



恒安國際集團有限公司

HENGAN INTERNATIONAL GROUP CO., LTD

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 1044

2023

INTERIM REPORT

中期報告



Corporate Mission 企業使命



“GROWING
WITH YOU FOR
A BETTER LIFE”

「追求健康、
你我一起成長」



has always been the mission of Hengan International. We will continue to adhere to our corporate spirit of “Integrity, Diligence, Innovation and Dedication”. Our goal is “to build an effective corporate management and to develop a high quality, ethical and enthusiastic staff team”. By building an excellent corporate culture, reinforcing our brand image, and focusing on consumer and market need, Hengan International will become global top-tier supplier of daily products.

是恒安國際的使命，我們將繼續發揚「誠信、拼搏、創新、奉獻」的企業精神，以「建立一個高效的企業管理團隊，培養一支高素質、有職業道德、有敬業精神的員工隊伍」為目標，締造良好的企業文化，重塑品牌形象，以消費者和市場為導向，把恒安國際建設成為全球頂級的家庭生活用品企業。



Corporate Information

公司資料

EXECUTIVE DIRECTORS

Sze Man Bok (*Chairman*)
Hui Lin Chit (*Deputy Chairman*)
Hung Ching Shan (retired on 22 May 2023)
Hui Ching Lau (*Chief Executive Officer*)
Xu Shui Shen (retired on 22 May 2023)
Xu Da Zuo
Xu Chun Man (retired on 22 May 2023)
Sze Wong Kim
Hui Ching Chi
Li Wai Leung
Xu Wenmo (appointed on 24 August 2023)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chan Henry (retired on 22 May 2023)
Ada Ying Kay Wong
Ho Kwai Ching Mark
Theil Paul Marin
Chen Chuang

COMPANY SECRETARY

Li Wai Leung *FCPA, FCPA (Aust.)*

AUTHORISED REPRESENTATIVES

Hui Ching Lau
Li Wai Leung

LEGAL ADVISERS

Hong Kong
ReedSmith Richards Butler

PRC
Global Law Office

Cayman Islands
Maples and Calder (Hong Kong) LLP

AUDITOR

PricewaterhouseCoopers
*Certified Public Accountants and Registered Public Interest
Entity Auditor*

REGISTERED OFFICE

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

執行董事

施文博(主席)
許連捷(副主席)
洪青山(於二零二三年五月二十二日退休)
許清流(行政總裁)
許水深(於二零二三年五月二十二日退休)
許大座
許春滿(於二零二三年五月二十二日退休)
施煌劍
許清池
李偉樑
許文默(於二零二三年八月二十四日獲委任)

獨立非執行董事

陳銘潤(於二零二三年五月二十二日退休)
黃英琦
何貴清
保羅希爾
陳闖

公司秘書

李偉樑 *FCPA, FCPA (Aust.)*

授權代表

許清流
李偉樑

法律顧問

香港
禮德齊伯禮律師行

中國
環球律師事務所

開曼群島
Maples and Calder (Hong Kong) LLP

核數師

羅兵咸永道會計師事務所
執業會計師及註冊公眾利益實體
核數師

註冊辦事處

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

HEAD OFFICE

Hengan Industrial City
Anhai Town
Jinjiang City
Fujian Province
PRC

PLACE OF BUSINESS IN HONG KONG

Unit 2101D, 21st Floor
Admiralty Centre, Tower 1
18 Harcourt Road
Hong Kong

PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
Stock Code: 1044

WEBSITES

<http://www.hengan.com>
<http://www.irasia.com/listco/hk/hengan>

PRINCIPAL BANKERS

Bank of China
Industrial and Commercial Bank of China
Standard Chartered Bank

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Abacus Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

INVESTORS AND MEDIA RELATIONS

iPR Ogilvy Ltd.
40th Floor, China Online Centre
333 Lockhart Road
Wan Chai, Hong Kong
Tel: (852) 2136 6185

總辦事處

中國
福建省
晉江市
安海鎮
恒安工業城

香港營業地點

香港
夏慤道18號
海富中心一座
21樓2101D室

上市地點及股份代號

香港聯合交易所有限公司
股份代號：1044

網址

<http://www.hengan.com>
<http://www.irasia.com/listco/hk/hengan>

主要往來銀行

中國銀行
中國工商銀行
渣打銀行

主要股份登記處和過戶代表

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

股份登記和過戶分處

卓佳雅柏勤有限公司
香港
夏慤道16號
遠東金融中心17樓

投資者及傳媒關係

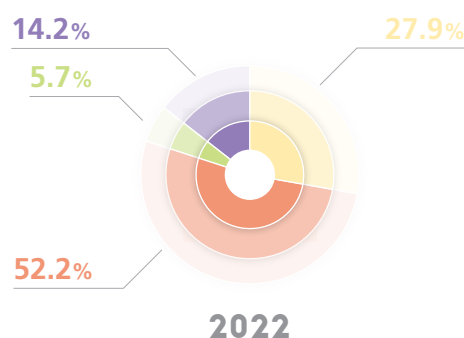
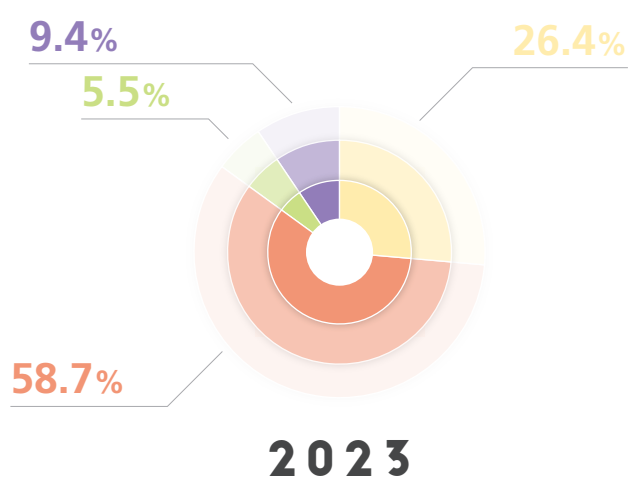
iPR Ogilvy Ltd.
香港灣仔
駱克道333號
中國網絡中心40樓
電話：(852) 2136 6185

Financial Highlights

財務摘要



		Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月		
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	% of change 變幅 %
Revenue	收入	12,204,605	11,200,021	9.0%
Revenue of core business segments (tissue, sanitary napkins and disposable diapers)	核心業務部份收入 (紙巾、衛生巾、 紙尿片)	11,054,709	9,604,649	15.1%
Gross profit margin	毛利率	31.0%	35.2%	
Operating profit	經營利潤	1,701,681	1,885,753	(9.8%)
Profit attributable to shareholders	公司權益持有人應佔 利潤	1,225,768	1,276,191	(4.0%)
Earnings per share	每股收益			
– Basic	– 基本	RMB1.055 人民幣1.055元	RMB1.098 人民幣1.098元	
– Diluted	– 攤薄	RMB1.055 人民幣1.055元	RMB1.098 人民幣1.098元	
Finished goods turnover (days)	製成品周轉期(日)	33	39	
Trade and bills receivables turnover (days)	應收賬款及應收 票據周轉期(日)	43	51	
Rate of return on equity (annualised)	年度化股東權益 回報率	12.2%	13.0%	



- Sanitary napkins products
衛生巾產品
- Tissue paper products
紙巾產品
- Disposable diapers products
一次性紙尿褲產品
- Others
其他



Interim Condensed Consolidated Statement of Profit or Loss

中期簡明合併利潤表

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

INTERIM FINANCIAL INFORMATION

The Board of Directors of Hengan International Group Company Limited (“Hengan International” or the “Company”) (the “Board”) is pleased to present the unaudited interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2023, and the unaudited interim condensed consolidated balance sheet of the Group as at 30 June 2023, together with the comparative figures and selected explanatory notes (the “Interim Financial Information”). The Interim Financial Information has been reviewed by the Company’s Audit Committee and the Company’s auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Hong Kong Institute of Certified Public Accountants.

中期業績

恒安國際集團有限公司(「恒安國際」或「本公司」)之董事會(「董事會」)欣然提呈本公司及其附屬公司(「本集團」)截至二零二三年六月三十日止六個月期間的未經審核之中期簡明合併利潤表、綜合收益表、權益變動表及現金流量表與於二零二三年六月三十日的未經審核之中期簡明合併資產負債表連同比較數字及經選擇附註解釋(「中期財務資料」)。中期財務資料已由本公司審核委員會審閱以及由本公司核數師，羅兵咸永道會計師事務所，按照香港會計師公會頒佈的香港審閱準則第2410號 – 「由實體的獨立核數師執行中期財務資料審閱」進行了審閱。

		Unaudited	
		未經審核	
		Six months ended 30 June	
		截至六月三十日止六個月	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note 附註		
Revenue	收入	6	11,200,021
Cost of goods sold	銷售成本	(8,416,055)	(7,257,830)
Gross profit	毛利	3,788,550	3,942,191
Selling and distribution costs	推廣及分銷成本	(1,835,053)	(1,435,858)
Administrative expenses	行政費用	(729,652)	(705,496)
Net accrual of impairment losses on financial assets	金融資產減值準備淨額	(30,535)	(26,403)
Other income and other gains — net	其他收入和利得 — 淨額	7	111,319
Operating profit	經營利潤	1,701,681	1,885,753

Interim Condensed Consolidated Statement of Profit or Loss (Continued)
 中期簡明合併利潤表(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

Unaudited
 未經審核

Six months ended 30 June
 截至六月三十日止六個月

		Note 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Finance income	財務收益		157,570	164,138
Finance costs	財務費用		(317,951)	(241,554)
Finance costs — net	財務費用 — 淨額		(160,381)	(77,416)
Share of net gains/(losses) of investments accounted for using the equity method	分佔按權益法入賬之投資收益/(虧損)	19	182	(12,437)
Profit before income tax	除所得稅前利潤	7	1,541,482	1,795,900
Income tax expense	所得稅費用	8	(314,581)	(504,282)
Profit for the period	本期利潤		1,226,901	1,291,618
Profit attributable to:	應佔利潤：			
Shareholders of the Company	公司權益持有人應佔之每股收益		1,225,768	1,276,191
Non-controlling interests	非控制性權益		1,133	15,427
			1,226,901	1,291,618
Earnings per share for profit attributable to shareholders of the Company	公司權益持有人應佔之每股收益			
— Basic	— 每股基本收益	9	RMB1.055 人民幣1.055	RMB1.098 人民幣1.098
— Diluted	— 每股攤薄收益	9	RMB1.055 人民幣1.055	RMB1.098 人民幣1.098

Interim Condensed Consolidated Statement of Comprehensive Income

中期簡明合併綜合收益表

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit for the period	本期利潤	1,226,901	1,291,618
Other comprehensive loss:	其他綜合損失：		
<i>Items that may be reclassified to profit or loss</i>	<i>其後可能會重新分類至 損益的項目</i>		
— Currency translation differences	— 外幣折算差額	(58,921)	(23,333)
<i>Items that will not be subsequently reclassified to profit or loss</i>	<i>其後不會重新分類至 損益的項目</i>		
— Currency translation differences	— 外幣折算差額	134,491	153,239
Total comprehensive income for the period	本期總綜合收益	1,302,471	1,421,524
Attributable to:	應佔：		
Shareholders of the Company	公司權益持有人	1,303,565	1,395,372
Non-controlling interests	非控制性權益	(1,094)	26,152
Total comprehensive income for the period	本期總綜合收益	1,302,471	1,421,524

Interim Condensed Consolidated Balance Sheet

中期簡明合併資產負債表

As at 30 June 2023
二零二三年六月三十日結算

		Note	Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	11	7,122,130	7,099,255
Construction-in-progress	在建工程	11	1,490,244	969,210
Right-of-use assets	使用權資產	12	1,163,903	1,192,081
Investment properties	投資性房地產	11	166,055	166,696
Intangible assets	無形資產	11	655,420	656,976
Prepayments for non-current assets	非流動資產預付款		262,947	460,660
Deferred income tax assets	遞延所得稅資產		556,185	532,204
Investments accounted for using the equity method	按權益法入賬之投資	19	43,937	43,576
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產		242,448	212,572
Long-term bank time deposits	長期銀行定期存款	14	1,895,639	2,895,490
			13,598,908	14,228,720
Current assets	流動資產			
Inventories	存貨		3,501,082	4,544,935
Trade and bills receivables	應收賬款及應收票據	13	2,838,823	2,931,887
Other receivables, prepayments and deposits	其他應收賬款、預付賬款及按金		1,694,938	1,920,248
Current income tax recoverable	預繳當期所得稅		13,251	42,168
Derivative financial instruments	衍生金融工具		-	1,490
Restricted bank deposits	有限制銀行存款	14	300	302
Cash and bank balances	現金及銀行存款	14	26,749,710	18,667,492
			34,798,104	28,108,522
Total assets	總資產		48,397,012	42,337,242

Interim Condensed Consolidated Balance Sheet (Continued)
 中期簡明合併資產負債表(續)

As at 30 June 2023
 二零二三年六月三十日結算

		Note	Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
EQUITY	權益			
Equity attributable to shareholders of the Company	歸屬於本公司權益持有人			
Share capital	股本	17	123,345	123,345
Other reserves	其他儲備		3,282,113	3,143,018
Retained earnings	留存收益		16,630,235	16,257,244
			20,035,693	19,523,607
Non-controlling interests	非控制性權益		244,344	252,130
Total equity	總權益		20,280,037	19,775,737
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借款	16	201,251	2,001,334
Lease liabilities	租賃負債	12	17,127	16,636
Deferred income tax liabilities	遞延所得稅負債		187,641	149,433
			406,019	2,167,403
Current liabilities	流動負債			
Trade and bills payables	應付賬款及應付票據	15	2,186,250	2,920,685
Other payables and accrued charges	其他應付賬款及預提費用	15	1,579,404	1,671,547
Contract liabilities	合約負債		87,283	453,741
Current income tax liabilities	當期所得稅負債		180,522	268,564
Borrowings	借款	16	23,658,741	15,028,618
Derivative financial instruments	衍生金融工具		774	32,838
Lease liabilities	租賃負債	12	17,982	18,109
			27,710,956	20,394,102
Total liabilities	總負債		28,116,975	22,561,505
Total equity and liabilities	權益及負債合計		48,397,012	42,337,242

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 2023
截至二零二三年六月三十日止六個月

		Unaudited 未經審核					
		Attributable to the Company's shareholders 本公司權益持有人應佔				Non- controlling interests 非控制性 權益	Total equity 權益總額
		Share capital 股本 RMB'000 人民幣千元	Other reserves 其他儲備 RMB'000 人民幣千元	Retained earnings 留存收益 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2023	於二零二三年一月一日	123,345	3,143,018	16,257,244	19,523,607	252,130	19,775,737
Profit for the period	本期利潤	-	-	1,225,768	1,225,768	1,133	1,226,901
Currency translation differences	外幣折算差額	-	77,797	-	77,797	(2,227)	75,570
Total comprehensive income	綜合總收益	-	77,797	1,225,768	1,303,565	(1,094)	1,302,471
Transactions with owners	與所有者的交易						
2022 final dividends paid (Note 10(b))	二零二二年已派末期股息 (附註10(b))	-	-	(813,485)	(813,485)	(6,692)	(820,177)
Share-based compensation — value of employee services	以股份為基礎之酬金 — 員工服務價值	-	22,006	-	22,006	-	22,006
Total of transactions with owners	與所有者的交易合計	-	22,006	(813,485)	(791,479)	(6,692)	(798,171)
Appropriation to statutory reserves	撥往法定儲備	-	39,292	(39,292)	-	-	-
Balance at 30 June 2023	於二零二三年六月三十日	123,345	3,282,113	16,630,235	20,035,693	244,344	20,280,037
Balance at 1 January 2022	於二零二二年一月一日	123,345	2,862,648	16,051,047	19,037,040	243,410	19,280,450
Profit for the period	本期利潤	-	-	1,276,191	1,276,191	15,427	1,291,618
Currency translation differences	外幣折算差額	-	119,181	-	119,181	10,725	129,906
Total comprehensive income	綜合總收益	-	119,181	1,276,191	1,395,372	26,152	1,421,524
Transactions with owners	與所有者的交易						
2021 final dividends paid (Note 10(b))	二零二一年已派末期股息 (附註10(b))	-	-	(813,485)	(813,485)	(2,119)	(815,604)
Liquidation of a subsidiary	附屬公司清算	-	(126)	126	-	(6,000)	(6,000)
Capital contribution by non-controlling interests	少數股東權益出資	-	-	-	-	7,500	7,500
Capital reduction of a subsidiary	附屬公司減少股本	-	-	-	-	(3,146)	(3,146)
Change in ownership interests in subsidiaries without change of control	附屬公司所有者權益變動 (不改變控制權)	-	-	(171)	(171)	(2,109)	(2,280)
Disposal of a subsidiary	處置附屬公司	-	-	-	-	(1,006)	(1,006)
Share-based compensation — value of employee services	以股份為基礎之酬金 — 員工服務價值	-	30,043	-	30,043	-	30,043
Total of transactions with owners	與所有者的交易合計	-	29,917	(813,530)	(783,613)	(6,880)	(790,493)
Appropriation to statutory reserves	撥往法定儲備	-	86,825	(86,825)	-	-	-
Balance at 30 June 2022	於二零二二年六月三十日	123,345	3,098,571	16,426,883	19,648,799	262,682	19,911,481

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 2023
截至二零二三年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cash flows from operating activities	營運活動的現金流量		
— Cash generated from operations	— 營運活動產生的現金	2,298,556	2,684,847
— Income tax paid	— 已付所得稅	(359,602)	(560,824)
Net cash generated from operating activities	營運活動產生的淨現金	1,938,954	2,124,023
Cash flows from investing activities	投資活動的現金流量		
— Purchase of property, plant and equipment, intangible assets, construction-in-progress and other non-current assets	— 購入物業、機器及設備、無形資產、在建工程及其他非流動資產	(739,005)	(345,563)
— Purchase of land use rights	— 購入土地使用權	(2,530)	(21,888)
— Refund of deposits for purchase of land use rights	— 購入土地使用權之按金退回	—	29,575
— Proceeds on disposal of property, plant and equipment and right-of-use assets	— 出售物業、機器及設備及使用權資產所得款	23,692	1,620
— Decrease in long-term and short-term bank time deposits	— 減少長期及短期銀行定期存款	4,308,935	8,529,088
— Increase in long-term and short-term bank time deposits	— 增加長期及短期銀行定期存款	(6,686,293)	(5,390,449)
— Payments for acquisition of investments in associates and a joint venture	— 投資聯合營公司	(3,000)	(428)
— Transactions with non-controlling interests	— 與少數股東權益交易	—	(2,280)
— Cash disposal on losing control of a subsidiary	— 子公司控制權變更導致的現金減少	—	(5,756)
— Proceeds on disposal of derivative financial instruments	— 出售衍生金融工具所得款	61,702	—
— Interest received	— 已收利息	327,267	388,363
Net cash (used in)/generated from investing activities	投資活動(使用的)/產生的淨現金	(2,709,232)	3,182,282

Interim Condensed Consolidated Statement of Cash Flows (Continued)
中期簡明合併現金流量表(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

Unaudited
未經審核

Six months ended 30 June

截至六月三十日止六個月

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cash flows from financing activities	融資活動的現金流量		
— Proceeds from capital contribution by non-controlling interests	— 年度少數股東投入	—	7,500
— Payment to non-controlling interests for capital reduction of a subsidiary	— 附屬公司減少股本	—	(3,146)
— Proceeds from borrowings (Note 16)	— 借入借款(附註16)	13,535,887	15,313,615
— Repayment of borrowings (Note 16)	— 償還借款(附註16)	(6,953,953)	(11,135,917)
— Decrease in restricted bank deposits	— 減少有限制銀行存款	2	—
— Interest paid	— 已付利息	(320,037)	(179,335)
— Dividends paid (Note 10(b))	— 支付股息(附註10(b))	(813,485)	(813,485)
— Dividends paid to non-controlling interests	— 向少數股東支付的股息	(7,850)	(2,119)
— Lease payments	— 支付租賃款	(10,808)	(11,714)
— Payment to non-controlling interests for liquidation of a subsidiary	— 向少數股東支付的附屬公司清算款項	—	(6,000)
— Cash inflow arising from liquidation of a subsidiary	— 子公司清算所得款	1,564	—
Net cash generated from financing activities	融資活動產生的淨現金	5,431,320	3,169,399
Increase in cash and cash equivalents	現金及現金等價物淨增加	4,661,042	8,475,704
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	6,088,603	12,339,816
Effect of foreign exchange rate changes	外幣匯率變動之影響	43,967	73,316
Ending cash and cash equivalents at 30 June	於六月三十日之現金及現金等價物	10,793,612	20,888,836

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

1. GENERAL INFORMATION

Hengan International Group Company Limited (the “Company” or “恒安國際”) and its subsidiaries (together, the “Group”) are principally engaged in the manufacturing, distribution and sale of personal hygiene products in the People’s Republic of China (the “PRC”) and certain overseas markets.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, British West Indies, Cayman Islands.

The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since December 1998.

This interim condensed consolidated financial information is presented in Renminbi (“RMB”), unless otherwise stated.

This interim condensed consolidated financial information was approved for issue by the Board of Directors on 24 August 2023.

This interim condensed consolidated financial information has been reviewed, not audited.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2023 has been prepared in accordance with HKAS 34, *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the notes of the type normally included in the annual consolidated financial statements. Accordingly, it should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

1. 一般資料

恒安國際集團有限公司(「本公司」或「恒安國際」)及其附屬公司(「本集團」)主要於中華人民共和國(「中國」)及某些境外市場製造、分銷和出售個人衛生用品。

本公司為一家在開曼群島註冊成立之有限責任公司。註冊地址為P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, British West Indies, Cayman Islands。

從一九九八年十二月起，本公司的股份在香港聯合交易所有限公司(「聯交所」)上市。

除另有說明外，本中期簡明合併財務資料以人民幣呈列。

本中期簡明合併財務資料已經在二零二三年八月二十四日經董事會批准刊發。

本中期簡明合併財務資料已經審閱，但未經審核。

2. 編製基準

截至二零二三年六月三十日止六個月的中期簡明合併財務資料已根據香港會計準則第34號「中期財務報告」編製。本中期簡明合併財務資料不包括通常在年度合併財務報表中的所有附註。因此，本中期簡明合併財務資料應與截至二零二二年十二月三十一日止的年度合併財務報表一併閱讀，該年度合併財務報表是根據香港財務報告準則編製的。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

3. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of this interim condensed consolidated financial information are consistent with those of the annual consolidated financial statements for the year ended 31 December 2022 and corresponding interim financial period, except for the adoption of new and amended standards set out as below.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group assessed the adoption of these new and amended standards and concluded that they did not have a significant impact on the Group's interim results and financial position.

3. 會計政策

除下文所述者外，編製本中期簡明合併財務資料所採用之會計政策與截至二零二二年十二月三十一日止之年度財務報表所採用的會計政策一致。

中期期間之所得稅使用適用於預期全年盈利總額之稅率計算。

(a) 本集團已採納之新準則及準則修訂

若干新準則及準則修訂適用於本報告期間。本集團已評估新準則以及對準則的修訂的全面影響。新準則對本集團的中期財務狀況和經營表現並無重大影響。

Standards and amendments		Effective for annual periods beginning on or after
準則及修訂		於下列日期或之後起的年度期間生效
HKFRS 17 香港財務報告準則第17號	Insurance contracts 保險合約	1 January 2023 二零二三年一月一日
Amendments to HKAS 8 香港會計準則第8號(修訂)	Definition of Accounting Estimates 會計估計之定義	1 January 2023 二零二三年一月一日
Amendments to HKAS 1 and HKFRS Practice Statement 2 香港會計準則第1號及香港財務報告準則實務報告第2號(修訂)	Disclosure of Accounting Policies 會計政策披露	1 January 2023 二零二三年一月一日
Amendments to HKAS 12 香港會計準則第12號(修訂)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction 源自單一交易的資產及負債的相關遞延稅項	1 January 2023 二零二三年一月一日

Notes to the Interim Condensed Consolidated Financial Information (Continued) 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

3. ACCOUNTING POLICIES (Continued)

(a) New and amended standards adopted by the Group (Continued)

The amendments to HKAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The cumulative effect of recognising these adjustments was not material and hence no adjustment was made to the beginning retained earnings, or another component of equity.

The Group has adopted International Tax Reform — Pillar Two Model Rules — Amendments to HKAS 12 upon their release on 21 July 2023. The amendments provide a temporary mandatory exception applying retrospectively from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure from 31 December 2023.

As an exception to requirements in the amendments to HKAS 12, the Group neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes because no new legislation to implement the top-up tax was enacted or substantively enacted at 31 December 2022 in any jurisdiction in which the Group operates.

The relief and the new disclosures will also be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2023.

3. 會計政策 (續)

(a) 本集團已採納之新準則及準則修訂 (續)

香港會計準則第12號所得稅的修訂要求公司在對在初始確認時產生等額應付稅和可抵扣暫時性差異的交易的遞延稅項。這些調整的累積影響並不重大，因此未對期初留存收益或權益的其他組成部分進行調整。

本集團已於二零二三年七月二十一日推出後採納香港會計準則第12號國際稅收改革 — 支柱二規則範本 — 修訂本。該等修訂本規定，臨時強制性例外追溯適用於補充稅的遞延稅會計法，其即時生效，並規定自二零二三年十二月三十一日起作出有關支柱二風險之新披露。

作為對香港會計準則第12號修訂之規定之例外情況，本集團並無確認或披露有關支柱二所得稅相關遞延稅項資產及負債之資料，原因是在本集團經營所在的任何司法權區於二零二二年十二月三十一日並無新法律實施或大致上實施補充稅。

此次減免和新的披露也將反映在集團截至二零二三年十二月三十一日止年度的合併財務報表中。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

3. ACCOUNTING POLICIES (Continued)

(b) The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning on 1 January 2023 and have not been early adopted by the Group.

3. 會計政策(續)

(b) 以下為已頒佈但於二零二三年一月一日開始的財政年度尚未生效，且本集團亦未提前採納的新訂準則、對準則之新詮釋、修訂及詮釋。

Standards and amendments 準則及修訂	Effective for annual periods beginning on or after 於下列日期或之後起的 年度期間生效
Amendments to HKAS 1 香港會計準則第1號(修訂)	Classification of Liabilities as Current or Non-current 將負債分類為流動或非流動 1 January 2024 二零二四年一月一日
Amendments to HKAS 1 香港會計準則第1號(修訂)	Non-current liabilities with covenants 附有契約的非流動負債 1 January 2024 二零二四年一月一日
Amendments to HKFRS 16 香港財務報告準則第16號(修訂)	Lease liability in sale and leaseback 售後租回之租賃負債 1 January 2024 二零二四年一月一日
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause 財務報表的呈列 — 借款人對含有按要 求償還條款的定期貸款的 分類 1 January 2024
香港詮釋第5號(修訂)	
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture 投資者及其聯營企業或合資企業之間的 資產出售或投入 To be determined 有待釐定
香港財務報告準則第10號及香港會計 準則第28號(修訂)	

The Group is assessing the full impact of the new standards, new interpretations and amendments to standards and interpretations.

本集團正在評估新訂準則、對準則之新詮釋、修訂及詮釋之全面影響。

Notes to the Interim Condensed Consolidated Financial Information (Continued) 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

4. ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2022, with the exception of changes in estimates that are required in determining the provision for income taxes and disclosure of unusual items.

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2022.

There have been no changes in the risk management policies since last year end.

4. 估計

編製中期簡明合併財務資料要求管理層對影響會計政策的應用和所報告資產和負債以及收支的數額作出判斷、估計和假設。實際結果或會與此等估計不同。

在編製此等中期簡明合併財務資料時，除了釐定所得稅準備所需估計的變動和特殊項目的披露外，管理層應用本集團會計政策時作出的重大判斷和估計不確定性的關鍵來源，與截至二零二二年十二月三十一日止年度合併財務報表所應用的相同。

5. 財務風險管理及金融工具

5.1 財務風險因素

本集團的活動承受著多種的財務風險：市場風險（包括匯率風險、公允價值利率風險、現金流量利率風險及價格風險）、信用風險及流動性風險。

中期簡明合併財務資料並未包括年度財務報表規定的所有財務風險管理資訊和披露，此中期簡明合併財務資料應與本集團截至二零二二年十二月三十一日止的年度合併財務報表一併閱讀。

自去年底以來本集團的風險管理政策並無任何變動。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.2 Liquidity risk

Compared to the last year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

5. 財務風險管理及金融工具(續)

5.2 流動性風險

與去年底比較，金融負債的合約未貼現現金流出並無重大變動。

下表顯示本集團的金融負債，按照相關的到期組別，根據由資產負債表日至合約到期日的剩餘期間進行分析。在表內披露的金額為合約性未貼現的現金流量。

		Less than 1 year 少於一年 RMB'000 人民幣千元	Between 1 and 2 years 一年至二年 RMB'000 人民幣千元	Between 2 and 3 years 二年至三年 RMB'000 人民幣千元	Between 3 and 5 years 三年至五年 RMB'000 人民幣千元	Total 總數 RMB'000 人民幣千元
At 30 June 2023 (Unaudited)	於二零二三年六月三十日 (未經審核)					
Borrowings	借款	23,658,741	1,251	200,000	—	23,859,992
Interest payables of borrowings	應付借款利息	316,870	4,618	4,486	—	325,974
Net settled derivative financial instruments	淨額結算衍生金融工具	774	—	—	—	774
Lease Liabilities	租賃負債	19,108	12,237	4,556	916	36,817
Trade, bills and other payables	應付賬款、應付票據及 其他應付款	3,568,084	—	—	—	3,568,084
Total	合計	27,563,577	18,106	209,042	916	27,791,641
At 31 December 2022 (Audited)	於二零二二年 十二月三十一日(經審核)					
Borrowings	借款	15,028,618	2,001,150	184	—	17,029,952
Interest payables of borrowings	應付借款利息	259,054	27,515	—	—	286,569
Net settled derivative financial instruments	淨額結算衍生金融工具	32,838	—	—	—	32,838
Lease liabilities	租賃負債	19,186	12,278	3,581	1,346	36,391
Trade, bills and other payables	應付賬款、應付票據及 其他應付款	4,345,112	—	—	—	4,345,112
Total	合計	19,684,808	2,040,943	3,765	1,346	21,730,862

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial instruments that are measured at fair value at 30 June.

At 30 June 2023 (Unaudited)	二零二三年六月三十日 (未經審核)	Level 1 第1層 RMB'000 人民幣千元	Level 2 第2層 RMB'000 人民幣千元	Level 3 第3層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets	金融資產				
Financial assets at fair value through profit or loss ("FVPL")	以公允價值計量且其變動計入損益的金融資產	—	—	242,448	242,448
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	—	(774)	—	(774)

5. 財務風險管理及金融工具(續)

5.3 公允價值估計

下表利用估值法分析按公允價值入賬的金融工具。不同層級的定義如下：

- 相同資產或負債在活躍市場的報價(未經調整)(第一層)。
- 除了第一層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第二層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第三層)。

下表顯示本集團的金融工具按六月三十日計量的公允價值。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5. 財務風險管理及金融工具(續)

5.3 Fair value estimation (Continued)

5.3 公允價值估計(續)

		Level 1 第1層	Level 2 第2層	Level 3 第3層	Total 總計
At 31 December 2022 (Audited)	二零二二年十二月三十一日 (經審核)	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
Financial assets	金融資產				
FVPL	以公允價值計量且其變動計入損益的金融資產	—	—	212,572	212,572
Derivative financial instruments	衍生金融工具	—	1,490	—	1,490
		—	1,490	212,572	214,062
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	—	(32,838)	—	(32,838)

During the six months ended 30 June 2023, there were no significant transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments, and also no significant changes in the reclassification of financial assets or liabilities.

於截至二零二三年六月三十日止六個月內，用以計量金融工具公平值之公平值架構層級之間並無重大轉移，而金融資產或負債之重新分類亦無重大變動。

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price is the current bid price. The Group did not have such instrument as at 30 June 2023.

在活躍市場買賣的金融工具的公允價值根據資產負債表日的市場報價列賬。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，而該等報價代表按公平交易基準進行的實際和常規市場交易時，該市場被視為活躍。市場報價為當時買方報價。截至二零二三年六月三十日止，集團沒有此項金融工具。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation (Continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The Group's derivative financial instruments above are level 2 instruments and their fair value is determined with reference to quotations provided by various banks.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group's unlisted preference shares are level 3 instruments and their fair value is determined with inputs for the asset or liability that are not based on observable market data.

(i) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the six months ended 30 June 2023:

		Unlisted preference shares 未上市優先股 RMB'000 人民幣千元
Closing balance as at 31 December 2022	二零二二年十二月三十一日的 年末結餘	212,572
Changes in fair value recognised in profit or loss	於損益確認的公允價值變動	21,591
Currency translation differences	外幣折算差額	8,285
Closing balance as at 30 June 2023	二零二三年六月三十日的 期末結餘	242,448

5. 財務風險管理及金融工具(續)

5.3 公允價值估計(續)

沒有在活躍市場買賣的金融工具的公允價值利用估值技術釐定。估值技術盡量利用可觀察市場資料(如有)，盡量少依賴主體的特定估計。如計算一工具的公允價值所需的所有重大輸入為可觀察資料，則該工具列入第2層。本集團以上的衍生金融工具為列入第2層的金融工具，其公允價值乃取決不同銀行的估值報告。

如一項或多項重大輸入並非根據可觀察市場資料，則該工具列入第3層。本集團的未上市優先股為列入第3層的金融工具，其公允價值是根據並非按照可觀察市場資料確定的資產或負債輸入確定。

(i) 使用重大非可觀察輸入(第3層)的公允價值計量

下表列出截至二零二三年六月三十日止六個月第3層項目的變化：

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation (Continued)

(ii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements for unlisted preference shares:

Description 描述	Fair value at 於下列日期的公允價值		Un-observable inputs 非可觀察輸入	Relationship of unobservable Inputs inputs to fair values 非可觀察輸入與公允價值的 輸入 關係
	30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元		
Unlisted preference shares 未上市優先股	242,448	212,572	Risk-free rate 無風險息率 Volatility 波幅	4.43% The higher the risk-free rate, the higher the fair value 無風險息率越高，公允價值越高 56.00% The higher the expected volatility, the lower the fair value 預期波幅越高，公允價值越低

(iii) Valuation processes

The finance department of the Group includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods.

5. 財務風險管理及金融工具(續)

5.3 公允價值估計(續)

(ii) 估值輸入及與公允價值的關係

下表概述未上市優先股第3層公允價值計量所使用重大非可觀察輸入的定量資料：

(iii) 估值流程

本集團財務部設有一個團隊，專責就財務報告目的對非財產性項目估值，包括第3層公允價值。該團隊直接向財務總監及審核委員會匯報。為配合本集團的半年報告期，財務總監、審核委員會與估值團隊最少每六個月討論一次估值流程及結果。

Notes to the Interim Condensed Consolidated Financial Information (Continued) 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

5. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.4 Fair value of financial assets and liabilities measured at amortised cost

The fair value of the following financial assets and liabilities approximate their carrying amount as at the balance sheet date:

- Trade and bills receivables
- Other receivables
- Long-term bank time deposits
- Restricted bank deposits
- Cash and bank balances
- Trade and bills payables
- Other payables
- Lease liabilities
- Borrowings

6. SEGMENT INFORMATION

The chief operating decision-makers have been identified as the Executive Directors. The Executive Directors review the Group's internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on the reports reviewed by the Executive Directors.

5. 財務風險管理及金融工具(續)

5.4 按攤銷成本入賬的金融資產和金融負債的公允價值

下列金融資產和負債的公允價值於資產負債表日接近其賬面值：

- 應收賬款及應收票據
- 其他應收賬款
- 長期銀行定期存款
- 有限制銀行存款
- 現金及銀行存款
- 應付賬款及應付票據
- 其他應付賬款
- 租賃負債
- 借款

6. 分部資料

首席經營決策者被認為執行董事。執行董事審視本集團內部報告以評估表現和分配資源。管理層已決定根據此等報告釐定營運分部。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

The Executive Directors consider the performance of the Group from a product perspective. The Executive Directors assess the performance of the operating segments based on a measure of segment profit/(loss) without allocation of other income and other gains — net, finance income/(costs) and income tax expense which is consistent with that in the annual consolidated financial statements.

The Group's operations are mainly organised under the segments of manufacturing, distribution and sale of personal hygiene products including sanitary napkin products, disposable diaper products and tissue paper products.

Sales between segments are carried out on terms mutually agreed amongst these business segments. Revenue from external parties reported to the Executive Directors is measured in a manner consistent with that in the consolidated statement of profit or loss.

Most of the Group's companies are domiciled in PRC. The revenue from external customers in PRC accounted for more than 90% of the Group's total revenue.

The amounts provided to the Executive Directors with respect to total assets and liabilities are measured in a manner consistent with those of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Addition to non-current assets comprise addition to property, plant and equipment, investment properties, construction-in-progress, right-of-use assets and intangible assets.

Unallocated costs represent corporate expenses. Unallocated assets comprise corporate assets. Unallocated liabilities comprise corporate liabilities and derivative financial instruments.

6. 分部資料(續)

執行董事從產品角度審視集團業績。執行董事基於分部的利潤/(虧損)對分部業績作出評估，但與年度合併財務報表一致，並不包括其他收入和利得 — 淨額，財務收益/(費用)和所得稅費用之分配。

本集團主營業務為生產及分銷和出售個人衛生用品，包括衛生巾、一次性紙尿褲及紙巾。

分部間銷售均在雙方達成一致的合同條款下進行。向執行董事報告來自外界的收入的計量方法與合併利潤表的計量方法一致。

集團的主要業務在中國，超過90%的收益來自中國的外部客戶。

向執行董事提供有關總資產和總負債的金額，是按照與財務報表內貫徹的方式計量。此等資產與負債根據分部的經營分配。

非流動資產增加包括物業、機器及設備、投資性房地產、在建工程、使用權資產和無形資產的添置。

未分配成本指集團整體性開支。未分配資產主要包括總部資產。未分配負債包括總部負債及衍生金融工具。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

The segment information for the six months ended 30 June 2023 is as follows:

6. 分部資料(續)

以下是截至二零二三年六月三十日止六個月的分部資料：

		Unaudited 未經審核				
		Sanitary napkin products 衛生巾產品 RMB'000 人民幣千元	Disposable diaper products — 一次性 紙尿褲產品 RMB'000 人民幣千元	Tissue paper products 紙巾產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Group 集團 RMB'000 人民幣千元
Segment revenue	分部收入	3,273,936	703,770	7,322,807	1,555,689	12,856,202
Inter-segment sales	分部間相互銷售	(54,641)	(38,466)	(152,697)	(405,793)	(651,597)
Revenue of the Group	集團收入	3,219,295	665,304	7,170,110	1,149,896	12,204,605
Segment profit	分部利潤	1,149,778	30,152	5,180	40,350	1,225,460
Unallocated costs	未分配成本					(32,150)
Other income and other gains — net	其他收入和利得 — 淨額					508,371
Operating profit	經營利潤					1,701,681
Finance income	財務收益					157,570
Finance costs	財務費用					(317,951)
Share of net gains of investments accounted for using the equity method	分佔按權益法入賬之投資收益					182
Profit before income tax	除所得稅前利潤					1,541,482
Income tax expense	所得稅費用					(314,581)
Profit for the period	本期利潤					1,226,901
Non-controlling interests	非控制性權益					(1,133)
Profit attributable to shareholders of the Company	本公司權益持有人應佔利潤					1,225,768
Addition to non-current assets	非流動資產增加	182,305	20,539	697,463	89,041	989,348
Depreciation of property, plant and equipment and investment properties	物業、機器、設備及投資性房地產折舊開支	75,623	23,494	270,456	30,279	399,852
Depreciation of right-of-use assets	使用權資產折舊開支	6,209	2,614	12,826	4,705	26,354
Amortisation charge	攤銷開支	11,109	2	23	3,326	14,460

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

6. 分部資料(續)

		Unaudited 未經審核				
		Sanitary napkin products 衛生巾產品 RMB'000 人民幣千元	Disposable diaper products 一次性 紙尿褲產品 RMB'000 人民幣千元	Tissue paper products 紙巾產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Group 集團 RMB'000 人民幣千元
As at 30 June 2023 (Unaudited)	於二零二三年六月三十日 (未經審核)					
Segment assets	分部資產	3,959,603	1,044,753	11,881,088	1,831,147	18,716,591
Deferred income tax assets	遞延所得稅資產					556,185
Current income tax recoverable	預繳當期所得稅					13,251
Investments accounted for using the equity method FVPL	按權益法入賬的投資 以公允價值計量且其變動計入當期損益的金融資產					43,937
Long-term time deposits	長期銀行定期存款					242,448
Cash and bank balances	現金及銀行存款					1,895,639
Unallocated assets	未分配資產					26,749,710
						179,251
Total assets	總資產					48,397,012
Segment liabilities	分部負債	678,847	249,598	2,516,626	358,303	3,803,374
Deferred income tax liabilities	遞延所得稅負債					187,641
Current income tax liabilities	當期所得稅負債					180,522
Borrowings	借款					23,859,992
Unallocated liabilities	未分配負債					85,446
Total liabilities	總負債					28,116,975

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

The segment information for the six months ended 30 June 2022 is as follows:

6. 分部資料 (續)

以下是截至二零二二年六月三十日止六個月的分部資料：

		Unaudited 未經審核				
		Sanitary napkin products 衛生巾產品 RMB'000 人民幣千元	Disposable diaper products 一次性 紙尿褲產品 RMB'000 人民幣千元	Tissue paper products 紙巾產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Group 集團 RMB'000 人民幣千元
Segment revenue	分部收入	3,197,418	655,274	6,208,064	1,966,106	12,026,862
Inter-segment sales	分部間相互銷售	(68,894)	(21,762)	(365,451)	(370,734)	(826,841)
Revenue of the Group	集團收入	3,128,524	633,512	5,842,613	1,595,372	11,200,021
Segment profit	分部利潤	1,330,726	101,566	305,995	42,106	1,780,393
Unallocated costs	未分配成本					(5,959)
Other income and other gains — net	其他收入和利得 — 淨額					111,319
Operating profit	經營利潤					1,885,753
Finance income	財務收益					164,138
Finance costs	財務費用					(241,554)
Share of net losses of investments accounted for using the equity method	分佔按權益法入賬之投資虧損					(12,437)
Profit before income tax	除所得稅前利潤					1,795,900
Income tax expense	所得稅費用					(504,282)
Profit for the period	本期利潤					1,291,618
Non-controlling interests	非控制性權益					(15,427)
Profit attributable to shareholders of the Company	本公司權益持有人應佔利潤					1,276,191
Addition to non-current assets	非流動資產增加	239,147	52,125	180,689	51,620	523,581
Depreciation of property, plant and equipment and investment properties	物業、機器、設備及投資性房地產折舊開支	86,984	21,295	267,551	25,512	401,342
Depreciation of right-of-use assets	使用權資產折舊開支	7,644	1,936	15,172	4,332	29,084
Amortisation charge	攤銷開支	11,027	—	13	7,014	18,054

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

6. 分部資料(續)

		Unaudited 未經審核				
		Sanitary napkin products 衛生巾產品 RMB'000 人民幣千元	Disposable diaper products 一次性 紙尿褲產品 RMB'000 人民幣千元	Tissue paper products 紙巾產品 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Group 集團 RMB'000 人民幣千元
As at 31 December 2022 (Audited)	於二零二二年十二月 三十一日(經審核)					
Segment assets	分部資產	4,347,292	1,134,152	12,254,049	2,055,975	19,791,468
Deferred income tax assets	遞延所得稅資產					532,204
Current income tax recoverable	預繳當期所得稅					42,168
Investments accounted for using the equity method FVPL	按權益法入賬的投資 以公允價值計量且其 變動計入當期損益的 金融資產					43,576
Long-term time deposits	長期銀行定期存款					212,572
Cash and bank balances	現金及銀行存款					2,895,490
Unallocated assets	未分配資產					18,667,492
						152,272
Total assets	總資產					42,337,242
Segment liabilities	分部負債	1,101,507	293,649	3,162,454	432,501	4,990,111
Deferred income tax liabilities	遞延所得稅負債					149,433
Current income tax liabilities	當期所得稅負債					268,564
Borrowings	借款					17,029,952
Unallocated liabilities	未分配負債					123,445
Total liabilities	總負債					22,561,505

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

7. PROFIT BEFORE INCOME TAX

Profit before income tax is stated after crediting and charging the following:

7. 除所得稅前利潤

除所得稅前利潤計入及扣除下列項目：

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Crediting	計入		
Government grant income	政府獎勵收入	200,440	250,754
Income from long-term and short-term bank time deposits	長期與短期銀行定期存款利息收入	377,644	268,088
Interests income from cash and cash equivalents	現金及現金等價物利息收入	109,557	164,138
Net gains on derivative financial instruments	衍生金融工具淨收益	92,142	1,002
Exchange gains from financing activities – net	融資匯兌收益 — 淨額	48,013	—
Fair value gains on FVPL	以公允價值計量且其變動計入當期損益的金融資產	21,591	—
Reversal of provision for inventories write-down	存貨減值準備轉回	10,484	—
Gains on disposal of investments accounted for using the equity method	處置採用權益法核算的投資之投資收益	6,623	—
Charging	扣除		
Depreciation of property, plant and equipment (Note 11)	物業、機器及設備之折舊(附註11)	396,769	398,196
Depreciation of investment properties (Note 11)	投資性房地產之折舊(附註11)	3,083	3,146
Amortisation of intangible assets (Note 11)	無形資產之攤銷(附註11)	14,460	18,054
Depreciation of right-of-use assets (Note 12)	使用權資產之折舊(附註12)	26,354	29,084
Employee benefit expense, including Directors' emoluments	員工福利，包括董事薪酬	1,121,322	1,062,776
Losses on disposal of property, plant and equipment and intangible assets, and right-of-use assets	處置物業、機器及設備及無形資產及使用權資產的損失	12,654	51,389
Net impairment losses on trade and bills receivables	應收賬款及應收票據減值準備	30,535	26,403
Provision for decline in value of inventories	存貨減值準備	—	23,459
Exchange losses from financing activities – net	融資匯兌損失 — 淨額	—	44,329
Exchange losses from operating activities – net	營運匯兌損失 — 淨額	182,426	367,797
Interest expenses on borrowings and bank charges after deducting interest expenses of RMB6,965,000 (2022: RMB3,323,000) capitalised in construction-in-progress	借款利息費用及銀行手續費支出，扣除於在建工程中資本化之利息費用人民幣6,965,000元(二零二二年：人民幣3,323,000元)	317,222	196,492
Miscellaneous taxes and levies	其他稅費	44,427	46,944

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

8. INCOME TAX EXPENSE

8. 所得稅費用

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Current tax on profits for the period	本期所得稅費用	300,477	396,243
Withholding income tax on profits of the current period	本期代扣代繳股息稅	31,977	61,613
Deferred income tax on other timing differences, net	其他暫時性差異遞延所得稅，淨額	(17,873)	46,426
Income tax expense	所得稅費用	314,581	504,282

Taxation on Mainland China income has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in Mainland China in which the Group operates. The Company's subsidiaries incorporated in Mainland China are subject to Corporate Income Tax ("CIT") at the rate of 25% (2022: 25%).

Hong Kong and overseas profits tax has been provided at the rate of taxation prevailing in which the Group operates respectively on the estimated assessable profits for the period.

Deferred income tax is calculated in full on temporary differences under the liability method using the prevailing tax rates applicable to the subsidiaries of the Group.

中國大陸所得稅已按照本集團中國大陸附屬公司之應課稅利潤以適用之現行稅率計算。本公司在中國大陸境內設立之附屬公司須按照25% (二零二二年：25%) 支付企業所得稅。

香港及海外公司所得稅乃按照本集團於香港及海外之公司在本期間估計應課稅盈利依稅率提撥準備。

遞延所得稅乃採用負債法就關於應課稅暫時性差異，按本集團的附屬公司適用之現行稅率計算。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

8. INCOME TAX EXPENSE (Continued)

The profits of subsidiaries in Mainland China of the Group derived since 1 January 2008 are subject to withholding tax at a rate of 5% upon distribution of such profits to investors in Hong Kong, or at a rate of 10% for other foreign investors. Deferred income tax liabilities of approximately RMB31,977,000 (2022: RMB61,613,000) for the six months ended 30 June 2023 have been provided for in this regard based on the expected dividends to be distributed from the Group's subsidiaries in Mainland China in the foreseeable future.

9. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

8. 所得稅費用(續)

本集團的中國大陸附屬公司自二零零八年一月一日產生的利潤，若向於香港註冊成立的投資者分派該等利潤，將須按5%稅率繳納預扣稅；若向其他外國投資者分派該等利潤，則須按10%稅率繳納扣繳稅。截至二零二三年六月三十日止六個月，以本集團的大陸附屬公司於可預見之將來派發之利潤為預期股息基礎而作出遞延稅項負債的撥備約為人民幣31,977,000元(二零二二年：人民幣61,613,000元)。

9. 每股收益

(a) 基本

每股基本收益是以本公司權益持有人應佔利潤除以於期內已發行普通股之加權平均股數計算。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年	2022 二零二二年
Profit attributable to shareholders of the Company (RMB'000)	本公司權益持有人應佔利潤(人民幣千元)	1,225,768	1,276,191
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均股數(千股)	1,162,121	1,162,121
Basic earnings per share (RMB)	每股基本收益(人民幣元)	1.055	1.098

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

9. EARNINGS PER SHARE (Continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversation of all dilutive potential ordinary shares. Share options is the only category of dilutive potential ordinary shares of the Company.

The diluted earnings per share is the same as basic earnings per share for the six months ended 30 June 2023 as the potential ordinary shares in respect of outstanding share options is anti-dilutive.

9. 每股收益(續)

(b) 攤薄

每股攤薄收益假設所有可攤薄的潛在普通股被兌換後，根據已發行普通股的加權平均股數計算。本公司僅有購股權一類可攤薄的潛在普通股。

截至二零二三年六月三十日止六個月，每股攤薄收益與每股基本收益相同，因為有關購股權並無攤薄影響。

10. DIVIDENDS

10. 股息

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Interim, proposed/paid, RMB0.70 (2022: RMB0.70) per share (Note (a))	擬派/支付中期股息每股 人民幣0.70元(二零二二年： 人民幣0.70元)(附註(a))	813,485	813,485

Notes to the Interim Condensed Consolidated Financial Information (Continued) 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

10. DIVIDENDS (Continued)

Notes:

- (a) An interim dividend of RMB0.7 (equivalent to Hong Kong dollars ("HK\$") 0.762187) (2022: amounted to RMB0.7 per share, equivalent to HK\$0.809801) per share was proposed by the Board of Directors on 24 August 2023. This interim dividend, amounting to RMB813,485,000 calculated based on 1,162,120,917 issued shares as at 24 August, 2023, has not been recognised as a liability in this interim condensed consolidated financial information.

Dividends payable to shareholders will be paid in HK\$. The exchange rate adopted by the Company for its dividend payable is the middle rate of HK\$ to RMB announced by the People's Bank of China for the business day preceding the date of dividend declaration. The exchange rate of HK\$ to RMB on 23 August 2023 is 0.91841.

- (b) A final dividend of RMB813,485,000, equivalent to HK\$927,355,000 (2021: RMB813,485,000, equivalent to HK\$999,601,000) related to the period up to 31 December 2022 was paid in June 2023.

10. 股息(續)

附註：

- (a) 於二零二三年八月二十四日舉行的董事會議上，建議派發中期股息每股人民幣0.7元(相等於每股港元0.762187)(二零二二年：人民幣0.7元，相等於每股港元0.809801)。此項中期股息合計人民幣813,485,000元乃根據於二零二三年八月二十四日已發行之股份1,162,120,917股計算，並無在本中期簡明合併財務資料中確認為負債。

應付予股東的股息以港元派發。本公司派股息所採用的匯率為宣派股息日前一個營業日中國人民銀行公幣的港元兌人民幣匯率中間價。於二零二三年八月二十三日，港元兌人民幣匯率為0.91841。

- (b) 二零二二年十二月三十一日止期間有關的末期股息人民幣813,485,000元，相等於港元927,355,000元已於二零二三年六月派發(二零二一年：人民幣813,485,000元，相等於港元999,601,000元)。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

11. CAPITAL EXPENDITURE – NET BOOK VALUE 11. 資本性支出 – 賬面淨值

		Unaudited 未經審核			
		Property, plant and equipment 物業、機器 及設備 RMB'000 人民幣千元	Construction- in-progress 在建工程 RMB'000 人民幣千元	Investment properties 投資性房地產 RMB'000 人民幣千元	Intangible assets 無形資產 RMB'000 人民幣千元
At 1 January 2023	於二零二三年一月一日	7,099,255	969,210	166,696	656,976
Additions	添置	135,013	825,868	—	12,904
Transfer from construction-in-progress	從在建工程轉入	310,783	(310,783)	—	—
Transfer to investment properties	轉出至投資性房地產	(1,252)	—	1,252	—
Transfer from right-of-use assets	從使用權資產轉入	—	—	1,354	—
Disposals	處置	(25,895)	—	—	—
Depreciation/amortisation	本期折舊/攤銷	(396,769)	—	(3,083)	(14,460)
Currency translation differences	外幣折算差額	995	5,949	(164)	—
At 30 June 2023	於二零二三年六月三十日	7,122,130	1,490,244	166,055	655,420
At 1 January 2022	於二零二二年一月一日	7,296,727	509,647	216,293	724,778
Additions	添置	97,184	259,638	—	183
Transfer from construction-in-progress	從在建工程轉入	146,048	(146,048)	—	—
Transfer from investment properties	從投資性房地產轉入	34,406	—	(34,406)	—
Transfer to right-of-use assets	轉出至使用權資產	—	—	(8,114)	—
Disposals	處置	(9,106)	—	—	(43,903)
Depreciation/amortisation	本期折舊/攤銷	(398,196)	—	(3,146)	(18,054)
Disposal of a subsidiary	處置附屬公司	(554)	—	—	(90)
Currency translation differences	外幣折算差額	5,471	—	(11)	—
At 30 June 2022	於二零二二年六月三十日	7,171,980	623,237	170,616	662,914

The Group's investment properties are stated at historical cost at the end of each reporting period.

本集團的投資性房地產於各報告期末按歷史成本入賬。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

12. LEASES

(a) Amounts recognised in the consolidated balance sheet

12. 租賃

(a) 合併資產負債表呈列以下有關租賃之金額

		Unaudited 未經審核 As at 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 As at 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Right-of-use assets	使用權資產		
— Land use rights	— 土地使用權	1,129,445	1,157,972
— Buildings	— 物業	34,458	34,109
Total	合計	1,163,903	1,192,081
Lease liabilities	租賃負債		
— Current	— 流動	(17,982)	(18,109)
— Non-current	— 非流動	(17,127)	(16,636)
Total	合計	(35,109)	(34,745)

Expenses have been charged to the interim condensed consolidated statement of profit or loss.

開支已於中期簡明合併利潤表內扣除。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

12. LEASES (Continued)

(b) Amounts recognised in the consolidated statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

12. 租賃(續)

(b) 合併利潤表呈列以下有關租賃之金額

合併利潤表呈列以下有關租賃之金額：

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Depreciation of right-of-use assets	使用權資產折舊(附註7)		
(Note 7)			
— Land use rights	— 土地使用權	16,116	18,021
— Buildings	— 物業	10,238	11,063
		26,354	29,084
Interest expense	利息費用	729	733
Short-term and low-value lease expenses	短期及低價值租賃開支	27,373	39,004

The total cash payment for leases during the period was RMB38,181,000 (2022: RMB50,718,000), excluding the cash payment for land-use rights.

於二零二三年六月三十日止六個月有關租賃的現金付款總額為人民幣38,181,000元(二零二二年：人民幣50,718,000元)，此款項不包括為土地使用權的現金付款。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

13. TRADE AND BILLS RECEIVABLES

13. 應收賬款及應收票據

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Trade receivables	應收賬款	2,923,398	2,968,424
Bills receivables	應收票據	5,700	24,710
		2,929,098	2,993,134
Less: provision for impairment	減：壞賬準備	(90,275)	(61,247)
Trade and bills receivables, net	應收賬款及應收票據，淨值	2,838,823	2,931,887

Part of the Group's sales are on open account with credit terms ranging from 30 days to 90 days. The ageing analysis of trade and bills receivables based on invoice date is as follows:

本集團部分銷售以記賬交易形式進行，信貸期為30天至90天。應收賬款及應收票據根據發票日期的賬齡分析如下：

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Within 30 days	1-30天	1,003,767	961,667
31 to 180 days	31-180天	1,679,683	1,724,960
181 to 365 days	181-365天	115,504	189,311
Over 365 days	365天以上	130,144	117,196
		2,929,098	2,993,134

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

13. TRADE AND BILLS RECEIVABLES (Continued)

There is no concentration of credit risk with respect to trade and bills receivables as the Group has a large number of customers. As credit terms are short and most of the trade and bills receivables are due for settlement within one year, the carrying amounts of these balances approximated their fair values as at the balance sheet date.

13. 應收賬款及應收票據(續)

本集團有眾多客戶，應收賬款及應收票據並無集中信貸風險。由於信貸期較短及大部分的應收賬款和應收票據也於一年內到期清還，因此應收賬款及應收票據於資產負債表日的公平值與賬面值相若。

14. LONG-TERM BANK TIME DEPOSITS, RESTRICTED BANK DEPOSITS AND CASH AND BANK BALANCES

14. 長期銀行定期存款、有限制銀行存款和現金及銀行存款

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Long-term bank time deposits	長期銀行定期存款	1,895,639	2,895,490
Restricted bank deposits	有限制銀行存款	300	302
Cash and bank balances	現金及銀行存款		
— Bank time deposits	— 定期存款	15,956,098	12,578,889
— Cash and cash equivalents	— 現金及現金等價物	10,793,612	6,088,603
		26,749,710	18,667,492
Total	合計	28,645,649	21,563,284

The cash and cash equivalents represented cash deposits held at call with banks and in hand an other short-term highly liquid investments with maturities of three months or less.

現金及現金等價物包括銀行通知存款、現金以及到期日為三個月或以下的短期高流動性投資。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

15. TRADE, BILLS AND OTHER PAYABLES AND ACCRUED CHARGES

15. 應付賬款，應付票據及其他應付款及預提費用

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Trade payables	應付賬款	2,184,154	2,913,743
Bills payables	應付票據	2,096	6,942
		2,186,250	2,920,685
Other payables and accrued charges	其他應付款和預提費用		
— Accrued expenses and other payables	— 其他應付賬款及預提費用	1,141,646	1,183,190
— Payables for purchase of property, plant and equipment	— 應付物業、機器及設備採購款	240,188	241,237
— Employee benefit payable	— 應付員工福利款	164,857	217,555
— Other taxes payables	— 其他應繳稅款	32,713	29,565
		1,579,404	1,671,547
Total	合計	3,765,654	4,592,232

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

15. TRADE, BILLS AND OTHER PAYABLES AND ACCRUED CHARGES (Continued)

The aging analysis of trade and bills payables based on invoice date is as follows:

15. 應付賬款，應付票據及其他應付款及預提費用(續)

應付賬款及應付票據按發票日期的賬齡分析如下：

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Within 30 days	1-30天	1,060,944	1,609,093
31 to 180 days	31-180天	1,119,753	1,299,393
181 to 365 days	181-365天	1,953	8,270
Over 365 days	365天以上	3,600	3,929
		2,186,250	2,920,685

The carrying amounts of trade and bills payables approximated their fair values as at the balance sheet date due to short-term maturity.

由於信貸期較短，應付賬款及應付票據的賬面值與資產負債表日的公平值相若。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

16. BORROWINGS

16. 借款

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Non-current	非流動		
Long-term bank loans	長期銀行借款		
— unsecured	— 無抵押	200,000	1,999,000
Long-term bank loans	長期銀行貸款		
— secured (b)	— 抵押 (b)	1,251	2,334
		201,251	2,001,334
Current	流動		
Short-term bank loans	短期銀行貸款		
— unsecured	— 無抵押	15,402,880	14,319,923
Super short-term commercial papers (a)	超短期融資券 (a)	5,000,000	—
Current portion of long-term bank loans	長期銀行貸款的流動部分		
— unsecured	— 無抵押	2,863,000	415,433
Trust receipt bank loans	銀行押匯貸款	310,159	206,419
Current portion of other borrowings	其他貸款的流動部分		
— unsecured	— 無抵押	80,640	84,800
Current portion of long-term bank loans	長期銀行貸款的流動部分		
— secured (b)	— 抵押 (b)	2,062	2,043
		23,658,741	15,028,618
Total	合計	23,859,992	17,029,952

As at 30 June 2023, the effective interest rate of the Group's bank loans and other borrowings was approximately 3.31% (31 December 2022: 2.10%) per annum.

於二零二三年六月三十日，集團平均銀行借款及其他借款有效年利息率約3.31%（二零二二年十二月三十一日：2.10%）。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

16. BORROWINGS (Continued)

(a) Super short-term commercial papers

As at 30 June 2023, the Company had the following super short-term commercial papers:

	Interest rate 利率	Expiration term 到期期限	Mature date 到期日期	Amount 金額 RMB'000 人民幣千元
23恒安國際SCP001	2.40%	180 days 180天	2023-08-27	1,500,000
23恒安國際SCP002	2.40%	178 days 178天	2023-09-28	2,000,000
23恒安國際SCP003	2.39%	180 days 180天	2023-11-08	1,000,000
23恒安國際SCP004	2.39%	179 days 179天	2023-11-17	500,000

(b) Long-term bank loans – secured

As at 30 June 2023, bank borrowings of RMB3,313,000 (31 December 2022: RMB4,377,000) were pledged by the property, plant and equipment (carrying amount of RMB8,997,000 (31 December 2022: RMB9,675,000)) and cost of RMB12,976,000 (31 December 2022: RMB13,193,000) of a subsidiary.

16. 借款(續)

(a) 超短期融資券

於二零二三年六月三十日，本公司有以下超短期融資券：

(b) 長期銀行貸款 – 抵押

於二零二三年六月三十日，物業、機器及設備(賬面淨值為人民幣8,997,000元(二零二二年十二月三十一日：人民幣9,675,000元)成本為人民幣12,976,000元(二零二二年十二月三十一日：人民幣13,193,000元)作為本集團一附屬公司取得銀行貸款人民幣3,313,000元(二零二二年十二月三十一日：人民幣4,377,000元)的抵押。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

16. BORROWINGS (Continued)

(b) Long-term bank loans – secured (Continued)

Movements in borrowings are analysed as follows:

16. 借款(續)

(b) 長期銀行貸款 – 抵押(續)

借款變動如下：

		Unaudited 未經審核 RMB'000 人民幣千元
At 1 January 2023	於二零二三年一月一日	17,029,952
New borrowings	借款增加	13,535,887
Repayments of borrowings	借款還款	(6,953,953)
Currency translation differences	外幣折算差額	248,106
At 30 June 2023	於二零二三年六月三十日	23,859,992
At 1 January 2022	於二零二二年一月一日	18,227,095
New borrowings	借款增加	15,313,615
Repayments of borrowings	借款還款	(11,135,917)
Currency translation differences	外幣折算差額	480,220
At 30 June 2022	於二零二二年六月三十日	22,885,013

17. SHARE CAPITAL

Ordinary shares, issued and fully paid

17. 股本

已發行及繳足股本普通股

		Number of shares 股份數目	RMB'000 人民幣千元
At 1 January 2023 and 30 June 2023 (unaudited)	於二零二三年一月一日及 二零二三年六月三十日 (未經審核)	1,162,120,917	123,345
At 1 January 2022 and 30 June 2022 (unaudited)	於二零二二年一月一日及 二零二二年六月三十日 (未經審核)	1,162,120,917	123,345

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

18. SHARE-BASED COMPENSATION

The Company adopted share option schemes on 17 May 2021 (“2021 Scheme”) and 26 May 2011 (“2011 Scheme”). Pursuant to the scheme, share options had been granted to the Directors and selected employees. The options granted will be forfeited if the Directors and employees leave the Group before the options are exercisable. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2023 二零二三年		2022 二零二二年	
		Average exercise price in HK\$ per share 每股平均行使價 港幣	Options (thousands) 購股權 千計	Average exercise price in HK\$ per share 每股平均行使價 港幣	Options (thousands) 購股權 千計
At 1 January	於一月一日	45.34	51,606	75.88	10,972
Granted (i)	已授出 (i)	—	—	41.48	44,747
At 30 June (Unaudited)	於六月三十日 (未經審核)	45.34	51,606	48.26	55,719

18. 以股份為基礎之酬金

本公司於二零二一年五月十七日(二零二一年計劃)及二零一一年五月二十六日(二零一一年計劃)正式通過購股權計劃。根據這份計劃，董事及經挑選的僱員獲授購股權。授出購股權的行使價相等於授出日期股份市價。若董事和僱員於行使日前辭職，購股權將失效。本集團並無法定或推定責任，以現金購回或償付購股權。

未行使的購股權數目及有關之加權平均行使價的變動如下：

Notes to the Interim Condensed Consolidated Financial Information (Continued) 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
截至二零二三年六月三十日止六個月

18. SHARE-BASED COMPENSATION (Continued)

- (i) The Board of Directors announced that on 18 January 2022 (“date of grant”), 44,747,000 share options to subscribe for a total of 44,747,000 ordinary shares of HK\$0.10 each in the share capital of the Company were granted to certain directors and employees of the Group, under the share option scheme adopted by the Company on 17 May 2021. The validity period of the share options shall be from the date of grant to 17 January 2026 and the share options shall lapse at the expiry of the validity period. The share options granted shall be exercisable during the following periods: (a) up to 30% of the share options shall be exercisable from 18 January 2023 to 17 January 2024, (b) additional 30% of the share options shall be exercisable from 18 January 2024 to 17 January 2025, (c) the remaining 40% of the share options shall be exercisable from 18 January 2025 to 17 January 2026.

Out of the 51,606,000 outstanding options (31 December 2022: 51,606,000), 19,215,000 options (31 December 2022: 5,333,000) were exercisable as at 30 June 2023.

18. 以股份為基礎之酬金(續)

- (i) 董事會宣佈，於二零二二年一月十八日（「授出日期」），本公司根據於二零二一年五月十七日採納之購股權計劃授出44,747,000份購股權予若干董事及本集團僱員，可認購合共44,747,000股本公司股本每股面值港幣0.10元的普通股。購股權之有效期為由授出日期至二零二六年一月十七日，購股權將於有效期後失效。授出購股權可於以下期間行使：(a)最多30%的購股權可於二零二三年一月十八日至二零二四年一月十七日行使，(b)額外的30%購股權可於二零二四年一月十八日至二零二五年一月十七日行使，(c)餘下的40%購股權可於二零二五年一月十八日至二零二六年一月十七日行使。

於二零二三年六月三十日，在51,606,000未行使的期權中（二零二二年十二月三十一日：51,606,000），19,215,000期權可予行使（二零二二年十二月三十一日：5,333,000）。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

18. SHARE-BASED COMPENSATION (Continued)

Based on fair value of the underlying ordinary shares, the Group uses binomial model to determine the fair value of the share options as of the grant date. Key assumptions are set as below:

18. 以股份為基礎之酬金(續)

根據相關普通股的公允價值，本集團採用二項式模型來確定授予日股票期權的公允價值。關鍵假設如下：

		Key assumptions	
		關鍵假設	
		Options granted on	Options granted on
		18 January 2022	21 December 2022
		二零二二年一月十八日	二零二二年十二月二十一日授
		授予之期權	予之期權
Fair value at grant date	授出日期的公允價值	HK\$2.63-HK\$3.84 港幣2.63-3.84	HK\$4.01-HK\$4.97 港幣4.01-4.97
Share price at grant date	授出日期股票價格	HK\$38.65 港幣38.65	HK\$40.30 港幣40.30
Exercise price	行使價	HK\$41.48 港幣41.48	HK\$40.30 港幣40.30
Risk free interest rate	無風險利息率	0.68%-1.22%	3.51%-4.05%
Dividend yield	股息收益率	4.88%	5.83%
Expected volatility (Note)	預期波幅率(附註)	24%-25%	23%-25%
Expected life (in years)	預期有效期(年)	2-4	2-4

Note: The expected volatility, measured as the standard deviation of expected share price returns, is determined based on the average weekly trading price volatility of the shares of the Company.

附註：預期波動率，以預期股價回報的標準差衡量，根據公司股票每週平均交易價格波動率確定。

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

18. SHARE-BASED COMPENSATION (Continued)

Share options outstanding at the end of the period have the following expiry dates and exercise prices:

18. 以股份為基礎之酬金(續)

在期末時未行使購股權的到期日和行使價如下：

		Options (thousands) 購股權數(千計)	
		Unaudited (未經審核) 30 June 2023 二零二三年 六月三十日	Audited (經審核) 31 December 2022 二零二二年 十二月三十一日
Expiry date		Exercise price in	
到期日		HK\$ per share	
option		行使價	
股權價格		(港幣)	
Expiry date – 17 January 2024	到期日 – 二零二四年 一月十七日	41.48	13,424
Expiry date – 20 December 2024	到期日 – 二零二四年 十二月二十日	40.30	458
Expiry date – 17 January 2025	到期日 – 二零二五年 一月十七日	41.48	13,424
Expiry date – 5 October 2025	到期日 – 二零二五年 十月五日	79.20	5,333
Expiry date – 20 December 2025	到期日 – 二零二五年 十二月二十日	40.30	458
Expiry date – 17 January 2026	到期日 – 二零二六年 一月十七日	41.48	17,899
Expiry date – 20 December 2026	到期日 – 二零二六年 十二月二十日	40.30	610
		51,606	51,606

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

18. SHARE-BASED COMPENSATION (Continued)

The total amount of the fair value of share options granted to Directors and selected employees is expensed over the vesting period. The share-based compensation expense for the six month ended 30 June 2023 amounted to RMB22,006,000 (2022: RMB30,043,000), and the remaining unamortised fair value of approximately RMB47,178,000 will be charged to the consolidated income statement in the future years.

The maximum number of shares available for issue after considering the share options already granted under the 2021 Scheme are 71,480,742, which are not more than 10% of the issued share capital of the Company as at the date of the approval of the 2021 Scheme.

19. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The amounts recognised in the consolidated balance sheet are as follows:

18. 以股份為基礎之酬金(續)

董事及經挑選的僱員獲授的購股權的公允價值總金額在等待期間內確認為費用。截至二零二三年六月三十日止的六個月，以股份為基礎之酬金費用為人民幣22,006,000元(二零二二年：人民幣30,043,000)，而剩餘未經攤銷的公允價值約若人民幣47,178,000元將來會確認為合併利潤表。

扣除已授出之購股權，根據二零二一年計劃可發行之股份數目上限為71,480,742股，此數字並未大於該計劃被批准當日本公司所發行股本的10%。

19. 採用權益法核算的投資

合併資產負債表中確認的金額如下：

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Investments in associates (a)	聯營企業(a)	40,936	43,576
Joint ventures (b)	合營企業(b)	3,001	—
Total	合計	43,937	43,576

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

19. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued) **19. 採用權益法核算的投資(續)**

(a) Investments in associates

(a) 聯營企業

		RMB'000 人民幣千元
At 1 January 2023	於二零二三年一月一日	43,576
Disposal	處置	(4,377)
Share of net gains	應佔淨獲利	181
Currency translation differences	外幣折算差額	1,556
At 30 June 2023 (unaudited)	於二零二三年六月三十日(未經審核)	40,936
At 1 January 2022	於二零二二年一月一日	53,330
Addition	新增	428
Disposal of a subsidiary	處置附屬公司	5,669
Share of net losses	應佔淨虧損	(12,437)
Currency translation differences	外幣折算差額	(1,378)
At 30 June 2022 (unaudited)	於二零二二年六月三十日(未經審核)	45,612

(b) Joint ventures

(b) 合營企業

		RMB'000 人民幣千元
At 1 January 2023	於二零二三年一月一日	—
Addition	新增	3,000
Share of net gains	應佔淨獲利	1
At 30 June 2023 (unaudited)	於二零二三年六月三十日(未經審核)	3,001

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

19. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

The particulars of the associates and joint ventures of the Group as at 30 June 2023, all of which equity method is used to account for, are set out as follows:

19. 採用權益法核算的投資(續)

於二零二三年六月三十日，按權益法列賬之本集團聯合營企業詳情載列如下：

Name of entity 公司名稱	Place of business/ country of incorporation 註冊成立國家/ 地點	% of ownership interest 本集團 應佔股權	Particulars of issued share capital 繳足資本	Principal activities 主要業務
Finnpulp Oy 芬漿有限公司*	Kuopio, Finland 庫奧皮奧，芬蘭	36.46%	EUR10,002 歐元10,002	Manufacturing, distribution and sale of wood pulp 製造、分銷、銷售木漿
Sinolight (Jinjiang) Hygiene Products Research Co., Ltd.* 中輕(晉江)衛生用品研究有限公司	Jinjiang, PRC 晉江，中國	38.80%	RMB29,411,800 人民幣29,411,800	Research and development of personal hygiene materials 研究和開發個人衛生產品
Karrion Development Limited 嘉利安發展有限公司	Hong Kong, PRC 香港，中國	50.00%	HK\$1,000,000 港幣1,000,000	Development, distribution, wholesaling and retailing of medical, healthcare and hygiene products 開發、批發分銷、醫藥、個人護理及衛生產品零售
Xiamen Anjian Real Estate Operation Co., Ltd.* 廈門安健不動產運營有限公司	Xiamen, PRC 廈門，中國	50.00%	RMB6,000,000 人民幣6,000,000	Real estate development and operation 房地產發展及管理

* For identification purpose only

* 謹供識別

Notes to the Interim Condensed Consolidated Financial Information (Continued)
 中期簡明合併財務資料附註(續)

For the six months ended 30 June 2023
 截至二零二三年六月三十日止六個月

20. CAPITAL COMMITMENTS

20. 資本性承擔

		Unaudited 未經審核 30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元
Contracted but not provided for in respect of:	已簽約但未撥備：		
Machinery and equipment	機器及設備	644,660	511,979
Leasehold land and buildings	租賃土地及樓宇	709,907	213,248
Total	合計	1,354,567	725,227

21. CONTINGENT LIABILITIES

At 30 June 2023, the Group had no material contingent liabilities (31 December 2022: Nil).

21. 或然負債

於二零二三年六月三十日，本集團並沒有重大的或然負債(二零二二年十二月三十一日：無)。

22. SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

22. 重大關聯交易

倘個人、公司或集團在財務及營業決策上有能力直接或間接控制另一方，或向另一方發揮重大影響力，或當彼等受共同發揮重大影響力，則該等個人或公司屬有關聯人士。

- (a) During the period, the Group had no significant related party transactions;
- (b) For the six months ended 30 June 2023, the key management compensation amounted to approximately RMB27,003,000 (2022: RMB18,371,000).

- (a) 於期內，本集團並沒有重大關聯交易；
- (b) 截至二零二三年六月三十日止六個月，主要管理層的酬金約為人民幣27,003,000元(二零二二年：人民幣18,371,000元)。

23. SUBSEQUENT EVENT

Details of the interim dividend proposed are given in Note 10.

23. 期後事件

建議派發的中期股息詳情載於附註十。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

In the first half of 2023, with the support of China's effective policies to stabilise the economy, China's economic recovery continued, and the gross domestic product ("GDP") in the first half of 2023 grew 5.5% year-on-year. Consumption also showed a steady growth momentum. In the first half of 2023, the total retail sales of consumer goods increased by 8.2% year-on-year, of which the total retail sales of daily necessities increased by 5%. However, negative factors such as the complex and severe international environment and interest rate hikes in Europe and the United States continued, the foundation for sustained economic recovery and development was not solid. Leveraging its comprehensive competitive advantages and effective sales strategies, Hengan continued to expand its market share, and further consolidated its strong business resilience.

During the period, Hengan fully grasped the consumption potential released by the transformation of consumption patterns. Hengan greatly expanded the e-commerce platforms and new retail channels through effective price stabilisation strategies and product line upgrades. It also promoted sales in traditional channels and created its new growth points. The effectiveness of the development of the Group's omni-channel continued to improve. Benefiting from the omni-channel strategy and continuous enhancement of the brand image, revenues of the Group's three core business segments (tissue, sanitary napkins and disposable diapers) maintained robust growth in the first half of the year, with a year-on-year increase of approximately 15.1%. As of 30 June 2023, the Group's overall revenue increased by 9.0% to approximately RMB12,204,605,000 as compared with the same period last year (2022 first half: RMB11,200,021,100). The Group's revenue is expected to maintain notable growth in the second half of 2023.

業務概覽

二零二三年上半年，在國家有效的穩經濟政策支持下，中國經濟恢復態勢持續，二零二三年上半年國內生產總值同比增長5.5%。居民消費亦呈現穩步向好態勢，2023年上半年社會消費品零售總額同比增長8.2%，其中日用品類零售總額增長5%。然而複雜嚴峻的國際環境、歐美國家加息等負面因素持續，經濟持續恢復發展的基礎並不穩固。恒安憑藉強大的綜合競爭優勢及有效的銷售策略，持續擴大市場份額，進一步鞏固其強勁的業務韌性。

期內，恒安充份把握消費模式變革所釋放的消費潛力。恒安深入拓展電商平台及新零售渠道，通過有效的穩定價格策略及產品持續升級及高端化，同時促進傳統渠道的銷售及拓展新的增長點，集團的全渠道銷售發展效益不斷提升，受惠於全渠道銷售策略及品牌形象持續提升，三大核心業務板塊（紙巾、衛生巾及紙尿片業務）上半年的收入保持強勁增長，按年增長約15.1%。而截至二零二三年六月三十日，集團的整體收入則較去年同期上升9.0%至約人民幣12,204,605,000元（二零二二年上半年：人民幣11,200,021,000元）。如只計算三大核心業務板塊，預期二零二三年下半年收入將保持顯著增長。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

In the first half of 2023, the Group continued to step up its efforts in developing its e-commerce business and new retail market. In addition to promoting brands on traditional large-scale e-commerce platforms, it also strengthened penetration into other emerging e-commerce channels (such as Douyin (“抖音”)). During the period, the Group further increased its proportion of e-commerce sales (including Retail Integrated (“零售通”) and New Channel (“新通路”)) to close to approximately 29.0% (2022 first half: 24.2%), growing about 30.0% year-on-year of which other new retail channels (including Retail Integrated, community group-buying, etc.) are progressing well with sales increasing by more than 30.0% year-on-year and accounting for more than 7.0% of the overall sales. The Group is also committed to developing premium products and continuously optimising its product mix, actively enhancing its brand image to meet domestic customers’ pursuit of high-quality and diversified products. The premium tissue paper series “Cloudy Soft Skin” (雲感柔膚), the premium disposable diapers series “Q • MO” and sanitary napkins series “Sweet Dream Pants” (萌睡褲) continued to be well-received by customers and maintained a strong sales momentum during the period. The sales of various upgraded and premium products also achieved satisfactory year-on-year growth, which increased over 15.0% year-on-year and continued to increase its proportion over the sales.

During the period under review, raw material prices dropped significantly in the second quarter, leading to intensified market promotions and price competition. In the face of fierce market competition, Hengan actively responded to the market changes, further expanded its market share and enhanced its leading position in the market. The price of wood pulp, the main raw material of tissue paper, remained high in the first quarter of the year. However, with continuous improvement in supply underpinned by logistics and production capacity, the price of wood pulp started to drop in the second quarter. Although the Group’s upgraded products and premium product series both grew during the period, which helped partially offset the impact of the high-cost wood pulp inventory purchased earlier, the gross profit of the tissue paper business was still under pressure. In the first half of 2023, the Group’s overall gross profit decreased by approximately 3.9% to approximately RMB3,788,550,000 (2022 first half: RMB3,942,191,000), and the overall gross profit margin dropped to 31.0% (2022 first half: 35.2%) due to the impact of raw material prices. The positive impact of the decrease in the price of wood pulp has been gradually reflected in the cost of the tissue paper business since the second quarter of this year. The gross profit margin recorded an increase month-on-month, and is expected to continue to improve in the second half of the year.

二零二三年上半年，集團持續加大力度發展電商業務及新零售市場，除了於傳統大型電商平台推廣品牌，亦加強滲透其他新興電商渠道(如抖音)。期內，集團的電商銷售(包括零售通及新通路)佔比進一步上升至接近約29.0%(二零二二年上半年：24.2%)，按年增長約30.0%，其中其他新銷售渠道(包括零售通、社區團購等)進展理想，同比增長超過約30.0%，其銷售佔整體銷售比例已超過7.0%。同時，集團亦致力發展高端產品及持續優化產品組合，積極提升品牌形象，滿足國內消費者對高質量多元化產品的追求。高端紙巾系列「雲感柔膚」、高端紙尿褲「Q • MO」以及衛生巾系列「萌睡褲」等，於期內持續深受消費者青睞，保持強勁的銷售勢頭，各升級及高端產品銷售也實現理想的同比增長，同比增加超過15.0%，並持續提高其在銷售額中的佔比。

回顧期內，原材料價格於第二季顯著回落，令市場促銷及價格競爭加劇。面對激烈的市場競爭，恒安積極應對市場變化、進一步擴大市佔率及提升市場領先地位。紙巾的主要原材料木漿價格於今年第一季仍保持在高位，但隨著物流和產能導致供應持續改善，木漿價格於第二季止漲回調，儘管集團的升級產品及高端產品系列於期內均有所增長，有助部分抵消前期採購的高成本庫存的影响，紙巾毛利仍然受壓。二零二三年上半年，集團整體毛利下跌約3.9%至約為人民幣3,788,550,000元(二零二二年上半年：人民幣3,942,191,000元)，整體毛利率受原材料價格影響而下跌至約31.0%(二零二二年上半年：35.2%)。然而，木漿價格回落的正面影響從本年度第二季開始逐步反映在紙巾業務的成本上，毛利率按月錄得增長，預期下半年毛利率將持續錄得改善。

During the period, operating profit fell approximately 9.8% to approximately RMB1,701,681,000 (2022 first half: RMB1,885,753,000). Although the Group achieved growth in sales, the depreciation of the Renminbi against the US dollar and the HK dollar during the period resulted in an operating foreign exchange loss before tax of approximately RMB182,426,000. However, the loss was significantly reduced by about 50.4% compared with the operating foreign exchange loss before tax in the first half of 2022. Therefore, profit attributable to shareholders of the Company was approximately RMB1,225,768,000 (2022 first half: RMB1,276,191,000), representing a year-on-year decrease of approximately 4.0%, mainly reflecting that the high-cost wood pulp inventory continued to affect the Group's gross profit margin during the period. Basic earnings per share was approximately RMB1.055 (2022 first half: RMB1.098).

The Board of Directors declared an interim dividend of RMB0.70 per share (2022 first half: RMB0.70 per share) or RMB813,485,000 (2022 first half: RMB813,485,000) for the six months ended 30 June 2022, to maintain a stable dividend payment amounts to the shareholders.

Sanitary Napkin

China has the world's largest feminine care products market. The growing awareness of feminine care and increasing spending power in China have led to a continuous expansion of the feminine care products market. However, the market competition is very fierce. Many domestic and foreign brands adopted aggressive sales strategies to expand into the mid-to-high-end market and attract more young customers. Hengan has full confidence in its product quality and long-standing reputation among customers, and adheres to a rational and stable pricing strategy. In order to enhance the brand image and consolidate its leading position in the mid-to-high-end market and traditional sales channels, Hengan continued to promote product upgrades and premiumisation to meet consumers' demand for high-quality feminine care products and improve the Company's competitiveness, helping Hengan to stand out in the competition. The Group's upgraded sanitary napkin products, such as the 'Sweet Dream Pants' (萌睡褲), were well received by customers due to their excellent quality and brand image, driving the sales growth of the overall sanitary napkin business.

期內，經營利潤下跌約9.8%至約人民幣1,701,681,000元(二零二二年上半年：人民幣1,885,753,000元)。雖然集團銷售實現增長，人民幣兌美元及港幣匯率於期內的貶值導致集團的稅前營運匯兌出現虧損約為人民幣182,426,000元，但其金額已較二零二二上半年的稅前營運匯兌虧損大幅減少約50.4%。因此，公司權益持有人應佔利潤約為人民幣1,225,768,000元(二零二二年上半年：人民幣1,276,191,000元)，同比下跌約4.0%，主要反映高成本木漿存貨於期內持續影響集團毛利率所致。每股基本收益約人民幣1.055元(二零二二年上半年：人民幣1.098)。

董事會宣佈派發截至二零二三年六月三十日止年度之中期股息每股人民幣0.7元(二零二二年上半年：人民幣0.70元)，金額為人民幣813,485,000元(二零二二年上半年：人民幣813,485,000元)，以維持穩定的股息金額以回饋股東。

衛生巾業務

中國是全球最大的女性衛生護理用品市場，中國女性對健康護理的意識和消費能力持續提升，推動女性衛生護理用品市場規模不斷壯大。然而，市場競爭非常激烈，不少國內外品牌採取進取的銷售策略，以拓展中高端市場和年輕消費者群體。恒安對產品質量和在消費者中長期積累的口碑具有充分信心，堅守理性穩定的定價策略。為了提升品牌形象並鞏固在中高端市場和傳統銷售渠道的領先地位，恒安持續推進產品升級和高端化佈局，以滿足消費者對高品質衛生護理用品的需求，並提高公司的競爭力，助力恒安公司在激烈的市場競爭中脫穎而出。集團旗下的升級衛生巾產品如「萌睡褲」系列，憑藉優良的質量和品牌形象，深受消費者喜愛，帶動整體衛生巾業務銷售增長。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

The rapid increase in the penetration of new consumption patterns has exacerbated the fragmentation of channels. E-commerce platforms and other new retail channels (including online-to-offline (O2O) platforms, community group-buying) are thriving. The Group actively seized the opportunities of emerging consumption trends, actively expanded new sales channels, and consolidated its leading edge in traditional channels, which effectively boosted the sales of sanitary napkins and maintained a leading market share. During the period, the Group achieved satisfactory sales in new retail channels, and products of the 七度空間 series achieved the leading position in the sales in many new retail channels. Despite fierce market competition, the Group's sanitary napkin business still grew in revenue. In the first half of 2023, the revenue of the Group's sanitary napkin business increased by approximately 2.9% to approximately RMB3,219,295,000 (2022 first half: RMB3,128,524,000), accounting for approximately 26.4% (2022 first half: 27.9%) of the Group's overall revenue. Driven by the higher proportion of upgraded and premium products and the continuous growth of traditional sales channels, it is expected that the Group's sanitary napkin business in the second half of 2023 will maintain a steady growth in its revenue.

The Group adhered to a stable pricing strategy, but the price of petrochemical raw materials (such as fluff pulp), the main raw material for sanitary napkins, rose, resulting in a year-on-year decrease of approximately 3.5 percentage points in the gross profit margin of the sanitary napkin business to approximately 61.8% (2022 first half: 65.3%). Benefiting from the steady increase in the proportion of premium brands and upgraded products and the decline in the cost of some petrochemical raw materials in the second quarter, the gross profit margin is expected to improve in the second half of 2023.

新消費模式滲透率快速提升，加劇渠道碎片化。電商平台和其他新興零售渠道(包括線上到線下(O2O)平台、社區團購)蓬勃發展。集團積極抓住新興消費趨勢的機遇，積極拓展新的銷售渠道，同時鞏固在傳統渠道中的領先優勢，有效提高衛生巾業務的銷售額及保持領先市場份額。期內，集團於新零售渠道表現理想，「七度空間」系列產品在多個新零售渠道穩佔銷量的領先地位。衛生巾業務即使面對激烈市場競爭，銷售仍錄得增幅，二零二三年上半年衛生巾業務銷售收入，錄得升幅約2.9%至約人民幣3,219,295,000元(二零二二年上半年：人民幣3,128,524,000元)，佔集團整體收入約26.4%(二零二二年上半年：27.9%)。在升級及高端產品佔比提升及傳統銷售渠道業務持續增長的帶動下，預期二零二三年下半年的衛生巾業務銷售收入將保持穩定增長。

集團堅持穩定的定價策略，但衛生巾的主要原材料石化原材料(如絨毛漿)價格上升，致使衛生巾業務毛利率同比下降約3.5百分點至約61.8%(二零二二年上半年：65.3%)。受惠於品牌高端化及升級產品佔比穩定提升及部份的石化原材料成本於第二季開始下跌，預期二零二三年下半年的毛利率將有所改善。

The Group's sanitary napkin brand 七度空間 continued to launch upgraded and premium products and strived to enhance its brand image. In recent years, the Group launched upgraded products such as "Ultra-thin" (特薄), "Extra-long - Night Use" (加長夜用) and "Pants-style" (褲型) series, which received an overwhelming response from the market. The "Fruit Moisturising Series" (果滋潤系列) launched last year and the key new series of this year "Heavenly Mountain Cotton Series" (天山絨棉系列) which uses rare and pure long staple cotton from snowy mountains, aim to meet the demand of today's customers for high-quality products, and their sales are expected to gradually increase. The Group signed female artists with bright and positive image, including actresses Zhao Jinmai and Zhang Jiani, as brand ambassadors of 七度空間, injecting youthful vitality into the brand. With the theme of "Freedom Without Limits", the Group launched a variety of promotional activities, such as brand ambassadors live streaming, meetings and limited-edition gift sets, based on the preferences of young female customers and white-collar women to further enhance the brand image and attract young and white-collar customers.

In addition, the "Pants-style" series still has great growth potential with sales increasing over 76.0% year-on-year during the period. The Group will continue to step up its efforts in promoting the "Pants-style" series of products, and plans to launch an upgraded version of "Sweet Dream Pants" to attract more customers and further increase market penetration. The Group believes that the upgraded products of the 七度空間 series will continue to be the main growth driver for the sanitary napkin business, which will help the Group expand its market share and increase the revenue contribution of premium products. Meanwhile, the Group will continue to increase the sales proportion of new retail channels, strive to develop higher quality products, adhere to a stable pricing strategy, and maintain stable growth in traditional channels, thereby promoting the Group's long-term development and consolidating its leading position.

In addition, the Group will continue to develop and launch other feminine care products beyond sanitary napkins, steadily develop the feminine care industry, and capture growth opportunities brought about by domestic consumption upgrade.

集團旗下衛生巾品牌「七度空間」不斷推出升級及高端產品，並致力提升品牌形象。近年，集團推出「特薄」、「加長夜用」和「褲型」等升級產品，受到市場的熱烈歡迎。去年推出的「果滋潤系列」及今年重點推廣的採用天山雪域的稀缺純淨長絨棉之新品「天山絨棉系列」，旨在滿足現今消費者追求高質量產品的需求，預計其銷售額將逐步提升。集團簽約形象快樂清新的女藝人作為「七度空間」的品牌代言人，為品牌注入了青春活力，包括演員趙今麥及張嘉倪，以「自在不設限」為主題，針對年輕少女消費群及白領女性的喜好推出代言人直播、見面會及限定禮盒等多元化推廣活動，進一步提升品牌形象和吸引年輕及白領消費客群。

此外，「褲型」系列產品仍然具有很大的增長潛力，於期內，按年同比增長超過76.0%。集團將繼續加大對「褲型」系列產品的推廣力度，同時計劃於年底推出升級版的「萌睡褲」，以吸引更多的消費者並提高產品滲透率。集團相信，升級及高端版的「七度空間」系列產品將繼續成為衛生巾業務的主要增長引擎，有助於集團擴大市場份額並提升高端產品的收入貢獻比例。同時，集團將繼續擴大新零售渠道在總銷售中的佔比，並致力於開發更高質量的產品和保持穩定的價格策略，以及在傳統渠道保持穩定增長，從而促進集團的長期發展並鞏固其領先地位。

此外，集團還將繼續研發和推出除衛生巾以外的女性健康護理用品，穩步發展女性健康護理產業，捕捉國內消費升級所帶來的市場機遇。

Tissue Paper

In the first half of 2023, the national economy and consumer market gradually recovered, but the external environment was still full of challenges. The Group responded to the fierce price competition with stable prices and an omni-channel sales strategy, driving the continuous growth of tissue paper sales. The Group seized more market share by virtue of its strong capital and nationwide sales network. Backed by a strong brand and a diversified product portfolio, the Group adhered to a stable pricing strategy and effective control of sales promotions. During the period under review, the revenue of the Group's tissue paper business surged approximately 22.7% to approximately RMB7,170,110,000 (2022 first half: RMB5,842,612,000), accounting for approximately 58.7% of the Group's overall revenue (2022 first half: 52.2%). The Group will continue to upgrade its products and increase the penetration rate of premium products. It is expected that the revenue of the Group's tissue paper business will maintain steady growth in the second half of 2023.

During the period, the Group was still affected by the elevated price of wood pulp. In the second quarter of 2023, the price of wood pulp started to come down. However, as it takes time to consume high-cost wood pulp inventory, the positive impact of the sharp decline in the cost of wood pulp did not fully reflect in the results in the first half of 2023. Therefore, the gross profit margin dropped to approximately 17.7% in the first half of 2023 (2022 first half: 23.1%). Nonetheless, the benefit of the reduction in wood pulp costs has been gradually reflected in the gross profit margin in the second quarter. The Group's gross profit margin in the second quarter improved significantly compared with the second half of last year. Therefore, the Group expects that the gross profit margin of the tissue paper business will continue to improve in the second half of the year.

紙巾業務

二零二三年上半年，國民經濟和消費市場逐漸恢復，但外部環境仍然充滿挑戰，集團以穩定價格及全渠道銷售策略應對激烈的市場價格競爭，持續推動紙巾銷售增長。集團憑藉其雄厚資本實力及全國性銷售網絡優勢搶佔更多市場份額。在強大的品牌及多元化產品組合的支持下，集團堅持採取穩定價格策略並有效控制促銷。回顧期內，集團紙巾業務銷售收入大幅上升約22.7%至約人民幣7,170,110,000元(二零二二年上半年人民幣5,842,612,000元)，佔集團整體收入約58.7%(二零二二年上半年：52.2%)。集團將持續升級產品及提升高端產品的滲透率，預期二零二三年下半年紙巾業務收入將保持穩健增長。

期內，集團仍然受到木漿價格高企的影響，二零二三年第二季木漿價格開始止漲下調，但由於消耗高成本木漿庫存需時，因此二零二三年上半年業績並未能完全反映木漿成本大幅回落的正面影響，因此，二零二三年上半年毛利率下跌至約17.7%，(二零二二年上半年：23.1%)。然而，木漿成本下跌的效益已於第二季的毛利率逐步體現，集團於第二季的毛利率較去年下半年的毛利率錄得明顯改善。因此，集團預期紙巾業務的毛利率於下半年將持續改善。

Driven by the improvement of national health awareness and the growing demand for consumption upgrades, the Group's upgraded and premium tissue paper products achieved outstanding sales. Among them, the sales of the "Cloudy Soft Skin" series recorded a growth of more than 40.0% and accounted for more than 12.0% of the overall tissue paper sales. In terms of the Group's wet wipes business, the sales for the period was approximately RMB491,497,000 (2022 first half: RMB413,312,000), recording a sales growth of nearly 18.9%, accounting for approximately 6.9% of the overall sales of the tissue paper business (2022 first half: 7.1%). The wet wipes business has maintained a strong growth momentum in recent years, the Group will continue to increase its market share in the domestic wet wipes market and maintain its market leadership. The Group actively responded to the fragmentation of channels and the efforts and resources invested in strategic deployment in the early years has entered the harvest period. The sales of tissue paper in e-commerce channels increased by more than 40.0%, accounting for close to 33.3% of the overall sales of tissue paper. Meanwhile, emerging channels such as community group-buying also saw an increase of more than 40.0%, delivering stellar performance. In the future, the Group will continue its endeavours in expanding different sales channels, striving for the largest market share.

With the continuous enhancement of living standards and health awareness, the overall tissue paper market is full of opportunities. In the face of fierce market competition, the Group will develop more high-quality products to meet the diverse needs of customers, improve the cost-effectiveness of tissue paper production, and increase the production capacity of each production base, so as to fully grasp the business opportunities in the domestic tissue paper market and maintain its leading position in the tissue paper market. During the period, the Group's annual production capacity was approximately 1.47 million tonnes. It is expected that in the second half of 2023, production capacity will be gradually increased in Hunan, Hubei, Guangdong and other regions to respond to market conditions and meet the demand for sales growth.

Disposable Diapers

The ageing population and improvement of living standards continue to drive the expansion of China's disposable diaper market. The trend of consumption upgrade and the change in parenting concepts have also promoted the continuous increase in the penetration rate of baby disposable diapers. There is considerable potential for growth in China's disposable diaper market.

在國民衛生意識提升及消費升級需求日增的驅動下，集團的升級及高端紙巾產品銷售表現亮眼，其中「雲感柔膚」系列的銷售錄得超過40.0%的增長及佔整體紙巾銷售超過12.0%。濕紙巾業務方面，期內銷售收入為約人民幣491,497,000元（二零二二年上半年：人民幣413,312,000元），錄得接近18.9%的銷售增長，佔紙巾業務銷售比例為約6.9%（二零二二年上半年：7.1%）。濕紙巾業務近年一直保持強勁增長勢頭，集團將持續提升國內濕紙巾市場份額，保持其領先市場地位。集團積極應對渠道碎片化，早期投入資源的佈局已邁入收穫期，紙巾業務於電商渠道的銷售增長超過40.0%，佔紙巾銷售比接近約33.3%，而社區團購等新興渠道亦錄得超過40.0%增長，成績理想。集團於未來將繼續拓寬銷售渠道，力爭最大市佔率。

隨著國民生活水平及衛生意識不斷加強，整體生活用紙市場充滿機遇。在激烈的市場競爭下，集團將研發更多高質量的產品，致力滿足消費者多樣化的需求，提高紙巾生產的成本效益，增加各生產基地的產能，藉此充分把握國內生活用紙市場的商機及保持在紙巾市場的領導地位。期內，集團的年產能約為1,470,000噸，預計2023年下半年將在湖南、湖北、廣東等地逐步完成增加產能，以迎合市場情況和滿足銷售增長的需求。

紙尿片業務

人口高齡化及國民生活水平提升，持續推動中國紙尿褲市場規模擴大。消費升級趨勢及育兒觀念轉變亦促進嬰兒紙尿褲滲透率持續提升，中國紙尿褲市場增長潛力可觀。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

The Group continues to develop high-quality baby and adult care products to meet customers' growing demand for product quality. During the period, sales of the flagship premium product "Q • MO" maintained satisfactory growth. It recorded a year-on-year growth of nearly 19.1%, and its proportion further increased to more than 35.0%. In the first half of 2023, the Group strived to strengthen the development of e-commerce and maternity sales channels. The proportion of sales of e-commerce and maternity sales channels rose to more than 50.0% and more than 16.6%, respectively. Despite fierce market competition, benefitting from the enhanced brand image, the sales growth of the Group's premium product "Q • MO" and the improvement in sales resulting from the rebranding of the "Anerle" (安兒樂) brand to sport pants to meet the current consumer demands, which effectively offset the decline in sales from traditional channels and mid-to-low-end products. On the other hand, benefitting from the growing domestic adult incontinence products market and the continuous increase in the penetration rate of the Group's adult disposable diapers, the Group's adult disposable diaper business recorded a growth of approximately 45.1% during the period, accounting for approximately 29.2% of the overall diaper sales. Therefore, the sales of the Group's diaper business rebounded during the period, which increased by approximately 5.0% to approximately RMB665,304,000 (2022 first half: RMB633,513,000), accounting for approximately 5.5% of the Group's overall revenue (2022 first half: 5.7%). The Group believes that the adult disposable diaper market has considerable development potential. With the continuous increase in the proportion of premium baby and adult diaper products, the sales of the Group's disposable diaper business are expected to maintain growth in the second half of 2023.

In terms of gross profit margin, the price increase in petrochemical raw materials for disposable diapers led to an increase in costs of sales during the period, however, the increase in the proportion of sales of the higher-margin "Q • MO" products offset the impact of rising costs on the overall business profitability. Therefore, the gross profit margin of the diaper business grew approximately 36.0% (2022 first half: 35.3%). The gross profit margin of the diaper business is expected to remain stable in the second half of the year.

During the period, the Group continued to seize market opportunities, further developed the premium product market and improved product quality. Regarding the baby diaper business, the Group continued to rebrand the "Anerle" brand, established a new brand positioning, and developed sports pants-style diapers to meet the needs of today's customers, effectively driving an increase in sales. On the other hand, "Q • MO" magic breathing diapers, which have 3.6 times more vents than traditional diapers, has been well-received by the market. The Group will continue to optimise "Q • MO" products to instill growth momentum into the Group's future development. With the dual-brand strategy, the Group expects the sales of the baby diaper business will maintain a steady growth in the second half of 2023.

集團不斷研發優質嬰兒及成人健康護理產品，以迎合消費者日益提高的產品質量需求。期內，皇牌高檔產品「Q • MO」銷售保持理想增長，銷售錄得同比增長接近約19.1%，佔比進一步提升至超過35.0%。二零二三年上半年，集團致力加強佈局電商及母嬰渠道，電商及母嬰渠道的銷售佔比分別提高至超過約50.0%及超過約16.6%。儘管市場競爭激烈，受惠於品牌印象的提升，集團高端產品「Q • MO」的銷售增長及安兒樂品牌轉型以致銷售改善，有效抵銷來自傳統渠道及中低端產品的銷售下跌。另一方面，集團成人紙尿褲業務受惠於國內成人失禁用品市場規模日益壯大，以及集團成人紙尿褲滲透率持續上升，期內亦錄得約接近45.1%的增幅，佔比大約29.2%。因此，集團紙尿褲業務銷售於期內止跌回升，銷售上升約5.0%至約人民幣665,304,000元(二零二二年上半年：人民幣633,513,000元)，佔集團整體收入約5.5%(二零二二年上半年：5.7%)。集團認為成人紙尿褲市場具有相當大的發展潛力，並預期在高端嬰兒及成人紙尿褲的產品佔比持續提升下，二零二三年下半年集團的紙尿片業務銷售可望保持增長。

毛利率方面，紙尿褲的石化原材料於期內上升致銷售成本上升，但由於利潤較高的「Q • MO」產品的銷售佔比上升，抵銷了成本上漲對整體業務利潤的影響，紙尿褲業務的毛利率上漲至約36.0%(二零二二年上半年：35.3%)。預期下半年紙尿褲業務的毛利率將保持穩定。

期內，集團繼續把握市場機遇，深入發展高檔產品市場及提高產品品質。嬰兒紙尿褲業務方面，集團於期內持續轉型「安兒樂」品牌，建立新的品牌定位，開拓運動褲型紙尿褲以滿足現今消費者的需求，有效提升銷售。另一方面，「Q • MO」魔法呼吸紙尿褲擁有傳統紙尿褲3.6倍的透氣孔，深受市場歡迎，集團將繼續優化「Q • MO」產品，為集團未來發展注入增長動力。透過雙品牌策略，集團預期二零二三年下半年嬰兒紙尿褲業務的銷售能夠保持穩定增長。

In addition, as China pays more and more attention to the development of the elderly care industry, there will be huge room for development in the field of domestic adult care products. The Group will invest more resources in the development of adult care products, so that the “ElderJoy” (安而康) brand and its products can fully penetrate the domestic market and at the same time expand market share in Southeast Asia.

In the future, the Group will continue to develop the baby care market and the adult care market in parallel with a premium products strategy. In addition to e-commerce sales channels, the Group will vigorously develop new retail channels and also increase cooperation with maternity stores, nursing homes and hospitals. On the one hand, it will seize new business opportunities brought by new retail. On the other hand, through cooperation with maternity stores, nursing homes and hospitals, it will expand the Group’s potential customer base, and provide a one-stop product sales chain, bringing sustainable growth momentum to the disposable diaper business, supporting the long-term development of the adult care business and continuing to tap the growth potential of the adult care market.

Other Income and Household Products

Regarding other income and household products, the Group’s revenue for the year, which mainly includes revenues from raw material trading business, household products business, Wang-Zheng Group in Malaysia, and medical related products business, decreased by approximately 27.9% year-on-year to approximately RMB1,149,896,000 (2022 first half: RMB1,595,372,000). The decline was mainly due to the Group’s preference to consume high-cost raw materials through production as soon as possible and to ensure the raw material trading business’s profit, which caused the revenue from the raw material trading business to drop significantly about 34.7% to approximately RMB580,000,000 (2022 first half: approximately RMB890,000,000).

During the period, revenue from the household products business was approximately RMB126,284,000 (2022 first half: RMB170,887,000), representing a year-on-year decrease of approximately 26.1%, accounting for approximately 1.0% of the Group’s revenue, which was mainly due to the decline in the export business of household products.

此外，隨著國家日趨關注老年護理產業的發展，國內成人健康護理用品領域將有龐大發展空間。集團將投放更多資源發展成人健康護理用品，令「安而康」品牌及其產品充分滲透國內市場，同時拓展東南亞地區的市場份額。

未來，集團將會繼續致力以高端化戰略雙線發展嬰幼兒市場及成人健康護理市場。除了透過電商銷售渠道，集團將大力發展新零售渠道，同時加強與母嬰店、養老院及醫院合作。一方面把握新零售帶來的新商機，另一方面透過與母嬰店、養老院及醫院合作，在擴大潛在顧客基礎的同時，提供一站式產品銷售鏈，為紙尿褲業務帶來可持續的增長動力，支持成人健康護理產品業務的長遠發展，繼續深挖成人健康護理市場的成長潛力。

其他收入及家居用品業務

其他收入及家居用品業務方面，主要包括原材料貿易業務收入、家居用品業務收入、馬來西亞皇城集團收入及醫療相關產品收入。期內，其他收入同比下跌約27.9%至約人民幣1,149,896,000元(二零二二年上半年：人民幣1,595,372,000元)，主要由於集團傾向儘快於產品生產中消耗較高成本的原材料及謹慎地確保原材料貿易業務的利潤，故原材料貿易業務收入顯著下跌約34.7%至約人民幣5.8億元(二零二二年同上半年：人民幣8.9億元)。

期內，家居用品業務收入為約人民幣126,284,000元(二零二二年上半年：人民幣170,887,000元)，同比下跌約26.1%，佔集團收入約1.0%，主要因家居產品出口業務下降所致。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

In the first half of 2023, the Group greatly expanded the product range of its brand, “Hearttex” (心相印) with the successive launch of plastic bags (including garbage bags and disposable gloves), food wrap film, dish detergent and paper cups etc. Sunway Kordis and its subsidiaries have sales channels to export products to overseas sales network (including the markets in Australia and Asia). The Group will continue to take advantage of these overseas sales network to bring Hengan’s high quality products to overseas markets.

The Group’s other income also includes revenue from Wang-Zheng Group in Malaysia and other medical related products. As for the business of other medical products, the demand for medical products fell in light of the end of epidemic. Thus, the sales of medical products decreased notably and recorded a revenue contribution of approximately RMB62,195,000 (2022 first half: RMB167,542,000). Although the revenue of medical products that have higher profit margin decreased, raw material trading business that has relatively lower margin saw a large extent of year-on-year decline, therefore the overall gross profit margin of other businesses increased to approximately 25.4% (2022 first half: 20.4%).

International Business Development

The Group has been actively expanding to overseas markets. Currently, the Group sells its products in 37 countries and regions, with 54 direct partnerships with major clients or distributors. In the first half of 2023, turnover of overseas channel (including Wang-Zheng Group business) was approximately RMB916,810,000 (2022 first half: RMB1,072,226,000), accounting for approximately 7.5% of the Group’s overall sales (2022 first half: 9.6%).

During the period, the Group’s Wang-Zheng Group business in Malaysia saw a steady recovery and its turnover increased by approximately 8.2% year-on-year to approximately RMB220,359,000 (2022 first half: RMB203,628,000), accounting for approximately 1.8% of the Group’s overall sales (2022 first half: 1.8%). Wang-Zheng Group is principally engaged in investment holding and the manufacturing and processing of fiber-based products, which include adult and baby disposable diapers and tissue products, cotton products and processed papers. Its brands include “P Love” disposable adult diapers and “Carina” personal hygiene products. The Group leveraged on the Malaysian Wang-Zheng Group as its base to bring Hengan’s tissues and adult disposable diapers products into the Southeast Asian market.

In the future, the Group will continue to upgrade its existing Wang-Zheng products, develop and launch good quality products under the Wang-Zheng brand and further increase its market share in Malaysia and Southeast Asia.

二零二三年上半年，集團旗下「心相印」的家居用品品牌持續拓闊產品類型，先後推出膠袋(包括垃圾袋及即棄手套)、食物保鮮膜、洗潔精、紙杯等。聲科集團及其附屬公司擁有出口至海外的銷售渠道(包括澳洲及亞洲市場)，集團將會繼續善用這些海外銷售網絡，帶領恒安的優質產品登上國際大舞台。

集團的其他收入還包括馬來西亞皇城集團的收入以及其他醫療相關產品。關於其他醫療用品業務，隨著疫情結束，醫療產品需求減少，故其銷售顯著下跌，醫療用品錄得約人民幣62,195,000元的收入貢獻(二零二二年上半年：約人民幣167,542,000元)。此外，雖然利潤高的醫療產品收入下降，但相對低利潤的原材料貿易業務並於期內同比大幅下降，因此其他業務的整體毛利率提升至約25.4%(二零二二年上半年：20.4%)。

國際業務發展

集團一直積極發展海外市場，目前集團產品已銷往37個國家及地區，擁有54個直接合作大客戶或經銷商。海外渠道(包括皇城集團業務)的上半年收入為約人民幣916,810,000元(二零二二年上半年：人民幣1,072,226,000元)，佔集團整體銷售的比例約7.5%(二零二二年上半年：9.6%)。

期內，集團旗下位於馬來西亞的皇城集團業務穩步回升，半年營業額錄得同比上升約8.2%至人民幣220,359,000元(二零二二年上半年：人民幣203,628,000元)，佔集團整體銷售的比例約1.8%(二零二二年上半年：1.8%)。皇城集團主要從事投資控股以及生產及加工纖維製品，包括成人及嬰兒紙尿褲和紙巾產品、棉製品及加工紙。旗下品牌包括「P Love」成人紙尿褲及「Carina」個人衛生產品。集團以馬來西亞皇城集團作為據點，將恒安紙巾及成人紙尿褲產品透過皇城帶進東南亞市場。

集團未來將會繼續升級現有皇城產品，研發並推出更多皇城品牌的高質量產品，進一步提升在馬來西亞以至東南亞市場的佔有率。

E-commerce and New Retail Channel Strategies

New consumption patterns and new forms of business that integrate online and offline channels are developing at an accelerated pace, and the online shopping market is expanding, thereby continuously unleashing consumption potential. In the first half of 2023, the national online retail sales of physical goods reached RMB6.06 trillion, representing a year-on-year increase of 10.8%, of which the online retail sales of consumer goods increased by 10.3%. In order to meet the ever-upgrading needs of customers, the Group continues to innovate, develop and optimise e-commerce and other new retail channels, and adapt to the market trends to grasp business opportunities. During the period, the Group carried out higher quality products promotions for various brands in new channels, and its stable pricing strategy received positive responses from the market, thus further enhancing the Group's brand awareness and market share in online and other new retail channels.

In first half of 2023, the Group's e-commerce channels (including Retail Integrated and New Channel) maintained a robust development momentum and sales for the period soared over 30.0% to approximately RMB3.5 billion (2022 first half: RMB2.7 billion), bringing the proportion of e-commerce sales up to approximately 29.0% (2022 first half: 24.2%) of the Group's overall sales. During the period, new retail channels made over 30%, over 20% and over 50% of contribution for the sales of tissue paper business, sanitary napkin business, and disposable diaper business respectively. It is expected that the proportion of sales on new retail channels will be further increased in the future.

In the future, the Group will continue to step up its efforts in developing its e-commerce brand flagship stores and emerging channels (such as Douyin) and improve data analysis capabilities for end customers.

To cater for the new customer trends, the Group will interact with customers through livestream sales and other community activities, and strengthen the connection with young customers. The Group also appointed Xiao Zhan, a popular artist, as the brand ambassador of "Heartex" to further enhance the brand influence, the Group will continue to increase the Group's market share in the e-commerce and new retail channels sector, thus injecting strong impetus for rapid growth in the future.

電商及新零售管道

隨著線上線下融合的消费新模式和新業態的加速發展，網購市場規模不斷擴大，消費潛力持續釋放。據統計，二零二三年上半年全國實物商品網上零售額達6.06萬億元，同比增長10.8%，其中日常用類商品增長10.3%。為滿足消費者日益升級的需求，集團持續創新發展並優化其電商及其他新零售渠道，緊跟市場趨勢以抓住商機。期內，集團在新渠道上針對不同品牌進行更高質量的產品推廣，其穩定價格策略獲得市場正面反饋，進一步提升其在線上及其他新零售渠道的品牌知名度和市場份額。

二零二三年上半年，集團電商渠道(包括零售通及新通路)保持強勁發展勢頭，期內銷售收入增長超過30.0%至超過約人民幣35.0億元(二零二二年上半年：約人民幣27.0億元)，而且佔集團整體銷售比例亦上升至約29.0%(二零二二年上半年：24.2%)。期內，新零售渠道對紙巾業務、衛生巾業務及紙尿褲業務的銷售貢獻，已分別超過30%、超過約20%及超過50%，未來新零售渠道的銷售比重可望進一步上升。

未來，集團將持續大力拓展電商品牌旗艦店及新興渠道(如抖音)，提升對終端客戶的數據分析能力。

為迎合消費新趨勢，集團透過直播銷售及其他社群活動與消費者互動，加強與年輕消費群體的聯繫。此外，集團還委任廣受歡迎的人氣藝人肖戰作為「心相印」品牌的大使，以提升品牌影響力。集團將持續提高在電商及新零售渠道中的市場佔有率，為未來快速增長注入動力。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

Selling and Administrative Expenses

As the Group moderately increased its online marketing investment to capture the market opportunities and promote the Group's key selling products, the Group's selling and administrative expenses during the period amounted to approximately RMB2,564,705,000, representing a year-on-year increase of approximately 19.8%. The proportion of the Group's selling and administrative expenses to the total revenue for the period increased to approximately 21.0% (2022 first half: 19.1%). The Group believes that the total revenue is expected to continue to increase in the second half of the year, together with the effective sales and promotion strategies to precisely allocate expenses, the proportion of such expenses to revenue is expected to improve.

Foreign Currency Risks

Most of the Group's income is denominated in Renminbi. During the period, due to the depreciation of Renminbi against the H.K. dollar and the U.S. dollar, the Group recorded an operating exchange loss of approximately RMB182,426,000, the exchange loss significantly narrowed by approximately 50.4%, mainly due to significant decline in Renminbi dividends receivable from domestic subsidiaries in the Group's Hong Kong company, which mainly caused the recognition of operating exchange loss in last period (2022: first half RMB367,797,000).

As at 30 June 2023, apart from certain foreign currency swap contracts and foreign exchange options contract entered into with certain large commercial banks, the Group had not issued any significant financial instruments or entered into any significant contracts for foreign currency hedging purposes.

Liquidity, Financial Resources and Bank Loans

The Group has always maintained a solid financial position. As at 30 June 2023, the Group's cash and bank balances, long-term bank time deposits and restricted bank deposits amounted to approximately RMB28,645,649,000 (31 December 2022: RMB21,563,284,000); super short-term commercial papers of RMB5.0 billion (31 December 2022: Nil) and bank borrowings and other borrowings amounted to approximately RMB18,859,992,000 (31 December 2022: RMB17,029,952,000).

In December 2022, the Group successfully registered super short-term commercial papers in an aggregate amount of not more than RMB5 billion. From February to May 2023, the Group issued super short-term commercial papers in four batches of RMB5.0 billion in total with the coupon rates ranging from 2.39% to 2.4% per annum and a tenor ranging from 178 days to 180 days.

銷售及行政費用

由於集團於二零二三年上半年適度加大線上營銷投入以把握市場機遇推廣集團主推產品，集團於期內的銷售及行政費用為約人民幣2,564,705,000元，同比約上升19.8%，集團於期內的銷售及行政費用比用佔整體收入比例上升至約21.0%（二零二二年上半年：19.1%）。集團相信二零二三年下半年整體收入將望持續增長，加上透過有效的銷售推廣策略達致精準費用投入，該等費用佔收入比例將預計會錄得改善。

外匯風險

集團大部份收入以人民幣結算。期內，人民幣兌美元及港幣的匯率下跌，集團的營運匯兌虧損錄得約人民幣182,426,000元，匯兌虧損大幅收窄約50.4%，主要是於去年主要產生匯兌虧損的集團的香港公司的應收國內附屬公司人民幣股息金額大幅下降所致。（二零二二年上半年：人民幣367,797,000元）。

截至二零二三年六月三十日，除了與某些大型商業銀行訂立的遠期外匯合約及外匯期權合約外，本集團並沒有發行任何重大金融工具或訂立任何重大合約作外匯對用途。

流動資金、財務資源及銀行貸款

集團一直保持穩健的財政狀況。於二零二三年六月三十日，集團共有現金及銀行存款、長期銀行存款和有限制銀行存款約人民幣28,645,649,000元（二零二二年十二月三十一日：人民幣21,563,284,000元），超短期融資券共約人民幣50.0億元（二零二二年十二月三十一日：無）銀行貸款及其他貸款共約人民幣18,859,992,000元（二零二二年十二月三十一日：人民幣17,029,952,000元）。

集團於二零二二年十二月成功註冊總額不超過人民幣50億元的超短期融資券。於二零二三年二月至五月期間，集團完成發行四批超短期融資券，總額為人民幣50億元，票面利率為2.39%至2.4%，為期178日至180日。

The bank borrowings and other borrowings were subject to floating annual interest rates ranging from approximately 1.4% to 6.5% (2022 first half: from 0.4% to 3.8%).

As at 30 June 2023, the Group's gearing ratio, which was calculated on the basis of the total amount of borrowings as a percentage of the total shareholders' equity (not including non-controlling interests) further improved to approximately 119.1% (31 December 2022: 87.2%), while the net gearing ratio, which was calculated on the basis of the amount of borrowings less cash and bank balances and long-term time deposits as a percentage of the shareholders' equity (not including non-controlling interests), was negative 23.9% (31 December 2022: negative 23.2%) as the Group was in a net cash position. The Group will stay committed to optimising the gearing ratio, maintaining a solid net cash position and maintaining a sound financial position.

During the period, the Group's capital expenditure was approximately RMB989,348,000 (2022 first half: RMB523,581,000). As at 30 June 2023, the Group had no material contingent liabilities.

Human Resources and Management

During the period, the Group actively improved the efficiency of human resources, raised the salaries of employees to the industry level, and implemented a more scientific and reasonable 'target remuneration' system by linking the salary system with the staff duties and responsibilities and task goals, thus stimulating the staff enthusiasm for work, and improving work efficiency. As at 30 June 2023, the Group employed approximately 23,000 staff members. The Group's remuneration package is determined with reference to the experience and qualifications of the individual employees and general market conditions. Bonus is linked to the Group's financial results as well as individual performance. The Group also ensures that all employees are provided with adequate training and career opportunities according to their needs. The Group will also continue to improve efficiency and adjust production capacity and supply levels.

銀行貸款及其他貸款的年利息率浮動在約1.4%至6.5%之間(二零二二上半年:0.4%至3.8%之間)。

於二零二三年六月三十日,集團的負債比率(按總貸款對比總股東權益,但不包括非控制性權益的百分比作計算基準)為約119.1%(二零二二年十二月三十一日:87.2%),而淨負債比率(按總貸款減去現金及銀行存款及長期銀行存款對比股東權益,但不包括非控制性權益的百分比作計算基準)約為負23.9%(二零二二年十二月三十一日:負23.2%),因此集團處於淨現金狀況。集團將繼續致力優化負債比率,並保持穩健的淨現金狀況,維持健康的財務狀況。

期內,集團的資本性開支為約人民幣989,348,000元(二零二二上半年:人民幣523,581,000元)。於二零二三年六月三十日,集團並沒有重大或然負債。

人力資源及管理

於期內,集團積極改進人力資源效益,調高員工薪酬至行內水平,並實行更為科學合理的「目標工資薪酬」制度,將薪酬體系與員工崗位職責、任務目標掛鉤,激發員工工作積極性,提升工作效率。集團於二零二三年六月三十日共聘用約23,000名員工。集團員工的待遇及薪酬的制定乃考慮個別員工的經驗及學歷,並對比一般市場情況而釐定。花紅取決於集團的業績及個別員工的表現。集團同時因應員工的需要提供充足的培訓及持續專業發展機會給全體員工。集團亦會繼續提升效能,調整產能及供應水準。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

Latest Awards

In the first half of 2023, awards and honours won by the Group were as follows:

Awards/Honours

獎項／榮譽

Vice Chairman Unit of ACEF

ACEF副主任委員單位

Designated Supplies of the “Belt and Road” Economic & Environmental Cooperation Forum

「一帶一路」經濟與環境合作論壇指定用品

2022 The Showcase of “the Belt and Road” Green Supply Chain

2022一帶一路綠色供應鏈案例

2022 Wind ESG Hong Kong Stock Best Practice Award (Consumer Staples)

2022年度Wind ESG港股行業最佳實踐獎(日常消費)

Enterprise that Paid More Than RMB500 Million Tax in 2022

2022年度納稅超5億元企業

2022 Forbes China Top 50 Sustainable Development Industrial Enterprises

2022福布斯中國可持續發展工業企業TOP50

China Red Cross Fraternity Medal

中國紅十字博愛獎章

Special Contribution Award

特殊貢獻獎

Fujian Red Cross Humanitarian Gold Medal

福建省紅十字人道金質獎章

The 1st Top 100 Most Valuable Brands in Fujian Province

福建省首屆品牌價值百強

最近獎項

二零二三上半年，集團所獲主要獎項／榮譽如下：

Organisations

頒發機構

All-China Environment Federation (ACEF) “Belt and Road” Eco-Industry Cooperation Working Committee

中華環保聯合會「一帶一路」生態產業合作工作委員會

All-China Environment Federation (ACEF)

中華環保聯合會

All-China Environment Federation (ACEF) “Belt and Road” Eco-Industry Cooperation Working Committee

中華環保聯合會「一帶一路」生態產業合作工作委員會

Wind Information Co., Ltd.

萬得信息技術股份有限公司(Wind)

The Jinjiang Municipal Government

晉江市人民政府

Forbes China

福布斯中國

Red Cross Society of China

中國紅十字會

Red Cross Society of China

中國紅十字會

Red Cross Society of China Fujian Branch

福建省紅十字會

Fujian Federation of Enterprises and Entrepreneurs, Fujian Council of Brand Development

福建省企業與企業家聯合會、福建省品牌建設促進會

Awards/Honours

獎項／榮譽

Ingenious Product of China's Household Paper Industry in 2023

2023年度中國生活用紙行業匠心產品

Ingenious Product of China's Sanitary Products Industry in 2023

2023年度中國衛生用品行業匠心產品

All-Asia Executive Team 2023 rankings: Most Honoured Company:

Hengan International and Best ESG

2023年亞洲區公司管理團隊評選最受尊重企業及最佳環境、社會及管治
(必需性消費品類別)

The Fifth China Best Managed Companies List

第五屆中國卓越管理公司

Corporate Social Responsibility

Hengan continues to implement the concept of sustainable development, establishes the Board-level ESG Committee to comprehensively coordinate issues related to sustainable development, and improves the management over various fields such as product innovation, quality assurance, energy conservation and carbon reduction, talent cultivation, health and safety, and philanthropy, leading the company to steadily achieve the goal of “gain RMB100 billion within 100 years” with sustainability path.

Hengan has continuously strengthened the transparency of ESG information disclosure and the ESG ratings of the Group were greatly improved during the reporting period. Among them, the FTSE Russell ESG rating score has increased to 3.1, which enabled Hengan's inclusion in the FTSE 4Good Index. Also, the Group was successfully selected in the first-ever *Sustainability Yearbook 2023 (China Edition)* released by S&P Global, an authoritative rating agency, and was rated as the “Industry Mover”.

In the first half of 2023, the Group was included in the “2022 Forbes China Top 50 Sustainable Development Industrial Enterprises”. Moreover, for the second consecutive year, the Group was awarded “Asia's Best CSR” and “Best Investor Relations Company” in the “Asian Excellence Awards” organized by *Corporate Governance Asia*, and CEO Mr. Hui Ching Lau was selected as “Asia's Best CEO (Investor Relations)”.

Organisations

頒發機構

China National Household Paper Industry Association

中國造紙協會生活用紙專業委員會

China National Household Paper Industry Association

中國造紙協會生活用紙專業委員會

Institutional Investor

《機構投資者》(Institutional Investor)

Deloitte China

德勤中國

企業社會責任

恒安持續貫徹落實可持續發展理念，在董事會下設 ESG 委員會統籌管理可持續發展相關事宜，深耕產品創新、質量保障、節能減碳、人才培育、健康安全與公益慈善等各項領域，以可持續發展道路引領企業穩步實現「百年千億」目標。

恒安不斷提高 ESG 信息披露透明度，報告期內，本集團評級表現取得大幅進步，其中富時羅素 ESG 評級分數提升至 3.1 分，入選富時羅素社會責任指數 (FTSE4Good Index)。本集團也成功入選權威評級機構標普全球 (S&P Global) 首度發佈的《可持續發展年鑑 2023 (中國版)》，並獲評行業最佳進步企業。

二零二三年上半年，恒安入選「2022 福布斯中國可持續發展工業企業 TOP50」榜單。此外，本集團連續兩年於《亞洲企業管治》主辦的「亞洲卓越企業大獎」中獲頒「亞洲最佳企業社會責任」及「最佳投資者關係企業」兩項大獎，許清流總裁獲選「亞洲最佳行政總裁 (投資者關係)」。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

Innovative Research and Development

Adhering to the “consumer-oriented” market principle, the Group is committed to its corporate vision of “to become global top-tier supplier of daily products through ongoing innovations and provision of premium products and services”, and regards innovation capability as the driving force for corporate development, and continuously remains keen on the market to provide the public with more high-quality and reliable personal and household hygiene products.

In response to customers’ rising demand for environmental protection, the Group vigorously introduces and cultivates innovative talents, and established a complete product research and development system and high-level corporate standards to strictly regulate product design and development. Based on the advantages of innovation capability, the Group focuses on developing safer and healthier eco-friendly products, striving to develop products that are environmentally friendly and reliable in terms of quality.

Hengan deepened cooperation with different parties on biodegradable materials to explore new models for green industrial development. During the reporting period, Hengan planned the sustainable development platform for plastics, researching the Reduce, Reuse, Recycle (3R) and Degradable (1D) of plastics to enhance the green attributes of products.

Philanthropy

As a leading enterprise in the industry, Hengan always remember the responsibility to the society by setting an example in promoting the development of social welfare undertakings and actively participating in charity events. During the period, the Group donated materials worth RMB2 million to women and children in the earthquake-stricken areas to safeguard the health of the people in both countries and help them to rebuild after the disaster. The Group also focuses on women’s health and education, and has supported the “Spring Bud Project” for consecutive years. In March 2023, the Group joined hands with the China Children and Teenagers’ Fund (CCTF) to present “Building the Future — Girls’ Growth Energy Packs” to the Spring Bud girls in Zhengding County, which fully fit their needs of adolescent development. In addition, as one of the Group’s brands, ElderJoy launched a short public welfare movie “This time, love can not be late” with a precise insight into the plight of the elderly, calling on the community to care for the elderly.

In the first half of 2023, the CEO, Mr. Hui Ching Lau, was honoured with the “Caring Donation Individual” of the first “Fujian Charity Award”.

創新研發

本集團秉承以「消費者為導向」的市場理念，致力於「通過持續創新與優質的產品與服務，成為全球頂級生活用品企業」，視創新能力為企業發展動力，持續保持對市場的敏銳度，為大眾提供更加優質和可靠的個人及家庭衛生用品。

面對消費者日益增長的綠色環保需求，本集團大力引進和培養創新人才，建立完整的產品研發體系和高水平的企業標準，嚴格規定產品設計開發。本集團以創新能力優勢為支撐，重點開發更加安全健康的生態友好型產品，力求產品綠色環保的同時品質可靠。

恒安加強與各方在生物可降解材料領域的交流，探索產業綠色創新發展的新模式。於報告期內，恒安規劃塑料可持續發展平台，研究塑料減量化、回收再生、重複使用(3R)及可降解(1D)，以賦予產品更多綠色屬性。

公益慈善

恒安作為行業內領先企業，始終不忘對社會的責任，以身作則推動社會公益事業發展，積極投身慈善活動。期內，本集團響應中華慈善總會、福建省慈善總會緊急援助倡議，向地震災區的婦女兒童捐贈價值人民幣200萬元物資，守護兩國人民健康，助力兩國人民災後重建。本集團同時注重女性健康與教育，連續多年支持「春蕾計劃」項目，並於二零二三年三月攜手中國兒童少年基金會(CCTF)，向正定縣的春蕾女童贈送了充分貼合青春期發展需求的「築未來 — 女童成長能量包」。此外，本集團安而康品牌精準洞察當下老年困境，推出公益短片《這次，愛不遺遲》，呼籲社會關心關愛老年群體。

二零二三年上半年，本集團總裁許清流榮獲首屆「福建慈善獎」愛心捐贈個人獎。

Low-Carbon and Environmental Protection

Hengan closely follows the national strategy to cope with climate change and formulates a sustainability plan. The Group released the *Environmental Protection Policy and Biodiversity Protection Policy* to reduce the ecological impacts of Hengan's own operations and mitigate the risks of climate change, thus contributing to the achievement of national low-carbon economy transition and the carbon peak and carbon neutrality goals.

Hengan is always committed to clean production and "zero emission". The Group continued to promote the use of clean energy by carrying out photovoltaic projects in many plants across the country and fully equipping them with solar roof; carried out energy-saving equipment transformation and factory energy-saving projects in the production process to enhance energy efficiency; widely applied wastewater recycling and reuse technology to reduce water consumption.

Hengan promotes the fulfilment of environmental and social responsibilities in the value chain. The Group joined the Green Recycled Plastics Supply Chain Joint Working Group (GRPG) and served as the vice chairman, and strived to reduce plastics use at source. Also, the Group released the Packaging Material Policy to regulate the reduction of plastic packaging material. Meanwhile, the Group continued to promote responsible procurement for wood pulp and join hands with suppliers to propel the sustainable development of the supply chain for wood pulp. Six paper production subsidiaries of Hengan received the Chain of Custody Certification of Forest Stewardship Council (FSC/CoC).

As the industry's first vice-chairman unit of the Carbon Neutrality Committee of China Energy Conservation Association, Hengan remembers the responsibility and actively participate in the initiation of Chinese corporate commitment to social responsibility of carbon neutrality with concrete actions. In the first half of 2023, as the only case in the household paper industry, the Group was successfully selected as one of the "Belt and Road Initiative" green supply chain cases by the All-China Environment Federation.

低碳環保

恒安緊跟國家應對氣候變化戰略，佈局自身應對綠色可持續發展計劃，發佈《環境保護政策》和《生物多樣性保護政策》，降低自身業務對生態環境的影響，緩解氣候變化風險，為實現國家低碳經濟轉型和達成雙碳目標做出貢獻。

恒安致力於清潔生產和「零排放」，持續推動清潔能源的使用，在全國多地工廠開展光伏項目，實現太陽能全覆蓋；在生產環節開展節能設備改造及工廠節能項目，提升能源效率；廣泛應用廢水循環回用技術，減少水資源的消耗。

恒安在價值鏈中促進環境和社會責任的履行。本集團加入綠色再生塑料供應鏈聯合工作組(GRPG)並擔任副理事長，努力推動塑料源頭減量，並發佈《包裝材料政策》，規定減少塑料包裝材料的使用。同時，本集團持續推進負責任木漿採購，並攜手供應商一同促進木漿供應鏈的可持續發展。本集團的六家造紙公司均通過了FSC/CoC認證。

作為行業首家中國節能協會碳中和專業委員會副主任委員單位，恒安謹記責任，以自身擔當參與發起中國企業踐行碳中和社會責任倡議。二零二三年上半年，本集團作為生活用紙行業唯一案例成功入選中華環保聯合會的「一帶一路」綠色供應鏈案例。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

Talent Development

The Group actively responds to human rights principles such as the *Universal Declaration of Human Rights* and released the *Human Rights Policy* during the reporting period. The policy pledges to fulfil the responsibility of upholding human rights in operations, create an equal and inclusive working environment, and effectively safeguard the rights and interests of its employees, such as equal pay for equal work. Meanwhile, the Group issued the *Anti-Discrimination and Anti-Harassment Policy*, which implements the principle of equal employment and stipulates that the Group will not discriminate against employees based on race, religious belief, gender, age, sexual orientation, disability, nationality, etc., and that the Group adopts a zero-tolerance attitude towards discriminatory and harassing behaviours. The Group strives to protect the rights and interests of employees in practice by providing employees with comprehensive remuneration and promotion mechanism, achieving a win-win situation between corporate and employees.

The Group formulated the “Overall Framework of the Talent Training System” to provide employees with comprehensive skills and quality training at different levels and stages. Also, the Group continuously improves the dual-channel career development and supporting mechanisms for management and technical directions, and screens outstanding employees to enter the promotion pipeline. Meanwhile, the Group focuses on cultivating internal trainers to build an inward talents training base. In the first half of 2023, the Group provided employees with diversified training programs to help employees improve their professionalism, break through the existing cognition and thinking, and adapt to the ever-changing market environment.

As of 30 June 2023, Hengan had approximately a total of 23,000 full-time employees, of which 57.55% were female employees, the total number of training hours exceeded 143,300 hours, the number of management positions promoted was 111, and the percentage of employees joining the labour union was 100%.

員工發展

本集團積極響應《世界人權宣言》等人權原則，於報告期內發佈《人權政策》，承諾在業務中履行維護人權的責任，創造平等包容的工作環境，切實保障員工同工同酬等權益。同時，本集團發佈《反歧視反騷擾政策》，貫徹平等就業原則，規定不因種族、宗教信仰、性別、年齡、性取向、殘疾、國籍等歧視員工，對歧視與騷擾行為採取零容忍態度。本集團著力將員工權益保障落到實處，為員工提供完善的薪酬福利政策及晉升機制，實現企業與員工的共享共贏。

本集團制定「人才培養體系整體框架」，對員工分層次、分階段進行全方位的技能和素質培訓，並不斷完善管理和技術方向的職業發展雙通道及輔助機制，篩選優秀員工進入晉升管道。同時，本集團重點打造內訓師隊伍，構建內向型企業人才培養基地。二零二三年上半年，本集團為員工提供了形式與內容多樣的培訓項目，幫助員工提升專業素養，突破現有的認知與思維，適應不斷變化的市場環境。

截至二零二三年六月三十日，恒安共有全職僱員約23,000人，女性員工佔比為57.55%，僱員培訓總時數超過14.33萬小時，管理崗位晉升人數111人，員工加入工會的比率為100%。

Health and Safety

Hengan regards safety as the basis for the survival and development of enterprises, formulates comprehensive safety management principles and objectives, implements sound management and established control procedures, and continuously improves safety management capabilities and performance. The Group established the ISO 45001 Occupational Health and Safety Management System and passed the certification. It set up a Safety Management Committee as a comprehensive safety management leadership and decision-making body, and built a safety management process for the entire life cycle and comprehensive safety risks emergency measures to create a safe and healthy working environment. Hengan has steadily implemented the comprehensive safety management strategy and successfully entered the phase II of the comprehensive safety management, striving to become a benchmark enterprise in safety management in the industry.

The Group is committed to maintaining the occupational health and safety of its employees. It regularly organised fire training and drills to exercise the self-protection capabilities of employees. During this period, Hengan carried out safety production month activities to comprehensively popularize safety knowledge and raise the safety awareness of all employees.

Hengan cares about the mental health of employees. It carries out various cultural activities to enrich the leisure time of employees, regularly visits and provides support and assistance to the families of employees in difficulty and employees with disabilities, thus improving employees' sense of happiness.

Outlook

Looking ahead to the second half of 2023, with the Russo-Ukrainian War and the continuation of the tightening monetary policies of the world's major central banks, the global economic outlook will be clouded by recession, and the domestic economic development will also come under pressure. However, the long-term sound fundamentals of the Chinese economy remain unchanged. It is expected that China will continue to introduce policies and measures to stabilise the economy and expand domestic demand, supporting the recovery of the economy and consumer market. The Group will continue to pay close attention to the political and economic developments at home and abroad as well as changes in market trends, respond flexibly and make prudent decisions.

健康安全

恒安視安全為企業生存和發展的基礎，制定全面安全管理方針及目標，實施穩健管理和既定控制程序，持續提高安全管理能力和績效。本集團建立ISO 45001職業健康與安全管理體系並通過認證，設立安全管理委員會作為全面安全管理領導和決策機構，搭建全生命週期的安全管理流程和完善的安風險應急措施，打造安全健康的工作環境。恒安當前穩步實施全面安全發展戰略並順利進入第二階段，力爭成為行業內安全管理標桿企業。

本集團致力於維護員工的職業健康與安全，定期組織消防培訓與演練，鍛鍊員工自我保護能力，並於報告期內開展安全生產月活動，全面普及安全知識，強化員工安全防範意識。

恒安注重員工心理健康，開展多元文化活動豐富員工業餘生活，定期慰問困難員工家庭與殘障員工，對其進行支持與幫扶，提升員工幸福感。

未來展望

展望二零二三年下半年，在俄烏戰爭膠著及世界主要央行延續緊縮貨幣政策的影響下，全球經濟前景蒙上衰退陰霾，國內經濟發展也面臨壓力，但中國經濟長期向好的基本面不變，預期國家將繼續推出穩經濟及擴大內需的政策及措施，支持經濟及消費市場復甦。集團會繼續密切關注國內外政經發展及市場趨勢變化，靈活應對及作出審慎的決策。

Management Discussion and Analysis (Continued) 管理層討論及分析(續)

Against the backdrop of resumption of production and the release of new production capacity in wood pulp mills around the world, the supply of wood pulp continued to increase, coupled with the uncertain outlook of the global economy affecting market demand, the price of wood pulp started to come down in the second quarter. Since the Group needs to consume the existing high-cost wood pulp inventory first, the positive impact of wood pulp price decrease is expected to reflect in the cost of the tissue paper business in the second half of the year, and the gross profit margin will improve by then. The Group will closely monitor the impact of external factors on the prices of imported wood pulp, petrochemical raw materials, and other materials.

Despite the intensified competition in the domestic daily necessities market, Hengan, leveraging its leading research and development and production capabilities and excellent brand image, coupled with its extensive nationwide distribution and diversified product portfolio, still demonstrated strong resilience in a challenging operating environment, successfully seized the opportunity of industry consolidation, and further expanded market share.

As a leader in the industry, Hengan centres around long-term development to formulate business strategies and allocate resources. The Group will actively implement the three core strategies, including “focus on main businesses”, “brand upgrade” and “long-termism”, so as to lay a solid foundation for the sustainable development of the Group. The Group will focus on the development of the three core businesses of tissue paper, sanitary napkin and disposable diapers, actively develop higher quality products and expand into new markets, accelerate penetration into rural markets and other markets in the mainland China, and seize the huge development opportunities in the domestic daily necessities market.

In the future, the Group will further enhance the brand image of its products, including brand upgrades through strategies such as product premiumisation, new packaging, and accurate allocation of marketing resources, as well as the establishment of a marketing department to comprehensively optimise the brand image. The Group will continue to enhance its product mix and accelerate product premiumisation, such as the hot-selling series “Q • MO”, “Cloudy Soft Skin” and “Sweet Dream Pants”, so as to improve the Group’s profitability, further develop online and offline sales channels and promote the joint development of multi-channels to expand its customer base.

在各地木漿廠恢復生產及釋放新增產能的背景下，木漿供應持續增加，疊加世界經濟前景不明朗影響市場需求，木漿價格於第二季開始回落，下半年的下跌幅度將視乎宏觀經濟的發展情況。由於集團需先消耗現有的高價木漿庫存，預期木漿價格成本回落的正面影響將於下半年反映在紙巾業務的成本上，屆時毛利率將有所改善。集團將密切留意外圍因素對進口木漿、石化原料等原材料價格的影響。

儘管國內生活用品市場競爭加劇，恒安憑藉領先的研發生產實力及優越的品牌形象，加上全國性的廣泛佈局及多元化產品組合，讓恒安在充滿挑戰的經營環境下仍能展現強大抗逆力，成功把握行業整合的窗口，進一步擴大市場份額。

作為行業的領跑者，恒安以長線發展作為軸心，規劃業務策略及資源投放。集團將持續實行三大核心策略，包括「聚焦主業」、「提升品牌」及「長期主義」，為集團的可持續發展奠定堅實的基礎。集團將繼續聚焦紙巾、衛生巾及紙尿褲三大核心業務的發展，積極開發及升級高質量的產品及拓展新市場，加快滲透農村及國內的不同市場，把握國內生活用品市場的龐大發展機遇。

恒安未來將進一步提升旗下各產品的品牌形象，包括透過升格產品檔次、更換新包裝、精準投放營銷資源等策略，以及成立市場部門，全面優化品牌形象。集團將繼續致力於產品結構升級和加快高端化進程，例如熱捧系列「Q • MO」、「雲感柔膚」及「萌睡褲」等，藉此提升盈利能力，同時深度佈局線上及線下銷售渠道，推動多元渠道共同發展，大力拓展客戶群。

The Group will also continue to optimise the organisational structure, strengthen the construction of young professional team, improve team efficiency, and allocate resources to improve infrastructure and enhance supply chain efficiency, for example, the Group has completed its system upgrade in March this year and implemented the cloudification of the SAP system, and strive to improve the quality of the system, so as to effectively monitor operational data and improve operational visibility to formulate appropriate business strategies.

In order to continue to consolidate the Group's market leadership in tissue paper and hygiene products and meet domestic customers' demand for high-quality products, the Group plans to carry out production capacity expansion and technological upgrades in the future, including the establishment of a new upgraded sanitary napkin, disposable diapers, wet wipes plant in Neikeng, Fujian, and the expansion of tissue paper production capacity in Xiaogan, Hunan, and Yunfu, Guangdong. It is expected that the new production capacity will be put into operation successively in the second half of 2023.

As a leading enterprise in the personal and household hygiene products industry in China, Hengan will continue to adhere to the mission of "Growing with You for a Better Life", and strive to become a supplier of high-quality, reliable and sustainable personal and household hygiene products, while also actively promote ESG development and contribute to building a green and sustainable world. The Group will focus on the three main businesses (tissue paper, sanitary napkin and disposable diapers), enhance its brand image, seize the opportunities in the "new retail" era, take long-termism as the general direction for future development to further scale its business. At the same time, the Group will continue to take industry extension as the long-term development goal, actively expand and extend to feminine care, infant and child care, and elderly care business to continue to maintain its overall competitiveness, and gradually promote international development of Hengan's brand, striving to become a "global top-tier supplier of daily products".

集團亦將持續優化組織架構，加強建設專業化年輕化團隊及提升團隊執行效率，並投放資源改善基建及提高供應鏈效率，例如集團已於今年3月完成系統升級，落實SAP系統雲端化，並致力改良系統質素，藉此有效監測營運數據，提高營運可視化水平，以制定合適的營運策略。

為持續鞏固集團在紙巾及衛生用品的市場龍頭地位及滿足國內消費者對優質產品的需求，集團計劃於未來進行不同的產能擴充及技術升級計劃，包括於福建內坑建立新的升級衛生巾、紙尿褲、濕巾集合的大基地及於孝感、湖南及廣東雲浮等地區擴充紙巾產能，預期部分新產能將於二零二三年下半年陸續投產。

恒安作為中國領先的個人及家庭衛生用品企業，將繼續秉承「追求健康，你我一起成長」的使命，致力建立一家優質可靠及可持續發展的個人及家庭衛生用品企業，積極推動環境、社會及企業管治發展，為創造一個綠色可持續發展的地球出一分力。集團將聚焦三大主營業務（紙巾、衛生巾、紙尿褲），持續提升品牌形象、緊握「新零售」時代的機遇及以長期主義作未來發展大方向，進一步壯大恒安業務規模。同時，集團將繼續以產業延伸為長遠發展目標，積極拓展及延伸女性健康、嬰童健康及老年健康等產業，持續提升整體競爭力，並帶領恒安品牌逐步走向國際舞台，致力成為「全球頂級的家庭生活用品企業」。

Corporate Governance and Other Information

企業管治及其他資料

DIRECTORS' INTERESTS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2023, the interests of each director in the shares, short position in 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 (“SFO”)), as recorded in the register maintained by the Company under Section 352 of the SFO and disclosed in accordance with the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange were as follows:

董事於本公司或任何有聯繫法團之股份、相關股份及債券之權益

於二零二三年六月三十日，本公司根據證券及期貨條例（「證券條例」）第352條而設置之登記冊所記錄各董事在本公司及其有聯繫法團（按證券條例第XV部之定義）之股份、淡倉、相關股份及債券之權益，並依照聯交所之證券上市規則（「上市規則」）而作出之公佈詳列如下：

Name of Directors 董事姓名	Capacity/Nature of Interest Number of shares 身份／權益類別 股份數目		Number of unlisted shares (Note (1)) 非上市之相關權益 (附註(1))		Total 股份總計	Approximate percentage of shareholding 權益 百分率概約
	Personal interests/ Beneficiary 個人權益／ 受益人	Family Interest 家族權益	Personal interests/ Beneficiary 個人權益／ 受益人			
Mr. Sze Man Bok (Note (2)) 施文博先生 (附註(2))	239,299,999	—	100,000	239,399,999	20.60%	
Mr. Hui Lin Chit (Note (3)) 許連捷先生 (附註(3))	268,892,733	—	300,000	269,192,733	23.16%	
Mr. Hui Ching Lau 許清流先生	1,500,000	—	9,000,000	10,500,000	0.90%	
Mr. Xu Da Zuo (Note (4)) 許大座先生 (附註(4))	17,710,000	—	300,000	18,010,000	1.55%	
Mr. Sze Wong Kim 施煌劍先生	851,700	—	100,000	951,700	0.08%	
Mr. Hui Ching Chi 許清池先生	40,000	—	400,000	440,000	0.04%	
Mr. Li Wai Leung 李偉樑先生	—	—	300,000	300,000	0.03%	

Corporate Governance and Other Information (Continued)
企業管治及其他資料(續)

Notes:

- (1) Unlisted shares represent share options granted to Directors pursuant to share option scheme of the Company, and details of which are set out on pages 76 to 78.
- (2) Out of the 239,299,999 ordinary shares, Tin Lee Investments Limited (“Tin Lee”) held 238,724,399 ordinary shares while Mr. Sze had personal interests in 575,600 ordinary shares in the Company. Tin Lee is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of Tin Wing Holdings Limited (“Tin Wing”). Tin Wing is a company incorporated in the Bahamas and owned by Hang Seng Bank (Trustee) Limited as nominee and being the trustee of the Sze’s Family Trust. Mr. Sze Man Bok is the settlor and beneficiary of the Sze’s Family Trust. He is therefore deemed under Part XV of the SFO to be interested in the interests of the Sze’s Family Trust in the Company.
- (3) An Ping Holdings Limited held 268,892,733 shares in the Company. It is a company incorporated in the Bahamas and is a wholly owned subsidiary of An Ping Investments Limited (“An Ping Investments”). An Ping Investments is a company incorporated in the Bahamas and owned by Credit Suisse as nominee and being the trustee of the Hui Family Trust. Mr. Hui Lin Chit is the settlor and beneficiary of the Hui Family Trust. He is therefore deemed under Part XV of the SFO to be interested in the interests of the Hui Family Trust in the Company.
- (4) Skyful Holdings Limited held 17,710,000 shares in the Company. It is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of Charter Towers Limited (“Charter Towers”). Charter Towers is a company incorporated in the Bahamas and owned by Credit Suisse as nominee and being the trustee of the Xu Family Trust. Mr. Xu Da Zuo is the settlor and beneficiary of the Xu Family Trust. He is therefore deemed under Part XV of the SFO to be interested in the interests of the Xu Family Trust in the Company.
- (5) Interests in shares and share options were long position.

Apart from the above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations.

附註：

- (1) 非上市之相關權益乃按本公司採納之購股權計劃而授予董事的購股權，有關資料載列於第76頁至78頁。
- (2) 於239,299,999股份當中，天利投資有限公司(「天利」)及施先生以個人名義分別持有本公司238,724,399股及575,600股普通股份。天利為一家於英屬處女島成立的公司，並為Tin Wing Holdings Limited(「Tin Wing」)之全資附屬公司。Tin Wing為一家於巴哈馬成立的公司，並由施氏家族信託受託人恒生銀行信託有限公司以信託代理人身份擁有。施文博先生為施氏家族信託之財產授予人和受益人，根據證券條例第XV部之定義，彼因此被視為擁有施氏家族信託的權益。
- (3) 安平控股有限公司持有本公司268,892,733股股份。其為一家於巴哈馬成立的公司，並為安平投資有限公司(「安平投資」)全資擁有之附屬公司。安平投資為一家於巴哈馬成立的公司，並由許氏家族信託(The Hui Family Trust)受託人Credit Suisse以信託代理人身份擁有。許連捷先生為許氏家族信託的財產授予人和受益人，根據證券條例第XV部之定義，彼因此被視為擁有許氏家族信託的權益。
- (4) 天樂控股有限公司持有本公司17,710,000股股份。其為一家於英屬處女島成立的公司，並為Charter Towers Limited(「Charter Towers」)之全資附屬公司。Charter Towers為一家於巴哈馬成立的公司，並由許氏家族信託(The Xu Family Trust)受託人Credit Suisse以信託代理人身份擁有。許大座先生為許氏家族信託之財產授予人和受益人，根據證券條例第XV部之定義，彼因此被視為擁有許氏家族信託的權益。
- (5) 擁有之股份及購股權均為好倉。

除上述外，於期內本公司或其附屬公司概無作出任何安排促使本公司董事持有本公司或其聯繫法團之任何股份權益、淡倉、有關股份及債券。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES OF THE COMPANY

The register of substantial shareholders maintained under section 336 of part XV of the SFO shows that as at 30 June 2023, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors.

主要股東在本公司股份、相關股份之權益及淡倉

根據證券條例第XV部第336條而設置之主要股東登記冊，顯示於二零二三年六月三十日，除上文所披露之董事外，本公司並接獲下列主要股東持有本公司已發行股本百分之五或以上權益之通知，此等權益並未包括於以上披露之董事權益內。

Substantial shareholders 股東名稱	Note 附註	Capacity 身份／權益性質	Number of ordinary shares beneficially held 股份實益權益數目	Approximate percentage of shareholding 權益百分率概約
Tin Lee Investments Limited 天利投資有限公司	(1)	Beneficial owner 實益擁有人	238,724,399 (L)	20.54%
Tin Wing Holdings Limited	(1)	Interests of controlled corporation 所控制的法團的權益	238,724,399 (L)	20.54%
An Ping Holdings Limited 安平控股有限公司	(2)	Beneficial owner 實益擁有人	268,892,733 (L)	23.14%
An Ping Investments Limited 安平投資有限公司	(2)	Interests of controlled corporation 所控制的法團的權益	268,892,733 (L)	23.14%
Credit Suisse Trust Limited	(3)	Trustee 受託人	302,429,733 (L)	26.02%
Hang Seng Bank (Trustee) Limited 恒生銀行信託有限公司	(4)	Trustee 受託人	238,724,399 (L)	20.54%

(L) denotes long position

(L) 指好倉

Notes:

附註：

- (1) Tin Lee Investments Limited is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of Tin Wing Holdings Limited. Tin Wing Holdings Limited is a company incorporated in the Bahamas and owned by Hang Seng Bank (Trustee) Limited as nominee and being the trustee of the Sze's Family Trust.
- (2) An Ping Holdings Limited, a company incorporated in the Bahamas, is a wholly owned subsidiary of An Ping Investments Limited. An Ping Investments Limited is a company incorporated in the Bahamas and owned by Credit Suisse Trust Limited as nominee and being the trustee of the Hui Family Trust.

- (1) 天利投資有限公司為一家於英屬處女島成立之公司，並由Tin Wing Holdings Limited全資擁有之附屬公司。Tin Wing Holdings Limited為一家於巴哈馬成立之公司，並由施氏家族信託受託人恒生銀行信託有限公司以信託代理人身份擁有。
- (2) 安平控股有限公司為一家於巴哈馬成立之公司，並由安平投資有限公司全資擁有之附屬公司。安平投資有限公司為一家於巴哈馬成立之公司，並由許氏家族信託(The Hui Family Trust)受託人Credit Suisse Trust Limited以信託代理人身份擁有。

- (3) Credit Suisse Trust Limited is the trustee of the Hui Family Trust, the Xu Family Trust and others and is deemed to be interested in the shares held by these trusts.
- (4) Hang Seng Bank (Trustee) Limited is the Trustee of the Sze's Family Trust and is deemed to be interested in the shares held by the trust.
- (3) Credit Suisse Trust Limited作為許氏家族信託(The Hui Family Trust)、許氏家族信託(The Xu Family Trust)和其他人的受託人身份，被視為擁有該信託中的股份。
- (4) 恒生銀行信託有限公司作為施氏家族信託的受託人身份，被視為擁有該信託中的股份。

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board of Directors has declared an interim dividend of RMB0.70 per share (2022: RMB0.70 per share) for the six months ended 30 June 2023 to be paid to shareholders whose names appear on the Register of Members of the Company at the close of business on 22 September 2023. Dividend warrants will be despatched to shareholders on or about 12 October 2023.

Dividends payable to shareholders will be paid in Hong Kong dollars ("HK\$"). The exchange rate adopted by the Company for its dividend payable is the middle exchange rate of HK\$ to RMB announced by the People's Bank of China for the business day preceding the date of dividend declaration.

The Register of Members of the Company will be closed from 20 September 2023 to 22 September 2023 (both days inclusive), during which no transfer of shares will be effected. In order to be qualified for the interim dividend, all transfers accompanied by the relevant share certificates shall be lodged with the Company's branch share registrar, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on 19 September 2023.

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

The Company did not redeem any of the Company's shares during the six months ended 30 June 2023. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

中期股息及暫停辦理股份過戶登記

董事會宣佈向於二零二三年九月二十二日辦公時間結束時名列本公司股東名冊之股東派發截至二零二三年六月三十日止六個月之中期股息每股人民幣0.70元，(二零二二年：每股人民幣0.70元)，有關之股息單將於二零二三年十月十二日左右寄予股東。

應付予股東的股息將以港元派發。本公司派息所採用的匯率為宣佈派息日前一個營業日中國人民銀行公佈的港元兌人民幣匯率中間價。

本公司將由二零二三年九月二十日至二零二三年九月二十二日(首尾兩天包括在內)暫停辦理股份過戶登記。如欲獲派中期股息，所有過戶文件連同有關股票最遲須於二零二三年九月十九日下午四時三十分送達本公司之股份過戶登記分處卓佳雅柏勤有限公司，地址為香港夏慤道16號遠東金融中心17樓，辦理登記手續。

購買、出售或贖回本公司之上市證券

於截至二零二三年六月三十日止六個月內，本公司並無贖回其任何上市股份，而且本公司或其任何附屬公司概無購買及出售本公司之上市股份。

SHARE OPTION SCHEME

The share option scheme of the Company adopted on 26 May 2011 (the “2011 Share Option Scheme”) had expired on 26 May 2021. No further share options shall be offered or granted under the 2011 Share Option Scheme but in all other respects the provisions of the 2011 Share Option Scheme shall remain in full force and effect, and all share options granted prior to such expiration and not exercised nor forfeited/lapsed at the date of termination shall remain valid. Please refer to 2020 annual report of the Company for the terms of the 2011 Share Option Scheme. The Company has adopted a share option scheme (the “Scheme”) on 17 May 2021 which is valid and effective for a period of 10 years commencing on the date of adoption of the Scheme.

Details of movements in the share options as at 30 June 2023 which have been granted under the Scheme are as follows:

Eligible person 合資格人士	Number of share options 購股權數目					Cancelled or lapsed during the period 於期內 註銷/失效	Balance as at 30/6/2023 於二零二三年 六月三十日 之結餘	Exercise price per share 每股行使價 HK\$ 港元	Date of grant 授出日期 (DD/MM/YYYY) (日/月/年)	Exercisable period 行使期 (DD/MM/YYYY) (日/月/年)
	Balance as at 01/01/2023 於二零二三年 一月一日 之結餘	Granted during the period 於期內授出	Exercised during the period 於期內行使	Reclassified during the period 於期內 重新分類						
Directors 董事										
Mr. Sze Man Bok 施文博先生	30,000	-	-	-	-	30,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	40,000	-	-	-	-	40,000	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Hui Lin Chit 許連捷先生	90,000	-	-	-	-	90,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	90,000	-	-	-	-	90,000	41.48	18/01/2022	18/01/2024-17/01/2025	
	120,000	-	-	-	-	120,000	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Hung Ching Shan (Note (4)) 洪青山先生(附註(4))	30,000	-	-	(30,000)	-	0	41.48	18/01/2022	18/01/2023-17/01/2024	
	30,000	-	-	(30,000)	-	0	41.48	18/01/2022	18/01/2024-17/01/2025	
	40,000	-	-	(40,000)	-	0	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Hui Ching Lau 許清流先生	2,700,000	-	-	-	-	2,700,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	2,700,000	-	-	-	-	2,700,000	41.48	18/01/2022	18/01/2024-17/01/2025	
	3,600,000	-	-	-	-	3,600,000	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Xu Shui Shen (Note (4)) 許水深先生(附註(4))	150,000	-	-	(150,000)	-	0	41.48	18/01/2022	18/01/2023-17/01/2024	
	150,000	-	-	(150,000)	-	0	41.48	18/01/2022	18/01/2024-17/01/2025	
	200,000	-	-	(200,000)	-	0	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Xu Da Zuo 許大座先生	90,000	-	-	-	-	90,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	90,000	-	-	-	-	90,000	41.48	18/01/2022	18/01/2024-17/01/2025	
	120,000	-	-	-	-	120,000	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Xu Chun Man (Note (4)) 許春滿先生(附註(4))	30,000	-	-	(30,000)	-	0	41.48	18/01/2022	18/01/2023-17/01/2024	
	30,000	-	-	(30,000)	-	0	41.48	18/01/2022	18/01/2024-17/01/2025	
	40,000	-	-	(40,000)	-	0	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Sze Wong Kim 施煌劍先生	30,000	-	-	-	-	30,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	30,000	-	-	-	-	30,000	41.48	18/01/2022	18/01/2024-17/01/2025	
	40,000	-	-	-	-	40,000	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Hui Ching Chi 許清池先生	120,000	-	-	-	-	120,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	120,000	-	-	-	-	120,000	41.48	18/01/2022	18/01/2024-17/01/2025	
	160,000	-	-	-	-	160,000	41.48	18/01/2022	18/01/2025-17/01/2026	
Mr. Li Wai Leung 李偉霖先生	90,000	-	-	-	-	90,000	41.48	18/01/2022	18/01/2023-17/01/2024	
	90,000	-	-	-	-	90,000	41.48	18/01/2022	18/01/2024-17/01/2025	
	120,000	-	-	-	-	120,000	41.48	18/01/2022	18/01/2025-17/01/2026	

購股權

本公司於二零一一年五月二十六日採納之購股權計劃(「2011股份期權計劃」)已於二零二一年五月二十六日屆滿。並無任何股份期權可根據2011年股份期權計劃進一步授出，惟2011年股份期權計劃之條文於所有其他方面將繼續具十足效力及作用，且於屆滿日期前授出及於終止日期尚未被行使、沒收/失效之所有股份期權將會繼續有效。2011年股份期權計劃條款詳見本公司2020年年度報告。本公司於二零二一年五月十七日採納購股權計劃(「該計劃」)，該計劃生效及有效日期為自採納該計劃日期起計為期十年。

截至二零二三年六月三十日，根據該計劃授出的購股權的變動詳情如下：

Corporate Governance and Other Information (Continued)
企業管治及其他資料(續)

Eligible person 合資格人士	Number of share options 購股權數目					Balance as at 30/6/2023 於二零二三年 六月三十日 之結餘	Exercise price per share 每股行使價 HK\$ 港元	Date of grant 授出日期 (DD/MM/YYYY) (日/月/年)	Exercisable period 行使期 (DD/MM/YYYY) (日/月/年)
	Balance as at 01/01/2023 於二零二三年 一月一日 之結餘	Granted during the period 於期內授出	Exercised during the period 於期內行使	Reclassified during the period 於期內 重新分類	Cancelled or lapsed during the period 於期內 註銷/失效				
Participants 參與者	2,666,500	-	-	-	-	2,666,500	79.20	05/10/2015	05/10/2018-05/10/2025
	1,333,250	-	-	-	-	1,333,250	79.20	05/10/2015	05/10/2019-05/10/2025
	1,333,250	-	-	-	-	1,333,250	79.20	05/10/2015	05/10/2020-05/10/2025
	10,064,100	-	-	210,000	-	10,274,100	41.48	18/01/2022	18/01/2023-17/01/2024
	10,064,100	-	-	210,000	-	10,274,100	41.48	18/01/2022	18/01/2024-17/01/2025
	13,418,800	-	-	280,000	-	13,698,800	41.48	18/01/2022	18/01/2025-17/01/2026
	457,800	-	-	-	-	457,800	40.30	21/12/2022	21/12/2023-20/12/2024
	457,800	-	-	-	-	457,800	40.30	21/12/2022	21/12/2024-20/12/2025
	610,400	-	-	-	-	610,400	40.30	21/12/2022	21/12/2025-20/12/2026
	51,606,000	-	-	-	-	51,606,000			

Notes:

附註：

- The vesting period of the share options is from the date of grant until the commencement of exercise period.
- The closing price of the Shares immediately before the date on which the share options being granted on 2 October 2015, 17 January 2022 and 20 December 2022 was HK\$77.90, HK\$39.15 and HK\$40.10 respectively.
- During the period, no options were cancelled under the Scheme.
- Retired on 22 May 2023.
- The table below sets out the additional information in respect of the Scheme during the year ended 30 June 2023:

Number of options available for grant as at 1 January 2023 截至二零二三年一月一日 可供授出的購股權數量	Number of options available for grant as at 30 June 2023 截至二零二三年六月三十日 可供授出的購股權數量	Number of outstanding options divided by weighted average number Shares in issue as at 30 June 2023 截至二零二三年六月三十日 未行使購股權數量除以 已發行股份的加權平均股數
71,480,742	71,480,742	4.44%

Corporate Governance and Other Information (Continued) 企業管治及其他資料(續)

According to the Binomial Model, the fair value of the options granted, which had been charged to the profit and loss account for the six months ended 30 June 2023, amounted to RMB22,006,000 and the remaining unamortised fair value of RMB47,178,000 for options granted in 2022 will be charged to the consolidated statement of profit or loss in the future years.

It should be noted that the value of an option varies with different variables of certain subjective assumptions, any change in variables so adopted may materially affect the fair value estimate.

AUDIT COMMITTEE

The Audit Committee is chaired by an independent non-executive director and comprises all independent non-executive directors. Mr. Chan Henry retired on 22 May 2023. There are four members currently. It meets at least two times a year. The Audit Committee provides an important link between the Board and the Company's external and internal auditors in matters coming within the scope of the group audit. It also reviews the effectiveness of both the external and internal audit and of internal controls and risk evaluation, including the interim report for the six months ended 30 June 2023.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

For the six months ended 30 June 2023, the Company has adopted the Model Code as set out in Appendix 10 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the six months ended 30 June 2023, and they all confirmed that they had fully complied with the required standard set out in the Model Code, except that Mr. Hui Ching Lau was in breach of Rules A.3 and B.8 of the Model Code on 22 March 2023 having inadvertently purchased 100,000 shares of the Company immediately after publication of the annual results announcement for the year ended 31 December 2022, which falls on the blackout period for Directors' dealings which lasts up to and including the day of the publication of the annual results announcement for the year ended 31 December 2022 (i.e. including 22 March 2023).

To avoid recurrence of similar incidents in the future, the Company has arranged a training session for all Directors. Going forward, the Company will continually reminding all Directors of the dealing restrictions throughout any future blackout periods.

根據二項式模式，截至二零二三年六月三十日止六個月授出予僱員和董事的購股權的公平值於合併利潤表列賬的金額約為人民幣22,006,000元。於二零二二年授出予僱員和董事的購股權的餘下未攤銷的公平值人民幣47,178,000元將於未來數年內跟據購股權的歸屬期於合併利潤表中列賬。

務請注意，股份期權的價值會隨着若干主觀假設的變數不同而出現變動，採納的變數所出現的任何變動可能對公平值估計產生重大影響。

審核委員會

審核委員會由獨立非執行董事出任主席，並由全體獨立非執行董事組成，陳銘潤先生於二零二三年五月二十二日退任，現有四位成員，每年至少召開兩次會議。審核委員會為董事會及本公司內外部核數師之間就集團審核範圍內之事宜提供重要連繫。其亦審閱內外部核數和內部控制及風險評估之有效性，包括截至二零二三年六月三十日止六個月之中期報告。

符合上市規則之《標準守則》

截至二零二三年六月三十日止六個月，本公司一直採納聯交所之證券上市規則（「上市規則」）附錄十所載《標準守則》。本公司已特別就截至二零二三年六月三十日止六個月期間董事是否有任何未有遵守《標準守則》作出查詢，全體董事確認他們已完全遵從《標準守則》所規定的準則惟許清流先生於2023年3月22日在緊接截至2022年12月31日止年度的全年業績公告發布後的董事交易禁售期內（該禁售期持續至包括截至2022年12月31日止年度的全年業績公告發布當日，即包括2023年3月22日）不慎地購買100,000股本公司股份而違反了《標準守則》第A.3及B.8條除外。

為避免日後再次發生類似事件，公司已為全體董事安排了董事培訓。未來，公司將在未來任何禁售期內持續提醒所有董事注意交易限制。

RETIREMENT AND ELECTION OF APPOINTMENT DIRECTOR AND CHANGE OF COMPOSITION OF BOARD COMMITTEE

Mr. Hung Ching Shan, Mr. Xu Shui Shen and Mr. Xu Chun Man, executive directors of the Company, Mr. Chan Henry (“Mr. Chan”), independent non-executive director of the Company, retired at the annual general meeting of the Company held on 22 May 2023 (“AGM”). Accordingly, they ceased to act as directors of the Company, Mr. Chan also ceased to be the chairman of remuneration committee of the Company, a member of each of the nomination committee, and the audit committee of the Company with effect from the conclusion of the AGM. Mr. Theil Paul Marin, has been appointed by the Board as the chairman of the remuneration committee of the Company with effect from 22 May 2023.

Mr. Xu Wen Mo has been appointed as an executive director of the Company by the board of Directors (the “Board”) with effect from 24 August 2023. Please refer to the announcement of the Company dated 24 August 2023 for biographical details of Mr. Xu Wen Mo.

Save as stated above, there is no other information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

MATERIAL LEGAL PROCEEDINGS

For the six months ended 30 June 2023, the Company was not involved in any material litigation or arbitration, and as far as the Company is aware, no material litigation or claims were pending or threatened or made against the Company.

COMPLIANCE WITH APPENDIX 16 TO THE LISTING RULES

According to paragraph 40 of Appendix 16 to the Listing Rules headed “Disclosure of Financial Information”, save as disclosed herein, the Company confirms that the Company’s current information in relation to those matters set out in paragraph 32 of Appendix 16 has not been changed materially from the information disclosed in the Company’s 2022 annual report.

董事退任及委任和更改董事委員會的組成

本公司執行董事洪青山先生、許水深先生、許春滿先生及獨立非執行董事陳銘潤先生(「陳先生」)已於股東週年大會上退任本公司董事。因此，於二零二三年五月二十二日舉行之股東週年大會(「股東週年大會」)結束時起，彼等不再擔任董事職務，而陳先生亦不再擔任本公司薪酬委員會主席、提名委員會及審核委員會成員。保羅希爾先生已被董事會委任為本公司薪酬委員會主席，生效日期為二零二三年五月二十二日。

於二零二三年八月二十四日許文默先生已被本公司董事會(「董事會」)委任為本公司執行董事。許文默先生之履歷詳情請參閱本公司日期為二零二三年八月二十四日之公告。

除上述外，董事並無其他資料需根據上市規則第13.51B(1)條作出披露。

重大法律程序

截至二零二三年六月三十日止六個月期間，本公司未牽涉任何重大訴訟或仲裁，且據本公司所知，亦無任何針對本公司的重大訴訟或索賠懸而未決、擬將進行或已進行。

遵守上市規則附錄十六

根據上市規則附錄十六《財務資料的披露》之第四十段，除了在此已作披露外，本公司確認有關附錄十六第三十二段所列事宜的現有公司資料與本公司2022年年度報告所披露的資料並無重大變動。

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance. The Company has complied with all the applicable code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules of the Stock Exchange during the period, except that Mr. Chan Henry and Ms. Wong Ying Kay Ada, independent non-executive directors of the Company, were unable to attend the annual general meeting of the Company held on 22 May 2023 due to other engagements at that time.

RAISING OF FUNDS AND USE OF PROCEEDS

The Company did not have any unutilised proceeds from fund raising activities brought forward from previous financial years and did not have any fund raising activity during the six months ended 30 June 2023 and up to the date of this report.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I extend my gratitude to all our staff for their hard work and dedication.

By Order of the Board

Hengan International Group Company Limited

Sze Man Bok

Chairman

As at the date of this report, the Board comprises Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Hui Ching Lau, Mr. Xu Da Zuo, Mr. Sze Wong Kim, Mr. Hui Ching Chi, Mr. Li Wai Leung and Mr. Xu Wenmo as executive directors, and Mr. Theil Paul Marin, Ms. Ada Ying Kay Wong, Mr. Ho Kwai Ching, Mark and Mr. Chen Chuang as independent non-executive directors.

Hong Kong, 24 August 2023

公司管治

本公司致力於保持高企業管治水平。期內，本公司符合聯交所之上市規則附錄十四所載之《企業管治守則》所有適用的守則條文，惟獨立非執行董事陳銘潤先生及黃英琦女士由於相關時間有其他事務而未能出席於二零二三年五月二十二日舉行的本公司股東週年大會。

籌集資金及所得款項用途

截至二零二三年六月三十日止六個月期間及截至本報告期內，本公司並無任何未動用的集資活動所得餘款結轉至當前財務年度，亦無任何其他集資活動。

致謝

本人代表董事會，就全體員工在期內所付出之努力，盡忠職守，謹此致謝。

承董事會命

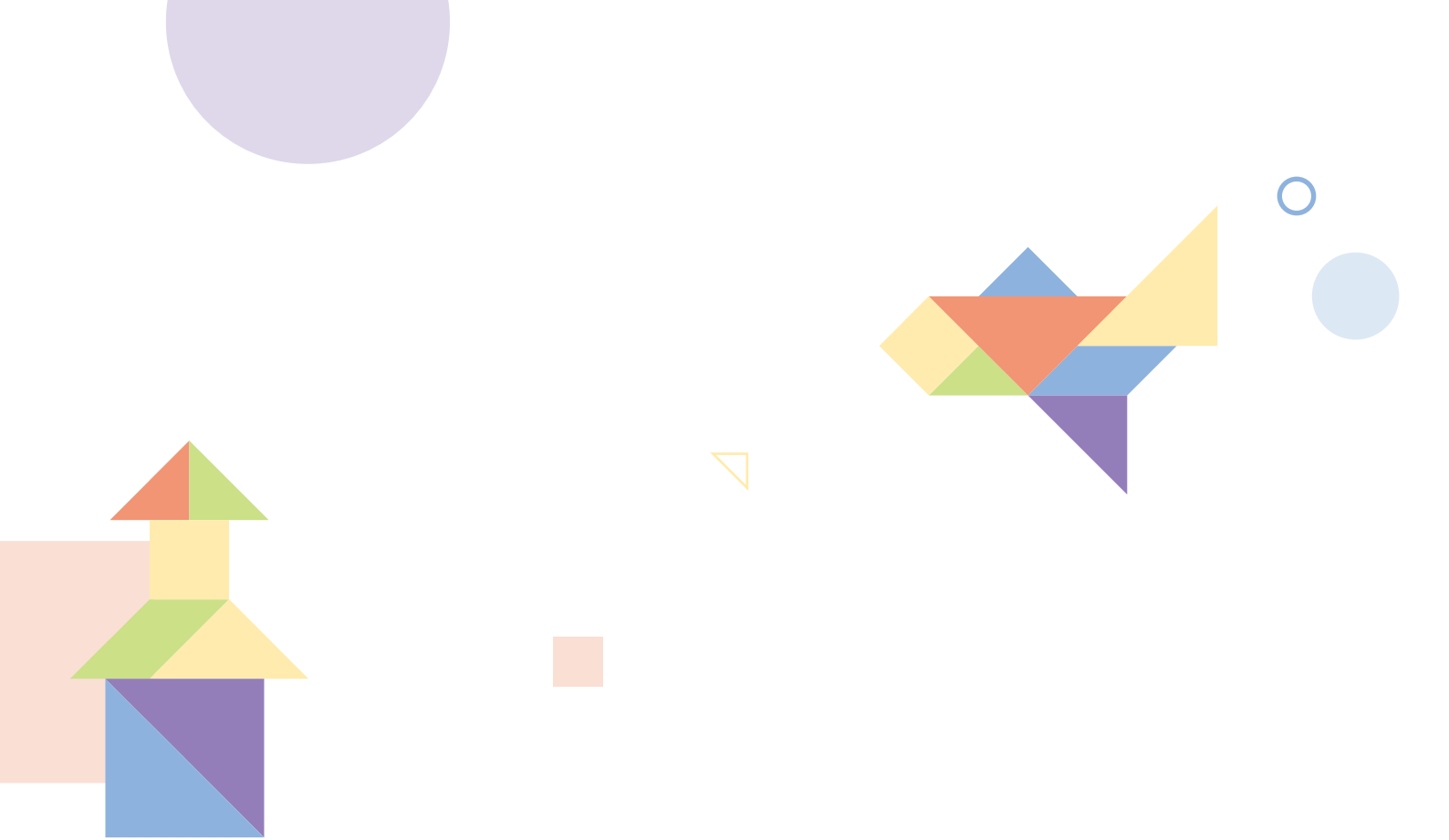
恒安國際集團有限公司

施文博

主席

於本報告刊發日，本公司的董事局包括執行董事施文博先生、許連捷先生、許清流先生、許大座先生、施煌劍先生、許清池先生和李偉樑先生和許文默先生；及獨立非執行董事保羅希爾先生、黃英琦女士、何貴清先生和陳闖先生。

香港，二零二三年八月二十四日



恒安國際集團有限公司
HENGAN INTERNATIONAL GROUP CO., LTD

