



Honworld Group Limited

老恒和釀造有限公司*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock code 股份代號: 2226



Interim Report 中期報告

2023

* For identification purposes only 僅供識別

**“LAO HENG HE”, A BRAND WITH A HISTORY OF MORE
THAN 160 YEARS. PANAMA — PACIFIC INTERNATIONAL
EXPOSITION GOLD AWARD FOR CONDIMENT PRODUCTS.**

「老恒和」，源自傳承，品牌歷史超過160年
巴拿馬博覽會金獎產品



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Wei
Mr. Liu Jianbin

Non-executive Director

Mr. Wu Hongping

Independent Non-executive Directors

Mr. Shen Zhenchang
Mr. Ng Wing Fai
Mr. Sun Jiong

COMPANY SECRETARY

Mr. Au Wai Keung

AUTHORISED REPRESENTATIVES

Mr. Au Wai Keung
Mr. Liu Jianbin

AUDIT COMMITTEE

Mr. Ng Wing Fai (*Chairman*)
Mr. Sun Jiong
Mr. Shen Zhenchang
Mr. Wu Hongping

REMUNERATION COMMITTEE

Mr. Shen Zhenchang (*Chairman*)
Mr. Ng Wing Fai
Mr. Sun Jiong

董事會

執行董事

陳偉先生
劉建鑽先生

非執行董事

吳紅平先生

獨立非執行董事

沈振昌先生
吳榮輝先生
孫頌先生

公司秘書

區偉強先生

授權代表

區偉強先生
劉建鑽先生

審核委員會

吳榮輝先生 (*主席*)
孫頌先生
沈振昌先生
吳紅平先生

薪酬委員會

沈振昌先生 (*主席*)
吳榮輝先生
孫頌先生



CORPORATE INFORMATION

公司資料

NOMINATION COMMITTEE

Mr. Sun Jiong (*Chairman*)
Mr. Ng Wing Fai
Mr. Shen Zhenchang

AUDITORS

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香港主要營業地點

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CORPORATE INFORMATION

公司資料

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Bank of China Limited
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STOCK CODE

Stock code: 2226

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主要往來銀行

中國工商銀行股份有限公司
織里支行
中國
浙江省湖州市
織里鎮
珍貝路583、587、589號

中國銀行股份有限公司
湖州市分行
中國
浙江省湖州市
人民路208號

中國農業銀行股份有限公司
湖州分行
中國
浙江省湖州市
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德恒律師事務所(香港)有限法律責任合夥
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股份代號

股份代號：2226

網址

<http://www.hzlaohenghe.com>

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

We are one of the leading manufacturers of condiment products in the People's Republic of China (the "PRC" or "China"). We offer high quality and healthy brewed cooking wine as well as other condiments, including naturally-brewed soy sauce, naturally-brewed vinegar, soybean paste, sesame oil and fermented bean curd. In the first half of 2023, we attained the following achievements:

1. We were jointly entitled by the Ministry of Agriculture and Rural Affairs of the People's Republic of China, National Development and Reform Commission and other departments as the "National-level Dragon Head Leading Agricultural Enterprise (農業產業化國家重點龍頭企業)";
2. Our 500ml Five-year brewed Lao Heng He cooking wine was recognized as "Zhejiang Province Famous, Special and Excellent Food (浙江省名特優食品)" by the Zhejiang Food Industry Organization (浙江省食品工業協會) and included in the Catalogue of Chinese Characteristic and Flavourful Food Marked Products (中國特色風味食品標誌性產品名錄);
3. Our product, the king of Huadiao cooking wine (花雕料酒王) was awarded the title of 2023 Cereal-based Brew Cooking Wine Flavor Award (2023穀物釀造料酒醞味獎) at the 18th China International Alcoholic Drinks Expo & the 2023 Brewed Cooking Wine Evaluation; and
4. Our product, Lao Heng He cooking wine (老恒和料酒) was awarded the title of "2022 Best-selling Cooking Wine (2022料酒暢銷金品)" by FMCG Weekly (快消品週刊) for offline sales in 2022. During the interim period of 2023, the market share of the Group's offline sales was 18.6%, being the industry leader for six consecutive years.

業績回顧

我們是中華人民共和國(「中國」)的領先調味品生產商之一。我們提供優質、健康的原釀料酒以及其他調味品，包括原釀醬油、原釀醋、黃豆醬、麻油、腐乳等產品。於二零二三上半年，我們取得如下成就：

- 一、我們被中華人民共和國農業農村部、國家發展和改革委員會等多部門聯合審定為「農業產業化國家重點龍頭企業」的稱號；
- 二、我們的產品500ml老恒和五年陳釀料酒被浙江省食品工業協會認定為「浙江省名特優食品」及納入中國特色風味食品標誌性產品名錄；
- 三、我們的產品花雕料酒王在中國第十八屆國際酒業博覽會暨2023穀物釀造料酒評選中，獲得2023穀物釀造料酒醞味獎稱號；及
- 四、我們的產品「老恒和料酒」品牌榮獲《快消品週刊》二零二二年度線下料酒「2022料酒暢銷金品」稱號，及本集團線下銷售額市場於二零二三年中期的佔有率為18.6%，連續六年蟬聯行業第一。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In the first half of 2023, despite full relaxation of the national epidemic control measures, the economy was not recovering as expected. Under the influence of various factors including global economic recession, inflation, fiscal crisis and intensified trade wars, purchasing power continued to decline. Meanwhile, the condiment industry is affected by various factors such as rising raw material costs, intensifying competition, weak consumption, the outlook of entire condiment market tends to be pessimistic, and the growth in business performance of all enterprises is generally under huge pressure. From January 2023 to March 2023, the overall consumer market and all channels maintained a positive momentum as a result of the full relaxation of the epidemic control measures. However, from April 2023 to June 2023, the economy has not yet recovered, and on the contrary, the situation worsened and sales continued to slow down, resulting in longer inventory turnover and less frequent purchases by distributors. Against the backdrop of the abovementioned obstacles, the Group promoted the sales growth of its products through various means, such as stepping up promotional efforts and launching the Hundred-Day Campaign.

In the first half of 2023, as for market strategy, the Group continued to engage professional marketing team from Shanghai Osens Creative of Culture Co., Ltd (上海歐賽斯文化創意有限公司) to provide a full-scale upgrade package for our current brand and product positioning, logo image, marketing slogans and product packaging, external image, strategies and promotional campaigns, so as to enhance the brand image of “Lao Heng He (老恒和)” among consumers, and once again put forward the core concepts of “fragrance of time (時間至香)” cooking wine, “freshness of time (時間至鮮)” soy sauce and “beauty of time (時間至美)” rice vinegar. By adopting a brand new appearance under our “grand brand, big single product and national product (大品牌、大單品、國民產品)” strategy, the Group strived to capture the high ground in the condiment and cooking wine industries.

In the first half of 2023, in order to further enhance the brand awareness and influence of the Company through advertising and promotion, the Group became the title sponsor of the “2023 Wu Xing New Youth City Super Music Festival (2023吳興新青年城市超級音樂節)” in June 2023. The musical extravaganza symbolised revival of youth and served as a trendy platform showcasing the city’s great variety of art and culture. More young people can be part of the community of “Lao Heng He”, a century-old Chinese brand. Meanwhile, the Group organised a group showcase and new product launch event in June 2023 with the theme of “Centennial Lao Heng He, Taste of Exquisite Chinese Cooking Wine (百年老恒和、中國料酒香)”, which enhanced our distributors’ confidence in distributing our products.

於二零二三年上半年，全國疫情管控措施全面放開，並沒有帶來預期的經濟復甦，伴隨著全球經濟衰退，通貨膨脹，財政危機，貿易戰加劇等因素影響，消費購買力持續下降，同時，調味品行業依然受到原材料上漲、賽道內卷、消費疲軟等因素影響，整個調味品消費預期並不樂觀，所有企業業績增長都普遍面臨巨大壓力。二零二三年一月至二零二三年三月份，受疫情管控措施全面放開利好，整體消費市場及各渠道環節呈現積極的態勢，但二零二三年四月至二零二三年六月份，經濟復甦並未呈現，相反形勢更加嚴峻，動銷持續變慢，導致經銷商庫存周轉加長，進貨頻次降低。本集團在上述日益嚴峻形勢下通過加大促銷力度、開展百日攻堅活動等多種方式促進產品的銷售增長。

於二零二三年上半年，本集團在市場戰略方面，繼續聘請上海歐賽斯文化創意有限公司全案營銷專業團隊對現有的品牌產品定位、標誌形象、宣傳標語及產品包裝、外在形象、戰略、活動方案等方面進行全方位升級，以提升「老恒和」品牌在消費者心目中的地位，再次提出「時間至香」料酒、「時間至鮮」醬油、「時間至美」米醋選等一系列以時間為軸的核心理念。並以全新面貌展現大品牌、大單品、國民產品戰略，佔領調味品多元化產品制高點。

於二零二三年上半年，本集團為在廣告宣傳方面為進一步提升公司品牌知名度、影響力，於二零二三年六月冠名「2023吳興新青年城市超級音樂節」，通過舉辦一場音樂盛宴，讓青春得以回歸，更是一座城市展現文化、藝術的時尚綜藝平台，讓更多年青人成為老恒和這個百年中華老字號家庭中的一員。同時，本集團在二零二三年六月舉辦以「百年老恒和、中國料酒香」為主題的招商及新品發佈會，通過此次發佈會，讓我們的經銷商更有信心經營我們的產品。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In respect of internal corporate control, the Group continued to engage Adfaith Management Consulting Co., Ltd (正略鈞策集團股份有限公司) to perfect and supplement all aspects of the original group organisational structure, departmental setting, departmental rights and responsibilities, establishment of remuneration system, evaluations and management, and to enhance the robustness of the internal control management of the Group. The Company has established a brand new mechanism suitable for its future development, which is premised on the employment orientation of “promoting the capable, yielding to the average, demoting the mediocre, and eliminating the inferior (能者上，平者讓，庸者下，劣者汰)”. Through optimising the compensation and welfare system and performance management system, new standards for personnel selection, employment, education, and retention, an efficient management team with cohesion, creativity, and execution has been created under the introduction of external talent and the cultivation of internal talent. During the first half of 2023, the Group has introduced a number of doctoral students, management personnel and research and development personnel. Through internal training, the Group has upgraded the skills of its frontline staff, which has further strengthened the business standard of the Company and promoted the future development of the Group.

In terms of product research and development, in the first half of 2023, the Group jointly established a research and development team of talent possessing doctoral and undergraduate qualifications with external technical professionals and established a comprehensive product research and development system and procedures. Our team cooperated with tertiary institutions such as Zhejiang Gongshang University to carry out research on brewing theories and standardisation of technological procedures of production. We successfully developed and launched six new products while improving the technology of the new production line of soy sauce and soybean paste, and product production has commenced smoothly.

In respect of product quality control, in the first half of 2023 the Group continued to strengthen technical support and improve the ability to guarantee food safety technology by purchasing relevant devices and testing equipment. We have strengthened and improved the food safety control system to strictly control the process from raw materials, processing, factory inspection to storage, transportation and sales. We have built a whole-process digital food safety traceability system, so as to implement code control of each product, formulate emergency plans and disposal plans for food safety accidents, establish a sound risk management and control mechanism, implement food safety hazard investigation, and carry out monitoring measures such as daily control, weekly inspection and monthly scheduling. Meanwhile, we have formulated emergency plans and disposal plans for food safety accidents to gradually improve and enhance the establishment of the quality system.

在企業內部控制方面，本集團繼續聘請正略鈞策集團股份有限公司在原有的集團組織架構、部門設置、部門責權利、薪酬體系設置、考核和管理等內控方面予以完善和補充，以提高本集團內控的管理水平。制定一套適合公司未來發展全新機制，圍繞「能者上，平者讓，庸者下，劣者汰」的用人導向，通過優化薪酬福利制度、績效管理制度等，建立新的選人、用人、育人、留人標準，通過外部人才的引進及內部人才培養，打造出一支具有凝聚力、創造力、活力的高績效管理團隊，全面助力本集團未來發展。於二零二三年上半年本集團引進博士生、管理人員及研發人員若干；通過公司內部培養，提升一線員工技能等級，充而進一步加強公司業務水平，推動本集團未來良好的發展。

在產品研發方面，本集團在二零二三上半年以博士、本科學歷為基礎，外聘技術專家共同組成研發團隊，建立完善的產品研發體系及流程，與浙江工商大學等高校合作開展釀造理論研究，規範產品工藝流程，成功開發並上市六款新產品，改進醬油及黃豆醬新生產線工藝並順利投產。

在產品質量管理方面，本集團在二零二三上半年繼續購置相應的設備和檢測儀器，強化技術支撐，提升食品安全技術保障能力。加強和完善食品安全控制體系從原料、加工、出廠檢驗到儲運、銷售等過程嚴格把控。建立全過程數字化食品安全追溯體系，每個產品賦碼管控，建立食品安全事故應急預案和處置方案，建立健全風險管控機制，實施食品安全隱患排查，進行日管控、周排查、月調度等監控措施。同時，建立食品安全事故應急預案和處置方案，使質量體系建設在持續改進中穩步上升。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In respect of production workshop management, the Group reconstructed and upgraded the existing equipment, improved and innovated the process, formulated standardised systems, optimised the operation process, and improved the operation level of the production management team. Meanwhile, in order to further expand the market and develop new products, the Group purchased new production line equipment to enhance the labour efficiency of the workshop and reduce the production cost, so that the Company would manifest the core competitive strengths of its products in the market.

In the first half of 2023, the Group achieved sales revenue of approximately RMB127.8 million, representing a decrease of approximately RMB10.7 million, or approximately 7.7% as compared to the corresponding period in 2022. On one hand, the industry was still under the comprehensive impact of factors such as rising raw material costs, intensifying competition, weak consumption and continuous decline in purchasing power; while on the other hand, our product supply and sales was affected in varying degrees by the process of upgrading and renovating the Group's existing equipment.

In the first half of 2023, our cooking wine products remained as a major source of revenue of the Company, accounting for approximately 65.0% of our total revenue. On the other hand, with the gradual release of production capacity of our soy sauce products, our sales revenue of soy sauce products in the first half of 2023 amounted to approximately RMB13.5 million, accounting for approximately 11.0% of our total revenue. In terms of market strategy, we continued to pursue the market penetration strategy we adopted in 2022, aiming to expand our distributor network in response to the adverse impact of the pandemic on the business environment. Our existing distributors are located in fourth- and fifth-tier cities across 30 provinces, autonomous regions and municipalities in China. The Company continued to promote channel penetration, while at the same time focusing on the development of distribution and catering channels in the Yangtze River Delta and Pearl River Delta regions and increasing investment in the promotion of the reach of our products at sales terminals through a number of preferential measures. In order to match with the aforementioned market penetration strategy and to cope with the adverse factors of the pandemic, we have adjusted the Group's product structure to increase the proportion of sales of low and mid-range products with higher popularity yet lower gross margins. As a result, the gross profit margin of the Group's products decreased from approximately 37.3% for the six months ended 30 June 2022 to approximately 34.6% for the six months ended 30 June 2023.

在車間管理方面，本集團對現有設備進行再次改造和升級、完善和創新工藝，制定標準化制度、優化作業流程、提升生產管理團隊業務水平。同時，為更進一步開拓市場開發新產品，購置相應流水線設備以提高車間勞動效率，降低生產成本。從而讓公司產品在市場上更具有核心競爭力。

本集團於二零二三上半年實現銷售收入約人民幣127.8百萬元，較二零二二年同期下降了人民幣約10.7百萬元，約7.7%。一方面由於行業依然受到原材料上漲、賽道內卷、消費疲軟、消費購買力持續下降等綜合因素影響；另一方面由於本集團在對現有設備進行升級和改造的過程中對我們的產品供應以及銷售有著不同程度的影響。

於二零二三上半年，料酒系列產品繼續成為我們的主要收入來源，佔總收入約65.0%。另一方面，隨著我們醬油產品產能的陸續釋放，二零二三上半年我們醬油產品銷售收入約為人民幣13.5百萬元，佔總收入約11.0%。在市場戰略方面，我們延續2022年度的市場滲透戰略，旨在通過增強我們的經銷商網絡而來應對疫情對商業環境的不利影響。我們的現有經銷商遍布全國三十個省、自治區及直轄市的四、五線城市並已繼續加快渠道下沉，同時並重點發展長三角、珠三角地區流通及餐飲渠道的開拓，加大經費投入通過多項優惠舉措增加終端產品上架率，為匹配前述市場滲透策略及應對疫情的不利影響，我們調整了本集團的產品結構，更大眾化的毛利相對較低的中低端產品的銷售佔比增加。因此，本集團產品的毛利率從截至二零二二年六月三十日止六個月的約37.3%下降至截至二零二三年六月三十日止六個月的約34.6%。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The loss attributable to ordinary equity holders of the Company for the six months ended 30 June 2023 was approximately RMB244.9 million (corresponding period in 2022: RMB214.5 million), representing an increase of approximately 14.2% as compared to the corresponding period in 2022, mainly due to the abovementioned decrease in revenue and gross profit, as well as the impact of finance costs and other expenses. Based on the expected growth in sales of cooking wine, soy sauce, rice vinegar, fermented bean curd and other products as a result of the growing demand from existing customers and further development of sales channels, we believe that a rich and diversified condiment product portfolio will be more beneficial to the business development of the Group in the coming years. Therefore, we are planning to further develop the horizontal and vertical condiment industry chain, and make Lao Heng He a diversified condiment manufacturer with cooking wine as the leading product.

Our profitability mainly depends on product pricing and cost of sales, marketing strategies and product structure and composition, as well as factors in reform. We actively monitor any potential risk factors that may affect our financial results and strive to mitigate the increase in costs and expenses with more efficient operations, higher profit margin, better product portfolio, and sales channel penetration. However, the Group also faces certain risks in its business development process, including: (1) risks of significant increase in production costs, such as increase in the prices of agricultural and sideline products, packaging costs and labour costs; (2) changes in consumer behavior and habits caused by changes in consumers' perception of condiment products, as well as the competition in multiple sales channels, which have a negative impact on our sales; (3) significant increase in market expansion costs and sales expenses as compared with the Company's expectations; (4) risks that our new products may not be recognised by the market in the short term; (5) intensified competition in the industry brought by new entrants and the lingering adverse impacts of the post pandemic era.

主要由於上述收入下降及毛利下降的影響，再加上利息及其他支出，截至二零二三年六月三十日止六個月本公司普通權益持有人應佔虧損約為人民幣244.9百萬元(二零二二年同期：人民幣214.5百萬元)，較二零二二年同期上升約14.2%。基於對現有不斷增長的客戶需求和對銷售渠道下沉進一步發展而帶來的料酒、醬油、米醋、腐乳等產品的銷售增長預期，我們認為豐富而多元化的調味品結構將更有利於本集團未來幾年的業務發展。因此我們正多層次地深度開發本集團的橫向及縱向調味品產業鏈，將老恒和打造成以料酒為主導產品的多元化調味品製造商。

我們的盈利能力主要受產品訂價及我們的銷售成本、營銷策略、產品架構及組合、改革中的因素所影響。我們正積極監控任何可能影響我們財務業績的潛在風險因素，並試圖憑藉更高效的營運、更高的利潤率、更佳的产品組合和銷售渠道下沉來緩和成本和費用的增加。然而，本集團在業務發展過程中同樣面臨一定風險，包括：(1)生產成本大幅上漲的風險，如農副產品價格、包裝成本和勞務成本增加；(2)消費者消費料酒產品的教育、認知、習慣的轉變，及多重銷售渠道的競爭、為我們的銷售帶來負面影響；(3)市場的拓展成本和銷售費用較公司預期大幅上升；(4)我們的新產品短期內可能無法獲得市場認可；(5)新進入者的外在影響因素及後疫情時代持續帶來的不利影響。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GOALS AND STRATEGIES

The gross domestic product (GDP) of the PRC recorded a year-on-year growth of 5.5% in the first half of 2023. The huge economic impact brought from COVID-19 pandemic in the PRC last year, coupled with the current global situation which remains grim, has created new headwinds for the PRC's economic recovery. In addition, some structural problems, such as industrial upgrading and restructuring, and an ageing population, have also posed considerable challenges to economic development. In view of these challenges and difficulties, we need to further strengthen macroeconomic control and promote the sustainable and healthy development of the economy. Our sales strategy remains consumer-focused, with the development of suitable products that offer good value for money to meet the needs of different consumers. We have "diversified" our resources to develop products that are suitable for different sales channels, in order to achieve a higher level of customer loyalty. We focus on providing consumers with better quality, safer and healthier naturally-brewed condiment.

At the 2023 staff meeting, the Group made the decision and plan of "unifying thoughts, clarifying objectives, strengthening assessment and incentive assessment (統一思路、明確目標、強化考核、激勵考核)", always focused on the long-term objectives and achieved a balance among short-term, medium-term and long-term strategies through continuous and effective incentive measures. The ultimate objective of the Board's communication meeting in June 2023 will continue to focus on the operations, and the "one heart with two wings (一心兩翼)" approach to the Company's future strategies has been proposed for the first time. Under the guidance of the basic principle and operating policy of "focusing on the naturally-brewed cooking wine industry and refining other industries (聚焦天然釀造料酒產業，其他產業做精做細)", the Group will quickly and steadily achieve its operating objectives, strive for higher operating performance, and lay a solid foundation for the future development of the Group's business. Despite the challenging market, the Group is still looking forward to the future. The Group will continue to focus on the following areas to drive further growth of the Group's business, thereby creating greater value for the Shareholders.

目標及策略

中國2023年上半年國內生產總值(GDP)同比增長5.5%。中國去年的新冠疫情對經濟造成了巨大衝擊，加之目前全球形勢依然嚴峻，這也讓中國經濟恢復面臨新的阻力。此外，一些結構性問題，產業升級和轉型、人口老齡化等也對經濟發展帶來了不小的挑戰。針對這些挑戰和困難，我們需要進一步加強宏觀調控，推動經濟持續健康發展。我們的銷售策略仍以消費者為中心、開發適合物美價廉的產品以滿足不同消費者的需求，我們的「多元化」地將資源用於開發適合不同銷售渠道的產品，致力實現更高的客戶忠誠度。我們專注於向消費者提供更優質、更安全和更健康的天然釀造的調味品。

本集團在二零二三年全體員工大會上作出「統一思路、明確目標、強化考核、激勵考核」中始終著眼於長期目標做出決策和佈署，持續有效的激勵措施，在短、中、長期戰略之間取得平衡。及本集團在2023年6月董事會溝通交流會的最終宗旨依然將持續聚焦經營，首次提出「一心兩翼」公司未來戰略打法。全面「聚焦天然釀造料酒產業，其他產業做精做細」的基本原則和經營方針的指導下，又快又穩地實現經營目標，爭取更高的經營績效。為本集團業務未來發展的奠定穩固基礎。雖然市場充滿挑戰，本集團仍對未來充滿期待。本集團將持續專注於以下領域，以推動本集團業務進一步增長，從而為股東創造更大的價值。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Our business objectives are to expand diversified sales channels, promote the sales of portfolio products and enhance the Company's market position in the condiment industry through our leading position in the cooking wine industry as well as multi-model production management for our products. On the one hand, we will further increase investment in management team building and staff training. On the other hand, we will enrich the Company's product structure and launch more high-quality multicategory products that meet the consumption power of the public. For the distributors' expansion, we will continue to actively increase the market share of the brand of "Lao Heng He (老恒和)" in the PRC market by cooperating with competent distributors through diversified channels.

We have also actively accelerated the development of new retail sales channels, enriched our online offerings and formed a number of online channels that combine traditional e-commerce and emerging retail platforms, such as key account (KA) supermarket's online platform, community e-commerce platform, group buying membership e-commerce platform, etc. Each platform has achieved multi-dimensional full promotional coverage through online live streaming and video clip. In addition, we also strive to drive the linkage between social e-commerce and the community to create a community distribution model for all-staff shopping guides.

"Lao Heng He (老恒和)" strives to become a preferred choice of consumers.

我們的經營目標為通過我們在料酒產業的基酒龍頭地位及產品生產多模式管理。拓展多元化的銷售渠道，進行組合產品的銷售，提升公司在調味品行業的市場地位。一方面，我們將更進一步增加對業務團隊建設的投入和員工培訓。另一方面，我們將豐富公司的產品結構，推出更多優質的且符合大眾消費能力的各類別產品。在經銷商拓展方面，我們將在不斷地多元化發展的渠道中與有實力的經銷商合作，繼續積極地提升「老恒和」品牌在中國市場的市場佔有率。

我們亦積極加快新零售渠道開發速度，豐富線上品項，形成了一批傳統電商+新興零售平台相結合的線上渠道，如KA商超的線上平台、社區電商平台、團購會員電商平台等。各平台通過線上直播、短視頻拍攝等方式達到多維度全覆蓋的傳播效果。另外，我們也努力驅動社交電商和社群的聯動，打造全員導購的社群分銷模式。

「老恒和」矢志成為消費者的首選品牌。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Overview

The key financial indicators of the Group are as follows:

		Six months ended 30 June		Period-to-period change 按期變動 %
		截至六月三十日止六個月 2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	
Income statement items	收益表項目			
Revenue	收入	127,791	138,455	(7.7)
Gross profit	毛利	44,182	51,607	(14.4)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(244,926)	(214,490)	14.2
Loss before income, tax, depreciation and amortisation ("LBITDA")	除利息、稅項、折舊及攤銷前虧損	(138,006)	(97,508)	41.5
Loss per share (RMB) (note a) — basic and diluted	每股虧損(人民幣元)(附註a) — 基本及攤薄	(0.42)	(0.37)	13.5
Selected financial ratios	節選財務比率			
Gross profit margin (%)	毛利率(%)	34.6	37.3	(7.2)
Net loss margin attributable to ordinary equity holders of the Company (%)	本公司普通權益持有人應佔淨虧損率(%)	(191.7)	(154.9)	23.8
LBITDA margin (%)	除利息、稅項、折舊及攤銷前虧損率(%)	(108.0)	(70.4)	53.4
		30 June 2023 二零二三年六月三十日 RMB'000 人民幣千元	31 December 2022 二零二二年十二月三十一日 RMB'000 人民幣千元	Period-to-period change 按期變動 %
Gearing ratio (note b)	資本負債比率(附註b)	297.8	242.6	22.8

Notes:

- (a) Please refer to note 10 of the condensed consolidated interim financial statements for the calculation of loss per share.
- (b) The gearing ratio is based on net debt divided by total equity and net debt as at 30 June 2023. Net debt includes total debt net of cash and cash equivalents. Total debt includes trade payables, other payables and accruals, other liabilities, amounts due to related companies, amount due to ultimate holding company, interest-bearing other borrowings, provision for loss on unauthorised guarantees and other long-term liabilities.

財務回顧

概覽

本集團主要財務指標如下：

	Six months ended 30 June		Period-to-period change 按期變動 %	
	截至六月三十日止六個月 2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元		
Income statement items	收益表項目			
Revenue	收入	127,791	138,455	(7.7)
Gross profit	毛利	44,182	51,607	(14.4)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(244,926)	(214,490)	14.2
Loss before income, tax, depreciation and amortisation ("LBITDA")	除利息、稅項、折舊及攤銷前虧損	(138,006)	(97,508)	41.5
Loss per share (RMB) (note a) — basic and diluted	每股虧損(人民幣元)(附註a) — 基本及攤薄	(0.42)	(0.37)	13.5
Selected financial ratios	節選財務比率			
Gross profit margin (%)	毛利率(%)	34.6	37.3	(7.2)
Net loss margin attributable to ordinary equity holders of the Company (%)	本公司普通權益持有人應佔淨虧損率(%)	(191.7)	(154.9)	23.8
LBITDA margin (%)	除利息、稅項、折舊及攤銷前虧損率(%)	(108.0)	(70.4)	53.4
		30 June 2023 二零二三年六月三十日 RMB'000 人民幣千元	31 December 2022 二零二二年十二月三十一日 RMB'000 人民幣千元	Period-to-period change 按期變動 %
Gearing ratio (note b)	資本負債比率(附註b)	297.8	242.6	22.8

附註：

- (a) 有關每股虧損的計算方法，請參閱簡明綜合中期財務資料附註10。
- (b) 於二零二三年六月三十日，資本負債比率按淨債務除以總權益及淨債務計算。淨債務包括總債務減現金及現金等價物。總債務包括應付貿易款項、其他應付款及應計項目、其他負債、應付關聯公司款項、應付最終控股公司款項、計息其他借款、未授權擔保虧損撥備以及其他長期負債。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Revenue

The revenue of the Group decreased by 7.7% from RMB138.5 million for the six months ended 30 June 2022 to RMB127.8 million for the corresponding period of 2023, primarily due to decrease in the sales volume of the Group's product as a result of the combined effect of the increased uncertainty of consumer's expectations of the future, sluggish consumer market for condiment products, intense competitions in the industry and lower supply of the Group's products due to upgrade and renovation of existing equipment by the Group.

Revenue from the Group's cooking wine products decreased by 9.2% from RMB89.6 million for the six months ended 30 June 2022 to RMB81.4 million for the corresponding period of 2023, primarily due to the decline in sales volume of certain products of the Group's grain brewed cooking wine as a result of the combined effect of increasingly intensified competitions in the cooking wine sector as the categories of other condiment products were relatively saturated, and the promotions launched by leading condiment manufacturers to expand the new cooking wine market.

Revenue from the Group's soy sauce products increased by 6.3% from RMB12.7 million for the six months ended 30 June 2022 to RMB13.4 million for the corresponding period of 2023 due to the increase in sales of the Group's soy sauce products as the Group stepped up its efforts in the promotion of soy sauce products to deal with competition and changes of the condiment consumption market and to further expand its market.

While introducing new products to the market, we have also continued to adjust our product portfolio of rice vinegar and other products by reducing the production volume of low-performing products during this period. As a result, the revenue from rice vinegar and other products decreased by 9.0% from RMB36.2 million for the six months ended 30 June 2022 to RMB32.9 million for the corresponding period of 2023.

收入

本集團的收入由截至二零二二年六月三十日止六個月的人民幣138.5百萬元減少7.7%至二零二三年同期的人民幣127.8百萬元。表現疲弱主要歸因於消費者對未來預期的不確定性增加，調味品消費市場不景氣，行業內競爭激烈及本集團在對現有設備進行升級和改造的過程中對我們的產品供應影響等綜合因素導致銷量有所下降。

本集團料酒產品的收入由截至二零二二年六月三十日止六個月的人民幣89.6百萬元減少9.2%至二零二三年同期的人民幣81.4百萬元，主要由於其他調味品類已相對飽和，故料酒賽道競爭加劇日益嚴峻，調味品頭部廠商為開拓新興料酒市場進行低價促銷的綜合因素導致本集團穀物釀造料酒部分產品的銷量有所下降。

本集團醬油產品的收入由截至二零二二年六月三十日止六個月的人民幣12.7百萬元增加6.3%至二零二三年同期的人民幣13.4百萬元，主要由於本集團為應對調味品消費市場的競爭及變化及為進一步拓展市場，從而加大對醬油產品的促銷力度，致使醬油產品銷量增加。

在向市場投放新產品的同時，我們於本期也對我們的米醋和其他產品的產品結構繼續進行調整，縮減了市場表現不好的產品的產量。因此，米醋和其他產品的收入由截至二零二二年六月三十日止六個月的人民幣36.2百萬元減少9.0%至二零二三年同期的人民幣32.9百萬元。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Cost of Sales

The Group's cost of sales, including raw materials, manufacturing overhead and salaries and benefits, decreased by 3.7% from RMB86.8 million for the six months ended 30 June 2022 to RMB83.6 million for the corresponding period of 2023, primarily attributable to the decrease in the Group's overall sales volume.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by 14.4% from approximately RMB51.6 million for the six months ended 30 June 2022 to approximately RMB44.2 million for the corresponding period of 2023, and the gross profit margin decreased from 37.3% for the six months ended 30 June 2022 to 34.6% for the corresponding period of 2023. The decrease in gross profit margin is primarily due to the combined effects of the adjustment of product structure and the increase in proportion of sales of mid-end and low-end products with relatively low gross profit margins.

Other Income and Gains

Other income and gains decreased by 53.0% from approximately RMB2.7 million for the six months ended 30 June 2022 to approximately RMB1.3 million for the corresponding period of 2023. Other income and gains primarily include government subsidies received, gains from sales of materials and interest income. The decrease in other income and gains for the period was primarily due to the decrease in interest income from finance leases and decrease in government grants.

Selling and Distribution Expenses

Selling and distribution expenses primarily consist of advertising expenses, marketing expenses, travelling expenses, and remuneration for our sales employees. The Group's selling and distribution expenses increased by 33.7% from approximately RMB34.8 million for the six months ended 30 June 2022 to approximately RMB46.5 million for the corresponding period of 2023. The Group's selling and distribution expenses as a percentage of the Group's revenue increased from 25.1% for the six months ended 30 June 2022 to 36.4% for the corresponding period of 2023, primarily due to increase in the Group's various selling and distribution expenses as a result of intensifying competition and weak consumption in the condiment industry.

銷售成本

本集團的銷售成本(包括原材料、製造費用及薪金福利)由截至二零二二年六月三十日止六個月的人民幣86.8百萬元減少3.7%至二零二三年同期的人民幣83.6百萬元，主要是由於本集團的整體銷量減少所致。

毛利及毛利率

本集團的毛利由截至二零二二年六月三十日止六個月約人民幣51.6百萬元減少14.4%至二零二三年同期約人民幣44.2百萬元，而毛利率由截至二零二二年六月三十日止六個月的37.3%減少至二零二三年同期的34.6%。毛利率下降主要由於我們調整了產品結構，毛利率相對較低的中低端產品的銷售佔比增加所致。

其他收入及收益

其他收入及收益由截至二零二二年六月三十日止六個月約人民幣2.7百萬元減少53.0%至二零二三年同期約人民幣1.3百萬元。其他收入及收益主要包括收到的政府補貼、物料銷售收益及利息收入。本期其他收入及收益之減少主要由於融資租賃所產生的利息收入，及政府補助減少所致。

銷售及經銷開支

銷售及經銷開支主要包括廣告開支、營銷開支、差旅開支及我們銷售員工的酬金。本集團的銷售及經銷開支由截至二零二二年六月三十日止六個月約人民幣34.8百萬元增加33.7%至二零二三年同期約人民幣46.5百萬元。本集團的銷售及經銷開支佔本集團收入的百分比由截至二零二二年六月三十日止六個月的25.1%增加至二零二三年同期的36.4%，主要由於本集團為應對調味品行業受到賽道內卷、消費疲軟等因素影響，所投入的各種銷售及經銷經費增加所致。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Administrative Expenses

Administrative expenses increased by 13.7% from approximately RMB19.4 million for the six months ended 30 June 2022 to approximately RMB22.1 million for the corresponding period of 2023, mainly due to the increase in professional and legal service fees and research and development costs.

Finance Costs

Finance costs decreased by 10.4% from approximately RMB103.3 million for the six months ended 30 June 2022 to approximately RMB92.6 million for the corresponding period of 2023. The decrease in finance costs is primarily attributable to the decrease in interest of finance lease and repayment of partial long-term borrowings of the Group.

Loss before Income Tax

As a result of the foregoing, the loss before income tax increased by 14.2% from approximately RMB214.5 million for the six months ended 30 June 2022 to approximately RMB244.9 million for the corresponding period of 2023.

Income Tax Expense

The corporate income tax of the Group in respect of its operations in Mainland China has been provided at the rate of 25% (corresponding period in 2022: 25%) on the taxable profits, in accordance with the existing legislation, interpretations and practices.

Income tax expenses remained nil for the six months ended 30 June 2023 and the corresponding period of 2022 mainly due to the continuous losses incurred by the Group.

Loss per Share Attributable to Ordinary Equity Holders of the Company

Basic loss per share increased from RMB0.37 for the six months ended 30 June 2022 to RMB0.42 for the corresponding period of 2023, mainly due to the increase in net loss caused by the reasons stated above.

Net Loss Margin

Net loss margin increased by 23.8 percentage points from 154.9% for the six months ended 30 June 2022 to 191.7% for the corresponding period of 2023, which was mainly attributable to the decrease in gross profit margin as a result of the aforesaid reasons.

行政開支

行政開支由截至二零二二年六月三十日止六個月約人民幣19.4百萬元增加13.7%至二零二三年同期約人民幣22.1百萬元，主要由於本集團的專業及法律服務費用及研發費用增加所致。

融資成本

融資成本由截至二零二二年六月三十日止六個月約人民幣103.3百萬元減少10.4%至二零二三年同期約人民幣92.6百萬元。融資成本減少主要歸因於本集團融資租賃的利息及歸還部分長期借款減少所致。

除所得稅前虧損

由於上述原因，除所得稅前虧損由截至二零二二年六月三十日止六個月約人民幣214.5百萬元增加14.2%至二零二三年同期約人民幣244.9百萬元。

所得稅開支

有關本集團中國內地經營業務的企業所得稅，已經根據相關現行法律、詮釋及慣例按稅率25%（二零二二年同期：25%）對應課稅利潤作出撥備。

截至二零二三年六月三十日止六個月的所得稅開支與二零二二年同期同為零，主要歸因於本集團產生持續虧損所致。

本公司普通權益持有人應佔每股虧損

每股基本虧損由截至二零二二年六月三十日止六個月的人民幣0.37元增加至二零二三年同期的人民幣0.42元，主要是由於上述原因導致的淨虧損增加所致。

淨虧損率

淨虧損率由截至二零二二年六月三十日止六個月的154.9%上升23.8個百分點至二零二三年同期的191.7%，主要由於上述原因導致的毛利率減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL AND LIQUIDITY POSITION

Prepayments, deposits and other receivables

Details of the Group's prepayments, deposits and other receivables as at 30 June 2023 and 31 December 2022 are as follows:

		30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Prepayments for fixed assets	固定資產的預付款項	5,045	6,673
Prepayments for procurement of condiment products	採購調味品的預付款項	246	1,936
Other prepayments	其他預付款項	678	2,417
Deposits and other receivables	按金及其他應收款項	33,934	26,618
		39,903	37,644
Less: Portion classify as non-current assets	減：分類為非流動資產的部分	(5,045)	(6,673)
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的流動部分	34,858	30,971

Trade Receivables

Trade receivables primarily represented the receivables for goods sold to the distributors. Trade receivables turnover days increased from 32 days for the year ended 31 December 2022 to 34 days for the six months ended 30 June 2023, which is attributable to the combined effect of the impact brought by the post pandemic era and the Group's temporary relaxation of the credit period for some customers with long-term cooperation intentions based on the Group's expectation on the sales to the customers to consolidate customer base.

財務及流動資金狀況

預付款項、按金及其他應收款項

於二零二三年六月三十日及二零二二年十二月三十一日的預付款項、按金及其他應收款項詳情如下：

		30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Prepayments for fixed assets	固定資產的預付款項	5,045	6,673
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		39,903	37,644
Less: Portion classify as non-current assets	減：分類為非流動資產的部分	(5,045)	(6,673)
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的流動部分	34,858	30,971

貿易應收款項

貿易應收款項主要指向經銷商售出貨品的應收款項。貿易應收款項的週轉天數由截至二零二二年十二月三十一日止年度的32天增至截至二零二三年六月三十日止六個月的34天，此乃由於後疫情時代及為了鞏固我們的客戶基礎，本集團根據對客戶的銷售預期，暫時性地放寬了部分有長期合作意向的客戶的信用期的綜合作用所致。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Inventories

Inventories decreased from approximately RMB646.7 million as at 31 December 2022 to approximately RMB639.7 million as at 30 June 2023 primarily due to a decrease in work in progress. A substantial part of our inventories are work in progress, mainly represented by semi-finished base wine, base soy sauce, base vinegar, soybean paste and fermented bean curd in the brewing period.

We regularly monitor the inventory level maintained by our distributors. Our sales representatives maintain frequent telephone or email communications with our distributors to inquire about their monthly inventory reports, and pay regular visits to their warehouses. Our sales representatives conduct statistics on the inventory of distributors at least once a week on Saturday, which is reported to the Company weekly, and pay regular visits to the warehouses of distributors to ensure that they keep optimal stock level and our products are sold to end sellers within the shelf life. We generally expect our distributors to maintain sufficient stock for 30 to 60 days of supply. In the event a distributor maintains stocks of more than 45 days of supply, the relevant sales representatives will assist such distributor in marketing and promotional activities and suggest orders with a smaller amount to be placed for the subsequent periods to minimize excess inventory.

Borrowings

As at 30 June 2023, the Group's total borrowings amounted to approximately RMB2,580.4 million (31 December 2022: RMB2,211.6 million). The Group's principal sources of liquidity include cash generated from business operations and other borrowings. The cash from these sources was primarily used for the Group's working capital and the expansion of production capacity. Presently, the Group does not employ any financial instruments to hedge against the interest rate exposure.

Exchange Risk

The Group conducted its business primarily in China with the majority of its revenue and expenditures denominated in Renminbi. The Group does not have a foreign currency hedging policy. However, the management will monitor the situation and will consider hedging any significant foreign currency exposure should the need arise.

存貨

存貨由截至二零二二年十二月三十一日約人民幣646.7百萬元減至截至二零二三年六月三十日約人民幣639.7百萬元，主要由於在製品減少。我們存貨的絕大部分為在製品，主要指處於釀造期的基酒、基醬油、基醋、黃豆醬、腐乳半成品。

我們定期監控經銷商維持的存貨水平。我們的銷售代表與經銷商保持緊密的電話或電郵聯繫，詢問彼等的月度存貨報告並定期到訪彼等的倉庫。我們的銷售代表至少每週六統計一次經銷商的庫存，每週上報給公司，以及定期到訪經銷商的倉庫，確保彼等維持最佳的存貨水平，以確保我們的產品乃在保質期內出售予終端銷售者。我們通常期望我們的經銷商維持足以供應30至60天的存貨。倘若某經銷商所維持存貨的供應天數超過45天，相關銷售代表將協助該經銷商進行市場推廣及促銷活動，並建議在隨後期間下達額度較小的訂單，盡量降低過剩存貨。

借款

於二零二三年六月三十日，本集團借款總額約為人民幣2,580.4百萬元（二零二二年十二月三十一日：人民幣2,211.6百萬元），本集團流動資金的主要來源包括業務經營產生的現金及其他借款。來自該等來源的現金主要用於本集團的營運資金及擴大產能。目前，本集團並無使用任何金融工具對沖利率風險。

外匯風險

本集團主要於中國展開其業務，其大部分收入及開支以人民幣計值。本集團並無外幣對沖政策。然而，管理層將監控有關情況，於必要時考慮對沖任何重大外幣風險。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Liquidity and Financial Resources

As at 30 June 2023, the Group had cash and cash equivalents of approximately RMB2.2 million (31 December 2022: RMB9.8 million). As at 30 June 2023, we had other borrowings of an aggregate amount of RMB2,580.4 million (31 December 2022: RMB2,211.6 million), which were denominated in RMB with interest rates from 4.80% to 24.00% per annum.

Our principal sources of liquidity include cash generated from business operation and other borrowings. We used cash from such sources for working capital, production facility expansions, other capital expenditures and debt repayment. We expect these uses will continue to be our principal uses of cash in the future, and that our cash flow will be sufficient to fund our ongoing business requirements. Meanwhile, we have decided to further broaden our financing channel to improve our capital structure.

Capital Commitments

Capital commitments as at 30 June 2023 amounted to approximately RMB19.5 million (31 December 2022: RMB14.8 million), mainly related to the contracts of construction in progress relating to addition of equipment and investments in technical transformation.

Contingent Liabilities

As at 30 June 2023, the Group did not have any material contingent liability.

Pledge of Assets

Please refer to note 19(d) of condensed consolidated interim financial statements for details of pledge of assets of the Group.

Except as disclosed in this report, the Group has not entered into any off-balance sheet guarantees or other commitments to guarantee the payment obligations of any third party. The Group does not have any interest in any unconsolidated entity to which the Group provides financing, liquid capital, market risk or credit support or for which the Group engages in leasing or hedging or research and development or other services.

流動資金及財務資源

於二零二三年六月三十日，本集團現金及現金等價物約為人民幣2.2百萬元（二零二二年十二月三十一日：人民幣9.8百萬元）。於二零二三年六月三十日，我們其他借款合共為人民幣2,580.4百萬元（二零二二年十二月三十一日：人民幣2,211.6百萬元），均以人民幣計值，年息介乎4.80%至24.00%。

我們流動資金的主要來源包括業務經營產生的現金及其他借款。來自該等來源的現金用於本集團的營運資金、擴大產能、其他資本支出及債務需要。同時，我們已決定進一步拓寬我們的融資渠道以改善我們的資本架構。

資本承擔

於二零二三年六月三十日，資本承擔約為人民幣19.5百萬元（二零二二年十二月三十一日：人民幣14.8百萬元），主要與新增設備和技改投入的在建工程合約有關。

或有負債

於二零二三年六月三十日，本集團並無任何重大或有負債。

資產質押

有關本集團資產質押情況，請參閱簡明綜合中期財務資料附註19(d)。

除本報告所披露者外，本集團並無訂立任何資產負債表外擔保或其他承擔，以擔保任何第三方的付款責任。本集團並不擁有向其提供融資、流動資金、市場風險或信貸支持，或為其從事租賃或對沖或研發或其他服務的任何未納入合併範圍的實體的任何權益。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FUTURE PROSPECTS

Looking forward to the second half of 2023, the food industry in the PRC will be highly competitive, and the Company will be facing various competitive pressures from the changes in consumer preferences and consumption trends, consumers' brand loyalty, new product launches, competitors' pricing strategies, substitution of the Company's products by alternative products, and the development of regional and local economies. We are facing new challenges and opportunities. The Company will study the needs of consumers carefully, insist on research and development and innovation of lead advanced consumer concepts, and continue to introduce new products and new production lines that meet the needs of the PRC market and consumers. With the advantages of multiple products and multiple channels, the Company will be able to quickly introduce its products to the market through the shared sales pipelines and inter-pipeline synergies, the China Time-honored Brand products with high cost-performance value continue to be popular among consumers. Meanwhile, health, safety and flavor are still the essence of the innovation and development of condiment cooking wine industry. The Group still insists on being consumer-oriented, never forgetting the original intention and sticking to quality and conveying the brand philosophy of "Making good cooking wine with heart (用心做好料酒)" through the products to consumers and generating resonance with them. Meanwhile, we make good use of our strengths to constantly innovate to meet consumers' personalised, diversified, healthy and high-end demands and provide good-looking, high quality and safer, more nutritious and healthier flavours to consumers.

In a new round of development opportunities of the Group's condiment cooking wine industry, we strive to combine healthy ingredients into national flavor, combine new food technology into production and promote and develop the profound Chinese culinary culture, become a promoter of the cooking wine industry and knowledge adviser for consumers, and ultimately become the most trusted partner for consumers.

未來前景

展望二零二三年下半年，中國食品行業競爭激烈，公司面臨來自消費者喜好及消費趨勢變化、消費者品牌忠誠度、新產品推出、競爭對手定價策略、替代產品取代本公司產品、區域地方經濟發展等多種行業競爭壓力。我們正面臨新的挑戰與機遇。公司將悉心研究消費者需求，堅持研發創新引領先進消費理念，持續推出滿足中國市場和消費者需求的新產品、新產線。公司借助多產品、多渠道優勢，通過共用銷售渠道以及渠道間的協同配合使公司產品能夠快速推向市場，高性價比國民中華老字號產品依舊深受消費者歡迎。同時，健康、安全、美味依舊是調味品料酒行業創新發展的主旋律。本集團仍然堅持以消費者為中心，不忘初心，堅守品質不動搖，把「用心做好料酒」的品牌理念透過產品傳遞給消費者，並與之產生共鳴；同時發揮自身優勢不斷創新，滿足消費者個性化、多元化、健康化及高端化的需求，為消費者帶來高顏值、好品質且更加安全和營養健康的美味。

本集團調味品料酒產業新一輪的發展契機中，致力於將健康食材融入國民味道，致力於將新的食品科技融入生產中，致力於將博大精深的中華飲食文化發揚光大，成為料酒行業傳播者，成為消費者的知識官，最終成為消費者最信賴的夥伴。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The economic growth in the PRC is generally expected to continue and the consumption upgrade will remain a long-term trend. In addition to maintaining the leading position of our cooking wine products in the sales of mid-to-high-end products and grain brewing products in the industry, the Company will insist to optimise its product structure in response to the changes in the economic situation at each stage, introduce various products to meet the needs of different consumer groups, and to respond to changes in demand by providing a full range of high-end, mid-range and mass market products. We will endeavour to adhere to our strategy of “diversified” horizontal and vertical product structure so as to meet the diversified market demand for green, healthy and tasty condiment products. We will also keep expanding our production capacity and achieving automation upgrade to enhance our overall profitability. Leveraging on the high-quality base wine, product quality and technology of “Lao Heng He (老恒和)” brand as our core competitiveness, we hope to stand out amid fierce market competition through differentiation in product quality.

Therefore, we believe that our upgraded “Lao Heng He (老恒和)” products will continue to grow in China.

預期中國經濟將繼續保持增長，消費升級仍是長期趨勢。除了繼續保持料酒產品在行業銷售中高端產品及穀物釀造產品的龍頭地位外，公司將順應經濟形勢各階段的變化，堅持優化產品結構，推出滿足不同消費群體需求的各類產品，以高端、中端和大眾全覆蓋的產品系列來契合需求端的變化，我們仍舊不斷堅持「多元化」橫向及豎向產品結構的戰略以便應對市場上對綠色健康及口味優質的調味品多樣化的需求，我們亦將不斷擴大產能和提高自動化水平來提升我們整體的利潤率水平。優質的基酒、產品的品質和技術含量仍舊為「老恒和」品牌的核心競爭力，我們希望通過產品品質的差異化在激烈的市場競爭中脫穎而出。

因此，我們認為我們升級「老恒和」的品牌產品在中國將繼續增長。



SUPPLEMENTARY INFORMATION

補充資料

SUPPLEMENTARY INFORMATION

Director Nomination Policy

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industrial and regional experience. The Nomination Committee would review the implementation of the Board Diversity Policy in achieving the objectives set for the benefits of the Company.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

Having reviewed the Board composition, the Nomination Committee recognises the importance and benefits of the gender diversity at the Board level and will take initiatives to enhance the gender diversity among the Board member when selecting and making recommendation on suitable candidates for Board appointments.

The Board currently consists of only male Directors. In recognising the particular importance of gender diversity, the Company targets to appoint at least one female director by no later than 31 December 2024.

Material Event(s) After the Reporting Period

There are no material subsequent events undertaken by the Company or the Group after 30 June 2023.

Employees & Remuneration Policies

As at 30 June 2023, the Group had a total of 561 full time employees (31 December 2022: 535). The employees' cost (excluding directors' and chief executive's remuneration) of the Group was RMB21.3 million during the six months ended 30 June 2023 (six months ended 30 June 2022: RMB22.1 million). The remuneration policies, bonus and training programs for employees of our Group were implemented continuously according to the policies disclosed in the Group's annual report for the year ended 31 December 2022 and no change has been made during the six months ended 30 June 2023.

補充資料

董事提名政策

在評估董事會的組成時，提名委員會將考慮董事會多元化政策中規定的各個方面，包括但不限於性別、年齡、文化和教育背景、專業資格、技能、知識和行業以及區域經驗。提名委員會將審核董事會多元化政策的實施狀況，以實現以本公司得益為重的目標。

在確定及物色合適的董事候選人時，提名委員會會在考慮候選人的特徵、資格、經驗、獨立性和旨在補足企業策略及實現董事會多元化(如適用)的其他相關標準後，方向董事會提出建議。

提名委員會在審視董事會組成後深明性別多元化在董事會層面而言屬攸關重要及別有裨益，故此會在物色及建議合適候選人供董事會任命時採取措施，藉以改善董事會成員的性別多元化。

董事會目前僅由男性董事組成。鑒於性別多元化的特殊重要性，本公司旨在於二零二四年十二月三十一日之前委任至少一名女性董事。

報告期後重大事項

於二零二三年六月三十日之後，本公司或本集團並無進行任何重大期後事項。

僱員及薪酬政策

於二零二三年六月三十日，本集團共聘有561名全職僱員(二零二二年十二月三十一日：535名)。本集團截至二零二三年六月三十日止六個月的僱員成本(不包括董事及最高行政人員薪酬)為人民幣21.3百萬元(截至二零二二年六月三十日止六個月：人民幣22.1百萬元)。本集團僱員的薪酬政策、花紅及培訓計劃繼續按照本集團截至二零二二年十二月三十一日止年度的年度報告披露的政策執行且於截至二零二三年六月三十日止六個月並無變動。



SUPPLEMENTARY INFORMATION

補充資料

Significant Investments Held

The Group did not hold any significant investments as at 30 June 2023 (31 December 2022: nil).

Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures

There was no material acquisition and disposal of subsidiaries, associates or joint ventures during the six months ended 30 June 2023.

Purchase, Redemption or Sale of Listed Securities of the Company

During the six months ended 30 June 2023, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

Plans for Material Investments or Capital Assets

There was no future plan for material investments or capital assets as at 30 June 2023.

Dividend Policy

Policy on payment of dividend of the Company is in place setting out the factors in the determination of dividend payment of the Company, including the Company's long-term earning capacity and expected cash inflow and outflow, the frequency and form of dividend payments. The policy shall be reviewed periodically and submitted to the Board for approval if amendments are required.

Interim Dividend

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2023.

所持重大投資

於二零二三年六月三十日，本集團概無持有任何重大投資(二零二二年十二月三十一日：無)。

附屬公司、聯營公司及合營企業重大收購及出售

截至二零二三年六月三十日止六個月，概無進行任何附屬公司、聯營公司或合營企業的重大收購及出售。

購買、贖回或出售本公司上市證券

截至二零二三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、贖回或出售本公司任何上市證券。

重大投資或資本資產計劃

於二零二三年六月三十日，概無涉及重大投資或資本資產的未來計劃。

股息政策

本公司已制定股息派付政策，載明釐定本公司股息派付的因素，包括本公司的長期盈利能力及預期現金流入及流出、股息派付的頻率及形式。該政策應予定期檢討及提交董事會批准是否需要修改。

中期股息

董事會決定不就截至二零二三年六月三十日止六個月宣派任何中期股息。



SUPPLEMENTARY INFORMATION

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Corporate Governance

The Company recognises the importance of good corporate governance for enhancing the management structures and internal control procedures of the Company as well as preserving the interests of the shareholders as a whole.

The Company has adopted the code provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) since the Listing Date as its own code to govern its corporate governance practices. The Board also reviews and monitors the practices of the Company from time to time to maintain and improve the high standard of corporate governance practices.

The Company has complied with the Code for the six months ended 30 June 2023.

The Board will continue to review and monitor the practices of the Company with an aim to maintain and implement a high standard of corporate governance practices.

Model Code for Securities Transactions

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuer” (the “Model Code”) set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors and the Group’s senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company’s securities.

Upon specific enquiry, all the Directors confirm that they have complied with the Model Code during the six months ended 30 June 2023. In addition, the Company is not aware of any noncompliance of the Model Code by the senior management of the Group during the six months ended 30 June 2023.

Change in Corporate Positions

With effect from 10 January 2023, Mr. Gu Wei has resigned as a non-executive Director and ceased to be a member of the audit committee of the Board (the “Audit Committee”). With effect from 10 January 2023, Mr. Wu Hongping has been appointed as a non-executive Director and a member of the Audit Committee.

企業管治

本公司認同良好企業管治的重要性，其可加強本公司之管理架構及內部監控程序，同時保障整體股東利益。

自上市日期起，本公司已採納聯交所證券上市規則（「上市規則」）附錄十四所載企業管治守則（「守則」）所載的守則條文，以作為其本身管治其企業管治常規的守則。董事會亦會不時檢討並監察本公司之守則，以期維持並改善高水平的企業管治常規。

截至二零二三年六月三十日止六個月，本公司已遵守守則。

董事會將繼續檢討及監控本公司的常規，旨在維持及實行高水平的企業管治常規。

證券交易標準守則

本公司已採納載列於上市規則附錄十的「上市發行人董事進行證券交易的標準守則」（「標準守則」），作為董事及本集團高級管理層（因為其職位或僱傭關係，乃有可能持有有關本集團或本公司證券之內幕消息）關於本公司證券交易的行為守則。

經過特定諮詢後，全體董事已確認彼等於截至二零二三年六月三十日止六個月已遵守標準守則。此外，本公司並無獲悉於截至二零二三年六月三十日止六個月本集團高級管理層有任何違反標準守則的行為。

公司職位變更

自二零二三年一月十日起，顧偉先生辭任非執行董事及董事會審核委員會（「審核委員會」）成員。自二零二三年一月十日起，吳紅平先生獲委任為非執行董事及審核委員會成員。



SUPPLEMENTARY INFORMATION

補充資料

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SECURITIES

As at 30 June 2023, none of the Directors, the chief executive of the Company or any of their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) (the “Associated Corporations”), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN SECURITIES

So far as is known to any Director or chief executive, as at 30 June 2023, the following corporations/persons had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

Interests and short positions in the Shares and underlying Shares of the Company as at 30 June 2023

董事及最高行政人員於證券的權益及淡倉

於二零二三年六月三十日，概無董事、本公司最高行政人員或彼等的任何聯繫人於本公司或其相聯法團（「相聯法團」）（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有 (a) 根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所（包括根據證券及期貨條例有關條文彼等被視為或被當作擁有的權益及淡倉）；或 (b) 根據證券及期貨條例第352條須記錄於該條所述登記冊內；或 (c) 須知會本公司及聯交所的任何權益或淡倉。

主要股東於證券的權益及淡倉

據任何董事或最高行政人員所知，於二零二三年六月三十日，下列法團／人士於本公司根據證券及期貨條例第336條須備存的登記冊中登記的本公司股份及相關股份中擁有權益或淡倉，直接或間接擁有或被視為擁有本公司已發行股本5%或以上權益：

於二零二三年六月三十日於本公司股份及相關股份的權益及淡倉

Name	名稱	Nature of interests 權益性質	Number of shares or underlying shares held 持有股份或相關股份數目	Approximate percentage of the Company’s issued share capital ⁽¹⁾ 佔本公司已發行股本概約百分比 ⁽¹⁾
Chen Weizhong ⁽²⁾	陳衛忠 ⁽²⁾	Interest of a controlled corporation 受控法團權益	283,018,750 (L)	48.90%
		Beneficial interest 實益權益	2,682,000 (L)	0.46%
Key Shine Global Holdings Limited ⁽²⁾	Key Shine Global Holdings Limited ⁽²⁾	Beneficial owner 實益擁有人	283,018,750 (L)	48.90%

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補充資料

Name	名稱	Nature of interests 權益性質	Number of shares or underlying shares held 持有股份或相關股份數目	Approximate percentage of the Company's issued share capital ⁽¹⁾ 佔本公司已發行股本概約百分比 ⁽¹⁾
Ms. Xing Liyu ⁽³⁾	邢利玉女士 ⁽³⁾	Interest of spouse 配偶權益	285,700,750 (L)	49.37%
Wuxing City Investment HK Company Limited ⁽⁴⁾	吳興城投(香港)有限公司 ⁽⁴⁾	Person having a security interest in shares 擁有股份質押權益的人士	229,424,000 (L)	39.64%
Huzhou Wuxing City Investment Development Group Co., Ltd. ⁽⁴⁾	湖州吳興城市投資發展集團有限公司 ⁽⁴⁾	Person having a security interest in shares 擁有股份質押權益的人士	229,424,000 (L)	39.64%
Huzhoushi Wuxingqu State-owned Assets Supervision and Administration Services Centre ⁽⁴⁾	湖州市吳興區國有資本監督管理服務中心 ⁽⁴⁾	Person having a security interest in shares 擁有股份質押權益的人士	229,424,000 (L)	39.64%
Hwabao Trust Company Limited (as Hwabao Overseas Markets Investment No. 2 QDII Single Unit Trust Plan 32-8) ⁽⁵⁾	華寶信託有限責任公司(作為華寶境外市場投資2號系列32-8期QDII單一資金信託計劃) ⁽⁵⁾	Beneficial owner 實益擁有人	72,625,000 (L)	12.55%
Chongqing Zhongxin Rongbang Investment Center (Limited Partnership) ⁽⁵⁾	重慶中新融邦投資中心(有限合夥) ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	72,625,000 (L)	12.55%
Tibet Zhongxin Ruiyin Investment Management Co., Ltd. ⁽⁵⁾	西藏中新睿銀投資管理有限公司 ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	72,625,000 (L)	12.55%
China Innovative Capital Management Limited ⁽⁵⁾	中新融創資本管理有限公司 ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	72,625,000 (L)	12.55%
Beijing Zhonghai Jiacheng Capital Management Limited ⁽⁵⁾	北京中海嘉誠資本管理有限公司 ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	72,625,000 (L)	12.55%
Zhonghai Shengfeng (Beijing) Capital Management Co., Ltd. ⁽⁵⁾	中海晟豐(北京)資本管理有限公司 ⁽⁵⁾	Interest of a controlled corporation 受控法團權益	72,625,000 (L)	12.55%



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Name	名稱	Nature of interests 權益性質	Number of shares or underlying shares held 持有股份或相關股份數目	Approximate percentage of the Company's issued share capital ⁽¹⁾ 佔本公司已發行股本概約百分比 ⁽¹⁾
Natural Seasoning International (HK) Limited (formerly known as China Seasoning International (HK) Limited) ⁽⁶⁾	Natural Seasoning International (HK) Limited (前稱 China Seasoning International (HK) Limited) ⁽⁶⁾	(i) Beneficial owner; (ii) A concert party to an agreement to buy shares described in s.317(1)(a); and (iii) Person having a security interest in shares ⁽⁷⁾ (i) 實益擁有人；(ii) 屬第317(1)(a)條所述的買入股份協議一方的一致行動人士；及 (iii) 擁有股份質押權益的人士 ⁽⁷⁾	345,700,750 (L) ⁽⁶⁾	59.73% ⁽⁶⁾
Natural Seasoning International Limited (formerly known as China Seasoning International Limited) ⁽⁶⁾	Natural Seasoning International Limited (前稱 China Seasoning International Limited) ⁽⁶⁾	Interest of a controlled corporation 受控法團權益	345,700,750 (L) ⁽⁶⁾	59.73% ⁽⁶⁾
Lunar Capital Partners IV LP ⁽⁶⁾	Lunar Capital Partners IV LP ⁽⁶⁾	Interest of a controlled corporation 受控法團權益	345,700,750 (L) ⁽⁶⁾	59.73% ⁽⁶⁾
Lunar Capital Partners IV GP, LP ⁽⁶⁾	Lunar Capital Partners IV GP, LP ⁽⁶⁾	Interest of a controlled corporation 受控法團權益	345,700,750 (L) ⁽⁶⁾	59.73% ⁽⁶⁾
LCM-IV General Partner Ltd. ⁽⁶⁾	LCM-IV General Partner Ltd. ⁽⁶⁾	Interest of a controlled corporation 受控法團權益	345,700,750 (L) ⁽⁶⁾	59.73% ⁽⁶⁾
Mr. Mao Huixin ⁽⁹⁾	茅惠新先生 ⁽⁹⁾	Person having a security interest in shares 擁有股份質押權益的人士	52,000,000 (L)	8.98%
MERIDIAN HARVEST LIMITED ⁽⁹⁾	MERIDIAN HARVEST LIMITED ⁽⁹⁾	Person having a security interest in shares 擁有股份質押權益的人士	52,000,000 (L)	8.98%
SUPER SUN & MOON CO., LIMITED ⁽¹⁰⁾	SUPER SUN & MOON CO., LIMITED ⁽¹⁰⁾	Interest of a controlled corporation 受控法團權益	52,000,000 (L)	8.98%
Osiris International Trustees Limited ⁽¹⁰⁾	Osiris International Trustees Limited ⁽¹⁰⁾	Interest of a controlled corporation 受控法團權益	52,000,000 (L)	8.98%

(L): represents long position

(L) : 指好倉



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Notes:

- (1) The percentage of shareholding is calculated on the basis of 578,750,000 issued shares of the Company as at 30 June 2023.
- (2) The entire issued share capital of Key Shine Global Holdings Limited (“**Key Shine**”) is legally and beneficially owned by Mr. Chen Weizhong. Chen Weizhong is deemed to be interested in the shares held by Key Shine under the SFO.
- (3) Ms. Xing Liyu is the spouse of Mr. Chen Weizhong. Under the SFO, Ms. Xing Liyu is deemed to be interested in the same number of shares in which Mr. Chen Weizhong is interested.
- (4) Key Shine charged 229,424,000 Shares to Wuxing City Investment HK Company Limited. Wuxing City Investment HK Company Limited is wholly owned by Huzhou Wuxing City Investment Development Group Co., Ltd. (湖州吳興城市投資發展集團有限公司) which is in turn wholly-owned by Huzhoushi Wuxingqu State-owned Assets Supervision and Administration Services Centre (湖州市吳興區國有資本監督管理服務中心). Accordingly, each of Huzhou Wuxing City Investment Development Group Co., Ltd. (湖州吳興城市投資發展集團有限公司) and Huzhoushi Wuxingqu State-owned Assets Supervision and Administration Services Centre (湖州市吳興區國有資本監督管理服務中心) is deemed to be interested in the 229,424,000 Shares which Wuxing City Investment HK Company Limited interested in.
- (5) These shares are held by Hwabao Trust Company Limited (as Hwabao Overseas Markets Investment No. 2 QDII Single Unit Trust Plan 32-8) (華寶信託有限責任公司(作為華寶境外市場投資2號系列32-8期QDII單一資金信託計劃)) (“**Hwabo Trust**”), which is entrusted by Chongqing Zhongxin Rongbang Investment Center (Limited Partnership) (重慶中新融邦投資中心(有限合夥)) (“**Chongqing Zhongxin (LLP)**”), which is managed by Tibet Zhongxin Ruiyin Investment Management Co., Ltd. (西藏中新睿銀投資管理有限公司) (“**Tibet Zhongxin**”).

Tibet Zhongxin is controlled by China Innovative Capital Management Limited (中新融創資本管理有限公司) (“**China Innovative Capital**”), as to 100%. China Innovative Capital is controlled by Beijing Zhonghai Jiacheng Capital Management Limited (北京中海嘉誠資本管理有限公司) (“**Beijing Zhonghai Jiacheng**”), as to 40.8%. Beijing Zhonghai Jiacheng is controlled by Zhonghai Shengfeng (Beijing) Capital Management Co., Ltd. (中海晟豐(北京)資本管理有限公司) (“**Zhonghai Shengfeng**”), as to 90.00%. By virtue of the SFO, each of Zhonghai Shengfeng, Beijing Zhonghai Jiacheng, China Innovative Capital, Tibet Zhongxin, Chongqing Zhongxin (LLP) is deemed to be interested in the shares held by Hwabo Trust.

- (6) Based on the disclosure of interests forms filed on 5 December 2019, Natural Seasoning International (HK) Limited is a direct wholly-owned subsidiary of Natural Seasoning International Limited, which is wholly-owned by Lunar Capital Partners IV LP. Lunar Capital Partners IV LP is a partnership managed by Lunar Capital Partners IV GP, LP (as sole general partner), which is managed by LCM-IV General Partner Ltd. (as sole general partner). By virtue of the SFO, each of LCM-IV General Partner Ltd., Lunar Capital Partners IV GP, LP, Lunar Capital Partners IV LP and Natural Seasoning International Limited is deemed to be interested in the shares held by Natural Seasoning International (HK) Limited.

附註：

- (1) 股權百分比乃基於本公司於二零二三年六月三十日的578,750,000股已發行股份計算。
- (2) Key Shine Global Holdings Limited (「**Key Shine**」) 的全部已發行股本由陳衛忠先生合法實益擁有。根據證券及期貨條例，陳衛忠先生被視為於Key Shine所持股份中擁有權益。
- (3) 邢利玉女士為陳衛忠先生的配偶。根據證券及期貨條例，邢利玉女士被視為於陳衛忠先生擁有權益的相同數目股份中擁有權益。
- (4) Key Shine將229,424,000股股份質押予吳興城投(香港)有限公司。吳興城投(香港)有限公司由湖州吳興城市投資發展集團有限公司全資擁有，而湖州吳興城市投資發展集團有限公司則由湖州市吳興區國有資本監督管理服務中心全資擁有。因此，湖州吳興城市投資發展集團有限公司及湖州市吳興區國有資本監督管理服務中心均被視為於吳興城投(香港)有限公司所擁有229,424,000股股份中擁有權益。
- (5) 該等股份由華寶信託有限責任公司(作為華寶境外市場投資2號系列32-8期QDII單一資金信託計劃)(「**華寶信託**」)持有，該計劃由重慶中新融邦投資中心(有限合夥)(「**重慶中新(有限合夥)**」)委託，而重慶中新(有限合夥)由西藏中新睿銀投資管理有限公司(「**西藏中新**」)管理。

西藏中新由中新融創資本管理有限公司(「**中新融創資本**」)控制100%的權益。中新融創資本由北京中海嘉誠資本管理有限公司(「**北京中海嘉誠**」)控制40.8%的權益。北京中海嘉誠由中海晟豐(北京)資本管理有限公司(「**中海晟豐**」)控制90.00%的權益。根據證券及期貨條例，中海晟豐、北京中海嘉誠、中新融創資本、西藏中新及重慶中新(有限合夥)均被視為於華寶信託所持有的股份中擁有權益。

- (6) 根據二零一九年十二月五日遞交的權益披露表，Natural Seasoning International (HK) Limited為Natural Seasoning International Limited的直接全資附屬公司，而Natural Seasoning International Limited由Lunar Capital Partners IV LP全資擁有。Lunar Capital Partners IV LP乃由Lunar Capital Partners IV GP, LP(作為唯一普通合夥人)管理的合夥企業，而Lunar Capital Partners IV GP, LP則由LCM-IV General Partner Ltd.(作為唯一普通合夥人)管理。根據證券及期貨條例，LCM-IV General Partner Ltd.、Lunar Capital Partners IV GP, LP、Lunar Capital Partners IV LP及Natural Seasoning International Limited均被視為於Natural Seasoning International (HK) Limited所持有的股份中擁有權益。

SUPPLEMENTARY INFORMATION

補充資料

- (7) Based on the three sets of disclosure of interest forms filed on 2 December 2019 and 5 December 2019 (the “**Natural Seasoning DI Forms**”), (i) 64,276,750 shares were held by Natural Seasoning International (HK) Limited in the capacity as the beneficial owner; (ii) 281,424,000 shares were held by Natural Seasoning International (HK) Limited in the capacity as a concert party to an agreement to buy shares described in s.317(1)(a); and (iii) 95,723,250 shares were held by Natural Seasoning International (HK) Limited in the capacity as person having a security interest in shares. The information contained in the Natural Seasoning DI Forms may be subject to dispute. For details of the dispute, please refer to the Company’s announcement dated 16 December 2019.
- (8) The information disclosed is based on the Natural Seasoning DI Forms. The information contained in the Natural Seasoning DI Forms may be subject to dispute. For details of the dispute, please refer to the Company’s announcement dated 16 December 2019.
- (9) Key Shine charged 52,000,000 Shares in favour of Meridian Harvest Limited and Mr. Mao Huixin.
- (10) These shares are held by MERIDIAN HARVEST LIMITED (“**Meridian Harvest**”). Meridian Harvest is controlled by SUPER SUN & MOON CO., LIMITED (“**Super Sun**”) as to 100%. Super Sun is controlled by Osiris International Trustees Limited (“**Osiris**”) as to 100%. By virtue of the SFO, each of Super Sun and Osiris is deemed to be interested in the shares held by Meridian Harvest.
- (7) 根據二零一九年十二月二日及二零一九年十二月五日遞交的三份權益披露表(「**Natural Seasoning 權益披露表**」), (i) 64,276,750股股份由 Natural Seasoning International (HK) Limited 以實益擁有人身份持有; (ii) 281,424,000股股份由 Natural Seasoning International (HK) Limited 以第317(1)(a)條所述買入股份協議一方的一致行動人士身份持有; 及(iii)95,723,250股股份由 Natural Seasoning International (HK) Limited 以擁有股份擔保權益人士身份持有。Natural Seasoning 權益披露表所載資料可能存在爭議。有關爭議的詳情, 請參閱本公司日期為二零一九年十二月十六日的公告。
- (8) 披露的資料基於 Natural Seasoning 權益披露表。Natural Seasoning 權益披露表所載資料可能存在爭議。有關爭議的詳情, 請參閱本公司日期為二零一九年十二月十六日的公告。
- (9) Key Shine 將52,000,000股股份質押予 Meridian Harvest Limited 及茅惠新先生。
- (10) 該等股份由 MERIDIAN HARVEST LIMITED (「**Meridian Harvest**」) 持有。Meridian Harvest 由 SUPER SUN & MOON CO., LIMITED (「**Super Sun**」) 控制100%的權益。Super Sun 由 Osiris International Trustees Limited (「**Osiris**」) 控制100%的權益。根據證券及期貨條例, Super Sun 及 Osiris 均被視為於 Meridian Harvest 所持有的股份中擁有權益。

Please note that the information stated above is based on the disclosure of interest forms filed by the relevant parties and disclosed on the website of the Stock Exchange, and the Company makes no representation as to the accuracy, validity, correctness and completeness of the information stated therein.

務請注意上述資料乃根據有關人士呈交的權益披露表並於聯交所網站上披露, 而本公司並無就其載述資料的準確性、有效性、正確性及完備性發表任何聲明。

Save as disclosed above, as at 30 June 2023, the Company had not been notified by any persons, other than Directors or chief executive, who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文所披露者外, 於二零二三年六月三十日, 概無任何人士(董事或最高行政人員除外)知會本公司於股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或須記錄於本公司根據證券及期貨條例第336條規定存置的登記冊的權益或淡倉。

Arrangements to purchase shares or debentures

At no time during the six months ended 30 June 2023 was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of the Company or any other body corporate.

購買股份或債券的安排

於截至二零二三年六月三十日止六個月內任何時間, 本公司、其控股公司或其任何附屬公司概無參與任何安排, 致令董事可藉購入本公司或任何其他法人團體的股份或債務證券(包括債券)而獲益。



SUPPLEMENTARY INFORMATION

補充資料

AUDIT COMMITTEE

The Audit Committee is comprised of three independent non-executive Directors, namely Mr. Ng Wing Fai (chairman), Mr. Shen Zhenchang, Mr. Sun Jiong and one non-executive Director, namely Mr. Wu Hongping.

The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial information, financial reporting system, internal control and risk management system of the Group, to oversee the audit process, to develop and review the Group's policies and to perform other duties and responsibilities as assigned by the Board. The Audit Committee has reviewed the accounting principles and policies adopted by the Group together with the management and discussed auditing, internal controls and financial reporting matters.

REMUNERATION COMMITTEE

To comply with the Code, a remuneration committee has been established with specific written terms of reference which deal clearly with its authority and duties. The members of the remuneration committee comprises Mr. Shen Zhenchang (chairman), Mr. Ng Wing Fai and Mr. Sun Jiong. All members of the remuneration committee are independent non-executive directors.

NOMINATION COMMITTEE

To comply with the Code, a nomination committee has been established with specific written terms of reference which deal clearly with its authority and duties. The members of nomination committee comprises Mr. Sun Jiong (chairman), Mr. Ng Wing Fai and Mr. Shen Zhenchang. All members of the nomination committee are independent non-executive directors.

SUFFICIENCY OF PUBLIC FLOAT

According to the information publicly available to the Company and within the knowledge of the Board, as at the date of this interim report, the Company has maintained the public float as required by the Listing Rules.

REVIEW OF FINANCIAL INFORMATION

The Audit Committee has discussed with the management of the Company and reviewed and passed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2023 and recommended its adoption by the Board.

審核委員會

審核委員會由三名獨立非執行董事，即吳榮輝先生（主席）、沈振昌先生、孫頴先生及一名非執行董事，即吳紅平先生組成。

審核委員會的主要職責為協助董事會就本集團的財務資料、財務申報系統、內部監控及風險管理系統的有效性提供獨立審閱，以監督審核程序、制定及審閱本集團的政策，並履行董事會賦予的其他職責及責任。審核委員會已連同管理層審閱本集團所採納的會計準則及政策並已就審計、內部監控及財務申報等事宜進行討論。

薪酬委員會

為符合守則，本公司已成立薪酬委員會，並以書面清楚說明委員會的權限及職責。薪酬委員會成員包括沈振昌先生（主席）、吳榮輝先生及孫頴先生。薪酬委員會的全體成員均為獨立非執行董事。

提名委員會

為符合守則，本公司已成立提名委員會，並以書面清楚說明委員會的權限及職責。提名委員會成員包括孫頴先生（主席）、吳榮輝先生及沈振昌先生。提名委員會的全體成員均為獨立非執行董事。

足夠公眾持股量

根據本公司可獲得的公開資料及就董事會所知，於本中期報告日期，本公司已維持上市規則規定的公眾持股量。

審閱財務資料

審核委員會已與本公司管理層討論、審閱及通過本集團截至二零二三年六月三十日止六個月之未經審核簡明綜合中期財務報表，並建議董事會對其進行採納。



CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合中期損益及其他全面收益表

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)	
	Notes 附註			
Revenue	收入	5.1	127,791	138,455
Cost of sales	銷售成本		(83,609)	(86,848)
Gross profit	毛利		44,182	51,607
Other income and gains	其他收入及收益	5.2	1,282	2,732
Selling and distribution expenses	銷售及經銷開支		(46,503)	(34,771)
Administrative expenses	行政開支		(22,091)	(19,440)
(Impairment losses)/Reversal of impairment losses, net	(減值虧損)/撥回減值虧損淨值		(462)	739
Other expenses	其他開支	7	(128,764)	(112,036)
Finance costs	融資成本	8	(92,570)	(103,321)
Loss before income tax	除所得稅前虧損	6	(244,926)	(214,490)
Income tax expense	所得稅開支	9	-	-
Loss for the period	期內虧損		(244,926)	(214,490)
Loss per share attributable to ordinary equity holders of the Company	本公司普通權益持有人應佔每股虧損			
Basic and diluted (RMB)	基本及攤薄(人民幣元)	10	(0.42)	(0.37)
Loss for the period	期內虧損		(244,926)	(214,490)
Other comprehensive expense	其他全面開支			
Other comprehensive expense that may be reclassified to profit or loss in subsequent periods:	可能於其後期間重新分類至損益的其他全面開支：			
— Exchange differences on translation of foreign operations	— 換算海外業務的匯兌差額		(1,477)	(2,426)
Total comprehensive expense for the period	期內全面開支總額		(246,403)	(216,916)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

簡明綜合中期財務狀況表

As at 30 June 2023 於二零二三年六月三十日

			As at 30 June 2023 於二零二三年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB000 人民幣千元 (Audited) (經審核)
		Notes 附註		
ASSETS AND LIABILITIES	資產與負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	256,553	263,120
Right-of-use assets	使用權資產		47,610	48,260
Other intangible assets	其他無形資產		1,015	1,122
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	15	5,045	6,673
			310,223	319,175
Current assets	流動資產			
Inventories	存貨	13	639,674	646,740
Trade receivables	應收貿易款項	14	21,981	20,484
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	15	139,670	117,849
Amounts due from related companies	應收關聯公司款項		27	8,740
Pledged deposits	已抵押存款	16	121	283
Cash and cash equivalents	現金及現金等價物	16	2,248	9,806
			803,721	803,902
Current liabilities	流動負債			
Trade payables	應付貿易款項	17	47,267	50,020
Other payables and accruals	其他應付款項及應計項目	18	282,475	411,704
Other liabilities	其他負債	20	100,000	50,000
Amounts due to related companies	應付關聯公司款項		11,598	12,693
Amount due to ultimate holding company	應付最終控股公司款項		50,317	48,751
Interest-bearing other borrowings	計息其他借款	19	2,578,567	2,209,031
Provision for loss on unauthorised guarantees	未授權擔保虧損撥備		17,500	17,500
Tax payable	應繳稅項		73,015	73,015
			3,160,739	2,872,714
Net current liabilities	流動負債淨值		(2,357,018)	(2,068,812)
Total assets less current liabilities	資產總值減流動負債		(2,046,795)	(1,749,637)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

簡明綜合中期財務狀況表

As at 30 June 2023 於二零二三年六月三十日

			As at 30 June 2023	As at 31 December 2022
			於二零二三年 六月三十日	於二零二二年 十二月三十一日
		Notes 附註	RMB'000 (Unaudited) (未經審核)	RMB000 (Audited) (經審核)
Non-current liabilities	非流動負債			
Interest-bearing other borrowings	計息其他借款	19	1,824	2,533
Other long term liabilities	其他長期負債	20	5,947	55,993
			7,771	58,526
Net liabilities	負債淨值		(2,054,566)	(1,808,163)
Equity	權益			
Share capital	股本	21	1,767	1,767
Reserves	儲備		(2,056,333)	(1,809,930)
Total deficit	虧絀總額		(2,054,566)	(1,808,163)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

簡明綜合中期權益變動表

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

		Attributable to ordinary equity holders of the Company 本公司普通股益持有人應佔							
		Share capital	Share premium*	Merger reserve*	Capital reserve*	Statutory surplus reserve*	Exchange fluctuation reserve*	Accumulated losses*	Total deficit
		股本	股份溢價	合併儲備	資本儲備	法定盈餘儲備	匯兌波動儲備	累計虧損	虧絀總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2023 (audited)	於二零二三年一月一日(經審核)	1,767	817,201	(1,000)	7,003	24,262	20,144	(2,677,540)	(1,808,163)
Loss for the period	期內虧損	-	-	-	-	-	-	(244,926)	(244,926)
Other comprehensive expense for the period:	期內其他全面開支:								
- Exchange differences related to foreign operations	- 換算海外業務的匯兌差額	-	-	-	-	-	(1,477)	-	(1,477)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	-	-	(1,477)	(244,926)	(246,403)
At 30 June 2023 (Unaudited)	於二零二三年六月三十日(未經審核)	1,767	817,201	(1,000)	7,003	24,262	18,667	(2,922,466)	(2,054,566)
At 1 January 2022 (audited)	於二零二二年一月一日(經審核)	1,767	817,201	(1,000)	7,003	24,262	24,074	(2,191,201)	(1,317,894)
Loss for the period	期內虧損	-	-	-	-	-	-	(214,490)	(214,490)
Other comprehensive expense for the period:	期內其他全面開支:								
- Exchange differences related to foreign operations	- 換算海外業務的匯兌差額	-	-	-	-	-	(2,426)	-	(2,426)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	-	-	(2,426)	(214,490)	(216,916)
At 30 June 2022 (Unaudited)	於二零二二年六月三十日(未經審核)	1,767	817,201	(1,000)	7,003	24,262	21,648	(2,405,691)	(1,534,810)

* As at 30 June 2023, these reserve accounts comprised the consolidated reserves of RMB2,056,333,000 in deficit (31 December 2022 (audited): RMB1,809,930,000 in deficit) in the condensed consolidated interim statement of financial position.

* 於二零二三年六月三十日，該等儲備賬包括簡明綜合中期財務狀況表內的綜合儲備虧絀人民幣2,056,333,000元(二零二二年十二月三十一日(經審核): 虧絀人民幣1,809,930,000元)。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

簡明綜合中期現金流量表

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		Notes	
		附註	
Cash flows from operating activities	經營活動的現金流量		
Loss before income tax	除所得稅前虧損		(244,926) (214,490)
Adjustments for:	就下列各項調整：		
Depreciation of owned assets	自有資產折舊	6	13,593 11,502
Depreciation of right-of-use assets	使用權資產折舊	6	650 1,056
Overdue interest expenses	逾期利息開支	7	108,518 83,203
Finance costs	融資成本	8	92,570 103,321
Interest income	利息收入	5.2	(12) (11)
Amortisation of other intangible assets	其他無形資產攤銷	6	107 1,103
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損		788 -
Unrealised exchange difference	未變現匯兌差額		1,566 -
Write off of trade receivables	貿易應收款項撇銷		(433) -
Impairment losses/(Reversal of impairment losses), net	減值虧損/(減值虧損撥回)，淨額		462 (739)
Operating cash flows before working capital changes	營運資金變動前經營現金流		(27,117) (15,055)
Decrease in inventories	存貨減少		7,066 11,311
(Increase)/Decrease in trade receivables	應收貿易款項(增加)/減少		(1,012) 1,533
Increase in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產增加		(20,858) (6,864)
Decrease/(Increase) in amounts due from related companies	應收關聯公司款項減少/(增加)		8,864 (1,708)
Decrease in trade payables	應付貿易款項減少		(2,753) (9,096)
Decrease in other payables and accruals	其他應付款項及應計項目減少		(129,227) (16,406)
Decrease in amounts due to related companies	應付關聯公司款項減少		(1,095) (2,160)
Decrease in other long term liabilities	其他長期負債減少		(46) (50)
Cash used in operations	經營所用現金		(166,178) (38,495)
Interest received	已收利息		- 11
Net cash used in operating activities	經營活動所用淨現金		(166,178) (38,484)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

簡明綜合中期現金流量表

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Notes 附註		
Cash flows from investing activities	投資活動的現金流量		
Interest received	已收利息	12	-
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(7,814)	(2,978)
Additions to intangible assets	添置無形資產	-	(925)
Decrease in pledged deposits	已抵押存款減少	162	821
<i>Net cash flows used in investing activities</i>	<i>投資活動所用淨現金流量</i>	(7,640)	(3,082)
Cash flows from financing activities	融資活動的現金流量		
Proceeds from interest-bearing other borrowings	計息銀行及其他借款所得款項	170,000	37,030
Interest paid	已付利息	(1,317)	(15,822)
Principal portion of lease payments	租賃付款的本金部分	(944)	(827)
Net advances (to)/from a director	(向一名董事提供)／ 來自一名董事的墊款淨額	(2)	13
Net advances to ultimate holding company	向最終控股公司提供的墊款淨額	-	(313)
<i>Net cash flows from financing activities</i>	<i>融資活動產生的淨現金流量</i>	167,737	20,081
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(6,081)	(21,485)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	9,806	31,015
Effect of foreign exchange rate changes	匯率變動的影響	(1,477)	(2,426)
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	2,248	7,104

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

1. CORPORATE INFORMATION

Honworld Group Limited (the “**Company**”) was incorporated in the Cayman Islands on 4 December 2012 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company’s registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. During the six months ended 30 June 2023, the Company and its subsidiaries (collectively known as the “**Group**”) were principally engaged in the manufacture and sale of condiment products under the brand name of “Lao Heng He” in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors of the Company (the “**Directors**”), the holding company and the ultimate holding company of the Company is Key Shine Global Holdings Limited (“**Key Shine**”), which was incorporated in the British Virgin Islands (“**BVI**”).

The Company’s shares have been listed on the Main Board of The stock Exchange of Hong Kong Limited since 28 January 2014.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements (the “**Interim Financial Information**”) of the Group for the six months ended 30 June 2023 have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “*Interim Financial Reporting*” issued by International Accounting Standards Board (“**IASB**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Interim Financial Information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2022. The accounting policies and methods of computation used in the preparation of the Interim Financial Information are consistent with those used in the annual financial statements for the year ended 31 December 2022 except as stated below.

1. 公司資料

老恒和釀造有限公司(「**本公司**」)於二零一二年十二月四日根據開曼群島法例第22章《公司法》(一九六一年第三號法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司為一間投資控股公司。截至二零二三年六月三十日止六個月，本公司及其附屬公司(統稱「**本集團**」)主要於中華人民共和國(「**中國**」)從事「老恒和」牌調味品的製造與銷售業務。

本公司董事(「**董事**」)認為，本公司控股公司及最終控股公司乃於英屬處女群島(「**英屬處女群島**」)註冊成立的Key Shine Global Holdings Limited(「**Key Shine**」)。

本公司股份自二零一四年一月二十八日起在香港聯合交易所有限公司主板上市。

2. 編製基準

本公司及其附屬公司(統稱「**本集團**」)截至二零二三年六月三十日止六個月的未經審核簡明綜合中期財務報表(「**中期財務資料**」)乃根據國際會計準則理事會(「**國際會計準則理事會**」)發佈的國際會計準則(「**國際會計準則**」)第34號「*中期財務報告*」及香港聯合交易所有限公司證券上市規則規定的適用披露規定編製。

中期財務資料不包括年度綜合財務報表所規定的全部資料及披露，且應與本集團截至二零二二年十二月三十一日止年度的年度財務報表一併閱覽。除下文所述者外，編製中期財務資料所採用的會計政策及計算方法與截至二零二二年十二月三十一日止年度之年度財務報表所採用者一致。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

2.1 Going concern assumption

In preparing the condensed consolidated interim financial statements, the directors of the Company have given consideration to the future liquidity of the Group in light of its net cash used in operating activities of approximately RMB166,178,000 (six months ended 30 June 2022: RMB38,484,000) and net loss of approximately RMB244,926,000 (six months ended 30 June 2022: RMB214,490,000) incurred for the six months ended 30 June 2023 and, as of that date, the Group had net current liabilities of approximately RMB2,357,018,000 (31 December 2022: RMB2,068,812,000), capital deficiency of approximately RMB2,054,566,000 (31 December 2022: RMB1,808,163,000) and accumulated losses of approximately RMB2,922,466,000 (31 December 2022: RMB2,677,540,000), respectively.

As at 30 June 2023, the Group's total borrowings comprising interest-bearing other borrowings amounting to approximately RMB2,580,391,000 (31 December 2022: RMB2,211,564,000), of which current borrowings amounted to approximately RMB2,578,567,000 (31 December 2022: RMB2,209,031,000) and approximately RMB1,903,925,000 (31 December 2022: RMB1,671,025,000) were overdue as disclosed in note 19 to the Interim Financial Information, while its cash and cash equivalents amounted to approximately RMB2,248,000 (31 December 2022: RMB9,806,000).

Despite of these circumstances, the Interim Financial Information have been prepared on a going concern basis on the assumption that the Group is able to operate as a going concern for the foreseeable future. In the opinion of the directors of the Company, the Group can meet its financial obligations as and when they fall due within the next year from the end of the reporting period, after taking into consideration of the measures and arrangements that the Group has implemented or is in the process of implementing as detailed below:

2. 編製基準(續)

2.1 持續經營假設

在編製簡明綜合中期財務報表時，鑑於本集團於截至二零二三年六月三十日止六個月的經營活動所用淨現金約為人民幣166,178,000元(截至二零二二年六月三十日止六個月：人民幣38,484,000元)及虧損淨額約人民幣244,926,000元(截至二零二二年六月三十日止六個月：人民幣214,490,000元)，而截至該日，本集團之流動負債淨額約為人民幣2,357,018,000元(二零二二年十二月三十一日：人民幣2,068,812,000元)、資本虧絀約為人民幣2,054,566,000元(二零二二年十二月三十一日：人民幣1,808,163,000元)及累計虧損約為人民幣2,922,466,000元(二零二二年十二月三十一日：人民幣2,677,540,000元)，本公司董事已考慮本集團日後之流動資金。

於二零二三年六月三十日，本集團的借款總額包括計息其他借款約人民幣2,580,391,000元(二零二二年十二月三十一日：人民幣2,211,564,000元)，其中即期借款約為人民幣2,578,567,000元(二零二二年十二月三十一日：人民幣2,209,031,000元)及約人民幣1,903,925,000元(二零二二年十二月三十一日：人民幣1,671,025,000元)已逾期(如中期財務資料附註19所披露)，而其現金及現金等價物則約為人民幣2,248,000元(二零二二年十二月三十一日：人民幣9,806,000元)。

儘管存在該等情況，中期財務資料仍按持續經營基準編製，當中假設本集團能夠於可見將來按持續基準經營。本公司董事認為，經考慮下文所詳述本集團已經或正在實施之措施及安排後，本集團可於由報告期末起翌年內財務責任到期時應付該等責任：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

2.1 Going concern assumption (Continued)

- The chargor, Wuxing City Investment HK Company Limited*, has undertaken to provide continuing financial support to the Group for a period of twelve months from the date of approval (i.e.30 March 2023) of the year ended 31 December 2022's annual consolidated financial statements by the directors in order to maintain the Group as a going concern;
- The Group is in negotiation with financial institutions for the renewals of the Group's short term borrowings upon expiry, new borrowings and applying for future credit facilities. Up to the current moment, the Group's major lenders, Huzhou Wuxing City Investment Development Group Co., Ltd. (湖州吳興城市投資發展集團有限公司(“湖州吳興城市”), 湖州吳興南太湖建設投資集團有限公司 (formerly known as 湖州吳興南太湖建設投資有限公司) (“南太湖”) and 湖州湖盛融資租賃有限公司 (“湖盛融資”) have shown the positive support on the Group by not require the Group to repay the loan of RMB186,819,000, RMB1,839,684,000 and RMB255,115,000 (31 December 2022: RMB170,601,000, RMB1,683,214,000 and RMB234,524,000) respectively and has undertaken to provide new financing facilities of approximately RMB150,000,000 for a period of 12 months from the date of approval (i.e.30 March 2023) of the year ended 31 December 2022's annual consolidated financial statements. Therefore, the directors of the Group are confident that the entire borrowings can be renewed upon expiration and future credit facilities can be applied based on the Group's past experience and credit history; and
- The directors have evaluated all the relevant facts available to them and made a business plan to improve its liquidity by (i) monitoring the production activities in order to fulfill the forecast production volume and meet sales forecast, (ii) taking measures to tighten cost controls over various production costs and expenses, and (iii) any feasible financial arrangement.

2. 編製基準(續)

2.1 持續經營假設(續)

- 押記人吳興城投(香港)有限公司*已承諾自董事批准截至二零二二年十二月三十一日止年度綜合財務報表之日(即二零二三年三月三十日)起十二個月期間內向本集團提供持續財務支持,以維持本集團的持續經營;
- 本集團現正與財務機構磋商於本集團之短期借款到期時為借款續期、申請新借款及未來信貸融資。目前為止,本集團的主要貸方湖州吳興城市投資發展集團有限公司(「湖州吳興城市」)、湖州吳興南太湖建設投資集團有限公司(前稱湖州吳興南太湖建設投資有限公司)(「南太湖」)及湖州湖盛融資租賃有限公司(「湖盛融資」)已表示積極支持本集團,於批准截至二零二二年十二月三十一日止年度綜合財務報表日期(即二零二三年三月三十日)起計十二個月期間內不要求本集團分別償還貸款人民幣186,819,000元、人民幣1,839,684,000元及人民幣255,115,000元(二零二二年十二月三十一日:人民幣170,601,000元、人民幣1,683,214,000元及人民幣234,524,000元),且已承諾提供新融資額度約人民幣150,000,000元。因此,按照本集團之過往經驗及信用紀錄,本集團董事相信,全部借款可於到期時續期且日後可動用信貸融資;及
- 董事已評估所有可得相關事實,並制定業務計劃透過以下方式改善流動性:(i)監察生產活動以履行預測產量及達至銷售預測;(ii)採取措施收緊各項生產成本及開支之成本控制;及(iii)任何可行之財務安排。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

2.1 Going concern assumption (Continued)

The directors of the Company have reviewed the Group's cash flow forecast prepared by management which covers a period of twelve months from the end of the reporting period. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient cash resources to satisfy its working capital and other financial obligations for the next twelve months from the end of the reporting period after having taken into account of the Group's current financial resources and capital expenditure requirements with respect to the production facilities and development of its business. Accordingly, the directors are of the opinion that it is appropriate to prepare the condensed consolidated interim financial statements of the Group for the six months ended 30 June 2023 on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows in the near future and obtain the continuous financial support from its chargor and major lenders.

Should the going concern assumption be inappropriate, adjustments may have to be made to write down the carrying values of assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the condensed consolidated interim financial statements.

* Pursuant to a share mortgage deed dated 2 April 2019, Key Shine charged 229,424,000 Shares of the Company to Wuxing City Investment HK Company Limited, which is wholly owned by 湖州吳興城市, 南太湖 and 湖盛融資 were also the subsidiaries of 湖州吳興城市.

2. 編製基準(續)

2.1 持續經營假設(續)

本公司董事已審閱管理層編製的本集團的現金流預測，當中涵蓋截至自報告期末起十二個月期間。彼等認為，經考慮上述計劃及措施後，並計及本集團目前之財務資源以及有關生產設施及業務發展之資本開支需要，本集團將擁有足夠現金資源應付由報告期末起計未來十二個月之營運資金及其他財務責任。故此，董事認為按持續經營基準編製本集團截至二零二三年六月三十日止六個月之簡明綜合中期財務報表誠屬恰當。

儘管如此，本公司管理層能否落實上述計劃及措施仍存在重大不確定性。本集團能否繼續持續經營將取決於本集團能否於不久將來產生足夠融資及經營現金流，以及能否取得押記人及主要貸方之持續財務支持。

倘持續經營假設不適用，則可能須作出調整以撇減資產賬面值至其可收回金額，就可能產生之任何進一步負債計提撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。此等調整之影響並無於簡明綜合中期財務報表內反映。

* 根據日期為二零一九年四月二日的股份抵押契據，Key Shine向吳興城投(香港)有限公司抵押229,424,000股本公司股份，而後者由湖州吳興城市全資擁有。南太湖及湖盛融資亦為湖州吳興城市的附屬公司。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

3. ADOPTION OF NEW OR AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

New or amended IFRSs that are effective for annual period beginning on January 2023

The Interim Financial Information for the six months ended 30 June 2023 have been prepared in accordance with the accounting policies adopted in the Group’s annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of the following new or amended IFRS which are effective as of 1 January 2023.

IFRS 17	Insurance Contracts and related amendments
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform — Pillar Two Model Rules

The adoption of these new and amended IFRSs had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

3. 採納新訂及經修訂國際財務報告準則（「國際財務報告準則」）

於二零二三年一月一日開始的年度期間生效之經修訂國際財務報告準則

截至二零二三年六月三十日止六個月的中期財務資料已根據本集團截至二零二二年十二月三十一日止年度的年度綜合財務報表所採用的會計政策編製，但採用以下於二零二三年一月一日生效的新訂或經修訂國際財務報告準則除外。

國際財務報告準則第17號	保險合約及相關修訂
國際會計準則第1號及國際財務報告準則實務報告第2號（修訂本）	會計政策的披露
國際會計準則第8號（修訂本）	會計估計的定義
國際會計準則第12號（修訂本）	與單一交易產生的資產及負債相關的遞延稅項
國際會計準則第12號（修訂本）	國際稅務改革—支柱二立法模板

採納該等新訂及經修訂國際財務報告準則並無對編製及呈列本集團當前及過往期間之業績及財務狀況之方式造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

3. ADOPTION OF NEW OR AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(Continued)

Issued but not yet effective IFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended IFRSs have been published but are not yet effective, and have not been adopted early by the Group.

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and related amendments to International Interpretation 5 ¹
Amendments to IAS 1	Non-current Liabilities with Covenants ¹

¹ Effective for annual periods beginning on or after 1 January 2024

² Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group’s accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended IFRSs that are expected to have impact on the Group’s accounting policies is provided below. Other new and amended IFRSs are not expected to have a material impact on the Group’s consolidated financial statements.

3. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但尚未生效之國際財務報告準則

於綜合財務報表批准日期，本集團並無提早採納若干已頒佈但尚未生效之新訂及經修訂國際財務報告準則。

國際會計準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間之資產出售或注資 ²
國際財務報告準則第16號(修訂本)	售後租回的租賃負債 ¹
國際會計準則第1號(修訂本)	負債分類為流動或非流動及國際詮釋第5號相關修訂本 ¹
國際會計準則第1號(修訂本)	附帶契約的非流動負債 ¹

¹ 於二零二四年一月一日或之後開始之年度期間生效

² 生效日期尚未釐定

董事預期，所有頒佈準則將於其生效日期或之後開始的首個期間納入本集團的會計政策。下文載列預期會對本集團會計政策產生影響的新訂及經修訂國際財務報告準則的資料。其他新訂及經修訂國際財務報告準則預期不會對本集團的綜合財務報表造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

3. ADOPTION OF NEW OR AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(Continued)

Issued but not yet effective IFRSs (Continued)

Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”

The amendments specify that, in subsequent measurement of the lease liability arising from a sale and leaseback transaction (where the transaction qualifies as a sale under IFRS 15), a seller-lessee determines “lease payments” and “revised lease payments” in a way that does not result in the recognition of a gain or loss that relates to the right of use it retains. It would reduce the lease liability as if the “lease payments” estimated at the date of transaction had been paid. Any difference between those lease payments and the amounts actually paid is recognised in profit or loss. The amendments do not prescribe a particular method of subsequent measurement. The seller-lessee will need to develop and apply an accounting policy that results in relevant and reliable information in accordance with IAS 8.

The illustrative examples to IFRS 16 have also been amended. Example 24 now illustrates a sale and leaseback transaction with fixed payments and above-market terms. A new Example 25 illustrates a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability, that arise from a sale and leaseback transaction that qualifies as a sale applying IFRS 15, is a lease liability.

Amendments to IFRS 16 are effective for annual reporting period beginning on or after 1 January 2024 and are applied by seller-lessee retrospectively to sale and leaseback transactions entered into after the date of initial application (i.e. from the beginning of annual reporting period in which the entity first applied IFRS 16). Earlier application is permitted. The directors of the Group expect that the amendments have no material impact on the consolidated financial statements.

3. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但尚未生效之國際財務報告準則(續)

國際財務報告準則第16號(修訂本)「售後租回的租賃負債」

該等修訂本指明，於售後租回交易(符合國際財務報告準則第15號項下銷售的交易)產生的租賃負債的其後計量，賣方承租人釐定「租賃付款」及「經修訂租賃付款」的方式不會導致確認與其保留的有關使用權的收益或虧損。其將減少租賃負債，猶如估計「租賃付款」於交易日期已支付。實際已付該等租賃付款及金額的任何差異於損益中確認。該等修訂本並無規定其後計量的特定方法。賣方承租人將需發展及應用根據國際會計準則第8號產生相關及可靠資料的會計政策。

國際財務報告準則第16號的示例亦已經修訂。示例24目前說明有固定付款及高於市場條件的售後租回交易。新示例25說明有可變租賃付款(不取決於某一指數或利率)的售後租回交易。該等示例亦澄清，售後租回交易產生的負債(符合應用國際財務報告準則第15號的銷售)為租賃負債。

國際財務報告準則第16號(修訂本)於二零二四年一月一日或之後開始的年度報告期間生效，並由賣方承租人追溯應用於於初始應用日期(即自該實體初次應用國際財務報告準則第16號的年度報告期間開始起)後訂立的售後租回交易。允許提早應用。本集團董事預期，該等修訂本對綜合財務報表並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

3. ADOPTION OF NEW OR AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(Continued)

Issued but not yet effective IFRSs (Continued)

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” and related amendments to International Interpretation 5 and Amendments to IAS 1 “Non-current Liabilities with Covenants” (“2022 Amendments”)

The amendments provide further guidance to clarify how to classify debt and other liabilities as current or non-current which are summarised as follows:

- It clarifies that a liability is non-current if an entity has a right (instead of unconditional right as stated before the amendments) to defer settlement of the liability for at least twelve months from the end of the reporting period. This right has to be existed at the end of the reporting period, regardless of whether the lender tests for compliance at the date or at a later date;
- Any expectations about events after the reporting period do not impact the assessment made at the end of the reporting period as to the classification of the liability; and
- “Settlements” are newly defined as a transfer to the counterparty that results in the extinguishment of the liability. The transfer could be of cash, other economic resources (e.g. goods or services), or entity’s own equity instruments. Thus, if the counterparty conversion option is classified as liability under IAS 32 “Financial Instruments: Presentation”, the transfer of equity instruments by exercising the conversion option constitute settlement of liability for the purpose of current or non-current classification of liabilities. One exception to the definition is that if the counterparty conversion option is classified as equity in accordance with IAS 32, the transfer of equity instruments by exercising the conversion option does not constitute settlement of liability and would be disregarded when determining whether the liability is current or non-current.

3. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但尚未生效之國際財務報告準則(續)

國際會計準則第1號(修訂本)「負債分類為流動或非流動」及國際詮釋第5號相關修訂本以及國際會計準則第1號(修訂本)「附帶契約的非流動負債」(「二零二二年修訂本」)

該等修訂本就澄清如何分類債務及其他負債為流動或非流動提供進一步指引，概述如下：

- 其澄清，倘實體擁有權利(而非該等修訂本先前所述的無條件權利)從報告期間結束後起計至少延遲十二個月結算負債，該負債則屬非流動。本權利於報告期間結束後已存在，不論貸款人有否於該日期或較後日期就遵守規定要求進行測試；
- 任何預期有關於報告期間後的事項並不影響於報告期間結束後就負債分類作出的評估；及
- 新界定「結算」為向交易對手方導致廢除負債的轉移。該轉移可以現金、其他經濟資源(如商品或服務)或實體擁有的股本工具進行。因此，倘交易對手方的轉換選項根據國際會計準則第32號「金融工具：表達」分類為負債，透過行使轉換選項轉移股本工具則構成就分類負債為流動或非流動的結算負債。該定義的一項例外為：倘交易對手方的轉換選項根據國際會計準則第32號分類為股本，透過行使轉換選項的股本工具轉移並不構成結算負債，並於釐定負債是否流動或非流動時，將不被考慮。

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簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

3. ADOPTION OF NEW OR AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(Continued)

Issued but not yet effective IFRSs (Continued)

Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” and related amendments to International Interpretation 5 and Amendments to IAS 1 “Non-current Liabilities with Covenants” (“2022 Amendments”) (Continued)

2022 Amendments issued in 2022 clarified that only covenants of a liability arising from a loan arrangement, which an entity must comply with on or before the reporting date (even if the covenant is only assessed after the reporting date) affect the classification of that liability as current or non-current. Those covenants to be complied with after the reporting date do not affect the classification of loan arrangements as current or non-current at the reporting date.

Besides, the 2022 Amendments required an entity to provide additional disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. The information provided should enable users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period, including:

- the carrying amount of the related liabilities;
- information about the covenants (including the nature of the covenants and when the entity is required to comply with them); and
- facts and circumstances, if any, that indicate that an entity may have difficulty complying with covenants. Such facts and circumstances could also include the fact that the entity would not have complied with the covenants based on its circumstances at the end of the reporting period.

The 2022 Amendments also deferred the effective date of the 2020 Amendments to the annual reporting periods beginning on or after 1 January 2024, in which both amendments are to be applied as a package and apply retrospectively. Earlier application is permitted.

The directors of the Group expect that the amendments have no material impact on the consolidated financial statements.

3. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

已頒佈但尚未生效之國際財務報告準則(續)

國際會計準則第1號(修訂本)「負債分類為流動或非流動」及國際詮釋第5號相關修訂本以及國際會計準則第1號(修訂本)「附帶契約的非流動負債」(「二零二二年修訂本」)(續)

二零二二年修訂本於二零二二年頒佈，其澄清，僅貸款安排產生的負債契約(實體須於報告日期或之前遵守(即使該契約僅於報告日期後進行評估))影響該負債分類為流動或非流動。該等於報告日期後將遵守的契約並不影響貸款安排於報告日期分類為流動或非流動。

此外，當貸款安排產生的負債分類為非流動及實體延遲結算的權利取決於於十二個月內對未來契約的遵守情況，二零二二年修訂本規定實體提供額外披露。所提供資料應使財務報表的使用者能夠了解負債可於報告期的十二個月內償還的風險，包括：

- 相關負債的賬面值；
- 有關契約的資料(包括契約的性質及當實體須遵守該等契約)；及
- 表示實體可能難以遵守契約的事實及情況(如有)。有關事實及情況亦可包括實體於報告期間結束後將不根據其情況遵守該等契約的事實。

二零二二年修訂本亦將二零二零年修訂本的生效日期延遲至二零二四年一月一日或之後開始之年度期間，該兩項修訂本於該期間將作為一個整體應用，並可追溯應用。允許提早應用。

本集團董事預期，該等修訂本對綜合財務報表並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of condiment products. For management purposes, the Group operates in one business unit and has one reportable operating segment as follows:

- The food segment that manufactures and sells condiment products

As all of the Group's revenue is derived from sales of its products to the customers in the PRC and all of the Group's identifiable non-current assets are located in the PRC, no geographical information as required by IFRS 8 "Operating Segments" is presented.

Information about major customers

Revenue derived from sales to individual customers amounting to 10 percent or more of the Group's revenue for the reporting period is set out in the following table:

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Customer A	客戶 A	14,387	17,547

4. 經營分部資料

本集團主要從事調味品的生產及銷售業務。就管理而言，本集團以單一業務單位營運，且有一個可呈報經營分部如下：

- 生產及銷售調味品的食品分部

由於本集團全部收入均來自向於中國的客戶銷售其產品，且本集團全部可識別非流動資產均位於中國，故並無呈列國際財務報告準則第8號「經營分部」所規定的地域資料。

有關主要客戶之資料

下表載列報告期內，佔本集團收入百分之10或以上向個別客戶銷售所產生的收入：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

5. REVENUE, OTHER INCOME AND GAINS

5.1 Revenue from contracts with customers

An analysis of revenue is as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue from contracts with customers	客戶合約收益	127,791	138,455
Sale of goods	銷售貨品		

(i) Disaggregated revenue information

(i) 分列收益資料

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Type of goods	貨品種類		
Condiment products	調味品	127,791	138,455
Timing of revenue recognition	收益確認時間		
Goods transferred at a point in time	於某一時點轉讓的貨品	127,791	138,455

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION 簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

5. REVENUE, OTHER INCOME AND GAINS (Continued)

5.1 Revenue from contracts with customers (Continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of products

The performance obligation is satisfied upon delivery of the products and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

5.2 Other income and gains

5. 收入、其他收入及收益(續)

5.1 客戶合約收益(續)

(ii) 履約責任

有關本集團履約責任的資料概述如下：

銷售產品

履約責任於交付產品後達成，付款一般在交付後30至90天內到期，而新客戶則通常需要提前付款。

5.2 其他收入及收益

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Subsidy received	已收補貼	136	448
Bank interest income	銀行利息收入	12	11
Foreign exchange gain, net	匯兌收益，淨額	42	-
Others	其他	1,092	2,273
		1,282	2,732

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

6. LOSS BEFORE INCOME TAX

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

6. 除所得稅前虧損

本集團除所得稅前虧損已扣除／(計入)下列各項：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Employee benefit expenses (excluding directors' remuneration):	僱員福利開支(不包括董事酬金)：		
— Wages and salaries	— 工資及薪金	18,660	19,086
— Pension scheme contributions	— 退休金計劃供款	2,663	3,024
		21,323	22,110
Depreciation:	折舊：		
— Owned assets	— 自有資產	13,593	11,502
— Right-of-use assets	— 使用權資產	650	1,056
Total depreciation	折舊總額	14,243	12,558
Amortisation of other intangible assets	其他無形資產攤銷	107	1,103
Cost of inventories recognised as expenses	確認為開支的存貨成本	83,609	86,848
Research and development costs	研發成本	6,463	6,092
Donations	捐贈	51	—
Foreign exchange (gain)/loss, net	匯兌(收益)/虧損，淨額	(42)	17

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION 簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

7. OTHER EXPENSES

7. 其他開支

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Surcharge for overdue tax payment	逾期稅項付款附加費	19,996	28,707
Overdue interest expenses	逾期利息開支	108,518	83,203
Others	其他	250	126
		128,764	112,036

8. FINANCE COSTS

8. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on other borrowings	其他借款利息	92,460	103,157
Interest on lease liabilities	租賃負債利息	110	164
		92,570	103,321

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

9. INCOME TAX EXPENSE

9. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
PRC income tax	中國所得稅		
— Current period	— 本期	—	—

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 578,750,000 (six months ended 30 June 2022: 578,750,000) in issue during the six months ended 30 June 2023.

10. 本公司普通權益持有人應佔每股虧損

每股基本虧損金額的計算乃基於本公司普通權益持有人應佔期內虧損及截至二零二三年六月三十日止六個月已發行普通股加權平均數578,750,000股(截至二零二二年六月三十日止六個月：578,750,000股)。

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Loss attributable to ordinary equity holders of the Company	本公司普通權益持有人應佔虧損	(244,926)	(214,490)
Weighted average number of ordinary shares in issue (in thousands)	已發行普通股加權平均數(千股)	578,750	578,750
Loss per share attributable to ordinary equity holders of the Company	本公司普通權益持有人應佔每股虧損	(0.42)	(0.37)
— Basic and diluted (RMB)	— 基本及攤薄(人民幣元)		

No adjustment has been made to the basic loss per share amounts presented for the periods ended 30 June 2023 and 2022 in respect of a dilution as the Group has no potential dilutive ordinary shares in issue.

由於本集團期內並無已發行的具潛在攤薄作用的普通股，故並無就攤薄而對截至二零二三年及二零二二年六月三十日止期間呈列的每股基本虧損金額作出調整。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

11. DIVIDEND

No interim dividend was proposed for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

11. 股息

本公司並無就截至二零二三年六月三十日止六個月擬派發中期股息(截至二零二二年六月三十日止六個月：無)。

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2023, the Group purchased property, plant and equipment with an aggregate cost of RMB7,814,000 (six months ended 30 June 2022: RMB2,978,000).

As at 30 June 2023, certain of the Group's buildings and machinery and equipment with an aggregate net carrying amount of approximately RMB200,607,000 (31 December 2022: RMB211,737,000) were pledged to secure other borrowings granted to the Group (note19(d)).

12. 物業、廠房及設備

截至二零二三年六月三十日止六個月，本集團購買總成本為人民幣7,814,000元(截至二零二二年六月三十日止六個月：人民幣2,978,000元)的物業、廠房及設備。

於二零二三年六月三十日，本集團抵押賬面淨值合共約人民幣200,607,000元(二零二二年十二月三十一日：人民幣211,737,000元)的若干樓宇和機器及設備，作為本集團所獲授其他借款的擔保(附註19(d))。

13. INVENTORIES

13. 存貨

		As at 30 June 2023 於二零二三年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Raw materials	原材料	10,978	9,784
Work in progress	在製品	610,074	617,627
Finished goods	成品	18,622	19,329
		639,674	646,740

As at 30 June 2023, the Group's inventories with a carrying amount of RMB545,064,000 (31 December 2022: RMB556,115,000) were pledged to secure other borrowings granted to the Group (note19(d)).

於二零二三年六月三十日，本集團抵押賬面價值為人民幣545,064,000元(二零二二年十二月三十一日：人民幣556,115,000)的存貨，作為本集團所獲授其他借款的擔保(附註19(d))。

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14. TRADE RECEIVABLES

14. 應收貿易款項

		As at 30 June 2023 於二零二三年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Trade receivables, gross	應收貿易款項，總額	24,961	23,949
Less: Allowance for credit losses	減：信貸虧損撥備	(2,980)	(3,465)
Trade receivables, net	應收貿易款項，淨額	21,981	20,484

The Group's trading terms with its customers are mainly on credit. The credit period is generally one to three months.

本集團與客戶間的貿易條款以信貸交易為主。信貸期通常為一至三個月。

The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

本集團致力於對尚未收回的應收賬款維持嚴格監管，而過期未付的結餘由高級管理層定期檢討。本集團並無就應收貿易款項結餘持有任何抵押品或採取其他信用增強措施。應收貿易款項為不計息。

An ageing analysis of the trade receivables of the Group as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

於報告期末，本集團應收貿易款項按發票日期及扣除虧損撥備的賬齡分析如下：

		As at 30 June 2023 於二零二三年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Within 3 months	3個月以內	17,375	16,545
3 to 6 months	3至6個月	1,959	2,932
6 months to 1 year	6個月至1年	2,559	1,007
Over 1 year	超過1年	88	-
		21,981	20,484

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15. PREPAYMENT, OTHER RECEIVABLES AND OTHER ASSETS

15. 預付款項、其他應收款項及 其他資產

		As at 30 June 2023 於二零二三年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Prepayments	預付款項	7,817	11,026
Less: Impairment	減：減值	(1,924)	(1,949)
Value-added tax recoverable	可收回增值稅	105,739	90,439
Deposits and other receivables	按金及其他應收款項	35,385	26,618
Less: Allowance for credit losses	減：信貸虧損撥備	(2,302)	(1,612)
		144,715	124,522
Less: Portion classified as non-current assets	減：獲分類為非流動資產部份	(5,045)	(6,673)
Current portion included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及 其他資產的流動部份	139,670	117,849

Impairment analysis is performed at each reporting date and expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The financial assets included in the above balance were categorised in Stage 1 at the end of the reporting period. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking data.

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts.

本集團在每個報告日期進行減值分析，並參考本集團的歷史虧損記錄採用虧損率法對預期信貸虧損作出估計。虧損率會予以調整以反映當前狀況和對未來經濟狀況的預測（如適用）。計入上述結餘的金融資產在報告期末分類為第1階段。在計算預期信貸虧損率時，本集團會考慮歷史虧損率並調整前瞻性數據。

上述結餘所列金融資產涉及近期並無違約記錄及逾期金額的應收款項。

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16. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS 16. 現金及現金等價物以及已抵押存款

		As at 30 June 2023	As at 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		RMB' 000	RMB' 000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Cash and bank balances	現金及銀行結餘	2,248	9,806
Pledged deposits	已抵押存款	121	283
		2,369	10,089
Cash and cash equivalents are denominated in:	現金及現金等價物以下列貨幣計值：		
RMB	人民幣	1,482	8,581
HK\$	港元	587	598
United States Dollar (USD)	美元	179	627
Cash and cash equivalents	現金及現金等價物	2,248	9,806

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簡明綜合中期財務資料附註

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17. TRADE PAYABLES

An ageing analysis of the trade payables of the Group based on invoice date, is as follows:

		As at 30 June 2023	As at 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		RMB' 000	RMB' 000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 3 months	3個月以內	21,807	31,521
3 to 6 months	3至6個月	18,653	16,322
Over 6 months	6個月以上	6,807	2,177
		47,267	50,020

Trade payables of the Group are non-interest-bearing and are normally settled on terms of one to six months, extending to longer period for those long standing suppliers. The carrying amounts of the trade payables approximate to their fair values.

17. 應付貿易款項

本集團應付貿易款項按發票日期的賬齡分析如下：

		As at 30 June 2023	As at 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		RMB' 000	RMB' 000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 3 months	3個月以內	21,807	31,521
3 to 6 months	3至6個月	18,653	16,322
Over 6 months	6個月以上	6,807	2,177
		47,267	50,020

本集團應付貿易款項並不計息，一般須於一至六個月內結清，惟長期合作的供應商會給予我們較長的結算期限。應付貿易款項的賬面值與其公平值相若。

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簡明綜合中期財務資料附註

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18. OTHER PAYABLES AND ACCRUALS 18. 其他應付款項及應計項目

			As at 30 June 2023	As at 31 December 2022
			於二零二三年 六月三十日	於二零二二年 十二月三十一日
		Notes 附註	RMB' 000 人民幣千元 (Unaudited) (未經審核)	RMB' 000 人民幣千元 (Audited) (經審核)
Contract liabilities	合約負債	(a)	9,928	32,736
Other tax payables	其他應付稅項	(b)	56,613	165,527
Other payables and accruals	其他應付款項及應計項目	(c)	210,213	204,282
Amount due to a director	應付一名董事款項		7	9
Salary payables	應付薪金		5,714	9,150
			282,475	411,704

Notes:

(a) Details of contract liabilities are as follows:

附註：

(a) 合約負債詳情如下：

			As at 30 June 2023	As at 31 December 2022
			於二零二三年 六月三十日	於二零二二年 十二月三十一日
			RMB' 000 人民幣千元 (Unaudited) (未經審核)	RMB' 000 人民幣千元 (Audited) (經審核)
Short-term advances received from customers — Sale of goods	自客戶收取的短期墊款 — 銷售貨品		9,928	32,736

(b) Included in the balances was mainly the value added tax payable of approximately RMB95,165,000 (31 December 2022: RMB149,991,000).

(b) 計入結餘主要為應付增值稅約人民幣95,165,000元(二零二二年十二月三十一日：人民幣149,991,000元)。

(c) Included in the balances was mainly the provision of surcharge for overdue tax payment and equipment and construction costs payables of approximately RMB198,939,000 and RMB2,242,000 (31 December 2022: RMB178,942,000 and RMB7,473,000).

(c) 計入結餘主要為逾期稅款附加費撥備及應付設備及建設成本分別約人民幣198,939,000元及人民幣2,242,000元(二零二二年十二月三十一日：人民幣178,942,000元及人民幣7,473,000元)。

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For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

19. INTEREST-BEARING OTHER BORROWINGS

19. 計息其他借款

		As at 30 June 2023 (Unaudited) 於二零二三年六月三十日 (未經審核)			As at 31 December 2022 (Audited) 於二零二二年十二月三十一日 (經審核)		
		Effective Interest rate (%) 實際 利率 (%)	Maturity 到期	RMB'000 人民幣千元	Effective Interest rate (%) 實際 利率 (%)	Maturity 到期	RMB'000 人民幣千元
Current	即期						
Lease liabilities	租賃負債	4.75–4.90	2023 二零二三年	1,183	4.75–4.90	2023 二零二三年	1,308
Other borrowings – unsecured (a)(c)(e)	其他借款 – 無抵押 (a)(c)(e)	7.00–24.00	2023 二零二三年	295,766	7.00–24.00	2022 二零二二年	119,384
Other borrowings – secured (b)(c)(d)(f)	其他借款 – 有抵押 (b)(c)(d)(f)	10.65–15.32	2022 二零二二年	2,281,618	10.65–15.32	2022 二零二二年	2,088,339
				2,578,567			2,209,031
Non-current	非即期						
Lease liabilities	租賃負債	4.75–4.90	2024–2029 二零二四年至 二零二九年	1,824	4.75–4.90	2024–2029 二零二四年至 二零二九年	2,533
Total	總計			2,580,391			2,211,564
Analysed into:	分析為：						
With one year or on demand	一年內或按要求			2,578,567			2,209,031
In the second year	第二年			854			857
In the third year to fifth years, inclusive	第三年至第五年 (包括首尾兩年)			950			1,642
Beyond five years	五年以上			20			34
				2,580,391			2,211,564

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簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

19. INTEREST-BEARING OTHER BORROWINGS (Continued)

Notes:

- (a) As at 30 June 2023, included in the balances was other borrowings amounting to approximately RMB295,766,000 (31 December 2022: RMB119,384,000) which was unsecured, bearing interest at 7.00%–24.00% (31 December 2022: 7.00%–24.00%) per annum and repayable within one year (31 December 2022: repayable within one year).
- (b) As at 30 June 2023, included in the balances was other borrowings amounting to approximately RMB2,281,618,000 (31 December 2022: RMB2,088,339,000) which was secured, bearing interest at 10.65%–15.32% (31 December 2022: 10.65%–15.32%) per annum and repayable within one year (31 December 2022: repayable within one year), in which RMB186,819,000, RMB1,839,684,000, and RMB255,115,000 (31 December 2022: RMB170,601,000, RMB1,683,214,000 and RMB234,524,000) was from 湖州吳興城市, 南太湖, and 湖盛融資 respectively. Mr. Chen Wei was the chairman of the 湖州吳興城市, which is holding company of 南太湖 and 湖盛融資.
- (c) As at 30 June 2023, the Group's other borrowings amounting to approximately RMB1,903,925,000 (31 December 2022: RMB1,671,025,000) in principal amount were overdue and the related overdue interest expense of approximately RMB108,518,000 (30 June 2022: RMB83,203,000) was recognised for the six months ended 30 June 2023.
- (d) At the end of the reporting period, certain of the Group's assets were pledged to the lenders for securing the other borrowings granted to the Group.

The carrying values of these assets are:

19. 計息其他借款(續)

附註：

- (a) 於二零二三年六月三十日，計入結餘為其他借款約人民幣295,766,000元(二零二二年十二月三十一日：人民幣119,384,000元)，該款項為無抵押、按年利率介乎於7.00%至24.00%計息(二零二二年十二月三十一日：7.00%至24.00%)並須於一年內償還(二零二二年十二月三十一日：須於一年內償還)。
- (b) 於二零二三年六月三十日，計入結餘為其他借款約人民幣2,281,618,000元(二零二二年十二月三十一日：人民幣2,088,339,000元)，該款項為有抵押、按年利率10.65%至15.32%(二零二二年十二月三十一日：10.65%至15.32%)計息並須於一年內償還(二零二二年十二月三十一日：須於一年內償還)，其中人民幣186,819,000元、人民幣1,839,684,000元及人民幣255,115,000元(二零二二年十二月三十一日：人民幣170,601,000元、人民幣1,683,214,000元及人民幣234,524,000元)分別來自湖州吳興城市、南太湖及湖盛融資。陳偉先生為南太湖及湖盛融資的控股公司湖州吳興城市的董事長。
- (c) 於二零二三年六月三十日，本集團其他借款本金約為人民幣1,903,925,000元(二零二二年十二月三十一日：人民幣1,671,025,000元)的其他借款已逾期及相關逾期利息開支約人民幣108,518,000元(二零二二年六月三十日：人民幣83,203,000元)於截至二零二三年六月三十日止六個月確認。
- (d) 於報告期末，本集團將若干資產抵押予貸方，作為本集團所獲授其他借款的擔保。

該等資產的賬面值為：

			As at 30 June 2023 於二零二三年 六月三十日 RMB'000 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB'000 (Audited) (經審核)
Property, plant and equipment	物業、廠房及設備	12	200,607	211,737
Right-of-use assets	使用權資產		47,610	48,260
Inventories	存貨	13	545,064	556,115
			793,281	816,112

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19. INTEREST-BEARING OTHER BORROWINGS (Continued)

Notes: (Continued)

- (e) As at 30 June 2023, included in the balances was other borrowings amounting to approximately RMB18,101,000 (31 December 2022: RMB17,075,000) that were withdrawn on behalf of a former related company, Zhejiang Zhongwei Brewery Co., Limited 浙江中味釀造有限公司 (“Zhejiang Zhongwei”). The amount is unsecured, bore interest at 24.00% (31 December 2022: 24.00%) per annum and repayable on demand.
- (f) The amount included certain sales leaseback arrangements of machinery and equipment with remaining lease terms of one year (31 December 2022: one year) as at 30 June 2023. According to the sale and leaseback agreements, if no default occurs during the lease term, the ownership of the plant and machinery shall be automatically transferred to the lessee at a nominal consideration.

The management assessed the accounting treatment and was of the view that the Group have control over the machinery and equipment as the Group had the option to acquire the assets at nominal consideration at the end of the lease period. Thus the transfer of the machinery and equipment to the lender did not satisfy the requirement of IFRS 15 to be accounted for as a sales of assets and the Group shall continue to recognise the transferred assets as property, plant and equipment and shall recognised transfer proceeds from the lender as other borrowings.

19. 計息其他借款(續)

附註：(續)

- (e) 於二零二三年六月三十日，計入結餘為代表前關聯公司浙江中味釀造有限公司(「浙江中味」)提取的其他借款約人民幣18,101,000元(二零二二年十二月三十一日：人民幣17,075,000元)。該款項為無抵押、按年利率24.00%(二零二二年十二月三十一日：24.00%)計息並須於要求時償還。
- (f) 金額包括於二零二三年六月三十日的餘下租期為一年(二零二二年十二月三十一日：一年)的若干機械及設備售後回租安排。根據售後回租協議，若在租賃期內未有違約，則廠房及機械將以象徵式代價自動轉讓予承租人。

管理層評估會計處理法，認為本集團對機械及設備擁有控制權，乃因本集團有權按名義代價於租賃期結束後購置資產。因此，向貸款人轉讓機械及設備並不符合國際財務報告準則第15號規定入賬列作為資產出售，而本集團應持續確認轉讓資產為物業、廠房及設備並將貸款人的轉讓所得款項確認為其他借款。

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19. INTEREST-BEARING OTHER BORROWINGS (Continued)

Notes: (Continued)

(f) (Continued)

The following table sets out the details of the sale and leaseback arrangements as at 30 June 2023 and 31 December 2022:

As at 30 June 2023

Date of incurrence 產生日期	Principal amount 本金 (RMB) (人民幣)	Effective Interest rate (%) 實際利率 (%)	Maturity 到期日	Guarantee deposit 保證金 (RMB) (人民幣)
21 January 2020 二零二零年一月二十一日	55,000,000	15.32%	20 January 2023 二零二三年一月二十日	5,000,000
16 August 2022 二零二二年八月十六日	48,000,000	12.45%	15 August 2023 二零二三年八月十五日	4,000,000
20 August 2022 二零二二年八月二十日	18,000,000	12.36%	19 August 2023 二零二三年八月十九日	850,000
8 September 2022 二零二二年九月八日	13,000,000	12.53%	7 September 2023 二零二三年九月七日	1,000,000
22 October 2022 二零二二年十月二十二日	35,000,000	12.43%	21 October 2023 二零二三年十月二十一日	4,000,000
22 October 2022 二零二二年十月二十二日	33,000,000	10.65%	21 October 2023 二零二三年十月二十一日	4,000,000
21 January 2023 二零二三年一月二十一日	3,950,000	12.53%	21 January 2023 二零二三年一月二十一日	—
21 January 2023 二零二三年一月二十一日	3,300,000	10.70%	21 January 2023 二零二三年一月二十一日	—

19. 計息其他借款(續)

附註：(續)

(f) (續)

下表載列於二零二三年六月三十日及二零二二年十二月三十一日的售後租回安排詳情：

二零二三年六月三十日

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION 簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

19. INTEREST-BEARING OTHER BORROWINGS (Continued)

Notes: (Continued)

(f) (Continued)

As at 31 December 2022

Date of incurrence 產生日期	Principal amount 本金 (RMB) (人民幣)	Effective Interest rate (%) 實際利率(%)	Maturity 到期日	Guarantee deposit 保證金 (RMB) (人民幣)
21 January 2020 二零二零年一月二十一日	55,000,000	15.32%	20 January 2023 二零二三年一月二十日	5,000,000
16 August 2021 二零二一年八月十六日	48,000,000	12.45%	15 August 2022 二零二二年八月十五日	4,000,000
20 August 2021 二零二一年八月二十日	18,000,000	12.36%	19 August 2022 二零二二年八月十九日	850,000
8 September 2021 二零二一年九月八日	13,000,000	12.53%	7 September 2022 二零二二年九月七日	1,000,000
22 October 2021 二零二一年十月二十二日	35,000,000	12.43%	21 October 2022 二零二二年十月二十一日	4,000,000
22 October 2021 二零二一年十月二十二日	33,000,000	10.65%	21 October 2022 二零二二年十月二十一日	4,000,000
21 January 2022 二零二二年一月二十一日	3,950,000	12.53%	21 January 2023 二零二三年一月二十一日	—
21 January 2022 二零二二年一月二十一日	3,300,000	10.70%	21 January 2023 二零二三年一月二十一日	—

All the Group's other borrowings are denominated in RMB. The carrying amounts of the Group's other borrowings approximate to their fair values.

附註：(續)

(f) (續)

二零二二年十二月三十一日

本集團所有其他借款均以人民幣計值。本集團其他借款的賬面值與其公平值相若。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

20. OTHER LONG TERM LIABILITIES

20. 其他長期負債

		As at 30 June 2023 於二零二三年 六月三十日 RMB' 000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB' 000 人民幣千元 (Audited) (經審核)
Other long term payables (note)	其他長期應付款項(附註)	–	50,000
Provision for long service payment	長期服務付款撥備	5,947	5,993
		5,947	55,993

Note:

On 6 May 2016, two subsidiaries of the Company, Huzhou Chenshi Tianniang Industrial Co., Ltd. (“**Huzhou Chenshi**”) and Huzhou Laohenghe Brewery Co., Limited (“**Huzhou Laohenghe**”, which is also the subsidiary of Huzhou Chenshi) entered into an investment agreement with China Development Fund Co., Ltd. (“**CD Fund**”) (國開發發展基金有限公司) (“**the Investment Agreement**”). Pursuant to the Investment Agreement, CD Fund agreed to subscribe for a 3.5% equity interest in Huzhou Laohenghe at a total cash consideration of RMB133,000,000 (“**the Capital Investment**”) and Huzhou Laohenghe shall pay CD Fund a fixed annual return equal to 1.2% of the Capital Investment from the date of the agreement. In addition, Huzhou Chenshi has a contractual obligation to repurchase the entire equity interest in Huzhou Laohenghe held by CD Fund within 8 years according to the repayment schedule under the Investment Agreement.

Further details of the Investment Agreement have been disclosed in the announcements of the Company dated 9 May 2016 and 29 June 2016, respectively.

As Huzhou Chenshi does not have the unconditional right to avoid delivering cash to CD Fund pursuant to the Investment Agreement, the Capital Investment of RMB133,000,000 was recorded as a financial liability.

According to the repayment schedule under the Investment Agreement, RMB50,000,000 was payable on 2 February 2024 (31 December 2022: RMB50,000,000 was payable within the year ending 31 December 2023), RMB100,000,000 (31 December 2022: RMB50,000,000) was reallocated as current portion included in other liabilities as at 30 June 2023.

附註：

於二零一六年五月六日，本公司兩間附屬公司湖州陳氏天釀實業有限公司(「湖州陳氏」)及湖州老恒和釀造有限公司(「湖州老恒和」，亦為湖州陳氏的附屬公司)與國開發發展基金有限公司(「國開發發展基金」)訂立注資協議(「注資協議」)。根據注資協議，國開發發展基金同意以人民幣133,000,000元的現金總代價認購湖州老恒和3.5%的股本權益(「資本投入」)，而湖州老恒和須自該協議日期起每年按相當於資本投入1.2%的固定金額向國開發發展基金支付回報。此外，湖州陳氏承擔合約責任，須根據注資協議的還款時間表於八年內購回國開發發展基金所擁有湖州老恒和的全部股本權益。

有關注資協議的進一步詳情已分別於本公司日期為二零一六年五月九日及二零一六年六月二十九日的公佈披露。

由於湖州陳氏並無根據注資協議避免向國開發發展基金支付現金的無條件權利，因此人民幣133,000,000元的資本投入被記賬為金融負債。

根據注資協議項下的還款時間表，於二零二四年二月二日應付人民幣50,000,000元(二零二二年十二月三十一日：截至二零二三年十二月三十一日止年度內應付人民幣50,000,000元)。人民幣100,000,000元(二零二二年十二月三十一日：人民幣50,000,000元)於二零二三年六月三十日重新分配至計入其他負債的流動部分。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

20. OTHER LONG TERM LIABILITIES

(Continued)

The balance of other long term payables was analysed as follows:

20. 其他長期負債(續)

其他長期應付款項結餘的分析如下：

		As at 30 June 2023	As at 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		RMB'000	RMB'000
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Other long-term payables	其他長期應付款項	100,000	100,000
Less:	減：		
Portion classified as current portion included in other liabilities	分類為流動部分計入其他負債	(100,000)	(50,000)
Non-current portion	非流動部分		
More than 1 but within 5 years	一年以上五年以內	-	50,000

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簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

21. SHARE CAPITAL

Details of movement of the share capital of the Company are as follows:

21. 股本

本公司股本變動詳情如下：

		As at 30 June 2023	As at 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		RMB' 000 (Unaudited)	RMB' 000 (Audited)
		(未經審核)	(經審核)
Authorised:	法定：		
1,000,000,000 ordinary shares of USD0.0005 (RMB0.00305) each	1,000,000,000 股每股面值 0.0005 美元 (人民幣 0.00305 元) 的普通股	3,050	3,050
Issued and fully paid:	已發行及發行繳足：		
578,750,000 ordinary shares of USD0.0005 (RMB0.00305) each	578,750,000 股每股面值 0.0005 美元 (人民幣 0.00305 元) 的普通股	1,767	1,767

22. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

22. 承擔

本集團於報告期末有下列資本承擔：

		As at 30 June 2023	As at 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		RMB' 000 (Unaudited)	RMB' 000 (Audited)
		(未經審核)	(經審核)
Contracted, but not provided for:	已訂約但未計提撥備：		
Plant and machinery	廠房及機器	19,471	14,816

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簡明綜合中期財務資料附註

For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

23. RELATED PARTY TRANSACTIONS

23. 與關聯方交易

- (a) Name and relationship of related parties that are the group companies of 湖州吳興城市, controlled or significantly influenced by Mr. Chen Wei (“Wuxing Group”):

- (a) 陳偉先生控制或顯著影響的湖州吳興城市集團公司(「吳興集團」)的關聯方的名稱及關係：

Name 名稱	Relationship 關係
湖州吳興城市	Company having a security interest in shares of the Company 擁有本公司股份質押權益的公司
南太湖	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
湖盛融資	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
湖州湖融供應鏈管理有限公司	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
Zhejiang Aiyaogou e-commerce Co., Ltd. (“Zhejiang Aiyaogou”) 浙江愛要購電子商務有限公司 (「浙江愛要購」)	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
Huzhou Wuxing Hongcheng Hotel Management Co., Ltd. (“Huzhou Wuxing Hongcheng Hotel”) 湖州吳興鴻城酒店管理有限公司 (「湖州吳興鴻城酒店」)	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
Huzhou Wuxing Hongcheng Huixin Valley Hotel Management Co., Ltd (“Huzhou Wuxing Hongcheng Huixin Valley Hotel”) 湖州吳興鴻城慧心谷酒店管理有限公司 (「湖州吳興鴻城慧心谷酒店」)	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
Huzhou Wuxingyue City Hotel Co., Ltd. (“Huzhou Wuxingyue City Hotel”) 湖州吳興悅城裡酒店有限公司 (「湖州吳興悅城裡酒店」)	Subsidiary of 湖州吳興城市 湖州吳興城市的附屬公司
Huzhou Wuxing Husheng Construction and Development Group Co., Ltd (“Wuxing Husheng Construction”) 湖州吳興湖晟建設開發集團有限公司 (「湖州吳興湖晟建設」)	Controlled by Mr. Chen Wei 陳偉先生控制的公司

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For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

23. RELATED PARTY TRANSACTIONS

(Continued)

(b) In addition to the transactions detailed elsewhere in these Interim Financial Information, the Group had the following transactions with related parties during the period:

23. 與關聯方交易 (續)

(b) 除中期財務資料其他部分詳述的交易外，本集團期內有以下與關連方及關聯方的交易：

Name of related parties 關聯方名稱	Nature of transactions 交易性質	Notes 附註	Six months ended 30 June 截至六月三十日止六個月	
			2023 二零二三年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 二零二二年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Yilong County Zhongwei Food Co., Ltd. ("Yilong Country Zhongwei") 儀隴縣中味食品有限公司 (「儀隴縣中味」)	Purchase of goods 購買貨品	(i)	—	1,281
湖州吳興城市	Interest expense 利息開支	(ii)	8,109	8,109
	Overdue interest expenses 逾期利息開支	(ii)	8,109	7,270
南太湖	Interest expense 利息開支	(ii)	78,235	55,233
	Overdue interest expenses 逾期利息開支	(ii)	78,235	75,933
湖盛融資	Interest expense 利息開支	(ii)	733	12,896
	Overdue interest expenses 逾期利息開支	(ii)	19,830	—
吳興湖晟建設	Interest expense 利息開支	(ii)	2,288	—
	Overdue interest expenses 逾期利息開支	(ii)	2,345	—
Zhejiang Aiyaogou 浙江愛要購	Sales of goods 銷售貨品	(iii)	29	—
	Purchases of goods 購買貨品	(iii)	37	—
Huzhou Wuxing Hongcheng Hotel 湖州吳興鴻城酒店	Sales of goods 銷售貨品	(iii)	10	—
Huzhou Wuxing Hongcheng Huixin Valley Hotel 湖州吳興鴻城慧心谷酒店	Sales of goods 銷售貨品	(iii)	11	—
Huzhou Wuxingyue City Hotel 湖州吳興悅城里酒店	Sales of goods 銷售貨品	(iii)	2	—

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For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

23. RELATED PARTY TRANSACTIONS

(Continued)

(b) (Continued)

- (i) The purchase of goods was charged in accordance with contractual terms with former related company significantly influenced by Mr. Chen Jinhao and Ms. Xing Liyu, son and spouse of Mr. Chen Weizhong, respectively.

Yilong Country Zhongwei ceased to be a related company of the Group as Mr. Chen Weizhong, being the beneficial owner of the Group has pledged its shares for the advances from 湖州吳興城市 and is unable repay it. Mr. Chen is unable to exercise control to the Group since then.

- (ii) The interest expenses and overdue interest expenses were charged in accordance with contractual terms.
- (iii) The sales/purchases of goods were charged in accordance with contractual terms with subsidiaries of 湖州吳興城市.

(c) Compensation of key management personnel of the Group

23. 與關聯方交易 (續)

(b) (續)

- (i) 購買貨品乃根據與受 Chen Jinhao 先生(陳衛忠先生的兒子)及邢利玉女士(陳衛忠先生的配偶)顯著影響的前關聯公司的合約條款收取。

由於本集團實益擁有人陳衛忠先生已就來自湖州吳興城市的墊款抵押其股份而未能償還有關款項，陳先生自此未能對本集團行使控制權，故此儀隴縣中味不再為本集團的關聯公司。

- (ii) 利息開支及逾期利息開支乃根據合約條款收取。
- (iii) 銷售/購買貨品乃根據與湖州吳興城市的附屬公司的合約條款收取。

(c) 本集團主要管理人員的酬金：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	405	638
Pension scheme contributions	績效相關獎金	5	26
Total compensation paid to key management personnel	支付予主要管理人員的酬金總額	410	664

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For the six months ended 30 June 2023 截至二零二三年六月三十日止六個月

24. CONTINGENCIES

- (a) On 6 December 2019, the Company received a writ of summons by Natural Seasoning International (HK) Limited (the “**Plaintiff**”) against, among others, the Company, Mr. Chen Weizhong and Key Shine as defendants, on the ground that Key Shine and Mr. Chen Weizhong have been in breach of certain agreements in relation to, among others, the operation of the Company and restrictions on disposal of shares in the Company (the “**Litigation**”). Details of the Litigation were set out in the announcement of the Company dated 16 December 2019.

Subject to receipt of further evidences or details of claim from the Plaintiff; and after having taken into account, amongst other factors, the fact that the Company is not a party to the agreements leading to the Litigation, the Company does not consider that the Litigation will have any material adverse impact on the business and/or operations of the Group and accordingly have not made any provision for any claim arising from the Litigation, other than the related legal and other costs.

- (b) There are two court hearings against the Group as the guarantor to two creditors are suspended and it is still uncertain as to how much the borrowers will be able to repay these creditors for the suspended court hearings. Based on the legal advice, it is expected the court judgements might require the Group to pay to these creditors 50% of the loan amount should the debtors eventually fail to repay these creditors.

24. 或然事項

- (a) 於二零一九年十二月六日，本公司接獲 Natural Seasoning International (HK) Limited (「原告」) 向 (其中包括) 本公司、陳衛忠先生及 Key Shine (作為被告) 發出的法院傳票，理由為 Key Shine 及陳衛忠先生已違反有關 (其中包括) 本公司營運及出售本公司股份限制的若干協議 (「該訴訟」)。該訴訟的詳情載於本公司日期為二零一九年十二月十六日的公佈。

由於須接獲更多證據或有關原告索償的更多詳情，並考慮到 (其中包括) 本公司並非引致該訴訟的協議的訂約方，故此本公司並不認為該訴訟會對本集團業務及／或營運造成任何重大不利影響，繼而並無就該訴訟提出的任何索償 (相關法律及其他成本除外) 計提撥備。

- (b) 兩項針對本集團 (作為兩名債權人的擔保人) 的法院聆訊被暫停，目前仍不確定就被暫停法院聆訊而言，借款人將能夠償還該等債權人的金額。根據法律意見，倘若債務人最終未能向該等債權人還款，預期法院判決可能要求本集團向該等債權人支付 50% 的貸款金額。



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