

The background of the entire page is a light purple color. It is decorated with a variety of colorful geometric shapes, including squares and circles in shades of yellow, orange, green, blue, pink, and white. Some of these shapes are grouped together to form larger, more complex patterns. In the center, there is a large yellow rounded rectangle containing the text for the 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)

2017/
2018

INTERIM REPORT
中期報告

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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 2017 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

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」)截至二零一七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

截至二零一七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	
		Note 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Revenue	營業額	6	985,116	770,443
Cost of sales	銷售成本		(851,508)	(661,219)
Gross profit	毛利		133,608	109,224
Rental income	租金收入		3,294	3,304
Other gains, net	其他收益－淨值	7	1,845	9,796
Distribution costs	分銷成本		(39,544)	(38,960)
Administrative expenses	行政支出		(57,535)	(51,093)
Operating profit	經營溢利	8	41,668	32,271
Finance income	財務收益	9	203	111
Finance costs	財務費用	9	(6,349)	(3,896)
Finance costs, net	財務費用－淨值		(6,146)	(3,785)
Profit before income tax	除稅前溢利		35,522	28,486
Income tax expense	稅項支出	10	(10,673)	(6,968)
Profit for the period	本期溢利		24,849	21,518

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

簡明綜合收益表(續)

截至二零一七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	
		Note 附註	2017 2016
			HK\$'000 千港元
Attributable to:	以下人士應佔：		
Equity holders of the Company	公司股東		22,569
Non-controlling interests	非控制權益		1,648
			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 notes on pages 12 to 50 form an integral part of this condensed consolidated interim financial information.

第12至50頁的附註為簡明綜合中期財務資料的整體部份。

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

簡明綜合合併收益表

截至二零一七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	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Profit for the period	本期溢利	24,849	21,518
Other comprehensive income/(loss):	其他綜合收益／(虧損)：		
Item that may be reclassified subsequently to income statement:	期後可被重新分類至 收益表之項目：		
Currency translation differences	匯兌差額	14,683	(14,958)
Other comprehensive income/(loss) for the period	本期其他綜合收益／(虧損)	14,683	(14,958)
Total comprehensive income for the period	本期綜合收益總額	39,532	6,560
Total comprehensive income attributable to:	綜合收益總額歸屬於：		
Equity holders of the Company	公司股東	37,054	5,042
Non-controlling interests	非控制權益	2,478	1,518
		39,532	6,560

The notes on pages 12 to 50 form an integral part of this condensed consolidated interim financial information.

第12至50頁的附註為簡明綜合中期財務資料的整體部份。

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 31ST DECEMBER 2017

簡明綜合資產負債表

於二零一七年十二月三十一日

			Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日	Audited 經審核 30th June 2017 於二零一七年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	123,902	117,412
Leasehold land and land use rights	租賃土地及土地使用權	13	18,738	18,531
Investment properties	投資物業	13	128,683	127,801
Available-for-sale financial asset	可供出售財務資產		2,000	2,000
Deferred income tax assets	遞延稅項資產		5,684	5,655
Prepayment for property, plant and equipment and renovation costs	物業、廠房及設備與裝修預付款		10,141	4,929
			289,148	276,328
Current assets	流動資產			
Inventories	存貨		288,909	255,767
Trade and bills receivables	貿易應收款及應收票據	14	253,701	264,882
Other receivables, prepayments and deposits	其他應收款、預付款及按金		27,371	26,599
Income tax recoverable	可收回稅項		227	501
Derivative financial instruments	衍生金融工具	18	195	—
Restricted bank deposits	受限制的銀行存款		35,714	22,989
Cash and bank balances	現金及銀行結餘		106,900	105,947
			713,017	676,685
Total assets	資產總額		1,002,165	953,013

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2017

簡明綜合資產負債表(續)

於二零一七年十二月三十一日

			Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日	Audited 經審核 30th June 2017 於二零一七年 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		57,925	43,960
Retained earnings	保留溢利		331,971	316,786
			489,282	460,132
Non-controlling interests	非控制權益		23,177	23,065
Total equity	權益總額		512,459	483,197

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2017

簡明綜合資產負債表(續)

於二零一七年十二月三十一日

			Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日	Audited 經審核 30th June 2017 於二零一七年 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		7,085	6,863
Current liabilities	流動負債			
Trade payables	貿易應付款	15	73,287	88,513
Other payables, deposits received and accruals	其他應付款、已收訂金 及預提費用		37,059	35,127
Borrowings	借貸	16	362,407	331,830
Derivative financial instruments	衍生金融工具	18	—	29
Income tax payable	應付稅項		9,868	7,454
			482,621	462,953
Total liabilities	負債總額		489,706	469,816
Total equity and liabilities	權益及負債總額		1,002,165	953,013
Net current assets	淨流動資產		230,396	213,732
Total assets less current liabilities	資產總額減流動負債		519,544	490,060

The notes on pages 12 to 50 form an integral part of this condensed consolidated interim financial information.

第12至50頁的附註為簡明綜合中期財務資料的整體部份。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

簡明綜合權益變動表

截至二零一七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 reserve Exchange fluctuation Non- controlling interests Total								
		Share capital 股本 HK\$'000 千港元	Share premium 股本溢價 HK\$'000 千港元	Capital reserve 購股權 儲備 HK\$'000 千港元	Revaluation reserve 資本儲備 HK\$'000 千港元	可供 出售財務 資產儲備 HK\$'000 千港元	匯兌 波動儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	非控制 權益 HK\$'000 千港元	總額 HK\$'000 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 (Note 21)	不導致失去控制權的 附屬公司權益變動(附註21)	—	—	(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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN
EQUITY (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

簡明綜合權益變動表(續)

截至二零一七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 reserve Exchange fluctuation reserve Retained earnings Non- controlling interests Total								
		Share capital 股本 HK\$'000 千港元	Share premium 股本溢價 HK\$'000 千港元	Capital reserve 購股權 儲備 HK\$'000 千港元	Revaluation reserve 資本儲備 HK\$'000 千港元	可供 出售財務 重估儲備 HK\$'000 千港元	匯兌 資產儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	非控制 權益 HK\$'000 千港元	總額 HK\$'000 千港元
At 1st July 2016	於二零一六年七月一日	36,920	62,466	615	7,590	1,310	40,388	286,048	20,384	455,721
Comprehensive income	綜合收益									
Profit for the period	本期溢利	—	—	—	—	—	—	19,870	1,648	21,518
Other comprehensive loss	其他綜合虧損									
Currency translation differences	匯兌差額	—	—	—	—	—	(14,828)	—	(130)	(14,958)
Total comprehensive (loss)/income	綜合（虧損）／收益總額	—	—	—	—	—	(14,828)	19,870	1,518	6,560
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	—	—	—	—	—	—	—	(1,753)	(1,753)
Total transactions with owners	與所有者之交易總額	—	—	—	—	—	—	—	(1,753)	(1,753)
At 31st December 2016	於二零一六年十二月三十一日	36,920	62,466	615	7,590	1,310	25,560	305,918	20,149	460,528

The notes on pages 12 to 50 form an integral part of this condensed consolidated interim financial information.

第12至50頁的附註為簡明綜合中期財務資料的整體部份。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

簡明綜合現金流量表

截至二零一七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	
		2017 HK\$'000 千港元	2016 HK\$'000 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	23,837	3,600
Hong Kong profits tax paid	已繳香港利得稅	(2,657)	(1,033)
The People's Republic of China (the "PRC") income tax paid	已繳中華人民共和國 (「中國」)所得稅	(5,465)	(5,204)
Interest received	已收利息	203	111
Net cash generated from/(used in) operating activities	經營業務所產生／(使用)之淨現金	15,918	(2,526)
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	(7,221)	(3,826)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	51	137
Prepayments for property, plant and equipment and renovation costs	物業、廠房及設備與 裝修預付款	(10,141)	(5,278)
Purchase of investment properties	購買投資物業	—	(3,902)
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	(29,215)	(12,869)
Cash flows from financing activities	融資業務之現金流		
Proceeds from bank loans	新增銀行貸款	234,078	81,063
Repayment of bank loans	償還銀行貸款	(236,654)	(73,858)
Increase in trust receipt loans	信託收據貸款增加	30,161	35,001
Dividends paid to non-controlling interests	支付予非控制權益之股息	(3,094)	(1,753)
Dividends paid	支付股息	(7,384)	—
Interest paid on bank borrowings	已付銀行借貸利息	(6,105)	(4,983)
Net cash generated from financing activities	融資業務所產生之淨現金	11,002	35,470

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2017

簡明綜合現金流量表(續)

截至二零一七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	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Net (decrease)/increase in cash and cash equivalents	現金及現金等額之(減少)/增加	(2,295)	20,075
Cash and cash equivalents at 1st July	於七月一日之現金及現金等額	96,689	63,666
Effect of foreign exchange rate changes	外幣匯率變動影響	2,967	(2,578)
Cash and cash equivalents at 31st December	於十二月三十一日之現金及 現金等額	97,361	81,163
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	106,900	92,134
Bank overdrafts	銀行透支	(9,539)	(10,971)
		97,361	81,163

The notes on pages 12 to 50 form an integral part of this condensed consolidated interim financial information.

第12至50頁的附註為簡明綜合中期財務資料的整體部份。

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 26th February 2018.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 31st December 2017 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 30th June 2017, 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二零一八年二月二十六日被董事局批准。

2 編製基準

截至二零一七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應與截至二零一七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 2017, 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.

(a) *Effect of adopting new standards, amendments/revises to standards and interpretation*

Amendments to HKAS 12
對香港會計準則第12號的修訂

Amendments to HKAS 7
對香港會計準則第7號的修訂

Amendment to HKFRS 12
對香港財務報告準則第12號的修訂

Income Taxes
所得稅

Statement of Cash Flows
現金流量表

Disclosure of Interest in Other Entities
披露在其他主體的權益

The adoption of the above new standards, amendments/revises to standards and interpretation has had no material effect on the Group's result and financial position.

(b) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:*

HKFRS 9
香港財務報告準則第9號

HKFRS 15
香港財務報告準則第15號

Amendments to HKFRS 2
對香港財務報告準則第2號的修訂

Financial Instruments¹
金融工具¹

Revenue from Contracts with Customers¹
客戶合同收益¹

Classification and Measurement of Share-based Payment Transactions¹
以股份為基礎的支付交易的分類和計量¹

簡明綜合中期財務資料附註(續)

3 會計政策

編製本簡明綜合中期財務資料所採用之會計政策及計算方法與截至二零一七年六月三十日止年度之年度賬目所採用的會計政策一致，惟以下所述者除外。

本中期間間的所得稅按照預期年度總盈利適用的稅率累計。

(a) 採納新準則、對準則的修改／修訂和詮釋之影響

採納以上新準則、對準則的修改／修訂和詮釋對本集團之業績及財務狀況並無重大影響。

(b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

- (b) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:*
(Continued)

Amendments to HKFRS 4
對香港財務報告準則第4號的修訂

Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts¹
針對香港財務報告準則第4號「保險合同」實施香港財務報告準則
第9號「金融工具」¹

Amendment to HKFRS 1
對香港財務報告準則第1號的修訂

First Time Adoption of HKFRS¹
首次採納香港財務報告準則¹

Amendment to HKAS 28
對香港會計準則第28號的修訂

Investments in Associates and Joint Ventures¹
投在聯營和合營企業的投資¹

Amendment to HKAS 40
對香港會計準則第40號的修訂

Transfers of Investment Property¹
投資物業轉移¹

Hong Kong International Financial Reporting
Interpretations Committee ("HK (IFRIC)")
Interpretation 22
香港（國際財務報告詮釋委員會）
詮釋第22號

Foreign Currency Transactions and Advance Consideration¹
外幣交易和預付／預收對價¹

HK(IFRIC) Interpretation 23
香港（國際財務報告詮釋委員會）
詮釋第23號

Uncertainty over Income Tax Treatment²
所得稅相關的不確定性事項²

HKFRS 16
香港財務報告準則第16號

Leases²
租賃²

Amendments to HKFRS 10 and HKAS 28
對香港財務報告準則第10號及
香港會計準則第28號的修訂

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³
投資者與其聯營或合營企業之間的資產出售或注資³

- (1) Effective for annual periods beginning on or after 1st January 2018
(2) Effective for annual periods beginning on or after 1st January 2019
(3) Effective for annual periods beginning on or after a date to be determined

3 會計政策(續)

- (b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：(續)

- (1) 自二零一八年一月一日起的年報期間生效
(2) 自二零一九年一月一日起的年報期間生效
(3) 自仍未確定之日期起年報期間生效

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

- (b) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:*
(Continued)

The Group has commenced, but not yet completed, an assessment of the impact of the new standards and amendments to standards on its results of operations and financial position. However, none of the above new standards and amendments to standards is expected to have a significant effect on the financial statements, except the following set out below:

HKFRS 9: "Financial Instruments"

HKFRS 9 addresses the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

- (b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：(續)

本集團已開始(但並未完成)就此等新準則及對準則的修訂對本集團之業績及財務狀況的影響進行評估。此等新準則及對準則的修訂預期不會對本集團的合併財務報表造成重大影響，惟以下列載者除外：

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號闡述金融資產及金融負債的分類及計量，並介紹套期會計的新規定和財務資產的新減值模型。此準則取代香港會計準則第39號有關金融工具分類及計量的指引。香港財務報告準則第9號保留但簡化混合計量模型，確立財務資產的三個主要計量類別：攤銷成本、按公允價值計入其他全面收入及按公允價值計入損益。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

- (b) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:*
(Continued)

HKFRS 9: "Financial Instruments" (Continued)

In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 Financial Instruments: Recognition and Measurement. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group's financial assets. The Group's available-for-sale investment will either be measured as fair value through profit or loss or be designated as fair value through other comprehensive income (subject to fulfillment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review. HKFRS 9 is mandatory for financial years commencing on or after 1st January 2018. 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)

- (b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：(續)

香港財務報告準則第9號「金融工具」(續)

對於財務資產的減值，香港財務報告準則第9號要求採用預期信用損失模型，而不是根據香港會計準則第39號「金融工具：確認和計量」的已發生損失模型。預期信用損失模型要求實體在每個報告日，考慮預期信用損失及其變動，以反映初始確認以來的信用風險變動。換句話說，在信用損失確認之前不一定已經發生了信用事件。

未來香港財務報告準則第9號的應用可能會對本集團財務資產的分類和計量產生重大影響。本集團的可供出售投資，將以公允價值計量計入損益，或被指定為按公允價值計入其他全面收入(須符合指定標準)。此外，預期信用損失模型可能導致以攤銷成本計量的集團財務資產信用損失提前計提準備。但本集團進行詳細審查前，對香港財務報告準則第9號影響的合理估計是難以估計的。香港財務報告準則第9號必須在二零一八年一月一日或之後開始的財政年度採納。目前，本集團預計不會在生效日期前採納此準則。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

- (b) The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:
(Continued)

HKFRS 15: "Revenue from Contracts with Customers"

HKFRS 15 replaces the previous revenue standards: HKAS 18 Revenue and HKAS 11 Construction Contracts, and the related Interpretations on revenue recognition. HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an "earnings processes" to an "asset-liability" approach based on transfer of control. HKFRS 15 provides specific guidance on capitalisation of contract cost, license arrangements and principal versus agent commissions. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. HKFRS 15 is effective for annual periods beginning on or after 1st January 2018 and earlier application is permitted. The Group does not plan to early adopt HKFRS 15. The Group assessed the impact of the adoption of HKFRS 15 by analysing the Group's key revenue streams against the 5-step approach and did not expect the adoption would have a material impact at the Group's result and financial position.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

- (b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：(續)

香港財務報告準則第15號「客戶合同收益」

香港財務報告準則第15號取代了過往的收益準則：香港會計準則第18號「收益」及香港會計準則第11號「建造合約」，以及收益確認的相關詮釋。香港財務報告準則第15號利用五個步驟，確立釐定確認收益時間及金額的全面框架：(1)辨別客戶合約；(2)辨別合約中的個別履約責任；(3)釐定交易價格；(4)將交易價格分配至履約責任；及(5)於完成履約責任時確認收益。核心原則是公司應按反映公司預期從交換協定貨品或服務收取的代價的金額，確認向客戶轉移有關貨品或服務的收益。該準則由以「盈利過程」為基礎的收益確認模型，轉向以轉移控制權為基礎的「資產負債」方針。香港財務報告準則第15號就合約成本資本化、特許安排及主理人與代理人的經紀佣金提供具體指引。其亦就實體與客戶訂立的合約所產生的收益及現金流量的性質、金額、時間及不明朗因素設定一套嚴密的披露規定。香港財務報告準則第15號於二零一八年一月一日或之後開始的年報期間生效，並可提早應用。本集團並無計劃提早採納香港財務報告準則第15號。本集團按五步法分析主要收益流，評估採用香港財務報告準則第15號的影響，預期對本集團的業績及財務狀況並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

- (b) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:*
(Continued)

HKFRS 16: "Leases"

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 will result in almost all leases being recognised on the balance sheet, 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 Group's operating leases. As at 31st December 2017, the Group has non-cancellable operating lease commitments of HK\$13,813,000 (Note 19). The Directors do not expect the adoption of HKFRSs would result in significant impact on the Group's result but it is expected that certain portion of these lease commitments will be required to be recognised in the consolidated balance sheet as lease liabilities.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

- (b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：(續)

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為出租人和承租人識別租賃協議和會計處理引入了一個綜合模型。香港財務報告準則第16號將在其生效時取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號將導致差不多所有租賃在資產負債表內確認，經營租賃與融資租賃的劃分已被刪除。根據該新準則，資產（該租賃項目的使用權）與支付租金的金融負債被確認。唯一例外者為短期和低價值租賃。對承租人的會計處理將不會有重大改變。

此準則將主要影響本集團經營租賃的會計處理。於二零一七年十二月三十一日，本集團有不可取消的經營租賃承擔13,813,000港元（附註19）。董事預計，採用香港財務報告準則不會對集團業績造成重大影響，但董事預計部分租賃承諾將被要求在綜合資產負債表中作為租賃負債進行確認。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

- (b) *The following new standards and amendments to standards have been issued but are not effective for the financial year beginning 1st July 2017 and have not been early adopted by the Group:*
(Continued)

HKFRS 16: "Leases" (Continued)

HKFRS 16 is mandatory for financial years commencing on or after 1st January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

4 ESTIMATES

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 2017.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

- (b) 以下為已公佈但並非於自截至二零一七年七月一日起的財政年度生效的新準則及對準則的修訂，本集團並無提早採納：(續)

香港財務報告準則第16號「租賃」 (續)

香港財務報告準則第16號必須在二零一九年一月一日或之後開始的財政年度採納。目前，本集團預計不會在生效日期前採納此準則。

4 估計

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，與截至二零一七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 interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30th June 2017.

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 2017.

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、公平值利率風險、現金流量利率風險及價格風險）、信用風險及流動性風險。

中期簡明綜合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二零一七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二零一七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 charges in valuation technique during the period.

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 公平值估計

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平值計量需按下列公平值計量架構披露：

- 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。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation (Continued)

As at 31st December 2017, the Group's financial assets and liabilities that are measured at fair value are categorised as level 3 financial instruments. The following table presents the changes in level 3 instruments for the period ended 31st December 2017.

		Available-for- sale financial asset 可供出售 財務資產 HK\$'000 千港元	Derivative financial instruments 衍生 金融工具 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st July 2017	於二零一七年七月一日	2,000	(29)	1,971
Settlements	結算	—	(736)	(736)
Gain recognised in income statement	於損益表確認收益	—	960	960
At 31st December 2017	於二零一七年十二月三十一日	2,000	195	2,195

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 available-for-sales financial asset 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.

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 公平值估計(續)

於二零一七年十二月三十一日，本集團以公平值計量的財務資產已分類作第3層金融工具。以下為於截至二零一七年十二月三十一日止期間內第3層金融工具的變動表。

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平值估算。本期間內並無任何估值技術的變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

6 REVENUE AND SEGMENT INFORMATION

簡明綜合中期財務資料附註(續)

6 收益及分部資料

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2017	2016
		HK\$'000	HK\$'000
		千港元	千港元
Revenue	營業額		
Sales of goods	銷售貨品	984,675	769,329
Provision of logistics services	提供物流服務	441	1,114
		985,116	770,443

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 including the provision of logistic services ("Others").

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.

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定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（包括：提供物流服務）（「其他」）。

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。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

6 REVENUE AND SEGMENT INFORMATION (Continued)

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

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

		Unaudited 未經審核				
		Engineering				Group 本集團
		Trading 貿易	Colorants 着色劑	plastic 工程塑料	Others 其他	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Revenue	營業額					
– Gross revenue	一分部總銷售	727,608	174,604	117,611	441	1,020,264
– Inter-segment revenue	一分部間銷售	(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
Segment results	分部業績	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

簡明綜合中期財務資料附註(續)

6 收益及分部資料(續)

首席經營決策者據對營業額及經營溢利的計量評估營運分部的表現，方式與簡明綜合財務報表相符。

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：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE 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 收益及分部資料(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	本集團
		貿易	着色劑	工程塑料	其他	
		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 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	存貨減值(撥回)/ 準備	(570)	1,560	771	—	1,761
Provision for impairment of trade and other receivables	貿易及其他應收款 減值準備	—	58	—	2,446	2,504
Gain on disposal of a subsidiary	出售一附屬公司 之收益	—	—	—	(398)	(398)
Fair value gains on derivative financial instruments	衍生金融工具 公平值收益	(960)	—	—	—	(960)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

6 REVENUE AND SEGMENT INFORMATION (Continued)

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

簡明綜合中期財務資料附註(續)

6 收益及分部資料(續)

於二零一七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				Group 本集團 HK\$'000 千港元
		Trading 貿易 HK\$'000 千港元	Colorants 着色劑 HK\$'000 千港元	plastic 工程塑料 HK\$'000 千港元	Others 其他 HK\$'000 千港元	
Segment assets	分部資產	402,093	308,047	173,947	118,078	1,002,165
Total assets	資產總額					1,002,165
Segment liabilities	分部負債	(77,995)	(28,767)	(16,354)	(4,183)	(127,299)
Borrowings	借貸	(288,970)	(23,810)	(42,469)	(7,158)	(362,407)
Total liabilities	負債總額					(489,706)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE AND SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2016 is as follows:

6 收益及分部資料(續)

截至二零一六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 本集團
		Trading 貿易	Colorants 着色劑	plastic 工程塑料	Others 其他	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Revenue	營業額					
– Gross revenue	— 分部總銷售	544,612	166,007	97,687	1,124	809,430
– Inter-segment revenue	— 分部間銷售	(37,189)	(1,627)	(171)	—	(38,987)
Revenue from external customers	外部客戶收益	507,423	164,380	97,516	1,124	770,443
Segment results	分部業績	(3,875)	29,244	9,139	(2,237)	32,271
Finance income	財務收益	40	69	2	—	111
Finance costs	財務費用	(2,671)	(618)	(421)	(186)	(3,896)
(Loss)/profit before income tax	除稅前(虧損)/溢利	(6,506)	28,695	8,720	(2,423)	28,486

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

6 REVENUE AND SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2016 is as follows: (Continued)

簡明綜合中期財務資料附註(續)

6 收益及分部資料(續)

截至二零一六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				
		Trading	Colorants	Engineering	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 tax assets)	非流動資產增加 (除金融工具及遞延 稅項資產外)	407	8,352	4,171	76	13,006
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	340	2,588	3,957	265	7,150
Amortisation of leasehold land and land use rights	租賃土地及土地 使用權之攤銷	179	130	16	39	364
Provision for impairment of inventories	存貨減值準備	809	347	375	6	1,537
(Reversal of)/provision for impairment of trade receivables	應收款減值(撥回)/ 準備	(5)	26	—	—	21
Fair value gains on derivative financial instruments	衍生金融工具 公平值收益	(1,122)	—	—	—	(1,122)
Reversal of impairment of deposit for acquisition of properties	收購物業之按金 減值撥回	—	(8,148)	—	—	(8,148)
Impairment of property, plant and equipment	物業、廠房及設備 減值	—	—	—	201	201

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE AND SEGMENT INFORMATION (Continued)

The segment information provided to the CODM for the reportable segments as at 30th June 2017 is as follows:

6 收益及分部資料(續)

於二零一七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				Group 本集團
		Trading 貿易	Colorants 着色劑	plastic 工程塑料	Others 其他	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Segment assets	分部資產	379,700	293,466	159,016	120,831	953,013
Total assets	資產總額					953,013
Segment liabilities	分部負債	(83,700)	(29,688)	(19,288)	(5,310)	(137,986)
Borrowings	借貸	(264,877)	(22,989)	(37,005)	(6,959)	(331,830)
Total liabilities	負債總額					(469,816)

The entity is domiciled in Hong Kong. The revenue from external customers from Hong Kong for the six months ended 31st December 2017 is approximately HK\$460,569,000 (2016: HK\$319,654,000) and the total of its revenue from external customers from other locations (mainly the PRC) is approximately HK\$524,547,000 (2016: HK\$450,789,000).

本實體以香港為基地。截至二零一七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460,569,000港元(二零一六年：319,654,000港元)，而來自其他地區(主要為中國)之外部客戶收益約為524,547,000港元(二零一六年：450,789,000港元)。

At 31st December 2017, the total of non-current assets other than financial instruments and deferred income tax assets located in Hong Kong is approximately HK\$159,630,000 (30th June 2017: HK\$160,722,000) and the total of these non-current assets located in other locations (mainly the PRC) is approximately HK\$121,834,000 (30th June 2017: HK\$107,951,000).

於二零一七年十二月三十一日，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159,630,000港元(於二零一七年六月三十日：160,722,000港元)，而位於其他地區(主要為中國)之此等非流動資產約為121,834,000港元(於二零一七年六月三十日：107,951,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

7 OTHER GAINS, NET

簡明綜合中期財務資料附註(續)

7 其他收益－淨值

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Net exchange losses	外匯虧損淨額	(512)	(636)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	51	123
Gain on disposal of a subsidiary	出售附屬公司收益	398	—
Fair value gains from forward foreign exchange contracts held for trading	持作買賣用途之外匯遠期 合約公允價值收益	960	1,122
Fair value gains on investment properties	投資物業的公允價值收益	—	331
Reversal of impairment of deposit for acquisition of properties (Note)	收購物業之按金減值撥回(附註)	—	8,148
Others	其他	948	708
		1,845	9,796

Note:

During the year ended 30th June 2007, the Group paid a deposit of RMB7,150,000 (approximately HK\$7,989,000) for the acquisition of certain properties in the PRC, in which the deposit paid represents the value of the building portion of the properties. However, the transaction had not been completed for years as defects in certain title documents were yet to be rectified despite continuous efforts had been made to obtain those documents. During the year ended 30th June 2013, the management concluded that there were significant uncertainties over the recoverability of the deposit, as a result, a full provision was made on the deposit.

During the six months ended 31st December 2016, the Group had obtained the property right certificate of the foresaid properties. Accordingly, the impairment of the deposit of RMB7,150,000 (approximately HK\$8,148,000) was reversed to condensed consolidated income statement.

附註：

於截至二零零七年六月三十日，本集團就收購若干位於中國內地的物業支付人民幣7,150,000元（等值約7,989,000港元）之按金，其按金代表該物業之建築物部分。儘管已不斷作出努力，但因若干業權文件之缺憾仍需釐清，故此交易仍未完成。管理層對可收回此按金存在重大不確定性，因此於截至二零一三年六月三十日止年度已就此訂金作出全額撥備。

於截至二零一六年十二月三十一日六個月，本集團已取得上述物業之房地產權證。因此，人民幣7,150,000元（等值約8,148,000港元）按金之減值已於本期間之簡明綜合收益表內撥回。

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	
		2017 HK\$'000 千港元	2016 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	810,493	618,579
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	8,079	7,150
Amortisation of leasehold land and land use rights	租賃土地及土地使用權之攤銷	339	364
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租賃租金	4,293	3,803
Employee benefit expenses, including Directors' emoluments	僱員福利支出 (包括董事酬金)	61,899	59,126
Provision for impairment of trade and other receivables	貿易及其他應收款減值準備	2,504	21
Provision for impairment of inventories	存貨減值準備	1,761	1,537
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(51)	(123)
Fair value gains from forward foreign exchange contracts held for trading	持作買賣用途之外匯遠期 合約公允價值收益	(960)	(1,122)
Fair value gains on investment properties	投資物業的公允價值收益	—	(331)
Impairment of property, plant and equipment	物業、廠房及設備減值	—	201

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	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Finance income:	財務收益：		
– Interest income from bank deposits	– 銀行存款利息收入	203	111
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	(6,105)	(4,983)
– Net exchange (losses)/gains on financing activities	– 融資業務之外匯 (虧損)/收益淨額	(244)	1,087
		(6,349)	(3,896)
Finance costs, net	財務費用－淨值	(6,146)	(3,785)

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% (2016: 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 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(二零一六年：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	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Current income tax	本期稅項		
– Hong Kong profits tax	– 香港利得稅	724	933
– PRC corporate income tax	– 中國所得稅	9,922	5,772
		10,646	6,705
Deferred income tax	遞延稅項	27	263
		10,673	6,968

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 2017, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$260,105,000 (30th June 2017: HK\$256,951,000). Aside from tax losses generated from certain subsidiaries incorporated in the PRC amounted to HK\$7,366,000 (30th June 2017: HK\$8,788,000) with expiry dates from 2018 to 2022, 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\$43,543,000 (30th June 2017: HK\$42,858,000).

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。於二零一七年十二月三十一日，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260,105,000港元(於二零一七年六月三十日：256,951,000港元)確認遞延所得稅資產約43,543,000港元(於二零一七年六月三十日：42,858,000港元)。於中國成立的附屬公司所產生由二零一八年至二零二年到期的稅務虧損約為7,366,000港元(於二零一七年六月三十日：8,788,000港元)，其餘稅務虧損並無到期日。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

11 DIVIDENDS

On 27th September 2016, the Directors resolved not to declare any final dividend for the year ended 30th June 2016.

On 27th February 2017, the Directors declared an interim dividend of HK1.0 cent per share, totaling HK\$3,692,000 for the six months ended 31st December 2016.

On 28th September 2017, the Directors 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 period ended 31st December 2017.

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.

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\$22,569,000 (2016: HK\$19,870,000) and 369,200,000 (2016: 369,200,000) ordinary shares in issue during the period.

Dilutive earnings per share for the period ended 31st December 2017 and 2016 equal basic earnings per share as there was no dilutive potential ordinary share as at the period ended 31st December 2017 and 2016.

簡明綜合中期財務資料附註(續)

11 股息

於二零一六年九月二十七日，董事議決不就截至二零一六年六月三十日止年度宣派任何末期股息。

於二零一七年二月二十七日，董事宣佈就截至二零一六年十二月三十一日止六個月派發中期股息每股1.0港仙，共3,692,000港元。

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。此項股息已於截至二零一七年十二月三十一日止期間內支付。

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六個月派發中期股息每股1.0港仙，共3,692,000港元。

12 每股盈利

每股基本盈利乃根據本期公司股東應佔溢利22,569,000港元(二零一六年：19,870,000港元)及期內已發行普通股369,200,000股(二零一六年：369,200,000股)計算。

於二零一七年十二月三十一日及二零一六年十二月三十一日，本公司並無具攤薄潛力之普通股，因此，於截至二零一七年十二月三十一日及二零一六年十二月三十一日止兩個期間，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 HK\$'000 千港元	Leasehold land and land use rights 租賃土地及 土地使用權 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元
Net book value as at 1st July 2017	於二零一七年七月一日之 賬面淨值	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 之賬面淨值	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)

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

(Continued)

13 物業、廠房及設備、租賃土地及土
地使用權和投資物業(續)

		Unaudited 未經審核		
		Property, plant and equipment 物業、廠房及 設備 HK\$'000 千港元	Leasehold land and land use rights 租賃土地及 土地使用權 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元
Net book value as at	於二零一六年七月一日之			
1st July 2016	賬面淨值	118,172	22,397	106,050
Exchange difference	匯兌差額	(2,597)	(738)	(499)
Additions	增加	5,165	—	3,902
Reversal of impairment of deposit for acquisition of properties (Note 7)	收購物業之按金減值撥回 (附註7)	—	—	8,148
Transfer to investment properties	轉至投資物業	—	(2,869)	2,869
Disposals	出售	(14)	—	—
Impairment	減值	(201)	—	—
Fair value gains (Note 7)	公平值收益(附註7)	—	—	331
Depreciation/amortisation (Note 8)	折舊／攤銷(附註8)	(7,150)	(364)	—
Net book value as at	於二零一六年十二月三十一日			
31st December 2016	之賬面淨值	113,375	18,426	120,801

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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Trade receivables	貿易應收款	233,884	236,285
Less: provision for impairment of receivables	減：應收款減值準備	(4,508)	(4,902)
		229,376	231,383
Bills receivables	應收票據	24,325	33,499
		253,701	264,882

At 31st December 2017, the aging analysis of trade receivables, based on invoice date, is as follows:

於二零一七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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	220,245	218,020
91-180 days	91-180日	7,106	9,963
Over 180 days	超過180日	6,533	8,302
		233,884	236,285

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 2017, there are bills of exchange HK\$10,435,000 (30th June 2017: HK\$ 18,566,000) 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 2017, the aging analysis of trade payables, based on invoice date, is as follows:

		Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	70,854	87,426
91-180 days	91-180日	1,539	60
Over 180 days	超過180日	894	1,027
		73,287	88,513

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。

於二零一七年十二月三十一日，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10,435,000港元(於二零一七年六月三十日：18,566,000港元)。有關交易已列為抵押化的銀行墊款。

15 貿易應付款

於二零一七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：

Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
70,854	87,426
1,539	60
894	1,027
73,287	88,513

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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Current borrowings	流動借貸		
Bank loans due for repayment within one year - secured	需於一年內償還之 銀行貸款－有抵押	117,239	109,047
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	—	667
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	225,194	194,292
Bank advances for discounted bills (Note 14)	銀行貼現票據墊款(附註14)	10,435	18,566
Bank overdrafts - secured	銀行透支－有抵押	9,539	9,258
Total borrowings	總借貸	362,407	331,830

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 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
Period ended 31st December 2016	截至二零一六年十二月三十一日止期間	
Opening amount as at 1st July 2016	於二零一六年七月一日之期初金額	280,843
Currency translation differences	匯兌差額	(2,230)
Repayments of borrowings	償還借貸	(73,858)
Drawdown of new borrowings	新借貸款	81,879
Increase in trust receipt loans	信託收據貸款增加	35,001
Closing amount as at 31st December 2016	於二零一六年十二月三十一日之期末金額	321,635

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

16 BORROWINGS (Continued)

The Group has the following undrawn borrowing facilities:

		Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Floating rate – expiring beyond one year	浮動利率－一年以上到期	121,974	129,229

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 amount of HK\$41,567,000 (30th June 2017: HK\$41,685,000), HK\$3,221,000 (30th June 2017: HK\$3,200,000), HK\$31,414,000 (30th June 2017: HK\$31,414,000) and HK\$35,714,000 (30th June 2017: HK\$22,989,000) respectively.

簡明綜合中期財務資料附註(續)

16 借貸(續)

本集團有以下未使用之借貸額度：

	Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Floating rate – expiring beyond one year	121,974	129,229

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41,567,000港元（於二零一七年六月三十日：41,685,000港元）、3,221,000港元（於二零一七年六月三十日：3,200,000港元）、31,414,000港元（於二零一七年六月三十日：31,414,000港元）及35,714,000港元（於二零一七年六月三十日：22,989,000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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
Authorised:	法定股本：		
800,000,000 (30th June 2017: 800,000,000) ordinary shares of HK\$0.10 each	800,000,000 (於二零一七年 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 2017: 369,200,000) ordinary shares of HK\$0.10 each	369,200,000 (於二零一七年 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)

18 DERIVATIVE FINANCIAL INSTRUMENTS

簡明綜合中期財務資料附註(續)

18 衍生金融工具

		Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日	Audited 經審核 30th June 2017 於二零一七年 六月三十日
		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
Held for trading	持作出售		
– Forward foreign exchange contracts (Note)	– 外匯遠期合約(附註)	195	(29)

Note:

Forward foreign exchange contracts

As at 31st December 2017, the Group had outstanding forward foreign exchange contracts mainly to purchase USD (30th June 2017: purchase USD). The maximum notional principal amounts of these outstanding forward foreign exchange contracts at 31st December 2017 were as follows:

附註：

外匯遠期合約

於二零一七年十二月三十一日，本集團有未交收外匯遠期合約主要以買美元（於二零一七年六月三十日：買美元）。於二零一七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 2017 於二零一七年 十二月三十一日	Audited 經審核 30th June 2017 於二零一七年 六月三十日
		HK\$'000 千港元	HK\$'000 千港元
Sell HK dollars for US dollars	沽售港元以買入美元	23,400	148,200
Sell US dollars for HK dollars	沽售美元以買入港元	23,400	—

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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 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	5,611	3,187

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

19 COMMITMENTS (Continued)

(b) Commitments under operating leases

As at 31st December 2017, the Group had future aggregate minimum lease payments and receivables under non-cancellable operating leases as follows:

		Unaudited 未經審核 31st December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 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	5,064	4,946
Later than one year and not later than five years	一年後但不遲於五年	8,749	10,360
Later than five years	五年後	—	—
		13,813	15,306

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 fall short of the 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

於二零一七年十二月三十一日，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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 六月三十日 HK\$'000 千港元
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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 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2017 於二零一七年 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	6,013	5,857
Later than one year and not later than five years	一年後但不遲於五年	1,861	3,647
Later than five years	五年後	—	—
		7,874	9,504

20 CONTINGENT LIABILITIES

During the year ended 30th June 2016, 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\$5,952,000). As at 31st December 2017, 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 2017.

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5,952,000港元)的申索。於二零一七年十二月三十一日，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，董事認為於二零一七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。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

21 TRANSACTION WITH NON-CONTROLLING INTEREST

Acquisition of additional interest in a subsidiary

During the period ended 31st December 2017, the Group acquired 10.1% of effective interest shareholding of NHH Worldwide Logistics Limited ("NHWL") at a consideration of HK\$1. The Group recognised an increase in non-controlling interests of HK\$520,000 and a decrease in equity attributable to owners of the Company of HK\$520,000. The effect of change in the ownership interest of NHWL on the equity attributable to owners of the Company during the period is summarised as follows:

簡明綜合中期財務資料附註(續)

21 與非控制性權益的交易

收購附屬公司額外權益

於截至二零一七年十二月三十一日止期間，本集團以1港元之代價收購毅興環球物流有限公司(「毅興物流」)百分之十點一之有效股本權益。本集團確認非控制權益增加520,000港元，歸屬於母公司所有者的權益減少520,000港元。毅興物流的所有者權益的變動對期內歸屬於本公司所有者的權益的影響摘要如下：

		Unaudited 未經審核 Six months ended 31st December 2017 截至 二零一七年 十二月三十一 止六個月 HK\$'000 千港元
Carrying amount of non-controlling interest acquired	購入非控制權益的賬面值	(520)
Consideration paid to non-controlling interest (HK\$1)	支付予非控制權益的對價(1港元)	—
Excess of consideration paid recognised within equity	超額支付的對價部分於權益中確認	(520)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

22 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:

簡明綜合中期財務資料附註(續)

22 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	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Basic salaries, allowances and other benefits in kind	基本薪酬、津貼及其他實物利益	7,070	6,936
Pensions - defined contribution plans	退休金－界定供款計劃	54	54
		7,124	6,990

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

22 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	
		2017 HK\$'000 千港元	2016 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))	474	474
– Shine Systems Plastic Materials Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註(ii))	450	156
		924	630

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.

簡明綜合中期財務資料附註(續)

22 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	
		2017 HK\$'000 千港元	2016 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))	474	474
– Shine Systems Plastic Materials Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註(ii))	450	156
		924	630

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 Directors are pleased to declare an interim dividend of Hong Kong 1.0 cent per share for the six months ended 31st December 2017 to members whose names appear on the Register of Members on 23rd March 2018. The dividend will be paid on or before 9th April 2018.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 21st March 2018 to Friday, 23rd March 2018 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 20th March 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Looking back to the second half of 2017, the global economy gradually gained growth momentum, although challenges such as interest rate hikes in the United States and the North Korean nuclear threat have created uncertainties for the macroeconomic environment. However, the exchange rate of the Renminbi has stabilised and the balance of supply and demand in global oil markets has been achieved. In addition, the Group has continued to improve its product quality, expand its customer base and implement an effective cost reduction strategy. Thus, the Group's business has been steadily improved. For the six months ended 31 December 2017, the Group's total turnover amounted to HK\$985,116,000 (2016: HK\$770,443,000), 27.9% higher than the corresponding period last year. The Group was encouraged by the results.

中期股息

董事會欣然宣佈派發截至二零一七年十二月三十一日止六個月之中期股息每股1.0港仙予於二零一八年三月二十三日名列股東名冊之股東。該項股息將於二零一八年四月九日或之前支付。

暫停辦理股份過戶登記手續

本公司將由二零一八年三月二十一日(星期三)至二零一八年三月二十三日(星期五)，首尾兩天包括在內，暫停辦理股票過戶登記手續。為確保享有中期股息，所有填妥之股份過戶文件連同有關股票，須於二零一八年三月二十日(星期二)下午四時正前送達本公司之香港股份過戶登記分處，聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室，辦理登記。

管理層討論及分析

業務回顧

回顧二零一七下半年，環球經濟漸重拾增長動力，但美國持續加息以及北韓核威脅等眾多挑戰依然為宏觀經濟環境充斥著不明朗因素。然而，穩定的人民幣匯價及全球石油市場供需趨向平衡，加上本集團持續提升產品質量、擴充客戶群基礎及精簡成本的策略得宜，令本集團業務發展穩步改善。截至二零一七年十二月三十一日止六個月，本集團之總營業額為985,116,000港元(二零一六年：770,443,000港元)，較去年同期比較錄得百分之二十七點九之升幅，表現令人鼓舞。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

During the period, the Group's gross profit increased by 22.3% to HK\$133,608,000 (2016: HK\$109,224,000). Although its gross profit margin decreased by 0.6 percentage points to 13.6%, profit attributable to equity holders of the Company climbed 13.6% to HK\$22,569,000 (2016: HK\$19,870,000) thanks to the continuous improvement of internal production and operating efficiency. Basic earnings per share were HK6.11 cents (2016: HK5.38 cents).

To reward its shareholders for their unwavering support, the Board of Directors has recommended the payment of an interim dividend of HK1.0 cent per share (2016: HK1.0 cent per share).

Among the Group's three major businesses, the performance of the plastics trading business has been outstanding, achieving a turnaround in the period. The Group strategically adjusted its sales model to liaise with world-renowned fast food restaurant chains, and such strategic move has started to yield a satisfactory result. More bulk orders were received compared with the same period last year. As a result, segmental turnover surged 37% to HK\$694,936,000 from the last corresponding period and gross profit margin also rose by 0.5 percentage point, generating a profit before taxation of HK\$17,235,000. Besides, the Group strived to enrich its product mix and has expanded into other technological applications for new energy, including solar energy panels. As the cooperation model of liaising directly with end-customers matures, the Group will persist with this strategy, and explore opportunities to work with end-customers in order to realise new income sources.

管理層討論及分析(續)

業務回顧(續)

期內，本集團毛利上升百分之二十二點三至133,608,000港元(二零一六年：109,224,000港元)，雖然毛利率下降零點六個百分點至百分之十三點六，不過，本集團持續改善內部生產和運營效率取得成效，公司股東應佔溢利錄得百分之十三點六升幅至22,569,000港元(二零一六年：19,870,000港元)，每股基本盈利為6.11港仙(二零一六年：5.38港仙)。

為回饋股東之不懈支持，董事會建議派發中期股息每股1.0港仙(二零一六年：每股1.0港仙)。

在本集團的三大業務中，塑膠原料貿易業務表現令人欣喜，於期內成功轉虧為盈。自本集團策略調整銷售模式，與蜚聲國際的連鎖快餐店接洽之經營策略開始踏入收成期，大宗訂單數量較去年同期大幅增長，帶動該業務之營業額較去年同期大幅增長百分之三十七至694,936,000港元，毛利率錄得零點五個百分點之升幅，除稅前盈利達17,235,000港元。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，包括太陽能電池板。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。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

As for the engineering plastic business, the Group has entered potential markets, including environmentally-friendly foldable household items that have been popular in the market in recent years, high-end brands for infant toys, etc. These products are required to observe strict requirements on the design, production process and safety standards. Thanks to the Group's outstanding production technology and edge in R&D, the Group could stand out from its peers and capture the opportunities available in the market. During the period, turnover of this segment increased by 19.6% to HK\$116,613,000. Gross profit margin remained stable, while profit before taxation increased by 40.3%. Its Dongguan branch reported the most satisfactory performance. Apart from the water treatment pump for industrial use and traditional large plastic toys that were well received in the market, other tailor-made products contributed substantial orders to the Group so the profit before taxation of this branch increased more than double and the performance was encouraging. As the Group completes optimisation of its production facilities, production capacity and product quality are expected to be enhanced which will be reflected in 2018 and consequently bolster its overall profitability.

As for the colorants, pigments and compounded plastic resin business segment, turnover increased by 5.3% to HK\$173,134,000. Due to keen competition within certain market segments such as the food packaging market, gross profit margin was 1.7 percentage points lower than the corresponding period of last year. With the rising costs of labour, R&D, administration and logistics, profit before taxation declined by 63.8%. Meanwhile, the Group has continued to expand its high quality sanitary accessories clientele in China. Its Xiamen branch has maintained stable business performance with a 20% growth in turnover. In the face of the intensified competition in the new energy electric vehicle market, the Group has responded to the market conditions by adopting an appropriate development strategy. It has developed electric vehicle-related products with an internationally-renowned automobile brand. At the same time, the Group has focused on value-added products and service with the aim of exploring new income streams and expanding its customer base. The Group believes that high quality and attentive service not only enhances its corporate image, but also enables it to better develop good relationships with customers. The Group also continues to leverage its strong R&D capability to boost its core competitiveness, in order to attract domestic and overseas customers and broaden its customer base and profit streams in the long run.

管理層討論及分析(續)

業務回顧(續)

工程塑料業務方面，本集團打入具潛力的市場，包括近年備受市場推崇的具環保概念可伸縮的摺疊家具用品，以及高級幼兒玩具品牌等，這些產品無論對設計、生產工藝，以及安全標準均十分嚴格，憑藉本集團出色的生產技術及研發優勢，成功從同行中脫穎而出，抓住該市場的商機。期內，該業務之營業額錄得百分之十九點六的增幅至116,613,000港元，毛利率保持平穩，除稅前盈利上升百分之四十點三。本集團位於東莞的分公司表現最為理想，除推出工業用的水處理泵及傳統大型玩具塑料產品獲市場正面迴響外，為客戶度身訂做產品亦成功為本集團爭取不少訂單，使其分公司的除稅前盈利錄得超過一倍之升幅，成績令人鼓舞。隨著各廠房相繼優化後，預期產能及產品質量將獲得提升，並於二零一八年陸續反映，有助鞏固本集團的整體盈利能力。

於着色劑、色粉及混料業務方面，營業額錄得百分之五點三之增幅至173,134,000港元，但由於食品包裝等市場競爭激烈，使毛利率較去年同期減少一點七個百分點，加上員工、研發、行政，以及物流等成本增加，除稅前盈利錄得百分之六十三點八之跌幅。本集團繼續拓展國內高質量衛浴產品客戶，位於廈門的分公司收入增長百分之二十，業務表現保持穩定。雖然新能源汽車市場競爭日趨激烈，本集團亦以相應的發展策略作配合，透過與國際知名汽車品牌發展電動車相關產品，同時集中增值產品服務，開闢新收入渠道及客戶群。本集團認為，優質摯誠的服務除可提高本集團的企業形象外，更能有效地與客戶建立良好的關係，本集團亦會繼續善用其強大的科研實力，提升核心競爭力。長遠而言，將可繼續吸引國內外客戶群，擴展客戶基礎，為本集團開闢更多的盈利渠道。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECTS

The interest rate hikes in the United States have led to the increased costs for corporations and the economy may continue to be affected by geopolitical tensions. Nevertheless, the petroleum exporting countries have agreed to decrease production and extend this agreement to the end of 2018. The oil price is expected to remain stable this year which will have positive impact on the demand for and prices of industrial raw materials. Moreover, given the stable foreign exchange market and more positive outlook on the Chinese and global economies, the management remains optimistic about the Group's business development.

Regarding business development, the Group will continue to implement its strategic direction. It will increase investment in R&D resources to facilitate the development of high value-added products with high gross profit margins. At the same time, it will broaden its customer base through direct negotiation with end-customers and will also maintain a stable relationship with major toy manufacturers, thereby bringing a long-term stable income to the Group and enabling it to seize development opportunities in different markets.

As for production capacity and cost control, the improvement project of the Group's Shanghai production base should be completed in the second half of this year while its newly relocated plant in Xiamen will commence production. The production capacity will be increased and the transformation and upgrade of automated production systems will reduce labour costs after optimisation of factories. Consequently, the Group will better focus on inventory management and flexibly adjust its production strategy, so as to realise a more cost-effective operations model and address the market trend to expand its business. The Group will implement stringent cost control measures as it aims to enhance overall profit performance through the integration of internal and external resources.

The Group will actively seize market opportunities and will adopt sound, pragmatic and aggressive business strategies as it has previously in a bid to achieve long-term stable growth and bring promising returns to its shareholders.

管理層討論及分析(續)

展望

儘管美國加息令企業成本增加，以及經濟未來仍受地緣局勢緊張影響，不過多個石油輸出國達成減產協議並延長協議至二零一八年底，預計今年油價持續平穩，對推動工業原材料需求及價格提升有正面影響，加上外匯市場穩定、中國經濟及環球經濟轉趨樂觀，管理層對業務發展保持樂觀態度。

業務發展方面，本集團將繼續執行既定的發展方針，一方面加大研發資源投入，推行發展高增值、高毛利產品，另一方面擴闊客戶基礎，包括直接與終端客戶接洽，並與大型玩具商等保持穩定關係。此舉不但為本集團帶來長期而穩定的收入，以助本集團抓住各地市場的發展機遇。

產能及成本控制方面，上海廠房的改善工程預期於今年下半年完成，而廈門的新搬遷之廠房亦將陸續投入生產，待廠房相繼完成優化後，產能不僅可獲提升，改造及提升自動化生產系統將可降低人力成本，使本集團更有效集中管理存貨及靈活轉變生產策略，實現更具經濟效益的營運模式，配合市場趨勢擴展業務。本集團將嚴格執行成本控制措施，務求透過內外資源整合，並駕齊驅提高整體的盈利表現。

本集團會積極抓緊市場機遇，誠如以往採取穩健及務實進取的業務策略，竭力實現長期穩定增長，為股東帶來可觀的回報。

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 2017, the Group has available aggregate bank loan facilities of approximately HK\$484,381,000 of which HK\$362,407,000 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 2017 amounted to approximately HK\$106,900,000. The Group's gearing ratio as at 31st December 2017 was approximately 74%, based on the total bank borrowings of approximately HK\$362,407,000 and the shareholders' funds of approximately HK\$489,282,000.

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 2017, the Group had outstanding forward foreign exchange contracts mainly to sell/purchase US dollars. The maximum notional principal amounts of these outstanding forward foreign exchange contracts at 31st December 2017 were as follows:

		2017 HK\$' 000 千港元
Sell HK dollars for US dollars	沽港元以買入美元	23,400
Sell US dollars for HK dollars	沽美元以買入港元	23,400

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。於二零一七年十二月三十一日，本集團可動用銀行貸款約484,381,000港元，經已動用合共約362,407,000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。本集團於二零一七年十二月三十一日之現金及銀行結餘約為106,900,000港元。根據銀行貸款總額約362,407,000港元及股東資金約489,282,000港元計算，本集團於二零一七年十二月三十一日之資產負債比率約為百分之七十四。

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。

於二零一七年十二月三十一日，本集團有未交收外匯遠期合約主要以賣／買美元。於二零一七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 2017, the Group employed a total of approximately 697 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

於二零一七年十二月三十一日，本集團有合共約697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 2017, 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:

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

於二零一七年十二月三十一日，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：

Ordinary shares of HK\$0.10 each in the Company

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			
			實益持有之本公司股份數目			
			Personal interests 個人權益	Corporate interests 法團權益	Family interests 家屬權益	Other interests 其他權益
Mr HUI Sai Chung	許世聰先生	Long Positions 好倉	16,003,600	202,721,500(a)	—	—
Mr HUI Kwok Kwong	許國光先生	Long Positions 好倉	19,850,400	198,803,500(b)	—	—
Mr HUI Yan Kuen	許人權先生	Long Positions 好倉	—	202,721,500(c)	—	—
Madam LIU Sau Lai	廖秀麗女士	Long Positions 好倉	1,423,000	—	—	(d)

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 (d)). 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 (d)). 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 Limited ("Good Benefit"), a company in which Ever Win Limited ("Ever Win") holds a 45.1% interest (note (d)). 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) 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 2017, 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：

- (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(d))。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(d))。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 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(d))。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) 董事在Good Benefit (於二零一七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%
Madam LIU Sau Lai	廖秀麗女士	80	0.8%
Others	其他	900	9.0%
		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)

(d) (Continued)

At 31st December 2017, 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
Mr HUI Sai Chung	許世聰先生
Mr HUI Kwok Kwong	許國光先生

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 2017, 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)

(d) (續)

於二零一七年十二月三十一日，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。

Number of non-voting deferred shares held	
持有無投票權遞延股份數目	
Personal interests	Other interests
個人權益	其他權益

200,000	50,000 (i)
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，於二零一七年十二月三十一日，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 2017, 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二零一七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 2017, 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，截至二零一七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 2017 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，包括審閱截至二零一七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,

26th February 2018

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。

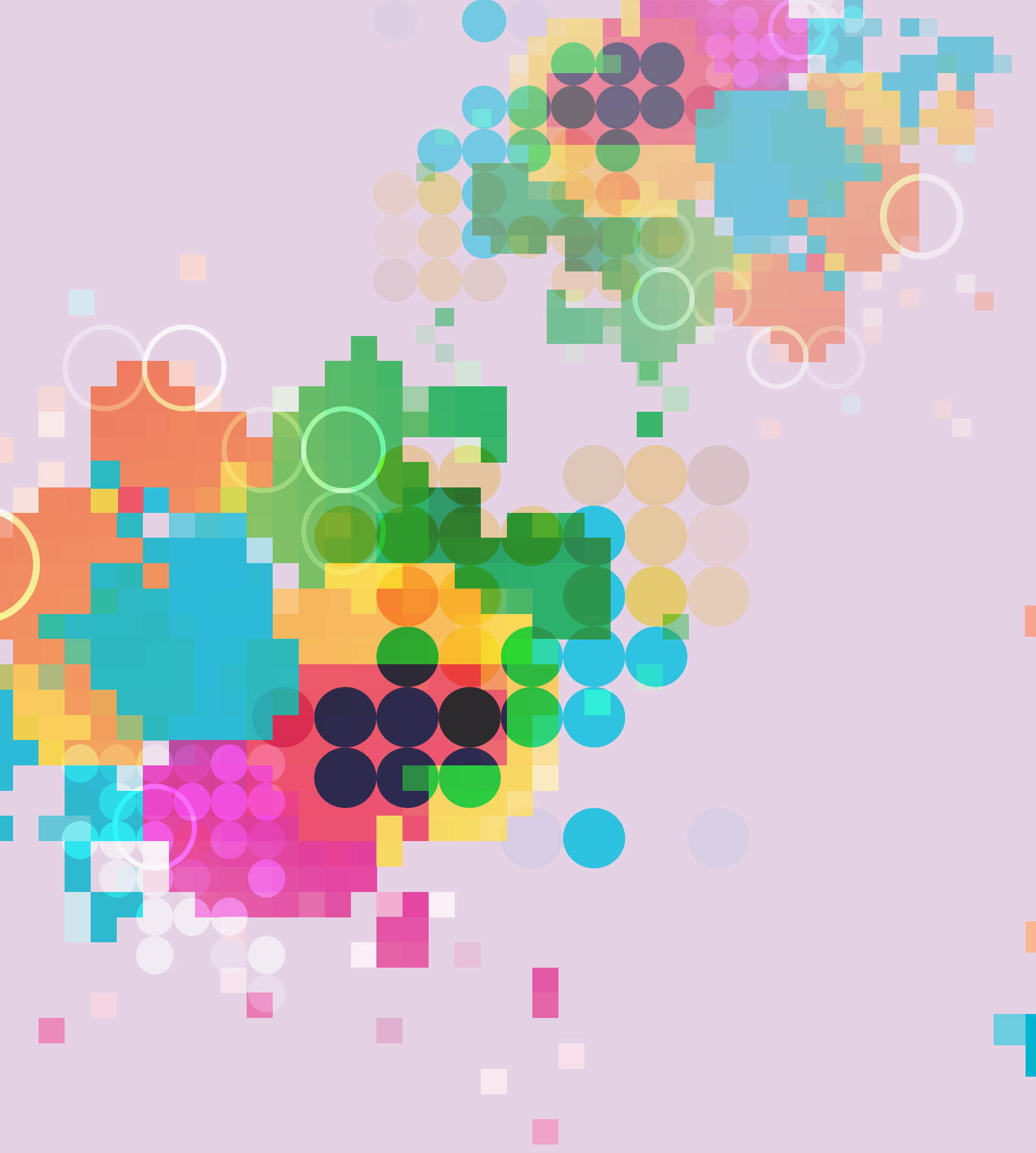
代表董事會

主席

許世聰

香港，

二零一八年二月二十六日



Ngai Hing Hong Company Limited
毅興行有限公司