

TK 東江集團(控股)有限公司

TK GROUP (HOLDINGS) LIMITED

(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 : 2283



Interim Report 中期報告 2018

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BOARD OF DIRECTORS

Executive Directors

Mr. Li Pui Leung (*Chairman*)
Mr. Yung Kin Cheung Michael (*Chief Executive Officer*)
Mr. Lee Leung Yiu
Mr. Cheung Fong Wa

Independent Non-executive Directors

Dr. Chung Chi Ping Roy
Mr. Ho Kenneth Kai Chung
Mr. Tsang Wah Kwong

COMMITTEES OF THE BOARD

Audit Committee

Mr. Tsang Wah Kwong (*Chairman*)
Dr. Chung Chi Ping Roy
Mr. Ho Kenneth Kai Chung

Remuneration Committee

Dr. Chung Chi Ping Roy (*Chairman*)
Mr. Yung Kin Cheung Michael
Mr. Ho Kenneth Kai Chung
Mr. Tsang Wah Kwong

Nomination Committee

Mr. Li Pui Leung (*Chairman*)
Dr. Chung Chi Ping Roy
Mr. Ho Kenneth Kai Chung
Mr. Tsang Wah Kwong

AUTHORISED REPRESENTATIVES

Mr. Yung Kin Cheung Michael
Mr. Cheung Fong Wa

COMPANY SECRETARY

Mr. Cheung Fong Wa

董事會

執行董事

李沛良先生(*主席*)
翁建翔先生(*行政總裁*)
李良耀先生
張芳華先生

獨立非執行董事

鍾志平博士
何啟忠先生
曾華光先生

董事會委員會

審核委員會

曾華光先生(*主席*)
鍾志平博士
何啟忠先生

薪酬委員會

鍾志平博士(*主席*)
翁建翔先生
何啟忠先生
曾華光先生

提名委員會

李沛良先生(*主席*)
鍾志平博士
何啟忠先生
曾華光先生

授權代表

翁建翔先生
張芳華先生

公司秘書

張芳華先生

AUDITORS

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Dah Sing Bank, Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
China Construction Bank Corporation
China CITIC Bank Corporation Limited
Hua Xia Bank Co., Limited

REGISTERED OFFICE

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS IN PRC

TK Technology Park
Tangjia Community
Fenghuang Sub-district Office
Guangming New District
Shenzhen, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshop No.19, 9th Floor, Block B
Hi-Tech Industrial Centre
No. 491-501 Castle Peak Road
Tsuen Wan, New Territories, Hong Kong

核數師

羅兵咸永道會計師事務所
執業會計師
香港

主要往來銀行

中國銀行(香港)有限公司
大新銀行有限公司
東亞銀行有限公司
香港上海匯豐銀行有限公司
中國建設銀行股份有限公司
中信銀行股份有限公司
華夏銀行股份有限公司

註冊辦事處

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

中國總部

中國深圳
光明新區
鳳凰辦事處
塘家社區
東江科技工業園

香港主要營業地點

香港新界荃灣
青山道491-501號
嘉力工業中心
B座9樓19號

Corporate Information (Continued) 公司資料(續)

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

SHARE LISTING

The Stock Exchange of Hong Kong Limited
(Stock code: 2283)

COMPANY WEBSITE

<http://www.tkmold.com>

股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

股份上市

香港聯合交易所有限公司
(股份代號：2283)

公司網址

<http://www.tkmold.com>

FINANCIAL HIGHLIGHTS

財務摘要

Six months ended 30 June

截至6月30日止六個月

2018

2017

Results and financial performances

業績及財務表現

Results

業績

Revenue (HK dollar '000)	收入(千港元)	1,025,665	816,268
Profit attributable to owners of the Company (HK dollar '000)	本公司擁有人應佔溢利(千港元)	140,432	110,524
Basic earnings per share (HK cents)	每股基本盈利(港仙)	16.9	13.4
Proposed interim dividend per share (HK cents)	建議每股中期股息(港仙)	6.0	5.0
Gross profit margin	毛利率	31.5%	32.3%
Net profit margin	淨利率	13.7%	13.5%
Return on equity (Note 1)	股本回報率(附註1)	14.7%	14.8%
Return on assets (Note 2)	資產回報率(附註2)	7.8%	8.0%
Inventory turnover days (Note 3)	存貨周轉天數(附註3)	87	90
Trade receivable turnover days (Note 4)	貿易應收款項周轉天數(附註4)	52	47
Trade payable turnover days (Note 5)	貿易應付款項周轉天數(附註5)	73	69

30 June

31 December

2018

2017

2018年

2017年

6月30日

12月31日

Financial position

財務狀況

Net current assets (HK dollar '000)	流動資產淨值(千港元)	487,642	560,251
Current ratio (Note 6)	流動比率(附註6)	163.0%	187.2%
Quick ratio (Note 7)	速動比率(附註7)	115.4%	139.6%
Gearing ratio (Note 8)	資產負債比率(附註8)	17.6%	10.7%
Net gearing ratio (Note 9)	淨資產負債比率(附註9)	0%	0%

Financial Highlights (Continued)

財務摘要(續)

Notes:

- (1) Return on equity ratio is calculated by dividing profit after tax by total equity as at period ended and multiplying the resulting value by 100%.
- (2) Return on assets ratio is calculated by dividing profit after tax by total assets as at period ended and multiplying the resulting value by 100%.
- (3) Inventory turnover days is calculated based on the average balance of inventory divided by the cost of sales for the relevant period multiplied by 180 days.
- (4) Trade receivable turnover days is calculated based on the average trade receivables divided by the revenue for the relevant period multiplied by 180 days.
- (5) Trade payable turnover days is calculated based on the average trade payables divided by the cost of sales for the relevant period multiplied by 180 days.
- (6) Current ratio is calculated by dividing current assets by current liabilities and multiplying the resulting value by 100%.
- (7) Quick ratio is calculated by dividing current assets less inventory by current liabilities and multiplying the resulting value by 100%.
- (8) Gearing ratio is calculated by dividing total borrowings by total equity and multiplying the resulting value by 100%.
- (9) Net gearing ratio is calculated by dividing net borrowings (total borrowings net-off cash and pledged bank deposits) by total equity and multiplying the resulting value by 100%. Net gearing ratio was zero as net cash of the Company as at 30 June 2018 and 31 December 2017 was HK\$355,061,000 and HK\$452,312,000 respectively.

附註：

- (1) 股本回報率按除稅後溢利除以期末權益總額再將所得值乘以100%計算。
- (2) 資產回報率按除稅後溢利除以期末資產總額再將所得值乘以100%計算。
- (3) 存貨周轉天數乃按存貨平均結餘除以有關期間的銷售成本再乘以180天計算。
- (4) 貿易應收款項周轉天數乃按平均貿易應收款項除以有關期間的收入再乘以180天計算。
- (5) 貿易應付款項周轉天數乃按平均貿易應付款項除以有關期間的銷售成本再乘以180天計算。
- (6) 流動比率按流動資產除以流動負債再將所得值乘以100%計算。
- (7) 速動比率按流動資產減去存貨除以流動負債再將所得值乘以100%計算。
- (8) 資產負債比率按借貸總額除以權益總額再將所得值乘以100%計算。
- (9) 淨資產負債比率按借貸淨額(借貸總額減現金及抵押銀行存款)再除以權益總額再將所得值乘以100%計算。於2018年6月30日及2017年12月31日本公司的現金淨額分別為355,061,000港元及452,312,000港元，所以淨資產負債比率為0。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The board of directors (the “Board”) of TK Group (Holdings) Limited (the “Company”, together with its subsidiaries, collectively the “Group”) have pleasure in presenting the Company’s interim results for the six months ended 30 June 2018 (the “Period”).

REVIEW OF FINANCIAL INFORMATION

The independent auditor of the Company, PricewaterhouseCoopers, has reviewed the unaudited interim financial information for the six months ended 30 June 2018 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

BUSINESS REVIEW

Looking back in the first half of 2018, the global economy recovered steadily and market demands expanded. The GDP of the PRC has increased by 6.8% year-on-year for the first half of the year, and consumption continued to increase. During the Period, according to the analysis of downstream industries, the three sectors (i.e. smart home, mobile phones and wearable devices and medical and health care) maintained strong growth momentum. For the first half of 2018, the revenue amounted to HK\$1,025.7 million (first half of 2017: HK\$816.3 million), representing an increase of 25.7% compared to the same period last year.

Leveraging on its advantages in industry expertise, including highly efficient precision molds and automated production, and market foresight, the Group enjoyed competitive cost advantage while meeting customers’ needs of quality products. With the Group’s strong engineering capabilities, it was committed to optimizing its production process, continuously reducing the proportion of labor and improving its production efficiency. The unremitting efforts of the team enabled the Group to achieve excellent results in the first half of the year.

東江集團(控股)有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事會(「董事會」)，欣然提呈本公司截至二零一八年六月三十日止六個月(「本期間」)的中期業績。

財務資料審閱

本公司獨立核數師羅兵咸永道會計師事務所已根據香港會計師公會頒佈的香港審閱工作準則第2410號「由實體的獨立核數師執行的中期財務資料審閱」審閱截至2018年6月30日止六個月之未經審計中期財務資料。

業務回顧

回顧2018年上半年，全球經濟穩步復蘇，市場需求擴張，其中中國上半年國內生產總值同比增長6.8%，消費力度持續增強。本期間內，按下游行業分析，智能家居、手機及可穿戴設備和醫療及個人護理三大板塊持續保持強勁增長態勢。2018年上半年本集團收入為1,025.7百萬港元(2017年上半年：816.3百萬港元)，較去年同期增長25.7%。

本集團憑藉行業技術優勢(包括高效精密模具、自動化生產)及市場前瞻性，擁有具競爭力的成本優勢並同時滿足客戶高質量的產品需求，加上本集團強大的工程能力，致力於優化生產程序，不斷降低人工比例及提升生產效率，團隊不懈的努力令本集團在上半年取得優異的成績。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

For the Period under Review, the Group's gross profit increased to HK\$323.4 million (first half of 2017: HK\$263.3 million), representing an increase of 22.8%. The gross profit margin slightly decreased by 0.8 percentage point to 31.5% (first half of 2017: 32.3%). The Group increased its investment in automation, talents, research and development projects, etc. in response to the demands of new customers and new projects. However, due to the higher initial investment for new projects, the Group's gross profit margin was temporarily affected. The Group believes that after the new production lines enter into a stable stage of mass production, its production efficiency will be fully released and profit margin will be improved.

Based on the above, the Group recorded a profit attributable to owners of the Company of HK\$140.4 million (first half of 2017: HK\$110.5 million), representing a year-on-year increase of 27.1%. The net profit margin was 13.7% (first half of 2017: 13.5%), representing a year-on-year increase of 0.2 percentage point. The basic earnings per share was HK\$16.9 cents (first half of 2017: HK\$13.4 cents).

Furthermore, the Group's trade receivable turnover days remained stable at the level of around 52 days due to our effective credit policies. Meanwhile, such policies also enabled the Group to maintain net cash of HK\$355.1 million as at 30 June 2018 (30 June 2017: HK\$324.8 million). The sound financial position enables the Group to engage in merger and acquisition activities in a more active manner and to adopt necessary measures to promote the growth of the Group. Moreover, the Group has considerable amount of orders on hand. As at 30 June 2018, the Group's orders on hand amounted to HK\$923.8 million, representing a significant increase of 20.9%, compared with HK\$764.4 million as at 30 June 2017.

回顧本期間內，本集團毛利增至323.4百萬港元(2017年上半年：263.3百萬港元)，較去年同期增長22.8%，毛利率輕微下降0.8個百分點至31.5%(2017年上半年：32.3%)。因應本期間內新增客戶和新項目需求，本集團加大投資於自動化、人才、研發工程等方面，由於新項目前期投入較大，令本集團毛利率受到短暫影響。本集團相信待新生產綫進入量產穩定階段後，生產效率將能充分釋放，改善利潤空間。

綜合以上，本集團錄得本公司擁有人應佔溢利達140.4百萬港元(2017年上半年：110.5百萬港元)，較去年同期增長27.1%。純利率為13.7%(2017年上半年：13.5%)，較去年同期提升0.2個百分點，每股基本盈利為16.9港仙(2017年上半年：13.4港仙)。

此外，有效的信貸政策令本集團貿易應收款項周轉天數維持穩定於52天左右水平。同時，有關政策也令本集團於2018年6月30日保持現金淨額達355.1百萬港元(2017年6月30日：324.8百萬港元)。穩健的財務狀況令本集團可採取更積極的併購活動及其他所需的措施推動本集團增長。此外，本集團在手訂單充裕，於2018年6月30日，本集團在手訂單達923.8百萬港元，相較2017年6月30日的764.4百萬港元，大幅增長20.9%。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Industry	行業	Six months ended 30 June 截至6月30日止六個月				Change 變動	
		2018		2017		HK\$ million 百萬港元	%
		HK\$ million 百萬港元	%	HK\$ million 百萬港元	%		
Mobile phones and wearable devices	手機及可穿戴設備	230.7	22.5	159.0	19.5	71.7	45.1
Commercial telecommunications equipment	商業通訊設備	212.3	20.7	184.4	22.6	27.9	15.1
Automobiles	汽車	199.5	19.5	186.6	22.9	12.9	6.9
Medical and health care	醫療及個人護理	136.2	13.3	123.2	15.1	13.0	10.6
Smart home	智能家居	109.9	10.7	44.8	5.5	65.1	145.3
Household electrical appliances	家電	46.1	4.5	32.7	4.0	13.4	41.0
Digital devices	數字設備	19.8	1.9	34.3	4.2	-14.5	-42.3
Others	其他	71.2	6.9	51.3	6.2	19.9	38.8
		1,025.7	100.0	816.3	100.0	209.4	25.7

BUSINESS SEGMENT ANALYSIS

Mold Fabrication Business

For the first half of 2018, the revenue of the mold fabrication business division from external customers amounted to approximately HK\$339.9 million, representing a stable increase of approximately 11.0% when compared to approximately HK\$306.1 million in the same period last year, and accounting for approximately 33.1% of the Group's total revenue.

The major products of the Group's ultra-large standard molds are automobiles components. The Group's clients mainly include tier one component suppliers to European automobile brands such as Mercedes-Benz, BMW and Volkswagen. The Group continued to focus on expert-level molding technology research and provide customers with high quality and cost-effective design solutions which are well-trusted by its customers. As sales grew, utilization rate of production lines continuously increased and internal management improved, gross profit margin of the mold fabrication business division increased by 1.9 percentage points to 36.7% for the Period. Moreover, the Group is upgrading its molding plant and striving to enhance the intellectualization of its facilities, moving forward to Industry 4.0. The highly automated production lines will ensure the quality of high-precision molds and help enhance production capacity. It will also lay a solid foundation for downstream plastic components manufacturing.

業務分部分析

模具製作業務

2018年上半年，模具製作業務部來自外界客戶的收入約為339.9百萬港元，較去年同期約306.1百萬港元平穩上升約11.0%，佔本集團總收入約33.1%。

本集團的超大型標準模具的產品以汽車零部件為主，客戶主要為替歐洲汽車品牌如奔馳、寶馬、大眾生產汽車零部件的一級部件供應商。本集團仍然專注於專家級別的模具工藝技術鑽研，致力於向客戶提供高質量及具成本效益的設計方案，一切深得客戶信賴。隨著銷售增長，生產綫利用率持續提升及內部管理提升，本期內，模具製作業務之毛利率上升1.9個百分點至36.7%。此外，本集團正進行模具車間升級，致力提升設備智能自動化，全力朝工業4.0邁進。生產綫高度自動化確保了高效精密模具之質量及有助於提升產能，亦為下游注塑組件製造打造更穩固根基。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Plastic Components Manufacturing Business

For the first half of 2018, the revenue of the plastic components manufacturing business division from external customers amounted to approximately HK\$685.8 million (first half of 2017: HK\$510.2 million), representing a significant increase of 34.4% and accounting for approximately 66.9% of the Group's total revenue.

For the Period under Review, the smart home segment increased significantly by 145.3% as compared with last year. The industry was in the process of mergers and integration during the corresponding period of last year. The industry demand has gradually emerged since the second half of last year. The Group is currently the sole supplier of certain products of the two leading brands of smart home in North America. It maintains a good cooperative relationship with the brand customers, and has successively obtained orders for additional parts during the Period.

The revenue of mobile phones and wearable devices segment has recorded a year-on-year revenue growth of 45.1%, which was mainly due to the significant increase of orders for smartphone protective cases from a brand customer. The Group continued to enhance its competitiveness and achieve greater supply proportion with its leading capabilities in mold fabrication and automation technologies. In addition, orders from the smartphone brand customer have grown steadily. Benefiting from the surge in demand for high-tech wearable products, a popular audio brand customer has introduced several new wireless wearable device products, resulting in a significant increase in orders. The Group has been immersed in the field of high-tech wearable devices for a long time and has become the leading supplier in the industry and has been growing along with its customers.

For medical and health care products, the market demand is rising. The Group has been working closely on the customers' new product expansion plans, which have also led to a significant growth of the sector. The revenue of medical and health care segment recorded a year-on-year revenue growth of 10.6%.

注塑組件製造業務

2018年上半年，注塑組件製造業務部來自外界客戶的收入約為685.8百萬港元(2017年上半年：510.2百萬港元)，較去年同期大幅增長34.4%，佔本集團總收入約66.9%。

回顧本期間內，智能家居板塊較去年同比強勁增長145.3%，由於該行業於去年同期正處於兼併整合狀態，自去年下半年起行業需求逐漸體現。本集團現為北美兩家智能家居龍頭品牌若干產品的獨家供應商，與品牌客戶維持良好的合作關係，更於本期間內陸續取得多項新產品部件之訂單。

手機及可穿戴設備板塊收入較去年同比增長45.1%，主要為智能手機提供保護殼之品牌客戶訂單大幅增長，本集團憑藉領先的模具能力及自動化技術，持續提升競爭力，取得更大供貨佔比。此外，智能手機品牌客戶的訂單亦穩定增長。受惠於市場對高科技穿戴產品需求劇增，流行音響品牌客戶在無線穿戴設備推出多個新產品，令訂單有顯著增長。本集團長久以來深耕高科技穿戴設備領域，已成為行業供貨的領頭羊，並跟隨客戶腳步一同成長。

在醫療及個人護理方面，市場對醫療及個人護理產品需求日益增加，本集團密切配合客戶積極推行之新品擴張計劃，亦帶動該板塊有良好增長，醫療及個人護理板塊收益較去年同期增長10.6%。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

During the Period, the Group's production capacity has reached an extremely high utilization, and a large amount of new equipment has been purchased to fulfil the increasing orders. Most of the production lines have commenced production, and the production process of some new products are pending to be gradually optimized to achieve a better production efficiency. This resulted in the decrease of 1.8 percentage points to 28.9% from approximately 30.7% in gross profit margin of its plastic components manufacturing business sector during the corresponding period of last year. The Group believes that upon the completion of the optimization of its new production lines, its efficiency will be fully released.

FINANCIAL REVIEW

Revenue

Revenue for the six months ended 30 June 2018 was HK\$1,025.7 million, representing an increase of HK\$209.4 million or 25.7% as compared with the revenue of HK\$816.3 million for the corresponding period in 2017. Such increase was mainly attributable to the three sectors (i.e. smart home, mobile phones and wearable devices and medical and health care) maintaining strong growth momentum during the period.

Gross Profit

Gross profit for the first half of 2018 was HK\$323.4 million, representing an increase of HK\$60.1 million or 22.8% as compared with the gross profit of HK\$263.3 million for the corresponding period in 2017. The gross profit margin was 31.5%, representing a slight decrease of 0.8 percentage point from 32.3% for the corresponding period of last year, which was mainly due to the Group increasing its investment in automation, talents, research and development projects, etc. in response to the demands of new customers and new projects. However, due to the higher initial investment for new projects, the Group's gross profit margin was temporarily affected. The Group believes that after the new production lines enter into a stable stage of mass production, its production efficiency will be fully released and profit margin will be improved.

本期間內，本集團的產能已達到極高負荷之水平，並已購置大量新設備以滿足不斷增加的訂單需求。大部分生產線已開始投產，部分新產品的生產工序正有待逐步優化至更佳生產效率，因而令本期間內注塑組件製造業務部的毛利率由去年同期約30.7%，輕微降低1.8個百分點至28.9%。本集團相信待新生產線優化提升完成後，效益將能充分釋放。

財務回顧

收入

截至2018年6月30日止六個月收入為1,025.7百萬港元，較2017年同期的收入816.3百萬港元增加209.4百萬港元或25.7%。該增長主要是由於本期間內智能家居、手機及可穿戴設備和醫療及個人護理三大板塊持續保持強勁增長態勢。

毛利

2018年上半年毛利為323.4百萬港元，較2017年同期的毛利約263.3百萬港元增加了60.1百萬港元或22.8%。毛利率為31.5%，較去年同期的32.3%輕微下降0.8個百分點，主要是因為本期間內應新增客戶和新項目需求，本集團加大投資於自動化、人才、研發工程等方面，由於新項目前期投入較大，令本集團毛利率受到短暫影響。本集團相信待新生產線進入量產穩定階段後，生產效率將能充分釋放，改善利潤空間。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Segment gross profit margin for mold fabrication for the first half of 2018 was 36.7%, up 1.9 percentage points from 34.8% for the corresponding period in 2017. The increase in gross profit margin was primarily due to the increased amount of orders and the strict implementation on quality enhancement within the Group was also proved effective, hence the further increase in gross profit margin.

Segment gross profit margin for plastic components manufacturing for the first half of 2018 was 28.9%, representing a decrease of 1.8 percentage points from 30.7% for the first half of 2017. The decrease in gross profit margin was primarily attributable to the significant appreciation of RMB during the period as compared with the corresponding period last year and the capacity expansion of plastic components manufacturing segment, and the production process of some new products remained to be gradually optimized to better production efficiency, thus resulting in the slight decrease in gross profit margin of our plastic components manufacturing business sector by 1.8 percentage points during the period. The Group believes that upon the completion of the optimization of its new production line, its efficiency will be fully released.

Other Income

Other income for the first half of 2018 was HK\$12.0 million, representing an increase of HK\$4.3 million or 55.8% as compared with HK\$7.7 million for the corresponding period in 2017, which was mainly due to the increase in government grants to the Group and sales revenue of scrap during the period.

Other Losses — Net

Other losses, net for the first half of 2018 was HK\$15.5 million, representing an increase of HK\$7.3 million or 89.0% as compared with HK\$8.2 million for the corresponding period in 2017, which was mainly attributable to fluctuation of Renminbi exchange rate, resulting in a foreign exchange loss on sales orders proceeds denominated in US dollars settled in Renminbi. Furthermore, in order to minimise the effect of fluctuations of the Euro on the Group, the Group borrowed a Euro-denominated bank loan equivalent to the amount of the Group's existing orders from Europe during the period to effectively hedge the effect of fluctuations of the Euro on the Group.

模具製作分部2018年上半年毛利率為36.7%，較2017年同期的34.8%上升了1.9個百分點。毛利率增長主要是由於訂單不斷增加及內部加強推行的質量提升舉措成效顯著，使得毛利率進一步提升。

注塑組件製造分部2018年上半年毛利率為28.9%，較2017年上半年的30.7%下降了1.8個百分點。毛利率下降主要是由於本期間內人民幣較去年同期大幅升值及注塑組件製造分部產能擴充，部分新產品的生產工序正有待逐步優化至更佳生產效率，因而令本期間內注塑組件製造業務部的毛利率輕微降低1.8個百分點。本集團相信待新生產綫優化提升完成後，效益將能充分釋放。

其他收入

2018年上半年其他收入為12.0百萬港元，較2017年同期的其他收入7.7百萬港元增加了4.3百萬港元或55.8%，主要是因為本期間本集團政府補貼收入及廢料銷售收入有所增加。

其他虧損 — 淨額

2018年上半年其他虧損淨額為15.5百萬港元，較2017年同期的其他虧損淨額8.2百萬港元增加7.3百萬港元或89.0%，主要是因為人民幣匯率波動，使得美元訂單銷售所得款項結匯人民幣產生匯兌損失。另外，為了有效防範歐元匯率波動對本集團的影響，本集團在本期間內從銀行借入了等額於本集團在手歐元訂單額的歐元貸款，以有效對沖歐元波動對本集團的匯率影響。

Selling Expenses

Selling expenses for the first half of 2018 was HK\$39.4 million (first half of 2017: HK\$41.3 million), accounted for 3.8% (first half of 2017: 5.1%) of the sales, and representing a decrease of HK\$1.9 million or 4.6% as compared with the corresponding period in 2017, and a decrease by 1.3 percentage points in terms of the percentage to sales, which was mainly due to the decrease in sales commission as compared to the corresponding period of last year.

Administrative Expenses

Administrative expenses for the first half of 2018 was HK\$120.9 million (first half of 2017: HK\$93.1 million), accounted for 11.8% (first half of 2017: 11.4%) of the sales, and representing an increase of HK\$27.8 million or 29.9% as compared with the corresponding period in 2017, and in terms of the percentage to sales an increase by 0.4 percentage point. The increase in the administrative expenses was mainly attributable to: (1) the annual salary adjustment and the increase in employee salaries due to the recruitment of more senior management talents in response to new project development needs of the customers. In addition, the growth of the Group's results and the 35th anniversary of the Group's establishment also contributed to the raise in employee bonus and welfare expenses accrued; and (2) the increase in the research and development expenditure compared with the corresponding period in last year as a result of the continued development of new products with customers such as mobile phones and wearable devices, smart home brands.

Finance Income — Net

Net finance income for the first half of 2018 was HK\$4.2 million, representing a surge of HK\$2.3 million or 121.1% as compared with the net finance income of HK\$1.9 million for the corresponding period in 2017, which was primarily due to the increased income earned by purchasing financial assets.

銷售開支

2018年上半年銷售開支為39.4百萬港元(2017年上半年：41.3百萬港元)，佔銷售的百分比為3.8%(2017年上半年：5.1%)。銷售開支較2017年同期減少1.9百萬港元或4.6%，佔銷售的百分比下降1.3個百分點，主要是因為銷售佣金的計提較去年同期有所減少。

行政開支

2018年上半年行政開支為120.9百萬港元(2017年上半年：93.1百萬港元)，佔銷售的百分比為11.8%(2017年上半年：11.4%)，較2017年同期增加27.8百萬港元或29.9%，佔銷售的百分比增加0.4個百分點。行政開支增加的主要原因是：(1)年度調薪及應客戶新項目開發需求而增聘更多高級管理人才所帶來僱員工資的增加。另外，本期間內業績的增長及適逢本集團成立35周年，亦使得僱員花紅及福利開支預提增加；及(2)本集團與手機及可穿戴設備客戶、智能家居品牌等客戶繼續推進新產品的開發工作，使得研發開支較去年同期有所增加。

融資收入－淨額

2018年上半年融資收入淨額為4.2百萬港元，較2017年同期的融資收入淨額1.9百萬港元增加2.3百萬港元或121.1%，主要是由於本期間內購買金融資產產生的收益有所增加。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Income Tax Expense

Income tax expense for the first half of 2018 was HK\$23.3 million, and the effective tax rate was 14.3%, which was lower than the effective tax rate of 15.1% for the corresponding period in 2017, which was mainly attributable to the decrease in the PRC withholding income tax.

Profit for the Period Attributable to Owners of the Company

Profit attributable to owners of the Company for the first half of 2018 was HK\$140.4 million, representing an increase of HK\$29.9 million or 27.1% from HK\$110.5 million for the corresponding period in 2017.

SEASONALITY

The Group's sales volume has historically been affected by seasonality. As the Group's products are used by the Group's customers in their respective manufacturing processes, the demand for the Group's products fluctuates as the demand for their products varies. A significant portion of the Group's products under its downstream business segments has generally been in higher demand in the second half of each calendar year, which is primarily due to the seasonal purchase patterns of consumers during festivals such as the Thanksgiving Day and Christmas holidays. As a result, it is expected that the revenue will be higher in the second half of the year than in the first half of the year. In the financial year ended 31 December 2017, 44% of revenue accumulated in the first half of the year, with 56% accumulating in the second half of the year.

LIQUIDITY, FINANCIAL RESOURCES AND RATIOS

As at 30 June 2018, the Group had net current assets of approximately HK\$487.6 million (31 December 2017: HK\$560.3 million). The Group had total cash and bank balances of approximately HK\$522.6 million (31 December 2017: HK\$550.2 million), including cash and cash equivalents of approximately HK\$406.5 million (31 December 2017: HK\$540.8 million) and restricted cash and deposits of approximately HK\$116.1 million (31 December 2017: HK\$9.4 million). The current ratio of the Group as at 30 June 2018 was approximately 163.0% (31 December 2017: 187.2%).

所得稅開支

2018年上半年所得稅開支為23.3百萬港元，實際稅率為14.3%，較2017年同期的實際稅率15.1%有所下降，主要是由於本期間內中國預扣所得稅減少所致。

本公司擁有人應佔本期間內溢利

2018年上半年本公司擁有人應佔溢利為140.4百萬港元，較2017年同期的110.5百萬港元增加29.9百萬港元或27.1%。

季節性

過往，本集團的歷史銷量受到季節性的影響。本集團的客戶將本集團的產品用於其各自的製造過程中，故本集團產品的需求乃隨本集團客戶產品需求的變化而波動。本集團頗大部分的下遊產業通常在每年的下半年有較大的需求，主要是受到例如感恩節及聖誕假期等季節性消費模式所影響。因此本集團下半年錄得的收入預計比上半年高。於截至2017年12月31日止財政年度，44%的收入乃於上半年累積所得，而56%的收入則於下半年累積所得。

流動資金、財務資源及比率

於2018年6月30日，本集團的流動資產淨額約為487.6百萬港元(2017年12月31日：560.3百萬港元)。本集團的現金及銀行結餘總額約為522.6百萬港元(2017年12月31日：550.2百萬港元)，包括現金及現金等價物約406.5百萬港元(2017年12月31日：540.8百萬港元)以及有限制現金和按金約116.1百萬港元(2017年12月31日：9.4百萬港元)。於2018年6月30日，本集團的流動比率約為163.0%(2017年12月31日：187.2%)。

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

Total equity of the Group as at 30 June 2018 was approximately HK\$954.6 million (31 December 2017: HK\$911.5 million). The gearing ratio as at 30 June 2018 was approximately 17.6% (31 December 2017: 10.7%). Such increase was mainly attributed to a bank loan of EUR9.5 million to reduce the exchange risks related to the sales proceeds denominated in Euro from the European customers in order to hedge the relevant risks during the Period.

於2018年6月30日，本集團的權益總額約為954.6百萬港元(2017年12月31日：911.5百萬港元)。於2018年6月30日，資產負債比率約為17.6%(2017年12月31日：10.7%)，該增加主要是因為本集團在本期間內為降低本集團自歐洲客戶取得的以歐元計價的銷售所得款項的匯率風險而向銀行借款9.5百萬歐元，以對沖相關風險。

DEBT MATURITY PROFILE

The maturity profile of the Group's borrowings is set out below:

		30 June 2018 2018年 6月30日 HK\$'000 千港元	31 December 2017 2017年 12月31日 HK\$'000 千港元
Within 1 year	1年以內	117,349	32,705
Between 1 and 2 years	1至2年內	30,732	30,430
Between 2 and 5 years	2至5年內	19,453	34,780
		167,534	97,915

An analysis of the Group's key liquidity ratios as at 30 June 2018 is as follows:

於2018年6月30日，本集團的主要流動資金比率分析如下：

		Six months ended 30 June 截至6月30日止六個月	
		2018	2017
Inventory turnover days (Note 1)	存貨周轉天數(附註1)	87	90
Trade receivable turnover days (Note 2)	貿易應收款項周轉天數(附註2)	52	47
Trade payable turnover days (Note 3)	貿易應付款項周轉天數(附註3)	73	69

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
Current ratio (Note 4)	流動比率(附註4)	163.0%	187.2%

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Notes:

1. Inventory turnover days is calculated based on the average balance of inventory divided by the cost of sales for the relevant period multiplied by 180 days.
2. Trade receivable turnover days is calculated based on the average trade receivables divided by the revenue for the relevant period multiplied by 180 days.
3. Trade payable turnover days is calculated based on the average trade payables divided by cost of sales for the relevant period multiplied by 180 days.
4. Current ratio is calculated by dividing current assets by current liabilities and multiplying the resulting value by 100%.

附註：

1. 存貨周轉天數乃按存貨平均結餘除以有關期間的銷售成本再乘以180天計算。
2. 貿易應收款項周轉天數乃按平均貿易應收款項除以有關期間的收入再乘以180天計算。
3. 貿易應付款項周轉天數乃按平均貿易應付款項除以有關期間的銷售成本再乘以180天計算。
4. 流動比率按流動資產除以流動負債再將所得值乘以100%計算。

INVENTORY TURNOVER DAYS

During the Period, the Group's inventory turnover days were 87 days, which was comparable to that of the same period ended 30 June 2017.

存貨周轉天數

本期間內，本集團的存貨周轉天數為87天，與截至2017年6月30日止同期存貨周轉天數相若。

TRADE RECEIVABLE TURNOVER DAYS

During the Period, the Group's trade receivable turnover days were 52 days, representing an increase of 5 days compared to that of the corresponding period in last year, which was mainly attributable to a significant increase in sales to certain major customers whose credit periods were granted between 45 and 90 days during the second quarter of 2018. The relevant sales are still within the normal credit periods.

貿易應收款項周轉天數

本期間內，本集團的貿易應收款項周轉天數為52天，較去年同期增加了5天，主要是由於2018年第二季度信貸期介乎45天至90天的若干大客戶的銷售大幅增長所致。有關銷售乃處在正常信貸期內。

TRADE PAYABLE TURNOVER DAYS

During the period, the Group's trade payable turnover days were 73 days, representing an increase of 4 days compared to that of the corresponding period in 2017, which was mainly due to certain mold processing and main material suppliers extending our billing period during the period given the sound reputation of the Group.

貿易應付款項周轉天數

本期間內，本集團的貿易應付款項周轉天數為73天，較2017年同期增加了4天，主要是因為若干模具加工及主要材料供應商鑒於本集團良好的信譽基礎，本期間內給予本集團的賬期有所延長。

CURRENT RATIO

As at 30 June 2018, the Group's current ratio was 163.0%, representing a decrease of 24.2 percentage points from 187.2% as at 31 December 2017, which was mainly attributable to the decrease in net current assets of the Group during the period.

PLEGGED ASSETS

Details of pledged assets as at 30 June 2018 are set out in Note 14(a) to the interim financial information.

FOREIGN EXCHANGE RISK MANAGEMENT

The Group mainly operates in the PRC and is exposed to foreign currency risks arising from various currency exposures, mainly with respect to the HK dollar, US dollar, Euro and RMB. Exchange rate fluctuations and market trends have always been the main concerns of the Group. Foreign currency hedging of the Group has been managed by the Group's chief financial officer, and overseen by the Group's chief executive officer. In accordance with the Group's hedging needs and the then foreign exchange situation, the Group's chief financial officer would collect and analyze information regarding various hedging instruments and determine stop-loss thresholds. The Group's chief financial officer would then collect quotations from various banks as to the financial instrument and present such quotations to the Group's chief executive officer, who would then evaluate and make a decision as to whether to enter into the relevant hedging agreement. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

The Group's cash and bank balances were primarily denominated in US dollar, RMB, Euro and HK dollar. Its operating cash inflows and outflows were primarily denominated in RMB, US dollar, Euro and HK dollar. The Group will closely monitor the exchange rate movements and regularly review its gearing structure so as to mitigate the expected exchange rate risk.

流動比率

於2018年6月30日，本集團的流動比率為163.0%，較2017年12月31日的流動比率187.2%減少了24.2個百分點，主要是因為本期間內本集團流動資產淨值減少所致。

已抵押資產

於2018年6月30日已抵押資產之詳情載於中期財務資料附註14(a)。

外匯風險管理

本集團主要在中國經營業務，因而面對多種外幣產生的外匯風險，主要為港元、美元、歐元及人民幣。本集團一直以來都很關注匯率波動和市場趨勢。本集團的首席財務官管理本集團的外匯對沖，而本集團的首席執行官則監控本集團的外匯對沖。根據本集團的對沖需要及當時的外匯情況，本集團的首席財務官將收集有關各種對沖工具的資料進行分析，並釐定止損點。隨後本集團的首席財務官將收集各銀行有關財務工具的報價，並向本集團的首席執行官呈報該報價，而本集團的首席執行官將評估及就是否訂立相關對沖協議作出決定。人民幣兌換成外幣須遵守中國政府頒佈的外匯管理條例及規定。

本集團的現金及銀行結餘主要以美元、人民幣、歐元及港元計值。其經營現金流入及流出主要以人民幣、美元、歐元及港元計值。本集團將密切監察匯率波動，並定期檢討其資產負債結構，以降低預期匯率風險。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

RMB EXCHANGE RATE RISK

The Group's major revenue is principally denominated in US dollar, Euro, HK dollar and RMB, and the Group's major expenses are mainly denominated in RMB. The Group has not entered into any agreement for RMB hedging purpose.

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during the Period, and the Company's capital included ordinary shares and other reserves.

USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

The Company was listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 20 December 2013. Net proceeds from the initial public offering totaled approximately HK\$268.0 million (including the net proceeds from the exercise of the over-allotment option which took place on 15 January 2014).

The table below sets out the use of net proceeds from the initial public offering and the unutilised amounts as at 30 June 2018. All unutilised amounts are deposited in licensed banks in PRC and Hong Kong.

人民幣匯率風險

本集團主要收入主要以美元、歐元、港元及人民幣計值，而本集團主要支出主要以人民幣計值，本集團沒有訂立任何為人民幣對沖的協議。

資本結構

本公司之資本結構於本期間內並無變動，本公司之資本包括普通股及其他儲備。

來自本公司首次公開發售的所得款項的用途

本公司於2013年12月20日在香港聯合交易所有限公司(「聯交所」)上市。來自首次公開發售的所得款淨額合計約268.0百萬港元(包括2014年1月15日行使超額配股權的所得款淨額)。

下表載列了首次公開發售所得款項淨額的用途以及於2018年6月30日的未動用款額。所有未動用款項乃存放於中國及香港的持牌銀行。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Use of proceeds

所得款項用途

		Till 30 June 2018 直至2018年6月30日			
		% of total amount 佔總額的 百分比	Net proceeds 淨額 (HK\$ million) (百萬港元)	Utilised amounts 已動用 款額 (HK\$ million) (百萬港元)	Unutilised amounts 未動用 款額 (HK\$ million) (百萬港元)
Establishing a new business unit specialising in ultra-large standard molds	設立超大型標準模具 新事業單位	19%	51.9*	51.9	—
Upgrading mold fabrication capabilities	升級模具製作能力	14%	37.1*	37.1	—
Expanding Shenzhen plastic components manufacturing capacity	擴充深圳注塑組件 製造產能	22%	59.4*	59.4	—
Expanding Suzhou plastic components manufacturing capacity	擴充蘇州注塑組件 製造產能	17%	44.5*	44.5	—
Strategic acquisitions of other mold fabricators	策略收購其他模具 製造商	11%	29.5*	16.4	13.1
Research and development	研發投入	8%	21.5*	21.5	—
General working capital	一般營運資金	9%	24.1*	24.1	—
		100%	268.0*	254.9	13.1

*Note: On 15 January 2014, China Merchants Securities (HK) Co., Limited, the sole global coordinator (on behalf of the international underwriters) of the global offering, partially exercised the over-allotment option, pursuant to which the Company issued 26,600,000 ordinary shares of HK\$0.1 each at the subscription price of HK\$1.25 per share. The allocation of the net proceeds of HK\$32.4 million was adjusted on a pro rata basis as set out in the section headed "Use of Proceeds" in the Company's prospectus dated 11 December 2013 (the "Prospectus"). As a result, the net aggregate proceeds were increased from HK\$235.6 million to HK\$268.0 million.

*附註：於2014年1月15日，全球發售之獨家全球協調人(代表國際包銷商)招商證券(香港)有限公司部分行使超額配股權。據此，本公司以認購價每股1.25港元發行26,600,000股每股面值0.1港元之普通股。所得款項淨額32.4百萬港元按本公司日期為2013年12月11日的招股章程(「招股章程」)「所得款項用途」一節所載的比例基準調整分配。因此，所得款項淨額總額從235.6百萬港元增加至268.0百萬港元。

The use of proceeds shown above is in line with the intended use as set out in the Prospectus.

所得款項用途與招股章程所載的擬定用途一致。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

PLANS FOR MATERIAL CAPITAL INVESTMENTS

The Group plans to invest in capacity expansion and pursue suitable investment projects to capitalize the potential growth of the Group's business in the coming years in the manner set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. Such source of funding would be primarily from the internal resources.

STAFF POLICY

As at 30 June 2018, the Group had 3,713 full-time employees (31 December 2017: 3,726) and 857 workers dispatched to us from third party staffing companies (31 December 2017: 520).

The Group's remuneration policy aims to offer competitive remuneration packages to recruit, retain and motivate competent directors and employees. The Group believes that the remuneration packages are reasonable, competitive and in line with market trends. The Group has put in place a share option scheme for its directors and employees in a bid to provide a competitive package for the Group's long-term growth and development. The Group also provides appropriate training and development programmes to its employees to enhance the staff's work ability and personal performance.

The Group has implemented training programmes for the employees to meet different job requirements. The Group believes that these initiatives have contributed to increasing employee productivity.

As required by the PRC regulations, the Group made contributions to mandatory social security funds for the benefits of its PRC employees which provide pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing funds.

重大資本投資計劃

本集團將按招股章程「未來計劃及所得款項用途」一節所載的方式投資於產能擴充及尋找適合的投資項目，以把握本集團未來業務的潛在增長。資金來源主要為內部資源。

員工政策

於2018年6月30日，本集團擁有3,713名全職僱員(2017年12月31日：3,726名)及857名由第三方勞務公司派遣的工人(2017年12月31日：520名)。

本集團的薪酬政策旨在為招募、挽留及鼓勵有能力的董事及僱員提供具競爭力的薪酬待遇。本集團認為，有關薪酬待遇屬合理及具競爭力，並與市場趨勢相吻合。本集團已為其董事及僱員設立購股權計劃，力爭為本集團的長期增長及發展提供具競爭力的薪酬待遇。本集團亦向其僱員提供適當的培訓及發展計劃，旨在提升員工的工作能力及個人績效。

本集團已實施僱員培訓計劃，以應對不同職位的要求。本集團相信，該等舉措有助於提高僱員的生產力。

如中國法規規定，本集團已為其中國僱員繳交強制性社保基金，包括養老保險、醫療保險、失業保險、工傷保險、生育保險及住房公積金。

MATERIAL ACQUISITIONS AND DISPOSALS

During the six months ended 30 June 2018, the Group has not made material acquisitions or disposals of subsidiaries.

CONTINGENT LIABILITIES

As at 30 June 2018, the Group did not have any significant contingent liabilities.

PROSPECT

With the outbreak of Sino-US trade war in the first half of 2018, market uncertainty and volatility rose. The Group believes that it is possible that the trade war will continuously affect the global economic situation in the next one to two years. However, generally speaking, the direct impact caused by the trade war on the Group is insignificant. The Group, which is also the preferred supplier for most of the customers, has always been adhering to the business philosophy of customer diversification, which effectively reduces geopolitical and policy risks. The Group's products that are directly exported to the US account for less than 10% of total sales. At this stage, the Group's customers are actively seeking solutions to reduce the possible impact caused by the tariff increment. The Group is also actively considering setting up factories outside the PRC, especially in Southeast Asian countries, to enjoy lower labor costs and tax concessions, and boost domestic sales to alleviate the impact of Sino-US trade wars at the same time.

In view of the good orders on hand for the second half of the year, as well as the potential new customers and new projects, the Group expects that the current production capacity will not be sufficient to meet the foreseeable increase in orders. Therefore, the Group has arranged short-term tenancy of plants outside Shenzhen to establish additional production lines. Meanwhile, the Group has been actively seeking merger and acquisition targets which have synergy with the Group's production capacity, customers and technologies to expand its business scale and maintain its growth momentum.

重大收購及出售

於截至2018年6月30日止六個月，本集團並未有任何重大收購或出售附屬公司。

或然負債

於2018年6月30日，本集團並無任何重大或然負債。

展望

面對2018年上半年中美貿易戰爆發，市場不確定性及波動性增加，本集團認為，貿易戰有機會持續影響未來一至二年的全球經濟情勢。但整體而言，貿易戰對本集團產生直接影響不大。本集團一直持守客戶多元化的經營理念，亦為大部分客戶的首選供應商，有效降低地緣政治及政策風險。本集團直接出口至美國地區的產品份額約佔整體銷售少於10%，現階段客戶端正積極尋求解決方案，降低可能出現的關稅調漲之影響。本集團也正積極考慮在中國以外地區設立廠房，尤其在東南亞國家去享受較低廉的人工成本及稅務優惠，同時也增加內銷業務減低中美貿易戰帶來的影響。

為應對下半年飽滿的在手訂單及洽談中的新客戶和新項目，本集團預期現有產能將未足以負荷可預見訂單之增長需求，因此本集團已安排短期租用深圳之外的廠房設置額外生產綫，同時亦積極尋找與本集團之產能、客戶及技術上具協同效益之併購目標，拓展業務規模，保持增長勢頭。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Currently, the Group is establishing a business office in North America. The establishment of business office will help the Group maintain close contact with the emerging technology industry customers in the US. As high-end electronic consumer goods continue to be sought after by the market, the Group will closely keep track of the emerging products and industry trends, develop quality customers and projects, and will continue to tap the potential of existing customers, thereby striving for greater supply proportion to strengthen the Group's leading position as a one-stop integrated plastics solutions provider. The Group will continue to solidify its advantages in the industry, and continuously invest in technology research and development and automation to strengthen itself. The Group is confident about the future and will face the economic fluctuations and challenges in the second half of the year with cautious optimism.

Developments as to defects to land title with respect to the Shenzhen Tangjia Plants

Reference is made to the Prospectus and the announcement of the Company dated 20 March 2014. Unless otherwise defined herein, capitalized terms used in this sub-section shall have the same meanings as those defined in the Prospectus. As the Bureau of Urban Planning and Land Commission of the Shenzhen Municipality (深圳市規劃國土委) is still examining policy proposals regarding the conversion of land use from high-technology project to commercial use by payment of land premium for submission for the approval of the municipal government, pursuant to the instructions of the Land Bureau, TK Technology (Shenzhen) Ltd. ("TK Technology (Shenzhen)") will submit the written application to convert the green-type property ownership certificate into the red-type property ownership certificate after the promulgation of the relevant policy.

本集團於北美成立之業務辦事處的事宜目前已落實且進入籌備階段，這將有助於本集團更緊密接觸美國新興科技產業客戶。高端電子消費品仍持續受市場追捧，本集團將密切追蹤新興產品及行業趨勢，開發優質的客戶及項目，亦將繼續深挖現有客戶的潛力爭取更大供貨佔比以鞏固本集團成為全球領先的一站式綜合注塑解決方案供應商龍頭地位。本集團將持續鞏固於行業內的優勢，不斷投入技術研發及自動化，強大自身實力，本集團對於未來仍充滿信心並以審慎樂觀的態度面對下半年度經濟環境波動與挑戰。

有關深圳塘家廠房房產證缺陷的進展情況

茲提述招股章程及本公司日期為2014年3月20日的公佈。除本文另有界定外，本小節所用詞與招股章程所界定者具有相同涵義。由於深圳市規劃國土委正在檢查關於借支地價將土地用途由高科技項目用地轉為商用地的政策建議以供提交市政府審批，根據國土局的指示，東江科技(深圳)有限公司(「東江科技(深圳)」)將於相關政策頒佈後提交書面申請，以將綠本房產證轉換為紅本房產證。

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

As disclosed in the section headed “Business — Properties — Plans to Resolve Risks Related to Certain of Our Leased Properties” of the Prospectus, the Company has contingency arrangements in place and will adopt such measures when it is necessary. Such contingency arrangements include relocating to the Backup Plants by exercising the Company’s right to request the Backup Plants Landlord to enter into the formal lease agreement with the Company within 15 days from the Company’s notice to the Backup Plants Landlord for one or more of the Backup Plants pursuant to the Pre-lease Agreements. Towards the expiry of the Pre-lease Agreements, in the event that TK Technology (Shenzhen) has yet to convert the green-type property ownership certificate into red-type property ownership certificate, the Company shall seek to either renew the Pre-lease Agreements or engage another party for a similar arrangement. The Company has renewed the Pre-lease Agreements until 31 December 2019.

誠如招股章程「業務－物業－化解有關我們若干租賃物業風險的計劃」一節所披露，本公司設有應急安排，並將於需要時採取有關措施。有關應急安排包括根據租賃前協議行使本公司權利，要求後備廠房業主在本公司向其發出通知後15天內與本公司就一個或多個後備廠房訂立正式的租賃協議，以搬遷至後備廠房。當租賃前協議將屆滿時，倘東江科技(深圳)仍未將綠本房產證轉換為紅本房產證，則本公司應尋求續訂租賃前協議或與另一方洽談訂立類似的安排。本公司已續訂租賃前協議，有效期至2019年12月31日。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

董事於股份、相關股份及債券中的權益

As at 30 June 2018, the interests of the directors of the Company in the shares of the Company which were recorded in the register required to be kept pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code"), were as follows:

於2018年6月30日，本公司董事於本公司的股份中擁有須根據證券及期貨條例（「證券及期貨條例」）第352條記錄於該條所指的登記冊內的權益，或須根據《上市發行人董事進行證券交易的標準守則》（「標準守則」）知會本公司及聯交所的權益如下：

Long position in the shares of the Company

於本公司股份的好倉

Name of director 董事姓名	Capacity/Nature of interests 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding in the Company* 於本公司的概約股權百分比*
Mr. Li Pui Leung ("Mr. Li") 李沛良先生（「李沛良先生」）	Interests in controlled corporations (Note 1) 受控制法團權益（附註1）	420,920,000	50.52%
Mr. Yung Kin Cheung Michael ("Mr. Yung") 翁建翔先生（「翁先生」）	Interests in controlled corporation (Note 2) 受控制法團權益（附註2）	55,620,000	6.67%
Mr. Lee Leung Yiu ("Mr. Lee") 李良耀先生（「李良耀先生」）	Interests in controlled corporation (Note 3) 受控制法團權益（附註3）	53,640,000	6.44%

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

Notes:

1. These shares were held by Eastern Mix Company Limited (“Eastern Mix”) (for 331,520,000 shares) and Lead Smart Development Limited (“Lead Smart”) (for 89,400,000 shares) respectively. The issued share capital of Eastern Mix is owned as to 45%, 28% and 27% by Mr. Li, Mr. Yung and Mr. Lee, respectively; and Lead Smart is wholly-owned and controlled by Mr. Li. As Eastern Mix and Lead Smart are controlled corporations of Mr. Li, he is deemed to be interested in these shares held by these two corporations pursuant to Part XV of the SFO.
 2. These shares were held by Cheer Union Development Ltd. (“Cheer Union”), a corporation wholly-owned and controlled by Mr. Yung.
 3. These shares were held by Normal Times International Limited (“Normal Times”), a corporation wholly-owned and controlled by Mr. Lee.
- * The percentage represents the number of ordinary shares involved divided by the number of the Company’s issued shares as at 30 June 2018.

Save as disclosed above, as at 30 June 2018, none of the directors nor chief executive of the Company had any interests or short positions in shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which has been recorded in the register required to be kept pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

1. 該等股份分別由集東有限公司(「集東」)(佔331,520,000股股份)及安領發展有限公司(「安領」)(佔89,400,000股股份)持有。集東的已發行股本分別由李沛良先生、翁先生及李良耀先生持有45%、28%及27%；另外，李沛良先生全資擁有及控制安領。由於集東及安領為李沛良先生的受控制法團，故根據證券及期貨條例第XV部，彼被視為於該兩間公司持有的股份中擁有權益。
 2. 該等股份由興邦發展有限公司(「興邦」)持有，該公司由翁先生全資擁有及控制。
 3. 該等股份由適時國際有限公司(「適時」)持有，該公司由李良耀先生全資擁有及控制。
- * 百分比指所涉及的普通股數目除以本公司於2018年6月30日已發行的股份數目。

除上文所披露者外，於2018年6月30日，概無本公司董事或主要行政人員於本公司或其任何相關法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有根據證券及期貨條例第352條須予存置的登記冊內所記錄的任何權益或淡倉，或須根據標準守則知會本公司及聯交所的任何權益或淡倉。

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

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

主要股東於股份及相關股份的權益

As at 30 June 2018, the following corporations had interests in 5% or more of the issued share capital of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or as known by the Company:

於2018年6月30日，本公司根據證券及期貨條例第336條規定須由本公司存置的權益登記冊所記錄或就本公司所知，以下法團擁有本公司5%或以上的已發行股本的權益：

Long position in the shares of the Company

於本公司股份的好倉

Name of shareholder	Capacity/Nature of interests	Number of shares	Approximate percentage of shareholding in the Company* 於本公司的概約股權百分比*
股東姓名	身份／權益性質	股份數目	股權百分比*
Eastern Mix (Note 1) 集東(附註1)	Beneficial owner 實益擁有人	331,520,000	39.79%
Lead Smart (Note 1) 安領(附註1)	Beneficial owner 實益擁有人	89,400,000	10.73%
Cheer Union (Note 2) 興邦(附註2)	Beneficial owner 實益擁有人	55,620,000	6.67%
Normal Times (Note 3) 適時(附註3)	Beneficial owner 實益擁有人	53,640,000	6.44%
Value Partners Group Limited (Note 4) 惠理集團有限公司(附註4)	Interest in controlled corporations 受控制法團權益	68,436,000	8.21%
Value Partners High-Dividend Stocks Fund Value Partners High-Dividend Stocks Fund	Beneficial owner 實益擁有人	64,410,000	7.73%
FIL Limited (Note 5) FIL Limited(附註5)	Interest in controlled corporations 受控制法團權益	42,684,000	5.12%

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

Notes:

1. The above interests of Eastern Mix and Lead Smart were also disclosed as the interests of Mr. Li in the above section headed "Directors' Interests in Shares, Underlying Shares and Debentures".
2. The above interests of Cheer Union were also disclosed as the interests of Mr. Yung in the above section headed "Directors' Interests in Shares, Underlying Shares and Debentures".
3. The above interests of Normal Times were also disclosed as the interests of Mr. Lee in the above section headed "Directors' Interests in Shares, Underlying Shares and Debentures".
4. These 68,436,000 shares were held by Value Partners Limited, a wholly-owned subsidiary of Value Partners Hong Kong Limited, which in turn was a wholly-owned subsidiary of Value Partners Group Limited. Accordingly, Value Partners Hong Kong Limited and Value Partners Group Limited were deemed to be interested in these shares pursuant to Part XV of the SFO.
5. These 42,684,000 shares were held by FIL Investment Management (Hong Kong) Limited, which was indirectly wholly owned by FIL Limited through a series of wholly-owned subsidiaries. Accordingly, FIL Limited was deemed to be interested in these shares pursuant to Part XV of the SFO.

* The percentage represents the number of ordinary shares involved divided by the number of the Company's issued shares as at 30 June 2018.

Save as disclosed above, as at 30 June 2018, no person, other than the directors of the Company whose interests and short position are set out in the section headed "Directors' Interests in Shares, Underlying Shares and Debentures" above, had any interests or short position in the shares or underlying shares of the Company as recorded in the register of interests required to be kept pursuant to Section 336 of the SFO.

附註：

1. 以上集東及安領之權益於上文「董事於股份、相關股份及債券中的權益」一節中亦已披露為李沛良先生的權益。
2. 以上興邦之權益於上文「董事於股份、相關股份及債券中的權益」一節中亦已披露為翁先生的權益。
3. 以上適時之權益於上文「董事於股份、相關股份及債券中的權益」一節中亦已披露為李良耀先生的權益。
4. 該等68,436,000股股份由惠理基金管理香港有限公司的全資附屬公司惠理基金管理公司持有，而惠理基金管理香港有限公司為惠理集團有限公司的全資附屬公司。因此，根據證券及期貨條例第XV部，惠理基金管理香港有限公司及惠理集團有限公司被視為於該等股份中擁有權益。
5. 該等42,684,000股股份由FIL Investment Management (Hong Kong) Limited持有，而FIL Investment Management (Hong Kong) Limited由FIL Limited透過一系列全資附屬公司間接全資擁有。因此，根據證券及期貨條例第XV部，FIL Limited被視為於該等股份中擁有權益。

* 百分比指所涉及的普通股數目除以本公司於2018年6月30日已發行的股份數目。

除上文所披露者外，於2018年6月30日，概無人士(權益及淡倉載於上文「董事於股份、相關股份及債券中的權益」一節的本公司董事除外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條須存置的權益登記冊所記錄的任何權益或淡倉。

Corporate Governance and Other Information (Continued)

企業管治及其他資料(續)

DIVIDEND

On 14 August 2018, the Board resolved to declare an interim dividend of HK6.0 cents per share for the six months ended 30 June 2018, amounting to a total of approximately HK\$49,995,600. The interim dividend is expected to be paid on 13 September 2018 to all shareholders whose names appear on the register of members of the Company at the close of business on 4 September 2018.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the aforesaid proposed interim dividend, the register of members of the Company will be closed from 31 August 2018 to 4 September 2018, both dates inclusive, during which period no transfer of shares will be registered. In order to be qualified for the proposed interim dividend, unregistered holders of shares of the Company should ensure that all share transfer documents, accompanied by the relevant share certificates, are lodged with the branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 30 August 2018.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed listed securities of the Company during the six months ended 30 June 2018.

CORPORATE GOVERNANCE

The Company believes that good corporate governance is important for maintaining and promoting investor confidence and for the sustainable growth of the Group. The directors of the Company is of the view that the Company has complied with all the code provisions set out in the Corporate Governance Code as contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") during the six months ended 30 June 2018.

股息

董事會於2018年8月14日決議宣派截至2018年6月30日止六個月的中期股息每股6.0港仙，合共約49,995,600港元。該中期股息預期於2018年9月13日支付予在2018年9月4日營業時間結束時名列於本公司股東名冊內的所有股東。

暫停辦理股份過戶登記手續

為釐定收取上述建議中期股息的資格，本公司將自2018年8月31日至2018年9月4日(首尾兩日包括在內)暫停辦理股份過戶登記手續，期間概不會受理任何股份過戶登記。為符合資格收取建議中期股息，本公司未登記股份持有人須確保所有股份過戶文件連同相關股票不遲於2018年8月30日下午4時30分送達本公司的股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)辦理登記手續。

購買、出售或贖回本公司的上市證券

截至2018年6月30日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司上市證券。

企業管治

本公司相信好的企業管治對於維持及增進投資者信心以及本集團的持續發展非常重要。本公司董事認為，於截至2018年6月30日止六個月，本公司已遵守聯交所證券上市規則(「上市規則」)附錄14所載之企業管治守則所載的所有守則條文。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code (Appendix 10 to the Listing Rules) as its own code of conduct regarding directors' securities transactions in the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2018.

COMPLIANCE WITH THE WRITTEN GUIDELINES FOR SECURITIES TRANSACTIONS BY THE RELEVANT EMPLOYEES

The Company has established written guidelines for the relevant employees of the Group (the "Relevant Employees") in respect of their dealings in the securities of the Company (the "Written Guidelines") on terms no less exacting than the required standards set out in the Model Code. For this purpose, "Relevant Employee" includes any employee of the Company or a director or employee of a subsidiary or holding company of the Company who, because of such office or employment, is likely to possess inside information in relation to the Company or its securities. No incident of non-compliance of the Written Guidelines was noted by the Company during the six months ended 30 June 2018.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 29 November 2013 (the "Share Option Scheme") for the purpose of providing incentives or rewards to eligible participants (including employees, executives or officers, directors including non-executive directors and independent non-executive directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries) for their contribution to the long term growth of the Group and to enable the Company to attract and retain high caliber employees.

During the six months ended 30 June 2018, there was no outstanding share option for the subscription of new shares held by any parties.

董事對證券交易行為守則的遵守

本公司已採納標準守則(上市規則附錄10)作為董事進行本公司證券交易的自訂行為守則。本公司已向全體董事作具體查詢，全體本公司董事確認，彼等於截至2018年6月30日止六個月內一直遵守標準守則所載的規定標準。

有關僱員對證券交易書面指引的遵守

本公司已制定了不低於標準守則所定標準的書面證券交易指引(「書面指引」)，作為本集團有關僱員(「有關僱員」)進行本公司證券交易的行為指引。為此，「有關僱員」包括任何本公司的僱員、本公司附屬公司或母公司的董事或僱員；而這些僱員因其職務或僱員關係而可能會擁有關於本公司或其證券的內幕消息。截至2018年6月30日止六個月，本公司並無獲悉不遵守書面守則之情況。

購股權計劃

本公司已於2013年11月29日採納一項購股權計劃(「購股權計劃」)，以就合資格參與者(包括本公司或其任何附屬公司的僱員、行政人員或高級職員、董事(包括非執行董事及獨立非執行董事)、顧問、諮詢人士、供應商、客戶及代理)為本集團的長期增長作出的貢獻向他們提供獎勵或回報，並有助本公司吸引及挽留有才能的僱員。

於截至2018年6月30日止六個月期間，概無任何人士持有可認購新股份且尚未行使之購股權。

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

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company, namely, Mr. Tsang Wah Kwong (Chairman), Dr. Chung Chi Ping Roy and Mr. Ho Kenneth Kai Chung.

The Audit Committee has reviewed with management the accounting policies and practices adopted by the Group and discussed, among other things, risk management, internal controls and financial reporting matters including a review of the unaudited interim financial information for the six months ended 30 June 2018.

審核委員會

審核委員會由本公司三位獨立非執行董事曾華光先生(主席)、鍾志平博士及何啟忠先生組成。

審核委員會與管理層已審閱本集團採納之會計政策及常規，並就(其中包括)風險管理、內部監控及財務申報事宜進行了討論，包括審閱截至2018年6月30日止六個月之未經審計中期財務資料。

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

中期簡明合併資產負債表

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

		As at	
		於	
		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
		(Unaudited)	(Audited)
		(未經審計)	(經審計)
		Note	
		附註	
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	9	439,276
Intangible assets	無形資產	9	11,679
Prepayments for property, plant and equipment	物業、廠房及設備的預付款	9	63,658
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產	8	23,621
			538,234
			435,614
Current assets	流動資產		
Inventories	存貨	10	368,428
Trade and other receivables	貿易及其他應收款項	11	370,680
Deposits for bank borrowings	銀行借貸的按金	14(a)	94,828
Restricted cash	受限制現金		21,302
Cash and cash equivalents	現金及現金等價物		406,465
			1,261,703
			1,202,993
Total assets	總資產		1,799,937
			1,638,607
EQUITY AND LIABILITIES	權益及負債		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	12	83,326
Share premium	股份溢價	12	251,293
Other reserves	其他儲備		41,061
Retained earnings	保留溢利		578,874
			954,554
			911,518
Total equity	權益總額		954,554
			911,518

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

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

		As at	
		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
Note		(Unaudited)	(Audited)
附註		(未經審計)	(經審計)
Liabilities	負債		
Non-current liabilities	非流動負債		
Bank borrowings	銀行借貸	14	50,185
Deferred income on government grants	政府補助遞延收入	15	13,847
Deferred income tax liabilities	遞延所得稅負債	16	7,290
			71,322
			84,347
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	13	615,190
Income tax liabilities	所得稅負債		41,522
Bank borrowings	銀行借貸	14	117,349
			774,061
			642,742
Total liabilities	總負債		845,383
			727,089
Total equity and liabilities	權益及負債總額		1,799,937
			1,638,607

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明合併綜合收益表

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

		Six months ended 30 June 截至6月30日止六個月	
		2018 (Unaudited) (未經審計)	2017 (Unaudited) (未經審計)
	Note 附註		
Revenue	收入	7	1,025,665
Cost of sales	銷售成本	18	(702,262)
Gross profit	毛利		323,403
Other income	其他收入	17	12,022
Other losses — net	其他虧損—淨額	17	(15,492)
Selling expenses	銷售開支	18	(39,418)
Administrative expenses	行政開支	18	(120,921)
Operating profit	經營溢利		159,594
Interest income	利息收入	19	5,199
Finance expenses	融資開支	19	(1,012)
Finance income — net	融資收入—淨額		4,187
Profit before income tax	除所得稅前溢利		163,781
Income tax expense	所得稅開支	20	(23,349)
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利		140,432
Other comprehensive income	其他綜合收益		
<i>Item that may be reclassified to profit and loss:</i>	<i>可能重新分類至損益之項目：</i>		
Currency translation differences	匯兌差額		20,968
Total comprehensive income for the period	期內綜合收益總額		143,027
Earnings per share attributable to equity holders of the Company (expressed in HK cents per share)	本公司權益持有人應佔每股盈利 (以每股港仙列值)		
— Basic	— 基本	21	16.9
— Diluted	— 攤薄	21	16.9

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明合併權益變動表

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

	Note	Other reserves					Retained earnings	Total
		Share capital	Share premium	Statutory reserves	Currency translation reserve	其他儲備		
	附註	股本	股份溢價	法定儲備	匯兌儲備	保留溢利	總計	
For the six months ended 30 June 2018 (unaudited)								
Balance at 1 January 2018 (audited)		83,326	251,293	56,649	(18,183)	538,433	911,518	
Comprehensive income								
Profit for the period		—	—	—	—	140,432	140,432	
Currency translation differences		—	—	—	2,595	—	2,595	
Total comprehensive income		—	—	—	2,595	140,432	143,027	
Contributions by and distributions to owners of the Company recognised directly in equity								
Dividends	22	—	—	—	—	(99,991)	(99,991)	
Total contributions by and distributions to owners of the Company for the period		—	—	—	—	(99,991)	(99,991)	
Balance at 30 June 2018 (unaudited)		83,326	251,293	56,649	(15,588)	578,874	954,554	

Interim Condensed Consolidated Statement of Changes in Equity (Continued)

中期簡明合併權益變動表(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

		Share capital	Share premium	Statutory reserves	Other reserves		Retained earnings	Total
					Share option reserve	Currency translation reserve		
		股本	股份溢價	法定儲備	購股權儲備	匯兌儲備	保留溢利	總計
For the six months ended	截至2017年6月30日							
30 June 2017 (unaudited)	止六個月(未經審計)							
Balance at 1 January 2017 (audited)	於2017年1月1日的結餘 (經審計)	82,660	237,902	47,357	3,334	(56,458)	370,215	685,010
Comprehensive income	綜合收益							
Profit for the period	期內溢利	—	—	—	—	—	110,524	110,524
Currency translation differences	匯兌差額	—	—	—	—	20,968	—	20,968
Total comprehensive income	綜合收益總額	—	—	—	—	20,968	110,524	131,492
Contributions by and distributions to owners of the Company recognised directly in equity	於權益直接確認之本公司擁有人出資及應佔分派							
Proceeds from shares issued upon exercise of share options	於行使購股權後發行股份之所得款項	666	10,057	—	—	—	—	10,723
Transfer to share premium upon exercise of share options	於行使購股權後轉撥至股份溢價	—	3,334	—	(3,334)	—	—	—
Dividends	股息	—	—	—	—	—	(82,660)	(82,660)
Total contributions by and distributions to owners of the Company for the period	期內本公司擁有人出資及應佔分配總額	666	13,391	—	(3,334)	—	(82,660)	(71,937)
Balance at 30 June 2017 (unaudited)	於2017年6月30日的結餘(未經審計)	83,326	251,293	47,357	—	(35,490)	398,079	744,565

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明合併現金流量表

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
		(Unaudited)	(Unaudited)
		(未經審計)	(未經審計)
	Note 附註		
Cash flows from operating activities	來自經營活動的現金流量		
Cash generated from operations	經營產生的現金	138,537	158,813
Interest received	已收利息	1,697	1,685
Income tax paid	已付所得稅	(9,410)	(16,720)
Net cash generated from operating activities	經營活動所產生的現金淨額	130,824	143,778
Cash flows from investing activities	來自投資活動的現金流量		
Purchase of property, plant and equipment and intangible assets	購買物業、廠房及設備以及無形資產	(59,048)	(23,048)
Prepayments for property, plant and equipment	物業、廠房及設備的預付款	(68,274)	(25,332)
Receipt of government grants	收到政府補助金	4,087	7,036
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	740	1,217
Addition of financial assets at fair value through profit or loss	增加以公允價值計量且其變動計入損益的金融資產	(23,621)	—
Purchase of available-for-sale financial assets	購買可供出售的金融資產	(284,580)	(193,326)
Proceeds from available-for-sale financial assets	出售可供出售的金融資產所得款項	288,147	194,400
Net cash used in investing activities	投資活動所用現金淨額	(142,549)	(39,053)
Cash flows from financing activities	來自融資活動的現金流量		
Proceeds from shares issued upon exercise of share options	於行使購股權後發行股份之所得款項	—	10,723
Proceeds from bank borrowings	銀行借貸所得款項	87,590	10,000
Repayments of bank borrowings	償還銀行借貸	(17,021)	(84,008)
(Increase)/decrease in pledge of bank deposit	抵押銀行存款(增加)/減少	(94,828)	18,634
Interest paid	已付利息	(1,012)	(980)
Dividends paid	已付股息	(99,991)	(82,660)
Net cash used in financing activities	融資活動所用現金淨額	(125,262)	(128,291)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(136,987)	(23,566)
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	540,815	381,310
Exchange gain on cash and cash equivalents	現金及現金等價物匯兌收益	2,637	206
Cash and cash equivalents at end of the period	期末現金及現金等價物	406,465	357,950

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 28 March 2013 as an exempted company with limited liability. The address of the Company's registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company is an investment holding company and its subsidiaries (collectively the "Group") are principally engaged in the manufacturing, sales, subcontracting, fabrication and modification of molds and plastic components in the People's Republic of China (the "PRC"). As at 30 June 2018, the ultimate shareholders of the Group are Mr. Li Pui Leung, Mr. Yung Kin Cheung Michael and Mr. Lee Leung Yiu (the "Ultimate Shareholders"), each holding an effective equity interest of 28.63%, 17.82% and 17.18% in the Company, respectively.

On 20 December 2013, the Company completed public offering and shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

This interim financial information ("Interim Financial Information") is presented in Hong Kong dollar ("HK\$"), unless otherwise stated.

This Interim Financial Information was approved for issue on 14 August 2018 and has not been audited.

2. BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 June 2018 (the "Period") has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by Hong Kong Institute of Certified Public Accountants. This Interim Financial Information should be read in conjunction with the annual financial statements for the year ended 31 December 2017 ("2017 Financial Statements"), which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

1. 一般資料

本公司於2013年3月28日於開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司為投資控股公司，連同其附屬公司(統稱「本集團」)，主要在中華人民共和國(「中國」)從事模具及注塑組件的製造、銷售、代工、製作及修改。於2018年6月30日，本集團的最終股東為李沛良先生、翁建翔先生及李良耀先生(「最終股東」)，彼等各自於本公司分別持有28.63%、17.82%和17.18%的有效股本權益。

於2013年12月20日，本公司完成公開發售，本公司的股份在香港聯合交易所有限公司(「聯交所」)上市。

除另有所述者外，本中期財務資料(「中期財務資料」)乃以港元(「港元」)呈列。

本中期財務資料未經審計，並於2018年8月14日獲批准刊發。

2. 編製基準

截至2018年6月30日止六個月(「本期間」)之本中期財務資料乃按照香港會計師公會頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。本中期財務資料應與截至2017年12月31日止年度之年度財務報表(「2017年財務報表」)一併閱讀，2017年財務報表已按香港財務報告準則(「香港財務報告準則」)編製。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2017, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of new or amendments to HKFRSs effective for the financial year beginning 1 January 2018.

(a) New and amended standards adopted by the Group

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

- IFRS 9 Financial Instruments, and
- IFRS 15 Revenue from Contracts with Customers.

Amendments to HKFRSs effective for the financial year beginning 1 January 2018 do not have a material impact on the Group.

(b) Impact of standards issued but not yet applied by the Group

The following new standard has been issued but is not effective for the financial year beginning 1 January 2018. It is relevant to the operations of the Group but has not been early adopted.

3. 會計政策

所應用之會計政策與截至2017年12月31日止年度之年度財務報表中所述者一致，除所得稅估計乃按適用於預計年度盈利總額的稅率以及採納於2018年1月1日開始的財政年度生效的新訂香港財務報告準則或準則修訂計算。

(a) 本集團採納的新訂及經修訂準則

若干新訂或經修訂準則適用於本報告期間，而由於採納下列準則，本集團須更改其會計政策及作出追溯調整：

- 國際財務報告準則第9號，金融工具，及
- 國際財務報告準則第15號，客戶合約收入。

於2018年1月1日開始的財政年度生效的香港財務報告準則之修訂不會對本集團的會計政策產生重大影響。

(b) 已頒佈但本集團尚未應用的準則的影響

以下新訂準則於2018年1月1日開始的財政年度已頒佈但尚未生效。其與本集團之營運有關但尚未被提早採納。

**Effective for
accounting periods
beginning on or after**
於以下日期或之後
開始之會計期間生效

HKFRS 16	Leases	1 January 2019
香港財務報告準則第16號	租賃	2019年1月1日

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

3. ACCOUNTING POLICIES (Continued)

(b) Impact of standards issued but not yet applied by the Group (Continued)

The Group has already commenced an assessment of the impact of these new standard which is relevant to the Group's operation. According to the preliminary assessment made by the directors of the Company, no significant impact on the financial performance and positions of the Group is expected when adopting HKFRS 16 except for the recognition of the right-of-use assets and corresponding lease liabilities arising from accounting for operating leases by the Group as a lessee.

4. ESTIMATES

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2017 Financial Statements.

3. 會計政策(續)

(b) 已頒佈但本集團尚未應用的準則的影響(續)

本集團已開始評估該等與本集團業務相關的新訂準則的影響。根據本公司董事所作的初步評估，預期於採納香港財務報告準則第16號時，將不會對本集團的財務表現及狀況產生重大影響，惟確認因本集團(作為承租人)訂立的經營租賃的會計處理產生的使用權資產及相應租賃負債則除外。

4. 估計

編製中期財務資料要求管理層作出判斷、估計及假設，有關判斷、估計及假設會影響會計政策的應用與資產及負債、收入及開支的列報金額。實際結果可能與該等估計有出入。

於編製本中期財務資料時，管理層於應用本集團之會計政策及估計不確定因素的主要來源時作出之重大判斷與2017年財務報表所應用者一致。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

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

This Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2017 Financial Statements.

There have been no changes in the risk management function since 31 December 2017 or in any risk management policies since 31 December 2017.

5.2 Liquidity risk

Compared to 31 December 2017, there was no material change in the contractual undiscounted cash outflows for financial liabilities. The Group exercises prudent liquidity risk management by maintaining sufficient cash and bank balances. The Group's liquidity risk is further mitigated through the availability of financing through its own cash resources and the availability of banking facilities to meet its financial commitments. In the opinion of the directors, the Group does not have any significant liquidity risk.

5. 財務風險管理

5.1 財務風險因素

本集團因其業務活動面臨各種財務風險：市場風險（包括外匯風險、公允價值利率風險、現金流量利率風險及價格風險）、信貸風險及流動資金風險。

本中期財務資料並未包括年度財務報表須規定的所有財務風險管理資料及披露，並應與2017年財務報表一併閱讀。

風險管理職能或任何風險管理政策自2017年12月31日以來並無任何變動。

5.2 流動資金風險

相較2017年12月31日而言，金融負債的合同未貼現現金流出並無出現重大變動。本集團透過備有充足現金及銀行結餘審慎地管理流動資金風險。本集團的流動資金風險進一步透過其自有現金資源維持備用資金以及備有銀行融資以滿足財政承擔而得以緩解。董事認為，本集團並無任何顯著流動資金風險。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

5. FINANCIAL RISK MANAGEMENT (Continued) 5. 財務風險管理(續)

5.3 Fair value estimation 5.3 公允價值估計

The table below analyses financial instruments carried at fair value, by the levels of inputs to valuation techniques. The inputs to valuation techniques are categorised into three levels within a fair value hierarchy, as follows:

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

The Group's financial assets at fair value through profit or loss are carried at fair value based on level 3 valuation method.

Other than the financial assets at fair value through profit or loss, the carrying amounts of the Group's other financial assets (including cash and cash equivalents, deposits for bank borrowings, trade and other receivables), trade and other payables and bank borrowings approximate their fair values.

下表透過估值技術的層級輸入數據分析按公允價值列賬的金融工具。估值技術輸入數據在公允價值層級範圍內被分類為以下三個層級：

- 第一級 — 相同資產或負債在活躍市場的報價(未經調整)。
- 第二級 — 除了第一級所包括的報價外，該資產或負債可觀察的輸入數據，可為直接(即價格)或間接(即源自價格)。
- 第三級 — 資產或負債並非基於可觀察市場數據的輸入數據(即不可觀察輸入數據)。

本集團以公允價值計量且其變動計入損益的金融資產乃根據第三級估值法按公允價值列賬。

除以公允價值計量且其變動計入損益的金融資產外，本集團其他金融資產(包括現金及現金等價物、銀行借貸的按金、貿易及其他應收款項)、貿易及其他應付款項及銀行借貸的賬面值與公允價值相若。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

6. SEASONALITY

The Group's sales volume has historically been affected by seasonality. As the Group's products are used by the Group's customers in their respective manufacturing processes, the demand for the Group's products fluctuates in accordance with fluctuations in the demand for their products. A significant portion of the Group's downstream industries has generally been in higher demand in the second half of each calendar year due to the seasonal purchase patterns of consumers such as Thanksgiving Day and Christmas holidays. As a result, it is expected that the revenue will be higher in the second half of the year than that of the first half of the year. In the financial year ended 31 December 2017, 44% of revenue accumulated in the first half of the year, with 56% accumulating in the second half of the year.

7. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the Group. The executive directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on the internal reports that are used to make strategic decisions. During the Period, the Group has 19 operating segments, out of which 11 operating segments relating to the mold business are aggregated into "mold fabrication" operating segment as they have similar economic characteristics and satisfy all conditions and meet all the aggregation criteria in HKFRS 8; the remaining 8 operating segments relating to the plastic business are aggregated into "plastic components manufacturing" operating segment as they have similar economic characteristics and satisfy all conditions and meet all the aggregation criteria in HKFRS 8. Accordingly, the executive directors consider the nature of the Group's business and determine that the Group has two reportable segments as follows: (i) mold fabrication and (ii) plastic components manufacturing.

The executive directors assess the performance of the operating segments based on their revenue and gross profit and do not assess the assets and liabilities of the operating segments.

Sales between segments are carried out on terms equivalent to those that prevail in arm's length transactions.

6. 季節性

過往，本集團的銷量受到季節性的影響。本集團的客戶將本集團的產品用於彼等各自的製造過程中，故本集團產品的需求乃隨客戶產品需求的波動而波動。本集團頗大部分的下游產業通常在每個曆年的下半年有較大的需求，這主要受到例如感恩節及聖誕假期等季節性消費模式所影響。因此下半年的收入預計比上半年高。於截至2017年12月31日止財政年度，44%的收入乃於上半年累積所得，而56%的收入則於下半年累積所得。

7. 分部資料

主要經營決策者已被認定為本集團執行董事。執行董事審閱本集團的內部報告以評估表現及分配資源，並根據用於作出戰略決策的內部報告釐定經營分部。本期間內，本集團擁有19個經營分部。其中，11個與模具業務有關的經營分部因具備相似的經濟特徵、滿足所有香港財務報告準則第8號所載的加總披露條件而被合併為「模具製作」經營分部；而餘下8個與注塑業務有關的經營分部則因具備相似的經濟特徵、滿足所有香港財務報告準則第8號所載的加總披露條件而被合併為「注塑組件製造」經營分部。因此，執行董事考慮本集團業務的性質並釐定本集團的兩個可報告分部如下：(i) 模具製作及(ii) 注塑組件製造。

執行董事根據各經營分部的收入及毛利評估經營分部的表現，但未對經營分部的資產及負債進行評估。

分部間銷售乃按與公平交易所適用的相若條款進行。

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

7. SEGMENT INFORMATION (Continued)

7. 分部資料(續)

Segment information for consolidated statement of comprehensive income

合併綜合收益表的分部資料

		Six months ended 30 June 截至6月30日止六個月					
		Mold fabrication 模具製作		Plastic components manufacturing 注塑組件製造		Total 總計	
		2018	2017	2018	2017	2018	2017
Revenue	收入						
Segment revenue	分部收入	366,191	333,464	685,808	510,170	1,051,999	843,634
Inter-segment revenue elimination	分部間收入抵銷	(26,334)	(27,366)	—	—	(26,334)	(27,366)
Revenue from external customers	外界客戶收入	339,857	306,098	685,808	510,170	1,025,665	816,268
Segment results	分部業績	124,885	106,600	198,518	156,735	323,403	263,335
Other income and other losses — net	其他收入及其他虧損—淨額					(3,470)	(548)
Selling expenses	銷售開支					(39,418)	(41,334)
Administration expenses	行政開支					(120,921)	(93,140)
Financial income — net	融資收入—淨額					4,187	1,891
Profit before income tax	除所得稅前溢利					163,781	130,204

Non-current assets, other than financial instruments and deferred income tax assets, by country:

非流動資產(金融工具及遞延所得稅資產除外)，按國家：

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
PRC	中國	505,474	425,902
Germany	德國	9,139	9,712
		514,613	435,614

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

8. 以公允價值計量且其變動計入損益的金融資產

	30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
United Kingdom unlisted equity investment 英國非上市股權投資	23,621	—

The following table presents the changes in level 3 instruments for the half-year ended 30 June 2018:

下表呈列截至2018年6月30日止半年第三級工具之變動：

		Unlisted equity investment 非上市 股權投資
Opening balance as at 31 December 2017	於2017年12月31日 的期初結餘	—
Additions	添置	23,621
Closing balance as at 30 June 2018	於2018年6月30日的期終結餘	23,621

As at 30 June 2018, the management of the Group has assessed the fair value of financial assets at fair value through profit or loss and held the view of no significant changes between investment cost and fair value.

於2018年6月30日，本集團管理層已評估以公允價值計量且其變動計入損益的金融資產之公允價值，並認為投資成本與公允價值並無重大變動。

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

9. INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AND PREPAYMENTS FOR PROPERTY, PLANT AND EQUIPMENT

9. 無形資產、物業、廠房及設備以及物業、廠房及設備的預付款

		Intangible assets 無形資產	Property, plant and equipment 物業、廠房及 設備	Prepayments for property, plant and equipment 物業、廠房及 設備的預付款
Net book amount as at 1 January 2018	於2018年1月1日的 賬面淨值	12,124	415,697	7,793
Additions	添置	1,679	57,369	68,274
Disposals	處置	—	(825)	—
Transfers	轉撥	—	12,455	(12,455)
Currency translation differences	匯兌差額	97	3,290	46
Amortisation/depreciation	攤銷/折舊	(2,221)	(48,710)	—
Net book amount as at 30 June 2018	於2018年6月30日的 賬面淨值	11,679	439,276	63,658
Net book amount as at 1 January 2017	於2017年1月1日的 賬面淨值	11,035	362,400	12,154
Additions	添置	1,642	21,406	25,332
Disposals	處置	—	(1,125)	—
Transfers	轉撥	—	24,369	(24,369)
Currency translation differences	匯兌差額	362	10,252	364
Amortisation/depreciation	攤銷/折舊	(1,786)	(40,256)	—
Net book amount as at 30 June 2017	於2017年6月30日的 賬面淨值	11,253	377,046	13,481

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

10. INVENTORIES

10. 存貨

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
Raw materials	原材料	36,738	24,363
Work in progress	半成品	252,030	220,474
Finished goods	製成品	82,024	64,026
		370,792	308,863
Less: allowance for impairment	減：減值撥備	(2,364)	(3,395)
		368,428	305,468

11. TRADE AND OTHER RECEIVABLES

11. 貿易及其他應收款項

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
Trade receivables	貿易應收款項	299,596	297,978
Less: allowance for impairment	減：減值撥備	(6,094)	(5,922)
Trade receivables, net	貿易應收款項淨額	293,502	292,056
Prepayments and deposits	預付款項及按金	28,365	19,363
Export tax refund receivables	出口退稅應收款項	27,405	20,968
Value-added tax recoverable	可收回增值稅	14,799	7,772
Advances to employees	為僱員墊款	4,579	4,521
Others	其他	2,030	2,618
		370,680	347,298

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

11. TRADE AND OTHER RECEIVABLES (Continued)

The credit period granted to customers is generally between 30 and 90 days. The ageing analysis of the trade receivables from the date of sales is as follows:

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
Less than 3 months	三個月以內	285,811	285,685
More than 3 months but not exceeding 1 year	超過三個月但不超過一年	13,419	12,293
More than 1 year	一年以上	366	—
		299,596	297,978

The Group's sales are made to various customers. While there is concentration of credit risk within a few major customers, these customers are reputable with good track record.

As at 30 June 2018, no trade receivables (31 December 2017: Nil) were past due date but not impaired.

11. 貿易及其他應收款項 (續)

授予客戶的信貸期通常介乎30至90日之間。自銷售日期起貿易應收款項的賬齡分析如下：

本集團的銷售乃向不同客戶作出。雖然信貸風險集中於若干主要客戶，但該等客戶信譽極佳，及擁有良好的往績記錄。

於2018年6月30日，概無貿易應收款項(2017年12月31日：無)已過期但未減值。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

12. SHARE CAPITAL AND SHARE PREMIUM

12. 股本及股份溢價

		Number of ordinary shares 普通股數目 (thousands) (千股)	Share capital 股本 (HK\$'000) (千港元)	Share Premium 股份溢價 (HK\$'000) (千港元)	Total 總計 (HK\$'000) (千港元)
As at 1 January 2018 and 30 June 2018	於2018年1月1日及 2018年6月30日	833,260	83,326	251,293	334,619
Balance at 1 January 2017	於2017年1月1日的結餘	826,600	82,660	237,902	320,562
Proceeds from shares issued upon exercise of share options	於行使購股權後 發行股份之 所得款項	6,660	666	10,057	10,723
Transfer from other reserves upon exercise of share options	於行使購股權 後轉撥至 股份溢價	-	-	3,334	3,334
Balance at 30 June 2017	於2017年6月30日的結餘	833,260	83,326	251,293	334,619

13. TRADE AND OTHER PAYABLES

13. 貿易及其他應付款項

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
Trade payables (a)	貿易應付款項(a)	305,708	264,104
Deposits received from customers	已收客戶按金	194,760	179,702
Wages and staff welfare benefits payable	應付工資及僱員福利	86,542	103,816
Accrual for expenses and other payables	應計開支及其他應付款項	21,414	27,956
Other taxes payable	其他應付稅項	6,766	7,011
		615,190	582,589

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

13. TRADE AND OTHER PAYABLES (Continued)

- (a) The ageing analysis of the trade payables from the date of goods received is as follows:

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
Within 90 days	90日以內	271,682	207,554
91 – 120 days	91至120日	24,777	31,949
121 – 365 days	121至365日	5,810	16,056
Over 365 days	超過365日	3,439	8,545
		305,708	264,104

13. 貿易及其他應付款項 (續)

- (a) 自收到貨物之日起，貿易應付款項的賬齡分析如下：

14. BORROWINGS

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
Non-current	非即期		
Bank borrowings	銀行借貸		
– unsecured	– 無抵押	80,239	95,220
Less: current portion of non-current borrowings	減：非即期借貸之流動部分	(30,054)	(30,010)
		50,185	65,210
Current	即期		
Bank borrowings	銀行借貸		
– secured (a)	– 有抵押(a)	86,640	—
– unsecured	– 無抵押	655	2,695
Total short-term bank borrowings	短期銀行借貸總額	87,295	2,695
Current portion of non-current borrowings	非即期借貸之流動部分	30,054	30,010
		117,349	32,705
Total borrowings	借貸總額	167,534	97,915

14. 借貸

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

14. BORROWINGS (Continued)

Movements in borrowings are as follows:

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Opening balance as at 1 January	於1月1日的期初結餘	97,915	199,294
Proceeds from borrowings	借貸所得款項	87,590	10,000
Repayments of borrowings	借貸還款	(17,021)	(84,008)
Currency translation differences	匯兌差額	(950)	5,038
Closing balance as at 30 June	於6月30日的期終結餘	167,534	130,324

(a) As at 30 June 2018, bank borrowings amounting to HK\$86,640,000 (31 December 2017: Nil) were secured over the following:

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
Bank deposits	銀行存款	94,828	—

(b) The carrying amounts of the borrowings are denominated in the following currencies:

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
HK\$	港元	80,894	97,915
EUR	歐元	86,640	—
		167,534	97,915

14. 借貸(續)

借貸變動如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Opening balance as at 1 January	於1月1日的期初結餘	97,915	199,294
Proceeds from borrowings	借貸所得款項	87,590	10,000
Repayments of borrowings	借貸還款	(17,021)	(84,008)
Currency translation differences	匯兌差額	(950)	5,038
Closing balance as at 30 June	於6月30日的期終結餘	167,534	130,324

(a) 於2018年6月30日，銀行借貸86,640,000港元(2017年12月31日：無)乃以以下項目作抵押：

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
Bank deposits	銀行存款	94,828	—

(b) 借貸的賬面值按下列貨幣計值：

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
HK\$	港元	80,894	97,915
EUR	歐元	86,640	—
		167,534	97,915

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

15. DEFERRED INCOME ON GOVERNMENT GRANTS

The amount represented various subsidies granted by and received from local government authorities in the PRC. The movements in deferred income on government grants are as follows:

15. 政府補助遞延收入

有關金額指中國當地政府機關授出並給予的多項補助。政府補助遞延收入的變動如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Opening balance as at 1 January	於1月1日的期初結餘	11,443	7,516
Receipt of grants	收到補助金	4,087	7,036
Recognised in the profit or loss	於損益賬確認	(1,700)	(2,384)
Currency translation differences	匯兌差額	17	315
Closing balance as at 30 June	於6月30日的期終結餘	13,847	12,483

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

16. DEFERRED INCOME TAX ASSETS AND LIABILITIES

16. 遞延所得稅資產及負債

The movements in deferred income tax assets and liabilities before offsetting are as follows:

抵銷前的遞延所得稅資產及負債變動如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Deferred income tax assets	遞延所得稅資產		
Opening balance as at 1 January	於1月1日的期初結餘	2,796	3,532
Recognised in the profit or loss	於損益賬確認	376	795
Currency translation differences	匯兌差額	24	121
Closing balance as at 30 June	於6月30日的期終結餘	3,196	4,448

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Deferred income tax liabilities	遞延所得稅負債		
Opening balance as at 1 January	於1月1日的期初結餘	10,490	10,716
Recognised in the profit or loss	於損益賬確認	—	(211)
Under provision in prior year	過往年度撥備不足	—	2,254
Payment during the period	於本期間內支付	—	(2,254)
Currency translation differences	匯兌差額	(4)	—
Closing balance as at 30 June	於6月30日的期終結餘	10,486	10,505

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same taxation authority and are in the same entity within the Group.

As at 30 June 2018, deferred income tax assets and deferred income tax liabilities were offset to the extent of HK\$3,196,000 (31 December 2017: HK\$2,796,000).

倘有法定可行使權利將即期稅項資產與即期稅項負債抵銷，且其為同一稅務機構徵收及為於本集團內相同實體之遞延所得稅，則會抵銷遞延所得稅資產及負債。

於2018年6月30日，遞延所得稅資產及遞延所得稅負債已相互抵銷3,196,000港元(2017年12月31日：2,796,000港元)。

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

17. OTHER INCOME AND OTHER LOSSES — NET 17. 其他收入及其他虧損 — 淨額

		Six months ended 30 June 截至6月30日止六個月	
		2018	2017
Other income	其他收入		
Sales of scrap and surplus materials	銷售廢料及剩餘材料	6,397	4,831
Government subsidies	政府補貼	5,499	2,599
Others	其他	126	268
		12,022	7,698
Other losses — net	其他虧損 — 淨額		
Net foreign exchange losses	匯兌虧損淨額	(15,407)	(8,338)
(Losses)/gains on disposal of property, plant and equipment	出售物業、廠房及設備的 (虧損)/收益	(85)	92
		(15,492)	(8,246)

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

18. EXPENSES BY NATURE

18. 按性質劃分的開支

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Changes in inventories of finished goods and work in progress	製成品及半成品 存貨變動	(49,554)	(8,482)
Raw materials and consumables used	原材料及耗材	372,051	279,762
Employee benefit expenses	僱員福利開支	283,869	219,210
Subcontracting expenses	代工費用	93,705	61,823
Depreciation and amortisation	折舊及攤銷	50,931	42,042
Operating lease payments	經營租賃付款	29,531	20,444
Transportation and travelling expenses	運輸及差旅開支	24,132	21,295
Water and electricity expenditures	水電費用	18,830	15,939
Other taxes and levies	其他稅費	7,735	8,705
Maintenance expenses	維修費用	6,160	3,561
(Reversal of allowance)/allowance for impairment of inventories	存貨減值(撥備撥回) ／撥備	(1,090)	1,854
Allowance/(reversal of allowance) for impairment of receivables	應收款項減值撥備 ／(撥備撥回)	175	(584)
Commission expenses	佣金費用	3,958	7,109
Advisory and legal service expenses	諮詢及法律服務開支	3,519	2,054
Advertising and promotion fees	廣告及推廣費用	2,738	1,709
Auditors' remuneration	核數師薪酬	2,385	2,032
Utilities and postage fees	雜費及郵費	2,124	2,271
Security and estate management expenses	保安及物業管理費	2,792	955
Donations	捐贈	1,389	660
Customs declaration charge	報關費	1,225	990
Bank charges and handling fees	銀行收費及手續費	541	530
Other expenses	其他開支	5,455	3,528
		862,601	687,407

Notes to the Interim Financial Information (Continued) 中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

19. FINANCE INCOME — NET

19. 融資收入－淨額

		Six months ended 30 June 截至6月30日止六個月	
		2018	2017
Interest income:	利息收入：		
— Interest income on bank deposits	— 銀行存款的利息收入	1,632	1,710
— Interest income on available-for-sale financial assets	— 可供出售的金融資產的利息收入	3,567	1,074
		5,199	2,784
Finance expenses	融資開支		
— Bank borrowings	— 銀行借貸	(1,012)	(893)
Finance income — net	融資收入－淨額	4,187	1,891

20. INCOME TAX EXPENSE

20. 所得稅開支

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the Period.

香港利得稅撥備乃根據本期間估計應課稅溢利按稅率16.5%計提。

Taxes on overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

海外溢利稅項根據本集團營運的各司法權區的現有法律、詮釋及慣例按該等司法權區的現行稅率計算。

The PRC corporate income tax (“CIT”) was calculated based on the assessable profits of the Group’s subsidiaries located in the PRC for the Period at the rate of 15% and 25% applicable to the respective companies.

中國企業所得稅(「企業所得稅」)乃根據本集團的中國附屬公司於本期間的應課稅溢利按適用於該等公司的稅率15%及25%計算

According to the CIT Law, starting from 1 January 2008, a withholding income tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of the profits earned after 1 January 2008. A lower 5% withholding income tax rate is applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and fulfill certain requirements under the tax treaty arrangements between the PRC and Hong Kong.

根據企業所得稅法，自2008年1月1日起，當中國境外直接控股公司的中國附屬公司於2008年1月1日後各自就所賺取的溢利中宣派股息，則對該等直接控股公司徵收10%的預扣所得稅。若中國附屬公司的直接控股公司於香港成立並符合中國與香港所訂立的稅務條約安排的若干規定，則按5%的較低稅率繳納預扣所得稅。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

20. INCOME TAX EXPENSE (Continued)

20. 所得稅開支(續)

		Six months ended 30 June 截至6月30日止六個月	
		2018	2017
Current income tax	即期所得稅		
— Hong Kong profit tax	— 香港利得稅	9,053	1,821
— PRC corporate income tax	— 中國企業所得稅	14,431	16,727
— PRC corporate income tax under-provided/(over-provided) in prior year	— 過往年度計提不足/ (超額計提)的中國企業所得稅	241	(116)
Deferred income tax	遞延所得稅	(376)	1,248
		23,349	19,680

21. EARNINGS PER SHARE

21. 每股盈利

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the Period.

每股基本盈利乃以本公司權益持有人應佔溢利除以本期間已發行普通股的加權平均數計算。

		Six months ended 30 June 截至6月30日止六個月	
		2018	2017
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	140,432	110,524
Weighted average number of ordinary shares issued (thousand)	已發行普通股的加權平均數(千股)	833,260	826,637
Basic earnings per share (HK cents)	每股基本盈利(港仙)	16.9	13.4

As at 30 June 2018 and 30 June 2017, the diluted earnings per share is the same as basic earnings per share due to the absence of dilutive ordinary shares.

於2018年6月30日及2017年6月30日，由於並無攤薄普通股，因此每股攤薄盈利與每股基本盈利相同。

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

22. DIVIDENDS

On 14 August 2018, the board of directors resolved to declare an interim dividend of HK6.0 cents per share (2017 interim: HK5.0 cents per share). This interim dividend, amounting to HK\$49,995,600 (2017 interim: HK\$41,663,000), has not been recognised as a liability in this Interim Financial Information.

Dividends in respect of the year ended 31 December 2017 of HK12.0 cents per ordinary share, amounting to a total of approximately HK\$99,991,000, were paid on 1 June 2018.

23. COMMITMENTS

(a) Capital commitments

The Group has the following capital expenditure committed but not yet incurred:

		30 June 2018 2018年 6月30日	31 December 2017 2017年 12月31日
In respect of the acquisitions of plant and equipment, contracted but not provided for	有關收購廠房及設備之已訂約但未作撥備	118,984	48,752

(b) Operating commitments

The Group leases premises under non-cancellable operating lease agreements. The Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

22. 股息

於2018年8月14日，董事會決議宣派中期股息每股6.0港仙(2017年中期：每股5.0港仙)。金額為49,995,600港元(2017年中期：41,663,000港元)之中期股息未於本中期財務資料中確認為負債。

截至2017年12月31日止年度的股息總額約99,991,000港元(每股普通股12.0港仙)已於2018年6月1日派發。

23. 承擔

(a) 資本承擔

本集團有以下已承擔但尚未產生之資本開支：

(b) 經營承擔

本集團根據不可撤銷經營租賃協議租賃物業。本集團於不可撤銷經營租賃項下的未來最低租賃付款總額如下：

Notes to the Interim Financial Information (Continued)

中期財務資料附註(續)

(All amounts in HK dollar thousands unless otherwise stated) (除另有說明者外，所有金額均以千港元呈列)

23. COMMITMENTS (Continued)

(b) Operating commitments (Continued)

		30 June	31 December
		2018	2017
		2018年	2017年
		6月30日	12月31日
Not later than 1 year	一年內		
– to related companies	– 關聯公司	25,671	49,044
– to third parties	– 第三方	3,538	3,517
		29,209	52,561
Later than 1 year and not later than 5 years	一年後五年內		
– to third parties	– 第三方	3,559	5,297
		32,768	57,858

23. 承擔(續)

(b) 經營承擔(續)

24. RELATED-PARTY TRANSACTIONS

In addition to the related party information and transactions disclosed above, the following is a summary of significant related party transactions entered into the ordinary course of business between the Group and its related parties.

Transactions with related parties during the Period:

24. 關連方交易

除上文所披露的關連方資料及交易外，下文為本集團與其關連方於日常業務過程中訂立的重大關連方交易概要。

本期間內與關連方之交易：

		Six months ended 30 June	
		截至6月30日止六個月	
		2018	2017
Operating lease expenses paid (a)	已付經營租賃費用(a)	25,135	18,282

(a) The amount represented rental expenses for land and buildings for factory and office purposes paid to companies controlled by Ultimate Shareholders, which were determined with reference to independent property valuation.

(a) 該款項指向最終股東控制的公司支付作工廠及辦公室用途的土地及樓宇的租金開支，該等租金乃參照獨立物業估值釐定。



東江集團(控股)有限公司

TK GROUP (HOLDINGS) LIMITED