

**DIWANG INDUSTRIAL HOLDINGS LIMITED**

**帝王實業控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(於開曼群島註冊成立的有限公司)

(Stock Code : 1950)

(股份代號 : 1950)

**2023**  
**INTERIM**  
**REPORT**

中 期 報 告

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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Chen Hua  
Mr. Lam Kam Kong Nathaniel  
Mr. Tse Chun Chung  
Mr. Sun Jingang  
Mr. Gu Jianguo (*Resigned on 3 March 2023*)  
Ms. Zhu Jianqin (*Resigned on 3 March 2023*)

#### Independent non-executive Directors

Mr. Au Hei Ching  
Mr. Ho Ho Tung Armen  
Mr. Lee Cheung Yuet Horace  
Mr. Zheng Yu  
Ms. Zhou Xiaochun

### AUDIT COMMITTEE

Mr. Ho Ho Tung Armen (*Chairman*)  
Mr. Au Hei Ching  
Mr. Lee Cheung Yuet Horace  
Mr. Zheng Yu  
Ms. Zhou Xiaochun

### NOMINATION COMMITTEE

Mr. Lee Cheung Yuet Horace (*Chairman*) (*Redesignated as Chairman on 21 April 2023*)  
Mr. Ho Ho Tung Armen  
Mr. Lam Kam Kong Nathaniel (*Redesignated as Chairman on 3 March 2023 and ceased on 21 April 2023*)  
Mr. Gu Jianguo (*Resigned on 3 March 2023*)

### REMUNERATION COMMITTEE

Mr. Lee Cheung Yuet Horace (*Chairman*)  
Mr. Chen Hua  
Ms. Zhou Xiaochun

### COMPANY SECRETARIES

Mr. Chan Ming Kei (*Redesignated as Company Secretary on 21 April 2023*)  
Mr. Lui Chi Ho (*Resigned on 21 April 2023*)

### 董事會

#### 執行董事

陳華先生  
林錦洸先生  
謝震中先生  
孫金剛先生  
顧建國先生(於2023年3月3日辭任)  
朱建琴女士(於2023年3月3日辭任)

#### 獨立非執行董事

區禧靖先生  
何浩東先生  
李暢悅先生  
鄭宇先生  
周筱春女士

### 審核委員會

何浩東先生(主席)  
區禧靖先生  
李暢悅先生  
鄭宇先生  
周筱春女士

### 提名委員會

李暢悅先生(主席)(於2023年4月21日調任為主席)  
何浩東先生  
林錦洸先生(於2023年3月3日調任為主席及於2023年4月21日不再擔任)  
顧建國先生(於2023年3月3日辭任)

### 薪酬委員會

李暢悅先生(主席)  
陳華先生  
周筱春女士

### 公司秘書

陳銘基先生(於2023年4月21日調任為公司秘書)  
呂志豪先生(於2023年4月21日辭任)

## Corporate Information 公司資料

### LEGAL ADVISER

Ince & Co  
Suites 4404-10, 44/F  
One Island East  
18 Westlands Road, Taikoo Place  
Hong Kong

### INDEPENDENT AUDITOR

KTC Partners CPA Limited  
Room 617, 6/F; Seapower Tower,  
Concordia Plaza,  
1 Science Museum Road,  
Tsim Sha Tsui East, Kowloon, Hong Kong

### PRINCIPAL BANK

Bank of Communications Co., Ltd.  
Bank of China (Hong Kong) Limited

### COMPANY'S WEBSITE

[www.slkj.cn](http://www.slkj.cn)

### STOCK CODE

1950

### REGISTERED OFFICE

Ogier Global (Cayman) Limited  
89 Nexus Way, Camana Bay  
Grand Cayman KY1-9009  
Cayman Islands

### 法律顧問

英士律師行  
香港  
太古坊華蘭路18號  
港島東中心  
44樓4404-10室

### 獨立核數師

和信會計師事務所有限公司  
香港九龍尖沙咀東部  
科學館道1號  
康宏廣場  
北座6樓617室

### 主要往來銀行

交通銀行股份有限公司  
中國銀行(香港)有限公司

### 公司網站

[www.slkj.cn](http://www.slkj.cn)

### 股份代號

1950

### 註冊辦事處

Ogier Global (Cayman) Limited  
89 Nexus Way, Camana Bay  
Grand Cayman KY1-9009  
Cayman Islands

## Corporate Information

### 公司資料

#### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No.2, Jiangshan Road  
Meicheng Town  
Jiande County  
Hangzhou City  
Zhejiang Province  
PRC

#### 總部及中國主要營業地點

中國  
浙江省  
杭州市  
建德市  
梅城鎮  
姜山路2號

#### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 4404-10, 44/F  
One Island East  
18 Westlands Road, Taikoo Place  
Hong Kong

#### 香港主要營業地點

香港  
太古坊華蘭路18號  
港島東中心  
44樓4404-10室

#### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ogier Global (Cayman) Limited  
89 Nexus Way, Camana Bay  
Grand Cayman, KY1-9009  
Cayman Islands

#### 主要股份過戶登記處

Ogier Global (Cayman) Limited  
89 Nexus Way, Camana Bay  
Grand Cayman, KY1-9009  
Cayman Islands

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

#### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
夏愨道16號  
遠東金融中心17樓

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

The board (the “**Board**”) of directors (the “**Directors**”) of Diwang Industrial Holdings Limited (the “**Company**”) herein presents the interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2023 (the “**Period**”).

For the Period, the revenue of the Group was approximately RMB251,529,000 (2022: RMB199,737,000), representing an increase of approximately RMB51,792,000 or 25.9% as compared to the six months ended 30 June 2022 (the “**Prior Period**”).

The gross profit of the Group for the Period was approximately RMB111,867,000 (2022: RMB57,054,000), representing an increase of approximately RMB54,813,000 or 96.1% as compared to the Prior Period.

For the Period, the Group recorded net profit of approximately RMB39,453,000 (2022: RMB6,655,000), representing an increase of approximately RMB32,798,000 or 492.8% as compared to the Prior Period. The increase in net profit was mainly due to, amongst others, (i) the positive contribution from the Chinese liquor business of the Group; and (ii) the absence of the loss on investment in financial assets for the Prior Period. Profit for the Period attributable to owners of the Company was approximately RMB28,866,000 (2022: RMB257,000).

The basic and diluted earning per share was RMB10.02 cents (2022: basic and diluted earning per share was RMB0.11 cents (restated)).

During the Period, the Group has engaged in the research and development, manufacturing and sale of coating agents and synthetic resins (the “**Faux Leather Chemicals Business**”) and manufacturing and sale of Chinese liquor products (the “**Chinese Liquor Business**”).

### FAUX LEATHER CHEMICALS BUSINESS

The Group is an established faux leather chemicals manufacturer in the PRC principally engaged in the research and development, manufacturing and sale of coating agents and synthetic resins.

### 業務回顧

帝王實業控股有限公司(「本公司」)董事(「董事」)會(「董事會」)僅此呈列本公司及其附屬公司(統稱「本集團」)於截至2023年6月30日止六個月(「本期間」)之中期業績。

於本期間，本集團的收入較截至2022年6月30日止六個月(「上一期間」)增加約人民幣51,792,000元或25.9%，為約人民幣251,529,000元(2022年：人民幣199,737,000元)。

於本期間，本集團的毛利較上一期間增加約人民幣54,813,000元或96.1%，為約人民幣111,867,000元(2022年：人民幣57,054,000元)。

於本期間，本集團錄得淨利潤約人民幣39,453,000元(2022年：人民幣6,655,000元)，較上一期間增加約人民幣32,798,000元或492.8%。淨利潤增加乃主要由於(其中包括)(i)本集團白酒業務之正面貢獻；及(ii)並無上一期間投資金融資產之虧損。本公司擁有人應佔期內利潤約為人民幣28,866,000元(2022年：人民幣257,000元)。

每股基本及攤薄盈利為人民幣10.02分(2022年：每股基本及攤薄盈利人民幣0.11分(經重列))。

於本期間，本集團從事塗飾劑及合成樹脂的研發、製造及銷售(「人工革化學品業務」)及白酒產品的生產及銷售(「白酒業務」)。

### 人工革化學品業務

本集團為一家中國知名人工革化學品製造商，主要從事塗飾劑及合成樹脂的研發、製造及銷售。

# Management Discussion and Analysis

## 管理層討論及分析

Revenue generated from the Faux Leather Chemicals Business decreased by approximately RMB21,007,000 or 15.8% from approximately RMB133,026,000 for the Prior Period to approximately RMB112,019,000 for the Period, primarily due to destocking both domestically and internationally resulting from the sluggish market demand. The gross profit for the Period was approximately RMB24,140,000 (2022: RMB18,434,000).

The gross profit margin increased from approximately 13.9% to approximately 21.5% for the Period, which was mainly attributable to the overall decrease of the cost of raw materials during the Period.

Selling and distribution expenses for the Period were approximately RMB5,691,000 (2022: RMB4,166,000). The increase in selling and distribution expenses was mainly due to the increase in sales and marketing activities. Selling and distribution expenses for the Period accounted for approximately 5.1% (2022: approximately 3.1%) of the segment revenue. Segment profit was approximately RMB4,544,000 (2022: RMB5,851,000).

### CHINESE LIQUOR BUSINESS

The Group commenced the business of manufacturing and selling of Chinese baijiu products in the PRC at the second quarter of 2022, providing with a view to explore business opportunities in the food and beverage business in the PRC.

During the Period, our Chinese Liquor Business was mainly operated by 貴州帝池王醬酒業有限公司 (Guizhou Dichiwang Sauce And Wine Company Limited\*) (“**Guizhou Dichiwang**”), a non-wholly owned subsidiary of the Company was established under the laws of the PRC in which the Group indirectly owns 70.5% of its equity interest and 湖南金鎧文化傳播有限責任公司 (Hunan Jinkai Culture Communication Company Limited\*) owns 29.5% of its equity interest.

In operating the Chinese Liquor Business, we focus on the development of drinking formula, design and brand-building strategy of the baijiu products and as such, we procure all necessary raw materials via the materials procurement services provided by an independent wine factory in producing the Chinese baijiu products and outsources the manufacturing process to such independent wine factory to produce the Chinese baijiu products via an original equipment manufacturer arrangement.

人工革化學品業務產生的收入由上一期間的約人民幣133,026,000元，減少約人民幣21,007,000元或15.8%，至本期間的約人民幣112,019,000元，乃主要由於國內及國際均去庫存導致市場需求低迷所致。本期間毛利約為人民幣24,140,000元（2022年：人民幣18,434,000元）。

本期間毛利率由約13.9%上升至約21.5%，主要由於本期間原材料成本整體下跌。

於本期間，銷售及分銷開支約為人民幣5,691,000元（2022年：人民幣4,166,000元）。銷售及分銷開支上升的主要原因是從事的銷售及營銷活動增加所致。於本期間，銷售及分銷開支約占分部收入的約5.1%（2022年：約3.1%）。分部溢利約人民幣4,544,000元（2022年：人民幣5,851,000元）。

### 白酒業務

本集團於2022年第二季度開始於中國生產及銷售白酒產品業務，旨在探索於中國開展食品及飲料業務的商機。

於本期間，白酒業務主要由本公司非全資附屬公司貴州帝池王醬酒業有限公司（「**貴州帝池王**」）經營，其乃根據中國法律成立，其中本集團間接擁有其70.5%股權及湖南金鎧文化傳播有限責任公司擁有其29.5%股權。

於經營白酒業務時，我們專注白酒產品的飲用配方開發、設計及品牌建設策略，因此，我們通過獨立白酒工廠提供的材料採購服務採購生產白酒產品所需的所有原材料，並通過原設備製造商安排將製造流程外判予該獨立白酒工廠生產白酒產品。



## Management Discussion and Analysis

### 管理層討論及分析

Our Chinese baijiu products comprise a comprehensive range of aromatic-flavour baijiu products formulated by us with varied packaging, alcohol content, design, taste, etc. with competitive prices targeting the young to middle-aged public to middle class consumer market in the PRC. Our Chinese baijiu products are sold under the “Diwang Chi” (帝王池) label.

During the Period, the segment revenue from Chinese Liquor Business was approximately RMB139,510,000 (2022: RMB66,711,000). The gross profit was approximately RMB87,727,000 (2022: RMB38,621,000) after accounting for the cost of raw materials and production fee. The company promotes and explores sales channels of its Chinese baijiu products by (i) placing advertisements at airports, train stations and online media platforms; and (ii) hosting wine tasting events and various wine exhibitions and wine trade fairs in the PRC. During the Period, the relevant selling and distribution expenses approximately accounted for approximately 29.7% (2022: 11.5%) of the segment revenue. Segment profit was approximately RMB44,500,000 (2022: RMB28,918,000).

#### PROSPECT

In forecasting for China's economic growth in the post pandemic year 2023, providing the factors of optimization and adjustment of epidemic prevention policies will improve China's and global economic growth prospects.

In short term, there are favorable conditions for the overall improvement of China's economy in 2023: First, with the continuous optimization of epidemic prevention and control measures, scenario-based consumption and contact consumption will resume and grow quickly, and overall consumption will continue to recover; Secondly, infrastructure and manufacturing investment will continue to maintain a rapid growth in post pandemic period; thirdly, the effects of a series of policies implemented since late 2022 will continue to stabilize growth, employment and prices which may further promote economic recovery and development. From a long-term perspective, China's economy has strong resilience, great potential and vitality, while its long-term fundamentals remain unchanged.

Given an optimistic forecast of the macroeconomics in overall consumption market, our Group aims to further enhance our market shares through strategic management, development and expansion of our two core businesses as well as establish protective measures in a sustainable perspective.

我們的白酒產品包含我們配製的全系列醇香白酒產品，包裝、酒精度、設計、口味各異，且價格具競爭力，瞄準中國年輕一代大眾到中產階級的消費市場。我們的白酒產品以「帝王池」為商標銷售。

於本期間，來自白酒業務的分部收入約為人民幣139,510,000元（2022年：人民幣66,711,000元）。經計及原材料成本及生產費用後，毛利約為人民幣87,727,000元（2022年：人民幣38,621,000元）。本公司將通過以下方式推廣及探索其白酒產品的銷售管道：(i)在機場、火車站及網絡媒體平台投放廣告；及(ii)在中國舉辦品酒活動和多種酒類展覽及酒類商品展銷會。於本期間，相關銷售及分銷費用約佔分部收入的29.7%（2022年：11.5%）。分部溢利約人民幣44,500,000元（2022年：人民幣28,918,000元）。

#### 前景

在疫情後2023年中國經濟增長的預測中，疫情防控政策優化與調整的因素，將改善中國及全球經濟增長前景。

短期而言，2023年中國經濟整體向好具有以下有利條件：第一，隨著疫情防控措施的不斷優化，情景式消費與接觸消費將恢復並快速增長，整體消費將持續復甦；第二，後疫情時期基礎設施及製造業投資將繼續保持快速增長；第三，自2022年底以來實施的一系列政策的效果將繼續穩定增長、就業及價格，這可能進一步促進經濟復甦及發展。從長期看，中國經濟的韌性強、潛力及活力巨大，而其長期基本面並未改變。

鑒於對整體消費市場宏觀經濟的樂觀預測，本集團的目標是通過策略管理，發展及擴大我們的兩項核心業務並建立可持續的保護措施，進一步提高我們的市場份額。



# Management Discussion and Analysis

## 管理層討論及分析

The Group will continue to enhance its overall competitiveness and market share by strengthening its premium long-term relationship with existing customers, proactively developing new customers, continuing to strengthen its research and development capabilities and further expanding our product portfolio and geographical coverage. The Group also expects the business environment to be more challenging in the near future. The Group will continue to develop the Faux Leather Chemicals Business and maintain a sustainable growth in the faux leather chemicals manufacturing industry.

Meanwhile, the Group sees the opportunities in expansion of our Chinese Liquor Business in coping with the expected growth in consumption capacity. The assistance of Hunan Jinkai in promoting the Chinese Liquor Business, and the professional expertise of the management of the Company and Guizhou Dichiwang has ensured the operation of Baijiu production are able to maintain an effective and efficient communication in cooperating with the outsourced wine processing factory. Our sales channels are also expanding through implementation of various marketing strategies and advertisement in the brand name of “Diwang Chi” (帝王池). The Company believes that the Chinese Liquor Business will contribute significant value to the Company and its shareholders as a whole.

### INTERIM DIVIDEND

The Board did not recommend the payment of any interim dividend for the Period to the Shareholders.

### LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2023, the Group's current assets were approximately RMB357,049,000 (31 December 2022: RMB307,921,000), mainly comprising bank balances and cash (including pledged bank deposits), inventories, trade and bills receivables, prepayments, deposits and other receivables and financial assets at fair value through profit or loss. The Group's current liabilities were approximately RMB107,302,000 (31 December 2022: RMB95,585,000). The current ratio (the ratio of current assets to current liabilities) increase from approximately 3.22 times as at 31 December 2022 to approximately 3.33 times as at 30 June 2023.

As at 30 June 2023, bank borrowings were approximately RMB25,000,000 (31 December 2022: RMB10,000,000) of which RMB10,000,000 carried at a fixed rate and RMB15,000,000 carried at a variable rate. The bank borrowings were denominated in RMB.

本集團將通過鞏固優質現有客戶的長期合作關係、積極開發新客戶、繼續加強研發能力及進一步擴闊我們的產品組合及地域覆蓋範圍，繼續提升其整體競爭力及擴大市場份額。本集團亦預計近期的經營環境將面臨越來越大的挑戰。本集團將繼續發展人工革化學品業務並保持於人工革化學品製造業內的可持續增長。

與此同時，本集團認為，白酒業務的擴張機遇可迎合預期的消費能力增長。憑藉湖南金鎧協助推廣白酒業務，以及本公司管理層及貴州帝王池的專業知識，可以確保白酒產品的運營，能夠與外判白酒加工工廠的順暢及高效溝通與合作。透過以「帝王池」品牌實施各種營銷策略及廣告宣傳，亦可以拓闊我們的銷售渠道。本公司相信，白酒業務將整體上為本公司及其股東貢獻重大價值。

### 中期股息

董事會不建議向股東派付本期間之任何中期股息。

### 流動資金及資金來源

截至2023年6月30日，本集團流動資產約為人民幣357,049,000元（2022年12月31日：人民幣307,921,000元），主要包括銀行結餘及現金（包括已抵押銀行存款）、存貨、貿易應收款項及應收票據、預付款項、按金及其他應收款項及按公平值計入損益之金融資產。本集團流動負債約為人民幣107,302,000元（2022年12月31日：人民幣95,585,000元）。流動比率（流動資產與流動負債比率）由2022年12月31日的約3.22倍上升至2023年6月30日的約3.33倍。

於2023年6月30日，銀行借貸約為人民幣25,000,000元（2022年12月31日：人民幣10,000,000元），其中人民幣10,000,000元按固定利率計息及人民幣15,000,000元按浮動利率計息。銀行借貸以人民幣計值。

# Management Discussion and Analysis

## 管理層討論及分析

### Gearing Ratio

The gearing ratio is the ratio of net debt divided by total equity. Net debt is calculated as total debt net of cash and cash equivalents including pledged bank deposits. As at 30 June 2023, the Group recorded a net cash position (31 December 2022: the Group recorded a net cash position) and hence, no gearing ratio is computed for the end of the Period.

### Capital expenses

During the Period, the Group's capital expenditure was approximately RMB7,003,000 (2022: RMB15,874,000). Capital expenditure relates primarily to the purchase of plant and equipment.

### Capital Commitments

The capital commitments not provided for in the condensed consolidated financial statements as at 30 June 2023 was RMB1,560,000 (31 December 2022: RMB1,044,000), which represented the purchase of plant and machinery and automation transformation contracts.

## CAPITAL STRUCTURE

The number of issued ordinary shares of the Company (the "Shares") as at 30 June 2023 was 288,000,000 Shares (31 December 2022: 1,440,000,000 Shares).

The authorised share capital of the Company as at 30 June 2023 was US\$5,000,000 divided into 2,000,000,000 Shares with par value of US\$0.0025 each (31 December 2022: US\$1,000,000 divided into 2,000,000,000 Shares of par value of US\$0.0005 each).

### Share Consolidation

On 5 March 2023, the Company announced a proposed share consolidation on the basis that every five existing Shares of par value of US\$0.0005 each into one consolidated share of par value of US\$0.0025 each (the "Consolidated Share") in the share capital of the Company (the "Share Consolidation") and increase in authorised share capital of the Company (the "Increase in Authorised Share Capital").

### 資本負債比率

資本負債比率為債務淨額除以總權益的比率。債務淨額乃按總債務減現金及現金等價物（包括已抵押銀行存款）計算。於2023年6月30日，本集團錄得淨現金狀況（2022年12月31日本集團錄得淨現金狀況），因此，就本期間末並無計算資本負債比率。

### 資本開支

於本期間，本集團資本開支約為人民幣7,003,000元（2022年：人民幣15,874,000元）。資本支出主要與購買廠房設備有關。

### 資本承擔

於2023年6月30日未於簡明綜合財務報表中作備的資本承擔為人民幣1,560,000元（2022年12月31日：人民幣1,044,000元），為購買廠房機器設備及自動化改造等合約。

### 資本架構

於2023年6月30日本公司已發行普通股（「股份」）數目為288,000,000股股份（2022年12月31日：1,440,000,000股）。

於2023年6月30日，本公司之法定股本為5,000,000美元，分為2,000,000,000股每股面值0.0025美元之股份（2022年12月31日：1,000,000美元，分為2,000,000,000股每股面值0.0005美元之股份）。

### 股份合併

於2023年3月5日，本公司宣佈建議按本公司股本中每五股每股面值0.0005美元之現有股份合併為一股每股面值0.0025美元之合併股份（「合併股份」）之基準進行股份合併（「股份合併」）以及增加本公司之法定股本（「增加法定股本」）。

# Management Discussion and Analysis

## 管理層討論及分析

Upon the Share Consolidation became effective on 30 May 2023, the authorised share capital of the Company became US\$1,000,000 divided into 400,000,000 Consolidated Shares with par value of US\$0.0025 each, of which 288,000,000 Consolidated Shares were in issue and fully paid or credited as fully paid. Immediately following the Share Consolidation, the authorised share capital of the Company increased from US\$1,000,000 to US\$5,000,000 divided into 2,000,000,000 Consolidated Shares by the creation of an additional 1,600,000,000 Consolidated Shares.

Details of the Share Consolidation and the Increase in Authorised Share Capital were set out in the Company's announcements dated 5 March 2023, 18 April 2023, 5 May 2023, 29 May 2023, 30 May 2023 and circular dated 5 May 2023.

### Rights Issue

On 5 March 2023, the Company announced a proposed rights issue on the basis of three rights shares (the “**Rights Shares**”) for every two Shares in issue at a subscription price of HK\$0.67 per Rights Share (the “**Rights Issue**”) to raise for approximately HK\$289.44 million by issuing 432,000,000 Rights Shares to the qualifying shareholders. One valid acceptance and application had been received for a total of 1,128,309 Rights Shares. The Company has, pursuant to Rule 7.21(1)(b) of the Listing Rules, made the compensatory arrangements by entering into a placing agreement (the “**Placing Agreement**”) with a placing agent (the “**Placing Agent**”) pursuant to which the Company conditionally appointed the Placing Agent and the Placing Agent conditionally agreed to act as the placing agent for the Company to procure, on a best effort basis, places to subscribe for the 430,871,691 untaken shares (“**Untaken Shares**”) in accordance with the terms of the Placing Agreement. As all the 430,871,691 Untaken Shares were successfully placed at the price of HK\$0.67 per Share under the placing to more than six places.

股份合併於2023年5月30日生效後，本公司之法定股本為1,000,000美元，分為400,000,000股每股面值0.0025美元之合併股份，其中288,000,000股合併股份為已發行及繳足或入賬列作繳足。緊隨股份合併後，透過增設額外1,600,000,000股合併股份，本公司之法定股本由1,000,000美元增加至5,000,000美元（分為2,000,000,000股合併股份）。

股份合併及增加法定股本之詳情載於本公司日期為2023年3月5日、2023年4月18日、2023年5月5日、2023年5月29日、2023年5月30日之公告及日期為2023年5月5日之通函。

### 供股

於2023年3月5日，本公司宣佈建議按每持有兩股已發行股份獲發三股供股股份（「**供股股份**」）之基準進行供股，認購價為每股供股股份0.67港元（「**供股**」），以通過向合資格股東發行432,000,000股供股股份籌集約289,440,000港元。已收到合共一份有效接納及申請，涉及合共1,128,309股供股股份。根據上市規則第7.21(1)(b)條，本公司已透過與配售代理（「**配售代理**」）訂立配售協議（「**配售協議**」）作出補償安排，據此，本公司有條件委任配售代理，而配售代理有條件同意擔任本公司之配售代理，以根據配售協議條款竭盡所能促使承配人認購430,871,691股未獲承購股份（「**未獲承購股份**」）。由於配售事項之全部430,871,691股未獲承購股份已按每股0.67港元成功配售予超過六名承配人。

# Management Discussion and Analysis

## 管理層討論及分析

Subsequently on 28 July 2023, the Company allotted and issued 432,000,000 Rights Shares at subscription price of HK\$0.67 per Rights Shares, representing 100% of the total number of Rights Shares offered for subscription under the Rights Issue. The subscription price of the Rights Shares was approximately a premium of 1.52% over the theoretical closing price of HK\$0.66 per Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.132 per share as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 3 March 2023, being the last trading day). The net proceeds from the Rights Issue (after deducting the estimated expenses) were approximately HK\$286.55 million, representing a net price of approximately HK\$0.663 per Rights Share. The Company intends to apply the net proceeds from the Rights Issue as to (A) approximately HK\$228.55 million (representing approximately 79.8% of the net proceeds) for the development of the Chinese Liquor Business of which (i) approximately HK\$20 million in setting up four ancient-Chinese-style bistros in the PRC; (ii) approximately HK\$8.55 million for the working capital in operating the above-mentioned four bistros upon their opening; (iii) approximately HK\$100 million for building the brand of the Group’s Chinese baijiu products by launching sizeable advertising campaigns across different districts in the PRC; and (iv) approximately HK\$100 million for payment of manufacturing costs to the wine factory including (a) cost of raw materials; (b) processing fee; and (c) packaging fee for the production of the Group’s Chinese baijiu products; and (B) approximately HK\$58 million (representing approximately 20.2% of the net proceeds) to support the Faux Leather Chemicals Business.

Upon completion of the Rights Issue on 28 July 2023, the number of Shares in issue became 720,000,000 of par value US\$0.0025 each thereafter.

Details of the Rights Issue were set out in the Company’s announcements dated 5 March 2023, 18 April 2023, 5 May 2023, 30 May 2023, 3 July 2023, 27 July 2023, circular dated 5 May 2023 and prospectus dated 9 June 2023.

### Share Scheme

The Company has adopted a share option scheme on 10 February 2020 pursuant to which the total number of Shares in respect of which options may be granted under the Share Option Scheme shall not exceed 100,000,000 Shares. Following the effect of the Share Consolidation on 30 May 2023, the options may be granted under the Share Option Scheme shall not exceed 20,000,000 Shares.

其後於2023年7月28日，本公司按認購價每股供股股份0.67港元配發及發行432,000,000股供股股份，佔供股項下提呈可供認購之供股股份總數之100%。供股股份之認購價較股份之理論收市價每股0.66港元溢價約1.52%（經計及股份合併之影響，按股份於2023年3月3日（即最後交易日）在香港聯合交易所有限公司（「**聯交所**」）所報收市價每股0.132港元計算）。供股所得款項淨額（經扣除估計開支）約為286,550,000港元，相當於每股供股股份淨價約0.663港元。本公司擬將供股所得款項淨額用於以下用途：(A)約228,550,000港元（佔所得款項淨額之約79.8%）用於發展白酒業務，其中(i)約20,000,000港元用於在中國開設四間中國古風小酒館；(ii)約8,550,000港元用於前述四間小酒館開業後之營運資金；(iii)約100,000,000港元用於通過在中國不同地區開展大型廣告宣傳活動以建立本集團白酒產品之品牌；及(iv)約100,000,000港元用於向白酒工廠支付生產成本，包括生產本集團白酒產品所需之(a)原材料成本；(b)加工費用；及(c)包裝費用；及(B)約58,000,000港元（佔所得款項淨額之約20.2%）用於支持人工革化學品業務。

供股於2023年7月28日完成後，已發行股份數目其後為720,000,000股，每股面值0.0025美元。

供股詳情載於本公司日期為2023年3月5日、2023年4月18日、2023年5月5日、2023年5月30日、2023年7月3日、2023年7月27日之公告、2023年5月5日之通函及2023年6月9日之供股章程。

### 股份計劃

本公司已於2020年2月10日採納一項購股權計劃，據此，根據購股權計劃可能授出之購股權涉及之股份總數不得超過100,000,000股。股份合併於2023年5月30日生效後，根據購股權計劃可能授出之購股權不得超過20,000,000股股份。

# Management Discussion and Analysis

## 管理層討論及分析

The scheme mandate limit had not been refreshed and no options were granted since the date of adoption of the Share Option Scheme.

自購股權計劃之採納日期起計劃授權限額並未獲更新及並無授出購股權。

### Use of Proceeds from placing of new Shares under general mandate on 29 August 2022 (the "Placing 2022")

On 29 August 2022, 240,000,000 Shares were allotted and issued by the Company to the placees who were independent third parties under general mandate. The net proceeds from the Placing 2022 was approximately HK\$42,580,000 (equivalent to approximately RMB36,948,000).

### 於2022年8月29日根據一般授權配售新股份（「2022年配售事項」）之所得款項用途

於2022年8月29日，240,000,000股配售股份已由本公司根據一般授權配發及發行予屬獨立第三方之承配人。2022年配售事項所得款項淨額約為42,580,000港元（相當於約人民幣36,948,000元）。

As at 30 June 2023, the Company has utilised approximately HK\$41,480,000 (equivalent to approximately RMB35,993,000) for the purposes as listed below.

截至2023年6月30日，本公司已動用約41,480,000港元（相當於約人民幣35,993,000元）用於下列用途。

Intended uses	擬定用途	Intended uses of proceeds HK\$	Actual use of proceeds up to 30 June 2023 HK\$	Net proceeds unutilised as at 30 June 2023 HK\$
		所得款項擬定用途 港元	截至2023年6月30日 所得款項實際用途 港元	於2023年6月30日 未動用所得款項淨額 港元
Business development of the Chinese Liquor Business:	白酒業務的業務發展：			
– Launching Chinese baijiu products tasting and recommendation events for expanding customer base and sales network	– 舉辦白酒產品品鑒及推介活動以擴大大客戶群及銷售網絡	10,000,000	10,000,000	–
– Procurement of raw materials to manufacture the Group's Chinese baijiu products	– 採購原材料以生產本集團的白酒產品	11,290,000	11,290,000	–
General working capital:	一般營運資金：			
– Staff cost	– 員工成本	11,290,000	11,290,000	–
– Selling and distribution expenses	– 銷售及分銷開支	5,000,000	5,000,000	–
– Other office overhead and general corporate purposes	– 其他辦公開支及一般公司用途	5,000,000	3,900,000	1,100,000
		42,580,000	41,480,000	1,100,000



# Management Discussion and Analysis

## 管理層討論及分析

Details of the Placing 2022 were set out in the announcements of the Company dated 28 June 2022, 18 July 2022, 27 July 2022, 5 August 2022, 24 August 2022 and 29 August 2022.

### INVESTMENTS

As at 30 June 2023, the Group had invested in the shares of companies listed on the Stock Exchange with a total carrying amount of approximately RMB10,879,000 (equivalent to approximately HK\$11,800,000) (31 December 2022: RMB7,763,000 (equivalent to approximately HK\$8,690,000)). The Board considers any single investment with fair value accounting for more than 5% of the total assets of the Group as a significant investment. As the Group did not have any single investment accounting for 5% or more of the total assets of the Group as at 30 June 2023, the Group did not have any significant investments as at 30 June 2023.

The portfolio of equity investments as at 30 June 2023 is set out as follows.

2022年配售事項之詳情載列於本公司日期為2022年6月28日、2022年7月18日、2022年7月27日、2022年8月5日、2022年8月24日及2022年8月29日之公告。

### 投資

於2023年6月30日，本集團投資於聯交所上市公司股份，總賬面值約為人民幣10,879,000元（相當於約11,800,000港元）（2022年12月31日：人民幣7,763,000元（相當於約8,690,000港元））。董事會將公平值佔本集團總資產5%以上的單筆投資視作重大投資。由於本集團於2023年6月30日並無佔本集團總資產5%或以上的單筆投資，故本集團於2023年6月30日並無任何重大投資。

於2023年6月30日的股權投資組合如下：

	Investment cost	Unrealised fair value loss as at 30 June 2023	Fair value of the investment in listed securities as at 30 June 2023	Percentage of fair value of the investment in listed securities/ total assets of the Group as at 30 June 2023	
	投資成本 RMB'000 人民幣千元	於2023年 6月30日之 未變現 公平值虧損 RMB'000 人民幣千元	於2023年 6月30日之 上市證券投資之 公平值 RMB'000 人民幣千元	於2023年 6月30日上市 證券投資公平 值佔本集團 總資產百分比	
Financial assets at fair value through profit or loss	按公平值計入損益之 金融資產	23,425	(12,546)	10,879	2.17%

# Management Discussion and Analysis

## 管理層討論及分析

As at 30 June 2023, exchange gain of approximately RMB294,000 was recorded as a result of exchange of HK\$ to RMB. Details of the performance of financial assets at fair value through profit or loss during the Period are as follows:

於2023年6月30日，因將港元兌換為人民幣而錄得匯兌收益約人民幣294,000元。本期間內，按公平值計入損益之金融資產之表現詳情如下：

Description of investments	投資概述	Realised fair value gain/(loss) for the Period 本期間之已變現公平值收益／(虧損) RMB'000 人民幣千元	Unrealised fair value gain/(loss) for the Period 本期間之未變現公平值收益／(虧損) RMB'000 人民幣千元	Dividend received during the Period 本期間收取之股息 RMB'000 人民幣千元
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Listed securities in Hong Kong

香港上市證券

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2,822

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In view of the recent volatility in the securities market, the Directors expect the stock market to remain volatile in the coming year and the Group will continue to adopt a cautious approach in making investment decisions in securities trading so as to obtain a balance between risk and return.

鑒於近期證券市場波動，董事預期來年股票市場仍將波動，本集團於作證券交易投資決定時將繼續採取審慎措施，以在風險及回報之間取得平衡。

Save as disclosed above, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries, associates, joint ventures and capital assets during the Period.

除上文所披露者外，截至於本期間內，本集團並無任何重大投資、重大收購及出售附屬公司、聯營公司、合營企業及資本資產。

### CONTINGENT LIABILITIES

As at 30 June 2023, the Group did not record any material hire purchase commitments, contingent liabilities, guarantees or litigations against it.

### 或然負債

於2023年6月30日，我們並無錄得任何重大租購承擔、或然負債、擔保或針對我們之任何訴訟。

### FOREIGN CURRENCY RISK AND MANAGEMENT

The Group's sales and purchases are mainly denominated in RMB. The Group retains some of its foreign currency denominated funds, which are mainly denominated in Hong Kong dollars. Fluctuations in exchange rates have an impact on the foreign currency reserve and the Company is exploring and discussing measures to cope with the foreign exchange risk. As at 30 June 2023, the Group did not enter into any financial instruments to hedge foreign exchange.

### 外匯風險及管理

本集團的銷售及採購主要以人民幣計值。本集團仍留存部分以外幣計值的資金，主要為港元。匯率的波動對外幣資金儲備有一定影響，本公司正在探索及討論應對外匯風險的措施。於2023年6月30日，本集團並無訂立任何金融工具以對沖外匯。

### HUMAN RESOURCES

As at 30 June 2023, the Group had approximately 220 employees. The Group offers its employees competitive remuneration packages based on industry practices and the performance of individual employees. Year-end discretionary bonuses may be granted to reward and motivate high-performing employees.

### 人力資源

於2023年6月30日，本集團約有220名僱員。本集團基於行業慣例及個別僱員的表現為僱員提供具競爭力的薪酬待遇並可能會派發年終酌情花紅以獎勵及激勵表現優異的僱員。



# Management Discussion and Analysis

## 管理層討論及分析

The Group provides employee benefits in accordance with the relevant laws and regulations. As required by the PRC laws and regulations, the Group participates in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. The Group believes that it maintains a good working relationship with its employees. The employees in Hong Kong are members of the Mandatory Provident Fund Scheme of Hong Kong.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and to the knowledge of the Directors, the Company had maintained the prescribed public float under the Listing Rules at all times during the Period.

### CORPORATE GOVERNANCE

The Company has adopted the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as its own corporate governance code. The Company is committed to the establishment of good corporate governance practices and procedures with a view to becoming a transparent and responsible organisation which is open and accountable to the Shareholders. The Board strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency and accountability of all operations of the Group. The Company believes that effective corporate governance is essential for creating greater value to its Shareholders. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimise return for Shareholders. Since the Listing Date and up to the date of this report, the Group has strictly complied with the CG Code with the exception of the following deviations:

1. Code Provision C.2.1 of the CG Code stipulates that the roles of the chairman and chief executive should be separate. Code Provisions C.2.2 to C.2.9 further stipulate the various roles and responsibilities of the chairman. The Company’s chairman of the Board (the “Chairman”) Ms. Liu Jing resigned with effect from 25 May 2022. No replacement appointment of the Chairman was made after Ms. Liu Jing’s resignation and the Company has not had a Chairman since 25 May 2022. The Company will publish an announcement once an appointment has been made in accordance with the Listing Rules.

本集團根據相關法律及規例提供僱員福利。按照中國法律及法規規定，本集團為我們的僱員參與多項地方政府管理的僱員社會保障計劃，包括住房、退休金、醫療保險、生育保險及失業保險。本集團認為其與僱員保持良好的工作關係。香港僱員均為香港強制性公積金計劃的成員。

### 充足的公眾持股量

根據本公司可取得的公開資料，就董事所知，於本期間內任何時候，本公司一直維持上市規則規定的公眾持股量。

### 企業管治

本公司已採納《聯交所證券上市規則》（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）所載的守則條文作為本身之企業管治守則。本公司致力於建立良好的企業管治常規及程序，以成為透明而負責任的組織，向股東開放並對其負責。董事會堅守企業管治原則，且已採用良好的企業管治常規，以符合法律及商業準則，關注內部監控、公平披露及對全體股東負責等領域，以確保本集團所有營運活動的透明度及問責性。本公司認為，有效的企業管治是為股東創造更多價值的必要元素。為優化股東回報，董事會將繼續不時檢討及改善本集團的企業管治常規，以確保本集團由高效的董事會所領導。自上市日期至本報告日期，本集團嚴格遵守企業管治守則，惟以下偏離除外：

1. 企業管治守則之守則條文第C.2.1條規定主席及行政總裁之職責應有所區分。守則條文第C.2.2條至第C.2.9條進一步規定了主席之各種職責及責任。本公司董事會主席（「主席」）劉靜女士已自2022年5月25日起辭任。劉靜女士辭任後本公司並無委任主席之替代人選，以及本公司自2022年5月25日起並無主席。本公司將於作出有關委任後根據上市規則刊發公告。

# Management Discussion and Analysis

## 管理層討論及分析

2. Code Provision C.6.3 of the CG Code stipulates that the company secretary should report to the board chairman and/or the chief executive. As the Company did not have a Chairman or chief executive following the resignation of Ms. Liu Jing, the company secretary of the Company has reported to the executive Directors since 25 May 2022.
2. 企業管治守則之守則條文第C.6.3條規定公司秘書應向董事會主席及／或行政總裁報告。由於隨劉靜女士辭任後本公司並無主席或行政總裁，本公司之公司秘書自2022年5月25日起已向執行董事報告。
3. Code Provision F.2.2 of the CG Code stipulates that the chairman should attend the annual general meeting and should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, the chairman should invite another member of the committee or failing this their duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting. Since the company does not have a Chairman, Mr. Lam Kam Kong Nathaniel, an executive Director, took the chair of the annual general meeting held on 29 May 2023. Mr. Ho Ho Tung Armen, who was the chairman of the audit committee of the Company, and Mr. Lee Cheung Yuet Hoarce, who was the chairman of the nomination committee and the remuneration committee of the Company, attended the meeting and were available to answer any questions and ensure effective communication with the Shareholders.
3. 企業管治守則之守則條文第F.2.2條規定主席應出席股東週年大會，並且亦應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會（如適用）之主席出席大會。在該等委員會主席未克出席時邀請另一名委員會成員（或倘該名委員會成員未能出席，則其正式委任代表）出席大會。該等人士須在股東週年大會上回答提問。由於本公司並無主席，執行董事林錦洸先生已擔任於2023年5月29日舉行之股東週年大會之主席。本公司審核委員會主席何浩東先生以及本公司提名委員會及薪酬委員會主席李暢悅先生均已出席大會，且可回答提問並確保與股東保持有效溝通。

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

### 購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於本期間概無購買、出售或贖回任何本公司上市證券。

### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. Having made specific inquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code during the Period.

### 遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為有關董事進行證券交易的行為守則。經向所有董事作出特定查詢後，本公司確認，所有董事於本期間均已遵守標準守則所載的規定標準。

### EVENTS AFTER THE REPORTING PERIOD

Save for the Rights Issue as disclosed in the section headed "Capital Structure" in this report, there was no significant subsequent event after the Period which required disclosure up to the date of this report.

### 報告期後事項

除本報告「資本架構」一節披露之供股外，截至本報告日期，本期間後並無需要披露的重大期後事項。

## Corporate Governance and Other Data

### 企業管治及其他數據

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

As at 30 June 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) (the "SFO") which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be maintained pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules, are set out as follows:

#### 董事及最高行政人員于股份、相關股份及債權證中擁有的權益及淡倉

於2023年6月30日，董事及本公司最高行政人員擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所的本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證的權益及淡倉（包括根據證券及期貨條例的該等條文彼等被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條已登記於須予備存之登記冊，或根據上市規則附錄十所載之標準守則須知會本公司及香港聯交所的權益及淡倉如下：

Name	Capacity/Nature of interest	Number of Shares	Long/short position	Approximate percentage of shareholding in the Company 佔本公司股權之概約百分比
姓名	身份／權益性質	股份數目	好倉／淡倉	
Mr. Chen Hua	Interest in controlled corporation and interest of spouse <sup>(Note 1-2)</sup>	6,000,800	Long position	2.08%
陳華先生	受控法團權益及配偶權益 <sup>(附註1-2)</sup>		好倉	

Notes:

附註：

(1) As at 30 June 2023, Sunlight Global Investment Limited ("Sunlight Global") and Lilian Global Investment Limited ("Lilian Global") held approximately 1.25% and approximately 0.83%, respectively, of the total issued share capital of the Company. Sunlight Global is owned as to 61.20% by Mr. Chen Hua, 13.24% by Ms. Zhu Jianqin, 13.24% by Mr. Li Xiangyu, 9.24% by Mr. He Zhangcai, 2.14% by Mr. Chen Yong, 0.54% by Mr. Cai Jianming and 0.40% by Mr. Zhao Xuesheng. Lilian Global is wholly-owned by Ms. Liu Jing. Ms. Liu is therefore deemed to be interested in the Shares in which Lilian Global is interested under the SFO. Mr. Chen Hua, Ms. Liu Jing, Ms. Zhu Jianqin, Mr. Li Xiangyu, Mr. He Zhangcai, Mr. Zhao Xuesheng, Mr. Cai Jianming and Mr. Chen Yong are entitled to exercise or control the exercise of approximately 2.08% of the voting power at general meetings of our Company through exercising or controlling the exercise of the entire voting power at general meetings of Sunlight Global and Lilian Global, and therefore they are deemed to be interested in the Shares in which Sunlight Global and Lilian Global are interested under the SFO.

(1) 截至2023年6月30日，Sunlight Global Investment Limited（「Sunlight Global」）及Lilian Global Investment Limited（「Lilian Global」）分別持有本公司已發行股本的1.25%及0.83%。Sunlight Global由陳華先生、朱建琴女士、鄺向宇先生、何掌財先生、陳勇先生、蔡建明先生及趙學盛先生分別擁有61.20%、13.24%、13.24%、9.24%、2.14%、0.54%及0.40%。Lilian Global由劉靜女士全資擁有。因此，根據證券及期貨條例，劉女士被視為於Lilian Global擁有權益的股份中擁有權益。陳華先生、劉靜女士、朱建琴女士、鄺向宇先生、何掌財先生、趙學盛先生、蔡建明先生及陳勇先生有權透過於Sunlight Global及Lilian Global股東大會上行使或控制行使全部投票權於本公司股東大會上行使或控制行使約2.08%投票權，因此，根據證券及期貨條例，彼等被視為於Sunlight Global及Lilian Global擁有權益的股份中擁有權益。

## Corporate Governance and Other Data

### 企業管治及其他數據

(2) Mr. Chen Hua and Ms. Liu Jing are spouses to each other. Therefore, each of them is deemed to be interested in the Shares in which he or she is interested under the SFO.

Save as disclosed above, as at 30 June 2023, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be maintained pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

#### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

To the knowledge of the Directors of the Company, as at 30 June 2023, the following persons (other than the Directors and chief executive of the Company) have the following interests and short positions in the shares and underlying shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required pursuant to section 336 of the SFO to be entered in the register referred to therein.

Name	Capacity/Nature of interest	Number of Shares	Long/short position	Approximate percentage of shareholding in the Company 佔本公司股權之概約百分比
名稱	身份／權益性質	股份數目	好倉／淡倉	
Ms. Zheng Xiuyue 鄭秀月女士	Beneficial Owner 實益擁有人	52,000,000	Long position 好倉	18.06%

Save as disclosed above, as at 30 June 2023, to the knowledge of the Directors, no other person (other than the Directors and chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register referred to in section 336 of the SFO.

(2) 陳華先生及劉靜女士為配偶。因此，根據證券及期貨條例，彼等各自被視為於其擁有權益的股份中擁有權益。

除上文所披露者外，於2023年6月30日，概無董事或本公司最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的股份、相關股份及債權證的權益及淡倉（包括根據證券及期貨條例的該等條文彼等被當作或視為擁有的權益及淡倉），或須登記於根據證券及期貨條例第352條須予備存的登記冊內，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

#### 主要股東于股份及相關股份中的權益及淡倉

就本公司董事所知，於2023年6月30日，下列人士（董事或本公司主要高管除外）於本公司的股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部須知會本公司的權益及淡倉，或根據證券及期貨條例第336條須記錄於該條所指登記冊的權益及淡倉，或已知會本公司及香港聯交所的權益及淡倉。

除上文所披露者外，於2023年6月30日，就董事所知，概無其他人士（董事及本公司主要行政人員除外）於本公司的股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須予披露，或須登記於證券及期貨條例第336條所述的登記冊內之權益或淡倉。



# Corporate Governance and Other Data

## 企業管治及其他數據

### DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors or their respective close associates is or was interested in any business apart from the Group's business that competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the Period.

### INTERESTS OF DIRECTORS (AND THEIR CONNECTED ENTITIES) IN MATERIAL TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance to which the Company, its holding companies, or any of its subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, subsisted at any time during the Period.

### AUDIT COMMITTEE

As at 30 June 2023, the members of the audit committee of the Company (the "Audit Committee") comprise Mr. Ho Ho Tung Armen (chairman of the Audit Committee), Mr. Au Hei Ching, Mr. Lee Cheung Yuet Horace, Mr. Zheng Yu and Ms. Zhou Xiaochun, all of whom are independent non-executive Directors.

The Audit Committee has reviewed with the management of the Company the interim financial report and considered the significant accounting principles and policies adopted by the Company in addition to discussing the internal control and financial reporting matters in respect of this report.

The condensed consolidated interim financial report for the Period is unaudited.

### UPDATE ON DIRECTORS' INFORMATION

Below are the changes in the directors' information subsequent to the date of the annual report of the Company for the financial year ended 31 December 2022 and required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Ms. Zhu Jianqin has resigned as executive Director with effect on 3 March 2023.

Mr. Gu Jianguo has resigned as executive Director and the chairman of the Nomination Committee with effect from 3 March 2023.

### 董事于競爭性業務的權益

於本期間任何時間，董事或彼等各自的緊密連絡人現時或過往概無於除本集團的業務以外與本集團的業務直接或間接構成競爭或在現時或過往可能構成競爭的業務中擁有權益。

### 董事（及其關連實體）於重大交易、安排或合約中的權益

於本期間任何時間，概無董事或與董事有關連的實體於本公司、其控股公司或其任何附屬公司所訂立的重大交易、安排或合約中擁有重大權益。

### 審核委員會

於2023年6月30日，本公司審核委員會（「審核委員會」）成員包括何浩東先生（審核委員會主席）、區禧靖先生、李暢悅先生、鄭宇先生及周筱春女士，均為獨立非執行董事。

除討論有關本報告之內部監控及財務申報事宜外，審核委員會已聯同本公司管理層審閱中期財務報告，考慮本公司所採納主要會計準則及政策。

本期間之簡明綜合中期財務報告未經審核。

### 董事資料更新

以下為須根據上市規則第13.51B(1)條作出披露的本公司截至2022年12月31日止財政年度之年報日期之後董事資料的變更。

朱建琴女士已辭任執行董事，自2023年3月3日起生效。

顧建國先生已辭任執行董事及提名委員會主席，自2023年3月3日起生效。

## Corporate Governance and Other Data

### 企業管治及其他數據

Mr. Lam Kam Kong Nathaniel, as an executive Director, has been appointed as the chairman of the Nomination Committee with effect from 3 March 2023. He was later ceased to serve as the chairman of Nomination Committee but remain as a member of the Nomination Committee with effect from 21 April 2023.

Mr. Lee Cheung Yuet Horace, an independent non-executive Director, has been appointed as the chairman of the Nomination Committee with effect from 21 April 2023. From September 2020 to April 2023, Mr. Lee was an independent non-executive director of Kirin Group Holdings Limited (stock code: 8109) ("**Kirin Group**"), the listing of the shares of which were cancelled on the GEM of the Stock Exchange on 28 April 2023.

執行董事林錦洸先生已獲委任為提名委員會主席，自2023年3月3日起生效。彼其後不再擔任提名委員會主席，但仍擔任提名委員會成員，自2023年4月21日起生效。

獨立非執行董事李暢悅先生已獲委任為提名委員會主席，自2023年4月21日起生效。於2020年9月至2023年4月，李先生為麒麟集團控股有限公司（股份代號：8109）（「**麒麟集團**」）（其股份於2023年4月28日取消於聯交所GEM上市）之獨立非執行董事。

By Order of the Board  
**Diwang Industrial Holdings Limited**  
**Mr. Lam Kam Kong Nathaniel**  
*Executive Director*

承董事會命  
帝王實業控股有限公司  
執行董事  
林錦洸先生

Hong Kong  
31 August 2023

香港  
2023年8月31日

# Condensed Consolidated Statement of Profit of Loss and Other Comprehensive Income

## 簡明綜合損益及其他全面收益表

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

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 2022年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Note 附註		
<b>Revenue</b>	收入	251,529	199,737
Cost of sales	銷售成本	<b>(139,662)</b>	(142,683)
<b>Gross profit</b>	毛利	<b>111,867</b>	57,054
Other income	其他收入	299	920
Other gains and losses	其他收益及虧損	(14)	18
Impairment losses under expected credit loss ("ECL") model, net of reversed	預期信貸虧損(「預期信貸虧損」)模式下之減值虧損·扣除撥回	<b>(1,406)</b>	336
Net gain/(loss) on financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益(「按公平值計入損益」)的金融資產的收益/(虧損)淨額	<b>2,819</b>	(18,254)
Selling and distribution expenses	銷售及分銷開支	<b>(47,125)</b>	(11,812)
Administrative and general expenses	行政及一般開支	<b>(14,149)</b>	(13,626)
Share of result of an associate	分佔聯營公司業績	(39)	(35)
Finance costs	財務成本	<b>(291)</b>	(74)
<b>Profit before tax</b>	除稅前溢利	<b>51,961</b>	14,527
Income tax expenses	所得稅開支	<b>(12,508)</b>	(7,872)
<b>Profit for the period</b>	期內溢利	<b>39,453</b>	6,655
<b>Other comprehensive (loss)/income, net of income tax</b>	其他全面(虧損)/收益·扣除所得稅		
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目:</i>		
Exchange difference on translating foreign operation	換算海外業務之匯兌差額	<b>(584)</b>	1,593
<b>Other comprehensive (loss)/income for the period, net of income tax</b>	期內其他全面(虧損)/收益·扣除所得稅	<b>(584)</b>	1,593
<b>Total comprehensive income for the period, net of income tax</b>	期內全面收益總額·扣除所得稅	<b>38,869</b>	8,248
<b>Profit for the period attributable to:</b>	應佔期內溢利:		
Owners of the Company	本公司擁有人	<b>28,866</b>	257
Non-controlling interests	非控股權益	<b>10,587</b>	6,398
		<b>39,453</b>	6,655
<b>Total comprehensive income for the period attributable to:</b>	應佔期內全面收益總額:		
Owners of the Company	本公司擁有人	<b>28,282</b>	1,850
Non-controlling interests	非控股權益	<b>10,587</b>	6,398
		<b>38,869</b>	8,248
<b>Earnings per share attributable to owners of the Company</b>	本公司擁有人應佔每股盈利		
Basic and diluted (RMB cents)	基本及攤薄(人民幣分)	<b>10.02</b>	0.11



# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

As at 30 June 2023 於二零二三年六月三十日

			As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	110,828	108,507
Right-of-use assets	使用權資產		25,979	26,282
Investment in an associate	於一間聯營公司之投資		5,548	2,887
Deferred tax assets	遞延稅項資產		992	781
			<b>143,347</b>	<b>138,457</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		133,438	98,242
Trade and bills receivables	貿易應收款項及應收票據	14	166,009	144,766
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	15	14,476	6,610
Financial assets at FVTPL	按公平值計入損益的金融資產	16	10,879	7,763
Pledged bank deposits	已抵押銀行存款		7,615	2,428
Bank balances and cash	銀行結餘及現金		24,632	48,112
			<b>357,049</b>	<b>307,921</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	17	71,113	68,656
Other payables and accruals	其他應付款項及應計費用	18	7,633	8,493
Deferred income	遞延收入		137	137
Amount due to a related company	應付一間關連公司款項		461	447
Tax payables	應付稅項		2,958	7,852
Bank borrowings	銀行借貸	19	25,000	10,000
			<b>107,302</b>	<b>95,585</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>249,747</b>	<b>212,336</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>393,094</b>	<b>350,793</b>

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

As at 30 June 2023 於二零二三年六月三十日

			As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Non-current liability</b>	<b>非流動負債</b>			
Deferred income	遞延收入		3,842	410
<b>Net assets</b>	<b>資產淨值</b>		<b>389,252</b>	350,383
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	20	4,962	4,962
Reserves	儲備		354,461	326,179
Total equity attributable to owners of the Company	本公司擁有人應佔總權益		<b>359,423</b>	331,141
Non-controlling interests	非控股權益		<b>29,829</b>	19,242
<b>Total equity</b>	<b>總權益</b>		<b>389,252</b>	350,383

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

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 owners of the Company 本公司擁有人應佔							Non-controlling interests		Total equity
		Share capital	Share premium	Capital reserve	Statutory reserve	Exchange reserve	Retained earnings	Total	Non-controlling interests	Total equity	
		股本	股份溢價	資本儲備	法定儲備	匯兌儲備	保留盈利	合計	非控股權益	總權益	
		RMB'000	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	人民幣千元	
At 1 January 2022	於2022年1月1日	4,152	166,720	62,659	13,437	(5,013)	27,624	269,579	-	269,579	
Profit for the period	期內溢利	-	-	-	-	-	257	257	6,398	6,655	
Other comprehensive income for the period	期內其他全面收益	-	-	-	-	1,593	-	1,593	-	1,593	
Total comprehensive income for the period	期內全面收益總額	-	-	-	-	1,593	257	1,850	6,398	8,248	
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	599	-	(599)	-	-	-	
Capital contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	1,475	1,475	
At 30 June 2022 (Unaudited)	於2022年6月30日 (未經審核)	4,152	166,720	62,659	14,036	(3,420)	27,282	271,429	7,873	279,302	
At 1 January 2023	於2023年1月1日	4,962	202,858	62,659	20,379	(2,250)	42,533	331,141	19,242	350,383	
Profit for the period	期內溢利	-	-	-	-	-	28,866	28,866	10,587	39,453	
Other comprehensive loss for the period	期內其他全面虧損	-	-	-	-	(584)	-	(584)	-	(584)	
Total comprehensive (loss)/income for the period	期內全面(虧損)/收益總額	-	-	-	-	(584)	28,866	28,282	10,587	38,869	
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	3,984	-	(3,984)	-	-	-	
At 30 June 2023 (Unaudited)	於2023年6月30日 (未經審核)	4,962	202,858	62,659	24,363	(2,834)	67,415	359,423	29,829	389,252	

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

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6月30日止六個月	
		2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 2022年 RMB'000 人民幣千元 (Unaudited) (未經審核)
<b>Net cash used in operating activities</b>	<b>經營活動所用現金淨額</b>	<b>(22,161)</b>	(26,525)
<b>Investing activities</b>	<b>投資活動</b>		
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	(7,003)	(15,874)
(Increase)/decrease in pledged bank deposits	已抵押銀行存款減少	(5,187)	879
Net proceeds from disposal of financial assets at FVTPL	出售按公平值計入損益之金融資產之所得款項淨額	–	7,825
Capital injection to an associate	向一間聯營公司的注資	(2,700)	–
Interest received	已收利息	56	82
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(14,834)</b>	(7,088)
<b>Financing activities</b>	<b>融資活動</b>		
Interest paid	已付利息	(291)	(74)
Proceeds from bank borrowings	銀行借貸所得款項	25,000	10,000
Repayment of bank borrowing	償還銀行借貸	(10,000)	–
Repayment from a related company	關連公司還款	14	–
Capital contribution from non-controlling interests	非控股權益注資	–	1,475
<b>Net cash generated from financing activities</b>	<b>融資活動所得現金淨額</b>	<b>14,723</b>	11,401
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>	<b>(22,272)</b>	(22,212)
Cash and cash equivalents at the beginning of the period	期初之現金及現金等價物	48,112	28,447
Effect of foreign exchange rate changes	匯率變動之影響	(1,208)	356
Cash and cash equivalents at the end of the period	期末之現金及現金等價物	24,632	6,591

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. GENERAL INFORMATION

Diwang Industrial Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability. The registered office address is at 89 Nexus Way, Camana Bay, Grand Cayman KY-9009, Cayman Islands. The head office and principal place of the Group are located at No.2 Jiangshan Road, Meicheng Town, Jiande County, Hangzhou City, Zhejiang Province, the People’s Republic of China (“**PRC**”).

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and sales of faux leather chemicals and Chinese liquor.

The shares of the Company (the “**Shares**”) have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of international placing and Hong Kong public offer (collectively the “**Global Offering**”) on 12 March 2020 (the “**Listing Date**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is the presentation currency of the Company. All values are rounded to the nearest thousand (“**RMB’000**”) except otherwise indicated. The consolidated financial statements are presented in RMB, which is different from the Company’s functional currency of Hong Kong dollars (“**HK\$**”). The directors of the Company adopted RMB as the presentation currency as the Group’s operating activities are carried out in the PRC.

### 1. 一般資料

帝王實業控股有限公司(「**本公司**」, 連同其附屬公司「**本集團**」)根據公司法在開曼群島註冊成立為獲豁免有限公司。註冊辦事處地址為89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands。本集團總部及主要營業地點位於中華人民共和國(「**中國**」)浙江省杭州市建德市梅城鎮薑山路2號。

本公司為一家投資控股公司, 其附屬公司主要從事製造及銷售人工革化學品以及白酒。

本公司股份(「**股份**」)於2020年3月12日(「**上市日期**」)透過國際配售及香港公開發售(統稱「**全球發售**」)在香港聯合交易所有限公司(「**聯交所**」)主板上市。

綜合財務報表以人民幣(「**人民幣**」)呈列, 人民幣為本公司的呈列貨幣。除另有指明者外, 所有金額已約整至最接近的千位(「**人民幣千元**」)。綜合財務報表以人民幣呈列, 與本公司之功能貨幣港元(「**港元**」)不同。由於本集團的經營活動於中國進行, 故本公司董事採用人民幣作為呈列貨幣。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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 AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (“IAS 34”) “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”) as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial assets at FVTPL, which are measured at revalued amounts or fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards (“IFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2022.

### 2. 編製基準及主要會計政策

簡明綜合財務報表乃根據國際會計準則理事會(「國際會計準則理事會」)公佈之國際會計準則第34號(「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附錄16之適用披露規定編製。

簡明綜合財務報表已按歷史成本基準編製，惟按公平值計入損益之金融資產按重估金額或公平值(如適用)計量除外。

除因應用經修訂國際財務報告準則(「國際財務報告準則」)而產生的額外會計政策變動外，截至2023年6月30日止六個月的簡明綜合財務報表所採用的會計政策及計算方法與本集團截至2022年12月31日止年度的年度財務報表所呈列者一致。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2023 for the preparation of the Group’s condensed consolidated financial statements:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	Insurance Contracts
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS B	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities

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

### 3. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)

於本中期期間，本集團已就編製本集團之簡明綜合財務報表首次應用以下國際會計準則理事會所頒佈及於2023年1月1日開始的本集團年度期間強制生效的經修訂國際財務報告準則：

國際財務報告準則第17號(包括2020年6月及2021年12月國際財務報告準則第17號之修訂本)	保險合約
國際財務報告準則第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的資產出售或注資
國際財務報告準則第16號(修訂本)	售後租回的租賃負債
國際會計準則第1號(修訂本)	負債分類為流動或非流動
國際會計準則第1號(修訂本)	附帶契諾的非流動負債
國際會計準則第1號及國際財務報告準則實務公告第2號(修訂本)	會計政策披露
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有關的遞延稅項

於本期間應用經修訂國際財務報告準則對本集團於本期間及過往期間簡明綜合財務表現及狀況及／或該等簡明綜合財務報表所載披露並無重大影響。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. SEGMENT INFORMATION

#### (i) Operating segment information

Segment information is reported to the Board, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. This is also the basis upon which the Group is organised and managed.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2023

### 4. 分部資料

#### (i) 經營分部資料

向董事會(即主要經營決策者)呈報以供分配資源及評估分部表現之分部資料集中於所交付或所提供之商品或服務類型。此亦為本集團業務組織及管理之基準。

以下為本集團按報告及經營分部劃分的持續經營業務收入及業績分析：

截至2023年6月30日止六個月

		Faux leather chemicals 人工革化學品 RMB'000 人民幣千元 (Unaudited) (未經審核)	Chinese Liquor products 白酒產品 RMB'000 人民幣千元 (Unaudited) (未經審核)	Consolidated 綜合 RMB'000 人民幣千元 (Unaudited) (未經審核)
SEGMENT REVENUE	分部收入			
External sales	外部銷售	112,019	139,510	251,529
Segment profit	分部溢利	4,544	44,500	49,044
Other income	其他收入			299
Other gains and losses	其他收益及虧損			(14)
Share of results of an associate	分佔聯營公司業績			(39)
Net gain on financial assets at FVTPL	按公平值計入損益之金融資產之收益淨額			2,819
Finance costs	財務成本			(291)
Unallocated corporate expenses	未分配企業開支			143
Group's profit before tax	本集團之除稅前溢利			51,961

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. SEGMENT INFORMATION (continued)

#### (i) Operating segment information (continued)

The following is an analysis of the Group's revenue and results by reportable and operating segments: (continued)

Six months ended 30 June 2022

### 4. 分部資料(續)

#### (i) 經營分部資料(續)

以下為本集團按報告及經營分部劃分的持續經營業務收入及業績分析：(續)

截至2022年6月30日止六個月

		Faux leather chemicals 人工革化學品 RMB'000 人民幣千元 (Unaudited) (未經審核)	Chinese Liquor products 白酒產品 RMB'000 人民幣千元 (Unaudited) (未經審核)	Consolidated 綜合 RMB'000 人民幣千元 (Unaudited) (未經審核)
SEGMENT REVENUE	分部收入			
External sales	外部銷售	133,026	66,711	199,737
Segment profit	分部溢利	5,851	28,918	34,769
Other income	其他收入			920
Other gains and losses	其他收益及虧損			18
Share of results of an associate	分佔聯營公司業績			(35)
Net loss on financial assets at FVTPL	按公平值計入損益之金融資產之虧損淨額			(18,254)
Finance costs	財務成本			(74)
Unallocated corporate expenses	未分配企業開支			(2,817)
Group's profit before tax	本集團之除稅前溢利			14,527

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. SEGMENT INFORMATION (continued)

#### (i) Operating segment information (continued)

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

### 4. 分部資料(續)

#### (i) 經營分部資料(續)

以下為本集團按呈報分部劃分的資產及負債分析：

		30 June 2023 2023年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2022 2022年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Assets</b>	<b>資產</b>		
Faux leather chemicals	人工革化學品	297,976	266,508
Chinese Liquor products	白酒產品	158,842	116,535
Unallocated corporate assets	未分配企業資產	43,578	63,335
Consolidated total assets	綜合資產總額	<b>500,396</b>	446,378

		30 June 2023 2023年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2022 2022年12月31日 RMB'000 人民幣千元 (Audited) (經審核)
<b>Liabilities</b>	<b>分部資產</b>		
Faux leather chemicals	人工革化學品	76,051	42,030
Chinese Liquor products	白酒產品	24,171	40,857
Unallocated corporate liabilities	未分配企業負債	10,922	13,108
Consolidated total liabilities	綜合負債總額	<b>111,144</b>	95,995

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. SEGMENT INFORMATION (continued)

#### (i) Operating segment information (continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- segment profit represents the profit earned by each segment without allocation of other income, other gains and losses, share of result of an associate, net gain/(loss) on financial assets at FVTPL, finance cost and unallocated corporate expenses.
- all assets are allocated to reportable segments other than investment in an associate, financial assets at FVTPL and corporate assets.
- all liabilities are allocated to reportable segments other than corporate liabilities.

#### (ii) Geographical information

The Group's operation is principally in the PRC and all its non-current assets are situated in the PRC.

The Group's revenue is derived from the PRC and overseas (i.e. Mexico, Turkey and Vietnam) based on the location of goods delivered as follows:

### 4. 分部資料(續)

#### (i) 經營分部資料(續)

就監察分部表現及分部間資源分配而言：

- 分部溢利指各分部賺取的溢利，其中未分配其他收入、其他收益及虧損、分佔聯營公司業績、按公平值計入損益之金融資產之收益／(虧損)、財務成本及未分配企業開支。
- 除於一間聯營公司的投資、按公平值計入損益之金融資產及企業資產外，所有資產分配至可呈報分部。
- 除企業負債外，所有負債分配至可呈報分部。

#### (ii) 地理資料

本集團主要於中國營運，且其所有非流動資產均位於中國。

本集團自中國及海外(即墨西哥、土耳其及越南)產生的收入按所交付貨物地點載列如下：

		Six months ended 30 June	
		截至6月30日止六個月	
		2023	2022
		2023年	2022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)
The PRC	中國	248,377	197,289
Overseas	海外	3,152	2,448
		<b>251,529</b>	<b>199,737</b>

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

Revenue represents the amounts received and receivable from the sales of faux leather chemicals and Chinese liquor, net of discounts, sales return and sales related taxes during the periods.

### 5. 收入

收入指期內就銷售人工革化學品以及白酒已收及應收款項(經扣除折扣、銷售退貨及銷售相關稅項)。

#### Six months ended 30 June 截至6月30日止六個月

2023	2022
2023年	2022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)

Revenue from contracts with customers: 來自客戶合約之收入:

*Recognised at a point in time*

於某一時間點確認

Sales of faux leather chemicals

銷售人工革化學品

112,019

133,026

Sales of Chinese baijiu

銷售白酒產品

139,510

66,711

251,529

199,737

The Group has applied the practical expedient under IFRS 15 so that the transaction price allocated to unsatisfied performance obligations are not disclosed as such contracts have an original expected duration of one year or less.

本集團已根據國際財務報告準則第15號採用實際權宜方法，因此未披露分配至未履行履約責任的交易價格，原因是該等合約的原預期期限為一年或以下。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. OTHER INCOME

### 6. 其他收入

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 2022年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Bank interest income	銀行利息收入	55	82
Government grant (Note)	政府補助(附註)	73	538
Sundry income	雜項收入	120	123
Sales of raw materials	銷售原材料	51	177
		<b>299</b>	<b>920</b>

Note: Government grants represent various form of subsidies granted to the Group by the local governmental authorities in the PRC for compensation of expenses incurred by the Group. These grants are generally made for business support and awarded to enterprises on a discretionary basis. The Group received these government grants in respect of its investments in the PRC. There are no unfulfilled conditions or contingencies relating to these grants.

附註：政府補助指中國地方政府機關向本集團提供的各種形式的補貼，用於補償本集團產生的費用。該等補助一般用於業務支援，並酌情授予企業。本集團就其於中國的投資接受該等政府補助。概無與該等補助有關的未履行條件或或然事項。

### 7. OTHER GAINS AND LOSSES

### 7. 其他收益及虧損

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 2022年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	(1)
Exchange (loss)/gain	匯兌(虧損)/收益	(14)	19
		<b>(14)</b>	<b>18</b>

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 8. FINANCE COSTS

### 8. 財務成本

Six months ended 30 June

截至6月30日止六個月

2023	2022
2023年	2022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)

Interest on bank borrowings wholly repayable within one year	須於一年內悉數償還的銀行借貸之利息	<b>291</b>	74
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### 9. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

### 9. 除稅前溢利

除稅前溢利乃經扣除/(計入)以下各項達致：

Six months ended 30 June

截至6月30日止六個月

2023	2022
2023年	2022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)

Directors' remuneration	董事薪酬	<b>878</b>	812
Staff costs (excluding directors' remuneration)	員工成本(不包括董事薪酬)		
– wages, salaries, allowances and bonus	– 工資、薪金、津貼及花紅	<b>12,488</b>	11,661
– contributions to retirement benefits schemes	– 退休福利計劃供款	<b>1,388</b>	1,381
		<b>14,754</b>	13,854
Less: amounts included in cost of sales	減：計入銷售成本的款項	<b>(4,917)</b>	(4,574)
		<b>9,837</b>	9,280
Cost of inventories recognised as an expense	確認為開支之存貨成本	<b>139,662</b>	142,683
Research and development expenses	研發開支	<b>4,304</b>	5,519
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>4,663</b>	3,405
Depreciation of right-of-use assets	使用權資產折舊	<b>303</b>	303
Expenses for short term lease	短期租賃開支	<b>675</b>	200

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 10. INCOME TAX EXPENSES

### 10. 所得稅開支

		Six months ended 30 June	
		截至6月30日止六個月	
		2023	2022
		2023年	2022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)
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)		
– Current income tax	– 即期所得稅	12,719	7,872
Deferred tax	遞延稅項	(211)	–
Total tax charge for the period	期內稅項支出總額	12,508	7,872

### 11. EARNINGS PER SHARE

The calculation of the basic earnings per share during the period is based on the profit for the period attributable to owners of the Company of approximately RMB28,866,000 (six months ended 30 June 2022: RMB257,000) and the weighted average number of ordinary shares in issue during the period of 288,000,000 (six months ended 30 June 2022: 240,000,000) (restated) in issue during the period, which has been retrospectively adjusted to take into account the share consolidation (the "Share Consolidation") on the basis that every five issued and unissued existing shares of US\$0.0005 each were consolidated into one consolidated share of US\$0.0025 each, which was completed on 29 May 2023 after the current reporting period, details of which are disclosed in Note 24. The corresponding weighted average number of ordinary shares in issue for the period ended 30 June 2022 has also been retrospectively adjusted to reflect the Share Consolidation. Diluted earnings per share were same as the basic earnings per share as there were no potential dilutive ordinary shares in issue during the six months ended 30 June 2023 and 2022.

### 11. 每股盈利

期內每股基本盈利乃根據期間內本公司擁有人應佔期內溢利約人民幣28,866,000元(截至2022年6月30日止六個月:約人民幣257,000元)及期內已發行普通股的加權平均數288,000,000股(截至2022年6月30日止六個月:240,000,000股)(經重列)計算,且已予追溯調整,以考慮按每五股已發行及未發行每股面值0.0005美元之現有股份合併為一股每股面值0.0025美元之合併股份之基準進行之股份合併(「股份合併」)。股份合併已於本報告期後於2023年5月29日完成,其詳情於附註24披露。截至2022年6月30日止期間已發行普通股之相關加權平均數亦已予追溯調整,以反映股份合併。每股攤薄盈利與每股基本盈利相同,原因是截至2023年及2022年6月30日止六個月內並無已發行的潛在攤薄普通股。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. EARNINGS PER SHARE (continued)

### 11. 每股盈利(續)

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (Unaudited) (未經審核)	2022 2022年 (Unaudited) (未經審核)
Profit for the period attributable to owners of the Company (RMB'000)	本公司擁有人應佔期內溢利(人民幣千元)	28,866	257
Weighted average number of ordinary shares ('000)	普通股加權平均數(千股)	288,000	240,000
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	10.02	0.11

### 12. DIVIDENDS

The Board does not declare the payment of an interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: nil).

### 12. 股息

董事會並無宣派截至2023年6月30日止六個月之中期股息(截至2022年6月30日止六個月：無)。

### 13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2023, the Group acquired property, plant and equipment at a cost of approximately RMB7,003,000 (six months ended 30 June 2022: RMB15,874,000).

### 13. 物業、廠房及設備

截至2023年6月30日止六個月，本集團以成本約人民幣7,003,000元(截至2022年6月30日止六個月：人民幣15,874,000元)收購物業、廠房及設備。

### 14. TRADE AND BILLS RECEIVABLES

### 14. 貿易應收款項及應收票據

		As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	貿易應收款項	141,703	126,923
Less: provision for impairment	減：減值撥備	(6,614)	(5,209)
Bills receivables	應收票據	135,089 30,920	121,714 23,052
Total trade and bills receivables – net	總貿易應收款項及應收票據—淨額	166,009	144,766

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 14. TRADE AND BILLS RECEIVABLES (continued)

The following is an ageing analysis of trade receivables presented based on the invoice date:

Within 30 days	30天內
31 to 90 days	31至90天
91 to 180 days	91至180天
181 to 365 days	181至365天
Over 1 year	超過1年

### 14. 貿易應收款項及應收票據(續)

貿易應收款項按發票日期呈列的賬齡分析如下：

As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
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63,404	54,873
47,461	37,553
16,156	19,308
6,739	13,220
7,943	1,969

<b>141,703</b>	<b>126,923</b>
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As at 30 June 2023 and 2022, all bills receivables are with a maturity period of less than 6 months.

於2023年及2022年6月30日，所有應收票據的到期期間均少於6個月。

### 15. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Other receivables, net of allowance of ECL	其他應收款項，扣除預期信貸虧損撥備
Deposits	按金
Prepayment	預付款項

### 15. 預付款項、按金及其他應收款項

As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
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310	174
1,946	1,946
12,220	4,490
<b>14,476</b>	<b>6,610</b>

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 16. FINANCIAL ASSETS AT FVTPL

### 16. 按公平值計入損益的金融資產

	As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Listed equity securities in Hong Kong 香港上市股本證券	10,879	7,763

The listed equity securities are classified as current as the management expects to realise these financial assets within twelve months after the reporting period. The listed equity securities are stated at fair values which are determined with reference to quoted market bid prices.

由於管理層預期於報告期後十二個月內變現該等金融資產，故上市股本證券分類為流動。上市股本證券按參考市場報價釐定之公平值列賬。

### 17. TRADE AND BILLS PAYABLES

### 17. 貿易應付款項及應付票據

	As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables 貿易應付款項	52,075	60,562
Bills payables 應付票據	19,038	8,094
	71,113	68,656

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 17. TRADE AND BILLS PAYABLES (continued)

The average credit period from suppliers is up to 30 to 90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

### 17. 貿易應付款項及應付票據(續)

供應商提供的平均信貸期最長為30至90天。於報告期末貿易應付款項按發票日期呈列的賬齡分析載列如下：

		As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Within 30 days	30天內	31,746	51,577
31 to 90 days	31至90天	14,770	6,300
91 to 180 days	91至180天	3,684	1,930
181 to 365 days	181至365天	1,365	283
Over 1 year	超過1年	510	472
		<b>52,075</b>	60,562

As at 30 June 2023 and 2022, all bills payables are with a maturity period of less than 6 months.

於2023年及2022年6月30日，所有應付票據的到期期間均少於6個月。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 18. OTHER PAYABLES AND ACCRUALS

### 18. 其他應付款項及應計費用

		As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
Accrued staff costs	應計員工成本	2,195	1,812
Accrued expenses and other payables	應計開支及其他應付款項	5,263	6,072
Contract liabilities	合約負債	175	609
		<b>7,633</b>	<b>8,493</b>

### 19. BANK BORROWINGS

During the current interim period, the Group obtained new bank loans amounting to RMB25,000,000 (six months ended 30 June 2022: RMB10,000,000). The loans carry interest at fixed market rates of 3.75% and are repayable in one year, variable loan prime rate less 0.55% and are repayable in three years. The bank borrowing is secured by the pledge of certain right-of-use assets of the Group with net book value of approximately RMB37,781,000.

### 19. 銀行借貸

於本中期期間，本集團新增銀行貸款人民幣25,000,000元（截至2022年6月30日止六個月：人民幣10,000,000元）。貸款按固定市場利率3.75%計息，且須於一年內償還以及按浮動貸款市場報價利率減0.55%計息，且須於三年內償還。銀行借貸以抵押本集團賬面淨值約人民幣37,781,000元之若干使用權資產作擔保。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. SHARE CAPITAL

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

### 20. 股本

本公司的股本變動詳情如下：

		Number of shares 股份數目	Share capital 股本 RMB'000 人民幣千元
Authorised:	法定：		
<b>At 1 January 2022 (Audited), 31 December 2022 (Audited), 1 January 2023 (Audited), ordinary share of US\$0.0005 each</b>	於2022年1月1日(經審核)、2022年12 月31日(經審核)、2023年1月1日 (經審核), 每股面值0.0005美元的 普通股	<b>2,000,000,000</b>	<b>6,700</b>
Share consolidation (Note)	股份合併(附註)	(1,600,000,000)	-
Increase in authorised share capital (Note)	增加法定股本(附註)	1,600,000,000	28,327
At 30 June 2023 (Unaudited), ordinary share of US\$0.0025 each	於2023年6月30日(未經審核), 每股面值0.0025美元的普通股	2,000,000,000	35,027
Issued and fully paid:	已發行及繳足：		
At 1 January 2022 (Audited), ordinary share of US\$0.0005 each	於2022年1月1日(經審核), 每股面值0.0005美元的 普通股	1,200,000,000	4,152
Placing new shares	配售新股份	240,000,000	810
At 31 December 2022 (Audited), and 1 January 2023 (Audited), ordinary share of US\$0.0005 each	於2022年12月31日(經審核)及 2023年1月1日(經審核), 每股面值0.0005美元的普通股	1,440,000,000	4,962
Share Consolidation (Note)	股份合併(附註)	(1,152,000,000)	-
At 30 June 2023 (Unaudited), ordinary share of US\$0.0025 each	於2023年6月30日, 每股面值 0.0025美元的普通股	288,000,000	4,962

Note: Details of increase in authorised share capital and share consolidation are set out in note 24.

附註：增加法定股本及股份合併之詳情載於附註24。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. MATERIAL RELATED PARTIES TRANSACTIONS

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group had the following transactions with its related parties during the reporting period:

#### (a) Recurring transaction

Rental expenses to a related party	支付予一名關連方的租金開支
– Hanzhou Qiyue Investment Management Co., Ltd.* (note)	– 杭州啟越投資管理有限公司 (附註)

\* English name is for identification purpose only.

The Group entered into lease agreement and supplement lease agreement with Hangzhou Qiyue Investment Management Co., Ltd. for the lease of the leased premise (the “**Leased Premises**”) for a term commencing on 1 January 2021 and ending on 30 June 2021; and 1 July 2021 and ending on 31 December 2021 and further entered into supplement lease agreements to extend lease term commencing on 1 January 2022 and ending on 30 June 2022; 1 July 2022 and ending on 31 December 2022; and 1 January 2023 and ending on 30 June 2023 (collectively, the “**Lease Agreement**”). The rent payable under the Lease Agreement was determined with reference to the prevailing market rent for similar properties at the same development and in neighbouring areas at which the Leased Premises are located that the rent payable under the Lease Agreement is fair and reasonable and consistent with the market rent for similar premises in similar locations. The transaction contemplated under the Lease Agreement is fully exempt from shareholders’ approval and all disclosure requirements under Chapter 14A of the Listing Rules.

### 21. 重大關連方交易

除簡明綜合財務報表中其他章節所披露者外，本集團於報告期內與關連方進行的交易如下：

#### (a) 經常性交易

Six months ended 30 June	
截至6月30日止六個月	
2023	2022
2023年	2022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)

675	200
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本集團就租用租賃物業(「租賃物業」)與杭州啟越投資管理有限公司訂立租賃協議及補充租賃協議，期限由2021年1月1日起至2021年6月30日止；及2021年7月1日起至2021年12月31日止，並進一步訂立補充租賃協議，以延長租期，由2022年1月1日起至2022年6月30日止；2022年7月1日起至2022年12月31日止；及2023年1月1日起至2023年6月30日止(統稱「租賃協議」)。根據租賃協議應付之租金乃參考租賃物業所處鄰近區域發展程度相若物業的當前市場租金釐定，且根據租賃協議應付之租金屬公平合理，與相若區域相若物業的市場租金一致。租賃協議項下擬進行交易獲全面豁免遵守上市規則第14A章的股東批准及所有披露規定。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. MATERIAL RELATED PARTIES TRANSACTIONS (continued)

#### (a) Recurring transaction (continued)

Note: Hangzhou Qiyue Investment Management Co., Ltd. is a former shareholder of Zhejiang Sunlight Material Technology Co., Ltd. which is beneficially owned as to by Mr. Chen Hua. Mr. Chen Hua is a director and a shareholder of the Company.

#### (b) Compensation of key management personnel

### 21. 重大關連方交易(續)

#### (a) 經常性交易(續)

附註：杭州啟越投資管理有限公司為浙江深藍新材料科技有限公司的前股東，其由陳華先生實益擁有。陳華先生為本公司董事及股東。

#### (b) 主要管理人員薪酬

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2022 2022年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,261	1,908
Contributions to retirement benefits schemes	退休福利計劃供款	25	68
		<b>1,286</b>	<b>1,976</b>

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 22. COMMITMENTS

Capital commitments of the Group as at 30 June 2023 and 31 December 2022 not provided for in the condensed consolidated financial statements were as follows:

Contracted but not provided for  
– Purchase of property, plant and equipment

已訂約但未撥備  
– 購買物業、廠房及設備

As at 30 June 2023 於 2023年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	As at 31 December 2022 於 2022年 12月31日 RMB'000 人民幣千元 (Audited) (經審核)
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1,560	1,044
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### 23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

### 23. 金融工具之公平值計量

下表呈列本集團於報告期末按經常性基準計量並分類為國際財務報告準則第13號公平值計量定義之三級公平值層級之金融工具的公平值。對公平值計量進行分類之等級乃參照如下估值方法所用輸入數據之可觀察性及重要性而釐定：

- 第一級估值：僅使用第一級輸入數據(即於計量日同類資產或負債於活躍市場之未經調整報價)計量之公平值。
- 第二級估值：使用第二級輸入數據(即未能達到第一級之可觀察輸入數據)且並未使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據為不能獲得市場數據之輸入數據。
- 第三級估值：使用重大不可觀察輸入數據計量之公平值。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

The following table presents the Group's financial assets that were measured at fair value.

#### Fair value hierarchy as at 30 June 2023: 於2023年6月30日之公平值層級：

	Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)
Financial assets at FVTPL				
按公平值計入損益的 金融資產				
Listed equity securities	10,879	-	-	10,879
上市股本證券				

#### Fair value hierarchy as at 31 December 2022: 於2022年12月31日之公平值層級：

	Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
	(Audited) (經審核)	(Audited) (經審核)	(Audited) (經審核)	(Audited) (經審核)
Financial assets at FVTPL				
按公平值計入損益的 金融資產				
Listed equity securities	7,763	-	-	7,763
上市股本證券				

There were no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments and no change in valuation techniques during the Period.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities of the Group recorded at amortised cost in the condensed consolidated financial statements at the end of the reporting period approximate their fair values as these financial instruments are short term in nature.

### 23. 金融工具之公平值計量(續)

下表呈列本集團按公平值計量之金融資產於2023年6月30日。

期內計量金融工具公平值所用公平值層級之間並無轉撥且估值技巧並無變動。

本公司董事認為，於報告期末本集團於簡明綜合財務報表內按攤銷成本列賬之金融資產及金融負債之賬面值與其公平值相若，乃因為該等金融工具屬短期性質。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 24. EVENT AFTER REPORTING PERIOD

On 3 March 2023, the Board proposed to implement the Share Consolidation, pursuant to which every five (5) issued and unissued ordinary shares of US\$0.0005 each before the Share Consolidation (“**Existing Share(s)**”) will be consolidated into one (1) ordinary share of US\$0.0025 each (“**Consolidated Share(s)**”). Also, the Board proposed to increase the authorised share capital of the Company from US\$1,000,000 divided into 2,000,000,000 Existing Shares to US\$5,000,000 divided into 10,000,000,000 Existing Shares (or 2,000,000,000 Consolidated Shares upon the Share Consolidation becoming effective) (“**Increase in Authorised Share Capital**”). Subject to the Share Consolidation and the Increase in Authorised Share Capital having become effective, the Board proposed to offer for subscription of the Consolidated Shares to be allotted and issued (“**Rights Share(s)**”) on the basis of five (5) Rights Shares for every one (1) Consolidated Share held as at the date by reference to which provisional allotments under the Rights Issue were expected to be determined (the “**Record Date**”), at the subscription price (the “**Subscription Price**”) of HK\$0.67 per Rights Share (the “**Rights Issue**”), to raise up to approximately HK\$289.44 million before expenses by way of issuing up to 432,000,000 Rights Shares.

On 3 March 2023, the Company and the placing agent (the “**Placing Agent**”), CNI Securities Group Limited, entered into the placing agreement (“**Placing Agreement**”), pursuant to which the Company conditionally appointed the Placing Agent and the Placing Agent conditionally agreed to act as the placing agent for the Company to procure, on a best effort basis, places to subscribe for the Placing Shares (i.e. the number of unsubscribed Rights Shares(s) not taken up by the shareholders whose name(s) appeared on the register of members of the Company on the Record Date other than the overseas shareholders whom the Board considered necessary or expedient to exclude (“**NQS**”) from the Rights Issue (“**Unsold Shares**”) and/or the NQS Unsold Share(s) during the Rights Issue) on the terms and subject to the conditions set out in the Placing Agreement (the “**Placing**”). If all the Right Shares are already fully taken up in the Rights Issue through the provisional allotment letter(s), the Placing will not proceed.

### 24. 報告期後事項

於2023年3月3日，董事會建議實施股份合併，據此，股份合併前每五(5)股已發行及未發行每股面值0.0005美元的普通股(「現有股份」)將合併為一(1)股每股面值0.0025美元的普通股(「合併股份」)。董事會亦建議將本公司的法定股本由1,000,000美元(分為2,000,000,000股現有股份)增加至5,000,000美元(分為10,000,000,000股現有股份)(或股份合併生效後2,000,000,000股合併股份)(「增加法定股本」)。待股份合併及增加法定股本生效後，董事會建議按於供股項下暫定配額參考其釐定的日期(「記錄日期」)每持有一(1)股合併股份獲發五(5)股供股股份的基準，以認購價(「認購價」)每股供股股份0.67港元提呈認購將予配發及發行的合併股份(「供股股份」)進行供股(「供股」)，透過發行最多432,000,000股供股股份籌集最多約289,440,000港元(扣除開支前)。

於2023年3月3日，本公司與配售代理(「配售代理」)中國北方證券集團有限公司訂立配售協議(「配售協議」)，據此，本公司有條件委任配售代理，而配售代理有條件同意擔任本公司的配售代理，以按配售協議所載條款並受其條件所限，竭盡所能促使承配人認購配售股份(即供股中未獲於記錄日期名列本公司股東登記名冊的股東(不包括董事會認為有必要或適宜自供股中排除的海外股東(「不合資格股東」))承購的未認購供股股份(「未售股份」)及/或不合資格股東未售股份數目)(「配售事項」)。倘所有供股股份已於供股中透過暫定配額通知書獲悉數承購，配售事項將不會進行。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

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

### 24. EVENT AFTER REPORTING PERIOD

*(continued)*

Pursuant to an extraordinary general meeting on 25 May 2023, the proposed Increase in Authorized Share Capital, Share Consolidation and the Rights Issue have been duly passed by the shareholders by way of poll. The proposed Share Consolidation has taken effect on 29 May 2023, and the proposed Rights Issue and Placing has taken effect on 3 July 2023.

For details, please refer to the announcements of the Company dated 3 March 2023, 18 April 2023, 24 April 2023, 5 May 2023, 25 May 2023, 29 May 2023, 30 May 2023, 9 June 2023, 3 July 2023 respectively, and the prospectus of the Company regarding the Rights Issue dated 9 June 2023.

### 24. 報告期後事項(續)

根據於2023年5月25日舉行的股東特別大會，建議增加法定股本、股份合併及供股已獲股東以投票表決方式正式通過。建議股份合併已於2023年5月29日生效，以及建議供股及配售事項已於2023年7月3日生效。

詳情分別載於本公司日期為2023年3月3日、2023年4月18日、2023年4月24日、2023年5月5日、2023年5月25日、2023年5月29日、2023年5月30日、2023年6月9日、2023年7月3日的公告，及本公司日期為2023年6月9日有關供股的供股章程。



**DIWANG INDUSTRIAL HOLDINGS LIMITED**  
**帝王實業控股有限公司**