

# LESSO 联塑

CHINA LESSO GROUP HOLDINGS LIMITED

中國聯塑集團控股有限公司

Incorporated in the Cayman Islands with limited liability  
於開曼群島註冊成立的有限公司

Stock Code 股份代號：2128



## 2019

INTERIM REPORT

中期報告

# CORPORATE PROFILE

## 企業簡介

China Lesso Group Holdings Limited is a leading large-scale industrial group that manufactures building materials and interior decoration products in mainland China. It is listed on the main board of The Stock Exchange of Hong Kong Limited (stock name: China Lesso, stock code: 2128). China Lesso is one of the constituent stocks of the Hang Seng Composite Index – MidCap and is covered by Hong Kong Stock Exchange's Stock Connect. The Group provides over 10,000 types of quality products, including plastic piping system, sanitary ware products, integrated kitchens, systems of doors and windows, decorative plates, fire-fighting equipment, and sanitary materials, etc. They are widely applied to fields such as interior decoration, water supply, drainage, power supply and telecommunications, gas transmission, agriculture, aquaculture, floor heating and fire services. The Group is positioned as one of the manufacturers who offer the most comprehensive range of building materials and interior decoration products in China.

The Group has 23 advanced production bases in 16 provinces, namely Guangdong, Guizhou, Sichuan, Hubei, Jiangsu, Anhui, Zhejiang, Henan, Hebei, Jilin, Shaanxi, Xinjiang, Hainan, Yunnan, Shandong and Hunan. The Group has established a nationwide sales network and has also developed long-term strategic partnerships with 2,206 independent and exclusive first-tier distributors to provide quality and comprehensive products as well as professional services for customers.

中國聯塑集團控股有限公司是中國內地領先的大型建材家居產業集團，於香港聯合交易所有限公司主板上市（股票簡稱：中國聯塑，股份代號：2128）。中國聯塑是恒生綜合指數成份股中型股之一，並被獲納入為港股通股份。本集團提供過萬種優質產品，涵蓋塑料管道系統、水暖衛浴產品、整體廚房、門窗系統、裝飾板材、消防器材及衛生材料等類別，並廣泛應用於家居裝修、給水、排水、電力供應及通訊、燃氣輸送、農用、水產養殖業、地暖和消防等領域，為中國建材家居領域產品體系最為齊全的生產商之一。

本集團於廣東、貴州、四川、湖北、江蘇、安徽、浙江、河南、河北、吉林、陝西、新疆、海南、雲南、山東及湖南等16個省份擁有23個先進生產基地。本集團擁有覆蓋全國的分銷網絡，與2,206名的獨立獨家一級經銷商建立長期戰略合作關係，為全國客戶提供優質豐富的產品和專業的服務。



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# FINANCIAL HIGHLIGHTS

## 財務摘要

		Six months ended 30 June 截至6月30日止六個月		30 June 6月30日	31 December 12月31日	Change 變動
		2019	2018	2019	2018	
<b>(RMB'000)</b>	<b>(人民幣千元)</b>					
Revenue	收入	<b>11,137,154</b>	10,448,302			6.6%
Gross profit	毛利	<b>3,200,466</b>	2,721,219			17.6%
Finance costs	融資成本	<b>271,492</b>	179,961			50.9%
EBITDA	除息稅折攤前盈利	<b>2,281,979</b>	1,852,431			23.2%
Profit before tax	除稅前溢利	<b>1,580,927</b>	1,299,159			21.7%
Profit for the period	期內溢利	<b>1,257,390</b>	1,005,108			25.1%
Profit attributable to owners of the Company	本公司擁有人 應佔溢利	<b>1,263,701</b>	1,041,194			21.4%
<b>(RMB'000)</b>	<b>(人民幣千元)</b>					
Total assets	資產總額			<b>36,134,731</b>	34,636,277	4.3%
Cash and bank deposits	現金及銀行存款			<b>5,922,352</b>	6,451,791	(8.2)%
Total debts <sup>(a)</sup>	債務總額 <sup>(a)</sup>			<b>12,530,463</b>	11,731,058	6.8%
Net debt <sup>(b)</sup>	債務淨額 <sup>(b)</sup>			<b>6,608,111</b>	5,279,267	25.2%
Total equity	權益總額			<b>15,598,304</b>	15,072,865	3.5%
<b>Share information (RMB)</b>	<b>股份資料 (人民幣)</b>					
Basic and diluted earnings per share <sup>(c)</sup>	每股基本及攤薄盈利 <sup>(c)</sup>	<b>0.41</b>	0.34			20.6%
Interim dividend per share (HK cents)	每股中期股息 (港仙)	<b>12</b>	10			20.0%
Equity attributable to owners of the Company per share <sup>(d)</sup>	每股本公司擁有人 應佔權益 <sup>(d)</sup>			<b>4.94</b>	4.77	3.6%
<b>Financial ratios</b>	<b>財務比率</b>					
Gearing Ratio (%)	資產負債率 (%)			<b>44.5</b>	43.8	
Net debt to equity <sup>(e)</sup> (%)	債務淨額對權益比率 <sup>(e)</sup> (%)			<b>42.4</b>	35.0	
Interest cover <sup>(f)</sup> (times)	利息盈利率 <sup>(f)</sup> (倍)	<b>8.41</b>	10.29			

Note:

- (a) Represented total borrowings and debt component of convertible loans.
- (b) Represented total debts less cash and bank deposits.
- (c) Details of the calculations of the basic and diluted earnings per share of the Company are set out in note 9 to condensed consolidated financial statements.
- (d) Represented equity attributable to owners of the Company divided by the number of issued Shares at the end of the reporting period.
- (e) Represented net debt divided by total equity.
- (f) Represented EBITDA divided by finance costs.

附註：

- (a) 指借款總額及可換股貸款債務部份。
- (b) 指債務總額減現金及銀行存款。
- (c) 本公司每股基本及攤薄盈利之計算詳述於簡明綜合財務報表附註9。
- (d) 指本公司擁有人應佔權益除以於報告期末已發行股份數目。
- (e) 指債務淨額除以權益總額。
- (f) 指除息稅折攤前盈利除以融資成本。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### CORPORATE OVERVIEW

China Lesso is a leading large-scale industrial group which produces building materials and interior decoration products in mainland China. The Group established 23 advanced production bases in 16 provinces within China to support a nationwide sales network. The Group strives to refine its strategic planning and sales network, offering a comprehensive range of diverse industrial products and quality sales services.

The Group continued to reinforce its leading position in the Chinese market, especially in Southern China, on the strength of its quality products, advanced technologies in research and development and a wide sales network. In recent years, the Group has been actively developing business in other local markets and overseas markets. While steadily upgrading the core business of plastic piping systems, the Group has also proactively diversified building materials and interior decoration products, and expanded business of environmental protection and Lesso Home, so as to create long-term commercial synergies for the Group's overall business while providing convenient and efficient solutions for customers.

The brand name LESSO of China Lesso represents the key elements of the Group's corporate culture: "Link, Easiness, Safety, Sharing and Openness"; and demonstrates its commitment to "Creating a Relaxing Life for Dwellers". Since it was established over 30 years ago, China Lesso has been consistently consolidating its strong brand position and reputation, and has received quality accreditations from many national and professional institutions, including "The Best Supplier for Cooperation on Batch Residential Refined Decoration Standard in Guangdong-Hong Kong-Macao Greater Bay Area in 2019"; "The Most Trusted Brand by Consumers in 2018"; "Influential Brand in China's Interior Decoration Industry"; "Annual Innovative Brand in China's Interior Decoration Industry"; "Preferred Supplier of Top 500 Chinese Real Estate Development Enterprises in 2018"; "China's Top 100 Companies Award"; "Award for Benchmark Company in Quality Manufacturing in Foshan"; and "Top 10 Companies Award in China's Light Industry and Plastics Industry". The Group's leading brand position reflects its strong capabilities to conduct product research and development and to ensure excellent product quality. This has laid a foundation for the Group's strong business presence in mainland China and overseas markets, and gave the impetus for further expansion of China Lesso's sales network.

### 概覽

中國聯塑為中國內地領先的大型建材家居產業集團。為配合覆蓋全國的銷售網絡，本集團建立了23個先進的生產基地，分佈於中國16個省份。本集團一直致力完善戰略佈局及銷售網絡，並提供種類齊全、多元化的產品及全面優質的銷售服務。

憑藉優質產品、先進的研發技術及廣泛的銷售網絡等優勢，本集團繼續鞏固於中國市場的領導地位，特別是華南地區。近年來，本集團積極拓展華南以外及海外市場的業務。在穩步提升核心塑料管道系統業務的同時，本集團亦積極擴展建材家居產品、環保及領尚環球之家業務，為集團整體業務帶來長遠的商業協同效應，同時為客戶提供便捷高效的解決方案。

中國聯塑的品牌LESSO寓意著本集團「傳承、輕鬆、安全、分享、開放」的企業文化理念，致力「為居者構築輕鬆生活」。成立三十多年來，中國聯塑一直鞏固其優越的品牌地位及知名度，榮獲多個國家及專業機構的品質認證，包括「2019粵港澳大灣區住宅批量精裝標準最具合作價值供應商」、「2018消費者信得過品牌」、「中國家居行業影響力品牌」、「中國家居行業年度創新品牌」、「2018中國房地產開發企業500強首選供應商」、「中國百強企業獎」、「佛山品質製造標杆企業」、「中國輕工業塑料行業十強企業」等獎項。本集團領先的品牌地位足證其產品研發實力及優秀的產品質量，為本集團建立中國內地及海外市場的基礎，進一步拓展中國聯塑的銷售網絡。

### MARKET REVIEW

In the first half of 2019, the trade dispute between China and United States persisted. This is one of the uncertainties that continued to cloud the prospect of the global economy. Meanwhile, China maintained stable economic growth on the back of steady progress in the country's supply-side reform. During the reporting period, China pressed on with its city-specific policies on regulating its property market and tightened its supervision of the financing of the real estate sector in an attempt to cool down the overheated property market. Meanwhile, the Chinese government continued with multiple large-scale municipal projects and urban infrastructure construction as it pursues its policies on energy conservation and environmental protection in tandem with its ongoing urbanisation. This resulted in a steady increase in the demand for pipes and pipe fittings.

According to the forecast of the "Development Proposal on the China's Plastic Industry for the 13th Five-year Plan Period (2016–2020)", China's production volume of plastic pipes during that period will grow by approximately 3% annually. By 2020, it is expected that China's production volume of plastic pipes will reach 16 million tonnes. In addition, under the "Programme for Construction of the National Urban Municipal Infrastructure of the 13th Five-year Plan", targets have been set for the development of the facilities for water supply, heating, drainage and waterlogging prevention in China. Under the Programme, China plans to add 93,000 kilometres ("km") of new pipelines to the water supply network and 95,000 km of new pipelines to the drainage network. The country will also replace 23,000 km of old pipelines of the drainage network, add 41,000 km of new pipelines to the centralised heating network, build 137,000 km of new gas pipelines, and construct 112,400 km of urban rainwater pipelines during the period of the "13th Five-year Plan". These large-scale infrastructure projects will add impetus to the urbanisation and regional economic development. All these will generate enormous demand for pipes.

### 市場概況

2019年上半年，中美貿易衝突持續，不穩定因素繼續影響全球經濟環境；與此同時，受供給側結構性改革深入推進支持，中國經濟維持穩定增長。於報告期內，中國繼續實行「因城施政，一城一策」的調控基調，並收緊對房地產融資的監管，使整體房地產市場持續降溫。同時，隨著城鎮化進程的不斷推進，中國政府持續推行能源及環保政策，並積極推動多項大型市政工程及城市基礎建設發展，管道管件應用的需求保持穩定增長。

根據《中國塑料行業「十三·五」期間(2016–2020)發展建議》預測，中國於「十三·五」期間塑料管道生產量將維持在約3%的年增長速度，到2020年，預計中國塑料管道生產量將達到1,600萬噸。另外，《全國城市市政基礎設施建設「十三·五」規劃》亦提出國家在供水、供熱、排水防澇等基礎設施的發展目標，中國計劃於「十三·五」期間新建供水管網、污水管網各9.3萬公里及9.5萬公里，改造老舊污水管網2.3萬公里，建設集中供熱管網、燃氣管道及城市雨水管道各4.1萬公里、13.7萬公里及11.24萬公里。上述規模宏大的基礎設施工程，將進一步推動城鎮化及區域經濟發展，為管道行業帶來龐大的市場需求。

## MARKET REVIEW (continued)

The rapid growth in China's demand for natural gas can also boost the development of the pipeline industry. The "Programme for Natural Gas Development under the 13th Five-Year Plan" stated that during the period of the "13th Five-year Plan", China will build 40,000 km of new main and branch natural gas pipelines, which will result in a total length of 104,000 km in 2020. According to the "Plan for Clean Heating in Winter in Northern China (2017–2021)", China plans to add eight new main pipes for transmission of natural gas. After the completion of construction and commencement of operation, the supply capacity will increase by approximately 75 billion cubic meters per year. Meanwhile, six provinces and cities including Beijing, Tianjin, Hebei, Shandong, Henan and Shanxi plan to add 4,300 km of natural gas pipelines from 2017 to 2021. The nationwide construction of infrastructure for clean heating is expected to add impetus to the pipeline industry.

During the reporting period, the Chinese government continued to push forward the "Action Plan for Prevention and Control of Water Pollution". According to the requirements of the new "Law on Prevention and Control of Water Pollution" and the related planning under the national "13th Five-year Plan", various local governments in China have successively promulgated a series of pollution control policies, which will facilitate sewage control, improve the quality of water environment, enhance the municipal pipeline network and sewage disposal equipment, thus generating enormous market demand for pipelines. In the "Plan for Prevention and Control of Water Pollution in Major River Basins (2016–2020)", the National Development and Reform Commission estimates that investments in projects for prevention and control of water pollution in major river basins will be around RMB700 billion in total if the objectives of the "13th Five-year Plan" are to be met. In particular, the investment in projects for municipal sewage disposal and the development of ancillary facilities is estimated to be RMB316.1 billion. Meanwhile, various local governments in China had started the pipeline network reformation plan from which huge demand is expected.

## 市場概況 (續)

中國天然氣需求的迅速增長對管道行業提供了極大的增長動力。《天然氣發展「十三•五」規劃》提出，於「十三•五」期間，中國將新建天然氣主幹及配套管道4萬公里，2020年總里程將達到10.4萬公里。根據《北方地區冬季清潔取暖規劃（2017–2021年）》，中國計劃新增八條主幹管道，建成並投產後的供應能力每年增加約750億立方米。同時，北京、天津、河北、山東、河南及山西六個省市2017年至2021年規劃將新增4,300公里。隨著全國各地清潔取暖基礎建設工程的實施，預期將為管道行業帶來穩定增長動力。

於報告期內，中國政府持續推動實施「水污染防治行動計劃」，根據新的《水污染防治法》和國家「十三•五」相關規劃的要求，各地政府相繼出台了一系列的治污政策，加快發展污水治理，提升水環境品質，推動市政管網、污水處理等設備，為管道行業帶來巨大的市場需求。國家發改委在《重點流域水污染防治規劃（2016–2020年）》中，根據「十三•五」規劃目標對重點流域水污染防治項目投資進行了匡算，共計約人民幣7,000億元，其中，城鎮污水處理及配套設施建設項目匡算投資人民幣3,161億元。同時，中國多地政府啟動管網改造計劃，預期將釋放大量市場需求。

### MARKET REVIEW (continued)

Last year, the State Council promulgated the “Strategic Plan for Rural Revitalisation (2018–2022)”, in which it proposed making greater effort to construct rural infrastructure, to enhance rural water management system, and to promote the integration of urban and rural areas. In the “Crucial Action Plan for Pollution Control in Agriculture and Rural Areas” jointly promulgated by the Ministry of Ecology and Environment and the Ministry of Agriculture and Rural Affairs, it is even expressly stated that pollution control in rural areas is of major concern, and progress need to be made in the construction of infrastructure such as water supply system, drainage gutter, pipeline networks for collecting and disposing of sewage. This can add impetus to the development of pipelines.

The Chinese government put forward the “Plan for Seawater Desalination Works Around Islands”, according to which, China intends to promote the development, upgrade and transformation of seawater desalination works around 100 islands in 3 to 5 years in coastal provinces and cities such as Liaoning, Shandong, Qingdao, Zhejiang, Fujian and Hainan, actively promoting the application of seawater desalination on larger scale. The move to improve the marine industries was expected to enlarge the market for plastic pipes and unveil new business opportunities for the application of such pipes.

During the reporting period, the Chinese government continued with its stringent regulatory measures to cool down the overheated real estate market and its city-specific policies on regulating the property market. As a result, growth in investment in the property sector had decelerated in the first half of 2019, continuing the trend since last year. This, in turn, exerted downward pressure on the growth in industry of building materials and interior decoration. However, the country’s consumption upgrade, further progress in the supply-side reform, advances in the new urbanisation and the redevelopment of old towns will bring new opportunities for the industry.

To develop overseas markets, China has been exchanging ideas and strengthening strategic alliances with different countries and regions for mutual benefits. Furthermore, China took efforts to press ahead with a large number of Sino-foreign cooperation projects, such as China-Myanmar Economic Corridor, China-Europe Railway Express and Hambantota Port, etc. Meanwhile, the Chinese government had spared no efforts to promote investment in industries under the “Belt and Road Initiative”. The move can make overseas markets a driving force of Chinese companies’ growth. Chinese companies had carried out cooperation with countries covered by the “Belt and Road Initiative” in oil and gas projects, including infrastructure construction. This creates massive demand for the application of pipes and pipe fittings as well as building materials.

### 市場概況 (續)

中央國務院去年發佈《鄉村振興戰略規劃(2018–2022年)》，提出加大力度發展農村基礎設施建設，加強農村水利基礎設施網路建設，推動城鄉一體化的城鎮化發展。生態環境部、農業農村部發佈的《農業農村污染治理攻堅戰行動計劃》更加明確地表示了對農村污染治理的高度重視，推進農村供水、排水溝、污水收集及污水處理管網等基礎設施的建設，為管道建設市場帶來持續增長的市場動力。

中國政府提出《海島海水淡化工程實施方案》，計劃在遼寧、山東、青島、浙江、福建、海南等沿海省市，於3至5年內推進100個海島的海水淡化工程建設及升級改造，更加積極推動了海水淡化規模化的應用。預期海洋利用產業的調整將拓寬塑料管道的市場基礎，為管道應用帶來新商機。

於報告期內，中國政府繼續嚴控房地產市場升溫，堅持「因城施策，一城一策」的調控方針，使2019年上半年房地產投資增速繼續保持去年的下降態勢，對建材家居行業的增長帶來下行壓力。然而，受惠於消費升級、供給側結構性改革的深入、新型城鎮化的推進及舊城改造等，將為建材家居行業帶來新機遇。

海外市場發展方面，中國積極尋求與不同國家和地區交流發展理念，加強戰略對接，實現合作共贏，並積極推進了大批中外合作項目，例如中緬經濟走廊、中歐班列及漢班托塔港口等。同時，中國政府持續大力推進及落實擴大「一帶一路」產業投資，使得海外市場成為中國企業堅實的業務增長點。中國企業在「一帶一路」沿線國家開展油氣投資項目合作，當中包括基礎設施建設，為管道管件應用以及建材設備帶來大量需求。



## RESULTS AND PERFORMANCE

The Group continued to capture the opportunities brought by national policies and the real estate industry to consolidate the plastic piping systems business, and actively develop the business of building materials and interior decoration as well as the environmental protection business at the same time, in order to broaden the revenue base for the Group. In the first half of 2019, benefitting from the steady growth in China's economy and demand for infrastructure construction, China Lesso saw its revenue increased by 6.6% to RMB11,137 million (1H2018: RMB10,448 million). During the reporting period, gross profit rose by 17.6% to RMB3,200 million (1H 2018: RMB 2,721 million) on the back of the Group's economies of scale, continued expansion of production capacity of its plants and effective strategy in procurement of raw materials. Gross profit margin reached at 28.7% (1H 2018: 26.0%), and the net profit margin increased by 1.7 percentage points year on year to 11.3%.

The table below sets out the breakdown of revenue by business unit for the six months ended 30 June 2019 and 2018:

		Revenue 收入			% of total revenue 佔總收入%	
		2019 RMB million 人民幣百萬元	2018 RMB million 人民幣百萬元	Change 變動	2019	2018
Plastic piping systems	塑料管道系統	10,067	9,400	7.1%	90.4%	90.0%
Building materials and interior decoration products	建材家居產品	572	559	2.3%	5.1%	5.3%
Others <sup>#</sup>	其他 <sup>#</sup>	498	489	1.8%	4.5%	4.7%
Total	總計	11,137	10,448	6.6%	100.0%	100.0%

<sup>#</sup> "Others" includes businesses of environmental engineering and other related services, financial services and others.

## 業績表現

本集團繼續把握國策及房地產產業帶來的機遇，持續穩固塑料管道系統業務，同時積極拓展建材家居業務和環保業務，為集團拓寬收入基礎。2019年上半年，受惠於維持穩定增長的中國經濟及基礎建設需求，中國聯塑收入按年增加6.6%至人民幣111.37億元（2018年上半年：人民幣104.48億元）。於報告期內，有賴於本集團的規模經濟效益、持續提升廠房產能和有效的採購策略，毛利按年增加17.6%至人民幣32.00億元（2018年上半年：人民幣27.21億元），毛利率達至28.7%（2018年上半年：26.0%），淨利潤率同比上升1.7個百分點至11.3%。

下表載列截至2019年及2018年6月30日止六個月收入按業務劃分的詳情：

<sup>#</sup> 「其他」包括環境工程及其他相關服務、金融服務及其他業務等。

For the six months ended 30 June 2019, the number of the Group's independent and exclusive first-tier distributors nationwide increased to 2,206 (1H 2018: 2,172). Southern China remained the Group's major revenue contributing market, and revenue from Southern China and other regions accounted for 54.5% and 45.5% (1H 2018: 54.6% and 45.4%) respectively of the Group's total revenue.

截至2019年6月30日止六個月，本集團於全國各地的獨立獨家一級經銷商數目增至2,206名（2018年上半年：2,172名）。華南市場繼續為本集團的主要市場，來自華南地區及其他地區的收入佔本集團總收入分別為54.5%及45.5%（2018年上半年：54.6%及45.4%）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### RESULTS AND PERFORMANCE (Continued)

The table below sets out the breakdown of revenue by region for the six months ended 30 June 2019 and 2018:

Region <sup>#</sup>	地區 <sup>#</sup>	Revenue			% of total revenue	
		2019	2018	Change	2019	2018
		RMB million	RMB million		佔總收入%	
		人民幣百萬元	人民幣百萬元	變動		
Southern China	華南	6,076	5,709	6.4%	54.5%	54.6%
Southwestern China	西南	1,174	1,206	(2.7)%	10.5%	11.5%
Central China	華中	1,292	1,273	1.5%	11.6%	12.2%
Eastern China	華東	658	560	17.5%	5.9%	5.4%
Northern China	華北	800	686	16.5%	7.2%	6.6%
Northwestern China	西北	485	395	22.8%	4.4%	3.8%
Northeastern China	東北	239	221	8.4%	2.2%	2.1%
Outside China	中國境外	413	398	3.8%	3.7%	3.8%
Total	總計	11,137	10,448	6.6%	100.0%	100.0%

<sup>#</sup> Details of the scope of coverage of each region are set out in note 3 to condensed consolidated financial statements.

### 業績表現(續)

下表載列截至2019年及2018年6月30日止六個月收入按地區劃分的詳情：

<sup>#</sup> 各地區的覆蓋範圍詳情載於簡明綜合財務報表附註3。

Over the years, the Group reduced the pressure stemmed from rising raw materials and production costs by means of economies of scale, production automation and effective strategy in the procurement of raw materials, while actively enhancing operational efficiency, optimising its product portfolio and expanding market coverage. All these contributed to the sustainable development and profitability of the Group.

本集團一直通過規模經濟效益、推動生產自動化及實施有效的採購策略等措施，致力控制原材料和生產成本上漲所帶來的壓力，並積極提升營運效益、產品組合和市場覆蓋，令本集團持續發展和維持健康的盈利水平。

The Group's EBITDA increased by 23.2% to RMB2,282 million during the reporting period (1H 2018: RMB1,852 million), and the EBITDA margin was 20.5% (1H 2018: 17.7%). Profit before tax increased by 21.7% to RMB1,581 million (1H 2018: RMB1,299 million). Profit attributable to owners of the Company increased by 21.4% to RMB1,264 million (1H 2018: RMB1,041 million). Basic earnings per share increased by 20.6% year on year to RMB0.41 (1H 2018: RMB0.34). The effective tax rate reduced to 20.5% (1H 2018: 22.6%).

於報告期內，本集團之除息稅折攤前盈利按年增加23.2%至人民幣22.82億元（2018年上半年：人民幣18.52億元），而除息稅折攤前盈利率則為20.5%（2018年上半年：17.7%）。除稅前溢利按年增加21.7%至人民幣15.81億元（2018年上半年：人民幣12.99億元）。本公司擁有人應佔溢利按年增加21.4%至人民幣12.64億元（2018年上半年：人民幣10.41億元）。每股基本盈利按年增加20.6%至人民幣0.41元（2018年上半年：人民幣0.34元）。實際稅率則降至20.5%（2018年上半年：22.6%）。

## BUSINESS REVIEW AND OUTLOOK

### PLASTIC PIPING SYSTEMS

The Chinese government continued to promote various policies on energy conservation and environmental protection such as “Switching from Coal to Gas as Source of Energy” and “Action Plan for Prevention and Control of Water Pollution”, and implemented the planning for piping and pipeline networks. This has generated a stable demand for plastic pipes and pipe fittings. For the six months ended 30 June 2019, the Group’s business of plastic piping systems maintained steady growth on the back of the steadily increasing demand from the Chinese construction industry and the demand from urbanisation redevelopment and the projects of rural water supply and drainage systems construction. However, the progress of certain construction projects of the Group’s clients was affected by severe weather in the coastal regions of Southern China during the reporting period. This restrained the sales volume growth of plastic piping systems business. During the reporting period, the revenue from plastic piping systems business increased by 7.1% to RMB10,067 million (1H2018: RMB9,400 million), accounting for 90.4% of the Group’s total revenue (1H 2018: 90.0%).

The table below sets out the breakdown of revenue from plastic piping systems by region for the six months ended 30 June 2019 and 2018:

Region	地區	Revenue 收入			% of revenue 佔收入%	
		2019 RMB million 人民幣百萬元	2018 RMB million 人民幣百萬元	Change 變動	2019	2018
Southern China	華南	5,437	5,142	5.7%	54.0%	54.7%
Other than Southern China	華南以外地區	4,410	4,066	8.5%	43.8%	43.3%
Outside China	中國境外	220	192	14.2%	2.2%	2.0%
Total	總計	10,067	9,400	7.1%	100.0%	100.0%

## 業務回顧及展望

### 塑料管道系統

中國政府繼續推動「煤改氣」及「水污染防治行動計劃」等能源及環保政策，持續落實管道管網規劃，為塑料管道及管件產品帶來穩定的市場需求。截至2019年6月30日止六個月，受惠於中國建築行業的需求穩步提升，以及舊城改造與鄉村給排水建設項目帶動需求，本集團的塑料管道系統業務維持穩健增長。然而，於報告期內建築項目的施工速度受華南沿海一帶的惡劣天氣影響，抑制了塑料管道系統業務銷量的增幅。於報告期內，塑料管道系統業務的收入按年增加7.1%至人民幣100.67億元（2018年上半年：人民幣94.00億元），佔本集團總收入的90.4%（2018年上半年：90.0%）。

下表載列截至2019年及2018年6月30日止六個月塑料管道系統收入按地區劃分的詳情：

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW AND OUTLOOK (Continued)

#### PLASTIC PIPING SYSTEMS (Continued)

The table below sets out the breakdown of revenue from plastic piping systems business by product application for the six months ended 30 June 2019 and 2018:

		Revenue		% of revenue		
		收入		佔收入%		
		2019	2018	Change	2019	2018
		RMB million	RMB million	變動		
		人民幣百萬元	人民幣百萬元			
Water supply	供水	3,928	3,667	7.1%	39.0%	39.0%
Drainage	排水	3,805	3,608	5.5%	37.8%	38.4%
Power supply and telecommunications	電力供應及通訊	1,776	1,633	8.7%	17.6%	17.4%
Gas transmission	燃氣輸送	165	184	(10.4)%	1.7%	1.9%
Others <sup>#</sup>	其他 <sup>#</sup>	393	308	27.5%	3.9%	3.3%
Total	總計	10,067	9,400	7.1%	100.0%	100.0%

<sup>#</sup> "Others" includes agricultural applications, floor heating and fire services.

### 業務回顧及展望 (續)

#### 塑料管道系統 (續)

下表載列截至2019年及2018年6月30日止六個月塑料管道系統業務收入按產品應用劃分的詳情：

<sup>#</sup> 「其他」包括農用、地暖及消防。

The Group also continued to boost sales volume of plastic pipes and pipe fittings such that sales volume of the plastic piping systems increased by 2.5% year on year. In terms of product materials, sales volume of PVC products increased by 0.7% to 777,899 tonnes (1H 2018: 772,412 tonnes) while that of non-PVC products increased by 8.9% to 231,954 tonnes (1H 2018: 213,006 tonnes). Revenue from sales of PVC products increased by 3.8% to RMB6,355 million (1H 2018: RMB6,124 million) while that of non-PVC products increased by 13.3% to RMB3,712 million (1H 2018: RMB3,276 million).

本集團亦繼續致力提高塑料管道及管件的產品銷量，塑料管道系統銷量按年增加2.5%。產品物料方面，PVC產品的銷量按年增加0.7%至777,899噸（2018年上半年：772,412噸），非PVC產品的銷量則按年增加8.9%至231,954噸（2018年上半年：213,006噸）。銷售PVC產品及非PVC產品所得的收入分別按年增加3.8%至人民幣63.55億元（2018年上半年：人民幣61.24億元）及13.3%至人民幣37.12億元（2018年上半年：人民幣32.76億元）。

The Group always determines its product price on a cost-plus basis. During the reporting period, the Group strived to maintain its gross profit margin at a reasonable and healthy level by effectively controlling the costs of raw materials and production through economies of scale, massive procurement from raw materials suppliers and other measures. As the average cost of raw materials increased by 0.9% year on year, the Group raised the average selling price of its plastic piping systems by 4.5% to RMB9,969 per tonne (1H 2018: RMB9,539 per tonne). The gross profit margin at the plastic piping systems business reached 29.4% (1H 2018: 26.8%).

本集團一直按成本加成基準釐定產品價格。於報告期內，本集團通過規模經濟效益、與原材料供應商進行大量採購等措施，有效控制原材料和生產成本，致力把毛利率維持於合理和穩健水平。原材料平均成本價格按年增加0.9%，本集團塑料管道系統的平均售價按年上調4.5%至每噸人民幣9,969元（2018年上半年：每噸人民幣9,539元），塑料管道系統業務的毛利率達29.4%（2018年上半年：26.8%）。

## BUSINESS REVIEW AND OUTLOOK (Continued)

## 業務回顧及展望 (續)

### PLASTIC PIPING SYSTEMS (Continued)

### 塑料管道系統 (續)

The table below sets out the breakdown of average selling price, sales volume, and revenue from plastic piping systems business by product material for the six months ended 30 June 2019 and 2018:

下表載列截至2019年及2018年6月30日止六個月塑料管道系統業務按產品物料劃分的平均售價、銷量及收入分項詳情：

		Average selling price			Sales volume			Revenue		
		平均售價		Change	銷量		Change	收入		Change
		2019	2018		2019	2018		2019	2018	
RMB	RMB		Tonne	Tonne		RMB million	RMB million			
		人民幣元	人民幣元	變動	噸	噸	變動	人民幣百萬元	人民幣百萬元	變動
PVC products	PVC 產品	8,170	7,929	3.0%	777,899	772,412	0.7%	6,355	6,124	3.8%
Non-PVC products <sup>#</sup>	非PVC 產品 <sup>#</sup>	16,003	15,378	4.1%	231,954	213,006	8.9%	3,712	3,276	13.3%
Total	總計	9,969	9,539	4.5%	1,009,853	985,418	2.5%	10,067	9,400	7.1%

<sup>#</sup> "Non-PVC" plastic pipes and pipe fittings mainly refer to those made of PE or PP-R.

<sup>#</sup> 「非PVC」塑料管道及管件主要是PE或PP-R製。

The Group actively raised the level of its automatic and smart production and strived for full mechanisation of the production of pipe products so as to improve the overall production capacity, quality and efficiency and satisfy the market's demand. During the reporting period, the Group's annual designed capacity for the production of plastic pipes and pipe fittings expanded to 2.69 million tonnes from 2.62 million tonnes in 2018, with a capacity utilisation rate of 80.7%.

本集團積極提升生產自動化和智能化水平，在管道產品生產中實現全面機械化，藉以提高整體產能、質量和效益，滿足市場需求。於報告期內，本集團塑料管道及管件生產的年度設計產能由2018年的262萬噸擴至269萬噸，產能使用率達80.7%。

In order to grasp the opportunity in China's "Belt and Road Initiative", the Group gave its nationwide network of production bases across China full play and actively sought prospective business partners. In May this year, the Group signed a strategic partnership agreement with Xinjiang Ba Steel International Trade Co., Ltd.\* to jointly develop the markets of Central Asia and Xinjiang. By leveraging Xinjiang Ba Steel International Trade Co., Ltd.'s\* well-developed sales channels and high-quality customer base in five Central Asian countries, the Group can sell its products to Central Asia in the future, increase its brand awareness there and develop a new growth driver of sales.

為把握「一帶一路」政策帶來的龐大機遇，本集團發揮生產基地佈局全國的優勢，積極尋找具潛力的合作對象。今年5月，本集團與新疆八鋼國際貿易股份有限公司針對中亞及新疆市場簽訂戰略合作協議，未來將可憑藉新疆八鋼國際貿易股份有限公司於中亞五國擁有成熟的銷售管道與優質的客戶資源，推動本集團之產品滲透中亞市場，提高在當地的品牌知名度，拓展新的銷售增長點。

### BUSINESS REVIEW AND OUTLOOK (Continued)

#### PLASTIC PIPING SYSTEMS (Continued)

The Group has been progressively expanding its production capacity according to its needs on business development. Looking ahead, the Group will continue to enhance its core competitiveness by actively introducing smart technology into its production plants and updating the equipment there. It will also improve the efficiency of such intelligent plants and its information system. Meanwhile, the Group will continue its effort to have its production base fully automated and to further improve machinery and ancillary facilities in its existing production base in order to raise the level of automation and accelerate the production process. This will help expand the production capacity and raise the production efficiency. In addition, the Group will also continue to step up its effort to innovate and conduct research and development, with a focus on cutting-edge technologies in the industry of pipes and building materials. This can ensure that the Group leads the industry in technology and provides diverse and quality products.

The scope of applications of plastic pipes and pipe fittings had been extended because of the steady progress in China's plan for national development and the robust demand in the field of infrastructure construction. This, in turn, has generated more opportunities for business. The central government continues to invest heavily in the construction of Xiong'an New Area and other infrastructure projects, thus boosting the demand for plastic pipes and pipe fittings. In addition, it is believed that progress on certain construction projects of the Group's clients will be improved in the second half of the year when it will be free from the impact of severe weather. As a market leader, the Group will strive to expand the scope of applications of plastic pipes and pipe fittings to increase product sales, thereby maintaining its market leadership. Overall, management is fully confident in the future development of the plastic piping systems business, and believes that it will continue to deliver a solid and satisfactory business performance for the Group.

### 業務回顧及展望 (續)

#### 塑料管道系統 (續)

本集團一直按業務發展及實際需要逐步擴充產能，展望未來，本集團將繼續提升核心競爭力及積極發展智能化廠房和更新設備，以提升智能化及信息化設備效能，並持續推動生產基地全面自動化，進一步完善現有生產基地的機械設備及配套，以提升自動化水準及加快生產過程，從而擴充產能及提升生產效率。此外，本集團亦將持續投入創新研發，專注於管道和建材產業的前沿技術研究，確保技術的行業領先地位，致力於為大眾提供多元化、高質量的產品。

隨著中國發展規劃和基建需求持續旺盛，塑料管道及管件應用得到進一步延伸，帶來市場發展機遇。中央持續投放大量資金支持雄安新區及其他基建項目建設，有助帶動塑料管件及管道產品的需求。而且下半年擺脫惡劣天氣的影響，相信集團客戶建築項目的施工速度將會提升。作為市場的領導者，本集團將致力全方位擴展塑料管道及管件的應用範疇，增加產品銷量，藉此鞏固集團市場領導地位。總體而言，管理層對塑料管道系統業務分部的未來發展抱有信心，並相信能繼續為集團帶來穩健和滿意的業務表現。

## BUSINESS REVIEW AND OUTLOOK (Continued)

### BUILDING MATERIALS AND INTERIOR DECORATION PRODUCTS

In the first half of 2019, the Chinese central government pressed on with its city-specific policies on regulating China's property market. This resulted in deceleration in the growth of commodity property sales in terms of both value and gross floor area. However, during the reporting period, the new type of urbanisation and projects of redevelopment of old towns continued to boost the demand for refined decoration and redecoration, thereby driving up the performance of the business of building materials and interior decoration products. The business recorded a revenue of RMB572 million, which accounted for 5.1% of the Group's total revenue. In the second half of 2019, the Group will seize the opportunity brought by the new type of urbanisation and the projects of redevelopment of old towns, maintain growth in revenue at the business of building materials and interior decoration products, and increase the proportion of the revenue from this business to the Group's total revenue. At the same time, the Group will step up its effort to market its products to existing customers, actively engage new customers and increase sales by providing diverse products. China's ongoing new urbanisation will enable the Group's business of building materials and interior decoration products to achieve synergy with its businesses of other product lines. This will add impetus to the development of the business of building materials and interior decoration products.

### OTHERS

#### *Environmental Protection Business*

To grasp opportunities in the Chinese government's environmental protection initiatives, the Group has been developing environmental protection business in recent years. The Group actively capitalised on municipal projects in various fields by tapping the demand for plastic pipes and pipe fittings brought by the treatment of sewerage and river, soil restoration, the construction of underground pipeline gallery and sponge city and the installation of integrated water purifiers. This will enable synergy between the Group's environmental protection business and its plastic piping systems business for the long term. During the reporting period, the environmental protection business steadily developed, and generated income of RMB151 million. In the future, the Group will endeavour to develop a business of treating hazardous and solid wastes and actively explore opportunities for mergers and acquisitions while maintaining steady development of the existing environmental protection business.

## 業務回顧及展望(續)

### 建材家居產品

2019年上半年，中央政府秉持「因城施政，一城一策」的調控方針，房地產銷售有所下降，全國商品房銷售面積及銷售額增速持續放緩。不過，於報告期內，新型城鎮化及舊城改造項目繼續推動精裝修及二次裝修的需求，帶動建材家居產品業務表現。該業務錄得收入為人民幣5.72億元，佔本集團總收入的5.1%。2019年下半年，本集團會致力把握新型城鎮化及舊城改造項目帶來的機遇，爭取將建材家居產品業務收入持續提升，擴大該業務在集團總收入的佔比。同時，本集團會加強向現有客戶的推廣，並積極開拓新客戶，透過提供多元化產品以增加銷售。受惠於中國新型城鎮化建設不斷推進，本集團的建材家居產品業務將與其他現有的產品線發揮協同效應，重新推動該業務穩健發展。

### 其他

#### *環保業務*

配合中國政府推動的環境保護措施，本集團近年持續發展環保業務。本集團積極把握不同範疇的市政項目，包括污水、河涌治理、土壤修復、地下綜合管廊、海綿城市、一體化淨水設備等所帶來對塑料管道及管件的需求，使本集團的環保業務與塑料管道系統業務產生長遠商業協同效應。於報告期內，該業務保持平穩發展，實現收入人民幣1.51億元。未來，本集團將保持原有環保業務穩健發展的同時，致力發展危固廢處理業務，並積極探索收併購的機會，進一步拓展環保業務的成長空間。

### BUSINESS REVIEW AND OUTLOOK (Continued)

#### OTHERS (Continued)

##### *Lesso Home*

To capitalise on the Chinese government's "Belt and Road Initiative," the Group develops a business named "Lesso Home" with the aim of bringing "One-Stop Specialised Market for Home Furnishing Products" to the overseas markets. Lesso Home aims to build a multinational platform for Chinese manufacturers of home furnishings, building materials and other consumer products to showcase their products and facilitate the distribution and retailing of such products. Lesso Home will also provide ancillary services, including marketing and branding. During the reporting period, "Lesso Home" recorded a revenue of RMB137 million.

The Group has 13 sites reserve in the United States, Canada, Australia, Thailand, Indonesia and the United Arab Emirates. All of the lands are located close to major metropolitan areas. The Group aims to develop the largest one-stop showroom markets specialising in home furnishing products on these sites in its respective local markets. Tenants will independently operate their own showrooms, and sell their products directly to local traders, retailers and consumers. During the reporting period, the Group entered into a joint venture agreement with a Myanmar property company to further expand local markets. The Group is confident that the "Lesso Home" business will become another growth driver for the Group in the long run.

### 業務回顧及展望 (續)

#### 其他 (續)

##### *領尚環球之家*

為配合國家「一帶一路」倡議，本集團將「一站式專業家居展廳商城」的「領尚環球之家」業務推廣至海外市場。領尚環球之家旨在為中國家居建材及其他消費品生產商建立跨國平台，以展示其產品及促進其產品的分銷及零售，也將提供營銷及品牌推广等配套服務。於報告期內，「領尚環球之家」業務實現收入人民幣1.37億元。

本集團已於美國、加拿大、澳大利亞、泰國、印度尼西亞、阿拉伯聯合酋長國等國家有13處物業儲備，該等物業均毗鄰主要大都會區。本集團將在各地建成當地市場最具規模的一站式專業家居展廳商城。商城中各展廳由租戶獨立經營，直接銷售產品予當地分銷商、零售商及消費者。於報告期內，本集團與緬甸物業公司訂立合營協議進一步開拓當地市場業務。本集團相信「領尚環球之家」業務將成為本集團長遠發展的另一增長點。



## CAPITAL EXPENDITURE

The Group's capital expenditure for the first half of 2019 was approximately RMB2,174 million, which was primarily used for improvement of automated facilities in production bases, expansion of the existing production bases and acquisition of properties in foreign countries.

## FINANCIAL POSITION

The Group continued to adopt prudent financial policies. Finance, fund utilisation and fund raising activities of the Group are subject to effective centralised management and supervision. The Group keeps reasonable gearing level and adequate liquidity.

As at 30 June 2019, the Group had total debts (i.e. total borrowings and debt component of convertible loans) of approximately RMB12,530 million, of which 52.4% was denominated in US dollar, 21.6% was denominated in HK dollar, 21.5% was denominated in RMB, 3.3% was denominated in Australian dollar and 1.2% was denominated in Canadian dollar. Other than the approximately US\$56 million of the outstanding convertible loans at an effective interest rate of 7.24% per annum and due in 2022, the Group's borrowings are subject to effective interest rates ranging from 2.77% to 5.39% per annum with maturity periods ranging from within one year to more than five years.

As at 30 June 2019, the Group's current assets and current liabilities were approximately RMB15,312 million and RMB13,444 million respectively. The Group's Current Ratio maintained at 1.14, while the Quick Ratio decreased to 0.83 from 0.87 as at 31 December 2018. The Group's total equity increased to approximately RMB15,598 million. The Group's Gearing Ratio stood at a healthy level of 44.5%.

With cash and bank deposits, including restricted cash, of approximately RMB5,922 million as well as unutilised banking facilities, the Board considers that the Group has sufficient working capital for its operation and future development.

The Group had no material exposure to foreign exchange fluctuation and no hedging had been arranged during the period.

## 資本開支

本集團2019年上半年的資本開支為約人民幣21.74億元，主要用於改進生產基地的自動化設備、現有生產基地的擴建工程，以及購置海外物業。

## 財務狀況

本集團持續採取審慎的財務政策，其財務、資金運用和融資活動實行有效的中央管理及監察模式。本集團維持合理的資產負債水平及充足的流動資金。

於2019年6月30日，本集團的債務總額（即借款總額及可換股貸款債務部份）為約人民幣125.30億元，其中52.4%以美元計值、21.6%以港元計值、21.5%以人民幣計值、3.3%以澳元計值，而餘下1.2%則以加元計值。除了實際年利率為7.24%並於2022年到期的約5,600萬美元未償還可轉換貸款外，本集團的借款之實際年利率介乎2.77%至5.39%，到期期間由一年內至多於五年不等。

於2019年6月30日，本集團的流動資產及流動負債分別為約人民幣153.12億元及人民幣134.44億元。本集團的流動比率維持於1.14，而速動比率從2018年12月31日0.87下降至0.83。本集團的權益總額增至約人民幣155.98億元。本集團的資產負債率仍處於44.5%的健康水平。

現金及銀行存款（包括受限制現金）為約人民幣59.22億元，再加上尚未使用之銀行融資額度，董事會認為本集團擁有足夠的營運資金用於經營及未來發展。

期內，本集團並無任何重大外匯波動風險，亦無作任何對沖安排。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### CHARGE ON ASSETS

As at 30 June 2019, certain of the Group's other financial assets with an aggregate net carrying amount of approximately RMB35 million were pledged to a bank to secure the banking facility granted, but this banking facility has not been utilised. The secured bank loans were secured by the concession rights of a subsidiary and personal guarantee provided by a shareholder of that subsidiary.

### CONTINGENT LIABILITIES

As at 30 June 2019, the Group did not have any significant contingent liabilities.

### HUMAN RESOURCES

As at 30 June 2019, the Group employed a total of approximately 12,100 employees including directors. Total staff costs were RMB602 million during the reporting period. The Group ensures that the remuneration packages for employees are determined based on their work performance, professional experience and the prevailing industry practice. Discretionary year-end bonus and shares award may be distributed to employees based on individual performance. Other benefits to employees include medical insurance, retirement scheme and training programmes.

### 資產抵押

於2019年6月30日，本集團總賬面淨值為約人民幣3,500萬元的若干其他金融資產已向銀行抵押作為獲授銀行融資的擔保，但該銀行融資並無動用。有抵押銀行貸款乃以附屬公司的特許經營權及其一名股東的個人擔保。

### 或然負債

於2019年6月30日，本集團概無任何重大或然負債。

### 人力資源

於2019年6月30日，本集團共聘用約12,100名僱員，包括董事在內。報告期內的員工成本總額為人民幣6.02億元。本集團確保僱員薪酬乃根據其工作表現、專業經驗及現行行業慣例釐定，並可按照個人表現年底酌情向僱員發放花紅及股份獎勵。其他僱員福利包括醫療保險、退休計劃及培訓課程。

## SIGNIFICANT INVESTMENTS

### FINANCIAL INVESTMENTS

As at 30 June 2019, the Group held long-term and short-term financial investments of approximately RMB1,562 million (31 December 2018: RMB1,853 million) and RMB8 million (31 December 2018: RMB47 million), respectively. The investment portfolio comprised of 45.0% listed equity securities (issued by PRC-based home improvement and furnishings shopping malls operating company and PRC based environmental companies), 16.9% listed debt securities, 2.2% listed non-cumulative redeemable preference shares, 0.6% listed perpetual capital securities and 35.3% unlisted securities. Each of these investments has a carrying amount accounting to less than 5% of the Group's total assets as at 30 June 2019.

During the reporting period, the Group recognised a realised disposal gain of approximately RMB55 million, unrealised mark-to-market valuation loss of approximately RMB107 million due to volatile global capital market and recognised approximately RMB2 million of exchange loss on translation. Income from the portfolio amounted to approximately RMB2 million in the reporting period, representing interest incomes.

The Group will study the market and information of the prospective investees cautiously before it makes its investment decisions. The Group will also monitor the performance of its investees closely and regularly after purchases and will adjust the investment strategy in a cautious manner to minimise the impact of market volatility on the Group as and when necessary.

### INVESTMENT PROPERTIES

As at 30 June 2019, the Group's investment properties were approximately RMB5,858 million. Increase in investment properties was mainly attributable to the capitalisation of construction costs on certain investment properties under development, addition of investment properties and the translation effects during the reporting period.

Among these investment properties, the mall in Toronto, Canada are existing properties, the malls in Long Island, US and in Auburn district of Sydney, Australia are under refurbishment and the lands in Thailand and China are under development. Other properties are under rezoning or at the planning stage of development.

## 重大投資

### 金融投資

於2019年6月30日，本集團分別持有長期及短期金融投資約人民幣15.62億元（2018年12月31日：人民幣18.53億元）及人民幣800萬元（2018年12月31日：人民幣4,700萬元）。投資組合包括45.0%的上市股本證券（由位於中國的家居裝飾及傢俱商場運營公司及位於中國的環保公司發行）、16.9%的上市債務證券、2.2%的上市非累計可贖回優先股、0.6%的上市永久資本證券及35.3%的非上市證券。該等各項投資的賬面值均低於本集團於2019年6月30日總資產的5%。

於報告期內，本集團確認約人民幣5,500萬元的已實現出售利益、因全球資本市場波動而產生約人民幣1.07億元的按市值估值的未實現虧損及確認約人民幣200萬元的匯兌損失。報告期內投資組合的收益為約人民幣200萬元，為利息收益。

於作出投資決策前，本集團會審慎研究市場及潛在被投資方的資料。本集團會於購入後密切及定期監管被投資方的表現，並會審慎地調整投資策略，以期在必要時盡量減低市場波動對本集團的影響。

### 投資物業

於2019年6月30日，本集團的投資物業為約人民幣58.58億元。報告期內的投資物業增加，主要歸因於報告期內若干發展中投資物業的建設成資本化、投資物業增加及匯兌影響所致。

投資物業裡，加拿大多倫多商場是現有物業、美國長島商場及澳洲悉尼奧本商場在進行翻新工程、泰國及中國的土地在發展中，其他物業正進行重新改劃或尚處於規劃發展階段。

### SIGNIFICANT INVESTMENTS (Continued)

#### INVESTMENT IN ASSOCIATES

Given the increasing trend in using aluminium profiles as major construction materials in the PRC, the Group acquired a 26.28% equity interest in Xingfa Aluminium Holdings Limited ("Xingfa Aluminium"), the issued shares of which is listed on the Stock Exchange, in 2018 at a consideration of HK\$974 million. Xingfa Aluminium is one of the leading aluminium profile manufacturers in China. The Group considers Xingfa Aluminium not only serves as a valuable investment with sustainable returns, but also as a good strategic investment. With extensive experience in the business of construction materials and industrial materials, Xingfa Aluminium has established various kinds of sales channels and a diverse customer base. The acquisition may create long-term commercial synergies with the Group's businesses to broaden its sales channels and expand its customer base, and enrich the Group's already comprehensive portfolio of products and services. This can facilitate the Group's business diversification and reinforce its market leadership. In the first half of 2019, Xingfa Aluminium recorded a revenue of RMB4,955 million, and profit attributable to the shareholders of Xingfa Aluminium was RMB237 million.

Save as disclosed above, the Group did not have any significant investments as at 30 June 2019.

### 重大投資(續)

#### 投資聯營公司

有見中國使用鋁型材作為主要建築材料之趨勢日盛，本集團於2018年以9.74億港元代價入股興發鋁業控股有限公司（「興發鋁業」，其已發行股份於聯交所上市）26.28%權益。興發鋁業為中國領先鋁型材製造商之一，本集團認為興發鋁業不單是一項可創造持續回報的有價值投資，亦是本集團進行戰略投資的良機。由於興發鋁業在建築及工業材料業務擁有豐富經驗，因此已建立了不同的銷售管道及客戶群，可為本集團業務創造長期的商業協同效應，一方面擴闊本集團的銷售管道及增加客戶群，另一方面帶來更全面的產品及服務組合，推動多元化業務發展及有助鞏固本集團之市場領導地位。於2019年上半年，興發鋁業錄得收入為人民幣49.55億元，實現歸屬於興發鋁業股東之溢利為人民幣2.37億元。

除上文所披露者外，於2019年6月30日，本集團並無任何重大投資。

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## 企業管治及其他資料

### AUDIT COMMITTEE

The audit committee of the Company has reviewed the accounting policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2019. Such condensed consolidated financial statements have not been audited but have been reviewed by the independent auditor of the Company, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

### CORPORATE GOVERNANCE PRACTICES

China Lesso is always committed to maintaining high standards of corporate governance practices and business ethics of the Group. The Board believes in good corporate governance practices and business ethics which are essential for achieving sustainable development, establishing investors’ confidence in the Company and safeguarding and enhancing the interests of the Shareholders.

In pursuit of good and high standards of corporate governance practices, the Board reviews the corporate governance practices of the Company from time to time so as to meet the expectations of the Shareholders for continual improvement, and fulfill its commitment of pursuing excellent corporate governance. In the opinion of the directors, the Company complied with all the applicable code provisions of the Code during the reporting period.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code governing securities transactions by directors of the Company. Having made specific enquiry to the directors, all of them confirmed that they have complied with the required standards as set out in the Model Code throughout the reporting period. The Model Code is also applicable to other specific senior management of the Company.

### 審核委員會

本公司審核委員會已審閱本集團所採納的會計政策及本集團截至2019年6月30日止六個月的未經審核簡明綜合財務報表。該簡明綜合財務報表未經審核，但已由本公司獨立核數師安永會計師事務所根據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。

### 企業管治常規

中國聯塑一直致力保持本集團高水平的企業管治常規及商業道德。董事會相信，良好的企業管治常規及商業道德，是達致可持續發展、建立投資者對本公司的信心以及保障和提升股東權益的關鍵。

為追求良好而高水平的企業管治常規，董事會不時檢討本公司的企業管治常規，以達到股東對更臻完善的期望，並且履行其對追求卓越企業管治的承諾。董事認為，於報告期內本公司已遵守守則中的所有適用守則條文。

### 董事進行證券交易之標準守則

本公司已採納標準守則作為本公司董事進行證券交易之守則。經向董事特定查詢後，所有董事確認彼等於報告期內一直遵守標準守則所載之規定標準。標準守則亦適用於本公司其他特定之高級管理人員。

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

As at 30 June 2019, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) as recorded in the register to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

## 董事及行政總裁於股份、相關股份及債權證的權益及淡倉

於2019年6月30日，本公司董事及行政總裁於本公司或其任何相聯法團（證券及期貨條例第XV部內的定義）的股份、相關股份及債權證中擁有根據證券及期貨條例第352條須於本公司存置的登記冊中記錄，或根據標準守則須通知本公司及聯交所的權益及淡倉如下：

Name	Number and capacity of shares of the Company interested <sup>(a)</sup> 本公司權益股份數目及性質 <sup>(a)</sup>			Total	Percentage of the issued share capital of the Company 佔本公司已發行股本的百分比
	Beneficial owner	Interests of spouse	Other interests		
姓名	實益擁有人	配偶權益	其他權益	總數	
Wong Luen Hei 黃聯禧	–	2,308,000 (L) <sup>(c)</sup>	2,122,485,000 (L) <sup>(b)(d)</sup>	2,124,793,000 (L)	68.49%
Zuo Xiaoping 左笑萍	2,308,000 (L) <sup>(c)</sup>	–	2,122,485,000 (L) <sup>(b)(d)</sup>	2,124,793,000 (L)	68.49%
Zuo Manlun 左滿倫	4,642,000 (L)	–	–	4,642,000 (L)	0.15%
Luo Jianfeng 羅建峰	1,927,000 (L)	–	–	1,927,000 (L)	0.06%

Note:

- (a) The letter "L" denotes the person's long position in such securities.
- (b) These shares of the Company are held by New Fortune, which was wholly-owned by Xi Xi Development and ultimately owned by UBS Trustees (B.V.I.) Limited, as trustee of a discretionary trust (the "Trust"), the settlor of which is Mr. Wong Luen Hei ("Mr. Wong"). The discretionary beneficiaries of the Trust included Mr. Wong and his family members. Both Mr. Wong and Ms. Zuo Xiaoping are taken to be interested in the said shares of the Company held by the Trust under the SFO.
- (c) Ms. Zuo Xiaoping is directly holding 2,308,000 shares of the Company. Mr. Wong is the spouse of Ms. Zuo Xiaoping, and therefore Mr. Wong is deemed to be interested in such shares of the Company in which Ms. Zuo Xiaoping is interested by virtue of the SFO.
- (d) These shares related to the same block of shares in the Company as set out in note (b) above.

附註：

- (a) 字母「L」指該人士於該等證券的好倉。
- (b) 該等本公司股份由新福星所持有。該公司由西溪發展全資擁有，並最終由UBS Trustees (B.V.I.) Limited作為一項全權信託（「該信託」，黃聯禧先生（「黃先生」）為其財產授予人）的信託人所擁有。該信託的全權信託受益人包括黃先生及其家族成員。根據證券及期貨條例，黃先生及左笑萍女士被視為於該信託所持有的上述本公司股份中擁有權益。
- (c) 左笑萍女士直接持有本公司的2,308,000股股份。黃先生為左笑萍女士的配偶，因此根據證券及期貨條例，黃先生被視為於左笑萍女士於其中擁有權益的該等本公司股份中擁有權益。
- (d) 該等股份實指上文附註(b)所述的同一本公司股份權益。

Save as disclosed above, as at 30 June 2019, none of the directors or chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2019年6月30日，本公司董事或行政總裁概無於本公司或其任何相聯法團的任何股份、相關股份及債權證中擁有任何根據證券及期貨條例第352條須於登記冊中記錄，或根據標準守則須通知本公司及聯交所的權益或淡倉。

## INTERESTS AND SHORT POSITIONS OF OTHER SHAREHOLDERS PURSUANT TO SFO

As at 30 June 2019, the following persons (other than a director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of Shareholders	Capacity	Number of issued ordinary shares held <sup>(a)</sup> 持有的已發行普通股數目 <sup>(a)</sup>	Percentage of the issued share capital of the Company 佔本公司已發行股本的百分比
股東名稱	身份		
UBS Trustees (B.V.I.) Limited	Trustee	2,122,485,000 (L) <sup>(b)</sup>	68.41%
UBS Trustees (B.V.I.) Limited	信託人		
Xi Xi Development	Interests of controlled corporation	2,122,485,000 (L) <sup>(b)</sup>	68.41%
西溪發展	受控法團權益		
New Fortune	Beneficial owner	2,122,485,000 (L) <sup>(b)</sup>	68.41%
新富星	實益擁有人		

Note:

- (a) The letter "L" denotes the person's long position in such securities.
- (b) These shares relate to the same block of shares in the Company as those set out in note (b) in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above.

Save as disclosed above, as at 30 June 2019, the directors of the Company were not aware of any person or corporation (other than the directors and chief executive of the Company) who had any interests or short positions in any shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

## 根據證券及期貨條例其他股東的權益及淡倉

於2019年6月30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條須予存置的登記冊中記錄的權益或淡倉的人士（本公司董事及行政總裁除外）如下：

附註：

- (a) 字母「L」指該人士於該等證券的好倉。
- (b) 該等股份實指上文「董事及行政總裁於股份、相關股份及債權證的權益及淡倉」一節附註(b)所述的同一本公司股份權益。

除上文所披露者外，於2019年6月30日，本公司董事概不知悉任何人士或法團（本公司董事及行政總裁除外）於本公司任何股份或相關股份中擁有根據證券及期貨條例第336條須予存置的登記冊記錄的任何權益或淡倉。

#### SHARE AWARD SCHEME

On 28 August 2018, the Company adopted a share award scheme (the "Scheme") to recognise the contributions by certain eligible persons to the Group and to offer suitable incentives to attract and retain targeted talent and personnel for the continual operation and future development of the Group. On 29 November 2018, a trust deed (the "Trust Deed") was entered into between the Company as settlor and Computershare Hong Kong Trustees Limited as trustee (the "Trustee") in relation to the establishment of a trust (the "Trust"). Pursuant to the rules of the Scheme, Shares will be purchased by the Trustee from the open market out of cash contributed by the Company, and shall not exceed HK\$750 million and be held on trust for the selected participants until such Shares are vested with the relevant selected participants in accordance with the rules of the Scheme. The Scheme is a discretionary scheme of the Company and shall be subject to the administration of the Board and the Trustee in accordance with the rules of the Scheme and the Trust Deed. The Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules. The Scheme will remain in force for a period of 10 years since the date of adoption of the Scheme. Early termination of the Scheme may be elected by the Board, provided that such termination shall not affect any subsisting rights of any selected participants. For details, please refer to the announcement made by the Company on 28 August 2018. Since the date of adoption of the Scheme and up to the date of this report, no shares have been awarded under the Scheme. As at 30 June 2019, there were 22,991,000 shares held in the Trust under the Scheme.

#### 股份獎勵計劃

於2018年8月28日，本公司採納股份獎勵計劃（「該計劃」），以肯定若干合資格人士對本集團所作出的貢獻及給予適當激勵，藉此吸引及挽留目標人才及人員促進本集團的持續經營及未來發展。於2018年11月29日，本公司（作為財產授予人）與香港中央證券信託有限公司（作為信託人，「信託人」）就設立信託（「信託」）訂立信託契據（「信託契據」）。根據該計劃的規則，信託人將以本公司出資的現金自公開市場購入不超過7.50億港元的股份，並以信託形式代選定參與人持有，直至有關股份根據該計劃的規則歸屬於相關選定參與人為止。該計劃屬本公司的酌情計劃，並由董事會及信託人根據該計劃的規則及信託契據進行管理。該計劃並不構成上市規則第17章所界定的購股權計劃。該計劃將自採納該計劃當日起10年期間維持有效。董事會可選擇提早終止該計劃，惟有關終止不得影響任何選定參與人的任何存續權利。有關詳情請參閱本公司於2018年8月28日作出的公告。自採納該計劃當日起及截至本報告日期止，並無根據該計劃授出股份。於2019年6月30日，根據該計劃以信託形式持有22,991,000股股份。



## SHARE OPTION SCHEME

A share option scheme (the “Share Option Scheme”) was conditionally approved by resolutions of the Shareholders on 14 May 2010 (the “Adoption Date”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations and the summary of terms of such Share Option Scheme are disclosed in the Company’s prospectus dated 9 June 2010. No share options have been granted under the Share Option Scheme since its adoption.

Eligible participants of the Share Option Scheme (“Eligible Persons”) include (a) any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group, any full-time or part time employee, or a person for the time being seconded to work full-time or part-time for any member of the Group; (b) a director or proposed director (including an independent non-executive director) of any member of the Group; (c) a direct or indirect shareholder of any member of the Group; (d) a supplier of goods or services to any member of the Group; (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; and (g) an associate of any of the persons referred to in paragraphs (a) to (c) above.

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 300,000,000 Shares, representing 9.67% of the issued Shares as at 30 June 2019. The maximum number of Shares issued and to be issued upon the exercise of the options granted to any Eligible Persons (including exercised and outstanding options) in any 12-month period shall not exceed 1% of the issued share capital of the Company from time to time. There is no minimum period for which an option must be held before it can be exercised. The subscription price in respect of any particular option shall be the price as the Board may in its discretion determine at the time of grant of the relevant option but the subscription price shall not be less than whichever is the highest of: (a) the nominal value of a Share; (b) the closing price of a Share as stated in the Stock Exchange’s daily quotations sheet on the offer date; and (c) the average closing price of a Share as stated in the Stock Exchange’s daily quotations sheet for the five business days immediately preceding the offer date.

## 購股權計劃

股東於2010年5月14日（「採納日期」）決議有條件批准一項購股權計劃（「購股權計劃」），旨在激勵及獎勵為本集團成功營運作出貢獻的合資格參與者，而該項購股權計劃的條款摘要於本公司日期為2010年6月9日的招股章程內披露。本公司自採納購股權計劃以來並無根據該計劃授出購股權。

購股權計劃的合資格參與人（「合資格人士」）包括(a)本集團任何成員公司的任何執行董事、經理，或擔當行政、管理、監督或類似職位的其他僱員、任何全職或兼職僱員，或暫時派往本集團任何成員公司全職工作或兼職工作的僱員；(b)本集團任何成員公司的董事或候任董事（包括獨立非執行董事）；(c)本集團任何成員公司的直接或間接股東；(d)本集團任何成員公司的貨品或服務供應商；(e)本集團任何成員公司的客戶、顧問、業務或合營夥伴、特許經營商、承包商、代理或代表；(f)向本集團任何成員公司提供設計、研究、開發或其他支援或任何諮詢、顧問、專業或其他服務的人士或實體；及(g)上述(a)至(c)段所述任何人士的聯繫人。

根據購股權計劃及本集團任何其他計劃授出的所有購股權獲行使而可予發行的股份總數，合共不得超出300,000,000股股份，佔於2019年6月30日已發行股份的9.67%。在任何12個月內，行使授予任何合資格人士之購股權（包括已行使及尚未行使的購股權）時已發行及將予發行之最高股份數目，不得超出本公司不時已發行股本之1%。概無規定購股權於可行使前須持有的最短期限。任何特定購股權的認購價須由董事會在授出相關購股權時酌情釐定，惟認購價不得低於以下各項的最高者：(a)股份面值；(b)股份於要約日期在聯交所每日報價表所示的收市價；及(c)緊接要約日期前五個營業日股份於聯交所每日報價表所示的平均收市價。

#### SHARE OPTION SCHEME (Continued)

The Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date. An offer of the grant of a share option shall remain open for acceptance by the Eligible Person concerned for a period of 28 days from the date of the Board approving the grant of the share options (the "Offer Date") provided that no such grant of an option may be accepted after the expiry of the effective period of the Share Option Scheme. An option shall be deemed to have been granted and accepted by the Eligible Person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the Option duly signed by the grantee together with a remittance in favour of the Company of HK\$1 by way of consideration for the grant thereof is received by the Company on or before the date upon which an offer of an option must be accepted by the relevant Eligible Person, being a date not later than 28 days after the Offer Date. Such remittance shall in no circumstances be refundable.

#### COMPLIANCE AND ENFORCEMENT OF THE NON-COMPETE UNDERTAKINGS FROM CONTROLLING SHAREHOLDER

None of the directors or substantial shareholder of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group. New Fortune (the "Controlling Shareholder", being a company holding approximately 68.41% of the issued share capital of the Company, and is ultimately held by the trust the founder of which is Mr. Wong Luen Hei, and the beneficiaries of which include Mr. Wong Luen Hei and his family) has entered into a deed of non-competition in favour of the Group with Mr. Wong Luen Hei dated 14 May 2010 (the "Deed of Non-Competition").

The directors are of the view that the Group's measures adopted by the Company in respect of the enforceability of the Deed of Non-Competition are adequate to safeguard the effectiveness of the non-competition undertakings. The independent non-executive directors have reviewed the compliance of the Deed of Non-Competition. Based on the confirmation from the Controlling Shareholder, the independent non-executive directors are of the view that the Deed of Non-Competition has been complied with and has been effectively enforced.

#### 購股權計劃(續)

購股權計劃的有效期自採納日期起計為期10年。提呈授出的購股權可由董事會批准授出購股權之日(「提呈日期」)起計28天期間內供有關合資格人士接納，但在購股權計劃的有效期屆滿後，則不可接納授出的購股權。當本公司於相關合資格人士必須接納提呈購股權當日(即提呈日期後不多於28天)或之前收到由承授人正式簽署構成接納提呈購股權的提呈函件複本連同支付本公司的價款1港元作為授出代價後，則購股權將被視為已授出及獲合資格人士接納及已生效。上述價款在任何情況下均不獲退還。

#### 遵守及執行控股股東的不競爭承諾

概無本公司董事或主要股東或任何彼等各自的聯繫人從事任何與本集團業務競爭或可能競爭的業務。新福星(「控股股東」，為持有本公司已發行股本約68.41%的公司，其由信託最終持有，而該信託的創辦人為黃聯禧先生，受益人包括黃聯禧先生及其家族)及黃聯禧先生已於2010年5月14日訂立以本集團為受益人的不競爭契據(「不競爭契據」)。

董事認為本公司所採納本集團有關執行不競爭契據的措施已足夠保障不競爭承諾的效力。獨立非執行董事已審閱不競爭契據的遵守情況。根據控股股東的確認函，獨立非執行董事認為不競爭契據已獲遵守及有效執行。

## DISCLOSURE PURSUANT TO RULES 13.18 AND 13.21 OF THE LISTING RULES

- (A) On 11 August 2016, the Company as guarantor and its wholly-owned subsidiary as borrower entered into a facility agreement (the “Facility Agreement I”) in relation to syndicated term loan facilities in the amount of US\$600 million at an interest rate of LIBOR plus 1.85% per annum with syndicate lenders which were independent financial institutions. The loan made thereunder is repayable 42 months after the same has been made.

Pursuant to the Facility Agreement I, Mr. Wong Luen Hei and his family (collectively, the “Wong Family”) shall collectively maintain, directly or indirectly, at least 51% of beneficial shareholding interest in the issued share capital of the Company, carrying at least 51% of the voting rights, free from any security. Otherwise, a failure to do so will be deemed an event of default under the Facility Agreement I.

- (B) On 15 August 2017, the Company as guarantor (the “Guarantor”) and its wholly-owned subsidiary as borrower (the “Borrower”) entered into a facility agreement (the “Facility Agreement II”) in relation to syndicated term loan facilities in the amount of HK\$800 million at an interest rate of HIBOR plus 1.55% per annum with syndicate lenders (the “Facility”). The loan made thereunder is repayable 36 months after the same has been made.

On 22 September 2017, the Guarantor and the Borrower entered into a syndication and amendment agreement in relation to the Facility Agreement II (the “Amendment Agreement”). Pursuant to the Amendment Agreement, the number of syndicate lenders have increased and the total commitment under the Facility has increased to HK\$1,350 million. Save for the aforesaid amendment and supplement, all other major terms of the Facility Agreement II remain in full force and effect.

Pursuant to the Facility Agreement II (as amended by the Amendment Agreement), the Wong Family shall collectively maintain, directly or indirectly, at least 51% of beneficial shareholding interest in the issued share capital of the Company, carrying at least 51% of the voting rights, free from any security. Otherwise, a failure to do so will be deemed an event of default under the Facility Agreement II.

## 根據上市規則第 13.18 條及第 13.21 條作出的披露

- (A) 於 2016 年 8 月 11 日，本公司（作為擔保人）及其全資附屬公司（作為借款人）與銀團貸款人（獨立金融機構）訂立一項 6 億美元，年利率為倫敦銀行同業拆息加 1.85% 的銀團定期貸款融資之融資協議（「融資協議 I」）。根據該協議項下作出之貸款須於貸款作出後 42 個月償還。

根據融資協議 I，黃聯禧先生及其家族（統稱「黃氏家族」）須共同直接或間接擁有（且並無抵押）本公司已發行股本最少 51% 實益股權（佔最少 51% 的表決權）。否則，將被視為融資協議 I 項下的違約事件。

- (B) 於 2017 年 8 月 15 日，本公司（作為擔保人（「擔保人」））及其全資附屬公司（作為借款人（「借款人」））與銀團貸款人訂立一項 8 億港元，年利率為香港銀行同業拆息加 1.55% 的銀團定期貸款融資（「該融資」）之融資協議（「融資協議 II」）。根據該協議項下作出之貸款須於貸款作出後 36 個月償還。

於 2017 年 9 月 22 日，擔保人及借款人就融資協議 II 訂立銀團及修訂協議（「修訂協議」）。根據修訂協議，銀團貸款人數目已增加，而該融資項下之總承擔增至 13.50 億港元。除上述修訂及補充外，融資協議 II 之所有其他主要條款均維持十足效力及有效。

根據融資協議 II（經修訂協議修訂），黃氏家族須共同直接或間接擁有（且並無抵押）本公司已發行股本最少 51% 實益股權（佔最少 51% 的表決權）。否則，將被視為融資協議 II 項下的違約事件。

#### DISCLOSURE PURSUANT TO RULES 13.18 AND 13.21 OF THE LISTING RULES (Continued)

- (C) On 6 May 2019, the Company as guarantor and its wholly-owned subsidiary as borrower entered into a facility agreement (the “Convertible Loan Facilities Agreement”) in relation to convertible loan facilities in the aggregate amount of US\$100 million at an interest rate of 3% per annum with the lender. The final maturity date in respect of each facility is the date which is 36 months after the date of the utilisation of that facility.

Pursuant to the Convertible Loan Facilities Agreement, it is required that as at the date of the Convertible Loan Facilities Agreement, the date of each utilisation request and the first day of each interest period with respect to the relevant facility, (i) the Wong Family must beneficially own (whether directly or indirectly) in aggregate at least 51% of the issued share capital of the Company and such share capital cannot be subject to any security or quasi-security, and (ii) the Company must beneficially own, directly or indirectly, at least 51% of the total number of issued shares of the borrower. Otherwise, a failure to do so will be deemed an event of default under the Convertible Loan Facilities Agreement.

- (D) On 30 July 2019, the Company as guarantor and its wholly-owned subsidiary as borrower entered into a facility agreement (the “Facility Agreement III”) in relation to dual currency syndicated term loan and revolving credit facilities in the equivalent amount of US\$900 million at an interest rate of LIBOR/HIBOR plus 1.60% per annum with syndicate lenders. The final maturity date under the Facility Agreement III is the date falling 48 months after the first utilisation date.

Pursuant to the Facility Agreement III, the Wong Family shall collectively maintain, directly or indirectly, at least 51% of beneficial shareholding interest in the issued share capital of the Company, carrying at least 51% of the voting rights, free from any security. Otherwise, a failure to do so will be deemed an event of default under the Facility Agreement III.

#### 根據上市規則第 13.18 條及第 13.21 條作出的披露 (續)

- (C) 於 2019 年 5 月 6 日，本公司（作為擔保人）及其全資附屬公司（作為借款人）訂立一項 1 億美元，年利率為 3.00% 的可換股貸款融資協議（「可換股貸款融資協議」）。就各項融資的最後到期日而言，為該融資提取日期後 36 個月的日期。

根據可換股貸款融資協議規定，於可換股貸款融資協議日期，就相關融資的各提款要求日期及各利息期首日，(i) 黃氏家族須（直接或間接）實益持有本公司已發行股本合共最少 51%，且有關股本不得受任何抵押或準抵押限制，及 (ii) 本公司須（直接或間接）實益擁有借款人已發行股份總數之最少 51%。否則，將被視為可換股貸款融資協議項下的違約事件。

- (D) 於 2019 年 7 月 30 日，本公司（作為擔保人）及其全資附屬公司（作為借款人）與銀團貸款人訂立一項相當於 9 億美元，年利率為倫敦銀行同業拆息／香港銀行同業拆息加 1.60% 的雙幣銀團定期貸款及循環信貸融資之融資協議（「融資協議 III」）。融資協議項 III 下的最後到期日為首次動用當日 48 個月後的日期。

根據融資協議 III，黃氏家族須共同直接或間接擁有（且並無抵押）本公司已發行股本最少 51% 實益股權（佔最少 51% 的表決權）。否則，將被視為融資協議 III 項下的違約事件。

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The share award scheme (the “Scheme”) of the Company was adopted by the Company on 28 August 2018. The trustee of the Scheme, pursuant to the rules and trust deed of the Scheme, purchased on the Stock Exchange a total of 22,991,000 shares of the Company at a total consideration of about HK\$99.98 million. Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the reporting period.

## INTERIM DIVIDEND

The Board has declared an interim dividend for the six months ended 30 June 2019 of HK12 cents per share (the “Interim Dividend”) to the Shareholders and is expected to be distributed to those entitled on Monday, 23 September 2019. A final dividend of HK20 cents per share was paid on Monday, 17 June 2019 in respect of the year ended 31 December 2018 to shareholders during the reporting period.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 10 September 2019 to Thursday, 12 September 2019, both dates inclusive, during this period, no transfer of shares of the Company will be registered. In order to be eligible to receive the Interim Dividend, unregistered holders of shares of the Company should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar, Computer share Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Monday, 9 September 2019.

## EVENT AFTER THE REPORTING PERIOD

The Company and its wholly-owned subsidiary entered into the Facility Agreement III, details of which are set out in paragraph (D) to the section headed “Disclosure Pursuant to Rules 13.18 and 13.21 of the Listing Rules”.

## 購買、出售或贖回上市證券

本公司於2018年8月28日採納股份獎勵計劃「該計劃」。該計劃的受託人根據該計劃的規則及信託契據，以總額約9,998萬港元在聯交所購入合共22,991,000股本公司股份。除上文所披露外，本公司或其任何附屬公司於報告期內概無購買、出售或贖回任何本公司的上市證券。

## 中期股息

董事會向股東宣派截至2019年6月30日止六個月之中期股息每股12港仙（「中期股息」）並預期將於2019年9月23日（星期一）向有權獲取股息者分派。於報告期內，本公司已於2019年6月17日（星期一）就截至2018年12月31日止年度向股東派付末期股息每股20港仙。

## 暫停辦理股份過戶登記手續

本公司股東名冊將於2019年9月10日（星期二）至2019年9月12日（星期四）（包括首尾兩天）暫停登記，這期間不會辦理本公司股份過戶登記手續。為取得收取中期股息的資格，本公司股份的未登記持有人須確保不遲於2019年9月9日（星期一）下午4時30分向本公司股份過戶登記分處—香港中央證券登記有限公司（地址為香港灣仔皇后大道東183號合和中心17樓1712–1716室）—遞交所有股份過戶表格連同相關股票以辦理登記手續。

## 報告期後事項

本公司及其全資附屬公司訂立融資協議III，詳情載於「根據上市規則第13.18條及第13.21條作出的披露」一節(D)段內。

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表的審閱報告



To the board of directors of China Lesso Group Holdings Limited

*(Incorporated in the Cayman Islands with limited liability)*

### INTRODUCTION

We have reviewed the accompanying condensed consolidated financial statements of China Lesso Group Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) set out on pages 30 to 85, which comprise the condensed consolidated statement of financial position as at 30 June 2019, and the related condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months then ended and explanatory notes. The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited require the preparation of a report on financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致中國聯塑集團控股有限公司董事會

*(於開曼群島註冊成立的有限責任公司)*

### 引言

我們已審閱隨附載於第30至85頁的中國聯塑集團控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）的簡明綜合財務報表，此財務報表包括於2019年6月30日的簡明綜合財務狀況表以及截至該日止六個月的相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表以及說明附註。香港聯合交易所有限公司證券上市規則規定，就財務資料編製的報告必須符合其相關條文及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。

貴公司董事須負責根據香港會計準則第34號編製及呈報該等簡明綜合財務報表。我們的責任是根據我們的審閱對該等簡明綜合財務報表作出結論。根據雙方協定的委聘條款，僅向全體董事會報告，除此之外本報告不作其他用途，我們概不就本報告書的內容對任何其他人士負責或承擔責任。

## SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

**Ernst & Young**  
*Certified Public Accountants*  
22/F CITIC Tower  
1 Tim Mei Avenue  
Central, Hong Kong  
26 August 2019

## 審閱範圍

我們已根據香港會計師公會所頒佈的香港審閱委聘準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務及會計事務的人員作出查詢，並應用分析和其他審閱程序。審閱的範圍遠較根據香港審核準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

## 結論

按照我們的審閱，我們並無發現任何事項，令我們相信隨附的簡明綜合財務報表在各重大方面未有根據香港會計準則第34號編製。

安永會計師事務所  
執業會計師  
香港中環  
添美道1號  
中信大廈22樓  
2019年8月26日

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

## 簡明綜合損益及其他全面收益表

Six months ended 30 June 2019 | 截至2019年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>REVENUE</b>	收入	4	
Cost of sales	銷售成本	<b>11,137,154</b>	10,448,302
		<b>(7,936,688)</b>	(7,727,083)
Gross profit	毛利	<b>3,200,466</b>	2,721,219
Other revenue, income and gains	其他收入、收益及利益	4	
Selling and distribution expenses	銷售及分銷開支	<b>152,182</b>	118,828
Administrative expenses	行政開支	<b>(519,045)</b>	(511,197)
Impairment losses on financial and contract assets	金融及合約資產的減值虧損	<b>(564,424)</b>	(473,807)
Other expenses	其他開支	<b>(11,664)</b>	(4,287)
Finance costs	融資成本	5	
Share of results of associates	分佔聯營公司業績	<b>(271,492)</b>	(179,961)
Share of results of joint ventures	分佔合營企業業績	<b>18,148</b>	28,721
		<b>407</b>	167
<b>PROFIT BEFORE TAX</b>	除稅前溢利	6	
Income tax expense	所得稅開支	<b>1,580,927</b>	1,299,159
		<b>(323,537)</b>	(294,051)
<b>PROFIT FOR THE PERIOD</b>	期內溢利	<b>1,257,390</b>	1,005,108
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>	其他全面收益／(開支)		
Items that may be reclassified subsequently to profit or loss:	其後可能重新歸類至損益的項目：		
Changes in fair value of debt instruments at fair value through other comprehensive income	按公允價值計入其他全面收益的債務工具的公允價值變動	<b>10,920</b>	(4,501)
Share of other comprehensive income of an associate, net of tax	分佔一間聯營公司的其他全面收益(稅後淨額)	<b>(97)</b>	601
Exchange differences on translation of foreign operations	折算外幣報表產生的匯兌差額	<b>17,346</b>	(98,016)
		<b>28,169</b>	(101,916)
Items that will not be reclassified to profit or loss:	其後不會重新歸類至損益的項目：		
Changes in fair value of equity instruments at fair value through other comprehensive income	按公允價值計入其他全面收益的股本工具的公允價值變動	<b>(147,054)</b>	(346,766)
<b>OTHER COMPREHENSIVE EXPENSE FOR THE PERIOD</b>	期內其他全面開支	<b>(118,885)</b>	(448,682)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	期內全面收益總額	<b>1,138,505</b>	556,426



		<b>Six months ended 30 June</b>	
		截至6月30日止六個月	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Profit for the period attributable to:	以下應佔期內溢利：		
Owners of the Company	本公司擁有人	<b>1,263,701</b>	1,041,194
Non-controlling interests	非控制權益	<b>(6,311)</b>	(36,086)
		<b>1,257,390</b>	1,005,108
Total comprehensive income for the period attributable to:	以下應佔期內全面收益總額：		
Owners of the Company	本公司擁有人	<b>1,138,130</b>	594,605
Non-controlling interests	非控制權益	<b>375</b>	(38,179)
		<b>1,138,505</b>	556,426
<b>EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	本公司擁有人應佔每股盈利		
Basic and diluted	基本及攤薄	<b>RMB0.41</b>	RMB0.34
		人民幣0.41元	人民幣0.34元

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

As at 30 June 2019 | 於2019年6月30日

			30 June 6月30日 2019 RMB'000 (Unaudited) (未經審核)	31 December 12月31日 2018 RMB'000 (Audited) (經審核)
	Note 附註			
<b>NON-CURRENT ASSETS</b>		<b>非流動資產</b>		
Property, plant and equipment	10	物業、廠房及設備	8,062,465	7,478,765
Prepaid land lease payments	10	預付土地租賃款	-	1,337,959
Right-of-use assets	10	使用權資產	1,564,556	-
Investment properties	11	投資物業	5,858,217	4,650,423
Deposits paid for the purchase of land, property, plant and equipment		購買土地、物業、廠房及設備所支付的按金	969,183	1,731,202
Goodwill		商譽	365,122	363,133
Other intangible assets		其他無形資產	254,882	257,787
Interests in associates	12	於聯營公司的權益	1,400,007	1,375,567
Interests in joint ventures		於合營企業的權益	9,710	9,303
Other financial assets	13	其他金融資產	1,562,489	1,852,511
Loan receivables	14	應收借款	201,467	163,422
Other non-current assets		其他非流動資產	401,708	360,097
Contract assets	16	合約資產	83,048	84,651
Deferred tax assets		遞延稅項資產	90,140	88,130
<b>Total non-current assets</b>		<b>非流動資產總額</b>	<b>20,822,994</b>	<b>19,752,950</b>
<b>CURRENT ASSETS</b>		<b>流動資產</b>		
Inventories	15	存貨	4,125,051	3,521,214
Contract assets	16	合約資產	307,034	327,279
Other financial assets	13	其他金融資產	8,255	47,649
Loan receivables	14	應收借款	335,416	355,470
Trade and bills receivables	17	貿易應收款項及票據	2,839,623	2,379,447
Prepayments, deposits and other receivables	18	預付款、按金及其他應收款項	1,774,006	1,800,477
Cash and bank deposits	19	現金及銀行存款	5,922,352	6,451,791
<b>Total current assets</b>		<b>流動資產總額</b>	<b>15,311,737</b>	<b>14,883,327</b>
<b>CURRENT LIABILITIES</b>		<b>流動負債</b>		
Contract liabilities	16	合約負債	1,250,572	1,482,994
Trade and bills payables	20	貿易應付款項及票據	4,650,430	4,277,323
Other payables and accruals	21	其他應付款項及應計費用	737,586	927,482
Tax payable		應付稅項	189,049	272,780
Borrowings	22	借款	6,530,047	6,144,492
Lease liabilities		租賃負債	86,216	-
<b>Total current liabilities</b>		<b>流動負債總額</b>	<b>13,443,900</b>	<b>13,105,071</b>
<b>NET CURRENT ASSETS</b>		<b>流動資產淨額</b>	<b>1,867,837</b>	<b>1,778,256</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>資產總額減流動負債</b>	<b>22,690,831</b>	<b>21,531,206</b>

			<b>30 June</b> <b>6月30日</b> <b>2019</b> <b>RMB'000</b> <b>人民幣千元</b> <b>(Unaudited)</b> <b>(未經審核)</b>	31 December 12月31日 2018 RMB'000 人民幣千元 (Audited) (經審核)
		Note 附註		
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Borrowings	借款	22	<b>5,617,435</b>	5,586,566
Convertible loans	可換股貸款	23	<b>382,981</b>	–
Lease liabilities	租賃負債		<b>118,917</b>	–
Other long-term payables	其他長期應付款項		<b>108,591</b>	109,546
Derivative financial instruments	衍生金融工具	24	<b>6,592</b>	6,592
Deferred tax liabilities	遞延稅項負債		<b>651,346</b>	572,967
Deferred income	遞延收益		<b>206,665</b>	182,670
Total non-current liabilities	非流動負債總額		<b>7,092,527</b>	6,458,341
<b>Net assets</b>	<b>資產淨額</b>		<b>15,598,304</b>	15,072,865
<b>EQUITY</b>	<b>權益</b>			
Share capital	股本	25	<b>135,344</b>	135,344
Reserves	儲備		<b>15,200,743</b>	14,667,985
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>15,336,087</b>	14,803,329
Non-controlling interests	非控制權益		<b>262,217</b>	269,536
<b>Total equity</b>	<b>權益總額</b>		<b>15,598,304</b>	15,072,865

**Wong Luen Hei**

黃聯禧

Director

董事

**Luo Jianfeng**

羅建峰

Director

董事

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

Six months ended 30 June 2019 | 截至2019年6月30日止六個月

		Attributable to owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Shares held for share award scheme 股份獎勵計劃所持	Statutory reserve <sup>(a)</sup>	Capital reserve <sup>(a)</sup>	Merger reserve	Fair value revaluation reserve	Exchange fluctuation reserve	Convertible loans equity reserve	Retained profits	Total	Non-controlling interests	Total equity
		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
At 1 January 2019	於2019年1月1日	135,344	1,905,618	-	2,047,860	(51,460)	5,515	(75,245)	(167,271)	-	11,002,968	14,803,329	269,536	15,072,865
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	-	1,263,701	1,263,701	(6,311)	1,257,390
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	-	-	(136,134)	10,563	-	-	(125,571)	6,686	(118,885)
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	-	(136,134)	10,563	-	1,263,701	1,138,130	375	1,138,505
Acquisition of non-controlling interests	收購非控制權益	-	-	-	-	(3,367)	-	-	-	-	-	(3,367)	(11,753)	(15,120)
Capital contributions from non-controlling interests	非控制權益出資	-	-	-	-	-	-	-	-	-	-	-	3,800	3,800
Non-controlling interests arising from business combination	業務合併產生的非控制權益	-	-	-	-	-	-	-	-	-	-	-	259	259
Transfer of fair value reserve upon the disposal of equity instruments at fair value through other comprehensive income	出售按公允價值計入其他全面收益的股本工具後轉讓至公允價值儲備	-	-	-	-	-	-	(54,904)	-	-	54,904	-	-	-
Issuance of convertible loans (note 23)	發行可換股貸款(附註23)	-	-	-	-	-	-	-	-	16,422	-	16,422	-	16,422
Dividends recognised as distributions to owners (note 8)	確認為向擁有人分派的股息(附註8)	-	-	-	-	-	-	-	-	-	(532,987)	(532,987)	-	(532,987)
Shares purchased for share award scheme	就股份獎勵計劃購入股份	-	-	(85,440)	-	-	-	-	-	-	-	(85,440)	-	(85,440)
Appropriation to statutory reserve	轉撥至法定儲備	-	-	-	1,841	-	-	-	-	-	(1,841)	-	-	-
At 30 June 2019 (Unaudited)	於2019年6月30日 (未經審核)	135,344	1,905,618 <sup>#</sup>	(85,440) <sup>#</sup>	2,049,701 <sup>#</sup>	(54,827) <sup>#</sup>	5,515 <sup>#</sup>	(266,283) <sup>#</sup>	(156,708) <sup>#</sup>	16,422 <sup>#</sup>	11,786,745 <sup>#</sup>	15,336,087	262,217	15,598,304

<sup>#</sup> These reserve accounts comprise the reserves of RMB15,200,743,000 in the condensed consolidated statement of financial position as at 30 June 2019.

<sup>#</sup> 該等儲備賬構成於2019年6月30日簡明綜合財務狀況表中儲備人民幣15,200,743,000元。

Attributable to owners of the Company  
本公司擁有人應佔

		Share capital	Share premium	Statutory reserve <sup>(a)</sup>	Capital reserve <sup>(a)</sup>	Merger reserve	Fair value revaluation reserve 公允價值重估儲備	Exchange fluctuation reserve 匯率波動儲備	Retained profits	Total	Non-controlling interests	Total equity
		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
At 1 January 2018	於2018年1月1日	135,344	1,905,618	1,678,064	8,534	5,515	205,703	44,802	9,506,335	13,489,915	293,576	13,783,491
Profit for the period	期內溢利	-	-	-	-	-	-	-	1,041,194	1,041,194	(36,086)	1,005,108
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	-	(351,267)	(95,322)	-	(446,589)	(2,093)	(448,682)
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	-	(351,267)	(95,322)	1,041,194	594,605	(38,179)	556,426
Capital contributions from non-controlling interests	非控制權益出資	-	-	-	-	-	-	-	-	-	13,448	13,448
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	6,079	6,079
Dividends recognised as distributions to owners (note 8)	確認為向擁有人分派的股息(附註8)	-	-	-	-	-	-	-	(456,633)	(456,633)	-	(456,633)
Appropriation to statutory reserve	轉撥至法定儲備	-	-	431	-	-	-	-	(431)	-	-	-
At 30 June 2018 (Unaudited)	於2018年6月30日 (未經審核)	135,344	1,905,618	1,678,495	8,534	5,515	(145,564)	(50,520)	10,090,465	13,627,887	274,924	13,902,811

Note:

- (a) In accordance with the Company Law of PRC, each of the Company's subsidiaries registered in PRC is required to appropriate 10% of the annual statutory profit after tax (after offsetting any prior years' losses) determined in accordance with generally accepted accounting principles in PRC to the statutory reserve until the balance of the reserve fund reaches 50% of its registered capital. The statutory reserve can be utilised to offset prior years' losses or to increase capital, provided that the remaining balance of the statutory reserve is not less than 25% of the registered capital.
- (b) Capital reserve mainly represented the difference between the consideration and the book value of the share of the net assets acquired in respect of the acquisition of non-controlling interests.

附註：

- (a) 根據中國公司法，本公司於中國註冊的各間附屬公司須劃撥根據中國公認會計原則釐定的年度法定除稅後溢利(經扣除任何過往年度虧損後)的10%至法定儲備，直至儲備金結餘達到其註冊資本的50%為止。法定儲備可用於抵銷過往年度虧損或增資，惟法定儲備的餘下結餘不得少於註冊資本的25%。
- (b) 資本儲備主要指有關收購非控制權益的代價與應佔所收購淨資產賬面值之間的差額。

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

Six months ended 30 June 2019 | 截至2019年6月30日止六個月

		Six months ended 30 June 截至6月30日止六個月	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit before tax:	除稅前溢利：	<b>1,580,927</b>	1,299,159
Adjustments for:	就以下各項作出調整：		
Interest income	利息收益	(47,717)	(50,301)
Government grants released	已撥入的政府補助	(4,028)	(1,896)
Gain on fair value changes of financial instrument at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益	(1,748)	-
Gain on disposal of subsidiaries	出售附屬公司所得利益	-	(36,507)
Gain on termination of right-of-use assets	終止使用權資產所得利益	(5,974)	-
Interest expenses	利息開支	271,492	179,961
Write-back of inventories to net realisable value, net	撥回存貨至可變現淨值淨額	(6,716)	-
Depreciation and amortisation	折舊及攤銷	429,560	373,311
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	10,603	4,090
(Write-back of impairment)/impairment of property, plant and equipment	物業、廠房及設備(減值回撥)/減值	(1,787)	22,715
Impairment of trade and bills receivables, net	貿易應收款項及票據減值淨額	10,617	4,287
Impairment of prepayments	預付款減值	34,331	-
Impairment of other receivables	其他應收款項減值	1,047	-
Share of results of associates	分佔聯營公司業績	(18,148)	(28,721)
Share of results of joint ventures	分佔合營企業業績	(407)	(167)
		<b>2,252,052</b>	1,765,931
Increase in other non-current assets	其他非流動資產增加	(41,611)	(372)
Increase in inventories	存貨增加	(583,104)	(600,614)
Decrease/(increase) in contract assets	合約資產減少/(增加)	22,068	(320,185)
(Increase)/decrease in loan receivables	應收借款(增加)/減少	(17,991)	105,844
Increase in trade and bills receivables	貿易應收款項及票據增加	(466,780)	(219,581)
Decrease/(increase) in prepayments, deposits and other receivables	預付款、按金及其他應收款項減少/(增加)	28,131	(676,688)
(Decrease)/increase in contract liabilities	合約負債(減少)/增加	(232,512)	198,800
Increase in trade and bills payables	貿易應付款項及票據增加	367,370	1,533,289
(Decrease)/increase in other payables and accruals	其他應付款項及應計費用(減少)/增加	(160,016)	30,813
(Decrease)/increase in other long-term payables	其他長期應付款項(減少)/增加	(1,800)	3,177
Increase in deferred income	遞延收益增加	28,023	44,637
Cash generated from operations	經營產生的現金	<b>1,193,830</b>	1,865,051
Bank interest received	已收銀行利息	45,746	48,261
Corporate income tax paid	已付企業所得稅	(335,245)	(276,848)
Net cash flows from operating activities	經營活動所得現金流量淨額	<b>904,331</b>	1,636,464

## Six months ended 30 June

截至6月30日止六個月

	Note	2019	2018
	附註	RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(811,785)	(1,038,129)
Proceeds from disposal of items of property, plant and equipment	來自出售物業、廠房及設備項目的所得款項	11,225	44,240
Additions to right-of-use assets/prepaid land lease payments	使用權資產／預付土地租賃款增加	(55,649)	(70,525)
Additions to investment properties	投資物業增加	(474,592)	(324,208)
Deposit for right-of-use assets	使用權資產按金	(44,242)	–
Additions to other intangible assets	其他無形資產增加	(2,554)	(4,198)
Additions to associates	聯營公司增加	(2,200)	(786,885)
Acquisitions of subsidiaries	收購附屬公司	(32,046)	–
Purchases of other financial assets	購買其他金融資產	(163,990)	(731,355)
Proceeds from early redemption of convertible notes	提早贖回可換股票據所得款項	–	141,305
Proceeds from disposal of other financial assets	出售其他金融資產所得款項	356,643	–
Interest received from other financial assets	已收其他金融資產的利息	1,978	4,044
Contingent consideration paid for the acquisition of subsidiaries	已付收購附屬公司的或然代價	–	(56,000)
Decrease/(increase) in restricted cash	受限制現金減少／(增加)	43,663	(286,729)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(1,173,549)	(3,108,440)
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
New bank borrowings raised	新增銀行借款	3,709,624	4,232,704
Repayment of bank and other loans	償還銀行及其他貸款	(3,402,216)	(1,623,128)
Convertible loans raised	新增可換股貸款	398,103	–
Capital contributions from non-controlling interests	非控制權益出資	3,800	13,448
Acquisition of non-controlling interests	收購非控制權益	(15,120)	–
Purchase of shares for share award scheme	就股份獎勵計劃購入股份	(85,440)	–
Repayment of lease liabilities	償還租賃負債	(41,732)	–
Interest paid	已付利息	(258,912)	(171,545)
Dividends paid	已付股息	(532,971)	(456,633)
Net cash flows (used in)/from financing activities	融資活動(所用)／所得現金流量淨額	(224,864)	1,994,846
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物(減少)／增加淨額</b>	<b>(494,082)</b>	<b>522,870</b>
Cash and cash equivalents at beginning of the period	期初的現金及現金等價物	5,393,836	3,677,759
Effect of foreign exchange rate changes, net	外幣匯率變動的影響淨額	8,306	(10,994)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>期末的現金及現金等價物</b>	<b>4,908,060</b>	<b>4,189,635</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物的結餘分析</b>		
Time deposits with original maturity of three months or less when acquired	定期存款(於獲取時原有期限為三個月或以下)	19	134,776
Cash and bank balances	現金及銀行結餘	19	4,054,859
		<b>4,908,060</b>	<b>4,189,635</b>

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The addresses of its registered office and principal place of business are disclosed in the section headed “Corporate Information” of this interim report.

The Group is principally engaged in the manufacture and sale of building materials and interior decoration products; the provision of renovation and installation works, environmental engineering and other related services, financial services and property rental and other related services.

These condensed consolidated financial statements were approved and authorised for issue by the Board on 26 August 2019.

### 2.1 BASIS OF PREPARATION

These condensed consolidated financial statements of the Group for the six months ended 30 June 2019 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Listing Rules and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention, except for investment properties, other financial assets and derivative financial instruments which have been measured at fair value. These condensed consolidated financial statements are presented in Renminbi and all values are rounded to the nearest thousand except when otherwise indicated.

The accounting policies and basis of preparation used in the preparation of these condensed consolidated financial statements are the same as those used in the Group’s annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which also include Hong Kong Accounting Standards (“HKASs”) and Interpretations) as disclosed in note 2.2 below.

These condensed consolidated financial statements do not include all information and disclosures required in the Group’s annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2018.

### 1. 公司及集團資料

本公司為一間於開曼群島註冊成立的有限公司。其註冊辦事處及主要營業地點載於本中期報告「公司資料」部分。

本集團主要從事製造及銷售建材家居產品、提供裝修及安裝工程、環境工程及其他相關服務、金融服務和物業租賃及其他相關服務。

本簡明綜合財務報表於2019年8月26日獲董事會批准及授權刊發。

### 2.1 編製基準

本集團截至2019年6月30日止六個月的簡明綜合財務報表乃根據上市規則附錄16的適用披露規定及香港會計師公會所頒佈的香港會計準則第34號「中期財務報告」編製。本財務報表按歷史成本法編製，惟按公允價值計量的投資物業、其他金融資產及衍生金融工具除外。本簡明綜合財務報表乃以人民幣呈列，除另有指明外，所有價值均調整至最接近的千元數。

本簡明綜合財務報表乃按與本集團截至2018年12月31日止年度的年度綜合財務報表所採用相同的會計政策及編製基準編製，惟如下文附註2.2所披露，已採用新訂及經修訂香港財務報告準則（「香港財務報告準則」，亦包括香港會計準則（「香港會計準則」）及詮釋）除外。

本簡明綜合財務報表並不包括規定於本集團年度綜合財務報表載列的一切資料及披露事項，應與本集團截至2018年12月31日止年度的年度綜合財務報表一併閱讀。



## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised standards for the first time for the current period's condensed consolidated financial statements.

HKFRS 16	Leases
HK(IFRIC) Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Annual Improvements 2015–2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Other than as further explained below, the application of these new and revised standards in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 2.2 會計政策及披露事項變動

本集團於本期間的簡明綜合財務報表內首次應用下列新訂及經修訂準則。

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號修訂本	具有負補償之預付款項特性
香港會計準則第19號修訂本	計劃修訂、縮減或結清
香港會計準則第28號修訂本	於聯營公司及合營公司之長期權益
年度改善2015年至2017年週期	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號的修訂本

除下文進一步闡釋外，於本期間應用該等新訂及經修訂準則對本集團即期及過往期間的財務表現及狀況及／或載列於本簡明綜合財務報表之披露並無任何重大影響。

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

#### HKFRS 16

HKFRS 16 replaces HKAS 17 Leases, HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases – Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance and the comparative information for 2018 was not restated and continues to be reported under HKAS 17.

### 2.2 會計政策及披露事項變動(續)

#### 香港財務報告準則第16號

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)–詮釋第4號釐定安排是否包括租賃、香港(常設詮釋委員會)–詮釋第15號經營租賃–優惠及香港(常設詮釋委員會)–詮釋第27號評估涉及租賃法律形式交易的內容。該準則載列租賃確認、計量、呈列及披露的原則，並要求承租人採用單一資產負債表內模型對所有租賃進行會計處理。根據香港財務報告準則第16號的出租人會計處理與根據香港會計準則第17號的會計處理大致不變。出租人將繼續採用與香港會計準則第17號類似的原則將租賃分為經營租賃或融資租賃。因此，香港財務報告準則第16號並無對本集團為出租人的租賃產生任何財務影響。

本集團採用香港財務報告準則第16號時使用經修訂追溯法，並於2019年1月1日首次應用。根據以上方法，已追溯應用該準則，而首次應用的累計影響作為對期初結餘的調整，2018年的比較資料並無重列，並繼續根據香港會計準則第17號呈報。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

#### (a) *New definition of a lease*

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their stand-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

#### (a) *新租賃定義*

香港財務報告準則第16號規定，如果合約以代價換取一定期間內控制某項可識別資產的使用權利，則該合約為租賃或包含租賃。當客戶有權從使用可識別資產獲得絕大部分經濟利益以及擁有指示使用可識別資產的權利時，即有控制權。本集團選擇應用過渡性的實際權宜辦法以允許該準則僅適用於先前於首次應用日期已根據香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號確定為租賃之合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號未確定為租賃的合約不會重新評估。因此，香港財務報告準則第16號下的租賃定義僅應用於在2019年1月1日或之後訂立或變更的合約。

於包含租賃部分的合約開始或獲重新評估時，本集團根據其獨立價格將合約中的代價分配予各個租賃及非租賃部分。本集團已採納的承租人可用實際權宜辦法，不會區分非租賃部分及就租賃及相關非租賃部分(例如物業租賃的物業管理服務)入賬作為單一租賃部分。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

(b) *As a lessee – Leases previously classified as operating leases*

*Nature of the effect of adoption of HKFRS 16*

The Group has lease contracts for various items of leasehold lands, plants and buildings, motor vehicles and other equipment. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets (e.g., laptop computers and printers); and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

(b) *作為承租人 – 先前分類為經營租賃的租賃*

*採用香港財務報告準則第16號的影響性質*

本集團擁有多個租賃業權土地、廠房及樓宇、汽車及其他設備項目的租賃合約。作為承租人，本集團先前根據對租賃是否將資產所有權的絕大部分回報及風險轉移至本集團的評估，將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團採用單一方法確認及計量所有租賃的使用權資產及租賃負債，惟低價值資產租賃（按個別租賃基準選擇）及短期租賃（按相關資產類別選擇）的兩項選擇性豁免除外。本集團已選擇不就(i)低價值資產（例如筆記本電腦及打印機）租賃；及(ii)於開始日期之租期為十二個月或以下的租賃確認使用權資產及租賃負債。相反，本集團在租期內以直線法將與該等租賃相關的租賃款確認為開支。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

#### (b) As a lessee – Leases previously classified as operating leases (Continued)

##### Impacts on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019. The Group elected to present the lease liabilities separately in the statement of financial position.

The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 January 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease
- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics
- Excluded initial direct costs from the measurement of the right-of-use assets at the date of initial application

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

#### (b) 作為承租人 – 先前分類為經營租賃的租賃(續)

##### 過渡影響

於2019年1月1日之租賃負債按剩餘租賃款的現值，經使用2019年1月1日的增量借款利率貼現後予以確認。本集團選擇於財務狀況表中單獨列示租賃負債。

使用權資產根據租賃負債金額計量，並按與緊接2019年1月1日前於財務狀況表確認的租賃相關的任何預付或應計租賃款金額作出調整。所有該等資產於該日均根據香港會計準則第36號就任何減值作出評估。本集團選擇於財務狀況表中單獨列示使用權資產。

於2019年1月1日應用香港財務報告準則第16號時，本集團使用以下選擇性實際權宜辦法：

- 對租期於首次應用日期起計十二個月內結束的租賃應用短期租賃豁免
- 倘合約包含延期／終止租賃的選擇權，則使用事後方式釐定租期
- 對具有合理相似特徵的租賃組合使用單一貼現率
- 於首次應用日期，使用權資產的計量不包括初次直接成本

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 簡明綜合財務報表附註

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

(b) *As a lessee – Leases previously classified as operating leases (Continued)*

*Impacts on transition (Continued)*

The impacts arising from the adoption of HKFRS 16 as at 1 January 2019 are as follows:

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

(b) *作為承租人 – 先前分類為經營租賃的租賃(續)*

*過渡影響(續)*

於2019年1月1日採用香港財務報告準則第16號所產生的影響如下：

		Increase/(decrease) 增加/(減少) RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>Assets:</b>	<b>資產：</b>	
Increase in right-of-use assets	使用權資產增加	1,689,086
Increase in investment properties	投資物業增加	48,080
Decrease in prepaid land lease payments	預付土地租賃款減少	(1,337,959)
Decrease in prepayments, deposits and other receivables	預付款、按金及其他應收款項減少	(30,455)
Increase in total assets	資產總額增加	368,752
<b>Liabilities:</b>	<b>負債：</b>	
Increase in lease liabilities and total liabilities	租賃負債及負債總額增加	368,752

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

(b) As a lessee – Leases previously classified as operating leases (Continued)

Impacts on transition (Continued)

The lease liabilities as at 1 January 2019 reconciled to the operating lease arrangements as at 31 December 2018 is as follows:

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

(b) 作為承租人 – 先前分類為經營租賃的租賃(續)

過渡影響(續)

於2019年1月1日的租賃負債與於2018年12月31日的經營租賃安排的對賬如下：

		RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>Operating lease arrangements as at 31 December 2018</b>	<b>於2018年12月31日的經營租賃安排</b>	<b>349,861</b>
Weighted average incremental borrowing rate as at 1 January 2019	於2019年1月1日的加權平均增量借款利率	4.69%
Discounted operating lease arrangements at 1 January 2019	於2019年1月1日的貼現經營租賃安排	274,752
Less: Arrangements relating to short-term leases and those leases with a remaining lease term ending on or before 31 December 2019	減：與短期租賃及剩餘租期於2019年12月31日或之前結束的租賃相關的安排	(6,246)
Arrangements relating to leases of low-value assets	與低價值資產的租賃相關的安排	(938)
Add: Management service fee not included in arrangements as at 31 December 2018	加：於2018年12月31日未包括在安排中的管理服務費	101,184
<b>Lease liabilities as at 1 January 2019</b>	<b>於2019年1月1日的租賃負債</b>	<b>368,752</b>

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

#### (c) Summary of new accounting policies

##### *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. When the right-of-use assets relate to interests in leasehold land held as inventories, they are subsequently measured at the lower of cost and net realisable value in accordance with the Group's policy for inventories. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for investment properties.

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

#### (c) 新會計政策概要

##### *使用權資產*

使用權資產於租賃開始日期確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就重新計量租賃負債作出調整。倘使用權資產與持作存貨的租賃土地之權益相關，則隨後根據本集團存貨政策按成本與可變現淨值兩者中的較低者計量。使用權資產的成本包括已確認的租賃負債金額、已產生的初始直接成本，以及於開始日期或之前作出的租賃付款減已收取的任何租賃優惠。除非本集團合理確定在租期屆滿時取得租賃資產的所有權，否則已確認的使用權資產在估計使用年期與租期兩者中的較短者按直線法計提折舊。當使用權資產符合投資物業的定義時，計入投資物業。相應的使用權資產初步按成本計量，其後根據本集團投資物業政策按公允價值計量。



## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

#### (c) Summary of new accounting policies (Continued)

##### *Lease liabilities*

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

#### (c) 新會計政策概要(續)

##### *租賃負債*

租賃負債於租賃開始日期按租期內將支付租賃款的現值確認。租賃款包含固定款項(包括實質固定款項)減任何應收租賃優惠、倚賴於指數或利率的可變租賃款以及剩餘價值擔保下預計支付的金額。租賃款亦包含本集團合理確定將予行使的購買權的行使價,以及倘租期反映本集團行使選擇權終止租賃,終止租賃的罰款。不倚賴於指數或利率的可變租賃款於引致付款事件或條件發生的期間內確認為開支。

於計算租賃款的現值時,倘租賃隱含的利率不易確定,則本集團於租賃開始日期使用增量借款利率。開始日期後,租賃負債金額的增加及減少將分別反映利息的增加及所付租賃款的減少。此外,倘出現修訂、由指數或利率變動引致的未來租賃款變動、租期變動、實質固定租賃款變動或購買相關資產的評估變動,則租賃負債的賬面值將重新計量。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

#### (c) Summary of new accounting policies (Continued)

##### *Significant judgement in determining the lease term of contracts with renewal options*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease land, plant and building for additional terms of certain years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

The Group included the renewal period as part of the lease term for leases of land due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

#### (c) 新會計政策概要(續)

##### *釐定有續約權合約的租期時所用重大判斷*

本集團釐定租期為不可撤銷租期，連同倘合理確定行使時，延長租賃權所涵蓋的任何期間，或倘合理確定不會行使時，終止租賃權所涵蓋的任何期間。

根據若干租賃，本集團有權將土地、廠房及樓宇的租賃延長若干年的期限。本集團就評估是否合理確定行使續約權進行判斷。本集團就行使續約將考慮所有可創造經濟激勵的相關因素。於租賃開始日期後，倘發生本集團可控制範圍內的重大事件或狀況變動並影響其行使續約權的能力，本集團將重新評估租期。

由於該等資產對於營運的重要性，本集團將續約期間納入土地租賃的租期。該等租賃具有較短的不可撤銷期間，倘無立即可用的替代安排，生產將受到重大負面影響。

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

### HKFRS 16 (Continued)

#### (c) Summary of new accounting policies (Continued)

Amounts recognised in these condensed consolidated financial statements

The carrying amounts of the Group's right-of-use assets and lease liabilities, and the movement during the period are as follow:

		Right-of-use assets 使用權資產						
		Leasehold lands	Plants and buildings	Motor vehicles	Other equipment	Sub-total 合計	Investment properties	Lease liabilities
		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
As at 1 January 2019	於2019年1月1日	1,384,033	304,179	382	492	1,689,086	48,080	368,752
Additions	添置	55,649	47,303	-	-	102,952	-	47,303
Depreciation expense	折舊開支	(16,557)	(40,302)	(79)	(174)	(57,112)	-	-
Interest expense	利息開支	-	-	-	-	-	-	10,181
Payments	付款	-	-	-	-	-	-	(51,913)
Termination	終止	(3,224)	(167,695)	-	-	(170,919)	-	(169,686)
Exchange realignment	匯兌調整	296	253	-	-	549	837	496
As at 30 June 2019	於2019年6月30日	1,420,197	143,738	303	318	1,564,556	48,917	205,133

The Group recognised rental expense from short-term leases of RMB4,915,000, leases of low-value assets of RMB110,000 and rental income from subleasing right-of-use assets of RMB2,075,000 for the six months ended 30 June 2019.

## 2.2 會計政策及披露事項變動(續)

### 香港財務報告準則第16號(續)

#### (c) 新會計政策概要(續)

於本簡明綜合財務報表所確認的金額

本集團使用權資產及租賃負債的賬面值及於期內的變動如下：

截至2019年6月30日止六個月，本集團確認短期租賃產生的租金開支人民幣4,915,000元，低價值資產租賃產生的租金開支人民幣110,000元及轉租使用權資產產生的租賃收益人民幣2,075,000元。

### 3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of building materials and interior decoration products; the provision of renovation and installation works, environmental engineering and other related services, financial services and property rental and other related services. For management purposes, the Group's businesses are organised by geographical areas based on the location of the customers and assets are attributable to the geographical unit based on the location of the assets. The Group has eight reportable operating segments as follows:

- (i) Southern China, including Guangdong Province, Guangxi Zhuang Autonomous Region, Hunan Province, Fujian Province and Hainan Province;
- (ii) Southwestern China, including Chongqing Municipality, Sichuan Province, Guizhou Province, Yunnan Province and Xizang (Tibet) Autonomous Region;
- (iii) Central China, including Hubei Province, Jiangxi Province and Henan Province;
- (iv) Eastern China, including Shanghai Municipality, Jiangsu Province, Zhejiang Province and Anhui Province;
- (v) Northern China, including Beijing Municipality, Tianjin Municipality, Hebei Province, Shandong Province, Inner Mongolia Autonomous Region and Shanxi Province;
- (vi) Northwestern China, including Shaanxi Province, Ningxia Hui Autonomous Region, Qinghai Province, Gansu Province and Xinjiang Uygur Autonomous Region;
- (vii) Northeastern China, including Liaoning Province, Jilin Province and Heilongjiang Province; and
- (viii) Outside China.

### 3. 經營分部資料

本集團主要從事製造及銷售建材家居產品、提供裝修及安裝工程、環境工程及其他相關服務、金融服務和物業租賃及其他相關服務。就管理目的而言，本集團的業務根據客戶的所在地組成地理分區，且資產按其所在地分配予地域單位。本集團擁有以下八個需匯報經營分部：

- (i) 華南，包括廣東省、廣西壯族自治區、湖南省、福建省及海南省；
- (ii) 西南地區，包括重慶市、四川省、貴州省、雲南省及西藏自治區；
- (iii) 華中，包括湖北省、江西省及河南省；
- (iv) 華東，包括上海市、江蘇省、浙江省及安徽省；
- (v) 華北，包括北京市、天津市、河北省、山東省、內蒙古自治區及山西省；
- (vi) 西北地區，包括陝西省、寧夏回族自治區、青海省、甘肅省及新疆維吾爾自治區；
- (vii) 東北地區，包括遼寧省、吉林省及黑龍江省；及
- (viii) 中國境外。

### 3. OPERATING SEGMENT INFORMATION

(Continued)

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, changes in fair value of financial instruments at FVTPL, gain on disposal of subsidiaries, exchange differences, finance costs, share of results of associates and joint ventures and other unallocated income and expenses are excluded from such measurement.

Segment assets exclude interests in associates, interests in joint ventures, other financial assets, deferred tax assets, cash and bank deposits and other unallocated head office and corporate assets as these assets are managed on a group basis.

Intersegment revenue is eliminated on consolidation. Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

The Group's revenue from external customers is derived from its operations in mainland China, special administrative regions of PRC and foreign countries.

During the six months ended 30 June 2019 and 2018, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

### 3. 經營分部資料(續)

為制定資源分配決策及表現評估，管理層分別監控其經營分部的業績。分部表現乃按需匯報分部的溢利進行評估，需匯報分部的溢利即經調整除稅前溢利。經調整除稅前溢利乃按本集團除稅前溢利一貫計量，惟利息收益、按公允價值計入損益的金融工具公允價值變動、出售附屬公司所得利益、匯兌差異、融資成本、分佔聯營公司及合營企業業績及其他未分配收益及開支並不包括在該等計量內。

鑑於於聯營公司的權益、於合營企業的權益、其他金融資產、遞延稅項資產、現金及銀行存款以及其他未分配總辦事處及公司資產乃按集團基準管理，故分部資產並不包括以上資產。

分部間收入於綜合賬目時抵銷。分部間銷售及轉讓以在當時市價基礎上向第三方作出的銷售價格為參照進行交易。

本集團來自外部客戶的收入乃源於其在中國內地、中國特別行政區及外國的業務。

截至2019年及2018年6月30日止六個月，概無來自與單一外部客戶交易的收入佔本集團總收入的10%或以上。

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 3. OPERATING SEGMENT INFORMATION

(Continued)

### 3. 經營分部資料(續)

		Southern China 華南 RMB'000 人民幣千元	Southwestern China 西南地區 RMB'000 人民幣千元	Central China 華中 RMB'000 人民幣千元	Eastern China 華東 RMB'000 人民幣千元	Northern China 華北 RMB'000 人民幣千元	Northwestern China 西北地區 RMB'000 人民幣千元	Northeastern China 東北地區 RMB'000 人民幣千元	Outside China 中國境外 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
<b>Six months ended</b>	<b>截至 2019 年 6 月 30 日止</b>										
<b>30 June 2019</b>	<b>六個月</b>										
<b>Segment revenue:</b>	<b>分部收入：</b>										
Sale of goods	銷售貨品	5,840,231	1,169,743	1,271,064	592,424	798,302	483,611	238,835	379,139	-	10,773,349
Contract revenue from renovation and installation works	裝修及安裝工程合約收入	133,467	48	8,582	8,644	102	295	636	-	-	151,774
Income from environmental engineering and other related services	環境工程及其他相關服務收益	85,782	3,295	2,308	57,114	1,621	1,094	-	-	-	151,214
Financial service income	金融服務收益	15,326	716	9,998	94	-	-	-	-	-	26,134
Property rental and other related services	物業租賃及其他相關服務	944	-	-	-	-	-	-	33,739	-	34,683
Revenue from external customers	外部客戶收入	6,075,750	1,173,802	1,291,952	658,276	800,025	485,000	239,471	412,878	-	11,137,154
Intersegment revenue	分部間收入	1,725,062	198,694	203,010	128,186	189,532	97,012	66,222	398,475	(3,006,193)	-
<b>Total</b>	<b>合計</b>	<b>7,800,812</b>	<b>1,372,496</b>	<b>1,494,962</b>	<b>786,462</b>	<b>989,557</b>	<b>582,012</b>	<b>305,693</b>	<b>811,353</b>	<b>(3,006,193)</b>	<b>11,137,154</b>
<b>Segment results</b>	<b>分部業績</b>	<b>1,874,353</b>	<b>355,973</b>	<b>407,609</b>	<b>186,740</b>	<b>232,881</b>	<b>127,311</b>	<b>62,520</b>	<b>15,464</b>	<b>(62,385)</b>	<b>3,200,466</b>
Reconciliations:	對賬：										
Interest income	利息收益										47,717
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益										1,748
Exchange gain	匯兌利益										29,897
Finance costs	融資成本										(271,492)
Share of results of associates	分佔聯營公司業績										18,148
Share of results of joint ventures	分佔合營企業業績										407
Unallocated income and expenses	未分配收益及開支										(1,445,964)
Profit before tax	除稅前溢利										1,580,927
<b>Other segment information:</b>	<b>其他分部資料：</b>										
Write-back of inventories to net realisable value, net	撥回存貨至可變現淨值淨額	3,380	(163)	8	(8,377)	215	(23)	(2,084)	328	-	(6,716)
Depreciation and amortisation	折舊及攤銷	265,842	36,417	32,022	23,243	21,128	18,403	9,836	22,669	-	429,560
Write-back of impairment of property, plant and equipment	物業、廠房及設備減值回撥	-	-	-	-	-	-	-	(1,787)	-	(1,787)
Impairment of trade and bills receivables, net	貿易應收款項及票據減值淨額	9,241	395	(279)	7,064	(3,663)	64	(316)	(1,889)	-	10,617
Impairment of prepayments	預付款項減值	34,331	-	-	-	-	-	-	-	-	34,331
Impairment of other receivables	其他應收款項減值	1,045	-	-	-	-	-	-	2	-	1,047
Capital expenditure <sup>#</sup>	資本開支 <sup>#</sup>	802,336	56,791	57,635	95,766	38,467	11,585	13,467	1,109,433	(11,462)	2,174,018
<b>As at 30 June 2019</b>	<b>於 2019 年 6 月 30 日</b>										
<b>Segment assets</b>	<b>分部資產</b>	<b>14,493,777</b>	<b>1,501,922</b>	<b>1,318,692</b>	<b>1,618,001</b>	<b>864,881</b>	<b>716,248</b>	<b>477,657</b>	<b>6,150,600</b>	<b>-</b>	<b>27,141,778</b>

<sup>#</sup> Capital expenditure consists of additions to property, plant and equipment, right-of-use assets, investment properties and other intangible assets.

<sup>#</sup> 資本開支包括添置物業、廠房及設備、使用權資產、投資物業及其他無形資產。

### 3. OPERATING SEGMENT INFORMATION

(Continued)

### 3. 經營分部資料(續)

		Southern China 華南	Southwestern China 西南地區	Central China 華中	Eastern China 華東	Northern China 華北	Northwestern China 西北地區	Northeastern China 東北地區	Outside China 中國境外	Eliminations 抵銷	Consolidated 綜合
		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
<b>Six months ended 30 June 2018</b>	<b>截至2018年6月30日止 六個月</b>										
<b>Segment revenue:</b>	<b>分部收入:</b>										
Sale of goods	銷售貨品	5,506,143	1,190,759	1,253,591	551,722	685,425	394,558	220,766	364,683	-	10,167,647
Contract revenue from renovation and installation works	裝修及安裝工程合約 收入	112,831	23	1,186	7,699	943	7	-	-	-	122,689
Income from environmental engineering and other related services	環境工程及其他 相關服務 收益	64,583	14,325	4,454	767	-	289	-	-	-	84,418
Financial service income	金融服務收益	20,460	723	13,582	-	117	-	183	-	-	35,065
Property rental and other related services	物業租賃及其他相關 服務	5,570	-	-	-	-	-	-	32,913	-	38,483
Revenue from external customers	外部客戶收入	5,709,587	1,205,830	1,272,813	560,188	686,485	394,854	220,949	397,596	-	10,448,302
Intersegment revenue	分部間收入	1,833,960	226,661	207,508	149,337	177,792	74,895	46,970	372,356	(3,089,479)	-
<b>Total</b>	<b>合計</b>	<b>7,543,547</b>	<b>1,432,491</b>	<b>1,480,321</b>	<b>709,525</b>	<b>864,277</b>	<b>469,749</b>	<b>267,919</b>	<b>769,952</b>	<b>(3,089,479)</b>	<b>10,448,302</b>
<b>Segment results</b>	<b>分部業績</b>	<b>1,873,613</b>	<b>381,574</b>	<b>403,415</b>	<b>129,450</b>	<b>216,630</b>	<b>100,780</b>	<b>58,030</b>	<b>98,085</b>	<b>(540,358)</b>	<b>2,721,219</b>
Reconciliations:	對賬:										
Interest income	利息收益										50,301
Gain on disposal of subsidiaries	出售附屬公司所得利益										36,507
Exchange loss	匯兌虧損										(11,423)
Finance costs	融資成本										(179,961)
Share of results of associates	分佔聯營公司業績										28,721
Share of results of joint ventures	分佔合營企業業績										167
Unallocated income and expenses	未分配收益及開支										(1,346,372)
Profit before tax	除稅前溢利										1,299,159
<b>Other segment information:</b>	<b>其他分部資料:</b>										
Depreciation and amortisation	折舊及攤銷	220,365	33,063	30,819	32,724	21,827	17,465	9,670	7,378	-	373,311
Impairment of property, plant and equipment	物業、廠房及設備 減值	-	-	-	22,715	-	-	-	-	-	22,715
Impairment of trade and bills receivables, net	貿易應收款項 及票據減值淨額	-	-	-	-	-	-	3,626	661	-	4,287
Capital expenditure <sup>#</sup>	資本開支 <sup>#</sup>	323,966	46,189	55,477	73,142	29,485	12,527	2,343	36,067	(14,740)	564,456
<b>As at 31 December 2018</b>	<b>於2018年12月31日</b>										
<b>Segment assets</b>	<b>分部資產</b>	<b>13,235,406</b>	<b>1,376,886</b>	<b>1,311,875</b>	<b>1,518,197</b>	<b>791,056</b>	<b>644,194</b>	<b>487,490</b>	<b>5,446,222</b>	<b>-</b>	<b>24,811,326</b>

<sup>#</sup> Capital expenditure consists of additions to property, plant and equipment, prepaid land lease payments, investment properties and other intangible assets.

<sup>#</sup> 資本開支包括添置物業、廠房及設備、預付土地租賃款、投資物業及其他無形資產。

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 4. REVENUE, OTHER REVENUE, INCOME AND GAINS

#### REVENUE

Set out below is the disaggregation of the Group's revenue from contracts with customers and the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

By revenue nature:

		Six months ended 30 June 2019 截至2019年6月30日止六個月			Six months ended 30 June 2018 截至2018年6月30日止六個月		
		Goods transferred at a point in time 於某一時點 轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移 轉讓的服務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Goods transferred at a point in time 於某一時點 轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移 轉讓的服務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Revenue from contracts with customers:</b>	<b>來自客戶合約的收入：</b>						
Sale of goods	銷售貨品	10,773,349	–	10,773,349	10,167,647	–	10,167,647
Contract revenue from renovation and installation works	裝修及安裝工程合約收入	–	151,774	151,774	–	122,689	122,689
Income from environmental engineering and other related services	環境工程及其他相關服務收益	–	151,214	151,214	–	84,418	84,418
Sub-total	小計	10,773,349	302,988	11,076,337	10,167,647	207,107	10,374,754
Financial service income	金融服務收益			26,134			35,065
Property rental and other related services	物業租賃及其他相關服務			34,683			38,483
Total	合計			11,137,154			10,448,302

### 4. 收入、其他收入、收益及利益

#### 收入

以下載列本集團來自客戶合約的收入分拆及來自客戶合約的收入與分部資料所披露金額的對賬：

按收入性質劃分：



#### 4. REVENUE, OTHER REVENUE, INCOME AND GAINS (Continued)

##### REVENUE (Continued)

By geographical locations:

		Six months ended 30 June 2019 截至2019年6月30日止六個月			Six months ended 30 June 2018 截至2018年6月30日止六個月		
		Goods transferred at a point in time 於某一時點 轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移 轉讓的服務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Goods transferred at a point in time 於某一時點 轉讓的貨品 RMB'000 人民幣千元	Services transferred over time 隨時間推移 轉讓的服務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
<b>Revenue from contracts with customers:</b>	<b>來自客戶合約的收入：</b>						
Mainland China	中國內地	10,394,210	302,988	10,697,198	9,802,964	207,107	10,010,071
Outside China	中國境外	379,139	-	379,139	364,683	-	364,683
Sub-total	小計	10,773,349	302,988	11,076,337	10,167,647	207,107	10,374,754
Financial service income	金融服務收益			26,134			35,065
Property rental and other related services	物業租賃及其他相關服務			34,683			38,483
Total	合計			11,137,154			10,448,302

#### 4. 收入、其他收入、收益及利益 (續)

##### 收入 (續)

按地理位置劃分：

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 4. REVENUE, OTHER REVENUE, INCOME AND GAINS (Continued)

#### OTHER REVENUE, INCOME AND GAINS

		Six months ended 30 June 截至6月30日止六個月	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Bank interest income	銀行利息收益	45,746	48,261
Interest income from other financial assets	其他金融資產的利息收益	1,971	2,040
Total interest income	利息收益總額	47,717	50,301
Government grants and subsidies	政府補助及補貼	22,748	20,868
Gain on fair value changes of financial instruments at FVTPL	按公允價值計入損益的金融工具的公允價值變動利益	1,748	–
Gain on disposal of subsidiaries	出售附屬公司所得利益	–	36,507
Gain on sale of raw materials	銷售原材料所得利益	7,919	4,282
Gain on termination of right-of-use assets	終止使用權資產所得利益	5,974	–
Rental income	租賃收益	11,300	1,025
Exchange gain	匯兌利益	29,897	–
Others	其他	24,879	5,845
		152,182	118,828

Government grants and subsidies mainly represent funding received from government authorities to support certain of the Group's research and development activities. There are no unfulfilled conditions or contingencies related to these grants and subsidies.

政府補助及補貼主要指政府機構授予以供支持本集團若干研發活動的資金，並無任何與該等補助及補貼有關的未達成條件或或有情況。

### 5. FINANCE COSTS

### 5. 融資成本

		Six months ended 30 June 截至6月30日止六個月	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Interest expenses on bank and other loans	銀行及其他貸款的利息開支	262,636	179,961
Interest expenses on lease liabilities	租賃負債的利息開支	10,181	–
		272,817	179,961
Less: Interest capitalised	減：資本化利息	(1,325)	–
		271,492	179,961

## 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

## 6. 除稅前溢利

本集團的除稅前溢利乃經扣除／(計入)下列各項後達致：

		<b>Six months ended 30 June</b>	
		<b>截至6月30日止六個月</b>	
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Cost of inventories sold	已售存貨成本	<b>7,709,750</b>	7,542,257
Direct cost of renovation and installation works	裝修及安裝工程直接成本	<b>126,194</b>	107,900
Direct cost of environmental engineering and other related services	環境工程及其他相關服務直接成本	<b>94,075</b>	36,435
Direct cost of financial services	金融服務直接成本	–	1,090
Direct cost of property rental and other related services	物業租賃及其他相關服務直接成本	<b>13,385</b>	39,401
Write-back of inventories to net realisable value, net	撥回存貨至可變現淨值淨額	<b>(6,716)</b>	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>366,973</b>	354,041
Depreciation of right-of-use assets	使用權資產折舊	<b>57,112</b>	–
Amortisation of prepaid land lease payments	預付土地租賃款攤銷	–	14,062
Amortisation of other intangible assets	其他無形資產攤銷	<b>5,475</b>	5,208
Total depreciation and amortisation	折舊及攤銷總額	<b>429,560</b>	373,311
Research and development costs	研發成本	<b>376,375</b>	353,126
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	<b>10,603</b>	4,090
(Write-back of impairment)/impairment of property, plant and equipment	物業、廠房及設備(減值回撥)/減值	<b>(1,787)</b>	22,715
Gain on disposal of subsidiaries	出售附屬公司所得利益	–	(36,507)
Gain on termination of right-of-use assets	終止使用權資產所得利益	<b>(5,974)</b>	–
Impairment of trade and bills receivables, net	貿易應收款項及票據減值淨額	<b>10,617</b>	4,287
Impairment of prepayments	預付款減值	<b>34,331</b>	–
Impairment of other receivables	其他應收款項減值	<b>1,047</b>	–
Foreign exchanges differences, net	匯兌差異淨額	<b>(29,897)</b>	11,423

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 7. INCOME TAX EXPENSE

		Six months ended 30 June 截至6月30日止六個月	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Current tax	即期稅項		
PRC	中國	329,819	280,755
Other jurisdictions	其他司法權區	242	-
		<b>330,061</b>	280,755
Overprovision in prior years	過往年度過度撥備		
PRC	中國	<b>(82,478)</b>	(30,145)
Deferred tax	遞延稅項	<b>75,954</b>	43,441
Total tax charge for the period	期內稅項總額	<b>323,537</b>	294,051

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

#### HONG KONG PROFITS TAX

The statutory rate of Hong Kong profits tax was 16.5% (six months ended 30 June 2018: 16.5%) on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax was made as the Group had no assessable profits arising in Hong Kong during the period (six months ended 30 June 2018: Nil).

#### PRC CORPORATE INCOME TAX

The Group's income tax provision in respect of its operations in mainland China has been calculated at the applicable tax rates on the taxable profits for both periods, based on the existing legislation, interpretations and practices in respect thereof.

Certain of the Group's PRC subsidiaries are qualified as High and New Technology Enterprises and are entitled to a preferential corporate income tax rate of 15% during both periods.

### 7. 所得稅開支

		Six months ended 30 June 截至6月30日止六個月	
		2019 RMB'000 人民幣千元	2018 RMB'000 人民幣千元
Current tax	即期稅項		
PRC	中國	329,819	280,755
Other jurisdictions	其他司法權區	242	-
		<b>330,061</b>	280,755
Overprovision in prior years	過往年度過度撥備		
PRC	中國	<b>(82,478)</b>	(30,145)
Deferred tax	遞延稅項	<b>75,954</b>	43,441
Total tax charge for the period	期內稅項總額	<b>323,537</b>	294,051

本集團須就本集團成員公司於身處及經營所在的司法權區所產生或所錄得溢利按實體基準繳納所得稅。

#### 香港利得稅

香港利得稅乃就於香港產生的估計應課稅溢利按法定稅率16.5% (截至2018年6月30日止六個月: 16.5%) 計算。鑑於本集團於期內並無於香港產生任何應課稅溢利，故並無計提香港利得稅撥備 (截至2018年6月30日止六個月: 無)。

#### 中國企業所得稅

本集團以相關現有法律、詮釋及慣例為基準，就兩個期間的應課稅溢利按適用稅率計算中國內地業務的所得稅撥備。

本集團若干中國附屬公司於兩個期間合乎高新技術企業資格，可享15%的優惠企業所得稅率。

## 7. INCOME TAX EXPENSE (Continued)

### INCOME TAX FOR OTHER JURISDICTIONS

The Group's tax provision in respect of other jurisdictions has been calculated at the applicable tax rates in accordance with the prevailing practices of the jurisdictions in which the Group operates.

## 8. DIVIDENDS

## 7. 所得稅開支(續)

### 其他司法權區的所得稅項

本集團就其他司法權區的稅項撥備已根據本集團經營業務所在的司法權區現行慣例的適用稅率計算。

## 8. 股息

		Six months ended 30 June 截至6月30日止六個月			
		2019		2018	
		HK\$	HK\$'000	HK\$	HK\$'000
		港元	千港元	港元	千港元
		per share		per share	
		每股		每股	
2018 final dividend paid (2018: 2017 final dividend paid)	已付2018年末期股息(2018年: 已付2017年末期股息)	0.20	620,484	0.18	558,435
Less: Dividends for shares held for share award scheme (note 26(B))	減: 就股份獎勵計劃所持股份 的股息(附註26(B))	0.20	(4,598)	-	-
			615,886		558,435
Equivalent to	等值於		RMB532,987,000 人民幣532,987,000元		RMB456,633,000 人民幣456,633,000元

Subsequent to the end of the reporting period, interim dividend of HK12 cents in respect of the six months ended 30 June 2019 per ordinary share amounting to in aggregate HK\$369,531,000 has been declared by the Board to the owners of the Company whose names appear on the Company's register of member on 12 September 2019 (six months ended 30 June 2018: interim dividend of HK10 cents in respect of the six months ended 30 June 2018 per ordinary share amounting to in aggregate of HK\$310,242,000). The amount of interim dividend declared for the six months ended 30 June 2019 is calculated based on the number of issued shares, less dividends for shares held for share award scheme, at the date of approval of these condensed consolidated financial statements.

於報告期末後，董事會就截至2019年6月30日止六個月宣派中期股息每股普通股12港仙，合計369,531,000港元予於2019年9月12日名列本公司股東名冊的本公司擁有人(截至2018年6月30日止六個月: 截至2018年6月30日止六個月中期股息每股普通股10港仙，合計310,242,000港元)。於截至2019年6月30日止六個月宣派的中期股息乃按本簡明綜合財務報表批准日期已發行股份數目，減就股份獎勵計劃所持股份的股息計算。

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 簡明綜合財務報表附註

#### 9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculations of basic and diluted earnings per share are based on:

#### 9. 本公司擁有人應佔每股盈利

根據以下各項計算每股基本及攤薄盈利：

		<b>Six months ended 30 June</b>	
		截至6月30日止六個月	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to owners of the Company used in the basic and diluted earnings per share calculation	計算每股基本及攤薄盈利時用到的本公司擁有人應佔溢利	<b>1,263,701</b>	1,041,194
		<b>Number of Shares</b>	
		股份數目	
		<b>Six months ended 30 June</b>	
		截至6月30日止六個月	
		2019	2018
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	<b>3,102,418,400</b>	3,102,418,400
Weighted average number of shares held for the share award scheme	股份獎勵計劃所持股份加權平均數	<b>(20,535,901)</b>	-
Adjusted weighted average number of ordinary shares of the Company in issue used in the basic and diluted earnings per share calculation	計算每股基本及攤薄盈利時用到的本公司已發行普通股經調整加權平均數	<b>3,081,882,499</b>	3,102,418,400

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2019 and 2018, respectively.

本集團於截至2019年及2018年6月30日止六個月均無已發行的潛在攤薄普通股。

## 10. PROPERTY, PLANT AND EQUIPMENT, PREPAID LAND LEASE PAYMENTS AND RIGHT-OF-USE ASSETS

During the period, the Group purchased property, plant and equipment with an aggregate cost of RMB968,442,000 (six months ended 30 June 2018: RMB446,048,000) excluding property, plant and equipment of RMB2,281,000 acquired through business combination (six months ended 30 June 2018: Nil). During the period, property, plant and equipment with an aggregate net carrying amount of RMB21,828,000 (six months ended 30 June 2018: RMB53,513,000) was disposed of by the Group.

Upfront payments for leasehold lands were classified as prepaid land lease payments as at 31 December 2018. Upon application of HKFRS 16, the current and non-current portion of prepaid land lease payments amounting to RMB30,455,000 and RMB1,337,959,000 respectively were reclassified to right-of-use assets.

During the period, the additions of right-of-use assets of the Group amounted to RMB102,952,000.

## 11. INVESTMENT PROPERTIES

During the period, the additions of investment properties of the Group amounted to RMB1,145,851,000 (six months ended 30 June 2018: RMB113,893,000), included the additions of investment properties derived from the subleased right-of-use assets, amounted to RMB48,080,000 (six months ended 30 June 2018: Nil).

## 12. INTERESTS IN ASSOCIATES

## 10. 物業、廠房及設備、預付土地租賃款和使用權資產

期內，本集團購買物業、廠房及設備的總成本為人民幣968,442,000元（截至2018年6月30日止六個月：人民幣446,048,000元），當中並不包括透過業務合併收購的物業、廠房及設備人民幣2,281,000元（截至2018年6月30日止六個月：無）。期內，本集團出售物業、廠房及設備的總賬面淨值為人民幣21,828,000元（截至2018年6月30日止六個月：人民幣53,513,000元）。

於2018年12月31日，租賃業權土地的預付款項分類為預付土地租賃款。應用香港財務報告準則第16號後，預付土地租賃款的流動部分及非流動部分分別為人民幣30,455,000元及人民幣1,337,959,000元，重新歸類為使用權資產。

期內，本集團添置使用權資產人民幣102,952,000元。

## 11. 投資物業

期內，本集團添置投資物業人民幣1,145,851,000元（截至2018年6月30日止六個月：人民幣113,893,000元），當中包括由轉租使用權資產所產生的投資物業增加人民幣48,080,000元（截至2018年6月30日止六個月：無）。

## 12. 於聯營公司的權益

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Share of net assets	分佔資產淨額	<b>1,227,006</b>	1,239,394
Goodwill on acquisition	收購產生的商譽	<b>173,001</b>	136,173
		<b>1,400,007</b>	1,375,567

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 13. OTHER FINANCIAL ASSETS

### 13. 其他金融資產

			<b>30 June</b>	31 December
			<b>6月30日</b>	12月31日
			<b>2019</b>	2018
	Note		<b>RMB'000</b>	RMB'000
	附註		人民幣千元	人民幣千元
<b>Non-current:</b>		<b>非流動：</b>		
Debt instruments at		按公允價值計入其他全面收益		
FVTOCI:		的債務工具：		
Debt securities listed in Hong Kong	(i)	於香港上市債務證券	<b>45,187</b>	50,376
Debt securities listed in PRC		於中國上市債務證券	<b>212,769</b>	204,723
			<b>257,956</b>	255,099
Equity instruments at		按公允價值計入其他全面收益		
FVTOCI:		的股本工具：		
Equity securities listed in PRC		於中國上市股本證券	<b>309,305</b>	247,573
Equity securities listed in Hong Kong		於香港上市股本證券	<b>397,360</b>	482,293
Non-cumulative redeemable preference shares listed in Hong Kong		於香港上市非累計可贖回優先股	<b>34,607</b>	34,474
Perpetual capital securities listed in Hong Kong		於香港上市永久資本證券	<b>8,645</b>	8,391
Unlisted equity securities		非上市股本證券	<b>499,020</b>	770,795
			<b>1,248,937</b>	1,543,526
Equity instruments at FVTPL:		按公允價值計入損益的股本工具：		
Unlisted equity securities	(ii)	非上市股本證券	<b>55,596</b>	53,886
			<b>1,562,489</b>	1,852,511
<b>Current:</b>		<b>流動：</b>		
Debt instruments at		按公允價值計入其他全面收益		
FVTOCI:		的債務工具：		
Debt securities listed in Hong Kong	(i)	於香港上市債務證券	<b>8,255</b>	-
Debt instruments at FVTPL		按公允價值計入損益的債務工具	-	47,649
			<b>8,255</b>	47,649
			<b>1,570,744</b>	1,900,160



### 13. OTHER FINANCIAL ASSETS (Continued)

Note:

- (i) The debt securities carry fixed interest at rates ranging from 5.65% to 8.40% (31 December 2018: 5.65% to 8.40%) per annum, payable semi-annually or annually in arrears and will mature from January 2020 to January 2023 (31 December 2018: January 2020 to January 2023).
- (ii) The equity securities contained a puttable option were classified as equity instruments at FVTPL.
- (iii) At the end of reporting period, certain of the Group's other financial assets with an aggregate net carrying amount of RMB34,607,000 (31 December 2018: RMB34,474,000) were pledged to a bank to secure the banking facility granted and the Group has not utilised this banking facility (31 December 2018: Nil).

### 13. 其他金融資產 (續)

附註：

- (i) 債務證券的利息按固定年利率介乎5.65%至8.40% (2018年12月31日：5.65%至8.40%)計算，每半年或每年支付及將於2020年1月至2023年1月到期 (2018年12月31日：2020年1月至2023年1月)。
- (ii) 分類為按公允價值計入損益的股本工具的股本證券包含一個認沽期權。
- (iii) 於報告期末，本集團總賬面淨值為人民幣34,607,000元 (2018年12月31日：人民幣34,474,000元)的若干其他金融資產已向銀行抵押作為獲授銀行融資的擔保及本集團概無動用該銀行融資 (2018年12月31日：無)。

### 14. LOAN RECEIVABLES

### 14. 應收借款

		30 June 6月30日 2019 RMB'000 人民幣千元	31 December 12月31日 2018 RMB'000 人民幣千元
<b>Non-current:</b>	<b>非流動：</b>		
Finance lease receivables	融資租賃服務應收款項	201,467	163,422
<b>Current:</b>	<b>流動：</b>		
Finance lease receivables	融資租賃服務應收款項	104,588	100,421
Factoring receivables	保理服務應收款項	332,858	334,379
Receivables from supply-chain financing services	供應鏈融資服務應收款項	57,470	80,170
		<b>494,916</b>	514,970
Less: Provision for impairment	減：減值撥備	<b>(159,500)</b>	(159,500)
		<b>335,416</b>	355,470
		<b>536,883</b>	518,892

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 14. LOAN RECEIVABLES (Continued)

#### (A) FINANCE LEASE RECEIVABLES

		Minimum lease receivables		Present value of minimum lease receivables	
		最低租賃服務應收款項		最低租賃服務應收款項現值	
		30 June	31 December	30 June	31 December
		6月30日	12月31日	6月30日	12月31日
		2019	2018	2019	2018
		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
Not more than 1 year	不多於1年	123,517	116,208	104,588	100,421
Over 1 year but within 5 years	1年以上5年以內	243,558	182,104	201,467	163,422
		367,075	298,312	306,055	263,843
Less: Unearned finance income	減：未實現融資收益	(61,020)	(34,469)		
Present value of minimum lease receivables	最低租賃服務應收款項現值	306,055	263,843		

The Group's finance lease receivables are denominated in Renminbi. The effective interest rates of the receivables range from 5.89% to 13.19% (31 December 2018: 5.89% to 12.70%) per annum. There are no unguaranteed residual value of assets leased under finance leases and no contingent rent arrangement that needed to be recognised (31 December 2018: Nil).

本集團的融資租賃服務應收款項以人民幣計值。該應收款項的實際年利率介乎5.89%至13.19%（2018年12月31日：5.89%至12.70%）。概無任何融資租賃資產的未擔保剩餘價值，亦無任何須予確認的或然租賃安排（2018年12月31日：無）。

### 14. 應收借款(續)

#### (A) 融資租賃服務應收款項

## 14. LOAN RECEIVABLES (Continued)

### (A) FINANCE LEASE RECEIVABLES (Continued)

The following is a credit quality analysis of these finance lease receivables:

	30 June 6月30日 2019 RMB'000 人民幣千元	31 December 12月31日 2018 RMB'000 人民幣千元	
Neither past due nor impaired	未逾期亦未減值	306,055	263,843

The receivables are secured by assets leased under finance leases and cash deposits (where applicable).

Cash deposits from certain finance lease customers are collected upfront based on a certain percentage of the entire value of the lease contracts. When the lease contract expires and all related liabilities and obligations are fulfilled by the customer, the cash deposit will be returned in full. The balance of the cash deposit can also be used to settle any outstanding lease receivables for the corresponding lease contract. The collected cash deposit of RMB23,813,000 (31 December 2018: RMB25,613,000) has been included in "other long-term payables" in the condensed consolidated statement of financial position.

## 14. 應收借款(續)

### (A) 融資租賃服務應收款項(續)

以下為融資租賃服務應收款項的信貨質素分析：

	30 June 6月30日 2019 RMB'000 人民幣千元	31 December 12月31日 2018 RMB'000 人民幣千元
	306,055	263,843

該應收款項以融資租賃資產及現金按金(如適用)作為抵押。

融資租賃服務客戶現金按金乃基於租賃合約全部價值的若干百分比預先收取。於租賃合約屆滿以及客戶履行所有相關責任及義務後，該現金按金將會全部退還。現金按金結餘亦可用於結算相應租賃合約的任何尚未收取的租賃服務應收款項。已收取的現金按金人民幣23,813,000元(2018年12月31日：人民幣25,613,000元)已計入簡明綜合財務狀況表的「其他長期應付款項」內。

**14. LOAN RECEIVABLES (Continued)**

**(B) FACTORING RECEIVABLES**

The Group's factoring receivables arise from the provision of factoring services to companies located in PRC. The credit period granted to each customer is generally within 540 days.

Factoring receivables are secured by receivables and/or commercial bills originally owned by the customers. These receivables carry interest at rates ranging from 4.00% to 7.00% (31 December 2018: 4.00% to 6.50%) per annum.

The maturity profile of the factoring receivables at the end of the reporting period is as follows:

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
With a residual maturity of:	尚餘期限：		
Not more than 3 months	不多於3個月	<b>33,258</b>	65,079
Over 3 months to 6 months	3個月以上至6個月	<b>800</b>	109,800
Over 6 months to 12 months	6個月以上至12個月	<b>134,300</b>	-
Over 12 months	12個月以上	<b>5,000</b>	-
Overdue	已逾期	<b>159,500</b>	159,500
		<b>332,858</b>	334,379

At the end of the reporting period, RMB159,500,000 of the Group's factoring receivables was impaired (31 December 2018: RMB159,500,000).

**14. 應收借款(續)**

**(B) 保理服務應收款項**

本集團的保理服務應收款項來自向中國公司提供保理服務。授予各客戶的信用期限一般為540天內。

保理服務應收款項以原來由客戶擁有的應收款項及／或商業匯票抵押。該等應收款項按介乎4.00%至7.00%（2018年12月31日：4.00%至6.50%）的年利率計息。

於報告期末，保理服務應收款項的到期情況如下：

於報告期末，人民幣159,500,000元的本集團的保理服務應收款項已減值（2018年12月31日：人民幣159,500,000元）。

## 14. LOAN RECEIVABLES (Continued)

### (C) RECEIVABLES FROM SUPPLY-CHAIN FINANCING SERVICES

The Group's receivables from supply-chain financing services arise from the provision of supply-chain financing services to companies located in PRC. The credit period for each customer is generally within 365 days.

These receivables carry interest at rates ranging from 5.40% to 10.80% per annum (31 December 2018: 5.40% to 10.80%).

Certain receivables from supply-chain financing services, amounting to RMB57,470,000 (31 December 2018: RMB80,170,000) are secured by certain interests of companies and personal guarantees.

The maturity profile of the receivables from supply-chain financing services at the end of the reporting period is as follows:

		30 June 6月30日 2019 RMB'000 人民幣千元	31 December 12月31日 2018 RMB'000 人民幣千元
With a residual maturity of:	尚餘期限：		
Not more than 3 months	不多於3個月	28,570	57,050
Over 3 months to 6 months	3個月以上至6個月	28,900	19,900
Over 6 months to 12 months	6個月以上至12個月	-	3,220
		57,470	80,170

At the end of the reporting period, none of the Group's receivables from supply-chain financing services was either past due or impaired (31 December 2018: Nil).

An impairment analysis is performed at each reporting date by considering the probability of default of those companies with financial conditions, historical loss experience, coverage by letters of credit or other forms of credit insurance. At the end of the reporting period, the loss given default for the remaining balance of loan receivables was not material and has no impact on the Group's condensed consolidated financial statements.

## 14. 應收借款(續)

### (C) 供應鏈融資服務應收款項

本集團的供應鏈融資服務應收款項來自向中國公司提供供應鏈融資服務。各客戶的信用期限一般為365天內。

該等應收款項按介乎5.40%至10.80%的年利率(2018年12月31日:5.40%至10.80%)計息。

若干供應鏈融資服務應收款項人民幣57,470,000元(2018年12月31日:人民幣80,170,000元)以若干公司權益及個人擔保作抵押。

於報告期末,供應鏈融資服務應收款項的到期情況如下:

	30 June 6月30日 2019 RMB'000 人民幣千元	31 December 12月31日 2018 RMB'000 人民幣千元
At the end of the reporting period, none of the Group's receivables from supply-chain financing services was either past due or impaired (31 December 2018: Nil).		
At the end of the reporting period, none of the Group's receivables from supply-chain financing services was either past due or impaired (31 December 2018: Nil).		

於報告期末,本集團的供應鏈融資服務的應收款項概無逾期或減值(2018年12月31日:無)。

透過財務狀況、歷史虧損經驗、信用證或其他形式的信用保險考慮該等公司的違約或然率,於各報告日期進行減值分析。於報告期末,餘下的應收借款違約的虧損並不重要及對本集團的簡明綜合財務報表並無影響。

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 15. INVENTORIES

### 15. 存貨

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Manufacturing and trading	製造及貿易	<b>3,857,465</b>	3,271,853
Property development	物業發展	<b>267,586</b>	249,361
		<b>4,125,051</b>	3,521,214

#### (A) MANUFACTURING AND TRADING

#### (A) 製造及貿易

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	<b>1,645,251</b>	1,401,893
Work in progress	在產品	<b>312,853</b>	327,273
Finished goods	產成品	<b>1,899,361</b>	1,542,687
		<b>3,857,465</b>	3,271,853

#### (B) PROPERTY DEVELOPMENT

#### (B) 物業發展

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Property under development	發展中物業	<b>267,586</b>	249,361

The property under development is expected to be completed and available for sale in more than twelve months after the end of the reporting period.

該發展中物業預計於報告期末後多於十二個月完成並可供出售。

## 16. CONTRACT ASSETS/CONTRACT LIABILITIES

## 16. 合約資產／合約負債

		30 June 6月30日 2019 RMB'000 人民幣千元	31 December 12月31日 2018 RMB'000 人民幣千元
<b>Contract assets</b>	<b>合約資產</b>		
Non-current	非流動		
Concession operating right	特許經營權	83,048	84,651
Current	流動		
Renovation and installation works	裝修及安裝工程	236,522	258,812
Environmental engineering services	環境工程服務	88,485	86,440
Concession operating right	特許經營權	3,882	3,882
		<b>328,889</b>	349,134
Less: Impairment	減：減值	<b>(21,855)</b>	(21,855)
		<b>307,034</b>	327,279
		<b>390,082</b>	411,930
<b>Contract liabilities</b>	<b>合約負債</b>		
Current	流動		
Renovation and installation works	裝修及安裝工程	42,774	50,094
Environmental engineering services	環境工程服務	20,354	22,686
Advances from customers	客戶墊款	1,187,444	1,410,214
		<b>1,250,572</b>	1,482,994

The Group's contract assets represent the Group's rights to consideration for work completed but not yet billed to customers at the end of the reporting period. The contract assets will be transferred to trade and bills receivables when the rights become unconditional, that is, when the Group issue progress billings to customers based on the certified amount agreed with customers.

At the end of the reporting period, RMB21,855,000 (31 December 2018: RMB21,855,000) was recognised as an allowance for expected credit losses on contract assets. The Group's trading terms and credit policy with customers are disclosed in note 17 to the condensed consolidated financial statements.

The Group's contract liabilities represent the Group's obligations to transfer goods or services to customers for which the Group has received consideration, or for which an amount of consideration is due from the customers.

本集團的合約資產指本集團於報告期末已完工但尚未向客戶就工程收取代價的權利。當該權利成為無條件時，合約資產將會轉移至貿易應收款項及票據，即本集團基於與客戶協定的核證金額向客戶發出進度計費。

於報告期末，人民幣21,855,000元（2018年12月31日：人民幣21,855,000元）確認為合約資產預期信貸虧損撥備。本集團與客戶的貿易條款及信貸政策披露於簡明綜合財務報表附註17。

本集團的合約負債指本集團向客戶轉讓本集團已收取代價或應收客戶代價金額的貨品或服務的責任。

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 簡明綜合財務報表附註

#### 17. TRADE AND BILLS RECEIVABLES

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項	<b>2,042,768</b>	2,036,323
Bills receivable	應收票據	<b>995,784</b>	537,617
Less: Provision for impairment	減：減值撥備	<b>(198,929)</b>	(194,493)
		<b>2,839,623</b>	2,379,447

The Group's major customers are independent distributors, civil contractors, property developers, utility companies and municipalities in mainland China. Depending on the market condition, marketing tactics and relationships with the customers, the Group's trading terms with its independent distributors may change from settlement on an advance receipt basis to giving a credit period of generally one month or more, if appropriate. The Group does not have a standardised and universal credit period granted to the non-distributor customers. The credit period of an individual non-distributor customer is considered on a case-by-case basis and is set out in the sales contracts, as appropriate. Sales to small, new, or short-term customers are normally expected to be settled on an advance receipt basis or shortly after the goods delivery. No credit term period is set by the Group for small, new and short-term customers.

Trade and bills receivables are unsecured and interest-free.

#### 17. 貿易應收款項及票據

本集團的主要客戶為中國內地的獨立分銷商、土木工程承建商、房地產開發商、公用事業公司及市政部門。本集團視乎市況、市場策略及與客戶的關係，可將其與獨立分銷商的貿易條款由按預付方式結算更改為授予一般一個月或多個月的信用期限（如適當）。本集團並無統一向非分銷商客戶授予標準的信用期限。個別非分銷商客戶的信用期限視乎個別情況而定，並在銷售合約中列明（如適當）。對小規模、新或短期客戶的銷售一般預期以預付方式或於交貨後短期內結算。本集團並無為小規模、新或短期客戶設立信用期限。

貿易應收款項及票據均為無抵押及免息。



## 17. TRADE AND BILLS RECEIVABLES (Continued)

An aging analysis of the Group's trade and bills receivables at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Not more than 3 months	不多於3個月	<b>1,142,350</b>	1,326,856
Over 3 months to 6 months	3個月以上至6個月	<b>535,260</b>	339,304
Over 6 months to 12 months	6個月以上至12個月	<b>533,428</b>	347,898
Over 1 year to 2 years	1年以上至2年	<b>574,076</b>	314,239
Over 2 years to 3 years	2年以上至3年	<b>40,239</b>	42,684
Over 3 years	3年以上	<b>14,270</b>	8,466
		<b>2,839,623</b>	2,379,447

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

## 17. 貿易應收款項及票據(續)

於報告期末，本集團的貿易應收款項及票據按發票日期並扣除虧損撥備後的賬齡分析如下：

本集團致力嚴格控制其尚未償還應收款項，並設有信貸控制部門以盡量減低信貸風險。高級管理層定期審查逾期結餘。鑑於以上所述及本集團的貿易應收款項及票據與眾多不同客戶有關，因此並無集中重大信貸風險。

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 18. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 18. 預付款、按金及其他應收款項

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Prepayments	預付款	<b>1,030,379</b>	1,048,696
Current portion of prepaid land lease payments (note)	預付土地租賃款的流動部分(附註)	–	30,455
Value-added tax recoverable	待抵扣增值稅	<b>399,052</b>	332,344
Corporate income tax recoverable	待抵扣企業所得稅	<b>4,055</b>	1,188
Deposits	按金	<b>92,785</b>	85,743
Other receivables	其他應收款項	<b>101,017</b>	131,551
Loan receivables from third parties	來自第三方借款	<b>182,096</b>	170,500
		<b>1,809,384</b>	1,800,477
Less: Provision for impairment	減：減值撥備	<b>(35,378)</b>	–
		<b>1,774,006</b>	1,800,477

The financial assets included in the above balances are unsecured, interest-free and receivable on demand.

Note:

Upon application of HKFRS 16, current portion of prepaid land lease payments were reclassified to right-of-use assets.

計入上述結餘的金融資產乃無抵押、免息及按要求收款。

附註：

於應用香港財務報告準則第16號後，預付土地租賃款的流動部分重新歸類為使用權資產。

## 19. CASH AND BANK DEPOSITS

## 19. 現金及銀行存款

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Restricted cash:	受限制現金：		
Guarantee deposits for banking facilities	作為銀行融資的擔保按金	<b>1,014,292</b>	1,057,955
Cash and cash equivalents:	現金及現金等價物：		
Time deposits with original maturity of three months or less when acquired	定期存款(於獲取時原有期限為三個月或以下)	<b>1,059</b>	8,440
Cash and bank balances	現金及銀行結餘	<b>4,907,001</b>	5,385,396
		<b>4,908,060</b>	5,393,836
Cash and bank deposits	現金及銀行存款	<b>5,922,352</b>	6,451,791

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods between one day and twelve months and earn interest at the respective short-term time deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

存放於銀行的現金按每日銀行存款利率的浮動利率賺取利息。短期定期存款的期限介乎一天至十二個月不等並按各短期定期存款利率賺取利息。銀行結餘及受限制現金存放於近期無違約記錄且信譽良好的銀行。

## 20. TRADE AND BILLS PAYABLES

## 20. 貿易應付款項及票據

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Trade payables	貿易應付款項	<b>1,133,833</b>	889,123
Bills payable	應付票據	<b>3,516,597</b>	3,388,200
		<b>4,650,430</b>	4,277,323

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 簡明綜合財務報表附註

#### 20. TRADE AND BILLS PAYABLES (Continued)

The trade payables are interest-free and are normally settled on terms of 30 to 90 days.

An aging analysis of the Group's trade and bills payables at the end of reporting period, based on the invoice date, is as follows:

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Not more than 3 months	不多於3個月	<b>2,751,468</b>	2,568,152
Over 3 months to 6 months	3個月以上至6個月	<b>1,711,987</b>	1,527,285
Over 6 months to 12 months	6個月以上至12個月	<b>123,959</b>	132,857
Over 1 year to 2 years	1年以上至2年	<b>28,194</b>	13,300
Over 2 years to 3 years	2年以上至3年	<b>10,437</b>	11,287
Over 3 years	3年以上	<b>24,385</b>	24,442
		<b>4,650,430</b>	4,277,323

#### 21. OTHER PAYABLES AND ACCRUALS

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Accruals	應計費用	<b>66,738</b>	75,422
Salaries and welfare payables	應付薪金及福利	<b>81,748</b>	118,856
Other payables	其他應付款項	<b>589,100</b>	733,204
		<b>737,586</b>	927,482

The financial liabilities included in the above balances are interest-free and repayable on demand.

#### 20. 貿易應付款項及票據(續)

貿易應付款項乃免息，結算期限通常為30至90天。

於報告期末，本集團的貿易應付款項及票據按發票日期的賬齡分析如下：

#### 21. 其他應付款項及應計費用

計入上述結餘的金融負債乃免息及按要求還款。

## 22. BORROWINGS

## 22. 借款

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<b>Current</b>	<b>流動</b>		
Unsecured bank loans	無抵押銀行貸款	<b>6,146,435</b>	5,800,738
Current portion of long term unsecured bank loans	長期無抵押銀行貸款的流動部分	<b>342,188</b>	340,568
Current portion of long term secured bank loans	長期有抵押銀行貸款的流動部分	<b>6,974</b>	3,186
Secured bank loans	有抵押銀行貸款	<b>34,450</b>	–
		<b>6,530,047</b>	6,144,492
<b>Non-current</b>	<b>非流動</b>		
Unsecured bank loans	無抵押銀行貸款	<b>280,903</b>	280,845
Unsecured syndicated loans	無抵押銀團貸款	<b>5,275,528</b>	5,246,043
Secured bank loans	有抵押銀行貸款	<b>61,004</b>	59,678
		<b>5,617,435</b>	5,586,566
		<b>12,147,482</b>	11,731,058
Analysed into borrowings repayable:	須償還借款：		
Within one year or on demand	一年內或按要求時	<b>6,530,047</b>	6,144,492
In the second year	第二年內	<b>5,564,098</b>	5,355,245
In the third to fifth years, inclusive	第三年至第五年內(包括首尾兩年)	<b>25,532</b>	201,462
More than five years	多於五年	<b>27,805</b>	29,859
		<b>12,147,482</b>	11,731,058

Note:

- (a) The effective interest rates of the Group's borrowings range from 2.77% to 5.39% (31 December 2018: 3.22% to 5.39%) per annum.
- (b) At the end of reporting period, the secured bank loans are secured by the concession rights of a subsidiary and personal guarantee provided by a shareholder of that subsidiary.
- (c) At the end of the reporting period, the Group's borrowings are denominated in US dollar, HK dollar, Renminbi, Australian dollar and Canadian dollar which are equivalent to RMB6,184,159,000 (31 December 2018: RMB6,466,723,000), RMB2,704,042,000 (31 December 2018: RMB2,477,101,000), RMB2,689,851,000 (31 December 2018: RMB2,251,568,000), RMB411,811,000 (31 December 2018: RMB364,372,000) and RMB157,619,000 (31 December 2018: RMB171,294,000), respectively.

附註：

- (a) 本集團借款的實際年利率介乎2.77%至5.39%不等(2018年12月31日:3.22%至5.39%)。
- (b) 於報告期末，有抵押銀行貸款乃以附屬公司的特許經營權及其一名股東的個人擔保作抵押。
- (c) 於報告期末，本集團以美元、港元、人民幣、澳元及加元計值的借款分別等值於人民幣6,184,159,000元(2018年12月31日:人民幣6,466,723,000元)、人民幣2,704,042,000元(2018年12月31日:人民幣2,477,101,000元)、人民幣2,689,851,000元(2018年12月31日:人民幣2,251,568,000元)、人民幣411,811,000元(2018年12月31日:人民幣364,372,000元)及人民幣157,619,000元(2018年12月31日:人民幣171,294,000元)。

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 23. CONVERTIBLE LOANS

At the end of the reporting period, the convertible loans were recognised as a debt component and equity component as follows:

		<b>Debt component</b>	<b>Equity component</b>	<b>Total</b>
		<b>債務部分</b>	<b>權益部分</b>	<b>總計</b>
		<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
		人民幣千元	人民幣千元	人民幣千元
At the date of issue	於發行日期	381,681	16,422	398,103
Interest expense	利息開支	3,672	-	3,672
Increase in interest payable	應付利息增加	(2,662)	-	(2,662)
Exchange realignment	匯兌調整	290	-	290
		382,981	16,422	399,403

Note:

- (a) On 6 May 2019, the Group's wholly owned subsidiary, Lesso Home International Holding Limited ("Lesso Home International"), entered into a convertible loan facilities agreement with ICBC International Investment Management Limited in the aggregate principal amount of USD100,000,000 (approximately equivalent to RMB684,025,000) (the "Convertible Loans"). On 22 May 2019, the Group drew down USD60,000,000 (approximately equivalent to RMB410,415,000). The maturity date is 21 May 2022.
- (b) The convertible loans contain two components, a debt and an equity components. The initial fair value of the two components was determined based on gross proceeds at issuance. The initial fair value less allocated transaction costs of the debt component was estimated to be USD55,799,000 (approximately equivalent to RMB381,681,000) as at the issuance date of using the Monte Carlo Model and Binomial Option Pricing Model, taking into account the terms and conditions of the convertible loans. In subsequent periods, the debt component is measured at amortised cost using effective interest rate method. The effective interest rate of the debt component is 7.24% per annum. The residual amount less allocated transaction costs representing the value of the equity component of USD2,401,000 (approximately equivalent to RMB16,422,000), is included in convertible loans equity reserve.

### 23. 可換股貸款

於報告期末，可換股貸款確認為債務部分及權益部分，如下所示：

	<b>Debt component</b>	<b>Equity component</b>	<b>Total</b>
	<b>債務部分</b>	<b>權益部分</b>	<b>總計</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
	人民幣千元	人民幣千元	人民幣千元
At the date of issue	381,681	16,422	398,103
Interest expense	3,672	-	3,672
Increase in interest payable	(2,662)	-	(2,662)
Exchange realignment	290	-	290
	382,981	16,422	399,403

附註：

- (a) 於2019年5月6日，本集團全資附屬公司領尚環球國際控股有限公司（「領尚環球國際」）與工銀國際投資管理有限公司訂立可換股貸款融資協議，本金總額為100,000,000美元（相當於約人民幣684,025,000元）（「可換股貸款」）。於2019年5月22日，本集團提取60,000,000美元（相當於約人民幣410,415,000元）。到期日為2022年5月21日。
- (b) 可換股貸款包含債務及權益兩個部分。兩個部分的初始公允價值乃按發行時的所得款項總額釐定。初始公允價值減債務部分經分配交易成本乃經計及可換股貸款的條款及條件，於發行日期根據蒙特卡羅定價模式及二項式期權定價模型估算為55,799,000美元（相當於約人民幣381,681,000元）。於其後期間，債務部分採用實際利率法按攤銷成本計量。債務部分的實際年利率為7.24%。餘下金額減經分配交易成本（即權益部分的價值）為2,401,000美元（相當於約人民幣16,422,000元）計入可換股貸款權益儲備。

## 24. DERIVATIVE FINANCIAL INSTRUMENTS

## 24. 衍生金融工具

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Put option	認沽期權	<b>6,592</b>	6,592

The Group's derivative financial instruments are managed and the performances are evaluated on fair value basis. Any changes in fair value was recognised in profit or loss.

The fair value of the put option has been estimated using valuation technique with unobservable inputs. Management has reviewed the valuation result by verifying all major inputs and assumptions as well as assessing the reasonableness of such valuation.

The Group entered into a sale and purchase agreement to acquire 70% equity interest in Jiangsu Yongbao during 2018. Pursuant to the agreement, the minority shareholder has the right to sell the remaining 30% equity interest to the Group after three years from the date of acquisition.

本集團之衍生金融工具及其表現乃按公允價值為基準管理及評估。任何公允價值變動均於損益內確認。

認沽期權的公允價值已採用估值方法以不可觀察輸入數據估計。管理層已透過核實所有主要輸入數據及假設及評估該估值之合理性以審閱該估值結果。

本集團於2018年訂立一份買賣協議以收購江蘇永葆70%的股本權益。根據協議，少數股東自收購日期起三年後有權向本集團出售剩餘的30%股本權益。

## 25. SHARE CAPITAL

## 25. 股本

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
<b>Authorised:</b>	<b>法定：</b>		
20,000,000,000 (31 December 2018: 20,000,000,000) ordinary shares of HK\$0.05 each	20,000,000,000 (2018年12月31日：20,000,000,000)股 每股面值0.05港元的普通股	<b>HK\$1,000,000,000</b> <b>1,000,000,000 港元</b>	HK\$1,000,000,000 1,000,000,000 港元
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
3,102,418,400 (31 December 2018: 3,102,418,400) ordinary shares of HK\$0.05 each	3,102,418,400 (2018年12月31日：3,102,418,400)股 每股面值0.05港元的普通股	<b>HK\$155,120,920</b> <b>155,120,920 港元</b>	HK\$155,120,920 155,120,920 港元
Equivalent to	等值於	<b>RMB135,344,000</b> <b>人民幣 135,344,000 元</b>	RMB135,344,000 人民幣 135,344,000 元

## 26. SHARE-BASED PAYMENTS

### (A) SHARE OPTION SCHEME

A share option scheme was adopted by the Company on 14 May 2010 (the “Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations.

No share options have been granted under the Share Option Scheme since the adoption.

### (B) SHARE AWARD SCHEME

On 28 August 2018, the Company adopted a share award scheme (the “Share Award Scheme”) to recognise the contributions by certain eligible persons to the Group and to offer suitable incentives to attract and retain targeted talent and personnel for the continual operation and future development of the Group.

The total amount of the funds contributed to the Scheme by the Company shall not exceed HK\$750,000,000 and the Board of directors of the Company shall at its absolute discretions to determine the amount of fund contributed to the Share Award Scheme for each financial year of the Company.

The Company shall not make any further grant of award which will result in the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme (excluding award shares that have been forfeited in accordance with the Share Award Scheme) to exceed 5% of the issued share capital of the Company without shareholders’ approval. The total number of non-vested award shares granted to a selected participant under the Share Award Scheme shall not exceed 1% of the total number of issued shares at all time.

During the period, 22,991,000 ordinary shares of the Group on the Stock Exchange were purchased at a total cost (including related transaction costs) of HK\$99,980,000 (equivalent to RMB85,440,000) for the Share Award Scheme (31 December 2018: Nil).

No shares have been awarded under the Share Award Scheme since the adoption.

## 26. 股本結算支付

### (A) 購股權計劃

於2010年5月14日，為激勵及獎勵對本集團的成功經營作出貢獻的合資格參與人，本公司採納一項購股權計劃（「購股權計劃」）。

本公司自採納購股權計劃以來，並無根據購股權計劃授出購股權。

### (B) 股份獎勵計劃

本公司於2018年8月28日採納股份獎勵計劃（「股份獎勵計劃」），以肯定若干合資格人士對本集團所作出的貢獻及給予適當激勵，藉此吸引及挽留目標人才及人員以促進本集團的持續經營及未來發展。

本公司對該計劃出資的資金總額不得超過750,000,000港元，而本公司董事會將全權酌情釐定本公司在各財政年度對股份獎勵計劃出資的資金金額。

倘本公司根據股份獎勵計劃授出的所有相關股份（不包括根據股份獎勵計劃已沒收的獎勵股份）總數將超過本公司已發行股本的5%且未經股東批准，則不得再授出任何獎勵。每名選定參與人根據股份獎勵計劃可獲授的尚未歸屬獎勵股份總數，不得超過不時已發行股份總數的1%。

於期內，本集團已於聯交所購買22,991,000股普通股用於股份獎勵計劃，總成本（包括相關交易成本）為99,980,000港元（相當於人民幣85,440,000元）（2018年12月31日：無）。

本公司自採納股份獎勵計劃以來，並無根據股份獎勵計劃授出股份。



## 27. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities (31 December 2018: Nil).

## 28. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

## 27. 或然負債

於報告期末，本集團並無任何重大或然負債（2018年12月31日：無）。

## 28. 承擔

於報告期末，本集團擁有以下資本承擔：

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Contracted, but not provided for:	已訂約但尚未撥備：		
Land, property, plant and equipment and investment properties	土地、物業、廠房及設備和投資物業	<b>635,759</b>	982,063
Investment in a joint venture	於一間合營企業的投資	<b>23,520</b>	23,520
		<b>659,279</b>	1,005,583

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 29. RELATED PARTY TRANSACTIONS AND BALANCES

#### (A) THE GROUP'S MATERIAL TRANSACTIONS WITH RELATED PARTIES DURING THE PERIOD

### 29. 關聯人士交易及結餘

#### (A) 期內本集團與關聯人士的重大交易

		Six months ended 30 June 截至6月30日止六個月	
		2019	2018
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Transactions with companies under the common control of a director:	於多間共同受一位董事控制的公司的交易：		
Sales of goods and services	銷售貨品及服務	(i) <b>13,470</b>	4,641
Rental expenses	租金開支	(ii) <b>2,019</b>	2,211
Purchase of materials	採購材料	(iii) <b>6,428</b>	5,943
Purchase of machinery and/or equipment	採購機器及／或設備	(iv) <b>72,340</b>	108,309
Purchase of other intangible asset	採購其他無形資產	(iv) <b>–</b>	2,536
Hotel expenses	酒店費用	(v) <b>2,071</b>	3,146
Rental expenses paid to directors	向董事支付的租金開支	(vi) <b>1,126</b>	995
Design and maintenance services from a joint venture	合營企業提供的設計及維修服務	(vii) <b>1,800</b>	1,800

## 29. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

### (A) THE GROUP'S MATERIAL TRANSACTIONS WITH RELATED PARTIES DURING THE PERIOD (Continued)

Note:

- (i) Sales of goods and services to related companies were made with reference to the prices and conditions offered by the Group to the third-party customers.
- (ii) Rental expenses were based on mutually agreed terms.
- (iii) Purchase of materials from related companies were made based on mutually agreed terms.
- (iv) Purchase of machinery, equipment and other intangible assets from related companies were made with reference to the prices and conditions offered by the related companies to their third-party customers.
- (v) Hotel expenses were based on mutually agreed terms.
- (vi) Properties including office premises, cafeteria, workshops, warehouses and yacht were leased to the Group based on mutually agreed terms.
- (vii) Services were provided by a joint venture based on mutually agreed terms.

## 29. 關聯人士交易及結餘(續)

### (A) 期內本集團與關聯人士的重大交易(續)

附註：

- (i) 向關聯公司銷售貨品及服務乃以本集團向第三方客戶開出的價格及條件為參照進行。
- (ii) 租金開支乃按雙方協定的條款計算。
- (iii) 材料乃按雙方協定的條款向關聯公司購買。
- (iv) 機器、設備及其他無形資產乃經參考關聯公司向第三方客戶開出的價格及條件後向關聯公司購買。
- (v) 酒店費用乃按雙方協定的條款計算。
- (vi) 物業包括辦公室、食堂、車間、倉庫及遊艇，乃按雙方協定的條款租予本集團。
- (vii) 合營企業乃按雙方協定的條款提供服務。

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 29. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

#### (B) BALANCES WITH RELATED PARTIES

			<b>30 June</b>	31 December
			<b>6月30日</b>	12月31日
			<b>2019</b>	2018
		Note	<b>RMB'000</b>	RMB'000
		附註	人民幣千元	人民幣千元
Balances with companies under the common control of a director arising from:	於多間共同受一位董事控制的公司的結餘來自：			
Deposits paid for the purchase of machinery and/or equipment	購買機器及／或設備所支付的按金	(i)	<b>172,090</b>	109,415
Purchase of machinery and/or equipment	採購機器及／或設備	(ii)	<b>43,440</b>	59,192

Note:

- (i) The balances are included in the Group's deposits paid for the purchase of land, property, plant and equipment.
- (ii) The balances are included in the Group's other payables and accruals.

附註：

- (i) 結餘計入本集團購買土地、物業、廠房及設備所支付的按金。
- (ii) 結餘計入本集團的其他應付款項及應計費用。

#### (C) COMPENSATION OF THE GROUP'S KEY MANAGEMENT PERSONNEL

			<b>Six months ended 30 June</b>	
			<b>截至6月30日止六個月</b>	
			<b>2019</b>	2018
			<b>RMB'000</b>	RMB'000
			人民幣千元	人民幣千元
Short-term employee benefits	短期僱員福利		<b>7,270</b>	4,194
Post-employment benefits	退休後福利		<b>133</b>	196
			<b>7,403</b>	4,390

#### (C) 本集團主要管理人員薪酬

### 30. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Assets measured at fair value:

		30 June 2019 2019年6月30日 Fair value hierarchy 公允價值架構			
		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
<b>Other financial assets</b>	<b>其他金融資產</b>				
Debt instruments at FVTOCI	按公允價值計入其他全面收益的債務工具	–	266,211	–	266,211
Equity instruments at FVTOCI	按公允價值計入其他全面收益的股本工具	706,665	525,282	16,990	1,248,937
Equity instruments at FVTPL	按公允價值計入損益的股本工具	–	–	55,596	55,596
		<b>706,665</b>	<b>791,493</b>	<b>72,586</b>	<b>1,570,744</b>

		31 December 2018 2018年12月31日 Fair value hierarchy 公允價值架構			
		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
<b>Other financial assets</b>	<b>其他金融資產</b>				
Debt instruments at FVTOCI	按公允價值計入其他全面收益的債務工具	–	255,099	–	255,099
Equity instruments at FVTOCI	按公允價值計入其他全面收益的股本工具	729,866	797,665	15,995	1,543,526
Debt instruments at FVTPL	按公允價值計入損益的債務工具	–	21,000	26,649	47,649
Equity instruments at FVTPL	按公允價值計入損益的股本工具	–	–	53,886	53,886
		<b>729,866</b>	<b>1,073,764</b>	<b>96,530</b>	<b>1,900,160</b>

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 30. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

The movements in fair value measurements within Level 3 during the period/year are as follows:

		<b>30 June</b>	31 December
		<b>6月30日</b>	12月31日
		<b>2019</b>	2018
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	<b>96,530</b>	13,577
Additions	添置	<b>970</b>	113,976
Unrealised gain recognised in profit or loss	於損益內確認的未實現利益	<b>1,748</b>	7,098
Disposal	出售	<b>(26,925)</b>	(40,000)
Exchange realignment	匯兌調整	<b>263</b>	1,879
Fair value at the end of period/year	於期/年末的公允價值	<b>72,586</b>	96,530

Liabilities measured at fair value:

### 30. 金融工具的公允價值計量(續)

期/年內第三級內的公允價值計量變動如下：

		<b>30 June 2019</b>	31 December 2018
		<b>2019年6月30日</b>	2018年12月31日
		<b>Fair value hierarchy</b>	<b>Fair value hierarchy</b>
		<b>公允價值架構</b>	<b>公允價值架構</b>
		<b>Level 1</b>	<b>Level 2</b>
		<b>第一級</b>	<b>第二級</b>
		<b>Level 3</b>	<b>Level 3</b>
		<b>第三級</b>	<b>第三級</b>
		<b>Total</b>	<b>Total</b>
		<b>總計</b>	<b>總計</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		人民幣千元	人民幣千元
Derivative financial instruments	衍生金融工具	-	-
		<b>6,592</b>	<b>6,592</b>

按公允價值計量的負債：

		<b>30 June 2019</b>	31 December 2018
		<b>2019年6月30日</b>	2018年12月31日
		<b>Fair value hierarchy</b>	<b>Fair value hierarchy</b>
		<b>公允價值架構</b>	<b>公允價值架構</b>
		<b>Level 1</b>	<b>Level 2</b>
		<b>第一級</b>	<b>第二級</b>
		<b>Level 3</b>	<b>Level 3</b>
		<b>第三級</b>	<b>第三級</b>
		<b>Total</b>	<b>Total</b>
		<b>總計</b>	<b>總計</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		人民幣千元	人民幣千元
Derivative financial instruments	衍生金融工具	-	-
		<b>6,592</b>	<b>6,592</b>

During the period, there were no transfers of fair value measurements between level 1 and level 2 (six months ended 30 June 2018: Nil) and no transfers into or out of level 3 for both financial assets and financial liabilities (six months ended 30 June 2018: Nil).

期內，就金融資產及金融負債公允價值計量而言，第一級與第二級之間並無任何轉撥（截至2018年6月30日止六個月：無），且並無轉入或轉出第三級（截至2018年6月30日止六個月：無）。

### 31. EVENT AFTER THE REPORTING PERIOD

On 30 July 2019, the Company as guarantor and its wholly-owned subsidiary as borrower entered into a facility agreement (the "Facility Agreement") in relation to dual currency syndicated term loan and revolving credit facilities in the equivalent amount of US\$900,000,000 at an interest rate of LIBOR/HIBOR plus 1.60% per annum with syndicate lenders. The final maturity date under the Facility Agreement is the date falling 48 months after the first utilisation date.

### 32. APPROVAL OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 26 August 2019.

### 31. 報告期後事項

於2019年7月30日，本公司（作為擔保人）及其全資附屬公司（作為借款人）與銀團貸款人訂立一項相當於900,000,000美元，年利率為倫敦銀行同業拆息／香港銀行同業拆息加1.60%的雙幣銀團定期貸款及循環信貸融資之融資協議（「融資協議」）。融資協議項下的最後到期日為首次動用當日48個月後的日期。

### 32. 批准本中期簡明綜合財務報表

本中期簡明綜合財務報表於2019年8月26日獲董事會批准及授權刊發。

# GLOSSARY

## 詞彙

“Board” 「董事會」	指	the board of directors of the Company 本公司董事會
“BVI” 「英屬維爾京群島」	指	the British Virgin Islands 英屬維爾京群島
“China” or “PRC” 「中國」	指	the People’s Republic of China, for the purpose of this report, excluding Hong Kong, Macau and Taiwan 中華人民共和國，就本報告而言，並不包括香港、澳門及臺灣
“Code” 「守則」	指	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則附錄14所載的企業管治守則
“Company” or “China Lesso” 「本公司」或「中國聯塑」	指	China Lesso Group Holdings Limited 中國聯塑集團控股有限公司
“Current Ratio” 「流動比率」	指	the ratio of current assets to current liabilities 流動資產除以流動負債的比率
“EBITDA” 「除息稅折攤前盈利」	指	earnings before interest, taxes, depreciation and amortisation 扣除利息、稅項、折舊及攤銷前盈利
“FVTOCI” 「按公允價值計入其他全面收益」	指	fair value through other comprehensive income 按公允價值計入其他全面收益
“FVTPL” 「按公允價值計入損益」	指	fair value through profit or loss 按公允價值計入損益
“Gearing Ratio” 「資產負債率」	指	the total debts divided by the sum of total debts and total equity 按債務總額除以債務總額加上權益總額的總和
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	指	Hong Kong dollar, the lawful currency of Hong Kong 香港之法定貨幣—港元
“Hong Kong” or “HK” 「香港」	指	Hong Kong Special Administrative Region of the PRC 中國香港特別行政區



“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“Macau” 「澳門」	指	Macau Special Administrative Region of the PRC 中國澳門特別行政區
“Model Code” 「標準守則」	指	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄10所載的上市發行人董事進行證券交易的標準守則
“New Fortune” 「新富星」	指	New Fortune Star Limited, a company incorporated in the BVI New Fortune Star Limited，一間於英屬維爾京群島註冊成立之公司
“PE” 「PE」	指	polyethylene 聚乙烯
“PP-R” 「PP-R」	指	polypropylene random 無規共聚聚丙烯
“PVC” 「PVC」	指	polyvinyl chloride 聚氯乙烯
“Quick Ratio” 「速動比率」	指	the ratio of current assets less inventories to current liabilities 流動資產減存貨再除以流動負債的比率
“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 中國之法定貨幣—人民幣
“SFO” 「證券及期貨條例」	指	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong 香港法例第571章證券及期貨條例
“Share(s)” 「股份」	指	share(s) of a nominal value of HK\$0.05 each in the capital of the Company 本公司股本中每股面值0.05港元的股份
“Shareholder(s)” 「股東」	指	holder(s) of the Share(s) of the Company 本公司股份持有人

## GLOSSARY

### 詞彙

“sq.ft.” 「平方呎」	指	square feet 平方英尺
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Taiwan” 「臺灣」	指	the Republic of China 中華民國
“tonne(s)” 「噸」	指	a unit measuring weight, equal to 1,000 kilograms 量度重量的單位，相等於1,000公斤
“US” 「美國」	指	the United States of America 美利堅合眾國
“US\$” 「美元」	指	US dollar, the lawful currency of US 美國之法定貨幣—美元
“Xi Xi Development” 「西溪發展」	指	Xi Xi Development Limited, a company incorporated in the BVI 西溪發展有限公司，一間於英屬維爾京群島註冊成立之公司
“%” 「%」	指	per cent 百分比

\* The English or Chinese translations in this report, where indicated, denote for identification purposes only.

\* 本報告的英文或中文翻譯(如註明)僅供識別。

## BOARD OF DIRECTORS

### EXECUTIVE DIRECTORS

Mr. Wong Luen Hei (*Chairman*)  
Mr. Zuo Manlun (*Chief executive*)  
Ms. Zuo Xiaoping  
Mr. Lai Zhiqiang  
Mr. Kong Zhaocong  
Mr. Chen Guonan  
Dr. Lin Shaoquan  
Mr. Huang Guirong  
Mr. Luo Jianfeng  
Mr. Lin Dewei

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Kwok Ho Jonathan  
Mr. Cheung Man Yu  
Ms. Lan Fang  
Dr. Tao Zhigang  
Mr. Cheng Dickson

## AUDIT COMMITTEE

Dr. Tao Zhigang (*Chairman*)  
Mr. Wong Kwok Ho Jonathan  
Mr. Cheung Man Yu  
Mr. Cheng Dickson

## REMUNERATION COMMITTEE

Dr. Tao Zhigang (*Chairman*)  
Mr. Wong Luen Hei  
Mr. Zuo Manlun  
Mr. Wong Kwok Ho Jonathan  
Mr. Cheung Man Yu

## NOMINATION COMMITTEE

Mr. Wong Luen Hei (*Chairman*)  
Mr. Zuo Manlun  
Mr. Wong Kwok Ho Jonathan  
Ms. Lan Fang  
Dr. Tao Zhigang

## COMPANY SECRETARY

Mr. Kwan Chi Wai Samuel

## 董事會

### 執行董事

黃聯禧先生 (*主席*)  
左滿倫先生 (*行政總裁*)  
左笑萍女士  
賴志強先生  
孔兆聰先生  
陳國南先生  
林少全博士  
黃貴榮先生  
羅建峰先生  
林德緯先生

### 獨立非執行董事

王國豪先生  
張文宇先生  
蘭芳女士  
陶志剛博士  
鄭迪舜先生

## 審核委員會

陶志剛博士 (*主席*)  
王國豪先生  
張文宇先生  
鄭迪舜先生

## 薪酬委員會

陶志剛博士 (*主席*)  
黃聯禧先生  
左滿倫先生  
王國豪先生  
張文宇先生

## 提名委員會

黃聯禧先生 (*主席*)  
左滿倫先生  
王國豪先生  
蘭芳女士  
陶志剛博士

## 公司秘書

關志偉先生

## CORPORATE INFORMATION

### 公司資料

#### AUTHORISED REPRESENTATIVES

Mr. Zuo Manlun  
Mr. Kwan Chi Wai Samuel

#### REGISTERED OFFICE

PO Box 309, Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

#### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN CHINA

Liansu Industrial Estate  
Longjiang Town  
Shunde District  
Foshan City  
Guangdong Province 528318  
China

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3, 12th Floor, Tower 2  
South Seas Centre  
75 Mody Road  
Tsim Sha Tsui East  
Kowloon, Hong Kong

#### LISTING INFORMATION

Listing:  
The Stock Exchange of Hong Kong Limited

Stock code:  
2128

#### SHARE INFORMATION

As at 30 June 2019:  
Share issued 3,102,418,400 shares  
Market capitalisation HK\$19,483 million  
Board lot size 1,000 shares

#### DIVIDEND

Interim dividend HK12 cents per share

#### 法定代表

左滿倫先生  
關志偉先生

#### 註冊辦事處

PO Box 309, Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

#### 中國總部及主要營業地點

中國  
廣東省(郵編:528318)  
佛山市  
順德區  
龍江鎮  
聯塑工業村

#### 香港主要營業地點

香港九龍  
尖沙咀東部  
麼地道75號  
南洋中心  
第二座12樓3室

#### 上市資料

上市地點:  
香港聯合交易所有限公司

股份代號:  
2128

#### 股份資料

於2019年6月30日:  
已發行股份數目 3,102,418,400股  
市值 194.83億港元  
每手買賣單位 1,000股

#### 股息

中期股息 每股12港仙

## FINANCIAL CALENDAR

Interim results announcement:  
26 August 2019

### CLOSURE OF THE REGISTER OF MEMBERS:

for determining the entitlement to interim dividend from  
10 to 12 September 2019 (both dates inclusive)

Payment of interim dividend:  
on or around 23 September 2019

## PRINCIPAL SHARE REGISTRAR

MaplesFS Limited  
PO Box 1093  
Queensgate House  
Grand Cayman, KY1-1102  
Cayman Islands

## BRANCH SHARE REGISTRAR

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

## INVESTOR RELATIONS

iPR Ogilvy & Mather  
23rd Floor, The Centre  
99 Queen's Road, Central, Hong Kong  
Tel: (852) 2136 6185  
Fax: (852) 3170 6606  
Email: ir@lesso.com

## 財務日誌

中期業績公告：  
2019年8月26日

暫停辦理股份過戶登記手續：  
確定收取中期股息的資格由2019年  
9月10至12日（包括首尾兩天）

派付中期股息：  
2019年9月23日或相近日子

## 股份過戶登記總處

MaplesFS Limited  
PO Box 1093  
Queensgate House  
Grand Cayman, KY1-1102  
Cayman Islands

## 股份過戶登記分處

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

## 投資者關係

iPR奧美公關  
香港皇后大道中99號  
中環中心23樓  
電話：(852) 2136 6185  
傳真：(852) 3170 6606  
電郵：ir@lesso.com

## CORPORATE INFORMATION

### 公司資料

#### AUDITOR

Ernst & Young  
Certified Public Accountants, Hong Kong

#### SOLICITOR

Ropes & Gray

#### PRINCIPAL BANKERS

Agricultural Bank of China Limited  
Bank of China (Hong Kong) Limited  
China Merchants Bank Co., Ltd.  
CTBC Bank Co., Ltd., Hong Kong Branch  
Foshan Shunde Rural Commercial Bank Company Limited  
Hang Seng Bank Limited  
Industrial and Commercial Bank of China (Asia) Limited  
Industrial and Commercial Bank of China Limited  
Sumitomo Mitsui Banking Corporation  
Taipei Fubon Commercial Bank Co., Ltd., Hong Kong Branch  
The Hongkong and Shanghai Banking Corporation Limited

#### WEBSITE

<http://www.lesso.com>

#### 核數師

安永會計師事務所  
香港執業會計師

#### 律師

瑞格律師事務所

#### 主要往來銀行

中國農業銀行股份有限公司  
中國銀行(香港)有限公司  
招商銀行股份有限公司  
中國信託商業銀行股份有限公司香港分行  
佛山順德農村商業銀行股份有限公司  
恒生銀行有限公司  
中國工商銀行(亞洲)有限公司  
中國工商銀行股份有限公司  
三井住友銀行  
台北富邦商業銀行股份有限公司香港分行  
香港上海滙豐銀行有限公司

#### 網址

<http://www.lesso.com>

## Forward-looking statements

This report contains forward-looking statements. These forward-looking statements include, without limitation, statements related to revenue and earnings. The words “believe”, “intend”, “expect”, “anticipate”, “forecast”, “estimate”, “predict”, “is confident”, “has confidence” and similar expressions are also intended to represent forward-looking statements. These forward-looking statements are not historical facts. Rather, the forward-looking statements are based on the current beliefs, assumptions, expectations, estimates and projections of the directors and management of China Lesso about the businesses, industries and markets in which China Lesso operates.

These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the Company’s control and are difficult to predict. Consequently, actual results could differ materially from those expressed, implied or forecasted in the forward-looking statements.

Reliance should not be placed on these forward-looking statements, which reflect only the views of the directors and management of China Lesso as at the date of this report only. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after publication of this report.

## 前瞻聲明


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\* 本報告的中英文如有任何歧義，概以英文本為準。

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