

SANO 三和<sup>®</sup>

# 2020 中期報告 INTERIM REPORT

股份代號 Stock Code: 301



三和精化集團有限公司  
SANVO Fine Chemicals Group Limited

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

# SANVO FINE CHEMICALS

**HOUSING PRODUCTS**



**CAR CARE PRODUCTS**



## CONTENTS

## 目錄

CORPORATE INFORMATION	公司資料	2
FINANCIAL HIGHLIGHTS	財務概要	4
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	5
ADDITIONAL INFORMATION	附加資料	12
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	簡明綜合損益及其它全面收益表	23
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	簡明綜合財務狀況表	24
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	簡明綜合權益變動表	25
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	簡明綜合現金流量表	26
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	簡明綜合財務報表附註	27

## CORPORATE INFORMATION

### EXECUTIVE DIRECTORS

Mr. Chen Bingqiang (*Chairman*)  
Mr. Chen Bingyao  
Mr. Ng Cheuk Lun

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Ir. Daniel Lai  
Mr. Xu Kai  
Mr. Yeung Chun Yue David

### AUDIT COMMITTEE

Mr. Yeung Chun Yue David (*Chairman*)  
Ir. Daniel Lai  
Mr. Xu Kai

### REMUNERATION COMMITTEE

Ir. Daniel Lai (*Chairman*)  
Mr. Xu Kai  
Mr. Yeung Chun Yue David  
Mr. Chen Bingqiang

### NOMINATION COMMITTEE

Mr. Xu Kai (*Chairman*)  
Ir. Daniel Lai  
Mr. Yeung Chun Yue David  
Mr. Chen Bingyao

### COMPANY SECRETARY

Mr. Ng Cheuk Lun

### AUTHORISED REPRESENTATIVES

Mr. Chen Bingqiang  
Mr. Ng Cheuk Lun

### REGISTERED OFFICE

PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Dacen Industrial Park  
Huangpu Town  
Zhongshan  
Guangdong Province  
The PRC

## 公司資料

### 執行董事

陳炳強先生(*主席*)  
陳炳耀先生  
吳卓倫先生

### 獨立非執行董事

賴錫璋工程師  
許凱先生  
楊振宇先生

### 審計委員會

楊振宇先生(*主席*)  
賴錫璋工程師  
許凱先生

### 薪酬委員會

賴錫璋工程師(*主席*)  
許凱先生  
楊振宇先生  
陳炳強先生

### 提名委員會

許凱先生(*主席*)  
賴錫璋工程師  
楊振宇先生  
陳炳耀先生

### 公司秘書

吳卓倫先生

### 授權代表

陳炳強先生  
吳卓倫先生

### 註冊辦事處

PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### 中國總部及主要營業地點

中國  
廣東省  
中山市  
黃圃鎮  
大岑工業區

## CORPORATE INFORMATION

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F., 349 Hennessy Road  
Wanchai  
Hong Kong

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited  
PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR

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

### INDEPENDENT AUDITOR

Moore Stephens CPA Limited  
801-806 Silvercord, Tower 1  
30 Canton Road, Tsimshatsui  
Kowloon, Hong Kong

### COMPLIANCE ADVISER

VBG Capital Limited  
18th Floor, Prosperity Tower  
39 Queen's Road Central  
Central, Hong Kong

### HONG KONG LEGAL ADVISER

King & Wood Mallesons  
13/F, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Central, Hong Kong

### LISTING INFORMATION

The Company's ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 301)

### COMPANY'S WEBSITE

[www.sanvo.com](http://www.sanvo.com)

## 公司資料

### 香港主要營業地點

香港  
灣仔  
軒尼詩道349號5樓

### 開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited  
PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman  
KY1-1108  
Cayman Islands

### 香港股份過戶登記分處

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

### 獨立審計師

大華馬施雲會計師事務所有限公司  
香港九龍  
尖沙咀廣東道30號  
新港中心第一座801-806室

### 合規顧問

建泉融資有限公司  
香港中環  
皇后大道中39號  
豐盛創建大廈18樓

### 香港法律顧問

金杜律師事務所  
香港中環  
皇后大道中15號  
置地廣場  
告羅士打大廈13樓

### 上市資料

本公司普通股於香港聯合交易所有限公司主板上市(股份代號: 301)

### 公司網頁

[www.sanvo.com](http://www.sanvo.com)

## FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2020, the Group's operating results were as follows:

- Total revenue decreased by approximately 8.0% to approximately RMB341.8 million (six months ended 30 June 2019: approximately RMB371.4 million).
- Gross profit decreased by approximately 9.9% to approximately RMB101.9 million (six months ended 30 June 2019: approximately RMB113.1 million).
- Gross profit margin decreased by approximately 0.7% to approximately 29.8% (six months ended 30 June 2019: approximately 30.5%).
- Profit for the period attributable to owners of the Company decreased by approximately 10.4% to approximately RMB14.9 million (six months ended 30 June 2019: approximately RMB16.7 million).
- The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: nil).

## 財務概要

截至二零二零年六月三十日止六個月，本集團之經營業績如下：

- 收益總額減少約8.0%至約人民幣341,800,000元(截至二零一九年六月三十日止六個月：約人民幣371,400,000元)。
- 毛利減少約9.9%至約人民幣101,900,000元(截至二零一九年六月三十日止六個月：約人民幣113,100,000元)。
- 毛利率減少約0.7%至約29.8%(截至二零一九年六月三十日止六個月：約30.5%)。
- 本公司擁有人應佔期內溢利減少約10.4%至約人民幣14,900,000元(截至二零一九年六月三十日止六個月：約人民幣16,700,000元)。
- 董事會並不建議就截至二零二零年六月三十日止六個月派付中期股息(截至二零一九年六月三十日止六個月：無)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

SANVO Fine Chemicals Group Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) is a well established fine chemical products manufacturer based in the People’s Republic of China (the “**PRC**”). The Group focuses principally on the manufacture, research and development, and sale of a diversified portfolio of fine industrial chemical products, which can serve a range of purposes, including as hardware and building materials and towards automotive maintenance. The Group’s products can be broadly categorised into the following segments: (i) aerosols, (ii) organic silicone adhesives, (iii) synthetic adhesives, and (iv) other miscellaneous products such as architectural coatings, oil products, wood paints and others.

The Group has two principal lines of business operations, namely the manufacture and sale of fine industrial chemical products: (i) under the brands of “SANVO三和” and “FullTeam芙田”, and (ii) on an original equipment manufacturing (“**OEM**”) basis whereby products are manufactured in accordance with the customer’s design and specification and are marketed under the customer’s brand name.

The Group recorded revenue of approximately RMB341.8 million for the six months ended 30 June 2020 (six months ended 30 June 2019: approximately RMB371.4 million), representing a decrease of approximately 8.0% as compared to the same period in 2019.

The gross profit of the Group for the six months ended 30 June 2020 was approximately RMB101.9 million (six months ended 30 June 2019: approximately RMB113.1 million) and recorded a decrease of approximately 9.9% as compared to the same period in 2019.

The profit and total comprehensive income for the six months ended 30 June 2020 attributable to owners of the Company were approximately RMB14.9 million and RMB14.7 million, respectively (six months ended 30 June 2019: approximately RMB16.7 million and RMB16.6 million respectively), representing a decrease of approximately 10.4% and 11.0% as compared to the same period in 2019, respectively.

The basic earnings per share of the Company for the six months ended 30 June 2020 was approximately RMB3.6 cents (six months ended 30 June 2019: approximately RMB4.9 cents).

## 管理層討論及分析

### 業務回顧

三和精化集團有限公司(「**本公司**」)及其附屬公司(統稱為「**本集團**」)為駐中華人民共和國(「**中國**」)發展成熟之精細化工產品製造商。本集團主要集中製造、研發及銷售多元化精細化工產品組合，可廣泛用作不同用途，包括五金建材及汽車修護。本集團之產品大致可分為以下分部：(i) 氣霧劑、(ii) 有機矽膠粘劑、(iii) 合成膠粘劑及(iv) 其它雜項產品，例如建築塗料、油品、木器漆及其它。

本集團有兩條主要業務營運線，即(i) 以品牌「SANVO三和」及「FullTeam芙田」；及(ii) 按原設備製造形式根據客戶之設計及規格製造及銷售精細化工產品(「**OEM**」)，並以客戶品牌名稱進行營銷。

本集團於截至二零二零年六月三十日止六個月錄得收益約人民幣341,800,000元(截至二零一九年六月三十日止六個月：約人民幣371,400,000元)，較二零一九年同期減少約8.0%。

本集團於截至二零二零年六月三十日止六個月的毛利約為人民幣101,900,000元(截至二零一九年六月三十日止六個月：約人民幣113,100,000元)，較二零一九年同期錄得減少約9.9%。

本公司擁有人應佔溢利及全面收益總額於截至二零二零年六月三十日止六個月分別約為人民幣14,900,000元及約人民幣14,700,000元(截至二零一九年六月三十日止六個月：分別約人民幣16,700,000元及約人民幣16,600,000元)，較二零一九年同期分別減少約10.4%及11.0%。

本公司於截至二零二零年六月三十日止六個月之每股基本盈利約為人民幣3.6分(截至二零一九年六月三十日止六個月：約人民幣4.9分)。

# MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2020, the Group had 925 employees (31 December 2019: 881), including the executive directors of the Company. The Group's total employee benefit expenses (including remuneration of the Company's director ("Directors") and salaries in research and development expenses) were approximately RMB36.7 million for the six months ended 30 June 2020 (six months ended 30 June 2019: approximately RMB35.9 million). Employee benefit expenses comprised of (i) salaries, allowances and benefits in kind, (ii) discretionary bonus, and (iii) retirement benefit scheme contributions.

The recent outbreak of COVID-19 has a significant impact on global and regional economy (i.e. currency fluctuation, temporary suspension of operation and logistic arrangements and etc.). As a result, the Group's performance for both domestic and OEM markets have been negatively affected in particular in the first half of 2020 as compared to the same period in 2019, as a whole. The management expects that inventories will need to be replenished and economic activities are expected to pick up quickly following the outbreak in the second half of 2020.

The Group will continue focus on the development of (i) the domestic sales network and overseas OEM customers and (ii) the production site located at Shazi Industrial Park, Minzhong Town, Zhongshan City, Guangdong, the PRC (the "MV Production Site") in order to increase its production capacity for aerosols related products.

## FINANCIAL REVIEW

### Revenue

The total revenue of the Group amounted to approximately RMB341.8 million for the six months ended 30 June 2020, representing a decrease of approximately 8.0% from approximately RMB371.4 million for the six months ended 30 June 2019. The decrease of revenue was mainly due to the recent outbreak of COVID-19 which has a significant impact on economy for both domestic and overseas market (i.e. OEM) in the first half of 2020. Since most of the business activities in the PRC has been progressively resumed from the second quarter of 2020, the Group expects that the sales order level will be recovered in the second half of 2020 as compare to the second half of 2019.

### Gross profit and gross profit margin

Gross profit of the Group amounted to approximately RMB101.9 million for the six months ended 30 June 2020, representing a decrease of approximately 9.9% from approximately RMB113.1 million for the six months ended 30 June 2019.

The gross profit margin of the Group decreased from approximately 30.5% for six months ended 30 June 2019 to approximately 29.8% for the six months ended 30 June 2020. The gross profit margin level for current period was approximately the same compared to the same period in last year.

## 管理層討論及分析

於二零二零年六月三十日，本集團擁有925名僱員(二零一九年十二月三十一日：881名)，包括本公司執行董事。截至二零二零年六月三十日止六個月，本集團之僱員福利開支總額(包括本公司董事(「董事」)酬金及研發開支中之薪金)約為人民幣36,700,000元(截至二零一九年六月三十日止六個月：約人民幣35,900,000元)。僱員福利開支包括(i)薪金、津貼及實物福利，(ii)酌情花紅，及(iii)退休福利計劃供款。

近期COVID-19新型冠狀病毒疫情爆發，對全球及地區經濟造成重大影響(如貨幣波動、業務暫停和物流安排等)。因此，本集團於國內及OEM市場之表現整體上較二零一九年同期受負面影響(尤其於二零二零年上半年)。管理層預期將需要補充存貨，而於二零二零年下半年疫情過後，經濟活動有望迅速回升。

本集團將繼續專注發展(i)國內銷售網絡及海外OEM客戶以及(ii)位於中國廣東省中山市民眾鎮沙仔工業區之生產基地(「MV生產基地」)，以增加本集團氣霧劑相關產品的產能。

## 財務回顧

### 收益

本集團於截至二零二零年六月三十日止六個月的收益總額約為人民幣341,800,000元，較截至二零一九年六月三十日止六個月的約人民幣371,400,000元減少約8.0%。收益減少主要由於近期COVID-19新型冠狀病毒疫情爆發，於二零二零年上半年對國內及海外市場(即OEM)經濟造成重大影響。由於大部分在中國的業務活動於二零二零年第二季起逐步恢復，本集團預期二零二零年下半年的銷售訂單將恢復至二零一九年下半年水平。

### 毛利及毛利率

本集團於截至二零二零年六月三十日止六個月的毛利約為人民幣101,900,000元，較截至二零一九年六月三十日止六個月約人民幣113,100,000元減少約9.9%。

本集團的毛利率由截至二零一九年六月三十日止六個月的約30.5%減少至截至二零二零年六月三十日止六個月的約29.8%。本期毛利率水平與去年同期大致持平。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### **Other income and gains**

Other income and gains of the Group increased from RMB495,000 for the six months ended 30 June 2019 to RMB2,468,000 for the six months ended 30 June 2020. The increase was mainly attributable to the increase in interest income derived from IPO proceeds and the government unconditional subsidies.

### **Selling and distribution expenses**

Selling and distribution expenses of the Group decreased from RMB48,843,000 for the six months ended 30 June 2019 to RMB42,919,000 for the six months ended 30 June 2020. The decrease was due to less marketing activities engaged by the Group included advertising and promotion activities as a result of COVID-19.

### **Administrative expenses**

Administrative expenses of the Group increased from RMB37,628,000 for the six months ended 30 June 2019 to RMB39,965,000 for the six months ended 30 June 2020. The increase was mainly due to the increase in (i) staff salaries and allowances and (ii) corporate governance and compliance related expenses. The Group has continued to deploy resources to various compliance requirements for corporate governance.

### **Listing expenses**

The Group incurred listing expenses of RMB6,583,000 for the six months ended 30 June 2019 (six months ended 30 June 2020: Nil). These listing expenses were recognised according to the stage of the professional parties completed during the six months ended 30 June 2019.

### **Finance costs**

Finance costs of the Group increased from RMB2,308,000 for the six months ended 30 June 2019 to RMB3,708,000 for the six months ended 30 June 2020. The increase in finance costs was in line with the increase in interest bearing bank borrowings.

### **其它收入及收益**

本集團其它收入及收益由截至二零一九年六月三十日止六個月的人民幣495,000元增加至截至二零二零年六月三十日止六個月的人民幣2,468,000元。增加主要由於首次公開發售所得款項產生之利息收入及政府無條件補助增加。

### **銷售及經銷開支**

本集團銷售及經銷開支由截至二零一九年六月三十日止六個月的人民幣48,843,000元減少至截至二零二零年六月三十日止六個月的人民幣42,919,000元。此減少是由於COVID-19新型冠狀病毒疫情下本集團減少營銷活動(包括廣告及推廣活動)引致。

### **行政開支**

本集團行政開支由截至二零一九年六月三十日止六個月的人民幣37,628,000元增加至截至二零二零年六月三十日止六個月的人民幣39,965,000元。增加主要由於(i)員工薪金及津貼增加及(ii)企業管治和合規相關費用增加。本集團已持續調配資源以符合各項有關企業管治的合規要求。

### **上市開支**

截至二零一九年六月三十日止六個月，本集團產生上市開支人民幣6,583,000元(截至二零二零年六月三十日止六個月：無)。該等上市開支乃按照專業團隊工作完成進度分階段於截至二零一九年六月三十日止六個月確認入賬。

### **融資成本**

本集團融資成本由截至二零一九年六月三十日止六個月的人民幣2,308,000元增加至截至二零二零年六月三十日止六個月的人民幣3,708,000元。融資成本增加與計息銀行借款增加一致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## *Income tax expense*

Income tax expense of the Group increased from RMB1,576,000 for the six months ended 30 June 2019 to RMB2,815,000 for the six months ended 30 June 2020. The increase was mainly due to less tax deductible expenses incurred.

## *Profit for the period*

The Group's profit for the six months ended 30 June 2020 was approximately RMB14.9 million, representing a decrease of approximately 10.4% as compared to the profit for six months ended 30 June 2019 of approximately RMB16.7 million.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

### *Capital structure*

The shares of the Company (the "Shares") were successfully listed (the "Listing") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 January 2020 (the "Listing Date") and there has been no change in capital structure of the Group since then.

### *Liquidity and financial resource*

The Group recorded net current assets of approximately RMB16.6 million as of 30 June 2020 (31 December 2019: net current liabilities of approximately RMB74.3 million). The decrease in net current liabilities was primarily due to increase in cash position subsequent to the Listing.

The current ratio, calculated by dividing the current assets by current liabilities, was 1.06 as at 30 June 2020 (31 December 2019: 0.72). The gearing ratio, calculated by dividing total interest-bearing bank borrowings by equity of the Group, was 0.84 as at 30 June 2020 (31 December 2019: 1.48). The increase in current ratio and decrease in gearing ratio of approximately 48% and 44%, respectively, was mainly attributable to the (i) increase in cash position subsequent to the Listing and (ii) increase in total equity as a result of profit for the period of approximately RMB14.9 million recorded for the six months ended 30 June 2020.

# 管理層討論及分析

## *所得稅開支*

本集團所得稅開支由截至二零一九年六月三十日止六個月的人民幣1,576,000元增加至截至二零二零年六月三十日止六個月的人民幣2,815,000元。增加主要由於可抵扣稅項費用減少而引致。

## *期內溢利*

本集團於截至二零二零年六月三十日止六個月的溢利約為人民幣14,900,000元，較截至二零一九年六月三十日止六個月的溢利約人民幣16,700,000元減少約10.4%。

## 流動資金、財務資源及資本結構

### *資本結構*

本公司股份(「股份」)已於二零二零年一月十六日(「上市日期」)成功在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)，此後本集團的資本結構並無任何變動。

### *流動資金及財務資源*

於二零二零年六月三十日，本集團錄得流動資產淨值約人民幣16,600,000元(二零一九年十二月三十一日：流動負債淨值約人民幣74,300,000元)。流動負債淨值的減少，主要由於上市後現金流量增加。

於二零二零年六月三十日按流動資產除以流動負債計算的流動比率為1.06(二零一九年十二月三十一日：0.72)。於二零二零年六月三十日之資產負債比率(按計息銀行借款總額除以本集團權益計算)為0.84(二零一九年十二月三十一日：1.48)。流動比率及資產負債比率分別增加約48%及減少約44%，主要由於(i)上市後現金流量增加及(ii)截至二零二零年六月三十日止六個月錄得期內溢利約人民幣14,900,000元導致權益總額增加。

# MANAGEMENT DISCUSSION AND ANALYSIS

## TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy. The board of the Directors (the “**Board**”) closely monitors the Group’s liquidity position to ensure that the liquidity structure of the Group’s assets, liabilities, and other commitments can meet its funding requirements all the time.

## PRINCIPAL RISKS AND UNCERTAINTIES

### *Price of raw materials*

Our production process requires reliable and stable sources of large quantities of raw materials from third parties. We generally maintain a certain level of inventory of our raw materials for future production or to meet future demand according to our production plan and we do not have hedging arrangements against fluctuations in raw material prices and therefore we bear the risks associated with raw material cost fluctuations. The pricing of our raw materials is also sensitive to supply disruptions, general economic conditions, and many other factors that are beyond our control. We expect the prices of some of our key raw materials may increase in the future. If we are unable to reflect increases in the price of raw materials efficiently or adequately in the selling prices of our products, our cost base may increase, which may lead to a reduction in our gross profit margin, and the operating results for our products may be materially and adversely affected.

### *Market risks*

The market in which we operate is highly competitive and fragmented. Competitive factors include product quality, price, design and development capability, timely delivery, valuable service, scale and capacity, and efficiency. We face competition from existing and new players in the fine industrial chemicals industry worldwide, including numerous manufacturers in the PRC and elsewhere which offer similar fine industrial chemical products at lower prices than we do, as well as other enterprises which offer an increasing number of related products which could be used as substitutes for our products.

# 管理層討論及分析

## 財資政策

本集團對其財資政策已採取審慎的財務管理方法。董事會（「**董事會**」）密切監控本集團之流動資金狀況，以確保本集團資產、負債的流動資金結構及其它承諾始終滿足其資金需求。

## 主要風險及不確定性

### *原材料價格*

我們之生產工序需要來自第三方的可靠穩定大量原料來源。我們一般會根據我們之生產計劃維持若干水平原料存貨以供未來生產或滿足未來需求，且我們並無對原料價格波動進行對沖安排，因此，我們承擔與原料成本波動相關之風險。我們之原料定價亦對供應中斷、整體經濟狀況及我們無法控制之多項其它因素敏感。我們預計未來若干主要原材料價格可能會上漲。倘我們無法有效或充分於我們之產品售價反映原料價格上漲，我們之成本基數或會增加，而我們之毛利率可能會因而下降，及我們產品之經營業績可能會受到重大不利影響。

### *市場風險*

我們經營所在之市場競爭激烈且分散。競爭因素包括產品質量、價格、設計及開發能力、及時交付、有價值之服務、規模及能力以及效率。我們面臨來自全球精細化工行業現有及新參與者之競爭，包括中國及其它地區之眾多製造商，彼等以低於我們之價格提供類似之精細化工產品，以及其它企業（其產品可替代我們之產品）之產量日益增加。

## MANAGEMENT DISCUSSION AND ANALYSIS

We expect competition in our industry to intensify in the future. There can be no assurance that we can stay competitive due to improvements by our competitors or other factors. To compete effectively, we may be forced, among other actions, to reduce prices, provide more sales incentives to customers and increase capital expenditures in our labour force, plant, property and equipment. Any intensification of the competition or failure by us to compete successfully with our competitors could have an adverse impact on the demand for, and pricing of, our products, and as a result, could result in a reduction of our market share and have an adverse effect on our business, financial condition, results of operations and prospects.

### **Compliance risks**

Under relevant PRC laws and regulations, we are required to hold various licences and permits in order to conduct our business. We are also required to comply with applicable regulations and standards in relation to our production and the quality of our products. These registrations, licenses, permits and certificates may only be valid for a limited period of time and may be subject to periodic reviews and renewal by the relevant authorities. Failure to comply with these laws and regulations, or the loss of or failure to renew our licences and permits or any change in the government policies, could lead to temporary or permanent suspension of some of our business operations or the imposition of penalties on us, which could adversely affect our results of operations and financial condition.

### **Interest rate risk**

The Group's fair value interest rate risk relates primarily to its fixed rate bank deposits and borrowings. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk.

### **Credit risk**

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations at the end of each reporting period in relation to each class of recognised financial assets is the carrying amount of those financial assets stated in the Group's condensed consolidated statement of financial position.

The Group's credit risk is primarily attributable to its trade, bills and other receivables. In order to minimise the credit risk, the Group's management continuously monitors the level of exposure to ensure that follow-up action is taken to recover overdue debts. In this regard, the Directors consider that the impact to the Group's credit risk is insignificant.

## 管理層討論及分析

我們預期行業競爭於未來將會加劇。由於競爭對手之改進或其它因素，無法保證我們能維持競爭力。為保持有效競爭，除其它行動外，我們可能會被迫降價，為客戶提供更多之銷售激勵措施，並增加我們之勞動力、工廠、財產及設備的資本開支。任何激烈競爭或我們未能與競爭對手成功競爭均可能對我們產品之需求及定價產生不利影響，因此可能減少我們之市場佔有率，並對我們之業務、財務狀況、經營業績及前景造成不利影響。

### **合規風險**

根據相關中國法律及法規，我們須持有多項執照及許可以進行我們之業務。我們亦須遵守有關我們生產及產品質量之適用法規及標準。該等登記證、執照、許可及證書可能僅於一段有限期間內有效，並可能須由相關機關作定期檢驗及重續。無法遵守此等法律及法規，或遺失或無法重續我們之執照及許可，或政府政策之任何更改均可能導致我們之部分業務營運暫時或永久地中斷或我們遭處罰，因而可能對我們之經營業績及財務狀況造成不利影響。

### **利率風險**

本集團的公平值利率風險主要與其定息銀行存款及借款有關。本集團現時並無利用任何衍生工具合約對沖其所面臨的利率風險。

### **信貸風險**

倘交易對手未能在各報告期末就各類已確認金融資產履行其責任，本集團所面對的最高信貸風險為該等金融資產於本集團簡明綜合財務狀況表列示的賬面值。

本集團的信貸風險主要來自其貿易、票據及其它應收款項。為盡量降低信貸風險，本集團管理層持續監控風險水平，確保採取後續措施收回逾期債務。就此而言，董事認為本集團的信貸風險較低。

# MANAGEMENT DISCUSSION AND ANALYSIS

## Liquidity risk

The Group's management monitors the Group's cash flow positions on a regular basis to ensure the cash flows of the Group are closely controlled. The Group aims to maintain flexibility in funding by keeping committed credit lines available and issue of new ordinary shares.

## BANK BORROWINGS AND PLEDGE OF ASSETS

As at 30 June 2020, the Group had interest-bearing bank borrowings of RMB147,916,000 (31 December 2019: RMB124,810,000). The interest rate of the relevant banking borrowings was charged in the range of 3.08% to 6.47% per annum for the six months ended 30 June 2020 (six months ended 30 June 2019: 5.88% to 6.47%).

As at 30 June 2020, a portion of the Group's bank deposits amounting to RMB51,877,000 (31 December 2019: RMB23,000,000) were pledged as collaterals for, amongst others, issues of bills payable for the Group's purchase of raw materials, other credit facilities and guarantee to complete construction work for the leasehold land acquired.

At the end of each reporting period, the Group's interest-bearing bank borrowings were secured by the following assets:

		As at 30 June 2020 於 二零二零年 六月三十日	As at 31 December 2019 於 二零一九年 十二月三十一日
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	—	37,967
Right-of-use assets	使用權資產	<b>87,682</b>	89,093
Inventories	存貨	—	16,406

As at 31 December 2019, the Group's interest-bearing bank borrowings were also secured by the properties of Mr. Chen Bingqiang ("Mr. Ernest Chen") and Mr. Chen Bingyao ("Mr. Leo Chen"). At the end of March 2020, the interest-bearing bank borrowings secured by properties of Mr. Ernest Chen and Mr. Leo Chen were fully released.

# 管理層討論及分析

## 流動資金風險

本集團管理層定期監控本集團的現金流量狀況，以確保本集團的現金流量受到嚴格控制。本集團的目標為透過保持可動用的承諾信貸融資及發行新普通股維持資金的靈活性。

## 銀行借款及資產抵押

於二零二零年六月三十日，本集團的計息銀行借款為人民幣147,916,000元(二零一九年十二月三十一日：人民幣124,810,000元)。截至二零二零年六月三十日止六個月，相關銀行借款利息利率分別按年利率3.08%至6.47%計息(截至二零一九年六月三十日止六個月：5.88%至6.47%)。

於二零二零年六月三十日，本集團的部分銀行存款為人民幣51,877,000元(二零一九年十二月三十一日：人民幣23,000,000元)，已獲抵押為(其中包括)本集團發行應付票據以購買原材料、其它信貸服務及擔保完成收購的租賃土地建築工程。

於各報告期末，本集團之計息銀行借款由下列資產作為抵押：

		As at 30 June 2020 於 二零二零年 六月三十日	As at 31 December 2019 於 二零一九年 十二月三十一日
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	—	37,967
Right-of-use assets	使用權資產	<b>87,682</b>	89,093
Inventories	存貨	—	16,406

於二零一九年十二月三十一日，本集團之計息銀行借款亦由陳炳強先生(「陳炳強先生」)及陳炳耀先生(「陳炳耀先生」)的物業作為抵押。於二零二零年三月底，由陳炳強先生及陳炳耀先生為計息銀行借款提供之物業抵押已全部解除。

## ADDITIONAL INFORMATION

### REVIEW OF INTERIM FINANCIAL STATEMENTS

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with Rule 3.21 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rule**”) and the CG Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Yeung Chun Yue David (Chairman), Ir. Daniel Lai and Mr. Xu Kai. The primary duties of the Audit Committee are, among others, to review and supervise the Group’s financial reporting process and internal controls. In each Audit Committee meeting, the Audit Committee was supplied with the necessary financial information of the Group for members to consider, review and access significant issues arising from the work conducted.

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2020 has been reviewed by the Audit Committee. The Audit Committee and the management of the Company were satisfied that the Group’s unaudited condensed consolidated interim financial statements were prepared in accordance with applicable accounting standards and fairly present the Group’s financial position and results for the period and that adequate disclosures had been made according to the applicable rules and regulations.

### INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2020 (for the six months ended 30 June 2019: nil).

### CONTINGENT LIABILITIES AND LITIGATION

The Group did not have any material contingent liabilities and litigation as at the date of this report.

## 附加資料

### 審閱中期財務報表

本公司已遵照聯交所證券上市規則(「**上市規則**」)第3.21條及上市規則附錄十四所載的企業管治守則及企業管治報告成立審計委員會(「**審計委員會**」)，並以書面形式確定職權範圍。

審計委員會由三名獨立非執行董事組成，即楊振宇先生(主席)、賴錫璋工程師及許凱先生。審計委員會主要負責(其中包括)審閱及監督本集團之財務報告程序及內部監控。於每次審計委員會會議，審計委員會向成員提供本集團必要財務資料以考慮、檢討並獲取進行工作當中產生的重大問題。

審計委員會已審閱本集團截至二零二零年六月三十日止六個月之未經審計簡明綜合中期財務報表。審計委員會及本公司管理層信納本集團的未經審計簡明綜合中期財務報表乃按適用會計準則編製，且公平呈列本集團期內的財務狀況及業績，並已根據適用規則及法規作出足夠披露。

### 中期股息

董事會並不建議就截至二零二零年六月三十日止六個月派付中期股息(截至二零一九年六月三十日止六個月：無)。

### 或然負債及訴訟

於本報告日期，本集團概無任何重大或然負債及訴訟。

## ADDITIONAL INFORMATION

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is dedicated to reducing its impacts to the environment from its factories and offices through mitigating the environmental pollutions and utilising resource efficiently. The Group strives to comply with related environmental laws and legislations, and continual improvement on its performance. For details, please refer to the Environmental, Social and Governance Report for the year ended 31 December 2019 issued by the Company dated 24 April 2020 (the “**Environmental, Social and Governance Report**”).

### KEY RELATIONSHIPS WITH ITS EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group strives to maintain a good relationship with its employees, customers and suppliers. For more details on how it creates a motivated workplace for its employees, produce quality products to satisfy its customers' expectations and, establish long-term relationships with its suppliers, please refer to the Environmental, Social and Governance Report.

### COMPLIANCE WITH LAWS AND REGULATIONS

During the six months ended 30 June 2020, the Group was not aware of any non-compliance with any relevant laws and regulations that has a significant impact on it.

### FUTURE PLANS FOR MATERIAL INVESTMENTS

The Group will continue to invest in its development projects and acquire suitable plant and machinery, as and when it thinks fit. These investments will be funded by internal resources of the Group, external equity financing and/or borrowings and net proceeds from the share offer. Save as disclosed in the prospectus of the Company dated 27 December 2019 (the “**Prospectus**”) and in this report, the Group did not have any future plans for material investments as at the date of this report.

## 附加資料

### 環境政策及表現

本集團致力於透過減少環境污染及有效利用資源，降低工廠與辦公室對環境的影響。本集團致力遵守相關環境法律及法規，並持續改善表現。有關詳情，請參閱本公司於二零二零年四月二十四日刊發截至二零一九年十二月三十一日止年度之環境、社會及管治報告（「**環境、社會及管治報告**」）。

### 與其僱員、客戶及供應商的主要關係

本集團努力與僱員、客戶及供應商維持良好關係。有關我們如何為僱員創造積極的工作場所、生產優質產品滿足客戶要求並與供應商建立長期關係的更多詳情，請參閱環境、社會及管治報告。

### 遵守法律及法規

截至二零二零年六月三十日止六個月，本集團並不知悉對其具有重大影響的未遵守任何相關法律及法規的情況。

### 未來重大投資計劃

本集團將繼續投資開發項目，並在其認為適當時收購合適的廠房及機器。該等投資將以本集團之內部資源、外部股權融資及／或借款以及股份發售所得款項淨額撥付。除本公司日期為二零一九年十二月二十七日的招股章程（「**招股章程**」）及本報告所披露者外，於本報告日期，本集團並無任何有關重大投資的未來計劃。

## ADDITIONAL INFORMATION

### USE OF PROCEEDS

On the Listing Date, 90,000,000 ordinary shares with a par value of HK\$0.01 each of the Company were issued at a price of HK\$1.30 per share by way of share offer (the “Share Offer”). The net proceeds received by the Group from the Share Offer after deducting the related underwriting commissions and other listing expenses, were approximately HK\$75.2 million (the “IPO Proceeds”). The IPO Proceeds are intended to be utilised in accordance with the proposed application as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus. As at the date of this report, the utilisation of the IPO Proceeds is as follows:

		Allocation as disclosed in the Prospectus	Amount utilised during the six months ended 30 June 2020 於截至二零二零年六月三十日止六個月之已動用的金額	Remaining balance as at 30 June 2020 於二零二零年六月三十日之餘額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Investment in new manufacturing facility at the MV Production Site	於MV生產基地之新生產廠房之投資	60,200	1,076	59,124
Sales and marketing activities to enhance brand recognition in the PRC and overseas	提升本集團於中國及海外之品牌聲譽之銷售及市場推廣活動	7,500	480	7,020
Working capital and other general corporate purpose	營運資金及其它一般企業用途	7,500	3,595	3,905
<b>Total</b>	<b>總額</b>	<b>75,200</b>	<b>5,151</b>	<b>70,049</b>

As at the date of this report, the unutilised proceeds were placed in interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong and the PRC. The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market condition to ascertain the business growth of the Group. From the Listing Date up to the date of this report, the Board considered that no modification of the use of proceeds described in the Prospectus was required.

## 附加資料

### 所得款項用途

於上市日期，90,000,000股本公司每股面值0.01港元的普通股透過股份發售方式按每股1.30港元的價格發行（「股份發售」）。經扣除相關承銷商的佣金及其它上市開支後，本集團自股份發售收取的所得款項淨額約為75,200,000港元（「首次公開發售所得款項」）。首次公開發售所得款項擬定根據招股章程「未來計劃及所得款項用途」一節所載的建議用途動用。於本報告日期，首次公開發售所得款項的使用情況如下：

於本報告日期，未動用所得款項已存入香港及中國認可金融機構或持牌銀行作為計息存款。董事將定期評估本集團的業務目標，並可能針對不斷變化的市場狀況更改或修改計劃，以確保本集團的業務增長。自上市日期至本報告日期，董事會認為無需對招股章程所述的所得款項用途進行修改。



## ADDITIONAL INFORMATION

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance practices as we believe that effective corporate governance practices are able to (i) enhance management effectiveness and efficiency; (ii) increase the transparency of the Group; and (iii) enhance risk management and internal control of the Group, and are fundamental to safeguarding the interests of its shareholders and other stakeholders, and to enhancing shareholder value.

In the opinion of the Board, throughout the six months ended 30 June 2020, the Company has complied with the code provisions (the “**Code Provisions**”) set out in the Corporate Governance Code under Appendix 14 to the Listing Rules, except for the following deviation:

Code Provision A.6.7 stipulates that independent non-executive Directors of the Company should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Xu Kai, being an independent non-executive Director, was not able to attend the annual general meeting of the Company held on 18 June 2020 (the “**AGM**”) due to arrangement and policies adopted by the HKSAR in relation to the COVID-19, that the transportation links and border checkpoints connecting Hong Kong with the PRC have been shut down. However, the Company has reported on the items discussed at the AGM and the feedback from the shareholders to Mr. Xu Kai for his attention.

Code Provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Ernest Chen is the chairman of the Board and the chief executive officer of the Company. In view of that Mr. Ernest Chen has been assuming day-to-day responsibilities in operating and managing the Group, the Board believes that with the support of Mr. Ernest Chen's extensive experience and knowledge in the business of the Group, vesting the roles of both chairman and chief executive officer of the Company in Mr. Ernest Chen strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to the Group. The Directors consider that the deviation from Code Provision A.2.1 is appropriate in such circumstances. Notwithstanding the above, the Board is of the view that this management structure is effective for the Group's operations, and sufficient checks and balances are in place. The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Company and its shareholders as a whole. The Board will continue to review and consider segregating the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

## 附加資料

### 遵守企業管治守則

本公司致力於維持高水平的企業管治常規，因我們相信有效的企業管治常規可 (i) 提高管理有效性及效率；(ii) 增加本集團的透明度；及 (iii) 加強本集團的風險管理及內部監控；及作為維護其股東及其它持份者利益以及提升股東價值的基礎。

董事會認為，於截至二零二零年六月三十日止六個月，本公司已遵守上市規則附錄十四所載之「企業管治守則」之守則條文（「**守則條文**」），下列偏離除外：

守則條文第A.6.7條規定，本公司的獨立非執行董事應出席股東大會，以對股東的意見取得及建立公正的理解。由於香港因應 COVID-19 新型冠狀病毒疫情爆發而實施的安排及政策，連接中港兩地的交通網絡及邊境檢查站被關閉，故獨立非執行董事許凱先生未能出席本公司於二零二零年六月十八日舉行的股東週年大會（「**股東週年大會**」）。然而，本公司已向許凱先生報告於股東週年大會所討論之事項及股東反饋。

守則條文第A.2.1條規定，董事會主席和行政總裁的角色應分開，並且不應由同一個人擔任。陳炳強先生為董事會主席兼本公司行政總裁。鑒於陳炳強先生一直負責經營及管理本集團之日常職責，故董事會相信，在陳炳強先生於本集團業務方面之豐富經驗及知識支持下，由陳炳強先生同時兼任本公司主席及行政總裁之角色可加強穩固連貫之領導，從而達致有效業務規劃及決策並符合本集團之最佳利益。董事認為，於有關情況下偏離守則條文第A.2.1條屬恰當。儘管有上述情況，董事會認為該管理架構對本集團營運行之有效，並有足夠檢測及制衡。董事致力達致高水平企業管治，以保障本公司及其股東之整體利益。董事會將在適當時候並適當考慮本集團整體情況後，繼續檢討並考慮將董事會主席與本公司行政總裁的角色分開。

## ADDITIONAL INFORMATION

### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the model code as set out in Appendix 10 to the Listing Rules (the "Model Code") to regulate the dealings of Directors of the Company in the Group's securities. Upon specific enquiries made by the Company, all Directors have confirmed their compliance with the Model Code during the six months ended 30 June 2020.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not redeemed any of its securities during the six months ended 30 June 2020. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's securities during the six months ended 30 June 2020.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 June 2020, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required (a) to be notified to the Company and The Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be and were entered in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules, were as follows:

## 附加資料

### 遵守進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則(「標準守則」)，以規範本公司董事買賣本集團證券的情況。經本公司作出具體查詢後，全體董事確認，彼等於截至二零二零年六月三十日止六個月內已遵守標準守則。

### 購買、出售或贖回本公司股份

截至二零二零年六月三十日止六個月，本公司未有贖回其任何證券。截至二零二零年六月三十日止六個月，本公司及其任何附屬公司均未有購買或出售本公司任何證券。

### 董事及主要行政人員於股份、相關股份及債權證中擁有的權益及淡倉

於二零二零年六月三十日，董事及本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中擁有須(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括根據證券及期貨條例之有關條文，被當作或視為擁有之權益及淡倉)；或(b)根據證券及期貨條例第352條，將記錄或已記錄於本公司存置之登記冊；或(c)根據上市規則附錄十所載之標準守則須知會本公司及聯交所之權益及淡倉如下：

Name of Director(s)/Chief executive	Capacity/nature of interest	Relevant company (including associated corporation)	Number and class of Shares (Note 1)	Approximate percentage of shareholding in the total issued share capital of the Company
董事/主要行政人員姓名	身分/權益性質	相關公司(包括相聯法團)	股份數目及類別 (附註1)	佔本公司全部已發行股本概約股權百分比
Mr. Chen Bingqiang	Interest of controlled corporation	Sanvo Fine Chemicals Limited (Note 2)	314,000,000	73.45%
陳炳強先生	於受控法團的權益	Sanvo Fine Chemicals Limited (附註2)		

## ADDITIONAL INFORMATION

### Notes:

- All the above Shares are held in long position.
- Sanvo Fine Chemicals Limited is wholly-owned by Mr. Chen Bingqiang. Mr. Chen Bingqiang is deemed to be interested in the 314,000,000 Shares held by Sanvo Fine Chemicals Limited pursuant to the SFO.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES OR UNDERLYING SHARES

As at 30 June 2020, to the best knowledge of the Directors, the following interests and short position of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Name of shareholder(s)	Capacity/nature of interest	Number and class of Shares (Note 1)	Approximate percentage of shareholding in the total issued share capital of the Company 佔本公司全部已發行股本概約股權百分比
股東姓名	身分／權益性質	股份數目及類別 (附註 1)	
Sanvo Fine Chemicals Limited Sanvo Fine Chemicals Limited	Beneficial owner 實益擁有人	314,000,000	73.45%
Ms. Liang Yinsheng (Note 2) 梁銀生女士(附註 2)	Interest of spouse 配偶權益	314,000,000	73.45%

### Notes:

- All the above Shares are held in long position.
- Ms. Liang Yinsheng, the spouse of Mr. Chen Bingqiang, is deemed to be interested in the 314,000,000 Shares held by Mr. Chen Bingqiang through his controlled corporation, Sanvo Fine Chemicals Limited.

Save as disclosed above, as at 30 June 2020, the Directors have not been notified by any persons who had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company pursuant to Division 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## 附加資料

### 附註：

- 上述所有股份均以好倉持有。
- Sanvo Fine Chemicals Limited由陳炳強先生全資擁有。根據證券及期貨條例，陳炳強先生被視為於Sanvo Fine Chemicals Limited持有之314,000,000股股份中擁有權益。

## 主要股東於股份或相關股份中擁有的權益及淡倉

於二零二零年六月三十日，就董事所深知，以下人士於本公司已發行股本中，擁有按照證券及期貨條例第336條本公司須存置之登記冊所記錄之5%或以上權益及淡倉，載列如下：

### 附註：

- 上述所有股份均以好倉持有。
- 陳炳強先生之配偶梁銀生女士被視為於陳炳強先生透過其受控法團Sanvo Fine Chemicals Limited持有的314,000,000股股份中擁有權益。

除上文所披露者外，於二零二零年六月三十日，董事並無接獲任何人士通知，表示其於本公司股份或相關股份中擁有權益或淡倉，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露，或根據證券及期貨條例第336條記錄於本公司之登記冊。

## ADDITIONAL INFORMATION

### SHARE OPTIONS

#### SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of our Shareholders passed on 13 December 2019. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

#### Purpose

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the Eligible Participants (as defined below) have had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivating the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

#### Eligible Participant

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph below to the following persons (“Eligible Participants”):

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;
- (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and
- (iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:
  - (aa) contribution to the development and performance of the Group;
  - (bb) quality of work performed for the Group;
  - (cc) initiative and commitment in performing his duties; and
  - (dd) length of service or contribution to the Group.

## 附加資料

### 購股權

#### 購股權計劃

下列為本公司股東於二零一九年十二月十三日以書面決議案方式有條件採納之購股權計劃的主要條款概要。購股權計劃的條款符合上市規則第 17 章的規定。

#### 目的

購股權計劃為認可及承認合資格參與者(定義見下文)對本集團已作出或可能作出之貢獻而設立之一項股份獎勵計劃。購股權計劃將為合資格參與者提供於本公司擁有個人權益之機會，並旨在達成下列目標：

- (i) 鼓勵合資格參與者以本集團利益作出彼等之最佳表現及效率；及
- (ii) 吸納及挽留作出對本集團長遠發展有所裨益或將會有所裨益之貢獻之合資格參與者或以其它方式維持與其持續之業務關係。

#### 合資格參與者

董事會可酌情向下列人士(「合資格參與者」)要約授出購股權以按下文一段釐定之行使價認購董事會可能釐定之該等數目新股份：

- (i) 本公司或其任何附屬公司全職或兼職工作之任何僱員、行政人員或高級人員；
- (ii) 本公司或其任何附屬公司任何董事(包括非執行董事及獨立非執行董事)；
- (iii) 本公司或其任何附屬公司任何顧問、諮詢人、供應商、客戶及代理；及
- (iv) 董事會全權認為將會或已經對本集團作出貢獻之其它人士，評估標準如下：
  - (aa) 對本集團發展及業績有貢獻；
  - (bb) 為本集團履行之工作質素；
  - (cc) 履行其職責之舉措及承諾；及
  - (dd) 於本集團之任期或貢獻。

## ADDITIONAL INFORMATION

### Maximum number of shares

The maximum number of Shares pursuant to which options may be granted under the Share Option Scheme shall not exceed 42,750,000 Shares, which represented 10% of the then issued share capital of the Company as at the Listing Date and the date of this report. This limit may be renewed at any time provided that the new limit must not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval for the renewal.

Notwithstanding anything to the contrary in the Share Option Scheme, the Shares which may be issued upon 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 at any time must not exceed 30% of the Shares in issue from time to time. No options may be granted under any schemes of the Company if such grant will result in this 30% limit being exceeded.

### Maximum entitlement of each Eligible Participant

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant.

### Time of exercise of option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The minimum period for which an option must be held before it can be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme by the Shareholders of the Company on 13 December 2019 (the "Adoption Date"). Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date.

## 附加資料

### 股份數目上限

根據購股權計劃可授出的購股權所涉及的股份數目上限不得超過上市日期及本報告日期本公司當時已發行股本之10%，即42,750,000股股份。該上限可隨時重新釐定，惟新上限不得超過股東批准當日已發行股份總數之10%。

儘管購股權計劃有任何相反規定，根據購股權計劃及本公司任何其它購股權計劃已授出但尚未行使的所有尚未行使購股權獲行使後可能發行的股份，在任何時候均不得超過不時已發行股份之30%。倘授予購股權將導致超出此30%上限，則不得根據本公司任何計劃授予任何購股權。

### 向每名合資格參與者授出購股權的數目上限

於任何12個月期間直至及包括授出日期根據購股權計劃及本公司任何其它購股權計劃向每名合資格參與者授出的購股權獲行使時而已發行及可能須予發行的股份總數(包括已行使、已註銷及尚未行使的購股權)不得超過於授出日期已發行股份1%。

### 行使購股權的時間及購股權計劃的期限

購股權可於購股權被視作授出及獲接納當日後及自當日起計十年屆滿前，隨時根據購股權計劃的條款行使。購股權可行使前須持有之最短期間將由董事會全權酌情釐定，惟購股權於授出超過10年後概不可行使。購股權概不得於本公司股東在二零一九年十二月十三日批准購股權計劃當日(「採納日期」)超過10年後授出。除非本公司於股東大會或董事會提早終止，否則購股權計劃自採納日期起計10年有效及生效。

## ADDITIONAL INFORMATION

### Acceptance of an offer of options

An option shall be deemed to have been granted and accepted by the grantee when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance of nominal consideration of HK\$1.00, is received by the Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer for grant of an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option.

### Basis of determining the exercise price

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

No option was granted, exercised, cancelled or lapsed under the Share Option Scheme for the six months ended 30 June 2020 and there was no outstanding share option as at 30 June 2020.

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, at no time during the six months ended 30 June 2020 was the Company, its holding company, fellow subsidiaries or subsidiaries a party to any arrangements 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, and none of the Directors, or any of their spouse or children under the age of 18, had any right to subscribe for equity or debt securities of the Company or any other body corporate or had exercised any such right.

## 附加資料

### 接納購股權要約

本公司於相關接納日期或之前收到接納購股權要約文件的複本(經承授人正式簽署), 連同匯付 1.00 港元的名義代價, 有關購股權即被視為已予授出及已獲承授人接納。在任何情況下, 有關付款概不予退還。就任何認購股份的購股權要約而言, 承授人可接納少於其獲要約所涉及的股份數目, 惟必須為股份於聯交所進行交易的買賣單位或為有關股份的完整倍數及接納購股權要約文件複本上清楚列明的數目。

### 釐定行使價之基準

任何根據購股權計劃授出的購股權所涉股份認購價須由董事會全權酌情釐定, 惟此價格將不得低於以下最高者:

- (i) 於授出日期聯交所每日報價表所列股份的收市價, 授出日期須為聯交所可供進行證券交易的日子;
- (ii) 緊接授出日期前五個營業日, 聯交所每日報價表所列股份的平均收市價; 及
- (iii) 股份面值。

截至二零二零年六月三十日止六個月, 概無購股權根據購股權計劃獲授出、行使、註銷或失效, 且於二零二零年六月三十日概無尚未行使購股權。

### 董事收購股份或債權證之權利

除本報告所披露者外, 截至二零二零年六月三十日止六個月之任何時候, 本公司或其控股公司或同系附屬公司或附屬公司並無作為任何安排的一方, 以使董事有權獲得通過購買本公司或任何其它法人團體的股份或債權證獲得利益的權利, 而董事、或其各自之配偶或十八歲以下之子女概無擁有任何認購本公司或其任何法人團體之股本或債務證券之權利, 亦未曾行使任何此等權利。

## ADDITIONAL INFORMATION

### PARTICULARS OF THE DIRECTORS' SERVICE CONTRACTS

As at 30 June 2020, none of the Directors had entered or was proposing to enter into a service contract with the Company or any member of the Group which is not determinable within one year without payment or compensation (other than statutory compensation).

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the six months ended 30 June 2020, none of our Directors or their respective close associates (other than members of our Group) has any interest in a business, apart from the business of our Group, which competes or likely compete, either directly or indirectly, with the business of the Group which would require disclosure under Rule 8.10 of the Listing Rules.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this report, neither the Directors nor any entity connected with the Directors had a material interests, whether directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the six months ended 30 June 2020.

### CHANGE IN INFORMATION OF THE DIRECTORS

During the six months ended 30 June 2020, there were no material changes of the information of the Directors that required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF THE SUBSIDIARIES AND ASSOCIATED COMPANIES

During the six months ended 30 June 2020 and up to the date of this report, the Group did not hold any significant investment and had no material acquisition or disposal of its subsidiaries and associated companies.

## 附加資料

### 董事服務合約詳情

於二零二零年六月三十日，概無董事與本公司或本集團任何成員公司訂立或擬訂立不可於一年內免付賠償(法定賠償除外)予以終止之服務合約。

### 董事於競爭業務中之權益

截至二零二零年六月三十日止六個月，概無董事或其各自之密切聯繫人(本集團成員公司除外)於根據上市規則第8.10條須予披露與本集團業務競爭或可能直接或間接競爭的業務(本集團業務除外)中擁有任何權益。

### 董事於重大交易、安排或合約中之權益

除本報告所披露者外，概無董事或任何與彼等有關連之實體於本公司、其控股公司或其任何附屬公司或同系附屬公司為訂約方且於截至二零二零年六月三十日止六個月內或結束時仍然生效之任何重大交易、安排或合約中直接或間接擁有重大利益。

### 董事資料之變動

截至二零二零年六月三十日止六個月，根據上市規則第13.51B(1)條要求披露的董事資料並無重大變動。

### 重大投資、附屬公司及聯屬公司重大收購及出售

截至二零二零年六月三十日止六個月及直至本報告日期，本集團並無持有任何重大投資，亦無重大收購或出售其附屬公司及聯屬公司。

## ADDITIONAL INFORMATION

### SIGNIFICANT EVENTS AFTER REPORTING PERIOD

No significant events affecting the Group have occurred since the end of the six months ended 30 June 2020 and up to the date of this report.

### PUBLICATION OF THE INTERIM REPORT

This interim report will be published on the website of each of the Stock Exchange ([www.hkexnews.com.hk](http://www.hkexnews.com.hk)) and the Company ([www.sanvo.com](http://www.sanvo.com)) and will be dispatched to the shareholders of the Company in due course.

By Order of the Board

**SANVO Fine Chemicals Group Limited**

**Chen Bingqiang**

*Chairman*

Hong Kong, 28 August 2020

## 附加資料

### 報告期後重大事項

截至二零二零年六月三十日止六個月及直至本報告日期，並無出現任何影響本集團之重大事件。

### 中期報告之刊發

本中期報告將會刊載於聯交所網站([www.hkexnews.com.hk](http://www.hkexnews.com.hk))及本公司網站([www.sanvo.com](http://www.sanvo.com))，同時將於適當時候寄派予本公司各股東。

承董事會命

**三和精化集團有限公司**

*主席*

**陳炳強**

香港，二零二零年八月二十八日



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

# 簡明綜合損益及其它全面收益表

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	截至六月三十日止六個月
		Unaudited	Audited
		未經審計	經審計
		RMB'000	RMB'000
		人民幣千元	人民幣千元
	Note		
	附註		
<b>Revenue</b>	4	<b>341,788</b>	371,354
Cost of sales		<b>(239,915)</b>	(258,235)
<b>Gross profit</b>		<b>101,873</b>	113,119
Other income and gains	4	<b>2,468</b>	495
Selling and distribution expenses		<b>(42,919)</b>	(48,843)
Administrative expenses		<b>(39,965)</b>	(37,628)
Listing expenses		—	(6,583)
Finance costs	6	<b>(3,708)</b>	(2,308)
<b>Profit before income tax</b>	7	<b>17,749</b>	18,252
Income tax expense	8	<b>(2,815)</b>	(1,576)
<b>Profit for the period attributable to the owners of the Company</b>		<b>14,934</b>	16,676
<b>Other comprehensive income/(loss)</b>			
Item that will not be reclassified subsequently to profit or loss:			
Exchange differences arising on translation		<b>(188)</b>	(99)
<b>Total comprehensive income for the period attributable to the owners of the Company</b>		<b>14,746</b>	16,577
<b>Earnings per share attributable to the owners of the Company</b>			
Basic and diluted (RMB cents)	9	<b>3.6</b>	4.9

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

# 簡明綜合財務狀況表

	Note 附註	As at 30 June 2020 於 二零二零年 六月三十日 Unaudited 未經審計	As at 31 December 2019 於 二零一九年 十二月 三十一日 Audited 經審計
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>	<b>資產及負債 非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	11 128,037	117,145
Right-of-use assets	使用權資產	92,192	94,278
Prepayments for acquisition of property, plant and equipment	收購物業、廠房及設備之 預付款項	12 10,553	10,695
Deferred tax assets	遞延稅項資產	16 47	96
		<b>230,829</b>	<b>222,214</b>
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	53,085	57,007
Trade and bills receivables, other receivables and prepayments	貿易及票據應收款項、其它應收款項 及預付款項	12 74,201	91,364
Pledged bank deposits	已抵押銀行存款	13 51,877	23,000
Cash and cash equivalents	現金及現金等價物	126,927	16,468
		<b>306,090</b>	<b>187,839</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and bills payables, accruals, contract liabilities and other payables	貿易及票據應付款項、應計費用、 合約負債及其它應付款項	14 198,456	186,822
Lease liabilities	租賃負債	1,605	1,635
Interest-bearing bank borrowings	計息銀行借款	15 86,959	71,047
Tax payables	應付稅項	2,436	2,604
		<b>289,456</b>	<b>262,108</b>
<b>Net current assets/(liabilities)</b>	<b>流動資產淨值/(負債淨額)</b>	<b>16,634</b>	<b>(74,269)</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>247,463</b>	<b>147,945</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Lease liabilities	租賃負債	3,379	3,938
Interest-bearing bank borrowings	計息銀行借款	15 60,957	53,763
Deferred income	遞延收入	1,704	1,723
Deferred tax liabilities	遞延稅項負債	16 4,143	3,945
		<b>70,183</b>	<b>63,369</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>177,280</b>	<b>84,576</b>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	17 3,792	—*
Reserves	儲備	173,488	84,576
<b>Total equity</b>	<b>權益總額</b>	<b>177,280</b>	<b>84,576</b>

\* Less than RMB1,000

\* 少於人民幣1,000元

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Translation reserve 匯兌儲備	Other reserves 其它儲備	Retained earnings 累計損益	Total equity 權益總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2020 (Audited)	於二零二零年一月一日之結餘(經審計)	—	12,560	33,184	(128)	15,763	23,197	84,576
Profit for the period	期內溢利	—	—	—	—	—	14,934	14,934
Other comprehensive loss: Exchange differences arising on translation	其它全面虧損： 換算產生之匯兌差額	—	—	—	(188)	—	—	(188)
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額	—	—	—	(188)	—	14,934	14,746
Capitalisation of shares	股份資本化	2,994	(2,994)	—	—	—	—	—
Issuance of shares pursuant to the Listing (net of listing related expenses)	上市新股發行 (扣除上市相關費用後)	798	86,517	—	—	—	—	87,315
Appropriation to safety reserve	轉撥至安全儲備	—	—	—	—	2,851	(2,851)	—
Appropriation to statutory surplus reserve	轉撥至法定盈餘儲備	—	—	—	—	638	(638)	—
2019 final dividend	二零一九年末期股息	—	(9,357)	—	—	—	—	(9,357)
Balance at 30 June 2020 (Unaudited)	於二零二零年六月三十日之結餘(未經審計)	3,792	86,726	33,184	(316)	19,252	34,642	177,280
Balance at 1 January 2019 (Audited)	於二零一九年一月一日之結餘(經審計)	—*	12,560	—	188	10,966	4,059	27,773
Profit for the period	期內溢利	—	—	—	—	—	16,676	16,676
Other comprehensive loss: Exchange differences arising on translation	其它全面虧損： 換算產生之匯兌差額	—	—	—	(99)	—	—	(99)
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額	—	—	—	(99)	—	16,676	16,577
Appropriation to safety reserve	轉撥至安全儲備	—	—	—	—	4,042	(4,042)	—
Utilisation of safety reserve	動用安全儲備	—	—	—	—	(928)	928	—
Appropriation to statutory surplus reserve	轉撥至法定盈餘儲備	—	—	—	—	921	(921)	—
Balance at 30 June 2019 (Audited)	於二零一九年六月三十日之結餘(經審計)	—*	12,560	—	89	15,001	16,700	44,350

\* Less than RMB1,000

\* 少於人民幣 1,000 元

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		未經審計	經審計
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動之現金流量</b>		
Cash generated from operations	營運所得現金	49,213	35,456
Income tax paid	已付所得稅	(2,189)	(2,646)
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>	<b>47,024</b>	<b>32,810</b>
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Bank interest received	已收銀行利息	750	151
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	—	121
Payments for acquisition of property, plant and equipment	收購物業、廠房及設備之付款	(12,469)	(19,218)
Increase in pledged bank deposits	已抵押銀行存款增加	(28,877)	(695)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(40,596)</b>	<b>(19,641)</b>
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>		
Issuance of shares pursuant to the Listing (net of listing related expenses)	上市新股發行 (扣除上市相關費用後)	87,315	—
Proceeds from interest-bearing bank borrowings	計息銀行借款之所得款項	107,675	42,953
Repayments of interest-bearing bank borrowings	償還計息銀行借款	(84,569)	(28,851)
Advances from a director	一名董事之墊款	—	4,254
Payment of lease liabilities	租賃負債款項	(751)	(1,035)
Interest paid	已付利息	(5,451)	(3,352)
<b>Net cash generated from financing activities</b>	<b>融資活動所得現金淨額</b>	<b>104,219</b>	<b>13,969</b>
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等價物增加淨額</b>	<b>110,647</b>	<b>27,138</b>
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	16,468	18,818
Effect of foreign exchange rate changes	匯率變動之影響	(188)	(99)
<b>Cash and cash equivalents at end of the period</b>	<b>期末現金及現金等價物</b>	<b>126,927</b>	<b>45,857</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

SANVO Fine Chemicals Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law Chapter 22 of the Cayman Islands on 12 April 2018. The registered office of the Company is located at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The Company’s headquarters and principal place of business in the People’s Republic of China (the “**PRC**”) is located at Dacen Industrial Park, Huangpu District, Zhongshan City, Guangdong, the PRC and the Company’s principal place of business in Hong Kong is located at 5/F., 349 Hennessy Road, Wanchai, Hong Kong. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 January 2020 (the “**Listing Date**”) (the “**Listing**”).

The Company is an investment holding company. The principal activities of the Group are researching, developing, manufacturing and sales of hardware and building materials and automotive maintenance industrial chemical products in the PRC.

## 2. BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), including compliance with International Accounting Standard (“**IAS**”) 34, Interim financial reporting, issued by the International Accounting Standards Board (the “**IASB**”). It was authorised for issue on 28 August 2020.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements.

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

# 簡明綜合財務報表附註

## 1. 公司資料

三和精化集團有限公司(「**本公司**」, 與其附屬公司統稱為「**本集團**»)於二零一八年四月十二日註冊成立為獲豁免公司, 並根據開曼群島第22章公司法於開曼群島註冊為有限公司。本公司之註冊辦事處位於PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands, 而本公司之總部及中華人民共和國(「**中國**»)主要營業地點位於中國廣東中山市黃圃鎮大岑工業區。本公司之香港主要營業地點位於香港灣仔軒尼詩道349號5樓。本公司股份於二零二零年一月十六日(「**上市日期**»)於香港聯合交易所有限公司(「**聯交所**»)主板上市(「**上市**»)。

本公司為投資控股公司。本集團之主要業務為於中國研究、開發、製造及銷售五金建材及汽車修護化工產品。

## 2. 編製基準

本中期財務報告按照聯交所證券上市規則(「**上市規則**»)之適用披露條文規定編製, 並遵守(當中包括)國際會計準則理事會(「**國際會計準則理事會**»)頒佈之國際會計準則(「**國際會計準則**»)第34條《中期財務報告》的準則。本中期財務報告於二零二零年八月二十八日獲授權刊發。

編製本中期財務報告所採納之會計政策與二零一九年之年度財務報表所採納者一致。

為遵照國際會計準則第34號編製中期財務報告, 管理層需作出判斷、估計及假設, 而該等判斷、估計及假設會影響年初至今政策之應用和資產、負債、收入與開支之呈報數額。實際結果可能有別於該等估計。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 2. BASIS OF PREPARATION — *continued*

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2019 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The financial information relating to the financial year ended 31 December 2019 that is included in the interim financial report as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2019 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 24 April 2020.

#### Going concern assumption

In preparing the financial statements, the Directors have considered the Group's sources of liquidity and believe that adequate funding is available to fulfil the Group's debt obligations and capital expenditure requirements. Accordingly, the consolidated financial statements have been prepared on a basis that the Group will be able to continue as a going concern.

## 簡明綜合財務報表附註

### 2. 編製基準 — 續

本中期財務報告載有簡明綜合財務報表及經選定說明附註。附註包括對了解本集團自二零一九年之年度財務報表以來之財務狀況及表現變動而言屬重大之事件及交易說明。簡明綜合中期財務報表及其附註並不包括根據國際財務報告準則（「國際財務報告準則」）編製完整財務報表規定之一切所需資料。

本中期財務報告所載作為比較資料之截至二零一九年十二月三十一日止財政年度之財務資料並不構成本公司於該財政年度的年度綜合財務報表，惟摘錄自該等財務報表。截至二零一九年十二月三十一日止年度之法定財務報表可於本公司註冊辦事處查閱。核數師已於日期為二零二零年四月二十四日之報告中就該等財務報表作出無保留意見。

#### 持續經營之假設

在編製財務報表時，董事已考慮本集團之流動資金來源，相信本集團有充足的資金滿足償還債務和資本性支出的需要。因此，綜合財務報表以本集團持續經營為基礎編製。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 3. ADOPTION OF NEW OR REVISED IFRSs

The adoption of the revised IFRSs that are relevant to the Group and effective from the current period had no significant effects on the consolidated financial position and consolidated financial performance of the Group for the current period and prior years.

At the date of authorisation of the condensed consolidated financial statements, the Group has not early adopted any new and revised IFRSs that have been issued but are not yet effective for the current period. The Group has already commenced an assessment of the related impact of adopting the above new and revised IFRSs. So far, the Directors have concluded that the new and revised IFRSs will be adopted at the respective effective dates and the adoption of them is unlikely to have a significant impact on the Group's consolidated financial position and consolidated financial performance.

### 4. REVENUE AND OTHER INCOME AND GAINS

Revenue from the Group's principal activities, represents revenue derived from the sales of hardware and building materials and automotive maintenance industrial chemical products. Revenue and other income and gains recognised during the six months ended 30 June 2020 and 2019 are as follows:

### 3. 採納新訂或經修訂國際財務報告準則

採納與本集團相關並自本期間生效之經修訂國際財務報告準則，對本集團本期間及過往年度之綜合財務狀況及綜合財務表現並無任何重大影響。

於簡明綜合財務報表授權日期，本集團並無提早採納任何已頒佈但尚未於本期間生效之新訂及經修訂國際財務報告準則。本集團已開始評估採納上述新訂及經修訂國際財務報告準則之相關影響。迄今，董事之結論為新訂及經修訂國際財務報告準則將於各生效日期採納，而其採納不可能對本集團之綜合財務狀況及綜合財務表現造成重大影響。

### 4. 收益以及其它收入及收益

本集團主要業務之收益指銷售五金建材及汽車修護化工產品所得收益。截至二零二零年及二零一九年六月三十日止六個月已確認之收益以及其它收入及收益如下：

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue (Note)	收益(附註)	341,788	371,354
Other income and gains	其它收入及收益		
Bank interest income	銀行利息收入	750	151
Rental income	租金收入	286	278
Unconditional Government subsidies	政府無條件補助	1,210	10
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	—	24
Sundry income	雜項收入	222	32
		<b>2,468</b>	495

Note: Disaggregation of revenue from contracts with customers by major categories of products is disclosed in Note 5.

附註：按主要產品分類劃分之來自客戶合約收益之拆細於附註5披露。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 5. SEGMENT INFORMATION

The Group has three reportable segments which are the Group's strategic business units, as follows:

**Aerosols** Sales of spray paints and automotive care products, including spray paint, carburetor cleaner, spray wax, anti-rust spray lubricant, polyurethane foam, cleaning spray and spray refrigerant for automobile air-conditioners

**Organic silicone adhesives** Sales of product series, which are all silicone-based adhesives

**Synthetic adhesive** Sales of several product series, which are all multi-purpose contact adhesives

Information about strategic business units of other operating segments that are not reportable in accordance with IFRS 8 Operating Segments are consolidated and disclosed in "All other segments".

These strategic business units offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the executive Directors, who are the CODM (i.e. chief operating decision makers) of the Group during the year, review internal management reports on a monthly basis. There was no aggregation of operating segments in arriving at the reportable segments of the Group.

#### (a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitor the results attributable to each reportable segment on the following basis:

Segment profit represents the gross profit earned by each segment without allocation of central administration expenses (including emoluments of Directors, listing expenses), selling and distribution expenses, other income and gains, impairment losses on financial assets and finance costs. This is the measure reported to the Group's CODM for the purposes of resource allocation.

## 簡明綜合財務報表附註

### 5. 分部資料

本集團有三個可呈報分部，均為本集團策略業務單位，載列如下：

**氣霧劑** 銷售噴漆及汽車護理產品，包括噴漆、化油器清洗劑、噴蠟、抗銹噴霧潤滑劑、發泡劑、清潔噴霧及汽車空調專用噴霧製冷劑

**有機矽膠粘劑** 銷售產品系列，均為矽膠粘劑

**合成膠粘劑** 銷售數個產品系列，均為多用途膠粘劑

根據國際財務報告準則第8號「經營分部」並不屬可呈報分部之其它營運分部之策略業務單位相關資料已綜合入賬及於「所有其它分部」中披露。

該等策略業務單位提供不同產品，並單獨管理，原因為該等單位需要不同技術及市場推廣策略。就各項策略業務單位而言，執行董事（於年內身兼本集團主要營運決策者）每月審閱內部管理報告。於達致本集團之可呈報分部時，並無合併計算經營分部。

#### (a) 分部業績

在評估分部表現及分配分部間資源時，主要營運決策者按以下基準監察各個可呈報分部應佔業績：

分部溢利指在並無分配中央管理開支（包括董事酬金、上市開支）、銷售及經銷開支、其它收入及收益、金融資產減值虧損以及融資成本之情況下各分部賺取之毛利。此乃就資源分配而向本集團主要營運決策者呈報之計量方法。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 5. SEGMENT INFORMATION — continued

#### (a) Segment results — continued

The CODM review the Group's assets and liabilities as a whole without allocation to each segment. In his opinion, all strategic business units consume similar materials and their products are produced by same machinery and equipment and then they are sold to same customers. As a result, it is not necessary to monitor the assets and liabilities under different segments. No segment information on assets and liabilities is presented accordingly.

During the six months ended 30 June 2020 and 2019, the Group generated revenue primarily from the sale of three categories of products under these segments. The following table sets out the breakdown of the revenue and segment profit by reportable segment:

### 5. 分部資料 — 續

#### (a) 分部業績 — 續

主要營運決策者審閱本集團整體的資產及負債，而並無將資產及負債分配至每一個分部。由於彼認為所有策略業務分部耗用相似材料及其產品由相同機器及設備生產及出售予相同客戶，故此毋須監察不同分部下的資產及負債，因而並無呈列資產及負債之分部資料。

截至二零二零年及二零一九年六月三十日止六個月，本集團主要在該等分部下銷售三類產品產生收益。下表載列按可呈報分部劃分之收益及分部溢利明細：

		Aerosols	Organic silicone adhesives	Synthetic adhesive	Total
		氣霧劑	有機矽膠粘劑	合成膠粘劑	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>For the six months ended 30 June 2020</b>	<b>截至二零二零年六月三十日止</b>				
<b>(Unaudited)</b>	<b>六個月(未經審計)</b>				
Revenue from external customers and reportable segment revenue — Point in time	來自外部客戶之收益及可呈報分部收益 — 時點	219,707	55,329	26,321	301,357
Reportable segment profit	可呈報分部溢利	69,069	14,583	7,721	91,373
<b>For the six months ended 30 June 2019</b>	<b>截至二零一九年六月三十日止</b>				
<b>(Audited)</b>	<b>六個月(經審計)</b>				
Revenue from external customers and reportable segment revenue — Point in time	來自外部客戶之收益及可呈報分部收益 — 時點	199,486	85,590	31,535	316,611
Reportable segment profit	可呈報分部溢利	69,105	25,393	8,927	103,425

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 5. SEGMENT INFORMATION — continued

#### (b) Reconciliations of reportable segment revenue and profit before income tax

A reconciliation of segment revenue to total revenue is presented as follows:

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total reportable segment revenue	可呈報分部收益總額	301,357	316,611
All other segments revenue (Note)	所有其它分部收益(附註)	40,431	54,743
Total revenue	總收益	341,788	371,354

A reconciliation of segment result to profit before income tax is presented as follows:

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Total of reportable segment profit	可呈報分部溢利總額	91,373	103,425
All other segments profit (Note)	所有其它分部溢利(附註)	10,500	9,694
Other income and gains	其它收入及收益	2,468	495
Selling and distribution expenses	銷售及經銷開支	(42,919)	(48,843)
Administrative expenses	行政開支	(39,965)	(37,628)
Listing expenses	上市開支	—	(6,583)
Finance costs	融資成本	(3,708)	(2,308)
Profit before income tax	除所得稅前溢利	17,749	18,252

Note: Segment revenue and segment profit from other segments represents the sales of architectural coatings, oil products, wood paints and others.

### 5. 分部資料 — 續

#### (b) 可呈報分部收益與除所得稅前溢利之對賬

分部收益與總收益之對賬呈列如下：

分部業績與除所得稅前溢利之對賬呈列如下：

附註：其它分部之分部收益及分部溢利指銷售建築塗料、油品、木器漆及其它。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 5. SEGMENT INFORMATION — continued

#### (c) Geographical information

The principal place of the Group's operation is in the PRC. All the Group's non-current assets are located in the PRC. The following table provides an analysis of the Group's revenue generated from external customers by geographical market.

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
The PRC	中國	333,612	361,601
Australia	澳洲	7,195	8,255
Others	其它	981	1,498
		<b>341,788</b>	<b>371,354</b>

#### (d) Information about major customers

No revenue from a single external customer accounted for 10% or more of the Group's revenue for the six months ended 30 June 2020 and 2019.

### 5. 分部資料 — 續

#### (c) 地理資料

本集團之主要營業地點為中國。本集團所有非流動資產位於中國。下表提供本集團按地理市場劃分自外部客戶產生之收益分析。

#### (d) 有關主要客戶的資料

截至二零二零年及二零一九年六月三十日止六個月，概無來自單一外部客戶之收益佔本集團收入的10%或以上。

### 6. FINANCE COSTS

### 6. 融資成本

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on interest-bearing bank borrowings	計息銀行借款之利息	5,451	3,352
Interest on lease liabilities	租賃負債之利息	162	209
Less: interest capitalised into property, plant and equipment	減：已於物業、廠房及設備資本化之利息	(1,905)	(1,253)
(Note)	(附註)		
		<b>3,708</b>	<b>2,308</b>

Note: During the period, the finance costs have been capitalised at an effective interest rate of 6.36% (six months ended 30 June 2019: 6.28%) per annum.

附註：期內，融資成本已按6.36%（截至二零一九年六月三十日止六個月：6.28%）之實際年利率資本化。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

### 7. 除所得稅前溢利

除所得稅前溢利乃於扣除以下各項後達致：

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of inventories recognised as expenses	確認為開支之存貨成本	239,915	258,235
Depreciation of property, plant and equipment	物業、廠房及設備折舊	3,624	4,363
Depreciation of right-of-use assets	使用權資產折舊	2,086	2,131
Employee benefit expenses (including directors' remuneration and salaries in research and development expenses)	僱員福利開支(包括董事酬金及研發開支中之薪金)		
— Salaries, allowances and benefits in kind	— 薪金、津貼及實物福利	34,884	32,899
— Discretionary bonus	— 酌情花紅	1,460	1,140
— Retirement benefit scheme contributions	— 退休福利計劃供款	396	1,843
		<b>36,740</b>	<b>35,882</b>

### 8. INCOME TAX EXPENSE

### 8. 所得稅開支

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Current tax expense</b>	<b>即期稅務開支</b>		
— PRC Enterprise Income Tax ("EIT")	— 中國企業所得稅(「企業所得稅」)	2,568	1,817
<b>Deferred tax credit</b>	<b>遞延稅項抵免</b>		
— the origination and reversal of temporary differences	— 產生及撥回暫時差額	247	(241)
Income tax expense	所得稅開支	<b>2,815</b>	<b>1,576</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 8. INCOME TAX EXPENSE — continued

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax under these jurisdictions.

No provision for income tax has been made for the subsidiaries incorporated in Hong Kong as the subsidiaries did not have any estimated assessable profits subject to Hong Kong Profits Tax.

Under the Enterprise Income Tax Law of the PRC (the "EIT Law") and the Implementation Regulation of the EIT Law, the subsidiaries operating in the PRC are subject to the tax rate of 25% (six months ended 30 June 2019: 25%) on the estimated assessable profits during the period except for four (six months ended 30 June 2019: four) of the subsidiaries operating in the PRC which were approved to be high and new technology enterprises ("HNTE") during the period. Enterprise approved to be HNTE are entitled to enjoy a reduced enterprise income tax rate of 15% (six months ended 30 June 2019: 15%) and additional 50% (six months ended 30 June 2019: 50%) tax reduction based on the eligible research and development expenses with a validity period of three years. The HNTE certificate is required to be renewed every three years so as to enable the respective subsidiaries to enjoy the reduced tax rate of 15%.

### 9. EARNINGS PER SHARE

#### (a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2020 is calculated based on the profit for the period attributable to the owners of the Company of RMB14,934,000 and the weighted average of 420,000,000 ordinary shares in issue during the period.

The calculation of basic earnings per share for the six months ended 30 June 2019 is calculated based on the profit for the period attributable to the owners of the Company of RMB16,676,000 and the weighted average of 337,500,000 ordinary shares in issue during the period, represented the number of shares of the Company immediately prior to the Listing as if the shares had been in issue throughout the six months ended 30 June 2019.

## 簡明綜合財務報表附註

### 8. 所得稅開支 — 續

本集團須就本集團成員公司所處及經營所在司法權區產生或賺取之溢利，按實體基準繳納所得稅。

根據開曼群島及英屬處女群島規則及規例，本集團毋須繳納該等司法權區之任何所得稅。

由於香港註冊成立之附屬公司並無任何須繳納香港利得稅計算之任何估計應課稅溢利，故概無就該等附屬公司作出所得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施規則，期內，於中國營運之附屬公司須就估計應課稅溢利按25%之稅率繳稅(截至二零一九年六月三十日止六個月：25%)，惟於期內獲評定為高新技術企業(「高新技術企業」)之其中四間(截至二零一九年六月三十日止六個月：四間)於中國營運之附屬公司則除外。獲評定為高新技術企業之企業有權享有減免企業所得稅率15%(截至二零一九年六月三十日止六個月：15%)，並根據合資格研發開支享有額外50%(截至二零一九年六月三十日止六個月：50%)之稅項減免，有效期為三年。高新技術企業證書須每三年重續，以令有關附屬公司可享有減免稅率15%。

### 9. 每股盈利

#### (a) 每股基本盈利

截至二零二零年六月三十日止六個月之每股基本盈利乃根據本公司擁有人應佔期內溢利人民幣14,934,000元及期內已發行普通股的加權平均數420,000,000股計算。

截至二零一九年六月三十日止六個月之每股基本盈利乃根據本公司擁有人應佔期內溢利人民幣16,676,000元及期內已發行普通股的加權平均數337,500,000股計算，即緊接上市前本公司之股份數目，猶如該等股份於截至二零一九年六月三十日止六個月整段期間已發行。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 9. EARNINGS PER SHARE — *continued*

#### (b) Diluted earnings per share

Diluted earnings per share were same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the six months ended 30 June 2020 and 2019.

### 10. DIVIDEND

#### (i) Dividends payable to equity shareholders attributable to the interim period

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

#### (ii) Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period

Final dividend in respect of the previous financial year, approved during the interim period was HK2.4 cents per ordinary share (six months ended 30 June 2019: Nil).

### 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group acquired items of plant and machinery with a cost of RMB12,469,000 (six months ended 30 June 2019: RMB14,597,000). No plant and machinery were disposed of during the six months ended 30 June 2020 (six months ended 30 June 2019: RMB97,000).

## 簡明綜合財務報表附註

### 9. 每股盈利 — 續

#### (b) 每股攤薄盈利

由於截至二零二零年及二零一九年六月三十日止六個月並無存在任何潛在可攤薄普通股，故每股攤薄盈利等同每股基本盈利。

### 10. 股息

#### (i) 應派付予股權持有人之中期股息

董事不建議派付截至二零二零年六月三十日止六個月之中期股息(截至二零一九年六月三十日止六個月：無)。

#### (ii) 於中期期間批准之應派付予股權持有人之上個財政年度股息

於中期期間批准派付之上個財政年度末期股息為每股普通股2.4港仙(截至二零一九年六月三十日止六個月：無)。

### 11. 物業、廠房及設備

截至二零二零年六月三十日止六個月，本集團收購成本為人民幣12,469,000元之廠房及機器(截至二零一九年六月三十日止六個月：人民幣14,597,000元)。截至二零二零年六月三十日止六個月沒有出售廠房及機器(截至二零一九年六月三十日止六個月：人民幣97,000元)。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 12. TRADE AND BILLS RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

### 12. 貿易及票據應收款項、其它應收款項及預付款項

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
<b>Non-current portion</b>	<b>非流動部分</b>		
Prepayments for acquisition of property, plant and equipment	收購物業、廠房及設備之預付款項	10,553	10,695
<b>Current portion</b>	<b>流動部分</b>		
Trade receivables	貿易應收款項	34,679	62,009
Less: Allowance for doubtful debts	減：呆賬撥備	(311)	(642)
		<b>34,368</b>	61,367
Bills receivable	票據應收款項	2,221	1,823
Trade and bills receivables, net	貿易及票據應收款項淨額	36,589	63,190
Prepaid listing expenses	預付上市開支	—	4,805
Prepayments and other receivables	預付款項及其它應收款項	37,612	23,369
		<b>74,201</b>	91,364

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 12. TRADE AND BILLS RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS — continued

All of the trade and bills receivables and current portion of prepayments and other receivables are expected to be recovered or recognised as expenses within one year.

The credit period for trade receivables is normally 180 days from the date of billing. The ageing analysis of trade and bills receivables based on due date and net of allowance for doubtful debts, is as follows:

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Current	流動	35,404	55,734
Less than 1 month	少於一個月	1,185	7,456
		<b>36,589</b>	63,190

The Group measures loss allowances for trade receivables at an amount equal to lifetime expected credit loss ("ECL"), which is calculated using a provision matrix. The estimated ECL loss rates are estimated based on the Group's estimates of the market borrowing rates for each of the groupings, less risk-free rate, which reflect the credit risk of the debtors, over the expected life of the debtors and are adjusted forward-looking information that is available without undue cost or effort.

## 簡明綜合財務報表附註

### 12. 貿易及票據應收款項、其它應收款項及預付款項 — 續

預期所有貿易及票據應收款項以及預付款項及其它應收款項的流動部分將在一年內收回或確認為開支。

貿易應收款項之信貸期由發票日期起計一般為180日。按到期日劃分並已扣除呆賬撥備之貿易及票據應收款項之賬齡分析如下：

本集團按與使用年期預期信貸虧損(「預期信貸虧損」)相同的金額(使用撥備矩陣計算得出)計量貿易應收款項虧損撥備。估計預期信貸虧損率根據本集團對各組別之市場借款率之估算減無風險利率(反映債務人之信貸風險)，除以債務人之預期年期進行估計，並就毋須以過多成本或人力而取得之前瞻性資料作出調整。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 12. TRADE AND BILLS RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS — continued

The following table provides information about the Group's exposure to credit risk and ECL for trade receivables:

### 12. 貿易及票據應收款項、其它應收款項及預付款項 — 續

下表載列有關本集團面對的貿易應收款項信貸風險及預期信貸虧損的資料：

Ageing based on the invoice date		Weighted average expected loss rate	Gross carrying amount	Loss allowance	Net carrying amount
根據發票日期的賬齡		加權平均預期虧損率	總賬面值	虧損撥備	賬面淨值
		%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 30 June 2020 (Unaudited)</b>	於二零二零年六月三十日(未經審計)				
Within 1 month	一個月內	0.2	19,785	(39)	19,746
Over 1 month but less than 3 months	超過一個月但少於三個月	0.8	9,375	(76)	9,299
Over 3 months but less than 1 year	超過三個月但少於一年	3.7	5,519	(196)	5,323
			34,679	(311)	34,368
<b>At 31 December 2019 (Audited)</b>	於二零一九年十二月三十一日 (經審計)				
Within 1 month	一個月內	0.2	27,281	(48)	27,233
Over 1 month but less than 3 months	超過一個月但少於三個月	0.8	19,175	(159)	19,016
Over 3 months but less than 1 year	超過三個月但少於一年	2.8	15,553	(435)	15,118
			62,009	(642)	61,367

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 13. PLEDGED BANK DEPOSITS

As at 30 June 2020, included in the Group's bank deposits of RMB51,877,000 (31 December 2019: RMB23,000,000) were pledged as collaterals for, amongst others, issues of bills payable for the Group's purchase of raw materials, other credit facilities and guarantee to complete construction work for the leasehold land acquired. These bank balances were carrying annual interest of 0.85% - 2.83% (31 December 2019: 1.35%).

The Group's operation in the PRC (excluding Hong Kong) conducted its business in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC (excluding Hong Kong) is subject to the exchange restrictions imposed by the PRC government.

### 14. TRADE AND BILLS PAYABLES, ACCRUALS, CONTRACT LIABILITIES AND OTHER PAYABLES

### 13. 已抵押銀行存款

於二零二零年六月三十日，本集團人民幣51,877,000元(二零一九年十二月三十一日：人民幣23,000,000元)之銀行存款已抵押作為(其中包括)本集團發行應付票據以購買原材料之抵押、其它信貸服務以及擔保完成已收購之租賃土地建築工程。該等銀行結餘之年利率為0.85% - 2.83%(二零一九年十二月三十一日：1.35%)。

本集團於中國(不包括香港)之營運以人民幣計值進行業務。人民幣無法自由兌為其它貨幣，而從中國(不包括香港)匯出資金須受中國政府實施之外匯限制所規限。

### 14. 貿易及票據應付款項、應計費用、合約負債及其它應付款項

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Trade payables	貿易應付款項	130,670	106,089
Bills payable	票據應付款項	15,951	21,945
Accrued expenses	應計開支	2,149	3,791
Accrued employee benefit expenses	應計僱員福利開支	12,283	14,851
Accrued listing expenses	應計上市開支	—	10,698
Deferred income — current portion	遞延收入 — 流動部分	38	38
Dividend payable	應付股息	9,372	—
Other payables	其它應付款項	27,993	29,410
		<b>198,456</b>	<b>186,822</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 14. TRADE AND BILLS PAYABLES, ACCRUALS, CONTRACT LIABILITIES AND OTHER PAYABLES —

*continued*

The credit period received from suppliers of the Group is ranging from 30 to 90 days. The ageing analysis of trade payables based on invoice date is as follows:

### 14. 貿易及票據應付款項、應計費用、合約負債及其它應付款項 — 續

本集團供應商所提供之信貸期介乎30至90日。按發票日期之貿易應付款項賬齡分析如下：

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within 1 month	一個月內	121,691	73,054
Over 1 month but less than 3 months	超過一個月但少於三個月	5,996	30,106
Over 3 months but less than 1 year	超過三個月但少於一年	2,188	2,256
Over 1 year	超過一年	795	673
		<b>130,670</b>	106,089

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 15. INTEREST-BEARING BANK BORROWINGS

### 15. 計息銀行借款

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Current</b>	<b>流動</b>		
Interest-bearing bank borrowings — secured (Note)	計息銀行借款 — 已抵押(附註)	86,959	71,047
<b>Non-current</b>	<b>非流動</b>		
Interest-bearing bank borrowings — secured (Note)	計息銀行借款 — 已抵押(附註)	60,957	53,763
		<b>147,916</b>	<b>124,810</b>

Note: All of the interest-bearing bank borrowings were made in RMB, with annual interest charged in the range of 3.08% to 6.47% and 5.56% to 6.47% for the six months ended 30 June 2020 and 2019 respectively.

As at 30 June 2020, the Group's interest-bearing bank borrowings were secured by the Group's right-of-use assets and bank deposits, and guaranteed by certain subsidiaries and the executive Directors of the Company.

As at 31 December 2019, the Group's interest-bearing bank borrowings were secured by i) the Group's property, plant and equipment, right-of-use assets, bank deposits and inventories, and ii) properties of Mr. Ernest Chen, Mr. Leo Chen and their respective relatives and guaranteed by certain subsidiaries and the executive Directors of the Company. At the end of March 2020, the interest-bearing bank borrowings secured by the properties of Mr. Ernest Chen, Mr. Leo Chen and their relatives were fully released.

附註：所有計息銀行借款均以人民幣計值，而截至二零二零年及二零一九年六月三十日止六個月分別按每年3.08%至6.47%及5.56%至6.47%計息。

於二零二零年六月三十日，本集團之計息銀行借款由本集團之使用權資產以及銀行存款作為抵押，及本公司之若干附屬公司及執行董事作出擔保。

於二零一九年十二月三十一日，本集團之計息銀行借款由i)本集團之物業、廠房及設備、使用權資產、銀行存款及存貨，及ii)陳炳強先生、陳炳耀先生及彼等親屬之物業作為抵押，及由本公司之若干附屬公司及執行董事作出擔保。於二零二零年三月底，由陳炳強先生、陳炳耀先生及彼等親屬之物業作抵押之計息銀行借款已全部解除。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 16. DEFERRED TAX ASSETS/(LIABILITIES)

### 16. 遞延稅項資產／(負債)

Deferred tax assets	遞延稅項資產	Credit loss allowance	Tax loss available for offsetting against future taxable profits	Total
		信貸虧損撥備	可用於抵銷未來應課稅溢利之稅項虧損	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019 (Audited)	於二零一九年一月一日(經審計)	—	473	473
Charged to profit or loss for the year	扣除年內損益	96	(473)	(377)
At 31 December 2019 (Audited)	於二零一九年十二月三十一日(經審計)	96	—	96
Charged to profit or loss for the period	扣除期內損益	(49)	—	(49)
<b>At 30 June 2020 (Unaudited)</b>	<b>於二零二零年六月三十日(未經審計)</b>	<b>47</b>	<b>—</b>	<b>47</b>

  

Deferred tax liabilities	遞延稅項負債	Revaluation surplus arising from business combinations	Accelerated tax depreciation	Total
		自業務合併產生之重估盈餘	加速稅項折舊	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019 (Audited)	於二零一九年一月一日(經審計)	(4,038)	(338)	(4,376)
Credited to profit or loss for the year	計入年內損益	421	10	431
At 31 December 2019 (Audited)	於二零一九年十二月三十一日(經審計)	(3,617)	(328)	(3,945)
Charged to profit or loss for the period	扣除期內損益	—	(198)	(198)
<b>At 30 June 2020 (Unaudited)</b>	<b>於二零二零年六月三十日(未經審計)</b>	<b>(3,617)</b>	<b>(526)</b>	<b>(4,143)</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

# 簡明綜合財務報表附註

## 17. SHARE CAPITAL

## 17. 股本

		Number of shares 股份數目	Share capital 股本
			<i>RMB'000</i> 人民幣千元
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股		
Authorised:	法定：		
At 12 April 2018 (date of incorporation of the Company), 31 December 2018 and 1 January 2019	於二零一八年四月十二日(本公司註冊成立日期)、 二零一八年十二月三十一日及 二零一九年一月一日	39,000,000	313
Increase in authorised share capital on 13 December 2019	於二零一九年十二月十三日增加法定股本	1,461,000,000	13,074
<b>At 31 December 2019 and at 30 June 2020</b>	<b>於二零一九年十二月三十一日及 二零二零年六月三十日</b>	<b>1,500,000,000</b>	<b>13,387</b>
Issued and fully paid:	已發行及繳足：		
At 12 April 2018 (date of incorporation of the Company)	於二零一八年四月十二日(本公司註冊成立日期)		
Issue of share upon incorporation	於註冊成立時之發行股份	1	—*
Issue of shares arising from the Reorganisation	因重組而發行股份	99	—*
At 31 December 2018, 1 January 2019 and 31 December 2019 (Audited)	於二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日(經審計)	100	—*
Issue of shares arising from the Reorganisation	因重組而發行股份	337,499,900	2,994
Issue of shares from share offer	股份發售時之發行股份	90,000,000	798
<b>At 30 June 2020 (Unaudited)</b>	<b>於二零二零年六月三十日(未經審計)</b>	<b>427,500,000</b>	<b>3,792</b>

\* Less than RMB1,000

\* 少於人民幣1,000元

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The carrying amounts of the financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2020 and 31 December 2019.

No financial instruments were used for hedging purposes.

### 19. CAPITAL MANAGEMENT

The Group's objectives of managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to the shareholders and benefits for other stakeholders to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debts. No changes in the objectives, policies or processes for managing capital were made during the period.

The capital structure of the Group consists of net debt, which included interest-bearing bank borrowings, net of cash and cash equivalents, and equity attributable to owners of the Company, comprising share capital and reserves disclosed in the condensed consolidated statement of financial position.

### 18. 金融工具之公平值計量

於二零二零年六月三十日及二零一九年十二月三十一日，該等按成本或攤銷成本入賬之金融工具之賬面值與其公平值並無重大差異。

概無任何金融工具被用作對沖用途。

### 19. 資本管理

本集團管理資本旨在確保本集團能夠持續營運，從而為股東及其它持份者提供回報及利益，並維持最佳資本結構以減少資本成本。

為維持或調整資本結構，本集團可能調整支付予股東之股息金額、向股東退回資本、發行新股份或出售資產以減少債務。於期內管理資本之目標、政策或過程概無作出變動。

本集團的資本結構包括債項淨值，包括計息銀行借款(扣除現金及現金等價物)以及包括簡明綜合財務狀況表所披露之股本及儲備之本公司擁有人應佔權益。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 20. COMMITMENTS

#### Capital commitments

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment (contracted for but not yet incurred)	物業、廠房及設備 (已訂約但尚未產生)	34,430	26,936

#### Operating lease commitments

##### The Group as the lessee

At the end of each reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating lease which fall due as follows:

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within 1 year	一年內	—	9

The Group rents a number of properties and land under operating leases. The agreements run for an initial period of 1 to 49 years and do not include any an extension or termination option.

Upon the initial application of IFRS 16 as at 1 January 2019, operating lease commitments were remeasured and recognised as adjustments to the lease liabilities as at the date of initial application. Operating lease commitments as at 31 December 2019 shown above only represent lease commitments of the Group for short-term leases.

### 20. 承擔

#### 資本承擔

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment (contracted for but not yet incurred)	物業、廠房及設備 (已訂約但尚未產生)	34,430	26,936

#### 經營租賃承擔

##### 本集團作為承租人

於各報告期末，本集團不可撤銷經營租賃項下之未來最低租賃付款到期情況如下：

		As at 30 June 2020 於 二零二零年 六月三十日 Unaudited (未經審計)	As at 31 December 2019 於 二零一九年 十二月三十一日 Audited (經審計)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within 1 year	一年內	—	9

本集團根據經營租賃租用多項物業及土地。該等協議之初始年期為1至49年，且並無任何續期或終止權。

於二零一九年一月一日首次應用國際財務報告準則第16號後，經營租賃承擔已於首次應用日期重新計量及確認為租賃負債調整。上文所示於二零一九年十二月三十一日之經營租賃承擔僅指本集團就短期租賃之租賃承擔。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 21. RELATED PARTY TRANSACTIONS

#### (a) Recurring transactions

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Rent paid to Mr. Ernest Chen	已向陳炳強先生支付之租金	960	840
Purchase of red wine from a related company (Note)	向關聯公司購買紅酒(附註)	387	—

Note: Ernest Chen and Leo Chen are the beneficial owners of this related company which is engaged in wine trading business. The red wine was consumed for the purposes of business banquets and functions with customers, suppliers, distributors and business partners of the Group.

附註：陳炳強先生及陳炳耀先生為該關聯公司之實益擁有人，該公司從事葡萄酒貿易業務。紅酒於本集團之商業飲宴及活動中與客戶、供應商、分銷商及業務夥伴使用。

#### (b) Guarantees provided by related parties

		As at	As at
		30 June	31 December
		2020	2019
		於	於
		二零二零年	二零一九年
		六月三十日	十二月三十一日
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guarantees of interest-bearing bank borrowings provided	由以下人士提供的計息銀行借款擔保		
by Mr. Ernest Chen	陳炳強先生	—	25,000
by Mr. Leo Chen	陳炳耀先生	—	25,000

### 21. 關連方交易

#### (a) 經常性交易

#### (b) 關連方提供的擔保

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 21. RELATED PARTY TRANSACTIONS — continued

#### (c) Key management personnel remuneration

### 21. 關連方交易 — 續

#### (c) 主要管理人員薪酬

		Six months ended 30 June	
		2020	2019
		二零二零年	二零一九年
		截至六月三十日止六個月	
		Unaudited	Audited
		(未經審計)	(經審計)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,588	766
Retirement benefit scheme contributions	退休福利計劃供款	28	23
		<b>1,616</b>	789



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