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HUAKANG BIOMEDICAL HOLDINGS COMPANY LIMITED

華康生物醫學控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8622)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2020

The board (the “**Board**”) of directors (the “**Directors**”) of Huakang Biomedical Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2020 (“**2020 Interim Report**”) together with the unaudited comparative figures for the corresponding periods in 2019. This announcement, containing the full text of the 2020 Interim Report of the Group, complies with the relevant requirements of the Rules Governing the Listing of Securities (the “**GEM Listing Rules**”) on GEM of The Stock Exchange of Hong Kong Limited (“**GEM**”) in relation to information to accompany preliminary announcements of interim results. The printed version of the 2020 Interim Report will be dispatched to the shareholders of the Company and available for viewing on the website of GEM at www.hkgem.com and of the Company at www.huakangbiomedical.com in due course in the manner as required by the GEM Listing Rules.

By Order of the Board
Huakang Biomedical Holdings Company Limited
Zhang Shuguang
Chairman and Executive Director

Hong Kong, 11 August 2020

As at the date of this announcement, the Executive Directors are Mr. Zhang Shuguang, Mr. Zhang Chunguang, Mr. Poon Lai Yin Michael and Mr. He Jiaming; and the Independent Non-executive Directors are Dr. Yeung David Wai Chow, Mr. Kwok Chi Shing and Mr. Chan Kin Sang.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of publication and on the Company’s website at www.huakangbiomedical.com.

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香港聯合交易所有限公司(「聯交所」)GEM之特色

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This Report, for which the directors (the “Directors”) of Huakang Biomedical Holdings Company Limited (the “Company”, and together with its subsidiaries, the “Group”, “we” or “our”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Report misleading.

GEM乃為較其他於聯交所上市之公司帶有較高投資風險之中小型公司提供一個上市之市場。有意投資者應了解投資於該等公司之潛在風險，並應經過審慎周詳考慮後方作出投資決定。

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本報告乃遵照聯交所GEM證券上市規則(「GEM上市規則」)之規定而提供有關華康生物醫學控股有限公司(「本公司」，連同其附屬公司統稱「本集團」或「我們」)的資料，本公司董事(「董事」)願就本報告共同地及個別地承擔全部責任。董事經作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均為準確及完整，且無誤導或欺詐成分及並無遺漏任何其他事項致使本公告或當中所載任何陳述產生誤導。



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CORPORATE INFORMATION

公司資料

Board of Directors 董事會

Executive Directors 執行董事

Mr. Zhang Shuguang (*Chairman*)
張曙光先生(主席)
Mr. Zhang Chunguang
張春光先生
Mr. Poon Lai Yin Michael
潘禮賢先生
Mr. He Jiaming
何嘉明先生

Independent Non-executive Directors

獨立非執行董事

Dr. Yeung David Wai Chow
楊煒秋醫生
Mr. Kwok Chi Shing
郭志成先生
Mr. Chan Kin Sang
陳健生先生

Audit Committee 審核委員會

Mr. Kwok Chi Shing (*Chairman*)
郭志成先生(主席)
Dr. Yeung David Wai Chow
楊煒秋醫生
Mr. Chan Kin Sang
陳健生先生

Remuneration Committee 薪酬委員會

Mr. Kwok Chi Shing (*Chairman*)
郭志成先生(主席)
Dr. Yeung David Wai Chow
楊煒秋醫生
Mr. Zhang Chunguang
張春光先生

Nomination Committee 提名委員會

Mr. Zhang Shuguang (*Chairman*)
張曙光先生(主席)
Dr. Yeung David Wai Chow
楊煒秋醫生
Mr. Chan Kin Sang
陳健生先生

Compliance Adviser 合規顧問

Ever-Long Securities Company
Limited
長雄證券有限公司

Company Secretary 公司秘書

Mr. Chau Lai Ki
周麗麒先生

Authorised Representatives (for the purposes of the GEM Listing Rules) 授權代表(就GEM上市 規則而言)

Mr. Poon Lai Yin Michael
潘禮賢先生
Mr. Zhang Shuguang
張曙光先生

Compliance Officer 合規主任

Mr. Poon Lai Yin Michael
潘禮賢先生

Legal Advisers as to Hong Kong laws 有關香港法例的法律顧問

Tung, Ng, Tse & Lam Solicitors
董吳謝林律師事務所

Auditor 核數師

Mazars CPA Limited
中審眾環(香港)會計師事務所
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<http://www.huakangbiomedical.com>

Stock code 股份代號

8622



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND FUTURE PROSPECTS

Our Group is a medical device group specialised in the research and development, manufacture and sales of a wide range of IVD reagents in the People's Republic of China (the “**PRC**”) and particularly focused on the PRC male fertility IVD reagent market.

For the six months ended 30 June 2020, our Group experienced a significant decrease in revenue from sales of our male fertility IVD reagent products, which were our major products. Our Directors are of the view that such significant decrease was mainly attributable to the significant decline in sales in the PRC as since the outbreak of the novel coronavirus (COVID-19) epidemic (the “**Epidemic**”), a number of provinces and municipalities in the PRC have taken emergency public health measures and various actions to prevent the spread of the Epidemic, including crowd-control and/or stay-home policies or orders. The Epidemic also led the Group to halt productions and sales for around five weeks. As a result of the uncertainty of the Epidemic, we consider the business environment to be continuously difficult and the sale of our products may still be affected in 2020.

During the six months ended 30 June 2020 and up to date of this Report, the Group has been granted 10 natural health product licences by the Natural Health Products Directorate of Health Canada for our self-developed products under the brand “Nutronic” in Canada. We target to commence the sales of vitamins and related supplements in Hong Kong, the PRC and Canada under the brand “Nutronic” in the second half of 2020.

業務回顧及未來展望

本集團是一家專注於在中華人民共和國（「**中國**」）研發、生產及銷售各種體外診斷試劑的醫療器械集團，尤其專注於中國男性不育體外診斷試劑市場。

截至二零二零年六月三十日止六個月，本集團銷售主要產品男性體外診斷試劑產品的收益顯著減少。董事認為該顯著減少乃主要由於中國銷售大幅倒退因為自從新型冠狀病毒(COVID-19)疫情（「**疫情**」）爆發，中國之多個省市已採取緊急公共衛生措施，並採取各種行動預防疫情傳播，包括採取人群控制或居家政策或命令。疫情亦令本集團停止生產及銷售約五個星期。由於疫情的不確定性，我們認為營商環境會持續困難，而2020年的銷售會依然受到影響。

截止二零二零年六月三十日止六個月至本報告日，我們加拿大品牌「Nutronic」下自主開發的產品亦獲得加拿大衛生部天然健康產品管理委員會授予10個天然健康產品牌照。我們目標於2020年下半年開始於香港、中國及加拿大銷售以品牌「Nutronic」的維他命及相關保健品。

The Group has entered several non-legally binding memorandum of understanding in relation to the establishment of joint venture companies for, among other things, (i) the research, development and registration of technology, devices and products in relation to assisted reproductive treatment in the PRC; and (ii) the research and development in relation to the use and application of microfluidic technology and Point-Of-Care (POC) biomedical testing for the male fertility diagnosis in the PRC. The Group entered into a legally binding shareholders' agreement on 3 June 2020 with Smartac International Holdings Limited (stock code: 0395.HK) to set up a company for the purposes of sales, marketing and distribution of the Group's products under the brand "Nutronic" through cross-border e-commerce platform(s) and/or other platforms and channels in the PRC and Hong Kong.

To better capture market opportunities, our strategy is to further increase our product competitiveness by continuously devoting our focus into research and development and increasing our efforts in market promotion. We aim to grow our business through pursuing the following business strategies: (i) expanding our product portfolio and improving our existing product offerings; (ii) strengthening our product research and development capabilities; (iii) expanding and consolidating our sales and distribution network; (iv) cultivating and recruiting talented employees; and (v) developing our auxiliary reproductive supply business. Part of the original expansion plan as disclosed in our prospectus dated 30 November 2018 (the "**Prospectus**") was delayed in the first half of 2020 due to the impact of the Epidemic. Please refer to "USE OF PROCEEDS FROM SHARE OFFER" and "Comparision of Business Objectives with Actual Business Progress" for further details.

本集團已訂立數個無法律約束力的諒解備忘錄，內容有關於成立合營企業，以（其中包括）(i)在中國開展與輔助生育治療相關的技術、設備及產品的研究、開發及註冊；及(ii)在中國以微流控技術和即時檢驗生物醫學測試的使用及應用於診斷男性生育能力的相關研發。本集團於二零二零年六月三日與環球智能控股有限公司（股份代號：0395.HK）訂立股東協議以成立公司旨在透過跨境電子商務平台及／或其他平台及渠道於中國及香港從事有關銷售、營銷及分銷本集團品牌「Nutronic」的產品。

為更好把握市場機遇，我們的戰略是透過持續研發及加大市場推廣，從而進一步增加產品的競爭力。我們擬採取下列業務策略拓展我們的業務：(i)擴大我們的產品組合並改善我們現有產品的種類；(ii)加強我們的研發能力；(iii)擴大及整合我們的銷售及分銷網絡；(iv)培養及招聘人才；及(v)發展我們的輔助生育產品業務。據二零一八年十一月三十日的招股章程（「**招股章程**」）所披露的原有擴張計劃的部分計劃因受疫情影響而在二零二零上半年延遲。請參考「股份發售所得款項用途」及「業務目標與實際業務進度比較」以了解更多詳情。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the six months ended 30 June 2020, we granted the share options to executive Directors and certain employees of the Group to reward for their contributions to the Group and retention of these high caliber employees for the growth and development of the Group.

Looking into the rest of 2020, factors associated with rapidly changing macroeconomic and political environment and the spread of the Epidemic are highly unpredictable. The industry in which the Group operates would still be directly or indirectly affected. Given that the PRC government will continue to support the development of biomedical industry, the Group will continuously seek business opportunities that may broaden the Group's source of income and enhance value to the shareholders of the Company.

截止二零二零年六月三十日止六個月，我們授出購股權給本集團的董事及員工作為回報其對本集團所作出之貢獻及留聘對本集團成長及發展極為重要之優秀員工。

展望2020年餘下日子，與宏觀經濟及政治環境急速變化及疫情擴散的極度不可預測。本集團從事的行業可能仍然受到直接或間接的影響。鑑於中國政府將繼續支持生物醫學產業的發展，本集團將持續物色業務機會，擴闊本集團收入來源，提高本公司股東之價值。

FINANCIAL REVIEW

Revenue

The Group's revenue significantly decreased by approximately RMB4.4 million, or approximately 38.1%, to approximately RMB7.2 million for the six months ended 30 June 2020 as compared to approximately RMB11.6 million for the six months ended 30 June 2019. The decrease in revenue was mainly due to a significantly decrease in sales of male fertility IVD reagents.

Male fertility IVD reagents product remained our major product for the six months ended 30 June 2020, accounting for approximately 84.7% of our total revenue for the period. Revenue from this segment for the period was approximately RMB6.1 million, representing a significant decrease of approximately RMB3.5 million, or approximately 36.5% from approximately RMB9.6 million for the six months ended 30 June 2019. Our Directors are of the view that such significant decrease was mainly attributable to the significant decline in sales revenue in the markets within the PRC as since the outbreak of the Epidemic, a number of provinces and municipalities in the PRC have taken emergency public health measures and various actions to prevent the spread of the Epidemic, including crowd-control and/or stay-home policies or orders.

財務回顧

收益

本集團於截至二零二零年六月三十日止六個月較去年錄得收益顯著地減少約人民幣4.4百萬元或約38.1%至約人民幣7.2百萬元，比較截至二零一九年六月三十日止六個月約人民幣11.6百萬元。收入減少主要來自男性不育體外診斷試劑的銷售顯著地減少。

男性體外診斷試劑產品於截至二零二零年六月三十日止六個月仍為我們的主要產品，佔我們期內總收益約84.7%。期內來自此分部的收入約為人民幣6.1百萬元，相當於較截至二零一九年六月三十日止六個月約人民幣9.6百萬元顯著減少約人民幣3.5百萬元或36.5%。董事認為該顯著減少乃主要由於中國的地區銷售收入大幅倒退因為自從疫情爆發，中國之多個省市已採取緊急公共衛生措施，並採取各種行動預防疫情傳播，包括採取人群控制或居家政策或命令。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross Profit and Gross Profit Margin

The Group recorded a gross profit of approximately RMB5.2 million for the six months ended 30 June 2020, representing a significantly decrease of approximately RMB3.3 million or approximately 38.9% from approximately RMB8.5 million for the six months ended 30 June 2019.

The Group's gross profit margin remained relatively stable at approximately 71.6% for the six months ended 30 June 2020 as compared to the gross profit margin of approximately 72.6% for the six months ended 30 June 2019.

Other Income and Other Gains and Losses

Our other income slightly increased by approximately RMB3,000, or by approximately 2.6%, from approximately RMB116,000 for the six months ended 30 June 2019 to approximately RMB119,000 for the six months ended 30 June 2020.

We recorded other gains of approximately RMB274,000 for the six months ended 30 June 2020, whereas we recorded other losses of approximately RMB169,000 for the six months ended 30 June 2019. Such change was mainly attributable to an favourable condition in foreign currency translated to RMB.

Impairment losses

We recorded impairment losses on trade receivables for approximately RMB610,000 for the six months ended 30 June 2020, as compared to reversal of impairment losses on trade receivables of approximately RMB496,000, for the six months ended 31 June 2019, mainly because the repayment ability of the Company's customers deteriorated since the outbreak of the Epidemic.

毛利及毛利率

本集團截至二零二零年六月三十日止六個月錄得毛利約人民幣5.2百萬元，較截至二零一九年六月三十日止六個月約人民幣8.5百萬元顯著地減少約人民幣3.3百萬元或約38.9%。

本集團的毛利率保持相對穩定由截至二零二零年六月三十日止六個月約71.6%對比截至二零一九年六月三十日止六個月約72.6%。

其他收入及其他虧損

其他收入由截至二零一九年六月三十日止六個月約人民幣116,000元輕微增加約人民幣3,000元或約2.6%至截至二零二零年六月三十日止六個月約人民幣119,000元。

我們於截至二零二零年六月三十日止六個月錄得其他收益約人民幣274,000元，而我們於截至二零一九年六月三十日止六個月錄得其他虧損約人民幣169,000元。有關變動主要由於外幣兌換為人民幣的匯率有利情況導致。

減值虧損

我們於截至二零二零年六月三十日止六個月錄得貿易應收款項減值虧損約人民幣610,000元，比較截至二零一九年六月三十日止六個月貿易應收款項回撥減值虧損約人民幣496,000元，主要乃由於自疫情爆發以來，本公司客戶的還款能力惡化。

Expenses

Our selling and distribution expenses slightly decrease from approximately RMB2.9 million for the six months ended 30 June 2019 to approximately RMB2.8 million for the six months ended 30 June 2020.

Administrative expenses increased from approximately RMB4.5 million for the six months ended 30 June 2019 to approximately RMB7.1 million for the six months ended 30 June 2020, representing an increase of approximately RMB2.6 million or approximately 58.9% during the period. Such increase was mainly attributable to equity-settled share option expense arising from share option granted on 9 April 2020.

Research and development expenses slightly increase from approximately RMB832,000 for the six months ended 30 June 2019 to approximately RMB1.1 million for the six months ended 30 June 2020, representing an increase of approximately RMB280,000 or approximately 33.7% during the period. Such increase was mainly attributable to purchasing raw materials and equipment for research and development of the products application of chemiluminescence technology.

Loss for the period

For the six months ended 30 June 2020, the loss for the period attributable to the owners of the Company was approximately RMB6.1 million, as compared to the profit attributable to the owners of the Company of approximately RMB223,000 for the six months ended 30 June 2019. The decrease was mainly due to the reason mentioned above in relation to a significant decrease of revenue. Basic loss per share for the period was RMB1.53 cents, as compared to earnings per share of RMB0.06 cents for the six months ended 30 June 2019.

Taxation

The PRC enterprise income tax rate applicable to the Group's subsidiaries is 15% (six months ended 30 June 2019: 15%), whereas no assessable profit arising from Hong Kong for the six months ended 30 June 2020 (the six months ended 30 June 2019: Nil).

開支

我們的銷售及分銷開支由截至二零一九年六月三十日止六個月約人民幣2.9百萬元輕微減少至截至二零二零年六月三十日止六個月約人民幣2.8百萬元。

行政開支由截至二零一九年六月三十日止六個月約人民幣4.5百萬元增加至截至二零二零年六月三十日止六個月約人民幣7.1百萬元，期內增加約人民幣2.6百萬元或58.9%。該增加乃主要由於二零二零年四月九日授出購股權所產生以股權結算的購股權開支。

研發開支由截至二零一九年六月三十日止六個月約為人民幣832,000元增加至截至二零二零年六月三十日止六個月約為人民幣1.1百萬元，其內增加約人民幣280,000元或33.7%，該增加主要由於研發應用化學發光技術的產品而採購所用的原材料及設備。

期內虧損

截至二零二零年六月三十日止六個月，期內本公司擁有人應佔虧損約人民幣6.1百萬元，比較截至二零一九年六月三十日止六個月期內本公司擁有人應佔溢利約人民幣223,000元。減少乃主要以上提及有關銷售收入顯著減少。期內每股基本虧損為人民幣1.53仙，比較截至二零一九年六月三十日止六個月每股盈利為人民幣0.06仙。

稅項

本集團附屬公司適用之中國企業所得稅率為15%（截至二零一九年六月三十日止六個月：15%），而截至二零二零年六月三十日止六個月並無在香港產生應課稅溢利（截至二零一九年六月三十日止六個月：無）。

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme pursuant to an ordinary resolution passed by the shareholders in the extraordinary general meeting on 13 January 2020 (the “**Share Option Scheme**”). The Share Option Scheme is a long-term incentive scheme of the Company to reward its employees, Directors and other eligible participants for their contributions to the Group and to assist the Group in its recruitment and retention of high calibre employees and other eligible participants who are instrumental to the growth and development of the Group.

On 9 April 2020, the Company announced the granting of an aggregate of 26,008,000 share options, subject to the acceptance by the grantees, at an exercise price of HK\$0.125 per share of the Company to the eligible persons under the Share Option Scheme. The market price of the Company's shares at the date of grant was HK\$0.125 per share. All of the share options are exercisable from the date of acceptance by a grantee to 8 April 2030 (both days inclusive). Each of the grantees has paid HK\$1 to the Company on acceptance of the offer of share option. Details are set out in the Company's announcement dated 9 April 2020.

購股權計劃

本公司已根據股東於二零二零年一月十三日的股東特別大會上通過的一項普通決議案採納購股權計劃(「**購股權計劃**」)。購股權計劃乃本公司的長期激勵計劃，旨在獎勵其僱員、董事及其他合資格參與者對本集團作出貢獻，同時協助本集團招聘及挽留高素質僱員及其他對本集團成長及發展至關重要的合資格參與者。

於二零二零年四月九日，本公司公佈根據購股權計劃向合資格人士授出合共26,008,000份購股權，惟受限於承授人接納，行使價為每股本公司股份0.125港元。於授出日期，本公司股份的市價為每股股份0.125港元。全部購股權可由承授人接納日至二零三零年四月八日行使(包括首尾兩日)。各承授人已於接納購股權要約時向本公司支付1港元。有關詳情載於本公司日期為二零二零年四月九日的公告。

The movement during the period and the options outstanding as at 30 June 2020 were as follows: 截至二零二零年六月三十日止期間尚未行使購股權的變動情況如下：

Category of grantees	Number of share options 購股權數目				
	At 1 January 2020 在二零二零年 一月一日	Granted during the period 在此期間獲授	Exercised during the period 在此期間行使	Forfeited/lapsed during the period 在此期間被 沒收／作廢	At 30 June 2020 在二零二零年 六月三十日
Executive Directors 執行董事					
Mr. Zhang Shuguang (note) 張曙光先生(附註)	—	4,000,000	—	—	4,000,000
Mr. Zhang Chunguang (note) 張春光先生(附註)	—	4,000,000	—	—	4,000,000
Mr. Poon Lai Yin Michael (note) 潘禮賢先生(附註)	—	4,000,000	—	—	4,000,000
Mr. He Jiaming (note) 何嘉明先生(附註)	—	4,000,000	—	—	4,000,000
Other employees (note) 其他員工(附註)	—	10,008,000	—	—	10,008,000
Total 總計	—	26,008,000	—	—	26,008,000

Note:

附註：

The closing price of the shares immediately before the date on which the options were granted during the six months ended 30 June 2020 is HK\$0.125. The exercise price is HKD0.125. The exercise period during which the options may be exercised is the period from the date of acceptance to 8 April 2030 (both days inclusive). The date of grant was 9 April 2020.

於截至二零二零年六月三十日止六個月內所授出之購股權的當日前之股份收市價為0.125港幣。行使價為0.125港元。可行使購股權之行使期由接納購股權當日至二零二零年四月八日(首尾兩天包括在內)。授出日期為二零二零年四月九日。

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All the existing share options of the Company are vested upon granting. Forfeiture of share options are recognised with an adjustment to the reserves of the Company.

In the current interim period, share options were granted on 9 April 2020. The fair value of the share options determined at the date of grant using the binomial model was RMB2,660,000.

The following assumptions were used to calculate the fair values of share options:

Grant date share price	HK\$0.125
Exercise price	HK\$0.125
Expected life	ten years
Expected volatility	103.1%
Dividend yield	nil
Risk-free interest rate	0.778%

The binomial model has been used to estimate the fair value of the share options. The value of the share options is subject to the limitations of the binomial model and a number of assumptions which are subjective and difficult to ascertain. Changes in the subjective input assumptions could materially affect the fair value estimate.

本公司之所有現有購股權乃於授出時歸屬。沒收之購股權乃予確認，並對本公司之有關儲備作出調整。

於本中期期間，購股權乃於二零二零年四月九日授出。於授出日期使用二項式模式釐定之購股權之公平值為人民幣2,660,000元。

計算購股權之公平值時已使用以下假設：

授出日期之股價	0.125港元
行使價	0.125港元
預期年期	十年
預期波幅	103.1%
股息率	無
無風險利率	0.778%

二項式模式乃用於估計購股權之公平值。購股權之價值受限於二項式模式的限制及多項假設，相關假設屬主觀因素且難以確定。主觀輸入值假設如有變動會對公平值估值造成重大影響。

USE OF PROCEEDS FROM SHARE OFFER

The shares of the Company (the “**Shares**”) were listed on GEM (the “**Listing**”) of the Stock Exchange on 13 December 2018 (the “**Listing Date**”) at HK\$0.5 per Share. The net proceeds from the Share Offer (as defined in the Prospectus), after deduction of underwriting fees and commission, and other estimated expenses payable by the Company in connection with the Share Offer, amounted to approximately HK\$16.6 million, out of which approximately HK\$11.9 million remained unutilised as of 1 January 2020. During the period from the Listing Date to 30 June 2020, the Group did not change its plans on use of proceeds as stated in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

The utilisation of net proceeds from the Share Offer by the Group is set out below:

股份發售所得款項用途

本公司股份(「**股份**」)於二零一八年十二月十三日(「**上市日期**」)於聯交所GEM上市(「**上市**」)，每股股份為0.5港元。股份發售(定義見招股章程)所得款項淨額(經扣除包銷費用估計及佣金以及本公司就股份發售應付的其他開支)為約16.6百萬港元，其中約11.9百萬港元於二零二零年一月一日尚未動用。自上市日期至二零二零年六月三十日期間，本集團並無改變其招股章程「未來計劃及所得款項用途」一節所述所得款項用途計劃。

本集團對股份發售所得款項淨額的使用情況載列如下：

Use of Net Proceeds	Amount of Net Proceeds allocated upon listing		Percentage of net proceeds	Use of proceeds from the Listing Date to 30 June 2020		Balance as at 30 June 2020	
	上市時分配的 所得款項淨額	所得款項淨額 百分比		自上市日期至二零二零年六月 三十日的所得款項用途		於二零二零年 六月三十日 的結餘	
	(HK\$ million) ⁽¹⁾	(RMB'000) ⁽²⁾		Planned use 計劃用途 (RMB'000)	Actual use 實際用途 (RMB'000)	(RMB'000)	Notes
	(百萬港元) ⁽¹⁾	(人民幣千元) ⁽²⁾		(人民幣千元)	(人民幣千元)	(人民幣千元)	附註
Developing new products, improving our existing products and carrying out international cooperation projects							
開發新產品、改良我們的現有產品及開展國際合作項目	6.9	6,087	41.5%	4,241	1,876	4,211	(3)
Expanding our sales network and enhancing our marketing activities							
擴展我們的銷售網絡及加強我們的銷售及市場推廣活動	4.5	4,011	27.3%	3,280	2,699	1,312	(3)
Developing auxiliary reproductive supply business							
發展輔助生育產品業務	4.6	4,100	27.9%	2,119	–	4,100	(4)
Working capital							
營運資金	0.6	481	3.3%	334	334	147	(5)
Total							
總計	16.6	14,679	100.0%	9,974	4,909	9,770	(6)

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Notes:

附註：

- | | |
|--|--|
| (1) The net proceeds from the Share Offer based on the Offer Price of HK\$0.50 per Offer Share. | (1) 基於每股發售股份之發售價0.50港元之股份發售所得款項淨額。 |
| (2) Translation based on the exchange rate of RMB1.00 to HK\$1.13. | (2) 基於人民幣1.00元兌1.13港元之匯率換算。 |
| (3) The expansion plan of developing new products, improving our existing products and expanding our sales network and enhancing our marketing activities were delayed due to the impact of the Epidemic and the difficulty to hire expected number of suitable personnel of different positions. In view of these, the relevant net proceeds which were originally expected to be utilised by 31 December 2020 is currently expected to be utilised by 31 December 2021. | (3) 開發新產品、改良我們的現有產品及擴展我們的銷售網絡及加強我們的銷售及市場推廣活動的擴張計劃因疫情影響及未能聘用預期數量不同崗位的人員而延遲，原預期二零二零年十二月三十一日前動用的所得款項現預期於二零二一年十二月三十一日前動用。 |
| (4) The expansion plan of developing the business of the auxiliary reproductive supplies was delayed because while the Company continued to analyse the market demand of the culture medium and outlook of the PRC auxiliary reproductive supply market and it is expected to take additional time to observe the potential impact of the Epidemic on auxiliary reproductive supply market. In view of this, the relevant net proceeds which were original expected to be utilised by 31 December 2020 is currently expected to be utilised by 31 December 2021. | (4) 開展輔助生育用品業務的擴張計劃因本公司對培養基的市場需求及中國輔助生育用品供應市場的前景繼續進行分析，及現預期需額外時間觀察潛在疫情對輔助生育用品市場影響。基於如此，原預期二零二零年十二月三十一日前動用的所得款項現預期於二零二一年十二月三十一日前動用。 |
| (5) The expected timeline for the application of the unutilised proceeds is on or before 31 December 2020. | (5) 應用未動用所得款項的預期時間表為在二零二零年十二月三十一日截止前。 |
| (6) As at 30 June 2020, all unutilised proceeds of approximately RMB9.8 million have been deposited into major banks in the PRC. | (6) 於二零二零年六月三十日，全部未動用所得款項約人民幣9.8百萬元存放於中國主要銀行。 |

Comparison of Business Objectives with Actual Business Progress

The proceeds raised from the Listing are intended to be used for further strengthening our market position and expanding our market shares by pursuing our business strategies. An analysis comparing the business objectives as set out in the Prospectus with the Group's actual business progress for the period from the Listing Date up to 30 June 2020 is set out below:

Business objectives as set out in the Prospectus

招股章程所載業務目標

Development of new products
開發新產品

業務目標與實際業務進度比較

上市所得款項旨在透過按照我們的業務策略進一步增強我們的市場地位及擴大我們的市場份額。招股章程所載業務目標與本集團自上市日期直至二零二零年六月三十日之實際業務進度比較分析載列如下：

Actual business progress for the period from the Listing Date to 30 June 2020

自上市日期至二零二零年六月三十日之 實際業務進度

(i) The Group has completed the clinical trials of vitro diagnostic reagents for sperm nuclear DNA integrity reagent and is in proceed with registration; (ii) spermatozoa diagnostic reagent and sperm mitochondrial diagnostic reagent were in the preliminary phase, and we carried out works such as data collecting, sourcing of materials and equipment; (iii) anti-mullerian hormone with the application of chemiluminescence technology was completed the required documentation and undergoing the demonstration stage of the research and development program; (iv) the development partner still fix the technical problem of the fully automated sperm dyeing detection equipment to meet our requirement; and (v) the Group perform final test of the prototype of semen biochemical immunoassay equipment for preparation of manufacturing.

(i)本集團已完成精子核DNA完整性體外診斷試劑的臨床試驗，並正進行註冊；(ii)應用化學發光技術的精子診斷試劑及精子線粒體診斷試劑處於初步階段，我們已進行數據收集、物料及設備採購等工作；(iii)抗苗勒氏管激素已完成要求文件資料並正進行研究及開發計劃示範階段；(iv)開發夥伴仍然調試全自動精子染色檢測設備的技術問題以符合我們要求；及(v)本集團為準備生產而對精液生化免疫檢測設備原型進行最後測試。

As at 30 June 2020, the Group has filled up the position of two research and development personnel (one external recruitment and one internal transfer), two technicians (both internal transfer) and two production workers (one external recruitment and one internal transfer). The Group was unable to hire the expected number of suitable research and development personnel, technicians and production workers whose experience and qualifications meet the requirements of relevant positions as a result of the limited supply of suitable personnel in the market and the impact of the Epidemic.

於二零二零年六月三十日，本集團已填補兩名研發人員（一名外部招聘及一名內部調任）、兩名技術人員（內部調任）及兩名生產人員（一名外部招聘及一名內部調任）的職位。由於市場上適當人選供應有限及疫情影響，本集團未能聘請預期數目的具備符合相關職位所要求經驗及資格的合適研發人員、技術人員及生產人員。

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Improving existing products 改良我們的現有產品

The Group has submitted the Class II medical device registration to Guangdong Food and Drug Administration for the improved products “seminal plasma fructose quantitative assay kit” and “seminal plasma neutral alpha-glucosidase quantitative assay kit”;

本集團已就改良產品「精漿果糖定量檢測試劑盒」及「精漿中性 α -葡萄糖苷酶定量檢測試劑盒」向廣東省食品藥品監督管理局提交第二類醫療器械註冊；

As at 30 June 2020, the Group was unable to hire suitable research and development personnel, technicians and production workers whose experience and qualifications meet the requirements of the relevant positions as a result of the limited supply of suitable personnel in the market and the impact of the Epidemic. Our Group's existing staff took up the work on a temporary basis.

於二零二零年六月三十日，由於市場上適當人選供應有限及疫情影響，本集團未能聘請具備符合相關職位所要求經驗及資格的合適研發人員、技術人員及生產人員。本集團現有員工可暫時負責有關工作。

Expanding our sales network and enhancing our marketing activities 擴展我們的銷售網絡及加強我們的營銷活動

Because of the effect of the Epidemic, our staff reduced sales and marketing activities such as: (i) visiting potential and new customers; (ii) providing pre-sales products consulting and after-sales products maintenance services; and (iii) attending conferences.

因疫情影響，我們的員工減少銷售及市場推廣活動如：(i) 拜訪潛在及新客戶；(ii) 提供售前產品諮詢及售後產品維護服務；及(iii)出席會議。

As at 30 June 2020, the Group has recruited four sales and marketing personnel and two technicians. The Group was unable to hire the expected number of suitable sales and marketing personnel whose experience and qualifications meet the requirements of relevant positions as a result of the limited supply of suitable personnel in the market and the impact of the Epidemic.

於二零二零年六月三十日，本集團已聘請四名銷售及營銷人員及兩名技術人員。由於市場上適當人選供應有限及疫情影響，本集團未能聘請預期數目的具備符合相關職位所要求經驗及資格的合適銷售及營銷人員。

Developing auxiliary reproductive supply business 發展輔助生育產品業務

The Group continued to analyse the market demand of targeted medium and outlook of the PRC auxiliary reproductive supply market.

本公司對培養基的市場需求及中國輔助生育用品供應市場的前景繼續進行分析。

LIQUIDITY AND FINANCIAL RESOURCES

For the six months ended 30 June 2020, the Group's operations were generally financed by the an internally generated cash flow and proceeds from the Listing.

As at 30 June 2020, the Group had a total cash and bank balances of approximately RMB42.0 million, compared to approximately RMB48.8 million as at 31 December 2019, which were placed with major banks in the PRC and Hong Kong and denominated in RMB and Hong Kong Dollars ("HK\$") respectively. The decrease was mainly due to the payment of daily operating expenses.

As at 30 June 2020, the lease liabilities upon application of HKFRS 16 during the year was approximately RMB1.1 million (31 December 2019: RMB1.6 million). The gearing ratio of our Group is calculated based on the lease liabilities divided by total equity as at 30 June 2020 was approximately 1.6% (31 December 2019: 2.3%).

EMPLOYEES AND REMUNERATION POLICIES

The emolument policy for the employee of the Group is set up by the management on the basis of their merit, qualifications and competence. Under the emolument policy, the basis of determining the emolument payable to Directors is subject to the decision of the remuneration committee of the Company. As at 30 June 2020, the Group had 74 full-time employees (31 December 2019: 73) located in Hong Kong and the PRC for operation. Details of the staff costs, including Directors' remuneration, incurred by the Group are set out in note 9 in the Notes to the unaudited condensed consolidated financial statements in this Report.

The remuneration committee will review and determine the remuneration and compensation packages of the Directors after having considered their responsibilities, workload, time devoted to our Group and the performance of our Group. Moreover, the Company has adopted a Share Option Scheme on 13 January 2020 as incentive for its employees, Directors and other eligible participants. Details of the said schemes are set out under the section headed "Share Option Scheme" in this report. Details of the grant of share options under the said schemes during the six months ended 30 June 2020 were set out in the announcement of the Company dated 9 April 2020.

流動資金及財務資源

截至二零二零年六月三十日止六個月，本集團的營運主要由內部產生的現金流量及上市所得款項提供資金。

於二零二零年六月三十日，本集團的現金及銀行結餘總額為約人民幣42.0百萬元，而二零一九年十二月三十一日為約人民幣48.8百萬元，分別存放於中國及香港主要銀行，並分別以人民幣及港元(「港元」)計值。該減少乃主要由於日常營運開支支付。

於二零二零年六月三十日，於年內應用香港財務報告準則第16號後的租賃負債約為人民幣1.1百萬元(二零一九年十二月三十一日：人民幣1.6百萬元)。於二零二零年六月三十日，本集團的資本負債比率(按租賃負債除以權益總額計算)約為1.6% (二零一九年十二月三十一日：2.3%)。

僱員及薪酬政策

本集團僱員的薪酬政策乃管理層根據彼等之特長、資格及能力設立。根據薪酬政策，應付董事之酬金須由本公司薪酬委員會釐定。於二零二零年六月三十日，本集團於香港及中國擁有74名全職僱員(二零一九年十二月三十一日：73名)開展業務。有關本集團所產生員工成本(包括董事酬金)之詳情，載於本報告未經審核簡明綜合財務報表附註之附註9。

薪酬委員會將考慮董事各自的職責、工作量、為本集團貢獻的時間及本集團的業績表現檢討後釐定董事之薪酬及報酬包。此外，本公司於二零二零年一月十三日採納購股權計劃，以勵其僱員、董事及其他合資格參與者對本集團作出貢獻。上述計劃之詳情載於本報告「購股權計劃」一節。截至二零二零年六月三十日止六個月，有關購股權計劃詳情載於本公司二零二零年四月九日的公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL STRUCTURE

The Company's issued Shares were successfully listed on GEM of the Stock Exchange on the Listing Date. There has been no change in the Company's capital structure during the six months ended 30 June 2020, which only comprises ordinary shares. As at 30 June 2020, the Company's issued share capital was HK\$4 million and the number of its issued shares was 400,000,000 of HK\$0.01 each.

PRINCIPAL RISKS AND UNCERTAINTIES

We believe that there are certain risks and uncertainties involved in the operations, some of which are beyond the Group's control. A detailed discussion of the risk factors is set forth in the section headed "Risk Factors" in the Prospectus.

FOREIGN EXCHANGE EXPOSURE

The functional currencies of our operations, assets and liabilities are mostly denominated in Renminbi ("RMB"). Therefore, we were not exposed to any significant foreign exchange risk, except for our Hong Kong Dollar ("HK\$") denominated bank balances and net proceeds from the Share Offer that are denominated in HK\$. The Group currently does not have a foreign currency hedging policy. The Group did not engage in any derivatives agreements and did not commit to any financial instruments to hedge its foreign exchange exposure throughout the six months ended 30 June 2020. The management will closely monitor foreign currency exposure and will consider hedging significant foreign currency exposure should then need arises.

TREASURY POLICIES

The Group will continue to employ prudent treasury policies in managing the Group's cash balances and maintain strong and healthy liquidity ratios to ensure that the Group is well placed to take advantage of future growth opportunities.

資本架構

本公司的已發行股份已於上市日期在聯交所GEM成功上市。截止二零二零年六月三十日止六個月，本公司的資本架構並無任何變動，其股本僅包括普通股。於二零二零年六月三十日，本公司已發行股本為港幣4百萬元，其已發行股本數目為400,000,000股每股0.01港元之股份。

主要風險及不明朗因素

我們認為營運涉及若干風險及不明朗因素，其中有一部分乃本集團無法控制。有關風險因素的詳細討論載於招股章程「風險因素」一節。

外匯風險

我們營運、資產及負債的功能貨幣大部分以人民幣(「人民幣」)計值。因此，除我們的港元(「港元」)計值銀行結餘及港元計值股份發售所得款項淨額外，我們並無面臨任何重大外匯風險。本集團現時並無外匯對沖政策。本集團並無參與任何衍生工具協議，且並無承諾任何金融工具以對沖其於截至二零二零年六月三十日止六個月的外匯風險。管理層將密切監控外匯風險，並將於有需要時考慮對沖重大的外幣風險。

庫務政策

本集團將繼續採用審慎的庫務政策管理本集團的現金結餘，並維持穩健的流動資金比率，以確保本集團作好準備把握日後的增長機遇。

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

For the six months ended 30 June 2020, save as interest in associate in relation to the operation of the cross-border e-commerce platforms, details of which are set out in the Company's announcement dated 3 June 2020, the Group did not make any material acquisitions and disposals of subsidiaries and affiliated companies.

SIGNIFICANT INVESTMENT HELD

As at 30 June 2020, the Group did not have any significant investment held.

PLEDGE OF ASSETS

As at 30 June 2020, the Group pledged a motor vehicle for lease liabilities with aggregate net carrying amount of RMB488,000 (31 December 2019: RMB542,000).

CAPITAL COMMITMENTS

As at 30 June 2020, the Group had capital commitments of approximately RMB1,288,000 (31 December 2019: 78,000) in respect of the acquisition of property, plant and equipment and investment in associate.

CONTINGENT LIABILITIES

As at 30 June 2020, the Company had no outstanding corporate guarantee (31 December 2019: Nil). As at 30 June 2020, the Group had no banking facilities and did not have any contingent liabilities (31 December 2019: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and additional investment in associate as disclosed in capital commitments, the Group does not have other plans for material investments or capital assets as at the date of this Report.

重大收購及出售附屬公司及關聯公司

截至二零二零年六月三十日止六個月，除有關營運跨境電子商務平台之於聯營公司之權益外，詳情展示於本公司二零二零年六月三日之公告，本集團並無作出任何重大收購及出售附屬公司及關聯公司。

重大投資持有

於二零二零年六月三十日，本集團並無持有任何重大投資。

資產抵押

於二零二零年六月三十日，本集團就租賃負債抵押汽車總賬面淨值約人民幣488,000元(二零一九年十二月三十一日：人民幣542,000元)。

資本承擔

於二零二零年六月三十日，本集團就購買物業、廠房及設備及投資於聯營公司，擁有資本承擔約人民幣1,288,000元(二零一九年十二月三十一日：人民幣78,000元)。

或然負債

於二零二零年六月三十日，本公司概無尚未償還公司擔保(二零一九年十二月三十一日：無)。於二零二零年六月三十日，本集團概無銀行融資及並無任何或然負債(二零一九年十二月三十一日：無)。

有關重大投資或資本資產的日後計劃

除招股章程「未來計劃及所得款項用途」一節所披露者及於資本承擔中有關披露增加投資於聯營公司外，本集團於本報告日期並無其他有關重大投資或資本資產的計劃。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

DIVIDEND

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

SUBSEQUENT EVENTS

The Board is not aware of any significant event subsequent to 30 June 2020 and up to the date of this Report.

股息

董事不建議派付截至二零二零年六月三十日止六個月的任何股息(截至二零一九年六月三十日止六個月：零)。

期後事項

於二零二零年六月三十日後及直至本報告日期，董事會並不知悉任何重大事項。



OTHER INFORMATION

其他資料

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS

Apart from the contracts relatively to the reorganisation of our Group in relation to the Listing, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, or any of its holding company or subsidiaries was a party and in which a Director, controlling shareholders (as defined in the GEM Listing Rules) ("**Controlling Shareholder**") of the Company and their respective connected parties had a material interest, whether directly or indirectly, subsisted at any time For the six months ended 30 June 2020.

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

As at 30 June 2020, the interests and short positions of the Directors and chief executive and their associates in the Shares, Underlying Shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) which, once the Shares are listed on the GEM on the Stock Exchange, will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest or short positions which they are taken or deemed to have under such provision of the SFO) or will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, will be as follows:

董事及控股股東於合約的權益

除有關本集團就上市進行重組的合約外，於截至二零二零年六月三十日止六個月內任何時間，本公司或其任何控股公司或附屬公司概無參與訂立與本集團業務有關，而本公司董事、控股股東（定義見GEM上市規則）（「**控股股東**」）及彼等各自關連人士於當中直接或間接擁有重大權益的重大交易、安排及合約。

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於二零二零年六月三十日，董事及最高行政人員及彼等各自之聯繫人於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「**證券及期貨條例**」）第XV部）的股份、相關股份及債權證中，擁有（一旦股份於聯交所GEM上市後）須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的任何權益或淡倉），或根據證券及期貨條例第352條須登記於該條所指的登記冊內的權益及淡倉，或根據有關董事進行證券交易的GEM上市規則第5.46至5.67條上市發行人董事進行證券交易之標準守則須知會本公司及聯交所的權益及淡倉如下：

OTHER INFORMATION

其他資料

Long Positions in the Shares and Share Options

Ordinary shares of HK\$0.01 each of the Company

Name of Directors/ Chief Executive	Capacity/Nature of Interest	Number of ordinary shares held ⁽¹⁾	Number of share options held ⁽⁴⁾	Total interest	Percentage of shareholding ⁽²⁾
董事／最高行政人員姓名	身份／權益性質	所持普通股數目 ⁽¹⁾	所持購股權數目 ⁽⁴⁾	權益總計	股權百分比 ⁽²⁾
Mr. Zhang Shuguang	Interests of controlled corporation and concert party ⁽³⁾	240,000,000	4,000,000	244,000,000	61.0%
張曙光先生	受控法團權益及一致行動人士 ⁽³⁾				
Mr. Zhang Chunguang	Beneficial Owner	–	4,000,000	4,000,000	1.0%
張春光先生	實益擁有人				
Mr. Poon Lai Yin Michael	Beneficial Owner	–	4,000,000	4,000,000	1.0%
潘禮賢先生	實益擁有人				
Mr. He Jiaming	Beneficial Owner	–	4,000,000	4,000,000	1.0%
何嘉明先生	實益擁有人				

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total number of 400,000,000 Shares in issue as at 30 June 2020.

(3) On 16 November 2017, Mr. Zhang Shuguang and Mr. Chang Yim Yang entered into the Acting-in-concert Confirmation (“**Confirmation**”) to acknowledge and confirm, among other things, that they have been and will be actively cooperating, communicating, and acting in concert with each other with respect to their interest in or the business of the relevant members of our Group since they became shareholders of the Company and will continue to act in concert after the signing of the Confirmation. For further details, please refer to the section headed “History and Reorganisation” in the prospectus. The aggregate of 240,000,000 Shares and 4,000,000 share options is deemed to be interested by them in aggregate under the SFO, consist of consist of (i) 144,576,000 Shares held by Crystal Grant Limited (“**Crystal Grant**”), a company wholly owned by Mr. Zhang Shuguang, in which Mr. Zhang Shuguang is deemed to be interested under the SFO; (ii) 95,424,000 Shares held by Ever Charming Inc. (“**Ever Charming**”), a company wholly owned by Mr. Chang Yim Yang, in which Mr. Zhang Shuguang is deemed to be interested as a result of being a party acting in concert with Mr. Chang Yim Yang; and (iii) 4,000,000 share options granted to Mr. Zhang Shuguang on 9 April 2020.

於股份和購股權之好倉

本公司每股面值0.01港元之普通股

附註：

(1) 所有列權益均為好倉。

(2) 此乃基於二零二零年六月三十日的已發行股份總數400,000,000股計算。

(3) 於二零一七年十一月十六日，張曙光先生及張賢陽先生訂立一項一致行動確認書（「**確認書**」），以承認並確認（其中包括）彼等於成為本公司股東後一直並將就彼等於本集團有關成員公司之權益或相關業務積極合作溝通並彼此保持一致行動，且將於簽署確認書後繼續保持一致行動。有關進一步詳情，請參閱招股章程「歷史及重組」一節。根據證券及期貨條例，彼等合計被視為於合共240,000,000股股份和4,000,000股購股權中擁有權益，其中包括(i) Crystal Grant Limited（「**Crystal Grant**」），由張曙光先生全資擁有之公司）持有之144,576,000股股份，根據證券及期貨條例張曙光先生被視為於其中擁有權益；(ii) Ever Charming Inc.（「**Ever Charming**」，由張賢陽先生全資擁有之公司）持有之95,424,000股股份，由於張曙光先生為與張賢陽先生一致行動之人士，故其被視為於該等股份中擁有權益；及(iii)在2020年4月9日授於張曙光先生4,000,000股購股權。

(4) Details of the underlying shares of the Company held by the Director/chief executives are set out in the section headed “Share Option Scheme”.

(4) 董事／最高行政人員持有之本公司相關股份的詳情載於「購股權計劃」一節。

Long Position in the Ordinary Shares of Associated Corporations

於相聯法團普通股之好倉

Name of Directors/ Chief Executive 董事／最高行政人員姓名	Name of Associated Corporation 相聯法團名稱	Capacity/ Nature of Interest 身份／權益性質	Number of ordinary shares held ^(Note) 所持普通股數目 ^(附註)	Percentage of shareholding 股權百分比
Mr. Zhang Shuguang 張曙光先生	Crystal Grant Limited	Beneficial owner 實益擁有人	100 shares of US\$1.00 each 100股每股1.00美元之 股份	100%

Note: All interests stated are long positions.

附註：所有列權益均為好倉。

Save as disclosed above, as at 30 June 2020, none of the Directors and the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provision of the SFO) or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which would be required pursuant to Part XV of the SFO or Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零二零年六月三十日，概無董事及本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文彼被當作或視為擁有之權益或淡倉），或根據證券及期貨條例第352條須登記於該條所述登記冊的任何權益或淡倉，或根據證券及期貨條例第XV部或GEM上市規則第5.46條至第5.67條須知會本公司及聯交所的任何權益或淡倉。

OTHER INFORMATION

其他資料

Substantial Shareholders' and Others' Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2020, so far as is known to the Directors, the following persons (not being a Director or chief executive of the Company) had interest or short position in Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provision of Division 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零二零年六月三十日，據董事所知，以下人士（既非董事亦非本公司最高行政人員）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露，或記錄於本公司根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉：

Name of Shareholders 股東姓名／名稱	Capacity/Nature of Interest 身份／權益性質	Number of ordinary shares held ⁽³⁾ 所持普通股數目 ⁽³⁾	Number of share options held ⁽⁴⁾ 所持購股權數目 ⁽⁴⁾	Total interest 權益總計	Percentage of shareholding 股權百分比
Crystal Grant	Beneficial owner and concert party ⁽¹⁾	240,000,000	4,000,000	244,000,000	61.0%
Crystal Grant	實益擁有人及一致行動人士 ⁽¹⁾				
Ever Charming	Beneficial owner and concert party ⁽¹⁾	240,000,000	4,000,000	244,000,000	61.0%
Ever Charming	實益擁有人及一致行動人士 ⁽¹⁾				
Mr. Chang Yim Yang	Interests of controlled corporation ⁽¹⁾	240,000,000	4,000,000	244,000,000	61.0%
張賢陽先生	受控法團權益 ⁽¹⁾				
Gallizul Global Investments Incorporated ("Gallizul")	Beneficial owner	36,000,000	—	36,000,000	9.0%
Gallizul Global Investments Incorporated (「Gallizul」)	實益擁有人				
Huang Yan	Interests of controlled corporation ⁽²⁾	36,000,000	—	36,000,000	9.0%
黃豔	受控法團權益 ⁽²⁾				

Notes:

- (1) On 16 November 2017, Mr. Zhang Shuguang and Mr. Chang Yim Yang entered into the Confirmation to acknowledge and confirm, among other things, that they have been and will be actively cooperating, communicating, and acting in concert with each other with respect to their interest in or the business of the relevant members of our Group since they became shareholders of the Company and will continue to act in concert after the signing of the Confirmation. For further details, please refer to the section headed “History and Reorganisation” in the prospectus. The aggregate of 240,000,000 Shares and 4,000,000 share options are deemed to be interested by them in aggregate under the SFO, consist of (i) 144,576,000 Shares held by Crystal Grant, a company wholly owned by Mr. Zhang Shuguang, in which Mr. Zhang Shuguang is deemed to be interested under the SFO; (ii) 95,424,000 Shares held by Ever Charming, a company wholly owned by Mr. Chang Yim Yang, in which Mr. Zhang Shuguang is deemed to be interested as a result of being a party acting in concert with Mr. Chang Yim Yang; and (iii) 4,000,000 share options granted to Mr. Zhang Shuguang on 9 April 2020.
- (2) As Gallizul is owned as to 50% by Ms. Huang Yan, she is deemed to be interested in all the shares held by Gallizul
- (3) All interests stated are long positions.
- (4) Details of the underlying shares of the Company held by the substantial shareholder are set out in the section headed “Share Option Scheme”.

附註：

- (1) 於二零一七年十一月十六日，張曙光先生及張賢陽先生訂立確認書，以承認並確認（其中包括）彼等於成為本公司股東後一直並將就彼等於本集團有關成員公司之權益或相關業務積極合作溝通並彼此保持一致行動，且將於簽署確認書後繼續保持一致行動。有關進一步詳情，請參閱招股章程「歷史及重組」一節。根據證券及期貨條例，彼等合計被視為於合共240,000,000股股份和4,000,000股購股權中擁有權益，其中包括(i)Crystal Grant（由張曙光先生全資擁有之公司）持有之144,576,000股股份，根據證券及期貨條例張曙光先生被視為於其中擁有權益；(ii)Ever Charming（由張賢陽先生全資擁有之公司）持有之95,424,000股股份，由於張曙光先生為與張賢陽先生一致行動之人士，故其被視為於該等股份中擁有權益；及(iii)在2020年4月9日授於張曙光先生4,000,000股購股權。
- (2) 由於Gallizul由黃豔女士擁有50%，故彼被視為於Gallizul持有的所有股份中擁有權益。
- (3) 所有列權益均為好倉。
- (4) 主要股東持有之本公司相關股份的詳情載於「購股權計劃」一節。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this Report, at no time during for the six months ended 30 June 2020 and up to the date of this Report, have the Directors and the chief executive of the Company and their respective close associates (as defined in the GEM listing rules) had any interests in, or had been granted, or exercised any rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company and/or its associated corporations (within the meaning of SFO).

董事收購股份或債權證的權利

除本報告另有披露者外，於截至二零二零年六月三十日止六個月任何時間直至本報告日期，董事及本公司最高行政人員及彼等各自之緊密聯繫人（定義見GEM上市規則）概無於本公司及／或其相聯法團（定義見證券及期貨條例）之股份或債權證中擁有任何權益或獲授予或行使可藉收購本公司及／或其相聯法團股份或債權證而獲取利益之任何權利。

OTHER INFORMATION

其他資料

COMPETING INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

The Directors confirm that none of the Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by our Group which competes or is like to compete, directly or indirectly, with our Group's business during for the six months ended 30 June 2020 and up to the date of this Report.

INTEREST OF COMPLIANCE ADVISER

As at 30 June 2020, as notified by Ever-Long Securities Company Limited (the “**Compliance Adviser**”), save for (i) the compliance adviser agreement dated 31 May 2019 entered into between the Company and the Compliance Adviser regarding the receipt of fees for acting as the Compliance Adviser, and (ii) the participation as one of the joint bookrunners in relation to the Listing as disclosed in the Prospectus, neither the Compliance Adviser nor its directors or employees or close associates (as defined under the GEM Listing Rules) had or may have, any interest in the securities of the Company or any member of the Group (including options or rights to subscribe for such securities which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules.

董事及控股股東的競爭權益

董事確認，於截至二零二零年六月三十日止六個月直至本報告日期，概無控股股東或董事或彼等各自之緊密聯繫人（定義見GEM上市規則）於本集團經營業務以外且直接或間接與本集團業務構成競爭或可能構成競爭的任何業務中擁有權益。

合規顧問的權益

於二零二零年六月三十日，誠如長雄證券有限公司（「合規顧問」）告知，除(i)本公司與合規顧問就作為合規顧問收取費用而於二零一九年五月三十一日訂立之合規顧問協議，以及(ii)披露於本公司招股章程內有關作為參與本公司上市的聯席賬簿管理人之一外，合規顧問或其董事、員工或緊密聯繫人（定義見GEM上市規則）於本公司或本集團旗下任何其他公司的證券中概無擁有須根據GEM上市規則第6A.32條知會本集團的任何權益（包括可認購該等證券的購股權或權利）。

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the six months ended 30 June 2020.

CHANGES IN DIRECTORS INFORMATION

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the change in information of the Director is set out below:

Mr. Chan Kin Sang, an independent non-executive Director of the Group, is appointed as non-executive Director of Sino Harbour Holdings Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1663.HK) with effect from 1 April 2020.

Mr. Kwok Chi Shing, an independent non-executive Director of the Group, is appointed as independent non-executive Director of DTXS Silk Road Investment Holdings Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 620.HK) with effect from 29 May 2020.

Save as disclosed above, there is no other change in information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

購買、出售或贖回上市證券

截止二零二零年六月三十日止六個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

董事資料變更

根據GEM上市規則第17.50A(1)條，董事之資料變動載列如下：

陳健生先生，為本集團獨立非執行董事，擔任漢港控股集團有限公司（其於聯交所主板上市（股份代號：1663.HK））非執行董事，自2020年4月1日起生效。

郭志成先生，為本集團獨立非執行董事，擔任大唐西市絲路投資控股有限公司（其於聯交所主板上市（股份代號：620.HK））獨立非執行董事，自2020年5月29日起生效。

除上述變動外，概無其他須根據GEM上市規則第17.50A(1)條予以披露之資料。

OTHER INFORMATION

其他資料

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving high corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 15 of the GEM Listing Rules.

The Company adopted and complied with, where applicable, the CG Code during the six months ended 30 June 2020 and up to the date of this Report (the “**Relevant Period**”).

The Board will continue to monitor and review the Company’s corporate governance practices to ensure compliance with the CG Code.

The Board conducted reviews of the system of internal controls of the Group to ensure an effective and adequate internal control system is in place. The Board also convened meetings to discuss financial, operational and risk management control.

企業管治常規

董事會致力於持守較高的企業管治標準。

董事會相信，良好的企業管治標準對為本公司提供框架以保障股東利益、提升企業價值、制定業務策略及政策，以及提高透明度及問責性是必不可少的。

本公司已應用GEM市規則附錄十五所載企業管治守則(「**企業管治守則**」)載列的原則及守則條文。

本公司自截至二零二零年六月三十日止六個月至本報告日期止期間(「**有關期間**」)已採納及遵守(如適用)企業管治守則。

董事會將持續監察及檢討本公司的企業管治常規，以確保遵守企業管治守則。

董事會已檢討本集團的內部監控系統，以確保建立有效及充分的內部監控系統。董事會亦召開會議討論財務、營運及風險管理監控。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings concerning securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”) as its own code governing securities transactions of the Directors (the “**Required Standard**”). Having made specific enquiry of all the Directors, all of them confirmed that they had fully complied with the Required Standard during the Relevant Period.

Pursuant to Rule 5.66 of the Model Code, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company (the “**relevant employees**”) who, because of his office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he would be prohibited from dealing by the Model Code as if he were a Director. No incident of non-compliance of the Required Standard by the relevant employees was noted by the Company.

進行證券交易的標準守則

本公司已採納一套有關董事進行證券交易的操守守則作為其本身監管董事證券交易的守則(「**必守標準**」)，其條款嚴格程度並不遜於GEM上市規則第5.48至5.67條所載有關董事進行證券交易的必守標準(「**標準守則**」)。經向全體董事作出特定查詢後，全體董事均已確認彼等於有關期間內已遵守必守標準。

根據標準守則第5.66條，董事亦已要求本公司的任何僱員、或本公司附屬公司的任何董事或僱員(「**有關僱員**」)，不利用彼等因在本公司或附屬公司的職務或工作而可能管有與本公司證券有關的內幕消息，在標準守則禁止董事買賣證券之期間買賣本公司的證券。本公司並無獲悉有關僱員違反必守標準的事件。

OTHER INFORMATION

其他資料

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company has been established with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and code provisions C.3.3 and C.3.7 of the CG Code (“**Audit Committee**”). The Audit Committee consists of three independent non-executive Directors, namely Mr. Kwok Chi Shing (Chairman), Dr. Yeung David Wai Chow and Mr. Chan Kin Sang.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The financial information in this Report has not been reviewed nor audited by the Company’s auditor, but the Audit Committee has reviewed the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2020 and is of the opinion that the preparation of such statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures has been made.

On behalf of the Board

Zhang Shuguang

Chairman and Executive Director

Hong Kong, 11 August 2020

審核委員會及審閱中期業績

本公司審核委員會已告成立，並遵照GEM上市規則第5.28條至第5.33條及企業管治守則條文第C.3.3及C.3.7條訂明其職權範圍（「**審核委員會**」）。審核委員會由三名獨立非執行董事組成，即郭志成先生（主席）、楊煒秋醫生及陳健生先生。

審核委員會的主要職責包括協助董事會審閱財務資料和申報程序、風險管理和內部監控系統、內部審核職能的有效性、審核範圍和委任外聘核數師，以及讓本公司僱員可對有關本公司財務申報、內部監控或其他事宜的潜在不當行為提出關注的安排。

本報告中的財務信息尚未經過本公司審計師審閱或審核，但審核委員會成員已審閱截至二零二零年六月三十日止六個月集團未經審核簡明綜合財務業績，及認為該等報表的編製符合適用的會計準則、創業板上市規則的規定及其他適用的法律規定，並已作出充分披露。

代表董事會

張曙光

主席兼執行董事

香港，二零二零年八月十一日

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

未經審核簡明綜合損益及其他全面收入表

For the three months and six months ended 30 June 2020 截至二零二零年六月三十日止三個月及六個月

The Board of the Directors (the “Board”) is pleased to announce the unaudited condensed consolidated results of the Group for the three months and six months ended 30 June 2020 together with the unaudited comparative figures for the three months and six months ended 30 June 2019 as follows:

董事會(「董事會」)欣然公佈本集團截至二零二零年六月三十日止三個月及六個月的未經審核簡明綜合業績，連同截至二零一九年六月三十日止三個月及六個月的未經審核比較數字如下：

			Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
			2020	2019	2020	2019
			二零二零年 (unaudited) (未經審核) RMB'000 人民幣千元	二零一九年 (unaudited) (未經審核) RMB'000 人民幣千元	二零二零年 (unaudited) (未經審核) RMB'000 人民幣千元	二零一九年 (unaudited) (未經審核) RMB'000 人民幣千元
		NOTES 附註				
Revenue	收入	4	5,152	6,565	7,208	11,636
Cost of sales	銷售成本		(1,507)	(1,867)	(2,046)	(3,185)
Gross profit	毛利		3,645	4,698	5,162	8,451
Other income	其他收入	5	55	70	119	116
Other gains and losses	其他收益及虧損	6	(117)	499	274	(169)
Impairment losses on trade and other receivables, net of reversal	貿易及其他應收款項減值虧損·扣除撥回	7	–	(145)	(610)	496
Selling and distribution expenses	銷售及分銷開支		(1,374)	(1,554)	(2,802)	(2,918)
Administrative expenses	行政開支		(4,854)	(2,411)	(7,109)	(4,474)
Research and development expenses	研發開支		(695)	(522)	(1,112)	(832)
Finance costs	融資成本		(14)	–	(29)	–
(Loss)/Profit before tax	除稅前（虧損）／溢利	9	(3,354)	635	(6,107)	670
Income tax expense	所得稅開支	8	–	(264)	–	(447)
(Loss)/Profit for the period attributable to the owners of the Company	期內本公司擁有人應佔（虧損）／溢利		(3,354)	371	(6,107)	223
Other comprehensive (expense)/ income:	其他全面（開支）／收益：					
Item that may be reclassified subsequently to profit or loss	其後可能重新分類至損益的項目					
Exchange difference on consolidation	綜合匯兌差額		5	–	(3)	–
Total comprehensive (expense)/ income for the period attributable to the owners of the Company	本公司擁有人應佔期內全面（開支）／收益總額		(3,349)	371	(6,110)	223
(Loss)/Earnings per share	每股（虧損）／溢利	11	RMB cents 人民幣仙	RMB cents 人民幣仙	RMB cents 人民幣仙	RMB cents 人民幣仙
Basic and diluted	基本及攤薄		(0.84)	0.09	(1.53)	0.06



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

未經審核簡明綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日

		30 June 2020		31 December 2019
		二零二零年		二零一九年
		六月三十日		十二月三十一日
		(unaudited)		(unaudited)
		(未經審核)		(未經審核)
		RMB'000		RMB'000
		人民幣千元		人民幣千元
		NOTES		
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	9,423	9,722
Intangible assets	無形資產	13	2,910	2,914
Interest in associate	於聯營公司之權益		39	–
Right-of-use assets	使用權資產	14	1,336	1,351
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備之按金		1,257	1,257
			14,965	15,244
Current assets	流動資產			
Inventories	存貨		3,906	2,703
Trade receivables	貿易應收款項	15	8,592	10,079
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項		3,602	1,893
Bank balances and cash	銀行結餘及現金		42,042	48,793
			58,142	63,468
Current liabilities	流動負債			
Trade payables	貿易應付款項	16	1,321	1,030
Other payables and accrued charges	其他應付款項及應計費用		2,340	3,797
Contract liabilities	合約負債		696	292
Lease liabilities	租賃負債		1,086	1,181
Deferred income – government grants	遞延收入 – 政府補助		45	45
Tax payable	應付稅項		21	866
			5,509	7,211
Net current assets	流動資產淨值		52,633	56,257
Total assets less current liabilities	資產總值減流動負債		67,598	71,501



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

未經審核簡明綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日

			30 June 2020	31 December 2019
			二零二零年 六月三十日 (unaudited) (未經審核)	二零一九年 十二月三十一日 (unaudited) (未經審核)
		NOTES	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Non-current liability	非流動負債			
Lease liabilities	租賃負債		—	431
Deferred income – government grants	遞延收入 – 政府補助		363	385
			363	816
Net assets	資產淨值		67,235	70,685
Capital and reserves	資本及儲備			
Combined capital/share capital	合併資本／股本	17	3,509	3,509
Reserves	儲備		63,726	67,176
Total equity	權益總額		67,235	70,685



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核簡明綜合權益變動表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Reserves 儲備								
		Capital	Share premium	Capital reserve	Statutory reserve	Translation reserve	Share option reserve	Accumulated profits	Sub-total	Total
		股本	股份溢價	資本儲備	法定儲備	匯兌儲備	購股權儲備	累計溢利	小計	總計
		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
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	3,509	47,248	1,943	1,734	-	-	16,587	67,512	71,021
Profit and total comprehensive expense for the period	期內溢利及全面開支總額	-	-	-	-	-	-	223	223	223
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	3,509	47,248	1,943	1,734	-	-	16,810	67,735	71,244
At 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	3,509	47,248	1,943	2,302	(52)	-	15,735	67,176	70,685
Loss for the period	期內虧損	-	-	-	-	-	-	(6,107)	(6,107)	(6,107)
Other comprehensive expense:	其他全面開支：									
Item that may be reclassified subsequently to profit or loss	其後可能重分類至損益的項目									
Exchange difference on consolidation	綜合匯兌差額	-	-	-	-	(3)	-	-	(3)	(3)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	-	(3)	-	(6,107)	(6,110)	(6,110)
Transaction with owners:	與擁有人之交易：									
Recognition of equity-settled share based payments	確認以股本結算以股份支付之款項	-	-	-	-	-	2,660	-	2,660	2,660
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	3,509	47,248	1,943	2,302	(55)	2,660	9,628	63,726	67,235



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

未經審核簡明綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net cash used in operating activities	經營活動所得現金淨額	(5,021)	(7,767)
Net cash used in investing activities	投資活動所用現金淨額	(698)	(967)
Net cash used in financing activities	融資活動所得現金淨額	(1,029)	—
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(6,748)	(8,734)
Cash and cash equivalents at beginning of the period	年初之現金及現金等價物	48,793	54,797
Effect on exchange rate change	匯率變動的影響	(3)	—
Cash and cash equivalents at end of the period, represented by bank balances and cash	年末之現金及現金等價物，指銀行結餘及現金	42,042	46,063



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

1. GENERAL

Huakang Biomedical Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company under the laws of the Cayman Islands with limited liability on 3 August 2017 and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 13 December 2018. The Company is controlled by Mr. Zhang Shuguang and Mr. Chang Yim Yang, who act in concert and hold equity interests in the Company indirectly through Crystal Grant Limited (“**Crystal Grant**”, wholly owned by Mr. Zhang Shuguang), a limited liability company incorporated in the British Virgin Islands (“**BVI**”) and Ever Charming Inc. (“**Ever Charming**”, wholly owned by Mr. Chang Yim Yang), a limited liability company incorporated in the BVI, respectively.

The addresses of the registered office and principal place of business of the Company are set out in the section headed “Corporate Information” to this report. The Group is principally engaged in research and development, manufacture, marketing and sale of biological reagents and auxiliary reproductive supplies and equipment in the PRC through its subsidiary, 深圳華康生物醫學工程有限公司 (Shenzhen Huakang Bio-Medical Engineering Limited*) (“**Shenzhen Huakang**”), a limited liability company established in the PRC on 26 June 1992.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is the same as the functional currency of the Group and rounded to the nearest thousand unless otherwise stated.

1. 一般資料

華康生物醫學控股有限公司(「**本公司**」)於二零一七年八月三日根據開曼群島法律於開曼群島註冊成立為一間獲豁免有限公司，其股份於二零一八年十二月十三日在香港聯合交易所有限公司(「**聯交所**」) GEM上市。本公司受張曙光先生及張賢陽先生(為一致行動人士，分別透過一間於英屬處女群島(「**英屬處女群島**」)註冊成立的有限公司Crystal Grant Limited(「**Crystal Grant**」，由張曙光先生全資擁有)及一間於英屬處女群島註冊成立的有限公司Ever Charming Inc.(「**Ever Charming**」，由張賢陽先生全資擁有)間接於持有本公司權益)控制。

本公司之註冊辦事處及主要營業地點地址載於本報告「公司資料」一節。本集團主要透過其附屬公司，深圳華康生物醫學工程有限公司(「**深圳華康**」)(於一九九二年六月二十六日在中國成立的有限公司)於中國從事生物製劑及輔助生育用品和設備的研發、生產、營銷及銷售。

綜合財務報表以人民幣(「**人民幣**」)呈列，與本集團之功能貨幣相同，且除另有註明外，均四捨五入至最接近之千位數。

* The English name is for identification purpose

2. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRS") assured by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong). In addition, the unaudited condensed consolidated interim financial statements include applicable disclosures required by the GEM Listing Rules.

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies adopted in the audited financial statements for the year ended 31 December 2019 as set out in the annual report of the Company dated 31 March 2020, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2020 and the adoption of the accounting policy for "Equity-settled share-based payment transactions" set out below. The adoption of the new and revised HKFRSs have no material effect on these unaudited condensed consolidated interim financial statements. The Group has not early adopted any new and revised HKFRSs that has been issued but not yet effective in the current accounting period. The preparation of the unaudited condensed consolidated interim financial statements in conformity with HKAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

2. 呈列基準

未經審核簡明綜合中期財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋(下文統稱為「香港財務報告準則」)以及香港法例第622章香港公司條例的披露規定而編製。此外，未經審核簡明綜合中期財務報表包括GEM上市規則規定的適用披露。

未經審核簡明綜合中期財務報表乃根據本公司日期為二零二零年三月三十一日的年報所載截至二零一九年十二月三十一日止年度的經審核財務報表所採用的相同會計政策而編製，惟與於二零二零年一月一日或之後開始之期間首次生效的新準則或詮釋有關者除外及採納以下所示以股權結算之股份基礎付款交易之會計政策。採納新訂及經修訂香港財務報告準則對該等未經審核簡明綜合中期財務報表並無重大影響。本集團概無提前採納本會計期間已頒佈但尚未生效之任何新訂及經修訂香港財務報告準則。編製符合香港會計準則第34號之未經審核簡明綜合中期財務報表要求管理層作出判斷、估計及假設，而有關判斷、估計及假設會影響政策之應用及本年迄今為止所呈報資產及負債、收益及開支之金額。實際結果可能與該等估計有所差異。編製財務報表時已作出重大判斷及估計的範疇以及其影響於附註3披露。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

This report contains unaudited condensed consolidated interim financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the audited financial statements for the year ended 31 December 2019. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs and should be read in conjunction with the 2019 consolidated financial statements.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis.

The unaudited condensed consolidated financial statements have not been reviewed nor audited by the Company's auditor, but have been reviewed by the audit committee of the Company.

Equity-settled share-based payment transactions

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in share options reserve within equity.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

本報告載有未經審核簡明綜合中期財務報表及經挑選之解釋附註。該等附註包括解釋對本集團自截至二零一九年十二月三十一日止年度之經審核財務報表刊發以來之財務狀況及表現所出現之變動而言屬重要之事件及交易。未經審核簡明綜合中期財務報表及其附註並不包括根據香港財務報告準則而編製之完整財務報表所規定之一切資料並應與二零一九年綜合財務報表一併閱讀。

未經審核簡明綜合財務報表乃根據歷史成本基準編製。

未經審核簡明綜合財務報表尚未由本公司核數師審閱或審核，但已由審核委員會審閱。

以股權結算之股份基礎付款交易

所獲服務之公平值乃參考股份期權於授出日期之公平值釐定，以直線法於歸屬期內確認為開支，並於權益中的股份期權儲備中作出相應增加。

於各報告期末，本集團修訂其對預期最終歸屬之股份期權數目之估計。估計修訂之影響(如有)於損益確認，並於股份期權儲備作出相應調整。

於股份期權獲行使時，先前於股份期權儲備確認之數額，將轉撥至股份溢價。倘股份期權於歸屬日期後被沒收，或於到期日仍未行使，先前於股份期權儲備確認之數額，將撥至保留溢利。

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Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

倘權益結算獎勵被註銷，則被視為已於註銷日期歸屬，而任何尚未就獎勵確認之開支均即時確認。然而，倘授出新獎勵代替已註銷獎勵，並於授出日期指定為替代獎勵，則已註銷及新獎勵均被視為原有獎勵之修訂。

3. USE OF JUDGEMENTS AND ESTIMATES

In preparing this unaudited condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2019 annual financial statements.

3. 採用判斷及估計

於編製本未經審核簡明綜合中期財務報表過程中，管理層於應用本集團會計政策時作出的重大判斷及估計不確定因素的主要來源與二零一九年年度財務報表所應用者相同。

4. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to a single operating segment focusing on research and development, manufacturing and sales of biological reagents and auxiliary reproductive supplies and equipment. This operating segment has been identified on the basis of internal management reports prepared in accordance with the Group's Accounting policies. Information reported to the directors, being the chief operating decision maker, for the purposes of resource allocation and assessment focuses on revenue analysis by major products. No other discrete financial information is provided other than the Group's results and financial position as a whole.

4. 收益及分部資料

本集團的經營活動歸屬於單一的經營分部，專注於研發、生產及銷售生物製劑及輔助生育用品和設備。此經營分部乃以根據本集團之會計政策編製之內部管理報告為基準識別。就資源分配及評估而向董事（即主要經營決策者）報告的資料著重按主要產品劃分的收益分析。除本集團整體業績及財務狀況外，概無單獨提供其他財務資料。

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The following is an analysis of the Group's revenue:

以下為對本集團收益之分析：

(a) Revenue from major products

(a) 主產品收益

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Sales of biological reagents	銷售生物製劑				
Male fertility IVD reagents	男性不育體外診斷試劑	4,575	5,343	6,109	9,624
Parasite antibody detection reagents	寄生蟲系列檢測試劑	257	708	571	1,040
Epstein-Barr Virus antibody detection reagents	EB病毒檢測試劑	24	168	129	363
Sales of auxiliary reproductive supplies and equipment	銷售輔助生育用品和設備	296	346	399	609
Total	總計	5,152	6,565	7,208	11,636

(b) Types of customers

(b) 客戶類別

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Distributors	分銷商	2,469	3,898	3,655	6,323
Non-distributors	非分銷商	2,683	2,667	3,553	5,313
Total	總計	5,152	6,565	7,208	11,636

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(c) Geographical information

No geographical segment information is presented as the Group's revenue is all derived from the PRC based on the location of goods delivered and the Group's non-current assets (except for right-of-use assets which is mainly located in Hong Kong) are mainly located in the PRC by physical location of assets.

(c) 地域資料

由於按貨品交付的地區劃分本集團之收益均來自中國及按資產的所在位置劃分本集團之非流動資產(主要位於香港的使用權資產除外)主要位於中國，故並無呈列地域分部資料。

(d) Information about major customers

Details of the customers (including entities under common control) individually accounting for 10% or more of the Group's total revenue are as follows:

(d) 有關主要客戶的資料

單獨佔本集團總收益10%或以上的客戶(包括受共同控制實體)的詳情如下：

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Customer A	客戶A	605	829	884	1,555

5. OTHER INCOME

5. 其他收入

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Government grants	政府補助	12	12	34	23
Bank interest income	銀行利息收入	43	49	85	84
Sundry income	雜項收入	-	9	-	9
		55	70	119	116

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For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

6. OTHER GAINS AND LOSSES

6. 其他收益及虧損

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Foreign exchange (losses)/gains	匯兌(虧損)/收益	(117)	489	274	(179)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	-	10	-	10
		(117)	499	274	(169)

7. IMPAIRMENT LOSSES, NET OF REVERSAL

7. 減值虧損，扣除撥回

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Impairment losses recognised (reversed) on	已確認(已撥回)減值虧損				
- trade receivables	- 貿易應收款項	-	145	610	(473)
- other receivables	- 其他應收款項	-	-	-	(23)
		-	145	610	(496)

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8. INCOME TAX EXPENSE

8. 所得稅開支

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 ([「企業所得稅」])				
Current tax	即期稅項	-	316	-	447

The Company and the subsidiaries incorporated in the "BVI" are tax-exempted. Entity established in the PRC is subject to PRC Enterprise Income Tax at a statutory rate of 25%. Since the Group's PRC subsidiary, Shenzhen Huakang is recognised as "New and High Technology Enterprise" and therefore is entitled to a concessional tax rate of 15%. The entitlement of this tax benefit is subject to renewal by respective tax bureau in the PRC every three years. The latest approval for Shenzhen Huakang enjoying this tax benefit was obtained in October 2018 for the three years ending 31 December 2020.

Hong Kong Profits Tax has not been provided as the Group had no assessable profit arising from Hong Kong for the six months ended 30 June 2020 and 2019.

No provision for deferred taxation has been made in the unaudited condensed consolidated financial statements as there were no significant temporary differences arising during the six months ended 30 June 2020 and 2019 or at the end of each reporting period.

於英屬處女群島註冊成立的本公司及附屬公司均免稅。於中國成立之實體須按中國企業所得稅法定稅率25%繳納稅項。由於本集團的中國附屬公司深圳華康獲評為「高新技術企業」，因此可享有15%的優惠稅率。該項稅務優惠資格須每三年獲相關中國稅務局重續。深圳華康最近獲此稅務優惠審批之時間為二零一八年十月，有效期為截至二零二零年十二月三十一日止三年。

由於本集團於截至二零二零年及二零一九年六月三十日止六個月並無在香港產生應課稅溢利，故並無就香港利得稅作出撥備。

由於截至二零二零年及二零一九年六月三十日止六個月或各報告期末並無重大暫時性差異，因此未經審核簡明綜合財務報表並無計提遞延稅項撥備。

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9. LOSS BEFORE TAX

9. 除稅前虧損

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		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
Finance costs	融資成本				
Finance charges on lease liabilities	租賃負債的財務費用	14	–	29	–
Staff costs, including directors' remuneration	員工成本，包括董事薪酬				
Directors' emoluments	董事薪酬	504	264	987	551
Other staff costs	其他員工成本				
Salaries, bonus and other benefits	薪金、花紅及其他福利	1,867	1,755	3,492	3,481
Contributions to defined contribution plans	定額供款計劃供款	227	349	439	540
Equity-settled share option expenses	以股權結算的購股權開支	2,660	–	2,660	–
		5,258	2,368	7,578	4,572
Other items	其他項目				
Auditor's remuneration	核數師酬金	160	300	318	600
Amortisation of intangible assets	無形資產攤銷	94	88	182	176
Depreciation of property, plant and equipment	物業、廠房及設備折舊	436	408	904	765
Depreciation of right-of-use assets	使用權資產折舊	272	110	500	220
Other rental and related expenses	其他租賃及有關開支	22	106	34	212

10. DIVIDEND

No dividend was paid or declared by the Group during the six months ended 30 June 2020 and 2019, nor has any dividend been proposed since the end of the reporting period.

10. 股息

截至二零二零年及二零一九年六月三十日止六個月，本集團概無派付或宣派任何股息，及自報告期末亦無建議派付任何股息。

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11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

11. 每股虧損

本公司擁有人應佔每股基本和攤薄虧損的計算乃基於以下數據：

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (unaudited) (未經審核) RMB'000 人民幣千元
(Loss)/Profit:	(虧損)/溢利：				
(Loss)/Profit for the period attributable to the owners of the Company for the purpose of basic (loss)/earnings per share	計算每股基本(虧損)/溢利所用本公司擁有人應佔期內(虧損)/溢利	(3,354)	371	(6,107)	223
		'000 千股	'000 千股	'000 千股	'000 千股
Number of shares:	股份數目：				
Weighted average number of ordinary shares of the Company in issue for the purpose of basic earnings per share	計算每股基本盈利所用本公司已發行普通股加權平均數	400,000	400,000	400,000	400,000

Diluted loss per share

The computation of diluted loss per share does not assume the exercise of the outstanding share options since the exercise price per share option was higher than the average share price of the Company, respectively.

每股攤薄虧損

計算每股攤薄虧損時並無假設本公司發行的尚未行使購股權獲行使，原因是每份購股權的行使價高於本公司的平均股價。

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12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020 the Group acquired property, plants and equipment of approximately RMB605,000 (six months ended 30 June 2019 approximately RMB595,000).

12. 物業、廠房及設備

於截止二零二零年六月三十日止六個月，本集團購買物業、廠房及設備約人民幣605,000（截止二零一九年六月三十日止六個月：約人民幣595,000）。

13. INTANGIBLE ASSETS

13. 無形資產

		Development costs 發展成本 RMB'000 人民幣千元
COST	成本	
At 31 December 2019	於二零一九年十二月三十一日	4,321
Additions	添置	178
At 30 June 2020	於二零二零年六月三十日	4,499
AMORTISATION	攤銷	
At 31 December 2019	於二零一九年十二月三十一日	1,407
Provided for the period	期內撥備	182
At 30 June 2020	於二零二零年六月三十日	1,589
CARRYING VALUES	賬面值	
At 30 June 2020	於二零二零年六月三十日	2,910
At 31 December 2019	於二零一九年十二月三十一日	2,914

Development costs are internally generated and has finite useful lives and amortised on a straight-line basis over 5 years.

發展成本乃於內部產生，具有有限可用年限，並於5年內按直線法攤銷。

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14. RIGHT-OF-USE ASSETS

14. 使用權資產

		Motor vehicles 汽車 RMB'000 人民幣千元	Factories and office premises 工廠及 辦公室物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Reconciliation of carrying amount	賬面值對賬			
At 31 December 2019	於二零一九年十二月三十一日	542	809	1,351
Additions	添置	–	849	849
Derecognised	終止確認	–	(364)	(364)
Depreciation	折舊	(54)	(446)	(500)
At 30 June 2020	於二零二零年六月三十日	488	848	1,336
At 30 June 2020	於二零二零年六月三十日			
Cost	成本	542	1,559	2,101
Accumulated depreciation	累計折舊	(54)	(711)	(765)
		488	848	1,336

Certain lease impose a restriction that, unless the approval is obtained from the lessor, the right-of use asset can only be used by the Group and the Group is prohibited from selling or pledging the underlying assets.

若干租賃實施一項限制，除非獲得出租人批准，否則使用權資產僅限由本集團使用，並且禁止本集團出售或抵押相關資產。

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15. TRADE RECEIVABLES

15. 貿易應收款項

		30 June 2020	31 December 2019
		二零二零年	二零一九年
		六月三十日	十二月三十一日
		(unaudited)	(audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項	11,777	12,653
Less: allowance for credit losses	減：信貸虧損撥備	(3,185)	(2,574)
Total	總計	8,592	10,079

In general, the Group will request deposits from the customers before the goods are delivered and the amount of deposits requested varies amongst different contracts. For certain long-term customers, the Group will deliver the goods without requesting deposits and allow a credit period from 30 to 180 days to these customers and there is no credit period granted to other customers.

一般而言，本集團將要求於貨品交付前向客戶收取按金，而且所要求按金數額因不同合約而有所區別。就若干長期客戶而言，本集團將於不要求按金的情況下向該等客戶交付貨品，且授予該等客戶30至180天的信貸期，而並無向其他客戶授出信貸期。

The following is an aging analysis of trade receivables (net of allowances for credit losses) presented based on the dates of delivery of goods.

按貨品交付日期呈列的貿易應收款項賬齡分析如下：

		30 June 2020	31 December 2019
		二零二零年	二零一九年
		六月三十日	十二月三十一日
		(unaudited)	(audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 – 30 days	0至30天	1,340	2,488
31 – 90 days	31至90天	2,767	2,811
91 – 180 days	91至180天	850	2,698
Over 181 days	超過181天	3,635	2,082
		8,592	10,079

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16. TRADE PAYABLES

In general, the Group will make advance payment to suppliers before the materials are received. Some of the suppliers may deliver the materials to the Group without requesting advance payment and a credit period ranged from 30 to 90 days is granted by these suppliers.

The following is an aging analysis of trade payables presented based on the invoice date:

16. 貿易應付款項

通常，本集團會在取得材料前向供應商預付款項。部份供應商可在無需預付款的情況下將材料交付予本集團，該等供應商已授出介乎30天至90天之信貸期。

基於發票日期的貿易應付款項的賬齡分析如下：

		30 June 2020	31 December 2019
		二零二零年	二零一九年
		六月三十日	十二月三十一日
		(unaudited)	(audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 – 30 days	0至30天	30	435
31 – 90 days	31至90天	320	58
Over 90 days	超過90天	971	537
		1,321	1,030

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17. SHARE CAPITAL

17. 股本

	Number of share 股份數目	Amount 金額 HK\$ 港元	Amount 金額 RMB'000 人民幣千元
Authorised ordinary shares at HK\$0.01 per share:	每股0.01港元之法定 普通股：		
At 31 December 2019 (audited) and 30 June 2020 (Unaudited)	於二零一九年十二月 三十一日(經審核) 及二零二零年六月 三十日(未經審核)	1,000,000,000	10,000,000
			8,851
Issued and fully paid ordinary shares at HK\$0.01 per share:	每股0.01港元之已發行及 繳足普通股：		
At 31 December 2019 (audited) and 30 June 2020 (Unaudited)	於二零一九年十二月 三十一日(經審核) 及二零二零年六月 三十日(未經審核)	400,000,000	4,000,000
			3,509

18. CAPITAL COMMITMENTS

18. 資本承擔

	30 June 2020 二零二零年 六月三十日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (audited) (經審核) RMB'000 人民幣千元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the unaudited condensed consolidated financial statements	就購買物業、廠房及設備 之已訂約但並無於未經 審核簡明綜合財務報表 計提之資本承擔	798
Capital expenditure in respect of the investment in associate but not provided in the unaudited condensed consolidated financial statement	就投資於聯營公司之已訂 約但並無於未經審核簡 明綜合財務報表計提之 資本承擔	490
	1,288	—

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19. RELATED PARTY TRANSACTIONS

(a) Related Party Transactions

Save as disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group had entered into following transactions with its related party during the six months ended 30 June 2020 and 2019:

19. 關連方交易

(a) 關連方交易

除於未經審核簡明綜合財務報表其他地方之披露外，截至二零二零年及二零一九年六月三十日止六個月，本集團與其關連方訂立以下交易：

		Six months ended 30 June 截止六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Rental and utilities expenses paid to Shenzhen Junxuan	已付深圳君軒之租金及公共開支	447	415

Shenzhen Junxuan is ultimately controlled by Mr. Zhang, the director of the Company and Shenzhen Huakang, during the six months ended 30 June 2020 and 2019.

截至二零一九年及二零一八年六月三十日止六個月，深圳君軒由本公司及深圳華康之董事張曙光先生最終控制。

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(b) Compensation of key management personnel

The emoluments of directors as key management personnel of the Group during the six months ended 30 June 2020 and 2019 were as follows:

(b) 主要管理人員薪酬

董事(作為本集團主要管理人員)截至二零二零年及二零一九年六月三十日止六個月之薪酬如下:

		Six months ended 30 June 截止六月三十日止六個月	
		2020 二零二零年 (unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (unaudited) (未經審核) RMB'000 人民幣千元
Salaries, bonus and other benefits	薪金、花紅及其他福利	934	382
Contributions to defined contribution plans	界定供款計劃供款	53	38
Equity-settled share option expenses	以股權結算的購股權開支	1,636	-
		2,623	420