

CHINA HEALTHWISE HOLDINGS LIMITED

中國智能健康控股有限公司

(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: 00348

2022

INTERIM REPORT 中期報告

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

The board of directors (the "Board" or "Directors") of China Healthwise Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (together the "Group") for the six months ended 30 June 2022 together with the comparative figures for the corresponding period for the six months ended 30 June 2021. These interim consolidated financial statements have not been audited but have been reviewed by the Company's Audit Committee.

中國智能健康控股有限公司(「本公司」)董事會(「董事會」或「董事」)欣然公佈本公司及其附屬公司(統稱「本集團」)截至二零二二年六月三十日止六個月之未經審核簡明綜合業績，連同截至二零二一年六月三十日止六個月同期之比較數字。此等中期綜合財務報表均未經審核，惟已由本公司審核委員會審閱。

				Unaudited 未經審核	
				For the six months ended 30 June 2022 截至 二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至 二零二一年 六月三十日 止六個月 HK\$'000 千港元
		Notes 附註			
Revenue	收入	4	76,270	97,897	
Cost of sales	銷售成本		(49,742)	(42,404)	
Gross profit	毛利		26,528	55,493	
Other income, gains and losses, net	其他收入、收益及虧損，淨額	4	(4,906)	13,507	
Selling and distribution expenses	銷售及分銷支出		(14,275)	(14,822)	
General and administrative expenses	一般及行政費用		(19,444)	(14,398)	
Finance costs	融資成本	5	(3,165)	(3,211)	
(Loss)/profit before income tax	除所得稅前(虧損)/溢利		(15,262)	36,569	
Income tax credit	所得稅抵免	6	86	-	
(Loss)/profit for the period	期內(虧損)/溢利	7	(15,176)	36,569	
Other comprehensive loss for the period, net of tax:	期內扣除稅項後其他全面虧損：				
Items that may be reclassified subsequently to profit or loss:	其後可能會重新分類至損益的項目：				
– Exchange differences arising from translation of foreign operations	– 換算海外業務產生之匯兌差額		(161)	(208)	
Other comprehensive loss for the period, net of tax	期內扣除稅項後其他全面虧損		(161)	(208)	

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至 二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至 二零二一年 六月三十日 止六個月 HK\$'000 千港元
	Notes 附註		
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額	(15,337)	36,361
(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	(15,176)	36,569
Total comprehensive (loss)/income for the period attributable to owners of the Company	本公司擁有人應佔期內全面(虧損)/收益總額	(15,337)	36,361
(Loss)/earnings per share	每股(虧損)/盈利		
- Basic	- 基本	9 (1.97) cents 港仙	4.75 cents 港仙
- Diluted	- 攤薄	9 (1.97) cents 港仙	4.53 cents 港仙

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2022 於二零二二年六月三十日

			Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	91	230
Right-of-use assets	使用權資產	10	2,675	2,284
Loan receivables	應收貸款	11	77,531	106,180
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	12	2,252	2,400
Deferred tax assets	遞延稅項資產		1,228	1,142
			83,777	112,236
Current assets	流動資產			
Inventories	存貨		40,196	60,713
Trade and other receivables, deposits and prepayments	應收貿易賬款及其他應收款項、按金及預付款項	13	14,658	11,843
Loan receivables	應收貸款	11	69,206	32,392
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	12	69,035	56,904
Cash and cash equivalents	現金及現金等價物		28,753	40,007
			221,848	201,859
Current liabilities	流動負債			
Trade and other payables and accrued charges	應付貿易賬款及其他應付款項及應計費用	14	16,554	26,610
Lease liabilities	租賃負債		3,921	5,135
Borrowings	借貸	15	30,894	12,036
Tax payable	應繳稅項		3,562	3,562
Convertible loan notes	可換股貸款票據		72,300	72,300
			127,231	119,643

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2022 於二零二二年六月三十日

		Notes 附註	Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Net current assets	流動資產淨值		94,617	82,216
Total assets less current liabilities	總資產減流動負債		178,394	194,452
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		667	1,388
Net assets	資產淨值		177,727	193,064
EQUITY	權益			
Share capital	股本	16	7,705	7,705
Reserves	儲備		170,022	185,359
Total equity	總權益		177,727	193,064

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至 二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至 二零二一年 六月三十日 止六個月 HK\$'000 千港元
Net cash (outflow)/inflow from operating activities	經營業務之現金(流出)/流入淨額	(26,204)	13,829
Net cash outflow from investing activities	投資業務之現金流出淨額	(35)	(320)
Net cash inflow/(outflow) from financing activities	融資活動之現金流入/(流出)淨額	15,146	(20,616)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(11,093)	(7,107)
Cash and cash equivalents at the beginning of the period	於期初之現金及現金等價物	40,007	34,829
Effect on foreign exchange rate changes	匯率變動之影響	(161)	(208)
Cash and cash equivalents at the end of the period	於期末之現金及現金等價物	28,753	27,514
Analysis of the balance of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and cash equivalents	現金及現金等價物	28,753	27,514

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動報表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

		Unaudited 未經審核 Attributable to owners of the Company 本公司擁有人應佔					
		Share capital	Share premium	Convertible loan notes equity reserve 可換股 貸款票據 權益儲備	Exchange fluctuation reserve 匯兌波動 儲備	Retained profits	Total
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	可換股 貸款票據 權益儲備 HK\$'000 千港元	匯兌波動 儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總計 HK\$'000 千港元
As at 1 January 2022	於二零二二年一月一日	7,705	25,675	19,835	10,893	128,956	193,064
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(161)	-	(161)
Loss for the period	期內虧損	-	-	-	-	(15,176)	(15,176)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	(161)	(15,176)	(15,337)
As at 30 June 2022	於二零二二年六月三十日	7,705	25,675	19,835	10,732	113,780	177,727

		Unaudited 未經審核 Attributable to owners of the Company 本公司擁有人應佔					
		Share capital	Share premium	Convertible loan notes equity reserve 可換股 貸款票據 權益儲備	Exchange fluctuation reserve 匯兌波動 儲備	Accumulated losses	Total
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	可換股 貸款票據 權益儲備 HK\$'000 千港元	匯兌波動 儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
As at 1 January 2021	於二零二一年一月一日	770,481	337,166	19,835	11,074	(842,265)	296,291
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(208)	-	(208)
Profit for the period	期內溢利	-	-	-	-	36,569	36,569
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額	-	-	-	(208)	36,569	36,361
As at 30 June 2021	於二零二一年六月三十日	770,481	337,166	19,835	10,866	(805,696)	332,652

1. Basis of preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

These unaudited condensed consolidated interim financial statements are presented in Hong Kong Dollar ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000"), unless otherwise stated.

The directors of the Company have, at the time of approving the unaudited condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

2. Principal accounting policies

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2022 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2021.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2022 for the preparation of the Group's unaudited condensed consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020

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

1. 編製基準

該等未經審核簡明綜合中期財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十六之適用披露規定編製而成。

除另有指明者外，該等未經審核簡明綜合中期財務報表乃以港元(「港元」)呈列，而所有價值乃約整至最接近千位數(「千港元」)。

於批准未經審核簡明綜合財務報表時，本公司董事合理地預期本集團有充足資源在可預見未來繼續營運業務。因此，其繼續採用持續經營會計基準以編製簡明綜合財務報表。

2. 主要會計政策

除若干金融工具按公平值計量外，未經審核簡明綜合財務報表乃以歷史成本法編製。

除因應用香港財務報告準則(「香港財務報告準則」)之修訂本而產生的額外會計政策外，於截至二零二二年六月三十日止六個月的未經審核簡明綜合財務報表所採用的會計政策及計算方法與本集團截至二零二一年十二月三十一日止年度的全年財務報表所呈列者相同。

應用香港財務報告準則之修訂本

於本中期期間內，本集團就編製本集團的未經審核簡明綜合財務報表首次應用香港會計師公會頒佈的下列香港財務報告準則之修訂本，該等修訂本已於二零二二年一月一日或之後開始的年度期間強制生效：

香港財務報告準則 第3號修訂本	提述概念框架
香港會計準則 第16號修訂本	物業、廠房及設備 — 擬定用途前之所得款項
香港會計準則 第37號修訂本	繁重合約 — 履行合約之成本
香港財務報告準則 修訂本	香港財務報告準則 二零一八年至二零二零年 之年度改進

於本中期期間內應用香港財務報告準則之修訂本，對本集團於本期間及過往期間的財務狀況及業績及/或該等未經審核簡明綜合財務報表中的披露事項並無重大影響。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

3. Use of judgements and estimates

In preparing these 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 the 2021 annual financial statements.

4. Revenue, other income, gains and losses, net and segmental information

The Group is principally engaged in sale of Chinese health products, money lending business and investment in financial instruments. Revenue and other income, gains and losses, net recognised during the period are as follows:

3. 所用判斷及估計

於編製該等未經審核簡明綜合中期財務報表的過程中，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二零二一年全年財務報表所應用者相同。

4. 收入、其他收入、收益及虧損，淨額以及分部資料

本集團主要從事中藥保健品之銷售、放債業務及投資金融工具。期內已確認收入及其他收入、收益及虧損，淨額如下：

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月 HK\$'000 千港元
Revenue from contracts with customers	客戶合約收入		
— Trading of Chinese health products	— 買賣中藥保健品	69,134	59,873
Revenue from other sources:	來自其他來源之收入：		
— Interest income	— 利息收入	7,227	10,988
— (Loss)/gain on disposal of financial instruments, net	— 出售金融工具之(虧損)/收益，淨額	(91)	27,036
		76,270	97,897
Disaggregation of revenue from contracts with customers:	與客戶合約收入分開呈列：		
Timing of revenue recognition from contracts with customers	確認客戶合約收入之時間		
At a point in time	於一定時間點	69,134	59,873
Other income, gains and losses, net	其他收入、收益及虧損，淨額		
Fair value (loss)/gain on financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益(「按公平值計入損益」)之金融資產公平值(虧損)/收益	(4,355)	14,483
Impairment loss on loan receivables under expected credit loss ("ECL") model, net	預期信貸虧損(「預期信貸虧損」)模型下之應收貸款減值虧損，淨額	(2,547)	(1,128)
Government grants	政府補助	1,836	—
Rent concessions	租金減免	160	152
		(4,906)	13,507

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's chief operating decision maker (the "CODM") for their assessment of performance and resource allocation. The Group has identified the following reportable segments from its operations:

- Chinese health products: sale of Chinese health products
- Money lending business: granting loans
- Investment in financial instruments: investing in financial instruments

(a) Segment revenue and results

Segment revenue represents revenue generated from external customers. There were no inter-segment sales during the six months ended 30 June 2022 and 30 June 2021. Corporate revenue and expenses are not allocated to the operating segments as they are not included in the measure of the segments' profit/(loss) that is used by the CODM for assessment of segment performance.

For the six months ended 30 June 2022

本集團已根據定期呈報予本集團主要經營決策者（「主要經營決策者」）作表現評估及資源分配用途之內部財務資料識別其營運分部及編製分部資料。本集團已根據其營運識別出以下可報告分部：

- 中藥保健品：中藥保健品銷售
- 放債業務：提供貸款
- 投資金融工具：金融工具投資

(a) 分部收入及業績

分部收入指源自外部客戶之收入。於截至二零二二年六月三十日及二零二一年六月三十日止六個月，概無進行分部間銷售。由於公司收入及開支並未計入主要經營決策者評估分部表現時使用之分部溢利／（虧損）計量內，故並無分配至營運分部。

截至二零二二年六月三十日止六個月

		Chinese health products	Money lending business	Investment in financial instruments	Reportable segment total
		中藥保健品	放債業務	金融工具投資	分部總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Revenue to external customers	外部客戶收入	69,134	7,227	(91)	76,270
Segment profit/(loss) before income tax	除所得稅前分部溢利／（虧損）	1,865	(4,720)	(5,187)	(8,042)

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

For the six months ended 30 June 2021

截至二零二一年六月三十日止六個月

		Chinese health products 中藥保健品 HK\$'000 千港元 (Unaudited) (未經審核)	Money lending business 放債業務 HK\$'000 千港元 (Unaudited) (未經審核)	Investment in financial instruments 投資 金融工具 HK\$'000 千港元 (Unaudited) (未經審核)	Reportable segment total 可報告 分部總計 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue to external customers	外部客戶收入	59,873	10,988	27,036	97,897
Segment (loss)/profit before income tax	除所得稅前分部(虧損)/溢利	(2,184)	2,764	40,845	41,425

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年六月三十日止六個月 HK\$'000 千港元
Reportable segment (loss)/profit	可報告分部(虧損)/溢利	(8,042)	41,425
Exchange gain, net	匯兌收益·淨額	-	6
Unallocated finance costs	未分配融資成本	(2,151)	(2,442)
Unallocated corporate expenses	未分配公司開支		
— Staff costs	— 員工成本	(3,113)	(1,530)
— Legal and professional fee	— 法律及專業費用	(1,379)	(301)
— Others	— 其他	(577)	(589)
Consolidated (loss)/profit before income tax	除所得稅前綜合(虧損)/溢利	(15,262)	36,569

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

(b) 分部資產及負債

以下為本集團按可報告分部劃分的資產及負債之分析：

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Segment assets	分部資產		
— Chinese health products	— 中藥保健品	70,703	84,448
— Money lending business	— 放債業務	159,106	167,244
— Investment in financial instruments	— 投資金融工具	73,345	59,754
Segment assets	分部資產	303,154	311,446
Unallocated corporate assets	未分配公司資產		
— Cash and cash equivalents	— 現金及現金等價物	2,471	2,498
— Other (Note)	— 其他(附註)	-	151
Consolidated total assets	綜合資產總值	305,625	314,095
		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Segment liabilities	分部負債		
— Chinese health products	— 中藥保健品	32,307	27,984
— Money lending business	— 放債業務	787	2,376
— Investment in financial instruments	— 投資金融工具	17,877	15,541
Segment liabilities	分部負債	50,971	45,901
Unallocated corporate liabilities	未分配公司負債		
— Convertible loan notes	— 可換股貸款票據	72,300	72,300
— Others (Note)	— 其他(附註)	4,627	2,830
Consolidated total liabilities	綜合負債總額	127,898	121,031

Note: Other unallocated corporate assets and liabilities include certain other receivables, deposits and prepayments and certain other payables and accrual charges.

附註：其他未分配公司資產及負債包括若干其他應收款項、按金及預付款項，以及若干其他應付款項及應計費用。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

(c) Information about the Group's revenue by geographical region

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月 HK\$'000 千港元
Hong Kong	香港	75,999	97,897
The People's Republic of China (the "PRC")	中華人民共和國(「中國」)	271	-
		76,270	97,897

Note: Revenue from trading of Chinese health products, interest income and sale of financial instruments are disclosed by location of operations and location where the products are delivered.

附註：買賣中藥保健品之收入、利息收入及金融工具銷售之收入乃按營業地點及交付產品的地點披露。

(d) Information on major customers

For the six months ended 30 June 2022 and 2021, no external customer contributed 10% or more to the Group's revenue.

(d) 主要客戶之資料

截至二零二二年及二零二一年六月三十日止六個月，概無外部客戶對本集團的收入貢獻百分之十或以上。

5. Finance costs

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月 HK\$'000 千港元
Interest on borrowings	借貸利息	797	514
Interest on lease liabilities	租賃負債利息	217	257
Interest on convertible loan notes	可換股貸款票據之利息	2,151	2,440
		3,165	3,211

5. 融資成本

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

6. Income tax credit

6. 所得稅抵免

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月 HK\$'000 千港元
Deferred tax	遞延稅項	86	-

Hong Kong Profits Tax is calculated at 8.25% on the estimated assessable profits up to HK\$2,000,000 and 16.5% on any part of the estimated assessable profits over HK\$2,000,000. No Hong Kong Profits Tax was provided for the Company's subsidiaries in Hong Kong for the six months ended 30 June 2022 and 2021 as they either did not derive any assessable profits from Hong Kong or had estimated tax losses brought forward to offset against the estimated assessable profits.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25%. No Enterprise Income Tax has been provided as the Company's subsidiary in the PRC did not derive any assessable profits from the PRC for the six months ended 30 June 2022 and 2021.

香港利得稅乃按估計應課稅溢利最多二百萬港元之百分之八點二五及估計應課稅溢利超過二百萬港元之任何部分之百分之十六點五計算。由於截至二零二二年及二零二一年六月三十日止六個月本公司之香港附屬公司並未於香港產生任何應課稅溢利，亦未結轉估計稅項虧損以抵銷估計應課稅溢利，因此並未就該等公司作出香港利得稅撥備。

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，中國附屬公司之稅率為百分之二十五。由於截至二零二二年及二零二一年六月三十日止六個月本公司之中國附屬公司並未於中國產生任何應課稅溢利，因此並未就該等公司作出企業所得稅撥備。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

7. (Loss)/profit for the period

7. 期內(虧損)/溢利

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月 HK\$'000 千港元
(Loss)/profit before income tax is stated after charging the following:	除所得稅前(虧損)/溢利 已扣除下列各項：		
Cost of inventories sold	已售存貨成本	49,742	42,404
Depreciation of right-of-use assets	使用權資產折舊	1,169	1,841
Depreciation of property, plant and equipment	物業、廠房及設備折舊	174	198

8. Dividends

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

8. 股息

董事不建議派付截至二零二二年六月三十日止六個月之中期股息(截至二零二一年六月三十日止六個月：無)。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

9. (Loss)/earnings per share

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

9. 每股(虧損)/盈利

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃基於下列數據計算：

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月 HK\$'000 千港元
(Loss)/earnings	(虧損)/盈利		
(Loss)/earnings for the purpose of basic (loss)/earnings per share ((loss)/profit for the period attributable to owners of the Company)	用以計算每股基本(虧損)/盈利之(虧損)/盈利(本公司擁有人應佔期內(虧損)/溢利)	(15,176)	36,569
Effect of dilutive potential ordinary shares: Interest on convertible loan notes (net of income tax)	潛在攤薄普通股之影響： 可換股貸款票據之利息(扣除所得稅)	-	2,038
(Loss)/earnings for the purpose of diluted (loss)/earnings per share	用以計算每股攤薄(虧損)/盈利之(虧損)/盈利	(15,176)	38,607

		Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年 六月三十日 止六個月	For the six months ended 30 June 2021 截至二零二一年 六月三十日 止六個月
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	用以計算每股基本(虧損)/盈利之普通股加權平均數目	770,480,836	770,480,836
Effect of dilutive potential ordinary shares: Convertible loan notes	潛在攤薄普通股之影響： 可換股貸款票據	-	81,000,000
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	用以計算每股攤薄(虧損)/盈利之普通股加權平均數目	770,480,836	851,480,836

The computation of diluted loss per share for six months ended 30 June 2022 does not assume the conversion of the Company's outstanding convertible loan notes since their assumed exercise would result in a decrease in loss per share.

截至二零二二年六月三十日止六個月，計算每股攤薄虧損並無假設本公司未償還可換股貸款票據獲兌換，原因為假設行使有關票據將導致每股虧損減少。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

10. Property, plant and equipment and right-of-use assets

During the six months ended 30 June 2022, the Group acquired property, plant and equipment with a cost of HK\$35,000 (six months ended 30 June 2021: HK\$320,000). The Group has entered into lease for retail shop in Hong Kong during the six months ended 30 June 2022 and accordingly additional right-of-use assets amounted to HK\$1,560,000 (six months ended 30 June 2021: HK\$4,987,000) have been recognised during the current period.

11. Loan receivables

10. 物業、廠房及設備以及使用權資產

截至二零二二年六月三十日止六個月，本集團收購物業、廠房及設備，成本為三萬五千港元（截至二零二一年六月三十日止六個月：三十二萬港元）。本集團已於截至二零二二年六月三十日止六個月訂立有關香港零售店舖的租賃，因此，於本期間已確認額外使用權資產一百五十六萬港元（截至二零二一年六月三十日止六個月：四百九十八萬七千港元）。

11. 應收貸款

	Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Loan receivables arising from money lending business 放債業務產生之應收貸款	311,249	300,537
Less: allowance for ECL 減：預期信貸虧損之撥備	(164,512)	(161,965)
	146,737	138,572

All loans are denominated in HK\$. The loan receivables are unsecured and carry effective interest ranging from 8%-15% per annum (31 December 2021: 8%-15% per annum). A maturity profile of the loan receivables (net of allowance for ECL) at the end of the reporting periods, based on the maturity date is as follows:

所有貸款均以港元計值。應收貸款為無抵押及按實際年利率介乎百分之八至百分之十五（二零二一年十二月三十一日：年利率百分之八至百分之十五）計息。於報告期末，按到期日劃分之應收貸款（扣除預期信貸虧損之撥備）到期情況如下：

	Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Within one year 一年內	69,206	32,392
More than one year but not exceeding two years 一年以上但不超過兩年	77,531	106,180
	146,737	138,572

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

12. Financial assets at fair value through profit or loss

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Listed equity securities in Hong Kong – Current	於香港上市之股本證券 – 流動	69,035	56,904
Unlisted equity securities – Non-current	非上市股本證券 – 非流動	2,252	2,400
		71,287	59,304

Fair value of listed equity securities is determined based on quoted bid prices in the Stock Exchange. Fair value of unlisted equity securities is determined based on valuation using asset-based approach.

上市股本證券之公平值乃根據聯交所所報買盤價釐定。非上市股本證券之公平值乃根據使用資產法得出的估值釐定。

13. Trade and other receivables, deposits and prepayments

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Trade receivables	應收貿易賬款	5,575	5,681
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	9,083	6,162
		14,658	11,843

12. 按公平值計入損益之金融資產

13. 應收貿易賬款及其他應收款項、按金及預付款項

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

The ageing analysis of the trade receivables is as follows:

應收貿易賬款之賬齡分析如下：

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
0-90 days	零至九十日	5,256	5,174
91-180 days	九十一至一百八十日	319	507
		5,575	5,681

The Group's sales are on open account terms. Credit terms are reviewed on a regular basis. The credit period ranges from 30 to 90 days but business partners with strong financial backgrounds may be offered longer credit terms.

本集團之銷售均以記賬條款進行。信貸條款會定期檢討。除賬期介乎三十日至九十日，但對財力雄厚之業務夥伴可給予較長之除賬期。

14. Trade and other payables and accrued charges

14. 應付貿易賬款及其他應付款項及應計費用

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Trade payables	應付貿易賬款	6,530	17,604
Other payables and accrued charges	其他應付款項及應計費用	10,024	9,006
		16,554	26,610

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

The ageing analysis of the trade payables is as follows:

應付貿易賬款之賬齡分析如下：

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
0-90 days	零至九十日	6,391	17,465
91-180 days	九十一至一百八十日	-	-
181-365 days	一百八十一至三百六十五日	-	-
Over 365 days	三百六十五日以上	139	139
		6,530	17,604

15. Borrowings

15. 借貸

		Unaudited 未經審核 At 30 June 2022 於 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2021 於 二零二一年 十二月三十一日 HK\$'000 千港元
Margin loans from securities brokers	來自證券經紀之保證金貸款	15,102	12,036
Other loan	其他貸款	15,792	-
		30,894	12,036

At 30 June 2022, the Group had margin loans from securities brokers of HK\$15,102,000 (31 December 2021: HK\$12,036,000). The margin loans are interest-bearing from 8% to 10% (31 December 2021: 10%) per annum, repayable on demand and are secured by a portfolio of listed equity securities with carrying amounts of HK\$61,724,000 (31 December 2021: HK\$52,591,000).

於二零二二年六月三十日，本集團來自證券經紀之保證金貸款為一千五百一十萬零二千港元（二零二一年十二月三十一日：一千二百零三萬六千港元）。保證金貸款按年息介乎八厘至十厘（二零二一年十二月三十一日：十厘）計息，須應要求償還，並以賬面值六千一百七十二萬四千港元（二零二一年十二月三十一日：五千二百五十九萬一千港元）之上市股本證券組合作抵押。

At 30 June 2022, the Group had other loan of HK\$15,792,000. The other loan is interest-bearing at Hong Kong Prime Rate (as quoted by the designated bank) plus 4% per annum, secured by share charge over issued shares in a subsidiary of the Group and guaranteed by the Company. As the other loan contains a repayable on demand clause, the entire outstanding balance of the other loan was classified under current liabilities.

於二零二二年六月三十日，本集團擁有其他貸款一千五百七十九萬二千港元。其他貸款按香港最優惠利率（由指定銀行所報）加年利率四厘計息，以本集團附屬公司已發行股份的股份押記作抵押，並由本公司提供擔保。由於其他貸款包含按要求償還的條款，故其他貸款的全部未償還餘額歸類為流動負債。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

16. Share capital

16. 股本

	Authorised 法定				
	Convertible cumulative redeemable preference shares of US\$100,000 each 每股面值十萬美元之 可換股可累積可贖回優先股 Number of shares 股份數目		Ordinary shares of HK\$0.01 each 每股面值零點零一港元之 普通股 Number of shares 股份數目		
	US\$'000 千美元		'000 千股	HK\$'000 千港元	
At 31 December 2021 (audited), 1 January 2022 and 30 June 2022 (unaudited)	於二零二一年十二月三十一日 (經審核)、二零二二年 一月一日及二零二二年 六月三十日(未經審核)	40	4,000	150,000,000	1,500,000

	Issued and fully paid 已發行及繳足				
	Convertible cumulative redeemable preference shares of US\$100,000 each 每股面值十萬美元之 可換股可累積可贖回優先股 Number of shares 股份數目		Ordinary shares of HK\$0.01 each 每股面值零點零一港元之 普通股 Number of shares 股份數目		
	US\$'000 千美元		'000 千股	HK\$'000 千港元	
At 31 December 2021 (audited), 1 January 2022 and 30 June 2022 (unaudited)	於二零二一年十二月三十一日 (經審核)、二零二二年 一月一日及二零二二年 六月三十日(未經審核)	-	-	770,481	7,705

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

17. Fair value measurements of financial instruments

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are input for which market data are not available; and
- Level 3: fair value measured using significant unobservable inputs.

17. 金融工具之公平值計量

本集團按經常基準以公平值計量之金融工具之公平值

下表呈列本集團於報告期末按經常基準計量之金融工具之公平值，其乃按香港財務報告準則第13號公平值計量所界定劃分為三層公平值架構。公平值計量劃分之層次乃使用估值技術參考輸入值之可觀察性及重要性釐定如下：

- 第一層次：公平值僅使用第一層輸入值計量，即相同資產或負債於計量日期於活躍市場之未經調整報價；
- 第二層次：公平值僅使用第二層輸入值計量，即未符合第一層次的可觀察輸入值且並無使用重大不可觀察輸入值。不可觀察輸入值為於市場數據不可用之輸入值；及
- 第三層次：使用重大不可觀察輸入值計量之公平值。

At 30 June 2022 (unaudited)	於二零二二年 六月三十日 (未經審核)	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	按公平值計入損益的金融資產				
– listed equity securities	– 上市股本證券	69,035	–	–	69,035
– unlisted equity securities	– 非上市股本證券	–	–	2,252	2,252
		69,035	–	2,252	71,287
At 31 December 2021 (audited)	於二零二一年 十二月三十一日 (經審核)	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	按公平值計入損益的金融資產				
– listed equity securities	– 上市股本證券	56,904	–	–	56,904
– unlisted equity securities	– 非上市股本證券	–	–	2,400	2,400
		56,904	–	2,400	59,304

In estimating the fair value of financial instruments, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group estimates the fair value by reference to valuation with appropriate valuation techniques and inputs.

Fair values of listed equity securities have been determined by reference to their quoted market closing prices at the end of the reporting period.

於估計金融工具之公平值時，本集團採用現時可得之市場可觀察數據。倘未能獲取第一層次之輸入值，則本集團會參考適用之估值技術及輸入值的估值預計公平值。

上市股本證券之公平值經參考彼等於報告期末之所報收市價釐定。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

Fair value of unlisted equity securities is determined based on valuation using asset-based approach. Fair value of individual business assets less liabilities of the investment company was considered to arrive the fair value of the Group's equity interests in the investee company. The significant input is the net asset value of the investee company. The net asset value is positively correlated to the fair value measurement of the unlisted equity securities.

The following table presents the changes in fair value of financial assets which are classified as Level 3 of the fair value hierarchy:

非上市股本證券之公平值乃根據使用資產法得出的估值釐定。已計及投資公司之個別業務資產減負債之公平值以得出本集團於被投資公司股權之公平值。關鍵輸入值為被投資公司之資產淨值。資產淨值與非上市股本證券之公平值計量成正比。

下表呈列分類為公平值架構中第三層次的金融資產公平值變動：

		HK\$'000 千港元
At 1 January 2022 (unaudited)	於二零二二年一月一日(未經審核)	2,400
Fair value loss on financial assets at FVTPL	按公平值計入損益之金融資產之公平值虧損	(148)
At 30 June 2022 (unaudited)	於二零二二年六月三十日(未經審核)	2,252

During the six months ended 30 June 2022 and 30 June 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The carrying amounts of financial assets and financial liabilities carried at amortised cost were not materially different from their fair value at 30 June 2022 and 31 December 2021.

於截至二零二二年六月三十日及二零二一年六月三十日止六個月，第一層次及第二層次之間並無轉移，亦無轉入或轉出第三層次。

並非按經常基準以公平值計量之本集團金融資產及金融負債之公平值

於二零二二年六月三十日及二零二一年十二月三十一日，按攤銷成本列賬之金融資產及金融負債之賬面值與彼等之公平值並無重大差異。

18. Contingent liabilities

At 30 June 2022 and 31 December 2021, the Group had no contingent liabilities.

18. 或然負債

於二零二二年六月三十日及二零二一年十二月三十一日，本集團並無或然負債。

19. Related party transactions

During the six months ended 30 June 2022 and 30 June 2021, the Group had the following transactions with related parties:

19. 有關連人士交易

於截至二零二二年六月三十日及二零二一年六月三十日止六個月，本集團與有關連人士進行以下交易：

Related party relationship	Types of transaction	Unaudited 未經審核	
		For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月 HK\$'000 千港元	For the six months ended 30 June 2021 截至二零二一年六月三十日止六個月 HK\$'000 千港元
Fellow subsidiary of a substantial shareholder of the Company 本公司一名主要股東的同系附屬公司	Interest on lease liabilities 租賃負債利息 Expenses relating to short-term leases 有關短期租賃的開支	-	11
		817	306

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

本公司與其附屬公司之交易於合併入賬時已予抵銷，且並未於本附註披露。

20. Event after the reporting period

Subsequent to 30 June 2022 and up to the date of this report, the Group had the following material event:

On 17 August 2022, the Company and Heng Tai Finance Limited (the "Subscriber") entered into a supplemental agreement (the "Second Supplemental Agreement") to amend the subscription agreement dated 8 October 2018 entered into between the Company and the Subscriber in relation to the subscription of the convertible bond, in the aggregate principal amount of HK\$120.0 million (the "Bond") and the terms and conditions of the instrument constituting the Bond. Pursuant to the Second Supplemental Agreement, the Company and the Subscriber have conditionally agreed:

- (i) to amend and extend the maturity date of the Bond (the "Maturity Date") of 10 October 2022 to 10 October 2024 (or if that day is not a Business Day, the immediately following Business Day);
- (ii) to amend the conversion price of the Bond from HK\$1.00 per new share to be allotted and issued by the Company upon the exercise of the conversion right attached to the Bond (the "Conversion Share") to HK\$0.38 per Conversion Share; and
- (iii) to amend the Instrument that the Company shall utilise the specific mandate for the allotment and issue of the Conversion Shares to be granted to the Directors by the shareholders of the Company at the extraordinary general meeting for the Conversion Shares for the extended period of the Maturity Date.

Other than the proposed amendments above (and the necessary administrative matters to give effect to such changes), no other terms and conditions of the instrument constituting the Bond have been changed.

The conditions precedent under the Second Supplemental Agreement have not been satisfied as at the date of this report.

20. 報告期後事項

於二零二二年六月三十日後及直至本報告日期，本集團有以下重大事項：

於二零二二年八月十七日，本公司與Heng Tai Finance Limited（「認購人」）訂立補充協議（「第二份補充協議」），以修訂本公司與認購人所訂立日期為二零一八年十月八日有關認購本金總額為一億二千萬港元的可換股債券（「債券」）的認購協議以及構成債券文據的條款及條件。根據第二份補充協議，本公司與認購人已有條件同意：

- (i) 修訂並延長債券到期日（「到期日」）二零二二年十月十日至二零二四年十月十日（或倘該日並非營業日，則為緊隨其後的營業日）；
- (ii) 將債券的換股價由每股本公司因債券附帶的換股權獲行使而將予配發及發行的新股份（「換股股份」）一點零零港元修訂至每股換股股份零點三八港元；及
- (iii) 修訂文據，據此，本公司將於到期日的延長期內就換股股份動用本公司股東將於股東特別大會上授予董事的特別授權，以配發及發行換股股份。

除上述建議修訂（以及使該等變動生效所需的行政事宜）外，構成債券文據的其他條款及條件概無變動。

於本報告日期，第二份補充協議項下的先決條件尚未達成。

Management Discussion and Analysis

管理層討論及分析

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2022 (2021: Nil).

RESULTS, BUSINESS REVIEW AND PROSPECTS

Results

For the six months ended 30 June 2022 (the "Period"), the Group's revenue decreased by approximately ("approx.") 22% to approx. HK\$76 million, compared with approx. HK\$98 million for the six months ended 30 June 2021 (the "Corresponding Period"). Gross profit margin for the Period was approx. 35% compared to approx. 57% in the Corresponding Period. Overall, the loss attributable to owners of the Company was approx. HK\$15 million compared with the profit attributable to the owners of the Company of approx. HK\$37 million in the Corresponding Period.

Business Review

The Group recorded a decrease in revenue by approx. 22% for the Period compared to the revenue of the Group for the Corresponding Period because of a realised loss of approx. HK\$0.1 million recognised under the investment in financial instruments during the Period compared to a realised gain of approx. HK\$27 million in the Corresponding Period.

During the Period, the Chinese health products business has contributed revenue of approx. HK\$69 million during the Period, representing an increase of approx. 15% from the Corresponding Period of approx. HK\$60 million. The money lending business has contributed revenue of approx. HK\$7 million (2021: approx. HK\$11 million) during the Period. The investment in financial instruments business had realised loss of approx. HK\$0.1 million during the Period (2021: realised gain of approx. HK\$27 million).

The gross profit margin decreased to approx. 35% from approx. 57% of the Corresponding Period mainly because of the decrease in contribution from the investment in financial instruments segment which generated a higher gross profit margin, comparing with other segments.

The Group recorded a loss for the Period of approx. HK\$15 million during the Period compared with the profit for the period of the Corresponding Period of approx. HK\$37 million. The turnaround from profit to loss was mainly due to the net realised and unrealised losses on investment in financial instruments of approx. HK\$4 million for the Period, as compared to the net realised and unrealised gains on investment in financial instruments of approx. HK\$42 million for the Corresponding Period.

中期股息

董事不建議派付截至二零二二年六月三十日止六個月之中期股息(二零二一年：無)。

業績、業務回顧及展望

業績

截至二零二二年六月三十日止六個月(「本期間」)，本集團之收入較截至二零二一年六月三十日止六個月(「相應期間」)之約(「約」)九千八百萬港元減少約百分之二十二至約七千六百萬港元。於本期間，毛利率約為百分之三十五，而相應期間則約為百分之五十七。整體而言，本公司擁有人應佔虧損約為一千五百萬港元，而相應期間之本公司擁有人應佔溢利則約為三千七百萬港元。

業務回顧

於本期間，由於本期間內確認投資金融工具之已變現虧損約十萬港元，本集團之收入較相應期間減少約百分之二十二，而相應期間之已變現收益約為二千七百萬港元。

於本期間，中藥保健品業務貢獻收入約六千九百萬港元，較相應期間約六千萬港元增加約百分之十五。放債業務於本期間貢獻收入約七百萬港元(二零二一年：約一千一百萬港元)。投資金融工具業務於本期間已變現虧損約十萬港元(二零二一年：已變現收益約二千七百萬港元)。

毛利率由相應期間約百分之五十七減少至約百分之三十五，主要由於來自投資金融工具分部的貢獻減少，其較其他分部產生較高的毛利率。

於本期間，本集團錄得本期間虧損約一千五百萬港元，而相應期間則錄得期間溢利約三千七百萬港元。扭盈為虧乃主要由於本期間內投資金融工具的已變現及未變現虧損淨額約為四百萬港元，而相應期間投資金融工具的已變現及未變現收益淨額則約為四千二百萬港元。

Chinese Health Products

Ace Season Holdings Limited (“Ace Season”) and its subsidiaries are principally engaged in the sales of Chinese and other pharmaceutical products, health products, ginseng and dried seafood products to wholesaler and retailer. One of the subsidiaries of Ace Season, Nam Pei Hong Sum Yung Drugs Company Limited engages in the business of trading and retail of “Sum Yung” (參茸) and dried seafood products since 1977 and the brand name of “Nam Pei Hong” (南北行) is highly recognised in Hong Kong and Southern Mainland China.

During the Period, this segment had contributed revenue of approx. HK\$69 million (2021: approx. HK\$60 million) and a profit of approx. HK\$2 million (2021: loss of approx. HK\$2 million). The increase in the segment revenue was contributed by the increasing revenue generated from our own online platform and HKTVmall during the Period. As at 30 June 2022, there were 9 retail shops of Nam Pei Hong (2021: 10 retail shops).

The fifth wave of COVID-19 outbreak in Hong Kong in 2022 continues to have a negative impact on the Chinese health product segment during the Period. During the peak period of the pandemic, restaurants are prohibited from dining in at night, the consumers’ purchasing intention have been weakened. The Group has launched several measures to cope with the difficult operating environment, including (i) offer of sales discount to customers, (ii) relentless negotiation with landlords for rental relief and more favourable rental renewal, (iii) development of business relationship with online sales platform and (iv) rearrangement and promotion of products which could be easily and conveniently cooked. As such, the gross profit margin of the segment remain stable at approx. 28% during the Period from approx. 29% in the Corresponding Period. The selling expense of the segment decreased to approx. HK\$14 million in the Period from approx. HK\$15 million in the Corresponding Period.

Money Lending

During the Period, the Group’s money lending business generated interest income on loans in the amount of approx. HK\$7 million (2021: HK\$11 million), and reported a segment loss (before taxation) of approx. HK\$5 million (2021: profit of HK\$3 million). The interest income decreased, mainly because one loan with principal of HK\$60 million classified under stage 3 (credit-impaired) in 2021 has ceased to generate interest income during the Period and one loan with principal of HK\$35 million classified under stage 3 (credit impaired) in 2021 has commenced to generate income based on its effective interest rate on its net carrying amount (after deducting accumulated allowance of ECL) rather than the gross balance of the loan. An increase in allowance for ECL in the amount of approx. HK\$3 million also resulted in the deterioration in segment results of the Group’s money lending business.

中藥保健品

Ace Season Holdings Limited (「Ace Season」) 及其附屬公司主要從事向批發商及零售商銷售中藥及其他醫藥產品、保健品、人參及乾製海產品。Ace Season之附屬公司之一 — 南北行參茸葯材有限公司自一九七七年開始從事參茸及乾製海產品之貿易及零售業務，「南北行」品牌名稱在香港及中國內地南方廣受認可。

於本期間，此分部貢獻收入約六千九百萬港元(二零二一年：約六千萬港元)及溢利約二百萬港元(二零二一年：虧損約二百萬港元)。分部收入增加乃由於我們的自家網上平台及HKTVmall於本期間所產生的收入增加所致。於二零二二年六月三十日，有九間南北行零售店(二零二一年：十間零售店)。

二零二二年香港爆發第五波COVID-19於本期間繼續對中藥保健品構成負面影響。於疫情高峰期，食肆禁止晚市堂食，消費者的消費意欲下降。本集團已推出多項措施應對艱難的經營環境，包括(i)向客戶提供銷售折扣；(ii)與業主商討租金寬免及更有利續租條件；(iii)與網上銷售平台發展業務關係；及(iv)重整及宣傳可簡單方便烹煮的產品。因此，分部毛利率由相應期間約百分之二十九維持穩定，本期間約百分之二十八。分部銷售開支則由相應期間約一千五百萬港元降至本期間約一千四百萬港元。

放債

於本期間，本集團放債業務產生之貸款利息收入為約七百萬港元(二零二一年：一千一百萬港元)，且錄得分部虧損(除稅前)約五百萬港元(二零二一年：溢利三百萬港元)。利息收入減少主要由於在二零二一年分類為第三階段(信貸減值)之一筆貸款(本金為六千萬港元)已於本期間內不再賺取利息收入，而在二零二一年分類為第三階段(信貸減值)之一筆貸款(本金為三千五百萬港元)開始按其賬面淨值(經扣除預期信貸虧損的累計撥備)的實際利率(而非貸款總餘額)產生收入。預期信貸虧損撥備增加約三百萬港元亦導致本集團放債業務的分部業績每況逾下。

Management Discussion and Analysis

管理層討論及分析

During the Period, the Group granted one new loan in the principal amount of approx. HK\$3 million to one customer and extended the final repayment date of three loans to three customers in the aggregate principal amount of approx. HK\$30 million. The Group's customers made drawings in the aggregate principal amount of approx. HK\$11 million under existing and new loans, and repaid approx. HK\$1 million to the Group.

At 30 June 2022, ten loans remained outstanding, out of which (i) six loan receivables with the aggregate gross balance of approx. HK\$110 million were classified under stage 1 (initial recognition); (ii) one loan receivable with gross balance of approx. HK\$31 million was classified under stage 2 (significant increase in credit risk); and (iii) three loan receivables with the aggregate gross balance of approx. HK\$170 million were classified under stage 3 (credit impaired). During the Period, one loan receivable with the aggregate gross balance of approx. HK\$31 million was transferred from stage 1 (initial recognition) to stage 2 (significant increase in credit risk) as the customer failed to pay interest for more than one month.

At the end of the Period, the Directors performed an impairment assessment on the Group's loan receivables with reference to a valuation prepared by an independent professional valuer. The valuation measured impairment on loan receivables using the "expected credit loss model" established by HKFRS 9 Financial Instruments.

Based on the valuation, a total of approx. HK\$165 million accumulated allowance for ECL on loan receivables was made as at 30 June 2022, representing an increase of approx. HK\$3 million as compared to 31 December 2021. Of the total accumulated allowance for ECL, approx. HK\$3 million (31 December 2021: HK\$7 million) was recognised for loan receivables classified under stage 1 (initial recognition), approx. HK\$4 million (31 December 2021: Nil) was recognised for loan receivable classified under stage 2 (significant increase in credit risk) and approx. HK\$157 million (31 December 2021: HK\$155 million) was recognised for loan receivables classified under stage 3 (credit impaired) as at 30 June 2022.

There is a reclassification of allowance for ECL of approx. HK\$4 million from stage 1 (initial recognition) to stage 2 (significant increase in credit risk) for the Period. Allowance for ECL for the loan receivables classified under stage 3 (credit-impaired) increased from approx. HK\$155 million as at 31 December 2021 to approx. HK\$157 million as at 30 June 2022, mainly attributable to the prolonged overdue of interest and principal of a stage 3 loan which management reassessed the chance of recovery as remote.

於本期間，本集團向一名客戶授出本金額為約三百萬港元之一筆新貸款，並向三名客戶延長本金總額為約三千萬港元之三筆貸款之最後償還日期。本集團客戶從現有及新增貸款中提取約一千一百萬港元之本金總額，並向本集團償還約一百萬港元。

於二零二二年六月三十日，十筆尚未償還之貸款中(i)結餘總額合共約一億一千萬港元之六筆應收貸款已分類為第一階段(初步確認)；(ii)結餘總額合共約三千一百萬港元之一筆應收貸款已分類為第二階段(信貸風險大幅增加)；及(iii)結餘總額合共約一億七千萬港元之三筆應收貸款已分類為第三階段(信貸減值)。於本期間，結餘總額合共約三千一百萬港元之一筆應收貸款已由第一階段(初步確認)轉移至第二階段(信貸風險大幅增加)，原因為客戶未能支付利息超過一個月。

於本期間末，董事參照由一名獨立專業估值師編製之估值報告對本集團之應收貸款進行減值評估。該估值報告採用由香港財務報告準則第9號金融工具得出之「預期信貸虧損模型」計量應收貸款減值。

於二零二二年六月三十日，根據該估值，已對應收貸款之預期信貸虧損計提合共約一億六千五百萬港元之累計撥備，較二零二一年十二月三十一日增加約三百萬港元。於二零二二年六月三十日，在預期信貸虧損之累計撥備總額中，約三百萬港元(二零二一年十二月三十一日：七百萬港元)已就分類為第一階段(初步確認)之應收貸款而確認，約四百萬港元(二零二一年十二月三十一日：無)已就分類為第二階段(信貸風險大幅增加)之應收貸款而確認及約一億五千七百萬港元(二零二一年十二月三十一日：一億五千五百萬港元)已就分類為第三階段(信貸減值)之應收貸款而確認。

於本期間，預期信貸虧損撥備約四百萬港元由第一階段(初步確認)重新分類為第二階段(信貸風險大幅增加)。分類為第三階段(信貸減值)項下就應收貸款預期信貸虧損計提之撥備由二零二一年十二月三十一日之約一億五千五百萬港元增加至二零二二年六月三十日之約一億五千七百萬港元，主要由於一筆分類為第三階段貸款之利息及本金一直逾期未付，管理層重新評估其可收回機會為微乎其微。

In October 2020, a borrower failed to repay a loan with outstanding principal amounts of HK\$64 million together with the accrued interest thereon according to the loan agreement. The Group has commenced legal proceedings against the borrower and the guarantor to recover the outstanding principal and interests thereon. The first court hearing was held on 12 May 2022 and the court handed down the judgment in favour of the Group on 31 May 2022. On 7 July 2022, the borrower lodged an appeal against the judgment and the court has not yet scheduled the date of the next court hearing as at the date of this report. The Group has instructed its legal adviser to continue the legal process to recover the loan.

Another borrower with outstanding principal amount of HK\$60 million has failed to pay the accrued interests on the loan since January 2022 and up to the date of this report. In addition, during the course of the Company's loan assessment and ongoing monitoring, some of the Company's directors became aware of a cross-default event of the borrower as he has failed to repay a loan owed to another licensed money lender (which is wholly-owned by our 21.5% shareholder with which we have common directors) in the principal amount of HK\$135 million when it fell due. At one stage, the Group has lost contact with this borrower but we later re-established contacts with him and was engaged in ongoing negotiation with him on repayment arrangements with the view to entering into a binding settlement agreement.

There was another borrower with outstanding principal amount of HK\$35 million who has failed to settle outstanding interest for more than a year. The borrower has actively negotiated settlement plan with the Group including the giving of a corporate guarantee provided by a PRC company to secure the borrower's loan obligations in January 2022. The major asset of the guarantor includes a commercial property located in Mainland China. On 22 April 2022, the Group sent a loan repayment notice to the borrower to demand immediate repayment of the principal and the outstanding interest, as a result of the long overdue of the interests. The Group has instructed our lawyers to formulate recovery action plan.

At the end of the reporting period, the directors assessed the recoverability of the loans receivable. An accumulated allowance for expected credit losses on loans receivable of approx. HK\$165 million (31 December 2021: HK\$162 million) was recognised based on a valuation prepared by an independent professional valuer. Such allowance for expected credit losses was made in accordance with the impairment model of HKFRS 9 Financial Instruments and had no effect on the Group's cash flow.

於二零二零年十月，一名借款人未有根據貸款協議償還貸款之未償還本金額六千四百萬港元及應計利息。本集團已對該借款人及擔保人展開法律訴訟，以追討其未償還本金額及利息。第一次法庭聆訊於二零二二年五月十二日舉行，法院已於二零二二年五月三十一日作出本集團勝訴的判決。於二零二二年七月七日，借款人對該判決提出上訴，截至本報告日期，而法院尚未安排下一次法庭聆訊的日期。本集團已指示其法律顧問繼續進行追討貸款的法律程序。

另一名未償還本金額為六千萬港元的借款人自二零二二年一月起及截至本報告日期未能支付貸款的應計利息。此外，於本公司貸款評估及持續監控過程中，本公司部分董事獲悉該借款人發生交叉違約事件，原因是彼未能償還結欠另一名持牌放債人(由我們百分之二十一點五之股東全資擁有，並與我們擁有共同董事)本金額為一億三千五百萬港元的到期貸款。本集團曾一度與該借款人失去聯繫，惟我們其後與該借款人恢復聯絡，並與彼就還款安排持續進行磋商，以期訂立具約束力的和解協議。

另一名未償還本金額為三千五百萬港元的借款人未能清償未償還之利息超過一年。該借款人已與本集團積極商議清償計劃，包括於二零二二年一月給予由一家中國公司提供之公司擔保，以擔保該借款人之貸款承擔。擔保人的主要資產包括一項位於中國內地的商業物業。於二零二二年四月二十二日，本集團向該借款人發出貸款還款通知，由於利息長時間逾期，故要求即時償還本金及未償還利息。本集團已指示律師制定收回款項的行動計劃。

於報告期末，董事評估應收貸款之可收回程度。已基於一名獨立專業估值師編製之估值，就應收貸款確認預期信貸虧損累計撥備約一億六千五百萬港元(二零二一年十二月三十一日：一億六千二百萬港元)。該等預期信貸虧損撥備乃根據香港財務報告準則第9號金融工具之減值模式作出，對本集團現金流並無影響。

Management Discussion and Analysis

管理層討論及分析

Investment in Financial Instruments

During the Period, the Group's investment in financial instruments business reported a segment loss of approx. HK\$5 million (2021: profit of approx. HK\$41 million) arising from the change in fair value of financial assets at fair value through profit or loss. The segment loss was a result of a deterioration on the stock market during the Period.

Movements in the equities held by the Group during the six months ended 30 June 2022 and the year ended 31 December 2021 are as follows:

投資金融工具

於本期間，本集團投資金融工具業務錄得按公平值計入損益之金融資產之公平值變動產生之分部虧損約五百萬港元(二零二一年：溢利約四千一百萬港元)。分部虧損乃因本期間股票市場惡化所致。

截至二零二二年六月三十日止六個月及截至二零二一年十二月三十一日止年度，本集團持有的股本變動如下：

		Unaudited 未經審核 30 June 2022 二零二二年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元
At beginning of period/year	期／年初	59,304	107,699
Acquisitions	收購	16,768	15,453
Loss arising on change in fair value	公平值變動產生之虧損	(4,355)	(15,300)
Disposals	出售	(430)	(48,548)
At end of period/year	期／年末	71,287	59,304

Management Discussion and Analysis

管理層討論及分析

Details of the significant listed equities held by the Group at 30 June 2022 are as follows:

於二零二二年六月三十日，本集團持有的重大上市股本詳情如下：

Name of Hong Kong listed equities	Principal activities	Cost of shares at 30 June 2022	Number of shares held at 30 June 2022	Fair value at 30 June 2022	Fair value as compared to the consolidated total assets of the Group at 30 June 2022	Fair value loss recognised in the six months ended 30 June 2022
香港上市股本名稱	主要業務	於二零二二年六月三十日的股份成本 HK\$'000 千港元	於二零二二年六月三十日持有的股份數目 '000 千股	於二零二二年六月三十日的公平值 HK\$'000 千港元	於二零二二年六月三十日的公平值與本集團綜合資產總值之比較	二零二二年六月三十日截止六個月已確認之公平值虧損 HK\$'000 千港元
Huanxi Media Group Limited (stock code: 1003)	Media and entertainment related businesses, which include development and investment in film and TV programmes rights, as well as operation of an online video platform	36,923	22,960	29,618	9.7%	(2,728)
歡喜傳媒集團有限公司* (Huanxi Media Group Limited) (股份代號：1003)	媒體及娛樂相關業務，包括電影及電視劇版權製作及投資以及營運在線視頻平台					

* 僅供識別

The Group had made investments with a short to long term perspective with the objective of making capital gain as well as income from dividend. The Group invested in a diversified portfolio of listed equity securities in various industries. The directors believe that the future performance of the Hong Kong listed equities held by the Group is largely affected by economic factors, investor sentiment, demand and supply balance of an investee company's shares and fundamentals of an investee company, such as investee company's news, business fundamentals and development, financial performance and future prospects. Accordingly, the directors closely monitor the above factors, particularly the fundamentals of each individual investee company in the Group's equity portfolio, and proactively adjust the Group's equity portfolio mix in order to improve its performance.

本集團從短期至長期角度進行投資，目標為獲取資本收益及股息收入。本集團投資多個行業的上市股本證券的多元化投資組合。董事相信，本集團所持有的香港上市股本的未來表現，在很大程度上受經濟因素、投資者情緒、被投資公司的股份供求平衡及被投資公司的基本面（如被投資公司的新聞、業務基本面及發展、財務表現及未來前景）等因素的影響。因此，董事密切關注上述因素，特別是本集團股本投資組合中各個別被投資公司的基本面，並積極調整本集團的股本投資組合，以提高其表現。

Management Discussion and Analysis

管理層討論及分析

PLANS AND PROSPECTS

Chinese Health Products

In view of the increasing awareness in health and the aging of population in Hong Kong, demand for health care products, especially Chinese medicine, “Sum Yung” (參茸) and dried seafood in Hong Kong has grown steadily in recent years.

As a result of the COVID-19 pandemic, the number of tourists visiting Hong Kong has significantly reduced which severely impact the retail market of Hong Kong. At the same time, the various COVID-19 related restrictions on social distancing and cross-border activities impacted the entire retail market. With the recently slowdown of the pandemic, together with the launch of a new round of consumers coupons from the Hong Kong Government in August and October 2022, and the industry traditional peak season after the fall, it is expected to help promote a recovery in the Chinese health products segment in the second half of 2022. However, if the COVID-19 pandemic continues, cross-border restrictions will not be released and together with the increasing operating and transportation costs, it will cause uncertainty and challenges to our operations.

To take advantage of the shift to online shopping due to COVID-19, the Group will continue to develop online sales channels for our Chinese health products. The financial performance of our own online platform and HKTV Mall increased in the first half of 2022, however the competition of online platforms is keen and the operation cost has also been increased accordingly which narrowed the profit margin. In light of that, we target to attract more corporate customers. In the first half of 2022, some charitable organizations and institutional groups had ordered anti-epidemic tea bags, nourishing soup bags and gift boxes, etc from our Group which generated higher profit margin. In mid-2022, a flagship store has also been set up on Tmall Global.

Nevertheless, the Group will continue to invest in the health care business and to develop its retail business of “Sum Yung” (參茸), dried seafood products and other healthy food products in Hong Kong with an aim to broaden its revenue base especially to the youth generation and middle class consumers. The Group expects the development of onlines sales in Hong Kong and Mainland China and the cost reduction measures such as renewal of rental agreement with more favourable terms could maintain a sound financial position of the segment ready for the steady recovery and post-COVID-19 development.

規劃及前景

中藥保健品

由於保健意識逐步普及加上香港人口老齡化，香港對保健品尤其是中藥、參茸及乾製海產品之需求近年來穩步提高。

香港遊客數量大幅減少乃由於COVID-19疫情所致，而此對香港的零售市場造成嚴重影響。同時，COVID-19就社交距離及跨境活動的各種限制影響整個零售市場。隨著近期疫情趨緩，加上香港政府於二零二二年八月及十月推出新一輪消費券，以及秋季後的行業傳統旺季，預期將有助推動二零二二年下半年中藥保健品分部的復甦。然而，倘COVID-19疫情持續，跨境限制將不會解除，加上營運及運輸成本增加，其將為我們的營運帶來不確定性及挑戰。

為把握因COVID-19而轉向網上購物的趨勢，本集團將繼續發展中藥保健品的網上銷售渠道。二零二二年上半年，自家網上平台及HKTV Mall的財務表現有所增長，惟網上平台競爭激烈，營運成本亦相應增加，導致溢利率收窄。有鑑於此，我們的目標是吸引更多企業客戶。於二零二二年上半年，若干慈善組織及機構團體向本集團訂購溢利率較高的防疫茶包、滋補湯包及禮盒等。於二零二二年中期，本集團亦已於天貓國際開設旗艦店。

無論如何，本集團仍將繼續投資於保健業務並發展其在香港之參茸、乾製海產品及其他保健食品零售業務以擴大其收入基礎，尤其面向年輕一代及中產階級消費者。本集團預期香港及中國內地線上銷售發展及節省成本措施(包括按更有利條款重續租賃協議)可維持分部穩健財務狀況，作好準備於COVID-19疫情後穩定恢復及發展。

Money lending business

The continuous outbreak of COVID-19 has a negative impact on the money lending business segment. Although the Group's loan receivables together with accrued interest receivables increased to approx. HK\$147 million (31 December 2021: approx. HK\$139 million), the Group expects the business environment for money lending to be difficult given the current outbreak of COVID-19 because many economic activities could not be carried out normally. The Group will closely monitor the repayment pattern of our customers and formulate an action plan of recovery should the risk of default increases. Our recovery strategy can involve a wide range of actions, which includes the revising of repayment terms, adding of collaterals/guarantees, reaching of settlement, the commencement of legal actions against the customers, and/or enforcement on collaterals/guarantees, etc. The Group will also be more cautious by strengthening its credit policy and risk control policy.

Investment in financial instruments

The Group will closely monitor various factors such as global economy, investment sentiment and fundamentals of investors and their future prospects and protectively adjust our portfolio in order to improve our performance. The Group will change our equity portfolio mix from time to time and realise the equities held by the Group into cash as and when appropriate.

Business Portfolio Management

The current business strategies of the Group with an aim to achieve the best use of its resources and improve its overall performance and portfolio diversification have been continuously evaluated. The Company has been actively looking to diversify the revenue sources of the Group in order to create shareholders' value through making investments and/or acquiring business or projects that have promising outlooks and prospects.

On 10 June 2022, the Company has conditionally agreed to acquire the entire issued share capital in Powerful Select Limited at the consideration of HK\$43 million. Upon the completion of a reorganization, Powerful Select Limited and its subsidiaries (the "Target Group") will hold 20 units of stratified hotel serviced suits with an aggregate built-up area of 18,348 sq. ft. in Block C of the resort development project known as Impiana Residences Cherating, which is located at Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang, Malaysia (the "Properties"). The construction of the Properties is expected to be completed by the developer and delivered to the Target Group on or before June 2024. The acquisition has not been completed as at the date of this report. For further details, please refer to the Company's announcement dated 10 June 2022.

放債業務

持續爆發 COVID-19 已對放債業務分部造成負面影響。儘管本集團之應收貸款連同應收應計利息增加至約一億四千七百萬港元(二零二一年十二月三十一日：約一億三千九百萬港元)，本集團預計，放債業務之營商環境將因近期爆發 COVID-19 疫情而面臨困境，因為許多經濟活動可能無法正常進行。本集團將密切監察客戶之還款習慣，並在拖欠款項風險提高時制定收回款項之行動計劃。我們之收回款項策略可以涉及各式各樣之行動，包括修訂還款條款、加入抵押品／擔保、達成和解、向客戶展開法律行動及／或強制執行抵押品／擔保等。本集團亦將繼續透過加強信貸政策及風險管控政策，更加審慎行事。

投資金融工具

本集團將密切監察全球經濟、投資氣氛、投資者基礎及其對未來之展望等多項因素，並積極調整投資組合以改善我們的表現。本集團將不時調整其股本投資組合及於適當時候將本集團持有之權益變現。

業務組合管理

本集團目前的業務策略旨在充分利用其資源，改善其整體表現及促進投資組合多元化發展，該等策略得到持續評估。本公司一直積極尋求多元化本集團收入來源，以透過投資及／或收購擁有廣闊前景的業務或項目為股東創造價值。

於二零二二年六月十日，本公司已有條件同意收購 Powerful Select Limited 的全部已發行股本，代價為四千三百萬港元。於重組完成後，Powerful Select Limited 及其附屬公司(「目標集團」)將持有位於馬來西亞 Mukim Sungai Karang, Daerah Kuantan, Negeri Pahang 名為 Impiana Residences Cherating 的度假村發展項目 C 座的二十個分層酒店服務套房，總佔地面積為一萬八千三百四十八平方呎(「物業」)。預計物業將於二零二四年六月或之前由開發商完成建設並交付予目標集團。截至本報告日期，收購事項尚未完成。有關進一步詳情，請參閱本公司日期為二零二二年六月十日的公告。

Management Discussion and Analysis

管理層討論及分析

GROUP RESOURCES AND LIQUIDITY

As at 30 June 2022, the Group's cash and bank balances were approx. HK\$29 million (31 December 2021: approx. HK\$40 million). The Group's total borrowings and convertible loan notes were approx. HK\$103 million (31 December 2021: approx. HK\$84 million). Gearing ratio, calculated as the total borrowings and convertible loan notes divided by shareholders' equity, was approx. 58% (31 December 2021: approx. 44%). As at 30 June 2022, the Group recorded total current assets of approx. HK\$222 million (31 December 2021: approx. HK\$202 million) and total current liabilities of approx. HK\$127 million (31 December 2021: HK\$120 million). The current ratio of the Group, calculated by dividing the total current assets by the current liabilities, was approx. 1.7 (31 December 2021: approx. 1.7). The Group recorded an decrease in shareholders' fund from approx. HK\$193 million as at 31 December 2021 to a net asset position of approx. HK\$178 million as at 30 June 2022. The decrease was mainly due to the operating loss during the Period.

Inventories recorded a decrease of approx. 34% compared to previous year end date of 31 December 2021 and the value of stock in warehouse decreased from approx. HK\$61 million as at 31 December 2021 to approx. HK\$40 million as at 30 June 2022 as winter is the industry traditional peak season.

Trade receivables remained stable as at 30 June 2022 to approx. HK\$6 million, compared with approx. HK\$6 million as at 31 December 2021.

Overall, the Group's operations are still in a stable position. The financial position has remain stable during the Period. Barring unforeseen challenges and global economic downturn, in the opinion of the Directors, the Group has sufficient financial resources to meet its normal operational and expansion needs.

FOREIGN CURRENCY RISKS

The Group's exposure to currency risk attributable to trade and other receivables, bank balances and trade and other payables, are denominated in currencies other than the functional currency of the entity to which they related. The Group currently does not have a foreign currency hedging policy. However, the Management will monitor the foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

本集團資源及流動資金

於二零二二年六月三十日，本集團之現金及銀行結餘約為二千九百萬港元（二零二一年十二月三十一日：約四千萬港元）。本集團之總借貸及可換股貸款票據約為一億零三百萬港元（二零二一年十二月三十一日：約八千四百萬港元）。資產負債比率（以總借貸及可換股貸款票據除以股東權益計算）約為百分之五十八（二零二一年十二月三十一日：約百分之四十四）。於二零二二年六月三十日，本集團錄得流動資產總值約二億二千二百萬港元（二零二一年十二月三十一日：約二億零二百萬港元）及流動負債總額約一億二千七百萬港元（二零二一年十二月三十一日：一億二千萬港元）。本集團之流動比率（以流動資產總值除以流動負債計算）約為一點七倍（二零二一年十二月三十一日：約一點七倍）。本集團錄得股東資金由於二零二一年十二月三十一日約一億九千三百萬港元減少至於二零二二年六月三十日資產淨值狀況約一億七千八百萬港元。該減少主要由於本期間錄得經營虧損所致。

存貨較截至二零二一年十二月三十一日止上一年度減少約百分之三十四以及庫存存貨價值由於二零二一年十二月三十一日約六千一百萬港元減少至於二零二二年六月三十日約四千萬港元，乃由於冬季為行業傳統旺季。

於二零二二年六月三十日之應收貿易賬款維持穩定為約六百萬港元，而於二零二一年十二月三十一日則為約六百萬港元。

整體而言，本集團之業務仍處於穩定狀態。財務狀況於本期間保持穩定。在無未預見的挑戰及全球經濟下滑之情況下，董事認為，本集團具有足夠財務資源應付其一般營運及擴展需要。

外匯風險

本集團承受的貨幣風險來自於以相關實體功能貨幣以外的貨幣計值的應收貿易賬款及其他應收款項、銀行結餘以及應付貿易賬款及其他應付款項。本集團目前並無外幣對沖政策。然而，管理層將監控外匯風險，並於有需要時考慮對沖重大外幣風險。

CAPITAL STRUCTURE

The Group did not have any change to the capital structure of the Company during the Period.

SIGNIFICANT INVESTMENTS AND ACQUISITIONS

The Group did not have any significant investments or acquisitions or sales of subsidiaries during the Period.

EMPLOYEES

As at 30 June 2022, the Group had approx. 100 employees and contract workers based in Hong Kong headquarters and PRC offices. The number of employees of the Group varies from time to time depending on production needs and they are remunerated based on industry practices.

股本架構

於本期間內，本集團概無對本公司的資本結構作出任何變動。

重大投資及收購事項

本集團於本期間並無任何重大投資或收購或出售附屬公司。

僱員

於二零二二年六月三十日，本集團聘用約一百名僱員及合約工人，受聘於香港總部及中國辦事處。本集團之僱員數目會因應生產需要而不時作出變動，且彼等根據行業慣例獲支付薪酬。

Other Information

其他資料

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2022, the following persons, other than a Director or chief executive of the Company, had an interest in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of Part XV of the Securities and Futures Ordinance ("SFO"):

(a) Long positions in ordinary shares of HK\$1.00 each of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
股東名稱	身份	持有之已發行普通股數目	佔本公司已發行股本百分比
Eternity Finance Group Limited 永恒財務集團有限公司	Beneficial owner 實益擁有人	165,662,824	21.50%
Riche (BVI) Limited	Interest in a controlled corporation 受控法團權益	165,662,824	21.50%
Eternity Investment Limited 永恒策略投資有限公司	Interest in a controlled corporation 受控法團權益	165,662,824	21.50%

Note: These Shares were registered in the name of Eternity Finance Group Limited, a wholly-owned subsidiary of Riche (BVI) Limited, which in turn is wholly-owned by Eternity Investments Limited, the shares of which are listed on the Main Board of the Stock Exchange under stock code: 764.

主要股東

於二零二二年六月三十日，下列人士（董事或本公司主要行政人員除外）擁有根據證券及期貨條例（「證券及期貨條例」）第XV部第336條須存置之登記冊所記錄之本公司股份及相關股份權益：

(a) 本公司每股面值一點零零港元普通股之好倉

附註：該等股份以永恒財務集團有限公司之名義登記，其為Riche (BVI) Limited之全資附屬公司，而Riche (BVI) Limited則由永恒策略投資有限公司全資擁有，永恒策略投資有限公司之股份於聯交所主板上市（股份代號：764）。

(b) Convertible bonds

(b) 可換股債券

Name of shareholder	Capacity	Number of convertible bonds held	Number of underlying shares
股東名稱	身份	持有之可換股債券數目	相關股份數目
Heng Tai Finance Limited	Beneficial owner 實益擁有人	72,300,000	72,300,000
Heng Tai Consumables Group Limited 亨泰消費品集團有限公司	Interest in a controlled corporation 受控法團權益	72,300,000	72,300,000

Note: These convertible bonds were registered in the name of Heng Tai Finance Limited, a wholly-owned subsidiary of Heng Tai Consumables Group Limited, the shares of which are listed on the Main Board of the Stock Exchange under stock code: 197.

附註：該等可換股債券以Heng Tai Finance Limited之名義登記，其為亨泰消費品集團有限公司之全資附屬公司，亨泰消費品集團有限公司之股份於聯交所主板上市（股份代號：197）。

Save as disclosed above, as at 30 June 2022, the Directors are not aware of any other person or corporation having an interest or short position in shares and underlying shares of the Company or its associated corporation(s) which would require to be recorded in the register required to be kept by the Company pursuant to section 336 of Part XV of the SFO.

除上文所披露者外，於二零二二年六月三十日，董事概不知悉任何其他人士或法團於本公司或其相聯法團的股份及相關股份中擁有須記入本公司根據證券及期貨條例第XV部第336條須予存置的登記冊的權益或淡倉。

SHARE OPTION SCHEME

購股權計劃

The Company operates a share option scheme (the "Scheme") for 10 years from 14 September 2012 to 14 September 2022 and for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operation. Further details of the Scheme are set out in note 29 to the consolidated financial statements for the year ended 31 December 2021 as stated in the 2021 Annual Report of the Company and the circular of the Company dated 29 August 2012.

本公司實行一項購股權計劃（「該計劃」），由二零一二年九月十四日起至二零二二年九月十四日為期十年，旨在為就本集團業務成就有貢獻之合資格參與者提供獎勵及獎賞。有關該計劃之進一步詳情載於本公司二零二一年年報所述截至二零二一年十二月三十一日止年度之綜合財務報表附註29及本公司日期為二零一二年八月二十九日之通函內。

During the Period, no share options was granted, exercised or lapsed and there was no outstanding share option as at 30 June 2022.

於本期間內，於二零二二年六月三十日並無購股權已授出、行使或失效，亦無尚未行使購股權。

Other Information

其他資料

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the date of this report, Mr. Lei Hong Wai (Chairman and executive director of the Company) and Mr. Cheung Kwok Wai Elton Vice Chairman and executive director of the Company have interest in approx. 25.99% and 15.29%, respectively, of the issued share capital of Eternity Investment Limited (stock code: 764), a company listed on the Main Board of the Stock Exchange engaging in sale of financial assets, property investment, money lending, and design and sale of jewelry products, through themselves and their beneficial interests in Twin Success International Limited. In addition, Mr. Lei Hong Wai is the chairman of the board of directors and an executive director and Mr. Cheung Kwok Wai Elton is an executive director of Eternity Investment Limited. Therefore, Eternity Investment Limited competes with the Group's money lending business and investment in financial instruments business.

As at the date of this report, save as mentioned above, the Directors were not aware of any business or interest of each Director, management shareholder and their respective associate, that competes or may compete with the business of the Group and any other conflict of interest which any such person have or may have with the Group.

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

At 30 June 2022, the interests of the directors and the chief executive and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions in ordinary shares of HK\$1.00 each of the Company

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
董事姓名	身份	持有之已發行普通股數目	佔本公司已發行股本百分比
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	56,663,636	7.35%

Other than as disclosed above, none of the directors, chief executive nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 30 June 2022.

董事於競爭業務中之權益

於本報告日期，李雄偉先生（本公司主席兼執行董事）及張國偉先生（本公司副主席兼執行董事）透過彼個人及於Twin Success International Limited之實益權益分別擁有永恒策略投資有限公司（一間於聯交所主板上市之公司，股份代號：764）之已發行股本中約百分之二十五點九九及百分之十五點二九權益，該公司從事銷售金融資產、物業投資、放債、設計及銷售珠寶產品之業務。此外，李雄偉先生為永恒策略投資有限公司之董事會主席兼執行董事及張國偉先生為永恒策略投資有限公司之執行董事。因此，永恒策略投資有限公司為本集團放債業務及投資金融工具業務之競爭對手。

於本報告日期，除上述者外，董事並無得悉各董事、管理層股東及彼等各自之聯繫人士擁有任何與本集團業務構成或可能構成競爭之業務或權益，亦不知悉任何該等人士與本集團存在或可能存在之任何其他利益衝突。

董事及主要行政人員於股份、相關股份及債券之權益

於二零二二年六月三十日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或根據上市發行人董事進行證券交易的標準守則所另行通知本公司及聯交所，董事及主要行政人員及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及債券中擁有之權益如下：

本公司每股面值一點零零港元普通股之好倉

除上文所披露者外，於二零二二年六月三十日，概無董事、主要行政人員及彼等之聯繫人士於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

No change to the information of the Directors during the six months ended 30 June 2022 and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2022, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

CORPORATE GOVERNANCE CODE

In the opinion of the Board, the Company has complied with all code provisions of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2022.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code. The Company has made specific enquiry of its Directors. All Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the accounting period covered by this interim financial statements.

AUDIT COMMITTEE

The Company has an Audit Committee in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process including review of the unaudited condensed interim financial statements for the six months ended 30 June 2022, the interim report and the Group's risk management and internal control systems.

On behalf of the Board of
China Healthwise Holdings Limited

Lei Hong Wai
Chairman and Executive Director

Hong Kong, 25 August 2022

根據上市規則第13.51B(1)條披露董 事資料

於截至二零二二年六月三十日止六個月及直至本報告日期，董事資料概無變動。

購買、出售或贖回上市證券

截至二零二二年六月三十日止六個月，本公司及其附屬公司均無購買、贖回或出售任何本公司上市證券。

企業管治守則

董事會認為，本公司於截至二零二二年六月三十日止六個月一直遵守上市規則附錄十四所載企業管治守則之所有守則條文。

董事進行證券交易之標準守則

本公司已採納董事進行證券交易之行為守則，其條款不遜於標準守則所載之規定準則。本公司已向其董事作出特定查詢。所有董事確認彼等於本中期財務報表所涵蓋之會計期間內一直遵守標準守則所載規定準則及本公司所採納有關董事進行證券交易之行為守則。

審核委員會

本公司已根據上市規則第3.21條設有審核委員會，以審閱及監察本集團之財務申報程序，包括審閱截至二零二二年六月三十日止六個月之未經審核簡明中期財務報表、中期報告及本集團之風險管理及內部監控系統。

代表董事會
中國智能健康控股有限公司

主席兼執行董事
李雄偉

香港，二零二二年八月二十五日

Corporate Information

公司資料

CORPORATE INFORMATION

(As at 25 August 2022)

Executive Directors

Mr. Lei Hong Wai (*Chairman*)
Mr. Cheung Kwok Wai Elton (*Vice Chairman*)
Mr. Leung Alex
Ms. Lo Ming Wan
Mr. Tse Chi Keung
Mr. Yuan Huixia

Independent Non-executive Directors

Mr. Lai Hok Lim
Mr. Lien Wai Hung
Mr. Wong Tak Chuen

Audit Committee

Mr. Wong Tak Chuen (*Chairman*)
Mr. Lai Hok Lim
Mr. Lien Wai Hung

Nomination Committee

Mr. Lei Hong Wai (*Chairman*)
Mr. Lai Hok Lim
Mr. Lien Wai Hung
Mr. Wong Tak Chuen

Remuneration Committee

Mr. Lai Hok Lim (*Chairman*)
Mr. Lei Hong Wai
Mr. Lien Wai Hung
Mr. Wong Tak Chuen

Company Secretary

Ms. Lo Ming Wan

Auditor

HLB Hodgson Impey Cheng Limited
31/F Gloucester Tower, The Landmark
11 Pedder Street, Central
Hong Kong

公司資料

(於二零二二年八月二十五日)

執行董事

李雄偉先生 (*主席*)
張國偉先生 (*副主席*)
梁奕曦先生
勞明韻女士
謝自強先生
袁輝霞先生

獨立非執行董事

黎學廉先生
連偉雄先生
黃德銓先生

審核委員會

黃德銓先生 (*主席*)
黎學廉先生
連偉雄先生

提名委員會

李雄偉先生 (*主席*)
黎學廉先生
連偉雄先生
黃德銓先生

薪酬委員會

黎學廉先生 (*主席*)
李雄偉先生
連偉雄先生
黃德銓先生

公司秘書

勞明韻女士

核數師

國衛會計師事務所有限公司
香港
中環畢打街十一號
置地廣場告羅士打大廈三十一樓

Legal Advisers on Cayman Islands Law

Maples and Calder Asia
26th Floor, Central Plaza
18 Harbour Road
Wanchai
Hong Kong

Legal Advisers on Hong Kong Law

Robertsons Solicitors
57/F, The Center
99 Queen's Road Central
Hong Kong

Registered Office

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

Unit 1209
Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong
Tel: (852) 2268 8248
Fax: (852) 2548 5575
Website: www.healthwisehk.com

Principal Share Registrar and Transfer Office

Maples Fund Services (Cayman) Limited
P.O. Box 1093
Boundary Hall
Cricket Square
Grand Cayman
Cayman Islands
KY1-1102

有關開曼群島法律之法律顧問

Maples and Calder Asia
香港
灣仔
港灣道十八號
中環廣場二十六樓

有關香港法律之法律顧問

羅拔臣律師事務所
香港
皇后大道中九十九號
中環中心五十七樓

註冊辦事處

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

總辦事處及香港主要營業地點

香港
干諾道中一百六十八至二百號
信德中心西座
一二零九室
電話：(852) 2268 8248
傳真：(852) 2548 5575
網址：www.healthwisehk.com

主要股份過戶登記處

Maples Fund Services (Cayman) Limited
P.O. Box 1093
Boundary Hall
Cricket Square
Grand Cayman
Cayman Islands
KY1-1102

Corporate Information

公司資料

Hong Kong Branch Share Registrar and Transfer Office

Tricor Abacus Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Listing Information

The Stock Exchange of Hong Kong Limited
Stock Code: 00348

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
夏慤道16號
遠東金融中心17樓

上市資料

香港聯合交易所有限公司
股份代號：00348

CHINA HEALTHWISE HOLDINGS LIMITED

中國智能健康控股有限公司

Unit 1209, Shun Tak Centre, West Tower,
168-200 Connaught Road Central, Hong Kong
香港干諾道中168-200號信德中心西座1209室
Tel: (852) 2268 8248 Fax: (852) 2548 5575