



18/19 中期報告
INTERIM REPORT

NHH

Ngai Hing Hong Company Limited
毅興行有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock Code 股份代號: 1047)

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Ngai Hing Hong Company Limited

毅興行有限公司

The Board of Directors (the "Board") of Ngai Hing Hong Company Limited (the "Company") presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (the "Group") for the six months ended 31st December 2018 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

毅興行有限公司(「本公司」)之董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)截至二零一八年十二月三十一日止六個月之未經審核簡明綜合中期財務資料如下：

簡明綜合收益表

截至二零一八年十二月三十一日止六個月

			Unaudited 未經審核	
			Six months ended 31st December 截至十二月三十一日止六個月	
			2018	2017
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Revenue from contracts with customers	客戶合約之收入	6	1,024,235	985,116
Cost of sales	銷售成本		(916,476)	(851,508)
Gross profit	毛利		107,759	133,608
Rental income	租金收入		3,701	3,294
Other gains, net	其他收益－淨額	7	3,185	1,845
Distribution costs	分銷成本		(39,859)	(39,544)
Administrative expenses	行政支出		(56,707)	(57,535)
Operating profit	經營溢利	8	18,079	41,668
Finance income	財務收益	9	111	203
Finance costs	財務費用	9	(10,762)	(6,349)
Finance costs, net	財務費用－淨額		(10,651)	(6,146)
Profit before income tax	除稅前溢利		7,428	35,522
Income tax expense	稅項支出	10	(4,088)	(10,673)
Profit for the period	本期溢利		3,340	24,849

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

簡明綜合收益表(續)

截至二零一八年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
Attributable to:	以下人士應佔：		
Equity holders of the Company	公司股東	1,878	22,569
Non-controlling interests	非控制權益	1,462	2,280
		3,340	24,849
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in HK cent per share)	本期公司股東應佔溢利之每股盈利(以每股港仙計)		
– Basic	– 基本	12	6.11
– Diluted	– 攤薄	12	6.11

The above condensed consolidated income statement should be read in conjunction with the accompanying notes.

上述簡明綜合收益表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

簡明綜合合併收益表

截至二零一八年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
Profit for the period	本期溢利	3,340	24,849
Other comprehensive (loss)/income:	其他綜合(虧損)/收益：		
Item that may be reclassified subsequently	期後可被重新分類至		
to income statement:	收益表之項目：		
Currency translation differences	匯兌差額	(21,403)	14,683
Other comprehensive (loss)/income for the period	本期其他綜合(虧損)/收益	(21,403)	14,683
Total comprehensive (loss)/income for the period	本期綜合(虧損)/收益總額	(18,063)	39,532
Total comprehensive (loss)/income attributable to:	綜合(虧損)/收益總額歸屬於：		
Equity holders of the Company	公司股東	(19,218)	37,054
Non-controlling interests	非控制權益	1,155	2,478
		(18,063)	39,532

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述簡明綜合合併收益表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 31ST DECEMBER 2018

簡明綜合資產負債表

於二零一八年十二月三十一日

			Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日	Audited 經審核 30th June 2018 於二零一八年 六月三十日
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	
ASSETS				
Non-current assets				
Property, plant and equipment	13	123,319	129,143	
Leasehold land and land use rights	13	17,378	18,399	
Investment properties	13	140,214	141,380	
Financial assets at fair value through other comprehensive income		2,000	—	
Available-for-sale financial asset		—	2,000	
Deferred income tax assets		6,734	7,497	
Prepayment for property, plant and equipment and renovation costs, and deposits		3,575	3,635	
		293,220	302,054	
Current assets				
Inventories		351,868	290,158	
Trade and bills receivables	14	245,876	284,292	
Other receivables, prepayments and deposits		24,353	19,466	
Income tax recoverable		535	110	
Restricted bank deposits		34,323	35,799	
Cash and bank balances		116,022	117,716	
		772,977	747,541	
Total assets		1,066,197	1,049,595	

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2018

簡明綜合資產負債表(續)

於二零一八年十二月三十一日

			Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日	Audited 經審核 30th June 2018 於二零一八年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	公司股東 應佔股本及儲備			
Share capital	股本	17	36,920	36,920
Share premium	股本溢價		62,466	62,466
Other reserves	其他儲備		36,852	57,948
Retained earnings	保留溢利		346,103	351,881
			482,341	509,215
Non-controlling interests	非控制權益		20,883	24,826
Total equity	權益總額		503,224	534,041

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2018

簡明綜合資產負債表(續)

於二零一八年十二月三十一日

			Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日	Audited 經審核 30th June 2018 於二零一八年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延稅項負債		6,485	6,917
Provision for reinstatement costs	修復成本撥備		884	884
			7,369	7,801
Current liabilities	流動負債			
Trade payables	貿易應付款	15	109,563	86,059
Other payables and accruals	其他應付款及預提費用		35,279	38,213
Borrowings	借貸	16	401,803	375,529
Derivative financial instruments	衍生金融工具	18	132	—
Income tax payable	應付稅項		8,827	7,952
			555,604	507,753
Total liabilities	負債總額		562,973	515,554
Total equity and liabilities	權益及負債總額		1,066,197	1,049,595
Net current assets	淨流動資產		217,373	239,788
Total assets less current liabilities	資產總額減流動負債		510,593	541,842

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

上述簡明綜合資產負債表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

簡明綜合權益變動表

截至二零一八年十二月三十一日止六個月

		Unaudited 未經審核									
		Attributable to equity holders of the Company 公司股東應佔部分									
		Other reserves 其他儲備									
		Financial assets at fair value									
		Available- through other for-sale comprehensive financial income									
		asset reserve Exchange reserve 按公允價值 fluctuation Non- controlling									
		Share Share Capital capital premium reserve Revaluation 可供 計入其他全面 reserve Retained earnings interests 股本 股本溢價 儲備 重估儲備 出售財務 收益的財務 匯兌 earnings 非控制 總額									
		HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 HK\$'000 千港元 千港元 千港元 千港元 千港元 千港元 千港元 千港元 千港元 千港元									
At 1st July 2018 (as previously reported)	於二零一八年七月一日 (承前匯報)	36,920	62,466	(2,025)	7,953	1,310	—	50,710	351,881	24,826	534,041
Change in accounting policy (Note 3)	會計政策變動 (附註3)	—	—	—	—	(1,310)	1,310	—	(272)	(5)	(277)
At 1st July 2018 (as restated)	於二零一八年七月一日 (重列)	36,920	62,466	(2,025)	7,953	—	1,310	50,710	351,609	24,821	533,764
Comprehensive income	綜合收益										
Profit for the period	本期溢利	—	—	—	—	—	—	—	1,878	1,462	3,340
Other comprehensive income	其他綜合收益										
Currency translation differences	匯兌差額	—	—	—	—	—	—	(21,096)	—	(307)	(21,403)
Total comprehensive income	綜合收益總額	—	—	—	—	—	—	(21,096)	1,878	1,155	(18,063)
Transactions with owners	與所有者之交易										
Dividends paid to non-controlling interests	向非控制權益支付股息	—	—	—	—	—	—	—	—	(5,093)	(5,093)
Dividends paid	支付股息	—	—	—	—	—	—	—	(7,384)	—	(7,384)
Total transactions with owners	與所有者之交易總額	—	—	—	—	—	—	—	(7,384)	(5,093)	(12,477)
At 31st December 2018	於二零一八年十二月三十一日	36,920	62,466	(2,025)	7,953	—	1,310	29,614	346,103	20,883	503,224

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

簡明綜合權益變動表(續)

截至二零一八年十二月三十一日止六個月

		Unaudited 未經審核								
		Attributable to equity holders of the Company 公司股東應佔部分								
		Other reserves 其他儲備								
						Available- for-sale financial asset		Exchange fluctuation	Non- controlling interests	Total
		Share capital	Share premium	Capital reserve	Revaluation reserve	可供 出售財務 資產儲備	匯兌 波動儲備	Retained earnings	非控制 權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st July 2017	於二零一七年七月一日	36,920	62,466	(1,505)	7,953	1,310	36,202	316,786	23,065	483,197
Comprehensive income	綜合收益									
Profit for the period	本期溢利	—	—	—	—	—	—	22,569	2,280	24,849
Other comprehensive income	其他綜合收益									
Currency translation differences	匯兌差額	—	—	—	—	—	14,485	—	198	14,683
Total comprehensive income	綜合收益總額	—	—	—	—	—	14,485	22,569	2,478	39,532
Transactions with owners	與所有者之交易									
Dividends paid to non-controlling interests	向非控制權益支付股息	—	—	—	—	—	—	—	(3,094)	(3,094)
Disposal of a subsidiary	出售一附屬公司	—	—	—	—	—	—	—	208	208
Change in ownership interest in a subsidiary without change of control	不導致失去控制權的附屬公司權益變動	—	—	(520)	—	—	—	—	520	—
Dividends paid	支付股息	—	—	—	—	—	—	(7,384)	—	(7,384)
Total transactions with owners	與所有者之交易總額	—	—	(520)	—	—	—	(7,384)	(2,366)	(10,270)
At 31st December 2017	於二零一七年十二月三十一日	36,920	62,466	(2,025)	7,953	1,310	50,687	331,971	23,177	512,459

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

簡明綜合現金流量表

截至二零一八年十二月三十一日止六個月

Unaudited
未經審核Six months ended 31st December
截至十二月三十一日止六個月

2018	2017
HK\$'000	HK\$'000
千港元	千港元

Cash flows from operating activities	經營業務之現金流		
Cash generated from operations	經營業務所產生之現金	3,968	23,837
Hong Kong profits tax paid	已繳香港利得稅	(1,095)	(2,657)
The People's Republic of China (the "PRC")	已繳中華人民共和國		
income tax paid	(「中國」) 所得稅	(1,917)	(5,465)
Interest received	已收利息	111	203
Net cash generated from operating activities	經營業務所產生之淨現金	1,067	15,918
Cash flows from investing activities	投資業務之現金流		
Purchase of property, plant and equipment	購買物業、廠房及設備	(3,291)	(7,221)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	36	51
Prepayments for property, plant and equipment and	物業、廠房及設備與裝修預付款		
renovation costs		(3,575)	(10,141)
Increase in restricted bank deposit	受限制的銀行存款增加	—	(11,904)
Net cash used in investing activities	投資業務所使用之淨現金	(6,830)	(29,215)
Cash flows from financing activities	融資業務之現金流		
Proceeds from bank loans	新增銀行貸款	205,192	234,078
Repayment of bank loans	償還銀行貸款	(181,335)	(236,654)
Increase in trust receipt loans	信託收據貸款增加	13,528	30,161
Dividends paid to non-controlling interests	支付予非控制權益之股息	(5,093)	(3,094)
Dividends paid	支付股息	(7,384)	(7,384)
Interest paid on bank borrowings	已付銀行借貸利息	(8,169)	(6,105)
Net cash generated from financing activities	融資業務所產生之淨現金	16,739	11,002

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2018

簡明綜合現金流量表(續)

截至二零一八年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
Net increase/(decrease) in cash and cash equivalents	現金及現金等額之增加/(減少)	10,976	(2,295)
Cash and cash equivalents at 1st July	於七月一日之現金及現金等額	107,459	96,689
Effect of foreign exchange rate changes	外幣匯率變動影響	(4,686)	2,967
Cash and cash equivalents at 31st December	於十二月三十一日之現金及現金等額	113,749	97,361
Analysis of balances of cash and cash equivalents:	現金及現金等額結餘分析：		
Cash and bank balances	現金及銀行結餘	116,022	106,900
Bank overdrafts	銀行透支	(2,273)	(9,539)
		113,749	97,361

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述簡明綜合現金流量表應與隨附附註一併閱讀。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

I GENERAL INFORMATION

Ngai Hing Hong Company Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated, and has been approved for issue by the Board of Directors on 27th February 2019.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 31st December 2018 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. This condensed consolidated interim financial information does not include all the notes of the type normally included in an annual financial statements. Accordingly, the condensed consolidated financial information is to be read in conjunction with the annual financial statements for the year ended 30th June 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

簡明綜合中期財務資料附註

I 一般資料

毅興行有限公司(「本公司」)及其子公司(統稱「本集團」)主要從事塑膠原料、色粉、着色劑、混料及工程塑料之製造及買賣。

本公司是於百慕達註冊之一間有限責任公司。公司註冊地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司之股票於香港聯合交易所有限公司之主版上市。

除非已另外列明，本簡明綜合中期財務資料乃以港幣列示。本簡明綜合中期財務資料已於二零一九年二月二十七日被董事局批准。

2 編製基準

截至二零一八年十二月三十一日止六個月的簡明綜合中期財務資料已根據香港會計準則第34號「中期財務報告」編製。本簡明綜合中期財務資料並不包括所有一般需於年度財務報表包含之附註種類。因此，簡明綜合中期財務資料應與截至二零一八年六月三十日止年度的年度財務報表一併閱讀，該財務報表已根據香港財務報告準則編製。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 30th June 2018, as described in those annual financial statements.

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

3.1 *New and amended standards adopted by the Group*

A number of new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies and make retrospective adjustments as a result of adopting the following standards:

HKFRS 9	Financial Instruments
香港財務報告準則第9號	金融工具
HKFRS 15	Revenue from Contracts with Customers
香港財務報告準則第15號	來自客戶合約之收入

The impact of the adoption of these standards and the new accounting policies are disclosed in Notes 3.3 and 3.4 below. The other standards did not have significant impact on the Group's accounting policies and did not require retrospective adjustments.

簡明綜合中期財務資料附註(續)

3 會計政策

除下文所述者外，所採用之會計政策與截至二零一八年六月三十日止年度的年度財務報表所採用的會計政策(如該等年度財務報表所述)一致。

本中期期間的所得稅按照預期年度總盈利適用的稅率累計。

3.1 本集團所採納新訂及經修訂準則

若干新訂或經修訂準則適用於本報告期，本集團須就採納以下準則更改其會計政策及作出追溯調整：

採納該等準則及新會計政策之影響於下文附註3.3及3.4披露。其他準則不會對本集團之會計政策造成重大影響，且毋須作出追溯調整。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.2 Impact of standards issued but not yet applied by the Group:

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the consolidated statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$11,540,000. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

The standard is mandatory for first interim period within annual reporting periods beginning on or after 1st January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.2 已頒佈但本集團尚未應用準則之影響：

香港財務報告準則第16號於二零一六年一月頒佈。在取消經營租賃及融資租賃之區分後，其將使絕大部分租賃於綜合財務狀況表確認。根據新準則，資產(使用租賃項目之權利)及支付租金之金融負債均獲確認，惟短期及低價值租賃除外。

出租人之會計處理將不會出現重大變動。

該準則將主要影響本集團經營租賃之會計處理。於報告日期，本集團之不可撤銷經營租賃承擔為11,540,000港元。然而，本集團尚未釐定該等承擔將對確認資產與未來付款之負債構成何等程度之影響，以及對於本集團溢利及現金流量分類有何影響。

部分承擔可能被短期及低價值租賃之例外情況所涵蓋，而部分承擔則可能與不符合香港財務報告準則第16號之租賃安排有關。

該準則將於二零一九年一月一日或之後開始之年度報告期內首個中期期間強制生效。於此階段，本集團不擬於其生效日期前採納該準則。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs")*

(i) *Adoption of HKFRS 9*

HKFRS 9 replaces the provisions of HKAS 39 "Financial Instruments: Recognition and measurement" that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets, and hedge accounting.

The adoption of HKFRS 9 from 1st July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in Note 3.4 below. In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated as the Group does not have any hedge accounting.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響－香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)

(i) 採納香港財務報告準則第9號

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」有關財務資產及財務負債之確認、分類及計量、取消確認金融工具、財務資產減值以及對沖會計處理之條文。

自二零一八年七月一日起採納香港財務報告準則第9號導致會計政策變動及對財務報表所確認之金額作出調整。新訂會計政策載於下文附註3.4。根據香港財務報告準則第9號之過渡條文，由於本集團並無任何對沖會計處理，故並無重列比較數字。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)

(i) Adoption of HKFRS 9 (Continued)

The total impact on the Group's retained earnings as at 1st July 2018 is as follow:

		As at 1st July 2018 於二零一八年 七月一日 HK\$'000 千港元
Closing balance 30th June 2018 – HKAS 39	二零一八年六月三十日之 期末結餘 – 香港會計準則第39號	351,881
Increase in provision for trade receivables	貿易應收款撥備增加	(367)
Increase in deferred income tax assets relating to impairment provisions	有關減值撥備之遞延稅項資產增加	90
Loss attributable to non-controlling interest	非控制權益應佔虧損	5
Opening balance 1st July 2018 - HKFRS 9	二零一八年七月一日之 期初結餘 – 香港財務報告準則第9號	351,609

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響 – 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

對本集團於二零一八年七月一日之保留盈利之總體影響如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

3 ACCOUNTING POLICIES (Continued)

3.3 Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)

(i) Adoption of HKFRS 9 (Continued)

(a) Classification and measurement

On 1st July 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate categories in accordance with HKFRS 9. The main effects resulting from this reclassification are as follows:

		30th June 2018	HKFRS 9	1st July
		as originally presented		2018 Restated
		二零一八年	香港財務報告	二零一八年
		六月三十日	準則第9號	七月一日
		按原先呈列		經重列
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
		(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)
Non-current assets	非流動資產			
Financial assets at fair value through other comprehensive income ("FVOCI")	按公允價值計入其他全面收益的財務資產	—	2,000	2,000
Available-for-sale financial assets ("AFS")	可供出售財務資產	2,000	(2,000)	—
Equity	權益			
AFS reserve	可供出售財務資產儲備	1,310	(1,310)	—
FVOCI reserve	按公允價值計入其他全面收益的財務資產儲備	—	1,310	1,310

3 會計政策(續)

3.3 採納對財務報表之影響－香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(a) 分類及計量

於二零一八年七月一日(首次採納香港財務報告準則第9號之日期)，本集團管理層已評估應用於本集團所持財務資產之業務模式，並將其金融工具分類至根據香港財務報告準則第9號之適用類別。該重新分類產生的影響如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)

(i) Adoption of HKFRS 9 (Continued)

(a) Classification and measurement (Continued)

- Reclassification of equity instruments from AFS to FVOCI

The Group elected to present in other comprehensive income ("OCI") changes in the fair value of its equity investments previously classified as AFS, because these investments are held as long-term strategic investments that are not expected to be sold in the short to medium term. As a result, assets with a fair value of HK\$2,000,000 were reclassified from AFS to FVOCI and fair value gains of HK\$1,310,000 were reclassified from the AFS reserve to the FVOCI reserve on 1st July 2018.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響 - 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(a) 分類及計量(續)

- 權益工具自可供出售重新分類為按公允價值計入其他全面收益

本集團選擇於先前分類為可供出售之股權投資之公允價值呈列其他全面收益變動，原因是該等投資持作為長期策略投資並不預期於短及中期出售。因此，於二零一八年七月一日，公允價值為2,000,000港元之資產自可供出售財務資產重新分類為按公允價值計入其他全面收益之財務資產及1,310,000港元之公允價值收益自可供出售財務資產儲備重新分類為按公允價值計入其他全面收益的財務資產儲備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)*

(i) *Adoption of HKFRS 9 (Continued)*

(a) *Classification and measurement (Continued)*

- Reclassification of equity instruments from AFS to FVOCI (Continued)

There is no impact on the Group's accounting for financial liabilities.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響－香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(a) 分類及計量(續)

- 權益工具自可供出售重新分類為按公允價值計入其他全面收益(續)

對本集團財務負債的會計處理概無影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)

(i) Adoption of HKFRS 9 (Continued)

(b) Impairment of financial assets

The Group has two types of financial assets that are subject to the new expected credit loss ("ECL") model of the HKFRS 9:

- Trade receivables; and
- Other financial assets at amortised cost

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail below.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響 – 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(b) 財務資產減值

本集團有兩類財務資產須遵守新訂香港財務報告準則第9號之新預期信貸虧損模型：

- 貿易應收款；及
- 按攤銷成本列賬之其他財務資產

本集團須根據香港財務報告準則第9號修訂該等資產類別各自之減值方法。下表顯示就各個別項目確認之調整。概無載入並無受變動影響之項目。因此，不能從所提供之數字重新計算所披露之小計及總計。有關調整於下文作更詳細解釋。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)

(i) Adoption of HKFRS 9 (Continued)

(b) Impairment of financial assets (Continued)

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響 – 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(b) 財務資產減值(續)

		30th June 2018		1st July 2018
		as originally presented	HKFRS 9	Restated
		二零一八年六月三十日	香港財務報告準則第9號	二零一八年七月一日
		按原先呈列	準則第9號	經重列
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
		(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)
Non-current assets	非流動資產			
Deferred income tax assets	遞延稅項資產	7,497	84	7,581
Current assets	流動資產			
Trade and bills receivables	貿易應收款及應收票據	284,292	(367)	283,925
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延稅項負債	6,917	(6)	6,911
Equity	權益			
Retained earnings	保留溢利	351,881	(272)	351,609
Non-controlling interest	非控制權益	24,826	(5)	24,821

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)*

(i) *Adoption of HKFRS 9 (Continued)*

(b) *Impairment of financial assets (Continued)*

While short-term deposits, and cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected provision for impairment for all trade receivables.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響 – 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(b) 財務資產減值(續)

儘管短期存款以及現金及現金等額亦受香港財務報告準則第9號之減值規定所規限，惟已識別減值虧損並不重大。

貿易應收款

本集團應用香港財務報告準則第9號之簡化方式計量預期信貸損失，該方法就所有貿易應收款使用年限預期損失備抵。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)*

(i) *Adoption of HKFRS 9 (Continued)*

(b) *Impairment of financial assets (Continued)*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. On that basis, the provision for impairment as at 1st July 2018 was determined for trade receivables.

The provision for impairment for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past histories, existing market conditions as well as forward looking estimates at the end of each reporting period.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響－香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(b) 財務資產減值(續)

為計量預期信貸虧損，貿易應收款已根據共享信貸風險特徵及逾期天數分組。在此基礎上，已就貿易應收款釐定於二零一八年七月一日之減值撥備。

貿易應收款減值撥備按與違約風險及預期虧損率有關之假設計算。本集團於各報告期末根據本集團過往歷史、現時市況及前瞻性估計時使用判斷，以作出該等假設及選擇減值計算之輸入數據。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)*

(i) *Adoption of HKFRS 9 (Continued)*

(b) *Impairment of financial assets (Continued)*

The provision for impairment for trade receivables as at 30th June 2018 reconcile to the opening provision for impairment on 1st July 2018 as follows:

At 30th June 2018 calculated under HKAS 39	於二零一八年六月三十日根據香港會計準則第39號計算	(4,389)
Amount restated through opening retained earnings	經期初保留溢利重列之金額	(367)
Opening provision for impairment as at 1st July 2018 calculated under HKFRS 9	於二零一八年七月一日根據香港財務報告準則第9號計算之期初減值撥備	(4,756)

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響 – 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(b) 財務資產減值(續)

於二零一八年六月三十日之貿易應收款之減值撥備與二零一八年七月一日之期初減值撥備之對賬如下：

Provision for
impairment - trade
receivables
貿易應收款
之減值撥備
HK\$'000
千港元

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)*

(i) *Adoption of HKFRS 9 (Continued)*

(b) *Impairment of financial assets (Continued)*

Other financial assets at amortised cost

Other financial assets at amortised cost include bills and other receivables. The Group has assessed the expected credit loss model apply to the bills and other receivables as at 1st July 2018 and the change in impairment methodologies has no impact on the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響－香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(i) 採納香港財務報告準則第9號(續)

(b) 財務資產減值(續)

按攤銷成本計量之其他財務資產

按攤銷成本計量之其他財務資產包括應收票據及其他應收款。本集團已評估應用於二零一八年七月一日應收票據及其他應收款之預期信貸虧損模式，而減值方法變動對本集團之綜合財務報表並無影響，故無就此重列期初虧損撥備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 *Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)*

(ii) *Adoption of HKFRS 15*

HKFRS 15, "Revenue from contracts with customers" deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 "Revenue" and HKAS 11 "Construction contracts" and related interpretations.

The Group has adopted HKFRS 15 from 1st July 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the condensed consolidated interim financial information. In accordance with the transitional provisions in HKFRS 15, the Group has adopted the modified retrospective approach and comparative figures have not been restated.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.3 採納對財務報表之影響－香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(ii) 採納香港財務報告準則第15號

香港財務報告準則第15號「來自客戶合約之收入」處理收入確認，並確立向財務報表使用者報告有關實體與客戶所訂立合約產生之收入及現金流量之性質、金額、時間及不確定性等有用資料之原則。收入在客戶取得貨品或服務之控制權，並因而有能力主導貨品或服務之用途及從中取得利益時確認。該準則取代香港會計準則第18號「收入」及香港會計準則第11號「建造合約」以及相關詮釋。

本集團自二零一八年七月一日起採納香港財務報告準則第15號，其導致會計政策變更及簡明綜合中期財務資料確認的金額調整。根據香港財務報告準則第15號的過渡性條款，本集團已採納經修訂追溯法及可比較數字尚未重述。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.3 Impact of adoption on financial statements - HKFRS 9 "Financial Instruments" ("HKFRS 9") and HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (collectively, the "New HKFRSs") (Continued)

(ii) Adoption of HKFRS 15 (Continued)

The impact on the Group's financial position by the application of HKFRS 15 as compared to HKAS 18 that was previously in effect before the adoption of HKFRS 15 is as follows:

	30th June 2018 as originally presented		1st July 2018 Restated
	二零一八年 六月三十日 按原先呈列	HKFRS 15 香港財務報告 準則第 15 號	二零一八年 七月一日 經重列
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)
Balance sheet (extract) 資產負債表 (摘錄)			
Other payables, deposit received and accruals - Deposit received	其他應付款、客戶墊款及 預提費用 - 客戶墊款	6,613	(6,613)
Other payables and accruals - Contract liabilities	其他應付款及預提 費用 - 合約負債	—	6,613
			6,613

The adoption of HKFRS 15 has no material impact to the Group's net assets as at 30th June 2018 and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, earnings per share (basic and diluted) and the condensed consolidated statement of cash flows for the period ended 31st December 2018.

簡明綜合中期財務資料附註 (續)

3 會計政策 (續)

3.3 採納對財務報表之影響 - 香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)及香港財務報告準則第15號「客戶合約之收入」(「香港財務報告準則第15號」)(統稱「新訂香港財務報告準則」)(續)

(ii) 採納香港財務報告準則第15號 (續)

相較於香港財務報告準則第15號採納前過往生效的香港會計準則第18號，本集團的財務狀況因應用香港財務報告準則第15號而受到的影響如下：

採納香港財務報告準則第15號對本集團於二零一八年六月三十日的資產淨值及截至二零一八年十二月三十一日止期間之簡明綜合收益表、每股盈利(基本及攤薄)及簡明綜合現金流量表概無任何重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs

(i) HKFRS 9 – Financial instruments

(a) Classification

From 1st July 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (through OCI); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動

(i) 香港財務報告準則第9號—金融工具

(a) 分類

自二零一八年七月一日起，本集團將其財務資產分類為以下計量類別：

- 該等其後按公允價值(為計入其他全面收益)；及
- 該等按攤銷成本計量。

分類視乎實體管理財務資產及現金流量合約條款之業務模式而定。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(i) HKFRS 9 – Financial instruments (Continued)

(a) Classification (Continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVPL”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(i) 香港財務報告準則第9號—
金融工具(續)

(a) 分類(續)

就按公允價值計量之資產而言，收益及虧損將計入損益或其他全面收益。就並非作買賣之股本工具投資而言，其將取決於本集團在初始確認時是否作出不可撤銷之選擇以入賬列為按公允價值計入其他全面收益之股權投資。

(b) 計量

在初始確認時，本集團按公允價值加上(若為不按公允價值計入損益之財務資產)直接歸屬於購買財務資產之交易成本對財務資產進行計量。按公允價值計入損益之金融資產之交易成本乃於損益中支銷。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(i) HKFRS 9 – Financial instruments (Continued)

(b) Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies all its debt instruments as amortised cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other losses, net, together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the condensed consolidated statement of comprehensive income.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(i) 香港財務報告準則第9號—金融工具(續)

(b) 計量(續)

債務工具

債務工具之後續計量取決於本集團管理該項資產之業務模式和該項資產之現金流特點。本集團按攤銷成本分類其所有債務工具。為收取合約現金流而持有，且其現金流僅為支付本金和利息之資產被分類成按攤銷成本計量之資產。該等財務之利息收入按實際利率法計入融資收入。終止確認所產生之任何收益或虧損直接在損益中確認，並與其他虧損淨額與外匯收益及虧損一併呈列。減值虧損於簡明綜合全面收益表中列為單獨項目。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(i) HKFRS 9 – Financial instruments (Continued)

(b) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(i) 香港財務報告準則第9號—金融工具(續)

(b) 計量(續)

股本工具

本集團其後按公允價值計量所有股權投資。倘本集團管理層已選擇於其他全面收益呈列股權投資之公允價值收益及虧損，則於終止確認投資後，公允價值收益及虧損隨後並無重新分類至損益。當本集團收取付款之權利確立時，該等投資之股息繼續在損益中確認為其他收入。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(i) HKFRS 9 – Financial instruments (Continued)

(c) Impairment

From 1st July 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(i) 香港財務報告準則第9號—金融工具(續)

(c) 減值

自二零一八年七月一日起，本集團按前瞻性基準評估與按攤銷成本列賬及按公允價值計入其他全面收益之債務工具相關之預期信貸虧損。所應用之減值方法取決於信貸風險是否顯著增加。

就貿易應收款而言，本集團應用香港財務報告準則第9號所允許之簡化法，該方法規定預期全期虧損須自初始確認應收款項起確認。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(ii) HKFRS 15

The Group recognises revenue when it satisfies a performance obligation by transferring a promised good to a customer, which is when the customer obtains control of a good, has the ability to direct the use of, and obtain substantially all of the remaining benefits from that good. If the control of the goods and services is transferred over a period of time, the Group recognises revenue by reference to the extent of progress toward completion in fulfilling its performance obligations during the entire contract period.

For the amounts of revenue recognised for goods transferred and services provided, the Group recognises any unconditional rights to consideration separately as a receivable and the rest as a contract asset, and recognises provision for impairment of the receivable and the contract asset based on ECL; if the consideration received or receivable exceeds the obligation performed by the Group, a contract liability is recognised. The Group presents a net contract asset or a net contract liability under each contract.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(ii) 香港財務報告準則第15號

本集團在透過轉移承諾貨品至客戶完成履約責任時確認收入，即客戶取得貨品控制權、有直接使用貨品之能力及取得該貨品絕大部分之剩餘利益。倘貨品及服務之控制權在一段時間內轉移，則本集團參考在整個合約期間完成履約責任之進度確認收入。

就所轉移貨品及所提供服務確認之收入金額而言，本集團單獨確認任何無條件權利至代價作為應收款項，並根據預期信貸虧損確認應收款項之減值撥備及合約資產；倘已收或應收代價超過本集團所履行之責任，則確認合約負債。本集團根據各合約呈列合約資產淨額或合約負債淨額。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(ii) HKFRS 15 (Continued)

Contract costs include costs to fulfill a contract and of obtaining a contract. The cost incurred for providing services by the Group is recognised as the costs to fulfill a contract, and is amortised based on the progress towards completion of the service provided when recognising revenue. The incremental cost incurred by the Group of obtaining a contract is recognised as the costs of obtaining a contract. For costs of obtaining a contract that will be amortised within one year, the Group recognises it in profit and loss. For the costs of obtaining a contract that will be amortised for more than one year period, it is amortised in profit and loss based on same progress towards completion as recognising revenue. The Group recognises the excess of the carrying amounts of contract costs over the expected remaining consideration less any costs not yet recognised as an impairment loss. As at the balance sheet date, the Group presents the costs to fulfill and of obtaining a contract, in the net amount after deducting relevant asset impairment provisions, as other assets.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(ii) 香港財務報告準則第15號(續)

合約成本包括履行合約及獲取合約之成本。本集團提供服務所產生之成本確認為履約成本，並按確認收入時完成提供服務之進度攤銷。本集團獲取合約所產生之增量成本確認為獲取合約成本。就將於一年內攤銷之獲取合約成本而言，本集團於損益中確認該成本。就將於一年期間以上攤銷之獲取合約成本而言，其根據同一完成進度於損益中攤銷作為確認收入。本集團確認合約成本賬面值較預期剩餘代價減任何尚未確認為減值虧損之成本之超出金額。於資產負債表日期，本集團呈列履行及獲取合約之成本(扣除相關資產減值撥備後之淨額)為其他資產。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(ii) HKFRS 15 (Continued)

The Group recognises revenue for each of its activities in the income statement in accordance with below policies:

(a) Sales of goods

Sales of goods are recognised when a group entity has transferred control over products to the customer, the customer has accepted the products, there is no unfulfilled obligation that could affect the customer's acceptance of the products, the amount of sales can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue from sales is based on the price specified in the sales contracts. Accumulated experience is used to estimate the likelihood and provide for sales return for the goods sold at the time of sale. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Rental income

Rental income is recognised in the consolidated income statement on a straight-line basis over the term of the lease.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(ii) 香港財務報告準則第15號 (續)

本集團根據以下政策於收益表中確認各個活動之收入：

(a) 貨品銷售

貨品銷售於集團實體將產品控制權轉移至客戶、客戶接納產品、概無可能影響客戶接納產品之未履行責任、銷售金額能夠可靠計量及未來經濟利益很可能流向實體時予以確認。銷售收入根據銷售合約所定價格計算。於銷售時使用累積經驗估計已售貨品之退貨可能性及對銷售退貨作出撥備。應收款項於交付貨品時確認，原因為僅在付款日期到期前才需經過一段時間予以確認，而該階段之代價為無條件。

(b) 租金收入

租金收入於租賃期內以直線法在綜合收益表中確認。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.4 Changes in accounting policies upon adopting of the New HKFRSs (Continued)

(ii) HKFRS 15 (Continued)

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

4 ESTIMATES AND JUDGEMENTS

The preparation of interim 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 condensed consolidated interim 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 annual financial statements for the year ended 30th June 2018.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.4 採納新訂香港財務報告準則後之會計政策變動(續)

(ii) 香港財務報告準則第15號(續)

(c) 利息收入

利息收入採用實際利息法按時間比例基準確認。倘應收款項出現減值，本集團會將賬面值減至其可收回金額，即按該工具之原定實際利率貼現之估計未來現金流量，並繼續解除貼現作為利息收入。已減值貸款之利息收入採用原定實際利率確認。

4 估計及判斷

編製中期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。

在編製此等簡明綜合中期財務資料時，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，與截至二零一八年六月三十日止年度財務報表所應用的相同。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

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 foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim 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 30th June 2018.

There have been no changes in the risk management department since year end or in any risk management policies since the year end.

5.2 Liquidity risk

Compared to year end, there have been no material changes to the policies and practices for the Group's liquidity and funding risk management as described in the annual financial statements for the year ended 30th June 2018.

簡明綜合中期財務資料附註(續)

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。

簡明綜合中期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，此中期財務資料應與本集團截至二零一八年六月三十日止年度的年度財務報表一併閱讀。

自年底以來風險管理部或風險管理政策並無任何變動。

5.2 流動性風險

本集團的流動性及資金風險管理與截至二零一八年六月三十日之年度財務報表所披露之政策及實施並無重大變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation

According to HKFRS 7 “Financial Instruments: Disclosures”, financial instruments measured in the condensed consolidated balance sheet at fair value are required to disclose the fair value measurements by level of the following fair value measurement hierarchy:

- 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 asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

There were no transfers of financial assets between categories during the period. There were no other changes in valuation technique during the period.

As at 31st December 2018, the Group’s financial assets and liabilities that are measured at fair value are all categorised as level 3 financial instruments. The following table presents the changes in level 3 instruments for the period ended 31st December 2018.

簡明綜合中期財務資料附註(續)

5 財務風險管理及金融工具(續)

5.3 公允價值估計

根據香港財務報告準則第7號「金融工具：披露」，有關金融工具在簡明綜合資產負債表的公允價值計量需按下列公允價值計量架構披露：

- 相同資產或負債在活躍市場的報價(未經調整)(第1層)
- 除了第1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2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3層)

本期間內分類之間並無財務資產的重大轉撥。本期間內並無任何估值技術的變動。

於二零一八年十二月三十一日，本集團以公允價值計量的財務資產已全部分類作第3層金融工具。以下為於截至二零一八年十二月三十一日止期間內第3層金融工具的變動表。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

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)

		Financial assets at fair value through other comprehensive income			Derivative financial instruments	Total
		Available-for- sale financial asset	按公允價值 計入其他全面 收益的 財務資產	衍生 金融工具		
		可供出售 財務資產	財務資產	衍生 金融工具	總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1st July 2018	於二零一八年七月一日	2,000	—	—	2,000	
Effect of adoption of HKFRS 9	採納香港財務報告準則 第9號之影響	(2,000)	2,000	—	—	
Settlements	結算	—	—	(1,917)	(1,917)	
Gain recognised in condensed consolidated income statement	於簡明綜合收益表 確認收益	—	—	1,785	1,785	
At 31st December 2018	於二零一八年十二月三十一日	—	2,000	(132)	1,868	

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group performed the valuation of the financial assets at fair value through other comprehensive income (classified as available-for-sale financial assets at 30th June 2018) by the use of discounted cash flow model based on the market conditions existed at balance sheet date and business forecast provided by management. Specific valuation technique used to value the derivative financial instruments includes using forward exchange rates at the balance sheet date to discount back to the present value. The key unobservable data includes the interbank forward exchange rate and the volatility of forward exchange rate. Changes in subjective input assumptions can materially affect the fair value estimate. There is no change in valuation technique during the period.

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。本集團主要根據每個報告期末當時的市場情況及管理層提供之業務預估作出假設，用貼現現金流量分析法計算按公允價值計入其他全面收益的財務資產(於二零一八年六月三十日分類為可供出售財務資產)之價值。用以估值衍生金融工具的特定估值技術包括利用資產負債表日期的遠期匯率釐定，而所得價值折算至現值。關鍵不可觀察假設包括銀行間遠期匯率及遠期匯率之波動性。此等主觀假設的變動將重大影響公允價值估算。本期間內並無任何估值技術的變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION

6 客戶合約之收入及分部資料

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
Revenue from contracts with customers	客戶合約之收入		
Sales of goods	銷售貨品	1,024,235	984,675
Provision of logistics services	提供物流服務	—	441
		1,024,235	985,116

The Group is principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

The chief operating decision-maker ("CODM") has been identified as the Executive Directors of the Company. Management has determined the operating segments based on the reports reviewed by the CODM that are used to assess performance and allocate resources. The CODM considers the business from the operations nature and the type of products perspective, including the trading of plastic materials ("Trading"), manufacturing and sale of colorants, pigments and compounded plastic resins ("Colorants"), manufacturing and sale of engineering plastic products ("Engineering plastic") and other corporate and business activities ("Others").

本集團之主要業務為塑膠原料、色粉、着色劑、混料和工程塑料之製造及買賣。

首席經營決策者被認為為本公司之執行董事。首席經營決策者審視本集團的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經營分部。首席經營決策者從經營性質及產品角度考慮業務，當中包括塑膠原料之買賣(「貿易」)；着色劑、色粉及混料之製造及買賣(「着色劑」)、工程塑料之製造及買賣(「工程塑料」)及其他企業及業務活動(「其他」)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

Each of the Group's operating segments represents a strategic business unit that is managed by different business unit leaders. Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Information provided to the CODM is measured in a manner consistent with that in the condensed consolidated interim financial information.

The CODM assesses the performance of the operating segments based on a measure of revenue from contracts with customers and operating profit, which is in a manner consistent with that of the condensed consolidated interim financial information.

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2018 is as follows:

6 客戶合約之收入及分部資料(續)

本集團每一經營分部代表一策略性業務單位，並由不同之業務單位主管管理。分部間銷售按照公平交易原則的相對等條款進行。向首席經營決策者報告的計量方法與簡明綜合中期財務資料內方法一致。

首席經營決策者據對客戶合約之收入及經營溢利的計量評估營運分部的表現，方式與簡明綜合中期財務資料相符。

截至二零一八年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				Group
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from contracts with customers	客戶合約之收入					
– Gross revenue	– 分部總銷售	778,222	157,983	121,345	–	1,057,550
– Inter-segment revenue	– 分部間銷售	(31,924)	(1,310)	(81)	–	(33,315)
Revenue from external customers	外部客戶收益	746,298	156,673	121,264	–	1,024,235
Operating (loss)/profit	經營(虧損)/溢利	(2,309)	11,209	10,879	(1,700)	18,079
Finance income	財務收益	62	47	2	–	111
Finance costs	財務費用	(9,158)	(625)	(790)	(189)	(10,762)
(Loss)/profit before income tax	除稅前(虧損)/溢利	(11,405)	10,631	10,091	(1,889)	7,428

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2018 is as follows: (Continued)

截至二零一八年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：(續)

		Unaudited 未經審核				
		Engineering				Group 本集團 HK\$'000 千港元
		Trading	Colorants	plastic	Others	
		貿易	着色劑	工程塑料	其他	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元
Other information:	其他資料：					
Additions to non-current assets (other than financial instruments and deferred income tax assets)	非流動資產增加 (除金融工具及遞延 稅項資產外)	470	3,140	3,422	73	7,105
Depreciation of property, plant and equipment	物業、廠房 及設備折舊	448	3,883	4,526	258	9,115
Amortisation of leasehold land and land use rights	租賃土地及土地 使用權之攤銷	179	93	16	39	327
Provision for/(reversal of) impairment of inventories, net	存貨減值準備/ (撥回)－淨額	1,115	(68)	547	—	1,594
Provision for impairment of trade and other receivables	貿易及其他應收款 減值準備	—	—	—	31	31
Fair value gains on derivative financial instruments	衍生金融工具 公允價值收益	(1,785)	—	—	—	(1,785)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments as at 31st December 2018 is as follows:

6 客戶合約之收入及分部資料(續)

於二零一八年十二月三十一日提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment assets	分部資產	483,107	296,125	157,208	129,757	1,066,197
Total assets	資產總額					1,066,197
Segment liabilities	分部負債	(113,452)	(26,738)	(17,045)	(3,935)	(161,170)
Borrowings	借貸	(333,523)	(23,047)	(45,233)	—	(401,803)
Total liabilities	負債總額	(446,975)	(49,785)	(62,278)	(3,935)	(562,973)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2017 is as follows:

截至二零一七年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from contracts with customers	客戶合約之收入					
– Gross revenue	– 分部總銷售	727,608	174,604	117,611	441	1,020,264
– Inter-segment revenue	– 分部間銷售	(32,672)	(1,470)	(998)	(8)	(35,148)
Revenue from external customers	外部客戶收益	694,936	173,134	116,613	433	985,116
Operating profit/(loss)	經營溢利/(虧損)	22,011	10,896	12,921	(4,160)	41,668
Finance income	財務收益	85	107	11	—	203
Finance costs	財務費用	(4,861)	(619)	(699)	(170)	(6,349)
Profit/(loss) before income tax	除稅前溢利/(虧損)	17,235	10,384	12,233	(4,330)	35,522

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2017 is as follows: (Continued)

6 客戶合約之收入及分部資料(續)

截至二零一七年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：(續)

		Unaudited 未經審核				
		Engineering				Group
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Other information:	其他資料：					
Additions to non-current assets (other than financial instruments and deferred income tax assets)	非流動資產增加 (除金融工具及遞延稅項資產外)	650	8,073	8,703	64	17,490
Depreciation of property, plant and equipment	物業、廠房及設備折舊	423	3,211	4,187	258	8,079
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	187	97	16	39	339
(Reversal of)/provision for impairment of inventories, net	存貨減值(撥回)/準備－淨額	(570)	1,560	771	—	1,761
Provision for impairment of trade and other receivables, net	貿易及其他應收款減值準備－淨額	—	58	—	2,446	2,504
Gain on disposal of a subsidiary	出售－附屬公司之收益	—	—	—	(398)	(398)
Fair value gains on derivative financial instruments	衍生金融工具公允價值收益	(960)	—	—	—	(960)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments as at 30th June 2018 is as follows:

於二零一八年六月三十日提供給首席經營決策者之可呈列報告分部資料如下：

		Audited 經審核				
		Engineering				
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment assets	分部資產	450,909	307,647	161,283	129,756	1,049,595
Total assets	資產總額					1,049,595
Segment liabilities	分部負債	(89,916)	(26,946)	(19,257)	(3,906)	(140,025)
Borrowings	借貸	(315,947)	(23,810)	(27,896)	(7,876)	(375,529)
Total liabilities	負債總額	(405,863)	(50,756)	(47,153)	(11,782)	(515,554)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

The entity is domiciled in Hong Kong. The revenue from external customers from Hong Kong for the six months ended 31st December 2018 is approximately HK\$541,769,000 (2017: HK\$460,569,000) and the total of its revenue from external customers from other locations (mainly the PRC) is approximately HK\$482,466,000 (2017: HK\$524,547,000).

At 31st December 2018, the total of non-current assets other than financial instruments and deferred income tax assets located in Hong Kong is approximately HK\$167,030,000 (30th June 2018: HK\$169,796,000) and the total of these non-current assets located in other locations (mainly the PRC) is approximately HK\$117,456,000 (30th June 2018: HK\$122,761,000).

7 OTHER GAINS, NET

Net exchange gain/(loss)	外匯收益／(虧損)淨額	639	(512)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	36	51
Gain on disposal of a subsidiary	出售附屬公司收益	—	398
Fair value gains on derivative financial instruments	衍生金融工具公允價值收益	1,785	960
Others	其他	725	948
		3,185	1,845

簡明綜合中期財務資料附註(續)

6 客戶合約之收入及分部資料(續)

本實體以香港為基地。截至二零一八年十二月三十一日止六個月來自香港之外部客戶收益約為541,769,000港元(二零一七年: 460,569,000港元)，而來自其他地區(主要為中國)之外部客戶收益約為482,466,000港元(二零一七年: 524,547,000港元)。

於二零一八年十二月三十一日，除金融工具及遞延稅項資產外位於香港之非流動資產約為167,030,000港元(於二零一八年六月三十日: 169,796,000港元)，而位於其他地區(主要為中國)之此等非流動資產約為117,456,000港元(於二零一八年六月三十日: 122,761,000港元)。

7 其他收益－淨額

Unaudited 未經審核	
Six months ended 31st December 截至十二月三十一日止六個月	
2018 HK\$'000 千港元	2017 HK\$'000 千港元
639	(512)
36	51
—	398
1,785	960
725	948
3,185	1,845

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

8 OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

8 經營溢利

經營溢利乃經扣除/(計入)下列各項後
列賬：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cost of inventories recognised as expenses included in cost of sales	確認作開支並包括於銷售成本之 出售存貨成本	863,479	810,493
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	9,115	8,079
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	327	339
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租賃租金	4,986	4,293
Employee benefit expenses, including Directors' emoluments	僱員福利支出 (包括董事酬金)	64,455	61,899
Provision for impairment of trade and other receivables, net	貿易及其他應收款減值準備 —淨額	31	2,504
Provision for impairment of inventories, net	存貨減值準備—淨額	1,594	1,761
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(36)	(51)
Fair value gains on derivative financial instruments	衍生金融工具公允價值收益	(1,785)	(960)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

9 FINANCE INCOME AND COSTS

9 財務收益及費用

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
Finance income:	財務收益：		
– Interest income from bank deposits	– 銀行存款利息收入	111	203
Finance costs:	財務費用：		
– Interests on bank borrowings wholly repayable within five years	– 需於五年內全數償還之 銀行借貸之利息	(8,169)	(6,105)
– Net exchange losses on financing activities	– 融資業務之外匯虧損淨額	(2,593)	(244)
		(10,762)	(6,349)
Finance costs, net	財務費用－淨額	(10,651)	(6,146)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided for at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit for the period. Income tax on the Group's subsidiaries established and operate in the PRC has been calculated on the estimated assessable profit for the period at the rates of taxation as applicable to the relevant subsidiaries.

The amount of income tax charged to the interim condensed consolidated income statement represents:

簡明綜合中期財務資料附註(續)

10 稅項支出

香港利得稅乃根據本集團於本期間內之估計應課稅溢利按稅率百分之十六點五(二零一七年：百分之十六點五)計算。中國所得稅乃根據於中國經營之附屬公司於本期間內之估計應課稅溢利按該等附屬公司所在地之適用稅率計算撥備。

中期簡明綜合收益表之稅項支出為：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current income tax	本期稅項		
– Hong Kong profits tax	– 香港利得稅	1,321	724
– PRC corporate income tax	– 中國所得稅	2,420	9,922
		3,741	10,646
Deferred income tax	遞延稅項	347	27
		4,088	10,673

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

10 INCOME TAX EXPENSE (Continued)

Deferred income tax assets are recognised for tax losses carry forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. At 31st December 2018, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$280,067,000 (30th June 2018: HK\$268,179,000). Aside from tax losses generated from certain subsidiaries incorporated in the PRC amounted to HK\$9,130,000 (30th June 2018: HK\$6,699,000) with expiry dates from 2019 to 2023, the remaining tax losses have no expiry date. The potential deferred income tax assets in respect of these tax losses which have not been recognised amounted to approximately HK\$46,987,000 (30th June 2018: HK\$44,819,000).

11 DIVIDENDS

On 28th September 2017, the Director declared a final dividend of HK2.0 cents per share, totaling HK\$7,384,000 for the year ended 30th June 2017, which was paid during the year ended 30th June 2018.

On 26th February 2018, the Directors declared an interim dividend of HK1.0 cent per share, totaling HK\$3,692,000 for the period ended 31st December 2017, which was paid during the year ended 30th June 2018.

簡明綜合中期財務資料附註(續)

10 稅項支出(續)

就結轉的稅務虧損而確認的遞延所得稅資產僅限於有關之稅務利益有可能透過未來應課稅盈利實現的部分。於二零一八年十二月三十一日，本集團並無就可結轉以抵銷未來應課稅收益的稅務虧損約280,067,000港元(於二零一八年六月三十日：268,179,000港元)確認遞延所得稅資產約46,987,000港元(於二零一八年六月三十日：44,819,000港元)。於中國成立的附屬公司所產生由二零一九年至二零二三年到期的稅務虧損約為9,130,000港元(於二零一八年六月三十日：6,699,000港元)，其餘稅務虧損並無到期日。

11 股息

於二零一七年九月二十八日，董事宣佈就截至二零一七年六月三十日止年度派發末期股息每股2.0港仙，共7,384,000港元。此項股息已於截至二零一八年六月三十日止年度內支付。

於二零一八年二月二十六日，董事宣佈就截至二零一七年十二月三十一日止期間派發中期股息每股1.0港仙，共3,692,000港元。此項股息已於截至二零一八年六月三十日止年度內支付。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

11 DIVIDENDS (Continued)

On 27th September 2018, the Directors proposed a final dividend of HK2.0 cents per share, totaling HK\$7,384,000 for the year ended 30th June 2018, which was paid during the period ended 31st December 2018.

On 27th February 2019, the Directors resolved not to declare any interim dividend for the period ended 31st December 2018.

12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company for the period of HK\$1,878,000 (2017: HK\$22,569,000) and 369,200,000 (2017: 369,200,000) ordinary shares in issue during the period.

Dilutive earnings per share for the period ended 31st December 2018 and 2017 equal basic earnings per share as there was no dilutive potential ordinary share as at the period ended 31st December 2018 and 2017.

簡明綜合中期財務資料附註(續)

11 股息(續)

於二零一八年九月二十七日，董事建議就截至二零一八年六月三十日止年度派發末期股息每股2.0港仙，共7,384,000港元。此項股息已於截至二零一八年十二月三十一日止期間內支付。

於二零一九年二月二十七日，董事議決不就截至二零一八年十二月三十一日止期間宣派任何中期股息。

12 每股盈利

每股基本盈利乃根據本期公司股東應佔溢利1,878,000港元(二零一七年：22,569,000港元)及期內已發行普通股369,200,000股(二零一七年：369,200,000股)計算。

於二零一八年十二月三十一日及二零一七年十二月三十一日，本公司並無具攤薄潛力之普通股，因此，於截至二零一八年十二月三十一日及二零一七年十二月三十一日兩個期間，每股攤薄盈利相等於每股基本盈利。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

13 PROPERTY, PLANT AND EQUIPMENT, LEASEHOLD LAND
AND LAND USE RIGHTS AND INVESTMENT PROPERTIES

13 物業、廠房及設備、租賃土地及土
地使用權和投資物業

		Unaudited 未經審核		
		Property, plant and equipment 物業、廠房及 設備	Leasehold land and land use rights 租賃土地及 土地使用權	Investment properties 投資物業
		HK\$' 000 千港元	HK\$' 000 千港元	HK\$' 000 千港元
Net book value as at 1st July 2018	於二零一八年七月一日之 賬面淨額	129,143	18,399	141,380
Exchange difference	匯兌差額	(3,635)	(694)	(1,166)
Additions	增加	6,926	—	—
Depreciation/amortisation (Note 8)	折舊/攤銷(附註8)	(9,115)	(327)	—
Net book value as at 31st December 2018	於二零一八年 十二月三十一日 之賬面淨額	123,319	17,378	140,214
Net book value as at 1st July 2017	於二零一七年七月一日之 賬面淨額	117,412	18,531	127,801
Exchange difference	匯兌差額	2,291	546	882
Additions	增加	12,278	—	—
Depreciation/amortisation (Note 8)	折舊/攤銷(附註8)	(8,079)	(339)	—
Net book value as at 31st December 2017	於二零一七年十二月三十一日 之賬面淨額	123,902	18,738	128,683

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

14 TRADE AND BILLS RECEIVABLES

14 貿易應收款及應收票據

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Trade receivables	貿易應收款	228,157	266,367
Less: provision for impairment of receivables	減：應收款減值準備	(4,665)	(4,389)
		223,492	261,978
Bills receivables	應收票據	22,384	22,314
		245,876	284,292

At 31st December 2018, the aging analysis of trade receivables, based on invoice date, is as follows:

於二零一八年十二月三十一日貿易應收款根據發票日期之賬齡分析如下：

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	216,747	252,698
91-180 days	91-180日	5,853	7,701
Over 180 days	超過180日	5,557	5,968
		228,157	266,367

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

14 TRADE AND BILLS RECEIVABLES (Continued)

The majority of the Group's sales are with credit terms of 30 to 90 days. The remaining amounts are on letter of credit or documents against payment.

Bill receivables are mainly with maturity period of within 180 days.

At 31st December 2018, there are bills of exchange of HK\$9,701,000 (30th June 2018: HK\$2,997,000) transferred to banks with recourse in exchange for cash. The transactions had been accounted for as collateralised bank advances.

15 TRADE PAYABLES

At 31st December 2018, the aging analysis of trade payables, based on invoice date, is as follows:

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	108,102	84,434
91-180 days	91-180日	87	111
Over 180 days	超過180日	1,374	1,514
		109,563	86,059

簡明綜合中期財務資料附註(續)

14 貿易應收款及應收票據(續)

本集團大部份銷售的信貸期為三十至九十日，其餘以信用狀或付款交單方式進行。

應收票據之到期日主要為一百八十日內。

於二零一八年十二月三十一日，並無任何附追索權之貼現票據轉讓予若干銀行以換取現金9,701,000港元(於二零一八年六月三十日：2,997,000港元)。有關交易已列為抵押化的銀行墊款。

15 貿易應付款

於二零一八年十二月三十一日貿易應付款根據發票日期之賬齡分析如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

16 BORROWINGS

16 借貸

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Bank loans due for repayment within one year - secured	需於一年內償還之 銀行貸款－有抵押	105,554	89,157
Bank loans due for repayment after one year which contain a repayment on demand clause - secured	需於一年後償還但包含按 要求還款條文之銀行貸款－有抵押	758	3,033
Trust receipt loans due for repayment within one year - secured	需於一年內償還之信託收據 貸款－有抵押	283,517	270,085
Bank advances for discounted bills (Note 14)	銀行貼現票據墊款(附註14)	9,701	2,997
Bank overdrafts - secured	銀行透支－有抵押	2,273	10,257
Total borrowings	總借貸	401,803	375,529

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

16 BORROWINGS (Continued)

Movements in borrowings are analysed as follows:

16 借貸(續)

借貸變動分析如下：

		HK\$'000 千港元
Period ended 31st December 2018	截至二零一八年十二月三十一日止期間	
Opening amount as at 1st July 2018	於二零一八年七月一日之期初金額	375,529
Currency translation differences	匯兌差額	(3,235)
Repayments of borrowings	償還借貸	(189,211)
Drawdown of new borrowings	新借貸款	205,192
Increase in trust receipt loans	信託收據貸款增加	13,528
Closing amount as at 31st December 2018	於二零一八年十二月三十一日之期末金額	401,803
Period ended 31st December 2017	截至二零一七年十二月三十一日止期間	
Opening amount as at 1st July 2017	於二零一七年七月一日之期初金額	331,830
Currency translation differences	匯兌差額	2,793
Repayments of borrowings	償還借貸	(236,654)
Drawdown of new borrowings	新借貸款	234,277
Increase in trust receipt loans	信託收據貸款增加	30,161
Closing amount as at 31st December 2017	於二零一七年十二月三十一日之期末金額	362,407

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

16 BORROWINGS (Continued)

The Group has the following undrawn borrowing facilities:

16 借貸(續)

本集團有以下未使用之借貸額度：

		Unaudited 未經審核	Audited 經審核
		31st December 2018	30th June 2018
		於二零一八年 十二月三十一日	於二零一八年 六月三十日
		HK\$'000 千港元	HK\$'000 千港元
Floating rate – expiring beyond one year	浮動利率—一年以上到期	162,656	102,760

Note:

Bank borrowings of the Group are secured by certain property, plant and equipment, leasehold land and land use rights, investment properties and restricted cash with carrying amounts of HK\$38,517,000 (30th June 2018: HK\$40,767,000), HK\$3,005,000 (30th June 2018: HK\$3,163,000), HK\$35,322,000 (30th June 2018: HK\$35,322,000) and HK\$34,323,000 (30th June 2018: HK\$35,799,000) respectively.

附註：

本集團之銀行貸款以部分物業、廠房及設備、租賃土地及土地使用權和投資物業為抵押，其賬面值分別為38,517,000港元（於二零一八年六月三十日：40,767,000港元）、3,005,000港元（於二零一八年六月三十日：3,163,000港元）、35,322,000港元（於二零一八年六月三十日：35,322,000港元）及34,323,000港元（於二零一八年六月三十日：35,799,000港元）。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

17 SHARE CAPITAL

17 股本

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Authorised:	法定股本：		
800,000,000 (30th June 2018: 800,000,000) ordinary shares of HK\$0.10 each	800,000,000 (於二零一八年 六月三十日：800,000,000) 每股面值0.10港元之普通股	80,000	80,000
Issued and fully paid:	已發行及繳足股本：		
369,200,000 (30th June 2018: 369,200,000) ordinary shares of HK\$0.10 each	369,200,000 (於二零一八年 六月三十日：369,200,000) 每股面值0.10港元之普通股	36,920	36,920

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

18 DERIVATIVE FINANCIAL INSTRUMENTS

18 衍生金融工具

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Held for trading, liabilities	持作出售－負債		
– Forward foreign exchange contracts (Note)	– 外匯遠期合約(附註)	132	—

Note:

Forward foreign exchange contracts

As at 31st December 2018, the Group had outstanding forward foreign exchange contracts mainly to purchase USD (30th June 2018: purchase USD). The maximum notional principal amounts of these outstanding forward foreign exchange contracts at 31st December 2018 were as follows:

附註：

外匯遠期合約

於二零一八年十二月三十一日，本集團有未交收外匯遠期合約主要以買美元（於二零一八年六月三十日：買美元）。於二零一八年十二月三十一日此等未交收外匯遠期合約之最高設定本金額如下：

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Sell HK dollars for US dollars	沽售港元以買入美元	101,400	148,200

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

19 COMMITMENTS

(a) Capital commitments

19 承擔

(a) 資本承擔

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Property, plant and equipment and leasehold land and land use rights: Contracted but not provided for	物業、廠房及設備與租賃土地 及土地使用權： 已授權但未簽約	1,944	2,550

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

19 COMMITMENTS (Continued)

(b) Commitments under operating leases

As at 31st December 2018, the Group had future aggregate minimum lease payments and receivables under non-cancellable operating leases as follows:

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Minimum lease payments	最低應付租賃款項		
Land and buildings:	土地及樓宇：		
Not later than one year	一年內	5,095	6,391
Later than one year and not later than five years	一年後但不遲於五年	6,445	8,559
		11,540	14,950

Note:

On 15th June 2017, the Group entered into a non-cancellable operating lease agreement with an agent of the local PRC government authority to lease an industrial building premise for 5 years with a minimum lease payment of RMB8.5 per square meter. During the non-cancellable lease period, the Group commits an annual tax payment of RMB3,000,000, including the corporate income tax and value added tax, from its business operation in the region to the local PRC government authority. Any shortfall on the committed tax payment would be paid in form of cash to the agent of the local PRC government authority. The above lease commitments only include commitments for basic rentals, and do not include commitments for additional rentals payable, if any, when future tax payment shortfall a pre-determined level as it is not possible to determine in advance the amount of such additional rentals.

簡明綜合中期財務資料附註(續)

19 承擔(續)

(b) 經營租賃承擔

於二零一八年十二月三十一日，本集團承諾根據不可撤銷之經營租賃於未來之最低應付及應收租賃款項如下：

	Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Minimum lease payments		
Land and buildings:		
Not later than one year	5,095	6,391
Later than one year and not later than five years	6,445	8,559
	11,540	14,950

附註：

於二零一七年六月十五日，本集團就一工業大廈建築物與一中國地方政府代理機構簽署一為期五年之不可撤銷經營租賃合約，最低租金為每平方米人民幣8.5元。於不可撤銷租賃期間內，本集團需確保從此地區之商業經營向該中國地方政府繳納每年最低人民幣3,000,000元之稅項（包括企業所得稅及增值稅）。任何未足額之承擔稅項需以現金形式向該中國地方政府代理機構支付。上述之租賃承擔只包括基本租金承擔，並不包括當未來稅項未達預設水平之額外應付租金承擔（如有），因此等額外租賃金額未能預先估算。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

19 COMMITMENTS (Continued)

(b) Commitments under operating leases (Continued)

		Unaudited 未經審核 31st December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2018 於二零一八年 六月三十日 HK\$'000 千港元
Minimum lease receivables	最低應收租賃款項		
Investment properties:	投資物業：		
Not later than one year	一年內	5,087	5,014
Later than one year and not later than five years	一年後但不遲於五年	4,729	1,101
		9,816	6,115

20 CONTINGENT LIABILITIES

The Group received a claim from a customer in respect of the sales of alleged defective goods with claim amount approximately RMB5,000,000 (equivalent to HK\$5,682,000) during the year ended 30th June 2016.

20 或有負債

於截至二零一六年六月三十日止年度，本集團收到一客戶就所謂的不合格產品提出人民幣5,000,000元(等值5,682,000港元)的申索。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

20 CONTINGENT LIABILITIES (Continued)

On 10th July 2018, the Wenling City People's Court of Zhejiang Province (the "Court") has issued a judgement (the "Judgement") and granted an order to invalidate the claim against the Group. On 28th August 2018, an appeal was lodged with the Court against the Judgement.

As at 31st December 2018, the legal adviser of the Group on this claim is of the opinion that the Group has a good case to defend. On this basis, the Directors consider that the claim will unlikely result in any material financial impact on the Group as at 31st December 2018.

21 RELATED PARTY TRANSACTIONS

The Group is controlled by Good Benefit Limited, a company incorporated in the British Virgin Islands, which owns 53.3% of the Company's shares. The remaining 46.7% of the shares were widely held. Substantially all of the shares of Good Benefit Limited are beneficially owned by certain Directors of the Company.

Details of compensation paid to key management of the Group (all being Directors of the Company) are as follows:

Basic salaries, allowances and other benefits in kind	基本薪酬、津貼及其他實物利益	8,067	7,070
Pensions - defined contribution plans	退休金－界定供款計劃	72	54
		8,139	7,124

簡明綜合中期財務資料附註(續)

20 或有負債(續)

於二零一八年七月十日，浙江省溫嶺市人民法院(「法院」)作出判決(「判決」)並駁回對本集團之申索。於二零一八年八月二十八日，該客戶就判決向法院提出上訴。

於二零一八年十二月三十一日，本集團的法律顧問就此申索之意見認為本集團可提出抗辯。因此，董事認為於二零一八年十二月三十一日此申索不會對本集團帶來重大財務影響。

21 關連人士交易

本集團由 Good Benefit Limited (在英屬處女群島註冊成立之公司) 控制，其擁有本公司百分之五十三點三股權，其餘之百分之四十六點七股權為廣泛持有。Good Benefit Limited 實質上大部分股權由本公司之部分董事實益持有。

支付予本集團主要管理人員(均為本公司之執行董事)之酬金詳情如下：

Unaudited 未經審核	
Six months ended 31st December 截至十二月三十一日止六個月	
2018	2017
HK\$'000	HK\$'000
千港元	千港元
8,067	7,070
72	54
8,139	7,124

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

21 RELATED PARTY TRANSACTIONS (Continued)

In addition to key management compensation disclosed above, the following transactions were carried out with related parties:

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Operating lease rentals paid to related parties:	交付予有關連人士租賃租金：		
– Build Fair Limited (Note (i))	– 景聰有限公司 (附註(i))	472	474
– Shine Systems Plastic Materials Company Limited (Note (ii))	– 百亮塑膠原料有限公司 (附註(ii))	540	450
		1,012	924

Notes:

- (i) Build Fair Limited is a company wholly owned by Mr HUI Sai Chung, a Director of the Company.
- (ii) Shine Systems Plastic Materials Company Limited is a company wholly owned by Mr HUI Kwok Kwong, a Director of the Company.

Operating lease rentals paid to related parties are on mutually agreed basis.

21 關連人士交易(續)

除主要管理人員之酬金外，與關連人士進行的交易如下：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Operating lease rentals paid to related parties:	交付予有關連人士租賃租金：		
– Build Fair Limited (Note (i))	– 景聰有限公司 (附註(i))	472	474
– Shine Systems Plastic Materials Company Limited (Note (ii))	– 百亮塑膠原料有限公司 (附註(ii))	540	450
		1,012	924

附註：

- (i) 景聰有限公司由本公司董事許世聰先生全資擁有。
- (ii) 百亮塑膠原料有限公司由本公司董事許國光先生全資擁有。

支付予有關連人士的租賃租金根據一般商業條款及條件訂立。

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 31st December 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Looking back at the second half of 2018, plummeting oil prices have drastically dragged down the prices of plastic materials. As for macroeconomic conditions, the US Federal Reserve has raised interest rates, and international trade has also been adversely affected by intensifying Sino-US trade conflict. These factors have clouded the economic outlook for many companies. However, the Group has managed to maintain positive growth of revenue through improving product quality, expanding its customer base and reducing costs, but the drastic change in the operating environment has caused customers to adopt a low inventory policy and become more prudent when placing orders. Other factors such as higher borrowing costs and lower oil prices have also brought negative influence on the Group's business. For the six months ended 31st December 2018, the Group's total turnover was HK\$1,024,235,000 (2017: HK\$985,116,000), 4% slightly higher than the same period last year.

During the period under review, facing such a severe environment, despite the moderate growth of total turnover, overall gross profit and gross profit margin declined by 19.3% to HK\$107,759,000 (2017: HK\$ 133,608,000) and 3 percentage points to 10.5% respectively. Profit attributable to equity holders of the Company amounted to HK\$1,878,000 (2017: profit attributable to equity holders of the Company HK\$22,569,000). Basic earnings per share were HK0.51 cents (2017: profit per share HK6.11 cents). To reserve sufficient capital for business development, the Board did not recommend the payment of an interim dividend.

中期股息

董事會議決不就截至二零一八年十二月三十一日止六個月宣派任何中期股息。

管理層討論及分析

業務回顧

回顧二零一八下半年，油價大幅下滑令塑膠原料價格急跌。宏觀經濟方面，聯儲局持續加息，及中美貿易爭端升溫導致貿易局勢受到衝擊，均影響企業對經濟前景之展望。本集團持續提升產品質量、擴充客戶群基礎及精簡成本令收益保持正面增長，然而，營商環境急劇轉變令客戶採取低存貨策略，下單情況轉為審慎保守，加上借貸成本增加及油價下跌等因素為本集團帶來負面影響。截至二零一八年十二月三十一日止六個月，本集團之總營業額為1,024,235,000港元(二零一七年：985,116,000港元)，較去年同期輕微上升百分之四。

期內，面對嚴峻經營環境，縱使本集團之總營業額錄得輕微增長，但整體毛利及毛利率分別下降百分之十九點三至107,759,000港元(二零一七年：133,608,000港元)及三個百分點至百分之十點五，公司股東應佔溢利為1,878,000港元(二零一七年：公司股東應佔溢利22,569,000港元)，每股基本盈利為0.51港仙(二零一七年：每股盈利6.11港仙)。為保留充裕資金以發展業務，董事會建議不派發中期股息。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

Among the Group's three major business segments, the share of the plastics trading business expanded to 72.9% of the Group's total revenue, its largest business segment. The segmental gross profit margin was affected by factors including the deteriorating operating environment and volatile oil prices during the period. However, the operational model of negotiating with world-renowned fast food restaurant chains has become mature, thus more bulk orders were secured, so revenue of this segment grew by 7.4% to HK\$746,298,000 from the corresponding period last year, notwithstanding the gross profit margin decreased by 2.6 percentage points. Besides, the Group has strived to enrich its product mix and has expanded into other technological applications for new energy. As the cooperation model of liaising directly with end-customers matures, the Group will persist with this strategy, and explore opportunities to work more closely with end-customers in order to realise new income sources.

During the period, lower prices of oil and plastic materials, as well as weak demand in the China market, have affected the engineering plastic business segment, so revenue only increased by 4% to HK\$121,264,000, while gross profit margin decreased by approximately 2 percentage points. As customers were more prudent in placing orders due to the Sino-US trade war, and the interest rate hikes by the Federal Reserve also boosted the operating costs, so profit before taxation was down 17.5% to HK\$10,091,000 from last year. However, the Hong Kong branch, which focuses on local sales and export markets, was less adversely affected by the trade war, as benefit from the status of Hong Kong as an independent tariff region, its performance was relatively satisfactory compared with branches located elsewhere. In addition to continuous implementation of strict cost control measures, the Group will persistently leverage its competitive edge and focus on promoting higher margin products to maintain growth momentum and advance its business development.

管理層討論及分析(續)

業務回顧(續)

在本集團的三大業務中，塑膠原料貿易業務佔本集團總收入擴大至百分之七十二點九，為最大之業務分部。雖然期內經營環境轉差及油價波動等因素影響該業務之毛利率，然而與蜚聲國際的連鎖快餐店接洽之經營模式合作成熟，大宗訂單數量持續增長，帶動該業務之收入較去年同期增長百分之七點四至746,298,000港元，毛利率則錄得二點六個百分點之跌幅。另外，本集團致力豐富產品組合，產品已擴展至其他新能源技術應用。有見直接接洽終端客戶的合作模式漸見成熟，未來，本集團將沿用此策略，穩步開拓與終端客戶合作機會，為本集團開闢新收入渠道。

期內，油價下跌以至塑膠原料價格下滑，以及國內市場需求下降，對工程塑料業務帶來影響，收入輕微上升百分之四至121,264,000港元，毛利率則下跌約兩個百分點。此外，中美貿戰影響令客戶下單轉趨保守，及受聯儲局加息以致經營成本上升影響，除稅前盈利較去年減少百分之十七點五至10,091,000港元。然而，以本地銷售及出口市場為主的香港分公司相對受貿戰影響較輕微，加上受惠於香港之獨立關稅區地位，於分公司中表現較為理想。除繼續實行嚴格的控制成本措施外，本集團將繼續善用其競爭優勢，以較高毛利率的產品為推廣重點，保持增長動力，推動業務發展。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

The trade war between China and US has hit the export-oriented customers in the Southern China region hard and thus adversely affected the Group's business segment which includes colorants, pigments and compounded plastic resins. To mitigate the effects arising from the external economic environment, the Group has actively enhanced the operating efficiency of all of its factories. The Group has strengthened its strategic cooperation with renowned automobile brands in China in order to enlarge its market share there. Consequently, the operational performance of its Shanghai factory was also enhanced. In addition to continuously manufacture high quality sanitary products and increase its market share in automobile application-related product and food packaging markets, the Group has expanded into the new energy vehicle market. Hence, it has developed electric vehicle-related products in collaboration with an internationally renowned automobile brand. It has also focused on value-added product services with the aim of exploring new income streams and expanding its customer base. However, the slower economic growth in China, plus rising operating costs such as labour and transportation costs, have exerted pressure on the Group's profit. Revenue of the business segment decreased by 9.5% to HK\$156,673,000. Gross profit margin dropped by 2.2 percentage points against the same period of last year, however, profit before taxation recorded a slight growth.

管理層討論及分析(續)

業務回顧(續)

中美貿易環境陰霾嚴重打擊對出口為主的華南地區客戶，對本集團着色劑、色粉及混料業務造成衝擊。為了減低外圍經濟環境之影響，本集團積極改善各廠房的營運效益。本集團策略地加強與國內知名汽車品牌合作，提高內銷市場的份額，上海廠房營運效益得以提升。除了繼續生產高質量衛浴產品及持續增加汽車應用和食品包裝市場相關產品的份額外，本集團亦相應發展新能源汽車市場，透過與國際知名汽車品牌發展電動車相關產品，集中增值產品服務，開闢新收入渠道及客戶群。然而，國內經濟增長步伐放慢，加上人工、運輸成本等營運費用的上漲，對本集團帶來利潤壓力。該業務收入錄得百分之九點五之跌幅至156,673,000港元，毛利率較去年同期減少二點二個百分點，除稅前盈利則錄得輕微增長。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECTS

Looking ahead to 2019, the Group's businesses still face challenges caused by the uncertainties of global and Chinese economies. Nevertheless, with the price of oil stabilising, the potential resolution of the trade war between China and US and the Federal Reserve's cycle of interest rate rises possibly ending, the management is prudently optimistic about the prospects for future development. The Group will continue to focus on implementing its strategy of developing high value-added products with high margins, selecting reputable customers and prudently managing inventories, so as to overcome the effects from external uncertainties and enhance its overall profitability.

The management believes that, as the superior quality of the Group's products has gained the recognition of international brands, the volume of orders for the high quality and high value-added products is expected to return to normal as customers will need to replenish inventory when the business environment improves. The Group intends to continue to execute its set development direction, broadening its customer base, creating new income sources and exploring more potential markets and regions. Meanwhile, the China market seems to still have huge potential in the long term and the environmentally-friendly green market is rapidly emerging. To explore new income streams, the Group plans to cooperate with new technical partners to invest in research and development resources to facilitate the development of high value-added products with higher margins. Furthermore, while seeking opportunities to negotiate and cooperate with international brands, it is actively preparing to develop the market in the Greater Bay Area and set up a new company in 2019 to capture the development opportunities there.

The Group will continue to adopt a sound business strategy and adhere to prudent financial principles and effectively control production costs and enhance overall administrative efficiency through allocation of internal resources in order to generate greater synergies, with the aim to drive future long-term development.

Leveraging many years of extensive industry experience, the professional management team believes it will be able to lead the Group to overcome future challenges, seize the market opportunities in order to strive for long-term and steady growth and, ultimately, bring satisfactory returns to shareholders.

管理層討論及分析(續)

展望

展望二零一九年，全球及國內經濟的不明朗因素依然會為業務帶來挑戰，但油價已回復穩定、中美貿戰磋商漸見明朗，及聯儲局加息週期正接近尾聲，管理層對未來發展持審慎樂觀態度。本集團將繼續集中推行發展高增值、高毛利產品策略、以及挑選信譽良好的客戶，同時審慎管理存貨，以抵抗外來不穩定因素的影響，提高整體盈利能力。

管理層相信，本集團頂尖的產品質量獲得國際品牌認可，此類高質量、高增值的產品亦預期隨著營商環境改善，客戶需補充存貨，令下單情況回復至正常水平。與此同時，本集團將持續執行擴展客戶基礎、開闢新收入渠道、發掘更多具潛力的市場及地區等既定發展方針。另一方面，國內市場長遠來看仍存在龐大潛力，及綠色市場發展的興起，本集團為了開拓更多新收入來源，一方面有計劃地與新技術方合作，共同投入研發資源，推行發展高增值、高毛利產品。此外，在尋求更多與國際品牌磋商合作的機會之餘，本集團積極籌備拓展大灣區市場，並於二零一九年內成立新公司以把握大灣區的發展機遇。

本集團將繼續採取穩健的業務策略和審慎的理財方針，有效地控制生產成本，並通過內部資源互享提升整體行政效率以發揮更大的協同效益，從而促進本集團長遠發展。

本集團專業管理團隊於行業具有多年豐富的經驗，將能繼續帶領本集團克服未來的挑戰，抓緊各市場的商遇，竭力實現長期穩定增長，為股東帶來理想回報。

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cashflow and banking facilities provided by its principal bankers. As at 31st December 2018, the Group has available aggregate bank loan facilities of approximately HK\$564,459,000 of which HK\$401,803,000 have been utilised and were secured by corporate guarantee issued by the Group and legal charges on certain leasehold land and buildings, investment properties and machinery and equipment in the PRC and Hong Kong owned by the Group. The Group's cash and bank balances as at 31st December 2018 amounted to approximately HK\$116,022,000. The Group's gearing ratio as at 31st December 2018 was approximately 83.3%, based on the total bank borrowings of approximately HK\$401,803,000 and the shareholders' funds of approximately HK\$482,341,000.

Details of the Group's capital commitments and contingent liabilities are disclosed in Notes 19(a) and 20 to the condensed consolidated interim financial information respectively.

FOREIGN EXCHANGE RISK

The Group's bank borrowings and cash and cash equivalents are primarily denominated in Hong Kong dollars, Renminbi and US dollars. The Group's purchases were principally denominated in US dollars. The Group closely monitors currency fluctuations and manages its exchange risk by entering into forward exchange contracts from time to time.

As at 31st December 2018, the Group had outstanding forward foreign exchange contracts mainly to purchase US dollars. The maximum notional principal amounts of these outstanding forward foreign exchange contracts at 31st December 2018 were as follows:

Sell HK dollars for US dollars

沽港元以買入美元

2018
HK\$' 000
千港元

101,400

流動資金及財務資源

本集團一般以內部流動現金及主要銀行提供銀行貸款作為營運資金。於二零一八年十二月三十一日，本集團可動用銀行貸款約564,459,000港元，經已動用合共約401,803,000港元，該等貸款乃由本集團發出的擔保及本集團擁有之若干中國及香港租賃土地及樓宇、投資物業及機器及設備之法定抵押作擔保。本集團於二零一八年十二月三十一日之現金及銀行結餘約為116,022,000港元。根據銀行貸款總額約401,803,000港元及股東資金約482,341,000港元計算，本集團於二零一八年十二月三十一日之資產負債比率約為百分之八十三點三。

有關本集團之資本承擔及或有負債已分別刊載於簡明綜合中期財務資料附註19(a)及20。

外匯風險

本集團之銀行借貸及現金及現金等額主要為港元、人民幣及美元。本集團的採購主要以美元計算。本集團不時密切監察匯率波動情況及透過對沖遠期外匯合約管理匯率波動風險。

於二零一八年十二月三十一日，本集團有未交收外匯遠期合約主要以買入美元。於二零一八年十二月三十一日此等未交收外匯遠期合約之最高設定本金額如下：

EMPLOYEE INFORMATION

As at 31st December 2018, the Group employed a total of approximately 696 full-time employees. The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually. The Group has an incentive scheme which is geared to the profit of the Group and the performance of its employees, as an incentive to motivate its employees to increase their contribution to the Group. The Group also provides social and medical insurance coverage, and provident fund scheme (as the case may be) to its employees depending on the location of such employees.

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

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

SHARE OPTIONS

On 22nd November 2012, the Company has adopted a share option scheme (the "Scheme") and terminated the share option scheme adopted by the Company on 5th December 2002. Under the terms of the Scheme, the Directors may, at their discretion, invite eligible participants to take up Share Options to subscribe for the shares of the Company subject to the terms and conditions stipulated therein.

No Share Options under the Scheme were granted, exercised or cancelled during the period.

僱員資料

於二零一八年十二月三十一日，本集團有合共約696名全職僱員。本集團之酬金政策乃按個別僱員之表現而制訂，並每年定期檢討。本集團亦為其僱員提供一個獎勵計劃，以鼓勵員工增加對公司之貢獻，惟須視本集團之溢利及僱員之表現而定。本集團不同地區之僱員亦獲提供社會及醫療保險保障以及公積金計劃。

購買、出售及贖回本公司之上市證券

本公司於期內並無贖回其股票。本公司或其任何附屬公司於期內亦無購買或出售本公司之上市證券。

購股權

本公司之股東於二零一二年十一月二十二日採納了購股權計劃（「購股權計劃」），並同日取消了本公司之股東於二零零二年十二月五日接納之購股權計劃。根據購股權計劃之條款及條件，董事會可酌情邀請合資格參與者接納可認購本公司股份之購股權。

於期內概無根據購股權計劃授出、行使或取消任何購股權。

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

At 31st December 2018, the interests and short positions of each Director and chief executive 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 or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Ordinary shares of HK\$0.10 each in the Company

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉

於二零一八年十二月三十一日，本公司各董事及最高行政人員於本公司或其任何相關法團(定義見證券及期貨條例(「證券期貨條例」)第XV部)須向本公司申報之權益或已登記於根據證券期貨條例第352條存置之名冊之股份，相關股份及債券之權益及淡倉，或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)之上市公司董事進行證券交易的標準守則(「標準守則」)已向本公司及聯交所申報者如下：

本公司每股面值0.10港元之普通股

Name of Directors	董事姓名		Number of shares of the Company beneficially held			
			Personal interests	Corporate interests	Family interests	Other interests
			個人權益	法團權益	家屬權益	其他權益
Mr. HUI Sai Chung	許世聰先生	Long Positions 好倉	16,703,600	202,721,500(a)	—	—
Mr. HUI Kwok Kwong	許國光先生	Long Positions 好倉	9,850,400	198,803,500(b)	—	—
Mr. HUI Yan Kuen	許人權先生	Long Positions 好倉	—	—	—	(c)
Mr. HUI Yan Lung Geoffrey (appointed on 1st December 2018)	許人龍先生 (於二零一八年 十二月一日 獲委任)	Long Positions 好倉	—	—	—	(d)
Mr. HUI Man Wai (appointed on 1st December 2018)	許文偉先生 (於二零一八年 十二月一日 獲委任)	Long Positions 好倉	250,000	—	—	(e)
Madam LIU Sau Lai (resigned on 30th November 2018)	廖秀麗女士 (於二零一八年 十一月三十日 辭任)	Long Positions 好倉	1,423,000	—	—	(e)

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes:

- (a) 196,721,500 of these shares are held by Good Benefit Limited ("Good Benefit"), a company in which Ever Win Limited ("Ever Win") holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly.

50,001 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Sai Chung. Mr. HUI Sai Chung and his spouse further own 33,957 and 5 class A non-convertible redeemable preferred shares of no par value in Ever Win respectively.

- (b) 196,721,500 of these shares are held by Good Benefit, a company in which Evergrow Company Limited ("Evergrow") holds a 45.1% interest (note (e)). In addition, 2,082,000 shares are held by Evergrow directly.

50,000 ordinary shares of one Canadian dollar each in Evergrow are held by Mr. HUI Kwok Kwong. Mr. HUI Kwok Kwong further owns 30,823 class A non-convertible redeemable preferred shares of no par value in Evergrow.

- (c) 196,721,500 of these shares are held by Good Benefit, a company in which Ever Win holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly. 333 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Yan Kuen.
- (d) 196,721,500 of these shares are held by Good Benefit, a company in which Ever Win holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly. 333 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Yan Lung Geoffrey.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：

- (a) 該等股份中之196,721,500股乃由Good Benefit Limited (「Good Benefit」) 持有。Ever Win Limited (「Ever Win」) 持有Good Benefit百分之四十五點一權益(附註(e))。此外，6,000,000股股份由Ever Win直接持有。

Ever Win每股面值1加元之普通股份50,001股由許世聰先生持有。許世聰先生及其配偶另分別擁有Ever Win A級無面值不可兌換可贖回優先股份33,957股及5股。

- (b) 該等股份中之196,721,500股乃由Good Benefit持有。Evergrow Company Limited (「Evergrow」) 持有Good Benefit百分之四十五點一權益(附註(e))。此外，2,082,000股股份由Evergrow直接持有。

Evergrow每股面值1加元之普通股份50,000股由許國光先生持有。許國光先生另擁有Evergrow A級無面值不可兌換可贖回優先股份30,823股。

- (c) 該等股份中之196,721,500股乃由Good Benefit 持有。Ever Win 持有Good Benefit百分之四十五點一權益(附註(e))。此外，6,000,000股股份由Ever Win直接持有。Ever Win每股面值1加元之普通股份333股由許人權先生持有。

- (d) 該等股份中之196,721,500股乃由Good Benefit 持有。Ever Win持有Good Benefit百分之四十五點一權益(附註(e))。此外，6,000,000股股份由Ever Win直接持有。Ever Win每股面值1加元之普通股份333股由許人龍先生持有。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes: (Continued)

- (e) The beneficial interests of the Directors in the share capital of Good Benefit, which held 196,721,500 shares of the Company as at 31st December 2018, are as follows:

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：(續)

- (e) 董事在Good Benefit（於二零一八年十二月三十一日持有本公司196,721,500股股份）股本之實益權益如下：

Name of Directors	董事姓名	Number of shares 股份數目	Percentage of holding 持股百分比
Mr. HUI Sai Chung	許世聰先生	4,510	45.1%
Mr. HUI Kwok Kwong	許國光先生	4,510	45.1%
Mr. HUI Man Wai (appointed on 1st December 2018)	許文偉先生 (於二零一八年十二月一日獲委任)	360	3.6%
Madam LIU Sau Lai (resigned on 30th November 2018)	廖秀麗女士 (於二零一八年十一月三十日辭任)	80	0.8%
Others	其他	540	5.4%
		10,000	100.0%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes: (Continued)

(e) (Continued)

At 31st December 2018, the following Directors owned interests in non-voting deferred shares in Ngai Hing Hong Plastic Materials Limited, which are subject to an option granted to Ngai Hing (International) Company Limited to acquire the said non-voting deferred shares.

Name of Directors	董事姓名	Number of non-voting deferred shares held	
		Personal interests	Other interests
		持有無投票權遞延股份數目	
		個人權益	其他權益
Mr. HUI Sai Chung	許世聰先生	200,000	50,000 (i)
Mr. HUI Kwok Kwong	許國光先生	200,000	50,000 (ii)

Notes:

(i) These shares are held by Ever Win.

(ii) These shares are held by Evergrow.

Save as disclosed above and other than certain nominee shares in the subsidiaries of the Company held by certain Directors of the Company in trust for the Group as at 31st December 2018, none of the Directors and chief executives have any beneficial or non-beneficial interests in the share capital of the Company and associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：(續)

(e) (續)

於二零一八年十二月三十一日，下列董事擁有毅興塑膠原料有限公司無投票權遞延股份權益，而該公司並已授予Ngai Hing (International) Company Limited可購買上述無投票權遞延股份之購股權。

Name of Directors	董事姓名	Number of non-voting deferred shares held	
		Personal interests	Other interests
		持有無投票權遞延股份數目	
		個人權益	其他權益
Mr. HUI Sai Chung	許世聰先生	200,000	50,000 (i)
Mr. HUI Kwok Kwong	許國光先生	200,000	50,000 (ii)

附註：

(i) 該等股份由Ever Win持有。

(ii) 該等股份由Evergrow持有。

除上文所披露及本公司若干董事以信託方式代本集團持有本公司若干附屬公司代理人股份外，於二零一八年十二月三十一日，根據證券期貨條例第352條規定存置之名冊所記錄或根據標準守則而向本公司及聯交所作出的知會，各董事及最高行政人員於本公司及相關法團(具有證券期貨條例第XV部的涵義)之股本中概無擁有任何根據證券期貨條例須予披露之實益或非實益權益。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Save as disclosed under the section headed by "Share Options" above,

- (a) at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate; and
- (b) none of the Directors, chief executives, their spouses or children under the age of 18 had been granted any right to subscribe for shares in or debentures of the Company, or exercised any such right.

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

As at 31st December 2018, the register of substantial shareholders maintained under Section 336 of the SFO shows that the Company had not been notified of any substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital, other than those of the Directors and chief executives as disclosed above.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transaction. The Company has made specific enquiry to all Directors and all Directors confirmed that they had complied with the required standard of dealings set out therein during the period.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

除上述「購股權」一段所列外：

- (a) 於本期間任何時間內，本公司、其控股公司或其任何附屬公司並無參與訂立任何安排，致使本公司董事或最高行政人員可藉購買本公司或任何其他法人團體之股份或債券而獲益；及
- (b) 各董事、最高行政人員、其配偶或十八歲以下之子女概無獲授予可認購本公司股份或債券之權利，或已行使此等權利。

主要股東於本公司股份及相關股份之權益及淡倉

除上文所披露有關董事之權益外，根據本公司按證券期貨條例第336條而存置之主要股東名冊所顯示，本公司概無接獲任何人士於二零一八年十二月三十一日擁有本公司已發行股本百分之五或以上權益及淡倉之通知。

遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之標準守則作為董事進行證券交易之標準守則。本公司已向所有董事作出特定查詢，而全體董事已確認彼等於期內均有遵守當中所要求之買賣標準。

CORPORATE GOVERNANCE PRACTICE

The Company is committed to the establishment of good corporate governance practices and procedures which serve as an important element of risk management throughout the growth and expansion of the Company. The Company emphasises on maintaining and carrying out sound, solid and effective corporate governance principles and structures.

The Company has complied with all the applicable code provisions as set out in Corporate Governance Code and Corporate Governance Report to the Appendix 14 of the Listing Rules (the “CG Code”) throughout the six months ended 31st December 2018, except for the deviation as mentioned below.

According to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Up to the date of this interim report, the Board has not appointed any individual to be the chief executive. The roles of the chief executive have been performed collectively by all the executive directors, including the chairman, of the Company. The Board considers that this arrangement allows contributions from all executive directors with different expertise and is beneficial to the continuity of the Company’s policies and strategies. Going forward, the Board will periodically review the effectiveness of this arrangement and considers appointing an individual to chief executive when it thinks appropriate.

For the purpose of enhancing the risk management and internal control systems, the Company has engaged an external consultant to assist the Board and the audit committee of the Company (the “Audit Committee”) in ongoing monitoring and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

The Board has reviewed and considered the Group’s risk management and internal control systems were effective and adequate during the period. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

企業管治常規

本公司致力建立良好企業管治常規及程序，在擴大本公司的業務中，該常規及程序為風險管理之重要元素。本公司著重維持及執行優良、穩健及有效的良好企業管治常規及架構。

除下文所述的偏離外，截至二零一八年十二月三十一日止六個月，本公司一直遵守上市規則附錄14《企業管治守則》及《企業管治報告》(「守則」)所載列之所有適用守則條文。

根據守則條文第A.2.1條，主席及行政總裁之職能應分開，不應由一人同時兼任。直至本中期報告日期，董事會尚未委任任何人士擔任行政總裁。行政總裁之職責乃由本公司所有執行董事(包括主席)共同擔任。董事會認為，該安排讓各位擁有不同專業的執行董事共同決策，亦可貫徹執行本公司之政策及策略，故符合本集團利益。展望未來，董事會將定期檢討該安排之成效，及考慮於適當時候委任行政總裁。

就加強風險管理及內部監控系統，本公司已委聘外界顧問負責協助董事會及本公司的審核委員會(「審核委員會」)以持續監控及執行本集團之內部審核功能，並將發現內部監控設計及執行之缺失及提供改善建議。重大內部監控缺失將適時向董事會及審核委員匯報以確保儘快執行整改行動。

本期間內董事會已檢討本集團的風險管理及內部監控系統的有效性，並認為已足夠。設立本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標之風險，並只合理而非絕對保證可防範重大失實陳述或損失。

NOMINATION COMMITTEE

The Company has formulated written terms of reference for the nomination committee of the Company (the "Nomination Committee") in accordance with the requirements of the Stock Exchange. The Nomination Committee consists of all independent non-executive Directors, namely Mr. HO Wai Chi Paul, Mr. CHAN Dit Lung and Mr. CHING Yu Lung and an executive Director, Mr. HUI Sai Chung.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board (including the skills, knowledge and experience) on a regular basis and make recommendations to the Board regarding any proposed changes; identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; assessing the independence of independent non-executive Directors; and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee would review the Board's composition from time to time where Board diversity would be considered from a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of services. The Nomination Committee meets at least once a year to assess the structure, size and composition of the Board.

AUDIT COMMITTEE

The Company has formulated written terms of reference for the Audit Committee in accordance with the requirements of the Stock Exchange. The Audit Committee consists of all independent non-executive Directors, namely Mr. HO Wai Chi Paul, Mr. CHAN Dit Lung and Mr. CHING Yu Lung.

The principal duties of the Audit Committee are to ensure the objectivity and credibility of financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company. The terms of reference of the Audit Committee are aligned with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants and Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 31st December 2018 with the Directors.

提名委員會

本公司根據聯交所之規定擬定本公司的提名委員會(「提名委員會」)的職權範圍。提名委員會由全體獨立非執行董事(何偉志先生、陳秩龍先生及程如龍先生)及一名執行董事(許世聰先生)組成。

提名委員會負責定期檢討董事會的架構、規模及組合(包括技術、知識及經驗)，並就任何建議變更向董事會提出意見；識別具合適資格成為董事會成員的個人及就獲提名成為董事的個人作出篩選或向董事會作出選擇建議；評定獨立非執行董事的獨立性；及就有關董事的委任或再委任及董事的接任計劃之相關事項向董事會提供建議。提名委員會不時檢討董事會之組成，從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務年期。提名委員會每年最少就董事會的架構、規模及組合舉行一次會議。

審核委員會

本公司根據聯交所之規定擬定審核委員會之職權範圍。審核委員會由全體獨立非執行董事(何偉志先生、陳秩龍先生及程如龍先生)組成。

審核委員會主要職責為確保財務報告及內部監控程序之客觀性及可信度，以及與本公司外聘的核數師保持良好關係。審核委員會的職權範圍與香港會計師公會頒布的《審核委員會有效運作指引》及上市規則內載的建議相符。

審核委員會已經與管理層審閱本集團所採納之會計原則及方法，並與董事討論有關內部監控及財務匯報事宜，包括審閱截至二零一八年十二月三十一日止六個月之未經審核簡明綜合中期財務資料。

REMUNERATION COMMITTEE

The Company has formulated written terms of reference for the remuneration committee of the Company (the "Remuneration Committee") in accordance with the requirements of the Stock Exchange. The Remuneration Committee consists of three independent non-executive Directors, namely Mr. HO Wai Chi Paul, Mr. CHAN Dit Lung and Mr. CHING Yu Lung and an executive Director, Mr. HUI Sai Chung.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and making recommendations to the Board on the remuneration packages of the individual executive Director and senior management. This includes benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. It takes into consideration on factors such as salaries paid by comparable companies, time commitment and responsibilities of Directors and senior management. The Remuneration Committee meets at least once a year to assess the performance and review the annual salaries and bonus of the senior executives.

CORPORATE GOVERNANCE COMMITTEE

The Company has formulated written terms of reference for the corporate governance committee of the Company (the "Corporate Governance Committee") in accordance with the CG Code. The Corporate Governance Committee consists of all independent non-executive Directors, namely Mr. HO Wai Chi Paul, Mr. CHAN Dit Lung and Mr. CHING Yu Lung.

薪酬委員會

本公司根據聯交所之規定擬定本公司的薪酬委員會(「薪酬委員會」)之職權範圍。薪酬委員會由三位獨立非執行董事(何偉志先生、陳秩龍先生及程如龍先生)及一位執行董事(許世聰先生)組成。

薪酬委員會負責確保正式及具透明度之薪酬政策制訂程序，及向董事會就個別執行董事及高級管理層之薪酬組合提出建議，這包括實物利益、退休金權利及補償(當中包括因失去或中止其職務或委任引致之任何應付補償)。薪酬委員會考慮之因素包括可比較公司之薪金水平、各董事及高級管理人員所投入之時間及職責等。薪酬委員會每年最少舉行一次會議以評估表現及審閱高級管理人員每年之薪酬及獎金。

企業管治委員會

本公司根據守則之規定擬定本公司的企業管治委員會(「企業管治委員會」)的職權範圍。企業管治委員會由全體獨立非執行董事(何偉志先生、陳秩龍先生及程如龍先生)組成。

CORPORATE GOVERNANCE COMMITTEE *(Continued)*

The Corporate Governance Committee is responsible for developing and reviewing the policies and practices on corporate governance of the Group and making recommendations to the Board; reviewing and monitoring the training and continuous professional development of Directors and senior management; reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and reviewing the Group's compliance with the CG Code and disclosure in the Corporate Governance Report of the Company. The Corporate Governance Committee meets at least once a year to review the corporate governance functions.

On behalf of the Board

HUI Sai Chung

Chairman

Hong Kong,

27th February 2019

企業管治委員會 *(續)*

企業管治委員會負責發展及檢討本集團企業管治的政策及實施並向董事會提出意見；檢討及監察董事及高級管理人員的培訓及持續專業進修；檢討及監察本集團就法律及規則的合規性要求的政策及實施；發展、檢討及監察適用於員工及董事的行為準則及合規手冊(如有)；及檢討本集團就守則的合規性及本公司於企業管治報告的披露。企業管治委員會每年最少就企業管治功能舉行一次會議。

代表董事會

主席

許世聰

香港，

二零一九年二月二十七日



Ngai Hing Hong Company Limited
毅興行有限公司

