



# BaWang International (Group) Holding Limited 霸王國際(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: 01338

股票代碼: 01338



## Interim Report 2020 2020 年中期報告

\* for identification purposes only  
僅供識別

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## Corporate Information 公司資料

### Directors

#### Executive Directors

CHEN Qiyuan (*Chairman*)  
CHEN Zheng He (*Chief Executive Officer*)  
WONG Sin Yung *CPA*

#### Independent non-executive Directors

Dr. NGAI Wai Fung *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
CHEUNG Kin Wing *FCA, CPA*  
Dr. WANG Qi *PhD*

### Audit and Risk Management Committee

Dr. NGAI Wai Fung *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
(*Chairman*)  
CHEUNG Kin Wing *FCA, CPA*  
Dr. WANG Qi *PhD*

### Remuneration Committee

CHEUNG Kin Wing *FCA, CPA (Chairman)*  
Dr. NGAI Wai Fung *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
CHEN Zheng He

### Nomination Committee

CHEN Qiyuan (*Chairman*)  
Dr. NGAI Wai Fung *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
CHEUNG Kin Wing *FCA, CPA*

### Company Secretary

WONG Sin Yung *CPA*

### 董事

#### 執行董事

陳啟源(主席)  
陳正鶴(首席執行官)  
黃善榕 *CPA*

#### 獨立非執行董事

魏偉峰博士 *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
張建榮 *FCA, CPA*  
王琦博士 *PhD*

### 審核及風險管理委員會

魏偉峰博士 *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
(主席)  
張建榮 *FCA, CPA*  
王琦博士 *PhD*

### 薪酬委員會

張建榮 *FCA, CPA (主席)*  
魏偉峰博士 *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
陳正鶴

### 提名委員會

陳啟源(主席)  
魏偉峰博士 *PhD, CPA, FCCA, FCIS, FCS (P.E.)*  
張建榮 *FCA, CPA*

### 公司秘書

黃善榕 *CPA*

## Authorised Representatives

CHEN Zheng He  
WONG Sin Yung *CPA*

## 授權代表

陳正鶴  
黃善榕 *CPA*

## Registered Office

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## 註冊辦事處

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## Principal Place of Business in the People's Republic of China ("PRC")

468 Guanghua 3rd Road  
Bawang Industrial Complex  
Baiyun District  
Guangzhou  
510450  
PRC

## 中國主要營業地點

中國  
廣州  
白雲區  
廣化三路468號  
霸王工業園  
郵編：510450

## Place of Business in Hong Kong

Suite B, 16/F  
Ritz Plaza  
122 Austin Road  
Tsimshatsui  
Kowloon  
Hong Kong

## 香港營業地點

香港  
九龍  
尖沙咀  
柯士甸道122號  
麗斯中心  
16樓B室

## Hong Kong Branch Share Registrar and Transfer Office

Boardroom Share Registrars (HK) Limited  
2103B, 21/F., 148 Electric Road  
North Point  
Hong Kong

## 香港證券登記及過戶處

寶德隆證券登記有限公司  
香港  
北角  
電氣道148號21樓2103B室

## Corporate Information 公司資料

### Cayman Islands Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited  
(formerly known as Codan Trust Company (Cayman) Limited)  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### Auditor

SHINEWING (HK) CPA Limited  
43/F, Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

### Legal Advisor on Hong Kong Law

Fangda Partners  
26/F, One Exchange Square  
8 Connaught Place  
Central, Hong Kong

### Company's Website

[www.bawang.com.cn](http://www.bawang.com.cn)

### Stock Code

01338

### Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

Bank of China Limited  
1073 Jichang Road  
Guangzhou 510410  
PRC

### 開曼群島證券過戶登記總處

Conyers Trust Company (Cayman) Limited  
(前稱 Codan Trust Company (Cayman) Limited)  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### 核數師

信永中和(香港)會計師事務所有限公司  
香港  
銅鑼灣  
希慎道33號  
利園一期43樓

### 香港法律顧問

方達律師事務所  
香港中環  
康樂廣場8號  
交易廣場1期26樓

### 公司網址

[www.bawang.com.cn](http://www.bawang.com.cn)

### 股票代碼

01338

### 主要往來銀行

香港上海滙豐銀行有限公司  
香港  
皇后大道中1號

中國銀行股份有限公司  
中國  
廣州市  
機場路1073號  
郵編：510410



### Business Review

The Directors report that the total revenue of the Group for the six months ended 30 June 2020 was approximately RMB123.9 million, representing an increase of approximately 9.5% from approximately RMB113.2 million for the same period last year. The operating loss of the Group for the six months ended 30 June 2020 was approximately RMB4.6 million, as compared with the operating loss of approximately RMB17.8 million for the same period last year.

For the six months ended 30 June 2020, the net loss of the Group was approximately RMB5.3 million, as compared with the net loss of approximately RMB18.6 million for the same period last year.

For further information on the operating performance of the Group, please refer to the “Financial Review” section of this report.

During the period under review, the Group continued to operate under the value-chain oriented business model, which enabled the Group to control the cost of sales and operating costs at a sustainable level.

The coronavirus pandemic has made a great impact on daily life of people since late January this year. The health awareness has significantly increased across China and the demand for personal and household hygiene products was strong.

To satisfy the consumers’ needs for additional household and personal care (“HPC”) products to protect against the viral-infection in the midst of the coronavirus pandemic, the Group rolled out a new Bawang-branded antiseptic sanitary product series comprising disinfectant floor cleaner liquid, sanitising laundry detergents, liquid hand-wash, and anti-bacterial hand gel during the period under review. To enhance the revenue, we tailor-made some exclusive Bawang-branded products for supply to a group of selected quality distributors for sale.

### 業務回顧

董事報告本集團截至二零二零年六月三十日止六個月的總收入約人民幣123.9百萬元，較二零一九年同期約人民幣113.2百萬元增加了約9.5%。本集團截至二零二零年六月三十日止六個月期間錄得經營虧損約人民幣4.6百萬元，而去年同期錄得經營虧損約人民幣17.8百萬元。

本集團截至二零二零年六月三十日止六個月錄得淨虧損約人民幣5.3百萬元，而去年同期錄得淨虧損約人民幣18.6百萬元。

關於本集團經營業績的更多信息，請參照本報告之「財務回顧」部分。

於回顧期內，本集團繼續執行價值鏈導向的業務模式，使其控制銷售成本及營運成本維持在可持續的水平。

自今年一月下旬起，新型冠狀病毒大流行對人們的日常生活產生了重大影響，全國人民的健康意識顯著提高，使得個人和家庭護理衛生產品的需求強勁。

為滿足消費者的需求，尋找額外的家庭及個人護理產品以防止新型冠狀病毒疫情期間的病毒感染，本集團在報告期內，推出了由地板消毒液，消毒洗衣液，洗手液和抗菌洗手凝露組成新的霸王品牌消毒衛生系列產品。我們並向一些優質的經銷商推出訂製的霸王系列特供產品，以增加集團銷售額。

## 6 Management Discussion and Analysis 管理層討論及分析

During the period under review, through cross-industry cooperation, we successfully rolled out gift-pack product series during the festive times and for the online sales festival, which drew the attention of consumers and were well-received by them. At the same time, we displayed our products inside the selected metro stations in Guangzhou and Shenzhen. We gave away some Bawang-branded testers through on-site interactive games. The Group also conducted publicity campaigns by advertising on the mega-display screens in selected Guangzhou metro stations.

During the period under review, advertisements of Bawang-branded products were showcased in lifts of certain residential districts in Guangzhou, Shanghai, Hangzhou, Zhengzhou and other first-tier cities. The Group also made use of the popular social media platforms to increase the publicity and exposures of our branded products to the consumers.

Additionally, we continued to make use of our newly-developed sales channel for college students. Leveraging on the “College Students Advertising Festival” (大學生廣告藝術節) and cooperating with some colleges, we introduced Bawang-branded products to the campuses which publicised and educated young people to understand the concept of hair-care by using herbal shampoo products.

As part of the Group’s initiatives to participate in corporate social responsibility and public welfare activities, the Group made donations of our HPC products to Wuhan Hongshan Fangcang Hospital, which is dedicated for treatment of COVID-19, for the daily use by resident medical staff members and patients during the period under review.

As at 30 June 2020, the Bawang brand distribution network comprised 849 distributors and six KA retailers, covering 26 provinces and four municipalities in China. Furthermore, the products of the Group were also sold in Hong Kong, Singapore, Thailand and Malaysia.

During the period under review, the Group marketed the branded shampoo products, “Royal Wind”, with the theme “Let’s chase for the wind rather than wait for the wind”. As at 30 June 2020, the Royal Wind brand distribution network comprised 110 distributors and six KA retailers, covering 26 provinces and four municipalities in China.

於回顧期內，我們通過跨界合作，及利用慶祝節日和電商促銷節慶，成功推出了特色訂製禮盒，受到了這些消費群體的關注和喜愛；同時，在廣州和深圳的部分地鐵站內展示我們的產品，通過一些遊戲互動環節現場派發霸王品牌小樣品來曝光我們的產品，並在廣州地鐵內大屏幕展示產品廣告。

於回顧期內，通過在廣州、上海、杭州、鄭州等其他一線城市的部分居住小區的電梯內進行廣告投放，來宣傳我們的霸王品牌系列產品。本集團充也分利用流行的社交平台來接觸顧客，以加強我們品牌產品宣傳和曝光率。

此外，我們繼續利用新開發的大學生市場，利用「大學生廣告藝術節」和一些大學合作，推廣霸王品牌產品到校園以進行宣傳教育，讓更多的年輕人了解通過中草藥洗髮水產品護髮的概念。

作為集團積極參與企業社會責任公益活動的一部分，本集團向武漢洪山區專門治療新型冠狀病毒的方艙醫院捐贈了我們的家用及個人護理產品，供其駐院的醫務人員和住院病人的日常使用。

截至二零二零年六月三十日止，霸王品牌分銷網絡包括849個分銷商及六個重點零售商，覆蓋中國26個省份及四個直轄市。此外，該集團的產品也銷往香港、新加坡、泰國以及馬來西亞。

於回顧期內，本集團推廣追風品牌的營銷主題「等風來，不如追風去」。截至二零二零年六月三十日，追風品牌分銷網絡包括110個分銷商及六個重點零售商，覆蓋中國26個省份及四個直轄市。

Our Litao products mainly comprised shower gels and laundry detergents, targeting consumers living in the second-tier or third-tier cities in China. The Group's goal is to widen the market coverage in China. As at 30 June 2020, the Litao products distribution network comprised 93 distributors, covering 26 provinces and four municipalities in China.

Our Herborn Chinese herbal skincare product series targets white-collar ladies in the age range from 25 to 45 who have relatively high net incomes and are dedicated to pursue a healthy and natural lifestyle. As at 30 June 2020, the sales and distribution network for the Herborn Chinese herbal skincare products comprised 93 distributors covering 26 provinces and four municipalities in China.

As at 30 June 2020, the Group has established online flagship stores for our Bawang, Royal Wind and Herborn branded products on 13 online retailing platforms in China. We will deepen our efforts in the development of this channel.

During the period under review, we have obtained, renewed, and/or are in possession of the following certificates and/or accreditations:

- our Chinese herbal hair care shampoo products and skincare series shower gel products have been recognised as “New High-tech Products of Guangdong Province” (廣東省高新技術產品) by the Guangdong Provincial New High-tech Enterprise Association for a period of three years until the end of 2020;
- the permit for production of cosmetic products, which was issued by Guangdong Provincial Food and Drug Administration, is valid until May 2021;
- three Bawang branded series shampoos were again recognised as “The 2018 New High-Tech Products in Guangdong” by the Guangdong Provincial Science and Technology Bureau in December 2018 for a period of three years until the end of 2021;
- our High-tech enterprise certificate has been renewed for a period of three years until the end of 2021;

麗濤產品主要由沐浴露和洗衣液組成，以中國二三線城市的消費者為目標客戶群體。本集團的目標是將市場擴大至整個中國。截至二零二零年六月三十日，麗濤品牌分銷網絡包括93個分銷商，覆蓋中國26個省份及四個直轄市。

本草堂中草藥護膚產品之目標客戶群體是擁有相對較高的收入、熱衷追求健康自然的生活方式、年齡介於25歲至45歲的白領女性。截至二零二零年六月三十日，本草堂中草藥護膚產品分銷網絡包括93個分銷商，覆蓋中國26個省份及四個直轄市。

截至二零二零年六月三十日止，本集團已經在13個線上零售平台上建立了霸王、追風和本草堂的線上旗艦店。我們會深化力量去發展這渠道。

於回顧期內，我們獲得，更新及/或依然持有的證書及/或認證如下：

- 我們的中草藥養髮護髮系列洗髮液產品及護膚系列沐浴露均獲廣東省高新技術企業協會評為「廣東省高新技術產品」，有效期為三年至二零二零年底；
- 廣東省食品藥品監督管理局頒發的化妝品生產許可證書，有效期截至二零二一年五月；
- 霸王品牌三大系列產品重新被廣東省科技技術廳認定為「2018年廣東省高新技術產品」，有效期為三年即截至二零二一年底；
- 我們更新了高新技術企業證書，有效期為三年即截至二零二一年底；



## 8 Management Discussion and Analysis 管理層討論及分析

- our production process for haircare and skincare products has been certified by SGS with a validity period until July 2022 as to meet the requirements of US FDA CFSAN by reference to Cosmetic Good Manufacturing Practices (GMP) Guidelines 2008;
  - our production process for haircare and skincare products has been certified by SGS with a validity period until July 2022 as to meet the requirements of ISO22716:2007 by reference to Cosmetic Good Manufacturing Practices (GMP) Guidelines;
  - we were awarded the title of “Excellent Partner” by the Panyu branch of Industrial and Commercial Bank of China in January 2020; and
  - we were awarded “Committee Unit” by Guangdong Food & Drug Technology Association for Evaluation & Certification, which is valid until December 2023.
- 我們護髮護膚產品的生產流程通過了SGS機構的評估，獲得美國食品安全營養中心有關化妝品良好生產規範(GMP)2008的認證，有效期截至二零二二年七月；
  - 我們護髮護膚產品的生產流程通過了SGS機構評估，獲得國際標準組織化妝品生產操作指南ISO22716：2007有關化妝品良好生產規範(GMP)認證，有效期截至二零二二年七月；
  - 於二零二零年一月，我們獲中國工商銀行番禺支行頒發的「卓越合作夥伴」稱號；及
  - 我們獲廣東省食品藥品審評認證技術協會評為「委員單位」，有效期至二零二三年十二月。

### Financial Review

#### Revenue

During the six months ended 30 June 2020, the Group's revenue from operations amounted to approximately RMB123.9 million, representing an increase of approximately 9.5% from approximately RMB113.2 million for the same period last year. Revenue through the online sales channel was approximately RMB65.3 million, representing an increase of approximately 4.5% from approximately RMB62.5 million for the same period last year.

During the six months ended 30 June 2020, the Group's core brand, Bawang, generated a revenue of approximately RMB115.2 million, which accounted for approximately 93.0% of the Group's total revenue, and represented an increase of approximately 9.2% as compared with the same period last year.

During the six months ended 30 June 2020, the Group's branded Chinese herbal anti-dandruff haircare series, Royal Wind, generated a revenue of approximately RMB2.3 million, which accounted for approximately 1.9% of the Group's total revenue, and represented a decrease of approximately 26.0% as compared with the same period last year.

### 財務回顧

#### 營業額

截至二零二零年六月三十日止六個月，本集團收入約人民幣123.9百萬元，較去年同期經營業務收入的約人民幣113.2百萬元增加了約9.5%。電商渠道的營業額約人民幣65.3百萬元，較去年同期約人民幣62.5百萬元上升了約4.5%。

截至二零二零年六月三十日止六個月，本集團核心品牌，霸王的收入約人民幣115.2百萬元，約佔本集團總收入的93.0%，較去年同期上升了約9.2%。

截至二零二零年六月三十日止六個月，本集團的中草藥去屑品牌，追風的收入約人民幣2.3百萬元，約佔本集團總收入的1.9%，較去年同期下降了約26.0%。

During the six months ended 30 June 2020, the Group's natural-based branded shampoo, shower gel and laundry detergent products series, Litao, generated a revenue of approximately RMB4.0 million, which accounted for approximately 3.2% of the Group's total revenue, and represented an increase of approximately 23.8% as compared with the same period last year.

截至二零二零年六月三十日止六個月，本集團的以純天然為基礎的洗髮水、沐浴露和洗衣液產品系列，麗濤的收入約人民幣4.0百萬元，約佔本集團總收入的3.2%，較去年同期上升了約23.8%。

During the six months ended 30 June 2020, the Group's branded Chinese herbal skincare series, Herborn, generated a revenue of approximately RMB1.8 million, which accounted for approximately 1.5% of the Group's total revenue, represented an increase of approximately 47.8% as compared with the same period last year.

截至二零二零年六月三十日止六個月，本集團的中草藥護膚品牌，本草堂的收入約人民幣1.8百萬元，約佔本集團總收入的1.5%，較去年同期上升約47.8%。

We sold our products through extensive distribution and retail networks, via conventional and/or online sales channels. During the six months ended 30 June 2020, a summary of our sales revenue in percentage through different networks and/or channels are as follows:

我們通過廣泛的分銷商和零售商網絡，也通過傳統和/或電商渠道銷售我們的產品，截至二零二零年六月三十日止六個月，綜述我們通過不同網絡和/或渠道的銷售額百分比列示如下：

Network/Channel	網絡/渠道	Conventional 傳統 (%)	Online 電商 (%)	Total 合計 (%)
Distributor	分銷商	39.2	24.6	63.8
Retailer	零售商	8.2	28.0	36.2
Total	合計	47.4	52.6	100

During the six months ended 30 June 2020, our products were also sold in Hong Kong, Singapore, Thailand and Malaysia. The sales to these overseas markets accounted for approximately 1.7% of our total revenue during the six months ended 30 June 2020.

截至二零二零年六月三十日止六個月，我們的產品已在香港、新加坡、泰國和馬來西亞市場上銷售。截至二零二零年六月三十日止六個月，這些境外市場的營業額約佔本集團總銷售額的1.7%。

### Cost of Sales

During the six months ended 30 June 2020, cost of sales amounted to approximately RMB79.2 million, representing an increase of approximately RMB13.4 million (or approximately 20.4%) from approximately RMB65.8 million during the same period last year. The overall increase in cost of sales was primarily due to an increase in the volume and cost of production, which was driven by higher demand for our products. As a percentage of revenue, cost of sales for the six months ended 30 June 2020 increased from approximately 58.1% in 2019 to approximately 63.9%, which was mainly due to an increase in the costs incurred in raw materials, packaging materials and direct labour, but was partially offset by the decrease in manufacturing expenses.

### Gross Profit

During the six months ended 30 June 2020, the Group's gross profit amounted to approximately RMB44.8 million, representing a decrease of approximately 5.5% from approximately RMB47.4 million for the same period last year. The gross profit margin for the six months ended 30 June 2020 also decreased from approximately 41.9% in the first half of 2019 to approximately 36.1%. The decrease in the gross profit margin was mainly attributable to a change in the Group's marketing and sales policy, whereby lower unit prices of products offered to our distributors in place of a lower rate of reimbursable marketing expenses, which had the effect of increasing the sales volume of the Group's products. Such policy negatively affected the Group's gross profit margin during the six months ended 30 June 2020, but its effect was partially offset by a reduction in selling and distribution costs.

### Selling and Distribution Costs

During the six months ended 30 June 2020, selling and distribution costs amounted to approximately RMB37.2 million, representing a decrease of approximately 30.2% from approximately RMB53.3 million for the same period last year. As a percentage of revenue, our selling and distribution costs for the six months ended 30 June 2020 decreased from approximately 47.1% in 2019 to approximately 30.0% in 2020. The decrease was primary due to the change in the Group's marketing and sales policy as mentioned above, and also due to a decrease in advertising and branding expenses and promotion expenses, but was partially offset by an increase in goods delivery expenses due to an increase in the volume of products sold.

### 銷售成本

截至二零二零年六月三十日止六個月，銷售成本約為人民幣79.2百萬元，較去年同期的約人民幣65.8百萬元增加了約人民幣13.4百萬元(或約20.4%)。整體銷售成本增加的主要原因是本集團產品的需求增加導致的生產量增加。按佔營業額的百分比，銷售成本從二零一九年同期的約58.1%增加至二零二零年六月三十日止的約63.9%，其主要原因是由於原材料、包裝物和直接人工成本的增加，但部份被製造費用的減少所抵銷。

### 毛利

截至二零二零年六月三十日止六個月，本集團的毛利下降至約人民幣44.8百萬元，與去年同期約人民幣47.4百萬元相比下降了約5.5%。截至六月三十日止六個月的毛利率從二零一九年上半年的約41.9%下降到二零二零年六月三十日止的約36.1%。毛利率下降的主要原因是由於本集團改變了營銷及銷售政策降低售予經銷商的产品單價，從而減少經銷商可報銷市場費用。此政策增加了本集團的产品銷售量，但對本集團二零二零年六月三十日止的毛利率產生了負面影響，但此影響部分被降低的銷售及分銷開支所抵銷。

### 銷售及分銷開支

截至二零二零年六月三十日止六個月，銷售及分銷開支約人民幣37.2百萬元，較去年同期的約人民幣53.3百萬元減少了約30.2%。就營業額佔比而言，截至二零二零年六月三十日止六個月的銷售及分銷開支，從去年同期的約47.1%減少到約30.0%，其減少的主要原因是由於上述因本集團市場和銷售政策的改變，及廣告和品牌推廣費及促銷費的減少，但部分被產品銷量增加引起物流運輸費的增加所抵減。

### Administrative Expenses

During the six months ended 30 June 2020, administrative expenses amounted to approximately RMB13.1 million, representing a decrease of approximately 15.5% from approximately RMB15.5 million for the same period last year. The decrease was primarily due to a decrease in exchange loss and consultancy fees, but was partially offset by the increase in depreciation.

### Loss from Operations

The Group recorded an operating loss of approximately RMB4.6 million for the six months ended 30 June 2020, as compared with the operating loss of approximately RMB17.8 million for the same period last year. The decreased in operating loss was primarily attributable to the following factors: (1) an increase in the revenue, which was partially offset by an increase in production costs that resulted in a decrease in the gross profit margin as mentioned above; and (2) decrease in selling and distribution costs and administrative expenses.

### Finance Costs

For the six months ended 30 June 2020, finance costs of approximately RMB0.7 million represent the interest on bank borrowing in the amount of approximately RMB0.04 million (six months ended 30 June 2019: RMB0.3 million), and the interest on lease liabilities in the amount of approximately RMB0.7 million as a result of the adoption of IFRS16 with effect from 1 January 2019 (six months ended 30 June 2019: RMB0.5 million).

### Other Income

The Group recorded other income of approximately RMB1.1 million for the six months ended 30 June 2020, representing an increase of approximately 82.3% from approximately RMB0.6 million for the same period last year. Such increase was primarily attributable to an increase in income derived from bank deposits and on financial products.

### Income Tax Expense

During the six month periods ended 30 June 2020, the Group had no income tax expense (six months ended 30 June 2019: RMB2,000).

### 行政費用

截至二零二零年六月三十日止六個月，行政費用約人民幣13.1百萬元，較去年同期的約人民幣15.5百萬元減少了約15.5%。其減少的主要原因是匯兌損失及諮詢費用的減少，但部分被折舊的增加所抵減。

### 經營虧損

本集團截至二零二零年六月三十日止六個月錄得經營虧損約為人民幣4.6百萬元，而去年同期錄得經營虧損約人民幣17.8百萬元。經營虧損下降主要受以下因素影響：(1)銷售收入的增加，但部份被生產成本的增加所抵減以及上述所引起的毛利率的下降；及(2)銷售和分銷成本及行政開支減少。

### 融資成本

截至二零二零年六月三十日止六個月，融資成本約為人民幣0.7百萬元，其中銀行借款利息金額約人民幣0.04百萬元(截至二零一九年六月三十日止六個月：人民幣0.3百萬元)，及因二零一九年一月一日生效的國際財務報告準則第16號的採用而產生的租賃負債的利息金額約為人民幣0.7百萬元(截至二零一九年六月三十日止六個月：人民幣0.5百萬元)。

### 其他收入

本集團截至二零二零年六月三十日止六個月錄得其他收入約人民幣1.1百萬元，較去年同期約人民幣0.6百萬元增加了約82.3%，其增加的主要原因是銀行利息收入和金融產品理財收益的增加。

### 所得稅支出

截至二零二零年六月三十日期間，本集團沒有發生所得稅支出(截至二零一九年六月三十日止六個月：人民幣2,000元)。

#### Net Loss for the Period from Operations

As a result of the combined effect of the abovementioned factors, the Group recorded a net loss from operations of approximately RMB5.3 million for the six months ended 30 June 2020, as compared with the net loss from operations of approximately RMB18.6 million for the six months ended 30 June 2019.

#### Loss for the Period Attributable to Owners of the Company

As a result of the combined effect of the above factors, the Group recorded a loss attributable to owners of the Company of approximately RMB5.3 million for the six months ended 30 June 2020, as compared with a loss attributable to owners of the Company of approximately RMB18.6 million for the six months ended 30 June 2019.

#### Outlook

In a World Economic Outlook Update issued in late June 2020 by the International Monetary Fund (“IMF”), it was reported that China is expected to post positive growth in 2020 while the global economy will contract by 4.9% in a coronavirus-driven plunge in output, which was supported partly by government stimulus. China is projected to rebound rapidly from its contraction in the first quarter of 2020, and that China’s economy would grow 1.0% for the whole year 2020 and 8.2% in 2021, which was reported to be the highest projected growth globally.

Economists expect supportive policy from China’s government to facilitate a strong economic rebound. Signs of gradual recovery have been shown as more restaurants, shopping malls and even cinemas reopened by the end of first half of 2020.

Having said that, the IMF indicates that the coronavirus pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and that the recovery is projected to be more gradual than previously forecast.

According to a research report issued in mid-July 2020 by the Hong Kong Trade Development Council, China’s GDP declined by 6.8% in the first quarter of 2020, but it grew by 3.2% in the second quarter of 2020, which is in line with the IMF’s expectation on the economic rebound.

#### 期內營運淨虧損

因上述因素的綜合影響，本集團截至二零二零年六月三十日止六個月錄得營運淨虧損約為人民幣5.3百萬元，而截至二零一九年六月三十日止六個月錄得營運淨虧損約為人民幣18.6百萬元。

#### 本公司擁有人應佔期內虧損

因上述因素的綜合影響，本集團截至二零二零年六月三十日止六個月錄得本公司擁有人應佔期內虧損約人民幣5.3百萬元，而截至二零一九年六月三十日止六個月錄得本公司擁有人應佔虧損約人民幣18.6百萬元。

#### 展望

在二零二零年六月底由國際貨幣基金組織發佈的《世界經濟展望》中，報告指出儘管全球經濟因新型冠狀病毒引發的產量驟降而將收縮4.9%，但是中國預期在二零二零年錄得正增長。在部分得到政府刺激計劃的支持下，中國預計將在二零二零年第一季度迅速從收縮中復蘇，並在二零二零年全年實現正增長達1.0%，到二零二一年將增長8.2%，是報告中全球而言估計增長最快的國家。

經濟學家預計，中國政府將出台支持性政策，推動經濟強勁反彈。隨著更多的餐館、購物中心甚至電影院在二零二零年上半年完結前重新營業，逐漸復蘇的跡象已經顯現出來。

儘管如此，國際貨幣基金組織指出，新型冠狀病毒對二零二零年上半年經濟活動的負面影響超過預期，復蘇預計將比之前的預測更加緩慢。

根據香港貿易發展局二零二零年七月中發布的研究報告，二零二零年第一季度中國國內生產總值(GDP)下降6.8%，但二零二零年第二季度增長3.2%，符合國際貨幣基金組織對中國經濟復蘇的預期。



Coupled with the possibility of resurgence of further waves of coronavirus outbreak, the Directors tend not to be too optimistic about the prospect of Chinese economy in 2020.

The corporate theme for the rest of 2020 is “Without fear of difficulty, re-launch again”.

For Bawang-branded products, the Group intends to make use of: (1) engagement of Internet celebrities as brand ambassadors on short-term basis to enhance exposure of our brands, and drive up the sales revenue through bonding between Internet celebrities and their supporters; (2) the impact arising from the “College Students Advertising Festival” (大學生廣告藝術節) in autumn to continue to explore and expand our market share in the young generation customer segment, to deepen the recognition and association of the post-95 and the post-00 generations with anti-hair fall concept while promoting to these generations the core philosophy of Bawang brand in anti-hair fall and hair-care and to cultivate receptive attitude towards the rejuvenated Bawang brand so as to achieve the purposes of advertising and promoting the brand; (3) publicising and promoting of Bawang-branded products through implanted commercials in live streaming programs; and (4) expansion of scope of promotion beyond shampoo and conditioner products to cover Bawang-branded scalp-care products series such as scalp cleanser and hair-follicle care essence to enhance the Group’s sales revenue.

For Royal Wind branded product series, the Group plans to build up a new brand position for the new hair-styling product series. We intends to use eye-catching pictorial product packages to suit the taste of young customers. The new products series will be mainly sold through the online channel.

For Litao branded product series, we plan to roll out a new series of laundry liquid by adopting a brand new formula, which will mainly be made available for sales through our traditional channel and the exclusive zone channel.

For Herborn product series, we plan to streamline this product series by minimising the number of stock-keeping units, which specifically target mature, young women in need of intensive skincare. The products will mainly sold through the online channel.

加上新型冠狀病毒疫情有進一步爆發的可能性，董事們對二零二零年中國經濟的前景不會太樂觀。

二零二零年接下來時間內，企業主題是「不畏難，再出發」。

對於霸王品牌系列產品，本集團擬採取以下措施：(1)聘請網紅作為短期品牌代言人來增加品牌曝光度，及通過建立網紅與他們的粉絲的關係來帶動銷售；(2)利用於秋季舉行的「大學生廣告藝術節」繼續開拓及擴大年輕一代客戶的市場份額，深化年輕的95後和00後大學生的防脫髮意識，向這一代宣揚霸王品牌防脫和育髮的核心理念，培養他們認可霸王品牌年輕化的態度，從而達到傳播和推廣霸王品牌的目的；(3)通過直播帶貨方式宣傳及推廣我們的霸王品牌產品；及(4)不再局限於洗髮水和護髮素產品，將這個品牌宣傳延伸至頭皮清潔、毛囊修護等護理領域，例如頭皮護理精華液等霸王品牌系列產品，來增加銷售額。

對於追風品牌系列產品，集團計劃為新的髮型系列產品構造一個新的品牌定位，採用圖騰的包裝形式來迎合年輕消費者，並將主要通過電商渠道來銷售我們的新品牌系列產品。

對於麗濤品牌系列產品，集團計劃推出採用全新配方的新系列洗衣液，並將主要通過流通和包場渠道來銷售我們的品牌系列產品。

對於本草堂系列產品，本集團計劃通過減少庫存數量來優化產品系列，產品特別針對需要加強護膚的輕熟女仕，並將主要通過電商渠道銷售我們的品牌系列產品。

For conventional channels, the Group will continue to deepen cooperation and interaction with distributors by: (1) regularly updating our incentivising sales policies and reinforcing our supports to key distributors for the purpose of stabilising the sales through the distributor channel; (2) providing continuing supports to the exclusive zone channel through heavy promotion of anti-hair fall, amino acid and antiseptic new product series so as to enhance the sales revenue through this channel; and (3) endeavoring to develop new traditional sales channels by encouraging staff members to seek to expand group sales customers, developing more original equipment manufacturer (“OEM”) customers and obtaining customers who purchase tailor-made products from us.

As for the online sales channel, the Group hopes to achieve stable sales growth in the future. For increasing sales revenues from our own online flagship stores, the Group will optimise the operations and create hot sales items such as anti-hair fall and hair-care product series for steady sales growth. The Group plans to horizontally develop the market for gaining for market shares through building up the second series of hot sales items such as hair masks, scalp essence and shower gel so as to create greater sales volume. We will attempt to promote our products through new promotional channels such as video clips and messages streaming so as to solicit purchases from consumers to increase our sales volume. The Group will provide tailor-made products to the key online distributors for enhancing sales revenues. We will also maintain and optimise the operations our direct-operating channel as well as “Little Red Book” channel to increase our sales.

Apart from this, the Group plans to develop live streaming resources through social media platforms such as WeChat mini-program and Private Zone to enhance sales revenue. In addition to maintaining the existing customer resources, the Group will leverage on the active user-group networks and user-to-user connections in other platforms to increase our sales revenue.

對於傳統渠道，集團將繼續通過下列措施深耕與經銷商的合作與互動：(1)定期出台各種激勵政策激勵經銷商，來穩定經銷商渠道的銷售；(2)給包場渠道提供持續的支持，重點推廣防脫、氨基酸系列，以及消殺品類產品來促進這個渠道的銷售；及(3)積極開發新的傳統渠道經銷商，鼓勵員工拓展更多的原始設備製造商(「OEM」)客戶及渠道訂製客戶。

對於電商渠道，集團希望在未來實現穩定的銷售增長。為了增加我們自營電商旗艦店的銷售收入，集團將優化運營，打造諸如防脫育髮液和護髮產品系列的熱門爆品來保持穩步增長。本集團計劃橫向拓展諸如髮膜、頭皮精華及沐浴露的市場佔有率，通過打造第二爆品，以創造更高銷售量。我們將嘗試推廣我們的新品通過新的推廣渠道，諸如短視頻種草、信息流等方式引導消費者購買從而增加銷量。本集團將為關鍵的電商經銷商提供訂製款來增加其銷量。我們也會保持和優化現有自營渠道和「小紅書」渠道來增加銷售額。

除此之外，本集團計劃通過一些網站開發直播資源，微信小程序和私人專區等社交媒體平台增加銷售收入。除維護好原有的用戶資源外，本集團將利用活躍於用戶群組網絡和其他平台用戶之間的連結增加銷售收入。

For production management, we strive to keep our customer satisfied with the quality of our products. While we uphold the quality of our products, we will at the same time continue to optimise our production process, increase resource usage efficiency and reduce spoilage, lower the production costs, increase the turnover of production materials and lower the inventory level. Over the past two years, we have seen that there is a rising trend in the demand for OEM services, which may be due to the increasing popularity and rapid development of online sales platforms in the market. We will continue to make good use of our management skills, advanced production equipment and spare production facilities and capacities for expanding our OEM business. Additionally, having considered the production requirements, we will seek to enhance the utilisation efficiency of the production and storage floor areas and optimise the raw material turnover rate so as to reduce space occupied by materials and storage costs. We believe that through the integration of production resources to achieve greater value enhancement, we can create more revenue for our shareholders.

As part of the business expansion plan, the Group will continue to explore the possibility with potential distributors for launching our branded products to other countries, and will actively exploit and develop the social e-commerce platform business. The Group is open to explore further business opportunities with potential overseas distributors.

As at the date of this announcement, the Group did not have any outstanding acquisition opportunity nor was actively exploring business opportunities that may involve potential acquisition.

Looking forward, the strategic directions to sustain and develop our business in the present volatile economic environments will focus on two areas: in the short term, the Group intends to increase its revenue by exploring new sales channels in HPC products in order to regain momentum for sales growth and profitability, and to improve investors' confidence in the Group; in the long term, the Group will continue to focus on strengthening its business model and market positioning to increase its market share among domestic and international competitors, maintaining a multi-brand and multi-product strategy in the HPC sector, and becoming a leader in branded Chinese herbal HPC products.

在生產管理方面，我們力求讓客戶對我們產品的質量滿意，在保持我們產品質量的同時，我們將優化生產工藝流程，提高資源使用效率及減少損耗，降低生產成本，提高物料周轉率及降低庫存水平。在過去的兩年，我們已經看到對OEM服務的需求有上升的趨勢，這可能是在市場上的電商平台日漸流行並在急速發展。我們將繼續充分利用我們的生產管理技能，先進的生產設備和剩餘的生產設施和生產能力來進一步擴大我們的OEM業務。另外，考慮到生產要求，我們將尋求提高生產倉儲的利用效率和優化原材料的周轉率以降低物料佔用空間和倉儲成本，我們堅信通過整合生產資源來實現更大的價值提升，我們能為我們的股東創造更多的收入。

在業務拓展計劃方面，本集團將繼續開發與潛在經銷商合作的可能性，把本集團的品牌推廣至其他國家，積極開發與開展社交電商平台業務。本集團將以開放的態度尋找與潛在的海外經銷商洽談更多商業合作的機會。

截至本公告發佈之日，本集團並無任何正在洽談處理的收購事宜，並且暫時不會積極尋找潛在的收購機會。

展望未來，在當前不穩定的經濟環境中，維持和發展我們業務之戰略方向將集中在以下兩個方面。就短期而言，本集團擬在家庭及個人護理行業開拓新的銷售渠道，提升銷售收入，達到盈利，並提高本集團投資者的信心。就長期而言，本集團將繼續致力於加強其業務模式和市場定位，從而重新獲得銷售增長的動力和盈利能力以提高其在國內外競爭對手中的市場份額，奉行個人護理產品品牌及產品多樣化的策略，成為全球中草藥家庭及個人護理產品領軍企業。

### Liquidity, Financial Resources and Capital Structure

The Group adopts conservative financial management policies and maintains a good and solid financial position to meet the requirements of day-to-day operations and business development, and controls bank borrowings at a healthy level. A summary of liquidity and financial resources is set out below:

		<b>30 June 2020</b> 於二零二零年 六月三十日 <b>RMB in million</b> 人民幣百萬元 <b>(Unaudited)</b> (未經審核)	31 December 2019 於二零一九年 十二月三十一日 <b>RMB in million</b> 人民幣百萬元 <b>(Audited)</b> (經審核)
Cash and cash equivalents	現金及現金等價物	<b>96.9</b>	102.2
Total loans	貸款總額	—	9.7
Total assets	總資產	<b>265.7</b>	290.2
The gearing ratio <sup>1</sup>	資產負債率 <sup>1</sup>	<b>0%</b>	3.3%

Note:

1. Calculate as total loans divided by total assets

### 流動資金、財務資源及資本架構

本集團採用保守的理財策略並保持良好和穩健的財務狀況，以滿足日常營運和業務發展的需求，並將銀行借款控制於健康水平。流動資金和財務資源概要列載如下：

附註：

1. 資產負債率按貸款總額除以資產總額計算

### Material Acquisition and Disposal

The Group did not engage in any material acquisition or disposal of any of its subsidiaries or associated companies during the period under review.

### Events After the Reporting Period

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2020 and up to the date of this report.

### 重大收購及出售

於回顧期間，本集團並無重大收購或出售其任何附屬或聯營公司。

### 報告期後事項

截至本報告發佈之日，董事們並未知曉任何二零二零年六月三十日之後發生的需要披露的重大事件。

## Exposure to Fluctuations in Exchange Rates and Related Hedging

The operations of the Group are mainly carried out in China, with most transactions settled in Renminbi. The reporting currency of the Group is Renminbi. During the period under review, the Group has exported its goods to Hong Kong and certain overseas countries. The transactions were settled in either Hong Kong Dollars or United States Dollars. The Group's cash and bank deposits are mostly denominated in Renminbi. The Company will pay dividends in Hong Kong Dollars if dividends are declared.

The Board is of the view that the Group conducts its business transactions principally in Renminbi and thus the exchange rate risk associated with the Group's daily operations is not significant.

For the period ended 30 June 2020, the Group had not issued any material financial instruments or entered into any material contracts for foreign currency hedging purposes. However, the Board will continue to monitor the foreign exchange exposure and is prepared to take prudent measures such as hedging when required.

## Contingent Liabilities

As at 30 June 2020, the Group did not have any significant contingent liabilities.

## Capital Commitments

As at 30 June 2020, the capital commitment for acquisition of property, plant and equipment of the Group was approximately RMB0.3 million.

## Charge of Assets

As at 30 June 2020, the Group did not have any pledge of assets.

## 匯率波動風險及有關對沖

本集團主要在中國境內經營業務，大部分交易以人民幣結算。本集團的報告貨幣為人民幣。於回顧期內，本集團出口產品銷往香港和部分海外國家，交易以港幣或美元結算。本集團大部份現金及銀行存款以人民幣計值。本公司宣派股息時亦以港元派付。

董事會認為本集團從事的業務主要是以人民幣結算的，因此外匯風險對本集團的日常經營影響並不重大。

截至二零二零年六月三十日，本集團並沒有發行任何重大金融工具或訂立任何重大合約作外匯對沖用途。然而，董事會將繼續監察外匯風險，並準備在需要時採取審慎的措施，例如對沖。

## 或然負債

於二零二零年六月三十日，本集團並無任何重大或然負債。

## 資本承擔

於二零二零年六月三十日，本集團購建物業、廠房及業務資本承擔總額約人民幣0.3百萬元。

## 資產抵押

於二零二零年六月三十日，本集團並無任何資產抵押。



### Trade and Other Payables

As at 30 June 2020, the trade and other payables of the Group were approximately RMB77.2 million (As at 31 December 2019 approximately RMB75.7 million), which represented an increase of 2.0%. As at 30 June 2020, trade and other payables did not include any balances due to related parties.

### Bank Borrowings

As at 30 June 2020, the Company did not have any bank borrowing (31 December 2019: approximately RMB9,650,000 with fixed interest rate of 6.09% per annum and repayable within one year).

### Human Resources

To provide incentive to the employees of the Group, the Group is committed to staff training and development under any economic circumstances. The Group will continue to invest in human capital so as to retain a quality workforce to achieve our organisational goal.

For the six months ended 30 June 2020, the Group organised various in-house training classes to strengthen the soft skills of our staff members such as use of electronic spreadsheets, the principles of communication and coordination. The Group also required our department managers to attend external courses on rewards and motivation. We required our senior sales and marketing staff to attend brand positioning strategy courses, and we required our finance and accounting staff to attend seminars about the latest accounting standards, taxation practices and budgetary control.

As at 30 June 2020, the Group employed 508 employees (30 June 2019: 566), consisting of full-time employees and contract personnel in the PRC and Hong Kong. The total personnel expenses, comprising wages, salaries and benefits, and equity-settled share-based payments, amounted to approximately RMB29.0 million for the six months ended 30 June 2020 (six months ended 30 June 2019: approximately RMB28.1 million).

### 貿易及其他應付款項

於二零二零年六月三十日，本集團貿易及其他應付款項約為人民幣77.2百萬元（二零一九年十二月三十一日約人民幣75.7百萬元）增加了約2.0%。截至二零二零年六月三十日止，貿易及其他應付款項並無任何應付關聯方的結餘。

### 銀行借款

截至二零二零年六月三十日止，公司沒有銀行借款（二零一九年十二月三十一日：約人民幣9,650,000元，年利率固定於6.09%及一年內償還）。

### 人力資源

為了激勵本集團的員工，本集團在任何經濟環境下都會致力於員工培訓和發展。集團將繼續投資人力資本，以保持一個高素質的員工團隊，協助我們實現組織目標。

截至二零二零年六月三十日止六個月，本集團舉辦了多項內部培訓課程，以增強我們工作人員的軟技能，例如：電子報表的應用，溝通協調的關鍵與藝術等。本集團還要求部門經理參加有關獎勵和激勵的外部培訓課程。我們要求高級市場策劃人員參加品牌定位策略培訓課程，也要求我們的財務及會計人員參加有關最新會計準則，稅務實踐以及預算編製方面的研討會。

於二零二零年六月三十日，本集團僱用508名員工（二零一九年六月三十日：566），其中包括在中國和香港的全職員工以及合約僱員。總人事開支包括工資、薪金和福利以及以權益結算之股份支付款項，截至二零二零年六月三十日止六個月約人民幣29.0百萬元（截至二零一九年六月三十日止六個月：約人民幣28.1百萬元）。

The following table sets forth a breakdown of the total headcount of our employees as at 30 June 2020 and 2019, respectively:

下表分別載列於二零二零年六月三十日及二零一九年六月三十日我們的總僱員人數的明細：

		As at 30 June 2020 於二零二零年 六月三十日	As at 30 June 2019 於二零一九年 六月三十日
Full-time employees	全職僱員	214	206
Contract personnel	合約僱員		
– Sales persons	– 促銷員	–	88
– Others	– 其他	294	272
<b>Total headcount</b>	<b>總人數</b>	<b>508</b>	<b>566</b>

The employees' remuneration, promotion and salary review are based on individual job responsibilities, work performances, professional experiences and the prevailing industry practices.

本集團的員工薪酬、晉升及工資是按照個人的工作責任、工作表現、專業經驗及行業標準來釐定的。

Our employees in the PRC and Hong Kong participate in social insurance contribution plans and the Hong Kong mandatory provident fund scheme, respectively. Other benefits include performance-based incentive bonus scheme and share options granted or to be granted under the share option schemes.

本集團於中國及香港的員工分別參加社會保障計劃和香港強制性公積金計劃。其他福利包括按工作表現釐定的獎金花紅計劃和購股權計劃下已授出或將會授出的購股權。

The Directors believe that the Group's human resources policies play a crucial part in the further development of the Group, and that a promising career prospects, good staff remuneration and benefits as well as a pleasant working environment are essential factors for maintaining a stable workforce for the Group.

董事們相信本集團之人力資源政策對集團未來發展擔當着重要角色，而良好的職業前景，優厚的員工薪酬福利以及舒適的工作環境是本集團維持一支穩定的工作團隊的首要因素。

#### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporations

As at 30 June 2020, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO"), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they had taken or deemed to have under such provisions of the SFO); or (b) to be and were entered into the register that was required to be kept by the Company pursuant to section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"):

#### Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company

#### 董事及最高行政人員於本公司及其相聯法團的股份、相關股份或債權證中擁有的權益及淡倉

於二零二零年六月三十日，董事及本公司行政人員於本公司及其相聯法團(按香港法例第571章證券及期貨條例(「證券及期貨條例」)條例第XV部的涵義的股份、相關股份或債券證中，擁有(a)根據證券及期貨條例第XV部第7及第8分部的規定須知會本公司及聯交所的權益及淡倉(包括彼等根據上述證券及期貨條例該等條文被當做或視作擁有的權益及淡倉)，或(b)根據證券及期貨條例第352條規定須登記於需存置的登記冊內的權益及淡倉，或(c)根據上市發行人之董事進行證券交易之標準守則(「標準守則」)規定須知會本公司及香港聯交所如下：

#### 董事及最高行政人員於本公司股份、相關股份及債權證中擁有的權益及淡倉

Name of director/ chief executive 董事/最高行政人員 名稱	Long/short position in ordinary shares 普通股中之好/淡倉	Nature of interest 權益性質	Number of ordinary shares/ underlying ordinary shares of the Company held 持有公司 的普通股及 相關普通股 股份數目	Approximate percentage of issued share capital of the Company 於公司 已發行 股本中之 權益百分比 (約數)
CHEN Qiyuan (Note 1) 陳啟源(附註1)	Long 好倉	Interest in controlled corporation 所控制法團權益	1,900,840,000	60.12%
CHEN Zheng He (Note 2) 陳正鶴(附註2)	Long 好倉	Interest in controlled corporation 所控制法團權益	1,900,840,000	60.12%
WONG Sin Yung 黃善榕	Long 好倉	Beneficial owner 實益擁有人	2,100,000	0.07%

Notes:

1. CHEN Qiyuan was deemed to be interested in the 1,900,840,000 shares of the Company held by Fortune Station Ltd. ("Fortune Station") by virtue of CHEN Qiyuan holding 50.43% of the issued share capital of Fortune Station. The remaining 49.57% of the issued share capital of Fortune Station was held by Heroic Hour Limited ("Heroic Hour"). Heroic Hour's entire issued share capital is held by CHEN Zheng He as trustee for himself and on behalf of his six brothers and sisters. The beneficial interests of CHEN Qiyuan's six children under the age of 18, namely CHEN Cynthia Yuping, CHEN Li Zi, CHEN Zheng Sheng, CHEN Zheng Yan, CHEN Ya Shan and CHEN Bo Ling in Heroic Hour, representing 78.00% of the issued share capital of Heroic Hour, were also attributable to CHEN Qiyuan.
2. CHEN Zheng He was deemed to be interested in the shares of Fortune Station held by Heroic Hour by virtue of him holding the entire issued share capital of Heroic Hour (as trustee for himself and his six brothers and sisters). Therefore CHEN Zheng He was deemed to be interested in the 1,900,840,000 shares of the Company held by Fortune Station.

附註：

1. 憑藉陳啟源持有 Fortune Station 之 50.43% 之已發行股份，陳啟源被視為擁有 Fortune Station Ltd. (「Fortune Station」) 所持有的 1,900,840,000 股公司股份的權益。Fortune Station 的其餘 49.57% 已發行股本由 Heroic Hour Limited (「Heroic Hour」) 持有，而陳正鶴作為受託人代彼及其六位弟妹持有 Heroic Hour 的全部已發行股本。由陳啟源 18 周歲以下的六位子女，即陳鈺坪，CHEN Li Zi, CHEN Zheng Sheng，陳正諺，陳雅善及 CHEN Bo Ling 所實益持有的 78.00% Heroic Hour 已發行股本亦被視為歸屬於陳啟源。
2. 憑藉陳正鶴作為受託人代彼及其六位弟妹持有 Heroic Hour 的全部已發行股本，陳正鶴被視為於 Heroic Hour 在 Fortune Station 的權益中擁有權益。因此，陳正鶴被視為擁有 Fortune Station 所持有的 1,900,840,000 股公司股份的權益。

**Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of associated corporations**

**董事及最高行政人員於相聯法團的股份、相關股份及債權證中之權益及淡倉**

Name of director/ chief executive 董事/最高行政人員 名稱	Name of associated corporation 相聯法團名稱	Nature of interest 權益性質	Long/short position 好/淡倉	Number of ordinary shares held 持有的 普通股 股份數目	Approximate percentage of interest in associated corporation 於相關法團中 之權益百分比
CHEN Qiyuan (Note 1) 陳啟源(附註1)	Fortune Station	Beneficial owner 實益擁有人	Long 好倉	20,000	50.43%
		Interest of children under the age of 18 未滿18歲子女之權益	Long 好倉	15,330	38.66%
		Other 其他	Long 好倉	4,327	10.91%
CHEN Zheng He (Note 2) 陳正鶴(附註2)	Fortune Station	Interest in controlled corporation 所控制法團權益	Long 好倉	19,657	49.57%

## Notes:

1. CHEN Qiyuan was the beneficial owner of approximately 50.43% of the issued share capital of Fortune Station. The beneficial interests of CHEN Qiyuan's six children under the age of 18 in Heroic Hour, representing 78.00% of the issued share capital of Heroic Hour, were also attributable to CHEN Qiyuan. Heroic Hour held approximately 49.57% of the issued share capital of Fortune Station.
2. CHEN Zheng He was deemed to be interested in the interests of Fortune Station held by Heroic Hour by virtue of him holding the entire issued share capital of Heroic Hour (as trustee for himself and his six brothers and sisters).

Other than as disclosed above, as at 30 June 2020, so far as known to any Director or chief executive of the Company, neither the Directors nor the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they had taken or deemed to have under such provisions of the SFO); or (b) to be and were entered into in the register that was required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### Interests and Short Positions of Substantial Shareholders of the Company

As at 30 June 2020, so far as known to any Director or chief executive of the Company, shareholders (other than a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register that was required to be kept pursuant to Section 336 of the SFO were as follows:

## 附註:

1. 陳啟源為Fortune Station已發行股本的約50.43%實益擁有人。由陳啟源18周歲以下的六位子女所實益持有的78.00% Heroic Hour已發行股本亦被視為歸屬於陳啟源。Heroic Hour持有Fortune Station已發行股本的約49.57%。
2. 憑藉陳正鶴作為受托人代彼及其六位弟妹持有Heroic Hour之全部已發行股本而被視為於Heroic Hour在Fortune Station的權益中擁有權益。

除上述披露的人員之外，於二零二零年六月三十日，就目前本公司的任何董事及最高行政人員所知，無論是本公司董事或者是最高行政人員，都沒有擁有本公司及其相聯法團(按證券及期貨條例第XV部的涵義)的股份、相關股份或債權證中，(a)根據證券及期貨條例第XV部第7及第8分部的規定須知會本公司及聯交所的權益及淡倉(包括彼等更具上述證券及期貨條例該等條文被當做或視作擁有的權益及淡倉)；或(b)根據證券及期貨條例第352條規定須登記於需存置的登記冊內；或(c)根據標準守則規定須知會本公司及聯交所。

### 本公司主要股東的權益及淡倉

據本公司任何董事或最高行政人員所知，於二零二零年六月三十日，股東(除本公司董事或最高行政人員外)於股份或相關股份中擁有根據證券及期貨條例第336條規定須登記於需存置的登記冊內的權益或淡倉如下：

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of ordinary shares of the Company held 持有的公司普通股股份數目	Approximate percentage of issued share capital of the Company 於公司已發行股本中之權益百分比 (約數)
Fortune Station	Beneficial owner 實益擁有人	1,900,840,000 (L)	60.12%



Name of shareholder 股東名稱	Nature of interest 權益性質	Number of ordinary shares of the Company held 持有的公司普通股股份數目	Approximate percentage of issued share capital of the Company 於公司已發行股本中之權益百分比 (約數)
Heroic Hour	Interest in controlled corporation (Note 1) 所控制法團權益(附註1)	942,199,659 (L)	29.80%
WAN Yuhua (Note 2) 萬玉華(附註2)	Interest of children under the age of 18 未滿18歲的子女之權益	734,797,818 (L)	23.25%
CHEN Cynthia Yuping (Note 3) 陳鈺坪(附註3)	Beneficiary of a trust (other than a discretionary trust) 信託受益人(非酌情信託)	122,466,303	3.87%
	Other 其他	1,778,373,697	56.25%
CHEN Li Zi (Note 3) CHEN Li Zi(附註3)	Beneficiary of a trust (other than a discretionary trust) 信託受益人(非酌情信託)	122,466,303	3.87%
	Other 其他	1,778,373,697	56.25%
CHEN Zheng Sheng (Note 3) CHEN Zheng Sheng(附註3)	Beneficiary of a trust (other than a discretionary trust) 信託受益人(非酌情信託)	122,466,303	3.87%
	Other 其他	1,778,373,697	56.25%
CHEN Zheng Yan (Note 3) 陳正諺(附註3)	Beneficiary of a trust (other than a discretionary trust) 信託受益人(非酌情信託)	122,466,303	3.87%
	Other 其他	1,778,373,697	56.25%
CHEN Ya Shan (Note 3) 陳雅善(附註3)	Beneficiary of a trust (other than a discretionary trust) 信託受益人(非酌情信託)	122,466,303	3.87%
	Other 其他	1,778,373,697	56.25%

Name of shareholder 股東名稱	Nature of interest 權益性質	Number of ordinary shares of the Company held 持有的公司普通股股份數目	Approximate percentage of issued share capital of the Company 於公司已發行股本中之權益百分比 (約數)
CHEN Bo Ling (Note 3) CHEN Bo Ling (附註3)	Beneficiary of a trust (other than a discretionary trust) 信託受益人(非酌情信託)	122,466,303	3.87%
	Other 其他	1,778,373,697	56.25%

(L)—Long Position

(L)—好倉

Notes:

- Heroic Hour was the beneficial owner of approximately 49.57% of the issued share capital of Fortune Station and was deemed to be interested in the shares of the Company held by Fortune Station.
- The beneficial interests of WAN Yuhua's six children under the age of 18, namely CHEN Cynthia Yuping, CHEN Li Zi, CHEN Zheng Sheng, CHEN Zheng Yan, CHEN Ya Shan and CHEN Bo Ling in Heroic Hour, representing 78.00% of the issued share capital of Heroic Hour, were also attributable to WAN Yuhua.
- The beneficial interests of CHEN Cynthia Yuping, CHEN Li Zi, CHEN Zheng Sheng, CHEN Zheng Yan, CHEN Ya Shan and CHEN Bo Ling in Heroic Hour were held by CHEN Zheng He as trustee for each of his brothers and sisters as named above.

Other than as disclosed above, as at 30 June 2020, the Company has not notified by any person (other than a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO.

附註:

- 憑藉Heroic Hour為Fortune Station已發行股本的約49.57%實益擁有人，Heroic Hour被視為於Fortune Station持有的公司股份中擁有權益。
- 由萬玉華18周歲以下的六位子女，即陳鈺坪、CHEN Li Zi、CHEN Zheng Sheng、陳正諺、陳雅善及CHEN Bo Ling所實益持有的78.00% Heroic Hour已發行股本亦被視為歸屬於萬玉華。
- 陳鈺坪、CHEN Li Zi、CHEN Zheng Sheng、陳正諺、陳雅善和CHEN Bo Ling於Heroic Hour的實益擁有權為陳正鶴以受託人身份代彼以上提及之六位弟妹持有。

於二零二零年六月三十日，除上文所披露人士之外，本公司未接到通知有任何人士(除本公司董事或最高行政人員外)於股份或相關股份中擁有根據證券及期貨條例第336條規定須登記於需存置的登記冊內的權益或淡倉。

## The 2020 Share Option Scheme and Pre-IPO Share Option Scheme

The Company had adopted two share option schemes, a share option scheme dated 20 May 2009 (the “**2009 Share Option Scheme**”) and a pre-IPO share option scheme dated 10 December 2008 (the “**Pre-IPO Share Option Scheme**”). No further options were granted under the Pre-IPO Share Option Scheme since the listing of the Company’s Shares on the Stock Exchange. The 2009 Share Option Scheme expired on 19 May 2019. No share option was outstanding under the 2009 Share Option Scheme or the Pre-IPO Share Option Scheme as at 30 June 2020.

The 2020 Share Option Scheme (the “**2020 Share Option Scheme**”) was approved by way of an ordinary resolution of the Shareholders at the annual general meeting of the Company on 29 May 2020. The purpose of the 2020 Share Option Scheme is to enable the Company to grant share options (the “**Options**”) to Eligible Participants (as defined below) as incentives or rewards for their contributions to the success of the Group.

The 2020 Share Option Scheme will remain valid for a period of ten years commencing from the date on which the 2020 Share Option Scheme becomes unconditional.

### Basis for determining eligibility under the 2020 Share Option Scheme

- (a) The Board may at its discretion grant Options to the following participants (the “**Eligible Participants**”) : (i) any Director, employee, consultant, professional, customer, supplier, agent, business or joint venture partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company (the “**Affiliate**”); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any Director, employee, consultant, professional, customer, supplier, agent, business or joint venture partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any Director, employee, consultant, professional, customer, supplier, agent, business or joint venture partner, adviser of or contractor to the Group or an Affiliate.

## 二零二零年購股權計劃及首次公開發售前購股權計劃

本公司已經採用了兩種股權激勵計劃，也就是於二零零九年五月二十日採納的購股權計劃（「**二零零九年購股權計劃**」）和於二零零八年十二月十日採納的首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」），自該公司的股份在聯交所上市以來，並沒有根據首次公開發售前購股權計劃再獲授予購股權。二零零九年購股權計劃於二零一九年五月十九日到期。截至二零二零年六月三十日，在二零零九年購股權計劃或首次公開發售前購股權計劃下，沒有未發行的股份認購權。

二零二零年購股權計劃（「**二零二零年購股權計劃**」）於二零二零年五月二十九日本公司年度股東大會上通過股東普通決議通過。二零二零年購股權計劃的目的是使公司能夠向合資格參與者（定義見下文）授予購股權（「**購股權**」），以激勵或獎勵他們對集團成功所做的貢獻。

二零二零年購股權計劃從二零二零年購股權計劃成為無條件之日起計，有效期為十年。

### 二零二零年購股權計劃項下的參與人士及評定資格準則

- (a) 董事會可酌情將購股權授予如下參與者（「**合資格參與者**」）：(i) 本集團或本集團擁有權益的公司或該公司附屬公司（「**聯屬公司**」）的任何董事、僱員、顧問、專家、客戶、供應商、代理人、商業夥伴或合資公司夥伴、諮詢人或承包商；或(ii) 本集團或聯屬公司的任何董事、僱員、顧問、專家、客戶、供應商、代理人、商業夥伴或合資公司夥伴、諮詢人或承包商作為受益人的任何信託或作為全權信託對象的任何全權信託的受託人；或(iii) 本集團或聯屬公司的任何董事、僱員、顧問、專家、客戶、供應商、代理人、商業夥伴或合資公司夥伴、諮詢人或承包商實益擁有的公司。

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| (b) | In order for a person to satisfy the Board that he/she/it is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his/her/its eligibility (or continuing eligibility).  | (b) | 為使董事會信納他/她/它合資格成為或(如適用繼續合資格)為合資格參與者,該人士須向董事會提供董事會為評估其資格(或持續資格)而可能要求的全部資料。                                 |
| (c) | Each grant of Options to a Connected Person of the Company or any of his/her/its Associate must be approved in accordance with the requirements of the Listing Rules.   | (c) | 向本公司關連人士或其任何聯繫人授出購股權須根據上市規則的規定獲得批准。   |
| (d) | Any person whom the Board has resolved to be qualified to become an Eligible Participant must remain eligible during the period when any Option granted to him remains outstanding. In assessing such Grantee's continuing eligibility under the 2020 Share Option Scheme, the requirements set out in sub-paragraph (a) above and the views, if any, of the independent non-executive Directors shall be given due and careful consideration by the Board. | (d) | 董事會決議合資格成為合資格參與者的任何人士,須在其獲授的任何購股權尚未行使期間內持續符合資格。評估該承授人根據二零二零年購股權計劃的持續資格時,董事會應審慎考慮上文第(a)分段所載的要求及獨立非執行董事的意見。 |
| (e) | Should the Board resolve that a grantee of Option(s) (the "Grantee") fails/has failed or otherwise is/has been unable to meet the continuing eligibility criteria under the 2020 Share Option Scheme as referred to sub-paragraph (d) above, the Company would be entitled to deem any outstanding Option or part thereof, granted to such Grantee and to the extent not already exercised, as lapsed.  | (e) | 倘董事會決議承授人(「承授人」)不符合/未符合或未能/無法符合上文第(d)分段所述的二零二零年購股權計劃的持續資格標準,本公司有權將已授予該承授人的任何未行使購股權或其部分視為失效。               |

### Grant of Options

- (a) On and subject to the terms of the 2020 Share Option Scheme, the Board shall be entitled at any time on a Business Day within 10 years commencing on the effective date of the 2020 Share Option Scheme to offer the grant of an Option to any Eligible Participants as the Board may in its absolute discretion select.
- (b) An offer shall be deemed to have been accepted and an Option to which the offer relates shall be deemed to have been granted and accepted and to have taken effect when the Company, within 21 days from the date on which an Option is offered to an Eligible Participant, receives the duly signed offer letter from the Grantee together with the number of Shares in respect of which the offer is accepted clearly stated therein and a non-refundable payment of HK\$1.00 (or such other sum in any currency as the Board may determine) in favour of the Company as consideration for the grant thereof.

### 授出購股權

- (a) 根據二零二零年購股權計劃條款及在其規限下,董事會有權在二零二零年購股權計劃自生效日期起計十年內的營業日隨時向全權酌情甄選的任何合資格參與者提呈授出購股權。
- (b) 倘本公司在自向合資格參與者提呈授出購股權之日起21日內收訖承授人發出清楚列明接納要約所涉及股份數目的正式簽署要約函件,連同以本公司為抬頭人不可退還付款1.0港元(或董事會可能釐定以任何貨幣計算的有關其他金額)作為授出購股權之代價,則視為已接納要約,並視為要約所涉及之購股權已授出、獲得接納且已生效。

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| <p>(c) The Board shall not offer the grant of an Option to any Eligible Participants:</p> <p>(i) after an inside information has come to the Company's knowledge and until such inside information has been announced pursuant to the relevant requirements of the Listing Rules; or</p> <p>(ii) within the period commencing one month immediately preceding the earlier of:</p> <p>(1) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and</p> <p>(2) the deadline for the Company to publish an announcement of its result for any year, half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. The period during which no Option may be granted will cover any period of delay in the publication of a results announcement.</p> | <p>(c) 董事會在下列情況下不得向任何合資格參與者提呈授出購股權：</p> <p>(i) 於本公司知悉內幕消息後及該內幕消息根據上市規則的相關要求公佈之前；或</p> <p>(ii) 於緊接以下較早日期前一個月開始：</p> <p>(1) 為批准本公司的任何年度、半年度、季度或任何其他中期(不論上市規則有否規定)業績而舉行董事會會議當日(即根據上市規則首先知會聯交所的日期)；及</p> <p>(2) 本公司根據上市規則刊發任何年度、半年度、或季度或任何其他中期(不論上市規則有否規定)業績公佈的限期，及截至業績公佈日期止。不得授出購股權的期間將涵蓋延遲刊登業績公佈的任何期間。</p> |
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### The subscription price of Shares under the 2020 Share Option Scheme

The subscription price for any Share under the 2020 Share Option Scheme (the "Subscription Price") will be a price determined by the Board at its absolute discretion and notified to each Grantee and will be not less than the highest of (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a business day; (ii) an amount equivalent to the average closing price of the Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant Option; and (iii) the nominal value of a Share on the date of the grant. The Subscription Price shall also be subject to any adjustments under certain situations as mentioned in the scheme document for the 2020 Share Option Scheme.

### 二零二零年購股權計劃下的認購價

二零二零年購股權計劃下任何股份的認購價(「認購價」)須由董事會絕對酌情釐定，並告知各承授人。認購價不得低於以下各項的最高者：(i)股份於相關購股權授出日期須為營業日並在聯交所每日報價表所列的收市價；(ii)相等於股份於緊接時間購股權授出日期前五個營業日在聯交所每日報價表所列的平均收市價的金額；及(iii)股份於授出日期的面值。認購價正如二零二零年購股權計劃所述，在某些情形下可做任何調整。



Each exercise of Options must be accompanied by a remittance for the full amount of the Subscription Price for the Shares. During the period under review, no loans had been granted for the purpose of exercising Options.

### Maximum number of shares that may be granted under the 2020 Share Option Scheme

The maximum number of Shares in respect of which Options may be granted under the 2020 Share Option Scheme and any other schemes involving the issue or grant of options or similar rights over Shares or other securities by the Company shall not, in aggregate, exceed 10% of the Shares in issue as at the date of approval of the 2020 Share Option Scheme unless approved by the Shareholders (the “Scheme Mandate Limit”, being 316,244,072 Shares). Options lapsed in accordance with the terms of the 2020 Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

### Maximum entitlement of each participant and grant of options to connected persons

According to the Listing Rules, unless approved by the Shareholders in the manner as set out in the Listing Rules, the total number Shares issued and to be issued upon exercise of the Options granted to each participant (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the number of Shares in issue.

Any grant of Options to any Director, Chief Executive or Substantial Shareholder or any their respective Associates must be approved by all of the independent non-executive Directors excluding, for all purposes, any independent non-executive Director who is a proposed Grantee. Where any grant of Options to a Substantial Shareholder or an independent non-executive Director or their respective Associates would result in the total number of the Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) to such person in any 12-month period up to and including the date of the grant: (a) representing in aggregate over 0.1% of the Shares in issue; and (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of Options must be approved by the Shareholders of the Company. The Company must send a circular to its Shareholders. A circular with the requisite information must be sent to the Shareholders prior to general meeting, disclosing, amongst others,

每次購股權的行使必須附有一筆認購價格的全部金額的匯款。在本報告所述期間，沒有為行使購股權而產生任何貸款。

### 二零二零年購股權計劃所授予的最大股份數量

根據二零二零年購股權計劃及涉及發行或授出購股權或對本公司股份或其他證券的類似權利的任何其他計劃可授出的購股權所涉的股份最高數目，合計不得超過批准的二零二零年購股權計劃當日已發行股份的10%（「計劃授權限額」，316,244,072股）。根據二零二零年購股權計劃條款失效的購股權，將不會在計算計劃授權限額時包括在內。

### 每位合資格參與者所授予的最大數量及向關連人士授出購股權

根據上市規則，除非經股東依照上市規則另行批准，在任何12個月內，授予任何參與者的購股權（包括已行使及尚未行使的購股權）獲行使而已發行及將發行的股份總數，不得超過已發行股份數目的1%。

向任何董事、主要行政人員或主要股東或其各自任何聯繫人授予購股權時，須獲得所有獨立非執行董事，就所有目的而言，不包括屬於建議承授人的任何獨立非執行董事批准。倘向主要股東或獨立非執行董事或其各自聯繫人授予購股權將導致截至授出日期止（包括該日）任何十二個月期間的已發行及行使已授予或將授予該人士的購股權（包括已行使、註銷及未行使的購股權）後發行及將發行的股份總數：(a)佔已發行股份合計超過0.1%；及(b)根據股份於每次授出日期的收市價計算的總值超過五百萬港元，則有關進一步授出購股權須獲得本公司股東批准。一份載有必要資料的通函須在股東大會舉行之前寄發予股東，當中披露（其中包括）將授予每名合資格參與者

details of the number and terms (including the exercise price) of the Options to be granted to each such Eligible Participant, a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of such Options) and other information required under the Listing Rules. Such Grantee, his/her/its Associates and all Core Connected Persons must abstain from voting in favour at such general meeting. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll in accordance with the Listing Rules.

### Time of exercise of Options

Subject to certain restrictions contained in the 2020 Share Option Scheme, an Option may be exercised in accordance with the terms of the 2020 Share Option Scheme and the terms of grant thereof at any time during the applicable Option period, which is not more than 10 years from the date of grant of Option.

There is no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of the 2020 Share Option Scheme. However, at the time of granting any Option, the Board may, on a case-by-case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation to the minimum period of the Options to be held and/or the performance targets to be achieved as the Board may determine in its absolute discretion.

As at 30 June 2020, no Option was outstanding under the 2020 Share Option Scheme, and there was no Option granted, exercised, cancelled or lapsed under the 2020 Share Option Scheme since the date of adoption of the 2020 Share Option Scheme up to 30 June 2020. Therefore as at the date of this report, the Scheme Limit (being 316,244,072 Shares, representing 10% of the issued share capital of the Company as at the date of this interim report) are available for issue under the 2020 Share Option Scheme.

### Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme became effective on 10 December 2008. As at 30 June 2020, options to subscribe for an aggregate of 14,532,000 Shares were granted, representing approximately 0.5% of the issued share capital of the Company. No further options will be granted under the Pre-IPO Share Option Scheme.

的購股權的數目及條款(包括行使價)詳情,獨立非執行董事的推薦建議(不包括作為有關購股權建議承授人的任何獨立非執行董事)以及上市規則規定的其他資料。有關承授人、其聯繫人及所有核心關連人士須於有關股東大會上放棄投贊成票。根據上市規則,於大會上就批准授出有關購股權作出的任何投票須以投票表決方式進行。

### 購股權行使期限

在二零二零年購股權計劃所載若干限制之規限下,可於有關購股權有效期,即不超過自授予購股權之日起十年,隨時根據二零二零年購股權計劃條款及授出購股權的有關條款行使購股權。

二零二零年購股權計劃的條款並無一般的規定,要求承授人須最少持有購股權的指定時間,或須達致若干表現目標,方可行使購股權。然而,董事會可於每次授出購股權時按個別情況施加若干條件、限制或約束,其中包括(但不限於)須達致董事會全權酌情釐定承授人須持有購股權最短期間及/或須達致的表現目標。

截至二零二零年六月三十日,在二零二零購股權計劃項下沒有未完成的購股權,及沒有授予,行使,取消或失效的二零二零購股權計劃下的購股權。因此,截至本報告期,二零二零購股權計劃項下的計劃授權限額316,244,072股,佔本公司截至本報告期之日止已發行股本的10%。

### 首次公開發售前購股權計劃

首次公開發售前購股權計劃於二零零八年十二月十日起生效。於二零二零年六月三十日,合共授予總共14,532,000股的購股權,大約佔本公司已發行股份之約0.5%。概無根據首次公開發售前購股權計劃授出的其他購股權。

On 8 June 2009, the above options were conditionally granted to 42 participants by the Company at a consideration of HK\$1.0 each. The subscription price of the pre-IPO share options would be at par value or at HK\$1.19. The pre-IPO share options that have not been exercised by the relevant grantees prior to the tenth anniversary date of the grant date would lapse and be deemed as cancelled and void.

A total of 4,200,000 pre-IPO share options were granted to two executive Directors on 8 June 2009. Of which, options to subscribe for a total of 840,000 shares held by a director resigned on 28 May 2013 were forfeited on the same date. 630,000 options were exercised by an executive Director during the year ended 31 December 2019. There were no share options which were issued or exercised during the six months ended 30 June 2020.

Apart from the above, the remaining options to subscribe for a total of 10,332,000 Shares under the Pre-IPO Share Option Scheme were granted to 40 employees of the Group on 8 June 2009.

As at 1 January 2019, there was a balance of unexpired and unexercised options to subscribe for 1,586,760 Shares. On 29 March 2019, Mr. WONG Sin Yung exercised his options to subscribe for 630,000 shares. Save for the exercise of the options by Mr. WONG Sin Yung, all other pre-IPO share options that were outstanding as at 1 January 2019 have lapsed. The weighted average closing price immediately prior to the options being exercised was HK\$0.17 per option.

As at 30 June 2020, no pre-IPO share option was outstanding under the Pre-IPO Share Option Scheme, and save as mentioned above, no pre-IPO share option was granted, exercised, cancelled or lapsed for the six month period ended 30 June 2020. Details of Pre-IPO Share Option Scheme are set out in Note 14 on pages 56 to 58 under the section headed "Notes to the Consolidated Financial Statements" in this interim report.

於二零零九年六月八日，上述購股權被本公司有條件地以每人1.0港元授予42名參與者，其首次公開發售前購股權認購價格分別是面值或1.19港元。相關承授人於授出日期十週年之日之前尚未行使的首次公開發售前購股權已失效，並被視為已取消及作廢。

於二零零九年六月八日，公司授予兩名執行董事合共4,200,000股的首次公開發售前購股權。其中，一名董事於二零一三年五月二十八日辭任而其持有合共840,000股份購股權已於同日失效。在二零一九年十二月三十一日年度期間，一位執行董事行使了630,000股的購股權。截至二零二零年六月三十日止的六個月內，沒有發行或行使任何的購股權。

除此以外，在二零零九年六月八日，根據首次公開發售前購股權計劃，總共有10,332,000股股份的餘下購股權分配給了本集團40名僱員。

截至二零一九年一月一日，尚未到期且並未被行使的購股權餘額為1,586,760股。於二零一九年三月二十九日，黃善榕先生行使了630,000股的購股權。除了被黃善榕先生行使的購股權外，所有於二零一九年一月一日尚未行使的首次公開發售前購股權計劃下的其他購股權已失效。行使之前的加權平均收市價為每購股權0.17港元。

截至二零二零年六月三十日，已經沒有可行使的在首次公開發售前計劃下的購股權。截至二零二零年六月三十日的六個月內，沒有任何授予，行使，取消或者失效的首次公開發售前計劃下的購股權。首次公開發售前購股權計劃詳見本中期報告「綜合財務報告」在第56至58頁的附註14。

## Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the period under review.

## The Corporate Governance Code

The Company is committed to enhancing the corporate governance of the Group, and the Board reviews and updates all such necessary measures in order to promote good corporate governance.

The Board is of the view that the Company has complied with the applicable code provisions of the Corporate Governance Code (the “**CG Code**”) as contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) during the six months ended 30 June 2020.

## Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry with the Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code throughout the period under review.

## Update on Directors' Information

Dr. NGAI Wai Fung, an independent non-executive Director, resigned as an independent Director of LDK Solar Co., Ltd. (listed on the OTC Pink Limited Information) in April 2020.

## 購入、出售或贖回本公司之上市證券

於回顧期間，本公司或其任何附屬公司概無購入、出售或贖回本公司之任何上市證券。

## 遵守企業管治常規守則

本公司致力提高本集團的企業管治水平，而董事會則檢討及更新為促進良好企業管治的一切必要措施。

董事會認為，截至二零二零年六月三十日止六個月期間，本公司一直遵守香港聯合交易所之證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）所載適用的守則條文。

## 董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市發行人之董事進行證券交易的標準守則（「標準守則」），作為董事進行證券交易的行為守則。向董事進行特定查詢後，所有董事確認於回顧期間一直遵守標準守則所載的規定標準。

## 董事資料更新

魏偉峰博士，公司獨立非執行董事，於二零二零年四月卸任LDK Solar Co., Ltd.（於OTC Pink Limited Information上市）的獨立董事。

### Audit and Risk Management Committee

The Audit and Risk Management Committee has adopted terms of reference which are in line with the CG Code. The Audit and Risk Management Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2020 with the management of the Company and recommended its adoption by the Board.

### Dividends

Following review of the operating results of the Group, the Board does not recommend the payment of an interim dividend for the six months ended 30 June 2020.

By Order of the Board  
**CHEN Qiyuan**  
*Chairman*

Hong Kong, 27 August 2020

### 審核和風險管理委員會

審核和風險管理委員會已被授予與公司治理準則一致的職權範圍。審核和風險管理委員會已與公司管理層審閱本集團截至二零二零年六月三十日止六個月之未經審核中期業績，並建議董事會將其採納。

### 派息

根據本集團經營業績的回顧，董事會不建議派發關於截至二零二零年六月三十日止六個月的中期股息。

承董事會命  
**陳啟源**  
*主席*

香港，二零二零年八月二十七日



# Condensed Consolidated Statement of Profit or Loss

## 簡明綜合損益表

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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

			Six months ended 30 June 截至六月三十日止六個月	
			2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註		
Revenue	營業額	3	<b>123,923</b>	113,233
Cost of sales	銷售成本		<b>(79,150)</b>	(65,842)
Gross profit	毛利		<b>44,773</b>	47,391
Other income	其他收入		<b>1,130</b>	620
Selling and distribution costs	銷售及分銷開支		<b>(37,220)</b>	(53,304)
Administrative expenses	行政費用		<b>(13,144)</b>	(15,542)
(Impairment losses)/reversal of impairment losses recognised in respect of trade receivables	貿易應收款項之減值(損失)/撥回確認		<b>(107)</b>	3,056
Other expenses	其他費用		<b>(5)</b>	(13)
Operating loss	經營虧損		<b>(4,573)</b>	(17,792)
Finance costs	融資成本	4	<b>(722)</b>	(783)
<b>Loss before taxation</b>	<b>稅前虧損</b>	5	<b>(5,295)</b>	(18,575)
Taxation	稅項	6	<b>—</b>	(2)
<b>Loss for the period attributable to owners of the Company</b>	<b>本公司擁有人應佔有之期內虧損</b>		<b>(5,295)</b>	(18,577)
<b>Loss per share</b>	<b>每股虧損</b>	8		
Basic (RMB cents)	基本(人民幣仙)		<b>(0.17)</b>	(0.59)
Diluted (RMB cents)	攤薄(人民幣仙)		<b>(0.17)</b>	(0.59)

# 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

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 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>Loss for the period attributable to owners of the Company</b>	本公司擁有人應佔有之 期內虧損	<b>(5,295)</b>	(18,577)
<b>Other comprehensive (expense)/income</b>	其他期內全面(支出)/收益		
Item that will not be reclassified subsequently to profit or loss:	可於其後重新分類至損益之 項目：		
Exchange differences arising on translation of financial statements from functional currency to presentation currency	因財務報表從功能貨幣到呈列 貨幣的轉換產生的匯兌差異	<b>(799)</b>	513
<b>Total comprehensive expense for the period attributable to owners of the Company</b>	本公司擁有人應佔年內全面 支出總額	<b>(6,094)</b>	(18,064)

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

As at 30 June 2020 於二零二零年六月三十日

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		Notes 附註	30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	9	89,431	98,305
Right-of-use assets	使用權資產		23,170	30,425
			<b>112,601</b>	128,730
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		25,327	29,382
Right to returned goods asset	退回存貨之權利		1,811	2,319
Trade and other receivables	貿易及其他應收款項	10	18,819	26,053
Amounts due from related parties	應收關聯方款項	16	243	1,493
Deposit with bank	銀行存款	11	10,000	—
Bank balances and cash	銀行結餘及現金	11	96,906	102,195
			<b>153,106</b>	161,442
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	12	77,207	75,676
Amounts due to related parties	應付關聯方款項	16	65	47
Contract liabilities	合約負債		8,718	10,775
Refund liabilities	償還負債		2,724	3,894
Lease liabilities	租賃負債		6,566	7,330
Bank borrowing	銀行借款		—	9,650
Provision	計提費用		338	338
			<b>95,618</b>	107,710
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>57,488</b>	53,732
Total assets less current liabilities	資產淨值		<b>170,089</b>	182,462
<b>Non-current liability</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債		17,523	23,802
<b>Net assets</b>	<b>淨資產</b>		<b>152,566</b>	158,660
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	13(a)	277,932	277,932
Reserves	儲備	13(b)	(125,366)	(119,272)
<b>Total equity</b>	<b>權益總額</b>		<b>152,566</b>	158,660

# Condensed Consolidated Statement of Changes in Equity

## 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

	Attributable to owners of the Company 本公司擁有人應佔								
	Share capital 股本 RMB'000 人民幣千元 (note 13(a)) (附註13(a))	Share premium 股本溢價 RMB'000 人民幣千元 (note 13(b)) (附註13(b))	Statutory reserves 法定儲備 RMB'000 人民幣千元 (note 13(b)) (附註13(b))	Capital reserve 資本儲備 RMB'000 人民幣千元 (note 13(b)) (附註13(b))	Merger reserve 合併儲備 RMB'000 人民幣千元 (note 13(b)) (附註13(b))	Translation reserve 匯兌儲備 RMB'000 人民幣千元 (note 13(b)) (附註13(b))	Other reserve 其他儲備 RMB'000 人民幣千元 (note 13(b)) (附註13(b))	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
At 1 January 2020 (audited) 於二零二零年 一月一日(經審核)	277,932	1,401,815	49,887	—	8,468	(33,208)	9,421	(1,555,655)	158,660
Loss for the period 期內虧損	—	—	—	—	—	—	—	(5,295)	(5,295)
Other comprehensive income for the period 期內其他全面收益									
Exchange differences arising on translation of financial statements from functional currency to presentation currency 因財務報表從功能貨幣到呈列貨幣的轉換產生的匯兌差異	—	—	—	—	—	(799)	—	—	(799)
Total comprehensive expense for the period 期內全面支出總額	—	—	—	—	—	(799)	—	(5,295)	(6,094)
At 30 June 2020 (unaudited) 於二零二零年六月三十日(未經審核)	277,932	1,401,815	49,887	—	8,468	(34,007)	9,421	(1,560,950)	152,566

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

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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

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Statutory reserves	Capital reserve	Merger reserve	Translation reserve	Other reserve	Accumulated losses	Total equity
		股本	股本溢價	法定儲備	資本儲備	合併儲備	匯兌儲備	其他儲備	累計虧損	權益總額
		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
		(note 13(a))	(note 13(b))	(note 13(b))	(note 13(b))	(note 13(b))	(note 13(b))	(note 13(b))		
		(附註13(a))	(附註13(b))	(附註13(b))	(附註13(b))	(附註13(b))	(附註13(b))	(附註13(b))		
At 1 January 2019 (audited)	於二零一九年 一月一日(經審核)	277,878	1,400,650	49,887	2,814	8,468	(32,232)	9,421	(1,551,204)	165,682
Loss for the period	期內虧損	—	—	—	—	—	—	—	(18,577)	(18,577)
Other comprehensive income for the period	期內其他全面收益									
Exchange differences arising on translation of foreign operations	海外業務交易之匯兌差異	—	—	—	—	—	513	—	—	513
Total comprehensive income/(expense) for the period	期內全面收益/(支出)總額	—	—	—	—	—	513	—	(18,577)	(18,064)
Effect of share options	購股權生效									
— Shares issue upon exercise (note 13)	— 行使股權 (附註13)	54	1,165	—	(1,165)	—	—	—	—	54
— lapse	— 失效	—	—	—	(1,649)	—	—	—	1,649	—
At 30 June 2019 (unaudited)	於二零一九年六月三十日(未經審核)	277,932	1,401,815	49,887	—	8,468	(31,719)	9,421	(1,568,132)	147,672



# Condensed Consolidated Statement of Cash Flows

## 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 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Loss before taxation	稅前虧損	<b>(5,295)</b>	(18,575)
Adjustments for:	就下列作出調整：		
Bank interest income	銀行利息收入	<b>(606)</b>	(239)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>9,420</b>	12,076
Depreciation of right-of-use assets	使用權資產折舊	<b>3,610</b>	4,431
Finance costs	融資成本	<b>722</b>	783
Allowance for inventories/(reversal of impairment loss on inventories)	存貨減值準備/(存貨減損失之回撥)	<b>39</b>	(747)
Impairment losses/(reversal of impairment losses) recognised in respect of trade receivables	貿易應收款項之減值損失確認/(撥回)	<b>107</b>	(3,056)
Loss/(gain) on disposal of property, plant and equipment	處置物業、廠房及設備損失/(收益)	<b>5</b>	(3)
Reversal of obsolete inventories written off	逾期存貨報廢之撥回	<b>—</b>	(614)
Operating cash flows before working capital changes	營運資金變動前之經營資金流量	<b>8,002</b>	(5,944)
Decrease in inventories	存貨減少	<b>4,016</b>	98
Decrease in right to returned goods asset	使用權資產減少	<b>508</b>	1,019
Decrease in trade and other receivables	貿易及其他應收款項減少	<b>7,127</b>	13,759
Decrease in amounts due from related parties	應收關連方款項減少	<b>1,150</b>	—
Increase/(decrease) in amounts due to related parties	應付關聯方款項增加/(減少)	<b>18</b>	(2,471)
Increase/(decrease) in trade and other payables	貿易及其他應付款項增加/(減少)	<b>1,531</b>	(15,754)
(Decrease)/increase in contract liabilities	合同負債(減少)/增加	<b>(2,057)</b>	6,360
Decrease in refund liabilities	償還負債減少	<b>(1,170)</b>	(1,852)
Cash generated from/(used in) operations	從經營活動產生/(所用)的現金	<b>19,125</b>	(4,785)
Income tax paid	已付所得稅	<b>—</b>	(2)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>經營活動產生/(所用)的現金淨額</b>	<b>19,125</b>	(4,787)

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

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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

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(607)	(203)
Placement of deposit with bank	銀行存款	(10,000)	—
Advance to related parties	預付關聯方	—	(23)
Bank interest received	已收銀行利息	606	239
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備的所得款項	75	4
Repayment from related parties	關聯方償還款項	100	8
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>投資活動(所用)/產生的現金淨額</b>	<b>(9,826)</b>	25
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Repayment of bank borrowing	償還銀行借款	(11,980)	(2,900)
Interest paid	已付利息	(722)	(783)
Payment of lease liabilities	償付租賃負債	(3,398)	(4,323)
Proceeds from exercise of share options	行使購股權所得款項	—	54
New bank borrowing raised	新增銀行借款	2,330	—
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資活動所用的現金淨額</b>	<b>(13,770)</b>	(7,952)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物淨減少額</b>	<b>(4,471)</b>	(12,714)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>於期初之現金及現金等價物</b>	<b>102,195</b>	65,483
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率變動影響</b>	<b>(818)</b>	508
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b> , representing bank balances and cash	<b>於期終之現金及現金等價物，即指銀行結存及現金</b>	<b>96,906</b>	53,277

### 1. General and Basis of Preparation

BaWang International (Group) Holding Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is Fortune Station, which is incorporated in the British Virgin Islands (the “BVI”) and is owned as to: (1) 49.57% by Heroic Hour Limited, a company that is beneficially owned as to 22.00% by Mr. CHEN Zheng He, the chief executive officer and an executive director of the Company, and 78.00% by Mr. CHEN Zheng He’s six brothers and sisters; and (2) 50.43% by Mr. CHEN Qiyuan, the chairman of the board of directors of the Company (the “Directors”).

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are manufacturing and sales of the household and personal care products.

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the principal subsidiaries of the Group where the primary economic environment is in the PRC. Other than the subsidiaries established in the PRC which functional currencies are RMB, the functional currency of the Company and other subsidiaries is Hong Kong dollars (“HK\$”).

The condensed consolidated financial statements of the Group for the six months ended 30 June 2020 have been prepared in accordance with the applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”).

### 1. 編製基準

霸王國際(集團)控股有限公司(「本公司」)於開曼群島註冊成立為獲豁免的有限公司並且在香港聯合交易所有限公司(「聯交所」)上市。其直接母公司為在英屬處女群島(「英屬處女群島」)註冊的Fortune Station，其股份受益人(1)Heroic Hour Limited擁有49.57%，該公司的22.00%股權由本公司之執行董事及首席執行官陳正鶴先生實益持有，而餘下之78.00%則由陳正鶴先生之六位弟妹實益持有；及(2)本公司的董事(「董事」)及主席陳啟源先生擁有50.43%。

本公司及其附屬公司(以下統稱為「本集團」)主要從事生產及銷售家庭及個人護理產品業務。

本集團每一個實體的財務報表所列項目均使用該實體所處的主要經濟環境的貨幣(「功能貨幣」)來計量。綜合財務報表以人民幣(「人民幣」)表示，人民幣是本集團主要子公司在中國的主要經濟環境下的功能貨幣。除在中國境內設立的以人民幣為記賬本位幣的子公司外，本公司及其他子公司的記賬本位幣為港幣(「港幣」)。

本公司及附屬公司(「本集團」)截至二零二零年六月三十日止的簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄16之適用披露條文以及國際會計準則委員會(「國際會計準則委員會」)頒布的國際會計準則(「國際會計準則」)第34號中期財務報告編製。

## 2. Principal Accounting Policies

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

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019 except as described below.

In the current interim period, the Group has applied, for its first time, the following new and amendments to International Financial Reporting Standards ("IFRSs"), which include IFRSs, International Accounting Standards, amendments and interpretations issued by the IASB and the IFRS Interpretations Committee of the IASB.

Amendments to IFRS 3	Definition of a Business
Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform

The application of the new and amendments to IFRSs in the current interim period has had no material effect on the Group's financial performance and position for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製。

除下文所述外，綜合財務報表所運用的會計政策及計算方法與本集團編製至二零一九年十二月三十一日止年度綜合財務報表所依循者一致。

於本中期期間，本集團首次應用以下由國際會計準則委員會頒布之國際財務報告準則之新準則、修訂及解釋（「新訂及經修訂國際財務報告準則」）編製本集團綜合財務報表。

國際財務報告準則第3號修訂本	業務的定義
國際會計準則第1號及國際會計準則第8號修訂本	重大的定義
國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號修訂本	利率基準改革

新訂及經修訂的國際財務報告準則對本集團於本期及以前期間的財務表現及狀況及/或綜合財務報表當中所載披露並無重大影響。

## Notes to the Condensed Consolidated Financial Statements

### 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

### 3. Revenue and Segment Information

Revenue represents revenue arising on sales of goods, net of discounts and sales related taxes. An analysis of the Group's revenue for the period is as follows.

### 3. 營業額及分部資料

營業額是指本集團於當期貨物銷售收入。本集團當期的收入分析列示如下：

		<b>Six months ended 30 June</b> 截至六月三十日止六個月	
		<b>2020</b> 二零二零年 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)	2019 二零一九年 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)
<b>Revenue from contracts with customers</b>	客戶的合約收入		
Disaggregated by major products	按主要產品分類		
Manufacturing and sales of the household and personal care products	家庭及個人護理用品的生產和銷售		
Hair-care products	護髮產品	<b>109,327</b>	101,959
Skin-care products	護膚產品	<b>1,741</b>	1,221
Other household and personal care products	其他家用及個人護理產品	<b>12,855</b>	10,053
		<b>123,923</b>	113,233

#### Disaggregation of revenue from contracts with customers by timing of recognition

按客戶的合約收入的確認時間分解

		<b>Six months ended 30 June</b> 截至六月三十日止六個月	
		<b>2020</b> 二零二零年 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)	2019 二零一九年 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)
<b>Timing of revenue recognition</b>	收入確認的時間		
At a point in time	某一時間點	<b>123,923</b>	113,233



### 3. Revenue and Segment Information (Continued)

Information reported to the executive directors of the Company, being the chief operation decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. The Directors have chosen to organise the Group around differences in products. The segments are managed separately as each operating segment offers different products which require different production information to formulate different strategies.

Specifically, the Group’s reportable segments are as follows:

- Hair-care products
- Skin-care products
- Other household and personal care products

Operating segment including manufacture and sale of other household and personal care products have been aggregated into a single reporting segment after taking into account that none of which is of a sufficient size to be reported separately.

The CODM is provided with segment information concerning segment revenue and result. No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the CODM.

### 3. 營業額及分部資料(續)

為分配資源及評估分部表現，向主要經營決策者(主要經營決策者)，即本公司之執行董事報告之訊息，着重於產品線及地域之分佈組合。董事們選擇圍繞產品差異來組織本集團。各分部是根據其獨特的產品特點和戰略作為單獨經營分部來管理的。

具體地，本集團之可報告的經營分部為：

- 護髮產品
- 護膚產品
- 其他家用及個人護理產品

經營分部包括其他家庭和個人護理產品的生產和銷售，在考慮到沒有一個足夠規模的分部可以單獨報告後，已合併為一個單獨的報告分部。

主要經營決策者獲提供有關分部收入和分部業績的信息，而分部資產和負債的信息則不會定期向主要經營決策者報告。

## Notes to the Condensed Consolidated Financial Statements

### 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

### 3. Revenue and Segment Information (Continued)

The following is an analysis of the Group's revenue and results by reportable and operating segments.

**For the six months ended 30 June 2020**

### 3. 營業額及分部資料(續)

以下是本集團按可報告收入及業績分析：

**截至二零二零年六月三十日止六個月**

		Hair-care products	Skin-care products	Other household and personal care products	Total
		護髮產品	護膚產品	其他家用及個人護理產品	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Revenue from external customers	來自外部客戶之收入	109,327	1,741	12,855	123,923
Segment loss	分部虧損	(553)	(851)	(3,057)	(4,461)
Bank interest income	銀行利息收入				606
Other income	其他收入				524
Corporate and other unallocated expenses	未分配之總部與其他開支				(1,921)
Finance costs	融資成本				(43)
Loss before taxation	稅前虧損				(5,295)

## 3. Revenue and Segment Information (Continued)

## 3. 營業額及分部資料(續)

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

		Hair-care products	Skin-care products	Other household and personal care products	Total
		護髮產品	護膚產品	其他家用及個人護理產品	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Revenue from external customers	來自外部客戶之收入	101,959	1,221	10,053	113,233
Segment loss	分部虧損	(11,035)	(192)	(5,030)	(16,257)
Bank interest income	銀行利息收入				239
Other income	其他收入				378
Corporate and other unallocated expenses	未分配之總部與其他開支				(2,606)
Finance costs	融資成本				(329)
Loss before taxation	稅前虧損				(18,575)

Segment results represent the loss from each segment without allocation of bank interest income, gain on sales of scrap materials, government grants, central administrative costs, directors' emoluments and interest on bank borrowings. This is the measure reported to the executive directors of the Company for the purposes of resource allocation and performance assessment.

分部業績指各分部所錄得之虧損，當中並無分配銀行利息收入、售賣廢料收益、政府補助、中央管理成本、董事薪酬以及銀行貸款利息。此乃為資源分配及表現評估而向本公司之執行董事報告之計量方式。

# Notes to the Condensed Consolidated Financial Statements

## 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

### 4. Finance Costs

### 4. 融資成本

		<b>Six months ended 30 June</b> 截至六月三十日止六個月	
		<b>2020</b> 二零二零年 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on:	利息：		
— bank borrowings	— 銀行貸款	<b>43</b>	329
— lease liabilities	— 租賃負債	<b>679</b>	454
		<b>722</b>	783

## 5. Loss Before Taxation

Loss before taxation has been arrived at after charging/  
(crediting):

## 5. 稅前虧損

扣除/(貸記)費用後計算稅前虧損：

		<b>Six months ended 30 June</b> 截至六月三十日止六個月	
		<b>2020</b> 二零二零年 <b>RMB'000</b> 人民幣千元 <b>(Unaudited)</b> (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Bank interest income	銀行利息收入	<b>(606)</b>	(239)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>9,420</b>	12,076
Depreciation of right-of-use assets	使用權資產折舊	<b>3,610</b>	4,431
Loss/(gain) on disposal of property, plant and equipment	處置物業、廠房及設備的虧損/(收益)	<b>5</b>	(3)
Redundancy costs	僱員遣散費	<b>293</b>	390
Net foreign exchange losses	匯兌損失淨額	<b>—</b>	1,768
Allowance for inventories/(reversal of allowance for inventories) (included in cost of inventories recognised as an expense)	存貨跌價準備/(回撥) (包括在存貨成本中確認為一項費用)	<b>39</b>	(747)
Reversal of obsolete inventories written-off (included in cost of inventories recognised as an expense)	逾期存貨報廢之回撥 (包括在存貨成本中確認為一項費用)	<b>—</b>	(614)



### 6. Taxation

- (i) Under the Law of the PRC on Enterprise Income Tax (the “PRC EIT Law”) and Implementation Regulation of the PRC EIT Law, the tax rate of the subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to circular issued by Ministry of Finance and National Tax Bureau on 17 January 2019, the small-scaled minimal profit enterprise with an annual taxable income below RMB1,000,000 (RMB1,000,000 included) is entitled to a preferential tax treatment of 75% exemption of taxable income and application of income tax rate as 20% from 1 January 2019 to 31 December 2021. Certain PRC subsidiaries of the Group were qualified during both reporting periods.

The PRC EIT Law allows enterprises to apply for the certificates of “High and New Technology Enterprise” (“HNTE”) which entitles the qualified companies to a preferential income tax rate of 15%. Bawang (Guangzhou) Co., Ltd. (“Bawang Guangzhou”), a PRC subsidiary of the Group, was qualified as a HNTE since 2009. However, Bawang Guangzhou did not have any assessable profits subject to Enterprise Income Tax for the six months ended 30 June 2020 and 2019.

### 6. 稅項

- (i) 根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本集團附屬公司的稅率自二零零八年一月一日起為25%。

根據二零一九年一月十七日財政部和國家稅務局通知，年應納稅所得額人民幣1,000,000元(含人民幣1,000,000元)以下的小型微利企業，從二零一九年一月一日至二零二一年十二月三十一日，享受應納稅所得額75%免徵，稅率20%的稅收優惠。本集團內某些國內子公司於兩個報告期內取得該資格。

中國企業所得稅法允許企業申請高新技術企業(「高新技術企業」)證書，而獲得該資格的企業可以享有15%的優惠稅率。霸王(廣州)有限公司(「霸王廣州」)於二零零九年被認定為高新技術企業。然而，截至二零二零年度及二零一九年六月三十日止年度，霸王廣州並沒有任何須繳納企業所得稅之應課稅溢利。

## 6. Taxation (Continued)

- (ii) No provision for Hong Kong Profits Tax has been provided for the six months ended 30 June 2020 and 2019 as the Group did not have any assessable profits subject to Hong Kong Profits Tax for these periods.
- (iii) Pursuant to the laws and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI for the current and previous interim periods.

## 7. Dividends

No dividend was paid or proposed for the current interim period, nor has any dividend been proposed since the end of the reporting period (six months ended 30 June 2019: nil).

## 6. 稅項 (續)

- (ii) 截至二零二零年及二零一九年六月三十日止六個月，本集團並沒有任何須繳納香港所得稅之應課稅溢利，所以並無計提香港所得稅。
- (iii) 根據開曼群島及英屬處女群島的規則及條例，本集團無須為以前及本年度繳納開曼群島及英屬處女群島的任何稅項。

## 7. 股息

中期期間內並無派付、宣派或擬派任何股息。本公司董事不建議派付截至報告期末的任何中期股息(截至二零一九年六月三十日止六個月：無)。

### 8. Loss Per Share

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the loss for the period of approximately RMB5,295,000 (six months ended 30 June 2019: RMB18,577,000) and the weighted average number of approximately 3,162,441,000 (six months ended 30 June 2019: approximately 3,162,134,000) ordinary shares in issue during the period.

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

### 9. Movements in Property, Plant and Equipment

During the six months ended 30 June 2020, the Group acquired property, plant and equipment with a cost of approximately RMB607,000 (six months ended 30 June 2019: approximately RMB203,000).

Property, plant and equipment with an aggregate carrying amount of approximately RMB80,000 was disposed of by the Group during the six months ended 30 June 2020 (six months ended 30 June 2019: RMB1,000), resulting in a net loss on disposal of approximately RMB5,000 (six months ended 30 June 2019: net gain on disposal of approximately RMB3,000).

### 8. 每股虧損

本公司擁有人應佔之每股基本及攤薄虧損是根據期內虧損約人民幣5,295,000元(截至二零一九年六月三十日止六個月:約人民幣18,577,000元)及期內已發行普通股加權平均數約3,162,441,000股(截至二零一九年六月三十日止六個月:3,162,134,000股)計算。

截至二零二零年度及二零一九年六月三十日止六個月的每股攤薄虧損等同每股基本虧損。

### 9. 物業、廠房及設備的變動

截至二零二零年六月三十日止六個月,本集團購入物業、廠房及設備的成本大約為人民幣607,000元(截至二零一九年六月三十日止六個月:約人民幣203,000元)。

截至二零二零年六月三十日止六個月,本集團將賬面淨值約為人民幣80,000元的物業、廠房及設備處置掉(截至二零一九年六月三十日止:人民幣1,000元),導致約人民幣5,000元的處置物業、廠房及設備的淨損失(截至二零一九年六月三十日止六個月處置淨收益:約人民幣3,000元)。

## 10. Trade and Other Receivables

Included in trade and other receivables are debtors (net of allowance for impairment of trade receivables) with the following ageing analysis presented based on the invoice date, which approximates the respective revenue recognition dates:

## 10. 貿易及其他應收款項

包括貿易及其他應收款項的應收賬款(扣除貿易應收款項減值準備後),並根據接近各自收入確認日期的發票日期呈列以下賬齡分析:

		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Less than 3 months	少於3個月	16,164	18,990
More than 3 months but less than 6 months	多於3個月但少於6個月	397	2,165
More than 6 months but less than 12 months	多於6個月但少於12個月	65	323
Total debtors, net of allowance for impairment of trade receivables	應收賬款總額, 扣除應收賬款減值準備後的淨額	16,626	21,478
Prepayment for purchase of raw materials	原材料採購預付款	863	2,103
Other prepayments	其他預付款項	373	1,940
Non-income tax receivables	非所得稅應收款項	222	111
Other receivables	其他應收款	735	421
		<b>18,819</b>	26,053

The Group allows an average credit period of 30 to 90 days to its trade customers.

本集團給予其貿易客戶的平均信貸期為30日至90日。

## 11. Deposit with Bank/Bank Balances and Cash

**Deposit with bank**

As at 30 June 2020, deposit with bank of RMB10,000,000 with maturity in July 2020 (31 December 2019: nil), carries interest at fixed rate of 3.20% (31 December 2019: nil) per annum.

**Bank balances and cash**

As at 30 June 2020, cash at bank carries interest at floating rates based on daily bank deposits rates of 0.001% to 0.60% (31 December 2019: 0.001% to 0.60%) per annum.

## 12. Trade and Other Payables

Included in trade and other payables are creditors with the following ageing analysis presented based on the invoice date at the end of the reporting period:

		<b>30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)</b>	<b>31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)</b>
Within 1 month or on demand	1個月內或即付	<b>25,305</b>	25,195
After 1 month but within 3 months	1個月後三個月內支付	<b>9,929</b>	7,366
<b>Total creditors</b>	<b>應付賬款總額</b>	<b>35,234</b>	32,561
Payable for acquisition of property, plant and equipment	應付物業、廠房和設備款項	<b>1,933</b>	1,933
Promotion fee payables	應付推廣費	<b>3,998</b>	8,250
Accrued payroll	應計未付薪金	<b>2,850</b>	1,902
Non-income tax payables	非所得稅應付款項	<b>2,768</b>	3,233
Other payables and accruals	其他應付款項及應計項目	<b>30,424</b>	27,797
		<b>77,207</b>	75,676

## 11. 銀行存款/銀行結存及現金

**銀行存款**

於二零二零年六月三十日，銀行存款為人民幣10,000,000元，於二零二零年七月到期（於二零一九年十二月三十一日：無），固定年利率為3.20%（於二零一九年十二月三十一日：無）。

**銀行結存及現金**

於二零二零年六月三十日，銀行現金按每日銀行存款浮動年利率0.001%至0.60%（於二零一九年十二月三十一日：0.001%至0.60%）計算利息。

## 12. 貿易及其他應付款項

包括貿易及其他應付款項的應付賬款，根據報告期結束時的發票日期呈列以下賬齡分析：



### 13. Share Capital and Reserves

### 13. 股本及儲備

#### (a) Share capital

#### (a) 股本

		Number of shares 股份數目 '000 千	Amount 報告金額 RMB'000 人民幣千元
Ordinary shares of HK\$0.1 each	每股港元0.10之普通股		
Authorised:	法定普通股：		
At 1 January 2019 (audited),	於二零一九年一月一日		
31 December 2019 (audited),	(經審核)，二零一九年		
1 January 2020 (audited) and	十二月三十一日		
30 June 2020 (unaudited)	(經審核)，二零二零年		
	一月一日(經審核)及		
	二零二零年六月三十日		
	(未經審核)	10,000,000	880,500
Issued and fully paid:	已發行並全部支付：		
At 1 January 2019 (audited)	於二零一九年一月一日		
	(經審核)	3,161,811	277,878
Exercise of share options (note)	在行使購股權時發行		
	股票(附註)	630	54
At 31 December 2019 (audited),	於二零一九年十二月		
1 January 2020 (audited) and	三十一日(經審核)，		
30 June 2020 (unaudited)	二零二零年一月一日		
	(經審核)，二零二零年		
	六月三十日(未經審核)	3,162,441	277,932

Note: On 29 March 2019, 630,000 share options were exercised at HK\$0.1 each and resulted in the issue of 630,000 ordinary shares of the Company and increase in share capital of HK\$63,000 (equivalent to approximately RMB54,000). All shares issued during the period ended 30 June 2019 ranked pari passu with the then existing shares in all respects.

附註：於二零一九年三月二十九日，以每股港幣0.1元行使了630,000份購股權，使得本公司發行了630,000股普通股，增加了港幣63,000元(約合人民幣54,000元)的股本。所有在二零一九年六月三十日期內發行的股票與現有股票於各方面享有同等權益。

### 13. Share Capital and Reserves (Continued)

#### (b) Nature and purpose of reserves

##### (i) Share premium

The application of the share premium account of the Company is governed by the Companies Law (Revised) of the Cayman Islands. The funds in the share premium are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

##### (ii) Statutory reserves

Statutory reserves are established in accordance with the relevant PRC rules and regulations and the articles of association of the PRC subsidiary of the Group, Bawang Guangzhou. Transfers to the reserves are approved by the board of directors of Bawang Guangzhou.

Bawang Guangzhou and Bawang (China) Beverage Co., Limited, which are wholly foreign owned enterprises established in the PRC, are required to transfer at least 10% of their net profit (after offsetting prior year losses), as determined under the PRC accounting rules and regulations, to statutory general reserve until the reserve balance reaches 50% of the registered capital under the PRC Company Law and the articles of association of the entity. The transfer to this reserve must be made before distribution of dividends to the equity shareholders.

### 13. 股本及儲備(續)

#### (b) 儲備性質及用途

##### (i) 股本溢價

本公司股本溢價的應用受開曼群島公司法(經修訂)所規管。除非緊隨建議派付股息的日期後，本公司有能力償還日常業務中到期的債務，否則本公司不得自股本溢價向股東分派股息。

##### (ii) 法定儲備

法定儲備乃根據有關中國規則及規例以及本集團的中國附屬公司霸王廣州的公司章程設立。轉撥的儲備已獲霸王廣州董事會批准。

霸王廣州及霸王(中國)飲料有限公司乃於中國成立的外商獨資企業，其須根據中國會計規則及規例，轉撥其溢利最少10%的淨溢利(彌補以往年度的虧損後)至一般法定儲備，直至儲備結餘達到中國公司法及該實體的公司章程規定的註冊資本的50%為止。轉撥至該儲備須於向權益持有人分派股息前進行。

## 13. Share Capital and Reserves (Continued)

**(b) Nature and purpose of reserves (Continued)****(ii) Statutory reserves (Continued)**

Statutory general reserve can be used to make good prior years' losses, if any, and may be converted into share capital by issuing new shares to equity shareholders proportionate to their existing percentage of equity interests provided that the balance after such issue is not less than 25% of the registered capital.

**(iii) Capital reserve**

The capital reserve represents the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with accounting policy adopted in the 2019 annual financial statements.

**(iv) Merger reserve**

On 20 December 2007, Bawang International Group Holding (HK) Limited, a wholly-owned subsidiary of the Company, acquired all the equity interest of Bawang Guangzhou amounting to US\$12,500,000, which was previously held by a company owned by the controlling shareholders of the Group, at a consideration of the same amount. Accordingly, the share capital of Bawang Guangzhou was eliminated and a merger reserve arose due to foreign exchange differences.

**(v) Translation reserve**

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the operations outside the PRC into the presentation currency of the Group (i.e. RMB).

**(vi) Other reserve**

The other reserve represents the deemed contribution by the controlling shareholders in the form of non-interest bearing loans to a subsidiary. The amounts are estimated by discounting the nominal value of the non-interest bearing loans to the subsidiary at an effective interest rate.

## 13. 股本及儲備(續)

**(b) 儲備性質及用途(續)****(ii) 法定儲備(續)**

一般法定儲備可用作彌補以往年度的虧損(如有),亦可透過按照權益持有人的現有的股權百分比向彼等發行新股,以將有關儲備轉換為股本,惟進行有關發行後的結餘不得少於註冊資本的25%。

**(iii) 資本儲備**

授予本公司僱員的購股權未行使的部份,將其於授予日期的公允價值按照二零一九年財務報告所採用的會計政策於資本儲備中確認。

**(iv) 合併儲備**

於二零零七年十二月二十日,本公司全資附屬公司霸王國際集團控股(香港)有限公司以同等價格收購美元12,500,000的霸王廣州全部權益(之前由控股股東擁有的一家公司持有)。因此霸王廣州的股本被抵銷,抵銷時的匯兌差額產生合併儲備。

**(v) 匯兌儲備**

匯兌儲備包括換算中國境外業務之財務報表(即人民幣)所產生的全部匯兌差額。

**(vi) 其他儲備**

其他儲備是指控股股東借給子公司的免息貸款所產生之視同注資。該數額由以實際利率折現的借給子公司之免息貸款的賬面價值來估算。

### 14. Equity Settled Share-Based Transactions

#### (a) Pre-IPO Share Option Scheme

The Directors approved a Pre-IPO Share Option Scheme on 10 December 2008. On 8 June 2009, the Company conditionally granted certain Pre-IPO share options to the Directors, senior management and employees under this Pre-IPO Share Option Scheme. The exercise of these share options would entitle two of the Company's Directors to subscribe for an aggregate of 4,200,000 shares of the Company, and forty of senior management and employees for an aggregate of 10,332,000 shares. According to the grant letters signed by the Company and the beneficial individuals, the exercise price of each share under the Pre-IPO Share Option Scheme is either at par value of HK\$0.1 (four people under this tranche including two the then directors), or at HK\$1.19, representing a 50% discount to the offer price of HK\$2.38 under the global offering (thirty-eight people under this tranche). Each option granted under the Pre-IPO Share Option Scheme has a vesting period of one to five years, commencing from the listing date and the options are exercisable until 8 June 2019. During the year ended 31 December 2019, a total of 956,760 share options granted on 8 June 2009 had been lapsed upon the expiry of option period. During the year ended 31 December 2019, other than exercise of the 630,000 options, all the remaining Pre-IPO share options had been lapsed upon the expiry of option period.

### 14. 以權益結算的股份交易

#### (a) 首次公開發售前購股權計劃

董事會於二零零八年十二月十日批准首次公開發售前購股權計劃。於二零零九年六月八日，本公司有條件地根據首次公開發售前購股權計劃向董事、高級管理層成員及僱員授予若干首次公開發售前購股權。行使此等購股權賦予本公司兩名董事認購本公司合共4,200,000股，以及40名高級管理層和僱員認購本公司股份合共10,332,000股的權利。根據本公司與每個受益人簽訂的授予函件，首次公開發售前購股權計劃項下的每股股份行權價為其面值港元0.1（4人在此列，其中包括兩名董事）或港元1.19，即按全球發售下發售價港元2.38折讓50%（38人在此列）。根據首次公開發售前購股權計劃授出的每份購股權的歸屬期為由上市日期起計一年至五年，所有購股權必須於二零一九年六月八日前行使。截至二零一九年十二月三十一日止年度內，在二零零九年六月八日授予的956,760份購股權已於期權期滿時失效。於截至二零一九年十二月三十一日年度內，除了行使630,000股購股權，所有餘下的首次公開發售前購股權已於期權屆滿之時失效。

## 14. Equity Settled Share-Based Transactions

(Continued)

## (a) Pre-IPO Share Option Scheme (Continued)

Details of specific categories of Pre-IPO Share Options Scheme are as follows:

	Date of grant 授予日期	Number of instruments 購股權數目	Vesting period 歸屬期	Contractual life of options 購股權合約期	
Options granted to directors 授予董事的購股權	8 June 2009 二零零九年六月八日	1,260,000	1 year from 3 July 2009 二零零九年七月三日起計一年	10 years 十年	
	8 June 2009 二零零九年六月八日	735,000	2 years from 3 July 2009 二零零九年七月三日起計兩年	10 years 十年	
	8 June 2009 二零零九年六月八日	735,000	3 years from 3 July 2009 二零零九年七月三日起計三年	10 years 十年	
	8 June 2009 二零零九年六月八日	735,000	4 years from 3 July 2009 二零零九年七月三日起計四年	10 years 十年	
	8 June 2009 二零零九年六月八日	735,000	5 years from 3 July 2009 二零零九年七月三日起計五年	10 years 十年	
	Options granted to employees 授予僱員的購股權	8 June 2009 二零零九年六月八日	1,669,920	1 year from 3 July 2009 二零零九年七月三日起計一年	10 years 十年
	8 June 2009 二零零九年六月八日	1,868,160	2 years from 3 July 2009 二零零九年七月三日起計兩年	10 years 十年	
	8 June 2009 二零零九年六月八日	2,066,400	3 years from 3 July 2009 二零零九年七月三日起計三年	10 years 十年	
8 June 2009 二零零九年六月八日	2,264,640	4 years from 3 July 2009 二零零九年七月三日起計四年	10 years 十年		
8 June 2009 二零零九年六月八日	2,462,880	5 years from 3 July 2009 二零零九年七月三日起計五年	10 years 十年		
Total share options granted 授予購股權總數		14,532,000			

## 14. 以權益結算的股份交易 (續)

## (a) 首次公開發售前購股權計劃 (續)

首次公開上市前購股權計劃的具體類別如下：



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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

### 14. Equity Settled Share-Based Transactions (Continued)

(b) The following table disclosed the movements of the Company's share options held by the Directors and employees for the six months ended 30 June 2019:

	Date of grant	Exercisable period	Exercise price	Number of share options			Outstanding at 30 June 2019 (Unaudited) 於二零一九年六月三十日 尚未行使 (未經審核)
				Outstanding at 1 January 2019 (Audited) 於二零一九年一月一日 尚未行使 (經審核)	Exercised during the year	Lapsed during the year	
	授予日期	可行使期間	行使價	尚未行使 (經審核)	年內行使	年內失效	
Directors 董事	8 June 2009 二零零九年六月八日	4 July 2014–8 June 2019 二零一四年七月四日至 二零一九年六月八日	HK\$0.10 港元0.10	630,000	(630,000)	–	–
Employees 僱員	8 June 2009 二零零九年六月八日	4 July 2014–8 June 2019 二零一四年七月四至 二零一九年六月八日	HK\$1.19 港元1.19	956,760	–	(956,760)	–
Total 合計				1,586,760	(630,000)	(956,760)	–
Exercisable at the end of the year 於年末時可行使							N/A 不適用
Weighted average exercise price 加權平均行使價				HK\$0.76 港元0.76	HK\$0.10 港元0.10	HK\$1.19 港元1.19	N/A 不適用

In respect of the share options exercised during the six months ended 30 June 2019, the weighted average share price at the date of exercise was HK\$0.167 (equivalent to RMB0.147) (unaudited) (six months ended 30 June 2020: nil).

截至二零一九年六月三十日止六個月內行使的購股權，行使當日的加權平均價為港元0.167 (相當於人民幣0.147元)(未經審計)(二零二零年六月三十日止六個月：無)。

### 14. 以權益結算的股份交易 (續)

(b) 下表披露截至二零一九年六月三十日止六個月的董事及僱員持有股權之變動：

## 15. Financial Risk Management and Fair Value Measurements of Financial Instruments

### (a) Financial risk factors

The Group's activities expose it to a variety of financial risks, market risks (currency risk and interest rate risk), credit risk and liquidity risk.

The condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2019.

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

### (b) Fair value measurements of financial instruments

The Group's financial instruments, including the loans and receivables (including trade and other receivables, amounts due from related parties, deposit with bank and bank balances and cash) and financial liabilities (including trade and other payables, amounts due to related parties and bank borrowings), are recorded at amortised cost. The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements at 30 June 2020 approximate their fair values due to short maturities.

## 15. 財務風險管理和公允價值計量金融工具

### (a) 金融風險因素

本集團的活動使其面臨各種各樣的財務風險，市場風險（貨幣風險和利率風險），信貸風險和流動性風險。

中期綜合財務報表不包括年度財務報表所要求的所有財務風險管理信息和披露信息，應與二零一九年十二月三十一日該集團的年度財務報表一起閱讀。

自年底以來，風險管理政策沒有任何變化。

### (b) 金融風險因素

該集團的金融工具，包括貸款和應收款項（包括貿易和其他應收款項應收關聯方款項，銀行存款及銀行餘額和現金）和金融負債（包括貿易和其他應付款項，應付關聯方款項和銀行借款），以攤餘成本入賬。公司董事認為，以攤餘成本計量的金融資產和金融負債於二零二零年六月三十日的簡明綜合財務報表中的賬面價值近似其公允價值因其短期到期。

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## 簡明綜合財務報表附註

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### 16. Related Party Transactions

#### (a) Related party balances

Save as disclosed elsewhere in the condensed consolidated financial statements, the following balances were outstanding at the end of the reporting period:

### 16. 關聯方交易

#### (a) 關聯方餘額

除綜合財務報表另有披露外，於呈報期末尚未償付之結餘如下：

		Amounts due from/(to) related parties 應收/(付)關聯方款項	
		30 June 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審計)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審計)
<b>Non-trade related</b>	<b>非貿易相關</b>		
Guangzhou Bawang International Hotel Co., Ltd. ("Guangzhou Bawang International") (note i)	廣州霸王國際大酒店有限公司(「廣州霸王國際」)(附註i)	—	101
Guangzhou Bawang Cosmetics Co., Ltd. ("Guangzhou Bawang") (note i)	廣州霸王化妝品有限公司(「廣州霸王」)(附註i)	243	242
<b>Trade related</b>	<b>貿易相關</b>		
Guangzhou Chenming Paper Products Company Limited ("Guangzhou Chenming") (notes ii and iii)	廣州市晨明紙品有限公司(「廣州晨明」)(附註ii和iii)	—	1,150
		<b>243</b>	<b>1,493</b>
<b>Trade related</b>	<b>貿易相關</b>		
Guangzhou Qiancai Packaging Materials Co., Ltd. ("Guangzhou Qiancai") (notes ii and iv)	廣州市倩采包裝材料有限公司(「廣州倩采」)(附註ii和iv)	(65)	(47)

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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### 16. Related Party Transactions (Continued)

#### (a) Related party balances (Continued)

Notes:

- (i) Guangzhou Bawang International and Guangzhou Bawang were ultimately 100% owned by Mr. CHEN Zheng He. The balance was unsecured, interest-free and repayable on demand.
- (ii) Guangzhou Chenming and Guangzhou Qiancai were under the control of the close family members of Mr. CHEN Qiyuan, the director and the chairman of the board of directors.
- (iii) As at 31 December 2019, the Group prepaid a trade deposit for purchase of packaging materials to Guangzhou Chenming. The credit term granted by Guangzhou Chenming is based on the invoice date. As at 31 December 2019, the amount due from Guangzhou Chenming was unsecured and interest-free.
- (iv) The credit term granted by Guangzhou Qiancai is 30 days based on the invoice date. As at 30 June 2020 and 31 December 2019, the amount due to Guangzhou Qiancai was unsecured, interest-free with 30 days credit term and aged within 30 days.

### 16. 關聯方交易 (續)

#### (a) 關聯方餘額 (續)

附註：

- (i) 廣州霸王國際和廣州霸王由陳正鶴先生100%最終擁有。有關結餘無抵押、免息及並按要求償還。
- (ii) 廣州晨明和廣州倩采是由與本公司董事會主席陳啟源先生關係密切的家庭成員控制的。
- (iii) 截至二零一九年十二月三十一日，本集團預付了購買廣州晨明包裝材料的貿易應付款。廣州晨明給予的信用期限以發票日期為準。於二零一九年十二月三十一日，廣州晨明的有關結餘無抵押及免息。
- (iv) 由廣州倩采給予的信貸期為發票日起30日。截至二零二零年六月三十日及二零一九年十二月三十一日止，應付廣州倩采的有關結餘均無抵押及30天免息及賬齡在30天內。

# Notes to the Condensed Consolidated Financial Statements

## 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

### 16. Related Party Transactions (Continued)

#### (b) Related party transactions

The Group had the following material transactions with its related parties:

		Six months ended 30 June 六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審計)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審計)
Guangzhou Chenming 廣州晨明	Purchase of packaging materials (note i) 包裝材料採購款(附註i)	—	1,794
Guangzhou Qiancai 廣州倩采	Purchase of packaging materials (note i) 包裝材料採購款(附註i)	71	42
Guangzhou Bawang 廣州霸王	Rental fee of production plant and office premises (notes i and ii) 生產廠房和辦公場所的租金 (附註i和ii)	4,048	4,319
Guangzhou Bawang International 廣州霸王國際	Meeting and catering service expenses (note i) 會議及餐飲服務費(附註i)	69	70

Notes:

- (i) The Directors are of the opinion that the above transactions were conducted on normal commercial terms in the ordinary course of business and the basis of consideration for the transactions is the prevailing market price.
- (ii) On 1 December 2017, Bawang Guangzhou and Guangzhou Bawang entered into a lease agreement with 3 years terms of lease from 1 December 2017. The monthly rental fee for the production premises, office premises and a staff dormitory are approximately RMB719,000 in total. Details of which were set out in the Company's announcement dated 1 December 2017. In view of reduction in leased area, the monthly rental fee was reduced to approximately RMB629,000 with effective from 1 April 2020. As at 30 June 2020, the carrying amount of such lease liabilities is approximately RMB23,751,000 (unaudited) (31 December 2019: (audited) RMB30,781,000). During the six months ended 30 June 2020, the Group has made lease payment of approximately RMB4,048,000 (unaudited) (30 June 2019 (unaudited): RMB4,319,000) to the related company.

### 16. 關聯方交易(續)

#### (b) 關聯方交易

本集團與其關聯人士進行以下重大交易：

附註：

- (i) 董事認為，上述交易乃按一般商業條款於日常業務過程中進行，交易代價基準為現行市價。
- (ii) 二零一七年十二月一日，霸王廣州與廣州霸王達成租賃協議，租賃期限為自二零一七年十二月起3年。生產廠房、辦公場所和職工宿舍的月租費合計約為人民幣719,000元。詳情載於公司二零一七年十二月一日發佈的公告。鑒於出租面積的減少，月租金額減少至約人民幣629,000元，由二零二零年四月一日起生效。截至二零二零年六月三十日止，租賃負債賬面價值約為人民幣23,751,000元(未經審核)(截至二零一九年十二月三十一日止(經審核)：人民幣30,781,000元)，截至二零二零年六月三十日止六個月，集團已向關聯公司支付了約人民幣4,048,000元(未經審核)的租金(截至二零一九年六月三十日(未經審核)：人民幣4,319,000元)。



# Notes to the Condensed Consolidated Financial Statements

## 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

### 16. Related Party Transactions (Continued)

- (c) The remuneration of key management personnel of the Group during the reporting periods was as follows:

		<b>Six months ended 30 June</b> 六月三十日止六個月	
		<b>2020</b> 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審計)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審計)
Short-term benefits	短期福利	<b>2,146</b>	2,313
Contributions to defined contribution retirement plans	定期供款退休福利計劃供款	<b>219</b>	196
		<b>2,365</b>	2,509

### 16. 關聯方交易 (續)

- (c) 本集團於年內主要管理人員的酬金載列如下：

### 17. Commitments

		<b>30 June</b> 2020 二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審計)	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審計)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided for in the condensed consolidated financial statements	已簽約但並無在簡明綜合財務報表中反映的有關購買物業、廠房及設備的資本承擔	<b>343</b>	343

### 17. 資本承擔

### 18. Litigation

In prior years, a lawsuit was filed by a former subcontractor against Bawang (China) Beverage Co., Limited (“Bawang Beverage”) in People’s Court of Songjiang District of Shanghai (the “Shanghai Court”) in respect of a dispute in the material processing contract between the former subcontractor and Bawang Beverage. In 2013, Bawang Beverage received a civil order issued by the Shanghai Court, which accepted the application by the former subcontractor for property attachment prior to lawsuit to freeze Bawang Beverage’s bank accounts in the amount of approximately RMB873,000 or other assets under the name of Bawang Beverage. In connection with the lawsuit, one of Bawang Beverage’s bank accounts with an amount of approximately RMB309,000 was frozen.

On 20 June 2014, Shanghai No. 1 Intermediate People’s Court gave its final ruling that Bawang Beverage was liable to the former subcontractor for an amount of approximately RMB643,000 and a legal cost of approximately RMB19,000. Accordingly, provision for litigation in amount of approximately RMB662,000 was recognised in the profit or loss and an amount of approximately RMB324,000 was settled in 2014. As at 30 June 2020 and 31 December 2019, the remaining provision of approximately RMB338,000 has not been settled.

### 18. 法律訴訟

早前，一名前代加工商在上海松江區人民法院(「上海法院」)就該前代加工商及霸王(中國)飲料有限公司(「霸王飲料」)之間的原料加工合同糾紛向霸王飲料提起訴訟。於二零一三年，霸王飲料收到了上海法院的民事判決書，上海法院受理了前分銷商的訴前財產保全申請，凍結了霸王飲料銀行賬戶約人民幣873,000元或霸王飲料名下的其他資產。在此訴訟中，霸王飲料其中一個銀行賬戶被凍結了約人民幣309,000元。

上海第一中級人民法院於二零一四年六月二十日作出最終裁決，霸王飲料須向前分銷商支付約人民幣643,000元的賠償金和約人民幣19,000元的訴訟費。此外，訴訟計提合計約人民幣662,000元已被確認於綜合損益及其他全面收益表中為其他費用，約人民幣324,000元已在二零一四年償還。截至二零二零年六月三十日和二零一九年十二月三十一日止，約人民幣338,000元的剩餘計提尚未結算。

BaWang International (Group) Holding Limited

霸王國際(集團)控股有限公司\*

*\* for identification purposes only*  
僅供識別