



JIYI HOUSEHOLD INTERNATIONAL HOLDINGS LIMITED
集一家居國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 1495



Interim Report
2018
中期報告

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CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Ms. Hou Wei (*Chairlady*)

Mr. Liu Xianxiu

Non-executive Directors

Mr. Hou Bo

Mr. Lam On Tai

Independent Non-executive Directors

Mr. Ye Yihui

Mr. Ho Hin Yip

Mr. Hou Lianchang

AUTHORISED REPRESENTATIVES

Ms. Hou Wei

Mr. Leung Wai Hong

COMPANY SECRETARY

Mr. Leung Wai Hong

AUDIT COMMITTEE

Mr. Ye Yihui (*Chairman*)

Mr. Ho Hin Yip

Mr. Hou Lianchang

REMUNERATION COMMITTEE

Mr. Hou Lianchang (*Chairman*)

Mr. Liu Xianxiu

Mr. Ye Yihui

NOMINATION COMMITTEE

Ms. Hou Wei (*Chairlady*)

Mr. Hou Lianchang

Mr. Ye Yihui

董事

執行董事

侯薇女士 (*主席*)

劉賢秀先生

非執行董事

侯波先生

林安泰先生

獨立非執行董事

葉義輝先生

何衍業先生

侯聯昌先生

授權代表

侯薇女士

梁偉康先生

公司秘書

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審核委員會

葉義輝先生 (*主席*)

何衍業先生

侯聯昌先生

薪酬委員會

侯聯昌先生 (*主席*)

劉賢秀先生

葉義輝先生

提名委員會

侯薇女士 (*主席*)

侯聯昌先生

葉義輝先生

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CORPORATE INFORMATION

公司資料

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Meizhou Branch, Bank of Communications
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STOCK CODE

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主要往來銀行

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股份代號

1495

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The board (the “**Board**”) of directors (the “**Directors**”) of Jiyi Household International Holdings Limited (the “**Company**”) is pleased to present in this interim report the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2018 (the “**Reporting Period**”) together with the comparative figures for the corresponding period in 2017 (the “**Prior Period**” or “**FY2017**”).

BUSINESS AND FINANCIAL REVIEW

Revenue by business operations

The Group is a well-established and integrated building and home improvement materials and furnishings supplier and interior design and engineering services provider in the PRC. The Group is mainly engaged in the sale and distribution of merchandise and the provision of services.

The following table sets forth the breakdown of revenue by business operations for the Reporting Period with the comparative figures of FY2017:

集一家居國際控股有限公司（「本公司」）董事（「董事」）會（「董事會」）欣然宣佈本公司及其附屬公司（「本集團」）截至二零一八年六月三十日止六個月（「報告期間」）之未經審核簡明綜合業績，連同二零一七年同期（「前期」或「二零一七財政年度」）之比較數字。

業務及財務回顧

按業務營運劃分之收入

本集團是中國具規模的綜合建築及家居裝修材料以及傢俱供應商及室內設計及工程服務供應商。本集團主要從事銷售與分銷商品及提供服務。

下表載列於報告期間按業務營運劃分之收入明細，連同二零一七財政年度之比較數字：

| | | For the six months ended 30 June 截至六月三十日止六個月 | | |
|--------------------------------------|----------|---|-----------------------------------|--------------------|
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 | Changes 變動 % |
| Sale and distribution of merchandise | 銷售及分銷商品 | | | |
| – Building materials | – 建材 | 96,192 | 115,022 | (16.4) |
| – Home improvement materials | – 家居裝修材料 | 8,003 | 18,242 | (56.1) |
| – Furnishings | – 傢俱 | 6,961 | 9,412 | (26.0) |
| | | 111,156 | 142,676 | (22.1) |
| Provision of services | 提供服務 | 151,816 | 36,110 | 320.4 |
| Total | 總計 | 262,972 | 178,786 | 47.1 |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Total revenue of the Group increased by approximately RMB84.2 million or approximately 47.1% from approximately RMB178.8 million for the Prior Period to approximately RMB263.0 million for the Reporting Period. Such increase was mainly driven by the significant growth in the revenue generated from the business of provision of services; and was partially offset by the decrease in revenue generated from the business of sale and distribution of merchandise during the Reporting Period.

Revenue from sale of and distribution of merchandise

Revenue of the Group from sale and distribution of merchandise, comprising (i) sale of building materials; (ii) sale of home improvement materials; and (iii) sale of furnishings, decreased by approximately RMB31.5 million or approximately 22.1% from approximately RMB142.7 million for the Prior Period to approximately RMB111.2 million for the Reporting Period. Sale of building materials, home improvement materials and furnishings decreased by approximately RMB18.8 million, RMB10.2 million and RMB2.5 million respectively during the Reporting Period. The sale of steel represented approximately 64.1% (FY2017: 25.0%) and 55.5% (FY2017: 20.2%) of the revenue generated from sale of building materials and the business of sale and distribution of merchandise respectively during the Reporting Period.

The decline in performance of this business was mainly due to the keen market and price competition and the Group's development focus has been completely transformed into the provision of engineering services.

本集團總收入由前期約人民幣178.8百萬元增加約人民幣84.2百萬元或約47.1%至報告期間約人民幣263.0百萬元。該增加乃主要由於報告期間提供服務業務之收入大幅增長；及部分被銷售及分銷商品業務之收入減少所抵銷。

銷售及分銷商品之收入

本集團銷售及分銷商品包括(i)建材銷售；(ii)家居裝修材料銷售；及(iii)傢俱銷售，所得收入由前期約人民幣142.7百萬元減少約人民幣31.5百萬元或約22.1%至報告期間約人民幣111.2百萬元。建材、家居裝修材料及傢俱銷售於報告期間分別減少約人民幣18.8百萬元、人民幣10.2百萬元及人民幣2.5百萬元。鋼材銷售於報告期間分別佔建材銷售及銷售及分銷商品業務產生之收入約64.1%（二零一七財政年度：25.0%）及55.5%（二零一七財政年度：20.2%）。

本業務表現下滑乃主要由於激烈的市場及價格競爭及本集團的發展重心已完全轉移至提供工程服務所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Revenue from provision of services

The revenue from provision of services increased significantly by approximately RMB115.7 million or approximately 320.4% from approximately RMB36.1 million for the Prior Period to approximately RMB151.8 million for the Reporting Period. In light of the number and size of corporate projects secured by the Group at the moment, the business of provision of services will probably replace the business of sale of and distribution of merchandise to become the core business of the Group in 2018 and the Group feels confident that the growth of this business will continue in the coming few years.

提供服務之收入

提供服務之收入由前期約人民幣36.1百萬元大幅增加約人民幣115.7百萬元或約320.4%至報告期間約人民幣151.8百萬元。鑑於本集團目前已取得之企業項目數量及規模，提供服務業務將可能取代銷售及分銷商品業務於二零一八年成為本集團的核心業務，且本集團對該業務於未來數年之持續發展充滿信心。

Gross profit and gross profit margin

The following table sets forth the breakdown of gross profit and gross profit margin by the Group's business segments for the Reporting Period with the comparative figures of FY2017:

毛利及毛利率

下表載列本集團於報告期間按業務分部劃分之毛利及毛利率明細，連同二零一七財政年度之比較數字：

| | | For the six months ended 30 June 截至六月三十日止六個月 | | | |
|--------------------------------------|----------|---|------------------------------------|--|------------------------------------|
| | | 2018 二零一八年 | | 2017 二零一七年 | |
| | | Gross profit 毛利 RMB'000 人民幣千元 | Gross profit margin 毛利率 % | Gross profit 毛利 RMB'000 人民幣千元 | Gross profit margin 毛利率 % |
| Sale and distribution of merchandise | 銷售及分銷商品 | | | | |
| – Building materials | – 建材 | 7,556 | 7.9 | 17,440 | 15.2 |
| – Home improvement materials | – 家居裝修材料 | 2,166 | 27.1 | 7,195 | 39.4 |
| – Furnishings | – 傢俱 | 1,592 | 22.9 | 3,704 | 39.4 |
| | | 11,314 | 10.2 | 28,339 | 19.9 |
| Provision of services | 提供服務 | 17,301 | 11.4 | 4,116 | 11.4 |
| Total | 總計 | 28,615 | 10.9 | 32,455 | 18.2 |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Although the Group's revenue increased by approximately RMB84.2 million or approximately 47.1% from approximately RMB178.8 million for the Prior Period to approximately RMB263.0 million for the Reporting Period, the Group's overall gross profit decreased by approximately RMB3.9 million or approximately 11.8% from approximately RMB32.5 million for the Prior Period to approximately RMB28.6 million for the Reporting Period. As a result, the Group's overall gross profit margin decreased from 18.2% for the Prior Period to 10.9% for the Reporting Period, which was mainly due to (i) the decrease in gross profit margin of the business of sale and distribution of merchandise and such decrease was due to the decrease in average selling price of merchandise because of the keen market and price competition and the change in product mix; and (ii) the increase in proportion of revenue generated from provision of services during the Reporting Period and the gross profit margin of provision of services was generally lower than that of sale and distribution of merchandise.

The gross profit margin of sale and distribution of merchandise dropped from 19.9% for the Prior Period to 10.2% for the Reporting Period, which was mainly due to (i) the increase in proportion of revenue generated from sale of building materials which entails relatively lower gross profit margin within this business segment; (ii) the significant increase in proportion of sale of steel and the gross profit margin of sale of steel was only around 6.7%; and (iii) the decrease in the average selling price of merchandise because of the keen market and price competition.

儘管本集團收入由前期約人民幣178.8百萬元增加約人民幣84.2百萬元或約47.1%至報告期間約人民幣263.0百萬元，惟本集團整體毛利由前期約人民幣32.5百萬元減少約人民幣3.9百萬元或約11.8%至報告期間約人民幣28.6百萬元。因此，本集團整體毛利率由前期之18.2%下降至報告期間之10.9%，主要由於(i)銷售及分銷商品業務之毛利率下降，而該下降乃由於商品平均售價因激烈的市場及價格競爭而下跌以及產品組合之變動；及(ii)於報告期間提供服務產生收入的比重增加及提供服務的毛利率一般低於銷售及分銷商品的毛利率所致。

銷售及分銷商品之毛利率由前期之19.9%跌至報告期間之10.2%，此乃主要由於(i)建材銷售產生的收入比重增加，而建材銷售之毛利率於此業務分部中相對較低；(ii)鋼材銷售的比重大幅增加，而鋼材銷售之毛利率僅6.7%左右；及(iii)商品平均售價因激烈的市場及價格競爭而下跌所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The gross profit margin of provision of services was 11.4% for the Reporting Period, which was comparable to the gross profit margin of the Prior Period. The existing strategy of the Group is to focus on increasing the project size and volume in order to expand the Group's market share in this business. Although this strategy would weaken the gross profit margin in the early stage of business development, the Group believed that it will help to secure more sizeable projects with higher gross profit margin, such as Public-Private Partnership ("PPP") project, in the near future.

Selling expenses

The Group's selling expenses dropped by approximately RMB1.3 million or approximately 12.9% from approximately RMB10.0 million for the Prior Period to approximately RMB8.7 million for the Reporting Period. The decrease was mainly due to the decrease in staff costs by approximately RMB0.9 million during the Reporting Period. The decrease in staff costs was mainly due to the reduction in headcount of store operation function starting from the second half of 2017, which was to tie in with the Group's business plan to develop the business of interior design and engineering services.

Administrative expenses

The Group's administrative expenses decreased by approximately RMB2.2 million or approximately 24.5% from approximately RMB8.9 million for the Prior Period to approximately RMB6.7 million for the Reporting Period. The decrease was mainly due to the decrease in staff costs of approximately RMB1.1 million. The decrease in staff costs was mainly due to the reduction in headcount of logistics and warehousing departments as the Group has outsourced the logistics and warehousing functions since the last quarter of 2017.

報告期間提供服務之毛利率為11.4%，與前期毛利率相若。本集團的現有策略為專注於擴大項目的規模及數量，以擴大本集團於此業務所佔的市場份額。儘管此策略或會削減業務發展早期階段的毛利率，但本集團相信此有利於本集團於不久將來獲取更多具規模且毛利率更高的項目，例如公共私營合作（「PPP」）項目。

銷售開支

本集團之銷售開支由前期約人民幣10.0百萬元減少約人民幣1.3百萬元或約12.9%至報告期間約人民幣8.7百萬元。該減少主要由於報告期間員工成本減少約人民幣0.9百萬元。員工成本減少主要由於自二零一七年下半年開始減少店舖經營職能的員工人數，以配合本集團發展室內設計及工程服務業務的商業計劃所致。

行政開支

本集團之行政開支由前期約人民幣8.9百萬元減少約人民幣2.2百萬元或約24.5%至報告期間約人民幣6.7百萬元。該減少主要由於員工成本減少約人民幣1.1百萬元所致。員工成本減少主要由於本集團自二零一七年最後一季開始外包其物流及倉儲職能導致物流及倉儲部門的員工人數減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Finance costs – net

The Group's net finance costs decreased by approximately RMB0.8 million or approximately 22.2% from approximately RMB3.6 million in the Prior Period to approximately RMB2.8 million in the Reporting Period, which was mainly due to the decrease in the Group's average bank borrowings during the Reporting Period.

Profit for the period

As a result of the foregoing, the Group's profit for the period slightly increased by approximately RMB0.2 million or approximately 3.1% from approximately RMB6.8 million for the Prior Period to approximately RMB7.0 million for the Reporting Period.

PROSPECTS

The expansion of the Group's business of provision of interior design and engineering services provided a force for the growth of the Group's revenue. However, the revenue and gross profit margin of the business of sale and distribution of merchandise were weakened by the keen market and price competition and the change of the Group's business strategy. Therefore, the Group's profit for the Reporting Period was just comparable to the Prior Period.

財務成本淨額

本集團之財務成本淨額由前期約人民幣3.6百萬元減少約人民幣0.8百萬元或約22.2%至報告期間約人民幣2.8百萬元，乃主要由於本集團之平均銀行借款於報告期間減少所致。

期內溢利

基於上述因素，本集團之期內溢利由前期約人民幣6.8百萬元輕微增加約人民幣0.2百萬元或約3.1%至報告期間約人民幣7.0百萬元。

前景

本集團提供室內設計及工程服務業務的擴張推動本集團收入增長。然而，由於激烈的市場及價格競爭以及本集團業務策略變動，使銷售及分銷商品業務的收入及毛利率下降，因此，本集團報告期間溢利與前期相若。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group's current business strategy is to focus on the development of the engineering services business, which will probably replace the business of sale and distribution of merchandise as the core business of the Group in 2018. The gross profit margin of this business was still at a relatively low level, which was mainly due to the Group intended to obtain more sizeable corporate projects in order to upgrade its Construction Enterprise Qualification and expand its market share of this business. The Group is now actively seeking its first PPP project from the PRC government. The Group believes that the overall gross profit margin of the Group will be improved and the reputation of the Group within this industry will be enhanced if a PPP project can be secured.

The Company announced a proposed rights issue to raise approximately HK\$103.68 million before expenses, on the basis of two rights shares for every five existing shares in April 2018 ("**Rights Issue**"), which offered existing shareholders a fair and equal opportunity to participate in the Company's long-term development without having their shareholding diluted. The Rights Issue was fully underwritten by Xinling Limited ("**Xinling**"), the Company's controlling shareholder. This demonstrated Xinling's confidence in and commitment to the Company's future and growth prospects. The net proceeds from the Rights Issue will be mainly used as funds for project costs for the interior design and engineering work for several projects in progress in Meizhou, Guangdong Province, the PRC. The Rights Issue will benefit the Company and shareholders as a whole, and will serve as a cornerstone for future development.

The Group will continue to build on from the existing businesses, and will actively look for new investment opportunities to enhance the Group's profitability and the return of the shareholders.

本集團現有業務策略為專注於發展工程服務業務，於二零一八年該業務將可能取代銷售及分銷商品業務成為本集團的核心業務。該業務之毛利率仍處於較低水平，乃主要由於本集團期望取得更大規模的企業項目，以升級其建築企業資質以及擴展該業務的市場份額。本集團現正積極向中國政府尋求其首個PPP項目。本集團相信，倘獲得PPP項目，則本集團之總體毛利率將會改善及本集團於業內的名聲將會提高。

本公司於二零一八年四月宣佈按五股現有股份獲發兩股供股股份之基準進行建議供股（「**供股**」），以籌集約103.68百萬港元（扣除開支前），讓現有股東獲得均等機會參與本公司的長遠發展，確保其股權不被攤薄。供股由本公司控股股東欣領有限公司（「**欣領**」）悉數包銷，足證欣領對本公司的未來以及增長前景充滿信心並致力於此。供股所得款項淨額將主要用於撥付多個位於中國廣東省梅州的在建室內設計及工程項目的項目成本。供股將有利於本公司及股東，並為未來發展奠定基石。

本集團將扎根現有業務，並將積極尋求新投資機會，以提升本集團的盈利能力及股東回報。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

As at 30 June 2018, the Group had a total cash and bank balances of approximately RMB63.3 million (31 December 2017: RMB93.0 million) mainly denominated in Renminbi and Hong Kong Dollars. The decrease in total cash and bank balances was mainly due to the net cash used in operating activities of approximately RMB48.0 million, which was partially offset by the increase in bank borrowings of RMB19 million during the Reporting Period.

As at 30 June 2018, the Group had net current assets of approximately RMB266.9 million, as compared to approximately RMB257.4 million as at 31 December 2017.

BORROWINGS AND PLEDGE OF ASSETS

As at 30 June 2018, the Group had unutilised banking facilities for short term financing of approximately RMB20.0 million (31 December 2017: RMB108.0 million) and total bank borrowings of approximately RMB107.2 million (31 December 2017: RMB88.2 million).

As at 30 June 2018, the bank borrowings of the Group were secured by buildings and land use right of the Group at the carrying amounts of approximately RMB39.4 million (31 December 2017: RMB39.4 million) and RMB2.8 million (31 December 2017: RMB2.8 million) respectively.

CAPITAL EXPENDITURE

The Group's capital expenditure for the Reporting Period amounted to approximately RMB1.1 million, which was mainly for the purchasing and constructing of the Group's property, plant and equipment.

流動資金、財政及資本資源

於二零一八年六月三十日，本集團之現金及銀行結餘總額約人民幣63.3百萬元（二零一七年十二月三十一日：人民幣93.0百萬元）主要以人民幣及港元列值。現金及銀行結餘總額減少乃主要由於報告期間之經營活動所用現金淨額約人民幣48.0百萬元，而其部分被銀行借款增加人民幣19百萬元所抵銷。

於二零一八年六月三十日，本集團之流動資產淨值約為人民幣266.9百萬元，而於二零一七年十二月三十一日則約為人民幣257.4百萬元。

借款及資產抵押

於二零一八年六月三十日，本集團之未動用短期融資之銀行融資約為人民幣20.0百萬元（二零一七年十二月三十一日：人民幣108.0百萬元），而銀行借款總額約為人民幣107.2百萬元（二零一七年十二月三十一日：人民幣88.2百萬元）。

於二零一八年六月三十日，本集團之銀行借款乃由本集團賬面值分別約人民幣39.4百萬元（二零一七年十二月三十一日：人民幣39.4百萬元）及人民幣2.8百萬元（二零一七年十二月三十一日：人民幣2.8百萬元）之樓宇及土地使用權作抵押。

資本開支

本集團於報告期間之資本開支約為人民幣1.1百萬元，此乃主要用於購買及興建本集團之物業、廠房及設備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL RATIO

財務比率

| | | As at 於 | |
|---|---------------------------|-----------------------------------|---|
| | | 30 June 2018 二零一八年 六月三十日 | 31 December 2017 二零一七年 十二月三十一日 |
| Current ratio ⁽¹⁾ | 流動比率 ⁽¹⁾ | 2.3 | 2.5 |
| Quick ratio ⁽²⁾ | 速動比率 ⁽²⁾ | 2.0 | 2.3 |
| Gearing ratio (%) ⁽³⁾ | 槓桿比率(%) ⁽³⁾ | 31.3 | 26.3 |
| Net debt to equity ratio (%) ⁽⁴⁾ | 淨債務權益比率(%) ⁽⁴⁾ | 12.8 | (1.5) |

⁽¹⁾ Current ratio is calculated as the total current assets divided by the total current liabilities.

⁽²⁾ Quick ratio is calculated as total current assets less inventories and divided by total current liabilities.

⁽³⁾ Gearing ratio is calculated as the total debt divided by total equity and multiplied by 100%.

⁽⁴⁾ Net debt to equity ratio is calculated as total borrowings net of cash and cash equivalents and restricted cash, and divided by total equity and multiplied by 100%.

⁽¹⁾ 流動比率乃按流動資產總值除以流動負債總額計算。

⁽²⁾ 速動比率乃按流動資產總值減存貨再除以流動負債總額計算。

⁽³⁾ 資本負債比率乃按債務總額除以權益總額再乘以100%計算。

⁽⁴⁾ 淨債務權益比率乃按借款總額(扣除現金及現金等價物以及受限制現金)除以權益總額再乘以100%計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FOREIGN EXCHANGE EXPOSURE

The Group mainly transacts and recognises its revenue in Renminbi and also incurs cost in Hong Kong dollars and Renminbi. The Group is exposed to foreign exchange risk with respect mainly to Hong Kong dollars which may affect the Group's performance. The management is aware of the possible exchange rate exposure due to the continuing fluctuation of Hong Kong dollars and will closely monitor its impact on the performance of the Group to see if any hedging policy is necessary. The Group currently does not have any foreign currency hedging policy.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2018 (31 December 2017: Nil).

CAPITAL COMMITMENTS

The Group had no significant outstanding capital commitment as at 30 June 2018 (31 December 2017: Nil).

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2018, the Group had a total number of 137 employees (30 June 2017: 232) and the total staff costs, including Directors' remuneration, amounted to approximately RMB5.4 million for the Reporting Period (FY2017: RMB7.0 million). The decrease was a combined result of (i) the reduction in headcount starting from the second half year of 2017, in particular the headcount of store operation function, which was to tie in with the Group's business plan to develop the business of interior design and engineering services; (ii) the logistics and warehousing functions of the Group has been outsourced since the last quarter of 2017; and (iii) the salary increment of employees of the business segment of engineering services during the Reporting Period.

外匯風險

本集團主要以人民幣進行交易及確認其收益，並產生港元及人民幣成本。本集團所面對之外匯風險主要與港元有關，本集團之表現可能因此受到影響。管理層知悉港元持續波動可能引致之外匯風險，並將密切監察其對本集團表現之影響，以判斷是否有必要採取任何對沖政策。本集團現時並無任何外幣對沖政策。

或然負債

於二零一八年六月三十日，本集團並無重大或然負債（二零一七年十二月三十一日：無）。

資本承擔

於二零一八年六月三十日，本集團並無重大尚未償還之資本承擔（二零一七年十二月三十一日：無）。

僱員及薪酬政策

於二零一八年六月三十日，本集團之僱員總數為137人（二零一七年六月三十日：232人），而於報告期間，總員工成本（包括董事薪酬）約為人民幣5.4百萬元（二零一七財政年度：人民幣7.0百萬元）。有關減少乃主要由於(i)二零一七年下半年開始削減員工人數，尤其是店舖經營職能的員工人數，以配合本集團發展室內設計及工程服務業務的商業計劃；(ii)本集團自二零一七年最後一季度開始外包其物流及倉儲職能；及(iii)報告期間工程服務業務分部僱員加薪之綜合影響所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group offers competitive remuneration packages commensurate with industry practice and provides various fringe benefits to employees. The Group conducts induction training for all of its new employees and on-going training from time to time during their employment. The nature of training offered depends on their specific field of operation.

The objective of the Group's remuneration policy is to maintain fair and competitive packages based on business requirements and industry practice. In order to determine the level of remuneration paid to its employees (including Directors and senior management), the following factors are considered:

- workload, responsibility and job complexity;
- business requirements;
- individual performance and contribution to results;
- company performance and profitability;
- retention considerations and the potential of individuals;
- corporate goals and objectives;
- market rates and changes in relevant markets, including supply and demand fluctuations and changes in competitive conditions; and
- general economic situation.

本集團向僱員提供與行業常規相稱的具競爭力薪酬待遇及提供多項附加福利。本集團為其所有新僱員開展入職培訓及於其僱用期間不時提供持續培訓。所提供培訓的性質視乎其特定營運領域而定。

本集團薪酬政策的目標為根據業務需求及行業慣例維持公平且具競爭力的薪酬待遇。於釐定向其僱員（包括董事及高級管理層）支付的薪酬水平時會考慮以下因素：

- 工作量、職責及工作的複雜程度；
- 業務需求；
- 個人表現及對業績作出的貢獻；
- 公司表現及盈利能力；
- 留任因素及個人潛力；
- 公司目標及宗旨；
- 相關市場的市場水平及變動，包括供需變動及競爭環境轉變；及
- 整體經濟狀況。

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

中期簡明綜合收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Unaudited 未經審核 | |
|--|------------|---|-----------------------------------|
| | | Six months ended 30 June 截至六月三十日止六個月 | |
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| | Note 附註 | | |
| Revenue | 6 | 262,972 | 178,786 |
| Cost of sales | 6 | (234,357) | (146,331) |
| Gross profit | | 28,615 | 32,455 |
| Selling expenses | | (8,722) | (10,016) |
| Administrative expenses | | (6,749) | (8,944) |
| Other income and gains – net | | – | 80 |
| Operating profit | 7 | 13,144 | 13,575 |
| Finance income | | 54 | 99 |
| Finance expenses | | (2,819) | (3,654) |
| Finance costs – net | | (2,765) | (3,555) |
| Profit before income tax | | 10,379 | 10,020 |
| Income tax expense | 8 | (3,365) | (3,218) |
| Profit for the period, all attributable to equity holders of the Company | | 7,014 | 6,802 |
| Earnings per share attributable to equity holders of the Company for the period | | | |
| – Basic and diluted (RMB cents) | 9 | 1.62 | 1.57 |

The notes on pages 22 to 51 are an integral part of this condensed consolidated interim financial information.

第22至51頁附註為本簡明綜合中期財務資料之組成部分。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明綜合全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Unaudited 未經審核 | |
|---|----------------------------|---|-----------------------------------|
| | | Six months ended 30 June 截至六月三十日止六個月 | |
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Profit for the period | 期內溢利 | 7,014 | 6,802 |
| Other comprehensive income: | 其他全面收入： | | |
| <i>Items that may be reclassified to profit or loss</i> | 可能重新分類至損益之項目 | | |
| Currency translation differences | 貨幣匯兌差額 | 115 | (1,908) |
| Total comprehensive income for the period, all attributable to equity holders of the Company | 期內全面收入總額，全部由 本公司權益持有人應佔 | 7,129 | 4,894 |

The notes on pages 22 to 51 are an integral part of this condensed consolidated interim financial information.

第22至51頁附註為本簡明綜合中期財務資料之組成部分。

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

中期簡明綜合資產負債表

As at 30 June 2018 於二零一八年六月三十日

| | | | Unaudited 未經審核 30 June 二零一八年 六月三十日 RMB'000 人民幣千元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
|--|--------------|----|---|--|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 11 | 69,673 | 72,515 |
| Land use right | 土地使用權 | | 2,778 | 2,823 |
| Intangible assets | 無形資產 | | 458 | 484 |
| Deferred income tax assets | 遞延所得稅資產 | 15 | 2,256 | 1,750 |
| | | | 75,165 | 77,572 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | | 68,823 | 38,127 |
| Due from customers on construction contracts | 應收客戶之建築合約款 | 12 | 70,896 | 51,517 |
| Trade and other receivables | 貿易及其他應收款項 | 13 | 268,026 | 247,284 |
| Restricted cash | 受限制現金 | 14 | – | 300 |
| Cash and cash equivalents | 現金及現金等價物 | | 63,311 | 92,970 |
| | | | 471,056 | 430,198 |
| Total assets | 資產總值 | | 546,221 | 507,770 |

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

中期簡明綜合資產負債表

As at 30 June 2018 於二零一八年六月三十日

| | | | Unaudited 未經審核 30 June 二零一八年 六月三十日 RMB'000 人民幣千元 | Audited 經審核 31 December 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
|---|------------------------|----|---|--|
| EQUITY | 權益 | | | |
| Capital and reserves attributable to equity holders of the Company | 本公司權益持有人應佔股本及儲備 | | | |
| Share capital | 股本 | 16 | 35,638 | 35,638 |
| Share premium | 股份溢價 | 16 | 243,832 | 243,832 |
| Other reserves | 其他儲備 | | (53,185) | (53,300) |
| Retained earnings | 保留盈利 | | 115,768 | 108,754 |
| Total equity | 權益總額 | | 342,053 | 334,924 |
| LIABILITIES | 負債 | | | |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 17 | 55,156 | 71,383 |
| Due to customers on construction contracts | 應付客戶之建築合約款 | 12 | 29,559 | 3,240 |
| Bank borrowings | 銀行借款 | 18 | 107,200 | 88,200 |
| Current income tax liabilities | 即期所得稅負債 | | 12,253 | 10,023 |
| | | | 204,168 | 172,846 |
| Total liabilities | 負債總額 | | 204,168 | 172,846 |
| Total equity and liabilities | 權益及負債總額 | | 546,221 | 507,770 |

The notes on pages 22 to 51 are an integral part of this condensed consolidated interim financial information.

第22至51頁附註為本簡明綜合中期財務資料之組成部分。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Unaudited 未經審核 | | | | |
|--|-----------------------|---|--|---|--|---|
| | | Attributable to equity holders of the Company 本公司權益持有人應佔 | | | | |
| | | Share capital 股本 RMB'000 人民幣千元 | Share premium 股份溢價 RMB'000 人民幣千元 | Other reserves 其他儲備 RMB'000 人民幣千元 | Retained earnings 保留盈利 RMB'000 人民幣千元 | Total equity 權益總額 RMB'000 人民幣千元 |
| Balance at 1 January 2017 | 於二零一七年一月一日之結餘 | 35,638 | 243,832 | (52,362) | 99,773 | 326,881 |
| Comprehensive income: | 全面收入: | | | | | |
| Profit for the period ended 30 June 2017 | 截至二零一七年六月三十日 止期間溢利 | - | - | - | 6,802 | 6,802 |
| Other comprehensive income: | 其他全面收入: | | | | | |
| Currency translation differences | 貨幣換算差額 | - | - | (1,908) | - | (1,908) |
| Balance at 30 June 2017 | 於二零一七年六月三十日之結餘 | <u>35,638</u> | <u>243,832</u> | <u>(54,270)</u> | <u>106,575</u> | <u>331,775</u> |
| Balance at 1 January 2018 | 於二零一八年一月一日之結餘 | 35,638 | 243,832 | (53,300) | 108,754 | 334,924 |
| Comprehensive income: | 全面收入: | | | | | |
| Profit for the period ended 30 June 2018 | 截至二零一八年六月三十日 止期間溢利 | - | - | - | 7,014 | 7,014 |
| Other comprehensive income: | 其他全面收入: | | | | | |
| Currency translation differences | 貨幣換算差額 | - | - | 115 | - | 115 |
| Balance at 30 June 2018 | 於二零一八年六月三十日 之結餘 | <u>35,638</u> | <u>243,832</u> | <u>(53,185)</u> | <u>115,768</u> | <u>342,053</u> |

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

中期簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

| | | Unaudited 未經審核 | |
|---|-------------------------|---|-----------------------------------|
| | | Six months ended 30 June 截至六月三十日止六個月 | |
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| | Note 附註 | | |
| Cash flows from operating activities | 經營活動現金流量 | | |
| Cash used in operations | 業務所用現金 | (43,652) | (25,643) |
| Interest paid | 已付利息 | (2,690) | (3,507) |
| Income tax paid | 已付所得稅 | (1,641) | (1,288) |
| | | <u>(47,983)</u> | <u>(30,438)</u> |
| Net cash used in operating activities | 經營活動所用現金淨額 | | |
| Cash flows from investing activities | 投資活動現金流量 | | |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | (1,068) | (1,793) |
| Disposal of property, plant and equipment | 出售物業、廠房及設備 | – | 145 |
| Release of restricted cash | 解除受限制現金 | 300 | 300 |
| Addition of restricted cash | 增加受限制現金 | – | (300) |
| | | <u>(768)</u> | <u>(1,648)</u> |
| Net cash used in investing activities | 投資活動所用現金淨額 | | |
| Cash flows from financing activities | 融資活動現金流量 | | |
| Proceeds from bank borrowings | 銀行借款所得款項 | 103,000 | 45,300 |
| Repayments of bank borrowings | 償還銀行借款 | (84,000) | (49,000) |
| | | <u>19,000</u> | <u>(3,700)</u> |
| Net cash generated from/(used in) financing activities | 融資活動所得／(所用) 現金淨額 | | |
| Net decrease in cash and cash equivalents | 現金及現金等價物減少淨額 | <u>(29,751)</u> | <u>(35,786)</u> |
| Cash and cash equivalents at beginning of the period | 期初之現金及現金等價物 | 92,970 | 105,804 |
| Exchange gains/(losses) on cash and cash equivalents | 現金及現金等價物之匯兌收益／(虧損) | 92 | (1,908) |
| Cash and cash equivalents at end of the period | 期末之現金及現金等價物 | <u>63,311</u> | <u>68,110</u> |

The notes on pages 22 to 51 are an integral part of this condensed consolidated interim financial information.

第22至51頁附註為本簡明綜合中期財務資料之組成部分。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

1 GENERAL INFORMATION

Jiyi Household International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 2 February 2015 as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands. The address of the Company’s registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands. The address of its principal place of business is Room 1405, 14/F., Jubilee Centre, 18 Fenwick Street, Wanchai, Hong Kong.

The Company is an investment holding company and its subsidiaries (together the “**Group**”) are principally engaged in the business of sale and distribution of building and home improvement materials and furnishings and provision of interior design and engineering services in the People’s Republic of China (the “**PRC**”). The controlling shareholder of the Group is Xinling Limited, a company incorporated in the British Virgin Islands (“**BVI**”) which is wholly-owned by Ms. Hou Wei (“**Ms. Hou**”).

This condensed consolidated interim financial information is presented in thousands of Renminbi (“**RMB**”), unless otherwise stated. This condensed consolidated interim financial information was approved for issue on 30 August 2018.

1 一般資料

集一家居國際控股有限公司（「**本公司**」）於二零一五年二月二日在開曼群島根據開曼群島公司法（經修訂）註冊成立為獲豁免有限公司。本公司註冊辦事處之地址為Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands。其主要營業地點之地址為香港灣仔分域街18號捷利中心14樓1405室。

本公司為一間投資控股公司，而其附屬公司（統稱「**本集團**」）主要在中華人民共和國（「**中國**」）從事銷售及分銷建築及家居裝修材料及傢俱以及提供室內設計及工程服務之業務。本集團之控股股東為欣領有限公司，乃一間於英屬處女群島（「**英屬處女群島**」）註冊成立之公司，由侯薇女士（「**侯女士**」）全資擁有。

除非另有指明，否則本簡明綜合中期財務資料乃以人民幣（「**人民幣**」）千元呈列。本簡明綜合中期財務資料已於二零一八年八月三十日獲批准刊發。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

1 GENERAL INFORMATION (Continued)

The financial information relating to the year ended 31 December 2017 that is included in the condensed consolidated interim financial information for the six months ended 30 June 2018 as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2017 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2018 has been prepared in accordance with HKAS 34, 'Interim financial reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS").

1 一般資料 (續)

截至二零一八年六月三十日止六個月之簡明綜合中期財務資料所載有關截至二零一七年十二月三十一日止年度之財務資料為比較資料，並不構成本公司於該年度之法定年度綜合財務報表，惟源自該等財務報表。須根據香港公司條例（第622章）第436條披露與該等法定財務報表有關之進一步資料如下：

本公司已按照香港公司條例（第622章）第662(3)條及附表6第3部之規定向公司註冊處處長遞交截至二零一七年十二月三十一日止年度之財務報表。

2 編製基準

截至二零一八年六月三十日止六個月之本簡明綜合中期財務資料乃根據香港會計準則第34號「中期財務報告」編製。簡明綜合中期財務資料應與根據香港財務報告準則（「香港財務報告準則」）編製之截至二零一七年十二月三十一日止年度之年度財務報表一併閱讀。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES

Except as described below, 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.

- (a) New and amended standards that are effective for the financial year beginning on or after 1 January 2018 are as followings:

Amendments to HKAS 28 “Investments in Associates and Joint Ventures”;

Amendments to HKAS 40 “Transfer of Investment Property”;

Amendments to HKFRS 1 “First time adoption of HKFRS”;

Amendments to HKFRS 2 “Classification and Measurement of Share-Based Payment Transactions”;

Amendments to HKFRS 4 “Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts”;

HKFRS 9 “Financial Instruments”;

HKFRS 15 “Revenue from Contracts with Customers”;

HK(IFRIC)-Int 22 “Foreign Currency Transactions and Advance Consideration”.

The Group has adopted the following new standards for the first time that are relevant to the Group and are effective for the current period.

3 會計政策

除下文所述者外，所採用之會計政策與該等年度財務報表所述截至二零一七年十二月三十一日止年度之年度財務報表所採用者一致。

- (a) 於二零一八年一月一日或之後開始之財政年度生效之新訂及經修訂準則如下：

香港會計準則第28號（修訂本）「於聯營公司及合營企業之投資」；

香港會計準則第40號（修訂本）「轉撥投資物業」；

香港財務報告準則第1號（修訂本）「首次採納香港財務報告準則」；

香港財務報告準則第2號（修訂本）「以股份為基礎之付款交易的分類及計量」；

香港財務報告準則第4號（修訂本）「連同香港財務報告準則第4號保險合約一併應用之香港財務報告準則第9號金融工具」；

香港財務報告準則第9號「金融工具」；

香港財務報告準則第15號「與客戶的合約收入」；

香港（國際財務報告詮釋委員會）—詮釋第22號「外幣交易及預付代價」。

本集團已首次採納以下與本集團相關並於本期間生效的新準則。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (Continued)

- (a) New and amended standards that are effective for the financial year beginning on or after 1 January 2018 are as follows: (Continued)

HKFRS 9 “Financial Instruments”

HKFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

There is no impact on the Group’s accounting for financial assets and liabilities, as the new requirements only affect the accounting for financial assets and liabilities that are designated at fair value and the Group does not have any such assets and liabilities. Accordingly, the new guidance does not have a significant impact on the classification and measurement of its financial assets and liabilities.

The new hedge accounting rules align the accounting for hedging instruments more closely with the Group’s risk management practices. As a general rule, more hedge relationships might be eligible for hedge accounting, as the standard introduces a more principles-based approach. While the Group does not hold any hedging instruments, accordingly, adoption of HKFRS 9 does not have a significant impact on the accounting for its hedging relationships.

3 會計政策 (續)

- (a) 於二零一八年一月一日或之後開始之財政年度生效之新訂及經修訂準則如下：(續)

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號闡述金融資產及金融負債的分類、計量及終止確認、為對沖會計法提出新規則及為金融資產提出一個新的減值模型。

由於新規定僅影響指定按公平值之金融資產及負債會計方法，而本集團並無任何該等資產及負債，故對本集團金融資產及負債之會計方法並無影響。因此，該新指引並不會對其金融資產及負債之分類及計量造成重大影響。

新對沖會計規則中的對沖工具會計方法有所調整，以更貼近本集團之風險管理慣例。作為一般規則而言，由於該準則引入更多原則導向之方法，故可能有更多合資格作對沖會計處理之對沖關係。由於本集團並無持有任何對沖工具，因此，採納香港財務報告準則第9號不會對其對沖關係會計方法造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (Continued)

- (a) New and amended standards that are effective for the financial year beginning on or after 1 January 2018 are as follows: (Continued)

HKFRS 9 “Financial Instruments” (Continued)

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under HKFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts.

Based on the current assessment, the Group considers that the initial application of HKFRS 9 does not have a significant impact on the Group’s consolidated financial statements.

HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

3 會計政策 (續)

- (a) 於二零一八年一月一日或之後開始之財政年度生效之新訂及經修訂準則如下：(續)

香港財務報告準則第9號「金融工具」(續)

新減值模型要求按預期信貸損失確認減值撥備，而非僅發生的信貸損失（根據香港會計準則第39號）。其適用於按攤銷成本分類的金融資產、按公平值計入其他全面收益的債務工具、香港財務報告準則第15號「與客戶的合約收入」下的合約資產、應收租賃款、貸款承擔和若干財務擔保合約。

根據目前評估，本集團認為初次應用香港財務報告準則第9號不會對本集團綜合財務報表造成重大影響。

香港財務報告準則第15號「與客戶的合約收入」

香港財務報告準則第15號取代香港會計準則第11號「建築合約」、香港會計準則第18號「收入」及相關詮釋，且其應用於客戶合約產生之所有收入，除非該等合約屬於其他準則範圍。新準則確立一個五步模式，以來自客戶合約之收入入賬。根據香港財務報告準則第15號，收入按能反映實體預期就向客戶轉讓貨物或服務而有權在交換中獲取之代價金額進行確認。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (Continued)

- (a) New and amended standards that are effective for the financial year beginning on or after 1 January 2018 are as follows: (Continued)

HKFRS 15 “Revenue from Contracts with Customers” (Continued)

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Based on the current assessment, the Group considers that the adoption of HKFRS 15 does not have any material impact on the Group’s condensed consolidated financial statements based on the existing business model of the Group.

3 會計政策 (續)

- (a) 於二零一八年一月一日或之後開始之財政年度生效之新訂及經修訂準則如下：(續)

香港財務報告準則第15號「與客戶的合約收入」 (續)

該準則要求實體作出判斷，並計及於將該模式之各步驟應用於其客戶合約時之所有相關事實及情況。該準則亦訂明將獲得合約的額外成本及與履行合約直接相關的成本入賬。

根據目前評估，本集團認為，基於本集團現有的業務模式，採納香港財務報告準則第15號不會對本集團簡明綜合財務報表有任何重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (Continued)

(b) New standards, new interpretations and amendments to standards and interpretations that have been issued but are not effective for the financial year beginning on 1 January 2018 and have not been early adopted by the Group:

3 會計政策 (續)

(b) 已頒佈但尚未就二零一八年一月一日開始之財政年度生效，且本集團並無提早採納之新訂準則、新詮釋及對準則及詮釋之修訂：

| | | Effective for the financial year beginning on or after |
|---|---|---|
| | | 就下列日期或之後 開始之財政年度生效 |
| Amendments to HKAS 28 香港會計準則第28號 (修訂本) | “Long-term Interests in Associates and Joint Ventures” 「於聯營公司及合營企業之長期權益」 | 1 January 2019 二零一九年一月一日 |
| Amendments to HKFRS 9 香港財務報告準則第9號 (修訂本) | “Prepayment Features with Negative Compensation” 「提早還款特性及負補償」 | 1 January 2019 二零一九年一月一日 |
| HK(IFRIC)-Int 23 香港(國際財務報告詮釋 委員會)詮釋第23號 | “Uncertainty over Income Tax Treatments” 「所得稅處理之不確定性」 | 1 January 2019 二零一九年一月一日 |
| HKFRS 16 香港財務報告準則第16號 | “Leases” 「租賃」 | 1 January 2019 二零一九年一月一日 |
| HKFRS 17 香港財務報告準則第17號 | “Insurance Contracts” 「保險合約」 | 1 January 2021 二零二一年一月一日 |
| Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號 及香港會計準則第28號 (修訂本) | “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” 「投資者與其聯營公司或合營企業之間的 資產出售或出資」 | To be determined 尚待釐定 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (Continued)

- (b) New standards, new interpretations and amendments to standards and interpretations that have been issued but are not effective for the financial year beginning on 1 January 2018 and have not been early adopted by the Group: (Continued)

None of these is expected to have a significant impact on the condensed consolidated interim financial information of the Group, except for the following:

HKFRS 16, "Leases"

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

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for operating leases. The Group has not yet determined to what extent of the Group's existing non-cancellable operating lease commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

3 會計政策 (續)

- (b) 已頒佈但尚未就二零一八年一月一日開始之財政年度生效，且本集團並無提早採納之新訂準則、新詮釋及對準則及詮釋之修訂：(續)

除下文所載者外，該等新訂及經修訂準則預期不會對本集團之簡明綜合中期財務資料產生重大影響：

香港財務報告準則第16號「租賃」

由於香港財務報告準則第16號廢除區分經營及融資租賃，故將導致近乎所有租約於資產負債表確認。新訂準則確認資產（租賃項目之使用權）及支付租金之金融負債。例外情況僅為短期及低值租賃。

出租人之會計處理並無重大變動。

該準則將主要影響經營租賃之會計處理。本集團尚未釐定本集團現有不可撤銷經營租賃承擔將導致就未來付款確認資產及負債之程度，亦未釐定有關情況如何影響本集團之溢利及現金流分類。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

3 ACCOUNTING POLICIES (Continued)

- (b) New standards, new interpretations and amendments to standards and interpretations that have been issued but are not effective for the financial year beginning on 1 January 2018 and have not been early adopted by the Group: (Continued)

HKFRS 16, "Leases" (Continued)

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

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

4 ESTIMATES

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

3 會計政策 (續)

- (b) 已頒佈但尚未就二零一八年一月一日開始之財政年度生效，且本集團並無提早採納之新訂準則、新詮釋及對準則及詮釋之修訂：(續)

香港財務報告準則第16號「租賃」 (續)

部分承擔可能屬於短期及低值租賃之例外情況，而部分承擔可能與並不符合香港財務報告準則第16號之租賃資格之安排有關。

新訂準則於二零一九年一月一日或之後開始之財政年度強制生效。於現階段，本集團不擬於其生效日期前採納該準則。

4 估計

編製簡明綜合中期財務資料需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會對會計政策之應用以及資產及負債、收入及支出之呈報金額構成影響。實際結果可能與該等估計存在差異。於編製本簡明綜合中期財務資料時，管理層於應用本集團會計政策時作出之重大判斷及估計不確定性之主要來源與截至二零一七年十二月三十一日止年度之綜合財務報表所應用者相同。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The interim condensed consolidated 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 Group's annual financial statements as at 31 December 2017.

There have been no change in the risk management policies since year end.

6 SEGMENT INFORMATION

The chief operating decision-maker ("CODM") has been identified as the chief executive officer of the Company. The chief executive officer reviews the Group's internal reporting in order to assess performance and allocate resources. The chief executive officer has determined the operating segments based on these reports. The chief executive officer considers the business from products and services perspective, and determines that the Group has the following operating segments:

- (i) Sale and distribution of merchandise
- (ii) Provision of interior design and engineering services

5 財務風險管理及金融工具

財務風險因素

本集團業務面對多項財務風險：利率風險、信貸風險及流動資金風險。本集團之整體風險管理計劃集中於金融市場之不可預測性，並尋求盡量減低對本集團財務表現之潛在不利影響。

中期簡明綜合財務資料並無包括所有須載於年度財務報表之財務風險管理資料及披露，並應與本集團於二零一七年十二月三十一日之年度財務報表一併閱讀。

自年末以來，風險管理政策並無任何變動。

6 分部資料

主要經營決策者（「主要經營決策者」）被確定為本公司之行政總裁。行政總裁審閱本集團之內部報告以評估表現及分配資源。行政總裁已根據該等報告釐定經營分部。行政總裁從產品及服務角度省覽業務，並釐定本集團有以下經營分部：

- (i) 銷售及分銷商品
- (ii) 提供室內設計及工程服務

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

6 SEGMENT INFORMATION (Continued)

The CODM assesses the performance of the operating segments mainly based on segment revenue and gross profit of each operating segment. The Company currently does not allocate assets and liabilities to its segments, as the CODM does not use this information to allocate resources to or evaluate the performance of the operating segments. Therefore, the Company does not report a measure of total assets or total liabilities for each reportable segment.

The segment information provided to the CODM for the reportable segments for the period is as follows:

6 分部資料 (續)

主要經營決策者主要根據各經營分部之分部收入及毛利評估其表現。本公司現時不會將資產及負債分配至其分部，原因是主要經營決策者不會使用該資料分配資源至經營分部或評估經營分部表現。因此，本公司不會就各可報告分部報告資產總值或負債總額之計量值。

期內就可報告分部向主要經營決策者提供之分部資料如下：

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---------------|---|-----------------------------------|
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Segment Revenue | 分部收入 | | |
| – Sale and distribution of merchandise | – 銷售及分銷商品 | | |
| Total segment revenue | 分部收入總額 | 168,518 | 158,958 |
| Inter-segment revenue | 分部間收入 | (57,362) | (16,282) |
| | | <hr/> | <hr/> |
| Revenue from external customers | 來自外部客戶之收入 | 111,156 | 142,676 |
| – Provision of interior design and engineering services | – 提供室內設計及工程服務 | | |
| Total segment revenue | 分部收入總額 | 151,816 | 38,924 |
| Inter-segment revenue | 分部間收入 | – | (2,814) |
| | | <hr/> | <hr/> |
| Revenue from external customers | 來自外部客戶之收入 | 151,816 | 36,110 |
| | | <hr/> | <hr/> |
| | | 262,972 | 178,786 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

6 SEGMENT INFORMATION (Continued)

6 分部資料 (續)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---------------|---|-----------------------------------|
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Segment Cost | 分部成本 | | |
| – Sale and distribution of merchandise | – 銷售及分銷商品 | 99,842 | 114,337 |
| – Provision of interior design and engineering services | – 提供室內設計及工程服務 | 134,515 | 31,994 |
| | | 234,357 | 146,331 |

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---------------|---|-----------------------------------|
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Segment gross profit | 分部毛利 | | |
| – Sale and distribution of merchandise | – 銷售及分銷商品 | 11,314 | 28,339 |
| – Provision of interior design and engineering services | – 提供室內設計及工程服務 | 17,301 | 4,116 |
| | | 28,615 | 32,455 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

6 SEGMENT INFORMATION (Continued)

6 分部資料 (續)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|------------------------------|-------------|---|-----------------------------------|
| | | 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| Segment gross profit | 分部毛利 | 28,615 | 32,455 |
| Other income and gains – net | 其他收入及其他收益淨額 | – | 80 |
| Selling expenses | 銷售開支 | (8,722) | (10,016) |
| Administrative expenses | 行政開支 | (6,749) | (8,944) |
| Finance costs – net | 財務成本淨額 | (2,765) | (3,555) |
| Income tax expense | 所得稅開支 | (3,365) | (3,218) |
| Profit for the period | 期內溢利 | 7,014 | 6,802 |

During the period, all revenues of the Group were derived from the PRC.

於期內，本集團所有收入均來自中國。

Non-current assets, other than deferred income tax assets, were mainly located in the PRC as at 30 June 2018 and 31 December 2017.

於二零一八年六月三十日及二零一七年十二月三十一日，除遞延所得稅資產外，非流動資產主要位於中國。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

6 SEGMENT INFORMATION (Continued)

During the period, there were two (2017: one) external customers contributed over 10% of the total revenue of the Group. The revenues derived from these customers during the Reporting Period were as follows:

| | |
|--|-------------|
| Provision of interior design and engineering services | 提供室內設計及工程服務 |
| – Customer A | – 客戶A |
| – Customer B | – 客戶B |
| Sale and distribution of merchandise | 銷售及分銷商品 |
| – Customer B | – 客戶B |
| – Customer C | – 客戶C |

Breakdown of the revenue by products or services is as follow:

| | |
|---|-------------|
| Segment Revenue | 分部收入 |
| Sale and distribution of merchandise | 銷售及分銷商品 |
| – Building materials | – 建材 |
| – Home improvement materials | – 家居裝修材料 |
| – Furnishings | – 傢俱 |
| Provision of interior design and engineering services | 提供室內設計及工程服務 |
| Elimination | 撇銷 |

6 分部資料 (續)

於期內，兩名（二零一七年：一名）外部客戶之貢獻佔本集團收入總額10%以上。於報告期間，來自此等客戶之收入如下：

| Six months ended 30 June 截至六月三十日止六個月 | |
|---|-----------------------------------|
| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| 71,352 | – |
| 37,383 | – |
| 13,418 | – |
| – | 21,393 |

按產品或服務劃分的收入明細如下：

| Six months ended 30 June 截至六月三十日止六個月 | |
|---|-----------------------------------|
| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
| 140,554 | 128,576 |
| 19,239 | 20,370 |
| 8,725 | 10,012 |
| 168,518 | 158,958 |
| 151,816 | 38,924 |
| (57,362) | (19,096) |
| 262,972 | 178,786 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

7 OPERATING PROFIT

An analysis of the amounts presented as operating items in the financial information is given:

| | |
|---|-------------|
| Operating items | 經營項目 |
| Provision for/(reversal of) write-down of inventories | 存貨撇減撥備／(撥回) |
| Provision for impairment of trade receivables | 貿易應收款項減值撥備 |
| Operating profit | 經營溢利 |

7 經營溢利

於財務資料按經營項目呈列之金額分析如下：

Six months ended 30 June 截至六月三十日止六個月

| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 12,473 | 13,529 |
| 60 | (57) |
| 611 | 103 |
| 13,144 | 13,575 |

8 INCOME TAX EXPENSE

| | |
|-------------------------------|-------------|
| Current income tax | 即期所得稅 |
| Deferred income tax (Note 15) | 遞延所得稅(附註15) |

8 所得稅開支

Six months ended 30 June 截至六月三十日止六個月

| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 3,871 | 3,550 |
| (506) | (332) |
| 3,365 | 3,218 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

8 INCOME TAX EXPENSE (Continued)

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the tax rate applicable to profit of the Group as follows:

| | |
|--|------------------|
| Profit before income tax | 除所得稅前溢利 |
| Tax calculated at the tax rate of 25% | 按25%之稅率計算的稅項 |
| Tax losses for which no deferred income tax asset was recognised | 未確認為遞延所得稅資產之稅項虧損 |
| Tax exemptions | 免稅額 |
| Expenses not deductible for tax purposes | 不可扣稅開支 |

Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands and accordingly, is exempted from the Cayman Islands income tax.

BVI income tax

The Company's subsidiary in the BVI was incorporated under the International Business Companies Act of the BVI and, accordingly, is exempted from the BVI income tax.

8 所得稅開支(續)

本集團除所得稅前溢利之稅項與採用適用於本集團溢利之稅率計算的理論金額有以下差異：

Six months ended 30 June 截至六月三十日止六個月

| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 10,379 | 10,020 |
| 2,595 | 2,505 |
| 89 | 106 |
| 528 | 584 |
| 153 | 23 |
| 3,365 | 3,218 |

開曼群島所得稅

本公司根據開曼群島公司法(經修訂)於開曼群島註冊成立為獲豁免有限公司,因此,獲豁免繳納開曼群島所得稅。

英屬處女群島所得稅

本公司於英屬處女群島之附屬公司乃根據英屬處女群島國際商業公司法註冊成立,因此,獲豁免英屬處女群島所得稅。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

8 INCOME TAX EXPENSE (Continued)

Hong Kong profits tax

Entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% for the six months ended 30 June 2018 (six months ended 30 June 2017: 16.5%) on the estimated assessable profit for the period. No Hong Kong profits tax has been provided for as there was no business operation that is subject to Hong Kong profits tax during the period.

PRC enterprise income tax (“EIT”)

The entities incorporated in the PRC are subject to EIT. According to the EIT law effective from 1 January 2008, all PRC enterprises are subject to a standard EIT rate of 25%.

PRC withholding tax (“WHT”)

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant WHT rate will be reduced from 10% to 5%. During the period, the directors of the Company reassessed the dividend policy of the major subsidiary established in the PRC, Guangdong Jiyi Household Building Materials Chain Co., Ltd. (廣東集一家居建材連鎖有限公司) (“**Jiyi Household**”), based on the Group’s current business plan and financial position, no retained earnings as of 30 June 2018 generated by Jiyi Household would be distributed to its non-PRC registered intermediate holding company and as such, no deferred tax liability has been provided by the Group for the earnings expected to be retained by Jiyi Household in the PRC and not to be remitted out of the PRC in the foreseeable future.

8 所得稅開支 (續)

香港利得稅

於香港註冊成立之實體於截至二零一八年六月三十日止六個月須就期內估計應課稅溢利按稅率16.5% (截至二零一七年六月三十日止六個月: 16.5%) 繳納香港利得稅。由於期內並無須繳納香港利得稅之業務營運, 故並未就香港利得稅作出撥備。

中國企業所得稅 (「企業所得稅」)

於中國註冊成立之實體須繳納企業所得稅。根據由二零零八年一月一日生效之企業所得稅法, 所有中國企業均須按標準企業所得稅稅率25%繳納企業所得稅。

中國預扣稅 (「預扣稅」)

根據適用之中國稅務法規, 於中國成立之公司就二零零八年一月一日之後賺取之溢利向境外投資者分派股息一般須繳納10%預扣稅。倘於香港註冊成立之境外投資者符合中國與香港訂立之雙邊稅務條約安排項下之條件及規定, 則相關預扣稅稅率將由10%降至5%。於期內, 本公司董事根據本集團現時之業務計劃及財務狀況重新評估在中國成立之主要附屬公司廣東集一家居建材連鎖有限公司 (「**集一家居**」) 之股息政策, 集一家居截至二零一八年六月三十日產生之保留盈利將不會分派予其非中國註冊之中間控股公司, 因此, 本集團並無就集一家居預期在中國境內保留且於可見將來不會匯出中國之盈利計提任何遞延稅項負債。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

9 EARNINGS PER SHARE

Basic earnings per share is 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.

9 每股盈利

每股基本盈利乃按本公司權益持有人應佔溢利除以期內已發行普通股之加權平均數計算。

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|----------------------|---|---------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| Profit attributable to equity holders of the Company (RMB'000) | 本公司權益持有人應佔溢利 (人民幣千元) | 7,014 | 6,802 |
| Weighted average number of ordinary shares in issue (thousands of shares) | 已發行普通股之加權平均數 (千股) | 432,000 | 432,000 |
| Basic earnings per share (RMB cents) | 每股基本盈利 (人民幣分) | 1.62 | 1.57 |

For the six months ended 30 June 2018, diluted earnings per share were the same as basic earnings per share due to the absence of dilutive potential ordinary shares as at period end date.

截至二零一八年六月三十日止六個月，每股攤薄盈利與每股基本盈利相同，原因為於期結日並無攤薄潛在普通股。

10 DIVIDEND

The Board does not recommend any payment of interim dividend for the six months ended 30 June 2018.

10 股息

董事會不建議就截至二零一八年六月三十日止六個月派付任何中期股息。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

| | | Buildings | Motor vehicles | Furniture, fittings and equipment | Leasehold improvements | Construction in progress | Total |
|-------------------------------|------------------|------------------------|------------------------|-----------------------------------|--------------------------|--------------------------|------------------------|
| | | 樓宇 RMB'000 人民幣千元 | 汽車 RMB'000 人民幣千元 | 傢俱、裝置及設備 RMB'000 人民幣千元 | 租賃裝修 RMB'000 人民幣千元 | 在建工程 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| Six months ended 30 June 2017 | 截至二零一七年六月三十日止六個月 | | | | | | |
| Opening net book amount | 期初賬面淨額 | 41,188 | 3,716 | 431 | 9,947 | 19,967 | 75,249 |
| Additions | 添置 | - | - | 329 | - | 1,464 | 1,793 |
| Disposal | 出售 | - | (170) | - | - | - | (170) |
| Transfer | 轉讓 | 452 | - | - | 18,000 | (18,452) | - |
| Depreciation | 折舊 | (820) | (262) | (164) | (1,352) | - | (2,598) |
| Closing net book amount | 期末賬面淨額 | 40,820 | 3,284 | 596 | 26,595 | 2,979 | 74,274 |
| Six months ended 30 June 2017 | 截至二零一七年六月三十日止六個月 | | | | | | |
| Cost | 成本 | 52,202 | 4,612 | 1,798 | 49,356 | 2,979 | 110,947 |
| Accumulated depreciation | 累計折舊 | (11,382) | (1,328) | (1,202) | (22,761) | - | (36,673) |
| Net book amount | 賬面淨額 | 40,820 | 3,284 | 596 | 26,595 | 2,979 | 74,274 |
| Six months ended 30 June 2018 | 截至二零一八年六月三十日止六個月 | | | | | | |
| Opening net book amount | 期初賬面淨額 | 39,423 | 3,173 | 889 | 23,854 | 5,176 | 72,515 |
| Additions | 添置 | - | - | 9 | - | 1,059 | 1,068 |
| Transfer | 轉讓 | 788 | - | - | 1,224 | (2,012) | - |
| Depreciation | 折舊 | (854) | (187) | (161) | (2,731) | - | (3,933) |
| Exchange difference | 匯兌差額 | - | 23 | - | - | - | 23 |
| Closing net book amount | 期末賬面淨額 | 39,357 | 3,009 | 737 | 22,347 | 4,223 | 69,673 |
| Six months ended 30 June 2018 | 截至二零一八年六月三十日止六個月 | | | | | | |
| Cost | 成本 | 52,180 | 4,611 | 2,032 | 52,873 | 4,223 | 115,919 |
| Accumulated depreciation | 累計折舊 | (12,823) | (1,602) | (1,295) | (30,526) | - | (46,246) |
| Net book amount | 賬面淨額 | 39,357 | 3,009 | 737 | 22,347 | 4,223 | 69,673 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

12 DUE FROM/(TO) CUSTOMERS ON CONSTRUCTION CONTRACTS

12 應收／(應付)客戶之建築合約款

| | | As at 於 | |
|---|-----------------|---|---|
| | | 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| Due from customers on construction contracts | 應收客戶之建築合約款 | 70,896 | 51,517 |
| Due to customers on construction contracts | 應付客戶之建築合約款 | (29,559) | (3,240) |
| At end of the period | 期末 | 41,337 | 48,277 |
| Contract costs Incurred plus recognised profits to date | 已產生合約成本加迄今確認之溢利 | 370,446 | 218,630 |
| Less: Progress billings received and receivable | 減：已收及應收進度款 | (329,109) | (170,353) |
| At end of the period | 期末 | 41,337 | 48,277 |

All amounts due from customers on construction contracts were not considered impaired and there was no concentration of credit risk with respect to these balances.

所有應收客戶之建築合約款均無視作減值，且並無有關該等結餘之集中信貸風險。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

13 TRADE AND OTHER RECEIVABLES

13 貿易及其他應收款項

| | | As at 於 | |
|---|--------------------------|---|---|
| | | 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| Trade receivables due from third parties | 應收第三方貿易應收款項 | 175,609 | 180,902 |
| Trade receivables due from a related party (Note 19) | 應收一名關聯方貿易 應收款項 (附註19) | 6,661 | 6,866 |
| Less: allowance for impairment of trade receivables | 減：貿易應收款項減值撥備 | (1,966) | (1,355) |
| Trade receivables, net | 貿易應收款項淨額 | 180,304 | 186,413 |

The credit period granted to customers is between 0 to 360 days. The ageing analysis of the trade receivables from the date of sales is as follows:

授予客戶之信貸期介乎0至360天。自銷售日期起貿易應收款項之賬齡分析如下：

| | | As at 於 | |
|----------------|--------|---|---|
| | | 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| Up to 6 months | 最多六個月 | 111,696 | 124,512 |
| 6 to 12 months | 六至十二個月 | 66,195 | 59,440 |
| Over 12 months | 超過十二個月 | 4,379 | 3,816 |
| | | 182,270 | 187,768 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

13 TRADE AND OTHER RECEIVABLES (Continued)

As at 30 June 2018, trade receivables of RMB2,413,000 (31 December 2017: RMB2,461,000) was past due but not impaired. These relate to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered. The aging analysis of these trade receivables is as follows:

Over 12 months

超過十二個月

As at 30 June 2018, trade receivables of RMB1,966,000 (31 December 2017: RMB1,355,000) were impaired. The amount of the provision was RMB1,966,000 as at 30 June 2018 (31 December 2017: RMB1,355,000).

13 貿易及其他應收款項 (續)

於二零一八年六月三十日，貿易應收款項人民幣2,413,000元（二零一七年十二月三十一日：人民幣2,461,000元）已逾期但未減值。該等貿易應收款項與並無重大財政困難之多名獨立客戶有關，且基於過往經驗，已逾期金額可予收回。該等貿易應收款項之賬齡分析如下：

| As at 於 | |
|---|---|
| 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| 2,413 | 2,461 |

於二零一八年六月三十日，貿易應收款項人民幣1,966,000元（二零一七年十二月三十一日：人民幣1,355,000元）已減值。於二零一八年六月三十日撥備金額為人民幣1,966,000元（二零一七年十二月三十一日：人民幣1,355,000元）。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

13 TRADE AND OTHER RECEIVABLES (Continued)

The ageing analysis of these trade receivables is as follows:

Over 12 months

超過十二個月

13 貿易及其他應收款項 (續)

該等貿易應收款項之賬齡分析如下：

| As at 於 | |
|---|---|
| 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| 1,966 | 1,355 |

14 RESTRICTED CASH

Restricted cash

受限制現金

14 受限制現金

| As at 於 | |
|---|---|
| 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| - | 300 |

As at 30 June 2018, no bank deposit (31 December 2017: RMB300,000) was placed as guarantee deposits for issuing notes payable.

於二零一八年六月三十日，概無銀行存款(二零一七年十二月三十一日：人民幣300,000元)乃存置作為發行應付票據之擔保存款。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

15 DEFERRED INCOME TAX

As no deferred income tax liabilities were recognised, there are no offset amounts as at 30 June 2018 (31 December 2017: Nil).

15 遞延所得稅

於二零一八年六月三十日，由於並無確認任何遞延所得稅負債，故並無抵銷款項（二零一七年十二月三十一日：無）。

| | | As at 於 | |
|------------------------------------|-------------|---|---|
| | | 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| Deferred tax assets: | 遞延稅項資產： | | |
| – to be recovered within 12 months | – 將於十二個月內收回 | 2,256 | 1,750 |

The movements in deferred tax assets are as follows:

遞延稅項資產變動如下：

Deferred tax assets:

遞延稅項資產：

| | | Accrued rental | Accrued payroll | Provision for impairment of trade and other receivables 貿易及其他 應收款項 減值撥備 | Provision for impairment of inventories 存貨減值撥備 | Total |
|--------------------------------------|--------------|--------------------------|--------------------------|--|---|------------------------|
| | | 應計租金 RMB'000 人民幣千元 | 應計工資 RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| At 1 January 2017 | 於二零一七年一月一日 | 385 | 201 | 966 | 238 | 1,790 |
| Credited/(Charged) to profit or loss | 計入損益/(自損益扣除) | 338 | (18) | 26 | (14) | 332 |
| At 30 June 2017 | 於二零一七年六月三十日 | 723 | 183 | 992 | 224 | 2,122 |
| At 1 January 2018 | 於二零一八年一月一日 | 1,020 | 89 | 550 | 91 | 1,750 |
| Credited to profit or loss | 計入損益 | 338 | – | 153 | 15 | 506 |
| At 30 June 2018 | 於二零一八年六月三十日 | 1,358 | 89 | 703 | 106 | 2,256 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

15 DEFERRED INCOME TAX (Continued)

At 30 June 2018, the Group did not recognise deferred income tax assets of RMB89,000 (30 June 2017: RMB106,000) in respect of losses amounting to RMB357,000 (30 June 2017: RMB426,000) as it is not probable that future taxable profits against which the losses can be utilised. The estimated tax losses are subject to approval by the relevant tax authorities.

16 SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares, issued and fully paid:

At 1 January 2017, 30 June 2017,
1 January 2018 and 30 June 2018

於二零一七年一月一日、
二零一七年六月三十日、
二零一八年一月一日及
二零一八年六月三十日

15 遞延所得稅 (續)

於二零一八年六月三十日，本集團並無就人民幣357,000元（二零一七年六月三十日：人民幣426,000元）之虧損確認遞延所得稅資產人民幣89,000元（二零一七年六月三十日：人民幣106,000元），原因是該等虧損不大可能用於抵銷未來應課稅溢利。估計稅項虧損須待有關稅務機關批准後，方可作實。

16 股本及股份溢價

普通股（已發行及繳足）：

| | Share Capital 股本 | Share Premium 股份溢價 |
|---|---------------------|--------------------------|
| <i>Number of ordinary shares (of HK\$0.10 each)</i> | <i>RMB'000</i> | <i>RMB'000</i> |
| 普通股數目 (每股面值 0.10港元) | 人民幣千元 | 人民幣千元 |
| | 432,000,000 | 35,638 |
| | <u>432,000,000</u> | <u>243,832</u> |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

17 TRADE AND OTHER PAYABLES

The ageing analysis of trade payables based on invoice date were as follows:

| | |
|----------------|--------|
| Up to 3 months | 最多三個月 |
| 3 to 6 months | 三至六個月 |
| 6 to 12 months | 六至十二個月 |
| Over 12 months | 超過十二個月 |

The credit period secured by the Group's suppliers ranges from 0 to 180 days.

17 貿易及其他應付款項

貿易應付款項基於發票日期的賬齡分析如下：

| | | As at 於 | |
|--|--|---|---|
| | | 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| | | 14,655 | 18,373 |
| | | 17,707 | 5,013 |
| | | 2,818 | 4,281 |
| | | 5,689 | 3,767 |
| | | 40,869 | 31,434 |

從本集團供應商取得之信貸期介乎0至180天。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

18 BANK BORROWINGS

18 銀行借款

| | | As at 於 |
|-------------------------|---|---|
| | 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
| Secured bank borrowings | 107,200 | 88,200 |
| | 有抵押銀行借款 | |

(a) As at 30 June 2018, the bank borrowings of the Group were secured by buildings and land use right of RMB39,357,000 (31 December 2017: RMB39,423,000) and RMB2,778,000 (31 December 2017: RMB2,823,000) respectively. The bank borrowings were also jointly guaranteed by Ms. Hou, Mr. Deng Jianshen, husband of Ms. Hou, Ms. Deng Haiming, Mr. Shupeng, Mr. Wen Jingfeng and Meizhou Jisheng Household Building Materials Company Limited.

(a) 於二零一八年六月三十日，本集團之銀行借款分別由人民幣39,357,000元（二零一七年十二月三十一日：人民幣39,423,000元）之樓宇及人民幣2,778,000元（二零一七年十二月三十一日：人民幣2,823,000元）之土地使用權作抵押。銀行借款亦由侯女士、鄧建申先生（侯女士的丈夫）、鄧海鳴女士、舒鵬先生、溫敬鋒先生及梅州市集勝家居建材有限公司聯合擔保。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

18 BANK BORROWINGS (Continued)

- (b) The weighted average effective interest rates during the period are as follows:

Bank borrowings

銀行借款

The carrying amounts of the Group's borrowings were approximated to their fair values as at 30 June 2018 as the interest rates of most of the borrowings were variable and original term within one year.

The carrying amounts of bank borrowings are all denominated in RMB.

18 銀行借款 (續)

- (b) 於期內之加權平均實際利率如下：

Six months ended 30 June 截至六月三十日止六個月

| 2018 二零一八年 | 2017 二零一七年 |
|---------------|---------------|
| 6.02% | 5.62% |

於二零一八年六月三十日，由於本集團大部分借款為浮動利息借款且原有年期為一年以內，故借款之賬面金額與其公平值相若。

銀行借款之賬面金額全部以人民幣計值。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

19 RELATED PARTY TRANSACTIONS

The directors of the Company are of the view that the following companies and individuals were related parties that had transactions or balances with the Group during the period:

| Name of the related party 關聯方姓名／名稱 | Principal business activities 主要業務活動 | Relationship with the Group 與本集團之關係 |
|--|---|--|
| Ms. Hou 侯女士 | | Controlling Shareholder 控股股東 |
| Meizhou Xikang Construction Company Limited ("Meizhou Xikang") 梅州市禧康建築工程有限公司 (「梅州禧康」) | Architectural Engineering 建築工程 | An entity is significantly influenced by a close member of the Controlling Shareholder 受控股股東家族近親重大影響之實體 |
| Mr. Wen Jingfeng ("Mr. Wen") 溫敬鋒先生(「溫先生」) | | Son of Ms. Deng Haiming, key management 主要管理人員鄧海鳴女士之子 |

Saved as disclosed in Note 18(a) in this interim financial information, the following transactions were carried out between the Group and related parties:

(a) Key management compensation

Wages, allowance and bonus
Contributions to pension plans
and others

工資、津貼及花紅
退休金計劃供款及其他

19 關聯方交易

期內，本公司董事認為下列公司及個人為與本集團有交易或結餘之關聯方：

除本中期財務資料附註18(a)所披露者外，本集團與關聯方曾進行以下交易：

(a) 主要管理層薪酬

Six months ended 30 June 截至六月三十日止六個月

| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 1,905 | 1,772 |
| 67 | 70 |
| 1,972 | 1,842 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

19 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with related parties

The following transactions were carried out between the Group and related parties. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

| | |
|-------------------------|-----------|
| Sales to Meizhou Xikang | 向梅州禧康銷售 |
| Rental paid to Mr. Wen | 向溫先生支付之租金 |

(c) Balance with a related party

| | |
|--------------------------------|----------|
| Amount due from Meizhou Xikang | 應收梅州禧康款項 |
|--------------------------------|----------|

The balance due from a related party is denominated in RMB, unsecured, interest free and repayable on demand.

As at 30 June 2018, no balance (31 December 2017: RMB123,000) due from Meizhou Xikang was past due but not impaired.

19 關聯方交易 (續)

(b) 與關聯方之交易

本集團與關聯方已進行以下交易。本公司董事認為，關聯方交易乃於正常業務過程中按本集團與有關關聯方商定之條款進行。

Six months ended 30 June 截至六月三十日止六個月

| 2018 二零一八年 RMB'000 人民幣千元 | 2017 二零一七年 RMB'000 人民幣千元 |
|-----------------------------------|-----------------------------------|
| 910 | 2,483 |
| 19 | 18 |

(c) 與一名關聯方之結餘

As at 於

| 30 June 2018 二零一八年 六月三十日 RMB'000 人民幣千元 | 31 December 2017 二零一七年 十二月三十一日 RMB'000 人民幣千元 |
|---|---|
| 6,661 | 6,866 |

應收一名關聯方結餘以人民幣計值，屬無抵押、免息及須按要求償還。

於二零一八年六月三十日，概無應收梅州禧康的結餘（二零一七年十二月三十一日：人民幣123,000元）為已逾期但未減值。

OTHER INFORMATION 其他資料

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2018 and there is no arrangement that a shareholder has waived or agreed to waive any dividend.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2018.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors had engaged in or were interested in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group during the Reporting Period.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2018, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO; as recorded in the register required to be kept by the Company pursuant to Section 352 of 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") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing rules"), were as follows:

股息

董事會不建議就截至二零一八年六月三十日止六個月派付中期股息且概無股東放棄或同意放棄任何股息之安排。

購買、出售或贖回本公司之上市證券

於截至二零一八年六月三十日止六個月，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事於競爭業務之權益

於報告期間，概無董事從事與或可能與本集團業務直接或間接競爭之任何業務或於當中擁有權益。

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一八年六月三十日，本公司各董事及最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中擁有根據證券及期貨條例第7及8分部須知會本公司及聯交所之權益及淡倉，或記錄於本公司根據證券及期貨條例第352條須存置之登記冊之權益及淡倉，或根據聯交所證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）已知會本公司及聯交所之權益及淡倉如下：

Aggregate long positions in the shares and underlying shares of the Company

於本公司股份及相關股份之好倉總計

| Name of Director | Nature of interest | Number of shares of the Company | Approximate percentage of the issued share capital |
|--|---|---------------------------------|--|
| 董事姓名 | 權益性質 | 本公司股份數目 | 佔已發行股本之概約百分比 (Note 1) (附註1) |
| Ms. Hou Wei ("Ms. Hou") (Note 2) 侯薇女士(「侯女士」)(附註2) | Interest in a controlled corporation 受控制法團權益 | 361,854,000 | 59.83% |
| Mr. Hou Bo ("Mr. Hou") (Note 3) 侯波先生(「侯先生」)(附註3) | Interest in a controlled corporation 受控制法團權益 | 5,562,000 | 1.29% |

Notes:

- The percentage figures were calculated based on 432,000,000 ordinary shares ("Shares") of the Company having a par value of HK\$0.1 each in issue as at 30 June 2018, except for Note 2 which was based on 604,800,000 Shares, being the sum of 432,000,000 Shares and 172,800,000 rights shares pursuant to the Rights Issue as announced by the Company on 25 April 2018.
- Ms. Hou was beneficially interested in 100% of the issued share capital of Xinling Limited ("Xinling"). Xining was the registered holder of 361,854,000 Shares. Under Part XV of the SFO, Ms. Hou was therefore deemed to have interests in 361,854,000 Shares in which Xinling was interested.
- Mr. Hou was beneficially interested in 100% of the issued share capital of Jiesi Global Investments Limited ("Jiesi Global"). Jiesi Global was the registered holder of 5,562,000 Shares. Under Part XV of the SFO, Mr. Hou was therefore deemed to have interests in 5,562,000 Shares in which Jiesi Global was interested.

Save as disclosed above, as at 30 June 2018, none of the Directors and chief executive of the Company had or was deemed to have any interests or short positions in any Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or which were required to be kept pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

附註:

- 該等百分比數字乃根據於二零一八年六月三十日本公司已發行432,000,000股每股面值0.1港元之普通股(「股份」)計算,惟附註2除外,附註2乃按604,800,000股股份(即432,000,000股股份與根據本公司於二零一八年四月二十五日宣佈之供股發行的172,800,000股供股股份之總數)計算。
- 侯女士實益擁有欣領有限公司(「欣領」)100%已發行股本之權益。欣領為361,854,000股股份之登記持有人。因此,根據證券及期貨條例第XV部,侯女士被視為於欣領擁有權益之361,854,000股股份中擁有權益。
- 侯先生實益擁有傑思環球投資有限公司(「傑思環球」)100%已發行股本之權益。傑思環球為5,562,000股股份之登記持有人。因此,根據證券及期貨條例第XV部,侯先生被視為於傑思環球擁有權益之5,562,000股股份中擁有權益。

除上文所披露者外,於二零一八年六月三十日,概無本公司董事及最高行政人員於本公司及其相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債權證中擁有或被視為擁有根據證券及期貨條例第7及8分部須知會本公司及聯交所之任何權益或淡倉,或根據證券及期貨條例第352條須予記錄之任何權益或淡倉,或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

OTHER INFORMATION 其他資料

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

As at 30 June 2018, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

主要股東於本公司股份、債權證及相關股份之權益及淡倉

於二零一八年六月三十日，以下人士（本公司董事或最高行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或已記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉：

Aggregate long positions in the Shares and underlying shares of the Company

於本公司股份及相關股份之好倉總計

| Name of Shareholder 股東名稱／姓名 | Nature of interest 權益性質 | Number of Shares 股份數目 | Approximate percentage of the issued share capital 佔已發行股本之概約百分比 (Note 1) (附註1) |
|---|---|--------------------------|---|
| Xinling (Note 2) 欣領 (附註2) | Beneficial owner 實益擁有人 | 189,054,000 | 31.26% |
| | Underwriter (Note 3) 包銷商 (附註3) | 172,800,000 | 28.57% |
| Yiju Holdings Limited ("Yiju Holdings") (Note 4) 溢鉅控股有限公司 (「溢鉅控股」) (附註4) | Beneficial owner 實益擁有人 | 40,188,000 | 9.30% |
| Mr. Liu Shui ("Mr. Liu") (Note 4) 劉水先生 (「劉先生」) (附註4) | Interest in a controlled corporation 受控制法團權益 | 40,188,000 | 9.30% |
| Lucky Union Int'l Co., Ltd. ("Lucky Union") (Note 5) Lucky Union Int'l Co., Ltd. (「Lucky Union」) (附註5) | Beneficial owner 實益擁有人 | 26,566,000 | 6.15% |
| Mr. Lin Kuan Ming ("Mr. Lin") (Note 5) 林坤銘先生 (「林先生」) (附註5) | Interest in a controlled corporation 受控制法團權益 | 35,827,000 | 8.29% |
| Ms. Lin Ling Yu ("Ms. Lin") (Note 5) 林玲玉女士 (「林女士」) (附註5) | Interest in a controlled corporation 受控制法團權益 Interest of spouse 配偶權益 | 26,566,000 9,261,000 | 6.15% 2.14% |

Notes:

1. The percentage figures were calculated based on 432,000,000 Shares having a par value of HK\$0.1 each in issue as at 30 June 2018, except for Note 2 and Note 3 which was based on 604,800,000 Shares, being the sum of 432,000,000 Shares and 172,800,000 rights shares pursuant to the Rights Issue as announced by the Company on 25 April 2018.
2. Xinling was the registered holder of 189,054,000 Shares.
3. Xinling was deemed to be interested in the 172,800,000 rights shares agreed to be fully underwritten by Xinling as underwriter pursuant to the underwriting agreement dated 25 April 2018 entered into with the Company in relation to the Company's Rights Issue as announced by the Company on 25 April 2018.
4. Mr. Liu was beneficially interested in 100% of the issued share capital of Yiju Holdings. Yiju Holdings was the registered holder of 40,188,000 Shares. Under Part XV of the SFO, Mr. Liu was therefore deemed to have interests in 40,188,000 Shares in which Yiju Holdings was interested.
5. Mr. Lin is deemed to be interested in a total of 35,827,000 Shares, which were held as to 9,261,000 Shares by Corporate Image Limited and 26,566,000 Shares by Lucky Union. On the other hand, Ms. Lin is deemed to be interested in a total of 35,827,000 Shares, which were held as to 26,566,000 Shares by Lucky Union and of which 9,261,000 Shares Mr. Lin is interested in. By virtue of the SFO, as Mr. Lin beneficially owns the entire issued share capital of Corporate Image Limited, he is deemed to be interested in 9,261,000 Shares held by Corporate Image Limited and Ms. Lin, as his spouse, is also deemed to be interested in these 9,261,000 Shares. Further, Mr. Lin, Ms. Lin, Ms. Lin Hsin Hui and Ms. Lin Chia Hui, the daughters of Mr. Lin and Ms. Lin, own 30%, 50%, 10% and 10% of the issued share capital of Lucky Union, respectively. By virtue of the SFO, both Mr. Lin and Ms. Lin are deemed to be interested in 26,566,000 Shares held by Lucky Union.

Save as disclosed above, as at 30 June 2018, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

1. 該等百分比數字乃根據於二零一八年六月三十日已發行432,000,000股每股面值0.1港元之股份計算，惟附註2及附註3除外，附註2及附註3乃按604,800,000股股份（即432,000,000股股份與根據本公司於二零一八年四月二十五日宣佈之供股發行的172,800,000股供股股份之總數）計算。
2. 欣領為189,054,000股股份之登記持有人。
3. 欣領被視為於172,800,000股供股股份中擁有權益，該等供股股份將由欣領（作為包銷商）根據其與本公司就本公司於二零一八年四月二十五日宣佈之本公司供股訂立之日期為二零一八年四月二十五日之包銷協議協定予以悉數包銷。
4. 劉先生實益擁有溢鉅控股100%已發行股本之權益。溢鉅控股為40,188,000股股份之登記持有人。因此，根據證券及期貨條例第XV部，劉先生被視為於溢鉅控股擁有權益之40,188,000股股份中擁有權益。
5. 林先生被視為於合共35,827,000股股份中擁有權益，當中9,261,000股股份及26,566,000股股份分別由Corporate Image Limited及Lucky Union持有。另一方面，林女士被視為於合共35,827,000股股份中擁有權益，當中26,566,000股股份由Lucky Union持有及林先生於其中9,261,000股股份中擁有權益。按照證券及期貨條例，由於林先生實益擁有Corporate Image Limited之全部已發行股本，故彼被視為於Corporate Image Limited持有之9,261,000股股份中擁有權益，而其配偶林女士亦被視為於該9,261,000股股份中擁有權益。此外，林先生、林女士、林欣慧小姐及林佳慧小姐（林先生及林女士之女兒）分別擁有Lucky Union 30%、50%、10%及10%之已發行股本。按照證券及期貨條例，林先生及林女士均被視為於Lucky Union持有之26,566,000股股份中擁有權益。

除上文所披露者外，於二零一八年六月三十日，本公司並無獲告知任何其他人士（本公司董事或最高行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或已記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

OTHER INFORMATION 其他資料

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted on 6 October 2015 (the “**Share Option Scheme**”), the Company may grant share options to any directors, employees, advisers, consultants, suppliers, customers, distributors and such other persons who, in the sole discretion of the Board, will contribute or have contributed to the growth and development of the Group so as to provide incentives or rewards for their contribution to the success of the Group’s operation. As at 30 June 2018, no share option has been granted by the Company under the Share Option Scheme.

Summary of the terms of the Share Option Scheme is as follows:

(a) Purposes

The purposes of the Share Option Scheme are to enable the Group to grant options to the eligible participants to (i) motivate them to optimise their performance efficiently for the benefit of the Group; and (ii) attract and retain or maintain on-going business relationship with the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Eligible Participants

Any employees (whether full time or part time), directors (including executive, non-executive and independent non-executive directors), advisers, consultants, suppliers, customers, distributors of the Group and such other persons (the “**Eligible Participants**”) who, in the sole opinion of the Board, will contribute or have contributed to the growth and development of the Group.

(c) Maximum number of Shares available for issue

The maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the total number of Shares in issue from time to time. The total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the total number of Shares in issue as at the date of listing of the Shares, being 36,000,000 Shares, unless the Company obtains the approval of the shareholders in a general meeting for refreshment.

購股權計劃

根據於二零一五年十月六日採納之購股權計劃（「**購股權計劃**」），本公司可向董事會全權酌情認為將或已為本集團增長及發展作出貢獻之任何董事、僱員、顧問、諮詢師、供應商、客戶、分銷商及其他人士授出購股權，以就彼等為本集團之營運成果所作貢獻提供獎勵或回報。於二零一八年六月三十日，本公司並無根據購股權計劃授出任何購股權。

購股權計劃條款之概要如下：

(a) 目的

購股權計劃旨在令本集團能夠向合資格參與人授出購股權，以(i)激勵彼等為本集團之利益盡展所長；及(ii)吸引及挽留與現時或將會為本集團長遠增長帶來貢獻之合資格參與人或維持與彼等之持續商業關係。

(b) 合資格參與人

董事會全權認為將或已對本集團之增長及發展作出貢獻之本集團任何僱員（不論全職或兼職）、董事（包括執行、非執行及獨立非執行董事）、顧問、諮詢師、供應商、客戶、分銷商及其他人士（「**合資格參與人**」）。

(c) 可供發行之最高股份數目

於根據購股權計劃及本公司任何其他購股權計劃已授出而有待行使之全部尚未行使購股權獲行使時可配發及發行之最高股份數目，合共不得超過不時已發行股份總數之30%。根據購股權計劃及本公司任何其他購股權計劃可能授出之購股權所涉及之股份總數，不得超過於股份上市日期已發行股份總數之10%（即36,000,000股股份），除非本公司已於股東大會上獲股東批准更新。

(d) Maximum entitlement of each Eligible Participant

The total number of Shares issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:

- (i) each Eligible Participant must not exceed 1.0% of the total number of Shares in issue; and
- (ii) a substantial shareholder of the Company or an independent non-executive director must not exceed 0.1% of the total number of Shares in issue and not exceed HK\$5.0 million in aggregate value.

(e) Period within which the Shares must be taken up under an option

An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.

(f) Minimum period, if any, for which an option must be held

No minimum period for which the option has to be held before it can be exercised is specified in the Share Option Scheme.

(g) Period open for acceptance of an option and amount payable upon acceptance

An offer of grant of an option may be accepted by an Eligible Participant within 21 days from the date of the offer of grant of the option. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an option.

(h) Basis of determining the subscription price of an option

The exercise price must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of a Share.

(d) 各合資格參與人之最高配額

於任何12個月期間內在所授出購股權（不論已行使或尚未行使）獲行使時已發行及將發行之股份總數：

- (i) 就每名合資格參與人而言，不得超過已發行股份總數之1.0%；及
- (ii) 就本公司主要股東或獨立非執行董事而言，不得超過已發行股份總數之0.1%及總值不超過5.0百萬港元。

(e) 股份須根據購股權認購之期限

購股權必須於由授出日期起計10年或董事會於授出時可能訂明之較短期間內行使。

(f) 購股權必須持有之最短期間（如有）

購股權計劃並無訂明購股權於可行使前須持有之最短期間。

(g) 購股權可供接納之期間及於接納時應付之款項

授出購股權之要約可由合資格參與人於自授出購股權要約日期起21日內接納。於接納授出購股權要約時應付之代價為1.00港元。

(h) 釐定購股權認購價之基準

行使價必須至少為以下各項之最高者：(i) 股份於授出日期在聯交所每日報價表所報之收市價；(ii) 股份於緊接授出日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii) 一股股份之面值。

OTHER INFORMATION 其他資料

(i) Validity of the Share Option Scheme

The Share Option Scheme has a life of 10 years and will expire on 5 October 2025 unless otherwise terminated in accordance with the terms of the Share Option Scheme.

ARRANGEMENT TO PURCHASES SHARES OR DEBENTURES

At no time during the six months ended 30 June 2018 and up to the date of this interim report was the Company or any of its subsidiaries or a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float as required under the Listing Rules throughout the Reporting Period.

EVENT AFTER THE REPORTING PERIOD

Following the Company's announcement regarding the results of the Rights Issue on 23 July 2018, dealings in the rights shares, in the fully-paid form, commenced on the Stock Exchange at 9:00 a.m. on 25 July 2018.

Details of the Rights Issue are set out in the Company's announcements dated 25 April 2018, 26 April 2018, 16 May 2018, 24 May 2018, 25 May 2018, 14 June 2018, 15 June 2018 and 23 July 2018, circular dated 25 May 2018 and Rights Issue documents dated 28 June 2018.

(i) 購股權計劃之有效期

購股權計劃之有效期為十年，並將於二零二五年十月五日屆滿，惟根據購股權計劃之條款另行終止則作別論。

購買股份或債權證之安排

於截至二零一八年六月三十日止六個月任何時間及截至本中期報告日期止，本公司或其任何附屬公司或其中一方概無訂立任何安排，以令董事可藉收購本公司或任何其他法人團體之股份或債權證而獲得利益。

公眾持股量充足程度

本公司於報告期間一直維持上市規則規定之足夠公眾持股量。

報告期間後事項

於本公司在二零一八年七月二十三日就供股結果刊發公告後，供股股份（以繳足股款形式）於二零一八年七月二十五日上午九時正開始於聯交所買賣。

供股之詳情載於本公司日期為二零一八年四月二十五日、二零一八年四月二十六日、二零一八年五月十六日、二零一八年五月二十四日、二零一八年五月二十五日、二零一八年六月十四日、二零一八年六月十五日及二零一八年七月二十三日之公告，日期為二零一八年五月二十五日之通函及日期為二零一八年六月二十八日之供股文件。

COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and responsibility. The Board comprises two executive Directors, two non-executive Directors and three independent non-executive Directors. The Board has adopted the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. During the Reporting Period, the Company has complied with the code provisions under the CG Code, save and except for the deviation to code provision A.2.1 below.

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The chairlady and chief executive officer of the Company are held by Ms. Hou Wei who has extensive experience in the industry. The Board believes that Ms. Hou can provide the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board also considers that the current structure of vesting the roles of chairlady and chief executive officer in the same person will not impair the balance of power and authority between the Board and the management of the Company. The Board shall review this structure from time to time to ensure appropriate and timely action to meet changing circumstances.

遵守企業管治常規

本公司一直致力保持高水平企業管治，以保障本公司股東權益及提升企業價值及責任。董事會由兩名執行董事、兩名非執行董事及三名獨立非執行董事組成。董事會已採納上市規則附錄十四所載之企業管治守則（「企業管治守則」）之守則條文。於報告期間，本公司已遵守企業管治守則項下之守則條文，惟下文所載守則條文第A.2.1條有所偏離者除外。

企業管治守則之守則條文第A.2.1條規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。本公司主席兼行政總裁為侯薇女士，彼擁有豐富業內經驗。董事會相信，侯女士可為本公司提供強大且貫徹之領導，並於規劃及實施業務決策及策略時能更有效率及效益。董事會亦認為，目前由一人同時兼任主席及行政總裁之架構無損本公司董事會與管理層之間的權力及授權平衡。董事會將不時檢討該架構，以確保及時採取適當行動應對情況轉變。

OTHER INFORMATION 其他資料

COMPLIANCE WITH MODEL CODE

The Directors have adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct for Directors in dealing in the Company's securities. Specific enquiries have been made to all Directors and all Directors have confirmed that they had fully complied with the required standard of dealings as set out in the Model Code throughout the Reporting Period. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with written guidelines or no less exacting terms than the Model Code during the Reporting Period.

REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements and the interim report of the Group for the Reporting Period and recommended its adoption by the Board.

On behalf of the Board

Hou Wei
Chairlady

Hong Kong, 30 August 2018

遵守標準守則

董事已採納上市規則附錄十所載標準守則，作為董事買賣本公司證券之操守守則。經向全體董事進行具體查詢後，全體董事已確認彼等於報告期間已全面遵守標準守則所載之規定交易準則。可能擁有本集團未公開內幕消息之有關僱員亦須於報告期間遵守書面指引，其條款不遜於標準守則。

審閱中期業績

本公司審核委員會已審閱本集團於報告期間之未經審核簡明綜合財務報表及中期報告，並推薦董事會採納。

代表董事會

主席
侯薇

香港，二零一八年八月三十日



JIYI HOUSEHOLD INTERNATIONAL HOLDINGS LIMITED
集一家居國際控股有限公司

