



# Huakang Biomedical Holdings Company Limited

## 華康生物醫學控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 8622

## 中期業績報告

### INTERIM REPORT

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19

## ■ CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”) 香港聯合交易所有限公司(「聯交所」)GEM之特色

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

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# CORPORATE INFORMATION

## 公司資料

### Board of Directors 董事會

#### Executive Directors 執行董事

Mr. Zhang Shuguang (Chairman)  
張曙光先生(主席)  
Mr. Zhang Chunguang  
張春光先生  
Mr. Poon Lai Yin Michael  
潘禮賢先生

#### Independent Non-executive Directors 獨立非執行董事

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

### Audit Committee

#### 審核委員會

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

### Remuneration Committee

#### 薪酬委員會

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

### Nomination Committee

#### 提名委員會

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

### Compliance Adviser

#### 合規顧問

Ever-Long Securities Company Limited (appointed on 31 May 2019)  
長雄證券有限公司  
(於二零一九年五月三十一日獲委任)  
RHB Capital Hong Kong Limited (resigned on 31 May 2019)  
興業金融融資有限公司  
(於二零一九年五月三十一日辭任)

### Company Secretary

#### 公司秘書

Mr. Chau Lai Ki 周麗麒先生

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

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

### Compliance Officer

#### 合規主任

Mr. Poon Lai Yin Michael  
潘禮賢先生

### Legal Advisers as to Hong Kong laws

#### 有關香港法例的法律顧問

Miao & Co. (in Association with Han Kun Law Offices)  
繆氏律師事務所(與漢坤律師事務所聯營)

### Auditor 核數師

Deloitte Touche Tohmatsu  
德勤•關黃陳方會計師行

### Registered Office

#### 註冊辦事處

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

### Principal Place of Business in Hong Kong

#### 香港主要營業地點

3rd Floor, Effectual Building,  
16 Hennessy Road,  
Wanchai,  
Hong Kong  
香港  
灣仔  
軒尼詩道16號宜發大廈3樓

### Principal Place of Business in the PRC

#### 中國主要營業地點

1-3/F, Building D, Shenzhen Junxuan,  
No.16 Yinkui Road,  
Kui Xin Community,  
Kui Chong Office,  
Dapeng New District,  
Shenzhen,  
The PRC  
中國  
深圳市  
大鵬新區  
葵涌街道  
葵新社區  
銀葵路16號  
深圳君軒D棟一至三層

### Principal Share Registrar and Transfer Office in the Cayman Islands

#### 開曼群島股份過戶登記處

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

### Hong Kong Share Registrar and Transfer Branch Office

#### 香港股份過戶登記分處

Tricor Investor Services Limited  
Level 54, Hopewell Centre,  
183 Queen's Road East,  
Hong Kong  
卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心54樓

### Company's Websites

#### 公司網址

<http://www.szhuakang.com>

### Stock code

#### 股份代號

8622

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW AND OUTLOOK

Our Group is a medical device group specialised in the research and development, manufacture and sale of a wide range of IVD reagents in the PRC and particularly focused on the PRC male fertility IVD market.

For the six months ended 30 June 2019, our Group experienced a decrease in revenue from sales of our male fertility IVD reagent products, which was our major product. Our Directors are of the view that such decrease was mainly due to: (i) the recent decrease in birth rate of the PRC according to the statistics published by the National Bureau of Statistics of the PRC; and (ii) the increase in price sensitivity of some of the customers of the Group. Nevertheless, we anticipate that the PRC Government will continue to focus on and support the development of biomedical industry. In the meantime, the growth of the PRC male fertility IVD reagent market is also expected to be driven by the increasing rate of infertility incidences, widespread acceptance of assisted reproductive treatment, rising per capita income and expenditures on healthcare, implementation of a universal two-child policy, favourable policies by the PRC Government in support of a hierarchical diagnosis and treatment system, and increasing coverage for the country's basic medical insurance system.

To capture the market opportunities, our development strategy is to further promote our product competitiveness by continuously devoting our focus on research and development and stepping up our effort in market promotion. We aim to grow our business through pursuing the following business strategies: (i) expand our product portfolio and improve our existing product offerings; (ii) strengthen our product research and development capabilities; (iii) expand and consolidate our sales and distribution network; (iv) cultivate and recruit talented employees; and (v) develop our auxiliary reproductive supply business.

### 業務回顧及展望

本集團是一家專注於在中國研發、生產及銷售各種體外診斷試劑的醫療器械集團，尤其專注於中國男性不育體外診斷試劑市場。

於截至二零一九年六月三十日止六個月，本集團的男性不育體外診斷試劑產品銷售收入減少，其為我們主要產品。我們的董事認為這種減少是由於：(i)根據中國國家統計局發佈之資料，中國最近期的生育率下降；及(ii)本集團若干客戶之價格敏感度增加。儘管如此，但我們預期中國政府將繼續關注及支持生物醫學產業的發展。同時亦預期中國男性不育體外診斷試劑市場之增長受以下因素的驅動：不孕發生率上升、普遍接受輔助生育治療、人均收入及醫療開支增加、全面二孩政策的實施、中國政府支持分級診療制度的優惠政策及國家基本醫療保險體系覆蓋率不斷提升。

為把握市場機遇，我們的發展戰略是透過持續致力於研發以進一步提升產品競爭力，及加大市場推廣力度。我們擬透過採取下列主要業務策略發展我們的業務：(i)拓展我們的產品組合及改善我們現有的產品種類；(ii)加強我們的研發能力；(iii)擴大及整合我們的銷售及分銷網絡；(iv)培養及招聘人才；及(v)發展我們輔助生育用品業務。

## FINANCIAL REVIEW

### Revenue

The Group's revenue decreased by approximately RMB1.7 million or 12.9%, to approximately RMB11.6 million for the six months ended 30 June 2019 (six months ended 30 June 2018: approximately RMB13.4 million). The decrease in revenue was mainly due to a decrease in revenue from sales of male fertility IVD reagents, auxiliary reproductive supplies and equipment and parasite antibody from detection reagents .

Male fertility IVD reagents product remained our major product for the six months ended 30 June 2019, accounting for approximately 82.7% of our total revenue for the period. Revenue from this segment for the period was approximately RMB9.6 million, representing a decrease of approximately RMB1.2 million or 11.4% from approximately RMB10.9 million for the six months ended 30 June 2018 resulting from decrease in sales to some of the Group's direct sales customers and distributors during the period. Our Directors are of the view that such decrease was mainly attributable to: (i) the recent decrease in birth rate of the PRC according to the statistics published by the National Bureau of Statistics of the PRC; and (ii) the increase in price sensitivity of some of the customers of the Group.

The decrease in sales of auxiliary reproductive supplies and equipment of approximately RMB241,000 was primarily attributable to the decrease in sales of the assembly-line type of full automatic enzyme-linked immunologic workstation which were purchased by our customers for diagnostic tests purposes as needed. In addition, the decrease in sales of parasite antibody detection reagents of approximately RMB182,000 was primarily due to decrease in purchase of our detection kit for IgG antibody to *Schistosoma japonicum* by some of our distributors for the six months ended 30 June 2019.

### 財務回顧

#### 收益

本集團於截至二零一九年六月三十日止六個月較去年錄得收益減少約人民幣1.7百萬元或約12.9%至約人民幣11.6百萬元(截至二零一八年六月三十日止六個月:約人民幣13.4百萬元)。收入減少主要來自男性不育體外診斷試劑、輔助生育用品和設備及寄生蟲系列檢測試劑的銷售減少。

男性體外診斷試劑產品於截至二零一九年六月三十日止六個月仍為我們的主要產品，佔我們期內總收益約82.7%。期內來自此分部的收入約為人民幣9.6百萬元，相當於較截至二零一八年六月三十日止六個月約人民幣10.9百萬元減少約人民幣1.2百萬元或11.4%，主要原因是本集團部份客戶的銷售下跌，包括經銷商及終端客戶。董事認為該減少乃主要由於(i)根據中國國家統計局發佈之資料，中國最近期的生育率下降；及(ii)本集團若干客戶之價格敏感度增加。

輔助生育用品和設備的銷售減少約人民幣241,000元主要是我們的客戶減少根據其診斷測試的需求購買的流水線式全自動酶聯免疫工作站。此外，寄生蟲系列檢測試劑的銷售減少約人民幣182,000元主要是截至二零一九年六月三十日止六個月我們若干新增分銷商減少採購日本血吸蟲IgG抗體檢測试剂盒。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Gross Profit and Gross Profit Margin

The Group recorded a gross profit of approximately RMB8.5 million for the six months ended 30 June 2019, representing a decrease of approximately RMB1.6 million or approximately 16.0% from approximately RMB10.1 million for the six months ended 30 June 2018.

The Group's gross profit margin remained relatively stable at approximately 72.6% for the six months ended 30 June 2019 as compared with the gross profit margin of approximately 75.3% for the six months ended 30 June 2018.

#### Other Income and Other Gains and Losses

Our other income slightly increased by approximately RMB16,000 or 16.0%, from approximately RMB100,000 for the six months ended 30 June 2018 to approximately RMB116,000 for the six months ended 30 June 2019.

We recorded other losses of approximately RMB169,000 for the six months ended 30 June 2019, whereas we recorded other gains of approximately RMB181,000 for the six months ended 30 June 2018. Such change was mainly due to an adverse effect in foreign currency translated to RMB.

#### Impairment losses

We recorded reversal of impairment losses on trade and other receivables of approximately RMB496,000 for the six months ended 30 June 2019 (six months ended 30 June 2018: reversal of impairment losses on trade and other receivables of approximately RMB129,000) mainly because most of the impaired trade and other receivable as at 31 December 2018 has been subsequently settled up to the date of this report.

#### 毛利及毛利率

本集團截至二零一九年六月三十日止六個月錄得毛利約人民幣8.5百萬元，較截至二零一八年六月三十日止六個月之約人民幣10.1百萬元減少約人民幣1.6百萬元或約16.0%。

本集團的毛利率保持相對穩定由截至二零一九年六月三十日止六個月約72.6%對比截至二零一八年六月三十日止六個月約75.3%。

#### 其他收入及其他虧損

其他收入由截至二零一八年六月三十日止六個月約人民幣100,000元輕微增加約人民幣16,000元或16.0%至截至二零一九年六月三十日止六個月約人民幣116,000元。

我們於截至二零一九年六月三十日止六個月錄得其他虧損約人民幣169,000元，而我們於截至二零一八年六月三十日止六個月錄得其他收入約人民幣181,000元。有關變動主要由於外幣兌換為人民幣的匯率不利影響導致。

#### 減值虧損

我們於截至二零一九年六月三十日止六個月錄得貿易及其他應收款項回撥減值虧損約人民幣496,000元（截至二零一八年六月三十日止六個月：貿易及其他應收款項回撥減值虧損約人民幣129,000元），主要乃由於大部份於二零一八年十二月三十一日已減值的貿易及其他應收款項已於本報告日前回款。

## Expenses

Our selling and distribution expenses increased from approximately RMB1.6 million for the six months ended 30 June 2018 to approximately RMB2.9 million for the six months ended 30 June 2019, representing a growth of approximately RMB1.3 million or 82.6% during the period. The growth was primarily attributable to (i) an increase in staff cost by RMB587,000 or 81.2%, mainly due to the expansion of our sales and marketing team (including recruitment of senior sales and marketing personnel) and increase in their average salary as determined by the supply and demand conditions of the local labor market; and (ii) an increase marketing expense and travel and transportation expenses of approximately RMB536,000, or 118.8% related to the exploration of new business opportunities and potential international cooperation.

Administrative expenses increased from approximately RMB2.2 million for the six months ended 30 June 2018 to approximately RMB4.5 million for the six months ended 30 June 2019, representing an increase of approximately RMB2.3 million or 105.8% during the period. Such increase was mainly attributable to (i) an increase in audit and other professional fee of RMB1.4 million, in relation to the compliance with the GEM Listing Rules after the Listing; (ii) an increase in staff cost of RMB484,000 or 40.5%, as a result of an increase in average salary of our administrative personnel as determined by the supply and demand conditions of the local labor market and the appointment of our some of our Directors after the listing of our shares on GEM (the “**Listing**”) on 13 December 2018 (the “**Listing Date**”), (iii) a payment of one-off special bonus in the amount of RMB169,000 during the six months ended 30 June 2019 to employees based on their performance, and (iv) an increase in rental and utilities expenses in the amount of RMB264,000 for new office in Hong Kong since February 2019.

## 開支

我們的銷售及分銷開支由截至二零一八年六月三十日止六個月約人民幣1.6百萬元增加至截至二零一九年六月三十日止六個月約人民幣2.9百萬元，期內增長約人民幣1.3百萬元或82.6%。該增長主要由於(i)員工成本增加人民幣587,000元或81.2%，主要由於擴大我們的銷售及營銷團隊(包括聘請資深銷售及營銷人員)及按本地勞動力市場供求狀況釐定我們的銷售及營銷人員平均薪資有所上升而增加；及(ii)探索新商業機會及潛在國際合作導致產生的營銷開支及差旅運輸開支增加約人民幣536,000元或118.8%。

行政開支由截至二零一八年六月三十日止六個月約人民幣2.2百萬元增加至截至二零一九年六月三十日止六個月約人民幣4.5百萬元，期內增加約人民幣2.3百萬元或105.8%。該增加乃主要由於(i)上市後就符合GEM上市規則而增加的相關審計及其他專業費用人民幣1.4百萬元；(ii)員工成本增加人民幣484,000元或40.5%，主要由於按本地勞動力市場供求狀況釐定我們的行政人員平均薪資有所上升而增加及自本公司於二零一八年十二月十三日(「**上市日期**」)於聯交所GEM上市(「**上市**」)後新聘請幾名董事；(iii)基於僱員表現截至二零一九年六月三十日止六個月所派發的一次性特別花紅人民幣169,000元，及(iv)自二零一九年二月我們香港新辦公室的租金及公用事業開支人民幣264,000元。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

Research and development expenses increased from approximately RMB699,000 for the six months ended 30 June 2018 to approximately RMB832,000 for the six months ended 30 June 2019, representing an increase of approximately RMB133,000 or 19.0%. Such increase was mainly due to more research projects commenced during the six months ended 30 June 2019.

#### Profit for the period

For the six months ended 30 June 2019, the Group recorded a profit of approximately RMB223,000 (six months ended 30 June 2018: profit of approximately RMB2.0 million). Basic earnings per share for the period was RMB0.06 cents (six months ended 30 June 2018: earnings per share of RMB0.68 cents).

Excluding non-recurring listing expenses, the Group recorded a profit before tax for the period of approximately RMB670,000 (six months ended 30 June 2018: approximately RMB6.0 million). The decrease was mainly due to the reasons mentioned above in relation to a decrease in revenue and an increase in our selling and distribution expenses and administrative expenses.

#### Taxation

The PRC enterprise income tax rate applicable to the Group's subsidiaries is 15% (six months ended 30 June 2018: 15%).

研發開支由截至二零一八年六月三十日止六個月約為人民幣699,000元增加至截至二零一九年六月三十日止六個月約為人民幣832,000元，期內增加約人民幣133,000元或19.0%。該增加乃主要由於更多研發項目開始於截至二零一九年六月三十日止六個月。

#### 期內溢利

截至二零一九年六月三十日止六個月，本集團錄得溢利約人民幣223,000元（截至二零一八年六月三十日止六個月：溢利約人民幣2.0百萬元）。期內每股基本盈利為人民幣0.06分（截至二零一八年六月三十日止六個月：每股盈利人民幣0.68分）。

撇除非經常性上市開支後，本集團期內錄得除稅前溢利約人民幣670,000元（截至二零一八年六月三十日止六個月：約人民幣6.0百萬元）。減少乃主要以上提及有關收益減少及我們的銷售及分銷開支及行政開支增加所導致。

#### 稅項

本集團附屬公司適用之中國企業所得稅率為15%（截至二零一八年六月三十日止六個月：15%）。

## USE OF PROCEEDS FROM SHARE OFFER

The shares of the Company (the “Shares”) were listed on GEM of the Stock Exchange on the Listing Date at HK\$0.5 per Share. The net proceeds from the Share Offer (as defined in the Prospectus), after deduction of underwriting fees and commission, and other expenses payable by the Company in connection with the Share Offer, amounted to approximately HK\$16.6 million. During the period from the Listing Date to 30 June 2019, the Group did not change its plans on use of proceeds as stated in the section headed “Future Plans and Use of Proceeds” in the prospectus dated 30 November 2018 (the “Prospectus”).

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

## 股份發售所得款項用途

本公司股份(「股份」)於上市日期於聯交所GEM上市，每股股份為0.5港元。股份發售(定義見招股章程)所得款項淨額(經扣除包銷費用及佣金以及本公司就股份發售應付的其他開支)為約16.6百萬港元。自上市日期至二零一九年六月三十日期間，本集團並無改變其於日期為二零一八年十一月三十日的招股章程(「招股章程」)「未來計劃及所得款項用途」一節所述所得款項用途計劃。

本集團對股份發售所得款項淨額的使用情況載列如下：

Use of Net Proceeds	Amount of Net Proceeds allocated upon listing		Percentage of net proceeds	Use of proceeds from the Listing Date to 30 June 2019		Balance as at 30 June 2019
	上市時分配的所得款項淨額	所得款項淨額百分比		自上市日期至二零一九年六月三十日的所得款項用途	於二零一九年六月三十日的結餘	
所得款項淨額用途	(HK\$ million) <sup>(1)</sup> (百萬港元) <sup>(1)</sup>	(RMB'000) <sup>(2)</sup> (人民幣千元) <sup>(2)</sup>		Planned use 計劃用途 (RMB'000) (人民幣千元)	Actual use 實際用途 (RMB'000) (人民幣千元)	(RMB'000) (人民幣千元)
Developing new products, improving our existing products and carrying out international cooperation projects 開發新產品、改良我們的現有產品及開展國際合作項目	6.9	6,087	41.5%	1,263	579	5,508
Expanding our sales network and enhancing our marketing activities 擴展我們的銷售網絡及加強我們的銷售及市場推廣活動	4.5	4,011	27.3%	1,186	1,092	2,919
Developing auxiliary reproductive supply business 發展輔助生育產品業務	4.6	4,100	27.9%	-	-	4,100
Working capital 營運資金	0.6	481	3.3%	92	92	389
Total 總計	16.6	14,679	100.0%	2,541	1,763	12,916

Notes:

附註：

- (1) The net proceeds from the Share Offer based on the Offer Price of HK\$0.50 per Offer Share.
- (2) Translation based on the exchange rate of RMB1.00 to HK\$1.13.

- (1) 基於每股發售股份之發售價0.50港元之股份發售所得款項淨額。
- (2) 基於人民幣1.00元兌1.13港元之匯率換算。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Comparison of Business Objectives with Actual Business Progress 業務目標與實際業務進度比較

The proceeds raised from the Listing are intended to be used for further strengthening our market position and expanding our market shares by pursuing our business strategies. An analysis comparing the business objectives as set out in the Prospectus with the Group's actual business progress for the period from the Listing Date up to 30 June 2019 is set out below:

上市所得款項旨在透過按照我們的業務策略進一步增強我們的市場地位及擴大我們的市場份額。招股章程所載業務目標與本集團自上市日期直至二零一九年六月三十日之實際業務進度比較分析載列如下：

Business objectives as set out in the Prospectus	Actual business progress for the period from the Listing Date to 30 June 2019
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招股章程所載業務目標

自上市日期至二零一九年六月三十日之  
實際業務進度

Development of new products  
開發新產品

(i) The Group continued the final stage of clinical trials of vitro diagnostic reagents for sperm nuclear DNA integrity by three hospitals which were independent third parties; (ii) spermatozoa diagnostic reagent, sperm mitochondrial diagnostic reagent and anti-mullerian hormone with the application of chemiluminescence technology were still in the preliminary phase, and we carried out works such as data collecting, sourcing of materials and equipment, and undergoing the demonstration stage of the research and development program; (iii) we worked with the development partner to determine the structure of the research program in relation to the fully automated sperm dyeing detection equipment; and (iv) the Group has manufactured the prototype of semen biochemical immunoassay equipment and its software and hardware were being debugged.

As at 30 June 2019, the Group has recruited one technician and two production workers. The Group was unable to hire expected number of suitable research and development personnel, technicians and production workers whose experience and qualifications meet the requirements of relevant positions as a result of the limited supply of suitable personnel in the market.

本集團(i)現繼續進行由三家獨立第三方醫院對精子核DNA完整性體外診斷試劑進行最後階段的臨床試驗；(ii)精子診斷試劑、精子線粒體診斷試劑及抗苗勒氏管激素配合應用化學發光技術目前尚在初步階段，我們進行的工作例如資料搜集、物料及研發設備採購、及正在進行研發方案的論證階段；(iii)我們正在與開發合作方確定全自動精子染色檢測設備研發方案及設備的結構組成；及(iv)本集團已完成試驗製造精液生化免疫分析儀的樣板機，正在調試軟硬體配合。

於二零一九年六月三十日，本集團因應勞動市場適合人員之供應有限，並未聘用預期數量合適的研發人員、技術員及生產工人其經驗及資歷符合相關崗位要求。目前只招聘了1名技術員及2名生產工人。

Improving existing products  
改良現有產品

The Group has completed the clinical trial of the improved products “seminal plasma fructose quantitative assay kit” and “Seminal plasma neutral alpha-glucosidase quantitative assay kit” and is planning to proceed with registration.

As at 30 June 2019, the Group was unable to hire suitable research and development personnel, technicians and production workers whose experience and qualifications meet the requirements of the relevant positions as a result of the limited supply of suitable personnel in the market. Our Group’s existing staff can temporarily take up the work.

本集團現已完成改良精漿果糖(酶法)定量測定試劑盒及精漿中性 $\alpha$ 葡糖苷酶測定試劑盒的臨床試驗，準備啟動註冊工作

於二零一九年六月三十日，本集團因應勞動市場適合人員之供應有限，目前未能聘用合適的研發人員、技術人員及生產工人其經驗及資歷符合相關崗位要求。本集團的現有員工暫能配合工作。

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

Our staff explored and paid visits to a number of potential and new customers located in the northern part of the PRC and participated in a total of seven annual conferences and academic conferences held throughout China.

The Group has recruited seven sales and marketing personnel and two technicians, whose experience and qualifications meet the requirements of the relevant positions.

我們的員工開發及拜訪中國北部的若干潛在及新客戶及於期內參與了共7個在中國各地舉行之年會及學術會議

本集團目前已招聘了7名銷售員及2名技術人員，其經驗及資歷符合相關崗位之要求。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### LIQUIDITY AND FINANCIAL RESOURCES

During the six months ended 30 June 2019, the Group's operations were generally financed by the internally generated cash flow and proceeds from the Listing.

As at 30 June 2019, the Group had a total cash and bank balances of approximately RMB46.1 million, compared to approximately RMB54.8 million as at 31 December 2018. The decrease was mainly due to the payment of daily operating expenses. As at 30 June 2019, the Group had no bank loans, bank facility nor other borrowings (31 December 2018: Nil). Gearing ratio (which is calculated by dividing total debt by total equity) was not applicable to the Group as at 30 June 2019 (31 December 2018: Nil).

#### FUTURE PROSPECTS

During the six months ended 30 June 2019, the Group participated in several medical device and male reproduction and andrology related annual conference and academic conference to promote our products. In addition, the Group also intends to recruit more sales personnel for business expansion.

The Group plans to use part of the proceeds from the Listing to expand the production and distribution of auxiliary reproductive products in the PRC. We are currently liaising with overseas manufacturers for collaboration and collecting of market information for auxiliary reproductive products.

Besides, the Group plans to develop new products, improve existing products and carry out international cooperation projects. Further, the three newly developed products are undergoing the final phase of clinical evaluation and trials and is planning to proceed with registration within this year.

#### 流動資金及財務資源

截至二零一九年六月三十日止六個月，本集團的營運主要由內部產生的現金流量及上市所得款項提供資金。

於二零一九年六月三十日，本集團的現金及銀行結餘總額為約人民幣46.1百萬元，而二零一八年十二月三十一日為約人民幣54.8百萬元。該減少乃主要由於日常營運開支支付。於二零一九年六月三十日，本集團並無任何銀行貸款，銀行融資或其他借款(二零一八年十二月三十一日：零)。資本負債比率(按負債總額除以權益總額計算)並不適用於本集團(二零一八年十二月三十一日：不適用)。

#### 未來前景

截至二零一九年六月三十日止六個月，本集團已參與多個醫療器械及男性生殖及男科學相關年會及學術會議以推廣我們的產品。另外，本集團亦計劃招聘更多銷售人員進行業務擴張。

本集團計劃將部分上市所得款項用於在中國擴大生產及分銷輔助生育產品。我們現時正與海外生產商接洽進行合作及收集輔助生育產品的市場資料。

此外，本集團計劃開發新產品、改善現有產品及開展國際合作項目。三大新開發產品現正進行最後臨床評估及試驗階段及準備在今年內啟動註冊工作。

To capture the market opportunities, our development strategy is to further promote our product competitiveness by continuously devoting our focus on research and development and stepping up our effort in market promotion. We aim to grow our business through pursuing the following business strategies: (i) expand our product portfolio and improve our existing product offerings; (ii) strengthen our product research and development capabilities; (iii) expand and consolidate our sales and distribution network; (iv) cultivate and recruit talented employees; and (v) develop our auxiliary reproductive supply business.

### EMPLOYEES AND REMUNERATION POLICIES

The emolument policy for the employee of the Group is set up by the management on the basis of their merit, qualifications and competence. Under the emolument policy, the basis of determining the emolument payable to Directors is subject to the decision of the remuneration committee of the Company. As at 30 June 2019, the Group had 83 full-time employees (31 December 2018: 70) located in Hong Kong and the PRC for operation. Details of the staff costs, including Directors' remuneration, incurred by the Group are set out in note 10 in the Notes to the unaudited condensed consolidated financial statements in this Report.

The remuneration committee will review and determine the remuneration and compensation packages of the Directors after having considered their responsibilities, workload, time devoted to our Group and the performance of our Group. As at the date of this Report, no share option scheme has been adopted.

### CAPITAL STRUCTURE

The Company's issued Shares were successfully listed on GEM of the Stock Exchange on the Listing Date. There has been no change in the Company's capital structure since the Listing Date. The share capital of the Group only comprises ordinary shares. As at 30 June 2019, the Company's issued share capital was HK\$4,000,000 and the number of its issued shares was 400,000,000 of HK\$0.01 each.

為把握市場機遇，我們的發展戰略是透過持續致力於研發以進一步提升產品競爭力，及加大市場推廣力度。我們擬透過採取下列主要業務策略發展我們的業務：(i) 拓展我們的產品組合及改善我們現有的產品種類；(ii) 加強我們的研發能力；(iii) 擴大及整合我們的銷售及分銷網絡；(iv) 培養及招聘人才；及(v) 發展我們輔助生育用品業務。

### 僱員及薪酬政策

本集團僱員的薪酬政策乃管理層根據彼等之特長、資格及能力設立。根據薪酬政策，應付董事之酬金須由本公司薪酬委員會釐定。於二零一九年六月三十日，本集團於香港及中國擁有83名全職僱員(二零一八年十二月三十一日：70名)開展業務。有關本集團所產生員工成本(包括董事酬金)之詳情，載於本報告未經審核簡明綜合財務報表附註之附註10。

薪酬委員會將考慮董事各自的職責、工作量、為本集團貢獻的時間及本集團的業績表現檢討後釐定董事之薪酬及報酬包。截至本報告日期，並無採納任何購股權計劃。

### 資本架構

本公司的已發行股份已於上市日期在聯交所GEM成功上市。自上市日期起，本公司的資本架構並無任何變動。本公司的股本僅包括普通股。於二零一九年六月三十日，本公司已發行股本為人民幣4,000,000元，其已發行股本數目為400,000,000股每股0.01港元之股份。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### PRINCIPAL RISKS AND UNCERTAINTIES

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

#### FOREIGN EXCHANGE EXPOSURE

The functional currencies of our operations, assets and liabilities are mostly denominated in Renminbi ("RMB"). Therefore, we were not exposed to any significant foreign exchange risk, except for our Hong Kong Dollar ("HK\$") denominated bank balances and net proceeds from the Share Offer that are denominated in HK\$. The Group currently does not have a foreign currency hedging policy. The Group did not engage in any derivatives agreements and did not commit to any financial instruments to hedge its foreign exchange exposure throughout the six months ended 30 June 2019. The management will closely monitor foreign currency exposure and will consider hedging significant foreign currency exposure should then need arises.

#### TREASURY POLICIES

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

#### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

For the six months ended 30 June 2019, the Group did not make any material acquisitions and disposals of subsidiaries and affiliated companies.

#### SIGNIFICANT INVESTMENT HELD

As at 30 June 2019, the Group did not have any significant investment held.

#### 主要風險及不明朗因素

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

#### 外匯風險

我們營運、資產及負債的功能貨幣大部分以人民幣（「人民幣」）計值。因此，除我們的港元（「港元」）計值銀行結餘及港元計值股份發售所得款項淨額外，我們並無面臨任何重大外匯風險。本集團現時並無外匯對沖政策。本集團並無參與任何衍生工具協議，且並無承諾任何金融工具以對沖其於截至二零一九年六月三十日止六個月的外匯風險。管理層將密切監控外匯風險，並將於有需要時考慮對沖重大的外幣風險。

#### 庫務政策

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

#### 重大收購及出售附屬公司及關聯公司

截至二零一九年六月三十日止六個月，本集團並無作出任何重大收購及出售附屬公司及關聯公司。

#### 重大投資持有

於二零一九年六月三十日，本集團並無持有任何重大投資。

### PLEDGE OF ASSETS

As at 30 June 2019, the Group did not pledge any of its material assets (31 December 2018: Nil).

### CAPITAL COMMITMENTS

As at 30 June 2019, the Group had capital commitments of approximately RMB322,000 (31 December 2018: 329,000) in respect of the acquisition of property, plant and equipment.

### CONTINGENT LIABILITIES

As at 30 June 2019, the Company had no outstanding corporate guarantee (31 December 2018: Nil). As at 30 June 2019, the Group had no banking facilities and did not have any significant contingent liabilities (31 December 2018: Nil).

### FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

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

### DIVIDEND

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

### SUBSEQUENT EVENTS

The Board is not aware of any significant event subsequent to 30 June 2019 and up to the date of this Report.

### 資產抵押

於二零一九年六月三十日，本集團並無抵押任何重大資產(二零一八年十二月三十一日：無)。

### 資本承擔

於二零一九年六月三十日，本集團就購買物業、廠房及設備擁有資本承擔約人民幣322,000元(二零一八年十二月三十一日：人民幣329,000元)。

### 或然負債

於二零一九年六月三十日，本公司概無尚未償還公司擔保(二零一八年十二月三十一日：無)。於二零一九年六月三十日，本集團概無銀行融資及並無任何重大或然負債(二零一八年十二月三十一日：無)。

### 有關重大投資或資本資產的日後計劃

除招股章程「未來計劃及所得款項用途」一節所披露者外，本集團於本報告日期並無其他有關重大投資或資本資產的計劃。

### 股息

董事不建議派付截至二零一九年六月三十日止六個月的任何股息(截至二零一八年六月三十日止六個月：零)。

### 期後事項

於二零一九年六月三十日後及直至本報告日期，董事會並不知悉任何重大事項。



#### Directors' and Controlling Shareholders' Interest in Contracts

Apart from the contracts in relation to the reorganisation of our Group in relation to the Listing, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, or any of its holding company or subsidiaries was a party and in which a Director, controlling shareholders (as defined in the GEM Listing Rules) of the Company and their respective connected parties had a material interest, whether directly or indirectly, subsisted at any time for the six months ended 30 June 2019.

#### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 30 June 2019, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which, once the Shares are listed on GEM of the Stock Exchange, will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest or short positions which they are taken or deemed to have under such provision of the SFO) or will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, will be as follows:

#### 董事及控股股東於合約的權益

除有關本集團就上市進行重組的合約外，於截至二零一九年六月三十日止六個月內任何時間，本公司或其任何控股公司或附屬公司概無參與訂立與本集團業務有關，而本公司董事、控股股東(定義見GEM上市規則)及彼等各自關連人士於當中直接或間接擁有重大權益的重大交易、安排及合約。

#### 董事及最高行政人員於本公司及其相關法團之股份、相關股份及債權證的權益及淡倉

於二零一九年六月三十日，董事及本公司最高行政人員於本公司或其任何相關法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有(一旦股份於聯交所GEM上市後)須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的任何權益或淡倉)，或根據證券及期貨條例第352條須登記於該條所指的登記冊內的權益及淡倉，或根據有關董事進行證券交易的GEM上市規則第5.46至5.67條上市發行人董事進行證券交易之標準守則須知會本公司及聯交所的權益及淡倉如下：

**Long Positions in the Shares**

**於股份之好倉**

**Ordinary shares of HK\$0.01 each of the Company**

**本公司每股面值0.01港元之普通股**

Name of Directors/ Chief Executive 董事／最高行政人員姓名	Capacity/Nature of Interest 身份／權益性質	Number of ordinary shares held <sup>(1)</sup> 所持普通股數目 <sup>(1)</sup>	Percentage of shareholding <sup>(2)</sup> 股權百分比 <sup>(2)</sup>
Mr. Zhang Shuguang 張曙光先生	Interests of controlled corporation and concert party <sup>(3)</sup> 受控法團權益及一致行動人士 <sup>(3)</sup>	240,000,000	60.0%

Notes:

附註：

- (1) All interest stated are long positions.
  - (2) The calculation is based on the total number of 400,000,000 Shares in issue as at 30 June 2019.
  - (3) On 16 November 2017, Mr. Zhang Shuguang and Mr. Chang Yim Yang entered into the Acting-in-concert Confirmation (“**Confirmation**”) to acknowledge and confirm, among other things, that they have been and will be actively cooperating, communicating, and acting in concert with each other with respect to their interest in or the business of the relevant members of our Group since they became shareholders of the Company and will continue to act in concert after the signing of the Confirmation. For further details, please refer to the section headed “History and Reorganisation” in the Prospectus. The aggregate of 240,000,000 Shares is deemed to be interested by them in aggregate under the SFO, consist of (i) 144,576,000 Shares held by Crystal Grant Limited (“**Crystal Grant**”), a company wholly owned by Mr. Zhang Shuguang, in which Mr. Zhang Shuguang is deemed to be interested under the SFO; and (ii) 95,424,000 Shares held by Ever Charming Inc. (“**Ever Charming**”), a company wholly owned by Mr. Chang Yim Yang, in which Mr. Zhang Shuguang is deemed to be interested as a result of being a party acting in concert with Mr. Chang Yim Yang.
- (1) 所有所列權益均為好倉。
  - (2) 此乃基於二零一九年六月三十日的已發行股份總數400,000,000股計算。
  - (3) 於二零一七年十一月十六日，張曙光先生及張賢陽先生訂立一項一致行動確認書（「**確認書**」），以承認並確認（其中包括）彼等於成為本公司股東後一直並將就彼等於本集團有關成員公司之權益或相關業務積極合作溝通並彼此保持一致行動，且將於簽署確認書後繼續保持一致行動。有關進一步詳情，請參閱招股章程「歷史及重組」一節。根據證券及期貨條例，彼等合計被視為於合共240,000,000股股份中擁有權益，其中包括(i)Crystal Grant Limited（「**Crystal Grant**」，由張曙光先生全資擁有之公司）持有之144,576,000股股份，根據證券及期貨條例張曙光先生被視為於其中擁有權益；及(ii)Ever Charming Inc.（「**Ever Charming**」，由張賢陽先生全資擁有之公司）持有之95,424,000股股份，由於張曙光先生為與張賢陽先生一致行動之人士，故其被視為於該等股份中擁有權益。

## OTHER INFORMATION

### 其他資料

#### Long Position in the Ordinary Shares of Associated Corporations 於相聯法團普通股之好倉

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

Note: All interest stated are long positions.

附註：所有列權益均為好倉。

Save as disclosed above, as at 30 June 2019, none of the Directors and the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have under such provision of the SFO) or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which would be required pursuant to Part XV of the SFO or Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零一九年六月三十日，概無董事及本公司最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的任何權益或淡倉(包括根據證券及期貨條例有關條文彼被當作或視為擁有之權益或淡倉)，或根據證券及期貨條例第352條須登記於該條所述登記冊的任何權益或淡倉，或根據證券及期貨條例第XV部或GEM上市規則第5.46條至第5.67條須知會本公司及聯交所的任何權益或淡倉。

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

**主要股東及其他人士於股份及相關股份之權益及淡倉**

As at 30 June 2019, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interest or short position in the Shares or underlying Shares which fell to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

於二零一九年六月三十日，據董事所知，以下人士（既非董事亦非本公司最高行政人員）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司及聯交所披露，或記錄於本公司根據證券及期貨條例第336條須存置之登記冊內的權益或淡倉：

Name of Shareholders 股東姓名／名稱	Capacity/Nature of Interest 身份／權益性質	Number of ordinary shares held 所持普通股數目	Percentage of shareholding 股權百分比
Crystal Grant	Beneficial owner and concert party <sup>(1)</sup>	240,000,000	60.0%
Crystal Grant	實益擁有人及一致行動人士 <sup>(1)</sup>		
Ever Charming	Beneficial owner and concert party <sup>(1)</sup>	240,000,000	60.0%
Ever Charming	實益擁有人及一致行動人士 <sup>(1)</sup>		
Mr. Chang Yim Yang	Interests of controlled corporation <sup>(1)</sup>	240,000,000	60.0%
張賢陽先生	受控法團權益 <sup>(1)</sup>		
Gallizul Global Investments Incorporated ("Gallizul")	Beneficial owner	36,000,000	9.0%
Gallizul Global Investments Incorporated (「Gallizul」)	實益擁有人		
Huang Yan	Interests of controlled corporation <sup>(2)</sup>	36,000,000	9.0%
黃豔	受控法團權益 <sup>(2)</sup>		

## OTHER INFORMATION

### 其他資料

#### Notes:

- (1) On 16 November 2017, Mr. Zhang Shuguang and Mr. Chang Yim Yang entered into the Confirmation to acknowledge and confirm, among other things, that they have been and will be actively cooperating, communicating, and acting in concert with each other with respect to their interest in or the business of the relevant members of our Group since they became shareholders of the Company and will continue to act in concert after the signing of the Confirmation. For further details, please refer to the section headed "History and Reorganisation" in the Prospectus. The aggregate of 240,000,000 Shares is deemed to be interested by them in aggregate under the SFO, consist of (i) 144,576,000 Shares held by Crystal Grant, a company wholly owned by Mr. Zhang Shuguang, in which Mr. Chang Yim Yang is deemed to be interested as a result of being a party acting in concert with Mr. Zhang Shuguang; and (ii) 95,424,000 Shares held by Ever Charming, a company wholly owned by Mr. Chang Yim Yang, in which Mr. Chang Yim Yang is deemed to be interested under the SFO.
- (2) As Gallizul is owned as to 50% by Ms. Huang Yan, she is deemed to be interested in all the shares held by Gallizul

#### 附註：

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

### Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this Report, at no time during the six months ended 30 June 2019 and up to the date of this Report, have the Directors and the chief executive of the Company and their respective close associates (as defined in the GEM listing rules) had any interests in, or had been granted, or exercised any rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company and/or its associated corporations (within the meaning of SFO).

### Competing Interests

The Directors confirm that none of the Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by our Group which competes or is likely to compete, directly or indirectly, with our Group's business during the six months ended 30 June 2019 and up to the date of this Report.

### 董事收購股份或債權證的權利

除本報告另有披露者外，於截至二零一九年六月三十日止六個月任何時間直至本報告日期，董事及本公司最高行政人員及彼等各自之緊密聯繫人（定義見GEM上市規則）概無於本公司及／或其相聯法團（定義見證券及期貨條例）之股份或債權證中擁有任何權益或獲授予或行使可藉收購本公司及／或其相聯法團股份或債權證而獲取利益之任何權利。

### 競爭權益

董事確認，於截至二零一九年六月三十日止六個月直至本報告日期，概無控股股東或董事或彼等各自之緊密聯繫人（定義見GEM上市規則）於本集團經營業務以外且直接或間接與本集團業務構成競爭或可能構成競爭的任何業務中擁有權益。

### Interest of Compliance Adviser

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed RHB Capital Hong Kong Limited (“**RHB Capital**”) as the compliance adviser. RHB Capital, being the sole sponsor to the Listing, has declared its independence pursuant to Rule 6A.07 of the GEM Listing Rules.

With effect from 31 May 2019, RHB Capital and the Company have mutually agreed to terminate the compliance adviser agreement and Ever-Long Securities Company Limited (“**Ever-Long**” or “**Compliance Adviser**”) has been appointed as the new compliance adviser on the same day.

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

### Purchase, Sales or Redemption of Listed Securities

There were no purchases, sales or redemptions of the Company’s listed securities by the Company or any of its subsidiaries during the six months ended 30 June 2019.

### 合規顧問的權益

根據GEM上市規則第6A.19條，本公司委任興業金融融資有限公司(「**興業金融融資**」)為合規顧問。興業金融融資為上市之獨家保薦人，已根據GEM上市規則聲明其獨立性。

自二零一九年五月三十一日起，興業金融融資與本公司已雙方同意終止合規顧問協議。於同日，長雄證券有限公司(「**長雄**」或「**合規顧問**」)已被任命為新的合規顧問。

於二零一九年六月三十日，誠如合規顧問告知，除(i)本公司和合規顧問於二零一九年五月三十一日訂立的合規顧問協議有關收取擔任合規顧問的費用，以及(ii)披露於本公司招股章程內有關作為參與本公司上市的聯席帳簿管理人之一外，合規顧問或其董事、員工或緊密聯繫人(定義見GEM上市規則)於二零一九年六月三十日於本公司或本集團旗下任何其他公司的證券中概無擁有須根據GEM上市規則第6A.32條知會本集團的任何權益(包括可認購該等證券的購股權或權利)。

### 購買、出售或贖回上市證券

期內，截止二零一九年六月三十日止六個月期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

## OTHER INFORMATION

### 其他資料

#### Changes in Directors Information

The directors confirm that no information is required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

#### Corporate Governance Practices

The Board is committed to achieving high corporate governance standards.

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

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

The Company adopted and complied with, where applicable, the CG Code during the six months ended 30 June 2019 and up to the date of this Report (the “Relevant Period”).

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

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

#### 董事資料變更

董事確認並無資料需根據GEM上市規則第17.50A(1)條作出披露。

#### 企業管治常規

董事會致力於持守較高的企業管治標準。

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

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

本公司自截至二零一九年六月三十日止六個月至本報告日期止期間(「有關期間」)已採納及遵守(如適用)企業管治守則。

董事會將持續監察及檢討本公司的企業管治常規，以確保遵守企業管治守則。

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

### Model Code for Securities Transactions

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

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

### Audit Committee and Review of Interim Results

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

### 進行證券交易的標準守則

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

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

### 審核委員會及審閱中期業績

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



## OTHER INFORMATION

### 其他資料

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

The financial information in this report has not been reviewed nor audited by the Company's auditor, but the Audit Committee has reviewed the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2019 and is of the opinion that the preparation of such statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures has been made.

On behalf of the Board

**Zhang Shuguang**

*Chairman and Executive Director*

Hong Kong, 9 August 2019

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

本報告中的財務信息尚未經過本公司審計師審閱或審核，但審核委員會成員已審閱截至二零一九年六月三十日止六個月集團未經審核簡明綜合財務業績，及認為該等報表的編製符合適用的會計準則、創業板上市規則的規定及其他適用的法律規定，並已作出充分披露。

代表董事會

**張曙光**

*主席兼執行董事*

香港，二零一九年八月九日

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

## 未經審核簡明綜合損益及其他全面收入表

For the three months and six months ended 30 June 2019 截至二零一九年六月三十日止三個月及六個月

The Board of the Directors (the “Board”) is pleased to announce the unaudited condensed consolidated results of the Group for the three months and six months ended 30 June 2019 together with the unaudited comparative figures for the three months and six months ended 30 June 2018 as follows:

董事會(「董事會」)欣然公佈本集團截至2019年6月30日止三個月及六個月的未經審核簡明綜合業績，連同截至2018年6月30日止三個月及六個月的未經審核比較數字如下：

		Three months ended 30 June		Six months ended 30 June		
		截至六月三十日止三個月		截至六月三十日止六個月		
		2019	2018	2019	2018	
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	
NOTES		RMB'000	RMB'000	RMB'000	RMB'000	
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Revenue	收入	5	6,565	7,380	11,636	13,364
Cost of sales	銷售成本		(1,867)	(1,402)	(3,185)	(3,307)
Gross profit	毛利		4,698	5,978	8,451	10,057
Other income	其他收入	6	70	51	116	100
Other gains and losses	其他收益及虧損	7	499	282	(169)	181
Impairment losses on trade and other receivables, net of reversal	貿易及其他應收款項減值虧損，扣除撥回	8	(145)	71	496	129
Selling and distribution expenses	銷售及分銷開支		(1,554)	(781)	(2,918)	(1,598)
Administrative expenses	行政開支		(2,411)	(1,127)	(4,474)	(2,174)
Research and development expenses	研發開支		(522)	(395)	(832)	(699)
Listing expenses	上市開支		-	(1,228)	-	(3,059)
Profit before tax	除稅前溢利		635	2,851	670	2,937
Income tax expense	所得稅開支	9	(264)	(588)	(447)	(904)
Profit and total comprehensive income (expense) for the period attributable to the owners of the Company	本公司擁有人應佔期內溢利及全面收益(開支)總額	10	371	2,263	223	2,033
Earnings per share	每股盈利					
Basic (RMB cents)	基本(人民幣分)	12	0.09	0.75	0.06	0.68

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 未經審核簡明綜合財務狀況表

At 30 June 2019 於二零一九年六月三十日

			30 June 2019	31 December 2018
			二零一九年 六月三十日	二零一八年 十二月三十一日
			(unaudited)	(Audited)
			(未經審核)	(經審核)
		NOTES	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	9,397	9,567
Intangible assets	無形資產	14	3,008	2,918
Right-of-use assets	使用權資產		661	-
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備之按金		1,382	1,182
			14,448	13,667
Current assets	流動資產			
Inventories	存貨		3,274	2,284
Trade receivables	貿易應收款項	15	10,772	10,708
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項		1,947	1,978
Bank balances and cash	銀行結餘及現金		46,063	54,797
			62,056	69,767
Current liabilities	流動負債			
Trade payables	貿易應付款項	16	837	927
Other payables and accrued charges	其他應付款項及應計費用		3,162	9,134
Contract liabilities	合約負債		209	179
Deferred income – government grants	遞延收入—政府補助		23	45
Tax payable	應付稅項		371	1,698
			4,602	11,983
Net current assets	流動資產淨值		57,454	57,784
Total assets less current liabilities	資產總值減流動負債		71,902	71,451

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 未經審核簡明綜合財務狀況表

At 30 June 2019 於二零一九年六月三十日

		30 June 2019 31 December 2018	
		二零一九年 六月三十日 (unaudited) (未經審核)	二零一八年 十二月三十一日 (Audited) (經審核)
		RMB'000 人民幣千元	RMB'000 人民幣千元
		NOTES 附註	
Non-current liability	非流動負債		
Lease liabilities	租賃負債	228	–
Deferred income – government grants	遞延收入 – 政府補助	430	430
		658	430
Net assets	資產淨值	71,244	71,021
Capital and reserves	資本及儲備		
Combined capital/share capital	合併資本／股本	17	3,509
Reserves	儲備	67,735	67,512
Total equity	權益總額	71,244	71,021

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 未經審核簡明綜合權益變動表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Combined capital/share capital	Share premium	Capital reserve	Statutory reserve	Accumulated profits	Total
		合併資本/ 股本	股份溢價	資本儲備	法定儲備	累計溢利	總計
		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
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	-	16,667	1,943	1,734	17,046	37,390
Profit and total comprehensive expense for the period	期內虧損及全面開支總額	-	-	-	-	2,033	2,033
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	-	16,667	1,943	1,734	19,079	39,423
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	3,509	47,248	1,943	1,734	16,587	71,021
Loss and total comprehensive expense for the period	期內虧損及全面開支總額	-	-	-	-	223	223
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	3,509	47,248	1,943	1,734	16,810	71,244

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 未經審核簡明綜合現金流量表

For the six months ended 30 June 2019 截至二零一九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	
		2019 二零一九年 (unaudited) (未經審核) RMB'000 人民幣千元	2018 二零一八年 (unaudited) (未經審核) RMB'000 人民幣千元
NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營活動所得現金淨額	(7,767)	1,297
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(967)	(1,945)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所得現金淨額	-	(110)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(8,734)	(758)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	年初之現金及現金等價物	54,797	19,811
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	年末之現金及現金等價物，指銀行結餘及現金	46,063	19,053

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 未經審核簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 1. GENERAL

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

The addresses of the registered office and principal place of business of the Company are set out in the section headed “Corporate Information” to the annual report. The Group is principally engaged in research and development, manufacture, marketing and sale of biological reagents and auxiliary reproductive supplies and equipment in the PRC through its subsidiary, Shenzhen Huakang, a limited liability company established in the PRC on 26 June 1992.

The unaudited condensed consolidated financial statements are presented in Renminbi (“**RMB**”), which is the same as the functional currency of the Company and its subsidiaries (the “**Group**”).

### 1. 一般資料

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

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

未經審核簡明綜合財務報表以人民幣(「**人民幣**」)列示，人民幣亦是本公司及其附屬公司(統稱「**本集團**」)之功能貨幣。

## 2. GROUP REORGANISATION AND BASIS OF PRESENTATION 2. 集團重組及呈列基準

Pursuant to a group reorganisation (the “**Reorganisation**”) in connection with the listing of the Company’s shares on the Stock Exchange, the Company became the holding company of the subsidiaries now comprising the Group on 28 November 2017.

Details of the Reorganisation are set out in the paragraph headed “Reorganisation” in the section headed “History and Reorganisation” in the Company’s prospectus dated 30 November 2018. The Group was under the common control of the Controlling Shareholders prior to and after the Reorganisation. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity.

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

根據就本公司股份於聯交所上市而進行的集團重組(「**重組**」)，本公司於2017年11月28日成為本集團現時旗下附屬公司的控股公司。

重組的詳情載於本公司日期為2018年11月30日的招股章程「歷史及重組」一節中「重組」一段。本集團於重組前後均由控股股東共同控制。重組所產生由本公司及其附屬公司組成的本集團被視為一個持續經營實體。

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



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 未經審核簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies adopted in the audited financial statements for the year ended 31 December 2018 as set out in the annual report of the Company dated 25 March 2019, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2019. This is the first set of the Group's financial statements in which HKFRS 16 Leases (“**HKFRS 16**”) has been adopted. Details of any changes in accounting policies are set out in note 3. Except for the adoption of HKFRS 16, the adoption of the new and revised HKFRSs have no material effect on these unaudited condensed consolidated interim financial statements. The Group has not early adopted any new and revised HKFRSs that has been issued but not yet effective in the current accounting period. The preparation of the unaudited condensed consolidated interim financial statements in conformity with HKAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 4.

This report contains unaudited condensed consolidated interim financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the audited financial statements for the year ended 31 December 2018. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs and should be read in conjunction with the 2018 consolidated financial statements.

未經審核簡明綜合中期財務報表乃根據本公司日期為二零一九年三月二十五日的年報所載截至二零一八年十二月三十一日止年度的經審核財務報表所採用的相同會計政策而編製，惟與於二零一九年一月一日或之後開始之期間首次生效的新準則或詮釋有關者除外。此乃本集團首份採納香港財務報告準則第16號租賃（「**香港財務報告準則第16號**」）的財務報表。有關會計政策的任何變動之詳情載於附註3。除採納香港財務報告準則第16號外，採納新訂及經修訂香港財務報告準則對該等未經審核簡明綜合中期財務報表並無重大影響。本集團概無提前採納本會計期間已頒佈但尚未生效之任何新訂及經修訂香港財務報告準則。編製符合香港會計準則第34號之未經審核簡明綜合中期財務報表要求管理層作出判斷、估計及假設，而有關判斷、估計及假設會影響政策之應用及本年迄今為止所呈報資產及負債、收益及開支之金額。實際結果可能與該等估計有所差異。編製財務報表時已作出重大判斷及估計的範疇以及其影響於附註4披露。

本報告載有未經審核簡明綜合中期財務報表及經挑選之解釋附註。該等附註包括解釋對本集團自截至二零一八年十二月三十一日止年度之經審核財務報表刊發以來之財務狀況及表現所出現之變動而言屬重要之事件及交易。未經審核簡明綜合中期財務報表及其附註並不包括根據香港財務報告準則而編製之完整財務報表所規定之一切資料並應與二零一八年綜合財務報表一併閱讀。

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

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

未經審核簡明綜合財務報表乃根據歷史成本基準編製。

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

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

### 3. CHANGES IN HKFRSs

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

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

### 3. 香港財務報告準則變動

香港會計師公會已頒佈若干於本集團當前會計期間首次生效的新訂或經修訂香港財務報告準則：

- 香港財務報告準則第16號，租賃
- 香港（國際財務報告詮釋委員會）詮釋第23號，所得稅處理的不確定性
- 香港財務報告準則第9號修訂本，具負補償之提前還款特性
- 香港會計準則第19號修訂本，計劃修訂、縮減或清償
- 香港會計準則第28號修訂本，於聯營公司及合營企業的長期權益
- 計入香港財務報告準則二零一五年至二零一七年週期之年度改進的香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號修訂本

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 未經審核簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

The impact of the adoption of HKFRS 16 Leases have been summarised in below. The other new or amended HKFRSs that are effective from 1 January 2019 did not have any significant impact on the Group's accounting policies.

#### (i) Impact of the adoption of HKFRS 16

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases ("HKAS 17"), HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases-Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee's perspective, almost all leases are recognised in the statement of financial position as a right-of-use assets and a lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor's perspective, the accounting treatment is substantially unchanged from HKAS 17. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group's accounting policies and the transition method adopted as allowed under HKFRS 16, please refer to section (ii) to (iv) of this note.

The Group has applied HKFRS 16 using the cumulative effect approach and recognised the right-of-use asset at the amount equal to the lease liability, adjusted by the amount of any prepayments or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

採納香港財務報告準則第16號租賃的影響概述如下。自二零一九年一月一日起生效的其他新訂或經修訂香港財務報告準則對本集團會計政策並無任何重大影響。

#### (ii) 採納香港財務報告準則第16號的影響

香港財務報告準則第16號對租賃的會計處理作出重大更改，主要是承租人的會計處理方面。其取代香港會計準則第17號租賃（「香港會計準則第17號」）、香港（國際財務報告詮釋委員會）—詮釋第4號釐定安排是否包括租賃、香港（準則詮釋委員會）—詮釋第15號經營租賃—優惠及香港（準則詮釋委員會）—詮釋第27號評估涉及租賃法律形式交易之內容。從承租人角度來看，絕大部分租賃於財務狀況表確認為使用權資產及租賃負債，惟相關資產價值較低或被釐定為短期租賃的租賃等少數該原則例外情況除外。從出租人角度來看，會計處理大致與香港會計準則第17號一致。有關香港財務報告準則第16號對租賃的新定義、對本集團會計政策的影響以及香港財務報告準則第16號項下允許採納的過渡方法的詳情，請參閱本附註第(ii)至(iv)條。

本集團已採用累計影響法應用香港財務報告準則第16號並按等於租賃負債的金額確認使用權資產，就於二零一八年十二月三十一日在綜合財務狀況表確認的該租賃相關的任何預付款項或應計租賃付款作出調整。二零一八年呈列的比較資料概無予以重列並繼續根據香港會計準則第17號及香港財務報告準則第16號過渡條文允許的相關詮釋呈報。

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The following tables summarised the impact of transition to HKFRS 16 on statement of financial position as of 31 December 2018 to that of 1 January 2019 as follows (increase/(decrease)):

下表概述過渡至香港財務報告準則第16號對截至二零一八年十二月三十一日至二零一九年一月一日的財務狀況表的影響(增加/減少):

		RMB'000 人民幣千元
<b>Statement of financial position as at 1 January 2019</b>	<b>於二零一九年一月一日的財務狀況表</b>	
Right-of-use assets	使用權資產	881
Lease liabilities (non-current)	租賃負債(非流動)	451
Lease liabilities (current)	租賃負債(流動)	430

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application recognised in the statement of financial position as at 1 January 2019:

以下對賬闡述於二零一八年十二月三十一日未應用香港會計準則第17號披露的經營租賃承擔與於二零一九年一月一日在財務狀況表確認的於初步應用日期之租賃負債的對賬情況:

<b>Reconciliation of operating lease commitment to lease liabilities</b>	<b>經營租賃承擔與租賃負債的對賬</b>	RMB'000 人民幣千元
Operating lease commitment as of 31 December 2018	截至二零一八年十二月三十一日的經營租賃承擔	1,037
Less: short term lease	減: 短期租賃	(111)
Less: future interest expenses	減: 日後利息開支	(45)
Total lease liabilities as of 1 January 2019	截至二零一九年一月一日的租賃負債總額	881

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position as at 1 January 2019 is 4.83%.

於二零一九年一月一日財務狀況表確認的租賃負債適用的加權平均承租人增量借款利率為4.83%。

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### (ii) The new definition of a lease

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified assets for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified assets and (b) the right to direct the use of the identified asset.

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate stand-alone price of the non-lease components, unless the lessee apply the practical expedient which allows the lessee to elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group has elected not to separate non-lease components and account for all each lease component and any associated non-lease components as a single lease component for all leases in which the Group is a lessee.

### (iii) Accounting as a lessee

Under HKAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the statement of financial position of the lessee.

### (ii) 租賃的新定義

根據香港財務報告準則第16號，租賃被定義為以代價獲得資產(相關資產)於一段時間內的使用權的一項合約或合約的一部分。當客戶於整個使用期間同時：(a)有權獲取使用已識別資產帶來的絕大部分經濟利益及(b)有權指示已識別資產的用途時，合約附帶權利可於一段時間內控制已識別資產的用途。

就含有租賃成分以及一項或多項額外租賃或非租賃成分的合約而言，承租人須將合約代價分配至各租賃成分，基準是租賃成分的相對獨立價格及非租賃成分的總獨立價格，除非承租人應用實際權宜方法使承租人可按相關資產類別選擇不從租賃成分中區分非租賃成分，而是將各租賃成分及任何相關非租賃成分入賬列作單一租賃成分。

本集團已選擇不區分非租賃成分並就本集團為承租人的所有租賃將所有各租賃成分及任何相關非租賃成分入賬列作單一租賃成分。

### (iii) 作為承租人的會計處理

根據香港會計準則第17號，承租人須根據租賃資產擁有權隨附風險及回報與出租人或承租人的相關程度將租賃分類為經營租賃或融資租賃。倘租賃釐定為經營租賃，承租人將於租賃期內將經營租賃項下的租賃付款確認為開支。租賃項下的資產將不會於承租人的財務狀況表內確認。

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Under HKFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets (the Group has leased small office spaces, artificial plants and photocopying machines) and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group recognised a right-of-use asset and a lease liability at the date of adoption of HKFRS 16, i.e. 1 January 2019.

### Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use asset at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

根據香港財務報告準則第16號，所有租賃（不論為經營租賃或融資租賃）須於財務狀況表資本化為使用權資產及租賃負債，惟香港財務報告準則第16號為實體提供會計政策選擇，可選擇不將(i)屬短期租賃的租賃及／或(ii)相關資產為低價值的租賃進行資本化。本集團已選擇不就低價值資產（本集團已租賃小型辦公室空間、人造植物及複印機）以及於開始日期租賃期少於12個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租賃期內按直線法支銷。

本集團於採納香港財務報告準則第16號日期（即二零一九年一月一日）確認使用權資產及租賃負債。

### 使用權資產

使用權資產應按成本確認並將包括：(i)初步計量租賃負債的金額（見下文有關租賃負債入賬的會計政策）；(ii)於開始日期或之前作出的任何租賃付款減已收取的任何租賃獎勵；(iii)承租人產生的任何初步直接成本；及(iv)承租人根據租賃條款及條件規定的情況下分解及移除相關資產時將產生的估計成本，除非該等成本乃為生產存貨而產生則除外。本集團採用成本模式計量使用權資產。根據成本模式，本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債的任何重新計量作出調整。

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### Lease liability

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, a lessee shall measure the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

### 租賃負債

租賃負債應按並非於租賃開始日期支付之租賃付款的現值確認。租賃付款將採用租賃暗含的利率貼現（倘該利率可輕易釐定）。倘該利率無法輕易釐定，本集團將採用本集團的增量借款利率。

下列並非於租賃開始日期支付的租賃期內就使用相關資產權利支付的款項被視為租賃付款：(i) 固定付款減任何應收租賃獎勵；(ii) 初步按開始日期之指數或利率計量的浮動租賃付款（取決於指數或利率）；(iii) 承租人根據剩餘價值擔保預期將支付的款項；(iv) 倘承租人合理確定行使購買選擇權，該選擇權的行使價；及(v) 倘租賃期反映承租人行使選擇權終止租賃，終止租賃的罰款付款。

於開始日期後，承租人將透過下列方式計量租賃負債：(i) 增加賬面值以反映租賃負債的利息；(ii) 減少賬面值以反映作出的租賃付款；及(iii) 重新計量賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產的評估變動。

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### (iv) Transition

As mentioned above, the Group has applied HKFRS 16 using the cumulative effect approach and recognised the right-of-use asset at the amount equal to the lease liability, adjusted by the amount of any prepayments or accrued lease payments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The Group has recognised the lease liabilities at the date of 1 January 2019 for leases previously classified as operating leases applying HKAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2019.

The Group has elected to recognise all the right-of-use assets at 1 January 2019 for leases previously classified operating leases under HKAS 17 as if HKFRS 16 had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate at the date of initial application. For all these right-of-use assets, the Group has applied HKAS 36 Impairment of Assets at 1 January 2019 to assess if there was any impairment as on that date.

### (iv) 過渡

誠如上文所述，本集團已採用累計影響法應用香港財務報告準則第16號並按等於租賃負債的金額確認使用權資產，就於二零一八年十二月三十一日在綜合財務狀況表確認的該租賃相關的任何預付款項或應計租賃付款作出調整。二零一八年呈列的比較資料概無予以重列並繼續根據香港會計準則第17號及香港財務報告準則第16號過渡條文准許的相關詮釋呈報。

本集團已於二零一九年一月一日就先前應用香港會計準則第17號分類為經營租賃的租賃確認租賃負債並按餘下租賃付款的現值(採用於二零一九年一月一日的承租人增量借款利率貼現)計量該等租賃負債。

本集團已選擇於二零一九年一月一日就先前根據香港會計準則第17號分類為經營租賃的租賃確認所有使用權資產，猶如香港財務報告準則第16號自開始日期起已經應用，惟採用初步應用日期的承租人增量借款利率進行貼現。就所有該等使用權資產而言，本集團已於二零一九年一月一日應用香港會計準則第36號資產減值以評估該日是否有任何減值。



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The Group has also applied the follow practical expedients: (i) applied a single discount rate to a portfolio of leases with reasonably similar characteristics; (ii) exclude the initial direct costs from the measurement of the right-of-use asset at 1 January 2019; and (iii) used hindsight in determining the lease terms if the contracts contain options to extend or terminate the leases.

In addition, the Group has also applied the practical expedients such that: (i) HKFRS 16 is applied to all of the Group's lease contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease; and (ii) not to apply HKFRS 16 to contracts that were not previously identified as containing a lease under HKAS 17 and HK(IFRIC)-Int 4.

本集團亦已應用下列實際權宜方法：(i)就具有合理相似特徵的租賃組合應用單一貼現率；(ii)不包括於二零一九年一月一日計量使用權資產產生的初步直接成本；及(iii)倘合約載有延長或終止租賃的選擇權，則於事後釐定租賃期。

此外，本集團亦已應用實際權宜方法以便：(i)將香港財務報告準則第16號應用於本集團先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包括租賃識別為租賃的所有租賃合約；及(ii)並無將香港財務報告準則第16號應用於先前並無香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號識別為含有租賃的合約。

### 4. USE OF JUDGEMENTS AND ESTIMATES

In preparing this unaudited condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2018 annual financial statements, except for new significant judgements and key sources of estimation uncertainty related to the application of HKFRS 16 as described in note 3.

### 4. 採用判斷及估計

於編製本未經審核簡明綜合中期財務報表過程中，管理層於應用本集團會計政策時作出的重大判斷及估計不確定因素的主要來源與二零一八年度財務報表所應用者相同，惟附註3所述與應用香港財務報告準則第16號有關的新重大判斷及估計不確定因素的主要來源除外。

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### 5. REVENUE AND SEGMENT INFORMATION

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

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

### 5. 收益及分部資料

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

以下為對本集團收益之分析：

#### (a) Revenue from major products

#### (a) 主產品收益

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019	2018	2019	2018
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Sales of biological reagents	銷售生物製劑				
Male fertility IVD reagents	男性不育體外診斷試劑	5,343	6,092	9,624	10,861
Parasite antibody detection reagents	寄生蟲系列檢測試劑	708	568	1,040	1,222
Epstein-Barr Virus antibody detection reagents	EB病毒檢測試劑	168	246	363	431
Sales of auxiliary reproductive supplies and equipment	銷售輔助生育用品和設備	348	474	609	850
Total	總計	6,565	7,380	11,636	13,364

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### (b) Types of customers

		<b>(b) 客戶類別</b>			
		<b>Three months ended 30 June</b>		<b>Six months ended 30 June</b>	
		<b>截至六月三十日止三個月</b>		<b>截至六月三十日止六個月</b>	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Distributors	分銷商	3,898	3,973	6,323	7,000
Non-distributors	非分銷商	2,667	3,407	5,313	6,364
Total	總計	6,565	7,380	11,636	13,364

### (c) Geographical information

No geographical segment information is presented as the Group's revenue is all derived from the PRC based on the location of goods delivered and all of the Group's non-current assets are located in the PRC by physical location of assets.

### (c) 地域資料

由於按貨品交付的地區劃分本集團之收益均來自中國及按資產的所在位置劃分本集團之非流動資產均位於中國，故並無呈列地域分部資料。

### (d) Information about major customers

Revenue from customers of the corresponding periods contributing over 10% of the total sales of the Group are as follows:

### (d) 有關主要客戶的資料

相應期內收益佔本集團總銷售10%以上的客戶如下：

		<b>Three months ended 30 June</b>		<b>Six months ended 30 June</b>	
		<b>截至六月三十日止三個月</b>		<b>截至六月三十日止六個月</b>	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Customer A	客戶A	829	1,121	1,555	2,074

Other than Customer A, there was no revenue from other customers individually contributing over 10% of the total revenue of the Group for the six months ended 30 June 2019 and 2018.

除客戶A外，於截至二零一八年及二零一九年六月三十日止六個月並無收益單獨佔本集團總收益10%以上的其他客戶。

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### 6. OTHER INCOME

### 6. 其他收入

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Government grants	政府補助	12	11	23	22
Bank interest income	銀行利息收入	49	23	84	42
Sundry income	雜項收入	9	17	9	36
		70	51	116	100

### 7. OTHER GAINS AND LOSSES

### 7. 其他收益及虧損

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Foreign exchange losses (gain)	匯兌虧損(收益)	(489)	(282)	179	(181)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(10)	-	(10)	-
		(499)	(282)	169	(181)

### 8. IMPAIRMENT LOSSES, NET OF REVERSAL

### 8. 減值虧損，扣除撥回

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Impairment losses recognised (reversed) on	已確認(已撥回)減值虧損				
- trade receivables	- 貿易應收款項	145	23	(473)	(120)
- other receivables	- 其他應收款項	-	(94)	(23)	(9)
		145	(71)	(496)	(129)

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### 9. INCOME TAX EXPENSE

### 9. 所得稅開支

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)				
Current tax	即期稅項	316	588	447	904

The Company and the subsidiaries incorporated in BVI are tax-exempted and current tax provision represents provision for PRC EIT. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the entity established in the PRC is 25%. Since Shenzhen Huakang is recognised as "New and High Technology Enterprise" and therefore entitled to apply a tax rate of 15%. The entitlement of this tax benefit is subject to renewal by respective tax bureau in the PRC every three years. The latest approval for Shenzhen Huakang enjoying this tax benefit was obtained in October 2018 for the three years ending 31 December 2020.

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

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10. PROFIT FOR THE PERIOD

10. 期內溢利

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Profit for the period has been arrived at after charging:	期內溢利於扣除下列各項後得出：				
Auditor's remuneration	核數師酬金	300	165	600	330
Amortisation of intangible assets	無形資產攤銷	88	88	176	176
Depreciation of property, plant and equipment	物業、廠房及設備折舊	408	322	765	642
Depreciation of right-of-use assets	使用權資產折舊	110	-	220	-
Rental expenses in respect of rented premises under operating lease	經營租賃項下租賃物業之租賃開支	106	122	212	244
Directors' emoluments	董事薪酬	264	114	551	228
Other staff costs	其他員工成本				
Salaries, bonuses and other benefits	薪金、花紅及其他福利	1,755	1,392	3,481	2,652
Retirement benefit schemes contributions	退休福利計劃供款	349	172	540	338
Total staff costs	員工總成本	2,368	1,678	4,572	3,218

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### 11. DIVIDEND

No dividend was paid or declared by the Group during the six months ended 30 June 2019 and 2018, nor has any dividend been proposed since the end of the reporting period.

### 11. 股息

截至二零一八年及二零一九年六月三十日止六個月，本集團概無派付或宣派任何股息，及自報告期末亦無建議派付任何股息。

### 12. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

### 12. 每股盈利

每股基本盈利的計算乃基於以下數據：

		Three months ended 30 June 截至六月三十日止三個月		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (unaudited) (未經審核) 人民幣千元	2018 二零一八年 (unaudited) (未經審核) 人民幣千元	2019 二零一九年 (unaudited) (未經審核) 人民幣千元	2018 二零一八年 (unaudited) (未經審核) 人民幣千元
Profit:	溢利：				
Profit for the period attributable to the owners of the Company for the purpose of basic earnings per share	計算每股基本盈利所用本公司擁有人應佔期內溢利	371	2,263	223	2,033
		'000 千股	'000 千股	'000 千股	'000 千股
Number of shares:	股份數目：				
Weighted average number of ordinary shares of the Company in issue for the purpose of basic earnings per share	計算每股基本盈利所用本公司已發行普通股加權平均數	400,000	300,000	400,000	300,000

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The number of ordinary shares of the Company in issue for the purpose of calculating basic loss per share has been determined on the assumption that the Group Reorganisation and Capitalisation Issue has been effective on 1 January 2018.

No diluted loss per share for the six months ended 30 June 2019 and 2018 was presented as there were no potential ordinary shares in issue during the six months ended 30 June 2019 and 2018.

計算每股基本虧損所用本公司已發行普通股數目乃假設集團重組及資本化發行於二零一八年一月一日經已生效而釐定。

由於截至二零一八年及二零一九年六月三十日止六個月無潛在已發行普通股，故於截至二零一八年及二零一九年六月三十日止六個月並無呈列每股攤薄虧損。

### 13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2019 the Group acquired property, plants and equipment of approximately RMB595,000 (six months ended 30 June 2018 approximately RMB827,000).

### 13. 物業、廠房及設備

於截止二零一九年六月三十日止六個月，本集團購買物業、廠房及設備約人民幣595,000（截止二零一八年六月三十日止六個月：約人民幣807,000）。

### 14. INTANGIBLE ASSETS

### 14. 無形資產

		Development costs 發展成本 RMB'000 人民幣千元
COST	成本	
At 31 December 2018	於二零一八年十二月三十一日	3,955
Additions	添置	266
At 30 June 2019	於二零一九年六月三十日	4,221
AMORTISATION	攤銷	
At 31 December 2018	於二零一八年十二月三十一日	1,037
Provided for the period	期內撥備	176
At 30 June 2019	於二零一九年六月三十日	1,213
CARRYING VALUES	賬面值	
At 30 June 2019	於二零一九年六月三十日	3,008
At 31 December 2018	於二零一八年十二月三十一日	2,918

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

發展成本乃於內部產生，具有有限使用年限，並於5年內按直線法攤銷。



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### 15. TRADE RECEIVABLES

### 15. 貿易應收款項

		30 June 2019	31 December 2018
		二零一九年 六月三十日 (unaudited) (未經審核) RMB'000 人民幣千元	二零一八年 十二月三十一日 (audited) (經審核) RMB'000 人民幣千元
Trade receivables	貿易應收款項	13,123	13,532
Less: allowance for credit losses	減：信貸虧損撥備	(2,351)	(2,824)
<b>Total</b>	<b>總計</b>	<b>10,772</b>	<b>10,708</b>

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

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

The following is an aging analysis of trade receivables presented based on the dates of delivery of goods.

按貨品交付日期呈列的貿易應收款項賬齡分析如下：

		30 June 2019	31 December 2018
		二零一九年 六月三十日 (unaudited) (未經審核) RMB'000 人民幣千元	二零一八年 十二月三十一日 (audited) (經審核) RMB'000 人民幣千元
0 – 30 days	0至30天	1,488	2,584
31 – 90 days	31至90天	3,493	3,103
91 – 180 days	91至180天	2,638	2,497
Over 181 days	超過181天	3,153	2,524
		<b>10,772</b>	<b>10,708</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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### 16. TRADE PAYABLES

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

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

### 16. 貿易應付款項

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

基於發票日期的貿易應付款項的賬齡分析如下：

		30 June 2019	31 December 2018
		二零一九年六月三十日	二零一八年十二月三十一日
		(unaudited)	(audited)
		(未經審核)	(經審核)
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 – 30 days	0至30天	154	320
31 – 90 days	31至90天	146	81
Over 90 days	超過90天	537	526
		837	927

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### 17. SHARE CAPITAL

### 17. 股本

		Number of share 股份數目	Amount 金額 HK\$ 港元	Amount 金額 RMB'000 人民幣千元
<b>Authorised ordinary shares at HK\$0.01 per share:</b>	<b>每股0.01港元之法定 普通股：</b>			
At 3 August 2017 (date of incorporation) and 31 December 2017	二零一七年八月三日 (註冊成立日期)及 二零一七年十二月 三十一日	38,000,000	380,000	316
Increased on 26 November 2018 (Note i)	於二零一八年十一月 二十六日增加 (附註i)	962,000,000	9,620,000	8,535
At 31 December 2018 (audited) and 30 June 2019 (Unaudited)	於二零一八年十二月 三十一日(經審核) 及二零一九年六月 三十日(未經審核)	1,000,000,000	10,000,000	8,851
<b>Issued and fully paid ordinary shares at HK\$0.01 per share:</b>	<b>每股0.01港元之已發行及 繳足普通股：</b>			
At 3 August 2017 (date of incorporation)	二零一七年八月三日 (註冊成立日期)	1,000	10	–
Share allotments	配發股份	11,500	115	–
At 31 December 2017	於二零一七年十二月 三十一日	12,500	125	–
Issue of shares pursuant to the Capitalisation Issue (Note ii)	根據資本化發行發行 股份(附註ii)	299,987,500	2,999,875	2,632
Issue of shares under the share offer (Note iii)	根據股份發售發行股份 (附註iii)	100,000,000	1,000,000	877
At 31 December 2018 (audited) and 30 June 2019 (Unaudited)	於二零一八年十二月 三十一日(經審核) 及二零一九年六月 三十日(未經審核)	400,000,000	4,000,000	3,509

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### Notes:

- (i) On 26 November 2018, the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each to HK\$10,000,000 divided into 1,000,000,000 shares of HK\$0.01 each by the creation of an additional 962,000,000 new shares of HK\$0.01 each ranking pari passu with the existing shares in all respects.
- (ii) On 13 December 2018, the Company capitalised the amount of HK\$2,999,875 standing to the credit of the share premium account of the Company and applied the amount towards paying up in full at par 299,987,500 shares for allotment and issue to the shareholders (“**Capitalisation Issue**”).
- (iii) On 13 December 2018, the Company issued 100,000,000 shares of HK\$0.01 each at HK\$0.5 per share upon the completion of its share offer. On the same date, the Company’s shares were listed on GEM of the Stock Exchange.

### 附註：

- (i) 於二零一八年十一月二十六日，本公司法定股本由380,000港元(分為38,000,000股每股面值0.01港元之股份)經新增在所有方面與現有股份享有同等權益的962,000,000股每股面值0.01港元之新股份後而增加至10,000,000港元(分為1,000,000,000股每股面值0.01港元之股份)。
- (ii) 於二零一八年十二月十三日，本公司將本公司股份溢價賬的進賬金額2,999,875港元資本化，並應用上述金額按面值繳足向股東配發及發行的299,987,500股股份(「**資本化發行**」)。
- (iii) 於二零一八年十二月十三日，本公司於其股份發售完成後按每股0.5港元發行100,000,000股每股面值0.01港元住股份。同日，本公司股份於聯交所GEM上市。

## 18. CAPITAL COMMITMENTS

## 18. 資本承擔

	30 June 2019 二零一九年 六月三十日 (unaudited) (未經審核) RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 (audited) (經審核) RMB'000 人民幣千元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	322	329

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 未經審核簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

### 19. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group had entered into following transactions with its related party during the six months ended 30 June 2019 and 2018:

Rental and utilities expenses paid to Shenzhen Junxuan	已付深圳君軒之租金及公共開支
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415

430

Shenzhen Junxuan is the ultimate holding company of Shenzhen Huakang prior to the completion of the Group Reorganisation as defined in Note 2 and Shenzhen Junxuan is ultimately controlled by Mr. Zhang, the director of the Company and Shenzhen Huakang, during the six months ended 30 June 2019 and 2018.

#### Compensation of key management personnel

The emoluments of executive directors as key management personnel of the Group during the six months ended 30 June 2019 and 2018 were as follows:

Short-term benefits	短期福利
Post-employment benefits	退休後福利

382

200

38

28

420

228

### 19. 關連方交易

除於未經審核簡明綜合財務報表其他地方之披露外，截至二零一九年及二零一八年六月三十日止六個月，本集團與其關連方訂立以下交易：

#### Six months ended 30 June 截止六月三十日止六個月

2019	2018
二零一九年	二零一八年
(unaudited)	(unaudited)
(未經審核)	(未經審核)
RMB'000	RMB'000
人民幣千元	人民幣千元

截至二零一九年及二零一八年六月三十日止六個月，於完成集團重組(定義見附註2)前，深圳君軒為深圳華康之最終控股公司以及深圳君軒由本公司及深圳華康之董事張曙光先生最終控制。

#### 主要管理人員薪酬

執行董事(作為本集團主要管理人員)截至二零一九年及二零一八年六月三十日止六個月之薪酬如下：

#### Six months ended 30 June 截止六月三十日止六個月

2019	2018
二零一九年	二零一八年
(unaudited)	(unaudited)
(未經審核)	(未經審核)
RMB'000	RMB'000
人民幣千元	人民幣千元



**Huakang Biomedical Holdings Company Limited**  
**華康生物醫學控股有限公司**