



2017

Interim Report 中期報告



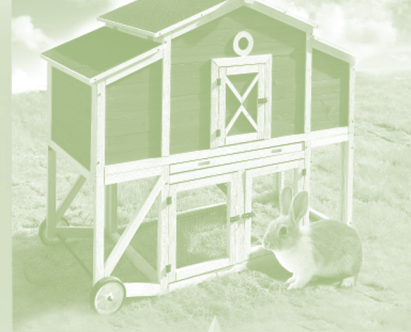
**China Environmental Technology And
Bioenergy Holdings Limited**
中科生物控股有限公司

(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
Financial Summary	財務概要	5
Chairman's Statement	主席報告	7
Management Discussion and Analysis	管理層討論與分析	9
Other Information	其他資料	20
Consolidated Statement of Profit or Loss — Unaudited	綜合損益表 — 未經審核	27
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	28
Consolidated Statement of Financial Position — Unaudited	綜合財務狀況表 — 未經審核	29
Consolidated Statement of Changes in Equity — Unaudited	綜合權益變動表 — 未經審核	31
Consolidated Cash Flow Statement — Unaudited	綜合現金流量表 — 未經審核	33
Notes to the Unaudited Interim Financial Report	未經審核中期財務報告附註	34



Corporate Information

公司資料

CORPORATE PROFILE

China Environmental Technology and Bioenergy Holdings Limited (“the Company”) is a leisure wooden 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 houses and their related parts and structures. The Company has established its sales network through distributors as well as its self-operated retail stores network, and has launched a series of leisure wooden products to promote a leisure and natural lifestyle. The Company was listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in 2012.

BOARD OF DIRECTORS

Executive Directors

Ms. Xie Qingmei (*Chairman*)

Mr. Wu Zheyang (*Chief Executive Officer*)

Non-executive Director

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

RISK MANAGEMENT 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

公司簡介

中科生物控股有限公司(「本公司」)為中華人民共和國(「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方面擁有逾20年經驗。本公司已透過分銷商及自營零售店網絡建立其銷售網絡，並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。

董事會

執行董事

謝清美女士(主席)

吳哲彥先生(行政總裁)

非執行董事

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

風險管理委員會

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

Corporate Information (Continued)

公司資料(續)

NOMINATION COMMITTEE

Prof. Jin Zhongwei (*Chairman*)

Prof. Su Wenqiang

Mr. Lam Hin Chi

提名委員會

金重為教授 (*主席*)

蘇文強教授

藍顯賜先生

COMPANY SECRETARY

Mr. Yu Hok Sum, *FCPA ACIS ACS*

公司秘書

余學深先生, *FCPA ACIS ACS*

AUTHORISED REPRESENTATIVES

Mr. Wu Zheyang

Mr. Yu Hok Sum

授權代表

吳哲彥先生

余學深先生

AUDITORS

BDO Limited

Certified Public Accountants

核數師

香港立信德豪會計師事務所有限公司

執業會計師

LEGAL ADVISOR

Eversheds

法律顧問

安睿國際律師事務所

PRINCIPAL BANKERS

Agricultural Bank of China, Zhangping Branch

China Construction Bank, Zhangping Branch

Bank of China, Zhangping Branch

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

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1610

The Metropolis Tower

10 Metropolis Drive

Hunghom

Hong Kong

香港主要營業地點

香港

紅磡

都會道10號

都會大廈

1610室

HEAD OFFICE IN THE PRC

Fushan Industrial District,

Zhangping, Fujian, the PRC

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

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	
		2017 二零一七年	2016 二零一六年
Revenue	收入	209,492	205,900
Timber houses and their related parts and structures	木屋及其相關部件及構件	103,322	129,949
Leisure household products	休閒傢俱產品		
Outdoor and indoor furniture	室內外傢俱產品	8,617	18,107
Recreational products	遊戲類產品	9,773	8,062
Landscape garden products	園藝類產品	50,159	19,763
Pet-home designs products	寵物屋產品	14,074	6,502
Trading of timber	木材貿易	13,428	14,347
Renewable energy products	再生能源產品	10,119	9,170
Gross profit	毛利	28,266	23,623
Gross profit margin	毛利率	13.5%	11.5%
Net loss	淨虧損	(3,881)	(4,175)
Net profit margin	淨溢利率	-1.9%	-2.0%
Loss per share (RMB)	每股虧損(人民幣)	(0.0013)	(0.0016)

Financial position data and ratios	財務狀況數據及比率	At 30 June 2017 於二零一七年 六月三十日	At 31 December 2016 於二零一六年 十二月三十一日
Non-current assets	非流動資產	773,361	740,752
Current assets	流動資產	811,675	882,530
Current liabilities	流動負債	428,198	418,778
Non-current liabilities	非流動負債	50,627	75,787
Equity attributable to equity shareholders	權益股東應佔資本	1,176,211	1,128,717
Current ratio (Note 1)	流動比率(附註1)	2.1:1	2.1:1
Quick ratio (Note 2)	速動比率(附註2)	1.3:1	1.3:1
Inventory turnover days (Note 3) (days)	存貨周轉天數(附註3)(天)	332	303
Trade receivables turnover days (Note 4) (days)	貿易應收款項周轉天數(附註4)(天)	87	115
Turnover days on prepayment for raw materials (Note 5) (days)	原材料預付款周轉天數(附註5)(天)	120	86
Total borrowings to total assets (Note 6)	借貸總額與總資產比率(附註6)	22.7%	25.5%
Net borrowings to total equity (Note 7)	借貸淨額與總權益比率(附註7)	5.9%	8.2%

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	
		2017 二零一七年	2016 二零一六年
Staff costs	員工成本	15,165	18,718
Capital expenditures	資本開支	43,780	26,465
Research and development costs	研發成本	15,189	10,757
Effect tax rate (Note 8)	實際稅率 (附註8)	-9.1%	-27.5%

Notes:

附註：

- Current ratio is the ratio of current assets to current liabilities.
 - Quick ratio is calculated by dividing current assets (excluding inventories) by current liabilities.
 - Inventory turnover days is calculated by dividing average inventories by cost of inventories and multiplying the resulting value by 183 days for the six months ended 30 June 2017 and 365 days for the year ended 31 December 2016.
 - 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 2017 and 365 days for the year ended 31 December 2016.
 - Turnover days on prepayment for raw materials is calculated by dividing average prepayment for raw materials by cost of inventories (excluding staff costs, depreciation and research and development costs) and multiplying the resulting value by 183 days for the six months ended 30 June 2017 and 365 days for the year ended 31 December 2016.
 - Total borrowings to total assets is calculated by dividing the total of bank loans and interest-bearing borrowings by total assets.
 - Net borrowings to total equity is calculated by dividing the total of bank loans and interest-bearing borrowings, less cash and cash equivalents and pledged deposits by total equity.
 - Effective tax rate is calculated as income tax divided by loss before taxation.
- 流動比率為流動資產對流動負債的比率。
 - 速動比率按流動資產(不包括存貨)除以流動負債計算。
 - 截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月的存貨周轉天數按平均存貨除以存貨成本再分別乘以365天及183天計算。
 - 截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月的貿易應收款項周轉天數按平均貿易應收賬款(不包括增值稅)除以營業額再分別乘以365天及183天計算。
 - 截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月的原材料預付款周轉天數按平均原材料預付款除以存貨成本(不包括員工成本、折舊及研發成本)再分別乘以365天及183天計算。
 - 借貸總額與總資產比率按銀行借款及計息借貸總額除以總資產計算。
 - 借貸淨額與總權益比率按銀行貸款及計息借貸總額，扣除現金及現金等價物及已抵押存款，除以總權益計算。
 - 實際稅率是以所得稅除以除稅前虧損計算。

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of the Company, I hereby announce the results of the Company and its subsidiaries (the “Group”) for the six months period ended 30 June 2017 (the “Period”).

FINANCIAL PERFORMANCE

During the Period, the revenue of the Group recorded a slight increase by 1.9% to RMB209.5 million as compared to the six months period ended 30 June 2016. The gross profit margin of the Group has slightly increased by 2% through the successful sales of high-end products that require high-end techniques and technologies to produce. At the same time, the Group has more investment in research and development expenses to keep our products competitive among the industry. Overall, a slight decrease in loss attributable to shareholders to RMB3.9 million for the period has been recorded. The Board do not recommended any dividend to be declared for the Period.

BUSINESS PERFORMANCE

The world shows a fluctuate and challenging economic picture during the Period. The United States of America (the “US”) has raised interest rates two times. While in Germany, our largest market in Europe, although the GDP is improving, the growth rate for permits granted in relation to the building construction for dwelling slowdown a lot after robust growth last year. As for China, the economy continues to show steady progress in the first half of 2017. During the Period, the Group's slight increase in revenue was contributed by the slight increase in revenue from China market and strong growth in revenue from Australian market due to the newly launched landscape garden products, while revenue in other areas has recorded a decrease. As for business segment, each shows improvement while manufacturing and sales of renewable energy products has shown greatest improvement among all. Besides improvement in revenue, the Group's gross profit margin has improved as a result of effort put in research and development to develop high-end products.

各位股東：

本人謹代表本公司董事（「董事」）會（「董事會」），向各股東宣佈本公司及其附屬公司（「本集團」）截至二零一七年六月三十日止六個月（「本期間」）的業績。

財務表現

於本期間，本集團的收入較截至二零一六年六月三十日止六個月期間略微增加1.9%至人民幣209.5百萬元。通過成功銷售需要高端技術及科技生產的高端產品，本集團的毛利率已略微增加2%。同時，本集團投入更多研發開支以保持產品在行業中的競爭力。整體而言，本期間已錄得股東應佔虧損略微減少至人民幣3.9百萬元。董事會並不建議就本期間將宣派任何股息。

業務表現

本期間全球波動及經濟狀況仍面臨挑戰。美利堅合眾國（「美國」）已加息兩次。而於我們於歐洲的最大市場——德國，儘管國內生產總值仍在改善，但有關住宅樓宇建設獲授許可的增長率於去年強勁增長後有所放緩。就中國而言，二零一七年上半年經濟繼續穩步增長。於本期間，由於中國市場的收入略微增加及由新推出的園藝類產品為澳洲市場帶來強勁增長，而其他地區的收入錄得減少，本集團的收入略微增加。就業務分部而言，各分部均有所改善，而生產及銷售再生能源產品顯示最大改善。除收入改善外，本集團的毛利率因投入研發努力以發展高端產品而有所改善。

Chairman's Statement (Continued)

主席報告(續)

PROSPECTS

In 2017, the US Federal Reserve raised interest rates twice and unveiled a plan on normalizing balance sheet. This added great uncertainty to the second half of the year. The economic data of Germany continued to show improvement, we expect that the revenue from Germany, which is the largest market in Europe to the Group, in the second half of the year would be improved. As for China, recent economic data beat expectations and the Group's revenue for the Period from China seems to be stabilized. We hope that the demand of China and Asia-Pacific region will gradually recover, bringing more revenue to the Group.

During the Period, the Group successfully launched landscape garden products in the Australia and we hope that Australian market could become one of our major sales regions in the coming years. This could help the Company develop a more diversified revenue source and customer base. The Group will continue seeking new business opportunities.

Meanwhile, by virtue of the mature self-owned "Merry Garden" brand and the impeccable strategy for the Group's in development of renewable energy products, the Group looks forward to making further breakthroughs in expanding our market share internationally.

The development during the Period has provided a solid foundation for the Group's further growth in the coming years.

APPRECIATION

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 our employees for your efforts and contributions to the Group over the Period.

Xie Qingmei

Chairman

展望

二零一七年美國聯邦儲備局已加息兩次並已透露令資產負債表正常化的計劃。這為今年下半年增加極大的不確定性。德國經濟數據持續顯示改善，我們預期源自本集團於歐洲的最大市場德國的收入於今年下半年將有所改善。中國近期經濟數據比預期理想，本集團本期間源自中國的收入看似穩定。我們希望中國及亞太地區的需求將逐步復甦，為本集團帶來更多收入。

於本期間，本集團在澳洲成功推出園藝類產品，我們希望澳洲市場未來數年可成為本集團的主要銷售區域之一。這可幫助本公司發展更多元化的收入來源及客戶基礎。本集團將繼續物色新商機。

同時，憑藉本集團成熟的自有品牌「美麗家園」以及本集團發展可再生能源產品的完美策略，本集團預期將可於進一步擴大全球市場份額方面獲得更大突破。

本期間的發展為本集團未來幾年的進一步增長提供了穩固基礎。

致謝

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，同時亦感謝每一位員工於本期間為本集團付出的辛勞及貢獻。

謝清美

主席

Management Discussion and Analysis

管理層討論與分析

RESULTS OF OPERATION

The Group achieved a slight growth in revenue by 1.7% to RMB209.5 million as compared to the corresponding period of the previous year ("2016 1H") (2016 1H: RMB205.9 million). The Group's operating results were slightly improved and recorded a slight decrease in loss of RMB294,000 to RMB3.9 million (2016 1H: RMB4.2 million).

SEGMENT REVIEW

During the Period, the performance of our business segments is as follows:

經營業績

本集團的收入較去年同期(「二零一六年上半年」)略微增長1.7%至人民幣209.5百萬元(二零一六年上半年：人民幣205.9百萬元)。本集團的經營業績略微改善及虧損略微減少人民幣294,000元至人民幣3.9百萬元(二零一六年上半年：人民幣4.2百萬元)。

分部回顧

於本期間，我們各業務分部之表現如下：

		Segment revenue derived from external customers 源自外部客戶之 分部收入		% to total segment revenue derived from external customers 佔源自外部客戶之 總分部收入百分比			Reportable segment (loss)/profit (Note 1) 可呈報分部 (虧損)/溢利 (附註1)	
		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月			Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	Change 變動 %	2017 二零一七年 %	2016 二零一六年 %	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Manufacturing and sales of wooden products	生產及銷售木製品	197,290	193,507	2.0%	94.2%	94.0%	(4,489)	(7,528)
Retail business	零售業務	2,083	3,223	-35.4%	1.0%	1.6%	(1,237)	(1,438)
Projects of outdoor wooden products	戶外木製品項目	-	-	0.0%	0.0%	0.0%	(68)	(98)
Manufacturing and sales of renewable energy products	生產及銷售 再生能源產品	10,119	9,170	10.3%	4.8%	4.4%	2,129	15
		209,492	205,900	1.7%	100.0%	100.0%	(3,665)	(9,049)

Note 1: Reported segment (loss)/profit has excluded the after tax effect of government subsidies.

附註1：可呈報分部(虧損)/溢利已撇除政府補貼之稅後影響。

During the Period, the Group continued to consolidate its core business into the following segments: manufacturing and sales of wooden products, retail business and projects of outdoor wooden products. The Group's relatively new business in the manufacturing and sales of renewable energy products has successfully continued its operation for the fourth year since its commencement in 2014. The revenue derived from each of the four business segments during the Period were RMB197,290,000, RMB2,083,000, Nil and RMB10,119,000 (2016 1H: RMB193,507,000, RMB3,223,000, Nil and RMB9,170,000, representing 94.2%, 1.0%, 0.0% and 4.8% of the total revenue derived (2016 1H: 94.0%, 1.6%, 0.0% and 4.4%) respectively.

本期間，本集團繼續將其核心業務整合為以下分部：即生產及銷售木製品、零售業務以及戶外木製品項目。本集團於生產及銷售再生能源產品方面的相對較新業務自二零一四年開始營運以來順利持續其營運四年。本期間，四個業務分部各自產生的收入分別為人民幣197,290,000元、人民幣2,083,000元、零及人民幣10,119,000元(二零一六年上半年：人民幣193,507,000元、人民幣3,223,000元、零及人民幣9,170,000元)，分別佔所源自總收入94.2%、1.0%、0.0%及4.8%(二零一六年上半年：94.0%、1.6%、0.0%及4.4%)。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Manufacturing and sales of wooden products remains the Group's largest business segment, contributing 94.2% of the Group's revenue. The overall increase in revenue in this segment was contributed by the increase in revenue of landscape garden products and pet-home designs products. The revenue derived from such business segment increased by 2.0% to RMB197.3 million (2016 1H: RMB193.5 million). The loss recorded from the manufacturing and sales of wooden products segment was improved by a reduction of loss in the amount of approximately RMB3.0 million to RMB4.5 million (2016 1H: RMB7.5 million) due to customers demand for more high-end products which has a greater gross profit margin.

The Group's self-owned brand is engaged in the retail of leisure household products. Since its establishment in 2010, its sales network has grown to cover major cities in more than 10 provinces in the PRC with over 50 self-operated stores and distribution outlets. The Group aims to improve the operation by improving its cost control.

As mentioned above, the Group has continued its renewable energy business for the fourth successful year. The business involves the recycling of leftover sawdust from the production of our wooden products and turning into biomass pellet fuel. The biomass pellet fuel and its production process, are fully compliant with the national development directions on new energies in the PRC.

The Group's renewable energy business recorded an increase in revenue by 10.3% to RMB10.1 million (2016 1H: RMB9.2 million) during the Period. The profit increased sharply to RMB2.1 million (2016 1H: RMB15,000). As the operation becomes more stable, it is expected that this business will generate more profit for the Group in the future.

生產及銷售木製品仍然是本集團的最大業務分部，佔本集團收入的94.2%。本分部收入整體增加乃由於園藝類產品及寵物屋產品的收入增加。有關業務分部的收入增加2.0%至人民幣197.3百萬元(二零一六年上半年：人民幣193.5百萬元)。由於客戶對具有更高毛利率的高端產品有更多需求，生產及銷售木製品分部的虧損有所改善，虧損額減少約人民幣3.0百萬元至人民幣4.5百萬元(二零一六年上半年：人民幣7.5百萬元)。

本集團自有品牌涉及零售休閒傢俱用品。自二零一零年成立以來，其銷售網絡已覆蓋超過中國十個省份的主要城市，並設有50多個自營店舖及分銷網點。本集團致力加強成本控制以改善經營狀況。

如上所述，本集團再生能源業務已順利連續經營四年。該業務涉及回收木製品生產過程中產生的廢屑，然後將其轉化為生物質顆粒燃料。有關生物質顆粒燃料及其生產工藝完全符合中國新能源的國家發展方針。

本期間本集團再生能源業務錄得收入增加10.3%至人民幣10.1百萬元(二零一六年上半年：人民幣9.2百萬元)。溢利大幅增至人民幣2.1百萬元(二零一六年上半年：人民幣15,000元)。由於經營日益穩定，預期日後該業務會為本集團創造更多溢利。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

MARKET REVIEW

During the Period, the distribution of revenue from our global markets is as follows:

市場回顧

於本期間，我們來自全球市場之收入分佈如下：

		Revenue 收入			% to total revenue 佔總收入百分比	
		Six months ended 30 June			Six months ended 30 June	
		截至六月三十日止六個月			截至六月三十日止六個月	
		2017	2016	Change	2017	2016
		二零一七年	二零一六年	變動	二零一七年	二零一六年
		RMB'000	RMB'000	%	%	%
		人民幣千元	人民幣千元	百分比	百分比	百分比
The PRC	中國	32,968	31,763	3.8%	16%	16%
North America	北美洲	126,833	132,634	-4.4%	61%	64%
Europe	歐洲	16,776	23,387	-28.3%	8%	11%
Asia Pacific	亞太區					
(Exclusive of the PRC)	(不包括中國)	11,519	11,893	-3.1%	5%	6%
Australia	澳洲	21,396	6,223	243.8%	10%	3%
		209,492	205,900	1.7%	100%	100%

The Group's aim is to take advantage of the opportunities within the market in order to develop the Group's business at a fast pace whilst complying with all relevant laws, rules and regulations.

本集團旨在於遵守所有相關法律、規則及法規的同時利用市場機遇快速發展本集團業務。

Since 2016, the North American market has become the largest market of the Group, contributing 61% of the total revenue of the Group (2016 1H: 64%). Although the revenue from the North American market further declined by 4.4% to RMB126.8 million (2016 1H: RMB132.6 million), the rate of decline is slower. However, the US Federal Reserve may further hike interest rates or start to shrink the balance sheet, which may reduce the US fixed asset investments in the remaining of 2017. The Group will closely monitor and operate the market through enhancing our products' competitiveness.

自二零一六年起，北美市場為本集團的最大市場，佔本集團總收入61%(二零一六年上半年：64%)。儘管北美市場的收入進一步下滑4.4%至人民幣126.8百萬元(二零一六年上半年：人民幣132.6百萬元)，下滑速度已見減慢。然而，美國聯邦儲備局可能進一步上調利率或開始縮減資產負債表，這可能減少二零一七年剩餘期間美國的固定資產投資。本集團將密切監察並透過提升產品競爭力經營市場。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Despite the slowdown in the growth of the PRC fixed asset investment during the Period, the Group's revenue from the PRC market recorded an overall slight increase to RMB33.0 million contributing 16% of the total revenue, which is the same as the corresponding period last year. The GDP of the PRC has recorded a growth rate of 6.9% in the first and second quarters of 2017, representing a rise of 0.2% compared with that of 2016. If the trend continues, 2017 would be the first year that the PRC's growth rate exceeds the preceding year since 2010. The Group envisages that the PRC market will start to grow and recover along with the economy.

Germany is the largest market in Europe to our Group. Although the GDP of Germany is unceasingly growing but the growth rate for permits granted for dwelling construction has recorded a slowdown comparing to a robust increment last year. We noticed that the customers have been cautious in the first half of 2017, being the major reason for the Group's decrease in revenue from the European market by 28.3% to RMB16.8 million (2016 1H: RMB23.4 million). But the Group could see the situation is improving from the end of the second quarter of 2017, so we expect a rebound in sales in the second half of the year.

The Australian market has become the third-largest market during the Period, contributing 10% (2016 1H: 3%) of the Group's total revenue. The Group recorded a strong growth by 243.8% to RMB21.4 million (2016 1H: RMB6.2 million) due to the successful introduction of landscape garden products in the region. The Group expects that it could maintain the growth in the second half of the year.

雖然本期間中國固定資產投資增長放緩，本集團源自中國市場的收入整體略微增至人民幣33.0百萬元，佔總收入的16%，與去年同期相同。中國國內生產總值二零一七年第一及第二季度錄得6.9%的增長率，較二零一六年者高出0.2%。倘趨勢繼續，二零一七年將是自二零一零年起中國增長率超逾之前一年的首個年度。本集團希望中國市場將隨著經濟開始增長復甦。

德國是本集團在歐洲的最大市場。儘管德國國內生產總值持續增長，但住宅樓宇建設獲授許可的增長率於去年強勁增長後有所放緩。我們注意到，客戶於二零一七年上半年持審慎態度，這是本集團源自歐洲市場的收入減少28.3%至人民幣16.8百萬元(二零一六年上半年：人民幣23.4百萬元)的主要原因。但本集團可見自二零一七年第二季度末起情況開始改善，故我們預期今年下半年銷售將反彈。

於本期間澳洲市場已成為第三大市場，佔本集團總收入之10%(二零一六年上半年：3%)。由於成功於區內引入園藝類產品，本集團錄得強勁增長243.8%至人民幣21.4百萬元(二零一六年上半年：人民幣6.2百萬元)。本集團預期今年下半年其可維持增長。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

FINANCIAL REVIEW

Revenue and gross profit margin by product category

財務回顧

收入及毛利率(按產品分類劃分)

		Revenue			% to total revenue		Gross margin	
		收入			佔總收入百分比		毛利率	
		Six months ended			Six months ended		Six months ended	
		30 June			30 June		30 June	
		截至六月三十日止六個月			截至六月三十日止六個月		截至六月三十日止六個月	
		2017	2016	Change	2017	2016	2017	2016
		二零一七年	二零一六年	變動	二零一七年	二零一六年	二零一七年	二零一六年
		RMB'000	RMB'000	%	%	%	%	%
		人民幣千元	人民幣千元	百分比	百分比	百分比	百分比	百分比
Timber houses and their related parts and structures	木屋及其相關部件及構件	103,322	129,949	-20.5%	49.3%	63.1%	11.8%	7.9%
Leisure household products	休閒傢俱產品							
Outdoor and indoor furniture	室內外傢俱產品	8,617	18,107	-52.4%	4.1%	8.8%	12.7%	11.7%
Recreational products	遊戲類產品	9,773	8,062	21.2%	4.7%	3.9%	18.6%	1.8%
Landscape garden products	園藝類產品	50,159	19,763	153.8%	24.0%	9.6%	12.9%	13.4%
Pet-home designs products	寵物屋產品	14,074	6,502	116.5%	6.7%	3.2%	18.7%	18.6%
Trading of timber	木材貿易	13,428	14,347	-6.4%	6.4%	7.0%	9.8%	16.1%
Renewable energy products	再生能源產品	10,119	9,170	10.3%	4.8%	4.4%	27.8%	53.5%
Total	總計	209,492	205,900	1.7%	100.0%	100.0%	13.5%	11.5%

Despite a 20.5% decrease in the revenue from timber houses and their related parts and structures to RMB103.3 million (2016 1H: RMB129.9 million), it remains the product category which generates the highest income stream for the Group during the Period, representing 49.3% (2016 1H: 63.1%) of the total revenue for the Period. The decrease was mainly attributable to the decrease in revenue from the US market.

儘管木屋及其相關部件及構件收入減少20.5%至人民幣103.3百萬元(二零一六年上半年：人民幣129.9百萬元)，本期間其仍是本集團產生最高收益流的產品類別，佔本期間總收入的49.3%(二零一六年上半年：63.1%)。該減少乃主要由於美國市場收入減少所致。

Among the leisure household products, the revenue of landscape garden products increased by 153.8% to RMB50.2 million (2016 1H: RMB19.8 million) and has become the product category generating the second highest income stream for the Group, representing 24.0% (2016 1H: 9.6%) of the total revenue for the Period. The increase was mainly due to the strong growth in the Australian market and the recovery of the North American market.

於休閒傢俱產品中，園藝類產品的收入增加153.8%至人民幣50.2百萬元(二零一六年上半年：人民幣19.8百萬元)，已成為本集團產生第二高收益流的產品類別，佔本期間總收入的24.0%(二零一六年上半年：9.6%)。該增加主要由於澳洲市場的強勁增長及北美市場復甦所致。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

The revenue of pet-home designs products has been growing since 2015 from around RMB5 million to RMB14.1 million, the growth was mainly contributed by the sales in the German and PRC market.

The Group has not only focused on the sales of our products, but also on the development of products to enhance the products' durability and diversity. During the Period, the overall gross profit margin improved to 13.5% (2016 1H: 11.5%) due to an increase in the customers' demand for our high-end products by virtue of our research and development effort. The Group will continue to enhance the overall competitiveness in the market to capture new business opportunities.

Other revenue

Other revenue decreased to RMB10.7 million for the Period from RMB16.8 million for 2016 1H as a result of the decreased in government subsidies received.

Other net (loss)/gain

The Group recorded other net loss of RMB1.3 million for the Period (2016 1H: RMB0.9 million profit), which was primarily a result of the net foreign exchange gain and changes in fair value of derivative financial instruments during the Period.

Selling and distribution expenses

Our selling and distribution expenses decreased to RMB7.7 million (2016 1H: RMB11.5 million), which was a result of cost control.

Administrative expenses

Our administrative expenses increased to RMB31.3 million (2016 1H: RMB27.4 million), which was a result of the reinforcement of research and development.

Finance costs

Our finance costs decreased to RMB2.0 million during the Period (2016 1H: RMB5.7 million), which was mainly due to the decrease in bank borrowings.

自二零一五年起寵物屋產品的收入一直保持增長，自約人民幣5百萬元增至人民幣14.1百萬元。增長主要由於德國及中國市場的銷售所致。

本集團不僅專注於銷售我們的產品，亦開發產品以提升產品耐用性及增加其多樣性。本期間，憑藉我們的研發實力，客戶對我們的高端產品的需求增加令整體毛利率上升至13.5%（二零一六年上半年：11.5%）。本集團將繼續提升整體市場競爭力以把握新商機。

其他收入

其他收入由二零一六年上半年的人民幣16.8百萬元減少至本期間的人民幣10.7百萬元，此乃由於所獲得的政府補貼減少所致。

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1.3百萬元（二零一六年上半年：人民幣0.9百萬元溢利），主要由於本期間之匯兌收益淨額及衍生金融工具公平值變動所致。

銷售及分銷開支

由於成本控制，我們的銷售及分銷開支減少至人民幣7.7百萬元（二零一六年上半年：人民幣11.5百萬元）。

行政開支

由於加強研發，我們的行政費用增加至人民幣31.3百萬元（二零一六年上半年：人民幣27.4百萬元）。

融資成本

我們的融資成本於本期間減少至人民幣2.0百萬元（二零一六年上半年：人民幣5.7百萬元），主要由於銀行借款減少所致。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Income tax

Our income tax decreased to RMB0.3 million (2016 1H: RMB0.9 million), primarily due to a decrease in profit before taxation of subsidiaries during the Period.

Loss for the Period

As a result of the foregoing factors, the Group has recorded a loss of RMB3.9 million for the Period (2016 1H: RMB4.2 million). Loss before taxation amounted to RMB3.6 million (2016 1H: RMB3.3 million).

Liquidity and capital resources

The Group principally meets its working capital and other capital needs through operating cash flows and proceeds from bank borrowings. As at 30 June 2017, the Group had current assets of RMB881.7 million (31 December 2016: RMB882.5 million), of which bank deposits and cash (including pledged deposits) were RMB306.0 million (31 December 2016: RMB321.2 million). To better manage our funds, the Group's cash is generally deposited with banks and denominated mostly in RMB. As at 30 June 2017, the total available banking facilities of the Group amounted to RMB423.6 million (31 December 2016: RMB532.0 million), banking facilities utilised as at 30 June 2017 were RMB358.6 million (31 December 2016: RMB396.4 million) and these bank borrowings were denominated in RMB, EURO and USD.

As at 30 June 2017, the ratio of total borrowings to total assets and the ratio of net borrowings to total equity of the Group were 22.7% and 5.9% respectively (31 December 2016: 25.5% and 8.2% respectively), current ratio and quick ratio were 2.1:1 and 1.3:1 respectively (31 December 2016: 2.1:1 and 1.3:1 respectively).

Pledge of assets

As at 30 June 2017, the Group pledged its plant and machinery, lease prepayments and buildings held for own use with a net book value of RMB223.5 million (31 December 2016: RMB229.4 million) and deposits with banks of RMB186.9 million (31 December 2016: RMB147.2 million) mainly for the purpose of securing bank loans and financial derivative contracts from the banks to the Group.

所得稅

我們的所得稅減少至人民幣0.3百萬元(二零一六年上半年:人民幣0.9百萬元),主要是由於本期間附屬公司之除稅前溢利減少所致。

期內虧損

基於上述因素,本集團錄得期內虧損人民幣3.9百萬元(二零一六年上半年:人民幣4.2百萬元)。稅前虧損為人民幣3.6百萬元(二零一六年上半年:人民幣3.3百萬元)。

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的所得款項滿足其營運資金及其他資金需求。於二零一七年六月三十日,本集團擁有流動資產人民幣881.7百萬元(二零一六年十二月三十一日:人民幣882.5百萬元),其中銀行存款及現金(包括已抵押存款)為人民幣306.0百萬元(二零一六年十二月三十一日:人民幣321.2百萬元)。為更好管理制資金,本集團的現金一般存置於銀行並大部分以人民幣計值。於二零一七年六月三十日,本集團的可動用銀行融資總額為人民幣423.6百萬元(二零一六年十二月三十一日:人民幣532.0百萬元),於二零一七年六月三十日已動用的銀行融資額為人民幣358.6百萬元(二零一六年十二月三十一日:人民幣396.4百萬元),該等銀行借款以人民幣、歐元及美元計值。

於二零一七年六月三十日,本集團的借貸總額與總資產比率及借貸淨額與總權益比率分別為22.7%及5.9%(二零一六年十二月三十一日:分別為25.5%及8.2%)。流動比率及速動比率分別為2.1:1及1.3:1(二零一六年十二月三十一日:分別為2.1:1及1.3:1)。

資產抵押

於二零一七年六月三十日,本集團已抵押賬面淨值為人民幣223.5百萬元(二零一六年十二月三十一日:人民幣229.4百萬元)的廠房及機器、租賃預付款、持作自用樓宇以及人民幣186.9百萬元(二零一六年十二月三十一日:人民幣147.2百萬元)的銀行存款,主要用於本集團自銀行取得之銀行貸款及金融衍生工具合約。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

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 RMB43.8 million (2016 1H: RMB26.5 million).

Contingent liabilities

The Group has no significant contingent liabilities as at 30 June 2017.

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

There was no significant investment, material acquisition and disposal of subsidiaries by the Company. The Group currently has no plan to make any significant investment in or acquisition of capital assets, but will continue seeking potential investment or acquisition opportunities according to the Group's development needs.

Foreign currency risks

The Group's sales are mainly denominated in USD and RMB while our cost of sales and operating costs are mainly denominated in RMB. Therefore, the Group's profit margin would be affected if RMB appreciates against USD as the Group may not able to reflect the appreciation in selling prices to overseas customers that were determined in USD. In response to this, the Group manages the fluctuations in the exchange rate of RMB against USD by entering into foreign currency forward contracts denominated in USD and RMB with banks when sales contracts were entered with overseas customers. As at 30 June 2017, the Group has net outstanding USD denominated forward foreign currency contracts of USD43.4 million (31 December 2016: USD37.9 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 USD with the cash outflow from our import of timber denominated in USD.

資本開支

於本期間，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43.8百萬元(二零一六年上半年：人民幣26.5百萬元)。

或然負債

於二零一七年六月三十日，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

本公司並無重大投資、重大收購及出售附屬公司。本集團現時並無計劃作出任何重大投資或收購資本資產，但會按本集團發展需要，繼續物色潛在投資或收購機會。

貨幣風險

本集團的銷售主要以美元及人民幣計值，而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，毛利率將受影響。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及人民幣計值的遠期外幣合約以管理人民幣兌美元的匯率波動。於二零一七年六月三十日，本集團有淨值43.4百萬美元(二零一六年十二月三十一日：37.9百萬美元)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進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, placing, subscription and open offer

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).

On 26 June 2014, the Company issued 200,000,000 new ordinary shares of HK\$0.01 each at HK\$0.80 per share by way of placing (the “June 2014 Placement”). On 7 October 2014, the Company issued 165,000,000 new ordinary shares of HK\$0.01 each at HK\$0.93 per share by way of placing (the “October 2014 Placement”). On 5 August 2015, the Company issued 272,600,000 new ordinary shares of HK\$0.01 each at HK\$0.55 per share by way of placing (the “August 2015 Subscription”). On 21 December 2015, the Company issued 857,945,000 new ordinary shares of HK\$0.01 each at HK\$0.20 per share by way of Open Offer (the “December 2015 Open Offer”). On 10 February 2017, the Company issued 514,500,000 new ordinary shares of HK\$0.01 each at HK\$0.13 per share by way of subscription (the “February 2017 Subscription”). The net proceeds from the issue of new shares under the June 2014 Placement, October 2014 Placement, August 2015 Subscription, December 2015 Open Offer, February 2017 Subscription after deducting related transaction costs, were around HK\$155.0 million, HK\$148.0 million, HK\$149.7 million, HK\$170.0 million, HK\$66.7 million respectively.

全球發售、配售、認購事項及公開發售所得款項淨額的用途

本公司的股份於二零一二年七月六日在聯交所主板上市。全球發售的所得款項淨額(經扣除包銷佣金及相關開支後)約為144.3百萬港元。

於二零一四年六月二十六日，本公司透過配售方式按每股0.80港元發行200,000,000股每股面值0.01港元的新普通股(「二零一四年六月配售」)。於二零一四年十月七日，本公司透過配售方式按每股0.93港元發行165,000,000股每股面值0.01港元的新普通股(「二零一四年十月配售」)。於二零一五年八月五日，本公司透過配售方式按每股0.55港元發行272,600,000股每股面值0.01港元的新普通股(「二零一五年八月認購事項」)。於二零一五年十二月二十一日，本公司透過公開發售方式按每股0.20港元發行857,945,000股每股面值0.01港元的新普通股(「二零一五年十二月公開發售」)。於二零一七年二月十日，本公司透過認購方式按每股0.13港元發行514,500,000股每股面值0.01港元的新普通股(「二零一七年二月認購事項」)。經扣除相關交易費用後，根據自二零一四年六月配售、二零一四年十月配售、二零一五年八月認購事項、二零一五年十二月公開發售、二零一七年二月認購事項發行新股份的所得款項淨額分別約為155.0百萬港元、148.0百萬港元、149.7百萬港元、170.0百萬港元及66.7百萬港元。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

As at 30 June 2017, all the unutilised proceeds were deposited in licensed banks in Hong Kong and the PRC. A breakdown of the use of net proceeds is set forth in the table below:

於二零一七年六月三十日，所有未動用所得款項已存置於香港及中國的持牌銀行。動用所得款項淨額之明細列載於下表：

		The financing of the acquisition of automated production machinery and equipment	Establishing new production facilities	Establishing own-brand self-operated store network	Merger and acquisition of small to medium sized companies, other timber processing plants, and/or other resources	Own-brand promotion and other marketing events	Increasing and enhancing our research and development activities	General working capital	Total
		購置自動化生產機器及設備的融資 HK\$' million 百萬港元	建立 新生產設施 HK\$' million 百萬港元	建立自有品牌的 自營店網絡 HK\$' million 百萬港元	併購中小型 公司、其他木材 加工廠及/或 其他資源 HK\$' million 百萬港元	宣傳自有品牌 及其他市場 推廣活動 HK\$' million 百萬港元	加強及提升 本公司的 研發活動 HK\$' million 百萬港元	一般 營運資金 HK\$' million 百萬港元	總額 HK\$' million 百萬港元
From global offering		來自全球發售							
Amount of net proceeds	所得款項淨額	N/A 不適用	41.8	39.8	27.9	11.1	9.8	13.9	144.3
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	29.0%	27.6%	19.3%	7.7%	6.8%	9.6%	100.0%
Utilised amount as at 30 June 2017	於二零一七年六月三十日已動用金額	N/A 不適用	41.8	39.8	27.9	11.1	9.8	13.9	144.3
Unutilised amount as at 30 June 2017	於二零一七年六月三十日未動用金額	N/A 不適用	–	–	–	–	–	–	–
From June 2014 Placement		來自二零一四年六月配售							
Amount of net proceeds	所得款項淨額	N/A 不適用	125.0	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	30.0	155.0
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	80.6%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	19.4%	100.0%
Utilised amount as at 30 June 2017	於二零一七年六月三十日已動用金額	N/A 不適用	125.0	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	30.0	155.0
Unutilised amount as at 30 June 2017	於二零一七年六月三十日未動用金額	N/A 不適用	–	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	–	–
From October 2014 Placement		來自二零一四年十月配售							
Amount of net proceeds	所得款項淨額	N/A 不適用	73.0	N/A 不適用	50.0	N/A 不適用	N/A 不適用	25.0	148.0
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	49.3%	N/A 不適用	33.8%	N/A 不適用	N/A 不適用	16.9%	100.0%
Utilised amount as at 30 June 2017	於二零一七年六月三十日已動用金額	N/A 不適用	73.0	N/A 不適用	27.3	N/A 不適用	N/A 不適用	25.0	125.3
Unutilised amount as at 30 June 2017	於二零一七年六月三十日未動用金額	N/A 不適用	–	N/A 不適用	22.7	N/A 不適用	N/A 不適用	–	22.7
From August 2015 Subscription		來自二零一五年八月認購事項							
Amount of net proceeds	所得款項淨額	N/A 不適用	74.9	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	74.8	149.7
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	50.0%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	50.0%	100%
Utilised amount as at 30 June 2017	於二零一七年六月三十日已動用金額	N/A 不適用	74.9	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	74.8	149.7
Unutilised amount as at 30 June 2017	於二零一七年六月三十日未動用金額	N/A 不適用	–	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	–	–
From December 2015 Open Offer		來自二零一五年十二月公開發售							
Amount of net proceeds	所得款項淨額	119.0	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	17.0	34.0	170.0
Percentage to total net proceeds	佔所得款項總淨額百分比	70.0%	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	10.0%	20.0%	100%
Utilised amount as at 30 June 2017	於二零一七年六月三十日已動用金額	87.4	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	17.0	34.0	138.4
Unutilised amount as at 30 June 2017	於二零一七年六月三十日未動用金額	31.6	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	–	–	31.6
From February 2017 Subscription		來自二零一七年二月認購事項							
Amount of net proceeds	所得款項淨額	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	27.0	39.7	66.7
Percentage to total net proceeds	佔所得款項總淨額百分比	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	40.5%	59.5%	100%
Utilised amount as at 30 June 2017	於二零一七年六月三十日已動用金額	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	19.5	39.7	59.2
Unutilised amount as at 30 June 2017	於二零一七年六月三十日未動用金額	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	7.5	–	7.5

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

Human resources

As at 30 June 2017, we employed a total of 523 (30 June 2016: 618) full time employees mainly in the PRC and Hong Kong including management staff, product designers, technicians, salespersons and workers. The Group's total expenses on the remuneration of employees for the Period were RMB15.2 million (2016 1H: RMB18.7 million). The Group has been consistently increasing production process automation, strengthening the training of staff with an emphasis on high-technique processing with a mission on the continuous development and enhancing of competitiveness. The Group offered highly competitive salary package, as well as discretionary bonuses and contribution to social insurance to its employees.

The Group's emolument policies are formulated based on the performance of individual employee which will be reviewed periodically. Apart from the provident fund scheme (operated in accordance with the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or social insurance (including retirement pension insurance, medical insurance, unemployment insurance, injury insurance and maternity insurance for the PRC employees), discretionary bonuses and share options may also be awarded to employees according to the assessment of individual performance. Since the adoption of the share option scheme on 15 June 2012 and up to 30 June 2017, no options have been granted.

Events after the reporting period

On 7 July 2017, a wholly-owned subsidiary of the Company entered into an agreement with Fujian Wancheng Property Development Limited* to dispose of the land use rights in relation to two parcels of land located in Zhangping at a consideration of RMB30,000,000.

The Directors consider that the disposal would allow the Group to unlock the value of its investment in the land use rights and to realise cash resources in improving the liquidity and strengthening the financial position of the Group.

Save as disclosed above, the Group has no material events after the reporting period.

* For identification purposes only

人力資源

於二零一七年六月三十日，本集團主要於中國及香港共聘用523名全職僱員(二零一六年六月三十日：618名)，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。於本期間，本集團就僱員薪酬的總開支為人民幣15.2百萬元(二零一六年上半年：人民幣18.7百萬元)。本集團一直透過提高工序自動化，加強員工培訓以及專注高技術加工，維持員工的持續發展及提高員工競爭力。本集團為僱員提供具競爭力的薪酬組合，並有酌情花紅以及會為僱員繳納社會保險供款。

本集團的薪酬政策乃按個別僱員的表現而制訂，並將定期檢討。除公積金計劃(根據強制性公積金計劃條例的條文為香港僱員執行)或社會保險(包括中國僱員的退休養老保險、醫療保險、失業保險、工傷保險及生育保險)外，本集團亦將根據對個別僱員表現的評估向僱員發放酌情花紅及授出僱員購股權。自購股權計劃於二零一二年六月十五日獲採納以來至二零一七年六月三十日止，本集團概無授出任何購股權。

報告日期後事項

於二零一七年七月七日，本公司的全資附屬公司跟福建萬成房地產開發有限公司訂立協議出售位於漳平的兩幅地塊的土地使用權，代價為人民幣30,000,000元。

董事認為，出售事項將令本集團得以釋放其於土地使用權的投資價值及從中套取現金資源用以改善本集團的流動資金及鞏固財務狀況。

除上文所披露者外，本集團並無重大報告日期後事項。

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 2017, 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 Securities and Futures Ordinance (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 ("Model Code") 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 (%)
董事姓名	身份／權益性質	股份數目	持股概約百分比(%)
Mr. Wu Zheyang 吳哲彥先生	Interest in controlled corporation/ Long position (Note) 受控制法團的權益／好倉(附註)	449,647,412	14.56%
	Beneficial owner/Long position 實益擁有人／好倉	11,002,940	0.36%
Ms. Xie Qingmei 謝清美女士	Beneficial owner/Long position 實益擁有人／好倉	9,633,380	0.31%

Note: Mr. Wu Zheyang is deemed to be interested in the shares held by Green Seas Capital Limited, his wholly-owned company.

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

於二零一七年六月三十日，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(「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(「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：吳哲彥先生被視為於其全資擁有的公司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 as at 30 June 2017.

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

As at 30 June 2017, 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:

Interest in shares

除上文所披露者外，於二零一七年六月三十日，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標準守則須知會本公司及聯交所的權益或淡倉。

主要股東於本公司股份及相關股份的權益及淡倉

於二零一七年六月三十日，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：

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)	449,647,412	14.56%
Hong Kong Run De Holdings Limited 香港潤得控股有限公司	Beneficial owner/Long position (Note 2) 實益擁有人／好倉(附註2)	430,000,000	13.92%

Other Information (Continued)

其他資料(續)

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(%)
福建沃若石油化工有限公司	Interest in controlled corporation/ Long position (Note 2) 受控制法團的權益／好倉 (附註2)	430,000,000	13.92%
Mr. Lin Jian 林健先生	Interest in controlled corporation/ Long position (Note 2) 受控制法團的權益／好倉 (附註2)	430,000,000	13.92%
Hong Kong Guoyuan Group Capital Holdings Limited 香港國元集團金融控股有限公司	Beneficial owner/Long position (Note 3) 實益擁有人／好倉 (附註3)	689,130,000	22.31%
上海荊勳工業設備控股有限公司	Interest in controlled corporation/ Long position (Note 3) 受控制法團的權益／好倉 (附註3)	689,130,000	22.31%
Mr. Wang Xin 汪新先生	Interest in controlled corporation/ Long position (Note 3) 受控制法團的權益／好倉 (附註3)	689,130,000	22.31%

Note:

附註：

- 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.
- The entire issued share capital of Hong Kong Run De Holdings Limited is legally and beneficially owned by 福建沃若石油化工有限公司. The 98% issued share capital of 福建沃若石油化工有限公司 is legally and beneficially owned by Mr. Lin Jian, who is deemed to be interested in the shares held by Hong Kong Run De Holdings Limited.
- The entire issued share capital of Hong Kong Guoyuan Group Capital Holdings Limited is legally and beneficially owned by 上海荊勳工業設備控股有限公司. The 98% issued share capital of 上海荊勳工業設備控股有限公司 is legally and beneficially owned by Mr. Wang Xin, who is deemed to be interested in the shares held by Hong Kong Guoyuan Group Capital Holdings Limited.

- 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，吳哲彥先生被視為於 Green Seas Capital Limited 持有的股份中擁有權益。
- 香港潤得控股有限公司的全部已發行股本由福建沃若石油化工有限公司合法及實益擁有，福建沃若石油化工有限公司的98%已發行股本由林健先生合法及實益擁有，林健先生被視為於香港潤得控股有限公司持有的股份中擁有權益。
- 香港國元集團金融控股有限公司的全部已發行股本由上海荊勳工業設備控股有限公司合法及實益擁有，上海荊勳工業設備控股有限公司的98%已發行股本由汪新先生合法及實益擁有，汪新先生被視為於香港國元集團金融控股有限公司持有的股份中擁有權益。

Other Information (Continued)

其他資料(續)

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 2017.

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. The Board may, at its discretion, grant options pursuant to the Share Option Scheme to the Directors (including executive Directors, non-executive Directors and independent non-executive Directors), the directors of the Company’s subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to 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 Company’s prospectus dated 25 June 2012), 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.

除上文所披露者外，於二零一七年六月三十日，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。根據購股權計劃，董事會可酌情向董事（包括執行董事、非執行董事及獨立非執行董事）、本公司附屬公司之董事、本集團僱員及董事會全權酌情認為曾經或將對本集團作出貢獻的任何其他人士（包括專家顧問或顧問）授出購股權。董事獲授權授出購股權以認購本公司股份，及根據購股權計劃項下授出的購股權獲行使而配發、發行及處理股份，以及採取對實行購股權計劃及使之生效而言為必需及／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而可授予的購股權的最高股份數目，合共不得超過緊隨全球發售（定義見本公司日期為二零一二年六月二十五日的招股章程）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（包括已行使及未行使購股權）向一名合資格參與者授出的股份數目，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）或其任何各自的聯繫人（定義見上市規則）授予的購股權須獲我們的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（包括已行使及未行使購股權）可授予主要股東或任何獨立非執行董事或其各自的聯繫人的股份數目，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及直至本中期報告日期，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 and up to the date of this report, the Company has complied with the principles set out in the Corporate Governance Code, except code provision C.1.2 of the Corporate Governance Code as explained below.

According to code provision C.1.2, the management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules.

The Company has deviated from C.1.2 in that while the management has updated most of the Directors on a monthly basis about the business operation and performance of the Company, not all the Directors received such updates as the monthly updates were conducted on-site at the Group's factory in China. Members of the Board who did not attend such on-site meetings did not receive the updates. However, the management would provide detailed updates to all the Directors on a half-yearly and yearly basis. In the event that there are any significant updates to be provided, the management will update all the Directors as early as practicable for discussion and the passing of resolution. The Company also has in place a system for every Director to make enquiries with the senior management about the business operation of the Group and to give suggestions or feedback in the event such Director is not able to attend the monthly on-site update meetings.

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

於本期間及直至本報告日期，本公司一直遵守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C.1.2條，詳情如下。

根據守則條文第C.1.2條，管理層每月須向董事會全體成員提供最新資料，列載有關本公司的表現、狀況及前景的公正及易明的詳細評估，讓董事會全體及各董事可根據上市規則第3.08條及第13章履行職務。

雖然管理層每月向大多數董事提供有關本公司業務營運及表現的更新資料，但由於每月的更新乃於本集團中國的工廠現場進行，因此並非全體董事收到相關更新資料，本公司偏離第C.1.2條。未出席現場會議的董事會成員並無收到更新資料。然而，管理層會每半年及按年向全體董事提供詳細的更新資料。倘需提供任何重要的更新資料，管理層會於可行情況下盡早向全體董事提供更新資料以便進行討論及通過決議。本公司亦制定制度，如各董事未能出席每月現場更新會議，則須向高級管理層查詢本集團業務營運相關事項並提出建議或反饋。

Other Information (Continued)

其他資料(續)

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 confirmed that they have complied with the required standards set out in the Model Code regarding their securities transactions for the Period.

AUDIT COMMITTEE

The audit committee of the Company together with the management have reviewed with management the accounting principles and policies adopted by the Group and discussed auditing, internal control and financial reporting matters, and also reviewed the unaudited interim financial report for the Period.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the Period and until the date of this report.

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，作為其自身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，全體董事已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。

審計委員會

本公司審計委員會已聯同管理層審閱本集團採納的會計原則及政策，並討論審核、內部監控及財務申報事宜，亦已審閱本期間的未經審核中期財務報告。

購買、出售及贖回上市證券

於本期間及直至本報告日期，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Consolidated Statement of Profit or Loss — Unaudited

綜合損益表 — 未經審核

for the six months ended 30 June 2017 截至二零一七年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

			Six months ended 30 June	
			截至六月三十日止六個月	
			2017	2016
			二零一七年	二零一六年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
		Note 附註		
Revenue	收入	3, 4	209,492	205,900
Cost of sales	銷售成本		(181,226)	(182,277)
Gross profit	毛利		28,266	23,623
Other revenue	其他收入	6(a)	10,665	16,797
Other net (loss)/gain	其他（虧損）／收益淨額	6(b)	(1,300)	865
Selling and distribution expenses	銷售及分銷開支		(7,749)	(11,466)
Administrative expenses	行政開支		(31,300)	(27,358)
(Loss)/profit from operations	經營（虧損）／溢利		(1,418)	2,461
Finance costs	融資成本	7(a)	(2,047)	(5,676)
Share of losses of associates	分佔聯營公司虧損		(92)	(60)
Loss before taxation	除稅前虧損	7	(3,557)	(3,275)
Income tax expenses	所得稅開支	8	(324)	(900)
Loss for the period	期內虧損		(3,881)	(4,175)
Loss per share	每股虧損			
Basic and diluted (RMB)	基本及攤薄（人民幣元）	9	(0.0013)	(0.0016)

The notes on pages 34 to 60 form part of this interim financial report.

第34頁至第60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 2017 截至二零一七年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Loss for the period	期內虧損	(3,881)	(4,175)
Other comprehensive income for the period, net of tax:	期內其他全面收益 (扣除稅項) :		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益表的項目 :		
— Exchange differences on translation of financial statements of foreign operations	— 換算海外業務財務報表產生的匯兌差額	(7,871)	5,706
Total comprehensive income for the period	期內全面收益總額	(11,752)	1,531

The notes on pages 34 to 60 form part of this interim financial report.

第34頁至第60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 2017 於二零一七年六月三十日
(Expressed in Renminbi) (以人民幣列示)

			At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 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	10	物業、廠房及設備	588,311	548,043
Lease prepayments		租賃預付款	97,129	98,096
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	57,792	64,167
Interest in associates	11	於聯營公司的權益	23,145	23,355
Other financial assets		其他金融資產	2,495	2,495
Deferred tax assets		遞延稅項資產	4,489	4,596
			773,361	740,752
Current assets		流動資產		
Inventories	12	存貨	338,271	319,500
Current portion of lease prepayments		租賃預付款的即期部分	1,966	1,966
Trade and other receivables	13	貿易及其他應收款項	235,472	239,886
Pledged deposits	14	已抵押存款	186,908	147,192
Cash and cash equivalents	15	現金及現金等價物	119,058	173,986
			881,675	882,530
Current liabilities		流動負債		
Trade and other payables	16	貿易及其他應付款項	57,098	33,329
Bank loans	17	銀行貸款	326,557	340,072
Debentures	19	債券	17,358	17,890
Current portion of deferred income	18	遞延收入的即期部分	1,163	1,163
Current taxation		即期稅項	26,022	26,324
			428,198	418,778
Net current assets		流動資產淨值	453,477	463,752

Consolidated Statement of Financial Position — Unaudited (Continued)

綜合財務狀況表 — 未經審核(續)

at 30 June 2017 於二零一七年六月三十日
(Expressed in Renminbi) (以人民幣列示)

			At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 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	1,226,838	1,204,504
Non-current liabilities		非流動負債		
Bank loans	17	銀行貸款	32,000	56,290
Non-current portion of deferred income	18	遞延收入的非即期部分	16,620	17,201
Deferred tax liabilities		遞延稅項負債	2,007	2,296
			50,627	75,787
NET ASSETS		資產淨值	1,176,211	1,128,717
Equity	20	權益		
Share capital		資本	25,544	20,987
Reserves		儲備	1,150,667	1,107,730
TOTAL EQUITY		權益總額	1,176,211	1,128,717

The notes on pages 34 to 60 form part of this interim financial report.

第34頁至第60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 2017 截至二零一七年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity holders of the Company 本公司權益持有人應佔					Total 總額
		Share capital 股本 RMB'000 人民幣千元 (note 20(b)) (附註 20(b))	Share premium 股份溢價 RMB'000 人民幣千元	Exchange reserve 匯兌儲備 RMB'000 人民幣千元	Statutory reserve 法定儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	
At 1 January 2016	於二零一六年一月一日	20,987	622,784	7,893	52,401	431,445	1,135,510
Changes in equity for the six months ended 30 June 2016:	截至二零一六年六月三十日止六個月權益變動：						
Loss for the period	期內虧損	—	—	—	—	(4,175)	(4,175)
Other comprehensive income	其他全面收益	—	—	5,706	—	—	5,706
Total comprehensive income for the period	期內全面收益總額	—	—	5,706	—	(4,175)	1,531
Appropriations to statutory reserve	撥往法定儲備	—	—	—	(602)	602	—
		—	—	—	(602)	602	—
At 30 June 2016 and 1 July 2016	於二零一六年六月三十日及 二零一六年七月一日	20,987	622,784	13,599	51,799	427,872	1,137,041
Changes in equity for the six months ended 31 December 2016:	截至二零一六年十二月三十一日止六個月權益變動：						
Loss for the period	期內虧損	—	—	—	—	(18,120)	(18,120)
Other comprehensive income	其他全面收益	—	—	9,796	—	—	9,796
Total comprehensive income for the period	期內全面收益總額	—	—	9,796	—	(18,120)	(8,324)
Appropriations to statutory reserve	撥往法定儲備	—	—	—	1,866	(1,866)	—
		—	—	—	1,866	(1,866)	—
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	20,987	622,784	23,395	53,665	407,886	1,128,717

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 2017 截至二零一七年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

		Attributable to equity holders of the Company					
		本公司權益持有人應佔					
		Share capital 股本 RMB'000 人民幣千元 (note 20(b)) (附註 20(b))	Share premium 股份溢價 RMB'000 人民幣千元	Exchange reserve 匯兌儲備 RMB'000 人民幣千元	Statutory reserve 法定儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Changes in equity for the six months ended 30 June 2017:	截至二零一七年六月三十日止六個月權益變動：						
Loss for the period	期內虧損	-	-	-	-	(3,881)	(3,881)
Other comprehensive income	其他全面收益	-	-	(7,871)	-	-	(7,871)
Total comprehensive income for the period	期內全面收益總額	-	-	(7,871)	-	(3,881)	(11,752)
Issue of shares upon subscription	認購時發行股份	4,557	54,689	-	-	-	59,246
Appropriations to statutory reserve	撥往法定儲備	-	-	-	(2,060)	2,060	-
		4,557	54,689	-	(2,060)	2,060	59,246
At 30 June 2017	於二零一七年六月三十日	25,544	677,473	15,524	51,605	406,065	1,176,211

The notes on pages 34 to 60 form part of this interim financial report.

第34頁至第60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 2017 截至二零一七年六月三十日止六個月
(Expressed in Renminbi) (以人民幣列示)

			Six months ended 30 June	
			截至六月三十日止六個月	
			2017	2016
			二零一七年	二零一六年
			RMB'000	RMB'000
			人民幣千元	人民幣千元
			Note	
			附註	
Operating activities	經營活動			
Cash generated from operations	經營業務所得現金	15(b)	24,513	7,306
Income tax paid	已付所得稅		(808)	(1,939)
Net cash generate from operating activities	經營活動所得現金淨額		23,705	5,367
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		(43,780)	(26,465)
Interest received	已收利息		2,222	2,674
Decrease in amount due from an associate	應收一家聯營公司款項減少		—	4,110
Payment for investment in an associate	支付於聯營公司的投資		—	(9,450)
Net cash used in investing activities	投資活動所用現金淨額		(41,558)	(29,131)
Financing activities	融資活動			
Proceeds from new bank loans	新增銀行貸款所得款項		286,631	441,099
Repayments of bank loans	償還銀行貸款		(327,436)	(395,864)
Increase in pledged deposits	已抵押存款增加		(39,716)	(30,537)
Interest paid	已付利息		(7,400)	(10,277)
Net proceeds from issue of shares upon subscription, net of issuing cost	認購時發行股份的所得款項淨額，扣除發行開支		59,246	—
Net cash (used in)/generated from financing activities	融資活動(所用)／所得現金淨額		(28,675)	4,421
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(46,528)	(19,343)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	15(a)	173,986	196,901
Effect of foreign exchange rate changes	匯率變動的影響		(8,400)	(237)
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	15(a)	119,058	177,321

The notes on pages 34 to 60 form part of this interim financial report.

第34頁至第60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 31 August 2017.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2016 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2017 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 2016 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").

The financial information relating to the financial year ended 31 December 2016 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 2016 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 2017.

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。本中期財務報告於二零一七年八月三十一日獲董事會授權刊發。

中期財務報告乃根據二零一六年度財務報表採納的相同會計政策編製，惟預期將於二零一七年度財務報表內反映的會計政策變動除外。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二零一六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。

中期財務報告所載有關截至二零一六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。截至二零一六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。核數師已於二零一七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。

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

The IASB has issued the following amendments to International Financial Reporting Standards ("IFRSs") and new Interpretation that are first effective for the current accounting period of the Group and the Company:

Amendments to IAS 7, Disclosure Initiative

Amendments to IAS 12, Recognition of Deferred Tax Assets for Unrealised Losses

Amendments to IFRS 12, Clarification of the Scope of IFRS 12 (from Annual Improvements to IFRSs 2014–2016 Cycle)

None of the above amendments that are effective for the first time for periods beginning on or after 1 January 2017 have a material effect on these condensed consolidated interim financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE

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

Revenue 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.

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(「國際財務報告準則」)及新訂詮釋：

國際會計準則第7號(修訂本)，披露計劃

國際會計準則第12號(修訂本)，就未變現虧損確認遞延稅項資產

國際財務報告準則第12號(修訂本)，澄清國際財務報告準則第12號的範圍(國際財務報告準則二零一四年—二零一六年週期之年度改進)

於二零一七年一月一日或之後開始的期間首次生效的上述修訂本均不會對本簡明綜合中期財務報表產生重大影響。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。

3 收入

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

收入指

- (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)所得的合約收入。

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 REVENUE (Continued)

Revenue represents (Continued)

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

3 收入(續)

收入指(續)

於收入內確認的各重大類別收入的金額分析如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sales of outdoor wooden products	銷售戶外木製品	197,290	193,507
Retail sales of wooden products	零售木製品	2,083	3,223
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)所得的合約收入	-	-
Sales of renewable energy products	銷售再生能源產品	10,119	9,170
		209,492	205,900

Geographic information of revenue

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.

收入之地域資料

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

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
The PRC	中國	32,968	31,763
North America	北美洲	126,833	132,634
Europe	歐洲	16,776	23,387
Asia Pacific (exclusive of the PRC)	亞太區(不包括中國)	11,519	11,893
Australia	澳洲	21,396	6,223
		209,492	205,900

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 sales of wooden products, Retail business, Projects of outdoor wooden products and Manufacturing and sales of renewable energy products. No operating segments have been aggregated to form the above reportable segments.

- Manufacturing and sales 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.
- Manufacturing and sales of renewable energy products: manufacturing and sales of biomass pellet fuel to both domestic and overseas customers.

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層管理人員內部呈報資料一致的方式，本集團已確定四個可呈報分部，即生產及銷售木製品、零售業務、戶外木製品項目及生產及銷售再生能源產品。本集團並無聚合經營分部以構成上述可呈報分部。

- 生產及銷售木製品：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。
- 生產及銷售再生能源產品：生產及銷售生物質顆粒燃料予國內外客戶。

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

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 sales of wooden products, Retail business, Projects of outdoor wooden products and Manufacturing and sales of renewable energy products, respectively.

The measure used for reportable segment profit/(loss) is "profit/(loss) after taxation (excluding the after tax effect of government subsidies)" of Manufacturing and sales of wooden products, Retail business, Projects of outdoor wooden products and Manufacturing and sales of 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(續)

(a) 分部業績

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

可呈報分部收入指生產及銷售木製品、零售業務、戶外木製品項目及生產及銷售再生能源產品分別從本集團外部客戶所得的收入。

就可呈報分部溢利／(虧損)採用的計量單位為生產及銷售木製品、零售業務、戶外木製品項目及生產及銷售再生能源產品各自的「除稅後溢利／(虧損) (不包括政府補貼之稅後影響)」。

分部資產及負債的計量乃不定期向本集團最高層管理人員提供，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 2017 and 2016 is set out below:

4 分部呈報(續)

(a) 分部業績(續)

於截至二零一七年及二零一六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層管理人員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 2017 截至二零一七年六月三十日止六個月				
		Manufacturing and sales of wooden products 生產及銷售木製品 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	Manufacturing and sales of renewable energy products 生產及銷售再生能源產品 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入	197,290	2,083	-	10,119	209,492
Inter-segment revenue	分部間收入	43,393	-	-	-	43,393
Reportable segment revenue	可呈報分部收入	240,683	2,083	-	10,119	252,885
Reportable segment profit/(loss) (profit/(loss) after taxation (excluding the after tax effect of government subsidies))	可呈報分部溢利/(虧損) (除稅後溢利/(虧損) (不包括政府補貼之稅後影響))	(4,489)	(1,237)	(68)	2,129	(3,665)

		Six months ended 30 June 2016 截至二零一六年六月三十日止六個月				
		Manufacturing and sales of wooden products 生產及銷售木製品 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	Manufacturing and sales of renewable energy products 生產及銷售再生能源產品 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入	193,507	3,223	-	9,170	205,900
Inter-segment revenue	分部間收入	24,334	-	-	-	24,334
Reportable segment revenue	可呈報分部收入	217,841	3,223	-	9,170	230,234
Reportable segment profit/(loss) (profit/(loss) after taxation (excluding the after tax effect of government subsidies))	可呈報分部溢利/(虧損) (除稅後溢利/(虧損) (不包括政府補貼之稅後影響))	(7,528)	(1,438)	(98)	15	(9,049)

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 loss

4 分部呈報(續)

(b) 可呈報分部收入與可呈報分部虧損的對賬

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入		
Reportable segment revenue	可呈報分部收入	252,885	230,234
Elimination of inter-segment revenue	抵銷分部間收入	(43,393)	(24,334)
Consolidated revenue	綜合收入	209,492	205,900
Loss	虧損		
Reportable segment loss derived from the Group's external customers	源自本集團外部客戶的可呈報分部虧損	(3,665)	(9,049)
Government subsidies (net of tax)	政府補貼(扣除稅項)	6,440	10,521
Unallocated head office and corporate expenses	未分配總辦事處及公司開支	(6,656)	(5,647)
Consolidated loss after taxation	綜合除稅後虧損	(3,881)	(4,175)

(c) Geographic information

No geographical segment information is presented as all the Group's revenue is derived from operations in the PRC and most of the Group's non-current assets are all located in the PRC.

(c) 地域資料

本集團的所有收入都來自中國的營運，並且本集團大部分的非流動資產位於中國，因此並無呈列地域分部資料。

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.

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入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 GAIN

(a) Other revenue

6 其他收入及其他收益淨額

(a) 其他收入

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income on bank deposits	銀行存款利息收入	2,222	2,674
Government subsidies	政府補貼	7,645	14,029
Other	其他	798	94
		10,665	16,797

The Group received unconditional government subsidies of RMB7,063,000 (six months ended 30 June 2016: RMB13,447,000) for the six months ended 30 June 2017. These government subsidies were granted to Fujian Zhangping Kimura Forestry Products Co., Ltd. ("Zhangping Kimura") for subsidising various expenses already incurred and were recognised as other revenue when they became receivable.

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 RMB582,000 (six months ended 30 June 2016: RMB582,000) were recognised as other revenue for the six months ended 30 June 2017, which is on a systematic basis over the useful life of the relevant assets.

截至二零一七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7,063,000元(截至二零一六年六月三十日止六個月：人民幣13,447,000元)。福建省漳平木村林產有限公司(「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。

本集團確認政府補貼為遞延收入作為補償本集團土地使用權成本及基礎設施開發成本。截至二零一七年六月三十日止六個月，政府補貼(遞延收入)人民幣582,000元(截至二零一六年六月三十日止六個月：人民幣582,000元)已確認為其他收入，此乃按有關資產的可使用年限有系統地確認。

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 GAIN

(Continued)

(b) Other net (loss)/gain

6 其他收入及其他收益淨額(續)

(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	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net foreign exchange gain/(loss)	匯兌收益/(虧損)淨額	3,162	(1,994)
Changes in fair value of derivative financial instruments — unrealised	衍生金融工具公平值變動 — 未變現	(4,731)	786
Others	其他	269	2,073
		(1,300)	865

7 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Finance costs

7 除稅前虧損

除稅前虧損經扣除下列各項後得出：

(a) 融資成本

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest expense on bank loans and debentures	銀行貸款及債券的利息開支	7,400	10,277
Less: Interest expense capitalised into construction in progress*	減：撥入在建工程的資本化利息開支*	(5,353)	(4,601)
		2,047	5,676

* The borrowing costs have been capitalised at a rate of 3.21% (six months ended 30 June 2016: 3.17%) per annum for the six months ended 30 June 2017.

* 截至二零一七年六月三十日止六個月的借貸成本已按3.21%(截至二零一六年六月三十日止六個月：3.17%)的年率資本化。

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 LOSS BEFORE TAXATION (Continued)

(b) Other items

7 除稅前虧損(續)

(b) 其他項目

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of inventories	存貨成本	181,226	182,277
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,977	8,552
Amortisation of lease prepayments	租賃預付款攤銷	967	753
Operating lease charges for properties	物業經營租賃支出	263	498
Research and development costs	研發成本	15,189	10,757

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

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	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax — PRC corporate income tax	即期稅項 — 中國企業所得稅	505	41
Deferred tax (credit)/expense	遞延稅項（收入）／開支	(181)	859
		324	900

(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.

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 2017 and 2016.

(i) 根據開曼群島及英屬處女群島（「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。

截至二零一七年及二零一六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。

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 (Continued)

- (ii) Zhangping Kimura applied and was approved for the High and New Technology Entities 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 and 2016 to 2018.

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

9 LOSS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2017 is based on the loss attributable to equity shareholders of the Company of RMB3,881,000 (six months ended 30 June 2016: RMB4,175,000) and weighted average of 2,974,663,000 shares (six months ended 30 June 2016: 2,573,835,000 shares) in issue during the six months ended 30 June 2017, calculated as follows.

Weighted average number of ordinary shares

8 綜合損益表內的所得稅(續)

- (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的認證資格，故於二零一三年至二零一五年及二零一六年至二零一八年三年期間有權享有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。

9 每股虧損

截至二零一七年六月三十日止六個月的每股基本盈利乃按本公司權益股東應佔虧損人民幣3,881,000元(截至二零一六年六月三十日止六個月：人民幣4,175,000元)，以及2,974,663,000股已發行股份(截至二零一六年六月三十日止六個月：2,573,835,000股股份)的加權平均數計算。

普通股的加權平均數

		Number of shares 股份數目	
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
Issued ordinary shares at 1 January	於一月一日的已發行普通股	2,573,835	2,573,835
Effect of issue of shares upon subscription on 10 February 2017	於二零一七年二月十日認購時發行股份的影響	400,798	—
Weighted average number of ordinary shares at 30 June	於六月三十日的普通股加權平均數	2,974,663	2,573,835

There were no potential dilutive ordinary shares during the six months ended 30 June 2017 and 2016 and, therefore, diluted earnings per share are the same as the basic earnings per share.

由於截至二零一七年及二零一六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。

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)

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group acquired items of plant and machinery with a cost of RMB43,780,000 (six months ended 30 June 2016: RMB3,110,000).

10 物業、廠房及設備

截至二零一七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43,780,000元(截至二零一六年六月三十日止六個月：人民幣3,110,000元)。

11 INTEREST IN ASSOCIATES

11 於聯營公司權益

		The Group 本集團	
		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Share of net assets	應佔資產淨值	23,145	23,355

Details of the Group's interest in the associates are as follows:

本集團於聯營公司的權益詳情如下：

Name of associate 聯營公司名稱	Place of establishment and operation 成立及經營地點	Particulars of paid up capital 實繳資本詳情	Proportion of ownership interest 所有權權益比例		
			Group's effective interest 本集團的實際權益	Held by a subsidiary 由附屬公司持有	Principal activity 主要活動
Jiangxi Lvyan Trading Co., Ltd. ("Lvyan") (note (i)) 江西綠源貿易有限公司(「綠源」)(附註(i))	The PRC 中國	RMB5,600,000 人民幣 5,600,000元	45%	45%	Trading of imported timber 買賣進口木材
Longyan Deliyuan Biomass Energy Co., Ltd. ("Deliyuan") 龍岩市得利源生物能源有限公司(「得利源」)	The PRC 中國	RMB9,450,000 人民幣 9,450,000元	45%	45%	Research & development and sales of biomass energy 生物質能源的研發及銷售
Xiamen Zhonglisheng Trading Co., Ltd. ("Zhonglisheng") 廈門中利盛貿易有限公司(「中利盛」)	The PRC 中國	RMB9,450,000 人民幣 9,450,000元	45%	45%	Whole sale of forestry products and building material 林業產品及建材批發

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 INTEREST IN ASSOCIATES (Continued)

Note:

- (i) On 19 January 2016, the Group contributed capital of RMB9,450,000 to Zhonglisheng.

Lvyuan, Deliyuan and Zhonglisheng are accounted for using the equity method in the consolidated financial statements.

Summary of financial information of the associates:

11 於聯營公司權益(續)

附註：

- (i) 於二零一六年一月十九日，本集團向中利盛注資人民幣9,450,000元。

綠源、得利源及中利盛於綜合財務報表內採用權益法入賬。

聯營公司的財務資料摘要：

		Lvyuan 綠源		Deliyuan 得利源		Zhonglisheng 中利盛	
		At 30 June 2017 於 二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於 二零一六年 十二月三十一日 RMB'000 人民幣千元	At 30 June 2017 於 二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於 二零一六年 十二月三十一日 RMB'000 人民幣千元	At 30 June 2017 於 二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於 二零一六年 十二月三十一日 RMB'000 人民幣千元
Non-current assets	非流動資產	53	115	-	-	-	-
Current assets	流動資產	6,194	7,022	9,996	10,000	10,122	10,119
Non-current liabilities	非流動負債	-	-	-	-	-	-
Current liabilities	流動負債	(34)	(683)	(5)	(7)	(115)	(114)
Net assets	資產淨值	6,213	6,454	9,991	9,993	10,007	10,005
Group's share of net assets of the associates	本集團應佔聯營公司 的資產淨值	2,796	2,905	4,496	4,497	4,503	4,502
Revenue for the six month period ended 30 June 2017/2016	截至二零一七年／ 二零一六年六月三十日 止六個月收入	1,683	2,227	109	-	82	-
Profit or loss from continuing operations for the six month period ended 30 June 2017/2016	截至二零一七年／ 二零一六年六月三十日 止六個月持續經營的 損益	(204)	105	(1)	(5)	1	(4)

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 INVENTORIES

12 存貨

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Raw materials	原材料	224,029	167,927
Work in progress	在製品	34,023	43,691
Finished goods	製成品	80,219	107,882
		338,271	319,500

There was no write down of inventories during the six months ended 30 June 2017 and 2016.

截至二零一七年及二零一六年六月三十日止六個月概無撇減存貨。

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)

13 TRADE AND OTHER RECEIVABLES

13 貿易及其他應收款項

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Trade and bills receivables	貿易應收款項及應收票據	93,289	128,400
Trade receivable from associates	應收聯營公司貿易款項	—	3,510
Total trade receivables (note (a))	貿易應收款項總額 (附註(a))	93,289	131,910
Prepayment for raw materials	原材料預付款	127,751	86,497
Derivative financial instruments (note 21(a))	衍生金融工具(附註21(a))	1,065	9,561
Gross amount due from customers for contract work (note)	應收客戶合同工程總額 (附註)	708	708
Other receivables	其他應收款項	12,659	11,210
		235,472	239,886

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 2017 was Nil (31 December 2016: Nil). This balance includes retention receivables at 30 June 2017 of RMB708,000 (31 December 2016: RMB708,000), of which RMB708,000 (31 December 2016: RMB708,000) was expected to be recovered after more than one year.

附註：於二零一七年六月三十日的應收客戶合同工程總額內包括已產生成本總額加已確認溢利減截至當日的已確認虧損為零(二零一六年十二月三十一日：零)。此結餘包括於二零一七年六月三十日的保留應收款項人民幣708,000元(二零一六年十二月三十一日：人民幣708,000元)，其中人民幣708,000元(二零一六年十二月三十一日：人民幣708,000元)預計將於一年後收回。

All of the trade and other receivables, apart from those balances specified in note above are expected to be recovered or recognised as expense within one year.

除上文附註指明的該等結餘外，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。

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)

13 TRADE AND OTHER RECEIVABLES (Continued)

(a) Ageing analysis

As at 30 June 2017, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on invoice date and net of allowances of doubtful debts, is as follows:

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Within 1 month	於1個月內	31,893	36,499
1 to 2 months	1至2個月	8,869	23,305
2 to 3 months	2至3個月	5,153	13,181
Over 3 months	超過3個月	47,374	58,925
		93,289	131,910

Trade and bills receivables are normally due within 90 days to 180 days from the date of billing.

貿易應收款項及應收票據一般於出具發票日期起計90日至180日內到期。

14 PLEDGED DEPOSITS

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

13 貿易及其他應收款項(續)

(a) 賬齡分析

於二零一七年六月三十日，按發票日期並扣除呆賬備抵的貿易應收款項及應收票據(已計入貿易及其他應收款項)賬齡分析如下：

14 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)

15 CASH AND CASH EQUIVALENTS

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

15 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 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 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	71,200	121,194
Cash at bank and in hand	銀行及手頭現金	47,858	52,792
		119,058	173,986

- (b) Reconciliation of loss before taxation to cash generated from operations:

- (b) 除稅前虧損與經營業務所得現金對賬如下：

			Six months ended 30 June 截至六月三十日止六個月 2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Note 附註			
Loss before taxation	除稅前虧損		(3,557)	(3,275)
Adjustments for:	就以下各項作出調整：			
Interest expense	利息開支	7(a)	2,047	5,676
Depreciation	折舊	7(b)	11,977	8,552
Amortisation of lease prepayments	租賃預付款攤銷	7(b)	967	753
Amortisation of deferred income	遞延收入攤銷		(581)	(581)
Net foreign exchange loss	外匯虧損淨值		9,599	1,994
Interest income	利息收入	6(a)	(2,222)	(2,674)
Share of profit associates, net of tax	應佔聯營公司溢利，扣除稅項		210	60
Changes in working capital:	營運資金變動：			
Increase in inventories	存貨增加		(18,771)	(10,972)
(Increase)/decrease in trade and other receivables	貿易及其他應收款項(增加)/減少		(822)	15,641
Increase/(decrease) in trade and other payables	貿易及其他應付款項增加/(減少)		25,666	(7,868)
Cash generated from operations	經營業務所得現金		24,513	7,306

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 TRADE AND OTHER PAYABLES

16 貿易及其他應付款項

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 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))	4,524	6,892
Receipts in advance	預收款項	1,752	3,138
Receipt in advance from an associate	自一間聯營公司預收款項	600	230
Derivative financial instruments (note 21(a))	衍生金融工具(附註21(a))	5,795	7,692
Amount due to associate companies	應付聯營公司款項	21,115	—
Amount due to a director	應付一名董事款項	17	17
Amount due to a related company (note 23(c))	應付關聯公司款項(附註23(c))	283	283
Other payables and accruals (note i)	其他應付款項及應計費用 (附註i)	23,012	15,077
		57,098	33,329

Note:

- i Balance mainly represent salaries, wages, bonus and other accrued benefits, and payables for the purchase of property, plant and equipment.

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

附註：

- i 結餘主要指薪金、工資、花紅及其他應計福利以及購買物業、廠房及設備的應付款項。

所有上述結餘預計將於一年內償付或按要求償還。

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 TRADE AND OTHER PAYABLES (Continued)

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

As at 30 June 2017, the maturity analysis of the trade payables balance is as follows:

16 貿易及其他應付款項(續)

- (a) 貿易應付款項的到期日分析如下：

於二零一七年六月三十日，貿易應付款項結餘的到期日分析如下：

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 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	3,900	4,410
Due after 1 month but within 3 months	1個月後但3個月內 到期償付	624	2,482
		4,524	6,892

17 BANK LOANS

- (a) As at 30 June 2017, the bank loans were repayable as follows:

17 銀行貸款

- (a) 於二零一七年六月三十日，須償還的銀行貸款如下：

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 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	326,557	340,072
After 1 year but within 2 years	一年後但兩年內	32,000	56,290
After 2 year but within 5 years	兩年後但五年內	-	-
		32,000	56,290
		358,557	396,362

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)

17 BANK LOANS (Continued)

- (b) As at 30 June 2017, the bank loans were secured as follows:

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Bank loans	銀行貸款		
— Secured	— 有抵押	238,143	371,362
— Unsecured	— 無抵押	120,414	25,000
		358,557	396,362

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

		At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Pledged deposits (note 14)	已抵押存款(附註 14)	186,908	140,515
Buildings	樓宇	79,798	82,278
Plant and machinery	廠房及機器	29,523	32,054
Construction in progress	在建工程	15,071	14,969
Lease prepayments	租賃預付款	99,094	100,062
		410,394	369,878

17 銀行貸款(續)

- (b) 於二零一七年六月三十日，有抵押銀行貸款如下：

- (c) 有抵押銀行融資以下列資產的賬面值作抵押：

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

- (i) The Board of Directors does not recommend the payment of an interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).
- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year approved and paid during the Period:

- (i) 董事會並不建議就截至二零一七年六月三十日止六個月派付中期股息（截至二零一六年六月三十日止六個月：無）。
- (ii) 於本期間批准及派付於上一個財政年度應付本公司權益股東股息：

人民幣千元

No final dividend proposed in respect of the previous financial year (six months ended 30 June 2016: Nil)	並無就上一個財政年度建議末期股息 (截至二零一六年六月三十日止六個月：無)
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At a Board meeting held on 24 March 2017, the Directors proposed no final dividend distribute for the year ended 31 December 2016, and the proposal is approved in the Annual General Meeting on 26 May 2017. Therefore no final dividend payable in respect of year ended 31 December 2016.

於二零一七年三月二十四日舉行的董事會會議上，董事並無建議派發截至二零一六年十二月三十一日止年度末期股息，該建議於二零一七年五月二十六日之股東週年大會上得到批准。因此，截至二零一六年十二月三十一日止年度並無應付末期股息。

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 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(b) Share capital

20 資本、儲備及股息(續)

(b) 股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Amount 金額 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	2,573,835	25,738	2,573,835	25,738
Issue of shares upon subscription on 10 February 2017 (note (i))	於二零一七年二月 十日認購時發行股份 (附註(i))	514,500	5,145	—	—
At 30 June	於六月三十日	3,088,335	30,883	2,573,835	25,738

Note:

- (i) On 10 February 2017, an aggregate of 514,500,000 ordinary shares of HK\$0.01 each were conditionally issued to not less than six and not more than ten subscribers, who and whose ultimate beneficial owners are independent third parties, at a price of HK\$0.13 per share. The net proceeds would be retained for research and development expenditure to enhance research and product competitiveness of the Group and as general working capital of the Group. The shares issued rank pari passu with other shares in issue in all respects.

附註：

- (i) 於二零一七年二月十日，合共514,500,000股每股面值0.01港元的普通股已按每股0.13港元的價格有條件發行予不少於六名及不超過十名認購人(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研發開支，以加強研究及提升本集團產品的競爭力，及用作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)

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets measured at fair value

As at 30 June 2017, the Group's derivative financial instruments assets and liabilities amounting to RMB1,065,000 and RMB5,795,000 respectively (31 December 2016: assets and liabilities of RMB9,561,000 and RMB7,692,000 respectively) (notes 13 and 16) 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 2017 and 2016, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

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

The fair value of forward exchange contracts, currency swap, interest rate swap and currency option 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 reporting period plus an adequate constant credit spread.

There were no other financial assets or liabilities carried at fair value as at 30 June 2017 and 31 December 2016.

(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 2017 and 31 December 2016.

21 金融工具的公平值計量

(a) 按公平值計量的金融資產

於二零一七年六月三十日，本集團的衍生金融工具資產及負債分別為人民幣1,065,000元及人民幣5,795,000元(二零一六年十二月三十一日：資產及負債分別為人民幣9,561,000元及人民幣7,692,000元)(附註13及16)按公平值列賬，該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。

截至二零一七年及二零一六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。本集團的政策為於公平值等級的各級在報告期末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、貨幣掉期、利率掉期及貨幣期權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。所使用貼現率按於報告期末相關政府債券孳息率加足夠固定信貸息差而計算得出。

於二零一七年六月三十日及二零一六年十二月三十一日，概無其他按公平值列賬的金融資產或負債。

(b) 未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二零一七年六月三十日及二零一六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)

22 COMMITMENTS

- (a) Capital commitments outstanding at 30 June 2017 not provided for in these consolidated financial statements were as follows:

	At 30 June 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Contracted for 已訂約	28,718	23,402

- (b) As at 30 June 2017, 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 2017 於二零一七年 六月三十日 RMB'000 人民幣千元	At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Within 1 year 一年內	543	398
After 1 year but within 5 years 一年後但五年內	586	478
	1,129	876

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

22 承擔

- (a) 於此等綜合財務報表內未作出撥備且於二零一七年六月三十日尚未償還的資本承擔如下：

- (b) 於二零一七年六月三十日，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：

租約一般初步為期一年至五年不等，可選擇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)

23 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

23 重大關聯方交易

本集團於呈報期間訂立下列重大關聯方交易。

(a) 關聯方名稱及與關聯方的關係

於呈報期間，董事認為，本集團的關聯方包括下列實體：

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 Zheyang.
Wu Zheyang 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。

Jiangxi Lvyuan Trading Co., Ltd. ("Lvyuan")
江西綠源貿易有限公司(「綠源」)

An associate of the Group.
本集團之聯營公司。

Longyan Deliyuan Biomass Energy Co., Ltd.
("Deliyuan")
龍岩市得利源生物能源有限公司(「得利源」)

An associate of the Group.
本集團之聯營公司。

Xiamen Zhonglisheng Trading Co., Ltd.
("Zhonglisheng")
廈門中利盛貿易有限公司(「中利盛」)

An associate of the Group.
本集團之聯營公司。

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。

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)

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Significant related party transactions

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

23 重大關聯方交易(續)

(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	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Sales of wooden products to Lvyuan	向綠源銷售木製品	653	782

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

董事確認，上述買賣交易乃以與彼等與第三方訂立的類似交易條款訂立。

(c) Amount due to a related company

(c) 應付關聯公司款項

		At 30 June 2017	At 31 December 2016
		於二零一七年六月三十日	於二零一六年十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amount due to Jiupengxi	應付九鵬溪款項	283	283
		283	283

The amount due to a related company was arisen 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.

應付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用條款償付。

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)

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(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	
		2017	2016
		二零一七年	二零一六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term employee benefits	短期僱員福利	1,774	3,166
Retirement scheme contributions	退休計劃供款	20	32
		1,794	3,198

24 EVENTS AFTER THE REPORTING DATE

On 7 July 2017, a wholly-owned subsidiary of the Company entered into an agreement with Fujian Wancheng Property Development Limited* to dispose of the land use rights in relation to two parcels of land located in Zhangping at a consideration of RMB30,000,000.

The Directors consider that the disposal would allow the Group to unlock the value of its investment in the land use rights and to realise cash resources in improving the liquidity and strengthening the financial position of the Group.

Save as disclosed above, the Group has no material events after the reporting date.

24 報告日期後事項

於二零一七年七月七日，本公司的全資附屬公司與福建萬成房地產開發有限公司訂立協議出售位於漳平的兩幅地塊的土地使用權，代價為人民幣30,000,000元。

董事認為，出售事項將令本集團得以釋放其於土地使用權的投資價值及從中套取現金資源用以改善本集團的流動資金及鞏固財務狀況。

除上文所披露者外，本集團並無重大報告日期後事項。

* For identification purposes only



**China Environmental Technology And
Bioenergy Holdings Limited**
中科生物控股有限公司