲線。遠期貨幣合約的賬面金額與其公允價值相同。

於期末,按市值標價的衍生資產頭寸已扣除涉及衍生工具對手方違約風險應佔的債務評估調整。對手方信貸風險的變動對按公允價值確認的金融工具並無重大影響。

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19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

Financial assets at fair value through profit or loss – foreign exchange forward contracts and interest rate SWAP contracts

按公允價值計入損益的金融資產—外匯遠期合約及利率掉期合約

30 June 2021

二零二一年
六月三十日
RMB'000
人民幣千元
(Unaudited)
(未經審核)

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19. 金融工具的公允價值及公允價值等級架構 (續)

公允價值等級架構

下表顯示本集團金融工具的公允價值計量等級架構：

按公允價值計量的資產：

Fair value measurement using
採用以下項目進行的公允價值計量

Quoted prices in active markets Level 1 於活躍市場的報價 第一層	Significant observable inputs Level 2 重大可觀察輸入值 第二層	Significant unobservable inputs Level 3 重大不可觀察輸入值 第三層
RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Unaudited) (未經審核)

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During the six months ended 30 June 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements (2020: Nil).

於截至二零二一年六月三十日止六個月，公允價值計量在第一層及第二層之間概無轉移，亦無公允價值計量轉入第三層或自第三層轉出(二零二零年：無)。

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20. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

Contracted, but not provided for:	已訂約但未撥備：
Plant and machinery	廠房及機器

20. 承擔

於報告期末，本集團的資本承擔如下：

30 June 2021 二零二一年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2020 二零二零年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
97,635	100,889

21. RELATED PARTY TRANSACTIONS

(a) Transactions with companies controlled by one of the Company's directors

- (i) During the six months ended 30 June 2021, the Group leased offices and manufacturing facilities located in Mainland China from Zhejiang Kingdom Creative Co., Ltd. ("Kingdom Creative") and incurred operating lease charges of RMB333,000 (six months ended 30 June 2020: RMB250,000). Mr. Ren Weiming has a controlling equity interest in Kingdom Creative. Rental and other terms for these lease arrangements were negotiated between the parties on arm's length basis with reference to the then prevailing market rates.
- (ii) During the six months ended 30 June 2021, the Group purchased electricity from Zhejiang Yuyuan Solar Co., Ltd. with an amount of RMB1,053,000 (six months ended 30 June 2020: RMB1,067,000). Mr. Ren Weiming has a controlling equity interest in this company. The price of electricity was made with a discount rate of approximately 3.5% to the market prices.

21. 關連方交易

(a) 與由本公司一名董事控制的公司進行的交易

- (i) 於截至二零二一年六月三十日止六個月，本集團向浙江金達創業股份有限公司（「金達創業」）租用多個位於中國大陸的辦公室及製造廠房，所產生的經營租賃費用為人民幣333,000元（截至二零二零年六月三十日止六個月：人民幣250,000元）。任維明先生擁有金達創業的控股權益。該等租賃安排之租金及其他條款乃由雙方參考當時現行的市價公平協商。
- (ii) 於截至二零二一年六月三十日止六個月，本集團以人民幣1,053,000元（截至二零二零年六月三十日止六個月：人民幣1,067,000元）向浙江昱源光伏有限公司購電。任維明先生擁有該公司的控股權益。電價較市價折讓約3.5%。

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21. RELATED PARTY TRANSACTIONS (continued)

(a) Transactions with companies controlled by one of the Company's directors (continued)

- (iii) During the six months ended 30 June 2021, the Group purchased chemicals and additives from Zhejiang Jinxiu Jiangnan Silk Co., Ltd. with an amount of RMB1,474,000 (six months ended 30 June 2020: RMB2,082,000). Mr. Ren Weiming has a controlling equity interest in this company. The raw material purchase was made according to published prices and conditions offered by the supplier to its major customers.
- (iv) During the six months ended 30 June 2021, the Group sold finished goods to Zhejiang Jinxiu Jiangnan Silk Co., Ltd. with an amount of Nil (six months ended 30 June 2020: RMB75,000). Mr. Ren Weiming has a controlling equity interest in this company. The sales of finished goods were made according to published prices and conditions offered to the Group's major customers.
- (v) During the six months ended 30 June 2021, the Group leased cars from and leased an office to Interconnect Financial Leasing (Shanghai) Co., Ltd, which incurred lease charges of RMB191,000 (six months ended 30 June 2020: RMB196,000) and generated lease income of RMB171,000 (six months ended 30 June 2020: RMB289,000). Mr. Ren Weiming has a controlling equity interest in Interconnect Financial Leasing (Shanghai) Co., Ltd.'s parent company, Kingdom Creative. Rental and other terms for these lease arrangements were negotiated between the parties on arm's length basis with reference to the then prevailing market rates.

21. 關連方交易 (續)

(a) 與由本公司一名董事控制的公司進行的交易 (續)

- (iii) 於截至二零二一年六月三十日止六個月，本集團向浙江錦繡江南絲綢有限公司採購金額為人民幣1,474,000元(截至二零二零年六月三十日止六個月：人民幣2,082,000元)的化學品及添加劑。任維明先生擁有該公司的控股權益。原材料採購乃根據供應商向其主要客戶提供的已公佈價格及條件作出。
- (iv) 於截至二零二一年六月三十日止六個月，本集團向浙江錦繡江南絲綢有限公司出售金額為零(截至二零二零年六月三十日止六個月：人民幣75,000元)的製成品。任維明先生擁有該公司的控股權益。銷售製成品乃根據向本集團主要客戶提供的已公佈價格及條件作出。
- (v) 於截至二零二一年六月三十日止六個月，本集團自滙通融資租賃(上海)有限公司租賃汽車，並向該公司出租辦公室，產生租賃費用人民幣191,000元(截至二零二零年六月三十日止六個月：人民幣196,000元)及租賃收入人民幣171,000元(截至二零二零年六月三十日止六個月：人民幣289,000元)。任維明先生擁有滙通融資租賃(上海)有限公司的母公司金達創業的控股權益。該等租賃安排之租金及其他條款乃由雙方參考當時現行的市價公平協商。

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21. RELATED PARTY TRANSACTIONS (continued)

(b) Compensation of key management personnel of the Group

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Share award plan	股份獎勵計劃

21. 關連方交易(續)

(b) 本集團主要管理人員的補償

For the six months
ended 30 June
截至六月三十日止六個月

2021 二零二一年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)
1,870	2,465
182	76
–	101
2,052	2,642

22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 20 August 2021.

22. 批准中期簡明合併財務報表

董事會已於二零二一年八月二十日批准及授權刊發未經審核中期簡明合併財務報表。





地址: 中國浙江省海鹽縣橫港集鎮
Add: Henggang Town, Haiyan County, Zhejiang Province, China
E-mail: ir@kingdom-china.com

www.kingdom-china.com