



天虹紡織集團有限公司
TEXHONG TEXTILE GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 2678

2022

INTERIM REPORT 中期報告

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公司資料 CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Hong Tianzhu (*Chairman*)
Mr. Zhu Yongxiang
(*Vice Chairman and Chief Executive Officer*)
Mr. Tang Daoping
Mr. Hui Tsz Wai (resigned on 31 March 2022)

INDEPENDENT NON-EXECUTIVE DIRECTORS AND AUDIT COMMITTEE

Mr. Ting Leung Huel, Stephen
MH, FCCA, FCPA (Practising),
ACA, FTIHK, FHKIoD (*Chairman*)
Professor Tao Xiaoming
Professor Cheng Longdi

REMUNERATION COMMITTEE

Mr. Ting Leung Huel, Stephen
MH, FCCA, FCPA (Practising),
ACA, FTIHK, FHKIoD (*Chairman*)
Professor Tao Xiaoming
Professor Cheng Longdi

NOMINATION COMMITTEE

Mr. Hong Tianzhu (*Chairman*)
Mr. Ting Leung Huel, Stephen
MH, FCCA, FCPA (Practising),
ACA, FTIHK, FHKIoD
Professor Tao Xiaoming
Professor Cheng Longdi

ESG COMMITTEE

Mr. Tang Daoping (*Chairman*)
Mr. Hui Tsz Wai
(ceased to be a member on 31 March 2022)
Professor Tao Xiaoming
Professor Cheng Longdi
Mr. Ting Leung Huel, Stephen MH, FCCA, FCPA
(Practising), ACA, FTIHK, FHKIoD

執行董事

洪天祝先生(主席)
朱永祥先生(副主席兼行政總裁)
湯道平先生
許子慧先生(於二零二二年三月三十一日辭任)

獨立非執行董事及審核委員會

丁良輝先生
MH, FCCA, FCPA (Practising),
ACA, FTIHK, FHKIoD (主席)
陶肖明教授
程隆棣教授

薪酬委員會

丁良輝先生
MH, FCCA, FCPA (Practising),
ACA, FTIHK, FHKIoD (主席)
陶肖明教授
程隆棣教授

提名委員會

洪天祝先生(主席)
丁良輝先生
MH, FCCA, FCPA (Practising),
ACA, FTIHK, FHKIoD
陶肖明教授
程隆棣教授

ESG 委員會

湯道平先生(主席)
許子慧先生
(於二零二二年三月三十一日不再為成員)
陶肖明教授
程隆棣教授
丁良輝先生 MH, FCCA, FCPA
(Practising), ACA, FTIHK, FHKIoD

公司資料(續) CORPORATE INFORMATION (CONTINUED)

COMPANY SECRETARY

Mr. Hui Tsz Wai

公司秘書

許子慧先生

AUTHORISED REPRESENTATIVES

Mr. Hong Tianzhu
Mr. Hui Tsz Wai

授權代表

洪天祝先生
許子慧先生

HEAD OFFICE

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REGISTERED OFFICE

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Cayman Islands

註冊辦事處

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

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
Sumitomo Mitsui Banking Corporation
The Hongkong and Shanghai Banking
Corporation Limited
Standard Chartered Bank
Industrial and Commercial Bank of China
Citibank
United Overseas Bank
Crédit Agricole Corporate and Investment Bank
Hang Seng Bank Limited
China Merchants Bank

主要往來銀行

中國銀行(香港)有限公司
三井住友銀行
滙豐銀行
渣打銀行
中國工商銀行
花旗銀行
大華銀行
東方匯理銀行
恒生銀行有限公司
招商銀行

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and
Registered PIE Auditor

核數師

羅兵咸永道會計師事務所
執業會計師及
認可公眾利益實體核數師

LEGAL ADVISERS AS TO HONG KONG LAW

Chiu & Partners

法律顧問(香港法律)

趙不渝·馬國強律師事務所

公司資料(續)
CORPORATE INFORMATION (CONTINUED)

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER OFFICE**

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D,
P.O. Box 1586, Gardenia Court,
Camana Bay, Grand Cayman
KY1-1100
Cayman Islands

主要股份過戶登記處

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D,
P.O. Box 1586, Gardenia Court,
Camana Bay, Grand Cayman
KY1-1100
Cayman Islands

**HONG KONG BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE**

Boardroom Share Registrars (HK) Limited
2103B
21st Floor
148 Electric Road
North Point
Hong Kong

香港股份過戶登記分處

寶德隆證券登記有限公司
香港
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STOCK CODE

2678

股份編號

2678

簡明綜合資產負債表

CONDENSED CONSOLIDATED BALANCE SHEET

			Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Freehold land	永久產權土地	7	182,478	163,957
Property, plant and equipment	物業、廠房及設備	8	9,642,869	9,229,119
Investment properties	投資物業	8	266,879	–
Right-of-use assets	使用權資產	9	1,524,304	1,227,190
Intangible assets	無形資產	10	67,247	69,078
Long-term receivables	長期應收賬款	14	292,000	292,000
Investments accounted for using the equity method	以權益法入賬之投資	11	318,959	320,938
Deferred income tax assets	遞延所得稅資產		110,865	91,983
			12,405,601	11,394,265
Current assets	流動資產			
Inventories	存貨	12	7,321,290	7,151,667
Properties under development	發展中物業	12	247,022	235,113
Trade and bills receivables	應收貿易及票據款項	13	2,728,888	2,019,660
Prepayments, deposits and other receivables	預付款項、按金及 其他應收賬款	14	1,067,888	890,817
Derivative financial instruments	衍生金融工具	18	75,178	55,653
Financial assets at fair value through profit or loss	按公平值計入損益 之金融資產	18	313,078	–
Pledged bank deposits	已抵押銀行存款		95,402	190,302
Cash and cash equivalents	現金及現金等值物		2,088,579	2,505,407
			13,937,325	13,048,619
Total assets	資產總值		26,342,926	24,442,884

簡明綜合資產負債表(續)

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

			Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital: nominal value	股本：面值	20	96,958	96,958
Share premium	股份溢價	20	462,059	462,059
Other reserves	其他儲備		932,676	907,534
Retained earnings	保留溢利		9,115,453	8,571,719
			10,607,146	10,038,270
Non-controlling interests	非控制性權益		595,546	562,682
Total equity	權益總額		11,202,692	10,600,952
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸	17	3,739,293	3,383,377
Lease liabilities	租賃負債	9	190,004	82,627
Deferred income tax liabilities	遞延所得稅負債		293,217	286,482
			4,222,514	3,752,486

簡明綜合資產負債表(續)

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

			Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
		Note 附註		
Current liabilities	流動負債			
Trade and bills payables	應付貿易及票據款項	15	4,730,362	4,576,337
Contract liabilities	合約負債		472,799	361,634
Accruals and other payables	預提費用及其他			
	應付賬款	16	855,032	903,579
Current income tax liabilities	當期所得稅負債		164,062	188,766
Borrowings	借貸	17	4,399,015	3,831,662
Derivative financial instruments	衍生金融工具	18	53,125	165,975
Lease liabilities	租賃負債	9	232,627	31,622
Long-term payables due within 1 year	一年內到期的長期 應付賬款	19	10,698	29,871
			10,917,720	10,089,446
Total liabilities	負債總額		15,140,234	13,841,932
Total equity and liabilities	總權益及負債		26,342,926	24,442,884

The notes on pages 15 to 75 form an integral part of these condensed consolidated financial statements.

第15至75頁之附註為此簡明綜合財務報表之一部分。

簡明綜合收益表

CONDENSED CONSOLIDATED INCOME STATEMENT

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
		Note 附註	
Revenue	收入	6	13,020,846
Cost of sales	銷售成本	23	(10,453,049)
Gross profit	毛利		2,567,797
Selling and distribution costs	銷售及分銷開支	23	(494,729)
General and administrative expenses	一般及行政開支	23	(738,218)
Net accrual of impairment losses on financial assets	預提金融資產減值虧損淨額		(11,818)
Other income	其他收入	22	33,026
Other gains/(losses) — net	其他收益/(虧損) — 淨額	22	25,805
Operating profit	經營溢利		1,381,863
Finance income	財務收入	24	32,735
Finance costs	財務費用	24	(207,707)
Finance costs — net	財務費用 — 淨額	24	(174,972)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損	11	(1,979)
Profit before income tax	除所得稅前溢利		1,204,912
Income tax expense	所得稅開支	25	(180,468)
Profit for the period	期內溢利		1,024,444

簡明綜合收益表(續)

CONDENSED CONSOLIDATED INCOME STATEMENT (CONTINUED)

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
		Note 附註	
Attributable to:	以下各方應佔：		
Owners of the Company	本公司擁有人	991,972	1,287,620
Non-controlling interests	非控制性權益	32,472	34,244
		1,024,444	1,321,864
Earnings per share for profit attributable to owners of the Company	本公司擁有人應佔溢利之每股盈利		
— Basic earnings per share	— 每股基本盈利	RMB1.08 人民幣 1.08 元	RMB1.41 人民幣 1.41 元
		26	
— Diluted earnings per share	— 每股攤薄盈利	RMB1.08 人民幣 1.08 元	RMB1.40 人民幣 1.40 元
		26	

The notes on pages 15 to 75 form an integral part of these condensed consolidated financial statements.

第15至75頁之附註為此簡明綜合財務報表之一部分。

簡明綜合全面收益表

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Profit for the period	期內溢利	1,024,444	1,321,864
Other comprehensive income <i>Items that may be reclassified</i> <i>subsequently to profit or loss</i>	其他全面收益 其後可能會重新分類至 損益之項目		
Currency translation differences	貨幣兌換差額	26,741	1,865
Total comprehensive income for the period	期內全面收益總額	1,051,185	1,323,729
Attributable to:	以下各方應佔：		
Owners of the Company	本公司擁有人	1,016,368	1,289,485
Non-controlling interests	非控制性權益	34,817	34,244
		1,051,185	1,323,729

The notes on pages 15 to 75 form an integral part of these condensed consolidated financial statements.

第15至75頁之附註為此簡明綜合財務報表之一部分。

簡明綜合權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Unaudited 未經審核					
		Attributable to owners of the Company 本公司擁有人應佔					
		Share capital	Share premium	Other reserves	Retained earnings	Non- controlling interests 非控制性 權益	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
Balance at 1 January 2021	於二零二一年一月一日的結餘	96,709	433,777	942,310	6,390,471	609,471	8,472,738
Comprehensive income	全面收益						
Profit for the period	期間溢利	-	-	-	1,287,620	34,244	1,321,864
Other comprehensive income:	其他全面收益：						
Currency translation differences	貨幣匯兌差額	-	-	1,865	-	-	1,865
Total comprehensive income for the six months ended 30 June 2021	截至二零二一年六月三十日止六個月全面收益總額	-	-	1,865	1,287,620	34,244	1,323,729
Transactions with owners	與股權持有人之交易						
Shares issued upon exercise of share options	行使購股權時發行股份	166	21,526	(7,197)	-	-	14,495
Dividends relating to 2020 paid in May 2021	於二零二一年五月派付有關二零二零年之股息	-	-	-	(150,461)	-	(150,461)
Transfer to statutory reserves	轉撥至法定儲備	-	-	10,188	(10,188)	-	-
Transfer from revaluation reserve to retained earnings	由重估儲備轉撥至保留溢利						
— gross	— 總額	-	-	(5,765)	5,765	-	-
— deferred income tax	— 遞延所得稅	-	-	1,319	(1,319)	-	-
Total transactions with owners	與股權持有人之交易總額	166	21,526	(1,455)	(156,203)	-	(135,966)
Balance at 30 June 2021	於二零二一年六月三十日的結餘	96,875	455,303	942,720	7,521,888	643,715	9,660,501

簡明綜合權益變動表(續)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

		Unaudited 未經審核					
		Attributable to owners of the Company 本公司擁有人應佔					
		Share capital	Share premium	Other reserves	Retained earnings	Non- controlling interests	Total equity
		股本	股份溢價	其他儲備	保留溢利	非控制性 權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2022	於二零二二年一月一日的結餘	96,958	462,059	907,534	8,571,719	562,682	10,600,952
Comprehensive income	全面收益						
Profit for the period	期間溢利	-	-	-	991,972	32,472	1,024,444
Other comprehensive income:	其他全面收益：						
Currency translation differences	貨幣匯兌差額	-	-	24,396	-	2,345	26,741
Total comprehensive income for the six months ended 30 June 2022	截至二零二二年六月三十日 止六個月全面收益總額	-	-	24,396	991,972	34,817	1,051,185
Transactions with owners	與股權持有人之交易						
Capital withdraw from non-controlling shareholders of subsidiaries	附屬公司非控股股東撤資	-	-	-	-	(3,476)	(3,476)
Capital injection from non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	-	-	-	-	1,523	1,523
Dividends relating to 2021 paid in June 2022	於二零二二年六月派付有關 二零二一年之股息	-	-	-	(447,492)	-	(447,492)
Transfer to statutory reserves	轉撥至法定儲備	-	-	4,648	(4,648)	-	-
Transfer from revaluation reserve to retained earnings	由重估儲備轉撥至保留溢利	-	-	-	-	-	-
— gross	— 總額	-	-	(5,049)	5,049	-	-
— deferred income tax	— 遞延所得稅	-	-	1,147	(1,147)	-	-
Total transactions with owners	與股權持有人之交易總額	-	-	746	(448,238)	(1,953)	(449,445)
Balance at 30 June 2022	於二零二二年六月三十日 的結餘	96,958	462,059	932,676	9,115,453	595,546	11,202,692

The notes on pages 15 to 75 form an integral part of this condensed consolidated financial statements.

第 15 至 75 頁之附註為此簡明綜合財務報表之一部分。

簡明綜合現金流量表

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Cash flows from operating activities	來自經營活動的現金流量		
Cash generated from operations	經營所產生之現金	978,067	2,386,631
Interest received	已收利息	32,735	18,872
Income tax paid	已付所得稅	(240,495)	(171,116)
Net cash flows generated from operating activities	來自經營活動的現金流量淨額	770,307	2,234,387
Cash flows from investing activities	來自投資活動的現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(1,047,400)	(699,758)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項	24,177	38,558
Purchases of land use rights	購買土地使用權	(58,698)	-
Purchase of freehold land	購買永久產權土地	(9,888)	-
Net payment on settlement of financial instruments	金融工具結算支付款項淨額	(71,767)	(44,560)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	40,764	-
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	(312,000)	-
Net cash flows used in investing activities	用於投資活動的現金流量淨額	(1,434,812)	(705,760)

簡明綜合現金流量表(續)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Cash flows from financing activities	來自融資活動的現金流量		
Proceeds from shares issued under the employee share option scheme	根據僱員購股權計劃發行股份所得款項	-	14,495
Proceeds from borrowings	借貸所得款項	4,174,836	2,895,221
Repayments of borrowings	償還借貸	(3,363,239)	(3,813,725)
Principal elements of lease payments	租賃付款之本金部分	(24,637)	(31,797)
Interest paid	已付利息	(89,838)	(100,117)
Dividends paid	已付股息	(447,492)	(150,461)
Capital withdrawal from non-controlling shareholders of subsidiaries	附屬公司非控股股東撤資	(3,476)	-
Capital injection from non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	1,523	-
Increase in pledged bank deposits	已抵押銀行存款增加	-	(100,000)
Net cash flows generated from/ (used in) financing activities	融資活動所得/(所耗)現金流量淨額	247,677	(1,286,384)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)/增加淨額	(416,828)	242,243
Cash and cash equivalents at the beginning of the period	期初之現金及現金等值物	2,505,407	2,683,613
Cash and cash equivalents at end of the period	期末之現金及現金等值物	2,088,579	2,925,856

The notes on pages 15 to 75 form an integral part of this condensed consolidated financial statements.

第15至75頁之附註為此簡明綜合財務報表之一部分。

1. GENERAL INFORMATION

Texhong Textile Group Limited (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in the manufacturing and sales of yarns, grey fabrics, non-woven fabrics and garment fabrics as well as garments.

The Company was incorporated in the Cayman Islands on 12 July 2004 as an exempted company with limited liability under the Companies Law of Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 9 December 2004.

This condensed consolidated financial statements are presented in Chinese Renminbi (“RMB”), unless otherwise stated.

This condensed consolidated financial statements have been approved and authorised for issue by the board (“Board”) of directors (“Directors”) of the Company on 29 August 2022.

This condensed consolidated financial statements have not been audited.

2. BASIS OF PREPARATION

This condensed consolidated financial statements for the six months ended 30 June 2022 have been prepared in accordance with HKAS 34, ‘Interim Financial Reporting’. The condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2021, which have been prepared in accordance with HKFRSs.

1. 一般資料

天虹紡織集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要業務為製造及銷售紗線、坯布、無紡布及面料和服裝。

本公司乃於二零零四年七月十二日在開曼群島根據開曼群島公司法註冊成立為一家獲豁免有限公司。其註冊辦事處之地址為 Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

自從二零零四年十二月九日起，本公司股份已經在香港聯合交易所有限公司(「聯交所」)主板上市。

除非另有指明，本簡明綜合財務報表以中國人民幣(「人民幣」)呈列。

於二零二二年八月二十九日，本簡明綜合財務報表已獲本公司董事(「董事」)會(「董事會」)批准及授權刊發。

此簡明綜合財務報表乃未經審核。

2. 編製基準

截至二零二二年六月三十日止六個月之簡明綜合財務報表，乃按香港會計準則第34號「中期財務報告」編製。此簡明綜合財務報表應與本公司截至二零二一年十二月三十一日止年度之年度綜合財務報表(乃按香港財務報告準則編製)一併閱讀。

3. ACCOUNTING POLICIES

The accounting policies applied for the preparation of the condensed consolidated financial statements are consistent with those of the annual financial statements for the year ended 31 December 2021, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of new standards, amendments and interpretation of HKFRSs effective for the financial year ending 31 December 2022.

(a) New amendments and interpretation of HKFRSs adopted by the Group

A number of new amendments to existing standards became applicable for the current reporting period. These new amendments did not give rise to any significant impact on the Group's financial statements:

- (i) Property, Plant and Equipment: Proceeds before intended use — Amendments to HKAS 16
- (ii) Reference to the Conceptual Framework — Amendments to HKFRS 3
- (iii) Onerous Contracts — Cost of Fulfilling a Contract Amendments to HKAS 37
- (iv) Annual Improvements to HKFRS Standards 2018–2020
- (v) Amendments to AG 5 Merger Accounting for Common Control Combinations

3. 會計政策

編製本簡明綜合財務報表所採納之會計政策與截至二零二一年十二月三十一日止年度之年度財務報表所採納者一致(如該等年度財務報表所述)，惟採用適用於預期年度總收益稅率之所得稅估算以及採納於截至二零二二年十二月三十一日止財政年度生效的香港財務報告準則之新訂準則、修訂及詮釋除外。

(a) 本集團採納之香港財務報告準則新修訂及詮釋

多項現有準則的新修訂適用於現時報告期。該等新修訂並無對本集團的財務報表產生任何重大影響：

- (i) 物業、廠房及設備：於作擬定用途前之所得款項 — 香港會計準則第16號之修訂
- (ii) 概念框架之提述 — 香港財務報告準則第3號之修訂
- (iii) 虧損性合約 — 履行合約之成本 — 香港會計準則第37號之修訂
- (iv) 香港財務報告準則二零一八年至二零二零年之年度改進
- (v) 會計指引第5號共同控制合併之合併會計處理之修訂

3. ACCOUNTING POLICIES (Continued)

(b) The following new standard and amendments of HKFRSs have been issued but are not effective for the financial year beginning on 1 January 2022 and have not been early adopted by the Group:

- (i) HKFRS 17 'Insurance Contracts', effective for annual periods beginning on or after 1 January 2023.
- (ii) Amendments to HKAS 1 regarding classification of liabilities as current or non-current, effective for annual periods beginning on or after 1 January 2023.
- (iii) Amendments to HKAS 1 and HKFRS Practice Statement 2 regarding disclosure of accounting policies, effective for annual periods beginning on or after 1 January 2023.
- (iv) Amendments to HKAS 8 regarding definition of accounting estimates, effective for annual periods beginning on or after 1 January 2023.
- (v) Amendments to HKAS 12 regarding deferred tax related to assets and liabilities arising from a single transaction, effective for annual periods beginning on or after 1 January 2023.
- (vi) Amendments to HKFRS 10 and HKAS 28 regarding sale or contribution of assets between an investor and its associate or joint venture, originally intended to be effective for annual periods beginning on or after 1 January 2016. The effective date has now been deferred/removed.

3. 會計政策(續)

(b) 以下已頒佈的香港財務報告準則的新訂準則及修訂但尚未於二零二二年一月一日起之財政年度生效，且未獲本集團提前採納：

- (i) 香港財務報告準則第17號「保險合約」，自二零二三年一月一日或之後起年度期間生效。
- (ii) 香港會計準則第1號有關將負債分類為流動或非流動之修訂，自二零二三年一月一日或之後起年度期間生效。
- (iii) 香港會計準則第1號及香港財務報告準則實務報告第2號有關會計政策披露之修訂，自二零二三年一月一日或之後起年度期間生效。
- (iv) 香港會計準則第8號有關會計估計定義之修訂，自二零二三年一月一日或之後起年度期間生效。
- (v) 香港會計準則第12號有關與單一交易產生的資產及負債相關的遞延稅項之修訂，自二零二三年一月一日或之後起年度期間生效。
- (vi) 香港財務報告準則第10號及香港會計準則第28號有關投資者與其聯營公司或合營企業之間的資產出售或注資之修訂，原訂自二零一六年一月一日或之後起年度期間生效。有關生效日期現已押後／刪除。

3. ACCOUNTING POLICIES (Continued)

(b) The following new standard and amendments of HKFRSs have been issued but are not effective for the financial year beginning on 1 January 2022 and have not been early adopted by the Group: (Continued)

(vii) Hong Kong Interpretation 5 (2020) regarding presentation of financial statements — classification by the borrower of a term loan that contains a repayment on demand clause, effective for annual periods beginning on or after 1 January 2023.

4. ESTIMATES

The preparation of condensed consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

In preparing this condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021, with the exception of changes in estimates that are required in determining the provision for income taxes (Note 25).

3. 會計政策(續)

(b) 以下已頒佈的香港財務報告準則的新訂準則及修訂但尚未於二零二二年一月一日起之財政年度生效，且未獲本集團提前採納：(續)

(vii) 香港詮釋第5號(二零二零年)有關財務報表之呈列 — 借款人對含有按要求償還條款之定期貸款的分類之修訂，自二零二三年一月一日或之後起年度期間生效。

4. 估計

編製簡明綜合財務報表需要使用會計估算，根據定義，該等估算甚少等於實際結果。管理層亦需要對應用本集團會計政策行使判斷。

於編製此簡明綜合財務報表時，管理層於應用本集團會計政策及有關不明朗估計的主要來源時作出的主要判斷，與編製截至二零二一年十二月三十一日止年度的綜合財務報表時所用者一致，釐定所得稅撥備之估計變動除外(附註25)。

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

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

The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2021.

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

5.2 Liquidity risk

Compared to last year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

5.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

5. 財務風險管理

5.1 財務風險因素

本集團的業務面對多種財務風險(包括外匯風險、價格風險、現金流量及公平值利率風險)、信貸風險及流動資金風險。

簡明綜合財務報表並不包括年度財務報表所需的所有財務風險管理資料及披露,並應與本集團截至二零二一年十二月三十一日止年度的年度財務報表一併閱讀。

風險管理政策自上年度末以來並無變動。

5.2 流動資金風險

與上年度末相比,金融負債的未折現金合約現金外流並無重大變動。

5.3 公平值估計

下表以估值法分析按公平值列賬之金融工具,各等級分析如下:

- 相同資產或負債之活躍市場報價(未經調整)(第一級)。
- 除所報價格(計入第一級)外,資產或負債之直接(如價格)或間接(如源自價格者)可觀察輸入資料(第二級)。
- 並非根據可觀察市場數據釐定之資產或負債輸入資料(即不可觀察輸入資料)(第三級)。

5. FINANCIAL RISK MANAGEMENT

(Continued)

5.3 Fair value estimation (Continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 June 2022 and 31 December 2021.

5. 財務風險管理(續)

5.3 公平值估計(續)

下表載列本集團於二零二二年六月三十日及二零二一年十二月三十一日按公平值計量之金融資產與負債。

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 30 June 2022	於二零二二年 六月三十日				
Assets	資產				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	313,078	313,078
Derivative financial instruments	衍生金融工具	-	-	75,178	75,178
		-	-	388,256	388,256
Liabilities	負債				
Derivative financial instruments	衍生金融工具	-	-	53,125	53,125

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2021	於二零二一年 十二月三十一日				
Assets	資產				
Derivative financial instruments	衍生金融工具	-	-	55,653	55,653
Liabilities	負債				
Derivative financial instruments	衍生金融工具	-	-	165,975	165,975

5. FINANCIAL RISK MANAGEMENT

(Continued)

5.4 Valuation techniques used to derive Level 3 fair values

Level 3 trading derivatives comprise forward foreign exchange contracts, cross currency swap contracts, cotton option contracts, cotton future contracts and structured deposits. These forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market. Cross currency swaps are fair valued using forward exchange rates that are quoted in an active market and interest rates extracted from observable yield curves. Cotton option contracts and cotton future contracts are fair valued using forward cotton price that are quoted in an active market. Structured deposits are fair valued using interest rates that are quoted in an active market.

6. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and sales of yarns, grey fabrics, non-woven fabrics and garment fabrics as well as garments. Revenue recognised for the period represented sales of goods, net of value-added tax.

5. 財務風險管理(續)

5.4 得出第三級公平值所用之估值方法

第三級貿易衍生工具包括遠期外匯合約、交叉貨幣掉期合約、棉花期權合約、棉花期貨合約及結構性存款。該等遠期外匯合約已利用活躍市場所報遠期匯率評估公平值。交叉貨幣掉期合約利用活躍市場所報遠期匯率及從可觀察收益曲線摘取之利率評估公平值。棉花期權合約及棉花期貨合約利用活躍市場所報遠期棉花價格評估公平值。結構性存款利用活躍市場所報利率評估公平值。

6. 收益及分類資料

本集團主要從事製造及銷售紗線、坯布、無紡布及面料和服裝。於期內確認之收入指貨品銷售(扣除增值稅)。

6. REVENUE AND SEGMENT INFORMATION

(Continued)

The chief operating decision-maker has been identified as the Committee of Executive Directors of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Committee of Executive Directors reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Committee of Executive Directors considers the business from both a product and geographical perspective. From a product perspective, management assesses the performance from sales of yarns, grey fabrics, non-woven fabrics and garment fabrics as well as garments.

Due to the continuous improvement of the regional integration process, the Group shows homogeneity of operation and management in the same geographical area. As a consequence, the Committee of Executive Directors integrated the segment information in the same area.

China now includes Mainland China, Hong Kong and Macao. Southeast Asia now includes Vietnam and Cambodia. Americas now includes United States, Mexico and Nicaragua.

The revenues from external customers in Asia and Americas accounted for 88.6% and 10.6% (for the six months ended 30 June 2021: 89.7% and 9.5%) of the Group's total revenue respectively.

The Committee of Executive Directors assesses the performance of the operating segments based on revenue and operating profit.

6. 收益及分類資料(續)

主要經營決策者被視為本公司執行董事委員會。經營分類以向主要經營決策者提供內部呈報一致的形式呈報。執行董事委員會審閱本集團之內部申報，以評估表現及分配資源。管理層已根據該等報告釐定經營分類。

執行董事委員會認為業務可按產品及地區角度分類，管理層從產品角度評估紗線、坯布、無紡布及面料和服裝之銷售表現。

由於區域一體化進程不斷改善，本集團在同一地理區域內展現經營及管理均一性。因此，執行董事委員會對同一區域的分部資料予以整合。

中國現包括中國大陸、香港及澳門。東南亞現包括越南及柬埔寨。美洲現包括美國、墨西哥及尼加拉瓜。

來自亞洲及美洲的外部客戶的收入分別佔本集團總收入的88.6%及10.6% (截至二零二一年六月三十日止六個月：89.7%及9.5%)。

執行董事委員會根據收益及經營利潤評估經營分類之業績。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. REVENUE AND SEGMENT INFORMATION (Continued)

6. 收益及分類資料(續)

The segment information for the six months ended 30 June 2022 is as follows:

截至二零二二年六月三十日止六個月之分類資料如下：

		Unaudited 未經審核											
		Six months ended 30 June 2022 截至二零二二年六月三十日止六個月											
		Yarns 紗線				Garment fabrics and Garments 面料及服裝			Grey fabrics 坯布		Non-woven fabrics 無紡布		Total 總額
		Southeast				Southeast			Southeast		Southeast		
		China 中國	Asia 東南亞	Americas 美洲	Others 其他	China 中國	Asia 東南亞	Americas 美洲	China 中國	Asia 東南亞	China 中國	Asia 東南亞	
		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	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
Total revenue	總收入	12,725,035	4,921,755	115,107	280,261	2,231,746	597,706	749,436	457,520	279,475	14,095	22,524	22,404,660
Inter-segment revenue	分類間收入	(3,995,483)	(4,176,850)	(114,679)	-	(84,333)	(551,014)	(139,473)	(31,780)	(279,456)	-	(10,746)	(9,383,814)
Revenue (from external customers)	收入(來自外部客戶)	8,729,552	744,905	428	280,261	2,147,413	46,692	609,963	425,740	19	14,095	11,778	13,020,846
Timing of revenue recognition — At a point in time	收入確認之時間 — 於某一時間點	8,729,552	744,905	428	280,261	2,147,413	46,692	609,963	425,740	19	14,095	11,778	13,020,846
Segment results	分類業績	378,911	769,780	(21,352)	40,471	167,118	17,919	22,720	62,455	3,600	868	(43,532)	1,398,958
Unallocated losses	未分配虧損												(17,095)
Operating profit	經營溢利												1,381,863
Finance income	財務收入												32,735
Finance costs	財務費用												(207,707)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損												(1,979)
Income tax expense	所得稅開支												(180,468)
Profit for the period	期內溢利												1,024,444
Depreciation and amortisation	折舊及攤銷	(199,198)	(159,130)	(19,534)	(9,008)	(45,880)	(16,616)	(18,131)	(4,769)	(11,861)	-	(15,210)	(499,359)

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. REVENUE AND SEGMENT INFORMATION (Continued)

The segment information for the six months ended 30 June 2021 is as follows:

6. 收益及分類資料(續)

截至二零二一年六月三十日止六個月之分類資料如下：

		Unaudited 未經審核												
		Six months ended 30 June 2021 截至二零二一年六月三十日止六個月												
		Yams 紗線				Garment fabrics and Garments 面料及服裝			Grey fabrics 坯布		Non-woven fabrics 無紡布		Total 總額	
		Southeast				Southeast			Southeast		Southeast			
		China 中國	Asia 東南亞	Americas 美洲	Others 其他	China 中國	Asia 東南亞	Americas 美洲	China 中國	Asia 東南亞	China 中國	Asia 東南亞		
		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	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
Total revenue	總收入	12,871,848	4,422,828	37,373	209,511	1,957,260	377,237	568,662	373,273	248,691	37,936	45,031	21,149,650	
Inter-segment revenue	分類間收入	(3,731,964)	(3,897,100)	(37,373)	-	(71,552)	(339,328)	(103,923)	(154,138)	(247,368)	-	(40,624)	(8,623,370)	
Revenue (from external customers)	收入(來自外部客戶)	9,139,884	525,728	-	209,511	1,885,708	37,909	464,739	219,135	1,323	37,936	4,407	12,526,280	
Timing of revenue recognition — At a point in time	收入確認之時間 — 於某一個時間點	9,139,884	525,728	-	209,511	1,885,708	37,909	464,739	219,135	1,323	37,936	4,407	12,526,280	
Segment results	分類業績	613,905	851,237	(16,455)	44,753	176,368	9,485	17,222	42,711	8,776	1,280	8,256	1,757,538	
Unallocated losses	未分配虧損												(89,779)	
Operating profit	經營溢利												1,667,759	
Finance income	財務收入												18,872	
Finance costs	財務費用												(40,807)	
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損												(14,791)	
Income tax expense	所得稅開支												(309,169)	
Profit for the period	期內溢利												1,321,864	
Depreciation and amortisation	折舊及攤銷	(235,475)	(147,892)	(475)	(8,359)	(56,297)	(25,324)	(15,597)	(3,962)	(11,864)	-	(9,912)	(515,157)	

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. REVENUE AND SEGMENT INFORMATION (Continued)

The segment assets and liabilities as at 30 June 2022 are as follows:

6. 收益及分類資料(續)

於二零二二年六月三十日之分類資產及負債如下：

		Unaudited 未經審核												
		As at 30 June 2022 於二零二二年六月三十日												
		Yarns 紗線				Garment fabrics and Garments 面料及服裝				Grey fabrics 坯布		Non-woven fabrics 無紡布		Total 總額
		Southeast				Southeast				Southeast		Southeast		
		China 中國	Asia 東南亞	Americas 美洲	Others 其他	China 中國	Asia 東南亞	Americas 美洲	China 中國	Asia 東南亞	China 中國	Asia 東南亞		
		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	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
Total segment assets	分類總資產	12,268,473	5,109,989	702,699	504,204	3,855,521	1,374,509	724,582	340,717	460,749	5,230	578,400	25,925,073	
Unallocated assets	未分配資產												417,853	
Total assets of the Group	本集團總資產												26,342,926	
Total segment liabilities	分類總負債	(5,676,806)	(3,870,516)	(637,443)	(284,982)	(872,242)	(1,114,829)	(435,066)	(164,444)	(412,548)	(238)	(517,117)	(13,966,231)	
Unallocated liabilities	未分配負債												(1,174,003)	
Total liabilities of the Group	本集團總負債												(15,140,234)	
Addition to non-current assets	添置非流動資產	634,763	441,456	58,732	14,073	149,220	47,839	22,599	17,313	57,973	-	3,715	1,447,683	

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. REVENUE AND SEGMENT INFORMATION (Continued)

The segment assets and liabilities as at 31 December 2021 are as follows:

6. 收益及分類資料(續)

於二零二一年十二月三十一日之分類資產及負債如下：

		Audited 經審核													
		As at 31 December 2021 於二零二一年十二月三十一日													
		Yams 紗線				Garment fabrics and Garments 面料及服裝			Grey fabrics 坯布		Non-woven fabrics 無紡布		Total 總額		
		Southeast		Americas		Others	Southeast			Southeast		Southeast			
		China	Asia	美洲	其他	China	Asia	美洲	China	Asia	China	Asia	China	Asia	
		中國	東南亞	美洲	其他	中國	東南亞	美洲	中國	東南亞	中國	東南亞	中國	東南亞	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total segment assets	分類總資產	11,095,040	5,169,955	591,340	408,889	3,686,870	1,250,814	677,472	201,580	351,632	17,548	586,538	24,037,678		
Unallocated assets	未分配資產												405,206		
Total assets of the Group	本集團總資產														24,442,884
Total segment liabilities	分類總負債	(3,416,648)	(4,190,308)	(388,146)	(271,000)	(749,688)	(970,023)	(418,489)	(80,137)	(311,360)	(804)	(477,171)	(11,273,774)		
Unallocated liabilities	未分配負債												(2,566,158)		
Total liabilities of the Group	本集團總負債														(13,841,932)
Addition to non-current assets	添置非流動資產	885,199	609,513	252,939	19,835	215,009	262,413	69,110	21,104	871	-	10,614	2,346,607		

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

7. FREEHOLD LAND

7. 永久產權土地

		Unaudited 未經審核 RMB'000 人民幣千元
Six months ended 30 June 2021	截至二零二一年六月三十日 止六個月	
Opening net book amount as at 1 January 2021	於二零二一年一月一日之 期初賬面淨值	167,794
Currency translation differences	貨幣匯兌差額	(1,569)
Closing net book amount as at 30 June 2021	於二零二一年六月三十日 之期末賬面淨值	166,225
Six months ended 30 June 2022	截至二零二二年六月三十日 止六個月	
Opening net book amount as at 1 January 2022	於二零二二年一月一日 之期初賬面淨值	163,957
Additions	添置	9,888
Currency translation differences	貨幣匯兌差額	8,633
Closing net book amount as at 30 June 2022	於二零二二年六月三十日 之期末賬面淨值	182,478

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

8. PROPERTY, PLANT, EQUIPMENT AND INVESTMENT PROPERTIES

8. 物業、廠房、設備及投資物業

		Unaudited 未經審核	
		Property, plant and equipment 物業、廠房 及設備 RMB'000 人民幣千元	Investment properties 投資物業 RMB'000 人民幣千元
Six months ended 30 June 2021	截至二零二一年六月三十日 止六個月		
Opening net book amount as at 1 January 2021	於二零二一年一月一日 之期初賬面淨值	8,894,136	-
Additions	添置	675,217	-
Disposals	出售	(23,204)	-
Depreciation	折舊	(465,652)	-
Impairment charges	減值支出	(63,319)	-
Currency translation differences	貨幣匯兌差額	(12,062)	-
Closing net book amount as at 30 June 2021	於二零二一年六月三十日 之期末賬面淨值	9,005,116	-
Six months ended 30 June 2022	截至二零二二年六月三十日 止六個月		
Opening net book amount as at 1 January 2022	於二零二二年一月一日 之期初賬面淨值	9,229,119	-
Additions	添置	1,050,407	-
Transfer to investment properties	轉撥至投資物業	(226,980)	-
Transfer from property, plant and equipment	轉自物業、廠房及設備	-	226,980
Transfer from right-of-use assets	轉自使用權資產	-	49,508
Disposals	出售	(20,549)	-
Depreciation	折舊	(448,261)	(9,609)
Currency translation differences	貨幣匯兌差額	59,133	-
Closing net book amount as at 30 June 2022	於二零二二年六月三十日 之期末賬面淨值	9,642,869	266,879

As at 31 December 2021, property, plant and equipment with a total net book amount of RMB164,427,000 was pledged as collateral for the Group's bank borrowings (Note 17).

於二零二一年十二月三十一日，賬面淨值總額為人民幣164,427,000元之物業、廠房及設備已抵押作為本集團銀行借貸之抵押品(附註17)。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. PROPERTY, PLANT, EQUIPMENT AND INVESTMENT PROPERTIES (Continued)

During the six months ended 30 June 2022, finance cost of RMB30,839,000 was capitalised as part of property, plant and equipment (for the six months ended 30 June 2021: nil).

As at 30 June 2022, investment properties with a net book amount of RMB136,762,000 were pledged as collateral for the Group's bank borrowings (Note 17).

9. LEASES

Right-of-use assets	使用權資產
— Land use rights	— 土地使用權
— Buildings and warehouses	— 樓宇及倉庫
— Equipment and others	— 設備及其他

Lease liabilities	租賃負債
— Current	— 即期
— Non-current	— 非即期

8. 物業、廠房、設備及投資物業(續)

於截至二零二二年六月三十日止六個月，人民幣30,839,000元之財務費用資本化為物業、廠房及設備的一部分(截至二零二一年六月三十日止六個月：零)。

於二零二二年六月三十日，賬面淨值為人民幣136,762,000元之投資物業已抵押作為本集團銀行借貸之抵押品(附註17)。

9. 租賃

Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
1,305,175	1,124,394
185,989	65,376
33,140	37,420
1,524,304	1,227,190
232,627	31,622
190,004	82,627
422,631	114,249

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. LEASES (Continued)

As at 31 December 2021, right-of-use assets with a total net book amount of RMB34,388,000 was pledged as collateral for the Group's bank borrowings (Note 17).

As at 30 June 2022, included in the lease liabilities were amount due to related parties of RMB185,127,000 (31 December 2021: nil) (Note 29).

The condensed consolidated income statement shows the following amounts relating to leases:

9. 租賃(續)

於二零二一年十二月三十一日，賬面淨值總額為人民幣34,388,000元之使用權資產已抵押作為本集團銀行借貸之抵押品(附註17)。

於二零二二年六月三十日，租賃負債包含應付關連方款項人民幣185,127,000元(二零二一年十二月三十一日：零)(附註29)。

簡明綜合收益表列示以下有關租賃的款項：

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Depreciation of right-of-use assets	使用權資產之折舊		
— Land use rights	— 土地使用權	13,987	17,396
— Buildings and warehouses	— 樓宇及倉庫	22,115	26,807
— Equipment and others	— 設備及其他	3,556	3,471
		39,658	47,674
Interest expense	利息開支	4,328	2,961
Expense relating to short-term leases	有關短期租賃的開支	10,611	1,246
Expense relating to leases of low-value assets	有關低價值資產租賃的開支	38	72

The total cash payment for leases during the period was RMB35,286,000 (for the six months ended 30 June 2021: RMB33,115,000).

期內的租賃現金付款總額為人民幣35,286,000元(截至二零二一年六月三十日止六個月：人民幣33,115,000元)。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

10. INTANGIBLE ASSETS

10. 無形資產

		Unaudited 未經審核 RMB'000 人民幣千元
Six months ended 30 June 2021	截至二零二一年六月三十日	
	止六個月	
Opening net book amount as at 1 January 2021	於二零二一年一月一日 之期初賬面淨值	63,406
Amortisation charges	攤銷費用	(1,831)
Closing net book amount as at 30 June 2021	於二零二一年六月三十日 之期末賬面淨值	61,575
Six months ended 30 June 2022	截至二零二二年六月三十日	
	止六個月	
Opening net book amount as at 1 January 2022	於二零二二年一月一日 之期初賬面淨值	69,078
Amortisation charges	攤銷費用	(1,831)
Closing net book amount as at 30 June 2022	於二零二二年六月三十日 之期末賬面淨值	67,247

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING
THE EQUITY METHOD

The amounts recognised in the condensed consolidated balance sheet are as follows:

Associates (a) 聯營公司(a)
Joint ventures (b) 合營企業(b)

11. 使用權益法入賬之投資

以下為已於簡明綜合資產負債表確認的金額：

Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
314,777	316,807
4,182	4,131
318,959	320,938

The amounts recognised in the condensed consolidated income statement are as follows:

Associates 聯營公司
Joint ventures 合營企業

以下為已於簡明綜合收益表確認的金額：

Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月 2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
(2,030)	(15,210)
51	419
(1,979)	(14,791)

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(a) Investments in associates

Movements of shares of net assets attributable to the Group are as follows:

Opening amount	期初金額
Share of losses based on equity held	根據所持的權益應佔虧損
Closing amount	期末金額

Set out below are the associates of the Group as at 30 June 2022 which, in the opinion of the directors, are individually immaterial to the Group. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The countries of incorporation or registration are also their principal place of business.

11. 使用權益法入賬之投資(續)

(a) 於聯營公司的投資

本集團應佔資產淨值變動如下：

Unaudited 未經審核	
Six months ended 30 June 截至六月三十日止六個月	
2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
316,807	286,037
(2,030)	(15,210)
314,777	270,827

以下為於二零二二年六月三十日，董事認為對本集團並非個別重大之本集團聯營公司。下列聯營公司之股本僅由普通股組成，並由本集團直接持有。其註冊成立或註冊國家亦為其主要營業地點。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING
THE EQUITY METHOD (Continued)

(a) Investments in associates (Continued)

Nature of investments in associates as at
30 June 2022:

Name of associate	Place and date of incorporation and form of legal entity 註冊成立地點及日期 以及法律實體類別	Principal activities	Particulars of issued share capital	Interest held
聯營公司名稱		主要業務	已發行股本詳情	所持權益
Hongyan Vietnam Holdings Limited	British Virgin Islands, 2 July 2015, limited liability company	Investment holding in British Virgin Islands	RMB166,167,000	45%
鴻雁越南控股有限公司	英屬處女群島， 二零一五年七月二日， 有限責任公司	於英屬處女群島進行 投資控股	人民幣166,167,000元	45%
Henglun International (Hong Kong) Limited	Hong Kong, 11 June 2019, limited liability company	Investment holding in Hong Kong	USD5,000,000	30%
恒綸國際(香港)有限公司	香港， 二零一九年六月十一日， 有限責任公司	於香港進行投資控股	5,000,000美元	30%
Hualida Vietnam (Quang Ninh) Holdings Limited	Hong Kong, 16 November 2018, limited liability company	Investment holding in Hong Kong	HKD20,000	45%
華利達越南(廣寧)控股 有限公司	香港， 二零一八年十一月十六日， 有限責任公司	於香港進行投資控股	20,000港元	45%
Jiangsu Dasheng Intelligence Technology Development Co., Ltd.	Nantong, Mainland China, 9 March 2020, limited liability company	Manufacturing and sales of textile products	RMB10,000,000	30%
江蘇大生智能科技發展 有限公司	中國大陸南通， 二零二零年三月九日， 有限責任公司	製造及銷售紡織產品	人民幣10,000,000元	30%

11. 使用權益法入賬之投資(續)

(a) 於聯營公司的投資(續)

於二零二二年六月三十日，聯營公司
的投資性質如下：

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING
THE EQUITY METHOD (Continued)

11. 使用權益法入賬之投資(續)

(a) Investments in associates (Continued)

Nature of investments in associates as at
30 June 2022: (Continued)

(a) 於聯營公司的投資(續)

於二零二二年六月三十日，聯營公司
的投資性質如下：(續)

Name of associate	Place and date of incorporation and form of legal entity 註冊成立地點及日期 以及法律實體類別	Principal activities	Particulars of issued share capital	Interest held
聯營公司名稱		主要業務	已發行股本詳情	所持權益
Treasure Reap Limited	British Virgin Islands, 20 February 2017, limited liability company	Investment holding in British Virgin Islands	USD100	45%
豐寶有限公司	英屬處女群島，二零一七年二月二十日，有限責任公司	於英屬處女群島進行投資控股	100美元	45%
HLD (HK) Trading Limited	Hong Kong, 24 February 2022, limited liability company	Trading of textile products in Hong Kong	HKD100	45%
HLD (HK) Trading Limited	香港，二零二二年二月二十四日，有限責任公司	於香港進行紡織產品貿易	100港元	45%
Subsidiaries of Hongyan Vietnam Holdings Limited: 鴻雁越南控股有限公司之附屬公司：				
Lanyan Denim Garment Vietnam Holdings Limited	Hong Kong, 2 June 2015, limited liability company	Investment holding in Hong Kong	HKD100	45%
蘭雁牛仔服裝越南控股有限公司	香港，二零一五年六月二日，有限責任公司	於香港進行投資控股	100港元	45%
Hualida (Vietnam) Garments Limited Company	Vietnam, 26 January 2016, limited liability company	Manufacturing of garments in Vietnam	Vietnam Dong ("VND") 39,492,000,000	45%
華利達(越南)服裝責任有限公司	越南，二零一六年一月二十六日，有限責任公司	於越南製造成衣	39,492,000,000 越南盾(「越南盾」)	45%

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING
THE EQUITY METHOD (Continued)

(a) Investments in associates (Continued)

Nature of investments in associates as at
30 June 2022: (Continued)

Name of associate	Place and date of incorporation and form of legal entity 註冊成立地點及日期 以及法律實體類別	Principal activities	Particulars of issued share capital	Interest held
聯營公司名稱		主要業務	已發行股本詳情	所持權益
Hualida Vietnam (Quang Ninh) Garments Company Limited	Vietnam, 5 January 2021, limited liability company	Manufacturing of garments in Vietnam	VND46,580,000,000	45%
華利達越南(廣寧)服裝 責任有限公司	越南， 二零二一年一月五日， 有限責任公司	於越南製造成衣	46,580,000,000 越南盾	45%

Subsidiary of Hualida Vietnam (Quang Ninh) Holdings Limited:

華利達越南(廣寧)控股有限公司之附屬公司：

Hualida Vietnam (Hai Ha) Garments Limited Company	Vietnam, 9 March 2021, limited liability company	Manufacturing of garments in Vietnam	VND37,236,800,000	45%
華利達越南(海河)服裝 責任有限公司	越南， 二零二一年三月九日， 有限責任公司	於越南製造成衣	37,236,800,000 越南盾	45%

Subsidiary of Henglun International (Hong Kong) Limited:

恒綸國際(香港)有限公司之附屬公司：

Henglun Textile (Vietnam) Company Limited	Vietnam, 26 November 2019, limited liability company	Manufacturing of garment fabrics in Vietnam	USD5,000,000	30%
恒綸紡織(越南)有限公司	越南， 二零一九年 十一月二十六日， 有限責任公司	於越南製造面料	5,000,000美元	30%

11. 使用權益法入賬之投資(續)

(a) 於聯營公司的投資(續)

於二零二二年六月三十日，聯營公司
的投資性質如下：(續)

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

11. 使用權益法入賬之投資(續)

(a) Investments in associates (Continued)

Nature of investments in associates as at 30 June 2022: (Continued)

(a) 於聯營公司的投資(續)

於二零二二年六月三十日，聯營公司的投資性質如下：(續)

Name of associate	Place and date of incorporation and form of legal entity 註冊成立地點及日期 以及法律實體類別	Principal activities	Particulars of issued share capital	Interest held
聯營公司名稱		主要業務	已發行股本詳情	所持權益
Subsidiary of Jiangsu Dasheng Intelligence Technology Development Co., Ltd.: 江蘇大生智能科技發展有限公司之附屬公司：				
Nantong Dasheng Third Cotton Textile Co., Ltd.	Nantong, Mainland China, 26 April 2020, limited liability company	Manufacturing and sales of textile products	RMB23,030,000	30%
南通大生三棉紡織有限公司	中國大陸南通，二零二零年四月二十六日，有限責任公司	製造及銷售紡織產品	人民幣23,030,000元	30%
Subsidiaries of Treasure Reap Limited: 豐寶有限公司之附屬公司：				
Harvest Bright (HK) Industrial Limited	Hong Kong, 20 February 2017, limited liability company	Investment holding in Hong Kong	HKD100	45%
耀豐(香港)實業有限公司	香港，二零一七年二月二十日，有限責任公司	於香港進行投資控股	100港元	45%
Hualida Thai Binh Garment Company Limited (formerly "Texhong Thai Binh Garment Company Limited")	Vietnam, 15 March 2007, limited liability company	Manufacturing of garments in Vietnam	VND304,000,000,000	45%
華利達太平服裝有限公司(前稱「天虹太平服裝有限公司」)	越南，二零零七年三月十五日，有限責任公司	於越南製造成衣	304,000,000,000越南盾	45%

11. INVESTMENTS ACCOUNTED FOR USING
THE EQUITY METHOD (Continued)

11. 使用權益法入賬之投資(續)

(b) Investments in joint ventures

(b) 於合營企業的投資

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Opening amount	期初金額	4,131	3,847
Share of profits based on equity held	根據所持的權益應佔溢利	51	419
Closing amount	期末金額	4,182	4,266

Set out below is the joint venture of the Group as at 30 June 2022 which, in the opinion of the directors, is individually immaterial to the Group. The joint venture as listed below has share capital consisting solely of ordinary shares, which is held directly by the Group; the country of incorporation or registration is also its principal place of business.

以下為於二零二二年六月三十日，董事認為對本集團並非個別重大之本集團合營企業。下列合營企業之股本僅由普通股組成，並由本集團直接持有；其註冊成立或註冊國家亦為其主要營業地點。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

(b) Investments in joint ventures (Continued)

Nature of investment in a joint venture as at 30 June 2022:

Name of joint venture	Place and date of incorporation and form of legal entity 註冊成立地點及日期 以及法律實體類別	Principal activities	Particulars of issued share capital	Interest held
合營企業名稱		主要業務	已發行股本詳情	所持權益
Texhong Tan Cang Logistics Joint Stock Company	Vietnam, 30 June 2016, limited liability company	Cargo transportation by land and sea; other assistant services; cargo landing-over, storage, management consulting	VND20,000,000,000	50%
天虹新港物流股份公司	越南，二零一六年六月三十日， 有限責任公司	海陸貨物運輸；其他輔助服務； 貨物卸運、儲存、管理諮詢	20,000,000,000 越南盾	50%

Texhong Tan Cang Logistics Joint Stock Company is a private company and there is no quoted market price available for its shares.

(b) 於合營企業的投資(續)

於二零二二年六月三十日，於合營企業的投資性質如下：

天虹新港物流股份公司乃一家私營公司，其股份並無市場報價。

12. INVENTORIES AND PROPERTIES UNDER DEVELOPMENT

(a) Inventories

Raw materials	原材料
Work-in-progress	在製品
Finished goods	製成品

12. 存貨及發展中物業

(a) 存貨

Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
3,950,332	5,074,375
649,139	596,640
2,721,819	1,480,652
7,321,290	7,151,667

12. INVENTORIES AND PROPERTIES UNDER DEVELOPMENT (Continued)

12. 存貨及發展中物業(續)

(b) Properties under development

(b) 發展中物業

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Properties under development expected to be completed:	預期竣工的發展中物業：		
— Expected to be completed after more than 12 months	— 預期12個月後完成	247,022	235,113
Properties under development comprise:	發展中物業包括：		
— Land use rights	— 土地使用權	229,283	229,283
— Construction cost	— 建築成本	17,739	5,830
		247,022	235,113

As at 30 June 2022, land use rights of RMB229,283,000 (31 December 2021: RMB229,283,000) were in Mainland China with lease terms of 40 to 70 years.

於二零二二年六月三十日，在中國大陸的土地使用權為人民幣229,283,000元(二零二一年十二月三十一日：人民幣229,283,000元)，租賃期限為40年至70年。

As at 30 June 2022, land use rights with net book value of RMB27,130,000 is under development, and the construction cost is RMB17,739,000 (31 December 2021: RMB5,830,000). The remaining land use rights with net book value of RMB202,153,000 has not been constructed yet.

於二零二二年六月三十日，賬面淨值為人民幣27,130,000元的土地使用權仍在發展中，建築成本為人民幣17,739,000元(二零二一年十二月三十一日：人民幣5,830,000元)。賬面淨值為人民幣202,153,000元的餘下土地使用權尚未建設。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

13. TRADE AND BILLS RECEIVABLES

13. 應收貿易及票據款項

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Trade receivables	應收貿易款項	2,036,166	1,293,965
Bills receivable	應收票據	711,204	737,022
		2,747,370	2,030,987
Less: provision for impairment	減：減值撥備	(18,482)	(11,327)
		2,728,888	2,019,660

As at 30 June 2022, included in the trade receivables were amount due from related parties of RMB97,449,000 (31 December 2021: RMB31,428,000) (Note 29).

The fair values of trade and bills receivables approximate their carrying amounts.

於二零二二年六月三十日，應收貿易款項包含應收關聯方款項人民幣97,449,000元(二零二一年十二月三十一日：人民幣31,428,000元)(附註29)。

應收貿易及票據款項的公平值與其賬面值相若。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. TRADE AND BILLS RECEIVABLES

(Continued)

The Group generally grants credit terms of less than 90 days to its customers in Mainland China and 120 days to its customers in other countries and regions. The ageing analysis of the trade and bills receivables (including amounts due from related parties of trading in nature) by invoice date is as follows:

Within 30 days	30日以內	
31 to 90 days	31日至90日	
91 to 180 days	91日至180日	
181 days to 1 year	181日至1年	
Over 1 year	1年以上	
Less: provision for impairment	減：減值撥備	
Trade and bills receivables — net	應收貿易及票據款項 — 淨額	

There is no concentration of credit risk with respect to trade and bills receivables, as the Group has a large number of customers.

13. 應收貿易及票據款項(續)

本集團授予其中國大陸客戶之信貸期一般為90日內，而授予其他國家及地區客戶之信貸期為120日內。應收貿易及票據款項(包括貿易性質的應收關聯方款項)根據發票日期的賬齡分析如下：

Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
1,504,043	1,489,902
995,791	422,564
230,103	93,535
6,273	2,034
11,160	22,952
2,747,370 (18,482)	2,030,987 (11,327)
2,728,888	2,019,660

由於本集團擁有大批客戶，故應收貿易及票據款項無集中的信貸風險。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

14. PREPAYMENTS, DEPOSITS, OTHER RECEIVABLES AND LONG-TERM RECEIVABLES

14. 預付款項、按金、其他應收賬款及長期應收賬款

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Prepayments, deposits, other receivables	預付款項、按金、其他應收賬款		
Value-added tax recoverable	應退增值稅	502,142	390,317
Prepayments for purchase of raw materials	購買原材料的預付款項	212,891	214,327
Receivables from disposal of subsidiaries (Note i)	附屬公司出售應收賬款(附註i)	146,000	186,764
Prepaid expenses	預付開支	82,308	35,013
Due from related parties (Note 29)	應收關聯方款項(附註29)	54,484	52,717
Deposits for operation	營運按金	25,508	12,231
Prepaid income tax	預付所得稅	25,173	1,997
Other receivables	其他應收賬款	53,658	32,074
		1,102,164	925,440
Less: provision for impairment	減：減值撥備	(34,276)	(34,623)
Prepayments, deposits, other receivables — net	預付款項、按金及其他應收賬款 — 淨額	1,067,888	890,817
Long-term receivables	長期應收賬款		
Receivables from disposal of subsidiaries (Note i)	附屬公司出售應收賬款(附註i)	292,000	292,000

14. PREPAYMENTS, DEPOSITS, OTHER
RECEIVABLES AND LONG-TERM
RECEIVABLES(Continued)

Note i: On 5 November 2021, share transfer and assignment of loan agreement, was entered into between the Company as the seller and Sinowin Holding (H.K.) Limited (the “Purchaser”) as the purchaser for the sale and purchase of the entire issued share capital of Great Triumph Investments Limited (the “Target”), a direct wholly owned subsidiary of the Company, together with the assignment of loan and dividend payable to the Company at the total consideration of RMB810,387,000. The consideration for the disposal of the equity interest is RMB130,950,000, the consideration for the assignment of the dividend payable to the Company is RMB68,571,000 which shall be payable by the Purchaser to the Company within 12 months from the date of the framework agreement, and the consideration for the assignment of the loan payable to the Group is RMB610,866,000, which shall be payable to the Group with four instalments with interest of 5% per annum, and the last instalment will be on 1 December 2024. And as a security for the payment of the consideration for the assignment of the loan, it was also agreed that the equity interest for some subsidiaries of the Target shall be pledged in favour of the Group until such consideration has been fully paid.

14. 預付款項、按金、其他應收賬款及長期應
收賬款(續)

附註i: 於二零二一年十一月五日, 本公司作為賣方與通晟控股(香港)有限公司作為買方(「買方」)就買賣豐捷投資有限公司(「目標公司」, 本公司直接全資附屬公司)全部已發行股本以及轉讓貸款及應付股息予本公司, 訂立股份轉讓及貸款轉讓協議, 總代價為人民幣810,387,000元。出售股權的代價為人民幣130,950,000元, 轉讓應付本公司股息的代價為人民幣68,571,000元, 須由買方於框架協議日期起計十二個月內向本公司支付。轉讓應付本集團貸款的代價為人民幣610,866,000元, 須分四期支付予本集團, 年利率為5%, 最後一期為二零二四年十二月一日。此外, 作為貸款轉讓代價付款的抵押, 彼此亦同意將目標公司若干附屬公司的股權質押予本集團, 直至有關代價悉數支付為止。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. PREPAYMENTS, DEPOSITS, OTHER RECEIVABLES AND LONG-TERM RECEIVABLES (Continued)

As at 30 June 2022, the current and non-current portion of the consideration outstanding were disclosed as other receivables and long-term receivables amounting to RMB146,000,000 and RMB292,000,000 (31 December 2021: RMB146,000,000 and RMB292,000,000) respectively.

On 31 December 2021, the Group transferred 55% equity interest of Treasure Reap Limited and its subsidiaries to Hualida Vietnam (Quang Ninh) Investment Management Co., Ltd for the consideration of RMB40,764,000, which was disclosed as other receivables, and the consideration was fully settled in May 2022.

15. TRADE AND BILLS PAYABLES

Trade payables	應付貿易款項
Bills payable	應付票據

As at 30 June 2022, included in the trade payables were amounts due to related parties of RMB43,061,000 (31 December 2021: RMB25,111,000) (Note 29).

The fair values of trade and bills payables approximate their carrying amounts.

14. 預付款項、按金、其他應收賬款及長期應收賬款(續)

於二零二二年六月三十日，未支付代價的即期部分及非即期部分分別披露為其他應收賬款及長期應收賬款人民幣146,000,000元及人民幣292,000,000元(二零二一年十二月三十一日：人民幣146,000,000元及人民幣292,000,000元)。

於二零二一年十二月三十一日，本集團將豐寶有限公司及其附屬公司55%的股權轉讓予華利達越南(廣寧)投資管理有限公司，代價為人民幣40,764,000元，披露為其他應收賬款，並已於二零二二年五月悉數收回。

15. 應付貿易及票據款項

Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
1,060,081	1,433,658
3,670,281	3,142,679
4,730,362	4,576,337

於二零二二年六月三十日，應付貿易款項包括應付關聯方款項人民幣43,061,000元(二零二一年十二月三十一日：人民幣25,111,000元)(附註29)。

應付貿易及票據款項的公平值與其賬面值相若。

簡明綜合財務報表附註(續)**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)****15. TRADE AND BILLS PAYABLES (Continued)**

The ageing analysis of the trade and bills payables (including amounts due to related parties of trading in nature) is as follows:

15. 應付貿易及票據款項(續)

應付貿易及票據款項(包括貿易性質的應付關聯方款項)的賬齡分析如下:

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Within 90 days	90日以內	3,081,579	3,801,252
91 to 180 days	91日至180日	1,622,642	750,893
181 days to 1 year	181日至1年	10,394	8,580
Over 1 year	1年以上	15,747	15,612
		4,730,362	4,576,337

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

16. ACCRUALS AND OTHER PAYABLES

16. 預提費用及其他應付賬款

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Accrued wages and salaries	應計工資及薪金	349,505	400,966
Payables for purchase of property, plant and equipment	購買物業、廠房及設備的應付賬款	218,682	198,605
Accrual of operating expenses	應計經營開支	185,745	172,109
Tax payables other than enterprise income tax	應付稅項 (企業所得稅除外)	46,673	88,628
Interest payable	應付利息	6,574	4,705
Other payables	其他應付賬款	47,853	38,566
		855,032	903,579

As at 30 June 2022, included in the accruals and other payables were amounts due to related parties of RMB4,104,000 (31 December 2021: nil) (Note 29).

於二零二二年六月三十日，預提費用及其他應付賬款包含應付關連方款項人民幣4,104,000元(二零二一年十二月三十一日：零)(附註29)。

17. BORROWINGS

17. 借貸

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Current	即期		
Unsecured bank borrowings	無抵押銀行借貸	290,789	339,943
Secured bank borrowings (Note (a))	有抵押銀行借貸(附註(a))	40,000	40,000
Other bank borrowings (Note (b))	其他銀行借貸(附註(b))	4,068,226	3,451,719
		4,399,015	3,831,662
Non-current	非即期		
Unsecured bank borrowings	無抵押銀行借貸	-	263,087
Other bank borrowings (Note (b))	其他銀行借貸(附註(b))	3,739,293	3,120,290
		3,739,293	3,383,377
Total borrowings	借貸總額	8,138,308	7,215,039

Notes:

(a) As at 30 June 2022, bank borrowings of RMB40,000,000 were secured by the Group's investment properties with net book values of approximately RMB136,762,000 (Note 8).

As at 31 December 2021, bank borrowings of RMB40,000,000 were secured by the Group's properties and land use right with net book values of approximately RMB164,427,000 (Note 8) and RMB34,388,000 (Note 9) respectively.

附註:

(a) 於二零二二年六月三十日，人民幣40,000,000元的銀行借貸以本集團賬面淨值約人民幣136,762,000元(附註8)的投資物業作抵押。

於二零二一年十二月三十一日，人民幣40,000,000元的銀行借貸以本集團賬面淨值約人民幣164,427,000元(附註8)的物業及賬面淨值約人民幣34,388,000元(附註9)的土地使用權作抵押。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. BORROWINGS (Continued)

Notes: (Continued)

(b) As at 30 June 2022, other bank borrowings of RMB7,807,519,000 (31 December 2021: RMB6,572,009,000) were secured by cross corporate guarantees provided by certain subsidiaries of the Group.

Movements in borrowings are analysed as follows:

17. 借貸(續)

附註：(續)

(b) 於二零二二年六月三十日，其他銀行借貸人民幣7,807,519,000元(二零二一年十二月三十一日：人民幣6,572,009,000元)以本集團若干附屬公司提供的交叉公司擔保作抵押。

借貸變動分析如下：

		Unaudited 未經審核 RMB'000 人民幣千元
Six months ended 30 June 2021	截至二零二一年六月三十日止六個月	
Opening amount as at 1 January 2021	於二零二一年一月一日之期初金額	7,063,103
Proceeds from borrowings	借貸所得款項	2,895,221
Repayments of borrowings	償還借貸	(3,813,725)
Exchange gains on borrowings	借貸匯兌收益	(59,555)
Closing amount as at 30 June 2021	於二零二一年六月三十日之期末金額	6,085,044
Six months ended 30 June 2022	截至二零二二年六月三十日止六個月	
Opening amount as at 1 January 2022	於二零二二年一月一日之期初金額	7,215,039
Proceeds from borrowings	借貸所得款項	4,174,836
Repayments of borrowings	償還借貸	(3,363,239)
Exchange losses on borrowings	借貸匯兌虧損	111,672
Closing amount as at 30 June 2022	於二零二二年六月三十日之期末金額	8,138,308

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. BORROWINGS (Continued)

The carrying amounts of the borrowings of the Group are denominated in the following currencies:

RMB	人民幣
HKD	港元
USD	美元

The weighted average effective interest rate per annum at 30 June 2022 was 2.16% (31 December 2021: 2.21%).

As at 30 June 2022, the Group has undrawn borrowing facilities of approximately RMB2,244,687,000 (31 December 2021: RMB2,624,561,000). These facilities are subject to review at various dates during 2022.

17. 借貸(續)

本集團借貸的賬面值按以下貨幣計值：

Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
3,225,203	2,274,571
2,487,234	3,043,207
2,425,871	1,897,261
8,138,308	7,215,039

於二零二二年六月三十日之加權平均實際年利率為2.16%(二零二一年十二月三十一日：2.21%)。

於二零二二年六月三十日，本集團未動用之借貸融資約為人民幣2,244,687,000元(二零二一年十二月三十一日：人民幣2,624,561,000元)。該等融資須於二零二二年不同日期作審閱。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

18. DERIVATIVE FINANCIAL INSTRUMENTS
AND FINANCIAL ASSETS AT FAIR VALUE
THROUGH PROFIT OR LOSS

18. 衍生金融工具及按公平值計入損益之金融
資產

Derivative financial instruments

衍生金融工具

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Assets:	資產：		
Cotton option contracts (Note (a))	棉花期權合約(附註(a))	35,134	29,874
Cross currency swap contracts (Note (b))	交叉貨幣掉期合約 (附註(b))	30,657	3,725
Forward foreign exchange contracts (Note (c))	遠期外匯合約(附註(c))	9,387	19,869
Cotton future contract (Note (d))	棉花期貨合約(附註(d))	-	2,185
		75,178	55,653
Liabilities:	負債：		
Cross currency swap contracts (Note (b))	交叉貨幣掉期合約 (附註(b))	27,168	160,921
Forward foreign exchange contracts (Note (c))	遠期外匯合約(附註(c))	21,299	2,056
Cotton future contract (Note (d))	棉花期貨合約(附註(d))	4,658	-
Cotton option contracts (Note (a))	棉花期權合約(附註(a))	-	2,998
		53,125	165,975

Non-hedging derivatives are classified as a current asset or liability.

非對沖衍生工具分類為流動資產或負債。

**18. DERIVATIVE FINANCIAL INSTRUMENTS
AND FINANCIAL ASSETS AT FAIR VALUE
THROUGH PROFIT OR LOSS** *(Continued)*

Notes:

- (a) The cotton option contract as at 30 June 2022 comprised five contracts with notional principal amount of USD17,379,000 (31 December 2021: nine contracts with notional principal amount of USD66,069,000).
- (b) The cross currency swap contracts as at 30 June 2022 comprised eleven contracts with notional principal amounts totalling RMB1,774,823,000 (31 December 2021: twenty-six contracts with notional principal amounts totalling RMB3,490,612,000).
- (c) The forward foreign exchange contracts as at 30 June 2022 comprised one hundred and two contracts with notional principal amounts totalling RMB1,729,938,000 (31 December 2021: sixty-two contracts with notional principal amounts totalling RMB902,208,000).
- (d) The cotton future contract as at 30 June 2022 comprised one contract with notional principal amount of USD18,238,000 (31 December 2021: one contract with notional principal amounts of USD5,850,000).

**18. 衍生金融工具及按公平值計入損益之金融
資產** (續)

附註：

- (a) 於二零二二年六月三十日，棉花期權合約包括五份合約，名義本金額為**17,379,000**美元(二零二一年十二月三十一日：九份名義本金額為**66,069,000**美元之合約)。
- (b) 於二零二二年六月三十日，交叉貨幣掉期合約包括十一份合約，名義本金總額為人民幣**1,774,823,000**元(二零二一年十二月三十一日：二十六份名義本金總額為人民幣**3,490,612,000**元之合約)。
- (c) 於二零二二年六月三十日，遠期外匯合約包括一百零二份合約，名義本金總額為人民幣**1,729,938,000**元(二零二一年十二月三十一日：六十二份名義本金總額為人民幣**902,208,000**元之合約)。
- (d) 於二零二二年六月三十日，棉花期貨合約包括一份合約，名義本金額為**18,238,000**美元(二零二一年十二月三十一日：一份名義本金額為**5,850,000**美元之合約)。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

18. DERIVATIVE FINANCIAL INSTRUMENTS
AND FINANCIAL ASSETS AT FAIR VALUE
THROUGH PROFIT OR LOSS (Continued)

18. 衍生金融工具及按公平值計入損益之金融
資產(續)

Financial assets at fair value through profit
or loss

按公平值計入損益之金融資產

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Current	即期	313,078	—

		Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月 2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Opening amount	期初金額	—	—
Additions	添置	312,000	—
Net fair value changes recognized in profit or loss	於損益中確認的公平值 變動淨值	1,078	—
Closing amount	期末金額	313,078	—

The fair value of financial assets at fair value through profit or loss as at 30 June 2022 was structured deposits with principal amount of RMB312,000,000 (31 December 2021: nil).

於二零二二年六月三十日，按公平值計入損益之金融資產的公平值為本金額人民幣312,000,000元的結構性存款(二零二一年十二月三十一日：無)。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

19. LONG-TERM PAYABLES

19. 長期應付賬款

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
No later than 1 year	一年內	11,284	30,726
Less: future finance charges on long-term payables	減：長期應付賬款之未來 融資費用	(586)	(855)
		10,698	29,871
The present value of long-term payables is as follows:	長期應付賬款之現值 如下：		
No later than 1 year	一年內	10,698	29,871

As at 30 June 2022, included in the long-term payables were amounts due to third parties for purchasing machinery and equipment with a carrying amount of RMB10,698,000 (31 December 2021: RMB29,871,000).

於二零二二年六月三十日，長期應付賬款中包含就購買機器及設備應付第三方賬面值為人民幣10,698,000元(二零二一年十二月三十一日：人民幣29,871,000元)的款項。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

20. SHARE CAPITAL AND SHARE PREMIUM

20. 股本及股份溢價

		Number of shares 股份數目 (thousands) (千股)	Ordinary shares 普通股 HKD'000 千港元
Authorised:	法定：		
Ordinary shares of Hong Kong Dollars (“HKD”) 0.1 each	每股面值 0.1 港元 (「港元」) 之普通股		
At 31 December 2021 and 30 June 2022	於二零二一年十二月三十一日及二零二二年六月三十日	4,000,000	400,000

		Number of shares 股份數目 (thousands) (千股)	Ordinary shares 普通股 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HKD0.1 each	每股面值 0.1 港元 之普通股				
At 31 December 2021 and 30 June 2022	於二零二一年十二月三十一日及二零二二年六月三十日	918,000	96,958	462,059	559,017

21. SHARE OPTION SCHEME

Pursuant to a shareholders' resolution passed on 7 April 2014, the Company adopted a share option scheme ("the Share Option Scheme"), which will remain in force for a period of 10 years up to April 2024. Under the Share Option Scheme, the Company's directors may, at their sole discretion, grant to any employee, director, supplier of goods or services, customer, person or entity that provides research, development or other technological support to the Group, shareholder and adviser or consultant of the Group to subscribe for shares in the Company at a price of not less than the higher of (i) the closing price of shares as stated in the daily quotation sheet of the Stock Exchange on the date of the offer of grant; or (ii) the average closing price of shares as stated in the daily quotation sheets of the Stock Exchange for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the share. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group from time to time must not in aggregate exceed 30% of the ordinary share of the Company in issued from time to time.

21. 購股權計劃

根據於二零一四年四月七日通過之股東決議案，本公司採納一項購股權計劃（「購股權計劃」），於截至二零二四年四月止十年期間內有效。根據購股權計劃，本公司董事可全權酌情向任何僱員、董事、貨品或服務供應商、客戶、為本集團提供研究、開發或其他技術支援的個人或實體、股東及本集團顧問或諮詢人授出購股權，以認購本公司股份，惟價格不低於下列較高者：(i) 於授出要約日期在聯交所每日報價表所列出的股份收市價；或(ii) 於緊接授出要約日期前五個交易日的聯交所每日報價表所列出的股份平均收市價；及(iii) 股份的面值。1港元的名義代價於接納授出購股權要約時支付。在購股權計劃及本集團不時採納的任何其他購股權計劃下所有授出有待行使購股權獲行使時最高可予發行的股份數目合計不得超過本公司不時已發行普通股的30%。

21. SHARE OPTION SCHEME (Continued)

Pursuant to the Share Option Scheme, share options to subscribe for an aggregate of 5,000,000 ordinary shares of the Company were granted to two executive directors of the Company on 23 March 2015. The subscription price is HKD8.7 per share. 1,670,000 share options are exercisable over the period from 1 January 2016 to 22 March 2025, 1,670,000 share options are exercisable over the period from 1 January 2017 to 22 March 2025 and 1,660,000 share options are exercisable from 1 January 2018 to 22 March 2025. On 28 December 2015, share options to subscribe for an aggregate of 1,500,000 ordinary share of the Company were granted to one executive director of the Company. The subscription price is HKD5.7 per share. 300,000 share options are exercisable over the period from 1 January 2017 to 27 December 2025, 300,000 share options are exercisable over the period from 1 January 2018 to 27 December 2025, 300,000 share options are exercisable over the period from 1 January 2019 to 27 December 2025, 300,000 share options are exercisable over the period from 1 January 2020 to 27 December 2025 and 300,000 share options are exercisable over the period from 1 January 2021 to 27 December 2025. The Group has no legal or constructive obligation to repurchase or settle the above options in cash.

21. 購股權計劃(續)

根據購股權計劃，本公司於二零一五年三月二十三日向兩名本公司執行董事授出合共可認購5,000,000股本公司普通股的購股權。認購價為每股8.7港元。1,670,000份購股權可於二零一六年一月一日至二零二五年三月二十二日期間行使；1,670,000份購股權可於二零一七年一月一日至二零二五年三月二十二日期間行使；及1,660,000份購股權可於二零一八年一月一日至二零二五年三月二十二日期間行使。本公司於二零一五年十二月二十八日向一名本公司執行董事授出合共可認購1,500,000股本公司普通股的購股權。認購價為每股5.7港元。300,000份購股權可於二零一七年一月一日至二零二五年十二月二十七日期間行使；300,000份購股權可於二零一八年一月一日至二零二五年十二月二十七日期間行使；300,000份購股權可於二零一九年一月一日至二零二五年十二月二十七日期間行使；300,000份購股權可於二零二零年一月一日至二零二五年十二月二十七日期間行使；及300,000份購股權可於二零二一年一月一日至二零二五年十二月二十七日期間行使。本集團並無法定或推定責任以現金購回或結算上述購股權。

21. SHARE OPTION SCHEME (Continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

21. 購股權計劃(續)

未行使購股權數目及其相關加權平均行使價之變動如下：

		Unaudited 未經審核			
		2022 二零二二年		2021 二零二一年	
		Average exercise price in HK\$ per share 每股港元 平均行使價	Options (thousands) 購股權 (千份)	Average exercise price in HK\$ per share 每股港元 平均行使價	Options (thousands) 購股權 (千份)
At 1 January	於一月一日	8.27	3,500	8.01	6,500
Exercised	已行使	-	-	8.70	(2,000)
At 30 June	於六月三十日	8.27	3,500	7.70	4,500

The fair value of options granted on 23 March 2015 was determined using the Binomial Option-Pricing Model. The significant inputs into the model included the share price of HKD8.7 per share at the grant date, exercise price shown above, expected annual risk-free interest rate of 1.582%, expected dividend yield of 1.45% and volatility of 49.80%. The total fair value of these options was RMB17,154,000, and no administrative expense was charged for the six months ended 30 June 2022 (for the six months ended 30 June 2021: nil).

於二零一五年三月二十三日授出之購股權之公平值乃採用二項式期權定價模式釐定。該模式之重大輸入數據包括於授出日期之股價每股8.7港元、上述行使價、預期年度無風險利率1.582%、預期股息率1.45%及波幅49.80%。此等購股權之公平值總額為人民幣17,154,000元，而於截至二零二二年六月三十日止六個月並無自行政開支扣除的款項(截至二零二一年六月三十日止六個月：無)。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

21. SHARE OPTION SCHEME (Continued)

The fair value of options granted on 28 December 2015 was determined using the Binomial Option-Pricing Model. The significant inputs into the model included the share price of HKD5.7 per share at the grant date, exercise price shown above, expected annual risk-free interest rate of 1.623%, expected dividend yield of 3.42% and volatility of 50.94%. The total fair value of these options was RMB3,171,000, and no administrative expense was charged for the six months ended 30 June 2022 (for the six months ended 30 June 2021: nil).

21. 購股權計劃(續)

於二零一五年十二月二十八日授出之購股權之公平值乃採用二項式期權定價模式釐定。該模式之重大輸入數據包括於授出日期之股價每股5.7港元、上述行使價、預期年度無風險利率1.623%、預期股息率3.42%及波幅50.94%。此等購股權之公平值總額為人民幣3,171,000元，而於截至二零二二年六月三十日止六個月並無自行政開支扣除的款項(截至二零二一年六月三十日止六個月：無)。

22. OTHER INCOME AND OTHER GAINS/
(LOSSES), NET

22. 其他收入及其他收益／(虧損)淨額

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Other income	其他收入		
Subsidy income (a)	補貼收入(a)	33,026	62,219
Other gains/(losses)	其他收益／(虧損)		
Derivative financial instruments at fair value through profit or loss:	按公平值計入損益之衍生金融工具：		
— Realised losses	— 已變現虧損	(71,767)	(44,560)
— Unrealised profits/(losses)	— 未變現溢利／(虧損)	132,375	(10,638)
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		
— Unrealised profits	— 未變現溢利	1,078	—
Net foreign exchange losses	匯兌虧損淨額	(55,207)	(45,601)
Others	其他	19,326	20,776
Total other gains/(losses) — net	其他收益／(虧損)總額 — 淨額	25,805	(80,023)

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. OTHER INCOME AND OTHER GAINS/ (LOSSES), NET (Continued)

(a) The subsidy income represented grants provided by municipal governments based on the amounts of value added tax and income tax paid. The Group has received all the subsidy income in the same period and there was no future obligation related to the subsidy income.

22. 其他收入及其他收益／(虧損)淨額(續)

(a) 補貼收入指市政府根據已付增值稅及所得稅金額授出之津貼。本集團於相同期間獲得所有補貼收入，而該等補貼收入沒有任何未來責任。

23. EXPENSES BY NATURE

The following expenses items have been included in cost of sales, selling and distribution costs and general and administrative expenses in the condensed consolidated income statement.

23. 開支(按性質分類)

下列開支項目已於簡明綜合收益表中計入銷售成本、銷售及分銷成本，以及一般及行政開支。

Unaudited
未經審核
Six months ended 30 June
截至六月三十日止六個月

	2022	2021
	二零二二年	二零二一年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Cost of inventories	8,275,645	7,630,710
Employment benefit expenses	1,407,766	1,379,940
Utilities	727,788	709,813
Depreciation and amortisation	499,359	515,157
Transportation	240,175	261,698
存貨成本		
僱員福利開支		
動力及燃料		
折舊及攤銷		
運輸		

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

24. FINANCE INCOME AND COSTS

24. 財務收入及費用

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Interest expenses	利息開支		
— borrowings	— 借貸	122,546	97,401
— lease liabilities	— 租賃負債	4,328	2,961
Less: finance costs capitalised in building and machinery in property, plant and equipment	減：資本化於物業、 廠房及設備的 建築及機器的 財務費用	(30,839)	—
		96,035	100,362
Net exchange losses/(gains) on financing activities	融資活動產生的匯兌 虧損/(收益)淨額	111,672	(59,555)
Total finance costs incurred	已產生之財務費用總額	207,707	40,807
Finance income — interest income on bank deposits	財務收入 — 銀行存款 利息收入	(32,735)	(18,872)
Net finance costs	財務費用淨額	174,972	21,935

25. INCOME TAX EXPENSES

25. 所得稅開支

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Current tax on profits for the period	期內溢利之即期稅項	192,615	300,055
Deferred income tax	遞延所得稅	(12,147)	9,114
		180,468	309,169

(i) Hong Kong profits tax

Subsidiaries established in Hong Kong are subject to profits tax at rate of 16.5% (for the six months ended 30 June 2021: 16.5%).

(i) 香港利得稅

於香港成立的附屬公司須按 16.5% (截至二零二一年六月三十日止六個月：16.5%) 之稅率繳付利得稅。

(ii) Mainland China enterprise income tax ("EIT")

Effective from 1 January 2008, the subsidiaries established in Mainland China are required to determine and pay the EIT in accordance with the Corporate Income Tax Law of the PRC (the "New CIT Law") as approved by the National People's congress on 16 March 2007 and Detailed Implementations Regulations of the New CIT Law (the "DIR") as approved by the State Council on 6 December 2007. According to the New CIT Law and DIR, subsidiaries established in Mainland China are subject to EIT at rate of 25% (for the six months ended 30 June 2021: 25%).

(ii) 中國大陸企業所得稅(「企業所得稅」)

由二零零八年一月一日起，於中國大陸成立的附屬公司需要根據全國人大於二零零七年三月十六日批准的中國企業所得稅法(「新企業所得稅法」)及國務院於二零零七年十二月六日批准的新企業所得稅法條例實施細則(「條例實施細則」)釐定及支付企業所得稅。根據新企業所得稅法及條例實施細則，於中國大陸成立的附屬公司須按 25% (截至二零二一年六月三十日止六個月：25%) 之稅率繳付企業所得稅。

As approved by the relevant tax bureau in Mainland China, sixteen subsidiaries are entitled to a preferential tax rate of 15% during the period (for the six months ended 30 June 2021: eleven subsidiaries are entitled to a preferential tax rate of 15%).

經中國大陸的相關稅務局批准，十六家附屬公司於期內有權享有 15% 的優惠稅率(截至二零二一年六月三十日止六個月：十一家附屬公司有權享有 15% 的優惠稅率)。

25. INCOME TAX EXPENSES (Continued)

(iii) Vietnam income tax

The income tax for the major subsidiaries in Vietnam are as below:

As approved by the relevant tax bureau in Vietnam, one subsidiary established in Vietnam should separately calculate income tax on its initial supplementary investments. The initial investment of the subsidiary is entitled to three years' exemption from income taxes followed by seven years of a 50% tax reduction and is further entitled to a preferential income tax rate of 15% for 12 years. The first supplementary investment of the subsidiary is entitled to three years' exemption from income taxes followed by five years of a 50% tax reduction based on the income tax rate of 20%. The second supplementary investment of the subsidiary is entitled to two years' exemption from income taxes followed by four years of a 50% tax reduction based on the income tax rate of 20% (for the six months ended 30 June 2021: 20%).

As approved by the relevant tax bureau in Vietnam, other subsidiaries established in Vietnam are entitled to four years' exemption from income taxes followed by nine years of a 50% tax reduction, commencing from the first profitable year after offsetting the losses carried forward from the previous years, and are entitled to a preferential income tax rate of 10% for 15 years, commencing from the first year generating income from the operation.

The applicable tax rates for all subsidiaries in Vietnam range from nil to 20% during the period (for the six months ended 30 June 2021: nil to 20%).

25. 所得稅開支(續)

(iii)越南所得稅

越南主要附屬公司的所得稅如下：

經越南的相關稅務局批准，一家在越南成立的附屬公司，可就其初步補充投資獨立計算所得稅。該附屬公司的初步投資有權免繳所得稅三年，其後七年則獲稅務減半優惠，並有權享受優惠所得稅稅率15%達十二年。該附屬公司的首項補充投資有權免繳所得稅三年，其後五年根據20%的所得稅稅率，可獲所得稅減半優惠。該附屬公司的第二項補充投資有權免繳所得稅兩年，其後四年根據20%的所得稅稅率(截至二零二一年六月三十日止六個月：20%)，可獲所得稅減半優惠。

經越南的相關稅務局批准，其他在越南成立的附屬公司有權於抵銷過往年度結轉的虧損後首個獲利年度起，免繳所得稅四年，其後九年則可獲稅率減半優惠，並有權由業務產生收入之首個年度起享受優惠所得稅稅率10%達十五年。

期內，於越南之所有附屬公司之適用稅率介乎零至20%(截至二零二一年六月三十日止六個月：零至20%)。

25. INCOME TAX EXPENSES (Continued)

(iv) Other income or profits tax

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

The Company's subsidiaries established in the British Virgin Islands were incorporated under the International Business Companies Acts or the Business Companies Acts, 2004 of the British Virgin Islands and, accordingly, are exempted from payment of British Virgin Islands income tax.

The Company's subsidiary established in Macao is subject to income tax rate of 12% (for the six months ended 30 June 2021: 12%).

The Company's subsidiary established in Uruguay is subject to income tax rate of 25% (for the six months ended 30 June 2021: 25%). No provision for Uruguay profits tax has been made as the Group had no assessable profit arising in or derived from Uruguay during the period (for the six months ended 30 June 2021: nil).

The Company's subsidiary established in Cambodia is subject to income tax at the rate of 20% (for the six months ended 30 June 2021: 20%). No provision for Cambodia profits tax has been made as the Group had no assessable profit arising in or derived from Cambodia during the period (for the six months ended 30 June 2021: nil).

25. 所得稅開支(續)

(iv) 其他所得稅或利得稅

本公司根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司，因此獲免繳開曼群島所得稅。

本公司於英屬處女群島成立之附屬公司乃根據英屬處女群島國際商業公司法或二零零四年商業公司法註冊成立，因此獲免繳英屬處女群島所得稅。

本公司於澳門成立之附屬公司須按12% (截至二零二一年六月三十日止六個月：12%)之稅率繳付所得稅。

本公司於烏拉圭成立之附屬公司須按25% (截至二零二一年六月三十日止六個月：25%)之稅率繳付所得稅。由於本集團於期內概無在烏拉圭產生或從烏拉圭賺取應課稅溢利，故概無就烏拉圭利得稅作出撥備 (截至二零二一年六月三十日止六個月：零)。

本公司於柬埔寨成立之附屬公司須按20% (截至二零二一年六月三十日止六個月：20%)之稅率繳付所得稅。由於本集團於期內概無在柬埔寨產生或從柬埔寨賺取應課稅溢利，故概無就柬埔寨利得稅作出撥備 (截至二零二一年六月三十日止六個月：零)。

25. INCOME TAX EXPENSES (Continued)

(iv) Other income or profits tax (Continued)

The Company's subsidiaries established in Nicaragua are subject to income tax at the rate of 30% (for the six months ended 30 June 2021: 30%). As approved by relevant tax bureau in Nicaragua, the subsidiary is entitled to exemption from profits tax during the period (for the six months ended 30 June 2021: exempted).

The Company's subsidiaries established in Samoa are exempted from profits tax during the period (for the six months ended 30 June 2021: exempted).

The Company's subsidiary established in Turkey is subject to income tax at the rate of 23% (for the six months ended 30 June 2021: 25%).

The Company's subsidiaries acquired in the United States are subject to income tax rate within the range from 27.5% to 30% (for the six months ended 30 June 2021: 27.5% to 30%).

The Company's subsidiaries established in Mexico are subject to income tax at the rate of 30% (for the six months ended 30 June 2021: 30%).

25. 所得稅開支(續)

(iv) 其他所得稅或利得稅(續)

本公司於尼加拉瓜成立之附屬公司須按30%(截至二零二一年六月三十日止六個月:30%)之稅率繳付所得稅。經尼加拉瓜的相關稅務局批准,該附屬公司於期內獲豁免繳付利得稅(截至二零二一年六月三十日止六個月:獲豁免)。

本公司於薩摩亞成立之附屬公司於期內獲豁免繳付利得稅(截至二零二一年六月三十日止六個月:獲豁免)。

本公司於土耳其成立之附屬公司須按23%(截至二零二一年六月三十日止六個月:25%)之稅率繳付所得稅。

本公司於美國收購之附屬公司須按介乎27.5%至30%(截至二零二一年六月三十日止六個月:27.5%至30%)之稅率繳付所得稅。

本公司於墨西哥成立之附屬公司須按30%(截至二零二一年六月三十日止六個月:30%)之稅率繳付所得稅。

26. EARNINGS PER SHARE

26. 每股盈利

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

(a) 基本

每股基本盈利以本公司擁有人應佔溢利除以期內已發行普通股的加權平均數計算。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利 (人民幣千元)	991,972	1,287,620
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權 平均數(以千計)	918,000	915,785
Basic earnings per share (RMB per share)	每股基本盈利 (每股人民幣元)	1.08	1.41

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. EARNINGS PER SHARE (Continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the Company's share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

26. 每股盈利(續)

(b) 攤薄

每股攤薄盈利乃透過調整發行在外的普通股加權平均數計算，以假設所有具攤薄影響之潛在普通股獲轉換。就本公司之購股權而言，本公司已根據未行使購股權附帶之認購權之幣值，計算能夠按公平值(釐定為本公司股份之平均年度市價)收購的股份數目。上述計算所得之股份數目與假設購股權獲行使的情況下，已發行的股份數目比較。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利 (人民幣千元)	991,972	1,287,620
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權 平均數(以千計)	918,000	915,785
Adjustments for:	調整：		
— Share options (thousands)	— 購股權(以千計)	460	1,605
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利所用之 普通股加權平均數 (以千計)	918,460	917,390
Diluted earnings per share (RMB per share)	每股攤薄盈利 (每股人民幣元)	1.08	1.40

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. DIVIDENDS

A final dividend of RMB447,492,000 that is related to the year ended 31 December 2021 was paid in June 2022 (2021: RMB150,461,000).

In addition, an interim dividend of HKD0.38 per share (2021: HKD0.50) was proposed by the board of directors on 29 August 2022. It will be payable on or about 14 October 2022 to shareholders whose names are on the register on 29 September 2022. This interim dividend, amounting to RMB298,328,000 (2021: RMB381,518,000), has not been recognised as a liability in these financial statements. It will be recognised in shareholders' equity in the financial statements of the Company for the year ending 31 December 2022.

28. COMMITMENTS

Capital expenditures at the balance sheet date that have not been incurred are as follows:

27. 股息

與截至二零二一年十二月三十一日止年度相關的末期股息人民幣447,492,000元(二零二一年：人民幣150,461,000元)已於二零二二年六月支付。

此外，董事會於二零二二年八月二十九日建議派付中期股息每股0.38港元(二零二一年：0.50港元)。其將於二零二二年十月十四日或前後支付予於二零二二年九月二十九日名列股東名冊內之股東。該中期股息為人民幣298,328,000元(二零二一年：人民幣381,518,000元)，並未於該等財務報表中確認為負債。其將於本公司截至二零二二年十二月三十一日止年度的財務報表中確認為股東權益。

28. 承擔

於結算日的資本開支(但未產生)如下：

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Property, plant and equipment:	物業、廠房及設備：		
Authorised but not contracted for	已授權但未訂約	374,185	1,314,408
Contracted but not provided for	已訂約但未撥備	777,202	1,142,477
Total capital commitments	資本承擔總額	1,151,387	2,456,885

29. RELATED-PARTY TRANSACTIONS

Related parties are those as defined under Hong Kong Accounting Standard 24 and include key management of the Group. General speaking, parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

The related parties that had transactions with the Group are as follows:

Name of related party

關聯方名稱

Nantong Textile Group Co., Ltd. (i)
南通紡織控股集團紡織染有限公司(i)

Hualida (Vietnam) Garments Limited Company
華利達(越南)服裝責任有限公司

Jiangsu Dasheng Intelligence Technology
Development Co., Ltd.
江蘇大生智能科技發展有限公司

Nantong Dasheng Third Cotton Textile Co., Ltd.
南通大生三棉紡織有限公司

Henglun International (Hong Kong) Limited
恒綸國際(香港)有限公司

Henglun Textile (Vietnam) Company Limited
恒綸紡織(越南)有限公司

29. 與關聯方的交易

關聯方為香港會計準則第24號所定義者，並且包括本集團主要管理層。大致而言，倘其中一方能直接或間接控制另一方或在財務及營運決定方面對另一方行使重大影響力，則被視為關聯方。倘彼等受共同控制，亦被視為關聯方。

與本集團進行交易的關聯方如下：

Relationship with the Group

與本集團的關係

Original associated company
原聯營公司

Associated company
聯營公司

Associated company
聯營公司

Associated company
聯營公司

Associated company
聯營公司

Associated company
聯營公司

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. RELATED-PARTY TRANSACTIONS

(Continued)

Name of related party (Continued)

關聯方名稱(續)

Hualida Thai Binh Garment Company Limited
華利達太平服裝有限公司

HLD (HK) Trading Limited
HLD (HK) Trading Limited

Texhong Tan Cang Logistics Joint Stock Company
天虹新港物流股份公司

Texhong Industrial Park Vietnam Limited

天虹工業園區越南有限公司

(i) The Group previously held 48% equity interest of Nantong Textile Group Co., Ltd. and its subsidiaries. On 31 October 2021, the Group acquired its remaining 52% equity interest. Upon the completion of the transaction, Nantong Textile Group Co., Ltd. and its subsidiaries became wholly-owned subsidiaries of the Group.

29. 與關聯方的交易(續)

Relationship with the Group (Continued)

與本集團的關係(續)

Associated company
聯營公司

Associated company
聯營公司

Joint venture
合營企業

A company controlled by the chairman of the Group
由本集團主席所控制之公司

(i) 本集團先前持有南通紡織控股集團紡織染有限公司及其附屬公司的48%股權。於二零二一年十月三十一日，本集團收購餘下52%股權。交易完成後，南通紡織控股集團紡織染有限公司及其附屬公司成為本集團的全資附屬公司。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. RELATED-PARTY TRANSACTIONS

(Continued)

The Group had the following significant transactions and balances with related parties:

(a) Transactions with related parties

29. 與關聯方的交易(續)

本集團與其關聯方進行的重大交易及結餘如下：

(a) 與關聯方的交易

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Sales of goods	銷售貨品		
— HLD (HK) Trading Limited	— HLD (HK) Trading Limited	67,588	—
— Henglun Textile (Vietnam) Company Limited	— 恒綸紡織(越南)有限公司	28,005	34,310
— Nantong Dasheng Third Cotton Textile Co., Ltd.	— 南通大生三棉紡織有限公司	8,392	—
— Hualida (Vietnam) Garments Limited Company	— 華利達(越南)服裝責任有限公司	465	144
		104,450	34,454
Purchases of goods	購買貨品		
— Nantong Dasheng Third Cotton Textile Co., Ltd.	— 南通大生三棉紡織有限公司	18,095	—
— Nantong Textile Group Co., Ltd.	— 南通紡織控股集團紡織染有限公司	—	2,400
— Henglun Textile (Vietnam) Company Limited	— 恒綸紡織(越南)有限公司	—	12
— Hualida (Vietnam) Garments Limited Company	— 華利達(越南)服裝責任有限公司	—	4
		18,095	2,416
Purchases of utilities	購買動力及燃料		
— Texhong Industrial Park Vietnam Limited	— 天虹工業園區越南有限公司	147,654	118,271

29. RELATED-PARTY TRANSACTIONS

(Continued)

29. 與關聯方的交易(續)

(a) Transactions with related parties

(Continued)

(a) 與關聯方的交易(續)

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Purchase of land use rights — Texhong Industrial Park Vietnam Limited	購買土地使用權 — 天虹工業園區越南 有限公司	226,313	—
Purchases of services — Texhong Tan Cang Logistics Joint Stock Company — Texhong Industrial Park Vietnam Limited	購買服務 — 天虹新港物流股份 公司 — 天虹工業園區越南 有限公司	36,702 1,821	23,655 —
		38,523	23,655
Purchase of property, plant and equipment — Henglun Textile (Vietnam) Company Limited	購買物業、廠房及設備 — 恒綸紡織(越南) 有限公司	9,932	—
Sales of property, plant and equipment — HLD (HK) Trading Limited	銷售物業、廠房及設備 — HLD (HK) Trading Limited	9,440	—
Processing fee — Hualida Thai Binh Garment Company Limited	加工費 — 華利達太平服裝有限公司	99,396	—

In the opinion of the Company's directors and the Group's management, the above related party transactions were carried out in the ordinary course of business, and in accordance with the terms of the underlying agreements and/or the invoices issued by the respective parties.

本公司董事及本集團的管理層認為上述與關聯方的交易乃於日常業務過程並且根據相關協議的條款及/或由有關各方發出的發票進行。

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

29. RELATED-PARTY TRANSACTIONS

(Continued)

29. 與關聯方的交易(續)

(b) Balances with related parties

(b) 與關聯方的結餘

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Trade receivables	應收貿易款項		
— HLD (HK) Trading Limited	— HLD (HK) Trading Limited	77,320	—
— Henglun Textile (Vietnam) Company Limited	— 恒綸紡織(越南)有限公司	17,610	27,617
— Nantong Dasheng Third Cotton Textile Co., Ltd.	— 南通大生三棉紡織有限公司	2,519	3,531
— Hualida (Vietnam) Garments Limited Company	— 華利達(越南)服裝責任有限公司	—	280
		97,449	31,428
Trade payables	應付貿易款項		
— Texhong Industrial Park Vietnam Limited	— 天虹工業園區越南有限公司	24,525	15,215
— Hualida Thai Binh Garment Company Limited	— 華利達太平服裝有限公司	10,863	1,382
— Texhong Tan Cang Logistics Joint Stock Company	— 天虹新港物流股份有限公司	5,389	8,514
— Nantong Dasheng Third Cotton Textile Co., Ltd.	— 南通大生三棉紡織有限公司	2,284	—
		43,061	25,111

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

29. RELATED-PARTY TRANSACTIONS

(Continued)

29. 與關聯方的交易(續)

(b) Balances with related parties (Continued)

(b) 與關聯方的結餘(續)

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 RMB'000 人民幣千元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 RMB'000 人民幣千元
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		
— Henglun International (Hong Kong) Limited	— 恒綸國際(香港)有限公司	34,334	32,617
— Jiangsu Dasheng Intelligence Technology Development Co., Ltd	— 江蘇大生智能科技發展有限公司	20,100	20,100
— HLD (HK) Trading Limited	— HLD (HK) Trading Limited	50	—
		54,484	52,717
Accruals and other payables	預提費用及其他應付賬款		
— Henglun Textile (Vietnam) Company Limited	— 恒綸紡織(越南)有限公司	4,104	—
Lease liabilities	租賃負債		
— Texhong Industrial Park Vietnam Limited	— 天虹工業園區越南有限公司	185,127	—

Balances with related parties are unsecured, non-interest bearing and are repayable on demand.

與關聯方的結餘為無抵押、不計息及按要求償還。

簡明綜合財務報表附註(續)**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)****29. RELATED-PARTY TRANSACTIONS***(Continued)***29. 與關聯方的交易(續)****(c) Key management compensation****(c) 主要管理層薪酬**

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2022	2021
		二零二二年	二零二一年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, wages and bonuses	薪金、工資及花紅	9,455	8,505
Pension costs (defined contribution plan)	退休金成本 (界定供款計劃)	352	313
Other benefits	其他福利	45	75
		9,852	8,893

OVERVIEW

The Group is pleased to present its unaudited consolidated financial results for the six months ended 30 June 2022 (the “Review Period”) to the shareholders of the Company (the “Shareholders”). During the Review Period, although the COVID-19 and its variants continued to hinder the economies of various nations and people from all walks of life, various countries began to gradually ease their epidemic control policies due to the increasing COVID-19 vaccination rates, which in turn boosted the recovery of overseas supply chains, particularly in countries such as Vietnam and Bangladesh, where a significantly accelerated pace of recovery was recorded. Meanwhile, affected by the frequent recurrence of COVID-19 and the “Dynamic zero-COVID-19” policy in China, the demand in the textile industry in China slowed down in the first half of the year. Facing pressure from the Russia-Ukraine crisis and high inflation rates, the demand in the textile industry declined during the Review Period, especially in the second quarter. However, increasing commodity prices in the first few months of 2022 led to higher prices of yarns and fabrics.

綜覽

我們欣然向本公司股東（「股東」）報告本集團截至二零二二年六月三十日止六個月（「回顧期」）的未經審核綜合財務業績。在回顧期內，儘管新型冠狀病毒肺炎及其變種病毒繼續影響各國經濟及民生，但隨著新冠疫苗接種率的提高，各國的防疫管控政策亦日趨寬鬆，海外供應鏈繼續恢復，尤其是越南、孟加拉等國復蘇步伐明顯加快；同時，受中國國內疫情頻發及中國「動態清零」疫情防控政策，上半年中國紡織行業需求有所放緩。受俄烏危機和通脹高企等多重壓力，紡織行業需求在回顧期內尤其是第二季度有所降低。然而，大宗商品價格在二零二二年首幾個月持續走高並推高了紗線及面料價格的上漲。

OVERVIEW *(Continued)*

On the other hand, despite the rise of the prices of yarns and fabrics as a result of increased raw material prices, the production and operating costs for plants also increased, with the market demand being weaker than expected in the second quarter of 2022, the Group's profitability was lower compared with the corresponding period of previous year.

In summary, the Group's revenue increased by approximately 3.9% from the corresponding period of previous year to approximately RMB13 billion, a record high for the Group's revenue. During the Review Period, profit attributable to shareholders of the Company decreased by 23.0% to approximately RMB992.0 million. Basic earnings per share also decreased from RMB1.41 in the corresponding period of previous year to RMB1.08.

綜覽 *(續)*

另一方面，儘管原材料價格上漲推高了紗線及面料價格，但工廠的生產及營運成本也隨之增加，在二零二二年第二季度市場需求低於預期的情況下，本集團盈利水平較去年同期有所降低。

綜合以上，本集團之收入較去年同期增長約3.9%至約人民幣130億元，創本集團銷售收入的歷史新高。於回顧期內，本公司股東應佔溢利減少23.0%至約人民幣9.920億元。每股基本盈利亦由去年同期的人民幣1.41元下降至人民幣1.08元。

INDUSTRY REVIEW

According to the National Bureau of Statistics of the PRC, between January and June 2022, enterprises with a sizable capacity in the textile industry recorded an aggregate revenue of RMB1,248.98 billion, representing a year-on-year increase of 4.7%, with net profit at RMB42.63 billion, down by 5.3% year on year. Sizable garment and apparel enterprises recorded revenue of RMB688.48 billion, representing a year-on-year increase of 4.5%, with net profit at RMB30.7 billion, up by 4.0% year on year. With respect to production volume, between January and June 2022, yarns, fabrics and synthetic fibre production amounted to 13.257 million tonnes, 18.03 billion metres and 33.671 million tonnes, respectively, representing year-on-year decreases of 4.2% and 2.5% and a year-on-year increase of 0.5%, respectively.

According to the General Administration of Customs of the PRC, between January and June 2022, the aggregate export value of textile apparel was US\$156.49 billion, representing a year-on-year increase of 11.7%. Among these exports, US\$76.32 billion was attributable to textiles and US\$80.17 billion to garments, representing year-on-year increases of 11.3% and 12.1%, respectively.

According to Vietnam Customs, between January and June 2022, the export volume of yarns and staple fibre manufactured in Vietnam decreased by 13.4% to 854,000 tonnes, with an increase of 5.0% in revenue to US\$2.776 billion, while the revenue of garment exports increased by 21.0% to US\$18.531 billion.

行業回顧

根據中國國家統計局的數據顯示，二零二二年一月至六月份，紡織業規模企業累計錄得營業收入人民幣12,489.8億元，同比增長4.7%；實現淨利潤人民幣426.3億元，同比下降5.3%。紡織服裝及服飾業規模企業錄得營業收入人民幣6,884.8億元，同比增長4.5%；實現淨利潤人民幣307億元，同比增長4.0%。產量方面，二零二二年一月至六月紗線1,325.7萬噸，同比減少4.2%；布產量180.3億米，同比減少2.5%；化纖產量3,367.1萬噸，同比增長0.5%。

根據中國海關總署發布的統計數據顯示，二零二二年一月至六月，紡織服裝累計出口1,564.9億美元，同比增長11.7%，其中紡織品出口763.2億美元，同比增長11.3%，服裝出口801.7億美元，同比增長12.1%。

根據越南海關統計數據顯示，二零二二年一月至六月產自越南紗線及短纖出口量減少13.4%至854,000噸，收入增加5.0%至27.76億美元；服裝出口收入增加21.0%至185.31億美元。

BUSINESS REVIEW

Currently, the Group's revenue is mainly derived from sales of yarns. During the Review Period, revenue from sales of yarns decreased by approximately 6.4% to approximately RMB9.241 billion, accounting for approximately 71.0% of the Group's total revenue. The midstream and downstream business segments were mainly driven by the sales of woven garment fabrics and knitted garment fabrics. Revenue from sales of yarns represented a lower percentage of the Group's revenue due to the lower-than-expected demand in the yarn market which was affected by the epidemic and fluctuations in raw material prices.

業務回顧

本集團收入目前仍然以紗線銷售為主，在回顧期內紗線銷售收入約人民幣92.41億元，下降約6.4%，佔本集團總收入約71.0%。中下游業務中以梭織面料及針織面料銷售為主。由於紗線市場受疫情和原材料價格波動影響需求低於預期，導致紗線的銷售收入佔本集團的收入比例有所降低。

BUSINESS REVIEW *(Continued)***Yarn operations**

During the Review Period, the Group's sales volume of yarns amounted to approximately 321,000 tonnes, representing a decrease of 23.1% as compared with the corresponding period of previous year. Although the economy of various countries emerged from the shadow of the epidemic during the Review Period, global demand for the textile industry remained sluggish due to global inflationary expectations and the Russia-Ukraine war. In addition, with the increasing cotton prices since the beginning of 2021 to May 2022, the manufacturers in the textile industry generally maintained high inventories. Consequently, the yarn operations, as the upstream industry in the textile industry, were the first to be hit. Coupled with factors such as delayed shipments and logistics problems in certain domestic factories as a result of the epidemic control measures in China and the disposal of a yarn production plant in China in November 2021, the Group recorded a year-on-year decrease in the sales volume of yarns. Due to the weaker-than-expected market demand during the Review Period, the average gross profit margin of yarns decreased by 2.1 percentage points to 21.7% as compared with the corresponding period of previous year. Nevertheless, this gross profit margin level is still higher than the normal margin as the increase in raw material prices has been beneficial to the Group's yarn business.

業務回顧(續)**紗線方面**

在回顧期內本集團紗線銷量達到約32.1萬噸水平，比去年同期減少23.1%。雖然回顧期內各國經濟從疫情陰霾中陸續走出，但由於全球通脹預期及俄烏戰爭的影響，全球紡織行業需求比較低迷。加之，二零二一年年初以來直至二零二二年五月份的棉花價格持續上漲，紡織行業生產商庫存普遍保持高位，受此影響，紗線業務作為紡織行業上游產業率先受到衝擊，再加上中國國內市場受疫情管控措施影響導致部分國內工廠發貨延遲以及物流問題及於二零二一年十一月出售一間於中國的紗線生產工廠等因素的影響，紗線銷售量同比有所降低。在回顧期內，由於市場需求低於預期，紗線的平均毛利率比去年同期下降2.1個百分點至21.7%。儘管如此，此毛利率水平還是比正常高，因為原材料價格上升有利於本集團的紗線業務。

BUSINESS REVIEW (Continued)

Grey fabrics operations

During the Review Period, the Group's sales volume of grey fabrics amounted to approximately 25.40 million metres, representing a slight decrease of approximately 0.8% as compared with the corresponding period of previous year. Benefiting from the adjustment in the grey fabric product mix and the increasing raw material prices, revenue from sales of grey fabrics increased significantly by 93.1% to approximately RMB426 million. Although the gross profit margin of grey fabrics decreased from approximately 31.4% in the corresponding period of previous year to 22.5%, it is still higher than the normal margin as a significant portion of the yarns used in production was supplied by the Group's own yarn spinning mills.

Woven garment fabrics operations

Primarily benefiting from the rise in fabric prices as a result of increasing raw materials prices during the Review Period, sales revenue amounted to approximately RMB1.33 billion, representing an increase of approximately 14.3% as compared with the corresponding period of previous year. The gross profit margin of woven garment fabrics increased from 22.4% in the corresponding period of 2021 to 24.9% for the Review Period. During the Review Period, affected by the increase in the prices of some externally purchased yarns and the fact that the demand in the U.S. market was still under gradual recovery, the gross profit margin of woven garment fabrics further improved due to the quality advantage and excellent cost transfer capability. The sales volume remained stable although the overall market demand was weaker than expected and the epidemic control measures in China temporarily affected the growth of our woven garment fabric business.

業務回顧 (續)

坯布方面

在回顧期內本集團坯布銷量約2,540萬米，比去年同期略微下降約0.8%，受益於坯布產品組合的調整和原材料價格的上漲，坯布的銷售收入大幅上漲93.1%至約人民幣4.26億元。坯布毛利率從去年同期約31.4%下降至22.5%，這仍然高於正常毛利率水平，因為用於生產的主要部分的紗線是由本集團自有紗線工廠所供應。

梭織面料方面

銷售收入約人民幣13.3億元，較去年同期增加約14.3%，主要得益於回顧期內原材料價格上漲導致的面料價格上漲。梭織面料毛利率從二零二一年同期的22.4%上升至回顧期內的24.9%。在回顧期內，受到部分外購紗線價格的上升影響且美國市場需求還在逐步恢復的過程中，但憑藉質量優勢及優秀的成本傳導能力，梭織面料的毛利率進一步提升。儘管整體市場需求低於預期及中國疫情防控措施短暫影響了我們梭織面料業務的增長，銷售量仍保持穩定。

BUSINESS REVIEW *(Continued)*

Knitted garment fabrics operations

The sales volume of knitted garment fabrics produced by the Group decreased from approximately 9,400 tonnes in the corresponding period of previous year to approximately 8,900 tonnes during the Review Period, which was mainly due to the impact of COVID-19 in China. Sales revenue for the Review Period amounted to approximately RMB497 million, representing an increase of 10.0% over the corresponding period of previous year, which was mainly due to the increase in selling prices of knitted garment fabrics. During the Review Period, sales of knitted garment fabrics were also affected by the increase in the price of externally purchased yarns. At the same time, newly installed equipment in the Vietnam factory was in the early stage of ramping up production, which affected the profit margin, and thus the gross profit margin decreased from 16.1% to 6.6%.

Jeanswear operations

The sales volume of jeanswear produced by the Group increased from approximately 5.10 million pieces in the corresponding period of previous year to approximately 5.30 million pieces during the Review Period, of which 4.16 million pieces were sold on behalf of the Group's associated company after the disposal of the Group's majority interest in the jeanswear factory in Vietnam to the joint venture partner, as it takes time for customers to complete the internal new supplier acceptance procedures.

業務回顧(續)

針織面料方面

由本集團生產的針織面料銷售量從去年同期的9,400噸左右下降至回顧期內的8,900噸左右，主要是受中國國內新冠疫情影響所致。回顧期內銷售收入約人民幣4.97億元，比去年同期上升10.0%，主要是由於針織面料售價上漲所致。針織面料銷售在回顧期內也受到外購紗線的價格上升影響，同時越南工廠新裝備在投產初期階段之中，因而影響了利潤率，導致毛利率從16.1%下降至6.6%。

牛仔服裝方面

由本集團生產的牛仔服裝銷售量從去年同期的約510萬件上升至回顧期內的約530萬件，在本集團出售越南牛仔服裝工廠之大多數權益給合營伙伴後，其中416萬件是代表本集團聯營公司銷售的，因為客戶需要時間完成接受新供應商的內部流程。

BUSINESS REVIEW *(Continued)*

Trading operations

Trading operations mainly comprise the trading of yarn, woven garment fabric and garment. The US denim fabric and garment trading business was acquired by the Group in 2018. During the Review Period, despite the increase in the revenue from the trading segment, the gross profit margin decreased to 6.4% due to different sales mix. It is expected that the development of the Group's trading business will promote the expansion of the sales channels of its self-produced products.

Non-woven fabrics operations

The non-woven fabrics operations are still in the exploratory stage. During the Review Period, the sales revenue amounted to approximately RMB25.87 million. Sales revenue decreased from the corresponding period of previous year due to frequent reoccurrence of COVID-19 and weakness of the overall market demand in China. Currently, the Group is actively exploring overseas markets with the aim of further expanding its customer base to obtain orders in markets.

業務回顧 (續)

貿易業務方面

貿易業務主要由紗線、梭織面料及服裝貿易組成。美國的牛仔面料及服裝貿易業務為本集團於二零一八年收購所得。在回顧期內，儘管貿易業務收入有所增加，但由於不同的銷售組合，毛利率下跌至6.4%。本集團發展貿易業務預計將有助擴展自產產品的銷售渠道。

無紡布方面

無紡布業務還是在摸索階段，回顧期內銷售收入約人民幣2,587萬元，由於國內疫情頻發及整體市場需求偏弱，銷售收入比去年同期有所減少；目前集團正積極開拓海外市場，以進一步開拓客源贏取市場訂單。

管理層討論及分析(續)

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

BUSINESS REVIEW (Continued)

The operating data of the Group's products during the Review Period as compared with the corresponding period is set out below:

業務回顧(續)

相較去年同期，本集團產品於回顧期內的經營數據如下：

		Revenue from January to June 2022 二零二二年一月至六月的收入 RMB'000 人民幣千元	Revenue from January to June 2021 二零二一年一月至六月的收入 RMB'000 人民幣千元	Revenue change 收入變動
Stretchable core-spun yarns	彈力包芯紗線	5,003,995	4,612,261	8.5%
Other yarns	其他紗線	4,236,725	5,262,862	-19.5%
Grey fabrics	坯布	425,759	220,458	93.1%
Woven garment fabrics	梭織面料	1,327,476	1,161,071	14.3%
Knitted garment fabrics	針織面料	497,408	452,338	10.0%
Jeanswear	牛仔服裝	407,039	314,795	29.3%
Trading	貿易	1,096,571	460,152	138.3%
Non-woven fabrics	無紡布	25,873	42,343	-38.9%
Total	總計	13,020,846	12,526,280	3.9%

		Sales volume 銷量		Selling price 售價		Gross profit margin 毛利率	
		January to June 2022 二零二二年一至六月	January to June 2021 二零二一年一至六月	January to June 2022 二零二二年一至六月	January to June 2021 二零二一年一至六月	January to June 2022 二零二二年一至六月	January to June 2021 二零二一年一至六月
Stretchable core-spun yarns	彈力包芯紗線	168,043	188,281	29,778	24,497	23.5%	22.5%
(Tonne/RMB per tonne)	(噸/人民幣每噸)						
Other yarns	其他紗線	152,579	228,769	27,767	23,005	19.6%	24.9%
(Tonne/RMB per tonne)	(噸/人民幣每噸)						
Grey fabrics	坯布	25.4	25.6	16.8	8.6	22.5%	31.4%
(Million metres/RMB per metre)	(百萬米/人民幣每米)						
Woven garment fabrics	梭織面料	64.2	64.0	20.7	18.1	24.9%	22.4%
(Million metres/RMB per metre)	(百萬米/人民幣每米)						
Knitted garment fabrics	針織面料	8,881	9,379	56,008	48,229	6.6%	16.1%
(Tonne/RMB per tonne)	(噸/人民幣每噸)						
Jeanswear	牛仔服裝	5.3	5.1	76.8	61.7	11.5%	12.7%
(Million pieces/RMB per piece)	(百萬件/人民幣每件)						
Non-woven fabrics	無紡布	1,402	1,923	18,454	22,019	-61.0%	5.8%
(Tonne/RMB per tonne)	(噸/人民幣每噸)						

BUSINESS REVIEW (Continued)

The Group's overall gross profit margin decreased from approximately 22.8% for the six months ended 30 June 2021 to approximately 19.7% for the six months ended 30 June 2022. The decrease in the gross profit margin was mainly due to the lower gross profit margin of yarn business, as the demand for yarns was lower than expected in the second quarter of 2022, while the Group had benefited from a rebound in demand for yarns and an increase in raw material prices in the corresponding period of previous year.

The Group's cost of sales increased by approximately 8.1% to RMB10.45 billion when compared with the corresponding period of previous year, which was mainly due to the increase in raw material prices. The cost of raw materials accounted for approximately 75.3% of the total cost of sales for the six months ended 30 June 2022.

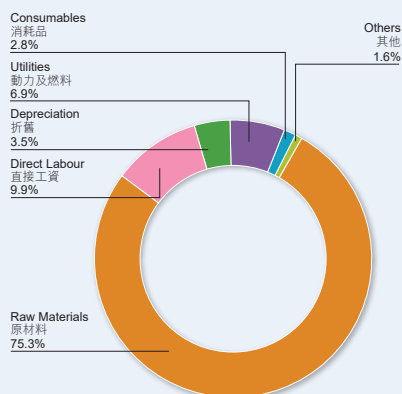
The breakdown of the Group's cost of sales for the six months ended 30 June 2022 as compared with the cost of sales for the six months ended 30 June 2021 is shown below:

業務回顧 (續)

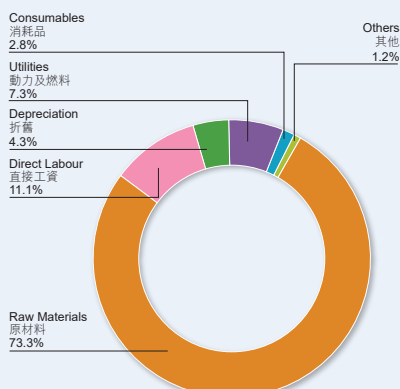
截至二零二二年六月三十日止六個月，本集團之整體毛利率由截至二零二一年六月三十日止六個月的約22.8%下降至約19.7%。毛利率下跌主要由於二零二二年第二季度紗線市場需求低於預期導致紗線業務毛利率下降，而去年同期本集團受惠於紗線市場需求反彈及原材料價格上升。

本集團的銷售成本較去年同期上升約8.1%至人民幣104.5億元，主要是原材料價格上升所致。截至二零二二年六月三十日止六個月，原材料成本佔銷售成本總額的約75.3%。

截至二零二二年六月三十日止六個月本集團銷售成本與截至二零二一年六月三十日止六個月的銷售成本比較的明細列示如下：



January to June 2022
二零二二年一至六月



January to June 2021
二零二一年一至六月

BUSINESS REVIEW (Continued)

The Group will continue to implement its established corporate strategies, optimise its existing product mix and develop new products that address market trends and needs. In addition, the Group will also enhance the level of vertical integration among its various business segments, promote diversified business development and further improve its financial performance.

During the Review Period, the Group continued to strengthen its cooperation with world-renowned manufacturers of synthetic fibres and has built a strategic partnership. Some manufacturers of synthetic fibres have already set target plans for sustainable development and when to achieve carbon neutrality. The Group will increase its efforts to cooperate with these manufacturers and use innovative technology fibers to produce fashionable, durable and functional yarns to cater to the development of differentiated high-end markets, while also dedicating effort on environmental protection, sustainable development and energy conservation and emission reduction. In addition, in response to market demand, the Group's yarn-focused research and development centre, as well as its garment fabric research and development team, have been enhancing product quality and continuing to develop new products in order to maintain the Group's leading position in the industry while satisfying customers' demand for diversified and high-end products.

The Chinese textile market continues to be the Group's major market, accounting for approximately 58.4% of the Group's total sales for the six months ended 30 June 2022. With the implementation of strict epidemic control measures in China, the proportion of the Group's sales from the Chinese market decreased compared with the corresponding period of last year. The Group's ten largest customers contributed approximately 16.0% of its total revenue for the six months ended 30 June 2022.

業務回顧(續)

本集團將繼續執行既有企業策略，優化現有產品組合，開發迎合市場趨勢及需要的新產品。此外，本集團將加強各業務板塊垂直整合的力度，促使業務向多元化發展以進一步改善本集團的財務表現。

回顧期內，本集團持續與各全球知名的人造纖維製造商深入合作並已建立了戰略合作夥伴關係，部分人造纖維製造商已經就可持續發展及何時達到碳中和定下目標方案，本集團將加大力度與該等製造商合作，使用創新科技纖維生產時尚耐用的功能紗線，迎合差異化高端市場的開發的同時，也同時就環保、可持續發展及節能減排努力。此外，本集團的紗線研發中心以及面料研發團隊也不斷應市場需求而改良產品質素及開發新產品，銳意在業界保持本集團的領先地位，並主攻客戶對多元及高端產品的需求。

中國紡織市場仍為本集團的主要市場，佔本集團截至二零二二年六月三十日止六個月總銷售額的約58.4%。在中國嚴格的防控疫情的措施下，本集團來自中國市場的銷售比例較去年同期有所減少。截至二零二二年六月三十日止六個月，本集團的十大客戶佔總收入的約16.0%。

PROSPECTS

As at 30 June 2022, the Group had an aggregate of approximately 2.35 million spindles and 1.75 million spindles located in China and overseas (mainly in Vietnam), respectively. In terms of current operations, the weak short-term market demand has brought challenges to the Group's business. However, the rapidly changing international trade environment has promoted the transfer and reorganisation of the global textile industry chain, which in the long run, has also brought new opportunities for some textile enterprises. Against the uncertain macro background, the Group's diversified development in recent years and its strategic direction of focusing on international layout have laid a solid foundation for future development. The increase in the proportion of revenue for downstream fabric business to the Group's total revenue has shared the pressure of raw material cost fluctuations faced by the yarn business to a certain extent. Meanwhile, the Group will further optimise the regional product mix and strengthen local supply capacity so as to minimise the risks to the supply chain caused by changes in the international trade situation. Given that the impact of the epidemic remains uncertain in China, the Group must make preparations for regional supply in various markets, make full use of and strengthen its overseas production capacity in countries and regions such as Vietnam, Mexico, Central America and Turkey, in order to continuously provide customers with high-quality products and services. The Group will consolidate its supply chain in China in the second half of the year while focusing on the improvement, upgrading and construction of the international supply chain serving the European and American markets. Based on current market conditions, the Group expects that the sales volume of self-produced products in the second half of 2022 will be similar to or slightly higher than that of the first half of the year.

前景

於二零二二年六月三十日，本集團在中國及海外(主要位於越南)的紗錠總數分別約235萬錠及175萬錠。就目前經營情況而言，短期市場需求疲軟對集團業務帶來了挑戰。但是，隨著國際貿易環境加速變化，推動了全球紡織產業鏈的轉移和重整，長期來看也為部分紡織企業帶來了新的機遇。在不確定的宏觀背景下，本集團近年來多元化發展以及注重國際化佈局的戰略方向為未來的發展打下了很好的基礎。下游的面料業務營收佔集團總營收的比重增加，一定程度分擔了紗線業務所面對的原材料成本波動的壓力。同時，我們會進一步優化地區產品組合，加強當地供應能力，從而能夠盡可能降低國際貿易局勢變化對供應鏈造成的風險。鑒於中國疫情的影響仍然存在不確定性，本集團必須要做好在各個市場進行區域性供應的準備，充分利用並且強化本集團在越南、墨西哥、中美洲、土耳其等國家及地區的海外產能，持續為客戶提供優質的產品和服務。本集團將於下半年鞏固中國市場供應鏈，同時著力在完善、升級以及建設服務於歐美市場的國際供應鏈。根據目前市況，本集團預期二零二二年下半年各自製產品的銷售量將與上半年相若或略有增加。

PROSPECTS (Continued)

On 12 July 2022, the Group was once again named among the “Fortune 500 Chinese Companies 2022”, demonstrating the wide recognition the Group has received and acting as a strong endorsement of its continuous expansion. The Group will continue to work tirelessly, exerting its best efforts to bring long-term and sustainable returns to its Shareholders.

As stated in the annual report of the Company for the year ended 31 December 2021, the Group has been exploring different management restructuring options to better manage its overseas operations in the midstream and downstream business as well as outside of the PRC and Vietnam. In this regards, the Company has submitted a spin-off proposal to the Stock Exchange for the proposed spin-off and separate listing of its woven garment fabrics and jeanswear business. Whilst the Stock Exchange has confirmed that the Company may proceed with the proposed spin-off according to the spin-off proposal, as at the date of this announcement, no application for the separate listing has been made. Further announcement(s) will be made by the Company on the proposed spin-off and separate listing as and when necessary in accordance with the Listing Rules.

前景(續)

於二零二二年七月十二日，本集團繼續名列國際知名雜誌——《財富》之二零二二年中國500強排行榜，足以證明本集團不斷成長並獲得廣泛認同。我們將繼續努力不懈，致力為股東帶來長遠可持續的回報。

誠如本公司截至二零二一年十二月三十一日止年度之年報所述，為更妥善管理本集團在中下游業務以及中國及越南以外的海外業務，本集團一直探索不同的管理重組方案。為此，本公司已向聯交所提交分拆建議，建議分拆其梭織面料及牛仔服裝業務並使之獨立上市。雖然聯交所已確認本公司可根據分拆建議進行建議分拆，但於本公佈日期，本公司並未提出分拆上市申請。本公司將根據上市規則就建議分拆及獨立上市適時另行公佈。

FINANCIAL REVIEW**Liquidity and financial resources**

As at 30 June 2022, the Group's bank and cash balances (including pledged bank deposits) amounted to RMB2,184 million (as at 31 December 2021: RMB2,696 million). The bank and cash balances decreased because certain amount of cash was used in the subscription of structured bank deposit with guaranteed principal and higher interest rate.

As at 30 June 2022, the Group's inventories increased by RMB169.6 million to RMB7,321.3 million (as at 31 December 2021: RMB7,151.7 million), and trade and bills receivables increased by RMB709.2 million to RMB2,728.9 million (as at 31 December 2021: RMB2,019.7 million). The inventory turnover days and trade and bills receivables turnover days were 125 days and 33 days for the Review Period respectively, as compared to 95 days and 25 days for the year ended 31 December 2021 respectively. The increase in inventory turnover days was mainly due to the slowdown in yarn sales as a result of lower-than-expected market demand in yarns in the second quarter. The trade and bills receivables turnover days increased compared with the corresponding period of last year, which was mainly due to the delay in shipments and logistics problems in certain domestic factories caused by the epidemic control measures in China and the slowdown in the collection of receivables of domestic sales. As at 30 June 2022, the trade and bills payables of the Group increased to RMB4,730.4 million (as at 31 December 2021: RMB4,576.3 million), which was mainly due to the increase in the purchase price of raw materials in the first half of 2022.

As at 30 June 2022, the Group's borrowings increased by RMB923.3 million to RMB8,138.3 million (as at 31 December 2021: RMB7,215.0 million), which was mainly due to the financing of the Group's new production capacity and technological transformation of equipment.

財務回顧**流動資金及財務資源**

於二零二二年六月三十日，本集團之銀行及現金結餘(包括已抵押銀行存款)為人民幣21.84億元(於二零二一年十二月三十一日：人民幣26.96億元)。銀行及現金結餘的減少是由於若干現金用作保本提利的認購結構性銀行存款所致。

於二零二二年六月三十日，本集團存貨增加人民幣1.696億元至人民幣73.213億元(於二零二一年十二月三十一日：人民幣71.517億元)，以及應收貿易及票據款項增加人民幣7.092億元至人民幣27.289億元(於二零二一年十二月三十一日：人民幣20.197億元)。存貨周轉天數及應收貿易及票據款項周轉天數於回顧期分別為125天及33天，而於截至二零二一年十二月三十一日止年度則分別為95天和25天。存貨周轉天數增加主要是因第二季度紗線市場需求低於預期導致紗線銷售放緩所致。應收貿易及票據款項周轉天數較去年同期上漲，主要因為中國疫情管控導致部分國內工廠發貨延遲以及物流問題，國內銷售回款減慢所致。於二零二二年六月三十日，本集團應付貿易及票據款項增加至人民幣47.304億元(於二零二一年十二月三十一日：人民幣45.763億元)，主要由於二零二二年上半年，原材料採購價格上漲所致。

於二零二二年六月三十日，本集團之借貸增加人民幣9.233億元至人民幣81.383億元(於二零二一年十二月三十一日：人民幣72.150億元)，主要是為本集團新增產能及設備技術改造融資所致。

管理層討論及分析(續)

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL REVIEW (Continued)

Liquidity and financial resources (Continued)

As at 30 June 2022 and 31 December 2021, the Group's key financial ratios were as follows:

Current ratio	流動比率
Debt to equity ratio ¹	負債權益比率 ¹
Net debt to equity ratio ²	負債淨額權益比率 ²
Gearing ratio ³	資產負債比率 ³

¹ Based on total borrowings over total equity attributable to shareholders

² Based on total borrowings net of cash and cash equivalents and pledged bank deposits over total equity attributable to shareholders

³ Based on total liabilities over total assets

Foreign exchange risk

The Group mainly operates in the PRC and Vietnam. Most of the Group's transactions, assets and liabilities are denominated in Renminbi, US dollar and Hong Kong dollar. Foreign exchange risk may arise from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group's exposure to foreign exchange risk is mainly attributable to its bank borrowings and raw material procurement denominated in US dollar and Hong Kong dollar. The Group manages its foreign exchange risks by performing regular reviews and closely monitoring its foreign exchange exposures.

To mitigate the depreciation risk of RMB, the Group has purchased certain amount of currency option contracts and currency swap contracts so that a significant portion of currency exposure is hedged against.

財務回顧(續)

流動資金及財務資源(續)

於二零二二年六月三十日及二零二一年十二月三十一日，本集團之主要財務比率如下：

	As at 30 June 2022 於二零二二年 六月三十日	As at 31 December 2021 於二零二一年 十二月三十一日
Current ratio	1.28	1.29
Debt to equity ratio ¹	0.77	0.72
Net debt to equity ratio ²	0.56	0.45
Gearing ratio ³	0.57	0.57

¹ 根據總借貸除股東應佔權益總額計算

² 根據總借貸減現金及現金等值物及已抵押銀行存款除股東應佔權益總額計算

³ 根據負債總值除以資產總值計算

外匯風險

本集團主要在中國及越南營運。本集團大部分交易、資產及負債以人民幣、美元及港元計值。外匯風險可能來自於未來海外業務中的商業貿易、已確認資產及負債及投資淨額。本集團所面對的外匯風險主要來自其以美元及港元計值的銀行借貸及原材料採購貨款。本集團進行定期檢討及密切關注其外匯風險程度以管理其外匯風險。

為應對人民幣貶值風險，本集團透過購入若干的貨幣期權合同及貨幣掉期合同以令很大一部分外幣敞口得以對沖。

FINANCIAL REVIEW (Continued)

Capital expenditure

For the six months ended 30 June 2022, the capital expenditure of the Group amounted to approximately RMB1,448 million (for the six months ended 30 June 2021: RMB677 million). It mainly related to the new production capacity of yarns and garment fabrics and equipment renovation in China, Vietnam and the Americas during the Review Period.

Significant investment held, material acquisition and disposal

There were no significant investment held by the Group, nor were there any material acquisitions or disposal of subsidiaries and associated companies of the Company during the Review Period.

Pledge of assets

As at 30 June 2022, the Group's investment properties with a net book amount of RMB136.8 million were pledged to secure for bank borrowings (as at 31 December 2021: buildings with a net book amount of RMB164.4 million and land use rights with a net book amount of RMB34.4 million).

Contingent liabilities

As at 30 June 2022, the Group had no material contingent liabilities (as at 31 December 2021: nil).

財務回顧(續)

資本開支

截至二零二二年六月三十日止六個月，本集團之資本開支約為人民幣14.48億元(截至二零二一年六月三十日止六個月：人民幣6.77億元)，主要與回顧期內於中國、越南、美洲新增的紗線和面料產能及設備更新改造相關。

所持重大投資、重大收購及出售事項

於回顧期內，本集團並無重大投資，本公司亦無重大收購及出售附屬公司或聯營公司事項。

資產抵押

於二零二二年六月三十日，本集團賬面淨值為人民幣1.368億元的投資物業已作為銀行借款的抵押(於二零二一年十二月三十一日：賬面淨值為人民幣1.644億元的房屋建築物及賬面淨值為人民幣3,440萬元的土地使用權)。

或然負債

於二零二二年六月三十日，本集團並無重大或然負債(於二零二一年十二月三十一日：無)。

FINANCIAL REVIEW (Continued)**Human resources**

As at 30 June 2022, the Group had a total workforce of 37,061 employees (as at 31 December 2021: 33,639), of whom 19,909 employees were based in the sales headquarters and our manufacturing plants in Mainland China. The remaining 17,152 employees were stationed in regions outside Mainland China, including Vietnam, Turkey, the Americas, Hong Kong of China and Macao of China. The Group has a total of 17,528 female employees, accounted for 47.3% of the total number of employees as at 30 June 2022. The Group will continue to optimize its human resources structure and offer a competitive remuneration package to its employees making reference to factors including the prevailing market conditions and the performance of the Group and the merits of the employees regardless of their gender, race, age or religion. As the Group's success is dependent on the contribution of a group of skillful and motivated employees who form functional departments, the Group is committed to creating a learning and sharing culture in the organization, placing strong emphasis on the training and development of individual staff and team building.

Dividend policy

The Board intends to maintain a long term, stable dividend payout ratio of about 30% of the Group's net profit for the year attributable to owners of the Company, providing our Shareholders with reasonable investment returns. The Board has resolved to declare an interim dividend of 38 HK cents per share for the six months ended 30 June 2022 to Shareholders whose names appear on the register of Shareholders of the Company in Hong Kong on 29 September 2022.

財務回顧(續)**人力資源**

於二零二二年六月三十日，本集團擁有 37,061 名僱員(於二零二一年十二月三十一日：33,639 名)，其中 19,909 名僱員位於中國大陸之銷售總部及生產工廠。其餘 17,152 名僱員駐於中國大陸境外地區，包括越南、土耳其、美洲、中國香港及中國澳門。於二零二二年六月三十日，本集團共有女性員工 17,528 名，佔全部員工人數的 47.3%。本集團將繼續優化人力資源結構，並參考現行市況及本集團表現及僱員之優點等因素而不論性別、種族、年齡或信仰向僱員提供具競爭力的薪酬待遇。本集團的成功有賴由技巧純熟且士氣高昂的員工組成各職能部門，故此本集團致力於組織內建立學習及分享文化，重視員工的個人培訓及發展，以及建立團隊。

股息政策

董事會有意維持長期穩定的派息率，即本集團年內本公司擁有人應佔淨利潤約 30%，為股東提供合理的投資回報。董事會議決就截至二零二二年六月三十日止六個月向於二零二二年九月二十九日名列本公司於香港股東名冊之股東宣派每股 38 港仙之中期股息。

FINANCIAL REVIEW (Continued)**Closure of register of members**

The register of members of the Company will be closed from 27 September 2022 to 29 September 2022, both days inclusive, during which no transfer of shares can be registered. To qualify for the interim dividend (which will be payable on or about 14 October 2022), Shareholders must ensure that all transfer documents accompanied by the relevant share certificates are lodged with the Hong Kong branch share registrar and transfer office of the Company, Boardroom Share Registrars (HK) Limited at 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on 26 September 2022.

Purchase, sale or redemption of the listed securities of the Company

There was no purchase, sale or redemption of the Company's listed securities by the Company or its subsidiaries during the six months ended 30 June 2022.

Share Option Scheme

The Shareholders of the Company adopted a share option scheme (the "Share Option Scheme") at the annual general meeting held on 7 April 2014 (the "Adoption Date"). The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contributions to the Group. All directors, employees, suppliers of goods or services, customers, persons or entities that provide research, development or other technological support to the Group, shareholders of any member of the Group, advisers or consultants of the Group and any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement and growth of the Group are eligible to participate in the Share Option Scheme. The Share Option Scheme will remain in force for a period of 10 years commencing on the Adoption Date.

財務回顧(續)**暫停辦理股份過戶登記手續**

本公司於二零二二年九月二十七日至二零二二年九月二十九日(包括首尾兩日)期間,暫停辦理股份過戶登記手續,期間不會登記任何股份轉讓。為符合資格領取中期股息(將於二零二二年十月十四日或前後派發),股東必須確保所有過戶文件連同相關股票,於二零二二年九月二十六日下午四時三十分前,送交本公司之香港股份過戶登記分處寶德隆證券登記有限公司,地址為香港北角電氣道148號21樓2103B室。

購買、出售或贖回本公司之上市證券

截至二零二二年六月三十日止六個月,本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

購股權

本公司股東於二零一四年四月七日(「採納日期」)之股東週年大會上採納一項購股權計劃(「購股權計劃」)。購股權計劃之目的乃讓本集團向指定參與者授予購股權,作為向此等人士對本集團作出之貢獻予以嘉獎或酬謝。所有董事、僱員、貨物或服務供應商、客戶、向本集團提供研究、發展或其他技術支援之人士或實體、本集團任何成員公司之股東、本集團之顧問或諮詢人及任何其他對本集團之發展曾作出貢獻或可透過合營企業、業務聯盟或其他業務安排作出貢獻之團體或類別之參與者均合資格參與現有購股權計劃。購股權計劃自採納日期後十年內有效。

FINANCIAL REVIEW (Continued)

Share Option Scheme (Continued)

The total number of shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 10% of the shares in issue of HK\$0.10 each in the share capital of the Company ("Shares") on the Adoption Date (the "General Scheme Limit"). The Company may renew the General Scheme Limit with Shareholders' approval provided that each such renewal may not exceed 10% of the Shares in the Company in issue as at the date of the Shareholders' approval.

The maximum number of 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 scheme adopted by the Group must not in aggregate exceed 30% of the Shares in issue from time to time.

Unless approved by Shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-months period shall not exceed 1% of the issued share capital of the Company for the time being (the "Individual Limit").

財務回顧(續)

購股權(續)

於購股權計劃及獲本集團採納之任何其他購股權計劃項下授出之全部購股權倘獲行使而可予配發及發行之本公司股本中每股面值0.10港元之股份(「股份」)總數合共不得超過採納日期已發行股份之10%(「一般計劃上限」)。本公司可於獲得股東批准下重訂該一般計劃上限，惟該重訂不得超過於獲股東通過之日已發行股份之10%。

於購股權計劃及獲本集團採納之任何其他購股權計劃項下發行在外而尚未行使之全部購股權倘獲行使而可予發行之最高股份數目合共不得超過當時已發行股份之30%。

除獲得本公司股東批准外，於購股權計劃及本集團之任何其他購股權計劃項下於任何十二個月內向各參與者授出之購股權(包括已行使或尚未行使者)倘獲行使而發行或可予發行之股份總數不得超過當時本公司已發行股本之1%(「個人上限」)。

FINANCIAL REVIEW (Continued)**Share Option Scheme (Continued)**

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option, subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

The subscription price for the Shares under the Share Option Scheme will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Shares.

Further details of the Share Option Scheme as to the fair value of the share options granted are disclosed in note 21 to the financial statements. The fair values of share options calculated using the binomial model are subject to certain fundamental limitations, due to the subjective nature of and uncertainty relating to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. The fair value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option.

財務回顧(續)**購股權(續)**

參與者可於授出購股權要約日期起二十一日内接納購股權。於接納授出之購股權時，須繳付1港元之象徵代價。購股權可按照購股權計劃之條款於董事會釐定及通知各承授人之期限(期限由授出購股權要約當日之後一日開始，惟無論如何不得遲於購股權授出日期起計十年結束，並受購股權有關提早終止之條文限制)內隨時行使。除董事另有釐定並於向承授人發出之要約函件註明外，購股權計劃並無規定其行使前必須持有之最短時限。

根據購股權計劃，股份之認購價將由董事釐定，惟不得少於(以較高者為準)(i)授出購股權要約日期(須為營業日)在聯交所每日報價表上所示股份之收市價；(ii)緊接授出購股權要約日期前之五個交易日在聯交所每日報價表上所示股份之平均收市價；及(iii)股份之面值。

購股權計劃有關所授出購股權公平值的進一步詳情於財務報表附註21披露。由於模型的預期未來表現輸入數據之多項假設的主觀性質及不確定性，以及模型本身的若干固有限制使然，使用二項式模型計算的購股權公平值受若干基本限制所規限。購股權公平值隨若干主觀假設的不同變量而變化。所使用變量出現任何變動均可能對購股權公平值估計產生重大影響。

管理層討論及分析(續) MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL REVIEW (Continued)

Share options (Continued)

During the six months ended 30 June 2022, movements of the share options granted under the Share Option Scheme are summarised as follows:

財務回顧(續)

購股權(續)

於截至二零二二年六月三十日止六個月，根據購股權計劃授出的購股權的變動概述如下：

List of grantees	Date of grant (Note)	Exercise period	Closing price per Share immediately before the date of grant	Exercise price per share	Number of share options 購股權數目					Outstanding as at 30 June 2022	Weighted average closing price immediately before the date(s) of exercise
					Outstanding as at 1 January 2022	Granted during the six months ended 30 June 2022	Exercised during the six months ended 30 June 2022	Lapsed during the six months ended 30 June 2022	Cancelled during the six months ended 30 June 2022		
			緊接授出日期前之每股收市價 HK\$ 港元	每股行價 HK\$ 港元	於二零二二年一月一日未行使	二零二二年六月三十日止六個月授出	於截至二零二二年六月三十日止六個月行使	於截至二零二二年六月三十日止六個月失效	於截至二零二二年六月三十日止六個月註銷	於二零二二年六月三十日未行使	緊接行使日期前加權平均收市價 HK\$ 港元
Directors 董事											
Mr. Hui Tsz Wai 許子慧先生	23 March 2015	1 January 2016 to 22 March 2025	8.27	8.70	1,000,000	-	-	-	-	1,000,000	-
		二零一五年一月一日至二零二五年三月二十二日									
	23 March 2015	1 January 2017 to 22 March 2025	8.27	8.70	1,000,000	-	-	-	-	1,000,000	-
		二零一五年一月一日至二零二五年三月二十二日									
	23 March 2015	1 January 2018 to 22 March 2025	8.27	8.70	1,000,000	-	-	-	-	1,000,000	-
		二零一五年一月一日至二零一八年一月一日至二零二五年三月二十二日									
	28 December 2015	1 January 2020 to 27 December 2025	5.84	5.70	200,000	-	-	-	-	200,000	-
		二零一五年十二月二十八日至二零二五年十二月二十七日									
	28 December 2015	1 January 2021 to 27 December 2025	5.84	5.70	300,000	-	-	-	-	300,000	-
		二零一五年一月一日至二零二五年十二月二十七日									
					3,500,000	-	-	-	-	3,500,000	
Total 總計					3,500,000	-	-	-	-	3,500,000	

Note: The vesting period of the share options is from the date of grant until the commencement of the exercise period.

附註：購股權之歸屬期由授出日期起直至行使期間為止。

As at the date of this report, 3,500,000 share options were outstanding under the Share Option Scheme. Accordingly, the number of Shares available for issue under the Share Option Scheme was 84,968,117 Shares, representing approximately 9.26% of the issued Shares.

於本報告日期，購股權計劃項下3,500,000份購股權尚未行使。因此，購股權計劃項下可供發行84,968,117股股份，佔已發行股份的9.26%。

其他資料

ADDITIONAL INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

As at 30 June 2022, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

於二零二二年六月三十日，本公司各董事及行政總裁於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）股份、相關股份及債權證中擁有根據證券及期貨條例第352條，記錄於本公司存置之登記冊內之權益及淡倉，或根據上市規則所載上市公司董事進行證券交易的標準守則另行通知本公司及聯交所之權益及淡倉如下：

Name of directors of the Company 本公司董事姓名	Name of Group member/associated corporation 本集團成員公司／ 相聯法團名稱	Nature of interest 權益性質	Number of ordinary shares (Note 1) 普通股數目 (附註1)	Approximate percentage of shareholdings 概約股權百分比
Mr. Hong Tianzhu 洪天祝先生	the Company 本公司	Interest of controlled corporation(s) 所控制法人的權益	544,742,400 (L) (Note 2) (附註2)	59.34%
	the Company 本公司	Beneficial owner 實益擁有人	5,400,000 (L)	0.59%
Mr. Zhu Yongxiang 朱永祥先生	the Company 本公司	Interest of controlled corporation(s) 所控制法人的權益	219,900,000 (L) (Note 3) (附註3)	23.95%
Mr. Tang Daoping 湯道平先生	the Company 本公司	Beneficial owner 實益擁有人	1,253,000 (L)	0.14%
Mr. Hui Tsz Wai 許子慧先生	the Company 本公司	Beneficial owner 實益擁有人	4,040,000 (L) (Note 4) (附註4)	0.44%

其他資料(續)

ADDITIONAL INFORMATION (CONTINUED)

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉(續)

Notes:

附註:

1. The letter "L" denotes the person's long position in the Shares.
 2. Among these 544,742,400 Shares, as to 392,842,400 Shares are registered in the name of and beneficially owned by New Green Group Limited, the entire issued share capital of which is beneficially owned by Texhong Group Holdings Limited, a company wholly owned by Mr. Hong Tianzhu and as to 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the entire issued share capital of which is beneficially owned as to 57.44% by Mr. Hong Tianzhu through New Green Group Limited. Under the SFO, Mr. Hong Tianzhu is deemed to be interested in all the Shares held by New Green Group Limited and Trade Partner Investments Limited. Mr. Hong Tianzhu is a director of Texhong Group Holdings Limited, New Green Group Limited and Trade Partner Investments Limited.
 3. Among these 219,900,000 Shares, as to 68,000,000 Shares are registered in the name of and beneficially owned by Wisdom Grace Investments Limited, the entire issued share capital of which is beneficially owned by Mr. Zhu Yongxiang and as to 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the issued share capital of which is beneficially owned as to 42.56% by Mr. Zhu Yongxiang through Wisdom Grace Investments Limited. Mr. Zhu Yongxiang is a director of Wisdom Grace Investments Limited and Trade Partner Investments Limited.
 4. These interests includes 3,500,000 share options granted to Mr. Hui Tsz Wai pursuant to the share option scheme of the Company. Mr. Hui Tsz Wai resigned as Director on 31 March 2022.
1. 「L」代表該人士於股份之好倉。
 2. 該等544,742,400股股份中392,842,400股以New Green Group Limited(其全部已發行股本由Texhong Group Holdings Limited實益擁有, 洪天祝先生擁有後者全部權益)名義及作為實益擁有人登記; 151,900,000股以Trade Partner Investments Limited(洪天祝先生透過New Green Group Limited實益擁有其全部已發行股本的57.44%)名義及作為實益擁有人登記。根據證券及期貨條例, 洪天祝先生被視為於New Green Group Limited及Trade Partner Investments Limited持有之所有股份佔有權益。洪天祝先生為Texhong Group Holdings Limited、New Green Group Limited及Trade Partner Investments Limited之董事。
 3. 該等219,900,000股股份中68,000,000股以Wisdom Grace Investments Limited(其全部已發行股本由朱永祥先生實益擁有)名義及作為實益擁有人登記; 151,900,000股以Trade Partner Investments Limited(朱永祥先生透過Wisdom Grace Investments Limited實益擁有其全部已發行股本的42.56%)名義及作為實益擁有人登記。朱永祥先生為Wisdom Grace Investments Limited及Trade Partner Investments Limited之董事。
 4. 該等權益包括根據本公司購股權計劃授予許子慧先生的3,500,000份購股權。許子慧先生於二零二二年三月三十一日辭任董事。

其他資料(續)

ADDITIONAL INFORMATION (CONTINUED)

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

主要股東在本公司股份、相關股份及債權證之權益及淡倉

So far as the Directors are aware, as at 30 June 2022, the interests or short position of the persons other than a Director or chief executive of the Company in the Shares or underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

就董事所知悉，於二零二二年六月三十日，於本公司股份或相關股份中擁有根據證券及期貨條例第336條記錄於本公司須予存置之登記冊內之權益或淡倉的人士(惟本公司之董事或行政總裁除外)如下：

Ordinary Shares of the Company:

本公司之普通股：

Name of the substantial shareholders 主要股東姓名/名稱	Nature of interests 權益性質	Number of ordinary shares (Note 1) 普通股數目 (附註1)	Approximate percentage of shareholding 概約股權百分比
New Green Group Limited	Beneficial owner 實益擁有人	392,842,400 (L) (Note 2) (附註2)	42.79%
	Interest of controlled corporation(s) 所控制法人權益	151,900,000 (L) (Note 3) (附註3)	16.55%
Trade Partner Investments Limited	Beneficial owner 實益擁有人	151,900,000 (L) (Note 3) (附註3)	16.55%
Wisdom Grace Investments Limited	Beneficial owner 實益擁有人	68,000,000 (L) (Note 4) (附註4)	7.41%
	Interest of controlled corporation(s) 所控制法人權益	151,900,000 (L) (Note 3) (附註3)	16.55%
Texhong Group Holdings Limited	Interest of controlled corporation(s) 所控制法人權益	544,742,400 (L) (Notes 2 and 3) (附註2及3)	59.34%

其他資料(續)
ADDITIONAL INFORMATION (CONTINUED)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (Continued)

主要股東在本公司股份、相關股份及債權證之權益及淡倉(續)

Name of the substantial shareholders 主要股東姓名／名稱	Nature of interests 權益性質	Number of ordinary shares (Note 1) 普通股數目 (附註1)	Approximate percentage of shareholding 概約股權百分比
Ms. Ke Luping 柯綠萍女士	Interest of spouse 配偶權益	550,142,400 (L) (Note 5) (附註5)	59.93%
Ms. Zhao Zhiyang 趙志楊女士	Interest of spouse 配偶權益	219,900,000 (L) (Note 6) (附註6)	23.95%
Mr. Hui Ching Lau 許清流先生	Interest of controlled corporation(s) 所控制法人權益	64,100,000 (L) (Note 7) (附註7)	6.99%
Event Star Limited	Beneficial owner 實益擁有人	64,100,000 (L) (Note 7) (附註7)	6.99%

Notes:

附註：

- The letter "L" denotes the person's long position in the Shares.
- These 392,842,400 Shares are registered in the name of and beneficially owned by New Green Group Limited, the entire issued share capital of which is beneficially owned by Texhong Group Holdings Limited, a company wholly beneficially owned by Mr. Hong Tianzhu. Under the SFO, each of Texhong Group Holdings Limited and Mr. Hong Tianzhu is deemed to be interested in all the Shares held by New Green Group Limited.

1. 「L」代表該人士於股份之好倉。

2. 該等392,842,400股股份以New Green Group Limited(其全部已發行股本由Texhong Group Holdings Limited實益擁有, 洪天祝先生則實益擁有後者全部權益)名義及作為實益擁有人登記。根據證券及期貨條例, Texhong Group Holdings Limited及洪天祝先生均被視為於New Green Group Limited持有之所有股份佔有權益。

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

Notes: (Continued)

- These 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the issued share capital of which is beneficially owned as to 57.44% by Mr. Hong Tianzhu through New Green Group Limited and 42.56% by Mr. Zhu Yongxiang through Wisdom Grace Investments Limited. Under the SFO, each of Mr. Hong Tianzhu, Texhong Group Holdings Limited, Mr. Zhu Yongxiang, New Green Group Limited and Wisdom Grace Investments Limited is deemed to be interested in all the Shares held by Trade Partner Investments Limited.
- These 68,000,000 Shares are registered in the name of and beneficially owned by Wisdom Grace Investments Limited, the entire issued share capital of which is beneficially owned by Mr. Zhu Yongxiang. Under the SFO, Mr. Zhu Yongxiang is deemed to be interested in all the Shares held by Wisdom Grace Investments Limited.
- Ms. Ke Luping is the spouse of Mr. Hong Tianzhu. Under the SFO, Ms. Ke Luping is deemed to be interested in the same number of Shares in which Mr. Hong Tianzhu is interested.
- Among these 219,900,000 Shares, as to 68,000,000 Shares are registered in the name of and beneficially owned by Wisdom Grace Investments Limited, the entire issued share capital of which is beneficially owned by Mr. Zhu Yongxiang and as to 151,900,000 Shares are registered in the name of and beneficially owned by Trade Partner Investments Limited, the issued share capital of which is beneficially owned as to 42.56% by Mr. Zhu Yongxiang through Wisdom Grace Investments Limited. Ms. Zhao Zhiyang is the spouse of Mr. Zhu Yongxiang. Under the SFO, Ms. Zhao Zhiyang is deemed to be interested in the same number of shares in which Mr. Zhu Yongxiang is interested.
- These 64,100,000 Shares are registered in the name of and beneficially owned by Event Star Limited, a company which is 100% controlled by Mr. Hui Ching Lau. Under the SFO, Mr. Hui Ching Lau is deemed to be interested in all the Shares held by Event Star Limited.

主要股東在本公司股份、相關股份及債權證之權益及淡倉(續)

附註：(續)

- 該等151,900,000股股份以Trade Partner Investments Limited(其已發行股本由洪天祝先生(透過New Green Group Limited)及朱永祥先生(透過Wisdom Grace Investments Limited)分別實益擁有57.44%及42.56%)名義及作為實益擁有人登記。根據證券及期貨條例,洪天祝先生、Texhong Group Holdings Limited、朱永祥先生、New Green Group Limited及Wisdom Grace Investments Limited分別被視為於Trade Partner Investments Limited持有之所有股份佔有權益。
- 該等68,000,000股股份以Wisdom Grace Investments Limited(其全部已發行股本由朱永祥先生實益擁有)名義及作為實益擁有人登記。根據證券及期貨條例,朱永祥先生被視為於Wisdom Grace Investments Limited持有之所有股份佔有權益。
- 柯綠萍女士為洪天祝先生之配偶。根據證券及期貨條例,柯綠萍女士被視為於洪天祝先生佔有權益之相同數目股份中佔有權益。
- 該等219,900,000股股份中68,000,000股以Wisdom Grace Investments Limited(其全部已發行股本由朱永祥先生實益擁有)名義及作為實益擁有人登記;及151,900,000股以Trade Partner Investments Limited(其已發行股本由朱永祥先生(透過Wisdom Grace Investments Limited)實益擁有42.56%)名義及作為實益擁有人登記。趙志揚女士為朱永祥先生之配偶。根據證券及期貨條例,趙志揚女士被視為於朱永祥先生佔有權益之相同數目股份中佔有權益。
- 該等64,100,000股股份以Event Star Limited名義及作為實益擁有人登記,而該公司由許清流先生100%控制。根據證券及期貨條例,許清流先生被視為於Event Star Limited持有之所有股份中佔有權益。

CORPORATE GOVERNANCE

The Group is committed to maintaining high level of corporate governance and has steered its development and protected the interests of its shareholders in an enlightened and open manner.

As at the date of this report, the Board comprises three executive Directors and three independent non-executive Directors. The Board has adopted the code provisions of the Corporate Governance Code (the “Code Provisions”) set out in Appendix 14 to the Listing Rules on the Stock Exchange. During the Review Period, the Company had complied with the Code Provisions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the Directors’ securities transactions on terms not less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules. After specific enquiry made by the Company, all of the Directors confirmed that they had complied with the required standard set out in the Model Code and the code of conduct regarding the Directors’ securities transactions during the Review Period.

企業管治

本集團一直致力維持高水平企業管治，以開明和開放的理念維護本集團的發展及保障股東們的權益。

於本報告日期，董事會由三名執行董事及三名獨立非執行董事組成。董事會已採納載於聯交所上市規則附錄十四之企業管治守則內的守則條文(「《守則條文》」)。本公司於回顧期內已遵守《守則條文》。

董事進行證券交易的標準守則

本公司已採納一套嚴格程度不遜於《上市規則》附錄十上市發行人董事進行證券交易的標準守則(「《標準守則》」)所載有關董事證券交易規定準則的行為守則。經本公司特別查詢後，全體董事確認彼等在回顧期內已遵守《標準守則》內所載的規定準則及有關董事證券交易的行為守則。

AUDIT COMMITTEE

The Company has established an audit committee which comprises three independent non-executive Directors, namely, Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi. Mr. Ting Leung Huel, Stephen is the chairman of the audit committee. The audit committee is responsible for reviewing and supervising the Group's financial reporting process and internal control system and providing advice and recommendations to the Board.

The audit committee has discussed with management and reviewed the unaudited condensed consolidated financial statements of the Company for the six months ended 30 June 2022.

REMUNERATION COMMITTEE

During the Review Period, the remuneration committee of the Board comprises three independent non-executive Directors, namely Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming, Professor Cheng Longdi. Mr. Ting Leung Huel, Stephen is the chairman of the remuneration committee. The remuneration committee is principally responsible for formulating the Group's policy and structure for all remuneration of the Directors and senior management and providing advice and recommendations to the Board.

審核委員會

本公司已成立審核委員會，該委員會由三名獨立非執行董事組成，即丁良輝先生、陶肖明教授及程隆棣教授。丁良輝先生為審核委員會主席。審核委員會負責審閱及監督本集團之財務匯報程序及內部監控制度，並向董事會提供意見及推薦建議。

審核委員會已與管理層商討並審閱本公司截至二零二二年六月三十日止六個月之未經審核簡明綜合財務報表。

薪酬委員會

於回顧期內，董事會薪酬委員會由三名獨立非執行董事組成，包括丁良輝先生、陶肖明教授及程隆棣教授。丁良輝先生為薪酬委員會主席。薪酬委員會主要負責擬訂本集團董事及高級管理層的所有酬金政策及架構，並向董事會提供意見及推薦建議。

其他資料(續)

ADDITIONAL INFORMATION (CONTINUED)

NOMINATION COMMITTEE

The nomination committee of the Board comprises, Mr. Hong Tianzhu (the chairman and executive Director), and three independent non-executive Directors, namely Mr. Ting Leung Huel, Stephen, Professor Tao Xiaoming and Professor Cheng Longdi. Mr. Hong Tianzhu is the chairman of the nomination committee. The nomination committee is principally responsible for reviewing the structure, size and composition of the Board, identifying individuals suitably qualified to become Board members, assessing the independence of independent non-executive Directors, and making recommendations to the Board on the appointment and re-appointment of Directors and succession planning for Directors.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The Company has established the ESG Committee on 23 August 2021. The ESG Committee comprises five members, namely, Mr. Tang Daoping (chairman), Mr. Hui Tsz Wai (vice chairman, ceased to be a member on 31 March 2022), Prof. Tao Xiaoming, Prof. Cheng Longdi and Mr. Ting Leung Huel, Stephen. The ESG Committee is mainly responsible for overseeing and reporting to the Board on matters relating to ESG of the Group and ensuring compliance with legal and regulatory requirements on ESG including corporate governance principles applicable to the Company.

By order of the Board
Texhong Textile Group Limited
Hong Tianzhu
Chairman

Hong Kong, 29 August 2022

提名委員會

董事會提名委員會由洪天祝先生(主席兼執行董事)及三名獨立非執行董事丁良輝先生、陶肖明教授及程隆棣教授組成。洪天祝先生為提名委員會的主席。提名委員會主要負責檢討董事會的架構、規模及組成、物色具備合適資格成為董事會成員的個別人士，並評估獨立非執行董事的獨立性，及就委任或重新委任董事以及董事繼任計劃向董事會提出建議。

環境、社會及管治委員會

本公司於二零二一年八月二十三日成立 ESG 委員會。ESG 委員會由五名成員組成，分別為湯道平先生(主席)、許子慧先生(副主席，於二零二二年三月三十一日起不再為成員)、陶肖明教授、程隆棣教授及丁良輝先生。ESG 委員會主要負責監督並向董事會匯報與本集團 ESG 有關之事宜，並負責確保遵守包括適用於本公司企業管治原則在內有關 ESG 之法律及監管規定。

承董事會命
天虹紡織集團有限公司
洪天祝
主席

香港，二零二二年八月二十九日



This Interim Report is printed on environmentally friendly paper
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