



China Beidahuang Industry Group Holdings Limited 中國北大荒產業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立的有限公司)
(Stock Code 股份代號: 00039)

INTERIM REPORT
中期報告 2020



Contents

目錄

Corporate Information 公司資料	2
Interim Condensed Consolidated Statement of Profit or Loss 中期簡明綜合損益報表	4
Interim Condensed Consolidated Statement of Other Comprehensive Income 中期簡明綜合其他全面收入報表	6
Interim Condensed Consolidated Statement of Financial Position 中期簡明綜合財務狀況表	7
Interim Condensed Consolidated Statement of Changes in Equity 中期簡明綜合權益變動表	9
Interim Condensed Consolidated Statement of Cash Flows 中期簡明綜合現金流量表	11
Notes to Interim Condensed Consolidated Financial Statements 中期簡明綜合財務報表附註	12
Management Discussion and Analysis 管理層討論及分析	36
Other Information 其他資料	52

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. LI Jiehong (*Chairman*)

Mr. KE Xionghan

Non-executive Director

Ms. HO Wing Yan

Independent Non-executive Directors

Mr. CHONG Cha Hwa

Mr. YANG Yunguang

AUDIT COMMITTEE

Mr. CHONG Cha Hwa (*Chairman*)

Mr. YANG Yunguang

REMUNERATION COMMITTEE

Mr. CHONG Cha Hwa (*Chairman*)

Mr. LI Jiehong

NOMINATION COMMITTEE

Mr. LI Jiehong (*Chairman*)

Mr. CHONG Cha Hwa

COMPANY SECRETARY

Mr. CHAN Kwong Leung, Eric

AUDITOR

HLB Hodgson Impey Cheng Limited

REGISTERED OFFICE

P.O. Box 309, Uglan House

Grand Cayman, KY1-1104

Cayman Islands

公司資料

董事會

執行董事

李傑鴻先生 (主席)

柯雄瀚先生

非執行董事

何詠欣女士

獨立非執行董事

張家華先生

楊雲光先生

審核委員會

張家華先生 (主席)

楊雲光先生

薪酬委員會

張家華先生 (主席)

李傑鴻先生

提名委員會

李傑鴻先生 (主席)

張家華先生

公司秘書

陳勵良先生

核數師

國衛會計師事務所有限公司

註冊辦事處

P.O. Box 309, Uglan House

Grand Cayman, KY1-1104

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 225, 2/F, Mega Cube
8 Wang Kwong Road, Kowloon Bay
Kowloon, Hong Kong
Telephone: (852) 2880 5033
Facsimile: (852) 2880 5398
Website: <http://www.irasia.com/listco/hk/chinabeidahuang>

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110,
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road, North Point
Hong Kong

LISTING INFORMATION/STOCK CODE

The Stock Exchange of Hong Kong Limited: 00039

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
China Construction Bank Corporation
Industrial and Commercial Bank of China Limited
Agricultural Bank of China Limited
China Guangfa Bank Co., Ltd.
Shanghai Pudong Development Bank Co., Ltd.

總辦事處及香港主要營業地點

香港九龍
九龍灣宏光道8號
創豪坊2樓225室
電話：(852) 2880 5033
傳真：(852) 2880 5398
網址：<http://www.irasia.com/listco/hk/chinabeidahuang>

主要股份過戶登記處

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110,
Cayman Islands

香港股份過戶登記分處

聯合證券登記有限公司
香港
北角英皇道338號
華懋交易廣場2期
33樓3301-04室

上市資料／股份代號

香港聯合交易所有限公司：00039

主要往來銀行

香港上海滙豐銀行有限公司
中國建設銀行股份有限公司
中國工商銀行股份有限公司
中國農業銀行股份有限公司
廣發銀行股份有限公司
上海浦東發展銀行股份有限公司

The board (the “Board”) of directors (the “Directors”) of China Beidahuang Industry Group Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2020 (the “Period”) together with comparative figures. The results for the Period are unaudited, but have been reviewed by the audit committee of the Company.

中國北大荒產業集團控股有限公司（「本公司」）董事（「董事」）會（「董事會」）宣佈本公司及其附屬公司（統稱「本集團」）截至二零二零年六月三十日止六個月（「期內」）的未經審核綜合業績，連同比較數字。期內業績未經審核，惟已經本公司審核委員會審閱。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

中期簡明綜合損益報表

		Six months ended 30 June		
		截至六月三十日止六個月		
		2020	2019	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
		HK\$'000	HK\$'000	
		千港元	千港元	
REVENUE	收入	4	387,346	294,755
Cost of sales	銷售成本		(314,733)	(238,236)
Gross profit	毛利		72,613	56,519
Other income, gains or losses	其他收入、收益或虧損	4	27,669	12,988
Selling and distribution expenses	銷售及分銷開支		(7,004)	(7,646)
Administrative expenses	行政開支		(39,085)	(42,514)
Finance costs	融資成本	5	(50,503)	(22,903)
Share of loss of associates	分佔聯營公司虧損		(2,874)	(1,306)
Gain on disposal of a subsidiary	出售一間附屬公司之收益		-	2,490
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	6	816	(2,372)
Income tax credit	所得稅抵免	7	1,226	2,954

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
<i>Notes</i>		HK\$'000	HK\$'000
<i>附註</i>		千港元	千港元
PROFIT FOR THE PERIOD	期內溢利	2,042	582
Attributable to:	下列應佔：		
Owners of the parent	母公司擁有人	8,103	1,568
Non-controlling interests	非控股權益	(6,061)	(986)
		2,042	582
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通股權持有人應佔每股盈利		
Basic and diluted	基本及攤薄	9	HK0.03 cents港仙
		HK0.14 cents港仙	HK0.03 cents港仙

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

中期簡明綜合其他全面收入報 表

		Six months ended 30 June 截至六月三十日止六個月	
		2020 (Unaudited) (未經審核) HK\$'000 千港元	2019 (Unaudited) (未經審核) HK\$'000 千港元
PROFIT FOR THE PERIOD	期內溢利	2,042	582
Other comprehensive (loss)/income	其他全面(虧損)/收入		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Release of exchange difference upon the disposal of a subsidiary	於出售一間附屬公司時撥回匯兌差額	-	825
Exchange differences arising on translation of foreign operations and associates	換算海外業務及聯營公司產生之匯兌差額	(9,955)	(368)
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	期內其他全面(虧損)/收入，除稅後	(9,955)	457
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	期內全面(虧損)/收入總額	(7,913)	1,039
Attributable to:	下列應佔：		
Owners of the parent	母公司擁有人	(2,793)	1,496
Non-controlling interests	非控股權益	(5,120)	(457)
		(7,913)	1,039

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

			30 June	31 December
			六月三十日	十二月三十一日
			2020	2019
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
	Notes		HK\$'000	HK\$'000
	附註		千港元	千港元
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	10	物業、廠房及設備	69,178	75,010
Investment properties		投資物業	388,118	395,602
Right-of-use assets		使用權資產	665,809	748,469
Rental deposits paid		已付租金按金	3,438	10,263
Goodwill		商譽	33,983	34,646
Other intangible assets	11	其他無形資產	56,552	62,990
Interests in associates	12	於聯營公司之權益	268,286	278,734
			1,485,364	1,605,714
CURRENT ASSETS		流動資產		
Inventories		存貨	33,033	48,393
Properties for sale		待售物業	220,474	202,813
Trade receivables	13	應收貿易賬款	107,771	96,681
Loan receivables		應收貸款	352,661	360,038
Prepayments, deposits and other receivables	14	預付款項、按金及其他應收款項	578,740	537,387
Financial assets at fair value through profit or loss		透過損益按公允值列賬之金融資產	53,398	33,857
Pledged deposits		已抵押存款	29,492	47,777
Cash and cash equivalents		現金及現金等值物	51,842	79,995
			1,427,411	1,406,941

		30 June 六月三十日 2020 (Unaudited) (未經審核) HK\$'000 千港元	31 December 十二月三十一日 2019 (Audited) (經審核) HK\$'000 千港元
	Notes 附註		
CURRENT LIABILITIES	流動負債		
Trade and bills payables	應付貿易賬款及 應付票據	15 173,393	173,506
Other payables and accruals	其他應付款項及 應計費用	16 155,310	172,324
Contract liabilities	合約負債	110,092	85,200
Bank and other borrowings	銀行及其他借貸	17 512,231	541,962
Amount due to related party	應付關聯方款項	7,602	6,639
Tax payable	應付稅項	1,959	1,823
Lease liabilities	租賃負債	97,272	105,289
		1,057,859	1,086,743
NET CURRENT ASSETS	流動資產淨值	369,552	320,198
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	1,854,916	1,925,912
NON-CURRENT LIABILITIES	非流動負債		
Deferred tax liabilities	遞延稅項負債	41,131	43,896
Lease liabilities	租賃負債	592,442	652,760
Total non-current liabilities	非流動負債總額	633,573	696,656
Net assets	資產淨值	1,221,343	1,229,256
EQUITY	權益		
Equity attributable to owners of the Company	本公司擁有人 應佔權益		
Share capital	股本	18 622,513	622,513
Reserves	儲備	604,031	606,824
Non-controlling interests	非控股權益	1,226,544 (5,201)	1,229,337 (81)
Total equity	權益總額	1,221,343	1,229,256

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2020

中期簡明綜合權益變動表

截至二零二零年六月三十日止六個月

		Attributable to owners of the parent 母公司擁有人應佔							
	Issued capital 已發行股本 (Unaudited) (未經審核) HK\$'000 千港元	Share premium account 股份溢價 (Unaudited) (未經審核) HK\$'000 千港元	Share option reserve 購股權儲備 (Unaudited) (未經審核) HK\$'000 千港元	Convertible bond reserve 可換股債券儲備 (Unaudited) (未經審核) HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動儲備 (Unaudited) (未經審核) HK\$'000 千港元	Accumulated losses 累計虧損 (Unaudited) (未經審核) HK\$'000 千港元	Sub-total 小計 (Unaudited) (未經審核) HK\$'000 千港元	Non-controlling interests 非控股權益 (Unaudited) (未經審核) HK\$'000 千港元	Total equity 權益總額 (Unaudited) (未經審核) HK\$'000 千港元
At 1 January 2020 於二零二零年一月一日	622,513	1,669,298	-	-	(214,821)	(847,653)	1,229,337	(81)	1,229,256
Profit for the period 期內溢利	-	-	-	-	-	8,103	8,103	(6,061)	2,042
Other comprehensive income for the period: 期內其他全面收入: Exchange differences on translation of foreign operations and associates 換算境外業務及聯營公司之匯兌差額	-	-	-	-	(10,896)	-	(10,896)	941	(9,955)
Total comprehensive income for the period 期內全面收入總額	-	-	-	-	(10,896)	-	(10,896)	941	(9,955)
At 30 June 2020 於二零二零年六月三十日	622,513	1,669,298*	-	-	(225,717)*	(839,550)*	1,226,544	(5,201)	1,221,343

* These reserve accounts comprise the consolidated reserves of approximately HK\$604,031,000 (31 December 2019: HK\$606,824,000) in the interim condensed consolidated statement of financial position.

* 該等儲備賬包括於中期簡明綜合財務狀況表內之綜合儲備約604,031,000港元(二零一九年十二月三十一日: 606,824,000港元)。

Attributable to owners of the parent
母公司擁有人應佔

	Issued capital 已發行股本 (Unaudited) (未經審核) HK\$'000 千港元	Share premium account 股份溢價賬 (Unaudited) (未經審核) HK\$'000 千港元	Share option reserve 購股權儲備 (Unaudited) (未經審核) HK\$'000 千港元	Convertible bond reserve 可換債券儲備 (Unaudited) (未經審核) HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動儲備 (Unaudited) (未經審核) HK\$'000 千港元	Accumulated losses 累計虧損 (Unaudited) (未經審核) HK\$'000 千港元	Sub-total 小計 (Unaudited) (未經審核) HK\$'000 千港元	Non-controlling interests 非控股權益 (Unaudited) (未經審核) HK\$'000 千港元	Total equity 權益總額 (Unaudited) (未經審核) HK\$'000 千港元
At 1 January 2019 於二零一九年一月一日	561,726	1,620,105	383,398	9,894	(166,241)	(604,873)	1,459,009	52,980	1,511,989
Profit for the period 期內溢利	-	-	-	-	-	1,568	1,568	(986)	582
Other comprehensive income for the period: 期內其他全面收入： Release of exchange differences upon disposal of a subsidiary 出售一間附屬公司時釋回匯兌差額	-	-	-	-	825	-	825	-	825
Exchange differences on translation of foreign operations and associates 換算海外業務及聯營公司之匯兌差額	-	-	-	-	(897)	-	(897)	529	(368)
Total comprehensive income for the period 期內全面收入總額	-	-	-	-	(72)	1,568	1,496	(457)	1,039
Reurchase of shares 購回股份	(1,700)	(2,921)	-	-	-	-	(4,621)	-	(4,621)
Lapse of share option 購股權失效	-	-	(436)	-	-	436	-	-	-
Disposal of a subsidiary 出售一間附屬公司	-	-	-	-	-	-	-	(1,141)	(1,141)
Issue of shares upon subscription of new shares 認購新股份時發行股份	62,487	53,114	-	-	-	-	115,601	-	115,601
At 30 June 2019 於二零一九年六月三十日	622,513	1,670,298*	371,962*	9,894*	(166,313)*	(602,869)*	1,571,485	51,382	1,622,879

* These reserve accounts comprise the consolidated reserves of approximately HK\$948,972,000 (31 December 2018: HK\$897,283,000) in the interim condensed consolidated statement of financial position.

* 該等儲備賬包括於中期簡明綜合財務狀況表內之綜合儲備約948,972,000港元(二零一八年十二月三十一日: 897,283,000港元)。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Net cash flows generated from operating activities	經營活動所得現金流量淨額	71,019	74,750
Net cash flows used in investing activities	投資活動所用現金流量淨額	(1,204)	(19,474)
Net cash flows use in financing activities	融資活動所用現金流量淨額	(109,891)	(60,741)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物減少淨額	(40,076)	(5,465)
Cash and cash equivalents at beginning of period	期初的現金及現金等值物	79,995	32,622
Effect of foreign exchange rate changes, net	外幣匯率變動的影響淨額	11,923	(182)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末的現金及現金等值物	51,842	26,975
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值物結餘分析		
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	於中期簡明綜合財務狀況表呈列之現金及現金等值物	51,842	26,975

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

I. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2020 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2019.

The financial information has been prepared under the historical cost convention. The Financial Information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

I. 編製基準

截至二零二零年六月三十日止六個月的未經審核中期簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」連同香港聯合交易所有限公司證券上市規則之適用披露規定而編製。

中期簡明綜合財務報表並不包括年度綜合財務報表所需的一切資料及披露事項，故應與本集團截至二零一九年十二月三十一日止年度的年度綜合財務報表一併閱讀。

財務資料乃根據歷史成本法編製，並以港元（「港元」）呈列，而除另有註明者外，所有數值皆四捨五入至最接近的千位數。

I. BASIS OF PREPARATION (continued)

Going concern basis

For the Period, the Group recorded a consolidated net profit of approximately HK\$2,042,000. As at 30 June 2020, the Group's total bank and other borrowings amounted to approximately HK\$512.23 million. Included in bank and other borrowings, default payment for other borrowing of approximately HK\$238,807,000 including the additional interest and penalty.

However, the Group's cash and cash equivalents of approximately HK\$51,842,000 and the financial resources available to the Group as at 30 June 2020 may not be sufficient to repay the default payment. In preparing the interim condensed consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group. The Directors adopted the going concern basis for the preparation of the interim condensed consolidated financial statements and implemented the following measures in order to improve the working capital and liquidity and cash flow position of the Group:

1) *Existing business*

Management has been endeavoring to improve the Group's operating results and cash flows through various cost control measures and will focus on the existing business.

2) *New banking facilities*

As at 30 June 2020, the Group had unutilised bank facilities of RMB40,000,000 (approximately HK\$43,860,000) from a bank in the People's Republic of China ("PRC").

I. 編製基準 (續)

持續經營基準

期內，本集團錄得綜合溢利淨額約2,042,000港元。於二零二零年六月三十日，本集團的銀行及其他借貸總額約512,230,000港元。銀行及其他借貸包括其他借貸之逾期金約238,807,000港元，包括額外的利息及罰金。

然而，本集團之現金及現金等值物約為51,842,000港元，而本集團於二零二零年六月三十日之可用財務資源可能不足以償還逾期款項。於編製中期簡明綜合財務報表時，董事已審慎考慮本集團之未來流動資金。董事已於編製中期簡明綜合財務報表時採納持續經營基準，並實施以下措施以改善本集團之營運資金、流動資金及現金流量狀況：

1) *現有業務*

管理層已致力於透過各項成本控制措施提升本集團的經營業績及現金流量，且將專注於現有業務。

2) *新銀行融資*

於二零二零年六月三十日，本集團自中華人民共和國（「中國」）一間銀行獲得之尚未動用的銀行融資為人民幣40,000,000元（約43,860,000港元）。

I. BASIS OF PREPARATION (continued)**Going concern basis (continued)**3) *Negotiating with creditors' new terms of other borrowings*

The Group is negotiating with secured bondholder to extend the default secured bond. In the opinion of the Directors, the default secured bond will not be recalled until agreeing the new terms by the Group and the secured bondholder.

4) *Financial support*

A substantial shareholder of the Company has agreed to continuously provide financial support for the continuing operations of the Group so as to enable it to meet its liabilities when they fall due and carry on its business without a significant curtailment of operations in the twelve months from 30 June 2020.

In the opinion of the Directors, in light of the various measures or arrangements implemented after the end of reporting period together with the expected results of the other measures, the Group will have sufficient working capital for its current requirements and it is reasonable to expect the Group to remain a commercially viable concern. Accordingly, the Directors are satisfied that it is appropriate to prepare the interim condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the interim condensed consolidated financial statements.

I. 編製基準 (續)**持續經營基準 (續)**3) *與債權人協商其他借貸之新期限*

本集團正與已抵押債券持有人協商將違約已抵押債券延期。董事認為，本集團與已抵押債券持有人協定新期限之前，將不會召回違約已抵押債券。

4) *財務支援*

本公司一名主要股東已同意持續為本集團之持續營運提供財務支援，從而令其可償還其到期負債及開展其業務，而無需自二零二零年六月三十日起計十二個月內大幅縮減業務。

董事認為，鑒於於報告期結束後實施多項措施或安排，連同其他措施的預期結果，本集團將擁有充足營運資金滿足其當前之要求，且合理預期本集團可繼續以符合商業利益之基準經營。因此，董事信納按持續經營基準編製中期簡明綜合財務報表乃屬適當。

倘本集團未能繼續按持續基準營運，則需要作出調整以將資產價值撇減至其可收回金額，就可能出現之任何未來負債計提撥備，以及將非流動資產及負債分別重新分類為流動資產及負債。該等調整之影響並未於中期簡明綜合財務報表中反映。

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group's condensed consolidated financial statements:

Amendments to Definition of Material
HKAS 1 and HKAS 8

Amendments to Definition of Business
HKFRS 3

Amendments to Interest Rate Benchmark Reform
HKFRS 9, HKAS 39
and HKFRS 7

Amendments to Covid-19-Related Rent Concessions
HKFRS 16

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

2. 會計政策及披露變動

應用新訂香港財務報告準則及其修訂本

於本中期期間，本集團首次應用下列由香港會計師公會頒佈之新訂香港財務報告準則及其修訂本編製本集團簡明綜合財務報表，該等準則及其修訂本於二零二零年一月一日或之後開始的年度期間強制生效：

香港會計準則 重大之定義
第1號及香港
會計準則第8號
(修訂本)

香港財務報告準則 業務之定義
第3號(修訂本)

香港財務報告準則 利率基準改革
第9號、香港會計
準則第39號及
香港財務報告
準則第7號
(修訂本)

香港財務報告準則 Covid-19相關租金減免
第16號(修訂本)

除下文所述者外，於本期間應用新訂香港財務報告準則及其修訂本對本集團於本期間及過往期間之財務表現及狀況及／或該等簡明綜合財務報表所載披露資料並無重大影響。

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amendment to HKFRS 16 Covid-19-Related Rent Concessions

The amendment is effective for annual periods beginning on or after 1 January 2020.

The amendment introduces a new practical expedient for lessees to elect not to assess whether a Covid-19-related rent concession is a lease modification. The practical expedient only applies to rent concessions occurring as a direct consequence of the Covid-19 that meets all of the following conditions:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

2. 會計政策及披露變動 (續)

香港財務報告準則第16號 (修訂本) Covid-19相關租金減免

該修訂本於二零二零年一月一日或之後開始的年度期間生效。

該修訂本為承租人引進新的可行權宜方法使其可選擇不評估Covid-19相關租金減免是否為一項租賃修訂。該可行權宜方法僅適用於滿足以下所有條件由Covid-19直接產生的租金減免：

- 租賃付款變動導致的租賃的經修訂代價與緊接變動前的租賃代價基本相同或低於該代價；
- 租賃付款的減少僅影響原定於二零二一年六月三十日或之前到期的付款；及
- 租賃的其他條款及條件並無實質性變動。

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Amendment to HKFRS 16 Covid-19-Related Rent Concessions (continued)

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 if the changes were not a lease modification. Forgiveness or waiver of lease payment are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has six reportable operating segments as follows:

- (a) the wine and liquor segment is engaged in the sale and distribution of wine and liquor;
- (b) the trading of food products segment is engaged in wholesaling and retailing of staple food, cooking oil, alcohol and beverage, frozen and fresh food, commodity hog;

2. 會計政策及披露變動 (續)

香港財務報告準則第16號 (修訂本) Covid-19相關租金減免 (續)

應用可行權宜方法將租賃減免導致的租賃付款變動列賬的承租人將以同一方式將應用香港財務報告準則第16號的變動入賬(倘變動並非租賃修訂)。租賃付款的寬免或豁免被入賬列作可變租賃付款。相關租賃負債獲調整以反映寬免或豁免的金額,並於該事件發生的期內在損益中確認相應調整。

3. 經營分類資料

就管理而言,本集團乃根據產品及服務性質將業務單位分類,而可報告經營分類乃下列六項:

- (a) 酒類分類,從事銷售及分銷酒類;
- (b) 買賣食品分類,從事批發及零售主食、食用油、酒類及飲料、冷藏及新鮮食品、商品豬;

3. OPERATING SEGMENT INFORMATION (continued)

- (c) the construction and development segment is engaged in construction and land development;
- (d) the financial leasing segment is engaged in the provision of financial leasing services;
- (e) the mineral products segment is engaged in the flotation selection of non-ferrous metals mines and sales of mineral products; and
- (f) the rental segment is engaged in the leasing of logistic facilities in Hong Kong and office facilities in PRC.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results. Segment results are measured consistently with the Group's profit before tax except that interest income, finance costs as well as head office and corporate expenses are excluded from such measurement.

3. 經營分類資料 (續)

- (c) 建設及開發分類，從事建設及土地開發；
- (d) 融資租賃分類，從事提供融資租賃服務；
- (e) 礦產分類，從事有色金屬礦之浮選及礦產銷售；及
- (f) 租賃分類，從事於香港租賃物流設施及於中國租賃辦公設施。

管理層獨立監察本集團各經營分類之業績，以作出有關資源分配及表現評估之決策。分類表現乃根據可報告分類業績評估。分類業績乃貫徹以本集團之除稅前溢利方式計量，惟利息收入、融資成本以及總部及企業開支不包含於該計量。

3. OPERATING SEGMENT INFORMATION (continued)

No intersegment sale and transfer was transacted for the six months ended 30 June 2020 and 2019.

3. 經營分類資料(續)

於截至二零二零年及二零一九年六月三十日止六個月並無跨類銷售及轉撥。

		Wine and liquor 酒類 (Unaudited) (未經審核) HK\$'000 千港元	Trading of food products 買賣食品 (Unaudited) (未經審核) HK\$'000 千港元	Construction and development 建設及開發 (Unaudited) (未經審核) HK\$'000 千港元	Mineral products 礦產 (Unaudited) (未經審核) HK\$'000 千港元	Rental 租賃 (Unaudited) (未經審核) HK\$'000 千港元	Financial leasing 融資租賃 (Unaudited) (未經審核) HK\$'000 千港元	Total 總計 (Unaudited) (未經審核) HK\$'000 千港元
Six months ended 30 June 2020	截至二零二零年六月三十日止六個月							
Segment revenue:	分類收入:							
Sales to external customers	銷售予外界客戶	-	181,281	-	81,243	114,421	10,401	387,346
Timing of revenue recognition	收入確認時間							
At a point in time	於時間點	-	181,281	-	81,243	-	-	262,524
Over time	隨時間	-	-	-	-	114,421	10,401	124,822
		-	181,281	-	81,243	114,421	10,401	387,346
Other revenue	其他收入	-	-	-	-	7,855	-	7,855
		-	181,281	-	81,243	122,276	10,401	395,201
Segment results	分類業績	-	3,090	-	9,614	32,614	6,401	51,719
Reconciliation:	對賬:							
Interest income	利息收入							181
Unallocated other operating income	未分配其他經營收入							858
Fair value gain on financial assets at fair value through profit or loss	透過損益按公允價值列賬之金融資產之公允價值收益							18,775
Finance costs	融資成本							(50,503)
Corporate and other unallocated expenses	企業及其他未分配開支							(20,214)
Profit before tax	除稅前溢利							816

3. OPERATING SEGMENT INFORMATION (continued)

		Wine and liquor 酒類 (Unaudited) (未經審核) HK\$'000 千港元	Trading of food products 買賣食品 (Unaudited) (未經審核) HK\$'000 千港元	Construction and development 建設及開發 (Unaudited) (未經審核) HK\$'000 千港元	Mineral products 礦產 (Unaudited) (未經審核) HK\$'000 千港元	Rental 租賃 (Unaudited) (未經審核) HK\$'000 千港元	Financial leasing 融資租賃 (Unaudited) (未經審核) HK\$'000 千港元	Total 總計 (Unaudited) (未經審核) HK\$'000 千港元
Six months ended 30 June 2019	截至二零一九年 六月三十日止六個月							
Segment revenue:	分類收入：							
Sales to external customers	銷售予外界客戶	1,064	100,282	-	68,462	120,480	4,467	294,755
Timing of revenue recognition	收入確認時間							
At a point in time	於時間點	1,064	100,282	-	68,462	-	-	169,808
Over time	隨時間	-	-	-	-	120,480	4,467	124,947
		<u>1,064</u>	<u>100,282</u>	<u>-</u>	<u>68,462</u>	<u>120,480</u>	<u>4,467</u>	<u>294,755</u>
Other revenue	其他收入	-	-	-	-	11,479	-	11,479
		<u>1,064</u>	<u>100,282</u>	<u>-</u>	<u>68,462</u>	<u>131,959</u>	<u>4,467</u>	<u>306,234</u>
Segment results	分類業績	<u>337</u>	<u>2,359</u>	<u>-</u>	<u>8,417</u>	<u>23,611</u>	<u>2,753</u>	<u>37,477</u>
Reconciliation:	對賬：							
Interest income	利息收入							698
Unallocated other operating income	未分配其他經營收入							811
Gain on disposal of a subsidiary	出售一間附屬公司之收益							2,490
Finance costs	融資成本							(22,903)
Corporate and other unallocated expenses	企業及其他未分配開支							(20,945)
Loss before tax	除稅前虧損							<u>(2,372)</u>

3. 經營分類資料 (續)

4. REVENUE AND OTHER INCOME, GAINS OR LOSSES

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold and services rendered, after allowances for returns and trade discounts; the gross rental income from logistic warehouse and subleasing fee income, net of business tax and income from loan receivable during the Period.

4. 收入及其他收入、收益或虧損

期內，收入亦即本集團的營業額，指出售貨品及提供服務的發票價值淨額（經計及退貨及貿易折扣）；來自物流倉儲之租賃總收入及分租費收入（經扣除營業稅）以及來自應收貨款的收入。

4. REVENUE AND OTHER INCOME, GAINS OR LOSSES (continued)

An analysis of revenue and other income, gains or losses is as follows:

4. 收入及其他收入、收益或虧損 (續)

收入及其他收入、收益或虧損的分析如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Revenue from contracts with Customers	客戶合約收入		
Wine and liquor	酒類	-	1,064
Trading of food products	買賣食品	181,281	100,282
Mineral products	礦產	81,243	68,462
		<hr/>	<hr/>
Total revenue recognised at point in time	於時間點確認之總收入	262,524	169,808
Revenue from other sources	其他來源收入		
Rental	租賃	114,421	120,480
Financial leasing	融資租賃	10,401	4,467
		<hr/>	<hr/>
		387,346	294,755
		<hr/> <hr/>	<hr/> <hr/>
Other income, gains or losses	其他收入、收益或虧損		
Compensation income	補償收入	7,855	11,479
Bank interest income	銀行利息收入	181	698
Fair value gain on financial assets at fair value through profit or loss	透過損益按公允值列賬之金融資產之公允值收益	18,775	-
Others	其他	858	811
		<hr/>	<hr/>
		27,669	12,988
		<hr/> <hr/>	<hr/> <hr/>

5. FINANCE COSTS

5. 融資成本

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank and other borrowings wholly repayable within five years	於五年內悉數償還銀行及其他借貸之利息	26,204	9,817
Interest on lease liabilities	租賃負債利息	24,299	1,563
Imputed financial cost on convertible bonds	可換股債券之算定融資成本	-	11,523
		50,503	22,903

6. PROFIT/(LOSS) BEFORE TAX

6. 除稅前溢利／（虧損）

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

本集團的除稅前溢利／（虧損）乃經扣除下列各項後計算得出：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Cost of inventories sold	已售存貨的成本	123,712	142,901
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,900	7,847
Depreciation of right-of-use assets	使用權資產折舊	70,259	3,178
Amortisation of other intangible assets	其他無形資產攤銷	5,266	5,486

7. INCOME TAX CREDIT

During the Period, no Hong Kong profits tax has been provided as there was no assessable profit arising from Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rate of tax prevailing in the PRC in which the Group operates.

Current	即期
Deferred	遞延
Total tax credit for the period 期內稅項抵免總額	

7. 所得稅抵免

期內，由於並無產生自香港的應課稅溢利，故並無就香港利得稅計提撥備。其他地方的應課稅溢利稅項乃按本集團營運所在中國的現行稅率計算。

Six months ended 30 June

截至六月三十日止六個月

2020	2019
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)
HK\$'000	HK\$'000
千港元	千港元
74	302
(1,300)	(3,256)
(1,226)	(2,954)

8. DIVIDENDS

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

8. 股息

董事不建議就截至二零二零年六月三十日止六個月派付任何股息(二零一九年：無)。

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the Period:

9. 本公司普通股權益持有人應佔每股盈利

每股基本及攤薄盈利按本公司權益持有人應佔溢利除以期內已發行普通股加權平均數計算：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Profit attributable to the equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	8,103	1,568
Weighted average number of ordinary shares in issue ('000)	已發行普通股加權平均數 (千股)	5,890,531	5,890,531
Basic and diluted earnings per share (HK cents)	每股基本及攤薄盈利 (港仙)	0.14	0.03

The basic and diluted earnings per share are the same for the periods ended 30 June 2020 and 2019 as the effect of the Group's convertible bond and share options were anti-dilutive.

截至二零二零年及二零一九年六月三十日止期間，每股基本及攤薄盈利相同，此乃由於本集團可換股債券之影響及購股權具有反攤薄效應。

10. PROPERTY, PLANT AND EQUIPMENT 10. 物業、廠房及設備

		(Unaudited) (未經審核) HK\$'000 千港元
Cost	成本	
As at 1 January 2019	於二零一九年一月一日	370,974
Additions	添置	14,916
Reclassified as properties for sale	重新分類為待售物業	(202,813)
Impairment loss for the year	年內減值虧損	(35,341)
Exchange realignment	匯兌調整	(4,676)
		<hr/>
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	143,060
Additions	添置	2,482
Exchange realignment	匯兌調整	(702)
		<hr/>
As at 30 June 2020	於二零二零年六月三十日	144,840
		<hr/>
Accumulated depreciation and impairment	累計折舊及減值	
As at 1 January 2019	於二零一九年一月一日	49,801
Depreciation for the year	年內折舊	18,509
Exchange realignment	匯兌調整	(260)
		<hr/>
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	68,050
Depreciation for the year	年內折舊	7,900
Exchange realignment	匯兌調整	(288)
		<hr/>
As at 30 June 2020	於二零二零年六月三十日	75,662
		<hr/>
Carrying amount	賬面值	
As at 30 June 2020	於二零二零年六月三十日	69,178
		<hr/> <hr/>
As at 31 December 2019	於二零一九年十二月三十一日	75,010
		<hr/> <hr/>

II. OTHER INTANGIBLE ASSETS

II. 其他無形資產

		(Unaudited) (未經審核) HK\$'000 千港元
Cost	成本	
As at 1 January 2019	於二零一九年一月一日	147,826
Exchange realignment	匯兌調整	(8,261)
		<hr/>
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	139,565
Exchange realignment	匯兌調整	(2,671)
		<hr/>
As at 30 June 2020	於二零二零年六月三十日	136,894
		<hr/>
Accumulated amortisation and impairment	累計攤銷及減值	
As at 1 January 2019	於二零一九年一月一日	24,331
Impairment for the year	年內減值	42,370
Amortisation for the year	年內攤銷	10,758
Exchange realignment	匯兌調整	(884)
		<hr/>
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	76,575
Amortisation for the year	年內攤銷	5,266
Exchange realignment	匯兌調整	(1,499)
		<hr/>
As at 30 June 2020	於二零二零年六月三十日	80,342
		<hr/>
Carrying amount	賬面值	
As at 30 June 2020	於二零二零年六月三十日	56,552
		<hr/> <hr/>
As at 31 December 2019	於二零一九年十二月三十一日	62,990
		<hr/> <hr/>

11. OTHER INTANGIBLE ASSETS (continued)

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. During the Period, no further impairment provision on non-financial assets has been made.

12. INTERESTS IN ASSOCIATES

Share of net assets 分佔資產淨值

13. TRADE RECEIVABLES

Other than the cash and credit card sales, the Group allows a credit period which is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit.

11. 其他無形資產 (續)

本集團於各報告日期評估所有非金融資產是否有跡象顯示出現減值。期內，概無就非金融資產作出進一步減值備。

12. 於聯營公司之權益

30 June	31 December
六月三十日	十二月三十一日
2020	2019
(Unaudited)	(Audited)
(未經審核)	(經審核)
HK\$'000	HK\$'000
千港元	千港元
268,286	278,734

13. 應收貿易賬款

除現金及信用卡銷售外，本集團之信貸期一般為一個月，而重大客戶則會延長至三個月。每位客戶均設有最高信貸限額。

13. TRADE RECEIVABLES (continued)

None of the trade receivables is impaired. Receivables over 3 months were mainly related to a number of independent customers from the sales of mineral products. The Directors are of the opinion that no provision for impairment is necessary as the credit quality of these customers are strong and the balances are still considered fully recoverable. An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

13. 應收貿易賬款(續)

概無應收貿易賬款為已減值。超過三個月之應收款項主要與來自礦產銷售之若干獨立客戶有關。董事認為，由於該等客戶之信貸質素穩固且結餘仍被視為可悉數收回，故毋須作出減值撥備。於報告期末，應收貿易賬款按發票日期計算的賬齡分析如下：

		30 June	31 December
		六月三十日	十二月三十一日
		2020	2019
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 month	一個月內	23,277	16,329
1 to 2 months	一至兩個月	17,612	22,265
2 to 3 months	兩至三個月	43,792	38,298
Over 3 months	超過三個月	45,223	41,922
		<hr/>	<hr/>
		129,904	118,814
Less: Allowance for expected credit losses	減：預期信貸虧損撥備	(22,133)	(22,133)
		<hr/>	<hr/>
		107,771	96,681
		<hr/> <hr/>	<hr/> <hr/>

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

14. 預付款項、按金及其他應收款項

		30 June	31 December
		六月三十日	十二月三十一日
		2020	2019
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Prepayments	預付款項	140,774	175,091
Deposits and other receivables	按金及其他應收款項	581,881	506,211
		722,655	681,302
Less: Allowance for expected credit losses	減：預期信貸虧損撥備	(143,915)	(143,915)
		578,740	537,387

As at 30 June 2020, approximately HK\$244,102,000 (31 December 2019: HK\$196,255,000) was paid as trade deposit and prepayments on trading of food and minerals products.

Rental deposits for the warehouse amounting to HK\$42,621,000 (31 December 2019: HK\$34,373,000) were paid for the warehouse logistic and rental business.

Approximately HK\$44,659,000 (31 December 2019: HK\$50,550,000) were the progress payment for the investment targets.

As at 30 June 2020, there were allowance for expected credit losses for other receivables amounted to HK\$143,915,000 recognised (31 December 2019: HK\$143,915,000).

於二零二零年六月三十日，已支付約244,102,000港元（二零一九年十二月三十一日：196,255,000港元）作為買賣食品及礦產之貿易按金及預付款項。

倉儲物流及租賃業務之倉庫租金按金為42,621,000港元（二零一九年十二月三十一日：34,373,000港元）已支付。

約44,659,000港元（二零一九年十二月三十一日：50,550,000港元）為就投資目標作出之分階段付款。

於二零二零年六月三十日，確認就其他應收款項作出預期信貸虧損撥備143,915,000港元（二零一九年十二月三十一日：143,915,000港元）。

15. TRADE AND BILLS PAYABLES

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

Within 1 month	一個月內
1 to 2 months	一至兩個月
2 to 3 months	兩至三個月
Over 3 months	超過三個月

Bills payables 應付票據

15. 應付貿易賬款及應付票據

於報告期末的應付貿易賬款及應付票據按發票日期的賬齡分析如下：

30 June	31 December
六月三十日	十二月三十一日
2020	2019
(Unaudited)	(Audited)
(未經審核)	(經審核)
HK\$'000	HK\$'000
千港元	千港元
42,196	35,292
25,760	33,749
3,458	1,748
1,594	1,100
73,008	71,889
100,385	101,617
173,393	173,506

The trade payables are non-interest-bearing and are normally settled on 30-day terms and 180-day terms.

As at 30 June 2020, bills payables of approximately HK\$100,385,000 (31 December 2019: HK\$101,617,000) were secured by the pledged deposits of the Group.

All the trade payables are denominated in Renminbi.

應付貿易賬款為免息及一般按30日及180日期限結算。

於二零二零年六月三十日，應付票據約100,385,000港元（二零一九年十二月三十一日：101,617,000港元）已以本集團之已抵押存款作擔保。

所有應付貿易賬款均以人民幣計值。

16. OTHER PAYABLES AND ACCRUALS

16. 其他應付款項及應計費用

		30 June	31 December
		六月三十日	十二月三十一日
		2020	2019
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Other payables	其他應付款項	93,589	112,299
Accruals	應計費用	61,721	60,025
		155,310	172,324

Other payables are non-interest-bearing and have an average term of three months.

As included in other payables, there are HK\$69,322,000 (31 December 2019: HK\$58,825,000) rental deposits received from the tenants of logistic warehouse and office in PRC, and HK\$133,000 (31 December 2019: HK\$129,000) related to leasehold improvement payable as at 30 June 2019.

Included in the accruals:

- i) the default interest of convertible bond of approximately HK\$6,897,000;
- ii) the default interest of secured bond of approximately HK\$31,900,000;
- iii) the default interest of unsecured bond of approximately HK\$9,172,000;
- iv) the default interest of unsecured other loan of approximately HK\$1,858,000;
- v) the default interest of secured other loan of approximately HK\$5,850,000.

其他應付款項均不計息及平均期限為三個月。

於二零一九年六月三十日，於其他應付款項中，69,322,000港元（二零一九年十二月三十一日：58,825,000港元）為向中國物流倉儲及辦公室租戶收取之租金按金，及133,000港元（二零一九年十二月三十一日：129,000港元）與租賃物業裝修應付款項有關。

應計費用包括：

- i) 可換股債券之逾期利息約6,897,000港元；
- ii) 有抵押債券之逾期利息約31,900,000港元；
- iii) 無抵押債券之逾期利息約9,172,000港元；
- iv) 無抵押其他貸款之逾期利息約1,858,000港元；
- v) 有抵押其他貸款之逾期利息約5,850,000港元。

17. BANK AND OTHER BORROWINGS

17. 銀行及其他借貸

		30 June	31 December
		六月三十日	十二月三十一日
		2020	2019
		HK\$'000	HK\$'000
		千港元	千港元
Secured bank loans	已抵押銀行貸款	59,759	78,761
Secured other loans	有抵押其他貸款	195,000	-
Unsecured other loans	無抵押其他貸款	66,181	271,910
Secured bonds	已抵押債券	109,000	109,000
Unsecured bonds	無抵押債券	82,291	82,291
		512,231	541,962
Carrying amounts repayable within one year based on scheduled payment dates set out in the agreement	根據協議所載計劃還款日期須於一年內償還的賬面值	512,231	541,962
Carrying amounts not repayable within one year from the end of reporting period but contain a repayment on demand clause (shown under current liabilities)	毋須於自報告期末起一年內償還但包含按要求償還條款的賬面值 (列示為流動負債)	-	-
		512,231	541,962
Less: amounts due within one year shown under current liabilities	減: 列示為流動負債的一年內到期的金額	(512,231)	(541,962)
Amounts shown under non-current liabilities	列示為非流動負債的金額	-	-

18. SHARE CAPITAL

		30 June	31 December
		六月三十日	十二月三十一日
		2020	2019
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Authorised:	法定：		
8,000,000,000	8,000,000,000股		
(2019: 8,000,000,000)	(二零一九年：		
ordinary shares of HK\$0.1	8,000,000,000股)		
each	每股面值0.1港元的普通股	800,000	800,000
		<hr/> <hr/>	<hr/> <hr/>
Issued and fully paid:	已發行及繳足股款：		
6,225,125,683	6,225,125,683股		
(2019: 6,225,125,683)	(二零一九年：		
ordinary shares of	6,225,125,683股)		
HK\$0.1 each	每股面值0.1港元的普通股	622,513	622,513
		<hr/> <hr/>	<hr/> <hr/>

18. 股本

19. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties and connected transactions

- (i) The Group's bank loan of HK\$59,759,000 (31 December 2019: HK\$78,761,000 consisted of two bank loan) consisted of four bank loans.

The bank loan of HK\$59,759,000 (31 December 2019: HK\$98,253,000) was guaranteed by the investment property of the Company, Mr. Jiang Jianjun and his wife.

19. 關聯方交易

(a) 與關聯方進行之交易及關連交易

- (i) 本集團的銀行貸款59,759,000港元(二零一九年十二月三十一日: 78,761,000港元)包括兩筆銀行貸款包括四筆銀行貸款。

銀行貸款59,759,000港元(二零一九年十二月三十一日: 98,253,000港元)由本公司投資物業、江建軍先生及其妻子作擔保。

19. RELATED PARTY TRANSACTIONS (continued)

(a) Transactions with related parties and connected transactions (continued)

- (ii) On 10 June 2019, the Company entered into the Framework Agreement with the supplier to the supply of the products. Beidahuang Marketing Co. is a connected person of the Company at the subsidiary level. The Supplier is the subsidiary of Beidahuang Marketing Co., which is also a connected person of the Company at the subsidiary level. Therefore, the transactions contemplated under the Framework Agreement constitute continuing connected transactions for the Company. The aggregated annual caps for transactions contemplated under the Framework Agreement for each of the three years ending 31 December 2019, 2020 and 2021 are RMB150 million, RMB150 million and RMB150 million respectively. During the six months ended 30 June 2020, there was a total purchase of staple food amounting HK\$50,898,000.

In addition to the purchase of staple food from Beidahuang Marketing Co., the Company has paid interest expenses HK\$720,000 during the six months ended 30 June 2020 (2019: HK\$852,000).

19. 關聯方交易 (續)

(a) 與關聯方進行之交易及關連交易 (續)

- (ii) 於二零一九年六月十日，本公司與供應商訂立框架協議，以供應產品。北大荒營銷股份有限公司為本公司附屬公司層次的關連人士。供應商為北大荒營銷股份有限公司的附屬公司，而北大荒營銷股份有限公司亦為本公司附屬公司層次的關連人士。因此，框架協議項下擬進行的交易構成本公司的持續關連交易。截至二零一九年、二零二零年及二零二一年十二月三十一日止三個年度各年，框架協議項下擬進行交易的總年度上限分別為人民幣150,000,000元、人民幣150,000,000元及人民幣150,000,000元。截至二零二零年六月三十日止六個月，主食品的總採購額為50,898,000港元。

截至二零二零年六月三十日止六個月，除向北大荒營銷股份有限公司採購主食品外，本公司已支付利息開支720,000港元（二零一九年：852,000港元）。

19. RELATED PARTY TRANSACTIONS (continued)

(b) Compensation of key management personnel of the Group:

Short term employee benefits	短期僱員福利	249	2,237
Post-employment benefits	退休福利	-	9
Total compensation paid to key management personnel	支付主要管理人員之補償總額	249	2,246

19. 關聯方交易 (續)

(b) 本集團主要管理人員的補償：

Six months ended 30 June

截至六月三十日止六個月

2020 (Unaudited) (未經審核) HK\$'000 千港元	2019 (Unaudited) (未經審核) HK\$'000 千港元
--	--

20. 批准財務報表

20. APPROVAL OF THE FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the Board of the Company on 28 August 2020.

中期簡明綜合財務報表已於二零二零年八月二十八日由本公司董事會批准並授權刊發。

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

For the Period, the Group's revenue amounted to approximately HK\$387.35 million (2019: HK\$294.76 million), representing an increase of 31.41% over corresponding period last year. Gross profit of the Group was approximately HK\$72.61 million (2019: HK\$56.52 million). The profit (net of tax) was approximately HK\$2,042,000 (2019: HK\$582,000).

Profit attributable to owners of the parent was approximately HK\$8.10 million (2019: HK\$1.57 million). Earnings per share for the Period was HK0.14 cents (2019: HK0.03 cents).

The Group will continue to control the costs and focus on existing resources to further strengthen and grow the Group's business both organically and through acquisitions when appropriate opportunities arise. The Group considered the business mix has been diversified during the past few years. The Group will focus on the existing business and will expand by self-development and investing in similar business. Investments would be carefully selected among all the choices we explored and would be operated with experienced business partners.

管理層討論及分析

概覽

期內，本集團取得收入約387,350,000港元（二零一九年：294,760,000港元），較去年同期增加31.41%。本集團毛利約為72,610,000港元（二零一九年：56,520,000港元）。溢利（除稅後）約為2,042,000港元（二零一九年：582,000港元）。

母公司擁有人應佔溢利約為8,100,000港元（二零一九年：1,570,000港元）。期內每股盈利為0.14港仙（二零一九年：0.03港仙）。

本集團將繼續控制成本及集中現有資源，以透過內部擴展及於適當時機進行收購進一步加強及發展本集團之業務。本集團認為業務組合於過去數年已呈現多元化。本集團將側重現有業務，並將透過自身發展及投資類似業務進行擴張。我們將從所物色之所有選擇中審慎甄選有關投資，並與經驗豐富之業務夥伴合作營運。

SEGMENTAL INFORMATION

Wine and Liquor Business

The Group's wine and liquor business was principally engaged in the sale and distribution of wine and liquor in the PRC.

During the Period, there was no revenue generated from the wine and liquor business (2019: HK\$1.06 million) as our sale points and delivery services were interrupted and even temporarily suspended during the coronavirus outbreak. Since the duration of the coronavirus outbreak remains uncertain, the Group will continue to review the development of this business segment.

Trading of Food Products Business

Trading of food products business recorded a revenue of approximately HK\$181.28 million (2019: HK\$100.28 million), accounted for 46.81% (2019: 34.02%) of the total revenue. Gross profit of this business segment for the Period was approximately HK\$8.6 million (2019: HK\$3.8 million). The increase in revenue was due to the increase in trading of staple food and cooking oil.

分類資料

酒類業務

本集團之酒類業務主要為於中國銷售及分銷酒類。

期內，酒類業務並無產生收入（二零一九年：1,060,000港元），此乃由於新冠肺炎疫情期間，我們的銷售點及交付服務受到干擾，甚至暫時中止。由於新冠肺炎疫情持續時間仍無法確定，本集團將繼續檢討該業務分類的發展。

買賣食品業務

買賣食品業務錄得收入約181,280,000港元（二零一九年：100,280,000港元），佔總收入46.81%（二零一九年：34.02%）。該業務分類之期內毛利約為8,600,000港元（二零一九年：3,800,000港元）。收入增加是由於買賣主食品及食用油增加所致。

Construction and Development Business

Following the successful bid for the land use rights of a land parcel in Lianyungang, Jiangsu in PRC on 5 December 2017, the Group already obtained the Land Planning Permit and the Construction Planning Permit for the “Seafood Food City” during the year 2018. The commercial housing presale permit of phase one of the Seafood Food City was also obtained and started selling in the second half of 2019. However, the outbreak of coronavirus affected the sales plan and construction plan. It is expected that the whole construction of the Seafood Food City on the land parcel will be delayed to late 2020 or early 2021.

Rental Business

The logistic facilities and office facilities renting business recorded a revenue of approximately HK\$114.42 million (2019: HK\$120.48 million), accounted for 29.54% (2019: 40.87%) of the total revenue. Gross profit of this business segment for the Period was approximately HK\$35.8 million (2019: HK\$28.1 million). After a few years of development, this segment has become one of the core businesses of the Group. The Group has rental business in Beijing, Shanghai and Hong Kong and will keep on exploring and investing in potential renting facilities.

建設及開發業務

繼於二零一七年十二月五日成功競投一幅位於中國江蘇連雲港之地塊之土地使用權後，本集團已於二零一八年取得「海鮮美食城」之建設用地規劃許可證及建設工程規劃許可證。海鮮美食城第一期亦已獲授商品房預售許可證，並於二零一九年下半年開始銷售。然而，新冠肺炎疫情爆發，影響了銷售計劃及施工計劃。預計於該地塊上興建海鮮美食城之整項工程將延遲至二零二零年底或二零二一年初完成。

租賃業務

物流設施及辦公設施租賃業務錄得收入約114,420,000港元（二零一九年：120,480,000港元），佔總收入29.54%（二零一九年：40.87%）。該業務分類之期內毛利約為35,800,000港元（二零一九年：28,100,000港元）。經過數年發展，此分類業已成為本集團核心業務之一。本集團於北京、上海及香港擁有租賃業務，並將繼續探索並投資於具潛力之租賃設施。

Financial Leasing Business

The financial leasing business recorded a revenue of HK\$10.40 million (2019: HK\$4.47 million), accounted for 2.68% (2019: 1.52%) of the total revenue. Gross profit of this business segment for the Period was approximately HK\$7.4 million (2019: HK\$4.5 million).

Mineral Products Business

The mineral products business includes the flotation selection of non-ferrous metals mines and sales of mineral products. This business segment recorded a revenue of approximately HK\$81.24 million (2019: HK\$68.46 million) and accounted for 20.97% (2019: 23.23%) of the total revenue. The Group acquired this business in 2017 and expects the market of this business will remain fine and the revenue contributed by this segment will represent a larger portion of the Group's revenue. Gross profit of this business segment for the Period was approximately HK\$20.8 million (2019: HK\$20.0 million).

BUSINESS PROSPECTS

The Group will continue to expand its existing businesses by developing its core business segments. The Group will also look for other potential businesses and related profitable business.

融資租賃業務

融資租賃業務錄得收入10,400,000港元（二零一九年：4,470,000港元），佔總收入2.68%（二零一九年：1.52%）。該業務分類之期內毛利約為7,400,000港元（二零一九年：4,500,000港元）。

礦產業務

礦產業務包括有色金屬礦之浮選及礦產銷售。該業務分類錄得收入約81,240,000港元（二零一九年：68,460,000港元），佔總收入20.97%（二零一九年：23.23%）。本集團於二零一七年購入該項業務及看好該項業務之市場，且該分類之收入貢獻佔本集團收入之比例將會更大。該業務分類之期內毛利約為20,800,000港元（二零一九年：20,000,000港元）。

業務前景

本集團將繼續透過發展核心業務分類擴大其現有業務。本集團亦將尋求其他潛在業務及相關有利可圖的業務。

Business Co-operation

On 23 January 2020, the Company, through its wholly-owned subsidiary, namely Shenzhen Nongjiayuan Vegetable Basket E-Commerce Co., Ltd.* (深圳市農家園菜籃子電子商務有限公司) (“Shenzhen Nongjiayuan E-Commerce”) entered into a cooperation agreement (the “Cooperation Agreement”) with Jiangsu Wortact Group Co., Ltd.* (江蘇沃田集團股份有限公司), a company listed on the National Equities Exchange And Quotations Co., Ltd. (NEEQ:832139) (“Jiangsu Wortact”, together with the Company, the “Parties”) in respect of a business cooperation (the “Sales Cooperation”) involving, among other things, the sales of blueberries and other related products under the dual-brand name of both of the Parties.

According to the Cooperation Agreement, Jiangsu Wortact shall be responsible for, among other things, the production and delivery of a number of products in accordance with the specifications from Shenzhen Nongjiayuan E-Commerce, and Shenzhen Nongjiayuan E-Commerce shall be responsible for the sales planning and implementation of sales strategy in respect of the sales of blueberries and other related products.

The Sales Cooperation is focused at developing brand integration in order to jointly enhance the Parties’ reputation and sales ecology. Moreover, the Sales Cooperation sets common goals for the Parties to achieve at an industry level, promotion of brand image and sales. Details of which were disclosed in the announcement of the Company dated 23 January 2020.

* For identification purposes only

業務合作

於二零二零年一月二十三日，本公司透過其全資附屬公司，名為深圳市農家園菜籃子電子商務有限公司（「深圳市農家園電子商務」）與江蘇沃田集團股份有限公司（於全國中小企業股份轉讓系統有限責任公司掛牌之公司（全國股轉系統：832139））（「江蘇沃田」，連同本公司統稱「訂約雙方」）就業務合作（「銷售合作」）訂立合作協議（「合作協議」），內容有關（其中包括）訂約雙方均以雙品牌名稱銷售藍莓及其他相關產品。

根據合作協議，江蘇沃田須負責（其中包括）按照深圳市農家園電子商務之規範進行生產及交付若干產品，而深圳市農家園電子商務須負責有關銷售藍莓及其他相關產品之銷售規劃並實施銷售策略。

銷售合作專注於發展品牌整合，務求將訂約雙方之聲譽共同提升，銷售生態亦得以加強。此外，銷售合作為訂約雙方制定在行業層面上實現促進品牌形象及銷售之共同目標。有關詳情於本公司日期為二零二零年一月二十三日之公佈內披露。

* 僅供識別

The sales activities under the Sales Cooperation commenced on 1 February 2020. However, due to the outbreak of coronavirus, the sales had been negatively impacted during the Period. The Group expects that the performance of this Sales Cooperation will show encouraging improvement when the coronavirus outbreak has become stabilized.

Memorandum of Understanding

On 20 March 2020, the Company entered into a non-legally binding memorandum of understanding (the “Memorandum”) with Ningxia Yinhe Huixin Technology Investment Co., Ltd.* (寧夏銀河滙信科技投資有限公司) (“Ningxia YH”) and Zhou Zhijie* (周志杰) (“Mr. Zhou”) (Mr. Zhou and Ningxia YH, collectively, the “Existing Shareholders”, together with the Company, collectively, the “Parties”) pursuant to which the Company intends to acquire (the “Possible Acquisition”) 20% equity interest in Ningxia Chenggong Red Chateau Daymore Management Service Co., Ltd.* (寧夏成功紅黛墨酒莊管理服務有限公司) (the “Target Company”).

According to the Memorandum, the Company shall cooperate with the Existing Shareholders on the operation of the Target Company, where the Company shall provide support to the existing wine business, including sales channel warehousing, and integrate the Parties’ resources with a view to maximise the relevant benefits (the “Possible Cooperation”). The Existing Shareholders shall provide profit guarantee in respect of the Target Company, which shall be not less than RMB30 million per year.

銷售合作項下之銷售活動於二零二零年二月一日開始。然而，由於爆發新冠肺炎疫情，銷售於期內受到不利影響。本集團預期於新冠肺炎疫情穩定時，該銷售合作之表現將取得令人振奮的改善。

諒解備忘錄

於二零二零年三月二十日，本公司與寧夏銀河滙信科技投資有限公司（「寧夏銀河滙信」）及周志杰（「周先生」）（周先生與寧夏銀河滙信統稱為「現有股東」，連同本公司統稱「訂約方」）訂立不具法律約束力的諒解備忘錄（「備忘錄」），據此，本公司擬收購寧夏成功紅黛墨酒莊管理服務有限公司（「目標公司」）之20%股權（「可能收購事項」）。

根據備忘錄，本公司將與現有股東合作營運目標公司，而本公司須向現有酒品業務提供支持，包括銷售渠道倉儲，並整合訂約方之資源，旨在盡量增加相關裨益（「可能合作」）。現有股東須就目標公司提供溢利保證，其將不少於每年人民幣30,000,000元。

* For identification purposes only

* 僅供識別

According to the Memorandum, the Parties will proceed with further negotiation for the entering into the formal agreement in respect of the Possible Acquisition within six months from the date of the Memorandum, or such other date as may be agreed by the Parties. The Parties will negotiate to enter into a definitive cooperation agreement upon the commencement of the Possible Cooperation. Details of the Memorandum were disclosed in the announcement of the Company dated 20 March 2020.

FINANCIAL REVIEW

Revenue

During the Period, the Group achieved a revenue of approximately HK\$387.35 million (2019: HK\$294.76 million), representing an increase of 31.41% when compared with the corresponding period last year. Gross profit of the Group was approximately HK\$72.61 million (2019: HK\$56.52 million). The profit (net of tax) was HK\$2,042,000 (2019: HK\$582,000).

Selling and Distribution Expenses

Selling and distribution expenses were approximately HK\$7 million (2019: HK\$7.65 million), representing a decrease of 8.50% when compared with the corresponding period last year and 1.81% (2019: 2.60%) of the Group's revenue.

根據備忘錄，由備忘錄日期起計六個月內或訂約方可能協定之有關其他日期，訂約方將就可能收購事項進行進一步磋商以訂立正式協議。訂約方將於可能合作開始時進行磋商以訂立最終合作協議。備忘錄詳情於本公司日期為二零二零年三月二十日之公佈內披露。

財務回顧

收入

期內，本集團取得收入約387,350,000港元（二零一九年：294,760,000港元），較去年同期增加31.41%。本集團之毛利約為72,610,000港元（二零一九年：56,520,000港元）。溢利（除稅後）為2,042,000港元（二零一九年：582,000港元）。

銷售及分銷開支

銷售及分銷開支約為7,000,000港元（二零一九年：7,650,000港元），較去年同期減少8.50%，佔本集團收入之1.81%（二零一九年：2.60%）。

Administrative Expenses

Administrative expenses were approximately HK\$39.09 million (2019: HK\$42.51 million), representing a decrease of 8.05% when compared with the corresponding period last year. The decrease was mainly due to the decline of the business of commodity hog trading. Also, the Group continued to control the cost through simplifying and combining the structure of the subsidiaries of similar business.

Finance Costs

Finance costs were approximately HK\$50.50 million (2019: HK\$22.90 million). The increase was mainly due to the increase of interest on bank and other borrowings and interest expenses of lease liabilities.

Prepayments, Deposits and Other Receivables

Included in prepayments, deposits and other receivables, there were trade deposits of HK\$244.10 million (31 December 2019: HK\$196.26 million) paid for food products and mineral products. The amounts of approximately HK\$44.66 million (31 December 2019: HK\$50.55 million) were the progress payments for the investment targets. HK\$42.62 million (31 December 2019: HK\$34.37 million) was paid as rental deposits for the rental business.

Capital Structure, Liquidity and Financial Resources

As at 30 June 2020, the total number of issued shares of the Company was 6,225,125,683 shares. There was no change in the capital structure of the Company during the six months ended 30 June 2020.

行政開支

行政開支約為39,090,000港元（二零一九年：42,510,000港元），較去年同期減少8.05%。有關減少乃主要由於買賣商品豬業務下滑所致。同時，本集團透過簡化及合併類似業務附屬公司的架構，繼續控制成本。

融資成本

融資成本約為50,500,000港元（二零一九年：22,900,000港元）。有關增加乃主要由於銀行及其他借貸利息及租賃負債的利息開支增加所致。

預付款項、按金及其他應收款項

預付款項、按金及其他應收款項包括就食品及礦產支付之貿易按金244,100,000港元（二零一九年十二月三十一日：196,260,000港元）。約44,660,000港元（二零一九年十二月三十一日：50,550,000港元）為就投資目標作出之分階段付款。42,620,000港元（二零一九年十二月三十一日：34,370,000港元）為租賃業務之已付租金按金。

資本架構、流動資金及財務資源

於二零二零年六月三十日，本公司已發行股份總數為6,225,125,683股。截至二零二零年六月三十日止六個月，本公司的資本架構並無變動。

As at 30 June 2020, the Group had net assets to owners of the parent of approximately HK\$1,226.54 million (31 December 2019: HK\$1,229.34 million). Net current assets of the Group as at 30 June 2020 amounted to approximately HK\$369.55 million (31 December 2019: HK\$320.20 million). The current ratio (calculated as current assets to current liabilities) for the Period was 1.35 (31 December 2019: 1.29).

The Group's unpledged cash and cash equivalents as at 30 June 2020 amounted to approximately HK\$51.84 million (31 December 2019: HK\$80 million), which were denominated in Hong Kong dollars and Renminbi, and the Group's pledged deposits as at 30 June 2020 amounted to approximately HK\$29.49 million (31 December 2019: HK\$47.78 million).

As at 30 June 2020, the Group's total bank and other borrowings amounted to approximately HK\$512.23 million (31 December 2019: HK\$541.96 million). All of the Group's bank and other borrowings were denominated in Renminbi and Hong Kong dollars. Included in bank and other borrowings, default payment for other borrowings amounted to approximately HK\$238,807,000 including the additional interest and penalty. The Company keeps negotiating with creditors of other borrowings for extension of repayment period.

於二零二零年六月三十日，本集團之母公司擁有人應佔資產淨值約為1,226,540,000港元（二零一九年十二月三十一日：1,229,340,000港元）。本集團於二零二零年六月三十日之流動資產淨值約為369,550,000港元（二零一九年十二月三十一日：320,200,000港元）。期內之流動比率（按流動資產除以流動負債計算）為1.35（二零一九年十二月三十一日：1.29）。

於二零二零年六月三十日，本集團之無抵押現金及現金等值物約為51,840,000港元（二零一九年十二月三十一日：80,000,000港元），乃以港元及人民幣計值，而本集團於二零二零年六月三十日之已抵押存款約為29,490,000港元（二零一九年十二月三十一日：47,780,000港元）。

於二零二零年六月三十日，本集團之銀行及其他借貸總額約為512,230,000港元（二零一九年十二月三十一日：541,960,000港元）。本集團所有銀行及其他借貸以人民幣及港元計值。銀行及其他借貸包括其他借貸之違約金約238,807,000港元，包括額外的利息及罰金。本公司一直與其他借貸之債權人協商延長還款期。

The bank and other borrowings are charged at fixed interest rates. The gearing ratio of the Group as at 30 June 2020 (calculated as net debt divided by equity attributable to owners of the parent plus net debt) was 38.48% (31 December 2019: 38.41%). The ratio was at reasonably adequate level as at 30 June 2020. Having considered the Group's current unpledged cash and cash equivalents, bank and other borrowings, and banking facilities, the management believes that the Group's financial resources are sufficient for its day-to-day operations. The Group did not use financial instruments for financial hedging purposes during the Period.

The Group's business transactions, assets and liabilities are principally denominated in Renminbi and Hong Kong dollars. Fluctuations in Renminbi may impact the Group's results and net assets value as the Group's consolidated financial statements are presented in Hong Kong dollars. The Group's treasury policy is to manage its foreign currency exposure only when its potential financial impact is material to the Group. The Group will continue to monitor its foreign exchange position and, if necessary, utilize hedging tools, if available, to manage its foreign currency exposure.

銀行及其他借貸以固定利率計息。本集團於二零二零年六月三十日之資產負債比率（按債務淨額除以母公司擁有人應佔權益加債務淨額計算）為38.48%（二零一九年十二月三十一日：38.41%）。於二零二零年六月三十日，該比率處於合理充足水平。經考慮本集團之流動無抵押現金及現金等值物、銀行及其他借貸以及銀行融資後，管理層相信本集團具備足夠財務資源應付日常營運所需。期內，本集團並無使用金融工具作金融對沖用途。

本集團之業務交易、資產及負債主要以人民幣及港元計值。由於本集團之綜合財務報表以港元呈列，故人民幣波動可能影響本集團之業績及資產淨值。本集團之財政政策是僅於潛在財務影響對本集團而言屬重大之情況下，方管理其外幣風險。本集團將繼續監察其外匯狀況及（如有需要）採用對沖工具（如有），以管理其外幣風險。

Charge on Assets and Contingent Liabilities

As at 30 June 2020, the deposit of HK\$29.49 million was pledged to banks to secure the Group's bills payable (31 December 2019: HK\$47.78 million).

The shares of two subsidiaries of the Company with net assets of HK\$30 million were pledged for a secured bond since August 2017. As the secured bond was matured, the bondholder has the right to take over the control of the two subsidiaries. The Company is in negotiation with the bondholder for extension of repayment of the bond and as at the date of this report, the two subsidiaries are still under the control of the Company.

PLACING OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

On 20 July 2020, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company agreed to appoint the Placing Agent as placing agent for the purpose of procuring, as agent of the Company, on a best effort basis, not less than six Placees to subscribe in cash for the Convertible Bonds in a maximum aggregate principal amount of up to HK\$123 million. However, as certain condition precedent to the Placing Agreement was not fulfilled, the Placing Agreement lapsed on 17 August 2020. Details of the Placing Agreement were disclosed in the announcements of the Company dated 20 July 2020, 10 August 2020 and 17 August 2020.

資產抵押及或然負債

於二零二零年六月三十日，29,490,000港元按金已抵押予銀行，以取得本集團之應付票據（二零一九年十二月三十一日：47,780,000港元）。

自二零一七年八月起，本公司資產淨值為30,000,000港元的兩間附屬公司股份已就已抵押債券而予以抵押。由於已抵押債券到期，債券持有人有權接管該兩間附屬公司的控制權。本公司正與債券持有人協商延期償還債券，及於本報告日期，該兩間附屬公司仍在本公司的控制之下。

根據一般授權配售可換股債券

於二零二零年七月二十日，本公司與配售代理訂立配售協議，據此，本公司同意委任配售代理為配售代理，以令其作為本公司的代理按盡力的基準促使不少於六名承配人以現金認購本金額最多為123,000,000港元之可換股債券。然而，由於配售協議之若干先決條件尚未達成，配售協議於二零二零年八月十七日失效。有關配售協議詳情於本公司日期為二零二零年七月二十日、二零二零年八月十日及二零二零年八月十七日之公佈內披露。

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2020, the Group had approximately 149 (30 June 2019: 165) employees in Hong Kong and the PRC with total staff costs amounting to approximately HK\$5.85 million (30 June 2019: HK\$8.27 million). Remuneration of employees is offered at competitive standards, generally structured with reference to market terms and individual qualifications. The Company has adopted the share option scheme aiming to provide incentives to participants for their contributions to the Group, and to enable the Group to recruit and retain quality employees to serve the Group on a long-term basis.

LITIGATIONS

(i) On 18 August 2015, the Company received a writ of summons issued from the High Court of Hong Kong (the “Writ”) relating to a claim by Mr. Qu Shuncai (“Mr. Qu”), a former Director. Pursuant to the Writ, Mr. Qu claims against the Company for the sum of HK\$6,069,000 being damages for the Company’s wrongful refusal of the issue of 2,500,000 shares of the Company to him upon his exercise of the share options. The proceedings are now at an advanced stage, and there will be a case management hearing on 11 November 2020.

僱員及薪酬政策

於二零二零年六月三十日，本集團於香港及中國約有149名（二零一九年六月三十日：165名）僱員，總員工成本約為5,850,000港元（二零一九年六月三十日：8,270,000港元）。僱員薪酬維持於具競爭力之水平，一般根據市場水平及個別員工資歷釐定。本公司已採納購股權計劃，旨在鼓勵及獎賞參與者對本集團作出貢獻，並讓本集團可招聘及挽留優秀僱員長期為本集團服務。

訴訟

(i) 於二零一五年八月十八日，本公司收到香港高等法院簽發之傳訊令狀（「令狀」），內容有關前董事屈順才先生（「屈先生」）提出之索償。根據令狀，屈先生就本公司於屈先生行使購股權後不當拒絕向其發行2,500,000股本公司股份而向本公司索償金額6,069,000港元（即損害賠償）。訴訟程序現已進入後期階段，並將於二零二零年十一月十一日進行案件管理聆訊。

(ii) On 15 August 2019, the Company received a winding up petition (“Petition”) filed by Mr. Qiu Zhen (“Petitioner”) for an order that the Company may be wound up by the High Court of Hong Kong pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong). The Petition was filed against the Company for being unable to repay a debt of amount HK\$21,140,987. Details of the Petition were disclosed in the announcements of the Company dated 15 August 2019 and 22 August 2019. Subsequently, our legal representatives filed a Notice of Originating Summons to the Court (under HCMP 1284 of 2019) returnable before a High Court Judge on 19 September 2019 for an order to direct the Petitioner to withdraw the Petition or otherwise to be restrained from taking further step to prosecute the Petition on the ground that the Petition is an abuse of process of the court. On 23 March 2020, leave was granted to the Company to withdraw the Originating Motion. As to the winding up proceedings itself, there was a hearing before the Companies Court on 29 July 2020, and at the request of the Petitioner, the winding up petition was adjourned to the Companies Master on 2 September 2020.

(ii) 於二零一九年八月十五日，本公司接獲由邱振先生（「呈請人」）根據香港法例第32章公司（清盤及雜項條文）條例向香港高等法院提呈對本公司進行清盤命令之呈請（「該呈請」）。已提呈之該呈請乃針對本公司無法償還金額為21,140,987港元之債務。該呈請之詳情於本公司日期為二零一九年八月十五日及二零一九年八月二十二日之公佈內披露。其後，我們的法定代理人於二零一九年九月十九日向法院提呈會在高等法院法官席前處理的原訴傳票通知（編號為二零一九年HCMP 1284），發出命令指示呈請人撤回該呈請或以該呈請濫用法庭程序為理據限制採取進一步行動進行該呈請。於二零二零年三月二十三日，本公司獲授撤回原訴動議的許可。就本身的清盤程序而言，於二零二零年七月二十九日於公司事務法院前進行聆訊，且應呈請人之請求，清盤呈請延遲至二零二零年九月二日在公司事務聆案官前進行。

- (iii) On 21 August 2019, the Company received a writ of summons issued on behalf of United Target Finance Company Limited (“United Target”) under HCA 1520 of 2019. According to the Statement of Claim, United Target being the plaintiff, claims against the Company for the sum of HK\$10,055,772.96. Our legal representatives filed an Acknowledgment of Service on 27 August 2019 and stated our intention to contest the proceedings. A Case Management Summons hearing has been fixed to be held before a Master on 21 January 2021.
- (iii) 於二零一九年八月二十一日，本公司接獲代表United Target Finance Company Limited (「United Target」)根據二零一九年HCA 1520簽發之傳訊令狀。根據訴狀，United Target為原告，向本公司索償金額10,055,772.96港元。我們的法定代理人於二零一九年八月二十七日呈交送達認收書，並表示我們將就法律訴訟提出抗辯。案件管理傳票聆訊已定於二零二一年一月二十一日在聆案官席前舉行。
- (iv) On 28 August 2019, our legal representatives filed a Notice of Originating Summons to the Court (under HCMP 1348 of 2019) to apply to the Court to dispute a Statutory Demand dated 24 July 2019 issued on behalf of Madam 方香惠 for the sum of HK\$20,094,520.55. The case has been adjourned sine die.
- (iv) 於二零一九年八月二十八日，我們的法定代理人向法院提交原訴傳票通知（編號為二零一九年HCMP 1348），以向法院申請就代表方香惠女士發出之日期為二零一九年七月二十四日之金額為20,094,520.55港元法定要求償債書進行抗辯。該案件已獲無限期延遲。

- (v) On 24 October 2019, the Company received a writ of summons (under HCA 1948 of 2019) issued on behalf of Gemini Funds Limited for an order to direct the Company to deliver up the share certificate of 5,000,000 (Bonus) Shares issued in January 2016 and damages to be assessed. The said Gemini Funds Limited has also taken out an application for summary judgment against the Company returnable before a Master of the High Court on 9 April 2020. Our legal representative filed an Acknowledgment of Service on 6 November 2019, and the Company has filed a notice to the Court to oppose the application by the said plaintiff to enter judgment against the Company. The hearing will be held before a Master on 8 September 2020.
- (v) 於二零一九年十月二十四日，本公司接獲代表Gemini Funds Limited簽發之傳訊令狀（編號為二零一九年HCA 1948），發出命令指示本公司於二零一六年一月交出已發行的5,000,000股（紅股）的股票及待評估的損害賠償。所述Gemini Funds Limited亦針對本公司向法院申請會於二零二零年四月九日在高等法院法官席前受理的簡易判決。我們的法定代理人於二零一九年十一月六日呈交送達認收書，且本公司已向法院提交一份通知，反對上述原告提出之執行針對本公司判決之申請。聆訊將於二零二零年九月八日在聆訊官席前進行。
- (vi) Pursuant to the Petition under item (ii) above, the Company successfully obtained a Validation Order of the Court dated 17 January 2020, under which any transfer of the issued and fully paid up shares in the Company since 13 August 2019 shall not be avoided by s.182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) in the event of a winding-up order being made against the Company. The sealed copy order has been obtained. Details of which were disclosed in the announcement of the Company dated 15 May 2020.
- (vi) 根據上文第(ii)項下之呈請，本公司成功獲得日期為二零二零年一月十七日的法院認可令，據此，若針對本公司發出清盤命令，則自二零一九年八月十三日起轉讓本公司已發行及繳足股款的股份不得根據公司（清盤及雜項條文）條例（第32章）第182條廢止。本公司已獲得判令蓋印副本。有關詳情於本公司日期為二零二零年五月十五日之公佈內披露。

- (vii) On 15 June 2020, the Company received a writ of summons issued on behalf of JIANG SHENGLI (姜勝利) (“JIANG”) under HCA 947 of 2020. According to the Statement of Claim, JIANG being the plaintiff, claims against the Company for the sum of HK\$15,700,000 and the bond interest. Our legal representatives filed an Acknowledgment of Service on 22 June 2020 and stated our intention to contest the proceedings. The Company will file and serve a Defence. There is not yet any date fixed for any hearing.
- (viii) On 7 July 2020, the Company received a writ of summons issued on behalf of FANG XIANGZAI (方香崽) (“FANG”) under HCA 1128 of 2020. According to the Statement of Claim, FANG being the plaintiff, claims against the Company for the sum of HK\$30,575,000 and the agreement interest. Our legal representatives filed an Acknowledgment of Service on 22 July 2020 and stated our intention to contest the proceedings. The Company will file and serve a Defence. There is not yet any date fixed for any hearing.
- (ix) The Company is aware that two civil litigations in relation to its cooperation contracts filed with the People’s Court of Qianhai Cooperation Zone, Guangdong Province against the Company have been closed, and the Company and the plaintiff entered into a settlement agreement on 28 June 2020 and a bank account of one of its subsidiaries which was frozen has been unfrozen.
- (vii) 於二零二零年六月十五日，本公司接獲代表姜勝利（「姜」）簽發之傳訊令狀，根據訴狀（編號為二零二零年HCA 947），姜為原告，向本公司索償金額15,700,000港元及債券利息。我們的法定代理人於二零二零年六月二十二日呈交送達認收書，並表示我們將就法律訴訟提出抗辯。本公司將提交及送達抗辯書。目前尚未釐定聆訊日期。
- (viii) 於二零二零年七月七日，本公司接獲代表方香崽（「方」）簽發之傳訊令狀（編號為二零二零年HCA 1128），根據訴狀，方為原告，向本公司索償金額30,575,000港元及協定利息。我們的法定代理人於二零二零年七月二十二日呈交送達認收書，並表示我們將就法律訴訟提出抗辯。本公司將提交及送達抗辯書。目前尚未釐定聆訊日期。
- (ix) 本公司知悉廣東省前海合作區人民法院有兩宗對本公司提起之由於合作合同糾紛導致的民事起訴，該等訴訟已完結且本公司與原告於二零二零年六月二十八日已達成和解協議。本公司其中一間附屬公司一個被凍結的銀行戶口已解凍。

OTHER INFORMATION

DIRECTORS' INTERESTS IN SHARES

At 30 June 2020, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long position in ordinary shares of the Company:

其他資料

董事於股份中之權益

於二零二零年六月三十日，各董事於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中所擁有記錄於根據證券及期貨條例第352條規定本公司須予保存之登記名冊，或根據香港聯合交易所（「聯交所」）證券上市規則（「上市規則」）附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及聯交所之權益及淡倉如下：

於本公司普通股中之好倉：

Name of directors	董事姓名	Number of shares held, capacity and nature of interest 持有股份數目、身份及權益性質			Total	Approximate percentage of the Company's issued shares 佔本公司 已發行股份之 概約百分比
		Directly beneficially owned	Through spouse	Through controlled corporation 透過 受控制法團		
Mr. Li Jiehong	李傑鴻先生	224,000	44,592,000 ^(a)	13,752,000 ^(b)	58,568,000	0.94%
Mr. Ke Xionghan	柯雄瀚先生	4,240,000	-	-	4,240,000	0.07%
		4,464,000	44,592,000	13,752,000	62,808,000	1.01%

Notes:

- (a) These 44,592,000 shares were held by Ms. Deng Xiaohu, the spouse of Mr. Li Jiehong.
- (b) These 13,752,000 shares were held by Sino Insight Holdings Limited (“Sino Insight”). As Sino Insight was wholly owned by Mr. Li Jiehong, Mr. Li Jiehong was deemed to be interested in the 13,752,000 shares held by Sino Insight by virtue of the SFO.

Save as disclosed above, as at 30 June 2020, none of the Directors had registered an interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “2007 Scheme”) on 23 May 2007. The 2007 Scheme was terminated on 22 May 2017. No further share option has been granted upon the termination of the 2007 Scheme, but the share options granted prior to such termination continue to be valid and exercisable in accordance with the provisions of the 2007 Scheme. All the outstanding share options under the 2007 Scheme were lapsed during the year ended 31 December 2019.

附註:

- (a) 該等44,592,000股股份由李傑鴻先生之配偶鄧笑荷女士持有。
- (b) 該等13,752,000股股份由華察控股有限公司(「華察」)持有。由於華察由李傑鴻先生全資擁有，因此，根據證券及期貨條例，李傑鴻先生被視為於華察所持有之13,752,000股股份中擁有權益。

除上文所披露者外，於二零二零年六月三十日，各董事概無於本公司或其任何相聯法團之股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須予記錄，或根據標準守則須另行知會本公司及聯交所之權益或淡倉。

購股權計劃

本公司於二零零七年五月二十三日採納一項購股權計劃(「二零零七年計劃」)。二零零七年計劃於二零一七年五月二十二日終止。於二零零七年計劃終止後，本公司概無再授出購股權，惟根據二零零七年計劃之條文，先於該終止授出之購股權繼續有效及可予行使。截至二零零七年計劃授出之所有尚未行使購股權已於截至二零一九年十二月三十一日止年度失效。

The Company adopted a share option scheme (the “2017 Scheme”) pursuant to a resolution passed on 9 June 2017 (the “Adoption Date”). The purpose of the 2017 Scheme is to provide incentives and rewards to eligible participants for their contribution to, and continuing efforts to promote the interests of, the Group. The 2017 Scheme, unless otherwise cancelled or amended, will remain in force for 10 years from the Adoption Date. No share option has been granted under the 2017 Scheme since its adoption.

Details of the 2007 Scheme and the 2017 Scheme are set out in the published annual report of the Company for the year ended 31 December 2019.

Save as disclosed above, at no time during the six months ended 30 June 2020 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

根據一項於二零一七年六月九日（「採納日期」）通過之決議案，本公司採納一項購股權計劃（「二零一七年計劃」）。二零一七年計劃旨在為向本集團作出貢獻及持續推動本集團利益之合資格參與人士提供獎勵及回報。除非另行取消或作出修訂，否則二零一七年計劃將於自採納日期起計10年內一直生效。自二零一七年計劃獲採納起，本公司概無授出購股權。

有關二零零七年計劃及二零一七年計劃之詳情載於本公司截至二零一九年十二月三十一日止年度之已刊發年報內。

除上文所披露者外，於截至二零二零年六月三十日止六個月任何時間，董事或彼等各自之配偶或未滿十八歲子女概無獲授透過收購本公司股份或債權證獲取利益之權利，彼等亦無行使任何有關權利；本公司及其任何附屬公司亦概無訂立任何安排，致使董事可收購任何其他法人團體之有關權利。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES

At 30 June 2020, the following interests in the shares of 5% or more of the issued shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long position:

主要股東及其他人士於股份中之權益

於二零二零年六月三十日，以下於佔本公司已發行股份5%或以上股份之權益已記錄於本公司根據證券及期貨條例第336條須予存置之登記名冊內：

好倉：

Name	Capacity and nature of interest	Number of shares held	Approximate percentage of the Company's issued shares 佔本公司已發行股份之概約百分比
姓名／名稱	身份及權益性質	持有股份數目	
Jiang Jianjun 江建軍	Beneficial owner 實益擁有人	456,173,182	7.33%
	Interest of controlled corporation 受控制法團權益	458,331,044 ^(a)	7.36%
Li Zhuoxun 黎卓勛	Interest of spouse 配偶權益	914,504,226 ^(b)	14.69%
Beidahuang (HK) International Trade Co., Limited 北大荒(香港)國際貿易有限公司	Beneficial owner 實益擁有人	660,000,000	10.60%
Heilongjiang Nongken Beidahuang Business Trade Liability Group Co., Ltd* 黑龍江農墾北大荒商貿集團有限責任公司	Interest of controlled corporation 受控制法團權益	660,000,000 ^(c)	10.60%
Heilongjiang Beidahuang Agribusiness Group Corporation* 黑龍江北大荒農墾集團總公司	Interest of controlled corporation 受控制法團權益	660,000,000 ^(c)	10.60%

Notes:

- (a) These 458,331,044 shares were held by King Wei Group (China) Investment Development Limited (“King Wei”) as to 237,051,044 shares and China Silver Investments Development Limited (“China Silver”) as to 221,280,000 shares. As King Wei and China Silver were wholly owned by Mr. Jiang Jianjun (“Mr. Jiang”), Mr. Jiang was deemed to be interested in the 237,051,044 shares held by King Wei and the 221,280,000 shares held by China Silver respectively by virtue of the SFO.
- (b) Ms. Li Zhuoxun is the spouse of Mr. Jiang and is therefore deemed to be interested in all the shares held by Mr. Jiang and his controlled corporations namely King Wei and China Silver by virtue of the SFO.
- (c) These 660,000,000 shares were held by Beidahuang (HK) International Trade Co., Limited (“Beidahuang HK”), which was wholly owned by Heilongjiang Nongken Beidahuang Business Trade Liability Group Co., Ltd* (“Beidahuang Business Group”) which in turn was wholly owned by Heilongjiang Beidahuang Agribusiness Group Corporation* (“Beidahuang Group”). Accordingly, each of Beidahuang Business Group and Beidahuang Group was deemed to be interested in the 660,000,000 shares held by Beidahuang HK by virtue of the SFO.

Save as disclosed above, as at 30 June 2020, no person, other than the Directors whose interests are set out in the section headed “Directors’ Interests in Shares” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

* For identification purposes only

附註：

- (a) 該458,331,044股股份由經緯集團（中國）投資發展有限公司（「經緯」）持有237,051,044股及華銀集團投資發展有限公司*（「華銀」）持有221,280,000股。由於經緯及華銀由江建軍先生（「江先生」）全資擁有，故根據證券及期貨條例，江先生被視為分別於經緯持有的237,051,044股股份及華銀持有的221,280,000股股份中擁有權益。
- (b) 黎卓勳女士為江先生之配偶，因此，根據證券及期貨條例，彼被視作於江先生及其受控制法團（即經緯及華銀）所持有之所有股份中擁有權益。
- (c) 該660,000,000股股份由北大荒（香港）國際貿易有限公司（「北大荒香港」）持有，北大荒香港由黑龍江農墾北大荒商貿集團有限責任公司（「北大荒商貿集團」）全資擁有，而北大荒商貿集團由黑龍江北大荒農墾集團總公司（「北大荒集團」）全資擁有。因此，根據證券及期貨條例，北大荒商貿集團及北大荒集團各自被視為於北大荒香港所持有之660,000,000股股份中擁有權益。

除上文所披露者外，於二零二零年六月三十日，概無任何人士（董事除外，彼等之權益載於上文「董事於股份中之權益」一節）於本公司之股份或相關股份中擁有根據證券及期貨條例第336條須予登記之權益或淡倉。

* 僅供識別

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2020.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 June 2020 have been reviewed by the audit committee of the Company, which comprises two independent non-executive Directors, namely Mr. Chong Cha Hwa and Mr. Yang Yunguang.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code on ethics and securities transactions (the "Code"), which incorporates a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code. Specified employees who are likely to be in possession of unpublished inside information of the Company are also subject to the compliance with the Code. Having made specific enquiry of all Directors, the Company confirms that the Directors have complied with the required standard set out in the Code and the Model Code throughout the six months ended 30 June 2020.

中期股息

董事會議決不宣派截至二零二零年六月三十日止六個月之中期股息（截至二零一九年六月三十日止六個月：無）。

購買、出售或贖回本公司上市證券

於截至二零二零年六月三十日止六個月內，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

中期業績回顧

本集團截至二零二零年六月三十日止六個月之中期業績已經本公司審核委員會（由兩名獨立非執行董事，即張家華先生及楊雲光先生組成）審閱。

董事的證券交易

本公司已採納一項道德及證券交易守則（「守則」），其中載列有關董事進行證券交易的操守守則，其條款並不遜於標準守則所載之規定準則。可能管有本公司未公佈內幕資料的指定僱員亦須遵守守則。經向所有董事作出特定查詢後，本公司確認董事於截至二零二零年六月三十日止六個月內一直遵守守則及標準守則所規定的準則。

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with all code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2020, save as disclosed as follows.

Deviation from Code Provision A.2.1 of the CG Code

In respect of code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company did not officially have a position of chief executive officer since 24 June 2016. Mr. Li Jiehong, the Chairman of the Company, provides leadership to the Board to ensure that the Board works effectively and all important issues are discussed and dealt with in a timely manner. The Board will continue to review the effectiveness of the Group's structure as business continues to grow and develop in order to assess whether any changes, including the appointment of a chief executive officer, are necessary.

Deviation from Code Provision E.1.2 of the CG Code

In respect of code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. Mr. Li Jiehong, the Chairman of the Board, was unable to attend the annual general meeting of the Company held on 30 June 2020 due to travel restrictions caused by COVID-19 outbreak.

遵守企業管治守則

本公司已於截至二零二零年六月三十日止六個月內遵守上市規則附錄十四所載之企業管治守則（「企業管治守則」）的所有守則條文，惟下文披露者除外。

偏離企業管治守則之守則條文第A.2.1條

就企業管治守則之守則條文第A.2.1條而言，主席與行政總裁之角色應有區分，並不應由一人同時兼任。本公司自二零一六年六月二十四日起並無正式設立行政總裁之職位，而本公司主席李傑鴻先生領導董事會，確保董事會有效運作及所有重要議題均獲及時討論及處理。董事會將隨著業務繼續增長及發展而持續檢討本集團架構的成效，以評估是否需要作出任何變動（包括委任行政總裁）。

偏離企業管治守則之守則條文第E.1.2條

就企業管治守則之守則條文第E.1.2條而言，董事會主席應出席股東週年大會。董事會主席李傑鴻先生因新冠肺炎疫情的出行限制而未能出席本公司於二零二零年六月三十日舉行之股東週年大會。

Deviation from Code Provision E.1.5 of the CG Code

In respect of code provision E.1.5 of the CG Code, the issuer should have a policy on payment of dividends and should disclose it in the annual report. As the Company is still in its development phase and the performance will continue to be impacted by the relevant industry's and economic outlook in the foreseeable future, the Board is of the opinion that it is not appropriate to adopt a dividend policy at this stage. The Board will review the Company's status periodically and consider to adopt a dividend policy if and when appropriate.

Non-compliance with Rules 3.10(1), 3.21 and 3.25 of the Listing Rules and Deviation from Code Provision A.5.1 of the CG Code

Following the resignation of Mr. Ho Man Fai as an independent non-executive Director on 22 June 2020, the Company failed to meet the following requirements:

- (a) at least three independent non-executive directors on the board of directors under Rule 3.10(1) of the Listing Rules;
- (b) the audit committee comprising a minimum of three members under Rule 3.21 of the Listing Rules;
- (c) the remuneration committee comprising a majority of independent non-executive directors under Rule 3.25 of the Listing Rules; and
- (d) the nomination committee comprising a majority of independent non-executive directors under code provision A.5.1 of the CG Code.

偏離企業管治守則之守則條文第E.1.5條

就企業管治守則之守則條文第E.1.5條而言，發行人應訂有派付股息之政策並應於年報內披露。由於本公司仍處於發展階段，業績將受相關行業及可見未來之經濟前景影響，故董事會認為現階段不宜採納股息政策。董事會將定期檢討本公司之情況，並於適當時候考慮採納股息政策。

未能遵守上市規則第3.10(1)、3.21及3.25條以及偏離企業管治守則之守則條文第A.5.1條

於何文輝先生於二零二零年六月二十二日辭任獨立非執行董事後，本公司未能遵守下列規定：

- (a) 根據上市規則第3.10(1)條，董事會擁有至少三名獨立非執行董事；
- (b) 根據上市規則第3.21條，審核委員會由至少三名成員組成；
- (c) 根據上市規則第3.25條，薪酬委員會大部分成員須由獨立非執行董事組成；及
- (d) 根據企業管治守則之守則條文第A.5.1條，提名委員會大部分成員須由獨立非執行董事組成。

The Company has been making its best efforts to identify suitable person(s) for the above-mentioned outstanding positions to ensure that the vacancies be filled in as soon as possible and in any event within three months from 22 June 2020 for the purpose of compliance with the Listing Rules mentioned above, including the code provision of the CG Code.

CHANGE IN COMPOSITION OF BOARD AND BOARD COMMITTEES

Mr. Ho Man Fai resigned as an independent non-executive Director and a member of each of the audit committee, the remuneration committee and the nomination committee of the Company with effect from 22 June 2020.

By Order of the Board

Li Jiehong
Chairman

Hong Kong, 28 August 2020

本公司一直盡其最大努力為上述空缺職位物色合適人士，確保盡快且無論如何須於二零二零年六月二十二日起計三個月內填補該等空缺，以符合上述上市規則之規定（包括企業管治守則之守則條文）。

董事會及董事會委員會組成變動

何文輝先生辭任獨立非執行董事及本公司審核委員會、薪酬委員會及提名委員會成員，自二零二零年六月二十二日起生效。

承董事會命

主席
李傑鴻

香港，二零二零年八月二十八日



China Beidahuang Industry Group Holdings Limited
中國北大荒產業集團控股有限公司