

把握全球機遇 · 共創

Seize Global Opportunities.
Create a Beautiful China.

美麗 中國



**MERRY GARDEN
HOLDINGS LIMITED**
美麗家園控股有限公司

中期報告 **2014**
Interim Report

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1237

CONTENTS 目錄

Corporate Information 公司資料	2
Highlights for the Period 半年摘要	5
Financial Summary 財務概要	6
Chairman's Statement 主席報告	8
Management Discussion and Analysis 管理層討論與分析	10
Other Information 其他資料	20
Consolidated Statement of Profit or Loss — Unaudited 綜合損益表 — 未經審核	26
Consolidated Statement of Profit or Loss and Other Comprehensive Income — Unaudited 綜合損益及其他全面收益表 — 未經審核	27
Consolidated Statement of Financial Position — Unaudited 綜合財務狀況表 — 未經審核	28
Consolidated Statement of Changes in Equity — Unaudited 綜合權益變動表 — 未經審核	30
Consolidated Cash Flow Statement — Unaudited 綜合現金流量表 — 未經審核	32
Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註	33

Corporate Information

公司資料

CORPORATE PROFILE

Merry Garden Holdings Limited (“the Company”) is a wooden leisure product enterprise in the People’s Republic of China (“the PRC”) with over 20 years of experience in production and sales of leisure household products and timber villas and their related parts and structures. The Company has established its sales network through distributors as well as its self-operated retail stores network. A series of wooden leisure products has been launch by the Company to promote a leisure and natural lifestyle. The Company was listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) in 2012.

公司簡介

美麗家園控股有限公司(「本公司」)為中國一家休閒木製品企業，於生產及銷售休閒家居用品、木屋及其相關部件及構件的業務擁有逾20年經驗。本公司通過分銷商及自營零售店網絡建立其銷售網絡，並透過推出一系列休閒木製品以推廣休閒自然的生活方式。本公司於二零一二年在香港聯合交易所有限公司(「聯交所」)上市。

BOARD OF DIRECTORS

Executive Directors

Mr. Wu Zheyang (“Mr. Wu”)

Mr. Wu Qingshan (“Mr. QS Wu”)

Ms. Xie Qingmei (“Ms. Xie”)

Non-executive Directors

Mr. Lee Kong Wai, Conway (appointed on 16 July 2014)

Mr. Wu Dongping

Independent non-executive Directors

Mr. Lam Hin Chi

Prof. Jin Zhongwei

Prof. Su Wenqiang

AUDIT COMMITTEE

Mr. Lam Hin Chi (*chairman*)

Prof. Su Wenqiang

Prof. Jin Zhongwei

REMUNERATION COMMITTEE

Prof. Jin Zhongwei (*chairman*)

Prof. Su Wenqiang

Mr. Lam Hin Chi

NOMINATION COMMITTEE

Prof. Jin Zhongwei (*chairman*)

Prof. Su Wenqiang

Mr. Lam Hin Chi

董事會

執行董事

吳哲彥先生(「吳先生」)

吳青山先生(「吳青山先生」)

謝清美女士(「謝女士」)

非執行董事

李港衛先生(於二零一四年七月十六日獲委任)

吳冬平先生

獨立非執行董事

藍顯賜先生

金重為教授

蘇文強教授

審計委員會

藍顯賜先生(主席)

蘇文強教授

金重為教授

薪酬委員會

金重為教授(主席)

蘇文強教授

藍顯賜先生

提名委員會

金重為教授(主席)

蘇文強教授

藍顯賜先生

Corporate Information (Continued)

公司資料(續)

COMPANY SECRETARY

Mr. Wong Wai Lun, CPA

AUTHORISED REPRESENTATIVES

Mr. Wong Wai Lun

Mr. Wu Zheyang

AUDITOR

KPMG

LEGAL ADVISOR

Eversheds

PRINCIPAL BANKERS

Agricultural Bank of China, Zhangping Branch

China Construction Bank, Zhangping Branch

Bank of China, Zhangping Branch

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2702

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

HEAD OFFICE IN THE PRC

Fushan Industrial District,

Zhangping, Fujian, the PRC

公司秘書

黃偉倫先生 · CPA

授權代表

黃偉倫先生

吳哲彥先生

核數師

畢馬威會計師事務所

法律顧問

安睿國際律師事務所

主要往來銀行

中國農業銀行漳平支行

中國建設銀行漳平支行

中國銀行漳平支行

註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

香港主要營業地點

香港

灣仔

港灣道26號

華潤大廈

2702室

中國總部

中國福建省漳平市

富山工業區

Corporate Information (Continued)

公司資料(續)

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

WEBSITE

www.merrygardenholdings.com

STOCK CODE

1237

開曼群島主要股份過戶登記處

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東 183 號
合和中心
17 樓 1712-1716 號舖

網站

www.merrygardenholdings.com

股份代號

1237

Highlights for the Period

半年摘要

FINANCIAL

- Turnover and profit for the period increased by **37.5%** and **40.9%** respectively
- Turnover from overseas market increased **55.7%**, of which the turnover from North America increased significantly by **80.3%**
- Completion of placing of shares in June 2014 which raised HK\$155.0 million for expansion of production facilities and general working capital

財務

- 營業額及本期間溢利分別增加**37.5%**及**40.9%**
- 海外市場的營業額增加**55.7%**，其中北美的營業額顯著增加**80.3%**
- 於二零一四年六月完成配售股份，並籌得155.0百萬港元用作擴展生產設施及一般營運資金

OPERATIONAL

- New biomass energy business commenced production in March 2014
- Being selected as National Key Leading Enterprise of the Forestry Industry in May 2014
- Expansion plan for the Phase III production facilities commenced in June 2014

經營

- 生物質新能源業務於二零一四年三月投產
- 於二零一四年五月獲選國家林業重點龍頭企業
- 第三期生產設施擴充計劃於二零一四年六月開始

Financial Summary

財務概要

(in RMB'000 unless otherwise stated)
(除另有指示外，以人民幣千元列示)

Profitability data and ratios	盈利數據及比率	Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
Turnover	營業額	307,451	223,535
Timber villas and their related parts and structures	木屋及其相關部件及構件	135,119	102,288
Leisure household products	休閒傢俱產品		
Outdoor and indoor furniture	室內外傢俱產品	60,534	50,752
Recreational products	遊戲類產品	44,521	41,296
Landscape garden products	園藝類產品	20,428	19,095
Pet-home designs	寵物屋產品	5,227	9,895
Trading of timber	木材貿易	40,045	209
Renewable energy products	再生能源產品	1,577	–
Gross profit	毛利	96,409	76,098
Gross profit margin	毛利率	31.4%	34.0%
Net profit	溢利	55,341	39,267
Net profit margin	溢利率	18.0%	17.6%
Earnings per share (RMB)	每股盈利(人民幣元)	0.06	0.04

Financial position data and ratios	財務狀況數據及比率	At 30 June	At 31 December
		2014	2013
		於二零一四年 六月三十日	於二零一三年 十二月三十一日
Non-current assets	非流動資產	325,339	308,228
Current assets	流動資產	753,036	498,830
Current liabilities	流動負債	395,779	285,284
Non-current liabilities	非流動負債	39,184	44,602
Equity attributable to equity shareholders	權益股東應佔資本	643,412	477,172
Current ratio (Note 1)	流動比率(附註1)	1.9:1	1.7:1
Quick ratio (Note 2)	速動比率(附註2)	1.3:1	1.1:1
Inventory turnover days (Note 3)	存貨周轉天數(附註3)	186 days	149 days
Trade receivables turnover days (Note 4)	應收帳款周轉天數(附註4)	69 days	81 days
Trade payables turnover days (Note 5)	應付帳款周轉天數(附註5)	7 days	8 days

Financial Summary (Continued)

財務概要 (續)

(in RMB'000 unless otherwise stated)
(除另有指示外，以人民幣千元列示)

Operational data	營運數據	Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
Staff costs	員工成本	15,283	13,031
Capital expenditures	資本開支	23,870	78,564
Research and development costs	研發成本	6,825	6,841
Effect tax rate (Note 6)	實際稅率 (附註 6)	15.7%	17.6%

Notes:

1. Current ratio is the ratio of current assets to current liabilities.
2. Quick ratio is calculated by dividing current assets (excluding inventories) by current liabilities.
3. Inventory turnover days is calculated by dividing average inventories by cost of inventories sold and multiplying the resulting value by 183 days for the six months ended 30 June 2014 and 365 days for the year ended 31 December 2013.
4. Trade receivables turnover days is calculated by dividing average trade receivables (excluding VAT) by turnover and multiplying the resulting value by 183 days for the six months ended 30 June 2014 and 365 days for the year ended 31 December 2013.
5. Trade payables turnover days is calculated by dividing average trade payables (excluding VAT) by cost of inventories sold and multiplying the resulting value by 183 days for the six months ended 30 June 2014 and 365 days for the year ended 31 December 2013.
6. Effective tax rate is calculated as income tax divided by profit before taxation.

附註：

1. 流動比率為流動資產對流動負債的比率。
2. 速動比率按流動資產(不包括存貨)除以流動負債計算。
3. 截至二零一三年十二月三十一日止年度及截至二零一四年六月三十日止六個月的存貨周轉天數按平均存貨除以已售存貨成本再分別乘以365天及183天計算。
4. 截至二零一三年十二月三十一日止年度及截至二零一四年六月三十日止六個月的應收賬款周轉天數按平均應收賬款(不包括增值稅)除以營業額再分別乘以365天及183天計算。
5. 截至二零一三年十二月三十一日止年度及截至二零一四年六月三十日止六個月的應付賬款周轉天數按平均應付賬款(不包括增值稅)除以已售存貨成本再分別乘以365天及183天計算。
6. 實際稅率是以所得稅除以除稅前盈利計算。

Chairman's Statement

主席報告

Dear Valued Shareholders,

On behalf of the Board of Directors ("the Board") of the Company, I am pleased to present you the interim results of the Company and its subsidiaries ("the Group") for the six months ended 30 June 2014.

As time flies, the Group has stepped into its second anniversary since its listing. During these two years, every employee of the Group has given their best and never stopped driving the Group to further development. The efforts of each employee has contributed to the fruitful results of the first half of 2014 of the Group.

In March 2014, the Group's biomass new energy production line has commenced its production, which is a huge step forward for the Group in achieving 100% raw material utilization. It also brings a new revenue stream for the Group. In May 2014, Fujian Zhangping Kimura Forestry Products Co., Ltd., ("Zhangping Kimura") a subsidiary of the Group, has been selected as a National Key Leading Enterprise of Forestry Industry by the State Forestry Administration of the People's Republic of China ("the PRC"). This affirmed the leading position of the Group within the wood processing industry of the PRC.

As a result of the vigorous demand on the Group's products from both the overseas and domestic markets, the interim results of the Group for the first half of 2014 has made an encouraging achievement. As compared with the same period of last year, the Group's turnover and net profit has recorded a decent increase of 37.5% and 40.9% respectively.

To ensure the Group meets the continuously growing demand from customers, the Group is actively expanding its production capacities. A further expansion of the Group's overall production capacity to 230,000 cubic meters is planned, which is expected to be completed by the end of 2015. In June 2014, the Group has raised HK\$155.0 million through placing and issuing new shares of the Company, which provides the funds for the Group's expansion plan and general working capital.

各位尊敬的股東：

本人謹代表本公司董事會，欣然向各股東提呈本公司及其附屬公司（「本集團」）截至二零一四年六月三十日止的中期業績。

不經不覺間，本集團已踏進上市後的第二年。在這兩年間，集團的每一位員工一直努力不懈，本集團的發展從未停止。而每一位員工的努力，造就了二零一四年上半年本集團所獲得的豐盛成果。

二零一四年三月，本集團的生物質新能源生產線正式投產，為集團務求達到100%材料利用的目標踏進一大步，同時也為集團帶來了新的收入來源。二零一四年五月，本集團旗下福建省漳平木村林產有限公司（「漳平木村」）獲中華人民共和國（「中國」）國家林業局選為國家林業重點龍頭企業，認定了本集團在中國木加工行業中的領導地位。

受惠於海外與國內市場對本集團產品的需求持續旺盛，本集團二零一四上半年的中期業績也取得令人可喜的成績。相比於去年同期，本集團二零一四上半年的營業額與溢利比分別錄得37.5%及40.9%的可觀增長。

為確保本集團能夠滿足客戶持續增長的需求，本集團正積極擴充產能，並計劃於二零一五年年底之前將本集團的綜合產能提升至230,000立方米。二零一四年六月，本集團透過配售及發行本公司新股份集資155.0百萬港元，為本集團的擴充計劃及一般營運提供資金。

Chairman's Statement *(Continued)*

主席報告 *(續)*

The Group believes that, to align with the trend of the Chinese tourism and leisure market and to capture the opportunity arisen from the recovery of the United States ("the US") and Europe's property market, will certainly benefit to Group. The Group is full of confidence in the second half of 2014, and is committed to get hold of the market opportunities and to strive for innovation, with a vision to move the Group to its new heights.

On behalf of the Board, I would like to extend my sincere thanks for the support and trust from our shareholders and business partners. I would also like to thank each employee of the Group. Your efforts and supports have been, and will be the solid foundation to the Group's development both in the past and in the future.

Wu Zheyang

Chairman and Chief Executive Officer

Hong Kong, 26 August 2014

本集團相信，只要能緊扣中國的休閒旅遊市場，同時把握歐美房產市場復甦所帶來的機遇，本集團必然能夠受惠其中。本集團對二零一四年下半年充滿信心，並緊握市場機遇，不斷創新，務求將本集團推向更高峰。

本人謹此代表董事會衷心感謝一直以來支持及信任本集團的每一位股東及業務夥伴，並對本集團的每一位員工致謝，你們的支持和努力，不論是過去或將來，都會成為本集團不斷發展的重要基石。

吳哲彥

主席兼行政總裁

香港，二零一四年八月二十六日

Management Discussion and Analysis

管理層討論與分析

OUR BUSINESS

我們的業務



Mode of sales
銷售方式

1. OEM/ODM
2. Self-owned brand "Merry Garden" 自有品牌 "美麗家園"
3. Trading 貿易



Customers 客戶群

End-users (through self-owned retail outlets and online sales)
終端使用者 (透過自營店及線上銷售)

Retailers / Home Improvement Centres
零售商 / 傢俱連鎖店

Distributors
分銷商

Trading companies and other manufacturers
貿易公司及其他生產商

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

FINANCIAL REVIEW

Results of operation

The Group achieved outstanding results for the six months ended 30 June 2014 (the "Period") with its turnover and net profit having increased by 37.5% and 40.9% to RMB307.5 million and RMB55.3 million respectively, as compared to the corresponding period of the previous year ("20131H") (20131H: turnover and net profit of RMB223.5 million and RMB39.3 million respectively). Growths were recorded in all business segments and in most of the respective market where the Group stretches its footprints. Such increase in turnover was primarily attributable to the vigorous market demand on the Group's products which corresponds to significantly increased production capacity.

Turnover by product category

財務回顧

經營業績

截至二零一四年六月三十日止六個月期間(「本期間」)，本集團取得了非常優異的業績。營業額及溢利分別較去年同期(「二零一三上半年」)上升37.5%至人民幣307.5百萬元及40.9%至人民幣55.3百萬元(二零一三上半年：營業額及溢利分別為人民幣223.5百萬元及人民幣39.3百萬元)。本集團所有業務分部及所有已涉足市場均錄得增長。增長主要源於市場對本集團產品需求的持續旺盛，並配合產能的大幅增長所致。

營業額(按產品分類劃分)

		Six months ended 30 June		Change 變動 %
		截至六月三十日止六個月		
		2014	2013	
		二零一四年	二零一三年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
Timber villas and their related parts and structures	木屋及其相關部件及構件	135,119	102,288	32.1%
Leisure household products	休閒傢俱產品			
Outdoor and indoor furniture	室內外傢俱產品	60,534	50,752	19.3%
Recreational products	遊戲類產品	44,521	41,296	7.8%
Landscape garden products	園藝類產品	20,428	19,095	7.0%
Pet-home designs	寵物屋產品	5,227	9,895	-47.2%
Trading of timber	木材貿易	40,045	209	>100.0%
Renewable energy products	再生能源產品	1,577	-	N/A
Total	總計	307,451	223,535	37.5%

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Turnover by operating segments

The four operating segments of the Group, namely manufacturing and trading of wooden products, retail business, projects of outdoor wooden products and renewable energy products, represented 97.7%, 1.5%, 0.3% and 0.5% of the total turnover respectively for the Period. Among the others, the turnover from manufacturing and trading of wooden products surged by 37.1% to RMB300.2 million during the Period (20131H: RMB218.9 million), where the sales of most of the products within this segment has recorded a handsome growth, owing to the growing orders from the overseas markets.

The Group's self-owned brand, "Merry Garden", which retails a series of leisure household products, enjoys ascending reputation since its establishment in 2010. As at 30 June 2014, its sales network reached the major cities of more than 10 provinces in the PRC with 25 self-owned stores (31 December 2013: 19 stores). In July 2014, the Group revamped its online sales platform on T-mall and tailor-made its interfaces for different product range. With the self-owned brand business became more matured since its initial period of establishment and the growing popularity of the brand among customers, during the Period, the turnover from the retail segment increased by 21.0% to RMB4.6 million (20131H: RMB3.8 million). In addition, the Group has established a new online sales brand during the Period for its retail business in the US, with a view to expand the Group's own sales network to the North American market.

The new segment of renewable energy products, which commenced production and sales in March and May 2014 respectively, had generated a turnover of RMB1.6 million and a profit of RMB1.1 million to the Group during the Period. This segment recycles the residues, such as sawdust produced during the production process of wooden products, and turn them into biomass pellet fuel, which is one of the most important national development directions on new energies in the PRC. Along with the increase in overall production capacities of the Group, a corresponding increase in the scale of renewable energy business will be expected.

營業額(按經營分部劃分)

本集團的四項經營分部，分別為生產及買賣木製品、零售業務、戶外木製品項目及再生能源產品，分別佔本期間的總營業額97.7%、1.5%、0.3%及0.5%。當中，來自生產及買賣木製品的營業額於本期間大幅增長37.1%至人民幣300.2百萬元(二零一三上半年：人民幣218.9百萬元)。受惠於海外客戶訂單增加，大部分歸屬此分部之產品均錄得可觀銷售增長。

本集團自有品牌「美麗家園」主要零售休閒家俱用品系列。自二零一零年成立以來，「美麗家園」品牌知名度一直節節上升。於二零一四年六月三十日，其銷售網絡已覆蓋超過十個中國主要省市，並開設25家自營店(二零一三年十二月三十一日：19家)。於二零一四年七月，本集團將其於天貓線上銷售平臺進行產品分類重新整合。隨著自有品牌業務從建立初期逐步走向成熟，在客戶間的品牌知名度不斷提升，本期間，來自零售分部的營業額上升21.0%至人民幣4.6百萬元(二零一三上半年：人民幣3.8百萬元)。此外，本集團本期間於美國建立全新線上銷售品牌，務求將本集團自有銷售網絡擴展至北美市場。

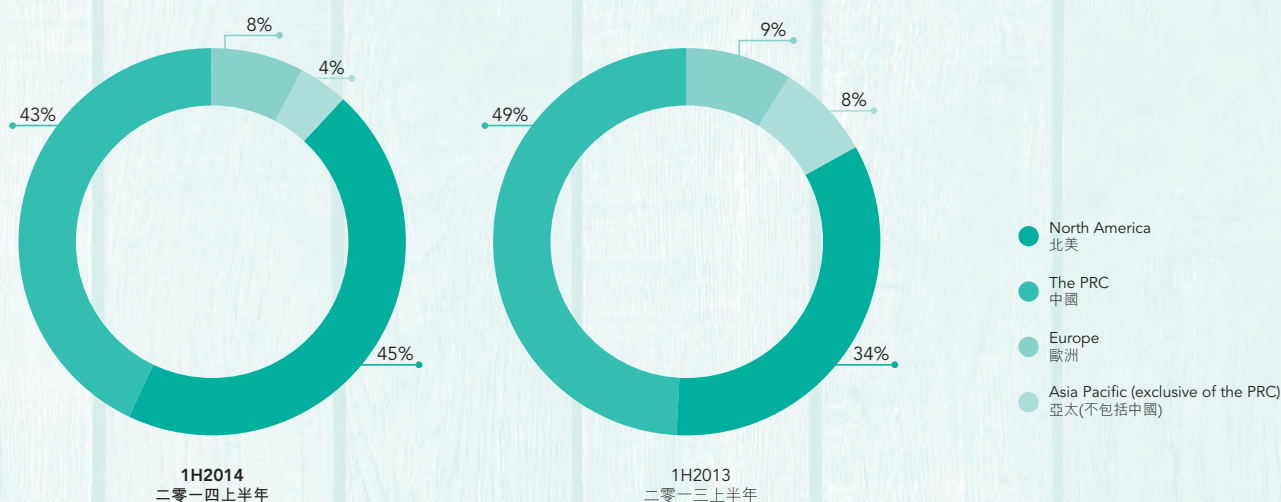
分別於二零一四年三月及五月投入生產及開始銷售的再生能源產品新分部，於本期間為本集團帶來人民幣1.6百萬元之營業額及人民幣1.1百萬元溢利。此分部產品透過回收例如木屑等在木製品生產過程中產生的剩餘物，將其轉化為生物質顆粒燃料。目前此燃料已為中國新能源發展的重要方向。隨著本集團之綜合產能擴大，再生能源業務之規模亦將相對提升。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Turnover by location

營業額(按地域劃分)



The Group strategically positions itself "to align with the trend of Chinese tourism and leisure market and to capture the opportunity arisen from the recovery of the US and Europe's property market". During the Period, the European economy was improved and the stock markets reached apexes in the US. According to the latest data from the Census Bureau of the US, new residential construction reached 396,000 dwelling units for the first five months this year, increased by 6.6% from the same period of last year. As a result, the Group's turnover from North America was particularly impressive, with a surge of 80.3% to RMB138.2 million (20131H: RMB76.6 million). A promising increase of 29.5% from RMB19.6 million for 20131H to RMB25.4 million for the Period for the turnover from Europe. Turnover from Asia Pacific (exclusive of the PRC), on the other hand, dropped by 23.4% from RMB17.4 million in 20131H to RMB13.3 million during the Period, which is affected by the progress of the construction projects of one of the Group's major customers in the region. Thanks to the significant growth of the Group's self-owned brand retail business, as well as the timber trading business in the PRC, the turnover from the domestic market increased by 18.8% to RMB130.5 million (20131H: RMB109.9 million).

本集團以「緊扣中國休閒旅遊市場，把握歐美房產市場復甦」為策略定位。本期間，歐洲經濟已錄得改善，美國股市亦屢創高峰。根據美國人口調查局的最新數據顯示，本年首五個月的新建住宅量達到396,000個單位，較去年同期上漲6.6%。受惠於此，本集團來自北美之營業額尤其可觀，大幅上漲80.3%至人民幣138.2百萬元(二零一三年上半年：人民幣76.6百萬元)。本期間，來自歐洲之營業額亦從二零一三年上半年的人民幣19.6百萬元平穩增長29.5%至人民幣25.4百萬元。另一方面，受本集團於亞太區(不包括中國)一個主要客戶的工程進度影響，來自該區的營業額較二零一三年上半年之人民幣17.4百萬元減少23.4%至本期間之人民幣13.3百萬元。有賴本集團中國自有品牌零售業務及木材貿易業務的明顯增長，國內市場之營業額增長18.8%至人民幣130.5百萬元(二零一三年上半年：人民幣109.9百萬元)。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Gross profit and gross profit margin

The gross profit increased by RMB20.3 million to RMB96.4 million during the Period (20131H: RMB76.1 million). The gross profit margin decreased from 34.0% for 20131H to 31.4% for the Period. The primary reason for the change is the increase in sales by the timber trading business during the Period, for which the gross profit margin was lower than the other products of the Group.

Other revenue

Other revenue increased to RMB11.1 million for the Period from RMB2.9 million for 20131H which was mainly due to the unconditional government subsidies granted during the Period.

Other net (loss)/gain

The Group recorded other net loss of RMB5.0 million for the Period (20131H: net gain of RMB0.7 million). During the Period, the exchange rates of Renminbi to Euro and US Dollar ("US\$") were slightly depreciated as part of the operations of the People's Bank of China's currency policy. Consequently, a net foreign exchange loss of RMB1.8 million (20131H: gain of RMB0.5 million) and a loss of RMB3.3 million from changes in fair value of unsettled derivative financial instruments (20131H: gain of RMB0.2 million) were incurred. The Group has its policy in managing foreign currency risks, please refer to the paragraph headed "Foreign currency risks" in this section for details.

Selling and distribution expenses

Our selling and distribution expenses reached RMB9.7 million for the Period (20131H: RMB6.7 million). The increase was primarily due to the increase in transportation charges and port charges along with the increase in export sales.

Administrative expenses

Our administrative expenses remained stable at around RMB22.3 million for the Period (20131H: RMB22.8 million), which is a result of the vigorous cost control during the Period.

Finance costs

Our finance costs increased to RMB4.8 million during the Period (20131H: RMB2.6 million). Despite an increase in bank borrowings during the Period as a result of the continuous expansion of business operation, finance costs remained at a low level due to the low effective interest rate of our borrowings.

毛利及毛利率

毛利於本期間上升人民幣20.3百萬元至人民幣96.4百萬元(二零一三年上半年：人民幣76.1百萬元)。毛利率由二零一三年上半年的34.0%下降至本期間的31.4%。有關變動乃主要由於本期間木材貿易業務之銷售上升(其毛利率較本集團其他產品低)所致。

其他收入

本期間，其他收入由二零一三上半年的人民幣2.9百萬元增加至人民幣11.1百萬元。主要由於本期間獲政府授予無條件補貼所致。

其他(虧損)/收益淨額

本集團於本期間錄得其他虧損淨額人民幣5.0百萬元(二零一三年上半年：收益淨額人民幣0.7百萬元)。本期間，人民幣兌歐元及美元的匯率由於中國人民銀行的貨幣政策之執行而輕微貶值，因而產生了外匯虧損淨值人民幣1.8百萬元(二零一三年上半年：收益淨值人民幣0.5百萬元)及未結算衍生金融工具公平值變動之虧損人民幣3.3百萬元(二零一三年上半年：收益人民幣0.2百萬元)。本集團有既定的貨幣風險管理政策，詳情請參閱本節「貨幣風險」一段。

銷售及分銷開支

本期間，我們的銷售及分銷開支達到人民幣9.7百萬元(二零一三年上半年：人民幣6.7百萬元)。此增長主要由於出口銷售上升導致運輸費用及港口收費增加所致。

行政開支

受惠於本期間的積極成本控制，本期間，我們的行政開支穩定維持於約人民幣22.3百萬元(二零一三年上半年：人民幣22.8百萬元)。

融資成本

本期間，我們的融資成本上升至人民幣4.8百萬元(二零一三年上半年：人民幣2.6百萬元)。儘管因持續擴展業務令本期間的銀行借款增加，惟實際借款利率較低，故融資成本仍能維持在低水平。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Income tax

Our income tax reached RMB10.3 million for the Period (20131H: RMB8.4 million), primarily as a result of the increase in taxable profits of the Group. As Zhangping Kimura has been granted the High and New Technology Enterprise qualification, it is entitled to the preferential corporate income tax rate of 15% from 2013 to 2015. Effective tax rate was 15.7% for the Period (20131H: 17.6%).

Profit for the Period

As a result of the foregoing factors, profit for the Period increased by 40.9% to RMB55.3 million (20131H: RMB39.3 million), and net profit margin increased to 18.0% for the Period (20131H: 17.6%).

Working capital

As at 30 June 2014, our working capital (excess of current assets over current liabilities) increased by RMB143.8 million (or 67.3%) to RMB357.3 million (31 December 2013: RMB213.5 million). The increase was primarily the combined effect of the increase in inventories, trade and other receivables and bank loans as part of the growth in business operations, and the increase in cash and cash equivalents as a result of the proceeds from the issue of shares of the Company upon placing.

While most of our customers are extending the period of their early purchase orders, the Group was able to maintain higher inventory levels to match their demands. At the meantime, the increase in trade and other receivables was mainly attributable to the increase in sales and increased prepayments to our suppliers so as to secure stable supply of timber at favourable prices. As at 31 July 2014, trade and other receivables amounted to RMB114.1 million are subsequently settled or recognized as cost of purchase.

所得稅

本期間，我們的所得稅達到人民幣10.3百萬元(二零一三年上半年：人民幣8.4百萬元)，此乃主要由於本集團的應課稅溢利增加所致。由於漳平木村獲得高新技術企業認證，故自二零一三年起至二零一五年止可享有15%的優惠企業所得稅稅率。本期間實際稅率為15.7%。(二零一三年上半年：17.6%)。

本期間溢利

基於上述因素，本期間溢利上升40.9%至人民幣55.3百萬元(二零一三年上半年：人民幣39.3百萬元)，而溢利率則則於本期間上升至18.0%(二零一三年上半年：17.6%)。

營運資金

於二零一四年六月三十日，我們的營運資金(流動資產相對於流動負債超出的部分)上升人民幣143.8百萬元(或67.3%)至人民幣357.3百萬元(二零一三年十二月三十一日：人民幣213.5百萬元)。此上升主要由於業務規模增長致使存貨，貿易及其他應收款項以及銀行貸款增加，以及因配售時發行本公司股份的所得款項帶動現金及現金等價物上升之合併影響所致。

由於我們大部分客戶都在延長他們提前訂單的時間，故本集團能夠維持較高存貨水平以應付客戶需求。與此同時，貿易及其他應收款項上升主要源於銷售增長及增加向供應商支付預付款以確保能以優惠價格取得穩定木材供應。於二零一四年七月三十一日，為數人民幣114.1百萬元的貿易及其他應收款項已於期後結算或確認為採購成本。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Liquidity and capital resources

The Group principally meets its working capital and other liquidity requirements through operating cash flows and proceeds from bank borrowings. As at 30 June 2014, the Group had current assets of RMB753.0 million (31 December 2013: RMB498.8 million), of which bank deposits and cash (including pledged deposits) were RMB233.7 million (31 December 2013: RMB143.7 million). To better manage our funds, the Group's cash is generally deposited with banks and denominated mostly in RMB and US\$. As at 30 June 2014, total available banking facilities of the Group amounted to RMB563.7 million (31 December 2013: RMB489.3 million), banking facilities utilised as at 30 June 2014 were RMB356.3 million (31 December 2013: RMB264.7 million) and these bank borrowings were denominated in RMB and US\$. The ratio of outstanding bank loans to total assets was 33.0% (31 December 2013: 32.8%).

As at 30 June 2014, current ratio⁽¹⁾ of the Group was 1.9:1 (31 December 2013: 1.7:1). Debt-to-equity ratio⁽²⁾ was 19.1% (31 December 2013: 25.4%).

(1) Current ratio is the ratio of current assets to current liabilities.

(2) Debt-to-equity ratio is calculated as net debt (i.e. total bank loans less bank deposits) divided by total equity.

Pledge of assets

As at 30 June 2014, the Group had pledged its plant and machinery, lease prepayments and buildings held for own use with net book value of RMB148.0 million (31 December 2013: RMB114.6 million) and deposits with banks of RMB100.1 million (31 December 2013: RMB68.6 million) mainly for the purpose of securing bank loans and financial derivative contracts issued by banks to the Group.

Capital expenditure

During the Period, the Group's total expenditure in respect of property, plant and equipment and non-current prepayments for acquisitions of property, plant and equipment amounted to RMB23.9 million (20131H: RMB78.6 million).

流動資金及資本來源

本集團主要透過營運現金流量及銀行借款所得款項滿足營運資金及其他流動資金需求。於二零一四年六月三十日，本集團擁有流動資產人民幣753.0百萬元(二零一三年十二月三十一日：人民幣498.8百萬元)，其中銀行存款及現金(包括已抵押存款)為人民幣233.7百萬元(二零一三年十二月三十一日：人民幣143.7百萬元)。為更有效控制資金，本集團的現金一般存置於銀行並大部分以人民幣及美元計值。於二零一四年六月三十日，本集團的可動用銀行融資總額為人民幣563.7百萬元(二零一三年十二月三十一日：人民幣489.3百萬元)。於二零一四年六月三十日，已動用銀行融資額為人民幣356.3百萬元(二零一三年十二月三十一日：人民幣264.7百萬元)，並分別以人民幣及美元計值。未償還銀行貸款佔總資產的比率為33.0%(二零一三年十二月三十一日：32.8%)。

於二零一四年六月三十日，本集團的流動比率⁽¹⁾為1.9:1(二零一三年十二月三十一日：1.7:1)。資本負債比率⁽²⁾為19.1%(二零一三年十二月三十一日：25.4%)。

(1) 流動比率為流動資產對流動負債的比率。

(2) 資本負債比率乃按債務淨額(即銀行貸款總額減銀行存款)除以權益總額計算。

資產抵押

於二零一四年六月三十日，本集團抵押賬面淨值人民幣148.0百萬元(二零一三年十二月三十一日：人民幣114.6百萬元)的廠房及機器、租賃預付款及持作自用物業以及人民幣100.1百萬元(二零一三年十二月三十一日：人民幣68.6百萬元)的銀行存款，主要用於取得銀行向本集團發出之銀行貸款及金融衍生工具合約。

資本開支

本期間，本集團有關物業、廠房及設備的總開支及有關收購物業、廠房及設備的非即期預付款為人民幣23.9百萬元(二零一三年上半年：人民幣78.6百萬元)。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Contingent liabilities

There were no significant contingent liabilities for the Group as at 30 June 2014.

Significant investment, material acquisitions and disposals of subsidiaries, future plans for material investments or acquisition of capital assets

During the Period, there was no significant investment, material acquisitions and disposal of subsidiaries by the Company. The Group has no other plan to make any substantial investment in or acquisition of capital assets.

Foreign currency risks

The Group's sales are mainly denominated in US\$ and RMB while our cost of sales and operating expenses are mainly denominated in RMB. The profit would be affected if RMB appreciates against US\$ as the Group might not be able to reflect the appreciation in selling prices to overseas customers that were determined in US\$. In responses to this, the Group manages the fluctuations in the exchange rate of RMB against US\$ by entering into foreign currency forward contracts denominated in US\$ with banks when sales contracts were entered with overseas customers. As at 30 June 2014, the Group held outstanding US\$ denominated forward foreign currency contracts of US\$25.0 million (31 December 2013: US\$17.2 million). All the contracts are to be settled within one year.

With the increasing level of our overseas purchases, the Group also manages the foreign exchange risks by matching the cash inflow from our export sales denominated in US\$ with the cash outflow from our import of timber denominated in US\$.

或然負債

於二零一四年六月三十日，本集團概無任何重大或然負債。

重大投資、重大收購及出售附屬公司、重大投資或收購資本資產的未來計劃

本期間，本公司並無重大投資、重大收購及出售附屬公司。本集團並無其他計劃作出任何重大投資或收購資本資產。

貨幣風險

本集團的銷售主要以美元及人民幣計值，而我們的銷售成本及經營開支則主要以人民幣計值。由於本集團可能無法在向海外客戶銷售時，將人民幣兌美元的升值反映於以美元釐定的售價中，故如人民幣升值，利潤將受影響。為此，本集團在與海外客戶訂立銷售合約同時透過與銀行訂立以美元計值的遠期外幣合約管理人民幣兌美元的匯率波動。於二零一四年六月三十日，本集團持有25.0百萬美元(二零一三年十二月三十一日：17.2百萬美元)以美元計值的未結算遠期外幣合約。所有合約將於一年內結算。

隨著本集團的海外採購增加，本集團亦透過以美元計值的出口銷售現金流入配合以美元計值的木材入口現金流出管理外匯風險。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Use of net proceeds from the global offering

The shares of the Company were listed on the Main Board of the Stock Exchange on 6 July 2012. Net proceeds from the global offering were approximately HK\$144.3 million (after deducting the underwriting commission and relevant expenses). As at 30 June 2014, the unutilised proceeds were deposited in licensed banks in Hong Kong and the PRC.

全球發售所得款項淨額用途

本公司的股份於二零一二年七月六日在聯交所主板上市。全球發售所得款項淨額(經扣除包銷佣金及相關開支後)約為144.3百萬港元。於二零一四年六月三十日，未動用所得款項已存置於香港及中國的持牌銀行。

		Percentage to total amount	Net Proceeds	Utilised amount as at 30 June 2014 於 二零一四年 六月三十日 的已動用金額	Unutilised amount as at 30 June 2014 於 二零一四年 六月三十日 的未動用金額
		佔總金額的 百分比	所得款項 淨額 HK\$'million 百萬港元	HK\$'million 百萬港元	HK\$'million 百萬港元
Establishing new production facilities	成立新生產設施	29.0%	41.8	41.8	–
Establishing own-brand self-operated stores network	成立自有品牌的自營店網絡	27.6%	39.8	30.6	9.2
Merger and acquisition of small to medium sized companies, other timber processing plants, and/or other resources	合併與收購中小型公司、其他木材加工廠及/或其他資源	19.3%	27.9	–	27.9
Own-brand promotion and other marketing events	自有品牌宣傳及其他市場推廣活動	7.7%	11.1	11.1	–
Increasing and enhancing our research and development activities	提升及加強本公司的研發活動	6.8%	9.8	9.8	–
General working capital	一般營運資金	9.6%	13.9	13.9	–
			144.3	107.2	37.1

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Human resources

As at 30 June 2014, we employed a total of 632 (20131H: 525) full time employees in mainly the PRC and Hong Kong which included management staff, product designers, technicians, salespersons and workers. The Group's total expenses on the remuneration of employees for the Period were RMB15.3 million (20131H: RMB13.0 million). The Group offered highly competitive salary package, as well as discretionary bonuses and contribution to social insurance to its employees.

Events after the reporting period

Up to the date of this interim report, the Group has no material events after the reporting period.

人力資源

於二零一四年六月三十日，本集團主要於中國及香港共聘用632名(二零一三年上半年：525名)全職僱員，當中包括管理人員、產品設計人員、技術人員、銷售人員及工人。本期間，本集團就僱員薪酬的總開支為人民幣15.3百萬元(二零一三年上半年：人民幣13.0百萬元)。本集團為僱員提供更具競爭力的薪酬組合，並有酌情花紅以及為僱員繳納社會保險供款。

報告期後事項

截至本中期報告日期，本集團並無重大報告期後事項。

Other Information 其他資料

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

As at 30 June 2014, the interests and short positions of the Directors or the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), will be as follows:

Interest in shares

Name of Director	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholding interest (%) 持股概約百分比(%)
董事姓名	身份／權益性質	股份數目	
Mr. Wu Zheyuan 吳哲彥先生	Interest in controlled corporation/ Long position (Note) 受控制法團的權益／好倉(附註)	396,921,200	33.08%
	Beneficial owner/Long position 實益擁有人／好倉	10,894,000	0.91%
Mr. Wu Qingshan 吳青山先生	Beneficial owner/Long position 實益擁有人／好倉	27,502,800	2.29%
Ms. Xie Qingmei 謝清美女士	Beneficial owner/Long position 實益擁有人／好倉	9,538,000	0.79%

Note: Mr. Wu Zheyuan is deemed to be interested in the shares held by Green Seas Capital Limited by virtue of Green Seas Capital Limited being controlled by Mr. Wu Zheyuan.

董事及高級行政人員於股份、相關股份及債券的權益及淡倉

於二零一四年六月三十日，董事或本公司高級行政人員在本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文其被視為或當作擁有的權益及淡倉)，或根據證券及期貨條例第352條須記入該條所述登記冊或根據聯交所證券上市規則(「上市規則」)附錄10所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的權益及淡倉如下：

股份權益

附註：由於吳哲彥先生控制Green Seas Capital Limited，故吳哲彥先生被視為於Green Seas Capital Limited持有的股份中擁有權益。

Other Information (Continued)

其他資料(續)

Save as disclosed above, none of the Directors and chief executive of the Company had interests or in short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any associated corporation defined under the SFO which would have to be notified to the Company and the Stock Exchange pursuant to divisions 7 and 8 of part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules as at 30 June 2014.

除上述披露者外，於二零一四年六月三十日，董事及本公司高級行政人員概無於本公司或任何相聯法團(定義見證券及期貨條例)的股份、股本衍生工具相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的有關條文其被視為或當作擁有的權益及淡倉)，或根據證券及期貨條例第352條須記入該條所述登記冊或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所的權益或淡倉。

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

As at 30 June 2014, the following persons (other than a director or chief executive of the Company), who had interests or short positions in the shares or the underlying shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein, were as follows:

主要股東於本公司股份及相關股份的權益及淡倉

於二零一四年六月三十日，下列人士(並非董事或本公司高級行政人員)於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須予披露的權益或淡倉，或根據證券及期貨條例第336條須記入該條所述登記冊的權益或淡倉：

Interest in shares

股份權益

Name	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholding interest (%)
名稱/姓名	身份/權益性質	股份數目	持股概約百分比(%)
Green Seas Capital Limited	Beneficial owner/Long position (Note 1) 實益擁有人/好倉(附註1)	396,921,200	33.08%
Hong Kong Investments Group Limited 香港投資集團有限公司	Beneficial owner/Long position (Note 2) 實益擁有人/好倉(附註2)	134,700,000	11.23%
Mr. Cheung Chi Mang 張志猛先生	Interest in controlled corporation/ Long position (Note 2) 受控制法團的權益/好倉(附註2)	134,700,000	11.23%

Other Information (Continued)

其他資料(續)

Note:

1. The entire issued share capital of Green Seas Capital Limited is legally and beneficially owned by Mr. Wu Zheyang, who is deemed to be interested in the Shares held by Green Seas Capital Limited by virtue of being controlled by Mr. Wu Zheyang.
2. The entire issued share capital of Hong Kong Investments Group Limited is legally and beneficially owned by Mr. Cheung Chi Mang, who is deemed to be interested in the shares held by Hong Kong Investments Group Limited by virtue of being controlled by Mr. Cheung Chi Mang.

Save as disclosed above, the Directors are not aware of any person, other than the Directors whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above, who had an interest or short positions in the shares or underlying shares that were required to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or recorded pursuant to Section 336 of Part XV of the SFO as of 30 June 2014.

SHARE OPTION SCHEME

Pursuant to a resolution passed by all the shareholders on 15 June 2012, the Company has conditionally adopted the share option scheme (the "Share Option Scheme") for the purpose of recognising and acknowledging the contributions the eligible participants had or may have made to the Group. Eligible participants include all Directors, employees, consultants or advisers of or to the Company or the Group, who, in the absolute opinion of the Board, have contributed to the Company or the Group. The Directors were authorised to grant options to subscribe for shares of the Company and to allot, issue and deal with the shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such steps as may be necessary and/or desirable to implement and give effect to the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue immediately following completion of the Global Offering (as defined in the Prospectus), being 100,000,000 shares, excluding any shares that may be issued under the options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company), unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time.

附註：

1. Green Seas Capital Limited的全部已發行股本由吳哲彥先生合法及實益擁有，而由於Green Seas Capital Limited由吳哲彥先生控制，故吳哲彥先生被視為於Green Seas Capital Limited持有的股份中擁有權益。
2. 香港投資集團有限公司的全部已發行股本由張志猛先生合法及實益擁有，而由於香港投資集團有限公司由張志猛先生控制，故張志猛先生被視為於香港投資集團有限公司持有的股份中擁有權益。

除上文披露者外，於二零一四年六月三十日，董事概不知悉任何人士(權益已於上文「董事及高級行政人員於股份、相關股份及債券的權益及淡倉」一節載列的董事除外)於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須予披露的權益或淡倉，或根據證券及期貨條例第XV部第336條須予登記的權益或淡倉。

購股權計劃

根據全體股東於二零一二年六月十五日通過的決議案，本公司已有條件地採納一項購股權計劃(「購股權計劃」)，以肯定及嘉許曾經或可能對本集團作出貢獻的合資格參與人士。合資格參與人士包括董事會全權認為對本公司或本集團有所貢獻的本公司或本集團所有董事、僱員、諮詢顧問或顧問。董事獲授權授出購股權以認購本公司股份，並配發、發行及處置根據購股權計劃所授出購股權獲行使而發行的股份，以及採取對實行購股權計劃及使之生效而言為必須及/或合宜的一切步驟。根據購股權計劃及任何其他本公司購股權計劃可授出購股權所涉及的最高股份數目，合共不得超過緊隨全球發售(定義見招股章程)完成後已發行股份總數的10%，即100,000,000股股份，不包括任何根據購股權計劃(或本公司任何其他購股權計劃)的條款已失效的購股權而可發行的股份，惟獲本公司股東在股東大會上另行批准及/或上市規則不時另有其他規定者除外。

Other Information (Continued)

其他資料(續)

Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to an eligible participant under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 1% of the shares in issue of the Company within any 12-month period. Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by our independent non-executive Directors. Unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules, the number of shares that may be granted to a substantial shareholder or any independent non-executive Director or their respective associates under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 0.1% of the Shares in issue, having an aggregate value in excess of HK\$5 million, within any 12-month period.

There is no minimum period for which an option must be held before it can be exercised, and the period during which an option may be exercised will be determined by the Board in its absolute discretion, however, no options shall be exercised 10 years after they have been granted. The subscription price of a share in respect of a particular option shall be not less than the highest of (a) the official closing price of the shares on the daily quotation sheet of the Stock Exchange; (b) the average official closing price of the shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

From the date that the Share Option Scheme became effective and unconditional and up to the date of this interim report, no share options were granted under the Share Option Scheme.

除非獲本公司股東於股東大會上另行批准，否則可基於購股權計劃及任何其他本公司購股權計劃向一名合資格參與者授出的股份數目(包括已行使及未行使購股權)，不得超過本公司在任何一個12個月期間的已發行股份的1%。任何向董事、本公司高級行政人員或主要股東(定義見上市規則)或彼等任何各自的聯繫人(定義見上市規則)授出的購股權須獲獨立非執行董事批准。除非本公司股東在股東大會上另行批准及/或上市規則另有規定，否則根據購股權計劃及任何其他本公司購股權計劃可授予主要股東或任何獨立非執行董事或彼等各自的聯繫人的股份數目(包括已行使及未行使購股權)，不得超過任何一個12個月期間已發行股份的0.1%或合共價值超過5百萬港元。

概無訂有購股權在行使前必須持有的最短期限，而購股權可行使的期間將由董事會全權酌情決定，然而，購股權於授出10年後便不得行使。有關特定購股權的股份認購價不得低於下列最高者：(a) 於聯交所每日報價表所報的官方股份收市價；(b) 緊接授出日期前五個營業日聯交所每日報價表所報的官方股份平均收市價；及(c) 股份面值。購股權計劃將自其獲採納日期起生效並將自該日起10年期間內一直有效。

自購股權計劃生效及成為無條件起直至本中報日期止，概無根據購股權計劃授出購股權。

Other Information (Continued)

其他資料(續)

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the Period, the Company complied with the principles set out in the Corporate Governance Code ("CG Code") contained in Appendix 14 to the Listing Rules, except code provision A.2.1 of CG Code as explained below:

The role of chairman and chief executive should be separated and should not be performed by the same individual. As the duties of chairman and chief executive of the Company are performed by Mr. Wu Zheyang, the Company has deviated from the CG Code. The Board believes that it is necessary to vest the roles of chairman and chief executive in the same person due to its unique role, Mr. Wu Zheyang's experience and established market reputation in the industry, and the importance of Mr. Wu Zheyang in the strategic development of the Company. The dual role arrangement provides strong and consistent market leadership and is critical for efficient business planning and decision making of the Company. As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

Pursuant to a resolution passed by the Board on 15 June 2012, the Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Specific enquiries have been made with the Directors, and all Directors (except Mr. Lee Kong Wai, Conway who was appointed after the Period) confirmed in writing that they have complied with the required standards set out in the Model Code regarding their securities transactions for the Period.

中期股息

董事會議決不會就本期間宣派任何中期股息。

遵守企業管治守則

於本期間，本公司一直遵守上市規則附錄 14 所載企業管治守則(「企業管治守則」)載列的原則，惟偏離企業管治守則的守則條文第 A.2.1 條，詳情如下：

主席與行政總裁的角色應分開及不應由同一人擔任。由於吳哲彥先生擔任本公司主席兼行政總裁兩個職務，故本公司偏離企業管治守則。董事會相信，由於角色獨特，加上吳哲彥先生的經驗及於行內的聲譽，以及吳哲彥先生對本公司策略發展的重要性，故須由同一人擔任主席兼行政總裁。這雙重角色有助於貫徹強大而一致的市場領導，對本公司有效率的業務規劃和決策至為重要。由於所有主要決策均會諮詢董事會，而且董事會有三名獨立非執行董事提出獨立見解，故董事會認為有足夠保障措施確保董事會權力平衡。董事會亦會繼續檢討及監察本公司的常規，以符合企業管治守則規定及保持本公司高水準的企業管治常規。

董事進行證券交易的標準守則

根據董事會於二零一二年六月十五日通過的決議案，本公司已採納標準守則，作為董事進行本公司證券交易時須遵守的行為守則。經向董事作出具體查詢後，全體董事(除於本期間之後獲委任的李港衛先生外)已書面確認彼等於本期間一直遵守標準守則所載有關證券交易的規定標準。

Other Information (Continued)

其他資料(續)

AUDIT COMMITTEE

The Company has established the audit committee and adopted the written terms of reference in compliance with the CG Code. The primary duties of the audit committee are to review and approve the Group's financial reporting process and internal control system. The audit committee comprises all independent non-executive Directors, namely, Mr. Lam Hin Chi, Prof. Jin Zhongwei and Prof. Su Wenqiang. Mr. Lam Hin Chi is the chairman of the audit committee.

The Group's interim results for the six months ended 30 June 2014 and this interim report have been reviewed by the audit committee of the Company.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

In June 2014, the placing of 200,000,000 existing shares by the Company, and the subscription of 200,000,000 new shares by Green Seas Capital Limited, both at a price of HK\$0.8 per share, were completed. Net proceeds of the subscription amounted to approximately HK\$155.0 million. For the details of the placing and subscription, please refer to the announcements of the Company dated 18, 19 and 26 June 2014, respectively.

Save for the placing and subscription mentioned above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Period.

審計委員會

本公司已成立審計委員會，並根據企業管治守則採納書面職權範圍。審計委員會的主要職責為審閱及批准本集團的財務申報程序及內部監控系統。審計委員會由全體獨立非執行董事組成，包括藍顯賜先生、金重為教授及蘇文強教授。藍顯賜先生為審計委員會主席。

本公司的審計委員會已審閱本集團截至二零一四年六月三十日止六個月的中期業績及本中期報告。

購買、出售及贖回上市證券

於二零一四年六月，本公司配售200,000,000股現有股份及Green Seas Capital Limited認購200,000,000股新股份(兩者均按每股股份0.8港元的價格)已告完成。認購事項所得款項淨額約為155.0百萬港元。有關配售事項及認購事項的詳情，請參閱本公司日期分別為二零一四年六月十八日、十九日及二十六日的公告。

除上述配售事項及認購事項外，於本期間，本公司或其任何附屬公司概無購買、出售或贖回在聯交所上市的任何本公司證券。

Consolidated Statement of Profit or Loss — Unaudited

綜合損益表 — 未經審核

for the six months ended 30 June 2014
(Expressed in Renminbi)
截至二零一四年六月三十日止六個月
(以人民幣列示)

		Six months ended 30 June		
		截至六月三十日止六個月		
		2014	2013	
		二零一四年	二零一三年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
		Note		
		附註		
Turnover	營業額	3, 4	307,451	223,535
Cost of sales	銷售成本		(211,042)	(147,437)
Gross profit	毛利		96,409	76,098
Other revenue	其他收入	6(a)	11,067	2,898
Other net (loss)/gain	其他(虧損)/收益淨額	6(b)	(5,019)	695
Selling and distribution expenses	銷售及分銷開支		(9,667)	(6,653)
Administrative expenses	行政開支		(22,338)	(22,823)
Profit from operations	經營溢利		70,452	50,215
Finance costs	融資成本	7(a)	(4,819)	(2,582)
Profit before taxation	除稅前溢利	7	65,633	47,633
Income tax	所得稅	8	(10,292)	(8,366)
Profit for the period	期內溢利		55,341	39,267
Earnings per share	每股盈利			
Basic and diluted (RMB)	基本及攤薄(人民幣元)	9	0.06	0.04

The notes on pages 33 to 56 form part of this interim financial report.

第33頁至第56頁的附註為本中期財務報告的一部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income — Unaudited 綜合損益及其他全面收益表 — 未經審核

for the six months ended 30 June 2014
(Expressed in Renminbi)
截至二零一四年六月三十日止六個月
(以人民幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Profit for the period	期內溢利	55,341	39,267
Other comprehensive income for the period (after tax and reclassification adjustments):	期內其他全面收益 (扣除稅項及重新分類調整後):		
Items that may be classified subsequently to profit or loss:	其後可能分類至損益表的項目:		
— Exchange differences on translation of financial statements of subsidiaries outside the People's Republic of China (the "PRC"), net of nil tax	— 換算中華人民共和國(「中國」)境外附屬公司財務報表產生的匯兌差額，扣除零稅項	(3,106)	322
Total comprehensive income for the period	期內全面收益總額	52,235	39,589

The notes on pages 33 to 56 form part of this interim financial report.

第33頁至第56頁的附註為本中期財務報告的一部分。

Consolidated Statement of Financial Position — Unaudited

綜合財務狀況表 — 未經審核

at 30 June 2014
(Expressed in Renminbi)
於二零一四年六月三十日
(以人民幣列示)

			At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	203,120	198,303
Lease prepayments	租賃預付款		50,539	51,307
Non-current prepayments for acquisitions of property, plant and equipment	收購物業、廠房及設備的非即期預付款		63,075	51,302
Other financial assets	其他金融資產		2,495	2,495
Deferred tax assets	遞延稅項資產		6,110	4,821
			325,339	308,228
Current assets	流動資產			
Inventories	存貨	11	236,849	191,709
Current portion of lease prepayments	租賃預付款的即期部分		1,242	1,096
Trade and other receivables	貿易及其他應收款項	12	281,214	162,372
Pledged deposits	已抵押存款	13	100,072	68,601
Cash and cash equivalents	現金及現金等價物	14	133,659	75,052
			753,036	498,830
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	15	29,292	23,937
Bank loans	銀行貸款	16	336,315	239,651
Current portion of deferred income	遞延收入的即期部分	17	1,114	1,179
Current taxation	即期稅項		29,058	20,517
			395,779	285,284
Net current assets	流動資產淨值		357,257	213,546

Consolidated Statement of Financial Position — Unaudited (Continued)

綜合財務狀況表 — 未經審核 (續)

at 30 June 2014
(Expressed in Renminbi)
於二零一四年六月三十日
(以人民幣列示)

			At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
		Note 附註		
Total assets less current liabilities	總資產減流動負債		682,596	521,774
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	16	20,000	25,097
Non-current portion of deferred income	遞延收入的非即期部分	17	17,832	18,314
Deferred tax liabilities	遞延稅項負債		1,352	1,191
			39,184	44,602
NET ASSETS	資產淨值		643,412	477,172
CAPITAL AND RESERVES	資本及儲備	18		
Capital	資本		9,745	8,135
Reserves	儲備		633,667	469,037
TOTAL EQUITY	權益總額		643,412	477,172

The notes on pages 33 to 56 form part of this interim financial report.

第33頁至第56頁的附註為本中期財務報告的一部分。

Consolidated Statement of Changes in Equity — Unaudited

綜合權益變動表 — 未經審核

for the six months ended 30 June 2014

(Expressed in Renminbi)

截至二零一四年六月三十日止六個月

(以人民幣列示)

		Attributable to equity shareholders of the Company					
		本公司權益持有人應佔					
		Share capital	Share premium	Exchange reserve	Statutory reserve	Retained profits	Total
		股本	股份溢價	匯兌儲備	法定儲備	保留溢利	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 18(b))					
		(附註18(b))					
At 1 January 2013	於二零一三年一月一日	8,135	126,262	3,031	24,612	200,201	362,241
Changes in equity for the six months ended 30 June 2013:	截至二零一三年六月三十日止六個月權益變動：						
Profit for the period	期內溢利	-	-	-	-	39,267	39,267
Other comprehensive income	其他全面收益	-	-	322	-	-	322
Total comprehensive income for the period	期內全面收益總額	-	-	322	-	39,267	39,589
Appropriations to statutory reserve	撥往法定儲備	-	-	-	4,831	(4,831)	-
		-	-	322	4,831	34,436	39,589
At 30 June 2013 and 1 July 2013	於二零一三年六月三十日及二零一三年七月一日	8,135	126,262	3,353	29,443	234,637	401,830
Changes in equity for the six months ended 31 December 2013:	截至二零一三年十二月三十一日止六個月權益變動：						
Profit for the period	期內溢利	-	-	-	-	85,154	85,154
Other comprehensive income	其他全面收益	-	-	728	-	-	728
Total comprehensive income for the period	期內全面收益總額	-	-	728	-	85,154	85,882
Dividends approved and paid in respect of the previous year	就上一年度已批准及已付股息	-	(10,540)	-	-	-	(10,540)
Appropriations to statutory reserve	撥往法定儲備	-	-	-	9,331	(9,331)	-
		-	(10,540)	-	9,331	(9,331)	(10,540)
At 31 December 2013 and 1 January 2014	於二零一三年十二月三十一日及二零一四年一月一日	8,135	115,722	4,081	38,774	310,460	477,172

Consolidated Statement of Changes in Equity — Unaudited (Continued)

綜合權益變動表 — 未經審核 (續)

for the six months ended 30 June 2014
(Expressed in Renminbi)
截至二零一四年六月三十日止六個月
(以人民幣列示)

		Attributable to equity shareholders of the Company					
		本公司權益持有人應佔					
		Share capital	Share premium	Exchange reserve	Statutory reserve	Retained profits	Total
		股本	股份溢價	匯兌儲備	法定儲備	保留溢利	總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 18(b))					
		(附註 18(b))					
Changes in equity for the six months ended 30 June 2014:	截至二零一四年六月三十日止六個月權益變動：						
Profit for the period	期內溢利	-	-	-	-	55,341	55,341
Other comprehensive income	其他全面收益	-	-	(3,106)	-	-	(3,106)
Total comprehensive income for the period	期內全面收益總額	-	-	(3,106)	-	55,341	52,235
Issue of shares upon placing	於配售時發行股份	1,610	122,712	-	-	-	124,322
Dividend approved in respect of the previous year	就上一年度已批准股息	-	(10,317)	-	-	-	(10,317)
Appropriations to statutory reserve	撥往法定儲備	-	-	-	5,887	(5,887)	-
		1,610	112,395	-	5,887	(5,887)	114,005
At 30 June 2014	於二零一四年六月三十日	9,745	228,117	975	44,661	359,914	643,412

The notes on pages 33 to 56 form part of this interim financial report.

第33頁至第56頁的附註為本中期財務報告的一部分。

Consolidated Cash Flow Statement — Unaudited

綜合現金流量表 — 未經審核

for the six months ended 30 June 2014
(Expressed in Renminbi)
截至二零一四年六月三十日止六個月
(以人民幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
	Note 附註		
Operating activities	經營活動		
Cash generated (used in)/from operations	經營業務(所用)/所得現金	(95,548)	7,166
Income tax paid	已付所得稅	(2,877)	(7,189)
Net cash used in operating activities	經營活動所用現金淨額	(98,425)	(23)
Investing activities	投資活動		
Payment for the purchase of property, plant and equipment	就購買物業、廠房及設備付款	(23,870)	(78,564)
Interest received	已收利息	944	389
Consideration received from land resumption	已收土地收儲代價	-	62,390
Proceeds for disposal of property, plant and equipment	出售物業、廠房及設備所得款項	320	-
Net cash used in investing activities	投資活動所用現金淨額	(22,606)	(15,785)
Financing activities	融資活動		
Proceeds from new bank loans	新增銀行貸款所得款項	377,067	215,308
Repayments of bank loans	償還銀行貸款	(285,500)	(116,169)
Increase in pledged deposits	已抵押存款增加	(31,471)	(23,976)
Interest paid	已付利息	(4,819)	(2,582)
Net proceeds from issue of shares upon placing, net of issuing costs	配售時發行股份的所得款項淨額，扣除發行開支	124,322	-
Net cash generated from financing activities	融資活動所得現金淨額	179,599	72,581
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	58,568	56,773
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	75,052	70,041
Effect of foreign exchange rate changes	匯率變動的影響	39	(339)
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	133,659	126,475

The notes on pages 33 to 56 form part of this interim financial report.

第33頁至第56頁的附註為本中期財務報告的一部分。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), including compliance with International Accounting Standard ("IAS") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("IASB"). It was authorised for issue by the Board of Directors on 26 August 2014.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2013 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2014 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2013 annual financial statements. The consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs").

1 編製基準

本中期財務報告乃遵照《香港聯合交易所有限公司證券上市規則》（「上市規則」）的適用披露條文編製，包括遵守由國際會計準則委員會（「國際會計準則委員會」）頒佈的《國際會計準則》（「國際會計準則」）第34號「中期財務報告」的規定。本中期財務報告於二零一四年八月二十六日獲董事會授權刊發。

中期財務報告乃根據二零一三年年度財務報表採納的相同會計政策編製，惟預期將於二零一四年年度財務報表內反映的會計政策變動則除外。此等會計政策變動的詳情載於附註2。

於編製符合《國際會計準則》第34號的「中期財務報告」時，管理層須作出判斷、估計及假設，而該等判斷、估計及假設影響政策的應用及按本年至今基準所呈報的資產及負債、收入及開支金額。實際結果可能有別於此等估計。

本中期財務報告載有綜合財務報表及經節選的解釋附註。附註載有對了解本集團自編製二零一三年年度財務報表以來的財政狀況及表現變動而言屬重大的事項及交易的闡釋。綜合中期財務報表及其附註不包括根據《國際財務報告準則》（「國際財務報告準則」）編製完整的財務報表所需的一切資料。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

1 BASIS OF PREPARATION (Continued)

The financial information relating to the financial year ended 31 December 2013 that is included in the interim financial report as being previously reported information does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2013 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 24 March 2014.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued the following amendments to IFRSs and new Interpretation that are first effective for the current accounting period of the Group and the Company:

- Amendments to IFRS 10, IFRS 12 and IAS 27, *Investment entities*
- Amendments to IAS 32, *Offsetting financial assets and financial liabilities*
- Amendments to IAS 36, *Recoverable amount disclosures for non-financial assets*
- Amendments to IAS 39, *Novation of derivatives and continuation of hedge accounting*
- IFRIC 21, *Levies*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

1 編製基準(續)

中期財務報告所載有關截至二零一三年十二月三十一日止財政年度的財務資料為過往已呈報的資料，並不構成本公司該財政年度的法定財務報表，惟有關財務資料乃摘錄自該等財務報表。截至二零一三年十二月三十一日止年度的法定財務報表於本公司的註冊辦事處可供查閱。核數師已於二零一四年三月二十四日的報告中對該等財務報表發表無保留意見。

2 會計政策變動

國際會計準則委員會已頒佈以下於本集團及本公司的本會計期間首次生效的經修訂《國際財務報告準則》及新訂詮釋：

- 經修訂國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號，*投資實體*
- 經修訂國際會計準則第32號，*抵銷金融資產及金融負債*
- 經修訂國際會計準則第36號，*非金融資產的可收回金額披露*
- 經修訂國際會計準則第39號，*衍生工具更替及對沖會計法的延續*
- 國際財務報告詮釋委員會第21號，*徵費*

本集團並無應用於本會計期間尚未生效的任何新訂準則或詮釋。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

2 CHANGES IN ACCOUNTING POLICIES

(Continued)

Amendments to IFRS 10, IFRS 12 and IAS 27, *Investment entities*

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended IFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss. These amendments do not have an impact on the Group's interim financial report as the Company does not qualify to be an investment entity.

Amendments to IAS 32, *Offsetting financial assets and financial liabilities*

The amendments to IAS 32 clarify the offsetting criteria in IAS 32. The amendments do not have an impact on the Group's interim financial report as they are consistent with the policies already adopted by the Group.

Amendments to IAS 36, *Recoverable amount disclosures for non-financial assets*

The amendments to IAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendment expand the disclosures required for an impaired asset or cash generating unit whose recoverable amount is based on fair value less costs of disposal. The amendments do not have an impact on the Group's interim financial report as the Group has no impaired non-financial assets.

Amendments to IAS 39, *Novation of derivatives and continuation of hedge accounting*

The amendments to IAS 39 provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. The amendments do not have an impact on the Group's interim financial report as the group has not novated any of its derivatives.

IFRIC 21, *Levies*

The Interpretation provides guidance on when a liability to pay a levy imposed by a government should be recognised. The amendments do not have an impact on the Group's interim financial report as the guidance is consistent with the Group's existing accounting policies.

2 會計政策變動(續)

經修訂國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第27號，*投資實體*

該等修訂放寬對符合經修訂國際財務報告準則第10號就投資實體所下定義的母公司在綜合入賬上的要求。投資實體須按公平值於損益中計量其附屬公司。由於本公司並不符合投資實體的定義，故該等修訂並不影響本集團的中期財務報告。

經修訂國際會計準則第32號，*抵銷金融資產及金融負債*

經修訂國際會計準則第32號釐清國際會計準則第32號的抵銷標準。由於該等修訂與本集團已採納的政策貫徹一致，故並不影響本集團的中期財務報告。

經修訂國際會計準則第36號，*非金融資產的可收回金額披露*

經修訂國際會計準則第36號修改已減值非金融資產的披露規定。其中，該等修訂擴大對可收回金額按公平值減出售成本計算的已減值資產或現金產生單位的披露規定。由於本集團並無任何已減值非金融資產，故該等修訂並不影響本集團的中期財務報告。

經修訂國際會計準則第39號，*衍生工具更替及對沖會計法的延續*

經修訂國際會計準則第39號規定倘指定作為對沖工具的衍生工具進行更替符合若干標準，則毋須停止使用對沖會計處理方法。由於本集團並無更替其任何衍生工具，故該等修訂並不影響本集團的中期財務報告。

國際財務報告詮釋委員會第21號，*徵費*

該詮釋就應於何時確認支付政府徵費的責任提供指引。由於指引與本集團現有會計政策貫徹一致，故該等修訂並不影響本集團的中期財務報告。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

3 TURNOVER

The principal activities of the Group are manufacturing and sales of outdoor wooden products and renewable energy products, engaged in projects of outdoor wooden products including the provision of design and installation services, and retail sales of outdoor wooden products through self-operated retail shops.

Turnover represents

- (i) the sales value of goods sold to customers less returns, discounts, and value added taxes and other sales tax; and
- (ii) contract revenue derived from projects of outdoor wooden products including the provision of design and installation services.

The amount of each significant category of revenue recognised in turnover is analysed as follows:

3 營業額

本集團的主要業務為生產及銷售戶外木製品及再生能源產品、從事戶外木製品項目(包括提供設計及安裝服務)以及透過自營零售店零售戶外木製品。

營業額指

- (i) 售予客戶貨品的銷售價值減退貨、折扣及增值稅與其他銷售稅項；及
- (ii) 從事戶外木製品項目(包括提供設計及安裝服務)所得的合約收益。

於營業額內確認的各重大類別收益的金額分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Trading of outdoor wooden products	買賣戶外木製品	300,244	218,947
Retail sales of wooden products	零售木製品	4,561	3,768
Contract revenue derived from projects of outdoor wooden products including the provision of design and installation services	從事戶外木製品項目(包括提供設計及安裝服務)所得的合約收益	1,069	820
Sales of renewable energy products	銷售再生能源產品	1,577	—
		307,451	223,535

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

4 SEGMENT REPORTING

In a manner consistent with how the Group manages its business and the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified four reportable segments, namely Manufacturing and trading of wooden products, Retail business, Projects of outdoor wooden products and Renewable energy products. No operating segments have been aggregated to form the above reportable segments.

- Manufacturing and trading of wooden products: manufacturing and sales of outdoor wooden products to both domestic and overseas customers, and trading of timber.
- Retail business: retail sales of outdoor wooden products through self-operated retail shops.
- Projects of outdoor wooden products: engaged in projects of outdoor wooden products including the provision of design and installation services to domestic customers.
- Renewable energy products: manufacturing and sales of biomass pellet fuel.

(a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Reportable segment revenue represents the revenue derived from the Group's external customers by Manufacturing and trading of wooden products, Retail business, Projects of outdoor wooden products and Renewable energy products, respectively.

The measure used for reportable segment profit is "profit after taxation" of Manufacturing and trading of wooden products, Retail business, Projects of outdoor wooden products and Renewable energy products, respectively.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management and accordingly, no segment assets or liabilities information is presented.

4 分部呈報

按照與本集團管理其業務一致的方式，及與就資源分配及表現評估向本集團最高管理層內部呈報資料一致的方式，本集團已確定四個可呈報分部，即生產及買賣木製品、零售業務、戶外木製品項目及再生能源產品。本集團並無聚合經營分部以構成上述可呈報分部。

- 生產及買賣木製品：向國內外客戶生產及銷售戶外木製品及木材貿易。
- 零售業務：透過自營零售店零售戶外木製品。
- 戶外木製品項目：從事戶外木製品項目，包括向本地客戶提供設計及安裝服務。
- 再生能源產品：生產及銷售生物質顆粒燃料。

(a) 分部業績

為評估分部表現及於各分部間分配資源，本集團最高級管理層按下列基準監察來自各可呈報分部的業績：

可呈報分部收益指生產及買賣木製品、零售業務、戶外木製品項目及再生能源產品分別從本集團外部客戶所得的收益。

就可呈報分部溢利採用的計量單位為生產及買賣木製品、零售業務、戶外木製品項目及再生能源產品各自的「除稅後溢利」。

分部資產及負債的計量乃不定期向本集團最高管理層提供，故並無呈列分部資產或負債資料。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

(a) Segment results (Continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2014 and 2013 is set out below:

4 分部呈報(續)

(a) 分部業績(續)

於截至二零一四年及二零一三年六月三十日止六個月，就資源分配及分部表現評估向本集團最高管理層提供的有關本集團可呈報分部的資料載列如下：

		Six months ended 30 June 2014 截至二零一四年六月三十日止六個月				
		Manufacturing and trading of wooden products 生產及買賣木製品 RMB'000 人民幣千元	Retail business 零售業務 RMB'000 人民幣千元	Projects of outdoor wooden products 戶外木製品項目 RMB'000 人民幣千元	Renewable energy products 再生能源產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue derived from the Group's external customers	源自本集團外部客戶的 收益	300,244	4,561	1,069	1,577	307,451
Inter-segment revenue	分部間收益	5,805	-	-	463	6,268
Reportable segment revenue	可呈報分部收益	306,049	4,561	1,069	2,040	313,719
Reportable segment profit/(loss) (profit/(loss) after taxation)	可呈報分部溢利/(虧損) (除稅後溢利/(虧損))	58,377	(461)	122	1,080	59,118

		Six months ended 30 June 2013 截至二零一三年六月三十日止六個月				
		Manufacturing and trading of wooden products 生產及買賣木製品 RMB'000 人民幣千元	Retail business 零售業務 RMB'000 人民幣千元	Projects of outdoor wooden products 戶外木製品項目 RMB'000 人民幣千元	Renewable energy products 再生能源產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue derived from the Group's external customers	源自本集團外部客戶的 收益	218,947	3,768	820	-	223,535
Inter-segment revenue	分部間收益	19,568	-	-	-	19,568
Reportable segment revenue	可呈報分部收益	238,515	3,768	820	-	243,103
Reportable segment profit/(loss) (profit/(loss) after taxation)	可呈報分部溢利/(虧損) (除稅後溢利/(虧損))	45,073	(3,302)	14	-	41,785

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

(b) Reconciliations of reportable segment revenue and reportable segment profit

4 分部呈報(續)

(b) 可呈報分部收益與可呈報分部溢利的對賬

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Revenue	收益		
Reportable segment revenue	可呈報分部收益	313,719	243,103
Elimination of inter-segment revenue	抵銷分部間收益	(6,268)	(19,568)
Consolidated turnover	綜合營業額	307,451	223,535
Profit	溢利		
Reportable segment profit derived from the Group's external customers	源自本集團外部客戶的可呈報分部溢利	59,118	41,785
Elimination of inter-segment profits	抵銷分部間溢利	(1,656)	(2,074)
Unallocated head office and corporate expenses	未分配總辦事處及公司開支	(2,121)	(444)
Consolidated profit after taxation	綜合除稅後溢利	55,341	39,267

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

4 SEGMENT REPORTING (Continued)

(c) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods were delivered or the services were provided.

		Six months ended 30 June	
		截至六月三十日止六個月	
		2014	2013
		二零一四年	二零一三年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
North America	北美洲	138,214	76,644
The PRC	中國	130,521	109,900
Europe	歐洲	25,403	19,612
Asia Pacific (exclusive of the PRC)	亞太區(不包括中國)	13,313	17,379
		307,451	223,535

5 SEASONALITY OF OPERATIONS

The Group's operations are not subject to significant seasonal fluctuations. Sales revenue recorded in the first and second half of the financial year is not affected by seasonal fluctuations.

4 分部呈報(續)

(c) 地域資料

下表載列有關本集團源自外部客戶收益的地理位置的資料。客戶的地理位置以貨品交付地點或服務提供地點為準。

5 經營季節性

本集團業務並無受重大季節性波動所影響。於財政年度上半年及下半年錄得的銷售收益並無受季節性波動所影響。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

6 OTHER REVENUE AND OTHER NET (LOSS)/GAIN

(a) Other revenue

Interest income on bank deposits	銀行存款利息收入
Government subsidies	政府補貼

Six months ended 30 June	
截至六月三十日止六個月	
2014	2013
二零一四年	二零一三年
RMB'000	RMB'000
人民幣千元	人民幣千元
944	389
10,123	2,509
11,067	2,898

The Group received unconditional government subsidies of RMB9,576,000 (six months ended 30 June 2013: RMB1,862,000) for the six months ended 30 June 2014. These government subsidies were granted to Zhangping Kimura for subsidising various expenses already incurred and were recognised as other revenue when they became receivable.

截至二零一四年六月三十日止六個月，本集團收取無條件政府補貼人民幣9,576,000元(截至二零一三年六月三十日止六個月：人民幣1,862,000元)。漳平木村獲授此等政府補貼以補貼其已產生的多項開支及於可收取時確認為其他收入。

The Group recognised government subsidies as deferred income which compensates the Group for the cost of its land use right and the cost of infrastructure development. Government subsidies (deferred income) of RMB547,000 (six months ended 30 June 2013: RMB647,000) were recognised as other revenue for the six months ended 30 June 2014, which is on a systematic basis over the useful life of the relevant assets (note 17).

本集團將作為補償本集團土地使用權成本及基建設施開發成本的政府補貼確認為遞延收入。截至二零一四年六月三十日止六個月，政府補貼(遞延收入)人民幣547,000元(截至二零一三年六月三十日止六個月：人民幣647,000元)已確認為其他收入，此乃按有關資產的可使用年期有系統地確認(附註17)。

(b) Other net (loss)/gain

Net foreign exchange (loss)/gain	匯兌收益(虧損)/淨額
Changes in fair value of derivative financial instruments	衍生金融工具公平值變動
Others	其他

(b) 其他(虧損)/收益淨額

Six months ended 30 June	
截至六月三十日止六個月	
2014	2013
二零一四年	二零一三年
RMB'000	RMB'000
人民幣千元	人民幣千元
(1,756)	465
(3,305)	234
42	(4)
(5,019)	695

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

7 除稅前溢利

除稅前溢利經扣除下列各項後得出：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
(a) Finance costs	(a) 融資成本		
Interest expense on bank loans wholly repayable within five years	須於五年內悉數償還 銀行貸款的利息開支	5,900	3,553
Less: Interest expense capitalised into construction in progress*	減：撥入在建工程的 資本化利息開支*	(1,081)	(971)
		4,819	2,582

* The borrowing costs have been capitalised at a rate of 3.69% (six months ended 30 June 2013: 4.66%) per annum for the six months ended 30 June 2014.

* 截至二零一四年六月三十日止六個月的借貸成本已按3.69%(截至二零一三年六月三十日止六個月：4.66%)的年率資本化。

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
(b) Other items	(b) 其他項目		
Cost of inventories	存貨成本	211,042	147,437
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,960	4,236
Amortisation of lease prepayments	租賃預付款攤銷	622	683
Operating lease charges for properties	物業經營租賃支出	1,142	495
Research and development costs	研發成本	6,825	6,841

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Income tax in the consolidated statement of profit or loss represents:

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Current tax — PRC corporate income tax	即期稅項 — 中國企業所得稅	10,927	8,366
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅	491	—
Deferred tax credit	遞延稅項抵免	(1,126)	—
		10,292	8,366

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

Provision for Hong Kong Profits Tax is calculated at 16.5% to the estimated assessable profits for the six months ended 30 June 2014.

No provision was made for Hong Kong Profits Tax as the Group did not earn any assessable profits subject to Hong Kong Profits Tax during the six months ended 30 June 2013.

(ii) Zhangping Kimura applied and was approved for the High and New Technology Enterprise ("HNTE") qualification under the PRC Corporate Income Tax Law and its relevant regulations during 2013, and therefore is entitled to the preferential income tax rate of 15% for a period of three years from 2013 to 2015.

The Group's other PRC subsidiaries are subject to PRC corporate income tax at the statutory rate of 25%.

8 綜合損益表內的所得稅

綜合損益表內的所得稅指：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Current tax — PRC corporate income tax	即期稅項 — 中國企業所得稅	10,927	8,366
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅	491	—
Deferred tax credit	遞延稅項抵免	(1,126)	—
		10,292	8,366

(i) 根據開曼群島及英屬處女群島的法則及法規，本集團毋須在開曼群島及英屬處女群島繳納任何所得稅。

香港利得稅乃按截至二零一四年六月三十日止六個月之估計應課稅溢利以稅率 16.5% 計算。

截至二零一三年六月三十日止六個月，本集團並無賺取須繳納香港利得稅的任何應課稅溢利，故並無就香港利得稅計提撥備。

(ii) 漳平木村已於二零一三年根據中國企業所得稅法及其相關法規申請並獲得高新技術企業（「高新技術企業」）的認證資格，故自二零一三年起至二零一五年止三年期間可享有 15% 的優惠所得稅稅率。

本集團其他中國附屬公司須按 25% 法定稅率繳納中國企業所得稅。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

9 EARNINGS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2014 is based on the profit attributable to equity shareholders of the Company of RMB55,341,000 (six months ended 30 June 2013: RMB39,267,000) and weighted average of 1,004,420,000 shares (six months ended 30 June 2013: 1,000,000,000 shares) in issue during the six months ended 30 June 2014, calculated as follows:

Weighted average number of ordinary shares

Number of ordinary shares at 1 January	於一月一日的普通股數目
Effect of shares issued under placing	根據配售發行股份的影響
Weighted average number of ordinary shares	普通股加權平均數

There were no potential dilutive ordinary shares during the six months ended 30 June 2014 and 2013 and, therefore, diluted earnings per share are the same as the basic earnings per share.

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2014, the Group acquired items of plant and machinery with a cost of RMB12,097,000 (six months ended 30 June 2013: RMB57,534,000).

9 每股盈利

截至二零一四年六月三十日止六個月的每股基本盈利乃按截至二零一四年六月三十日止六個月的本公司權益持有人應佔溢利人民幣55,341,000元(截至二零一三年六月三十日止六個月：人民幣39,267,000元)，以及1,004,420,000股已發行股份(截至二零一三年六月三十日止六個月：1,000,000,000股股份)的加權平均數計算，載列如下：

普通股的加權平均數

Number of shares 股份數目	
Six months ended 30 June 截至六月三十日止六個月	
2014 二零一四年	2013 二零一三年
'000 千股	'000 千股
1,000,000	1,000,000
4,420	-
1,004,420	1,000,000

由於截至二零一四年及二零一三年六月三十日止六個月並無潛在攤薄普通股，故每股攤薄盈利與每股基本盈利相同。

10 物業、廠房及設備

截至二零一四年六月三十日止六個月，本集團購入廠房及機器項目的成本為人民幣12,097,000元(截至二零一三年六月三十日止六個月：人民幣57,534,000元)。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

11 INVENTORIES

11 存貨

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Raw materials	原材料	162,365	82,925
Work in progress	在製品	41,950	26,843
Finished goods	製成品	32,534	81,941
		236,849	191,709

There was no write down of inventories during the six months ended 30 June 2014 and 2013.

截至二零一四年及二零一三年六月三十日止六個月概無撇減存貨。

12 TRADE AND OTHER RECEIVABLES

12 貿易及其他應收款項

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Trade receivables (note (a))	貿易應收款項(附註(a))	158,380	103,712
Prepayments for raw materials	原材料預付款	99,731	27,847
Deposits and other prepayments	按金及其他預付款	690	1,661
Amount due from a related company (note 21(c))	應收關聯公司款項 (附註21(c))	11,887	6,155
Derivative financial instruments (note 19(a))	衍生金融工具(附註19(a))	597	2,071
Gross amount due from customers for contract work (note)	應收客戶合同工程總額 (附註)	2,954	3,040
VAT recoverable	可收回增值稅	175	16,291
Other receivables	其他應收款項	6,800	1,595
		281,214	162,372

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

12 TRADE AND OTHER RECEIVABLES (Continued)

Note: The aggregate amount of costs incurred plus recognised profits less recognised losses to date, included in the gross amount due from customers for contract work at 30 June 2014 was RMB19,525,000 (31 December 2013: RMB19,477,000). This balance includes retention receivables at 30 June 2014 of RMB865,000 (31 December 2013: RMB1,533,000), of which RMBNil (31 December 2013: RMB337,000) was expected to be recovered after more than one year.

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

(a) Ageing analysis

As at 30 June 2014, the ageing analysis of trade receivables (which are included in trade and other receivables), based on invoice date and net of allowances of doubtful debts, is as follows:

Within 1 month	於1個月內
1 to 2 months	1至2個月
2 to 3 months	2至3個月
Over 3 months	超過3個月

Trade receivables are normally due within 1 to 3 months from the date of billing.

13 PLEDGED DEPOSITS

Pledged deposits with banks have been placed as security for banking facilities and financial derivative contracts issued by banks to the Group.

12 貿易及其他應收款項(續)

附註：於二零一四年六月三十日的應收客戶合同工程總額內包括已產生總成本加已確認溢利減截至當日的已確認虧損為人民幣19,525,000元(二零一三年十二月三十一日：人民幣19,477,000元)。此結餘包括於二零一四年六月三十日的保留應收款項人民幣865,000元(二零一三年十二月三十一日：人民幣1,533,000元)，其中人民幣零元(二零一三年十二月三十一日：人民幣337,000元)預計將於一年後收回。

預計所有貿易及其他應收款項將於一年內收回或確認為開支。

(a) 賬齡分析

於二零一四年六月三十日，按發票日期並扣除呆賬備抵的貿易應收款項(已計入貿易及其他應收款項)賬齡分析如下：

	At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Within 1 month	71,513	61,437
1 to 2 months	21,257	18,758
2 to 3 months	13,010	12,446
Over 3 months	52,600	11,071
	158,380	103,712

貿易應收款項一般於出具發票日期起計1至3個月內到期。

13 已抵押存款

抵押予銀行的存款已用作銀行向本集團發出銀行融資及金融衍生工具合約的抵押。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

14 CASH AND CASH EQUIVALENTS

- (a) Cash and cash equivalents in the consolidated statement of financial position and consolidated cash flow statement comprise:

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Deposits with banks and other financial institutions	銀行及其他財務機構存款	38,066	49,000
Cash at bank and in hand	銀行及手頭現金	95,593	26,052
		133,659	75,052

- (b) Reconciliation of profit before taxation to cash (used in)/from operations:

14 現金及現金等價物

- (a) 於綜合財務狀況表及綜合現金流量表內的現金及現金等價物包括：

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Deposits with banks and other financial institutions	銀行及其他財務機構存款	38,066	49,000
Cash at bank and in hand	銀行及手頭現金	95,593	26,052
		133,659	75,052

- (b) 除稅前溢利與經營業務(所用)/所得現金對賬如下：

			Six months ended 30 June 截至六月三十日止六個月	
			2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
		Note 附註		
Profit before taxation	除稅前溢利		65,633	47,633
Adjustments for:	就以下各項作出調整：			
Interest expense	利息開支	7(a)	4,819	2,582
Depreciation	折舊	7(b)	6,960	4,236
Amortisation of lease prepayments	租賃預付款攤銷	7(b)	622	683
Amortisation of deferred income	遞延收入攤銷		(547)	(647)
Net foreign exchange loss	外匯虧損淨值		158	106
Interest income	利息收入	6(a)	(944)	(389)
Changes in working capital:	營運資金變動：			
Increase in inventories	存貨增加		(45,140)	(16,772)
Increase in trade and other receivables	貿易及其他應收款項增加		(120,316)	(29,406)
Decrease in trade and other payables	貿易及其他應付款項減少		(6,793)	(860)
Cash (used in)/generated from operations	經營業務(所用)/所得現金		(95,548)	7,166

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

15 TRADE AND OTHER PAYABLES

15 貿易及其他應付款項

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Trade payables (note (a))	貿易應付款項(附註(a))	7,810	10,840
Receipts in advance	預收款項	2,768	2,736
Derivative financial instruments (note 19(a))	衍生金融工具(附註19(a))	2,053	222
Salaries, wages, bonus and other accrued benefits	薪金、工資、花紅及 其他應計福利	2,357	2,567
Payables for the purchase of property, plant and equipment	購買物業、廠房及設備的 應付款項	-	2,473
Other tax payables	其他應付稅項	669	1,545
Professional fees payables	應付專業費用	44	1,179
Dividends payable	應付股息	10,317	-
Others	其他	3,274	2,375
		29,292	23,937

All of the above balances are expected to be settled within one year or repayable on demand.

所有上述結餘預計將於一年內償付或按要求償還。

(a) A maturity analysis of the trade payables is as follows:

As at 30 June 2014, the maturity analysis of the trade payables balance is as follows:

(a) 貿易應付款項的到期日分析如下：

於二零一四年六月三十日，貿易應付款項的到期日分析如下：

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Due within 1 month or on demand	1個月內到期償付或 按要求償付	2,527	2,317
Due after 1 month but within 3 months	1個月後但3個月內 到期償付	5,283	8,523
		7,810	10,840

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

16 BANK LOANS

- (a) As at 30 June 2014, the bank loans were repayable as follows:

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Within 1 year or on demand	一年內或按要求	336,315	239,651
After 1 year but within 2 years	一年後但兩年內	–	2,500
After 2 year but within 5 years	兩年後但五年內	20,000	22,597
		20,000	25,097
		356,315	264,748

- (b) As at 30 June 2014, the bank loans were secured as follows:

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Bank loans (note (c))	銀行貸款(附註(c))		
— Secured	— 有抵押	246,818	155,657
— Unsecured	— 無抵押	109,497	109,091
		356,315	264,748

16 銀行貸款

- (a) 於二零一四年六月三十日，須償還的銀行貸款如下：

- (b) 於二零一四年六月三十日，有抵押銀行貸款如下：

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

16 BANK LOANS (Continued)

(c) The secured banking facilities were secured by the following assets with carrying values as follows:

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Pledged deposits (note 13)	已抵押存款(附註13)	92,641	64,000
Buildings	樓宇	87,538	52,784
Plant and machinery	廠房及機器	8,686	9,413
Lease prepayments	租賃預付款	51,781	52,403
		240,646	178,600

17 DEFERRED INCOME

Deferred income represented receipts of government subsidies that compensated the Group for the cost of its land use right and the cost of infrastructure development which are recognised in profit or loss (as other revenue) on a systematic basis over the useful life of the assets (note 6(a)).

16 銀行貸款(續)

(c) 有抵押銀行融資以下列賬面值的資產作抵押：

17 遞延收入

遞延收入指政府補貼收入，用於補貼本集團的土地使用權成本及基礎設施發展成本，於資產的可使用年期內有系統地於損益表內確認(為其他收入)(附註6(a))。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

18 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

- (i) The Board of Directors does not recommend the payment of an interim dividend for the six months ended 30 June 2014 (six months ended 30 June 2013: Nil).
- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year approved during the interim period

18 資本、儲備及股息

(a) 股息

- (i) 董事會並不建議就截至二零一四年六月三十日止六個月派付中期股息(截至二零一三年六月三十日止六個月：無)。
- (ii) 於本中期期間批准於上一個財政年度應付本公司權益持有人股息

Six months ended 30 June 截至六月三十日止六個月

2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

Final dividend in respect of the previous financial year approved during the interim period, of HK\$0.013 (equivalent to approximately RMB0.0103) per ordinary share (six months ended 30 June 2013: HK\$0.013 (equivalent to approximately RMB0.0105))	於中期期間批准派發上一個財政年度的末期股息每股普通股0.013港元(相當於約人民幣0.0103元)(截至二零一三年六月三十日止六個月：0.013港元(相當於約人民幣0.0105元))		
---	---	--	--

10,317

10,540

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

18 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(b) Share capital

18 資本、儲備及股息(續)

(b) 股本

		2014 二零一四年		2013 二零一三年	
		Number of shares 股份數目	Amount 金額	Number of shares 股份數目	Amount 金額
		'000 千股	HK\$'000 千港元	'000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元的 普通股	10,000,000	100,000	10,000,000	100,000
Ordinary shares, issued and fully paid:	普通股，已發行及 繳足：				
At 1 January	於一月一日	1,000,000	10,000	1,000,000	10,000
Issue of shares upon placing (note)	於配售時發行股份 (附註)	200,000	2,000	-	-
At 30 June	於六月三十日	1,200,000	12,000	1,000,000	10,000

Note: On 26 June 2014, an aggregate of 200,000,000 ordinary shares of HK\$0.01 each were issued to not less than six placees, who and whose ultimate beneficial owners are independent third parties, at a price of HK\$0.8 per share. The net proceeds will be retained for capital expenditure to increase production capacity of the Group's products and as general working capital of the Group. The shares issued rank pari passu with other shares in issue in all respects.

附註：於2014年6月26日，合共200,000,000股每股面值0.01港元的普通股已按每股0.8港元的價格發行予不少於六名承配人(彼等及彼等之最終實益擁有人均為獨立第三方)。所得款項淨額將保留用作增加本集團產品產能的資本開支及本集團的一般營運資金。已發行股份於所有方面與已發行其他股份享有同等地位。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

19 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets measured at fair value

As at 30 June 2014, the Group's derivative financial instruments (assets) of RMB597,000 and derivative financial instruments (liabilities) of RMB2,053,000 respectively (31 December 2013: derivative financial instruments (assets) of RMB2,071,000 and derivative financial instruments (liabilities) of RMB222,000 respectively) (notes 12 and 15) were carried at fair value, and these instruments fall into Level 2 of the fair value hierarchy as defined in IFRS 13, *Fair value measurement*.

During the six months ended 30 June 2014, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (six months ended 30 June 2013: None). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of balance sheet date in which they occur.

(i) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of forward exchange contracts in Level 2 is determined by discounting the contractual forward price and deducting the current spot rate. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus an adequate constant credit spread.

There were no other financial assets or liabilities carried at fair value as at 30 June 2014 and 31 December 2013.

(b) Fair values of financial assets and liabilities carried at other than fair value

The carrying values of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2014 and 31 December 2013.

19 金融工具的公平值計量

(a) 按公平值計量的金融資產

於二零一四年六月三十日，本集團金額分別為人民幣597,000元的衍生金融工具(資產)及人民幣2,053,000元的衍生金融工具(負債)(二零一三年十二月三十一日：分別為人民幣2,071,000元的衍生金融工具(資產)及人民幣222,000元的衍生金融工具(負債))(附註12及15)按公平值列賬，此等工具屬於國際財務報告準則第13號：公平值計量定義的公平值等級的第二級。

截至二零一四年六月三十日止六個月，第一級與第二級工具間並無轉移，亦無轉入第三級或自第三級轉出(截至二零一三年六月三十日止六個月：無)。本集團的政策為於公平值等級的各級在結算日發生轉移時確認有關轉移。

(i) 第二級公平值計量使用的估值技術及輸入數據

第二級的遠期外匯合約公平值乃透過貼現合約遠期價格及扣除現有即期利率而釐定。所使用貼現率按於結算日相關政府債券孳息率加足夠固定信貸息差而計算得出。

於二零一四年六月三十日及二零一三年十二月三十一日，概無其他按公平值列賬的金融資產或負債。

(b) 非按公平值列賬的金融資產及負債的公平值

本集團按成本或攤銷成本列賬的金融工具賬面值與彼等於二零一四年六月三十日及二零一三年十二月三十一日的公平值並無重大差異。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

20 COMMITMENTS

- (a) Capital commitments outstanding at 30 June 2014 not provided for in this interim financial report were as follows:

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Contracted for	已訂約	23,868	30,240

- (b) As at 30 June 2014, the total future minimum lease payments under non-cancellable operating leases in respect of rental of offices and retail shops are repayable as follows:

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Within 1 year	一年內	702	818
After 1 year but within 5 years	一年後但五年內	479	62
		1,181	880

The leases typically run for an initial period of two to five years, with an option to renew when all terms are renegotiated. None of the leases include contingent rentals.

20 承擔

- (a) 於本中期財務報告內未作出撥備且於二零一四年六月三十日尚未償還的資本承擔如下：

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Contracted for	已訂約	23,868	30,240

- (b) 於二零一四年六月三十日，有關辦公室及零售店租金的不可撤銷經營租約項下須償還的未來最低租賃付款總額如下：

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Within 1 year	一年內	702	818
After 1 year but within 5 years	一年後但五年內	479	62
		1,181	880

租約一般初步為期兩年至五年不等，可於所有條款重新磋商時續期。該等租約均不包括或然租金。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

21 MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into the following significant related party transactions during the periods presented.

(a) Name and relationship with related parties

During the periods presented, the directors are of the view that related parties of the Group include the following entity:

Name of party 關聯方名稱

Relationship 關係

Zhangping Jiupengxi Ecological Tourism
Development Company Limited
("Jiupengxi")
漳平市九鵬溪生態旅遊發展有限責任公司
(「九鵬溪」)

A private company controlled by Wu Zheyuan.
Wu Zheyuan is the ultimate controlling shareholder
and a director of the Company
吳哲彥控制的私營公司。吳哲彥為本公司最終控股
股東及董事

The English translation of the name is for reference
only. The official name of this related party is in
Chinese.

英文譯名僅供參考，此關聯方的正式
名稱以中文為準。

(b) Significant related party transactions

Particulars of significant related party transactions
during the periods presented are as follows:

(b) 重大關聯方交易

呈報期間內重大關聯方交易的詳情如
下：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Sales of wooden products and contract revenue of outdoor wooden projects derived from Jiupengxi	向九鵬溪銷售木製品及 來自九鵬溪的戶外 木項目合約收益	6,763	1,820

The directors confirm that the above transactions are
entered into with trading terms similar to those with
third parties.

董事確認，上述交易乃以與彼等與第
三方訂立的類似交易條款訂立。

Notes to the Unaudited Interim Financial Report (Continued)

未經審核中期財務報告附註(續)

(Expressed in Renminbi unless otherwise indicated)
(除另有指示外，以人民幣列示)

21 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(c) Amount due from a related company

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Jiupengxi	九鵬溪	11,887	6,155

The amount due from a related company arose from normal sales transactions. It was unsecured, interest-free and expected to be settled according to credit term which is similar to that with third parties.

(d) Key management personnel remuneration

Remuneration for key management personnel of the Group is as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	642	632
Retirement scheme contributions	退休計劃供款	20	18
		662	650

21 重大關聯方交易(續)

(c) 應收關聯公司款項

		At 30 June 2014 於二零一四年 六月三十日 RMB'000 人民幣千元	At 31 December 2013 於二零一三年 十二月三十一日 RMB'000 人民幣千元
Jiupengxi	九鵬溪	11,887	6,155

應收關聯公司款項乃源自一般銷售交易。該等款項為無抵押、免息及預期將根據其與第三方所訂立類似的信貸條款償付。

(d) 主要管理層人員薪酬

本集團主要管理層人員薪酬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	642	632
Retirement scheme contributions	退休計劃供款	20	18
		662	650



MERRY GARDEN HOLDINGS LIMITED

美麗家園控股有限公司

www.merrygardenholdings.com