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China Shenghai Group Limited

中國升海集團有限公司

(formerly known as China Shenghai Food Holdings Company Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1676)

2020 INTERIM RESULTS ANNOUNCEMENT

The Board of Directors (the “Board”) of China Shenghai Group Limited (the “Company”) is pleased to announce the unaudited results of the Company and its subsidiaries (together referred to as the “Group”) for the six months ended 30 June 2020. This announcement, containing the full text of the 2020 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results.

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Liu Rongru (*Joint-Chairman and Chief Executive Officer*)

(redesignated as Joint-Chairman on 14 January 2020)

Ms. Li Jiayin

NON-EXECUTIVE DIRECTOR

Mr. Li Dongfan (*Joint-Chairman*)

(appointed on 14 January 2020)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liu Dajin

Mr. Chen Sze Hung

(resigned on 14 January 2020)

Mr. Pang Wai Ching

Mr. Liu Juntong

(appointed on 14 January 2020)

AUDIT COMMITTEE

Mr. Pang Wai Ching (*Chairman*)

Mr. Liu Dajin

Mr. Liu Juntong

NOMINATION COMMITTEE

Mr. Liu Rongru (*Chairman*)

Mr. Liu Dajin

Mr. Liu Juntong

REMUNERATION COMMITTEE

Mr. Liu Dajin (*Chairman*)

Mr. Liu Juntong

Mr. Liu Rongru

COMPANY SECRETARY

Mr. Wong Wai Lun *FCCA*

AUTHORISED REPRESENTATIVES

Mr. Liu Rongru

Ms. Li Jiayin

AUDITORS

BDO Limited

Certified Public Accountants

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執行董事

劉榮如先生 (*聯席主席兼行政總裁*)

(於二零二零年一月十四日調任聯席主席)

李佳音女士

非執行董事

李東凡先生 (*聯席主席*)

(於二零二零年一月十四日獲委任)

獨立非執行董事

劉大進先生

陳斯雄先生

(於二零二零年一月十四日辭任)

彭偉正先生

劉俊廷先生

(於二零二零年一月十四日獲委任)

審核委員會

彭偉正先生 (*主席*)

劉大進先生

劉俊廷先生

提名委員會

劉榮如先生 (*主席*)

劉大進先生

劉俊廷先生

薪酬委員會

劉大進先生 (*主席*)

劉俊廷先生

劉榮如先生

公司秘書

黃偉倫先生 *FCCA*

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CORPORATE INFORMATION

公司資料

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STOCK CODE

01676

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01676

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The board (the “Board”) of directors (the “Directors”) of China Shenghai Food Holdings Company Limited (the “Company”) announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2020 (the “Reporting Period”), together with the comparative figures for the corresponding period in 2019.

BUSINESS REVIEW

The Group sells dried seafood, algae and fungi, and seafood snacks in the PRC. The Group (i) sources high quality raw and processed raw materials, (ii) sub-contracts processing of the unprocessed raw materials to third parties, (iii) packages products at its own packaging facilities or through its sub-contractors, and (iv) sells packaged products under its own brand “Wofan (沃豐)”. The Group also sells dried seafood, algae and fungi without packaging. The Group also engaged in the sales of fast moving consumer goods since early 2020.

The Group’s revenue fell by approximately 50.7% to approximately RMB135.1 million in the Reporting Period from approximately RMB274.0 million for the six months ended 30 June 2019. The outbreak of the Coronavirus Disease 2019 (“COVID-19”) epidemic has caused serious damage to China’s economy in the first half of 2020. The GDP of China’s economy shrank by 6.8% year-on-year in the first quarter of 2020, which was the first GDP decline since the official record began in 1992. The Group’s gross profit for the Reporting Period also fell by 81.0% to approximately RMB12.8 million (Six months ended 30 June 2019: approximately RMB67.2 million while gross profit margin fell to 9.4% (Six months ended 30 June 2019: 24.5%). Due to the sharp decline in turnover and gross profit, the group recorded a loss for the first time since its listing of approximately RMB15.0 million (six months ended 30 June 2019: profit of RMB29.0 million).

中國升海食品控股有限公司(「本公司」)之董事(「董事」)會(「董事會」)公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(「報告期間」)之未經審核綜合中期業績連同二零一九年同期之比較數字。

業務回顧

本集團於中國銷售乾海產品、藻類產品及菌類產品以及海洋休閒產品。本集團(i)採購高質的未加工及已加工原材料，(ii)將未加工原材料的加工工序分包予第三方，(iii)在本集團的自有包裝設施或透過分包商包裝產品，及(iv)以自有品牌「沃豐」銷售包裝產品。本集團亦銷售未包裝乾海產品以及藻類產品及菌類產品。本集團自二零二零年初起亦從事快速消費品之銷售。

本集團的收益由截至二零一九年六月三十日止六個月的約人民幣274.0百萬元減少約50.7%至報告期間的約人民幣135.1百萬元。二零二零年上半年，在新型冠狀病毒「COVID-19」疫情的爆發為中國經濟帶來重創。中國經濟於二零二零年第一季度GDP同比萎縮6.8%，是自1992年有官方記錄以來季度GDP首次下滑。於報告期間，本集團的毛利亦減少81.0%至約人民幣12.8百萬元(截至二零一九年六月三十日止六個月：約人民幣67.2百萬元)，而毛利率減少至9.4%(截至二零一九年六月三十日止六個月：24.5%)。由於營業額及毛利之大幅下降，本集團錄得自上市以來首次虧損約人民幣15.0百萬元(截至二零一九年六月三十日止六個月：利潤約人民幣29.0百萬元)。

FOOD BUSINESS

The Group has a comprehensive product portfolio with different raw materials, flavouring and packaging and considers each product to be distinctive. The Group seeks to differentiate itself from its competitors by providing a broad and convenient choice of safe and quality products, which creates additional opportunities to drive the overall sales. During the Reporting Period, the Group offered over 100 types of dried seafood, 30 types of algae and fungi, and 60 types of seafood snacks.

The Group's products are sold through supermarkets, trading companies, convenience stores and other sales channels, such as food companies, gift stores and e-commerce retailers.

As a result of the outbreak of the COVID-19 epidemic, a series of precautionary and control measures have been implemented across the PRC and the Group's operations have been seriously affected. Consumers' demand for the Group's products has fallen further, leading to the group's customers becoming more cautious when placing orders with the Group. In addition, to ensure the health and safety of employees and customers, the Group has suspended all product promotion activities since February 2020, which directly affected the turnover and results of our food business. The Group's revenue from food business decreased by approximately 75.3% from approximately RMB274.0 million for the six months ended 30 June 2019 to approximately RMB67.8 million during the reporting period, and recorded a loss of approximately RMB12.1 million (Six months ended 30 June 2019: profit of approximately RMB31.0 million).

食品業務

本集團擁有含不同原材料且口味及包裝各不相同的全面產品組合，而每種產品均各具特色。本集團尋求透過提供豐富多樣及便利的安全優質產品選擇，創造促進整體銷售的更多機會，從競爭對手脫穎而出。於報告期間，本集團提供超過100種乾海產品、30種藻類產品及菌類產品，以及60種海洋休閒產品。

本集團透過超市、貿易公司、便利店及其他銷售管道（如食品公司、禮品店及零售電商）銷售產品。

在COVID-19疫情的影響下，一系列預防和管制措施在全國範圍內施行，本集團之運營受到嚴重影響。消費者對本集團的產品需求進一步下降，導致本集團之客戶在向本集團下單時更趨向謹慎。此外，為確保員工和客戶的健康與安全，本集團自二零二零年二月起已暫停所有產品推廣活動，此直接影響了我們食品業務之營業額及業績。本集團來自食品業務之收益由截至二零一九年六月三十日止六個月的約人民幣274.0百萬元減少約75.3%至報告期間的約人民幣67.8百萬元，並錄得虧損約人民幣12.1百萬元（截至二零一九年六月三十日止六個月：利潤約人民幣31.0百萬元）。

FAST MOVING CONSUMER GOODS BUSINESS

The Group has been actively studying the feasibility of stepping into other industries, and spared no effort to actively seek cooperation and merger and acquisition opportunities for the group to obtain growth momentum to make full use of the company's financial strength. Taking into account the possible long-term impact of the Sino-US trade war on China's economy, coupled with the impact of the COVID-19 epidemic, the Group believes that it should expand more businesses other than food to balance its business risks. In early 2020, the Group began our new fast moving consumer goods business, which will mainly involve in the sales of cosmetics, daily necessities, fashion and accessories. For the six months ended 30 June 2020, the Group's revenue from the business was approximately RMB67.3 million and recorded a loss of approximately RMB0.5 million.

OUTLOOK

Since 2019, individual consumer confidence was affected by trade dispute between the United States and China resulting in slowdown of manufacturing and exporting industries, as well as by the depressed stock market and real estate market in China.

The COVID-19 epidemic has spread to a global pandemic since its outbreak in early 2020, and there is no sign that the epidemic will be brought under control in the short term. In addition, the turmoil between China and the United States has become more intense and the outlook of the world economy is still uncertain. The Group expects that 2020 will be full of difficulties and challenges. The Group will actively review the business of the Group and formulate business plans and strategies for the future business development of the Group. The current business strategy of the Group is to make full use of resources, achieve business diversification, improve overall performance, and bring substantial returns to the shareholders of the company.

快速消費品業務

本集團一直積極研究涉足其他行業的可行性，並不遺餘力地通過積極尋求合作以及併購機會為集團取得增長動力充分利用公司的財務實力。考慮到中美貿易磨擦對中國經濟有可能帶來長遠影響，加上新型冠狀病毒疫情帶來各方面之打擊，本集團認為應該通過拓展更多食品以外業務以平衡業務風險。二零二零年初，本集團開始我們新的快速消費品業務，該業務將主要涉及化妝品、日用品、時裝及配飾之銷售。截至二零二零年六月三十日止六個月，集團來自快速消費品業務之收益約人民幣67.3百萬元，並錄得虧損約人民幣0.5百萬元。

展望

自二零一九年起，受到中美貿易磨擦影響，中國製造業及出口業均受打擊，加上股票市場及房地產市場疲軟，個人消費者信心受到影響。

COVID-19疫情自二零二零年初爆發至今已擴散至全球大流行，而且未有跡象顯示疫情將於短期內受到控制，加上中美兩國之間之磨擦越演越烈，世界經濟形勢仍不明朗，本集團預計二零二零年將充滿困難與挑戰。本集團將積極檢討本集團的業務，為本集團的未來業務發展制定業務規劃及策略。本集團當前的業務策略是要充分利用資源，實現業務多元化，提升整體表現，為本公司股東帶來豐厚回報。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

OPERATING RESULTS AND FINANCIAL REVIEW

REVENUE

During the Reporting Period, the Group's revenue fell approximately 50.7% from approximately RMB274.0 million for the six months ended 30 June 2019 to approximately RMB135.1 million for the six months period ended 30 June 2020, primarily due to the significant decrease in the average selling prices and sales volume of our food business as a result of the outbreak of the COVID-19 epidemic. However, such decrease in food business was partially compensated by the launch of our fast moving consumer goods business.

The table below sets out a breakdown of the Group's revenue categorised by product types during the Reporting Period:

經營業績及財務回顧

收益

於報告期間，本集團的收益由截至二零一九年六月三十日止六個月約人民幣274.0百萬元減少約50.7%至截至二零二零年六月三十日止六個月期間約人民幣135.1百萬元，主要由於我們的食品業務平均售價及銷量大幅減少所致。然而，食品業務的下降被我們快速消費品業務之啟動而部分彌補。

下表載列於報告期間本集團按產品類別劃分的收益明細：

		Six months ended 30 June 截至六月三十日止六個月			
		2020	% to total revenue	2019	% to total revenue
		二零二零年	佔總收益的	二零一九年	佔總收益的
		RMB'000	百分比	RMB'000	百分比
		人民幣千元	(%)	人民幣千元	(%)
Food business	食品業務				
Dried seafood	乾海產品	35,664	26.5%	140,734	51.4%
Algae and fungi	藻類產品及菌類產品	27,358	20.2%	110,801	40.4%
Seafood snacks	海洋休閒產品	4,779	3.5%	22,460	8.2%
		67,801	50.2%	273,995	100.0%
Fast moving consumer goods business	快速消費品業務	67,330	49.8%	–	0.0%
		135,131	100.0%	273,995	100.0%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The table below sets forth the revenue contribution from the Group's sales channels during the Reporting Period:

下表載列於報告期間本集團銷售渠道的收益貢獻：

		Six months ended 30 June 截至六月三十日止六個月			
		2020	% to total revenue	2019	% to total revenue
		二零二零年	佔總收益的	二零一九年	佔總收益的
		RMB'000	百分比	RMB'000	百分比
		人民幣千元	(%)	人民幣千元	(%)
Food business	食品業務				
Supermarkets	超市	34,119	25.0%	144,342	52.7%
Trading companies	貿易公司	16,329	12.0%	60,398	22.0%
Convenience stores	便利店	3,870	3.0%	13,696	5.0%
Other sales channels	其他銷售渠道	13,483	10.0%	55,559	20.3%
Food companies	食品公司	4,064	6.0%	21,635	7.9%
Gift stores	禮品店	3,388	5.0%	14,144	5.2%
E-commerce retailers	零售電商	5,520	8.0%	18,658	6.8%
Others	其他	477	1.0%	1,083	0.4%
Self-owed website	自營網站	34	0.0%	39	0.0%
		67,801	50.2%	273,995	100.0%
Fast moving consumer goods business	快速消費品業務				
		67,330	49.8%	—	0.0%
		135,131	100.0%	273,995	100.0%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit represents our revenue less our cost of sales, and our gross profit margin represents gross profit divided by revenue, expressed as a percentage.

The following table sets forth the gross profit and gross profit margin by product category for the Reporting Period:

毛利及毛利率

毛利指收益減銷售成本，毛利率指毛利除以收益，以百分比列示。

下表載列於報告期間按產品類別劃分的毛利及毛利率：

		Six months ended 30 June 截至六月三十日止六個月			
		Gross profit		Gross profit	
		2020 二零二零年 RMB'000 人民幣千元	margin 毛利率 (%)	2019 二零一九年 RMB'000 人民幣千元	margin 毛利率 (%)
Food business	食品業務				
Dried seafood	乾海產品	6,404	18.0%	34,521	24.5%
Algae and fungi	藻類產品及菌類產品	4,651	17.0%	27,745	25.0%
Seafood snacks	海洋休閒產品	701	14.7%	4,929	21.9%
		11,756	17.3%	67,195	24.5%
Fast moving consumer goods business	快速消費品業務	1,010	1.5%	–	N/A
		12,766	9.4%	67,195	24.5%

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses primarily consist of salaries and employee benefit expenses for employees engaging in the sales and promotion activities, transportation expenses, advertising and promotion expenses, rental expenses and other expenses. The decrease was primarily due to the Group's reduced efforts on promotion and advertising on the products in view of the outbreak of the COVID-19 epidemic. As a percentage of revenue, our selling and distribution expenses increased to approximately 8.1% from 13.5% for the six months ended 30 June 2019.

銷售及分銷開支

銷售及分銷開支主要包括從事銷售及推廣活動的僱員的薪金及僱員福利開支、運輸開支、廣告及推廣開支、租賃開支及其他開支。有關減少乃主要由於本集團因2019新型冠狀病毒疫情而減少進行產品推廣及宣傳。銷售及分銷開支佔收益的百分比由截至二零一九年六月三十日止六個月的8.1%上升至約13.5%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of salaries and employees benefit expenses, rental expenses, office expenses, depreciation and others. The increase of administrative expenses is due to an increase in depreciation expenses. As a percentage of revenue, our administrative expenses increased to approximately 2.4% from 5.8% for the six months ended 30 June 2019.

INCOME TAX EXPENSE

Income tax expense primarily consists of the Enterprise Income Tax of Xiamen Wofan Foodstuff Company Limited ("Xiamen Wofan") and Fujian Wofan Foodstuff Company Limited ("Fujian Wofan"), the applicable tax rate of which being 25%. For the six months ended 30 June 2020 and 2019, income tax expense were approximately RMB0.4 million and RMB10.4 million, respectively.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), we are not subject to any income tax in the Cayman Islands or the BVI.

Hong Kong profits tax at 16.5% has not been provided as our Group had no assessable profits arising in Hong Kong for the six months ended 30 June 2020 and 2019.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

CASH FLOWS

During the Reporting Period, the Group funded its working capital and other capital requirements principally by cash generated from our operating activities and advances from shareholders.

行政開支

行政開支主要包括薪金及僱員福利開支、租賃開支、辦公開支、折舊及其他。行政開支增加乃由於折舊開支增加。行政開支佔收益的百分比由截至二零一九年六月三十日止六個月的2.4%增加至約5.8%。

所得稅開支

所得稅開支主要包括廈門沃豐食品有限公司（「廈門沃豐」）及福建省沃豐食品有限公司（「福建沃豐」）按適用稅率25%繳納的企業所得稅。截至二零二零年及二零一九年六月三十日止六個月，所得稅開支分別約為人民幣0.4百萬元及人民幣10.4百萬元。

根據開曼群島及英屬處女群島（「英屬處女群島」）的規則及規例，我們毋須繳納開曼群島及英屬處女群島的任何所得稅。

截至二零二零年及二零一九年六月三十日止六個月，由於本集團並無於香港產生應課稅溢利，故並無按16.5%的稅率計提香港利得稅撥備。

流動資金及財務資源及資本架構

現金流量

於報告期間，本集團主要以經營業務所得現金及股東墊款撥付營運資金及其他資金需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

NET CURRENT ASSETS

Net current assets increased from approximately RMB398.7 million as at 31 December 2019 to approximately RMB404.3 million as at 30 June 2020. The increase was primarily attributable to the mixed effects of the increases in inventory and cash and cash equivalents.

CASH AND CASH EQUIVALENT AND BANK BORROWINGS

During the Reporting Period, the Group maintained a healthy liquidity position. As at 30 June 2020, cash and cash equivalents of the Group was approximately RMB261.6 million, as compared to approximately RMB242.6 million as at 31 December 2019.

GEARING RATIO

As at 30 June 2020, the gearing ratio (calculated by total debt divided by the total equity as at the end of the year/period) of the Group remained nil as the Group has no bank borrowings.

CAPITAL EXPENDITURES

For the six months ended 30 June 2020, the Group had no capital expenditure (Six months ended 30 June 2019: RMB4,000).

CAPITAL COMMITMENTS

As at 30 June 2020, the Group did not have any material capital commitments

CONTINGENT LIABILITIES

As at 30 June 2020, the Group did not have any material contingent liabilities or guarantees.

PLEDGE OF ASSETS

As at 30 June 2020, the Group did not pledged any assets.

流動資產淨值

流動資產淨值由二零一九年十二月三十一日約人民幣398.7百萬元增加至二零二零年六月三十日約人民幣404.3百萬元。增加乃主要由於存貨及現金及現金等價物增加帶來的綜合影響。

現金及現金等價物及銀行借款

於報告期間，本集團維持良好的流動資金狀況。於二零二零年六月三十日，本集團現金及現金等價物約為人民幣261.6百萬元，而於二零一九年十二月三十一日約為人民幣242.6百萬元。

資產負債比率

於二零二零年六月三十日，由於本集團並無銀行借款，資產負債比率（按總債務除以年／期末權益總額）為零。

資本開支

截至二零二零年六月三十日止六個月，本集團並無資本開支（截至二零一九年六月三十日止六個月：人民幣4,000元）。

資本承擔

於二零二零年六月三十日，本集團並無重大資本承擔。

或然負債

於二零二零年六月三十日，本集團概無任何重大或然負債或擔保。

資產抵押

於二零二零年六月三十日，本集團概無抵押任何資產。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no significant investment, material acquisition and disposal of subsidiaries by the Company. The Group currently has no plan to make any substantial investment in or acquisition of capital assets, but will continue to seek out potential investment or acquisition opportunities according to the Group's development needs.

EXCHANGE RISK EXPOSURE

The Group mainly operates in the PRC and most of its operating transactions are settled in RMB. Most of its assets and liabilities are denominated in RMB. Although the Group may be exposed to foreign currency exchange risks, the Board does not expect future currency fluctuations to materially impact the Group's operations. The Group did not adopt formal hedging policies and no instruments have been applied for foreign currency hedging purposes during the Reporting Period.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2020 to the shareholders.

附屬公司及聯營公司之重大投資、重大收購及出售事項

本公司並無附屬公司之重大投資、重大收購及出售事項。本集團現時並無計劃對資本資產進行任何重大投資或收購，但將按本集團發展需要，繼續物色潛在投資或收購機會。

外匯風險

本集團主要於中國開展業務且其大多數經營交易以人民幣結算。大部分資產及負債以人民幣計值。儘管本集團可能承擔外匯風險，但董事會預期未來貨幣波動不會嚴重影響本集團經營。於報告期間，本集團並無採納正式對衝政策且並無使用工具以進行外匯對衝。

中期股息

董事會並不建議向股東派付截至二零二零年六月三十日止六個月的中期股息。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

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

As at 30 June 2020, the interests and short positions of the Directors or the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and 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 pursuant to divisions 7 and 8 of part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in Appendix 10 to the Rules Governing the Listing of Securities of the Stock Exchange ("Listing Rules") ("Model Code"), will be as follows:

董事及高級行政人員於股份、相關股份及債券的權益及淡倉

於二零二零年六月三十日，董事或本公司高級行政人員在本公司及其相關法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的有關條文其將被視為或當作擁有的權益及淡倉），或根據證券及期貨條例第352條須記入該條所述登記冊或根據聯交所證券上市規則（「上市規則」）附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益或淡倉如下：

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding Interest (%) 持股概約百分比(%)
Mr. Liu Rongru 劉榮如先生	Interest in controlled corporation/ Long position (Note) 於受控制法團的權益／好倉（附註）	52,500,000	52.5%

Note: The entire issued share capital of Precisely Unique Limited is legally and beneficially owned by Mr. Liu Rongru, who is deemed to be interested in the Shares held by Precisely Unique Limited.

附註：銳奇有限公司的全部已發行股本由劉榮如先生合法及實益擁有，劉榮如先生被視為於銳奇有限公司持有的股份中擁有權益。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

On 30 June 2020, so far as the Directors are aware, without taking into account the Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme (as defined below), the following persons (other than a Director or chief executive of the Company), who had interests or short positions in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein, were as follows:

主要股東於本公司股份及相關股份的權益及淡倉

於二零二零年六月三十日，就董事所知，不計及根據行使購股權計劃（定義見下文）項下可能授出的購股權而可能發行的股份，下列人士（並非董事或本公司高級行政人員）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3分部的條文須披露的權益及淡倉，或根據證券及期貨條例第336條須記入該條所述登記冊的權益及淡倉：

Name 姓名	Capacity/Nature of interest 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding Interest (%) 持股概約百分比(%)
Precisely Unique Limited 銳奇有限公司	Beneficial owner (Note 1) 實益擁有人（附註1）	52,500,000	52.5%
Mr. Liu Rongru 劉榮如先生	Interest in controlled corporation/ Long position (Note 1) 受控制法團的權益／好倉（附註1）	52,500,000	52.5%
Ms. Lin Yueying 林月英女士	Interest of spouse (Note 2) 配偶權益（附註2）	52,500,000	52.5%

Notes:

附註：

- The entire issued share capital of Precisely Unique Limited is legally and beneficially owned by Mr. Liu Rongru, who is deemed to be interested in the Shares held by Precisely Unique Limited.
- Ms. Lin Yueying is the spouse of Mr. Liu Rongru and is deemed or taken to be interested in all the Shares in which Mr. Liu Rongru has interest under the SFO.
- 銳奇有限公司的全部已發行股本由劉榮如先生合法及實益擁有，劉榮如先生被視為於銳奇有限公司持有的股份中擁有權益。
- 林月英女士為劉榮如先生的配偶，根據證券及期貨條例，林月英女士被視為或當作於劉榮如先生擁有權益的所有股份中擁有權益。

SHARE OPTION SCHEME

Pursuant to a resolution passed by all the shareholders on 22 June 2017, the Company has conditionally adopted the share option scheme (the “Share Option Scheme”) for the purpose of recognizing and acknowledging the contributions the eligible participants had or may have made to the Group. The Board may, at its discretion, grant options pursuant to the Share Option Scheme to the Directors (including Executive Directors, Non-executive Directors and Independent Non-executive Directors), the directors of the Company’s subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group. The Directors were authorised to grant options to subscribe for shares of the Company and to allot, issue and deal with the shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such steps as may be necessary and/or desirable to implement and give effect to the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue immediately following completion of the Global Offering (as defined in the Company’s prospectus dated 30 June 2017), being 100,000,000 shares, excluding any shares that may be issued under the options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company), unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time.

購股權計劃

根據全體股東於二零一七年六月二十二日通過的決議案，本公司已有條件採納購股權計劃（「購股權計劃」），以肯定及嘉許曾經或可能對本集團作出貢獻的合資格參與人士。根據購股權計劃，董事會可酌情向董事（包括執行董事、非執行董事及獨立非執行董事）、本公司附屬公司之董事、本集團僱員及董事會全權酌情認為曾經或將對本集團作出貢獻的任何其他人士（包括專家顧問或顧問）授出購股權。董事獲授權授出購股權以認購本公司股份，及根據購股權計劃項下授出的購股權獲行使而配發、發行及處理股份，以及採取對實行購股權計劃及使之生效而言為必需及／或合宜的一切步驟。根據購股權計劃及任何其他本公司購股權計劃而可授予的購股權的最高股份數目，合共不得超過緊隨全球發售（定義見本公司日期為二零一七年六月三十日的招股章程）完成後已發行股份總數的10%，即100,000,000股股份，不包括任何根據購股權計劃（或本公司任何其他購股權計劃）的條款已失效的購股權而可發行的股份，惟獲本公司股東在股東大會上另行批准及／或上市規則不時另有其他規定者除外。

SHARE OPTION SCHEME – continued

Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to an eligible participant under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 1% of the shares in issue of the Company within any 12-month period. Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by our independent non-executive Directors. Unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules, the number of shares that may be granted to a substantial shareholder or any independent non-executive Director or their respective associates under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 0.1% of the shares in issue, having an aggregate value in excess of HK\$5 million, within any 12-month period.

There is no minimum period for which an option must be held before it can be exercised, and the period during which an option may be exercised will be determined by the Board in its absolute discretion, however, no options shall be exercised 10 years after they have been granted. The subscription price of a share in respect of a particular option shall be not less than the highest of (a) the official closing price of the shares on the daily quotation sheet of the Stock Exchange; (b) the average official closing price of the shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

From the date that the Share Option Scheme became effective and unconditional and up to the date of this interim report, no share options were granted under the Share Option Scheme.

購股權計劃一續

除非獲本公司股東於股東大會上另行批准，否則可基於購股權計劃及任何其他本公司購股權計劃（包括已行使及未行使購股權）向一名合資格參與者授出的股份數目，不得超過本公司在任何一個12個月期間的已發行股份的1%。任何向董事、本公司高級行政人員或主要股東（定義見上市規則）或其任何各自的聯繫人（定義見上市規則）授予的購股權須獲我們的獨立非執行董事批准。除非本公司股東在股東大會上另行批准及／或上市規則另有規定，否則根據購股權計劃及任何其他本公司購股權計劃（包括已行使及未行使購股權）可授予主要股東或任何獨立非執行董事或其各自的聯繫人的股份數目，不得超過任何一個12個月期間已發行股份的0.1%或合共價值超過5百萬港元。

概無訂有購股權在行使前必須持有的最短期限，而購股權可獲行使的期間將由董事會全權酌情決定，然而，購股權於授出10年後便不得行使。有關特定購股權的股份認購價不得低於下列最高者：(a)於聯交所每日報價表所報的官方股份收市價；(b)緊接授出日期前五個營業日聯交所每日報價表所報的官方股份平均收市價；及(c)股份面值。購股權計劃將自其獲採納日期起生效並將自該日起10年期間內一直有效。

自購股權計劃生效及成為無條件日期起及直至本中期報告日期，概無根據購股權計劃授出購股權。

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in the management of the Group. The Company has adopted the Code Provisions in the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. The Board confirms that the Company has complied with the CG Code throughout the six months ended 30 June 2020.

According to code provision A.2.1 of the CG Code, the role of chairman and chief executive should be separated and should not be performed by the same individual. As the duties of joint-chairman and chief executive of the Company are performed by Mr. Liu Rongru, the Company has deviated from the CG Code. Being aware of the said deviation from code provision A.2.1, but in view of the current development of the Group, the Board believes that with the support of the management, vesting the roles of both joint-chairman and the chief executive officer by the same person can facilitate execution of the Group’s business strategies and boost effectiveness of its operation. In addition, under the supervision by the Board which consists of three independent non-executive Directors, the interests of the shareholders of the Company will be adequately and fairly represented. The Company may seek to re-comply with code provision A.2.1 by identifying and appointing a suitable and qualified candidate to the position of the chief executive officer in future.

遵守企業管治守則

董事明白良好的企業管治在本集團管理方面的重要性。本公司已採納上市規則附錄14所載企業管治守則（「企業管治守則」）的守則條文，作為本公司的企業管治守則。董事會確認，本公司於截至二零二零年六月三十日止六個月內一直遵守企業管治守則。

根據企業管治守則的守則條文第A.2.1條，主席與行政總裁的角色應分開及不應由同一人擔任。由於劉榮如先生擔任本公司聯席主席兼行政總裁兩個職務，故本公司偏離企業管治守則。知悉上文所述偏離守則條文第A.2.1條的情況，但考慮到本集團的現時發展，董事會認為在管理層的支持下，由同一人士擔任聯席主席及行政總裁有助於執行本集團業務策略及提升其經營效率。此外，董事會包括三名獨立非執行董事，在其監督下，本公司股東的利益將得以充分及公平地代表。本公司或會於日後通過為行政總裁一職物色及委任合適且合資格的候選人重新遵守守則條文第A.2.1條。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the Code. As at the date of this report, the Audit Committee consists of three members who are all the Independent Non-executive Directors of the Company. Mr. Pang Wai Ching has been appointed as the chairlady of Audit Committee.

The Audit Committee has reviewed and discussed the interim results of the Group for the six month ended 30 June 2020.

PURCHASES, SALE AND REDEMPTION OF LISTED SECURITIES

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

EMPLOYEES

As at 30 June 2020, the Group had 501 full time employees in total (31 December 2019: 554). The Group's emolument policy is to remunerate its employees based on their performance, experience and prevailing industry practice. Competitive remuneration package is offered to retain elite employees. The package includes salaries, medical insurance, discretionary bonuses, other benefits as well as mandatory provident fund schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC.

董事進行證券交易的標準守則

本公司已採納標準守則，作為董事進行本公司證券交易時須遵守的行為守則。經向所有董事作出具體查詢，所有董事確認彼等於報告期間一直遵守標準守則所規定的交易標準。

審核委員會

本公司已成立審核委員會（「審核委員會」）並遵照守則釐定其書面職權範圍。於本報告日期，審核委員會由三名成員（均為本公司獨立非執行董事）組成。彭偉正先生已獲委任為審核委員會主席。

審核委員會已審閱及討論本集團截至二零二零年六月三十日止六個月的中期業績。

購買、出售及贖回上市證券

截至二零二零年六月三十日止六個月，本公司及其任何附屬公司概無購買、出售或贖回在聯交所上市的任何本公司證券。

僱員

於二零二零年六月三十日，本集團合共有501名（二零一九年十二月三十一日：554名）全職僱員。本集團的薪酬政策是按僱員表現、經驗及現行行業常規付予僱員薪酬。為挽留精英僱員，本集團提供有競爭力薪酬待遇。待遇包括薪金、醫療保險、酌情花紅、其他福利以及香港僱員的強積金計劃及中國僱員的國家管理退休福利計劃。

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

綜合損益及其他全面收益表－未經審核

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

(Expressed in Renminbi) (以人民幣列示)

				Six months ended 30 June 截至六月三十日止六個月	
				2020	2019
				二零二零年	二零一九年
				RMB'000	RMB'000
		Notes		人民幣千元	人民幣千元
		附註			
Revenue	收入	3		135,131	273,995
Cost of sales	銷售成本			(122,365)	(206,800)
Gross profit	毛利			12,766	67,195
Other income and other gains	其他收入及其他收益			537	1,266
Selling and distribution expenses	銷售及分銷開支			(18,200)	(22,118)
Administrative expenses	行政開支			(7,801)	(6,695)
(Provision)/reversal of expected credit losses of financial assets	金融資產的預期信貸虧損(撥備)/撥回			(1,497)	199
Other expenses	其他費用			(259)	(319)
(Loss)/profit from operations	經營(虧損)/溢利			(14,454)	39,528
Interest on lease liabilities	租賃負債之利息			(70)	(84)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	5		(14,524)	39,444
Income tax expenses	所得稅開支	6		(439)	(10,401)
(Loss)/profit for the period attributable to owners of the Company	本公司擁有人應佔期內(虧損)/溢利			(14,963)	29,043

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

綜合損益及其他全面收益表－未經審核

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

(Expressed in Renminbi) (以人民幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Notes 附註			
Other comprehensive income	其他全面收入		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>		
– Exchange differences arising from translation of foreign operations	– 換算海外業務產生的匯兌差額	454	(20)
Other comprehensive income for the period	期內其他全面收入	454	(20)
(Loss)/profit and total comprehensive income for the period attributable to owners of the Company	本公司擁有人應佔期內（虧損）／溢利及全面收入總額	(14,509)	29,023
(Loss)/earnings per share – basic and diluted (RMB)	每股（虧損）／盈利－基本及攤薄（人民幣）	7 (0.150)	0.290

The notes on pages 26 to 44 form part of this interim financial report.

第26頁至第44頁的附註為本中期財務報告的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED

綜合財務狀況表－未經審核

At 30 June 2020 於二零二零年六月三十日

(Expressed in Renminbi) (以人民幣列示)

			As at 30 June 2020 於二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於二零一九年 十二月 三十一日 RMB'000 人民幣千元
ASSETS AND LIABILITIES		資產及負債		
Non-current assets	非流動資產			
Plant and equipment	廠房及設備	8	60,825	67,356
Deferred tax assets	遞延稅項資產		744	372
Deposits paid to suppliers	支付予供應商之按金		5,791	5,746
Prepayments	預付款	11	3,150	3,150
			70,510	76,624
Current assets	流動資產			
Inventories	存貨	9	72,415	79,106
Trade receivables	貿易應收款項	10	76,722	102,278
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	11	8,373	8,258
Cash and cash equivalents	現金及現金等價物		261,616	242,578
			419,126	432,220
Current liabilities	流動負債			
Trade payables	貿易應付款項	12	3,997	8,716
Accruals, deposits received and other payables	應計費用、已收取按金及其他應付款項	13	10,432	12,668
Lease liabilities	租賃負債		2,944	1,065
Provision for taxation	稅項撥備		3,025	5,501
			20,398	27,950
Net current assets	流動資產淨值		398,728	404,270

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED

綜合財務狀況表－未經審核

At 30 June 2020 於二零二零年六月三十日

(Expressed in Renminbi) (以人民幣列示)

			As at 30 June 2020 於二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於二零一九年 十二月 三十一日 RMB'000 人民幣千元
Total assets less current liabilities	總資產減流動負債		469,238	480,894
Non-current liabilities	非流動負債			
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款	13	4,567	900
Lease liabilities	租賃負債		1,349	2,163
			5,916	3,063
Net assets	資產淨值		463,322	477,831
CAPITAL AND RESERVES	資本及儲備	14		
Share capital	股本		8,723	8,723
Reserves	儲備		454,599	469,108
Total equity	總權益		463,322	477,831

The notes on pages 26 to 44 form part of this interim financial report.

第26頁至第44頁的附註為本中期財務報告的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

綜合權益變動表－未經審核

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

(Expressed in Renminbi) (以人民幣列示)

		Share capital 股本 RMB'000 人民幣千元 Note 14(b) 附註14(b)	Share premium 股份溢價* RMB'000 人民幣千元 Note (a) 附註(a)	Special reserve 特別儲備* RMB'000 人民幣千元	Statutory reserve 法定儲備* RMB'000 人民幣千元	Exchange reserve 匯兌儲備* RMB'000 人民幣千元	Other reserve 其他儲備* RMB'000 人民幣千元	Retained profits 保留溢利* RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Balance at 1 January 2019	於二零一九年一月一日結餘	8,723	138,185	17,800	17,430	(1,976)	5,800	261,042	447,004
Profit for the period	期內溢利	-	-	-	-	-	-	29,043	29,043
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-
Exchange difference arising from translation of foreign operation	換算海外業務產生的匯兌差額	-	-	-	-	(20)	-	-	(20)
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	(20)	-	29,043	29,023
Transfer to reserves	轉撥至儲備	-	-	-	-	-	-	-	-
Balance at 30 June 2019	於二零一九年六月三十日的結餘	8,723	138,185	17,800	17,430	(1,996)	5,800	290,085	476,027
Profit for the period	期內溢利	-	-	-	-	-	-	1,797	1,797
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	7	-	-	7
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	7	-	1,797	1,804
Transfer to statutory reserves	轉撥至法定儲備	-	-	-	1,195	-	-	(1,195)	-
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	8,723	138,185	17,800	18,625	(1,989)	5,800	290,687	477,831
Profit for the period	期內溢利	-	-	-	-	-	-	(14,963)	(14,963)
Other comprehensive income	其他全面收入	-	-	-	-	-	-	-	-
Exchange difference arising from translation of foreign operation	換算海外業務產生的匯兌差額	-	-	-	-	454	-	-	454
Total comprehensive income for the period	期內全面收入總額	-	-	-	-	454	-	(14,963)	(14,509)
Transfer to reserves	轉撥至儲備	-	-	-	-	-	-	-	-
Balance at 30 June 2020	於二零二零年六月三十日的結餘	8,723	138,185	17,800	18,625	(1,535)	5,800	275,724	463,322

* The total of these accounts as at the reporting dates represents "Reserves" in the consolidated statements of financial position.

* 截至報告日期的該等賬目總額指綜合財務狀況表內的「儲備」。

Notes:

附註：

(a) Share premium account of the Company represents the excess of the proceeds received over the nominal value of the Company's share issued.

(a) 本公司之股份溢價賬乃指已收所得款項扣減本公司已發行股份面值之盈餘。

CONSOLIDATED STATEMENT OF CASH FLOWS – UNAUDITED

綜合現金流量表－未經審核

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

(Expressed in Renminbi) (以人民幣列示)

Six months ended 30 June

截至六月三十日止六個月

2020

2019

二零二零年

二零一九年

RMB'000

RMB'000

人民幣千元

人民幣千元

Cash flows from operating activities	經營活動現金流量		
Cash generated from operations	經營所得現金	21,133	59,647
Income tax paid	已付所得稅	(2,243)	(15,017)
<i>Net cash generated from operating activities</i>	<i>經營活動產生的淨現金</i>	18,890	44,630
Cash flows from investing activities	投資活動現金流量		
Payment for the purchase of plant and equipment	購買廠房及設備的款項	-	(4)
Interest received	已收利息	510	457
<i>Net cash from investing activities</i>	<i>投資活動產生的淨現金</i>	510	453
Cash flows from financing activities	融資活動現金流量		
Repayment of principal portion of lease liabilities	已付租金本金	(272)	(507)
Interest paid	已付利息	(70)	(84)
<i>Net cash used in financing activities</i>	<i>融資活動所用的淨現金</i>	(342)	(591)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	19,038	44,492
Cash and cash equivalents at beginning of the periods	期初現金及現金等價物	242,578	234,253
Effect of exchange rate charges on cash and cash equivalents	匯率變動對現金及現金等價物的影響	-	(364)
Cash and cash equivalents at end of the periods	期末現金及現金等價物	261,616	278,381

The notes on pages 26 to 44 form part of this interim financial report.

第26頁至第44頁的附註為本中期財務報告的一部分。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

1. CORPORATE INFORMATION AND BASIS OF PREPARATION

The Company is a limited liability company incorporated in the Cayman Islands on 8 January 2016 under the Cayman Islands Companies Law. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business is located at 5th Floor, No. 5 Factory, Meixi Road, Huandong Waters, Tongan District, Huli Industrial Park, Xiamen City, Fujian Province, PRC.

The principal activity of the Company is investment holding. The principal activities of the Group are packaging and sales of seafood products.

The Company has listed its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 18 July 2017.

The unaudited consolidated interim financial statements have neither been audited nor reviewed.

In connection with the listing of the shares of the Company on the Stock Exchange, the Company underwent a reorganisation (the "Reorganisation").

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue by the Board of Directors on 31 August 2020.

1. 公司資料及編製基準

本公司於二零一六年一月八日根據開曼群島公司法在開曼群島註冊成立為有限公司。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要業務地點位於中國福建省廈門市同安區湖裏工業園環東海域美溪道5號廠房五樓。

本公司的主要業務為投資控股，而本集團的主要業務為包裝及銷售海產品。

本公司之股份於二零一七年七月十八日於香港聯合交易所有限公司（「聯交所」）主板上市。

未經審核綜合中期財務報表未經審核或審閱。

為符合本公司股份於聯交所上市，本公司進行了重組（「重組」）。

本中期財務報告已根據香港聯合交易所有限公司證券上市規則（「上市規則」）的適用披露條文（包括遵守香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號中期財務報告）編製。本中期財務報告於二零二零年八月三十一日獲董事會授權刊發。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

1. CORPORATE INFORMATION AND BASIS OF PREPARATION – continued

The preparation of the unaudited consolidated interim financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The financial information relating to the financial year ended 31 December 2019 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2019 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

1. 公司資料及編製基準－續

管理層須在編製符合香港會計準則第34號的未經審核綜合中期財務報表時作出對會計政策應用，以及本年迄今為止所列報資產、負債、收入和支出的數額構成影響的判斷、估計及假設。實際結果可能有別於估計數額。

中期財務報告所載有關截至二零一九年十二月三十一日止財政年度之財務資料乃為可資比較之資料，並不構成本公司於該財政年度之法定年度綜合財務報表，惟有關財務資料均摘錄自該等財務報表。有關根據香港公司條例（第622章）第436條披露的該等法定財務報表的進一步資料如下：

本公司已根據公司條例第662(3)條及附表6第3部的規定遞交截至二零一九年十二月三十一日止年度之財務報表予公司註冊處。

本公司之核數師已就該等財務報表發出報告書，該核數師報告書並無保留意見；並無載有核數師在對報告書無保留意見的情況下以強調方式提請注意任何事項的提述；亦無載有公司條例第406(2)、407(2)或(3)條作出的聲明。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs and revised conceptual framework for financial reporting that are first effective for the current accounting period of the Group.

None of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE AND SEGMENT INFORMATION

Revenue is measured based on the consideration specified in a contract with a customer, net of expected goods of returns, discounts and sales related taxes.

Revenue is recognised when performance obligation is satisfied. The Group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer.

OPERATING SEGMENT INFORMATION

In a manner consistent with how the Group manages its business and the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified two reportable segments, namely packaging and sales of dried seafood, algae and fungi and seafood snacks and sales of fast moving consumer goods. No operating segments have been aggregated to form the above reportable segments.

2. 會計政策變動

香港會計師公會已頒佈若干香港財務報告準則的修訂及經修訂財務報告之概念框架，並於本集團的本會計期間首次生效。

該等修訂對如何編製或呈列本集團於本中期財務報告當前或過往期間的業績及財務狀況概無重大影響。本集團並無採用任何在當前會計期間尚未生效的新準則或詮釋。

3. 收入及分部資料

收益乃基於與客戶訂立的合約所訂明的代價，扣除預期退貨、折扣及銷售相關稅費計量。

收益於履行履約責任時確認。本集團的收益來自銷售貨品，其收益於貨品控制權轉移至客戶時確認，通常為貨物交付予客戶時。

經營分部資料

按照與本集團管理其業務一致的方式，及與就資源分配及表現評估向本集團最高層管理人員內部呈報資料一致的方式，本集團已確定兩個可呈報分部，即包裝及銷售乾海產品、藻類產品及菌類產品及海洋休閒產品及銷售快速消費品。本集團並無聚合經營分部以構成上述可呈報分部。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

3. REVENUE AND SEGMENT INFORMATION – continued

OPERATING SEGMENT INFORMATION – continued

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2020 and 2019 is set out below:

3. 收入及分部資料－續

經營分部資料－續

於截至二零二零年及二零一九年六月三十日止六個月，就資源分配及分部表現評估向本集團最高層管理人員提供的有關本集團可呈報分部的資料載列如下：

		Six months ended 30 June 2020 截至二零二零年六月三十日止六個月		
		Packaging and sales of dried seafood, algae and fungi and seafood snacks 包裝及銷售乾海產品、藻類產品及海洋休閒產品 RMB'000 人民幣千元	Sales of fast moving consumer goods 銷售快速消費品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue derived from the Group's external customers	源自本集團外部客戶的收入	67,801	67,330	135,131
Inter-segment revenue	分部間收入	-	-	-
Reportable segment revenue	可呈報分部收入	67,801	67,330	135,131
Reportable segment (loss)/profit after taxation	可呈報分部除稅後(虧損)/溢利	(12,137)	(490)	(12,627)

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

3. REVENUE AND SEGMENT INFORMATION – continued

OPERATING SEGMENT INFORMATION – continued

3. 收入及分部資料－續

經營分部資料－續

		Six months ended 30 June 2019 截至二零一九年六月三十日止六個月		
		Packaging and sales of dried seafood, algae and fungi and seafood snacks 包裝及銷售乾海產品、藻類產品及菌類產品及海洋休閒產品	Sales of fast moving consumer goods 銷售快速消費品	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue derived from the Group's external customers	源自本集團外部客戶的收入	273,995	–	273,995
Inter-segment revenue	分部間收入	–	–	–
Reportable segment revenue	可呈報分部收入	273,995	–	273,995
Reportable segment profit after taxation	可呈報分部除稅後溢利	30,973	–	30,973

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3. REVENUE AND SEGMENT INFORMATION – continued

RECONCILIATIONS OF REPORTABLE SEGMENT REVENUE AND REPORTABLE SEGMENT (LOSS)/PROFIT

3. 收入及分部資料－續

可呈報分部收入與可呈報分部(虧損)/溢利的對賬

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入		
Reportable segment revenue	可呈報分部收入	135,131	273,995
Elimination of intersegment revenue	抵銷分部間收入	—	—
Consolidated revenue	綜合收入	135,131	273,995
(Loss)/profit	(虧損)/溢利		
Reportable segment (loss)/profit derived from the Group's external customers	源自本集團外部客戶的可呈報分部(虧損)/溢利	(12,627)	30,973
Unallocated head office and corporate expenses	未分配總辦事處及公司開支	(2,336)	(1,930)
Consolidated (loss)/profit after taxation	綜合除稅後(虧損)/溢利	(14,963)	29,043

INFORMATION ABOUT MAJOR CUSTOMERS

One customer contributed 10% or more of the Group's revenue during the six months ended 30 June 2020. (six months ended 30 June 2019: Nil)

有關主要客戶的資料

截至二零二零年六月三十日止六個月，一名客戶貢獻本集團收益的10%或以上(截至二零一九年六月三十日止六個月：零)。

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3. REVENUE AND SEGMENT INFORMATION – continued

INFORMATION ABOUT GEOGRAPHICAL AREAS

The geographical location of customers is based on the location at which the goods were delivered are as follows:

3. 收入及分部資料－續

有關地區的資料

以貨品交付地點為準的客戶地理位置如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
The PRC (place of domicile)	中國（住所地）	67,801	273,995
Asia Pacific (exclusive of the PRC)	亞太區（不包括中國）	67,330	–
		135,131	273,995

4. SEASONALITY OF OPERATIONS

Historically, we have experienced higher sales of our products ahead of traditional Chinese holidays. We attempt to reduce the impact of product seasonality by diversifying our product offerings so that we can constantly maintain our overall sales volume and revenue.

4. 經營季節性

一直以來，我們產品的銷售額在傳統中國假期前會較高。我們通過豐富產品種類減低產品的季節性影響以便我們將整體銷量及收益維持於穩定水準。

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5. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/profit before income tax is arrived at after charging the following:

5. 除所得稅前（虧損）／溢利

除所得稅前（虧損）／溢利已扣除下列各項：

Six months ended 30 June

截至六月三十日止六個月

2020

2019

二零二零年

二零一九年

RMB'000

RMB'000

人民幣千元

人民幣千元

Cost of inventories recognised as expenses	確認為開支的存貨成本	122,365	206,800
Research expenditure	研究開支	259	318
Depreciation of property, plant and equipment	物業、廠房及設備折舊	7,114	4,302
Staff costs	員工成本		
– Salaries and wages	– 薪金及工資	13,896	17,339
– Retirement scheme contribution	– 退休計劃供款	505	1,210

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6. INCOME TAX EXPENSE

Income tax in the consolidated statement of profit or loss represents:

6. 所得稅開支

綜合損益表內的所得稅指：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax – PRC corporate income tax	即期稅項－中國企業所得稅	811	10,275
Deferred tax (credit)/expense	遞延稅項（回撥）／開支	(372)	126
		439	10,401

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 Company’s PRC subsidiaries is 25%.

Provision for the PRC Enterprise Income Tax (“EIT”) for the Reporting Period was made based on the estimated assessable profits calculated in accordance with the relevant income tax laws, and regulations applicable to the subsidiaries operated in the PRC.

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong during the Reporting Period.

根據《中國企業所得稅法》（「《企業所得稅法》」）及《企業所得稅法實施條例》，本公司中國附屬公司的稅率為25%。

報告期間的中國企業所得稅（「企業所得稅」）撥備根據按適用於在中國經營的附屬公司的有關所得稅法例及規例計算所得的估計應課稅溢利作出。

由於本集團於報告期間並無在香港錄得應課稅溢利，因此並無就香港利得稅作出撥備。

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7. LOSS PER SHARE

The calculation of basic earnings per share for the six months ended 30 June 2020 is based on the loss attributable to equity shareholders of the Company of RMB14,963,000 (30 June 2019: profit of RMB29,043,000) and weighted average number of 100,000,000 shares during the six months ended 30 June 2020 (30 June 2019: 100,000,000 shares adjusted for the effect of share consolidation on 27 May 2020).

There were no potential dilutive ordinary shares during the six months ended 30 June 2020 and 2019 and, therefore, diluted earnings per share are the same as the basic earnings per share.

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2020, the Group acquired items of plant and equipment with a cost of approximately RMBNil (30 June 2019: RMB4,000)

7. 每股虧損

截至二零二零年六月三十日止六個月的每股基本盈利乃按截至二零二零年六月三十日止六個月的本公司權益持有人應佔虧損人民幣14,963,000元(二零一九年六月三十日：溢利人民幣29,043,000元)，以及100,000,000股股份的加權平均數(二零一九年六月三十日：100,000,000股股份按於二零二零年五月二十七日之股份合併之影響調整)計算。

由於截至二零二零年及二零一九年六月三十日止六個月內並無潛在攤薄普通股，故每股攤薄盈利與每股基本盈利相同。

8. 物業、廠房及設備

截至二零二零年六月三十日止六個月，本集團以約人民幣零元的成本(二零一九年六月三十日：人民幣4,000元)收購廠房及設備項目。

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9. INVENTORIES

9. 存貨

		As at 30 June 2020 於 二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於 二零一九年 十二月 三十一日 RMB'000 人民幣千元
Raw materials	原材料	15,877	15,064
Finished goods	製成品	56,538	64,042
		72,415	79,106

There was no write down of inventories during the six months ended 30 June 2020 and 2019.

截至二零二零年及二零一九年六月三十日止六個月概無撇減存貨。

10. TRADE RECEIVABLES

As at 30 June 2020, the ageing analysis of trade receivables, based on invoice date and net of allowances of doubtful debts, is as follows:

10. 貿易應收款項

於二零二零年六月三十日，按發票日期並扣除呆賬撥備的貿易應收款項賬齡分析如下：

		As at 30 June 2020 於 二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於 二零一九年 十二月 三十一日 RMB'000 人民幣千元
0–30 days	0至30日	11,322	40,589
31–60 days	31至60日	10,065	36,219
61–90 days	61至90日	7,226	22,072
Over 90 days	超過90日	48,109	3,398
		76,722	102,278

The Group has a policy of granting trade customers with credit terms of generally 30 days to 180 days. All of the trade receivables are expected to be recovered within one year.

本集團的政策是向貿易客戶授出一般為期30日至180日的信貸期。預計所有貿易應收款項將於一年內收回。

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11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

11. 按金、預付款項及其他應收款項

		As at 30 June 2020 於 二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於 二零一九年 十二月 三十一日 RMB'000 人民幣千元
Non-current assets	非流動資產		
Prepayments – Note (iii)	預付款－附註(iii)	3,150	3,150
Current assets	流動資產		
Amount due from a related party – Note (i)	應收關連方款項－附註(i)	36	36
Amount due from a director – Note (ii)	應收董事款項－附註(ii)	2,522	1,252
Prepayment – Note (iii)	預付款－附註(iii)	2,777	5,976
Others	其他	3,038	994
		8,373	8,258

Note:

- (i) The balance represents a rental deposit and rental prepayment paid to a company, which was controlled by the major shareholder's spouse. The balance was unsecured, interest-free, and will be repayable upon the end of lease term.
- (ii) The balance was unsecured, interest-free, and will be repayable on demand, and the maximum amount outstanding during the year was RMB1,252,000.
- (iii) The balance mainly represented prepayment of advertising and promotion fee of RMB6,300,000 for a period of two years commencing in January 2020.

附註：

- (i) 有關結餘指向一間由主要股東配偶控制的公司支付的租金按金及租金預付款項。該項結餘為無抵押、免息及須於租期屆滿時償還。
- (ii) 該項結餘為無抵押、免息及須於租期屆滿時償還，而本年度最高結欠餘額為人民幣1,252,000元。
- (iii) 該結餘主要為廣告及推廣費用之預付款人民幣6,300,000元，年期由二零二零年一月起計兩年。

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12. TRADE PAYABLES

All of the deposits, prepayments and other receivables are expected to be recovered or recognised as expense within one year.

The credit terms of trade payables vary according to the terms agreed with different suppliers, normally 30 days. Based on the receipt of services and goods, which normally coincided with the invoice dates, the ageing analysis of the Group's trade payables as at the end of the Reporting Period is as follows:

12. 貿易應付款項

預計所有按金、預付款項及其他應收款項將於一年內收回或確認為開支。

貿易應付款項的信貸期視乎與不同供應商協定的條款而有所不同，一般為期30日。根據一般與票據日期相同的服務及貨品接收日期，報告期間結束時本集團貿易應付款項的賬齡分析如下：

		As at 30 June 2020 於 二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於 二零一九年 十二月 三十一日 RMB'000 人民幣千元
0-30 days	0至30日	3,997	8,716

The trade payables are short-term and hence the carrying values of the Group's trade payables are considered to be a reasonable approximation of fair value.

貿易應付款項為短期款項，因此本集團貿易應付款項的賬面值被視為與公平值合理相若。

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13. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

13. 應計費用、已收按金及其他應付款項

		As at 30 June 2020 於 二零二零年 六月 三十日 RMB'000 人民幣千元	As at 31 December 2019 於 二零一九年 十二月 三十一日 RMB'000 人民幣千元
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	4,813	3,579
Deposit received	已收取定金	–	1,789
Other tax payables	其他應付稅項	9	521
Salaries payables	應付工資	2,060	3,229
Payable for acquisition of plant and equipment	購置廠房及設備的應付款項	3,550	3,550
		10,432	12,668
Non-current liabilities	非流動負債		
Others – Note (i)	其他 – 附註(i)	4,567	900

- i) The Group has entered into agreement with an individual third party for the issuance of two unsecured debentures with principal amounts of HKD1,000,000 (equivalent to approximately RMB913,000) and HKD4,000,000 (equivalent to approximately RMB3,654,000) respectively. The debentures are bearing interest at 5% per annum, unsecured and repayable on 21 November 2027 and 10 January 2028 respectively.

- i) 本集團已與個別第三方發行本金分別為港幣1,000,000元（相等於人民幣913,000元）及港幣4,000,000元（相等於人民幣3,654,000元）之無抵押債券訂立協議。該等債券之年利率為5%，無抵押，分別須於二零二七年十一月二十一日及二零二八年一月十日償還。

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14. CAPITAL, RESERVES AND DIVIDENDS

(A) DIVIDENDS

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

(B) SHARE CAPITAL

The Company was incorporated as exempted company under the laws of the Cayman Islands with limited liability on 8 January 2016 with authorised share capital of HK\$380,000 divided into 3,800,000 shares of HK\$0.10 each and issued 100 share of HK\$10 each.

On 21 June 2017, each of the issued and unissued shares of HK\$0.1 in the share capital of our Company was subdivided into 10 Shares of HK\$0.01 each. On the same date, the authorised share capital of our Company was increased from HK\$380,000 divided into 38,000,000 ordinary shares of par value HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 ordinary shares of par value HK\$0.01 each, by the creation of 9,962,000,000 ordinary shares of par value HK\$0.01 each.

On 22 June 2017, 200,000 shares were allotted and issued all credited as fully-paid to shareholders in consideration of the capitalisation of loans in the amount of HK\$22,807,000 (equivalent to RMB19,940,474) owing by the shareholders. The sum of HK\$2,000 (equivalent to RMB1,749) representing the par value of the ordinary shares of the Company, were credited to the Company's share capital. The remaining sum of HK\$22,805,000 (equivalent to RMB19,938,725) were credited to share premium account.

14. 資本、儲備及股息

(A) 股息

董事會並不建議就截至二零二零年六月三十日止六個月派付中期股息（截至二零一九年六月三十日止六個月：無）。

(B) 股本

本公司於二零一六年一月八日根據開曼群島法例註冊成立為獲豁免有限公司，法定股本為380,000港元，分拆為3,800,000股每股0.10港元的股份，並發行100股每股10港元的股份。

於二零一七年六月二十一日，本公司股本中每股面值0.1港元的已發行及未發行股份分拆為10股每股面值0.01港元的股份，於同日，本公司藉增設9,962,000,000股每股面值0.01港元的普通股，將其法定股本由380,000港元（分為38,000,000股每股面值0.01港元的普通股）增加至100,000,000港元（分為10,000,000,000股每股面值0.01港元的普通股）。

於二零一七年六月二十二日，股東獲配發及發行200,000股入賬列作繳足的股份，代價為將股東欠付之22,807,000港元（相當於人民幣19,940,474元）的貸款資本化。2,000港元（相當於人民幣1,749元）之款項指計入本公司股本的本公司普通股面值。餘下22,805,000港元（相當於人民幣19,938,725元）計入股溢價賬。

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14. CAPITAL, RESERVES AND DIVIDENDS – continued

(B) SHARE CAPITAL – continued

Pursuant to written resolutions passed on 22 June 2017, conditional upon the share premium account of the Company having sufficient balance, or otherwise being credited by way of global offering, the Directors were authorised to allot and issue a total of 749,799,000 shares credited as fully paid at par by way of capitalisation of the sum of HK\$7,497,990 (equivalent to RMB6,555,492) standing to the credit of the share premium account of the Company.

On 18 July 2017, 250,000,000 ordinary shares of HK\$0.01 each of the Company were issued at a price of HK\$0.66 by way of placing. On the same date, the Company's ordinary shares were listed on the Stock Exchange. The proceeds of HK\$2,500,000 (equivalent to RMB2,166,075) representing the par value of the ordinary shares of the Company, were credited to the Company's share capital. The remaining proceeds of HK\$162,500,000 (equivalent to RMB140,794,875), before issuing expenses of approximately HK\$18,458,529 (equivalent to RMB15,993,023), were credited to share premium account.

On 27 May 2020, the Company implemented the share consolidation on the basis that every ten issued and unissued existing ordinary shares of HK\$0.01 each in the share capital of the Company be consolidated into one consolidated ordinary share of HK\$0.1 each.

As at 30 June 2020, our Company had an authorised share capital of HK\$100,000,000, divided into 1,000,000,000 Shares, and an issued share capital of HK\$10,000,000, divided into 100,000,000 Shares, all fully paid or credited as fully paid.

14. 資本、儲備及股息一續

(B) 股本一續

根據於二零一七年六月二十二日通過的書面決議案，待本公司股份溢價賬結餘充足或透過全球發售而取得進賬額後，董事獲授權透過將本公司股份溢價賬的進賬額7,497,990港元（相當於人民幣6,555,492元）資本化，配發及發行合共749,799,000股按面值入賬列作繳足股份。

於二零一七年七月十八日，本公司250,000,000股每股面值0.01港元的普通股透過配售按0.66港元的價格發行。同日，本公司的普通股於聯交所上市。所得款項2,500,000港元（相當於人民幣2,166,075元）指計入本公司股本的本公司普通股面值。扣除發行開支約18,458,529港元（相當於人民幣15,993,023元）前的餘下所得款項162,500,000港元（相當於人民幣140,794,875元）計入股份溢價賬。

於二零二零年五月二十七日，本公司進行股份合併，基準為本公司股本中每股面值0.01港元之已發行及未發行現有普通股每十股合併為一股每股面值0.1港元之合併普通股。

於二零二零年六月三十日，本公司的法定股本為100,000,000港元，分為1,000,000,000股股份，而已發行股本為10,000,000港元，分為100,000,000股股份，全部股份均繳足或入賬列為繳足。

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(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

15. MATERIAL RELATED PARTY TRANSACTIONS

The Group entered into the following significant related party transactions during the Reporting Period.

(A) NAME AND RELATIONSHIP WITH RELATED PARTIES

During the Reporting Period, the Directors are of the view that related parties of the Group include the following entity:

Name of related party 關聯方名稱

Relationship 關係

Mr. Liu Rongru 劉榮如先生	Controlling Shareholder and a Director 控股股東及董事
Xiamen Yehong Foodstuffs Company Limited* 廈門葉紅食品有限公司	A company, which was controlled by the Controlling Shareholder's spouse 一間由控股股東的配偶控制的公司
Mr. Liu Rongjian* Cousin of Mr. Liu Rongru 劉榮建先生 劉榮如先生的堂兄弟	Purchase – cost of sales 採購－銷售成本
Mr. Liu Rongzhong* Cousin of Mr. Liu Rongru 劉榮忠先生 劉榮如先生的堂兄弟	Purchase – cost of sales 採購－銷售成本

* The English translation of the name is for reference only. The official name of this related party is in Chinese.

15. 重大關聯方交易

本集團於報告期間訂立下列重大關聯方交易。

(A) 關聯方名稱及與關聯方的關係

於報告期間，董事認為，本集團的關聯方包括下列實體：

* 英文譯名僅供參考，此關聯方的正式名稱以中文為準。

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(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

15. MATERIAL RELATED PARTY TRANSACTIONS – continued

(B) SIGNIFICANT RELATED PARTY TRANSACTIONS

Particulars of significant related party transactions during the Reporting Period are as follows:

15. 重大關聯方交易－續

(B) 重大關聯方交易

報告期間內重大關聯方交易的詳情如下：

Six months ended 30 June 截至六月三十日止六個月

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Xiamen Yehong Foodstuffs Company Limited	廈門葉紅食品有限公司		
Cost of sales	銷售成本		
– rental expense	– 租賃開支	60	60
Administrative expenses	行政開支		
– rental expense	– 租賃開支	40	40
		100	100
Mr. Liu Rongjian	劉榮建先生		
Cost of sales	銷售成本		
– purchase (note)	– 採購 (附註)	110	356
Mr. Liu Rongzhong	劉榮忠先生		
Cost of sales	銷售成本		
– purchase (note)	– 採購 (附註)	295	508
		405	864

Note: The Directors confirm that the above purchase transactions are entered into with trading terms similar to those with third parties.

附註：董事確認，上述採購交易乃以與彼等與第三方訂立的類似交易條款訂立。

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(Expressed in Renminbi unless otherwise indicated) (除另有指示外，以人民幣列示)

15. MATERIAL RELATED PARTY TRANSACTIONS – continued

(C) KEY MANAGEMENT PERSONNEL REMUNERATION

Remuneration for key management personnel of the Group is as follows:

		Six months ended 30 June 截至六月三十日止六個月 2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	短期福利	818	2,084
Contributions to retirement benefit scheme	退休福利計劃供款	20	22
		838	2,106

16. COMMITMENTS

The Group has no capital commitments outstanding at 30 June 2020.

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The Group's major financial instruments include trade receivables, other receivables, bank balances and cash, trade payables and other payables.

As at 30 June 2020 and 2019, all financial instruments are carried at amounts not materially different from their fair values because of the immediate or short term maturity. Given the nature of these balances, it is not meaningful to estimate their fair values.

15. 重大關聯方交易－續

(C) 主要管理層人員薪酬

本集團主要管理層人員薪酬如下：

		Six months ended 30 June 截至六月三十日止六個月 2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	短期福利	818	2,084
Contributions to retirement benefit scheme	退休福利計劃供款	20	22
		838	2,106

16. 承擔

於二零二零年六月三十日，本集團並無尚未償付資本承擔。

17. 金融工具公平值計量

本集團的主要金融工具包括貿易應收款項、其他應收款項、銀行結餘及現金、貿易應付款項及其他應付款項。

於二零二零年及二零一九年六月三十日，由於所有金融工具均即時或短期到期，其金額與公平值無顯著差異。鑒於這些餘額的性質，估計其公平價並無意義。

DIVIDENDS

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2020 to the shareholders.

PUBLICATION OF 2020 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinashenghaigroup.com), and the 2020 interim report of the Company containing all the information required by the Listing Rules will be dispatched to shareholders and published on the respective websites of the Company and the Stock Exchange in due course.

APPRECIATION

I would like to take this opportunity to express my thanks and gratitude to the Group's management and staff who dedicated their endless efforts and devoted services, and to our shareholders, suppliers, customers and bankers for their continuous support.

By Order of the Board
China Shenghai Food Group Limited
Liu Rongru
Joint-Chairman and Chief Executive Officer

Xiamen, the PRC, 31 August 2020

As at the date of this announcement, the non-executive director of the Company is Mr. Li Dongfan; the executive directors of the Company are Mr. Liu Rongru and Ms. Li Jiayin and the independent non-executive directors of the Company are Mr. Liu Dajin, Mr. Liu Junting and Mr. Pang Wai Ching.