頤海國際控股有限公司
YIHAI INTERNATIONAL HOLDING LTD.

(於開曼群島註冊成立的有限公司)
(Incorporated in the Cayman Islands with limited liability)
股份代號 Stock Code: 1579

2021
Annual Report
年度報告

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Definitions
釋義

"AGM"	the annual general meeting of the Company to be held in Shanghai on Friday, 20 May 2022 at 2:00 p.m. or any adjournment thereof	「股東週年大會」	指	將於2022年5月20日(星期五)下午二時正於上海舉行的本公司股東週年大會或其任何續會
"Articles of Association"	the articles of association of the Company, as amended from time to time	「組織章程細則」	指	本公司的組織章程細則(經不時修訂)
"associate(s)"	has the meaning ascribed thereto under the Listing Rules	「聯繫人」	指	具有上市規則所賦予的涵義
"Audit Committee"	the audit committee of the Board	「審計委員會」	指	董事會轄下的審計委員會
"Board"	the board of Directors of the Company	「董事會」	指	本公司董事會
"Cayman Islands Companies Law"	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time	「開曼群島公司法」	指	開曼群島法例第22章公司法(1961年第3號法例,經綜合及修訂),經不時修訂、補充或以其他方式修改
"Chengdu Lease Agreement"	the lease agreement dated 7 December 2020 entered into between Chengdu Yueyihai and Sichuan Haidilao in connection with the lease of a parcel of land with the properties and fixtures thereon by Sichuan Haidilao to Chengdu Yueyihai	「成都租賃協議」	指	成都悅頤海與四川海底撈於2020年12月7日訂立的租賃協議,內容有關四川海底撈向成都悅頤海租賃一幅土地連同其上的物業及裝置物
"Chengdu Yueyihai"	Chengdu Yueyihai Co., Ltd.* (成都悅頤海商貿有限公司), a limited liability company incorporated in the PRC on 28 April 2014 and an indirectly wholly-owned subsidiary of the Company	「成都悅頤海」	指	成都悅頤海商貿有限公司,一家於2014年4月28日在中國註冊成立的有限公司,為本公司的間接全資附屬公司
"China" or "PRC"	the People's Republic of China and, except where the context requires, references in this annual report to the PRC or China exclude Hong Kong, Macau and Taiwan	「中國」	指	中華人民共和國,除非文義另有所指外,否則本年報對中國的提述不包括香港、澳門及台灣
"Companies Ordinance"	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「公司條例」	指	香港法例第622章《公司條例》,經不時修訂、補充或以其他方式修改
"Company"	YIHAI INTERNATIONAL HOLDING LTD. (頤海國際控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 18 October 2013	「本公司」	指	頤海國際控股有限公司,一家於2013年10月18日在開曼群島註冊成立的獲豁免有限公司

"Controlling Shareholders"	has the meaning ascribed thereto under the Listing Rules, and unless the context otherwise requires, refers to Mr. Zhang Yong, the non-executive Director, Ms. Shu Ping, (the executive Director and spouse of Mr. Zhang Yong), ZYSP YIHAI Ltd and SP YH Ltd	「控股股東」	指	具有上市規則所賦予的涵義，除非文義另有所指外，否則指張勇先生(非執行董事)、舒萍女士(執行董事及張勇先生的配偶)、ZYSP YIHAI Ltd及SP YH Ltd
"Corporate Governance Code"	Corporate Governance Code as set out in Appendix 14 to the Listing Rules	「企業管治守則」	指	上市規則附錄十四所載《企業管治守則》
"Director(s)"	director(s) of the Company	「董事」	指	本公司董事
"Financial Statements"	the consolidated financial statements of the Group for the year ended 31 December 2021 as audited by PricewaterhouseCoopers	「財務報表」	指	經羅兵咸永道會計師事務所審核，本集團截至2021年12月31日止年度的綜合財務報表
"Framework Sales and Purchase Agreements"	collectively, the hotpot soup flavouring products sales agreement dated 7 December 2020 entered into between the Company and the Joint Venture in relation to the sales of hotpot soup flavouring products from Yihai Shanghai and its subsidiaries to the Joint Venture, and the self-serving small hotpot products sales agreement dated 7 December 2020 entered into between the Joint Venture and Yihai Shanghai in relation to the sales of Small Hotpot Products by the Joint Venture to Yihai Shanghai and its subsidiaries	「產品互供框架協議」	指	本公司與合資公司於2020年12月7日訂立的火鍋底料產品銷售協議(內容有關頤海上海及其附屬公司向合資公司出售火鍋底料產品)及合資公司與頤海上海於2020年12月7日訂立的自加熱小火鍋產品銷售協議(內容有關合資公司向頤海上海及其附屬公司出售小火鍋產品)的統稱
"Group"	the Company and its subsidiaries	「本集團」	指	本公司及其附屬公司
"Haidilao"	Haidilao International Holding Ltd., whose shares are listed on the Stock Exchange (stock code: 6862)	「海底撈」	指	海底撈國際控股有限公司，其股份於聯交所上市(股份代號：6862)
"Haidilao Customized Products"	the hot pot soup flavoring and Chinese-style compound condiment products manufactured by the Group using formulas owned by Haidilao Group for use in its hot pot restaurants	「海底撈定製產品」	指	使用海底撈集團擁有的配方製成並在其火鍋餐廳使用的火鍋底料及中式複合調味品
"Haidilao Group"	Haidilao and its subsidiaries	「海底撈集團」	指	海底撈及其附屬公司

Definitions
釋義

"Haidilao Master Sales Agreement"	the master sales agreement dated 7 December 2020, entered into between the Company and Haidilao, each for itself and on behalf of its subsidiaries, in relation to the supply of Haidilao Customized Products and Haidilao Retail Products by the Group to the Haidilao Group	「海底撈總銷售協議」	指	日期為2020年12月7日的總銷售協議，由本公司與海底撈(各自為其本身及代表其附屬公司)就本集團向海底撈集團供應海底撈定製產品及海底撈零售產品而訂立
"Haidilao Retail Products"	the retail hot pot soup flavoring, hot pot dipping sauce and Chinese-style compound condiment products manufactured by the Group using formulas the Group owns for display and sale to consumers in Haidilao Group hot pot restaurants, which are the same products as those sold by the Group through independent third party distributors	「海底撈零售產品」	指	本集團使用本集團擁有的配方製成的零售火鍋底料、火鍋蘸料及中式複合調味品，在海底撈集團火鍋餐廳向消費者展示及銷售，與本集團通過獨立第三方經銷商銷售的產品相同
"HK$", "HKD" or "HK dollars" and "cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong	「港元」及「港仙」	分別指	香港法定貨幣港元及港仙
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC	「香港」	指	中國香港特別行政區
"Jingyuan Investment"	Jianyang City Jingyuan Investment Co., Ltd.* (簡陽市靜遠投資有限公司), a limited liability company incorporated in the PRC on 13 March 2009, which is held as to 68% by Mr. Zhang and Ms. Shu (the Controlling Shareholders), 32% by Mr. Sean Shi (the executive Director) and his wife	「靜遠投資」	指	簡陽市靜遠投資有限公司，一家於2009年3月13日在中國成立的有限責任公司，由張勇先生及舒萍女士(控股股東)持有68%，由施永宏先生(執行董事)及其妻子持有32%
"Joint Venture"	Fuhai (Shanghai) Food Technology Co., Ltd.* (馥海(上海)食品科技有限公司), a company incorporated in the PRC and a 60% owned subsidiary of the Company	「合資公司」	指	馥海(上海)食品科技有限公司，一家在中國成立的公司，為本公司擁有60%股權的附屬公司
"Latest Practicable Date"	8 April 2022, being the latest practicable date prior to the printing of this annual report for the purpose of ascertaining the information contained herein	「最後實際可行日期」	指	2022年4月8日，即本年報付印前確定其中所載若干資料的最後實際可行日期

"Leda Haisheng"	Shanghai Leda Haisheng Enterprise Management Consulting Co., Ltd.* (上海樂達海生企業管理諮詢有限公司), a limited liability company incorporated in the PRC on May 23, 2017, which is held as to approximately 62.70% by Beijing Yihan Consulting Management Co., Ltd.* (北京宜涵諮詢管理有限公司), a company controlled by Mr. Zhang Yong and Ms. Shu Ping and approximately 29.70% by Mr. Sean Shi and his wife	「樂達海生」	指	上海樂達海生企業管理諮詢有限公司，一家於2017年5月23日在中國註冊成立的有限責任公司，分別由北京宜涵諮詢管理有限公司(由張勇先生及舒萍女士控制的公司)及施永宏先生及其妻子擁有約62.70%及約29.70%
"Listing Date"	13 July 2016, the date on which the Shares were listed on the main board of the Stock Exchange	「上市日期」	指	2016年7月13日，股份於聯交所主板上市的日期
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited	「上市規則」	指	香港聯合交易所有限公司證券上市規則
"Macau"	the Macau Special Administrative Region of the PRC	「澳門」	指	中國澳門特別行政區
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules	「標準守則」	指	上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》
"Nomination Committee"	the nomination committee of the Board	「提名委員會」	指	董事會轄下的提名委員會
"Non-competition Undertaking"	the non-competition undertaking entered into between the Company and the Controlling Shareholders on 25 June 2016	「不競爭承諾」	指	本公司與控股股東於2016年6月25日訂立的不競爭承諾
"Prospectus"	the prospectus being issued by the Company on 30 June 2016	「招股章程」	指	本公司於2016年6月30日刊發的招股章程
"Remuneration Committee"	the remuneration committee of the Board	「薪酬委員會」	指	董事會轄下的薪酬委員會
"Renminbi" or "RMB"	Renminbi yuan, the lawful currency of the PRC	「人民幣」	指	中國法定貨幣人民幣元
"RSU"	the restricted share units granted to RSU participants pursuant to the RSU Scheme	「受限制股份單位」	指	根據受限制股份單位計劃向受限制股份單位參與者授出的受限制股份單位

"RSU Scheme"	the RSU scheme approved and adopted by the Company on 24 February 2016 for the grant of RSUs to RSU participants, a summary of the principal terms of which is set forth in the section headed "Appendix IV – Statutory and General Information – D. RSU Scheme" of the Prospectus	「受限制股份單位計劃」	指	本公司就向受限制股份單位參與者授出受限制股份單位而於2016年2月24日批准及採納的受限制股份單位計劃，其主要條款概要載於招股章程「附錄四 – 法定及一般資料 – D.受限制股份單位計劃」一節
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time	「證券及期貨條例」	指	香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改
"Share(s)"	ordinary share(s) in the share capital of the Company with nominal value of US$0.00001 each	「股份」	指	本公司股本中每股面值0.00001美元的普通股
"Shareholder(s)"	shareholder(s) of the Company	「股東」	指	本公司股東
"Shuhai Purchase Agreement"	the purchase agreement dated 7 December 2020 entered into between the Company and Shuhai Supply Chain in relation to the sale of food ingredients by the Shuhai Supply Chain Group to the Group	「蜀海購買協議」	指	本公司與蜀海供應鏈之間訂立的日期為2020年12月7日的購買協議，內容有關蜀海供應鏈向本集團銷售食材
"Shuhai Sales Agreement"	the sales agreement dated 7 December 2020 entered into between the Company and Shuhai Supply Chain in relation to the sale of hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products by the Group to Shuhai Supply Chain Group	「蜀海銷售協議」	指	本公司與蜀海供應鏈之間訂立的日期為2020年12月7日的銷售協議，內容有關本集團向蜀海供應鏈集團銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品
"Shuhai Supply Chain"	Shuhai (Beijing) Supply Chain Management Co., Ltd.* (蜀海（北京）供應鏈管理有限責任公司), a limited liability company established in the PRC on 3 June 2014 and is held as to approximately 45% by Leda Haisheng, and 27.56% by Jinghai Investment	「蜀海供應鏈」	指	蜀海（北京）供應鏈管理有限責任公司，一家於2014年6月3日在中國成立的有限責任公司，由樂達海生持有約45%及由靜海投資持有27.56%
"Shuhai Supply Chain Group"	Shuhai Supply Chain and its subsidiaries	「蜀海供應鏈集團」	指	蜀海供應鏈及其附屬公司

"Shuhai Warehouse Storage Service Agreement"	the warehouse storage service agreement dated 7 December 2020 entered into between the Company and Shuhai Supply Chain in relation to the provision of warehousing facilities and related services by Shuhai Supply Chain Group to the Group	「蜀海倉儲服務協議」	指	本公司與蜀海供應鏈之間訂立的日期為2020年12月7日的倉儲服務協議，內容有關蜀海供應鏈集團向本集團提供倉儲設施及相關服務
"Sichuan Haidilao"	Sichuan Haidilao Catering Co., Ltd. (四川海底撈餐飲股份有限公司), previously known as Sichuan Jianyang Haidilao Catering Co., Ltd. (四川省簡陽市海底撈餐飲有限責任公司) a limited company incorporated in the PRC on April 16, 2001, which is owned as to 50% by Jingyuan Investment, 25.50% by Mr. Zhang Yong, 8% by Ms. Hailey Lee (李海燕), 8% by Ms. Shu Ping, 8% by Mr. Sean Shi (施永宏), 0.20% by Ms. Yang Lijuan (楊利娟), 0.10% by Mr. Yuan Huaqiang (袁華強), 0.10% by Mr. Gou Yiqun (苟軼群), 0.06% by Mr. Chen Yong (陳勇) and 0.04% by Mr. Yang Bin (楊賓), and its predecessor (as the case maybe)	「四川海底撈」	指	四川海底撈餐飲股份有限公司以及其前身(視情況而定)(前稱為四川省簡陽市海底撈餐飲有限責任公司)，一家於2001年4月16日在中國註冊成立的有限公司，分別由靜遠投資、張勇先生、李海燕女士、舒萍女士、施永宏先生、楊利娟女士、袁華強先生、苟軼群先生、陳勇先生及楊賓先生擁有50%、25.50%、8%、8%、8%、0.20%、0.10%、0.10%、0.06%及0.04%
"Sichuan Haidilao Group"	Sichuan Haidilao and its subsidiaries	「四川海底撈集團」	指	四川海底撈及其附屬公司
"Small Hot Pot Products"	the self-serving small hot pot products manufactured and sold by the Joint Venture	「小火鍋產品」	指	合資公司將予生產及銷售的自加熱小火鍋產品
"SP YH Ltd"	a business company with limited liability incorporated in the British Virgin Islands on 30 June 2020, one of the Controlling Shareholders	「SP YH Ltd」	指	一家於2020年6月30日在英屬處女群島註冊成立的商業有限公司，為控股股東之一
"Stock Exchange"	The Stock Exchange of Hong Kong Limited	「聯交所」	指	香港聯合交易所有限公司
"subsidiary" or "subsidiaries"	has the meaning ascribed thereto under the Listing Rules	「附屬公司」	指	具有上市規則所賦予的涵義

Definitions
釋義

"Yihai (China)"	Yihai (China) Food Co., Limited (頤海(中國)食品有限公司), a company with limited liability incorporated in Hong Kong on 6 December 2013 and an indirectly wholly-owned subsidiary of the Company	「頤海(中國)」	指	頤海(中國)食品有限公司，一家於2013年12月6日在香港註冊成立的有限公司，為本公司的間接全資附屬公司
"Yihai Shanghai"	Yihai (Shanghai) Food Co., Ltd. (頤海(上海)食品有限公司), a foreign investment enterprise established in the PRC on 1 December 2014 and an indirectly wholly-owned subsidiary of the Company	「頤海上海」	指	頤海(上海)食品有限公司，一家於2014年12月1日在中國註冊成立的外資企業，為本公司的間接全資附屬公司
"ZYSP YIHAI Ltd"	a business company with limited liability incorporated in the British Virgin Islands on 10 October 2013, one of the Controlling Shareholders	「ZYSP YIHAI Ltd」	指	一家於2013年10月10日在英屬處女群島註冊成立的商業有限公司，為控股股東之一
"US dollars", "USD" or "US$"	United States dollars, the lawful currency of the United States	「美元」	指	美國法定貨幣美元
"%"	percentage	「%」	指	百分比

BOARD OF DIRECTORS

董事會

Executive Directors

執行董事

Mr. Sean Shi *(Chairman)*
Mr. Guo Qiang *(Executive Chief Officer)*
Mr. Sun Shengfeng
Ms. Shu Ping
Mr. Zhao Xiaokai

施永宏先生*(董事長)*
郭強先生*(首席執行官)*
孫勝峰先生
舒萍女士
趙曉凱先生

Non-executive Director

非執行董事

Mr. Zhang Yong

張勇先生

Independent Non-executive Director

獨立非執行董事

Mr. Yau Ka Chi
Mr. Qian Mingxing
Ms. Ye Shujun

邱家賜先生
錢明星先生
葉蜀君女士

AUDIT COMMITTEE

審計委員會

Mr. Yau Ka Chi *(Chairman)*
Mr. Qian Mingxing
Ms. Ye Shujun

邱家賜先生*(主席)*
錢明星先生
葉蜀君女士

REMUNERATION COMMITTEE

薪酬委員會

Ms. Ye Shujun *(Chairman)*
Ms. Shu Ping
Mr. Qian Mingxing

葉蜀君女士*(主席)*
舒萍女士
錢明星先生

NOMINATION COMMITTEE

提名委員會

Mr. Sean Shi *(Chairman)*
Mr. Qian Mingxing
Ms. Ye Shujun

施永宏先生*(主席)*
錢明星先生
葉蜀君女士

Corporate Information
公司資料

JOINT COMPANY SECRETARIES

Ms. Yue Dianhong(Note)
Ms. Chan Yin Wah

聯席公司秘書

岳典宏女士(註)
陳燕華女士

AUTHORIZED REPRESENTATIVES

Mr. Sun Shengfeng
Ms. Chan Yin Wah

授權代表

孫勝峰先生
陳燕華女士

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor

核數師

羅兵咸永道會計師事務所
註冊會計師及註冊公眾利益實體核數師

LEGAL ADVISER

Davis Polk & Wardwell

法律顧問

達維香港律師事務所

REGISTERED OFFICE

P.O. Box 31119 Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1 – 1205 Cayman Islands

註冊辦事處

P.O. Box 31119 Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1－1205 Cayman Islands

CORPORATE HEADQUARTERS

Room 1810
No. 2500 Zhenbei Road
Putuo District
Shanghai, PRC

公司總部

中國
上海市
普陀區
真北路2500號
1810室

Note:

With effect from 25 May 2021, Mr. Sun Shengfeng resigned from his post of joint company secretary of the Company and Ms. Yue Dianhong was appointed as a joint company secretary of the Company. Please refer to the announcement of the Company dated 26 May 2021 for details.

註：

自2021年5月25日起，孫勝峰先生已辭任本公司聯席公司秘書的職位而岳典宏女士已獲委任為本公司聯席公司秘書。有關詳情請參閱本公司日期為2021年5月26日的公告。

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN THE CAYMAN ISLANDS

Suntera (Cayman) Limited
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Camana Bay
Grand Cayman, KY1 – 1100
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wan Chai, Hong Kong

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
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STOCK CODE

The Stock Exchange of Hong Kong Limited: 1579

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香港主要營業地點

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大新金融中心40樓

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股份代號

香港聯合交易所有限公司：1579

Five-Year Performance Review
五年業績回顧

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(RMB'000)

簡明綜合損益及其他全面收益表
（人民幣千元）

		For the year ended 31 December 截至12月31日止年度				
		2021 2021年	2020 2020年	2019 2019年	2018 2018年	2017 2017年
Revenue	收入	**5,942,617**	**5,360,021**	4,282,488	2,681,373	1,646,221
Gross profit	毛利	**1,923,953**	**2,090,110**	1,641,400	1,038,897	611,806
Profit before income tax	除所得稅前溢利	**1,170,161**	**1,352,183**	1,093,620	730,501	369,080
Profit for the year	年內溢利	**857,559**	**982,861**	795,005	547,904	261,090
Profit attributable to:	以下人士應佔溢利：					
– Owners of the Company	– 本公司擁有人	**766,201**	**885,222**	718,634	517,793	260,670

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(RMB'000)

簡明綜合財務狀況表
（人民幣千元）

		As at 31 December 截至12月31日				
		2021 2021年	2020 2020年	2019 2019年	2018 2018年	2017 2017年
Non-current assets	非流動資產總額	**2,610,121**	**1,457,298**	957,764	580,875	288,071
Current assets	流動資產總額	**2,394,957**	**2,830,036**	2,353,987	1,881,164	1,518,620
Total Asset	資產總額	**5,005,078**	**4,287,334**	3,311,751	2,462,039	1,806,691
Capital and reserves attributable to owners of the company	本公司擁有人應佔資本及儲備	**3,805,586**	**3,295,258**	2,613,849	2,005,190	1,501,389
Total Equity	權益總額	**4,108,736**	**3,513,587**	2,728,147	2,039,721	1,505,809
Non-current liabilities	非流動負債總額	**163,040**	**68,103**	26,742	–	–
Current liabilities	流動負債總額	**733,302**	**705,644**	556,862	422,318	300,882
Total liabilities	負債總額	**896,342**	**773,747**	583,604	422,318	300,882
Total equity and liabilities	權益及負債總額	**5,005,078**	**4,287,334**	3,311,751	2,462,039	1,806,691

2021 results of Yihai fell short of expectations amidst of the overall unfavorable operation condition. The Company was adversely affected by the epidemic in terms of purchases of raw materials and sales operation. Indeed, we also had our own inadequacies in management and decision making. On these management issues, I, on behalf of our management team, report to all of our shareholders as follows:

2021年，頤海的業績未達預期，經營狀況整體欠佳。縱然，2021年公司在原材料採購成本及銷售業務上受到了疫情帶來的不利影響，但我們本身的管理決策也存在問題，就這些管理問題，我代表管理層向廣大股東做出匯報：

Firstly, there were problems in the organization structure and assessment mechanism for the early stage of our product R&D. During the initial stage of our project scheme, in order to mobilize all our employees to be innovative, the scheme was primarily based on respective single SKUs; however, customers' satisfaction on our newly launched products was not maximized because our R&D team, with their focus mainly on individual products, had not researched throughout major product categories and the whole industry and did not have long-term planning for the upgrade and optimization of existing products nor adequate pre-launch campaigns and marketing studies for new items. Also, the incentives given during the early-stage of our product scheme were wrongly directed to short-term interests, leading to a failure in rendering warmly welcomed products to the market under such organization structure and assessment mechanism.

首先，前期產品研發的組織架構和考核機制存在問題。產品項目制初期，為調動全員創新，我們的項目制以單個SKU為主，但由於圍繞單個產品作戰的研發團隊對大品類及整個行業研究的深度不夠，以及對於老品的升級及優化缺乏長期規劃，新品推出時又缺乏充分的前期市場論證，產品上市後客戶體驗並沒有達到最好；而且前期產品項目制的激勵還錯誤的導向了短期利益，導致該研發架構及考核政策並沒有催生出令市場滿意的新品。

Secondly, we carried out a number of organizational reforms for our marketing team and the too frequent organizational changes make our staff hard to accommodate. Particularly, morale would be fairly low among the team when reforms were implemented without adequate studies and failed to boost substantial sales in a short period. In the face of the emerging of new marketing channels and methods such as community group buying and live broadcasts, our management did not have any fast adjustment strategy and thus missed many good opportunities. Moreover, we took a longer cycle in channel sorting or segmentation, affecting both our distributors and our own channel construction. The said problems suppressed the smoothness and effectiveness of our marketing efforts.

其次，我們多次對於營銷團隊進行組織變革，過於頻繁的組織變革使很多員工疲於適應，尤其是當一些變革的前期論證不足時，變革沒有帶來銷售業績的快速增長，反而給銷售團隊士氣造成了一定影響。在面對社區團購、直播等新的市場渠道及營銷方式，我們的管理層沒有快速調整策略，喪失了很多好的機會；同時，我們的渠道細分工作周期較長，給我們的經銷商夥伴們也造成了影響，也影響了我們的渠道建設。以上問題都抑制了營銷工作的開展。

Again, our supply chain construction was less successful than expected. All our industry centres still did not have adequate ancillary facilities and the smart development of our factories were below expectations so far. We should have enhanced the overall effectiveness of our supply chain management. In particular, we could not timely identify an effective solution to cope with substantial price increases of bulk commodities, leading to a significant decline in gross profit of our products in this year.

再次，供應鏈建設未達預期。目前，我們各個產業中心的產業配套仍不足，工廠的智能化進展未達預期，整體供應鏈管理效率有待進一步提升；尤其在大宗商品價格出現大幅度上漲時，沒有及時找到有效的解決辦法，導致今年產品毛利率出現明顯下滑。

Lastly, our overseas expansion was hindered. Against the backdrop of the pandemic, we had to encounter numerous problems such as cost increases of international transportation and prolonged lead times, and sluggish construction progress of our factories and personnel localization in foreign countries. We were discouraged by these difficulties and could not make prompt and active responses. The overall development in overseas was slow as a result.

Looking ahead to 2022, our management will deal with the problems arisen by making proactive analysis in order to formulate solutions, hold those responsible accountable and solve those problems completely. Meanwhile, we will endeavor to give a more satisfactory performance to ourselves and the shareholders by continuing to implement our operating paradigm, "aligned interests and disciplined management" ("連住利益, 鎖住管理"). We recognize there are always challenges for management. Our duty is to tackle them and we will embrace difficulties fearlessly. It is because in overcoming appalling weather and treacherous terrain, we will see the rainbow afterwards. We will commit ourselves wholeheartedly and do our best.

最後，海外拓展受阻。在疫情全球化的大背景下，我們遇到了國際運輸費用上漲且時效降低，海外工廠建設進度遲滯及人員本地化進展緩慢等諸多問題，面對這些問題，我們出現了畏難情緒，未能及時積極應對，海外拓展工作整體進展緩慢。

展望2022年，管理層將針對已經出現的問題，積極分析原因並制定解決方案，力求責任到崗，從根源上解決問題。同時，我們將繼續從「連住利益、鎖住管理」上下功夫，爭取給公司及股東交出一份更為滿意的答卷。我們深知管理就意味着永遠都有需要解決的問題，但這就是我們的責任，我們不懼承擔責任。不經歷風雨怎能見彩虹，我們會盡最大努力的！

2021 PERFORMANCE REVIEW

In 2021, in a world that was more sophisticated and severe with challenges such as rising COVID-19 cases, the Chinese government upheld the underlying principle of pursuing progress while ensuring stability, and coordinated pandemic prevention and control and economic and social development. With these efforts, China's economy continued stable recovery and public wellbeing was effectively guaranteed, making a good start to the 14th Five-Year Plan. However, the food industry as a whole is on a slow recovery trend due to factors such as inventory backlogs and rising raw material procurement costs.

In 2021, the Group's major businesses focused on segmenting the channels, improving product research and development mechanisms, promoting the implementation of the multi-brand strategy, supplementing and optimizing the supply capabilities, so as to enhance operating efficiency by improving and enhancing the management structure.

In terms of channel building, to refine management on channels and enhance management efficiency, our efforts for this year mainly focused on diversifying channels, mainly reflected in (1) differentiated arrangements of distributors and other parties for condiments and convenient ready-to-eat food products based on differences in sales of products of different categories to end-points; and (2) differentiated management models for NKA (National Key-Account), EKA (E-commerce Key-Account) and circulation channels based on different ways of operation of the channels. We started to make these adjustments in the second half of 2021 and were about to complete these adjustments by the end of the year.

2021年度業績回顧

2021年，面對複雜嚴峻的國際環境和國內疫情散發等多重考驗，國家堅持穩中求進的工作總基調，科學統籌疫情防控和經濟社會發展，實現了國民經濟持續恢復發展，民生保障有力有效，構建了「十四五」良好開端。但食品行業因庫存積壓，原材料採購成本上漲等因素，整體呈緩慢恢復的趨勢。

2021年，本集團主要業務重點為細分渠道，完善產品研發機制，推動多品牌戰略，補充優化供應能力，以期可以通過完善和改進管理架構，提高經營效率。

在渠道建設方面，為實現渠道精細化管理，提升渠道管理效率，本年度的主要工作集中在細分渠道，主要表現為：一方面根據不同品類間產品的銷售終端的差異，將調味料與方便速食在經銷商等方面做出區分；另一方面根據渠道運作方式不同，將NKA（全國重點客戶）、EKA（線上重點客戶）及流通渠道的管理模式做出區分。以上調整於2021年度下半年開展，年底幾近結束。

In terms of research and development of products, the "project-based system for products" prior to 2021 takes a single unit of product as the central task, making the institutional setups become focused on immediate gains. As a result, preliminary validation had not been fully made for the launch of new products at the market and the products failed to show desired results when they were launched at the market. During the year, we made further improvements on the "project-based system for products", by which an innovation committee was established to coordinate the research and development team with top-down approaches and pooled efforts and resources for research and development, so as to guide the research and development team to conduct in-depth studies of product categories and the industry, pay attention to long-term planning of product categories and raise standards for launching of products, in order to increase the success rate of launch products.

在產品研發方面，由於前期「產品項目制」主要以單個產品為中心，制度設置導向短期利益，新品推出缺乏充分的前期市場論證，產品在上市後並沒有達到預期。本年度我們進一步優化「產品項目制度」，通過「創新委員」自上而下統籌研發團隊，匯聚研發力量及資源，引導研發團隊對品類及行業深度研究、注重品類產品的長期規劃，強化產品上市標準，以期提高產品上市成功率。

In 2021, we implemented the multi-brand strategy and continued to use the trademark of "Magic Cook (筷手小廚)" on products such as Chinese-style compound condiments and brewed rice, with a combination of various ways of promotion including celebrity endorsement, advertisements on platforms and communication with consumers.

2021年，我們正式落地實施多品牌戰略，陸續在中式複合調味料及沖泡米飯產品包裝上使用「筷手小廚」品牌，通過明星代言、各平台投放廣告、與消費者互動等多種宣傳推廣方式合併使用。

In terms of supplementing supply capabilities, we continued to expand the production capacity in light of market demands and our development needs in 2021, with factories for production of rice, silk noodles and sauce established and factories for production of prepared food planned. The Group's Phase I production base in Luohe, Henan with approximately 150,000 tonnes of planned annual production capacity had commenced production of 90,000 tonnes in September 2021. Phase I of Fuhai Guangdong Zhaoqing factory had commenced production at the end of December 2021, which will release an annual production capacity of 44,000 tonnes of convenient ready-to-eat food products.

在供應能力補充方面，根據市場及自身發展需求，我們在2021年持續擴充產能，並配套建設米、粉絲及蕎料工廠，規劃建設料理包工廠。本集團位於河南漯河的生產基地一期年產能規劃約15萬噸，已於2021年9月投產其中的9萬噸。馥海廣東肇慶工廠一期已於2021年12月底投產，每年將釋放產能4.4萬噸方便速食。

BUSINESS REVIEW

In 2021, in a sophisticated world with challenges such as rising COVID-19 cases, local governments across China diligently implemented decisions and arrangements by the CPC Central Committee and the State Council, coordinated pandemic prevention and control and economic and social development. With these efforts, the overall consumer market continued its steady recovery. However, the condiment industry in 2021 was affected by weakened demand, excess inventory, rising costs and diversion of customers in communities by group purchases. As a result, the industry maintained a slow recovery trend in general. For the year ended 31 December 2021, the revenue of the Group was RMB5,942.6 million, representing a year-on-year increase of 10.9%; net profit was RMB857.6 million, representing a year-on-year decrease of 12.7%.

業務回顧

2021年，在複雜的國際環境和疫情散發等多重危機的挑戰下，全國各地區認真貫徹落實黨中央、國務院決策部署，科學統籌疫情防控和經濟社會發展，消費市場總體保持恢復態勢。但2021年調味品行業受需求疲軟、庫存積壓、成本上漲及社區團購分流等因素影響，整體呈緩慢恢復的態勢。截至2021年12月31日止年度，本集團收入達到人民幣5,942.6百萬元，同比增長10.9%；淨利潤達到人民幣857.6百萬元，同比降低12.7%。

SALES CHANNELS

The Group continued to be the supplier of hot pot condiment products to Haidilao Group, one of our related parties, while at the same time, it also provided cooking condiment solutions to Chinese family cooking customers, catering service providers and companies in the food industry. As of 2021, the major products of the Group included hot pot condiments, Chinese-style compound condiments and convenient ready-to-eat food products, and major channels for third-party sales included distributors, e-commerce and catering customers. The Group's sales to third-party distributors has covered totally 31 provincial regions in China and Hong Kong-Macau-Taiwan regions and 49 countries and regions overseas.

Development and expansion of third-party channels have always been the most important sales strategy of the Group. In 2021, the Group continued to set satisfaction of distributors and end-points as the starting point and conducted process indicator assessments to the first-tier sales ("**Partner(s)**"). Meanwhile, we further diversify the channels and maintained different ways of management on different channels. We have also developed specified standards for management for products and channels with different characteristics based on differences of sales of different categories to end-points. With refined and differentiated models of management on these channels and distributors, we strived to enhance the overall operating efficiency.

銷售渠道

本集團持續作為關聯方海底撈集團的火鍋調味料產品供應商，同時亦為中國家庭烹飪客戶、餐飲服務供應商以及食品行業公司提供烹飪調味料解決方案。截至2021年，本集團的主要產品包含火鍋調味料、中式複合調味料和方便速食等品類，而經銷商、電商及餐飲客戶等則為第三方銷售的主要渠道。本集團的第三方經銷商銷售業務共覆蓋了中國31個省級地區與港澳台地區，以及49個海外國家和地區。

第三方渠道建設和拓展一直是本集團的主要銷售策略。2021年，我們繼續以經銷商和終端滿意度為出發點，對一線銷售(「**合夥人**」)進行過程指標考核。同時，我們進一步細分渠道，根據不同渠道實施差異化管理，並根據不同品類間的銷售終端差異性，制定符合各產品、各渠道特色的管理標準。通過以上渠道和經銷商的精細化、區別化管理，希望可以提升整體運營效率。

In the development of e-commerce channel, the Group continued to adopt the strategy of enhancing interactive experience of consumers, using the flagship store as the major interactive base for brands, enhancing communication among consumers, and providing more heart touching shopping experience for consumers. In 2021, the Group formulated targeted marketing plans on different festivals and promotional campaigns as usual. As at 31 December 2021, the Group had 7 flagship stores on e-commerce platforms such as Tmall.com, JD.com and Pinduoduo. For the year ended 31 December 2021, the sales revenue of the Group from e-commerce channels was RMB321.3 million, representing a year-on-year increase of 11.8%.

電商渠道發展方面，本集團持續以加強消費者互動體驗為策略方向，以旗艦店為主要品牌互動陣地，加強消費者溝通，為消費者提供更為貼心的購物體驗。2021年，本集團依舊根據不同的節日及促銷節點，制定具有針對性的營銷方案。截至12月31日止，本集團在天貓、京東、拼多多等電商平台擁有7家旗艦店。本集團截至2021年12月31日止全年電商渠道的銷售收入為人民幣321.3百萬元，同比增長11.8%。

For sales to related parties (referring to the Haidilao Group and Shuhai Supply Chain Group), with the effective control over the pandemic, the restaurant business of the Haidilao Group gradually resumed operation in the first half of 2021, though it is still affected by factors such as rising COVID-19 cases, extreme weather and adjustments to strategies of opening restaurants of the Haidilao Group. As of 31 December 2021, the revenue of the Group from sales to related parties was RMB1,935.0 million, representing a year-on-year increase of 35.9%.

在關聯方銷售方面（指向海底撈集團以及蜀海供應鏈集團），隨着疫情的有效控制，海底撈集團旗下餐廳於2021年上半年逐步恢復經營，但仍受疫情散發、極端天氣及海底撈集團開店策略調整等因素影響，截至2021年12月31日止，本集團關聯方的銷售收入為人民幣1,935.0百萬元，同比增長35.9%。

PRODUCTS

產品

In 2021, the Group continued to explore new product opportunities with the strategy of segmentation of categories and consumption scenarios with customers' needs in mind, and motivated producers to develop more products to satisfy market demand under the "project-based system for products".

2021年，本集團以細分品類及消費場景為出發點，結合客戶需求，持續挖掘新品機會，並繼續以「產品項目制」激勵產品人研發更多符合市場需求的產品。

In 2021, product research and development is still the major strategy of the Group. The senior management had paid great attention to the optimization of systems, implementation of product marketing projects and the development of new product supply chain. Since the implementation of the "project-based system for products" by the Group in 2018, we carried out further improvements and amendments to the system in line with the objective and actual situation. During the year, we have also established an innovation committee to coordinate the research and development team with top-down approaches and pooled efforts and resources for research and development, so as to guide the research and development team to conduct in-depth studies of product categories and the industry, pay attention to long-term planning of product categories and raise standards for launching of products, in order to increase the success rate of launch products.

2021年，產品研發仍是本集團的重要策略，各高級管理層對於制度的優化打磨，產品的營銷方案實施，以及新品的供應鏈開發極為關注。自本集團2018年開始實施「產品項目制」，我們持續結合客觀實際情況對該制度進行了不斷完善及打磨，本年度更是通過設立「創新委員」自上而下統籌研發團隊，匯聚研發力量及資源，引導研發團隊對品類及行業深度研究、注重品類產品的長期規劃，強化產品上市標準，以期提高產品上市成功率。

During the year, the Group had different numbers of new product innovations in three categories, and enhanced the sales of new products through various marketing means along with various seasonal themes and promotional campaigns. In the first half of 2021, the Group promoted the "Red Lobster" series and promoted products through advertisements on mainstream media such as Zhejiang STV and Dragon TV, and continued to promote products through various online events, such as "Queen's Day", "Foodaholic Festival on 17 May" and "618 Carnival". During the second half of the year, along with the peak season of hot pot, we have launched a marketing campaign. We also optimized and re-launched the self-serving rice products, which enriched the product offering of the convenient ready-to-eat food products.

本年度，本集團在三個品類中均有不同數量的新品創新，並且配合各個季節主題和促銷節點通過各種營銷手段提升新品的銷售。2021年上半年，本集團主推小龍蝦系列，在浙江衛視、東方衛視等主流媒體上進行廣告傳播，並通過女王節、517吃貨節以及618狂歡等線上促銷節點，持續推廣相應產品。下半年，伴隨着火鍋旺季的到來，我們於冬季推出了「火鍋節」營銷活動。同時，我們優化並重新推出了自加熱米飯系列產品，進一步豐富了方便速食品類。

For the year ended 31 December 2021, the Company added a total of 8 hot pot condiment products, 18 Chinese-style compound condiment products and 13 convenient ready-to-eat food products. As at 31 December 2021, the Group had a total of 65 hot pot condiment products, 65 Chinese-style compound condiment products and 36 convenient ready-to-eat food products.

截至2021年12月31日止年度，本公司共新增了8款火鍋調味料產品、18款中式複合調味料產品及13款方便速食產品。截至2021年12月31日，本集團共銷售約65款火鍋調味料產品、65款中式複合調味料產品及36款方便速食產品。

The table below sets forth the data on the Group's revenue, sales volume and average selling price by product categories and distribution channels for the periods as indicated:

下表載列於所示期間本集團按產品類別及經銷渠道劃分的收入、銷量及平均售價數據：

		For the year ended 31 December 截至12月31日止年度					
		2021 2021年			2020 2020年		
		Revenue 收入 (RMB'000) （人民幣千元）	**Sales volume 銷量 (Tonnes) （噸）**	**Average selling price per Kg 每公斤平均售價 (RMB) （人民幣元）**	Revenue 收入 (RMB'000) （人民幣千元）	Sales volume 銷量 (Tonnes) （噸）	Average selling price per Kg 每公斤平均售價 (RMB) （人民幣元）
Hot pot condiments [1]	**火鍋調味料[1]**						
Third parties	第三方	**1,831,898**	**63,240**	**29.0**	1,841,402	61,173	30.1
Related parties	關聯方	**1,774,938**	**88,342**	**20.1**	1,348,680	60,010	22.5
Subtotal	小計	**3,606,836**	**151,582**	**23.8**	3,190,082	121,183	26.3
Chinese-style compound condiments [2]	**中式複合調味料[2]**						
Third parties	第三方	**482,683**	**19,514**	**24.7**	495,724	18,294	27.1
Related parties	關聯方	**47,765**	**1,879**	**25.4**	34,693	1,353	25.6
Subtotal	小計	**530,448**	**21,393**	**24.8**	530,417	19,647	27.0
Convenient ready-to-eat food products [3]	**方便速食[3]**						
Third parties	第三方	**1,590,986**	**40,801**	**39.0**	1,500,552	33,807	44.4
Related parties	關聯方	**112,074**	**2,619**	**42.8**	39,665	844	47.0
Subtotal	小計	**1,703,060**	**43,420**	**39.2**	1,540,217	34,651	44.4
Others [4]	**其他[4]**	**102,273**	**32,248**	**3.2**	99,305	22,391	4.4
Total	**總計**	**5,942,617**	**248,643**	**23.9**	5,360,021	197,872	27.1

Notes:

(1) Mainly including the Group's sales of products such as hot pot soup flavorings and hot pot dipping sauce.

(2) Mainly including the Group's sales of products such as Chinese-style compound condiments and ready-to-eat sauce.

(3) Mainly including the Group's sales of products such as self-serving small hot pots, self-serving rice, brewed silk noodles and instant rice.

(4) Mainly including the Group's sales of products such as raw materials for trade, snack food and other packaged goods.

附註：

(1) 主要包含本集團銷售的火鍋底料及火鍋蘸料產品。

(2) 主要包含本集團銷售的中式複合調味料及即食醬產品。

(3) 主要包含本集團銷售的自加熱小火鍋、自加熱米飯、沖泡粉及乾拌飯產品。

(4) 主要包含本集團銷售的貿易類原材料、休閒食品及其他包裝商品等。

The table below sets forth the revenue of the Company in absolute terms and the percentage of the revenue of the Company, by product categories, for the periods as indicated:

下表載列所示期間本公司按產品類別劃分的收入的絕對值及佔本公司收入的百分比：

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		RMB'000 人民幣千元	**% of revenue 佔收入百分比**	RMB'000 人民幣千元	% of revenue 佔收入百分比
Revenue from hot pot condiments	火鍋調味料收入	**3,606,836**	**60.7%**	3,190,082	59.5%
Revenue from Chinese-style compound condiments	中式複合調味料收入	**530,448**	**8.9%**	530,417	9.9%
Revenue from convenient ready-to-eat food products	方便速食收入	**1,703,060**	**28.7%**	1,540,217	28.7%
Other revenue	其他收入	**102,273**	**1.7%**	99,305	1.9%
Total revenue	**總收入**	**5,942,617**	**100%**	5,360,021	100%

For the year ended 31 December 2021, the three major product categories of the Group, namely hot pot condiments, Chinese-style compound condiments and convenient ready-to-eat food products, experienced varying degrees of growth. For the year ended 31 December 2021, the Company added a total of 8 hot pot condiment products, 18 Chinese-style compound condiment products and 13 convenient ready-to-eat food products. As at 31 December 2021, the Group had a total sales of 65 hot pot condiment products, 65 Chinese-style compound condiment products and 36 convenient ready-to-eat food products.

截至2021年12月31日止年度，本集團的三類主要產品：火鍋調味料、中式複合調味料及方便速食，均有不同程度的增長。截至2021年12月31日止年度，本公司共新增了8款火鍋調味料產品、18款中式複合調味料產品及13款方便速食產品。截至2021年12月31日，本集團共銷售65款火鍋調味料產品、65款中式複合調味料產品及36款方便速食產品。

FINANCIAL REVIEW

財務回顧

Revenue

收入

The revenue of the Group increased by 10.9% from RMB5,360.0 million for the year ended 31 December 2020, to RMB5,942.6 million for the corresponding period in 2021.

本集團的收入由截至2020年12月31日止年度的人民幣5,360.0百萬元增加10.9%至2021年同期的人民幣5,942.6百萬元。

Revenue by product

按產品劃分的收入

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		Revenue (RMB'000) 收入（人民幣千元）	**% of revenue from hot pot condiments 佔火鍋調味料收入百分比**	Revenue (RMB'000) 收入（人民幣千元）	% of revenue from hot pot condiments 佔火鍋調味料收入百分比
Revenue from hot pot condiments products	火鍋調味料產品收入				
Revenue from third parties	來自第三方收入	**1,831,898**	**50.8%**	1,841,402	57.7%
Revenue from related parties	來自關聯方收入	**1,774,938**	**49.2%**	1,348,680	42.3%
Total revenue from hot pot condiments products	火鍋調味料產品總收入	**3,606,836**	**100%**	3,190,082	100%

Revenue from hot pot condiment products increased by 13.1% from RMB3,190.1 million for the year ended 31 December 2020 to RMB3,606.8 million for 2021, accounting for 60.7% of the revenue as at 31 December 2021. Among that, revenue from sales of hot pot condiment products to related parties increased by 31.6% as compared to 2020. The increase in revenue from sales of hot pot condiment products to related parties was mainly due to the impact of the pandemic on the restaurant industry for the corresponding period of 2020 and the recovery for the operation of the restaurant industry for this year; Revenue from sales of hot pot condiment products to third parties decreased by 0.5% as compared to 2020. The decrease was mainly due to upgrading of existing products and development of new products that failed to meet the expected schedule.

火鍋調味料產品所得收入由截至2020年12月31日止年度的人民幣3,190.1百萬元增加13.1%至2021年年度的人民幣3,606.8百萬元，佔截至2021年12月31日止收入的60.7%。其中，向關聯方銷售火鍋調味料產品收入同比增加31.6%，增長原因主要是2020年同期餐廳行業受疫情影響，本年度餐廳行業經營恢復所致；向第三方銷售的火鍋調味料產品收入同比降低0.5%，下跌原因主要是老產品升級和新產品開發未達到預期進度所致。

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		Revenue (RMB'000) 收入（人民幣千元）	**% of revenue from Chinese-style compound condiments 佔中式複合調味料收入百分比**	Revenue (RMB'000) 收入（人民幣千元）	% of revenue from Chinese-style compound condiments 佔中式複合調味料收入百分比
Revenue from Chinese-style compound condiments	中式複合調味料收入				
Revenue from third parties	來自第三方收入	**482,683**	**91.0%**	495,724	93.5%
Revenue from related parties	來自關聯方收入	**47,765**	**9.0%**	34,693	6.5%
Total revenue from Chinese-style compound condiments	中式複合調味料總收入	**530,448**	**100%**	530,417	100%

Revenue from Chinese-style compound condiments for the year ended 31 December 2021 was RMB530.4 million, showing no significant change as compared to RMB530.4 million for 2020 and representing 8.9% of the revenue for the year ended 31 December 2021. Among that, the revenue from sales of Chinese-style compound condiments to related parties increased by 37.7%, and revenue from sales of Chinese-style compound condiments to third parties decreased by 2.6%, which were mainly due to (1) our failure to take timely upgrade for certain existing products such as "Spicy Pot" series to meet the needs of consumers; and (2) our failure to launch new products to meet market demands.

中式複合調味料所得收入截至2021年12月31日止年度為人民幣530.4百萬元，較2020年年度的人民幣530.4百萬元無明顯變化，佔截至2021年12月31日止年度收入的8.9%。其中，向關聯方銷售中式複合調味品收入增長37.7%，向第三方銷售中式複合調味料收入降低2.6%。主要原因是第一，部分老產品如香鍋系列未及時升級無法滿足消費者需求；第二，未能推出滿足市場需求的新產品。

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		Revenue (RMB'000) 收入（人民幣千元）	**% of revenue from convenient ready-to-eat food products** 佔方便速食產品收入百分比	Revenue (RMB'000) 收入（人民幣千元）	% of revenue from convenient ready-to-eat food products 佔方便速食產品收入百分比
Revenue from convenient ready-to-eat food products	方便速食產品收入				
Revenue from third parties	來自第三方收入	**1,590,986**	**93.4%**	1,500,552	97.4%
Revenue from related parties	來自關聯方收入	**112,074**	**6.6%**	39,665	2.6%
Total revenue from convenient ready-to-eat food products	方便速食產品總收入	**1,703,060**	**100%**	1,540,217	100%

The revenue from convenient ready-to-eat food products increased by 10.6% from RMB1,540.2 million for the year ended 31 December 2020 to RMB1,703.1 million for 2021, representing 28.7% of the revenue for the year ended 31 December 2021. Among that, the revenue from sales of convenient ready-to-eat food products to related parties increased by 182.6% and the revenue from sales of convenient ready-to-eat food to third parties increased by 6.0%, which was mainly attributable to the increase in revenue from new products such as silk noodles and self-serving rice.

方便速食產品所得收入由截至2020年12月31日止年度的人民幣1,540.2百萬元增加10.6%至2021年年度的人民幣1,703.1百萬元，佔截至2021年12月31日止年度收入的28.7%。其中，向關聯方銷售方便速食產品收入增長182.6%，向第三方銷售方便速食產品收入增長6.0%，主要原因為本年度方便粉絲、自熱米飯等新產品收入增長所致。

Revenue by distribution network

按經銷網絡劃分的收入

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		Revenue (RMB'000) 收入（人民幣千元）	**% of total revenue 佔總收入百分比**	Revenue (RMB'000) 收入（人民幣千元）	% of total revenue 佔總收入百分比
Related party customers	關聯方客戶				
Haidilao Group	海底撈集團	**1,927,251**	**32.4%**	1,401,648	26.2%
Shuhai Supply Chain Group	蜀海供應鏈集團	**7,767**	**0.2%**	21,843	0.4%
Third party customers	第三方客戶				
Distributors	經銷商	**3,648,339**	**61.4%**	3,619,741	67.5%
E-commerce	電商	**321,291**	**5.4%**	287,258	5.4%
Others	其他	**37,969**	**0.6%**	29,531	0.5%
Total revenue	總收入	**5,942,617**	**100%**	5,360,021	100%

In 2021, with the effective control over the pandemic, restaurants of the Haidilao Group, a related party of the Company. gradually resumed operation in the first half of 2021, though it is still affected by factors such as rising COVID-19 cases, extreme weather and adjustments to strategies of opening restaurants of the Haidilao Group. The sales revenue of the Group from sales to related parties (mainly referring to the Haidilao Group and Shuhai Supply Chain Group) for the year ended 31 December 2021 was RMB1,935.0 million, representing a year-on-year increase of 35.9%.

2021年隨着疫情的有效控制，本公司關聯方海底撈集團旗下餐廳上半年逐步恢復經營，但仍受疫情散發、極端天氣及海底撈集團開店策略調整等因素影響，截至2021年12月31日止年度向關聯方（主要指海底撈集團以及蜀海供應鏈集團）銷售的銷售收入為人民幣1,935.0百萬元，同比增長35.9%。

For sales revenue of third-party distributors, the Group segmented the distribution channels in 2021, and adopted management methods based on different categories and channels to enhance our refined management on channels and distributors and enhance operating efficiency. In e-commerce, the Group continued to carry out various innovative marketing activities in different points of sales and focused on the improvement of customer service quality and consumption experience. For the year ended 31 December 2021, sales revenue from sales to distributors amounted to RMB3,648.3 million, representing a year-on-year increase of 0.8%. Sales revenue from e-commerce channels amounted to RMB321.3 million, representing a year-on-year increase of 11.8%.

在第三方經銷商銷售收入方面，本集團2021年對經銷商渠道進行細化工作，通過分產品分渠道的管理方式，以增強渠道和經銷商的精細化管理，提升運營效率。在電商方面，本集團持續針對不同銷售節點進行各類創新營銷活動，且注重提升客戶服務質量以及消費體驗。截至2021年12月31日止年度向經銷商銷售的銷售收入為人民幣3,648.3百萬元，同比增長0.8%；電商渠道的銷售收入為人民幣321.3百萬元，同比增長11.8%。

Revenue by geographic region

按地域劃分的收入

The table below sets forth the revenue by geographic regions of the Group for the periods as indicated:

下表列示了本集團於所示期間以地域劃分的收入：

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		(RMB'000) （人民幣千元）	**% of revenue 佔收入百分比**	(RMB'000) （人民幣千元）	% of revenue 佔收入百分比
Northern China [5]	華北[5]	**2,494,343**	**42.0%**	2,321,977	43.3%
Southern China [6]	華南[6]	**3,145,006**	**52.9%**	2,790,129	52.1%
Overseas markets	海外市場	**303,268**	**5.1%**	247,915	4.6%
Total	合共	**5,942,617**	**100%**	5,360,021	100%

Notes:

(5) Including Heilongjiang, Jilin, Liaoning, Inner Mongolia, Beijing, Tianjin, Hebei, Shandong, Shanxi, Henan, Ningxia, Shaanxi, Gansu, Qinghai, Xinjiang and Tibet

(6) Including Jiangsu, Shanghai, Zhejiang, Anhui, Jiangxi, Fujian, Hubei, Hunan, Guangdong, Chongqing, Guizhou, Guangxi, Sichuan, Yunnan and Hainan

附註：

(5) 包括黑龍江、吉林、遼寧、內蒙古、北京、天津、河北、山東、山西、河南、寧夏、陝西、甘肅、青海、新疆及西藏

(6) 包括江蘇、上海、浙江、安徽、江西、福建、湖北、湖南、廣東、重慶、貴州、廣西、四川、雲南及海南

Cost of Sales

The Group's cost of sales, including raw materials, employee benefit expenses, depreciation and amortization and utilities, increased by 22.9% from RMB3,269.9 million for the year ended 31 December 2020 to RMB4,018.7 million for 2021.

銷售成本

本集團的銷售成本(包括原材料、僱員福利開支、折舊及攤銷及公用事業)由截至2020年12月31日止年度的人民幣3,269.9百萬元增加22.9%至2021年年度的人民幣4,018.7百萬元。

Gross Profit and Gross Profit Margin

毛利及毛利率

		For the year ended 31 December 截至12月31日止年度			
		2021 2021年		2020 2020年	
		Gross profit 毛利 RMB'000 人民幣千元	**Gross profit margin 毛利率 % %**	Gross profit 毛利 RMB'000 人民幣千元	Gross profit margin 毛利率 % %
Hot pot condiments	**火鍋調味料**	**1,304,891**	**36.2%**	1,375,284	43.1%
Third parties	第三方	**929,346**	**50.7%**	1,026,325	55.7%
Related parties	關聯方	**375,545**	**21.2%**	348,959	25.9%
Chinese-style compound condiments	**中式複合調味料**	**182,572**	**34.4%**	244,291	46.1%
Third parties	第三方	**173,178**	**35.9%**	234,758	47.4%
Related parties	關聯方	**9,394**	**19.7%**	9,533	27.5%
Convenient ready-to-eat food products	**方便速食**	**435,083**	**25.5%**	459,588	29.8%
Third parties	第三方	**403,056**	**25.3%**	446,894	29.8%
Related parties	關聯方	**32,027**	**28.6%**	12,694	32.0%
Others	**其他**	**1,407**	**1.4%**	10,947	11.0%
Total	**總計**	**1,923,953**	**32.4%**	2,090,110	39.0%

The Group's gross profit decreased by 7.9% from RMB2,090.1 million for the year ended 31 December 2020 to RMB1,924.0 million for 2021, and the gross profit margin decreased from 39.0% for the year ended 31 December 2020 to 32.4% for 2021. The decrease in gross profit margin was mainly due to (1) a rise in the prices of main raw materials such as grease resulting in the decrease in gross profit margin; and (2) an increase in sales revenue from sales of products to related parties and convenient ready-to-eat food products with lower gross profit margin as a percentage of the total sales revenue resulting in the decrease in gross profit margin.

本集團的毛利潤由截至2020年12月31日止年度的人民幣2,090.1百萬元降低7.9%至2021年年度的人民幣1,924.0百萬元，而毛利率由截至2020年12月31日止年度39.0%降低至2021年度的32.4%。毛利率下降的原因主要是第一，油脂類等主要原材料價格上升，導致產品毛利率下降；第二，低毛利率的關聯方銷售產品和方便速食產品銷售佔比上升導致毛利率下降。

Distribution Expenses

經銷開支

The Group's distribution expenses increased by 23.9% from RMB563.5 million for the year ended 31 December 2020 to RMB697.9 million for the year of 2021. The Group's distribution expenses as a percentage of the Group's revenue increased from 10.5% for the year of 2020 to 11.7% for the year of 2021. The increase in distribution expenses was mainly due to the increase in advertising and marketing expenses and transportation and warehousing costs.

本集團的經銷開支由截至2020年12月31日止年度的人民幣563.5百萬元增加23.9%至2021年度的人民幣697.9百萬元。本集團的經銷開支佔本集團收入的百分比從2020年度的10.5%增長至2021年年度的11.7%。經銷開支增加主要原因是廣告及營銷開支和物流倉儲費用上升所致。

Administrative Expenses

行政開支

The Group's administrative expenses decreased by 12.1% from RMB280.5 million for the year ended 31 December 2020 to RMB246.7 million for the year of 2021. The Group's administrative expenses as a percentage of the Group's revenue decreased from 5.2% for the year of 2020 to 4.2% for the year of 2021. The decrease in administrative expenses was mainly attributable to lower remunerations to the management.

本集團的行政開支由截至2020年12月31日止年度的人民幣280.5百萬元降低12.1%至2021年度的人民幣246.7百萬元。本集團行政開支佔本集團收入的百分比由2020年度的5.2%下降至2021年度的4.2%。行政開支降低主要是由於管理人員薪酬下降所致。

Other Income and Gains – net

其他收入及收益淨額

The Group's net amount of other incomes and gains – net increased by 91.2% from RMB87.7 million for the year ended 31 December 2020 to RMB167.7 million for the year of 2021, mainly due to the increase in the amount of financial subsidy received from government and the increase in fair value of financial assets.

本集團的其他收入及收益淨額由截至2020年12月31日止年度人民幣87.7百萬元增加91.2%至2021年度的人民幣167.7百萬元，主要是由於本集團收到政府補貼收入及金融資產公允價值增加所致。

Finance Income – net

The Group's finance income – net increased by 25.7% from RMB18.4 million for the year ended 31 December 2020 to RMB23.1 million for the year of 2021, which was mainly attributable to the increase in the amount of interests on deposit received.

融資收入淨額

本集團的融資收入淨額由截至2020年12月31日止年度的人民幣18.4百萬元增加25.7%至2021年度的人民幣23.1百萬元，主要是由於本集團收到的存款利息增加所致。

Profit before Income Tax

As a result of the foregoing, the Group's profit before income tax decreased by 13.5% from RMB1,352.2 million for the year ended 31 December 2020 to RMB1,170.2 million for the year of 2021.

除所得稅前利潤

由於上文所述內容，本集團的除所得稅前利潤由截至2020年12月31日止年度的人民幣1,352.2百萬元降低13.5%至2021年度的人民幣1,170.2百萬元。

Income Tax Expense

The Group's income tax expense decreased by 15.4% from RMB369.3 million for the year ended 31 December 2020 to RMB312.6 million for the year of 2021. The effective tax rate was 27.3% for the year ended 31 December 2020 and it decreased to 26.7% for the year ended 31 December 2021.

所得稅開支

本集團的所得稅開支由截至2020年12月31日止年度的人民幣369.3百萬元降低15.4%至2021年度的人民幣312.6百萬元。有效稅率由截至2020年12月31日止年度的27.3%，降低至截至2021年12月31日止年度的26.7%。

Net Profit for the Year

As a result of the foregoing, net profit of the Group decreased by 12.7% from RMB982.9 million for the year ended 31 December 2020 to RMB857.6 million for the year of 2021. Basic earnings per share decreased from RMB90.2 cents for the year ended 31 December 2020 to RMB78.2 cents for the year of 2021, and net profit margin decreased from 18.3% for the year ended 31 December 2020 to 14.4% for the year of 2021, mainly due to the decrease in gross profit margin and the increase in distribution expenses.

年內淨利潤

由於上文所述內容，本集團淨利潤由截至2020年12月31日止年度的人民幣982.9百萬元降低12.7%至2021年度的人民幣857.6百萬元。每股基本盈利由截至2020年12月31日止年度的人民幣90.2分降低至2021年度的人民幣78.2分，而淨利率由截至2020年12月31日止年度的18.3%下降至2021年度的14.4%，主要是由於毛利率下降和經銷開支增加所致。

Capital Liquidity and Financial Resources

For the year ended 31 December 2021, the Group's operations were mainly funded by the cash generated from its operation. The Group intended to utilize internal resources to provide funds for its business operations and expansion through organic growth and sustainable development.

資金流動性及財政資源

截至2021年12月31日止年度，本集團主要通過經營所得現金為營運提供資金。本集團擬動用內部資源、通過自然增長且可持續發展為其擴展及業務營運提供資金。

Cash and Cash Equivalents

As at 31 December 2021, the Group's cash and cash equivalents were mainly composed of Renminbi, Hong Kong dollars and US dollars. Cash and cash equivalents amounted to approximately RMB1,573.6 million (31 December 2020: RMB1,986.9 million).

現金及現金等價物

截至2021年12月31日，本集團的現金及現金等價物主要是由人民幣、港元和美元組成，現金及現金等價物約為人民幣1,573.6百萬元（2020年12月31日：人民幣1,986.9百萬元）。

Asset-Liability Ratio

As at 31 December 2021, the Group's asset-liability ratio(7) was 17.9% (31 December 2020: 18.0%). The Group did not have any bank borrowings.

Note:

(7) The asset-liability ratio is calculated by dividing total liabilities as at the end of each financial period by total assets.

資產負債比率

截至2021年12月31日，本集團的資產負債比率(7)為17.9%（2020年12月31日：18.0%）。本集團並無任何銀行借款。

附註：

(7) 資產負債比率按財政期末的總負債除以總資產計算。

Inventories

Inventories mainly include raw materials, work in progress and finished goods. As at 31 December 2021, the inventories amounted to approximately RMB395.3 million (31 December 2020: RMB406.0 million), the turnover days of inventories decreased from 38.7 days for the year ended 31 December 2020 to 35.9 days for the year ended 31 December 2021. The decrease in turnover days of inventories was mainly due to the Group's enhanced efficiency of inventory control.

存貨

存貨主要包括原材料、在製品與製成品。截至2021年12月31日存貨約為人民幣395.3百萬元（2020年12月31日：人民幣406.0百萬元），存貨周轉天數從截至2020年12月31日止年度的38.7天降低到截至2021年12月31日止年度的35.9天。存貨周轉天數減少的主要原因是本集團對庫存效率的把控得以提升。

Trade Receivables

Trade receivables represent the amounts due from customers in respect of sales of goods in the ordinary course of business. As at 31 December 2021, the trade receivables amounted to approximately RMB236.5 million (31 December 2020: RMB190.8 million). The change was mainly due to the increase in revenue from related parties at the end of the year. The turnover days of trade receivables decreased from 15.4 days for the year ended 31 December 2020 to 12.9 days for the year ended 31 December 2021.

貿易應收賬款

貿易應收賬款為日常業務過程中就銷售的商品而應收客戶的款項。截至2021年12月31日貿易應收賬款約為人民幣236.5百萬元（2020年12月31日：人民幣190.8百萬元），變動的主要原因是來自關聯方的收入增加所致。貿易應收賬款周轉天數從截至2020年12月31日止年度的15.4天降低到截至2021年12月31日止年度的12.9天。

Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Due to the cyclical effects of low and peak seasons for production and sales and the seasonal procurement cycle, trade payables amounted to approximately RMB294.3 million as at 31 December 2021 (31 December 2020: RMB279.3 million). The turnover days of trade payables decreased from 26.8 days for the year ended 31 December 2020 to 25.7 days for the year ended 31 December 2021.

貿易應付賬款

貿易應付賬款為日常業務過程中向供應商購買商品或服務而應支付的款項。受產銷淡旺季及季節性採購周期的影響，截至2021年12月31日貿易應付賬款約為人民幣294.3百萬元(2020年12月31日：人民幣279.3百萬元)。貿易應付賬款周轉天數從截至2020年12月31日止年度的26.8天下降到截至2021年12月31日止年度的25.7天。

Contingent Liabilities

As at 31 December 2021, the Company did not have any material contingent liabilities.

或然負債

截至2021年12月31日，本公司並無任何重大或然負債。

Charge of Assets

As at 31 December 2021, the Company did not charge any fixed assets as securities for borrowings.

資產押記

截至2021年12月31日，本公司並無抵押任何固定資產作為借款擔保。

Borrowings

As at 31 December 2021, the Company did not have any bank borrowings.

借貸

截至2021年12月31日，本公司並無任何銀行借款。

Debt-to-Equity Ratio

As at 31 December 2021, the debt-to-equity ratio[8] of the Company was 3.4%.

資本負債比率

截至2021年12月31日，本公司的資本負債比率[8]為3.4%。

Note:

(8) Debt-to-equity ratio is calculated by dividing total debt by total equity. Total debt is defined as including interest-bearing liabilities which are not incurred during the ordinary course of business.

附註：

(8) 資本負債比率按總債務除以總權益計算。總債務界定為包括並非於日常業務過程中產生的計息負債。

Foreign Exchange Risk and Hedging

The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. However, the Group has certain cash in hand denominated in Hong Kong dollars and United States dollars, and is therefore exposed to foreign exchange risks. The Group has not hedged against its foreign exchange risks. However, the Group will closely monitor the exposure and will take specific measures when necessary to make sure the foreign exchange risks are manageable and within control.

匯率波動風險及相關對沖

本集團主要在中國經營，大部分交易乃以人民幣列值及結算。然而，本集團持有若干以港元及美元列值的現金，面臨外匯匯兑風險。本集團並無對沖外匯風險。然而，本集團將密切監控有關情況並於必要時採取一定措施，確保外匯風險處於可控範圍。

Employees and Remuneration Policy

As at 31 December 2021, the Group had a total of 2,499 employees (including temporary workers), comprising 1,874 employees in production, 519 employees in marketing and 106 employees in administration and management functions.

As at 31 December 2021, the Group's total staff costs amounted to RMB521.6 million, including salaries, wages, allowances and benefits. The Group continued to optimize the incentive-based system in line with business development needs and implemented remuneration policies with competitiveness.

僱員及薪酬政策

截至2021年12月31日，本集團員工總人數為2,499人（含臨時工），其中包括了生產體系員工1,874人，營銷體系員工519人，行政和管理相關職能體系員工106人。

截至2021年12月31日，本集團的總員工成本為人民幣521.6百萬元，包括薪金、工資、津貼及福利。本集團緊貼業務發展需求，不斷優化激勵體系，實施具有競爭力的薪酬政策。

Material Acquisitions and Disposals

As at 31 December 2021, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures.

重大收購及出售事項

截至2021年12月31日，本集團暫無附屬公司、聯營公司及合營企業的重大收購及出售情況。

FUTURE PROSPECTS

Industry and Business Outlook

In 2022, the demand is expected to be further driven by the steady recovery for the domestic economy and the targeted control on the pandemic across China. This, together with the favourable trend of inventories in the industry and operation of group purchases in the communities that is more regulated, the consumption scale would continue to recover.

In 2022, the Group will continue to place strategic focus on production research and development, brand promotion, channel building, terminal marketing and building the supply chain.

In respect of product development, the Group will continue to optimize and upgrade its products to keep pace with the current trend of multi-level and diversified consumer spending, and continue to introduce new products in various categories. While reinforcing the existing market positions for popular individual products, the Group will exercise its research and development and market exploration capabilities to launch innovative products that meet the needs and preferences of consumers. Meanwhile, we will continue to utilize the revised incentive strategy of "project-based system for products", introduce different new products and increase the success rate of products. Also, the market exit system will be strictly enforced to adjust the product mix in a timely manner, and non-performing goods will be removed to enhance the comprehensive competitiveness of the products.

In respect of brand strategy, the Group will continue to implement a multi-brand strategy to break the existing brand boundaries with sub-brand products and enrich product forms and flavours. Meanwhile, we will continue the publicity and promotions for the brand of "Magic Cook (筷手小廚)", and enhance brand recognition, together with continuous introduction of new product flavours.

未來前景

行業及業務展望

2022年，隨着國內經濟的持續恢復及國內疫情的精準管控，有望進一步帶動需求提升，加之行業庫存趨於良性，社區團購運行日益規範，消費規模將有望持續恢復。

2022年，本集團仍將把產品研發、品牌推廣、渠道建設、終端營銷、供應鏈建設作為公司策略重點。

在產品開發方面，本集團持續通過產品的優化升級，配合當前消費者多層次、多樣化的消費趨勢，圍繞各大品類持續推陳出新，在穩固現有強勢單品市場地位的同時，發揮本集團研發及探尋市場的能力，不斷推出滿足消費者需求和喜好的創新產品。同時，我們將繼續運用修訂後的「產品項目制」激勵策略，持續引入差異化新品，提高產品成功率。並且將持續配合嚴格的產品下市制度，及時調整產品組合，淘汰表現不佳的產品，務求提升產品的綜合競爭力。

在品牌策略方面，本集團將繼續實施「多品牌」戰略，以子品牌系列產品打破現有品牌邊界，豐富產品形式和口味。同時，我們將繼續推進「筷手小廚」品牌的宣傳和推廣工作，配合不斷推陳出新的產品口味，提升品牌認知度。

In terms of channel building, the Group will continue to pursue channel penetration on the basis of segmented channel operations, so as to continue enhancing the Group's market share and position in the industry. Meanwhile, we will keep on improving and refining the management system and personnel incentive policies to encourage internal sales staff and external distributors effectively, while increasing the density of the coverage by points of sale and the efficiency of standalone points of sale. In respect of e-commerce platforms, we will focus on improving consumers' experience continuously as well as enhancing the sales efficiency and brand image of e-commerce platforms.

在渠道建設方面，本集團將在細分渠道經營的基礎上，繼續進行渠道下沉，以持續提升本集團的市場佔有率和行業地位。與此同時，我們將繼續完善打磨管理制度和人員激勵政策，切實鼓勵內部銷售人員以及外部經銷商，提高售點覆蓋密度及單點銷售效率。在電商平台方面，持續提升消費者體驗為重點，不斷提升電商平台的銷售效率和品牌形象。

In terms of terminal marketing, the Group will continue to carry out active online and on-site promotions, focusing on the theme of "familial affection" management, serving distributors and points of sale, improving the utilization efficiency of expenses and optimizing the efficiency of terminal sales. At the same time, the Group will continue to deepen the cooperation with distributors, improve the distribution efficiency through multiple regional warehouses, and effectively tap the channel space and distributor potential through measures such as "zero inventory".

在終端營銷方面，本集團將持續進行積極的線上及現場推廣，以「親情化」管理為主題，服務經銷商和售點，提升費用使用效率，優化終端銷售效率。與此同時，本集團將持續深化與經銷商的合作關係，通過多個區域分倉提升配送效率以及「零庫存」等舉措切實有效的挖掘渠道空間及經銷商潛力。

In respect of supply chain formation, the Group will continue to establish domestic and foreign factories to supplement the global supply of products. Meanwhile, we will continue investing in lean production and equipment research and development, optimizing the division of supply technology categories, improving the level of automation in production lines, enhancing efficiency and optimizing the costs on supply-side. In addition, the Group has established five domestic industrial centers in China, and gradually introduced supporting industries to settle around its own factories, shortening the length of supply chain, forming industrial clusters, optimizing and integrating procurement resources, reducing transportation and logistics costs, improving supply chain efficiency and lowering the costs of products.

在供應鏈建設方面，本集團將持續建設國內外工廠，補充全球產品供應。與此同時，我們將持續在精益生產和設備研發上進行投入，優化供應技術品類分工，提升生產線自動化程度，提升效率並優化供應端成本。另外，本集團在國內成立五大產業中心，並逐步引進配套產業入駐自有工廠周邊，縮短供應鏈長度，形成產業集群，優化整合採購資源，降低運輸和物流成本，提升供應鏈效率並降低產品成本。

Material Investments and Prospects

In order to further supplement and optimize production capacity, the Group will mainly adopt the following measures in 2022:

Firstly, the construction of the north workshop of Bazhou Phase I project in Hebei Province of the PRC has been completed, with a total production capacity of 70,000 tonnes. The Bazhou Phase II project is expected to commence construction in June 2022 and start production in early 2023, with an annual production capacity of 82,000 tonnes of convenient ready-to-eat food products. With the gradual completion of the Bazhou factory, the Group will be able to better control and manage logistics costs and production capacity pressure during peak seasons.

Secondly, the main plant of the Maanshan Phase II new factory project has been completed and is undergoing internal decoration. The project is expected to release 200,000 tonnes of production capacity upon full completion, of which the planned production capacity of the first phase is 60,000 tonnes, which is expected to start production in May 2022. Maanshan Phase II project will be equipped with condiment production equipment and quality testing equipment at domestic and foreign advanced technological standards to improve the overall production line efficiency of the Company.

Thirdly, the construction of the Luohe production base officially commenced in March 2020, with a current total annual designed production capacity of 300,000 tonnes. The annual production capacity of the first phase is planned to be 150,000 tonnes, of which workshop No. 1 has been put into operation in September 2021 and workshop No. 2 is expected to commence operation in August 2022. The Luohe production base is expected to gradually increase its production capacity according to actual demand at a later stage.

重大投資的情況與前景

為進一步補充優化產能，本集團在2022年主要採取以下措施：

其一，已完成中國河北省霸州一期北車間的建設項目，合計產能7萬噸。霸州二期項目預計於2022年6月開始建設，2023年年初投產，規劃年產能為方便速食產品8.2萬噸。霸州工廠的逐步完成，將有助於本集團更好地把控和管理物流成本和旺季產能壓力。

其二，馬鞍山二期新工廠項目主體廠房已經完工，正在進行內部裝修。該項目全部建成預期可釋放產能20萬噸，其中一期規劃產能6萬噸，預期2022年5月投產。馬鞍山二期項目將配備具有國內外先進工藝技術水平的調味料生產設備及質量檢測儀器等，以提升公司整體生產線效率。

其三，漯河生產基地於2020年3月正式開始建設，目前年設計總產能為30萬噸。一期年產能規劃15萬噸，其中1號車間已於2021年9月投產，2號車間預計於2022年8月投產。後期漯河生產基地預計將根據實際需求陸續增加產能。

Fourthly, the first phase of Jianyang production base mainly focuses on compound condiment products, with a planned annual production capacity of 25,000 tonnes. The project is scheduled to commence operation at the end of 2022. The second phase is planned to have assembly lines for convenient ready-to-eat food products with an annual planned production capacity of 22,000 tonnes, of which the time for commencing production will depend on actual demand.

其四，簡陽生產基地一期主要以複合調味料產品為主，年規劃產能2.5萬噸。計劃於2022年底投產，二期規劃為方便速食產品組裝線，年規劃產能2.2萬噸，將根據實際需求規劃投產時間。

Fifthly, the Group has purchased a land parcel located in Rojana Industrial Park of Ayutthaya in Thailand in May 2020 for the construction of a Thai factory. The first phase of the Thai factory has a designed production capacity of 20,000 tonnes, which has commenced construction since the end of February 2021 and is expected to commence production in September 2022. The second phase will have a designed production capacity of 20,000 tonnes and is expected to commence production in 2025.

其五，本集團於2020年5月購買了位於泰國大城府洛加納工業園區的土地用於建設泰國工廠，泰國工廠一期設計產能2萬噸，於2021年2月底開始建設，預計將於2022年9月投產，二期設計產能2萬噸，預計將於2025年投產。

Future Plans for Material Investments

未來重大投資計劃

The Group will continue to seek potential strategic investment opportunities extensively, and will keep on seeking potential high-quality targets that can bring synergies to the Group in the aspects of product research and development, product portfolio, channel expansion or cost control.

本集團將繼續廣泛尋找潛在的策略性投資機會，持續尋求可為集團在產品研發、產品組合、渠道擴張抑或成本控制等方面，帶來協同效應的潛在優質標的。

EXECUTIVE DIRECTORS

Mr. Sean Shi (施永宏), formerly known as Shi Yonghong, aged 52, an executive Director and the Chairman of the Company. He has been a Director of the Company since December 2015, primarily responsible for participating in making major decisions for the Company. He was appointed as a non-executive Director of the Company on 7 March 2016 and the Chairman of the Company on 14 November 2017. He was re-designated as the executive director and Chief Executive Officer of the Company on 9 December 2018 and as the executive Director and Chairman of the Company on 25 March 2020. He is responsible for formulation and management of strategic decisions of the Company. Mr. Shi is one of the founders of the Haidilao Group and has over 20 years of food industry and management experience within the Haidilao Group. Mr. Shi has held various positions at Sichuan Haidilao since April 1994. Mr. Shi was the vice general manager at Sichuan Haidilao between April 1994 and March 2001, before assuming the role of supervisor at Sichuan Haidilao between April 2001 and June 2009. Since July 2009, Mr. Shi has been a director at Sichuan Haidilao. He was an executive director of Haidilao International Holding Ltd. (stock code: 6862) from July 2015 to August 2021. Mr. Shi completed his study in mechanics at Sichuan Kongfen Group Technical School (四川空分技工學校) in June 1988.

Mr. Shi is also holding directorships at the following members of the Group:

Yihai (Singapore) Food Pte.Ltd.
Yihai (US) Food Inc.
Yihai (Canada) Food Inc.
FUHAI (SINGAPORE) FOOD PTE. LTD.

執行董事

施永宏先生(英文前稱為Shi Yonghong),52歲,本公司執行董事兼董事會主席。彼自2015年12月起擔任本公司的董事,主要負責參與作出本公司的重要決策。彼於2016年3月7日獲委任為本公司非執行董事,並於2017年11月14日獲委任為本公司董事會主席,其後於2018年12月9日起獲調任為本公司執行董事及首席執行官,並於2020年3月25日調任為執行董事兼董事會主席,負責本公司重大戰略決策的制定及管理。施先生為海底撈集團的創辦人之一並於海底撈集團積累逾20年食品行業及管理經驗。施先生自1994年4月起於四川海底撈擔任多個職位。施先生於1994年4月至2001年3月擔任四川海底撈的副總經理,之後於2001年4月至2009年6月擔任四川海底撈的監事。施先生自2009年7月起為四川海底撈的董事。彼自2015年7月至2021年8月擔任海底撈國際控股有限公司(股份代號:6862)的執行董事。施先生於1988年6月於四川空分技工學校完成機械課程。

施先生亦於本集團以下成員公司擔任董事職位:

頤海(新加坡)食品有限公司
頤海(美國)食品有限公司
頤海(加拿大)食品公司
馥海(新加坡)食品有限公司

Mr. Guo Qiang (郭強), aged 53, an executive Director and the Chief Executive Officer of the Company. He was appointed as an executive Director of the Company on 26 March 2019 and the Chief Executive Officer of the Company on 25 March 2020. He is primarily responsible for implementation of Board's strategy and management of daily operation of the Group. Mr. Guo joined the Company since January 2016 and served as the head of sales management division of the Company and the Company's head of sales division in the southern region in August 2017. In December 2018, he was appointed as the head of marketing and sales of the Company, responsible for the branding, sales and marketing businesses so as to optimize the marketing system of the Company. Before joining the Company, Mr. Guo served as a mechanical engineer of a tractor factory in Shenyang from September 1992 to April 1997; a national sales director of Lotte (China) Investment Co., Ltd. from May 1997 to August 2010; a sales director of Henan Kedi Frozen Food Co., Ltd.* (河南科迪速凍食品有限公司) from August 2010 to July 2013; and a sales director of national hypermarket division of Haixin Foods Co., Ltd. from April 2014 to December 2015. Mr. Guo graduated from Shenyang Agricultural University in 1992 with a bachelor's degree in mechanical design.

郭強先生，53歲，本公司執行董事兼首席執行官。彼於2019年3月26日獲委任為本公司執行董事，並於2020年3月25日獲委任為本公司首席執行官，主要負責執行董事會的戰略，並管理本集團日常營運。郭先生於2016年1月加入公司任職公司銷售管理部總監，並於2017年8月擔任公司南區銷售部總監，之後於2018年12月獲委任為公司營銷總監，負責公司的品牌、銷售和市場業務，致力於優化公司營銷體系的建設。加入本公司之前，郭先生於1992年9月至1997年4月在瀋陽拖拉機製造廠擔任機械工程師，於1997年5月至2010年8月在樂天(中國)投資有限公司擔任全國銷售總監，於2010年8月至2013年7月在河南科迪速凍食品有限公司擔任銷售總監，於2014年4月至2015年12月在海欣食品股份有限公司擔任全國商超部銷售總監。郭先生於1992年畢業於瀋陽農業大學，取得機械設計學士學位。

Mr. Guo is also holding directorships at the following members of the Group:

郭先生亦於本集團以下成員公司擔任董事職位：

Yihai (UK) Food Ltd.	頤海(英國)食品有限公司
Yihai (Birmingham) Food Ltd.	頤海(伯明翰)食品公司
YIHAI NATURAL FOOD MANUFACTURE SDN.BHD	頤海天然食品製造有限公司
Yihai Beijing Trading Co., Ltd. (頤海(北京)商貿有限責任公司)	頤海(北京)商貿有限責任公司
Yihai (Shanghai) Food Co., Ltd. (頤海(上海)食品有限公司)	頤海(上海)食品有限公司

Mr. Sun Shengfeng (孫勝峰), aged 42, was appointed as an executive Director and the chief financial officer on 7 March 2016. He is primarily responsible for overseeing matters relating to the financial, investment and risk management of the Company, including budgeting, disclosure and reporting. Mr. Sun has also served as the chief financial officer of Yihai Shanghai since August 2015. Mr. Sun served as the head of finance in Xi'an Yinqiao Biotechnology Co., Ltd. (西安銀橋生物科技有限公司) from September 2003 to August 2007. He joined Sichuan Haidilao in September 2007 and has held various positions successively: he worked as assistant to the chief financial officer from September 2007 to November 2011, the chief accountant from November 2011 to December 2012, deputy head of the finance management department from December 2012 to August 2013, and deputy head of the asset management department from August 2013 to August 2015. Mr. Sun passed the self-taught higher education examination for undergraduate study in business administration with Xi'an University of Technology (西安理工大學) and obtained a graduation certificate in June 2009. He completed his graduate study in business administration at Tsinghua University in September 2010, and obtained a master's degree in business administration at China Europe International Business School in November 2019. He was accredited as an accountant by the Ministry of Finance of the People's Republic of China (中華人民共和國財政部) in May 2005.

孫勝峰先生，42歲，於2016年3月7日獲委任為執行董事兼財務總監。彼主要負責監督與本公司的財務、投資及風險管理相關事宜，包括財務預算、信息披露及報告。孫先生亦自2015年8月起擔任頤海上海的財務總監。於2003年9月至2007年8月，孫先生擔任西安銀橋生物科技有限公司的財務主管。彼於2007年9月加入四川海底撈並先後擔任多個職務，包括於2007年9月至2011年11月擔任財務總監助理，於2011年11月至2012年12月擔任總會計師，於2012年12月至2013年8月擔任財務管理部門的副部長，及於2013年8月至2015年8月擔任資產管理部門副部長。孫先生通過西安理工大學工商企業管理本科高等教育自學考試並於2009年6月取得畢業證書。彼於2010年9月在清華大學完成工商管理專業研究生課程，並於2019年11月獲得中歐國際工商學院授予的工商管理碩士學位。彼於2005年5月獲中華人民共和國財政部認可為會計師。

Ms. Shu Ping (舒萍), aged 51, was appointed as an executive Director of the Company on 21 March 2018. She has been the director of Sichuan Haidilao Catering Corporation Ltd.* (四川海底撈餐飲股份有限公司) since November 2014. She was a non-executive director of Haidilao International Holding Ltd. (stock code: 6862) from July 2015 to August 2021. Ms. Shu has completed the EMBA (China) programme and the FMBA programme run by Cheung Kong Graduate School of Business in November 2015 and completed the EMBA programme run jointly by Shanghai Jiao Tong University and Nanyang Technological University in Singapore in July 2016. Ms. Shu is the spouse of Mr. Zhang Yong, a non-executive director of the Company.

舒萍女士，51歲，於2018年3月21日獲委任為本公司執行董事。由2014年11月至今擔任四川海底撈餐飲股份有限公司的董事。彼自2015年7月至2021年8月擔任海底撈國際控股有限公司(股份代號：6862)的非執行董事。舒女士於2015年11月完成長江商學院的高級管理人員中國企業工商管理碩士課程以及金融工商管理碩士課程，並於2016年7月完成上海交通大學與新加坡南洋理工大學合作舉辦的高級工商碩士管理課程。舒女士為本公司非執行董事張勇先生的配偶。

Mr. Zhao Xiaokai (趙曉凱), aged 46, was appointed as an executive Director of the Company on 25 August 2020. He is currently the director of the supply system of the Company. He is responsible for the management of the supply system of the Company. He is committed to optimizing and managing the production of factories, inventory logistics and technological research. He has extensive experience in risk management and control, cost optimization, quality control and supply chain management. Mr. Zhao joined the Company on 31 March 2017, and served as the special assistance of the general manager, and the director of the supply management department since 1 December 2017. Prior to this, Mr. Zhao has served as the general manager in production of Douglas (Qingdao) Wines Co., Ltd (青島道格拉斯洋酒有限公司) from May 2016 to March 2017, worked at Heinz (Qingdao) Food Co., Ltd. (亨氏(青島)食品有限公司) from April 2004 to April 2016 (and had been the operational director). He has served as the quality auditor of Unilever Bestfood* (聯合利華百仕福) from October 2000 to April 2004 and the production officer of Weifang Yue Hwa Food Co., Ltd.* (濰坊裕華食品有限公司) from July 1998 to October 2000. Mr. Zhao Xiaokai graduated from Jimei University and obtained a bachelor's degree in engineering in 1998.

趙曉凱先生，46歲，於2020年8月25日獲委任為本公司執行董事。彼現為本公司供應體系總監。其負責管理本公司供應體系的工作，致力於優化及管控工廠的生產、倉儲物流及技術研究等工作。其於風險管理和控制、成本優化、質量控制與供應鏈管理方面擁有豐富經驗。趙先生於2017年3月31日加入本公司，擔任總經理特別助理職位，並自2017年12月1日起擔任供應管理部之總監。於此之前，趙先生於2016年5月至2017年3月擔任青島道格拉斯洋酒有限公司製造總經理一職，於2004年4月至2016年4月就職於亨氏(青島)食品有限公司，曾擔任運營總監職位，於2000年10月至2004年4月擔任聯合利華百仕福質量審核員，於1998年7月至2000年10月擔任濰坊裕華食品有限公司生產主任。趙曉凱先生於1998年畢業於集美大學，取得工程學士學位。

Mr. Zhao is also holding directorships at the following members of the Group:

趙先生亦於本集團以下成員公司擔任董事職位：

Yihai (Birmingham) Food Ltd.	頤海(伯明翰)食品公司
YIHAI NATURAL FOOD MANUFACTURE SDN.BHD	頤海天然食品製造有限公司
Yihai (Australia) Food Proprietary Limited	頤海(澳洲)食品專營有限公司
Fuhai (Shanghai) Food Technology Co., Ltd. (馥海(上海)食品科技有限公司)	馥海(上海)食品科技有限公司
Yihai Zhaoqing Food Co., Ltd. (頤海肇慶食品有限公司)	頤海肇慶食品有限公司
Fuhai Zhaoqing Food Co., Ltd. (馥海肇慶食品有限公司)	馥海肇慶食品有限公司
Sichuan Yihai Magic Cook Food Co., Ltd. (四川頤海筷手食品有限公司)	四川頤海筷手食品有限公司
Yihai (Anhui) Food Technology Co., Ltd. (頤海(安徽)食品科技有限公司)	頤海(安徽)食品科技有限公司

NON-EXECUTIVE DIRECTOR

Mr. Zhang Yong (張勇), aged 51, was appointed as a non-executive Director on 7 March 2016. Mr. Zhang is one of the founders of the Haidilao Group and has over 20 years of food industry and management experience within the Haidilao Group. He has been a Director since December 2015 and is primarily responsible for participating in making major decisions for the Company. Mr. Zhang served as the general manager of Sichuan Haidilao from April 1994 to March 2001. Between April 2001 and June 2009, Mr. Zhang served as both the executive director and the general manager of Sichuan Haidilao. Since July 2009, Mr. Zhang has served as the director and chairman of Sichuan Haidilao. Mr. Zhang also serves as a director and member of senior management of associates of the Company's Controlling Shareholders. He is currently an executive director of Haidilao International Holding Ltd. (stock code: 6862). Mr. Zhang completed the executive master of business administration program and completed the finance master of business administration program from Cheung Kong Graduate School of Business (長江商學院) in October 2011 and August 2012, respectively. Mr. Zhang is the spouse of Ms. Shu Ping, an executive director of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yau Ka Chi (邱家賜), aged 64, was appointed as an independent non-executive director of the Company on 20 June 2016. Mr. Yau has over 30 years of professional accounting services experience including 20 years in serving PRC-based enterprises. He had worked for Ernst & Young in its Hong Kong, Toronto and Beijing offices, with a primary focus in providing professional services in accounting and audit, initial public offering, and corporate restructuring, before retiring in September 2015. When he was with Ernst & Young, Mr. Yau was appointed, among others, as the professional practice director of Greater China and the assurance leader for China North Region. Mr. Yau was an independent non-executive director of China Mengniu Dairy Company Limited (中國蒙牛乳業有限公司) (Stock code: 2319) between October 2016 and December 2021, China Power International Development Limited (中國電力國際發展有限公司) (Stock code: 2380) since December 2016, BetterLife Holding Limited (百得利控股有限公司) (Stock code: 6909) since December 2020 and HBM Holdings Limited (和鉑醫藥控股有限公司)(Stock code: 2142) since June 2021, these four companies are all listed on the main board of The Stock Exchange of Hong Kong Limited. Mr. Yau holds a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) and is a member of the American Institute of Certified Public Accountants, the Illinois Certified Public Accountants Society and the Hong Kong Institute of Certified Public Accountants.

非執行董事

張勇先生，51歲，於2016年3月7日獲委任為本公司非執行董事。張先生為海底撈集團的創辦人之一並於海底撈集團積累逾20年食品行業及管理經驗。自2015年12月起擔任本公司董事，主要負責參與作出本公司的重要決策。張先生於1994年4月至2001年3月擔任四川海底撈的總經理。2001年4月至2009年6月，張先生擔任四川海底撈的執行董事兼總經理。自2009年7月起，張先生擔任四川海底撈的董事兼董事長。張先生亦於本公司控股股東聯繫人擔任董事及高級管理層成員。彼目前為海底撈國際控股有限公司(股份代號：6862)的執行董事。張先生分別於2011年10月及2012年8月分別完成長江商學院高級管理人員工商管理碩士課程及長江商學院金融工商管理碩士課程。張先生為本公司執行董事舒萍女士的配偶。

獨立非執行董事

邱家賜先生，64歲，於2016年6月20日獲委任為本公司獨立非執行董事。邱先生擁有逾30年的專業會計服務經驗，當中包括20年服務中國企業經驗。彼於2015年9月自安永會計師事務所退休前，先後於其香港、多倫多及北京辦公室任職，主要從事會計與審計、首次公開發售及公司重組專業服務。於安永會計師事務所任職期間，邱先生曾任大中華區專業標準技術部主管和中國審計服務主管(華北區)。邱先生自2016年10月至2021年12月任中國蒙牛乳業有限公司(股份代號：2319)的獨立非執行董事，自2016年12月起任中國電力國際發展有限公司(股份代號：2380)的獨立非執行董事，自2020年12月起任百得利控股有限公司(股份代號：6909)的獨立非執行董事及自2021年6月起任和鉑醫藥控股有限公司(股份代號：2142)的獨立非執行董事，四家公司均在香港聯合交易所有限公司的主板上市。邱先生持有香港理工學院(現稱為香港理工大學)公司秘書及行政管理專業文憑，並為美國註冊會計師協會、伊利諾州註冊會計師協會及香港會計師公會的會員。

Ms. Ye Shujun (葉蜀君), aged 60, was appointed as an independent non-executive Director on 20 June 2016. She is primarily responsible for participating in making major decisions for the Company and advising on issues relating to corporate governance, remuneration of Directors and senior management, nomination of Directors and audit. Ms. Ye has been an independent director of Beijing New Universal Science and Technology Co., Ltd (北京萬向新元科技股份有限公司) (stock code: 300472) since June 2011, and an independent director of Anhui Guozhen Environment Protection Technology Joint Stock Co., Limited (安徽國禎環保節能科技股份有限公司) (stock code: 300388) from August 2016 to December 2020, both being companies listed on the Shenzhen Stock Exchange (深圳證券交易所). Ms. Ye has been serving as independent director of Anhui Telit Science and Technology Co., Ltd. (stock code: 831918), a company listed on National Equities Exchange and Quotation System, since July 2017, and as independent director of Wuhu Fuchun Dye And Weave Co., Ltd. (stock code: 870898), a company listed on the New Third Board, since November 2017. Ms. Ye also served as lecturer, associate professor and professor successively at the economic management college of Beijing Jiaotong University (北京交通大學) since December 1994. Ms. Ye completed a program in international accounting and international tax at Xiamen University in January 1990. Ms. Ye then obtained a master's degree in economics from Tsinghua University in July 1994. She obtained a doctoral degree in management from Beijing Jiaotong University in July 2007.

葉蜀君女士，60歲，於2016年6月20日獲委任為本公司獨立非執行董事。彼主要負責參與作出本公司的重要決策以及就公司管治、董事及高級管理層薪酬、提名董事及審計有關事宜提供意見。葉女士自2011年6月起出任北京萬向新元科技股份有限公司(股份代號：300472)的獨立董事，並於2016年8月至2020年12月出任安徽國禎環保節能科技股份有限公司(股份代碼：300388)的獨立董事，兩家公司均為深圳證券交易所上市公司。葉女士自2017年7月起擔任在全國中小企業股份轉讓系統掛牌上市的企業安徽天立泰科技股份有限公司(股票代碼：831918)的獨立董事，自2017年11月起任新三板掛牌企業蕪湖富春染織股份有限公司(股票代碼：870898)的獨立董事。葉女士亦自1994年12月起任教於北京交通大學經濟管理學院，先後任職講師、副教授及教授。葉女士於1990年1月在廈門大學完成國際會計與國際稅收班課程。葉女士其後於1994年7月取得清華大學經濟學碩士學位。彼於2007年7月取得北京交通大學管理工程學博士學位。

Mr. Qian Mingxing (錢明星), aged 59, was appointed as an independent non-executive Director on 20 June 2016. He is primarily responsible for participating in making major decisions for the Company and advising on issues relating to corporate governance, nomination of Directors and remuneration of Directors and senior management. Mr. Qian has been a professor at Peking University Law School (北京大學法學院) since August 1999. He worked as a teaching assistant and a lecturer of the law department at Peking University from August 1986 to August 1988 and August 1988 to August 1993, respectively. From August 1993 to August 1999, Mr. Qian was an associate professor at Peking University Law School. Mr. Qian obtained a bachelor's degree in law and a master's degree in law from Peking University in July 1983 and July 1986, respectively. In June 2001, Mr. Qian obtained a doctoral degree of laws from Peking University.

錢明星先生，59歲，於2016年6月20日獲委任為本公司獨立非執行董事。彼主要負責參與作出本公司的重要決策以及就公司管治、提名董事以及董事及高級管理層薪酬有關事宜提供意見。錢先生自1999年8月起一直在北京大學法學院擔任教授。錢先生於1986年8月至1988年8月期間及1988年8月至1993年8月期間分別在北京大學法律系擔任助教及講師。於1993年8月至1999年8月，錢先生擔任北京大學法學院副教授。錢先生分別於1983年7月及1986年7月取得北京大學的法律學士學位及法律碩士學位。錢先生於2001年6月取得北京大學法律博士學位。

SENIOR MANAGEMENT

Mr. Sean Shi (施永宏), an executive Director of the Company. See "－Board of Directors－Executive Directors" in this section for his biographical details.

Mr. Guo Qiang (郭強), an executive Director and the Chief Executive Officer of the Company. See "－Board of Directors－Executive Directors" in this section for his biographical details.

Mr. Sun Shengfeng (孫勝峰), an executive Director and the chief financial officer of the Company. See "－Board of Directors－Executive Directors" in this section for his biographical details.

Mr. Zhao Xiaokai (趙曉凱), an executive Director. See "－Board of Directors－Executive Directors" in this section for his biographical details.

高級管理層

施永宏先生，本公司執行董事。有關其履歷詳情，請參閱本節「－ 董事會－執行董事」。

郭強先生，本公司執行董事及首席執行官。有關其履歷詳情，請參閱本節「－董事會－執行董事」。

孫勝峰先生，本公司執行董事及財務總監。有關其履歷詳情，請參閱本節「－董事會－執行董事」。

趙曉凱先生，本公司執行董事。有關其履歷詳情，請參閱本節「－董事會－執行董事」。

Corporate Governance Report
企業管治報告

The Board of the Company presents this corporate governance report in the Group's annual report for the year ended 31 December 2021.

本公司董事會提呈本集團截至2021年12月31日止年度的年報內所載的本企業管治報告。

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

本公司的企業管治常規

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value, accountability and transparency.

本集團致力達致高水準的企業管治，務求保障股東權益及提高企業價值、問責性及透明度。

The Company has applied the principles as set out in the Corporate Governance Code and also the corporate governance report as contained in Appendix 14 to the Listing Rules.

本公司已應用上市規則附錄十四所載企業管治守則的原則及企業管治報告。

The Corporate Governance Code sets out the principles of good corporate governance and two levels of corporate governance practices, as follows:

企業管治守則訂明的良好企業管治原則及兩個層面的企業管治常規如下：

(a) code provisions, which listed issuers are expected to comply with or to give considered reasons for deviation; and

(a) 守則條文，期望上市發行人遵守或就偏離行為提供審慎考慮的理由；及

(b) recommended best practices for guidance only, which listed issuers are encouraged to comply with.

(b) 建議最佳常規，僅屬指引，鼓勵上市發行人遵守。

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code.

本公司的企業管治常規乃以企業管治守則所載原則及守則條文為依據。

The Company regularly reviews its compliance with Corporate Governance Code and the Company was in compliance with the code provisions of the Corporate Governance Code during the year ended 31 December 2021.

本公司定期審閱遵守企業管治守則的情況且本公司於截至2021年12月31日止年度內已遵守企業管治守則的守則條文。

Please refer to the Corporate Governance Report of this annual report for details.

有關詳情，請參閱本年報企業管治報告。

A. THE BOARD

1. Responsibilities

The Board is responsible for the leadership and control of the Company and is responsible for promoting the success of the Company by directing and supervising its affairs. The Board also reviews the policies and practices on compliance with legal and regulatory requirements. The Board has established Board committees and has delegated to these Board committees' various responsibilities as set out in their respective terms of reference which are published on the websites of the Stock Exchange and the Company.

All of the Directors have carried out their duties in good faith and in compliance with the standards of applicable laws and regulations, and have acted objectively in the best interests of the Company and its Shareholders.

2. Delegation of Management Function

The Board is responsible for making all major decisions of the Company including: the approval and monitoring of all major policies of the Group and overall strategies, risk management and internal control systems, notifiable transactions, connected transactions and continuous connected transactions, nomination of the Directors and joint company secretaries, and other significant financial and operational matters.

All of the Directors have full and timely access to all relevant information as well as the advice and services of the joint company secretaries of the Company, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is entitled to seek independent professional advice in appropriate circumstances at the Company's expense to enable himself/herself to perform his/her responsibilities for the Company.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions are periodically reviewed. Approval has to be obtained from the Board before any significant transaction is entered into.

A. 董事會

1. 責任

董事會負責領導和控制本公司及負責統籌及監督本公司的事務進而促使本公司達致成功。董事會亦審閱遵守法律及法規規定方面的政策及常規。董事會下設董事委員會，並向該等董事委員會轉授其各自職權範圍載列的各項責任。該等董事委員會各自的職權範圍刊載於聯交所及本公司網站。

全體董事已真誠地依據適用法律及規例的標準履行職責，並客觀地為本公司及其股東的最佳利益行事。

2. 管理層職能授權

董事會負責制定本公司所有重大決策，包括：批准及監督本集團所有主要政策和整體策略、風險管理及內部控制系統、須予公佈的交易、關連交易、持續關連交易、董事及聯席公司秘書的提名以及其他重要財務及營運事項。

全體董事均可全面及適時地獲取所有相關資料以及獲得本公司聯席公司秘書的意見與服務，以確保董事會程序及所有適用規則及規例均獲遵從。各董事有權於適當情況下尋求獨立專業意見以協助他們履行其對本公司的責任，有關開支由本公司承擔。

本公司的日常管理、行政及營運均已委派予高級管理層。其獲授權的職能會定期予以檢討。訂立任何重大交易前必須取得董事會批准。

3. Board Composition

The Board of the Company comprised the following Directors throughout 2021:

Executive Directors	Mr. Sean Shi *(Chairman)*
	Mr. Guo Qiang
	Mr. Sun Shengfeng
	Ms. Shu Ping
	Mr. Zhao Xiaokai
Non-executive Director	Mr. Zhang Yong
Independent non-executive Directors	Mr. Yau Ka Chi
	Mr. Qian Mingxing
	Ms. Ye Shujun

The list of the Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

Save as disclosed in the Prospectus and in this annual report, to the best knowledge of the Company, there are no financial, business, family, or other material/relevant relationships among members of the Board.

During the period from the Listing Date to 31 December 2021, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board and at least one independent non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise.

3. 董事會組成

在2021年本公司董事會由以下董事組成：

執行董事	施永宏先生*(主席)*
	郭強先生
	孫勝峰先生
	舒萍女士
	趙曉凱先生
非執行董事	張勇先生
獨立非執行董事	邱家賜先生
	錢明星先生
	葉蜀君女士

董事名單(按分類)亦根據上市規則於本公司不時公佈的所有公司通訊內予以披露。獨立非執行董事根據上市規則於所有公司通訊內明確列出。

除招股章程及本年報所披露者外，據本公司所知，董事會成員之間概無財務、業務、家庭或其他重大／相關關係。

於上市日期至2021年12月31日止期間內，董事會一直遵守上市規則有關規定，委任至少三名獨立非執行董事，佔董事會成員人數至少三分之一，以及其中至少一名獨立非執行董事須擁有適當專業資格或會計或相關財務管理專長。

The Company has received written annual confirmation from each independent non-executive Director of his or her independence pursuant to the requirements of the Listing Rules. The Company considers all the independent non – executive Directors to be independent in accordance with the independence requirements set out in the Listing Rules.

本公司已收到各獨立非執行董事根據上市規則的規定發出確認本身獨立性的年度確認函。本公司認為，根據上市規則所載的獨立性規定，所有獨立非執行董事均屬獨立人士。

4. Appointment, Re-election and Removal of Directors

4. 董事的委任、重選及免職

The procedures and process of appointment, re-election and removal of the Directors are laid down in the Articles of Association. The primary duties of the Nomination Committee include, but are not limited to, reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on matters relating to the appointment of the Directors.

董事的委任、重選及免職程序及過程已載於組織章程細則。提名委員會的主要職責包括但不限於審閱董事會架構、規模及組成、評估獨立非執行董事的獨立性及就有關委任董事的事宜向董事會提出建議。

Each of the executive Directors and non-executive Directors has entered into a service contract with the Company pursuant to which each of them has agreed to act as an executive Director or a non-executive Director (as the case may be), subject to re-election as and when required under the Articles of Association, until it is terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than one month's prior notice in writing. Each of the independent non-executive Directors has signed a letter of appointment with the Company and has been appointed for a term of three years. The appointment may be terminated by either party giving to the other not less than one month's prior notice in writing.

執行董事及非執行董事各自已與本公司訂立服務合約，據此，彼等分別同意擔任執行董事或非執行董事（視乎情況而定），可根據組織章程細則於需要時重選，直至根據服務合約的條款及條件終止或由其中一方向另一方發出不少於一個月的事先書面通知予以終止。各獨立非執行董事已與本公司簽立委任函並已獲委任，任期為三年。委任可由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

In accordance with the Articles of Association, all of the Directors are subject to retirement by rotation at least once every three years and the Board has power from time to time and at any time to appoint any new Director to fill a causal vacancy or as an addition to the Board. Any Director so appointed shall hold office until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

根據組織章程細則，全體董事須至少每三年輪值告退一次，而董事會有權不時及隨時委任任何新董事以填補臨時空缺或加入董事會。任何按上述方式獲委任的董事任期僅至本公司下屆股東週年大會，惟屆時可於股東週年大會上膺選連任。

5. Induction and Continuing Development for Directors

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment, so as to ensure that he or she understands the business and operations of the Company and that he or she is fully aware of his or her responsibilities and obligations under the Listing Rules and other relevant regulatory requirements.

The Directors are continually provided with information relating to the developments in the legal and regulatory regime and the business and market environments to facilitate the execution of their responsibilities. Continuing briefings and professional development for the Directors were arranged by the Company and its professional advisers.

During the year ended 31 December 2021, each Director has attended online training sessions arranged by the Stock Exchange regarding continuing obligations.

According to records provided by the Directors, a summary of training received by the Directors for the year ended 31 December 2021 is as follows:

Name of Director	Training (Note)
Mr. Sean Shi	√
Mr. Guo Qiang	√
Mr. Sun Shengfeng	√
Ms. Shu Ping	√
Mr. Zhao Xiaokai	√
Mr. Zhang Yong	√
Mr. Yau Ka Chi	√
Mr. Qian Mingxing	√
Ms. Ye Shujun	√

Note: Each Director has read and learnt relevant information regarding the Company under the "Listing Rules and Guidance" issued by the Stock Exchange in 2021. On top of the above-mentioned trainings, each of the Directors has also read materials prepared by external professional advisers on updated rules and regulations of the Stock Exchange.

5. 董事的就任導引及持續發展

本公司於每名新委任董事首次獲委任時向其作出正式、全面及特設的就任導引，以確保其了解本公司的業務及運作，並完全知悉其於上市規則及其他有關監管規例下的職責及責任。

董事持續獲提供有關法律及規管制度以及業務及市場環境最新發展的資料，以協助彼等履行職責。本公司及其專業顧問已為董事安排持續性簡介及專業知識介紹。

截至2021年12月31日止年度，每名董事均已參加由聯交所安排的培訓課程，該等課程內容有關持續責任。

根據董事提供的記錄，董事於截至2021年12月31日止年度獲得的培訓概要如下：

董事姓名	培訓(附註)
施永宏先生	√
郭強先生	√
孫勝峰先生	√
舒萍女士	√
趙曉凱先生	√
張勇先生	√
邱家賜先生	√
錢明星先生	√
葉蜀君女士	√

附註： 每名董事均已閱讀及學習聯交所於2021年發佈的與本公司相關的《上市規則與指引》相關資料。除上述培訓外，各董事亦已研讀由外部專業顧問就聯交所規則及監管更新提供的資料。

6. Attendance Record of Board Meetings

a. Number of Meetings and Directors' Attendance

Code provision C.5.1 (i.e. former code provision A.1.1) of the Corporate Governance Code prescribes that at least four regular Board meetings should be held in each year at approximately quarterly intervals with active participation of majority of directors, either in person or through electronic means of communication.

The Board met 5 times during the year ended 31 December 2021 for reviewing and approving the audited annual results for the year ended 31 December 2020, unaudited interim results for the six months ended 30 June 2021, change of joint company secretary, determination of environmental targets and relevant matters.

The chairman of the Company held meeting with the independent non-executive Directors once during the year ended 31 December 2021 without the other Directors present.

The Company held one general meeting on 21 May 2021 during the year ended 31 December 2021. All proposed Shareholders' resolutions put to the above general meeting were resolved by poll vote and were duly passed. The vote tally of each such resolution was set out in the Company's announcement released on the day of the general meeting.

6. 董事會會議出席記錄

a. 會議次數及董事出席率

企業管治守則守則條文C.5.1條(即前A.1.1條)規定，每年至少召開四次定期董事會會議，至少每季度召開一次，且大多數董事須積極參與會議(無論親身或通過電子通信方式)。

於截至2021年12月31日止年度，董事會已召開5次會議，以審閱及批准截至2020年12月31日止年度的經審核年度業績及截至2021年6月30日止六個月的未經審核中期業績、聯席公司秘書變動、環境目標制定及相關事項。

於截至2021年12月31日止年度，本公司主席與獨立非執行董事進行一次會議，而其他董事未有出席是次會議。

於截至2021年12月31日止年度，本公司於2021年5月21日舉行一次股東大會。於上述股東大會上提交的所有建議股東決議案已通過投票方式得以表決並獲得正式通過。各項決議案的表決情況載於本公司於股東大會當日發佈的公告。

The attendance records of each Director at the Board meetings and general meetings of the Company during the year ended 31 December 2021 are set out below:

於截至2021年12月31日止年度內，各董事出席董事會會議和本公司的股東大會的記錄載列如下：

Name of Director	董事姓名	Attendance/ Number of Board Meetings 出席次數／董事會會議次數	Attendance/ Number of General Meetings 出席次數／股東大會次數
Mr. Sean Shi	施永宏先生	5/5	1/1
Mr. Guo Qiang	郭強先生	5/5	1/1
Mr. Sun Shengfeng	孫勝峰先生	5/5	1/1
Ms. Shu Ping	舒萍女士	4/5	1/1
Mr. Zhao Xiaokai	趙曉凱先生	5/5	1/1
Mr. Zhang Yong	張勇先生	4/5	1/1
Mr. Yau Ka Chi	邱家賜先生	5/5	1/1
Mr. Qian Mingxing	錢明星先生	5/5	1/1
Ms. Ye Shujun	葉蜀君女士	5/5	1/1

b. *Practices and Conduct of Meetings*

Annual meeting schedules and draft agenda of each meeting are made available to the Directors in advance, to ensure that each Director has the opportunity to raise matters to be discussed and included in the agenda of the Board meetings.

Notices of regular Board meetings are served to all of the Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notices were generally given.

Board papers together with all appropriate, complete and reliable information were sent to all of the Directors at least three days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

b. *會議常規及指引*

年度會議時間表及每次董事會會議的草擬議程會在會議舉行前事先向董事提供，以確保全體董事皆有機會提出商討事項列入董事會會議議程。

定期董事會會議通知均至少提前14日送交所有董事。就其他董事會及委員會會議而言，在一般情況下將給予合理通知。

董事會會議材料連同所有適當、完整及可靠資料於每次董事會會議或委員會會議前至少提前三日寄發予所有董事，以便董事了解本公司最新發展動態及財務狀況及使董事在知情情況下作出決定。

Each Director also had separate and independent access to the senior management of the Company whenever necessary.

於需要時，各董事亦可單獨及獨立地聯絡本公司高級管理層。

The senior management of the Company attend all regular Board meetings and where necessary, other Board and committee meetings, to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

本公司高級管理層出席所有定期董事會會議並於需要時出席其他董事會及委員會會議，以就本公司業務發展、財務及會計事項、法律及法規合規事宜、企業管治及其他重大事項提供意見。

The joint company secretaries are responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to the Directors for comment within a reasonable time after each meeting and the final version is open for the Directors' inspection.

聯席公司秘書負責記錄所有董事會會議及委員會會議，並保存有關記錄。記錄草稿一般於每次會議後的合理時間內交予董事傳閱以便其提出意見，定稿可供董事隨時查閱。

The Articles of Association contain provisions requiring the Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

組織章程細則載有規定，要求有關董事於批准彼等或其任何聯繫人擁有重大利益的交易時放棄投票且不計入會議法定人數。

B. CHAIRMAN AND CHIEF EXECUTIVE

B. 主席及行政總裁

Code provision C.2.1 (i.e. former code provision A.2.1) of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

企業管治守則守則條文C.2.1條(即原A.2.1條)訂明，主席及行政總裁的職位應予區分，並不應由同一人兼任。

During the year ended 31 December 2021, Mr. Sean Shi has served as the Chairman of the Board, while Mr. Guo Qiang has served as the chief executive officer of the Company who is responsible for the day-to-day management of the Company. The division of responsibilities between the Chairperson of the Board and the chief executive has been clearly established.

於截至2021年12月31日止年度，施永宏先生擔任董事會主席，而郭強先生則擔任本公司首席執行官，負責本公司日常管理。董事會主席及首席執行管的職責區分已予明確訂立。

C. BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee, and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All of these three committees are established with defined written terms of reference which are available at the websites of the Stock Exchange and the Company.

The majority of the members of the Audit Committee, the Remuneration Committee, and the Nomination Committee are independent non-executive Directors.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

1. Audit Committee

We have established the Audit Committee with terms of reference in compliance with Rule 3.21 of the Listing Rules as well as paragraph D.3 (former paragraphs C.3 and D.3) of the Corporate Governance Code. The Audit Committee consists of three independent non-executive Directors, namely, Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun. The chairman of the Audit Committee is Mr. Yau, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

C. 董事委員會

董事會已成立三個委員會，即審計委員會、薪酬委員會及提名委員會，以監察本公司特定事務。三個委員會均訂有明確書面職權範圍，且該等職權範圍於聯交所及本公司網站上可供查閱。

審計委員會、薪酬委員會及提名委員會的成員大多數為獨立非執行董事。

董事委員會擁有充足資源履行彼等職責，並可於提出合理要求時在適當情況下尋求獨立專業意見，費用由本公司承擔。

1. 審計委員會

我們已按照上市規則第3.21條及企業管治守則第D.3段（前第C.3及D.3段）成立具職權範圍的審計委員會。審計委員會由三名獨立非執行董事組成，即邱家賜先生、錢明星先生及葉蜀君女士。審計委員會的主席為邱先生，其持有上市規則第3.10(2)及3.21條項下規定的適當專業資格。

The Audit Committee meets at least twice a year. The primary duties of the Audit Committee include, but are not limited to, assisting the Board by (i) reviewing and monitoring the relationship of the external auditor and the Group, particularly the independence, objectivity and effectiveness of the external auditor; (ii) providing an independent view of the effectiveness of the financial reporting process, compliance, risk management and internal control systems of the Group; (iii) overseeing the audit process and performing other duties and responsibilities as assigned by the Board; (iv) developing and reviewing the Company's policies and practices on corporate governance, compliance with legal and regulatory requirements and requirements under the Listing Rules; (v) reviewing the financial information of the Company and ensuring compliance with accounting standards and reviewing significant adjustments resulting from audit; and (vi) developing, reviewing and monitoring the code of conduct applicable to the Company's employees and Directors.

審計委員會每年進行至少兩次會議。審計委員會的主要職責包括(但不限於)在以下方面協助董事會:(i)檢討及監控外聘核數師與本集團之間的關係,尤其是外聘核數師的獨立性、客觀性及有效性;(ii)就本集團的財務報告過程、合規、風險管理及內部控制制度的有效性提供獨立意見;(iii)監察審核過程以及履行董事會指派的其他職務與職責;(iv)制訂及檢討本公司的企業管治政策及常規,以及法律和法規要求及上市規則要求的合規情況;(v)審閱本公司財務資料,確保遵守會計標準及檢討因核數而出現的重大調整;及(vi)制訂、檢討及監控適用於本公司僱員及董事的行為守則。

The Audit Committee held 3 meetings during the year ended 31 December 2021 and its main work involved the following:

於截至2021年12月31日止年度,審計委員會已舉行三次會議,其主要工作涉及以下各項:

- reviewing the audited annual results and financial report for the year ended 31 December 2020;
- 審閱截至2020年12月31日止年度的經審核年度業績及財務報告;
- reviewing the unaudited interim results and financial report for the six months ended 30 June 2021;
- 審閱截至2021年6月30日止六個月的未經審核中期業績及財務報告;
- reviewing the financial reporting and the compliance procedures;
- 審閱財務申報及合規程序;
- reviewing the policies and practices on corporate governance;
- 審閱企業管治政策及常規;
- reviewing the compliance with the Corporate Governance Code and the disclosure requirement in the corporate governance report as contained in Appendix 14 to the Listing Rules;
- 審閱遵守上市規則附錄十四所載企業管治守則及企業管治報告的披露規定;

- reviewing the code of conduct and the compliance manuals for employees and the Directors, the financial, operational and compliance monitoring;
- reviewing the risk management and internal control systems;
- reviewing the internal audit work of the risk management and internal audit department; and
- reviewing the work of the external auditor.

- 審閱僱員及董事操守準則及合規手冊、財務、運作及合規監控；
- 審閱風險管理及內部控制系統；
- 審閱風險管理及內部審計部的內部審計工作；及
- 審閱外聘核數師的工作。

The Audit Committee met with the external auditor of the Company in the absence of management of the Company once in relation to the provision of audit service to the Company for the year ended 31 December 2021.

截至2021年12月31日止年度，審計委員會曾與本公司外聘核數師進行一次有關為本公司提供核數服務的會議，而本公司管理層未有出席是次會議。

The attendance records of the Audit Committee Meetings are set out below:

審計委員會會議的出席記錄載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s) 出席次數／會議次數
Mr. Yau Ka Chi	邱家賜先生	3/3
Mr. Qian Mingxing	錢明星先生	3/3
Ms. Ye Shujun	葉蜀君女士	3/3

The Company's annual results for the year ended 31 December 2021 have been reviewed by the Audit Committee on 19 March 2022. The Audit Committee considers that the annual financial results for the year ended 31 December 2021 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

本公司截至2021年12月31日止年度的年度業績已由審計委員會於2022年3月19日審閱。審計委員會認為截至2021年12月31日止年度的年度財務業績符合有關會計標準、規則及規定，並已正式作出適當披露。

2. Remuneration Committee

The Company has established the Remuneration Committee with terms of reference in compliance with Rule 3.25 of the Listing Rules as well as paragraph B.1 of the Corporate Governance Code. The Remuneration Committee consists of three Directors, namely, the executive Director Ms. Shu Ping and the independent non-executive Directors Ms. Ye Shujun and Mr. Qian Mingxing. Ms. Ye Shujun serves as the chairman of the Remuneration Committee.

The Remuneration Committee meets at least once a year. The primary duties of the Remuneration Committee include, but are not limited to, the following: (i) making recommendations to the Board on the Company's policy and structure for remuneration of all the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) reviewing and approving senior management's remuneration proposals with reference to the Board corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of individual Directors and senior management.

The Remuneration Committee held 1 meeting during the year ended 31 December 2021 to review the remuneration policy and structure of the Company, and consider and make recommendation to the Board on the remuneration packages of the Directors and the senior management of the Company.

2. 薪酬委員會

本公司已按照上市規則第3.25條及企業管治守則第B.1段成立具職權範圍的薪酬委員會。薪酬委員會由三名董事組成，即執行董事舒萍女士及獨立非執行董事葉蜀君女士及錢明星先生。葉蜀君女士擔任薪酬委員會的主席。

薪酬委員會每年進行至少一次會議。薪酬委員會的主要職責包括(但不限於)下列各項：(i)就全體董事及高級管理層的薪酬政策及架構以及就制定薪酬政策的正規及透明度程序向董事會提出建議；(ii)因應董事會所訂立的企業方針目標檢討及批准高級管理層的薪酬建議；及(iii)就個別董事及高級管理層的薪酬待遇向董事會提出建議。

於截至2021年12月31日止年度，薪酬委員會已舉行一次會議，以檢討本公司的薪酬政策及架構，以及考慮本公司董事及高級管理層的薪酬待遇並就此向董事會提出建議。

The attendance records of the Remuneration Committee Meetings are set out below:

薪酬委員會會議的出席記錄載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s) 出席次數／會議次數
Ms. Ye Shujun	葉蜀君女士	1/1
Ms. Shu Ping	舒萍女士	1/1
Mr. Qian Mingxing	錢明星先生	1/1

Details of the remuneration of the Directors and the senior management of the Company are set out in note 36 to the Financial Statements.

本公司董事及高級管理層的酬金詳情載於財務報表附註36。

3. Nomination Committee

The Company has established the Nomination Committee with terms of reference in compliance with paragraph B.3 (i.e. former paragraph A.5) of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely, the executive Director Mr. Sean Shi and the independent non-executive Directors Mr. Qian Mingxing and Ms. Ye Shujun. Mr. Sean Shi serves as the chairman of the Nomination Committee.

The Nomination Committee meets at least once a year. The primary duties of the Nomination Committee include, but are not limited to, (i) reviewing the structure, size and composition of the Board; (ii) assessing the independence of the independent non-executive Directors; (iii) making recommendations to the Board on matters relating to the appointment of Directors; and (iv) reviewing the diversity policy and nomination policy of the Board.

3. 提名委員會

本公司已按照企業管治守則第B.3段（即前第A.5段）成立具職權範圍的提名委員會。提名委員會由三名董事組成，即執行董事施永宏先生以及獨立非執行董事錢明星先生及葉蜀君女士。施永宏先生擔任提名委員會的主席。

提名委員會每年進行至少一次會議。提名委員會的主要職責包括（但不限於）(i)審閱董事會架構、規模及組成；(ii)評估獨立非執行董事的獨立性；(iii)就有關委任董事的事宜向董事會提出建議及(iv)審閱董事會多元化政策及提名政策。

The Nomination Committee held 1 meeting during the year ended 31 December 2021 to review the structure, size, composition and diversity (including the skills, knowledge, experience, gender, age, cultural and educational background, ethnicity, professional experience and length of service) of the Board and make recommendations to the Board relating to the appointment and re-election of Directors to ensure that the Board has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company; to review the training and continuous professional development of the Directors and senior management; and to assess the independence of the independent non-executive Directors.

於截至2021年12月31日止年度，提名委員會已召開一次會議，以檢討董事會的架構、規模、組成及成員多元化（包括技能、知識、經驗、性別、年齡、文化及教育背景、種族、專業經驗及服務任期方面）並就董事委任以及重選向董事會提出建議，從而確保董事會成員在專業知識、技能及經驗各方面均衡，以配合本公司業務所需，審閱董事及高級管理人員的培訓及持續專業發展，並評核獨立非執行董事的獨立性。

The attendance records of the Nomination Committee Meetings are set out below:

提名委員會會議的出席記錄載列如下：

Name of Committee Member	委員會成員姓名	Attendance/ Number of Meeting(s) 出席次數／會議次數
Mr. Sean Shi	施永宏先生	1/1
Mr. Qian Mingxing	錢明星先生	1/1
Ms. Ye Shujun	葉蜀君女士	1/1

Where vacancies on the Board arise, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations.

倘董事會出現空缺，提名委員會將參照提名人選的技能、經驗、專業知識、個人誠信及時間付出，本公司的需要及其他相關法定規定及規例，啟動甄選程序。

On 26 March 2019, the Nomination Policy was adopted to enable the Nomination Committee to nominate suitable candidates to the Board for its consideration and recommendation to Shareholders for election as Directors of the Company at the Shareholders' annual general meeting or to fill casual vacancies of the Directors for the appointment by the Board. A summary of the Nomination Policy is set out below:

於2019年3月26日，本公司採納了提名政策，以使提名委員會能夠向董事會提名合適的候選人供其考慮及推薦予股東以於股東週年大會上選任本公司董事或填補臨時空缺以待董事會委任。提名政策的概要載列如下：

Purpose:

The Nomination Policy aims to set out the approach to enable the Nomination Board to nominate suitable candidates to the Board.

目的：

提名政策旨在訂明使提名委員會能夠向董事會提名合適候選人的方法。

Selection Criteria:

Evaluation of candidates will be based on a range of factors, including but not limited to their reputation in the industry, achievements and experiences in the food and beverage industry, time commitments and board diversity, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

甄選標準：

對候選人的評估將基於多項因素進行，包括但不限於彼等在業內的聲譽、在食品及飲料行業的成就及經驗、時間付出以及董事會多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期)。

Nomination Procedures:

The Nomination Committee shall hold special meeting and invite the Board members to recommend candidates (if suitable candidates available) for consideration before the meeting. The Nomination Committee may also nominate the candidates who are not recommended by the Board members.

提名程序：

提名委員會須舉行特別會議並邀請董事會成員推薦候選人(如有合適的候選人)在會議上審議。提名委員會亦可提名並非由董事會成員推薦的候選人。

In the case of filling the casual vacancies, the Nomination Committee shall recommend candidates to the Board for its consideration and approval. If candidates are recommended to be elected at the Shareholders' annual general meeting, the Nomination Committee shall nominate to the Board for its consideration and recommendation for their election.

如為填補臨時空缺，提名委員會須將候選人推薦予董事會供其審批。倘推薦候選人在股東週年大會上選任，提名委員會須向董事會提名供其考慮及推薦選任。

The nominated person should not be presumed to be recommended by the Board for election at the Shareholders' annual general meeting until the publication of the circular to the Shareholders.

在向股東刊發通函前，不得假設獲提名人士由董事會推薦在股東週年大會上選任。

The information of candidates nominated by the Board shall be set out in the circular for the Shareholders' annual general meeting.

董事會所提名候選人的資料須載入股東週年大會通函內。

The candidates may withdraw from election by serving written notice to the Board at any time before holding the Shareholders' annual general meeting.

候選人可於股東週年大會舉行前任何時間向董事會發出書面通知退出選舉。

The Board has absolute final discretion as to all matters in relation to the candidates to be recommended by it for their election at the Shareholders' annual general meeting, and the appointment of candidates is subject to final approval at the Shareholders' annual general meeting.

董事會對所有與其推薦在股東週年大會選舉的候選人有關的事宜擁有絕對的最終酌情權，且候選人的委任須在股東週年大會上最終批准後，方可作實。

Confidentiality:

Unless otherwise required by law or any regulatory authorities, under no circumstances shall a member of the Nomination Committee or a staff member of the Company disclose any information to the public or entertain any enquiries from the public, as the case may be, with regard to any nomination or candidate before the publication of the circular to Shareholders.

保密性：

除非法律或任何監管機構另有規定，否則在向股東刊發通函前，提名委員會成員或本公司員工不得向公眾披露有關任何提名情況或候選人的任何資料或回應公眾與之有關的任何查詢(視情況而定)。

The composition and diversity of the Board were considered by adopting the Board Diversity Policy including the necessary balance of skills and experience appropriate for the requirements of the business development of the Company and for effective leadership. All the executive and non-executive Directors possess extensive and diversified experience in management and broad industrial experience. The three independent non-executive Directors possess professional knowledge in management, finance, accountancy and legal, respectively with broad and extensive experience in business advisory and management, respectively. A summary of the Board Diversity Policy is set out below:

Purpose:

The Board Diversity Policy aims to set out the approach to achieve diversity of the Board and enable the Board to comply with the Corporate Governance Code.

Board Diversity Policy statement:

The Company considers increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

通過採納董事會成員多元化政策，我們已考慮董事會之組成及多元化，包括本公司業務發展要求及有效領導所適用技能與經驗的必要平衡。全體執行及非執行董事均擁有豐富及多元化的管理經驗以及廣泛行業經驗。三名獨立非執行董事分別具備管理、財務、會計及法律專業知識，並分別在商務諮詢及管理方面擁有廣泛而豐富的經驗。董事會成員多元化政策的概要載列如下：

目的：

董事會成員多元化政策旨在訂明實現董事會成員多元化的方法，及使董事會符合企業管治守則。

董事會成員多元化政策聲明：

本公司視董事會層面的日益多元化為支持其達到策略目標及可持續發展的必要元素。於設計董事會之組成時，本公司已從多方面(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期)考慮董事會成員多元化。所有董事會成員之任命將按精英制度而定，而候選人將按照目標準則，並適當顧及董事會成員多元化的裨益予以考慮。

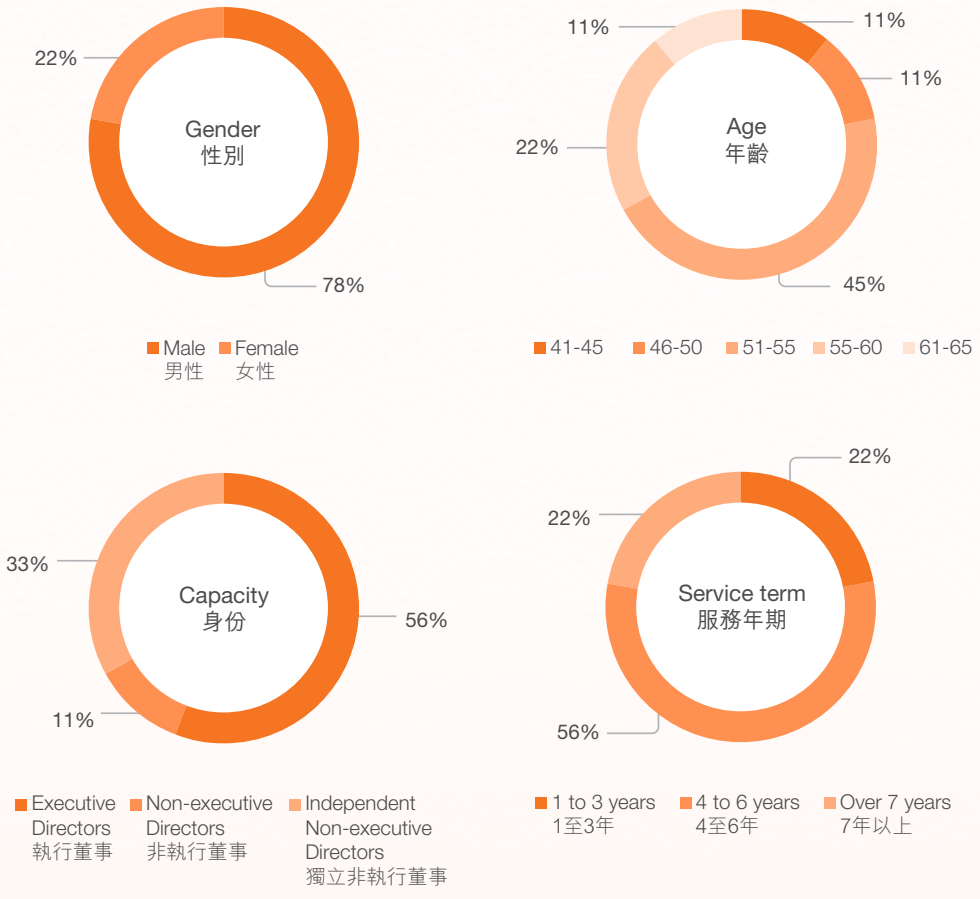
Measurable Objectives:

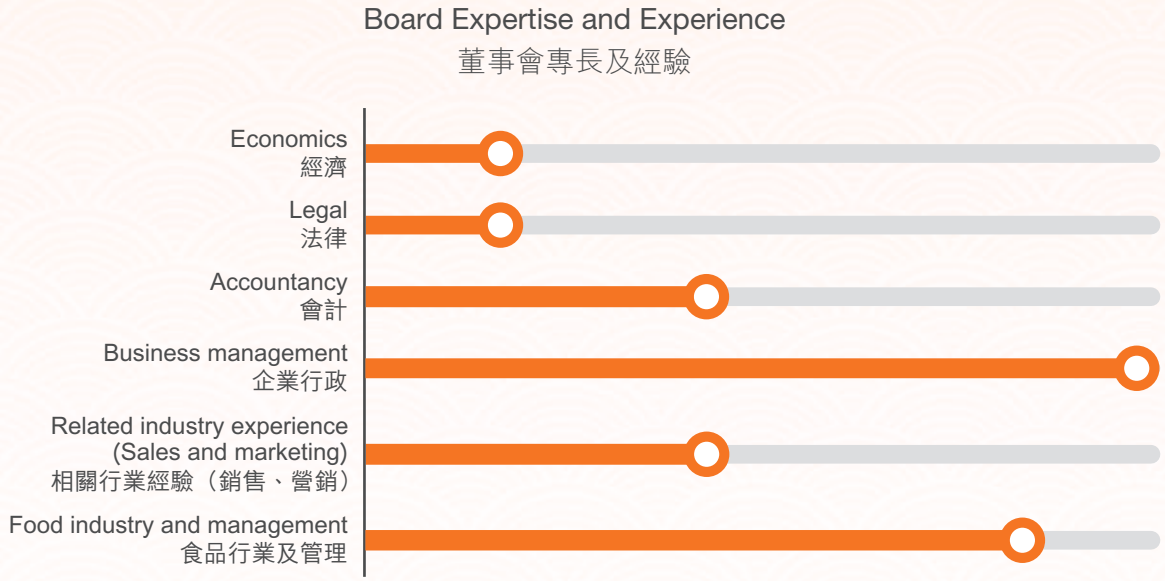
Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

可計量目標： 候選人的篩選將基於多個方面(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務任期)。最終決定將基於獲選的候選人可為董事會帶來的價值及貢獻而定。

In reviewing the structure, size, composition and diversity of the Board, the Nomination Committee has taken into account the measurable objectives as set out in the Board Diversity Policy.

於檢討董事會的架構、人數、組成及多元化時，提名委員會已考慮董事會成員多元化政策所載的可計量目標。





The Nomination Committee is of the view that the diversity level of the Board is appropriate in terms of knowledge, experience and skills of the directors. However, the Nomination Committee will continue to observe the Board Diversity Policy and consider potential candidates against the objective criteria set out in the Board Diversity Policy in order to achieve increasing diversity at the Board level.

提名委員會認為，董事會成員的多元化水平就董事的知識、經驗及技能而言乃屬合適。然而，提名委員會將繼續遵守董事會成員多元化政策及按董事會成員多元化政策所載的目標準則考慮潛在候選人，以令董事會成員日益多元化。

D. REMUNERATION OF SENIOR MANAGEMENT

The senior management of the Company comprises Mr. Sean Shi, Mr. Guo Qiang, Mr. Sun Shengfeng and Mr. Zhao Xiaokai, all of whom are executive Directors. Details of the remuneration of the above senior management are set out in note 36 to the Financial Statements.

D. 高級管理層的薪酬

本公司高級管理層包括施永宏先生、郭強先生、孫勝峰先生及趙曉凱先生，各人均為執行董事。上述高級管理層的酬金詳情載於財務報表附註36。

E. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the year ended 31 December 2021.

The Company's relevant employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the year ended 31 December 2021.

E. 證券交易標準守則

本公司已採納標準守則。本公司已向所有董事作出具體查詢，而董事均已確認彼等已於截至2021年12月31日止年度內一直遵守標準守則。

可能掌握本公司內幕消息的本公司相關僱員亦已遵守證券交易的標準守則。截至2021年12月31日止年度，本公司並無注意到出現本公司相關僱員不遵守標準守則的事件。

F. DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2021.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other financial disclosures required by the Listing Rules and other regulatory requirements.

The senior management of the Company has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company in order to put forward such information to the Board for approval.

F. 董事進行財務申報的責任

董事確認彼等編製本公司截至2021年12月31日止年度財務報表的責任。

董事會負責對年度及中期報告、內幕消息公佈及按上市規則及其他監管要求規定的其他財務披露作出平衡、清晰而可理解的評估。

本公司高級管理層已在需要時向董事會提供該等解釋及資料，以便董事會對本公司財務資料及狀況作出知情評估，以提呈該等資料予董事會批准。

G. EXTERNAL AUDITOR AND AUDITOR REMUNERATION

Pursuant to the resolution of the 2021 Shareholders' annual general meeting, PricewaterhouseCoopers was re-appointed by the Company as the external auditor of financial statements prepared under International Financial Reporting Standards.

The statement of the external auditor of the Company about their reporting responsibilities for the financial statements is set out under the section headed "Independent Auditor's Report" in this annual report.

G. 外聘核數師及核數師酬金

根據2021年的股東週年大會決議案，本公司已重新委聘羅兵咸永道會計師事務所作為根據國際財務報告準則編製財務報表的外聘核數師。

本公司外聘核數師就財務報表的申報責任作出的聲明載於本年報「獨立核數師報告」一節。

The external auditor of the Company will be invited to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report and auditor's independence.

本公司將邀請外聘核數師出席股東週年大會，回答有關審核工作、核數師報告的編製及內容以及核數師的獨立性等問題。

During the year ended 31 December 2021, the remuneration paid/payable to the external auditor of the Company for the provision of audit services for the year ended 31 December 2021 amounted to RMB3.26 million. The audit services include statutory audits and reviews of the Group and certain subsidiaries.

截至2021年12月31日止年度，本公司就截至2021年12月31日止年度獲提供的審核服務向本公司外聘核數師支付／應支付的酬金為人民幣3.26百萬元。審核服務包括本集團及若干附屬公司的法定審計及審閱。

During the year ended 31 December 2021, the remuneration paid/payable to the external auditor of the Company in respect of non-audit services for the year ended 31 December 2021 amounted to RMB0.68 million. The nature of such non-audit services is to provide advisory services. The non-audit services conducted by the external auditor mainly include tax compliance and other advisory services.

截至2021年12月31日止年度，就截至2021年12月31日止年度的非審核服務向本公司外聘核數師支付／應支付的酬金為人民幣0.68百萬元。該等非審核服務的性質為提供諮詢服務。由外聘核數師進行的非審核服務主要包括稅務合規性及其他諮詢服務。

H. RISK MANAGEMENT AND INTERNAL CONTROLS

H. 風險管理及內部控制

The Board of Directors is responsible for the establishment and maintenance of sound and effective risk management and internal control systems that are in line with the strategic objective of the Group. The Group established risk management and internal control systems to protect the interests of the Group and Shareholders, ensure the Group is in compliance with relevant laws and regulations, effectively identify and manage significant risks in achieving its strategic objectives, protect the safety of the Group's assets, and ensure the maintenance of proper compliance accounting records and financial reports.

董事會負責建立和維持與本集團戰略目標相匹配的、健全有效的風險管理及內部監控系統。本集團建立風險管理及內部監控系統，旨在保障本集團和股東利益，確保本集團遵守相關法律法規，有效識別和管理影響公司戰略目標實現的重大風險，保護本集團資產的安全，保證恰當合規的會計記錄和財務報告。

The Board of Directors is responsible for evaluating the nature and extent of the risks the Group is willing to take in achieving strategic objectives and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems as well as overseeing management of the Group in the design, implementation and monitoring of the risk management and internal control systems.

董事會負責評估本集團達成戰略目標時所願意接納的風險性質及程度，並確保本集團設立及維持合適及有效的風險管理及內部監控系統，同時，負責監督本集團管理層對風險管理及內部監控系統的設計、實施與監察。

The Board periodically receives (at least once a year) reports from the Group's management regarding financial, operational and compliance controls, as well as the establishment, review and assessment of the risk management and internal control functions of the Group. All significant risks are reported to the Board. The Board will also evaluate the corresponding risks and the response plan. The Group would review, among other things, adequacy of resources, staff's qualifications and experience, training programs and budget of our accounting, internal control and financial reporting functions.

董事會定期(至少每年一次)收到本集團管理層關於本集團的財務、運作及合規監控，以及風險管理及內部監控職能建立、審閱及評估的報告。所有重大的風險均會向董事會匯報。董事會亦對相應風險和應對計劃做出評估。本集團會審核其在會計、內部監控及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及有關預算是否充足。

The Group's management is authorized by the Board to be in charge of the organization and implementation of the risk management and internal control of the Group and be responsible for establishing the risk management and internal control systems, standardizing the organization, authorization, responsibilities, procedures and methods of the risk management and internal control systems and also responsible for ongoing monitoring of the risk management and internal control systems of the Group, and makes periodic reports to the Board regarding the status of the risk management and internal control systems of the Group.

本集團管理層被董事會授權，負責本集團風險管理工作和內部監控的組織和實施，負責制定風險管理及內部監控制度，規範本集團實施風險管理及內部監控的組織機構、授權、責任、流程和方法，負責持續監督本集團風險管理及內部監控的工作，並定期向審計委員會並由其向董事會報告本集團風險管理和內控建設情況。

The risk management and internal audit department of the Group assists the Board and the Audit Committee in their analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The risk management and internal audit department of the Group adopts an audit approach based on risk and control. The annual work plan of the risk management and internal audit department of the Group covers the major activities and processes of the Group's operations, businesses and service units. Special reviews are also performed at the management's request. The results of these audit activities are reported to the Audit Committee. The risk management and internal audit department of the Group provides independent assurance to the Board, the Audit Committee and the management of the Company as to whether the Group's internal controls are adequate and effective.

本集團風控和內審部門協助董事會及審計委員會，對本集團的風險管理與內部監控系統是否足夠以及其有效性進行分析及獨立評估。本集團風控和內審部門採用以風險及控制為本的審核方法。本集團風控和內審部門的全年工作計劃，涵蓋本集團營運、業務及服務單位各項主要工作及過程，並按照管理層的要求進行特別檢討，而審核工作的結果會向審計委員會作出匯報。本集團風控和內審部門就本集團內部監控是否足夠及有效向董事會、審計委員會及本公司管理層提供獨立保證。

With respect to risk management, the Group has chosen and adopted the risk management framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in the United States of America ("COSO"), and established a risk management system covering design, implementation, monitoring, assessment and continuous improvement based on the ISO 31000: 2009 and ISO 31000: 2018 "Risk Management – Guidelines". The Group's management established the overall targets and policies of the risk management system which are in line with the strategic objectives, and identified, analysed and assessed the overall risk of the Company, especially the risks in making major decisions, important events and key business processes. The Group's management is also responsible for reviewing and approving the response plans to major risks, as well as following-up and periodically reviewing the implementation of such response plans of risks identified, in order to make sure that sufficient attention, monitor and responses will be paid to all key risks of the Company. The risk management reports are submitted to the Board periodically.

在風險管理方面，本集團選用美國Committee of Sponsoring Organizations of the Treadway Commission（「COSO」）制定的企業風險管理框架，並以ISO 31000：2009及ISO 31000：2018標準《風險管理指南》作為重要參考，形成一套設計、實施、監控、評審和持續改進的風險管理體系。本集團管理層根據戰略制定風險管理總體目標和策略，識別、分析及評估本公司綜合風險，重點是重大決策、重大事件和重要業務流程方面，亦負責審查和批准對重大風險的應對方案，同時跟蹤與定期回顧已識別風險的應對方案實施情況，以確保本公司各類重大風險能得到足夠的關注、監控與應對。風險管理報告定期向董事會呈交。

With respect to internal control, the Group has chosen and adopted the internal control framework issued by COSO, established an internal control system and mechanism over financial, operational and compliance controls and conducted continuing review and evaluation of the internal control system of the Group to ensure the timeliness, accuracy and completeness of all information reported.

在內部監控方面，本集團選用美國COSO委員會制定的內部監控框架，建立有關財務監控、營運監控和合規監控的內部監控系統及機制，對本集團的內部監控進行持續審視與評估，以確保各項報告信息的及時、準確和完整。

- The management has evaluated the design and operating effectiveness of its internal control regarding the financial report as of 31 December 2021, did not identify any material weakness as a result of the evaluation, was not aware of any areas of concern that would have a material impact on the Company's financial position or results of operations, and considered the risk management and internal control systems to be generally adequate and effective, including with respect to the adequacy of resources, staff qualifications and experience, training programs and budget of the accounting, and internal audit and financial reporting functions. On the basis of such evaluation, the Board considers that as of 31 December 2021, risk management and internal control systems of the Group were effective and adequate.

- 管理層已經對本公司截至2021年12月31日財務報告內部監控的設計和運行有效性進行了評估，通過評估未發現任何實質性漏洞，未發現任何將對本公司的財務狀況或經營業績造成重大影響而需多加關注的事項，亦認為風險管理及內部監控系統整體而言充足並具成效，包括具備充足資源、適當的員工資歷及經驗和員工培訓課程，並在會計、內部審計及財務匯報職能方面有足夠的預算。在此評估基礎上，董事會認為截至2021年12月31日，本集團風險管理及內部監控系統是有效及充足的。

- At the same time, the Group has established a mechanism for remediating internal control deficiency under which the person in charge of each unit is assigned clear responsibilities relating to remediating internal control deficiency of the unit.

- The Group has formulated an inside information policy and regularly reminds its Directors and employees to comply with all inside information policies.

- The Group established an open channel to handle and discuss internal and external whistle-blowing regarding financial irregularities, internal control deficiencies and fraud, and to ensure that every accusation receives sufficient attention. Significant internal control deficiencies or accusations will be reported directly to the Audit Committee.

The risk management and internal control systems of the Group are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

For details of the nature and extent of the principal risks faced by the Group, please refer to the section headed "e. Principal Risk and Uncertainties" in the Directors' Report of this annual report.

I. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable the Shareholders and investors to make the best investment decisions.

- 同時，本集團建立了一套內部監控缺陷整改機制，各單位的負責人對本單位的內部監控缺陷負有明確的整改責任。

- 本集團已制定了內幕消息政策，並定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。

- 本集團設立了公開的渠道以處理及討論關於財務違規、內部監控缺陷和舞弊等方面的內部和外部舉報，並確保各項舉報得到足夠的關注，重大內部監控缺陷或舉報可直達審計委員會。

本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就重大失實陳述或損失作出合理而非絕對的保證。

有關本集團面對主要風險的性質及程度，請參閱本年報董事會報告「e.主要風險及不確定性」一節。

I. 與股東及投資者的溝通

本公司認為，與股東有效溝通對於促進投資者關係及投資者了解本集團業務表現及策略至關重要。本公司亦認識到公司資料的透明度以及及時披露公司資料以便股東及投資者能夠作出最佳投資決定的重要性。

The general meetings of the Company have provided a forum for communication between the Board and the Shareholders. The chairman of the Board as well as chairmen of the Audit Committee, the Remuneration Committee, and the Nomination Committee and, in their absence, other members of the respective committees and, where applicable, the chairman of the independent Board committee, will be available to answer questions at the general meetings. The chairman of a general meeting will provide the detailed procedures for conducting a poll and answer any questions from the Shareholders on voting by poll.

本公司股東大會已為董事會及股東提供互動的溝通平台。董事會主席以及審計委員會、薪酬委員會及提名委員會主席(如彼等未能出席，則有關委員會其他成員)及(如適用)獨立董事委員會主席將會出席股東大會，並回答提問。股東大會主席將提供進行投票的詳細程序及就投票表決回答股東的任何提問。

To promote effective communication, the Company maintains a website at www.yihchina.com, where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

為促進有效溝通，本公司設有網站www.yihchina.com，該網站載有本公司業務發展及營運的資料及最新情況、財務資料、企業管治常規及其他資料，以供公眾人士查閱。

J. AMENDMENTS OF THE ARTICLES OF ASSOCIATION

J. 修訂組織章程細則

For the year ended 31 December 2021, no change had been made to the Articles of Association.

截至2021年12月31日止年度，並無就組織章程細則作出變更。

K. SHAREHOLDERS' RIGHTS

K. 股東權利

To safeguard the Shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the re-election of individual Directors. Meanwhile, procedures are in place for the Shareholders to (i) convene an extraordinary general meeting; (ii) direct their enquiries to the Board; and (iii) put forward proposals at general meetings.

為保障股東權益及權利，各重大事宜(包括重選個別董事)以獨立決議案形式於股東大會上提呈，而且股東可根據有關程序提出(i)召開股東特別大會；(ii)向董事會查詢；及(iii)在股東大會上提呈議案。

In accordance with Article 13.5 of the Articles of Association, all resolutions put forward at a general meeting will be taken by poll save that the chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

根據組織章程細則第13.5條，所有在股東大會上提呈的決議案均將以投票方式表決，惟主席秉誠決定容許如上市規則所規定純粹關於程序或行政事宜之決議案以舉手方式表決則除外。

In addition, the poll results will be posted on the websites of the Company and the Stock Exchange after the relevant general meeting.

此外，投票表決結果將於相關股東大會後登載於本公司及聯交所網站上。

1. Convening an Extraordinary General Meeting by Shareholders

Pursuant to Article 12.3 of the Articles of Association, any two or more Shareholders or any one Shareholder which is a recognised clearing house (or its nominee(s)) (the "Requisitionist(s)") holding at the date of deposit of the requisition (deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists) not less than one-tenth of the paid-up capital of the Company and carrying the right of voting at general meetings of the Company shall at all times have the right, on written requisition, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition.

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the Requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

According to Article 12.4 of the Articles of Association, any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors of the Company and to all the Shareholders other than those who, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

1. 股東召開股東特別大會

根據組織章程細則第12.3條，任何兩名或以上股東或獲結算所認可（或其代名人）的任何一名股東（「請求人士」）於遞呈請求（遞呈本公司於香港的主要辦事處，或倘本公司不再設有該主要辦事處，則遞呈註冊辦事處，當中列明會議事項並由請求人士簽署）當日持有不少於本公司有權於本公司股東大會上投票的繳足股本十分之一，則於任何時候均有權提呈書面請求，要求董事會就該請求所指定的任何事務交易召開股東特別大會。

倘自遞呈請求日期起21日內董事會未有恰當地召開須於另外21日內舉行的大會，則請求人士或任何請求人士持有當中請求人士總投票權的過半數，則可以以董事會召開股東大會同等方式盡快召開股東大會，惟該有關大會必須由遞呈請求日期起計三個月內舉行，及因董事會的不合作而令請求人士所有產生的合理開支可向本公司報銷。

根據組織章程細則第12.4條，召開任何股東特別大會須發出不少於14日的書面通知。根據上市規則的規定，通知期不包括送達日期或視為送達日期及所通知日期，並須註明舉行會議的時間、地點及議程以及將於會議上討論的決議案詳情及該事項的一般性質。為通過特別決議案而召開大會的通告須註明擬提呈的決議案為特別決議案的目的。各股東大會通告須交予本公司核數師及全體股東，惟按照組織章程細則條文或所持有股份的發行條款的規定無權從本公司收取通告者除外。

2. Putting Forward Proposals at General Meetings

There is no single provision in the Articles of Association or the Cayman Islands Companies Law for the Shareholders to put forward proposals at general meetings. The Shareholders who wish to propose a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding section.

3. Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, the Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries, concerns or requests to the Company at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.

For the avoidance of doubt, the Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. The information of the Shareholders may be disclosed as required by law.

2. 在股東大會上提呈議案

組織章程細則或開曼群島公司法對於股東在股東大會上提呈決議案並無單一規定。有意願提呈決議案的股東可按照上節所載程序請求本公司召開股東大會。

3. 向董事會作出查詢

向本公司董事會提出任何查詢時，股東可向本公司發出書面查詢。本公司通常不會處理口頭或匿名查詢。

股東可向本公司發出其查詢、關注或請求，地址為香港灣仔皇后大道東248號大新金融中心40樓。

為免生疑問，股東須寄發正式簽署的書面要求、通知或聲明或查詢（視情況而定）的正本到上述地址，並提供彼等全名、聯絡詳情及身份，以便本公司回覆。股東資料可能根據法律規定而予以披露。

L. DIVIDEND POLICY

Subject to the Cayman Islands Companies Law and the Articles of Association, the Company may declare dividends in any currency through a general meeting, but no dividend may be declared in excess of the amount recommended by the Board. The Articles of Association provide that dividends may be declared and paid out of profit of the Company, realized or unrealized, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of a share premium account or any other fund or account which can be authorized for this purpose in accordance with the Cayman Islands Companies Law.

L. 股息政策

根據開曼群島公司法及組織章程細則，本公司可透過股東大會宣派以任何貨幣計值的股息，但所宣派的股息金額不會超過董事會建議的金額。組織章程細則規定，股息可自本公司已變現或未變現的溢利、或自董事決定不再需要的任何溢利儲備中宣派及派付。經普通決議案批准後，股息亦可自股份溢價賬或根據開曼群島公司法獲授權作此用途的任何其他資金或賬戶中宣派及派付。

Except as provided under the terms of a particular issue, or with respect to the rights attached to any Shares, (i) all dividends will be declared and paid according to the amounts paid up on the Shares in respect of which the dividend is paid, but no amount paid up on a Share in advance of calls may for this purpose be treated as paid up on the Share; and (ii) all dividends will be apportioned and paid pro rata according to the amount paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid. The Directors may deduct from any dividend or other monies payable to any of the Shareholders or in respect of any Shares all sums of money (if any) presently payable by such Shareholder to us on account of calls or otherwise.

除特定發行條款或任何股份附有的權利所規定者外，(i)所有股息將按派付股息所涉及股份的已繳股款數額宣派及派付，但催繳股款前就股份繳入的款項就此而言不得被視為股份的已繳股款；及(ii)所有股息將按派付股息所涉及股份於任何一段或多段期間的已繳股款，按比例分配及派付。董事可自應付任何股東或涉及任何股份的任何股息或其他款項當中，扣除該股東因催繳或其他原因現時應向我們支付的所有金額（如有）。

In addition, the declaration of dividends is subject to the discretion of the Board, and the amounts of dividends actually declared and paid will also depend on:

此外，宣派股息乃由董事會酌情宣派，實際宣派及派付的股息金額亦將視乎以下因素而定：

- general business conditions of the Company;
- financial results of the Company;
- capital requirements of the Company;
- interests of the Shareholders; and
- any other factors which the Board may deem relevant.

- 本公司的整體業務狀況；
- 本公司的財務業績；
- 本公司的資金需求；
- 股東的利益；及
- 董事會可能認為有關的任何其他因素。

Future dividend payments to the Shareholders will also depend upon the availability of dividends received from our subsidiaries. PRC laws require that dividends be paid out of the net profit calculated according to PRC accounting principles. PRC laws also require PRC enterprises to set aside part of their net profit as statutory reserves before they distribute the net proceeds. These statutory reserves are not available for distribution as cash dividends. In addition, the dividends paid by the PRC subsidiaries are also subject to the withholding tax imposed by the PRC laws.

日後是否向股東派付股息亦將視乎是否可自我們附屬公司收取股息而定。中國法律規定，股息須以根據中國會計準則計算的純利派付。中國法律亦規定中國企業在分派收益淨額前須將部分純利撥作法定儲備。該等法定儲備不得以現金股息形式進行分派。此外，中國附屬公司派付的股息亦須根據中國法律計提預扣稅。

The Board has absolute discretion in whether to declare any dividend for any year and, if it decides to declare a dividend, how much dividend to declare. The Company has not paid or declared any dividend since its inception. In the future, the Company expects to distribute no less than 20% of the annual distributable profit as dividends. There is, however, no assurance that the Company will be able to distribute dividends of such amount or any amount each year or in any year. The Company will continue to re-evaluate the dividend policy in light of the financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of the Board and will be based upon the earnings, cash flow, financial conditions, capital requirements, statutory fund reserve requirements of the Group and any other conditions that the Directors deem relevant.

董事會可絕對酌情決定是否宣派任何年度的股息，倘其決定宣派股息，可絕對酌情決定宣派的股息金額。本公司自成立以來並無派付或宣派任何股息。日後，本公司預期分派的股息將不少於年度可分派溢利的20%。然而，概不保證本公司每年或任何年度可分派該等數額或任何數額的股息。本公司將根據財務狀況及當前經濟環境持續重新評估股息政策。然而，是否派付股息將由董事會酌情釐定，並根據本集團的收益、現金流量、財務狀況、資本需求，法定公積金儲備要求及董事視作相關的任何其他條件釐定。

M. USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company's net proceeds from the Global Offering amounted to approximately HK$797.3 million.

As disclosed in the announcement of the Company dated 24 August 2021 (the "Announcement"), the Board resolved to change the use of the unutilized net proceeds. Set out below is the revised allocation of the unutilized net proceeds and the accumulative amount of net proceed utilized as of 31 December 2021.

M. 全球發售所得款項用途

本公司的全球發售所得款項淨額約為797.3百萬港元。

誠如本公司日期為2021年8月24日的公告(「該公告」)所披露，董事會已決議變更未動用所得款項淨額的用途。截至2021年12月31日的經修訂未動用所得款項淨額分配及累計已動用所得款項淨額的分配載列如下。

	Intended use of proceeds in the same manner and proportions as stated in the Prospectus (in RMB million)	%	Utilized net proceeds up to the date of the Announcement before re-allocation (in RMB million)	Unutilized net proceeds up to the date of the Announcement before re-allocation (in RMB million)	Revised allocation of unutilized net proceeds after re-allocation (in RMB million)	**The cumulative amount of proceeds utilized as of 31 December 2021 (in RMB million)**
	擬按招股章程所述相同方式及比例使用的所得款項（人民幣百萬元）	%	截至該公告日期，重新分配前已動用所得款項淨額（人民幣百萬元）	截至該公告日期，重新分配前未動用所得款項淨額（人民幣百萬元）	重新分配後未動用所得款項淨額的經修訂分配（人民幣百萬元）	**截至2021年12月31日累計已動用所得款項金額（人民幣百萬元）**
Constructing Phase I of our Bazhou Production Base located in Bazhou, Hebei Province 建設位於河北省霸州的霸州生產基地一期	216.1	30	216.1	–	–	**216.1**
Potential strategic acquisition opportunities in the future 潛在的策略性收購機會	180.0	25	12.0	168.0	–	**12.0**
Promoting our products and brand 推廣我們的產品和品牌	180.1	25	180.1	–	–	**180.1**
Enhancing our research and development capabilities 提高我們的研發實力	72.0	10	72.0	–	–	**72.0**
Working capital and general corporate purposes 運營資金及一般企業用途	72.0	10	72.0	–	168.0	**240.0**
Total 合計	720.2	100	552.2	168.0	168.0	**720.2**

As of 31 December 2021, the Company had utilized all the net proceeds from the Global Offering.

截至2021年12月31日，本公司全球發售所得款項已全部使用。

N. JOINT COMPANY SECRETARIES

As disclosed in the announcement of the Company dated 26 May 2021, following the resignation of Mr. Sun Shengfeng as the joint company secretary on 25 May 2021, Ms Yue Dianhong ("Ms. Yue") has been appointed as a joint company secretary of the Company on the same day. Ms. Chan Yin Wah ("Ms. Chan") of SWCS Corporate Services Group (Hong Kong) Limited, has been engaged by the Company as the joint company secretary effective and an authorized representative on 31 May 2018.

During the year ended 31 December 2021, Ms. Yue and Ms. Chan have each undertaken over 15 hours of professional training to update their skill and knowledge.

N. 聯席公司秘書

誠如本公司日期為2021年5月26日的公告所披露，孫勝峰先生於2021年5月25日辭任聯席公司秘書後，岳典宏女士(「岳女士」)於同日已獲委任為本公司聯席公司秘書。來自方圓企業服務集團(香港)有限公司的陳燕華女士(「陳女士」)已獲本公司委聘為聯席公司秘書及授權代表，自2018年5月31日起生效。

截至2021年12月31日止年度，岳女士及陳女士均已參加15小時以上的相關專業培訓，以提高技能及知識。

O. PRIMARY CORPORATE CONTACT PERSON

Ms. Yue Dianhong, the head of legal affairs and joint company secretary, is the primary corporate contact person of the joint company secretary, Ms. Chan.

O. 公司主要聯絡人

岳典宏女士(法務負責人及聯席公司秘書)為聯席公司秘書陳女士的公司主要聯絡人。

P. GOING CONCERN

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to the Shareholders through the optimization of the debt and equity balance.

There are no material uncertainties relating to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

P. 持續經營能力

本集團會對資本進行管理，以確保本集團旗下公司能夠持續經營，同時透過優化債務與資本間的平衡最大限度地提高股東回報。

概無有關任何事件或情況的重大不明朗因素可能對本公司的持續經營能力構成重大疑問。

The Board of the Company presents this directors' report in the Group's annual report for the year ended 31 December 2021.

本公司董事會提呈本集團截至2021年12月31日止年度的年報內所載的董事會報告。

PRINCIPAL ACTIVITIES

主要業務

We are a leading and fast-growing compound condiment manufacturer in China primarily focused on the hot pot condiment, Chinese-style compound condiments and convenient ready-to-eat food products market. We are the major supplier of hot pot soup flavoring products for Haidilao Group in China. In terms of third-party channels, we mainly employ a distributor model to sell our products. The Group is also expanding its sales network in overseas markets.

我們是中國領先且高速發展的複合調味料生產商，主要專注於火鍋調味料、中式複合調味料及方便速食市場。我們是海底撈集團在中國的火鍋底料產品的主要供應商。第三方渠道方面，我們主要採用經銷商模式銷售我們的產品。本集團亦繼續拓展海外市場的銷售網絡。

The principal activities of the Group are researching and developing, manufacturing and selling high-quality hot pot condiments, Chinese-style compound condiments and convenient ready-to-eat food products. There were no significant changes in the nature of the Group's principal activities during the year ended 31 December 2021.

本集團的主要業務是研發、生產及銷售優質火鍋調味料、中式複合調味料及方便速食產品。截至2021年12月31日止年度，本集團的主要業務性質並無重大變動。

RESULTS

業績

The results of the Group for the year ended 31 December 2021 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income of this annual report.

本集團截至2021年12月31日止年度的業績載於本年報的綜合損益及其他全面收益表內。

FINAL DIVIDEND

末期股息

The Board resolved to propose to the Shareholders in the forthcoming AGM on Friday, 20 May 2022 for the distribution of a final dividend of RMB21.9563 cents per share for the year ended 31 December 2021. The final dividend is expected to be paid on or about Thursday, 16 June 2022 to the Shareholders whose names are listed in the register of members of the Company on Monday, 30 May 2022, in an aggregate amount of RMB229.86 million. Subject to the consideration and approval of the Shareholders at the AGM, the final dividend will be paid in Hong Kong dollars based on the average benchmark exchange rate of Renminbi against Hong Kong Dollars as announced by the People's Bank of China in the five working days prior to but excluding the date of the Board Meeting, that is HK$27.006249 cents per Share.

董事會決議於2022年5月20日（星期五）舉行的應屆股東週年大會上向股東建議分派截至2021年12月31日止年度的末期股息每股人民幣21.9563分。末期股息預期於2022年6月16日（星期四）或前後派付予於2022年5月30日（星期一）名列本公司股東名冊的股東，金額合共為人民幣229.86百萬元。待股東於股東週年大會上考慮及批准後，末期股息將根據董事會會議日期前五個工作日（但不包括董事會會議日期）中國人民銀行公佈的人民幣兑換港元的匯率中間價以港元派付，即每股股份27.006249港仙。

SHARE CAPITAL

Details of the issued shares of the Group during the year ended 31 December 2021 are set out in note 17 to the Financial Statements.

股本

有關本集團於截至2021年12月31日止年度的已發行股份詳情載於財務報表附註17。

RESERVES

Details of the movements in reserves of the Group during the year ended 31 December 2021 are set out in the Consolidated Statement of Changes In Equity of this annual report.

儲備

有關本集團於截至2021年12月31日止年度的儲備變動詳情載於本年報綜合權益變動表內。

DISTRIBUTABLE RESERVES

As at 31 December 2021, the Group has distributable reserves of RMB3,246.8 million in total available for distribution.

可分派儲備

截至2021年12月31日，本集團可供分派的可分派儲備合共為人民幣3,246.8百萬元。

CHARITABLE DONATIONS

During the year ended 31 December 2021, the Group made charitable donations of RMB6.14 million.

慈善捐贈

截至2021年12月31日止年度，本集團慈善捐贈額為人民幣6.14百萬元。

FINANCIAL SUMMARY

The Group's financial summary for the last five financial years is set out in the section headed "Five-Year Performance Review" of this annual report.

財務概要

本集團於過去五個財政年度的財務概要載於本年報「五年業績回顧」一節。

BANK LOANS AND OTHER BORROWINGS

As at 31 December 2021, save for lease liabilities, the Group has recorded no bank loans and other borrowings.

銀行貸款及其他借款

截止2021年12月31日，本集團除租賃負債外並無銀行貸款及其他借款。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2021 are set out in note 7 to the Financial Statements.

物業、廠房及設備

有關本集團於截至2021年12月31日止年度的物業、廠房及設備變動詳情載於財務報表附註7。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained the amount of public float as required under the Listing Rules as at the Latest Practicable Date.

足夠的公眾持股量

根據本公司所獲之公開資料以及據董事所知，本公司截至最後實際可行日期一直維持上市規則規定之公眾持股量。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

優先購買權

本公司的組織章程細則並無載列優先購買權條文，且並無對有關權利的限制要求本公司須按比例基準向現有股東發售新股份。

TAX RELIEF

The Directors are not aware of any tax relief available to the shareholders of the Company by reason of their holding of the Company's securities.

稅務寬免

董事並不知悉本公司股東基於持有本公司證券為理由而可獲任何稅務寬免。

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering amounted to approximately HK$797.3 million. For details, please refer to the section headed "Corporate Governance Report – Use of Proceeds from the Global Offering" of this annual report.

全球發售所得款項用途

全球發售所得款項淨額約為797.3百萬港元。詳情請參閱本年報中「企業管治報告 – 全球發售所得款項用途」一節。

BUSINESS REVIEW

a. Overview and performance of the Year

Business review and financial review are provided in the Management's Discussion and Analysis section of this annual report.

b. Environmental Policies and Performance

It is our corporate and social responsibility to promote a sustainable and environmental-friendly environment. We strive to minimize our environmental impact with efforts of energy conservation and emission reduction and to build our corporation in a sustainable way.

The Group has undergone a series of effective energy-saving and pollutant-reducing measures such as conserving water and electricity, reducing the creation and emission of pollutants during the production process and optimizing production techniques.

Additionally, we have adopted a set of emergency planning, response and control procedures as counter-measures for unexpected environmental pollution accidents to minimize our impact on the environment and the adverse effect on our business. We incurred RMB11.85 million (2020: RMB7.82 million) in environmental compliance costs for the year ended 31 December 2021. Such environmental compliance costs relate to expenditures in implementing environmental protection policies, and for the year ended 31 December 2021, the Group has not incurred any fines as a result of pollution.

業務回顧

a. 年度回顧及表現

業務回顧及財務回顧刊載於本年報的管理層討論與分析章節。

b. 環境政策及表現

促進可持續發展及有利保護的環境是我們的企業及社會責任，我們致力節能減排相關工作，並以可持續方式推動企業事務，將對環境的影響減至最少。

本集團已進行一系列有效的節能及防污措施（例如節水節電、於生產工序中減少製造及排放污染物以及優化生產工藝）。

此外，我們採納一套緊急規劃、應變及控制程序，作為發生出乎意料環境污染意外時的抵禦措施，盡量減少對環境的衝擊及我們業務的不利影響。截至2021年12月31日止年度，我們產生環境合規成本人民幣11.85百萬元（2020年：人民幣7.82百萬元）。環境合規成本為推行環境保護政策的支出，而截至2021年12月31日止年度本集團沒有因為環境污染而導致須繳付罰款。

c. Compliance with Relevant Laws and Regulations

The Group has complied with the requirements under the Companies Ordinance, the Listing Rules, the SFO and the Corporate Governance Code for, among other things, the disclosure of information and corporate governance. The Group has also complied with other relevant laws and regulations that have a significant impact on the operations of the Group. Please refer to the section headed "Regulations" in the Prospectus for details.

d. Key Relationships with Stakeholders

Relationship with Haidilao Group and its Affiliates

One group of the primary customers of the Company is Haidilao Group and its affiliates. We are the principal supplier of hot pot soup flavoring products to Haidilao Group in China. The hot pot soup flavoring products that we sell to Haidilao Group for use in its hot pot restaurants are customized products meeting Haidilao Group's specific requirements. In addition, our retail products are displayed and sold directly to consumers in Haidilao hot pot restaurants. In general, Haidilao Group makes purchase orders based on customer demands. We have the right to arrange production ahead of time and stock the finished products in anticipation of peak seasons, but had no obsolete inventory in prior years. We also sell retail and customized condiment products to Shuhai Supply Chain, one of our affiliated companies.

Relationship with our distributors

The other group of the Company's primary customers is the distributors, who in turn resell our products to retailers, including hypermarkets, supermarkets, grocery stores, neighborhood stores and butcher shops across China. As at 31 December 2021, we had an extensive distribution network covering 31 provincial regions of China and the Hong Kong, Macau and Taiwan regions and 49 overseas countries and markets.

c. 遵守相關法律法規

本集團就(其中包括)資料披露及企業管治一直遵守公司條例、上市規則、證券及期貨條例及企業管治守則規定。本集團亦一直遵守對其營運有重大影響的有關法律及規例。有關詳情請參閱招股章程「法規」一節。

d. 與利益相關人士的主要關係

與海底撈集團及其聯屬公司的關係

本公司其中一組主要客戶為海底撈集團及其聯屬公司。我們是海底撈集團在中國的火鍋底料產品主要供應商。我們向海底撈集團銷售的供其火鍋餐廳使用的火鍋底料產品主要是滿足海底撈集團具體要求的定制產品。此外，我們的零售產品於海底撈的火鍋餐廳展示並直接向消費者出售。整體而言，海底撈集團根據客戶需要發出購買訂單。我們可預計旺季而安排提早生產及儲存製成品，但我們過往並無陳舊存貨。我們亦向我們的聯屬公司蜀海供應鏈銷售零售及定制調味品。

與經銷商的關係

本公司其他組別的主要客戶為經銷商，經銷商轉而將產品轉售予零售商(包括遍佈全國的大型超市、超市、雜貨店、社區門店及肉食店)。截至2021年12月31日，我們已建立起覆蓋中國31個省級地區與港澳台地區，以及49個外國國家及市場的龐大經銷網絡。

1. Management of Our Distributors

Our distributors are typically regional distributors primarily involved in the distribution of food and condiment products with well-established local distribution networks. We select our distributors in each region based on factors including their business qualifications and distribution capabilities. The distribution capabilities we consider include breadth and quality of sales network, reputation, creditworthiness and financial conditions, and capabilities in personnel, warehousing, logistics, facilities and transportation.

We have a seller-buyer relationship with our distributors. The ownership of the products, as well as all risks and rewards associated therewith are transferred to them upon delivery and acceptance. In general, our sales to our distributors are made on a payment-before-delivery basis according to our distribution agreements with our distributors with certain exceptions during our peak seasons. We formulate a monthly production plan based on historical sales and market demand. Upon receipt of purchase orders, we will first deliver the products previously prepared based on the relatively conservative monthly plan and further produce and deliver the shortfall, if any. Due to our effective production and inventory management, our warehouse time of finished products is approximately 7 days for retail products and 30 days for customized products sold to related parties. Once the products are delivered to the distributors, they cannot be returned except for defective products.

1. 管理我們的經銷商

我們的經銷商一般為區域經銷商，其主要從事經銷食品及調味品，具備成熟地方經銷網絡。我們根據經銷商的業務資格及經銷能力等因素在各個區域甄選經銷商。我們考慮的經銷能力包括銷售網絡的廣度及質量、聲譽、信譽及財務狀況以及人事、倉儲、物流，設備及運輸能力。

我們與經銷商之間是買賣關係。產品的所有權以及與產品有關的所有風險及回報均在經銷商驗收後轉移至經銷商。一般而言，我們對經銷商的銷售均根據我們與經銷商訂立的經銷協議按「交貨前付款」基準作出，惟我們於旺季的若干情況例外。我們根據過往銷售及市場需求制定每月的生產計劃。於接獲購買訂單後，我們首先會根據相對保守的每月計劃交付先前準備好的產品並進一步生產及交付缺少的數量（如有）。由於我們有效的生產及存貨管理，我們的製成品倉儲時間就零售產品而言約為7日，就售予關聯方的定制產品而言約為30日。產品一經送到經銷商時，便不能退回（惟有缺陷產品除外）。

2. Distributors Performance and Inventory Management

We closely monitor the performance of our distributors. For example, our sales personnel conduct inspections of our distributors from time to time to monitor their sales, prices, marketing activities, storage conditions, logistics facilities, quality control and inventory levels. Generally, we require our distributors to report to us their inventory records every two weeks to cross-check with our internal data base. Our staff also conduct monthly inventory checks at randomly selected distributors. When we notice that our distributors have excessive inventories or their sales volumes drop significantly, we may make inquiries and adopt necessary measures such as suspending the supply of relevant products. We prohibit our distributors from selling any expired products. Through visiting the retailers and sub-distributors and verifying the two-dimensional code that we implanted on our products, we also monitor whether our distributors distribute our products within their designated geographic regions and whether they sell any counterfeit products. Through these activities, we ensure that our sales to distributors reflect genuine market demand and our distributors are complying with the terms and conditions of their distribution agreements. If we discover non-compliance issues, we inform the relevant distributor and request the distributor to cease the non-compliant activities within a specified period of time. Our distributors are also liable for breaches of their distribution agreements, and we can claim compensation from them for relevant breaches. We can terminate the distribution agreements if they breach material provisions stipulated therein.

We will give certain fees to support distributors in activities that promote products and increase sales. Meanwhile, we will use "Family Love" as the activity theme for distributors and the terminal market. Relevant expenses will be reflected in the distributor's purchase order as a discount. We do not impose minimum annual purchase requirements in the distribution agreement. The distributors decide to place purchase orders by themselves.

2. 經銷商表現及存貨管理

我們密切監察經銷商的表現。例如，我們的銷售人員不時檢查經銷商以監察其銷售、售價、市場營銷活動、儲存條件、物流設施、質量控制及存貨水平。一般而言，我們要求經銷商每兩個星期向我們匯報其存貨記錄，以與我們的內部數據庫進行交叉核對。我們的員工亦每月核查隨機抽選經銷商的存貨情況。當我們注意到經銷商擁有過多存貨或其銷售量大幅下跌時，我們可進行詢問並採取必要措施(如暫停供應有關產品)。我們禁止我們的經銷商銷售任何到期產品。透過造訪零售商及下級經銷商及核實我們產品上印製的二維碼，我們亦監察經銷商是否在指定地區內經銷產品及有無出售任何假冒產品。透過該等活動，我們確保向經銷商作出的銷售反映真實的市場需求及經銷商遵守經銷協議的條款及條件。倘我們發現不合規事宜，我們將告知相關經銷商並要求經銷商在規定期間內終止此類活動。經銷商亦對違反經銷協議承擔責任，且我們可就相關違規向其申索賠償。倘經銷商違反經銷協議訂明的重大條文，我們可終止經銷協議。

我們會給予一定費用支持，以協助經銷商就推廣產品、提高銷售而做的活動，同時，我們會針對經銷商業務人員及終端市場做親情化活動。相關費用會在經銷商採購訂單中以折扣形式體現。我們並無於經銷協定中施加最低年度購買要求，經銷商都是自己決定下達採購訂單。

Relationship with Our Suppliers

Our raw materials are generally available from various suppliers. To maintain high standards of product quality and food safety, we place strong emphasis on sourcing high-quality raw materials from large suppliers with good reputations. We minimize our reliance on any single source of supply by maintaining at least two suppliers for each type of raw material. We also implement various measures to monitor the performance of our suppliers, including sample examination and on-site inspections.

We usually enter into supply agreements with our suppliers on an annual basis. Our suppliers are required to provide raw materials adhering to the quality requirement under the supply agreements and are responsible for any liabilities caused by product defects. Our supply agreements do not have an automatic renewal clause.

Relationship with Our Employees

We embrace our employees as the most valuable assets of the Group. The objective of the Group's human resources management is to reward and recognize outstanding employees by providing competitive remuneration packages and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression within the Group by providing adequate training and opportunities.

Relationship with Shareholders

We recognize the importance of protecting the interests of the Shareholders and of having effective communication with them. We believe communication with the Shareholders is a two-way process and have thrived to ensure the quality and effectiveness of information disclosure, maintain regular dialogue with the Shareholders and listen carefully to the views and feedback from the Shareholders. This has been done through general meetings, corporate communications, interim and annual reports and results announcements.

與供應商的關係

我們的原材料一般可從多名供應商採購。為維持高標準的產品質量及食品安全，我們極為重視向聲譽卓著的大型供應商採購優質的原材料。我們盡量減少依賴任何單一的供應來源，就每類原材料維持至少兩名供應商。我們亦實行多種措施監察供應商的表現，包括抽樣檢查及實地檢查。

我們通常每年與供應商訂立供應協議。我們的供應商須提供達到供應協議質量要求的原材料，並對產品瑕疵所導致的任何責任負責。我們的供應協議並無自動續期條款。

與僱員的關係

我們認為僱員是本集團最寶貴的資產，本集團人力資源管理的目標是，以具競爭力的薪酬待遇回饋及肯定傑出僱員的貢獻，以及實施具有適當獎勵的完善績效考核制度，並且藉提供足夠的培訓及機會，推動本集團內服務人士的事業前途與發展。

與股東的關係

我們認識到保護股東權益和與其進行有效溝通的重要性。我們相信與股東溝通是一個雙向的過程，並竭力確保信息披露的質量及有效性、保持與股東的定期對話及認真聆聽來自股東的意見與反饋。這已通過股東大會、公司通訊、中期報告與年報及業績公佈實現。

e. Principal Risk and Uncertainties

Risk of Raw Materials and Cost Control

The global pandemic is still ongoing and there are occasionally partial outbreaks. The condition of international trade is still severe with the rise in costs and large fluctuations in prices of bulk raw materials. The rise in raw material costs would result in the drop in the gross profit margin of the Company.

Response Measures

Our bulk purchase committee will lock in on the price and quality of raw materials with suppliers based on both the market condition and the annual sales plan to better stabilize the costs of products. When rise in prices is predicted, we stock up from the supply system in advance, in order to lower the pressure of rising costs as a result of increased price of raw materials. We are also considering further optimization of raw materials, for example, switching different categories of raw materials and seeking raw materials with better cost performance. In addition, we delegate the authority of bulk purchase to category committee members and the head of factory and include costs in their remuneration review. At the same time, we have also formulated the micro-innovation incentive management measures of the supply systems, incentivizing the improvement of supply techniques and the maximization of cost effectiveness.

Risk of Food Safety

The quality and safety of our products are very important to our continuous operation. If our quality control system is not sufficiently implemented, quality or food safety issues may arise. With a growing number of new products and the increase of the number of our self-owned factories and OEM factories, if the management and control is poor, there will be food safety risks and product quality risks, which will have a material adverse impact on the Company's brand, reputation and financial condition.

e. 主要風險及不確定性

原材料成本管控風險

全球疫情仍在持續，局部疫情時有發生，國際貿易形勢依舊嚴峻，大宗原材料成本上漲及價格波動較大，原材料成本的上升會導致公司毛利率水平的下降。

應對措施

我們的大宗採購委員將結合原材料的行情以及年度銷售計劃，提前和供應商鎖價鎖量，以更好地穩定產品的成本；當預判可能出現價格上漲時，提前與供應體系進行庫存備貨，降低原材料價格上漲帶來的成本上升壓力；我們也在考慮原料的進一步優化，比如原材料不同品種的切換，尋找性價比更優的原材料。另外，我們將大宗採購權限下放到品類委員及工廠長，並將成本納入其薪酬考核體系，同時，也制定了供應體系的微創新激勵管理辦法，激勵供應端工藝精進及成本效益的最大化。

食品安全風險

產品的質量及安全對我們持續經營至關重要，一旦我們的質量控制體系出現控制不到位，則有可能面臨質量或食品安全問題，且隨着我們新產品的不斷增多，自有工廠及供應商數量增加，管控不足會存在食品安全風險和產品質量風險，從而對公司的品牌、聲譽及財務狀況造成重大不利影響。

Response Measures

We have established a comprehensive supervisory and inspection system for food safety. Our food safety centre is responsible for identifying the latest national laws and regulations related to food safety and take lead in the formulation, amendment and optimization of systems and process such as food safety, supplier management and product release as required. The food safety centre conducts supervision and inspection on self-owned factories and suppliers from time to time together with the random audit team and the audit team of the Group. At the same time, we practise the principle of "aligned interests and disciplined management" in our supplier management policy, placing the main responsibility of development of suppliers and daily management on the category committee members of products. Category committee members are fully responsible for product development, choosing suppliers and daily purchases. Also, for any issues of product quality and quality of raw materials, we will impose penalties on the persons-in-charge of the related categories, the persons-in-charge of OEM quality and the head of factory in their profit and loss according to the severity of the issue. We believe the implementation of such measures will safeguard the high quality of our products.

Risk of Energy Conservation and Emission Reduction

Given carbon dioxide peaking, carbon neutrality and other medium to long term goals and plans in response to global climate change proposed by the state, the international market has placed increasing emphasis on ESG. It is necessary for the Group, a manufacturing and sales enterprise, to pay close attention to the state policies in relation to energy conservation and carbon reduction and development trends and continue to promote the implementation of policy to conserve energy and reduce consumption.

應對措施

我們建立了較為完善的食安監督檢查體系。我們的食安中心負責識別國家食品安全方面最新的法律法規，並根據要求主導制定、修訂及優化公司食品安全、供應商管理、產品放行等的制度及流程。食安中心協同飛行審核組、集團稽查組不定期對自有工廠、供應商進行監督檢查。同時，我們在供應商管理政策方面執行連住利益、鎖住管理的原則，將供應商的開發及日常管理的主責強化到產品品類委員，品類委員全面負責產品開發、供應商的選擇以及日常採購；以及，對於出現產品質量、原料品質問題的，相關聯的品類負責人、OEM質量主責人和工廠長，我們會按照問題等級從其損益中進行處罰。我們相信這些措施的實施將為我們產品的良好品質保駕護航。

節能減排風險

鑑於國家提出碳達峰、碳中和等一系列應對全球氣候變化的中長期目標和規劃，國際市場對於ESG也越來越重視，本集團作為生產銷售型企業，勢必需要密切關注國家節能減碳相關政策及動態發展趨勢，持續推進節能降耗政策的落地。

Response Plan

First, we have formulated environmental protection mechanism and micro-innovation incentive management measures, regulating and incentivizing environmental protection efforts on the level of systems. Secondly, we have also continued to explore practical energy-saving and emission-reducing measures in our production and operation. We have implemented policies of resource saving, energy consumption reduction and carbon emission reduction by measures including enhanced management and process and technology upgrade. Thirdly, we will also step up publicity efforts for energy conservation and emission reduction to enhance employees' environmental awareness.

應對計劃

第一，我們已經制定了環境保護相關的制度及微創新激勵管理辦法，從制度上規範及激勵環境保護相關工作；第二，在生產經營過程中我們也不斷探索切實可行的節能減排措施，並通過精益管理、工藝技術改造等措施將節約資源、降低能耗、減少碳排放的政策落地；第三，我們將加大節能減排的宣傳力度，增強員工的環保意識。

PROSPECTS

A description of the future development in the Company's business is provided in the Chairman's Statement and the Management's Discussion and Analysis section of this annual report.

展望

有關本公司未來業務發展的描述分別載於本年報的主席報告及管理層討論與分析。

EVENTS AFTER THE END OF 31 DECEMBER 2021

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2021 and up to the date of this report.

截至2021年12月31日後事項

於2021年12月31日後及直至本報告日期，董事概不知悉任何重大事項須予披露。

DIRECTORS

The Directors up to the date of this annual report are:

Executive Directors

Mr. Sean Shi *(Chairman)*
Mr. Guo Qiang *(Chief Executive Officer)*
Mr. Sun Shengfeng
Ms. Shu Ping
Mr. Zhao Xiaokai

Non-executive Director

Mr. Zhang Yong

Independent Non-executive Directors

Mr. Yau Ka Chi
Mr. Qian Mingxing
Ms. Ye Shujun

董事

截至本年報日期的董事為：

執行董事

施永宏先生*(董事長)*
郭強先生*(首席執行官)*
孫勝峰先生
舒萍女士
趙曉凱先生

非執行董事

張勇先生

獨立非執行董事

邱家賜先生
錢明星先生
葉蜀君女士

In accordance with Article 16.18 of the Articles of Association, one-third of the Directors will retire by rotation at every annual general meeting (provided that every Director shall be subject to retirement by rotation at least once every three years) and, being eligible, offer themselves for re-election. Mr. Sean Shi, Mr. Sun Shengfeng and Mr. Qian Mingxing will retire from the Board by rotation at the AGM and, being eligible, offer themselves for re-election.

根據組織章程細則第16.18條，三分之一的董事將於每屆股東週年大會上輪換退任（惟每名董事須至少每三年輪換退任一次）並合資格膺選連任。施永宏先生、孫勝峰先生及錢明星先生將於股東週年大會上自董事會輪換退任並合資格膺選連任。

No Director proposed for re-election at the AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

概無擬於股東週年大會上膺選連任的董事與本公司或其任何附屬公司訂立如無作出賠償（法定賠償除外）則不能釐定於一年內終止的未屆滿服務合約。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層的履歷

Biographical details of the Directors and the senior management of the Group are set out in the section headed "Profiles of Directors and Senior Management" of this annual report.

董事及本集團高級管理層的履歷詳情載於本年報「董事及高級管理層簡介」一節。

CHANGES IN THE INFORMATION OF THE DIRECTORS

董事資料變動

The Chairman of the Board, whose former name was Shi Yonghong, is currently known as Sean Shi. He has been appointed as a director of FUHAI (SINGAPORE) FOOD PTE. LTD.

董事會主席現名為施永宏（英文前稱為Shi Yonghong）。彼已獲委任為馥海（新加坡）食品有限公司之董事。

Mr. Zhao Xiaokai has been appointed as a director of Yihai (Australia) Food Proprietary Limited, Fuhai (Shanghai) Food Technology Co., Ltd., Sichuan Yihai Magic Cook Food Co., Ltd. and Yihai (Anhui) Food Technology Co., Ltd.

趙曉凱先生已獲委任為頤海（澳洲）食品專營有限公司、馥海（上海）食品科技有限公司、四川頤海筷手食品有限公司及頤海（安徽）食品科技有限公司之董事。

Mr. Yau Ka Chi has resigned from the post of independent non-executive director of China Mengniu Dairy Company Limited (stock code: 2319).

邱家賜先生已辭任中國蒙牛乳業有限公司（股份代號：2319）的獨立非執行董事。

Save as disclosed above and in the section headed "Profiles of Directors and Senior Management", during the year ended 31 December 2021, there has been no change in the information of the Directors as required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

除上文及「董事及高級管理層簡介」一節所披露者外，截至2021年12月31日止年度，董事資料概無出現根據上市規則第13.51B條須予披露的任何變動。

DIRECTORS' SERVICE CONTRACTS

董事服務合約

The executive Directors and non-executive Directors have each entered into a service contract with the Company pursuant to which each of

執行董事及非執行董事各自已與本公司訂立服務合約，據此，彼等同意擔任執

them agrees to act as an executive Director or a non-executive Director (as the case may be), subject to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than one month's prior notice in writing.

行董事或非執行董事(視乎情況而定),可根據組織章程細則於需要時重選,直至根據服務合約的條款及條件終止或由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

The independent non-executive Directors have each signed a letter of appointment with the Company and have been appointed for a term of three years. The appointment may be terminated by either party giving to the other not less than one month's prior notice in writing.

獨立非執行董事各自已與本公司簽立委任函並已獲委任,任期為期三年。委任可由其中一方向另一方發出不少於一個月的事先書面通知予以終止。

None of the Directors have an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

概無董事與本公司或其任何附屬公司訂立如無作出賠償(法定賠償除外)則不能釐定於一年內終止的未屆滿服務合約。

CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

獨立非執行董事的獨立性確認

We have received from each of the independent non-executive Directors, namely Mr. Yau Ka Chi, Mr. Qian Mingxing and Ms. Ye Shujun, the confirmation of their respective independence pursuant to Rule 3.13 of the Listing Rules. The Company has duly reviewed the confirmation of independence of each of these Directors. We consider that the independent non-executive Directors have been independent from the date of their appointments to 31 December 2021 and remain so as of the date of this annual report.

本公司已接獲各名獨立非執行董事(即邱家賜先生、錢明星先生及葉蜀君女士)根據上市規則第3.13條就彼等各自之獨立性發出的確認書。本公司已妥為審閱該等董事各自的獨立性確認書。我們認為,獨立非執行董事自彼等獲委任日期起至2021年12月31日均為獨立人士,且截至本年報日期仍為獨立人士。

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

董事及最高行政人員於股份、相關股份及債權證中所擁有的權益及淡倉

As at 31 December 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

於2021年12月31日,本公司董事及最高行政人員於本公司或我們任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中所擁有(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的權益及淡倉(包括根據證券及期貨條例的有關條文被當作或視作擁有的權益及淡倉);或(b)根據證券及期貨條例第352條須登記於該條所指登記冊的權益及淡倉;或(c)根據標準守則須知會本公司及聯交所的權益及淡倉載列如下:

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Number of Ordinary Shares 普通股數目	Approximate percentage of shareholding in the total issued share capital (%) 於已發行股本總額中的概約持股百分比(%)
Mr. Sean Shi[1] 施永宏先生[1]	Founder of a discretionary trust, interest of controlled corporation, interest of spouse, beneficial owner and beneficiary of a trust 全權信託的創立人、受控制法團權益、配偶的權益、實益擁有人及信託受益人	177,703,492 (L)	16.97% (L)
Ms. Shu Ping[2] 舒萍女士[2]	Founder of a discretionary trust, interest of controlled corporation, beneficial owner, beneficiary of a trust and interest of spouse 全權信託的創立人、受控制法團權益、實益擁有人及信託受益人及配偶權益	373,007,021 (L)	35.63% (L)
Mr. Zhang Yong[2] 張勇先生[2]	Founder of a discretionary trust, interest of controlled corporation, beneficial owner, beneficiary of a trust and interest of spouse 全權信託的創立人、受控制法團權益、實益擁有人及信託受益人及配偶權益	373,007,021 (L)	35.63% (L)
Mr. Guo Qiang 郭強先生	Interest of spouse and beneficial owner 配偶權益及實益擁有人	400,000 (L)	0.04% (L)
Mr. Sun Shengfeng 孫勝峰先生	Beneficiary owner 實益擁有人	200,000 (L)	0.02% (L)
Mr. Zhao Xiaokai 趙曉凱先生	Beneficiary owner 實益擁有人	160,000 (L)	0.02% (L)

(L) denotes a long position

Notes:

(1) Mr. Sean Shi and Ms. Hailey Lee, as the settlors and protectors, established for their own benefit the SL Trust, which indirectly holds the entire share capital of SYH YIHAI Ltd and LHY YIHAI Ltd, which in turn holds a total of 177,243,492 Shares. For the purpose of the SFO, Mr. Sean Shi and Ms. Hailey Lee are deemed to be interested in the Shares in which SYH YIHAI Ltd and LHY YIHAI Ltd are interested.

(L) 代表好倉

附註：

(1) 施永宏先生及李海燕女士(作為財產授予人及保護人)為彼等自身利益成立SL信託，其間接持有SYH YIHAI Ltd及LHY YIHAI Ltd的全部股本，而SYH YIHAI Ltd及LHY YIHAI Ltd則持有合共177,243,492股股份。就證券及期貨條例而言，施永宏先生及李海燕女士被視為於SYH YIHAI Ltd及LHY YIHAI Ltd擁有權益的股份中擁有權益。

Mr. Sean Shi is the spouse of Ms. Hailey Lee and is deemed to be interested in the same number of the Shares in which Ms. Hailey Lee is interested for the purpose of the SFO. Ms. Hailey Lee is the spouse of Mr. Sean Shi and is deemed to be interested in the same number of the Shares in which Mr. Sean Shi is interested for the purpose of the SFO.

施永宏先生為李海燕女士的配偶並就證券及期貨條例而言被視為於李海燕女士擁有權益的相同股份數目中擁有權益。李海燕女士為施永宏先生的配偶並就證券及期貨條例而言被視為於施永宏先生擁有權益的相同股份數目中擁有權益。

(2) Mr. Zhang Yong and Ms. Shu Ping, as the settlors and protectors, established for their own benefit the ZYSP Trust, which holds the entire share capital of (i) ZYSP YIHAI Ltd, which in turn holds 283,925,275 Shares, and (ii) SP YH Ltd, which in turn holds 88,621,746 Shares. For the purpose of the SFO, Mr. Zhang Yong and Ms. Shu Ping are deemed to be interested in the Shares in which ZYSP YIHAI Ltd and SP YH Ltd is interested.

(2) 張勇先生及舒萍女士(作為財產授予人及保護人)為彼等自身利益成立ZYSP信託,其持有(i) ZYSP YIHAI Ltd的全部股本,而ZYSP YIHAI Ltd則持有283,925,275股股份,及(ii) SP YH Ltd的全部股本,而SP YH Ltd則持有88,621,746股股份。就證券及期貨條例而言,張勇先生及舒萍女士被視為於ZYSP YIHAI Ltd及SP YH Ltd擁有權益的股份中擁有權益。

Mr. Zhang Yong is the spouse of Ms. Shu Ping and is deemed to be interested in the same number of the Shares in which Ms. Shu Ping is interested for the purpose of the SFO. Ms. Shu Ping is the spouse of Mr. Zhang Yong and is deemed to be interested in the same number of the Shares in which Mr. Zhang Yong is interested for the purpose of the SFO.

張勇先生為舒萍女士的配偶,就證券及期貨條例而言被視為於舒萍女士擁有權益的相同數目股份中擁有權益。舒萍女士為張勇先生的配偶,就證券及期貨條例而言被視為於張勇先生擁有權益的相同數目股份中擁有權益。

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executives of the Company has or is deemed to have 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 will be 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 which they were taken or deemed to have taken under such provisions of the SFO); or which will be required to be recorded in the register to be kept by the Company pursuant to Section 352 of the SFO, or which will be required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

除上文所披露者外,截至2021年12月31日,本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中概無擁有或被視為擁有根據證券及期貨條例第XV部第7及8分部將須知會本公司及聯交所的任何權益或淡倉(包括彼等根據證券及期貨條例的有關條文被當作或被視為擁有的權益及淡倉),或根據證券及期貨條例第352條將須記錄於本公司所存置的登記冊內的任何權益或淡倉,或根據標準守則將須知會本公司及聯交所的任何權益或淡倉。

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

主要股東於股份及相關股份中所擁有的權益及淡倉

As at 31 December 2021, the followings are the persons, other than the Directors or chief executives of the Company, who had interests or short positions in the shares and underlying shares which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO:

截至2021年12月31日,除本公司董事或最高行政人員外,下列人士為擁有根據證券及期貨條例第XV部第2及第3分部的規定須知會本公司及聯交所的本公司股份或相關股份的權益或淡倉的人士,或根據證券及期貨條例第336條本公司須存置的登記冊所記錄的權益或淡倉的人士:

Name of Shareholder 股東姓名	Capacity/Nature of Interest 身份／權益性質	Total number of shares 股份總數	Approximate Percentage of Shareholding (%) 概約持股百分比(%)
UBS Trustees (B.V.I.) Limited[1]	Trustee (other than a bare trustee) 受託人(非無條件受託人)	372,547,021 (L)	35.59% (L)
ZYSP YIHAI Ltd[1]	Beneficial owner 實益擁有人	283,925,275 (L)	27.12% (L)
Cititrust Private Trust (Cayman) Limited[2]	Trustee (other than a bare trustee) 受託人(非無條件受託人)	177,243,492 (L)	16.93% (L)
Hailey Lee[2] 李海燕[2]	Founder of a discretionary trust, interest of controlled corporation and interest of spouse 全權信託創立人，受控制法團權益及配偶的權益	177,703,492 (L)	16.97% (L)
Twice Happiness Limited[2]	Interest of controlled corporation 受控制法團權益	177,243,492 (L)	16.93% (L)
LHY YIHAI Ltd[2]	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
SYH YIHAI Ltd[2]	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
SP YH Ltd[1]	Beneficial owner 實益擁有人	88,621,746 (L)	8.47% (L)
UBS Group AG[3]	Interest of controlled corporation 受控制法團權益	74,371,544 (L)	7.10% (L)
JLJH YIHAI Ltd[4]	Beneficial owner and nominee for another person 實益擁有人及另一名人士的代名人	66,568,000 (L)	6.36% (L)
Vistra Trust (Hong Kong) Limited[4]	Trustee (other than a bare trustee) 受託人(非無條件受託人)	66,568,000 (L)	6.36% (L)

(L) denotes a long position

Notes:

(1) ZYSP Trust is a discretionary trust set up by Mr. Zhang Yong and Ms. Shu Ping as the settlors and Mr Zhang Yong as protector on 1 June 2016 with UBS Trustees (B.V.I.) Limited acting as trustee for the benefit of themselves and their family. The entire share capital of ZYSP YIHAI Ltd is wholly owned by UBS Trustees (B.V.I.) Limited as the trustee of the ZYSP Trust. Mr. Zhang Yong and Ms. Shu Ping (as founders of the ZYSP Trust) and UBS Trustees (B.V.I.) Limited are taken to be interested in the Shares held by ZYSP YIHAI Ltd. for the purpose of the SFO.

SP Trust is a discretionary trust set up by Ms. Shu Ping as the settlor and protector on 31 December 2020 with UBS Trustees (B.V.I.) Limited acting as trustee for the benefit of herself, Mr. Zhang Yong and their family. The entire share capital of SP YH Ltd is wholly owned by UBS Trustees (B.V.I.) Limited as the trustee of the SP Trust. Ms. Shu Ping (as founder of the SP Trust) and UBS Trustees (B.V.I.) Limited are taken to be interested in the Shares held by SP YH Ltd for the purpose of the SFO.

(L) 代表好倉

附註：

(1) ZYSP信託為張勇先生及舒萍女士以財產授予人的身份以及張勇先生以保護人的身份於2016年6月1日與UBS Trustees (B.V.I.) Limited(以受託人身份行事)為其自身及其親屬利益成立的全權信託。ZYSP YIHAI Ltd的全部股本由UBS Trustees (B.V.I.) Limited以ZYSP信託的受託人身份全資擁有。張勇先生及舒萍女士(作為ZYSP信託的創立人)及UBS Trustees (B.V.I.) Limited就證券期貨條例而言被當作於ZYSP YIHAI Ltd持有的股份擁有權益。

SP信託為舒萍女士以財產授予人及保護人的身份於2020年12月31日與UBS Trustees (B.V.I.) Limited(以受託人身份行事)為其自身、張勇先生及其親屬利益成立的全權信託。SP YH Ltd的全部股本由UBS Trustees (B.V.I.) Limited以SP信託的受託人身份全資擁有。舒萍女士(作為SP信託的創立人)及UBS Trustees (B.V.I.) Limited就證券期貨條例而言被當作於SP YH Ltd持有的股份擁有權益。

(2) SL Trust is a discretionary trust set up by Mr. Sean Shi and Ms. Hailey Lee as the settlors and protectors on 2 June 2016 for their own benefit. The entire share capital of SYH YIHAI Ltd and LHY YIHAI Ltd is wholly owned by Twice Happiness Limited and ultimately owned by Cititrust Private Trust (Cayman) Limited as the trustee of the SL Trust. Mr. Sean Shi and Ms. Hailey Lee (as founders of the SL Trust), Twice Happiness Limited and Cititrust Private Trust (Cayman) Limited are taken to be interested in the Shares held by SYH YIHAI Ltd and LHY YIHAI Ltd for the purpose of the SFO. Mr. Sean Shi is the spouse of Ms. Hailey Lee and is deemed to be interested in the same number of the Shares in which Ms. Hailey Lee is interested for the purpose of the SFO. Ms. Hailey Lee is the spouse of Mr. Sean Shi and is deemed to be interested in the same number of the Shares in which Mr. Sean Shi is interested for the purpose of the SFO.

(2) SL信託為施永宏先生及李海燕女士以財產授予人及保護人的身份為其自身利益於2016年6月2日成立的全權信託。SYH YIHAI Ltd及LHY YIHAI Ltd的全部股本由Twice Happiness Limited全資擁有及由Cititrust Private Trust (Cayman) Limited以SL信託的受託人身份最終擁有。施永宏先生及李海燕女士(作為SL信託的創立人)、Twice Happiness Limited及Cititrust Private Trust (Cayman) Limited就證券及期貨條例而言被當作於SYH YIHAI Ltd及LHY YIHAI Ltd持有的股份擁有權益。施永宏先生為李海燕女士的配偶並就證券及期貨條例而言被視為於李海燕女士擁有權益的相同股份數目中擁有權益。李海燕女士為施永宏先生的配偶並就證券及期貨條例而言被視為於施永宏先生擁有權益的相同股份數目中擁有權益。

(3) UBS Group AG is interested in 74,371,544 Shares as interest of corporation controlled by it via wholly owned subsidiaries.

(3) UBS Group AG透過全資附屬公司於其控制的法團權益中擁有74,371,544股股份權益。

(4) Vistra Trust (Hong Kong) Limited is the trustee and JLJH YIHAI Ltd is the nominee to administer the RSU Scheme. JLJH YIHAI Ltd holds the Shares underlying the RSU granted by us for the benefit of eligible participants pursuant to the RSU Scheme.

(4) Vistra Trust (Hong Kong) Limited為受託人及JLJH YIHAI Ltd為管理受限制股份單位計劃的代名人。JLJH YIHAI Ltd根據受限制股份單位計劃為合資格參與者的利益持有由我們授出涉及受限制股份單位的相關股份。

Save as disclosed above, as at 31 December 2021, the Directors and the chief executives of the Company are not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which would be required to be notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露者外，截至2021年12月31日，本公司董事及最高行政人員並不知悉任何其他人士(除本公司董事或最高行政人員外)擁有根據證券及期貨條例第XV部第2及第3分部的規定須知會本公司及聯交所的股份或相關股份的權益或淡倉；或根據證券及期貨條例第336條本公司須存置的登記冊所記錄的權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors, and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, at no time during the year ended 31 December 2021 and up to the date of this annual report was the Company or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of the shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

董事收購股份或債權證的權利

除上文「董事及最高行政人員於股份、相關股份及債權證中所擁有的權益及淡倉」一節所披露者外，於截至2021年12月31日止年度及至本年報日期期間，本公司或其任何附屬公司均非任何安排的其中一方以讓董事通過收購本公司或任何其他法人團體的股份或債權證的方式收取利益，亦概無董事或任何彼等的配偶或18歲以下的子女獲授任何權利以認購本公司或任何其他法人團體的股本或債務證券或已行使任何該等權利。

DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Save as disclosed in the section headed "Our History, Reorganization and Corporate Structure – Reorganization" in the Prospectus and save for their respective interests in the Group, none of the Directors and the Controlling Shareholders was interested in any business which competes or is likely to compete with the businesses of the Group for the year ended 31 December 2021.

We have received annual written confirmations from the Controlling Shareholders, consisting of Mr. Zhang Yong, Ms. Shu Ping, ZYSP YIHAI Ltd and SP YH Ltd, of the compliance with the provisions of the Non- competition Undertaking by such Controlling Shareholders and their close associates.

The independent non-executive Directors have reviewed the compliance with the Non-competition Undertaking during the year ended 31 December 2021 based on the information and confirmation provided by or obtained from the Controlling Shareholders, and were satisfied that our Controlling Shareholders have duly complied with the Non-competition Undertaking.

董事及控股股東於競爭性業務的權益

除招股章程中「歷史、重組及公司架構－重組」一節所披露者及彼等各自於本集團的權益外，截至2021年12月31日止年度，董事及控股股東概無在任何與本集團業務產生競爭或可能產生競爭之業務中擁有權益。

我們已接獲控股股東(包括張勇先生、舒萍女士、ZYSP YIHAI Ltd及SP YH Ltd)就控股股東及其緊密聯繫人對不競爭承諾條文之合規情況而發出的年度書面確認書。

獨立非執行董事已根據控股股東所提供或其給予的資料及確認書，審閱於截至2021年12月31日止年度不競爭承諾的合規情況，並信納控股股東已妥為遵守不競爭承諾。

CONVERTIBLE BONDS

As at the date of this annual report, the Company has not issued any convertible bonds.

可換股債券

截至本年報日期，本公司並無發行任何可換股債券。

LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDERS

As at the date of this annual report, the Company has not entered into any loan agreement which contains covenants requiring specific performance of the Controlling Shareholders.

附有涉及控股股東履行特定責任之契諾的貸款協議

截至本年報日期，本公司並無訂立任何載有要求控股股東履行特定責任之契諾的貸款協議。

CONNECTED AND CONTINUING CONNECTED TRANSACTIONS

Among the related party transactions disclosed in note 34 to the Financial Statements, the following transactions constitute continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and are required to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. The Company confirmed that for the related party transactions falling under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 14A of the Listing Rules, it had complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Please see below the information required to be disclosed in compliance with Chapter 14A of the Listing Rules.

關連及持續關連交易

於財務報表附註34中披露的關連方交易中，下列交易根據上市規則第14A.31條構成本公司的持續關連交易，且根據上市規則第14A.71條的要求須於本年報中披露。本公司確認就關聯方交易歸入上市規則第十四A章有關「關連交易」或「持續關連交易」的定義(視屬何情況而定)，其已符合上市規則第十四A章的披露規定。請見下列就遵守上市規則第十四A章的規定而須披露的資料。

1. Chengdu Lease Agreement

On 7 December 2020, Sichuan Haidilao and Chengdu Yueyihai, our wholly owned subsidiary, entered into the Chengdu Lease Agreement pursuant to which Chengdu Yueyihai agreed to lease from Sichuan Haidilao a parcel of land together with properties and fixtures thereon to be used for production and warehousing. Sichuan Haidilao is our connected person and therefore the transactions under the Chengdu Lease Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Chengdu Lease Agreement has a term of three years from 1 January 2021 to 31 December 2023. Please refer to the announcement and the circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

1. 成都租賃協議

於2020年12月7日，四川海底撈與我們的全資附屬公司成都悅頤海訂立成都租賃協議，據此，成都悅頤海同意從四川海底撈租用一幅土地連同其上的物業及裝置以作生產及倉庫使用。四川海底撈為我們的關連人士，因此根據上市規則第十四A章，成都租賃協議項下的交易構成持續關連交易。

成都租賃協議自2021年1月1日至2023年12月31日為期三年。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

The annual caps for the rental payable under the Chengdu Lease Agreement for the year ended 31 December 2021 and the two years ending 31 December 2023 are RMB4,800,000, RMB4,800,000 and RMB4,800,000, respectively. Please also refer to note 34 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Chengdu Lease Agreement for the year ended 31 December 2021 was RMB2,995,000.

截至2021年12月31日止年度及截至2023年12月31日止兩個年度，根據成都租賃協議應付租金的年度上限分別為人民幣4,800,000元、人民幣4,800,000元及人民幣4,800,000元。有關詳情亦請參閱財務報表附註34。截至2021年12月31日止年度，根據成都租賃協議產生的總交易金額為人民幣2,995,000元。

2. Shuhai Warehouse Storage Service Agreement

2. 蜀海倉儲服務協議

On 7 December 2020, Shuhai Supply Chain and the Company, each for itself and on behalf of its subsidiaries, entered into the Shuhai Warehouse Storage Service Agreement, pursuant to which Shuhai Supply Chain Group agreed to provide warehousing facilities and related services, including warehouse storage, sorting process management, stock-taking, and other logistics services, to the Group in connection with storage of our products. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Warehouse Storage Service Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

於2020年12月7日，蜀海供應鏈與本公司(各自為其本身及代表其附屬公司)訂立蜀海倉儲服務協議，據此蜀海供應鏈集團同意就儲存我們的產品向本集團提供倉庫設施及相關服務(包括倉儲、分類加工管理、盤點及其他物流服務)。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海倉儲服務協議項下的交易構成持續關連交易。

The Shuhai Warehouse Storage Service Agreement has a term of three years from 1 January 2021 to 31 December 2023. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

蜀海倉儲服務協議自2021年1月1日至2023年12月31日為期三年。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

The annual caps for the storage service fees payable under the Shuhai Warehouse Storage Service Agreement for the year ended 31 December 2021 and the two years ending 31 December 2023 are RMB20,000,000, RMB30,000,000 and RMB40,000,000, respectively. Please also refer to note 34 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Shuhai Warehouse Storage Service Agreement for the year ended 31 December 2021 was RMB840,000.

截至2021年12月31日止年度及截至2023年12月31日止兩個年度，根據蜀海倉儲服務協議應付租金的年度上限分別修訂為人民幣20,000,000元、人民幣30,000,000元及人民幣40,000,000元。有關詳情亦請參閱財務報表附註34。截至2021年12月31日止年度，根據蜀海倉儲服務協議產生的總交易金額為人民幣840,000元。

3. Haidilao Master Sales Agreement

On 7 December 2020, Haidilao and the Company, each for itself and on behalf of its subsidiaries, entered into the Haidilao Master Sales Agreement, pursuant to which we agreed to supply Haidilao Customized Products, Haidilao Retail Products and Small Hot Pot Products to the Haidilao Group. Haidilao is our connected person and therefore the transactions under the Haidilao Master Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Haidilao Master Sales Agreement has a term of three years from 1 January 2021 to 31 December 2023. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The total annual caps of receivables under the Haidilao Master Sales Agreement for the year ended 31 December 2021 and the two years ending 31 December 2023 are was RMB3,916,000,000, RMB5,693,000,000 and RMB7,540,000,000, respectively. Please also refer to note 34 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Master Sales Agreement for the year ended 31 December 2021 was RMB1,927,251,000.

3. 海底撈總銷售協議

於2020年12月7日，海底撈與本公司(各自為其本身及代表其附屬公司)訂立海底撈總銷售協議，據此，我們同意向海底撈集團供應海底撈定制產品、海底撈零售產品及小火鍋產品。海底撈為我們的關連人士，因此根據上市規則第十四A章，海底撈總銷售協議項下的交易構成持續關連交易。

海底撈總銷售協議自2021年1月1日至2023年12月31日為期三年。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2021年12月31日止年度及截至2023年12月31日止兩個年度，根據海底撈總銷售協議應收款的總年度上限分別為人民幣3,916,000,000元、人民幣5,693,000,000元及人民幣7,540,000,000元。有關詳情亦請參閱財務報表附註34。截至2021年12月31日止年度，根據總銷售協議產生的總交易金額為人民幣1,927,251,000元。

4. Shuhai Sales Agreement

On 7 December 2020, Shuhai Supply Chain and the Company, each for itself and on behalf of its subsidiaries, entered into the Shuhai Sales Agreement, pursuant to which we agreed to sell hot pot soup flavoring products, hot pot dipping sauce products and other compound condiment products to Shuhai Supply Chain Group for sales and distribution to its customers who are catering service providers. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Sales Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Sales Agreement has a term of three years from 1 January 2021 to 31 December 2023. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The total annual caps of receivables under the Shuhai Sales Agreement for the year ended 31 December 2021 and the two years ending 31 December 2023 are RMB84,400,000, RMB113,360,000 and RMB154,200,000, respectively. Please also refer to note 34 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Shuhai Sales Agreement for the year ended 31 December 2021 was RMB7,767,000.

4. 蜀海銷售協議

於2020年12月7日，蜀海供應鏈與本公司(各自為其本身及代表其附屬公司)訂立蜀海銷售協議，據此，我們同意向蜀海供應鏈集團銷售火鍋底料產品、火鍋蘸料產品及其他複合調味品，以供向其餐飲服務供應商客戶進行銷售及經銷。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海銷售協議項下的交易構成持續關連交易。

蜀海銷售協議自2021年1月1日至2023年12月31日為期三年。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2021年12月31日止年度及截至2023年12月31日止兩個年度，根據蜀海銷售協議應收款的總年度上限分別為人民幣84,400,000元、人民幣113,360,000元及人民幣154,200,000元。有關詳情亦請參閱財務報表附註34。截至2021年12月31日止年度，根據蜀海銷售協議產生的總交易金額為人民幣7,767,000元。

5. Framework Sales and Purchase Agreements

On 7 December 2020, the Joint Venture and the Company and for itself and on behalf of its subsidiaries, entered into the Framework Sales and Purchase Agreements, pursuant to which (i) we agreed to sell hot pot soup flavouring products to the Joint Venture as raw materials for the manufacture of Small Hot Pot Products; and (ii) the Joint Venture agreed to sell Small Hot Pot Products and other convenient ready-to-eat food products to us. The Joint Venture is our connected subsidiary and therefore transactions under the Framework Sales and Purchase Agreements constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Framework Sales and Purchase Agreements have a term of three years from 1 January 2021 to 31 December 2023. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The total annual cap for the transactions under the Framework Sales and Purchase Agreements for the year ended 31 December 2021 and the two years ending 31 December 2023 are RMB886,000,000, RMB1,367,000,000 and RMB1,998,000,000, respectively. Please also refer to note 34 to the Financial Statements for details. The aggregate transaction amount incurred in accordance with the Framework Sales and Purchase Agreements for the year ended 31 December 2021 was RMB185,138,000.

5. 產品互供框架協議

於2020年12月7日，合資公司與本公司(為其本身及代表其附屬公司)訂立產品互供框架協議，據此，(i)我們同意向合資公司出售火鍋底料產品，用作生產小火鍋產品的原材料；及(ii)合資公司同意向我們出售小火鍋等方便速食產品。合資公司為我們的關連附屬公司，因此根據上市規則第十四A章，產品互供框架協議項下的交易構成持續關連交易。

產品互供框架協議自2021年1月1日至2023年12月31日為期三年。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2021年12月31日止年度及截至2023年12月31日止兩個年度，產品互供框架協議項下交易的總年度上限分別為人民幣886,000,000元、人民幣1,367,000,000元及人民幣1,998,000,000元。有關詳情亦請參閱財務報表附註34。截至2021年12月31日止年度，根據產品互供框架協議產生的總交易金額為人民幣185,138,000元。

6. Shuhai Purchase Agreement

On 7 December 2020, the Company and Shuhai Supply Chain entered into the Shuhai Purchase Agreement, pursuant to which we agreed to purchase food ingredients (such as beef and bovine offal) from Shuhai Supply Chain Group. Such food ingredients will primarily be used in the manufacture of the Small Hot Pot Products. Shuhai Supply Chain is our connected person and therefore the transactions under the Shuhai Purchase Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

The Shuhai Purchase Agreement has a term of three years from 1 January 2021 to 31 December 2023. Please refer to the announcement and circular of the Company dated 7 December 2020 and 14 December 2020, respectively, for details.

The annual caps for transactions contemplated under the Shuhai Purchase Agreement for the financial year ended 31 December 2021 and the two years ending 31 December 2023 are RMB215,000,000, RMB300,000,000 and RMB375,000,000, respectively. The aggregate transaction amount incurred in accordance with the Shuhai Purchase Agreement for the year ended 31 December 2021 was RMB13,749,000.

The Group has followed policies and guidelines when determining the price and terms of the continuing connected transactions conducted for the year ended 31 December 2021.

The auditor of the Group has reviewed the continuing connected transactions referred to above and confirmed to the Board that the continuing connected transactions: (i) have received the approval of the Board; (ii) were in accordance with the pricing policies of the Group; (iii) were entered into in accordance with the relevant agreement governing the transaction; and (iv) have not exceeded the caps.

6. 蜀海購買協議

於2020年12月7日，本公司與蜀海供應鏈訂立蜀海購買協議，據此，我們同意向蜀海供應鏈集團購買牛肉及牛雜等食材。該等食材將主要用於製作小火鍋產品。蜀海供應鏈為我們的關連人士，因此根據上市規則第十四A章，蜀海購買協議項下的交易構成持續關連交易。

蜀海購買協議自2021年1月1日至2023年12月31日為期三年。有關詳情，請分別參閱本公司日期為2020年12月7日及2020年12月14日的公告及通函。

截至2021年12月31日止財政年度及截至2023年12月31日止兩個年度，蜀海購買協議項下擬進行的交易的年度上限分別為人民幣215,000,000元、人民幣300,000,000元及人民幣375,000,000元。截至2021年12月31日止年度，根據蜀海購買協議產生的總交易金額為人民幣13,749,000元。

本集團於釐定截至2021年12月31日止年度進行的持續關連交易的價格及條款時已遵守政策及指引。

本集團核數師已審閱上述持續關連交易，並向董事會確認，該等持續關連交易：(i)已獲董事會批准；(ii)符合本集團的定價政策；(iii)根據規管交易的相關協議訂立；及(iv)並無超出上限。

The independent non-executive Directors have confirmed that the above continuing connected transactions were entered into by the Group: (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreement (including the pricing principle and guidelines set out therein) governing them and on terms that were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

獨立非執行董事確認，本集團乃(i)於其日常及一般業務過程中；(ii)根據正常或更佳商業條款；及(iii)根據規管交易的相關協議(包括其中規定的定價原則及指引)並按公平、合理及符合本公司及股東整體利益之條款訂立上述持續關連交易。

The Company has designated a team of senior management from business operation, legal, risk control and finance departments and Board office to monitor the continuing connected transactions and ensure that the continuing connected transactions with the abovementioned connected persons are on arm's length basis and that the annual caps are not exceeded. Such team of senior management continuously traces and regularly monitors the progress of the continuing connected transactions and reports to management of the Company. They review the continuing connected transactions with the finance department to ensure that annual caps are not exceeded. They will also communicate with the Audit Committee, management and the Board of Directors, monthly or as needed, to report the progress of the continuing connected transactions, and request for approval of new changes of existing transaction terms. The heads of different departments of the Company will be informed on a periodic basis in relation to the terms and pricing policies of the continuing connected transactions as well. The Audit Committee has also assigned the independent internal audit team the task to ensure that the Company's internal control measures in respect of the continuing connected transactions remain effective and complete. With these measures, the independent non-executive Directors could therefore assess and give the confirmations in the preceding paragraph.

本公司已指定一支由業務經營、法律、風險控制及財務部門以及董事會辦公室組成的高級管理層團隊以監察持續關連交易及確保與上文所提及關連人士進行的持續關連交易乃按公平磋商釐定，且並無超出年度上限。有關高級管理層團隊持續追蹤及定期監察持續關連交易進程，並向本公司管理層報告。彼等與財務部審閱持續關連交易以確保並無超出年度上限。彼等亦將會每月或(如需要)與審計委員會、管理層及董事會進行溝通，以報告持續關連交易進程，並要求批准現有交易條款的新變動。本公司不同部門主管將會獲定期知會持續關連交易條款及定價政策。審計委員會亦指派獨立內部審計團隊任務，確保有關持續關連交易的本公司內部控制措施保持有效及完整。隨著該等措施，獨立非執行董事因而可評估於上一段給予確認。

Save for disclosed above, during the year ended 31 December 2021, we have not entered into any connected transaction or continuing connected transaction which should be disclosed pursuant to the Rules 14A.49 and 14A.71 of the Listing Rules.

除上文所披露者外，我們於截至2021年12月31日止年度並無訂立任何根據上市規則第14A.49條及第14A.71條須予披露之關連交易或持續關連交易。

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected and Continuing Connected Transactions" above, there were no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or its connected entity (within the meaning of Section 486 of the Companies Ordinance) had a material interest, whether directly or indirectly, and subsisting during the year ended 31 December 2021 or as of 31 December 2021.

董事於重要交易、安排或合約中的重大權益

除上文「關連及持續關連交易」一節所披露者外，並無本公司的或其附屬公司屬其中一名訂約方且董事或其關連實體（如《公司條例》第486條所定義）於其中直接或間接擁有重大權益以及於截至2021年12月31日止年度或截至2021年12月31日仍然存續之重要交易、安排或合約。

CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Connected and Continuing Connected Transactions" above, no contract of significance was entered into between the Company, or one of its subsidiary companies, and any of its Controlling Shareholders or subsidiaries during the year ended 31 December 2021.

重大合約

除上文「關連及持續關連交易」一節所披露者外，於截至2021年12月31日止年度，本公司或其中一間附屬公司與其任何控股股東或附屬公司之間概無訂立任何重大合約。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2021 and up to the date of this annual report.

管理合約

截至2021年12月31日止年度及直至本年報日期為止，概無訂立或存在任何有關本公司全部或重大部分業務之管理及行政的合約。

DIRECTORS' PERMITTED INDEMNITY PROVISION

Pursuant to Article 33 of the Articles of Association and subject to Cayman Islands Companies Law, each Director shall be indemnified, out of the assets of the Company, against all losses or liabilities incurred or sustained by him as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favor, or in which he/she is acquitted.

The Company has arranged appropriate directors' liability insurance coverage for the Directors of the Group during the year ended 31 December 2021.

董事獲准許的彌償條文

根據組織章程細則第33條及受開曼群島公司法約束，各董事有權從本公司的資產中獲得彌償，以彌償其作為董事在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。

於截至2021年12月31日止年度，本公司已為本集團的董事安排適當的董事責任保險。

REMUNERATION POLICY, DIRECTORS' REMUNERATION AND PENSION SCHEME

As at 31 December 2021, we had 2,499 employees. The remuneration of our employees includes salaries and allowances. We provide training to our staff to enhance technical and product knowledge. The Group's remuneration policies are formulated based on the performance of individual employees and are reviewed regularly. The Group follows closely the demand of business development and continuously improves its incentive system and implements a competitive remuneration policy.

The Group offers competitive remuneration packages to the Directors. Other emoluments are determined by the Board with reference to the Directors' duties, responsibilities and performance and the results of the Group. Details of the Directors' remuneration during the year ended 31 December 2021 are set out in note 36 to the Financial Statements.

In accordance with the laws and regulations in the PRC, the Group has arranged for its PRC employees to join defined contribution plans, including pension, medical, housing and other welfare benefits, organised by the PRC government. The Group contributes funds which are calculated on fixed percentage of the employees' salary (subject to a floor and cap) as set by local municipal governments to each scheme locally to fund the retirement benefits of the employees. No forfeited contribution under this scheme is available to reduce the contribution payable in future years. The Group also provides social insurance, including pension insurance, unemployment insurance, work-related injury insurance and medical insurance for the employees of the Group.

SHARE OPTION SCHEME

During the year ended 31 December 2021, the Company did not have any share option scheme which was required to be disclosed.

薪酬政策、董事薪酬及退休金計劃

於2021年12月31日，我們擁有2,499名僱員。僱員的薪酬包括薪金及津貼。我們亦為員工提供培訓，以提升其技術及產品知識。本集團的薪酬政策乃基於僱員個人的表現制定，並會定期予以檢討。本集團緊貼業務發展需求，不斷優化激勵體系，實施具有競爭力的薪酬政策。

本集團為董事提供具競爭力的薪酬待遇。其他酬金由董事會經參照董事職務、職責及表現以及本集團的業績而釐定。於截至2021年12月31日止年度董事酬金的詳情載於財務報表附註36。

根據中國法律及法規，本集團已安排其中國僱員加入由中國政府組織的界定供款計劃，當中包括退休金、醫療、住房及其他福利。本集團按照地方市政府設定的僱員薪金固定比例(設有上下限)對地方各計劃作出供款，為僱員的退休福利提供資金。本計劃並無可供沒收供款以供削減未來年度應付供款。本集團亦為本集團僱員提供社保，當中包括退休金保險、失業保險、工傷保險及醫療保險。

購股權計劃

於截至2021年12月31日止年度，本公司並無任何須予披露的購股權計劃。

THE RESTRICTED SHARE UNIT SCHEME

The Company has approved and adopted a RSU Scheme by a resolution of the Shareholders on 24 February 2016 and a resolution of the Board on 24 February 2016. The RSU Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the RSU Scheme does not involve the grant of options by the Company to subscribe for new Shares.

The RSUs do not carry any right to vote at general meetings of the Company. No RSU grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an award of RSUs (the "Award") pursuant to the RSU Scheme, unless and until such Shares underlying the Award are actually transferred to the RSU grantee upon vesting of the RSU. Unless otherwise specified by the Board in its entire discretion, the RSU grantees do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an Award. Please refer to the section headed "Appendix IV – Statutory and General Information" of the Prospectus for details.

The Company approved and granted 9,140,000 RSUs among which 1,510,000 were granted to two Directors pursuant to the RSU Scheme on 28 December 2016. Please refer to the announcement of the Company dated 28 December 2016 for details. As at 31 December 2021, 620,000 RSUs out of the 9,140,000 RSUs that were granted on 28 December 2016 have been cancelled due to resignation of our employees and all of the remaining RSUs (i.e. 8,520,000 RSUs) have been vested in accordance with the vesting period as set out in the announcement.

The Company approved and granted 1,510,000 RSUs among which 770,000 were granted to five Directors pursuant to the RSU Scheme on 9 December 2018. Please refer to the announcement of the Company dated 10 December 2018 for details. As at 31 December 2021, all of the 1,510,000 RSUs have been vested in accordance with the vesting period as set out in the announcement.

受限制股份單位計劃

本公司已根據股東於2016年2月24日的決議案及董事會於2016年2月24日的決議案批准及採納受限制股份單位計劃。受限制股份單位計劃並不受限於上市規則第十七章的條文，因為受限制股份單位計劃並不涉及由本公司授出可認購新股份的購股權。

受限制股份單位並無附帶任何可於本公司股東大會上投票的權利。除非及直至該等與受限制股份單位獎勵(「獎勵」)相關的股份於受限制股份單位歸屬時實際轉讓予受限制股份單位受託人，否則並無受限制股份單位受託人因根據受限制股份單位計劃授出獎勵而享有任何股東權利。除非董事會全權酌情決定別行指明，否則受限制股份單位受託人並無任何權利分享與獎勵相關的任何股份的任何現金或非現金收入、股息或分派及／或出售非現金及非實物分派的所得款項。有關詳情，請參閱招股章程「附錄四－法定及一般資料」章節。

於2016年12月28日，本公司已根據受限制股份單位計劃批准及授出9,140,000個受限制股份單位，其中1,510,000份乃授予兩名董事。詳情請參閱本公司日期為2016年12月28日的公告。截至2021年12月31日，於2016年12月28日授出的9,140,000個受限制股份單位中的620,000個受限制股份單位，由於我們僱員辭任已被註銷，而其餘全部受限制股份單位(即8,520,000個受限制股份單位)已根據該公告載列的歸屬期予以歸屬。

於2018年12月9日，本公司已根據受限制股份單位計劃批准及授出1,510,000份受限制股份單位，其中770,000份乃授予五名董事。詳情請參閱該本公司日期為2018年12月10日之公告。於2021年12月31日，全部1,510,000個受限制股份單位已根據該公告載列的歸屬期予以歸屬。

The Company approved and granted 750,000 RSUs among which 670,000 were granted to five Directors pursuant to the RSU Scheme on 27 December 2019. Please refer to the announcement of the Company dated 27 December 2019 for details. As at 31 December 2021, all of the 750,000 RSUs have been vested in accordance with the vesting period as set out in the announcement.

於2019年12月27日，本公司已根據受限制股份單位計劃批准及授出750,000份受限制股份單位，其中670,000份乃授予五名董事。詳情請參閱該本公司日期為2019年12月27日之公告。於2021年12月31日，全部750,000個受限制股份單位已根據該公告載列的歸屬期予以歸屬。

Save as disclosed above, as at 31 December 2021, no RSU had been granted or agreed to be granted by the Company pursuant to the RSU Scheme.

除上文所披露者外，截至2021年12月31日，並無受限制股份單位已獲本公司根據受限制股份單位計劃授出或同意授出。

EQUITY-LINKED AGREEMENT

股權掛鈎協議

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company during the year ended 31 December 2021.

除本年報披露者外，本公司於截至2021年12月31日止年度並無訂立股權掛鈎協議。

MAJOR CUSTOMERS AND SUPPLIERS

主要客戶及供應商

During the year ended 31 December 2021, the respective percentage of purchases attributable to the Group's largest supplier and five largest suppliers in aggregate was 5.0% and 19.6%; and the respective percentage of the total sales attributable to the Group's largest customer and five largest customers was 32.4% and 37.6%.

於截至2021年12月31日止年度，本集團最大供應商及五大供應商應佔相關採購百分比合共為5.0%及19.6%；及本集團最大客戶及五大客戶應佔銷售總額相關百分比為32.4%及37.6%。

Our largest customer was Haidilao International Holding Ltd (stock code: 6862) and its subsidiaries. Mr. Zhang Yong and Ms. Shu Ping are the controlling shareholders, and Mr. Sean Shi and his spouse are the substantial shareholders of Haidilao International Holding Ltd.

我們的最大客戶為海底撈國際控股有限公司(股份代號：6862)及其附屬公司。張勇先生和舒萍女士為海底撈國際控股有限公司的控股股東，而施永宏先生及其配偶為其主要股東。

Except as disclosed above, none of the Directors or any of their close associates or any Shareholders (which to the best knowledge of the Directors owned more than 5% of the Company's issued share capital) had a material interest in our five largest suppliers or customers.

除上述披露者外，董事或彼等緊密聯繫人或任何股東(據董事所知其擁有本公司超過5%的已發行股本)概無於五大供應商或客戶中擁有重大權益。

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2021.

收購、出售或贖回本公司上市證券

於截至2021年12月31日止年度，本公司及其任何附屬公司均無購買、贖回或出售本公司任何上市證券。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code since the Listing Date and up to the date of this annual report.

The Company's employees, who are likely to be in possession of inside information of the Company, have also been subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's employees was noted by the Company since the Listing Date and up to the date of this annual report.

證券交易的標準守則

本公司已採納標準守則。已向所有董事作出特別查詢，而董事亦已確認彼等自上市日期起至本報告日期一直遵守標準守則。

可能擁有本公司內幕消息的本公司僱員亦須遵守證券交易的標準守則。自上市日期起至本年報日期，本公司並無注意到出現本公司僱員不遵守標準守則的事件。

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company had applied the principles and code provisions as set out in the Corporate Governance Code and has complied with the code provisions in the Corporate Governance Code for the year ended 31 December 2021. Please refer to the Corporate Governance Report of this annual report for details.

遵守企業管治守則

本公司已採納企業管治守則的原則及守則條文，並於截至2021年12月31日止年度一直遵守企業管治守則內之守則條文。有關詳情，請參閱本年報企業管治報告。

AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2021 have been audited by PricewaterhouseCoopers, certified public accountants.

PricewaterhouseCoopers will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditor of the Company will be proposed at the AGM.

核數師

本集團截至2021年12月31日止年度的綜合財務報表乃由執業會計師羅兵咸永道會計師事務所審核。

羅兵咸永道會計師事務所將會退任併合資格應聘續任。該等聘用續任的決議案將於股東週年大會上提呈。

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

The register of members of the Company will be closed from Tuesday, 17 May 2022 to Friday, 20 May 2022, both days inclusive, in order to determine the eligibility of the Shareholders to attend and vote at the AGM. The Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 16 May 2022 will be eligible to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 16 May 2022. The register of members of the Company will also be closed from Thursday, 26 May 2022 to Monday, 30 May 2022, both days inclusive, in order to determine the entitlement of the Shareholders to the final dividend. The Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 30 May 2022 will be entitled to the final dividend. In order to be eligible to entitle to the final dividend, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 25 May 2022.

暫停辦理過戶登記及記錄日

本公司將於2022年5月17日(星期二)至2022年5月20日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續，以釐定合資格出席股東週年大會及於其中投票的股東。於2022年5月16日(星期一)營業時間結束時名列在本公司股東名冊上的股東將有資格參加股東週年大會並於其中投票。為符合資格出席股東週年大會並於會上投票，所有過戶文件連同有關股票證書及過戶表格，須於2022年5月16日(星期一)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。本公司亦將於2022年5月26日(星期四)至2022年5月30日(星期一)(包括首尾兩日)暫停辦理股份過戶登記手續，以釐定合資格領取末期股息之股東。於2022年5月30日(星期一)營業時間結束時名列本公司股東名冊的股東將有資格收取末期股息。為符合資格收取末期股息，所有過戶文件連同有關股票證書及過戶表格，須不遲於2022年5月25日(星期三)下午四時三十分前送交本公司之香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

By order of the Board
Sean Shi
Chairman of the Board

Hong Kong, 23 March 2022

承董事會命
施永宏
董事會主席

香港，2022年3月23日

ABOUT THE REPORT

YIHAI INTERNATIONAL HOLDING LTD. (hereinafter "Yihai", "the Group", or "we") is pleased to present our report on Environmental, Social and Governance (ESG) for the year of 2021 ("the Report"). This is the sixth consecutive ESG report we have disclosed to the public regarding our ESG management philosophy and performance of our practices. We aim to disclose in this report the concepts and practices on sustainable development of the Group in a transparent manner and enhance the mutual understanding and communication of various stakeholders of the Group.

BASIS OF PREPARATION

The Report is prepared in accordance with Appendix 27 *Environmental, Social and Governance Reporting Guide* (the "ESG Reporting Guide") to the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the "Listing Rules") by Hong Kong Exchanges and Clearing Limited ("HKEx"). We follow the principles of materiality, quantitative and consistency, and strive to fully represent our current management status and performance results in terms of environmental, social and governance for the year. This report should be read together in conjunction with the "Corporate Governance Report" in the Group's *2021 Annual Report* for a more comprehensive understanding of the Group's ESG performance.

"Materiality": This report has been prepared to identify key stakeholders and their concerns about ESG issues, and to make targeted disclosures based on the relative materiality of their concerns.

關於本報告

頤海國際控股有限公司(下稱「頤海」「本集團」或「我們」)欣然呈列2021年度之環境、社會及管治報告(下稱「本報告」)。本報告系我們連續第六年向社會發佈本集團在環境、社會及管治(下稱「ESG」)方面的管理理念與績效表現。我們希望本報告能傳遞本集團的可持續發展理念與管理實踐,促進各利益相關方對本集團的了解和溝通。

報告編製標準

本報告編製依據為香港交易及結算所有限公司發佈的《香港聯合交易所有限公司證券上市規則》(下稱《上市規則》)所載之附錄二十七《環境、社會及管治報告指引》(下稱《ESG報告指引》),遵循重要性、量化、一致性匯報原則,力求充分反映本集團本年度在ESG方面的管理現狀及績效成果。本報告應與本集團《2021年年度報告》「企業管治報告」章節結合閱讀,以幫助讀者更全面地了解本集團ESG表現。

「重要性」原則:本報告已在編製過程中識別主要利益相關方及其關注的ESG議題,並根據其關注議題的相對重要程度,在本報告中做有針對性的披露。

"Quantitative": The report presents the key metrics at the environmental and social levels in quantitative terms, and the measurement criteria, methodologies, assumptions and/or calculation tools for the KPI in this report, as well as the sources of conversion factors used, are described in the corresponding places.

「量化」原則：本報告採用量化資料的方式展現環境與社會層面的關鍵績效指標，有關本報告中關鍵績效指標的計量標準、方法、假設及／或計算工具、以及使用的轉換系數來源，均已在相應位置進行了說明。

"Consistency": Unless otherwise indicated, the data disclosed in this report are statistically consistent with previous years.

「一致性」原則：除另有註明外，本報告所披露數據採取與往年一致的統計方法。

REPORTING BOUNDARY

報告範圍

Unless otherwise stated, the Report covers the period from 1 January 2021 to 31 December 2021, which is the same as the period covered by the annual report of the Group. All data involved in the Report are derived from internal documents or statistical reports of the Group.

除特別說明外，本報告涵蓋期間為2021年1月1日至2021年12月31日，與本集團年報內容所涵蓋時間相同。本報告內涉及所有數據均來自本集團內部文件或統計報告。

ESG MANAGEMENT

ESG管理方針

ESG Concept

ESG理念

We believe that sustainable and robust ESG performance is essential to the sustainable development of the Group's business and the community where the Group operates. The dynamic combination of commercial and social needs is bound to embrace more influential social effects. We are not only committed to achieving sound financial performance, but also realising greater overall benefits through actively identifying stakeholders' expectations, discovering areas where our business development coheres with environmental and social demands, exercising prudent management over our ESG risks, fully integrating our existing and potential resources to provide more value-added products and services for the society, striving to enhance our corporate value and ensuring the Group's long-term sustainable development.

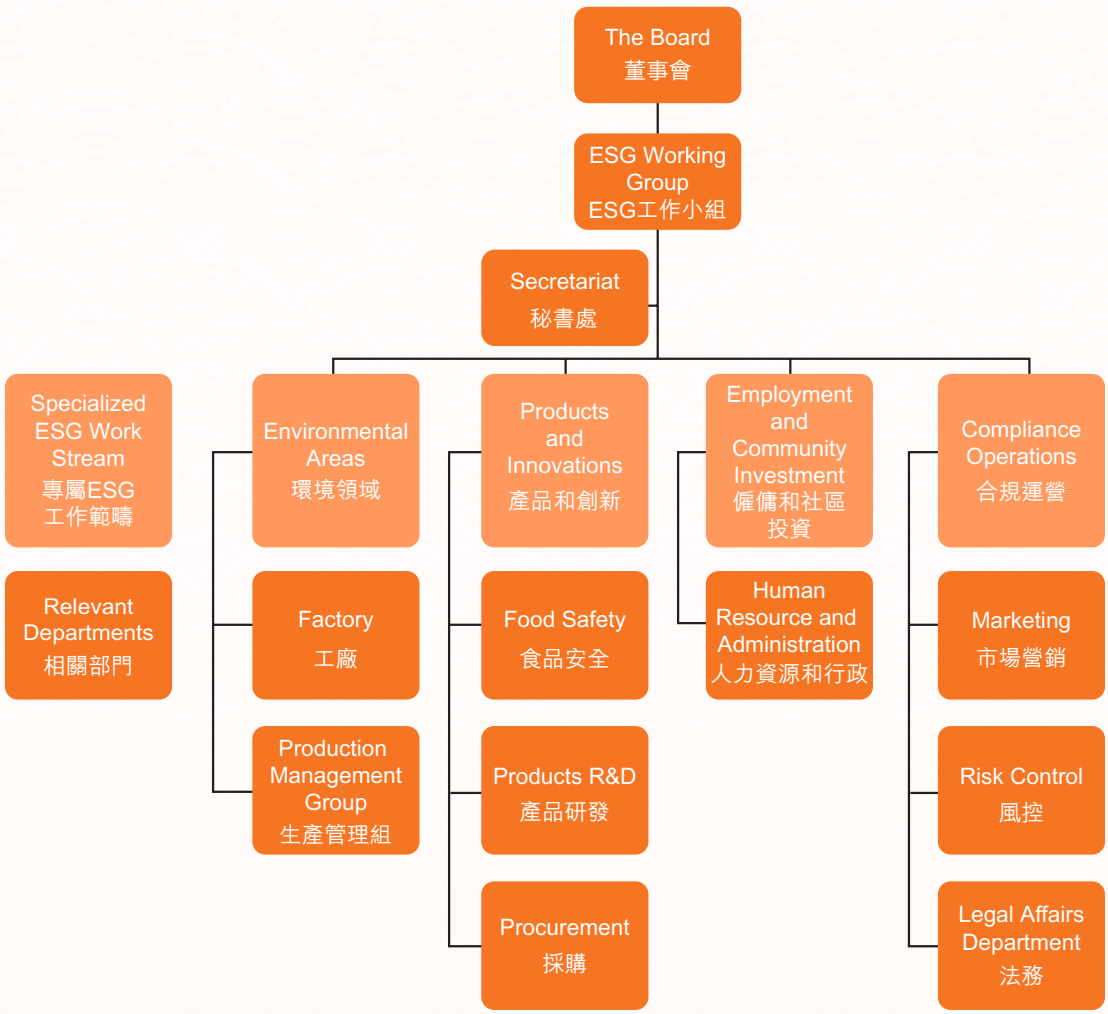
我們相信持續穩健的ESG表現對本集團業務與本集團所在社區的可持續發展至關重要，商業和社會需求的有機結合方能產生更具影響的社會效應。我們不僅致力於實現強健的財務業績，亦致力於積極識別各利益相關方的期望，不斷發掘自身業務發展和環境、社會需求的契合點，審慎管理自身的ESG風險，充分整合現有及潛在資源以為社會創造更具價值的產品和服務，努力提升企業價值，確保本集團的長期持續發展。

ESG Governance Structure

To strengthen the Company's ESG management and implement the concept of sustainable development, the Group has further optimized the ESG governance system, clarified the supervision of ESG matters by the governance layer, and played a governance role. At the same time, the management responsibilities, and authorities of the management on ESG matters are clarified, and an ESG working group with senior management as a member is formed to carry out ESG work in combination with the current management situation of the Company and the characteristics of the food industry.

ESG管治架構

為加強公司ESG管理工作，貫徹可持續發展理念，本集團進一步優化ESG管治架構，明確治理層對ESG事宜的監督，發揮治理作用。同時明確管理層對ESG事宜的管理職責和權限，組建由高級管理層擔任成員的ESG工作小組，結合公司管理現狀及食品行業特點，開展ESG工作。



ESG Governance Structure
ESG管治架構

Statement for Responsibilities of ESG Governance Framework

- **The Board**：Responsible for assessing and determining the Risks and Opportunities associated with the Group's environmental, social and governance. Ensuring that the Group has appropriate and effective ESG risk management and internal control systems in place. Formulating the Company's ESG management policies, strategies, priorities and targets, and regularly reviewing the Group's performance on ESG-related targets. Approving disclosures in the Company's ESG Reports and ensuring that the Group has incorporated ESG into its business decision-making processes.

- **ESG Working Group**：Conducting internal and external materiality assessments of relevant ESG issues as authorized by the Board. Implementing Board strategies and policies and preparing ESG Reports. Reporting to the Board on a regular basis, developing and approving ESG management policies and internal processes.

ESG管治架構職責說明

- **董事會**：負責評估及釐定本集團的環境、社會及管治相關風險及機遇；確保本集團設有適當和有效的環境、社會及管治風險管理及內部監控系統；制訂公司的環境、社會及管治管理方針、策略、優先次序及目標；就環境、社會及管治相關目標定期檢討本集團表現；審批公司環境、社會及管治報告內的披露資料，並確保本集團已將ESG納入業務決策流程。

- **ESG工作小組**：由董事會授權，對相關ESG議題進行內部及外部重要性評估；執行董事會的策略及政策，編製環境、社會及管治報告；定期向董事會匯報、制定和審批ESG管理制度及內部流程。

Board Statement

The Board oversees environmental, social and governance matters with the assistance of the ESG Working Group. The ESG working group, which is composed of key business executives led by the head of the supply system, reports to the board of directors and is responsible for implementing the Group's ESG policy to achieve the Company's sustainable development goals.

The Board regularly scrutinizes ESG-related strategies to review and ensure that they are aligned with the Company's long-term development strategy. The company communicates extensively and deeply with various stakeholders through various channels, and constantly explores and improves its performance in the field of ESG. The company strictly abides by the relevant laws and regulations relevant to ESG involved in corporate operations and has integrated ESG management into the Company's strategic development and daily operation. At the same time, the Board has been involved in the assessment, prioritization and management of environmental, social and governance-related matters. Further information on the assessment of the materiality is detailed in the Stakeholders Engagement subsection of this report.

The Company has incorporated key ESG risks into its comprehensive risk management system. Within the Company, we, including senior management as well as key business executives, have formulated risk response measures after taking the possibilities, extent of impact as well as risk trends of key ESG risks into account. The Board has reviewed relevant key risks, being aware of the management measures taken and making recommendations.

During the reporting period, the Board and the ESG Working Group reviewed and discussed the setting and progress of the targets, and have established environmental targets related to business operations, mainly referring to emissions and resource use due to factory production operations. Subsequently, the Board will regularly examine and review the achievement of ESG targets.

The report was approved by the Board on 23 March 2022.

董事會聲明

董事會在ESG工作小組的協助下監督環境、社會及管治事宜。有關環境、社會及管治的信息，由供應體系負責人帶領各業務骨幹組成的ESG工作小組向董事會進行報告，並負責落實本集團的ESG政策，以實現公司可持續發展的目標。

公司董事會定期審閱ESG相關策略，以檢討和確保其與本公司長期的發展戰略一致。公司通過多種渠道與各利益相關方進行廣泛深入的溝通，不斷探索並精進自身在ESG領域的績效表現。本公司嚴格遵守企業運營中涉及到的ESG相關法律法規，並已將ESG管理融入公司戰略發展與日常經營層面。同時，董事會已參與環境、社會及管治相關事宜的評估、優次排序及管理，有關重要性評估工作的詳情參見本報告《利益相關方參與》小節。

本公司已將ESG關鍵風險納入風險管理體系。公司高級管理層及各主要業務負責人對關鍵的ESG風險發生的可能性、影響程度以及趨勢進行綜合考量後，制定風險應對措施。公司董事會已審閱相關ESG關鍵風險，知悉所採取的應對措施，並已提出建議。

本報告期內，董事會及ESG工作小組就目標的設立及進展進行了審閱及討論，並已設立與業務運營相關的環境目標，主要為工廠生產運營導致的排放與資源使用的目標。後續，董事會將對ESG目標的完成情況進行定期審視並開展檢討。

本報告由董事會於2022年3月23日審閱批准。

Stakeholder Engagement

The Group has maintained effective communication with the stakeholders through various channels to fully understand and actively respond to their comments and demands. Through continuous enhancement of internal optimisation and management, our business and operations better satisfy their needs and expectations.

利益相關方參與

本集團通過多種渠道與各利益相關方進行有效溝通，及時了解並積極回應各利益相關方的意見與訴求，不斷加強內部優化與管理，促使本集團業務與運營更好地滿足其需求與期望。

Key Stakeholders 主要利益相關方	Key ESG issues of concern ESG議題	Communication Channels 溝通渠道
Government regulators 政府監管部門	Operation compliance 合規經營	Under supervision 接受監督
	Taxation in accordance with law 依法納稅	Regular disclosure 定期披露
	Food safety 食品安全	Quality inspection 質量檢驗
	Environmental management 環境保護	Strengthen management 加強管理
	Climate change 氣候變化	Institutional inspection 論壇及研討會
Investors 投資者	Investment return 投資回報	Business growth 業務增長
	Market development 開拓市場	Focus on customer needs 關注客戶需求
	Product innovation 產品創新	Product development 產品開發
Employees 僱員	Employee rights 員工權益	Workers' representative conference 職工代表大會
	Remuneration and benefits 待遇與福利	Employee activities 員工活動
	Occupational Health and Safety 職業健康安全	Security check 安全檢查
	Training and development 發展與培訓	Training 培訓
Customers 消費者	Product quality and safety 產品質量與安全	Industry Research 行業調研
	Customer rights 客戶權益	Customer Complaint 客戶投訴
	Customer service 客戶服務	Satisfaction survey 滿意度調查

Key Stakeholders 主要利益相關方	Key ESG issues of concern ESG議題	Communication Channels 溝通渠道
Suppliers 供應商	Transparent procurement 透明採購 Communication and evaluation 溝通與評估 Supplier enablement 供應商賦能	Supplier inspection 供應商考察 Supplier management 供應商管理 Supplier training 供應商培訓
Community and the public 社區與公眾	Community development 社區發展 Social welfare 社會公益 Public charity 公益慈善	Volunteer activities 志願者活動 Public welfare activities 公益活動 Charitable contribution 慈善捐贈

We conducted substantial analysis on the 12 ESG topics presented in the *ESG Reporting Guide* and identified the most material topics for the current year by considering the Group's strategy and business development direction for the year. The analysis results indicated that topics in relation to "Product Responsibility", "Emissions", "Use of Resources", "Environmental and Natural Resources", "Climate Change" and "Health and Safety" had a higher level of materiality; while those in relation to "Employment", "Development and Training", "Labour Standards", "Supply Chain Management", "Anti-corruption" and "Community Investment" had a lower level of materiality. The Group will discuss the contents of each topic separately in the report.

我們結合本年度的戰略和業務發展方向，就《ESG報告指引》所列12個層面的ESG議題進行實質性分析，識別出了本年度重要的議題。評估結果顯示，「產品責任」「排放物」「資源使用」「環境及天然資源」「氣候變化」和「健康安全」的重要性較高；「員工僱傭」「發展與培訓」「勞工準則」「供應鏈管理」「反貪污」及「社區投資」的重要性相對較低。本集團將在報告中分別討論各個議題所含內容。

The following is the process of identification of key issues.

以下是我們決定實質性議題的程序：

STEP ONE: IDENTIFY
The Group communicates with various stakeholders to understand their expectations and selects and summarizes ESG issues in conjunction with reference to ESG Reporting Guide, peer benchmarking analysis and corporate development characteristics.

步驟一：識別
本集團通過與各利益相關方的溝通以了解他們的期望，並結合參考ESG　指引、同行基準分析及企業發展特色，篩選歸納出ESG議題。

STEP TWO: ASSESS
Collect the views of internal and external stakeholders on the importance of each issue and understand the impact of each issue on the stakeholders themselves as well as the importance to the sustainable development of the Group. Assess the relevance and importance of each issue by referring to the identification of substantive issues by enterprises in the same industry and the status of the Company's management.

步驟二：評估
收集內部及外部利益相關方對各議題重要性的意見，了解各議題對利益相關方自身的影響，及對本集團可持續發展的重要性。
參考同行業企業對實質性議題的識別情況及本公司管理現狀，評估每項議題的相關性及重要性。

STEP THREE: CONFIRM
Considering the results of stakeholder survey results and peer analysis, the substantive ESG issues are identified and confirmed by the Board to ensure that the assessment results are in line with the characteristics of the Group's business and the current development status.

步驟三：確認
綜合考慮利益相關方調查結果及同業分析結果，識別實質性的ESG議題，並經由董事會確認，確保該評估結果符合本集團業務特點及發展現狀。

FOOD SAFETY-ORIENTED, CUSTOMER NEEDS FOCUSED

The Group values product quality management and devotes to ensuring product safety, quality and the legitimate rights and interests of consumers through the continuous improvement of quality management procedures. In 2021, there are no litigation cases that violate the laws and regulations on product liability such as product quality, advertising, label, consumer privacy and rights protection and have a significant impact on the Group.

食安為本，關注客戶需求

本集團非常重視產品的質量管理，通過對質量管理工作流程的不斷改進和完善，確保產品的安全優質與消費者的合法權益。本年度未發生對本集團造成重大影響的任何違反產品質量、廣告、標籤、消費者隱私及權益保護等產品責任方面的法律法規的訴訟案件。

Focus on Food Safety

Food safety is the basis of food consumption. It is the responsibility of all food production enterprises to ensure the safety and reliability in food production. As a responsible food production enterprise, the Group strictly observes food-related laws, regulations, and standards, such as the *Food Safety Law of the People's Republic of China*, *Measures for the Administration of Food Recall of the People's Republic of China*, and *the National Food Safety Standard – Compound Seasoning*. On that basis, we revised the *Bottom Line Management Policy for Food Safety and Environmental Protection* to develop bottom line standard for food safety, clarify the bottom lines in all processes from raw materials to finished products and standardise bottom line assessment and routine inspection, so as to further enhance food safety control. Through strictly managing and controlling each production procedure, we are committed to providing consumers with qualified, safe, and assured products and comprehensively enhancing consumer confidence and satisfaction in our products. In response to the update of the *Food Safety Law of the People's Republic of China*, we formulated the *Standards for Introducing New Raw Materials* to make the introduction of raw materials more standardised. In view of national standards issued, we also made comparisons on a case-by-case basis and revised the existing enterprise standards accordingly in time.

In terms of production, the Group developed and issued the *Technical Manual for Thermal Sterilisation*, *Technical Manual for Product Protection*, *Technical Manual for Plasticiser Improvement*, *Manual for COVID-19 Prevention and Control* and other standards, which plays a normative role in improving product quality, ensuring quality and safety through standardised production processes and procedures. Especially, the introduction of the *Technical Manual for Thermal Sterilisation* helped to realise energy conservation and consumption while providing guidance for effectual sterilisation. In addition, we conducted routine maintenance for thermal sterilisation equipment on a regular and irregular basis by employing third-party professional institutions to check related equipment to eliminate the threats of micro-organisms to products.

專注食品安全

食品安全是食品消費的基本要求，保障食品在生產過程中的安全可靠是所有食品生產企業的責任。作為負責任的食品生產企業，本集團嚴格遵守《中華人民共和國食品安全法》《中華人民共和國食品召回管理辦法》《食品安全國家標準－複合調味料》等食品安全相關的法律法規及標準。在此基礎上，我們修訂了《食品安全與安全環保紅線管理制度》，明確食品安全類紅線標準，釐清從原料到產品所有過程的紅線問題，規範紅線的考核和日常檢查，進一步加強食品安全管控。我們致力於為消費者提供優質、安全、放心的產品，通過嚴格管控各個生產環節，全面提升消費者對本集團產品的信賴度與滿意度。針對《中華人民共和國食品安全法》的更新，我們制定了《新品原料引入標準》，進一步規範原料引入流程。同時，針對國家標準，我們也逐一進行了合規評價，並及時修訂現有企業標準。

在產品生產方面，本集團組織編寫併發佈了《熱殺菌技術手冊》《產品防護技術手冊》《塑化劑改善技術手冊》《新冠病毒防控手冊》等標準，通過標準化產品製作工藝和流程，在提升產品品質及保證質量安全方面起到了規範作用。其中《熱殺菌技術手冊》的發佈，在有效殺菌的同時也起到了節能降耗的效果。同時，我們定期和不定期地對熱殺菌設備進行日常維護，通過聘請第三方專業機構巡檢和盤查相關設備，排除產品的微生物隱患。

In terms of product quality verification, we implemented all-round quality verification process from raw materials to finished products in a more rigorous way to ensure product quality. The Group strengthened the examination on supplier access qualification from the beginning and conducted sample testing. Suppliers could only be introduced after being qualified. Each batch of raw materials was verified upon arrival in accordance with relevant standards. During production, parameters were verified and controlled based on the workflow. We developed *Regulations on Food Safety Rewards and Punishments*, and involved external professional organisations to inspect factories. The results would affect the points-based management against these factories and would be directly associated with their performance. Each batch of products was verified before delivery from the factory to ensure every single product can meet our quality requirement. In 2021, following the revised *Administrative Measures for Food Production Licensing* issued by the state, the Group continued to improve and optimise the sampling management system for food raw materials and product risks, collected and classified spot check item under national supervision from the professional technical website – www.foodMate.net, to develop the product risk sampling management system at the enterprise level. We conduct risk sampling of raw materials and products to prevent potential food safety risks in advance. Additionally, we strictly screened and evaluated all quality management personnel, and conducted work-with-certification training for employees responsible for on-site quality control, raw material delivery and acceptance, product release, and supplier review.

在產品質量檢定方面，我們嚴格執行從原材料到產成品的全方位質量檢定過程以確保產品品質。本年度，我們進一步加強原材料管理，在每批原材料到貨後，由項目技術組專職人員以及產品品類負責人依照相關標準進行檢驗；在產品生產過程中按照生產工藝流程進行參數檢定和控制，並制定《食品安全獎懲條例》，組織外部專業機構進行查核並將核查結果運用到工廠積分制管理中，與工廠損益直接掛鈎；產品出廠前對每一批次進行檢定，以確保每一件出廠產品都能達到我們的質量要求。2021年，根據國家《食品生產許可證管理辦法》的修訂，本集團推進食品原料和產品風險抽樣管理體系的健全和完善，從專業技術網站－「食品夥伴網」收集國家監督抽查項目並分類匯總，進而推進企業的產品風險抽樣管理。我們對原料和產品進行風險抽樣，提前杜絕潛在的食品安全風險隱患；對所有質量管理崗位人員進行了嚴格的篩選與考核，並對現場質控、原料驗收、產品放行以及供應商審核人員進行了持證上崗培訓。

Case：Plasticizer management standards

This year, we have established plasticizer management standards and have made special improvements to the problem of high plasticizer content in individual raw materials of oil and fat products. Plasticizer contamination is further prevented, by hiring a professional company to analyse the source of plasticizers, and control and optimize the plastic containers that may be used in the production and operation process.

案例：塑化劑管理標準提升

本年度，我們建立了塑化劑管理標準，對油脂類產品的個別原料中塑化劑含量較高的問題進行了專項改善。通過聘請專業公司對塑化劑來源進行分析，並對生產經營過程中可能使用的塑料容器進行了管控和優化，進一步防止塑化劑污染。

Case：Improvement of storage management standards

In the process of product storage, there are Oryzaephilus surinamensis (commonly known as cadelle) in some warehouses that will enter the outside of the instant fan box through the packaging carton. This year, we further strengthened the sealing of storage cartons to prevent such incidents.

案例：存儲管理標準提升

在產品存儲的環節中，部分庫房存在有鋸谷盜（俗稱米蟲）會通過包裝紙箱進入到方便粉絲盒子外部的情況。本年度，我們進一步加強了對存儲紙箱的密封處理，杜絕了此類事件的發生。

In terms of OEM ((Original Equipment Manufacturer) product quality control, we set up OEM and ODM (Original Design Manufacturer) management teams which carried out on-site management, inspections, and sample tests of products to enhance product quality control of OEM and ODM. Before the OEM was introduced, the management team carried out risk assessment in advance and conducted on-site review and certification, so that the companies passed the certification can be introduced into use. After this, different OEM factories are managed in different ways based on their risk levels, and the A-level factories with high risks required full-time on-site supervision. Meanwhile, the Food and Safety Team conducted in-depth evaluations of the product inspection capabilities of all OEM factories, organised trainings for the inspection personnel of OEM factories and require them to work with certification, further improving product safety and quality control.

在代工廠產品質量管控方面，我們設立了原始設備製造商(Original Equipment Manufacturer, OEM)和原始設計製造商(Original Design Manufacturer, ODM)管理小組，通過駐廠管理、巡檢、產品抽樣檢查等方式加強對OEM和ODM的產品質量管控。管理小組在代工廠引入階段提前進行風險評估，並進行現場審核認證，通過認證的公司方能引入使用；引入後，按照風險級別對不同的代工廠進行分級管理，針對風險較高的A級工廠施行全天駐廠。同時，食品安全團隊對所有OEM工廠產品檢驗能力進行深度評估，培訓OEM工廠的檢驗人員並要求其持證上崗，進一步強化產品的安全與質量控制。

In terms of product recall, the Group formulated *Food Recall Management Policy* in line with the *Measures for the Administration of Food Recall of the People's Republic of China* based on its business characteristics, which elaborated categories and relevant emergency measures for product recall, making product recall process more compliant, clear, and convenient. If a quality or safety issue was detected in the products in stock, the Group would isolate the defective products in a timely manner to stop delivery. If the delivered products were defective, we would look up shipping destinations and communicate with relevant distributors, logistics stations or stores in a timely manner to stop selling, and isolate such products for inspection. Follow-up measures would be taken later in accordance with the *Process for Handling Nonconforming Products* to prevent defective products flowing into the market. If the sold products were reported to have safety problems, the Group would make records according to consumers' feedback in a timely manner. Relevant departments would analyse the causes and put forward schemes for improvement, coordinate and cooperate with the Customer Service Centre to solve the problems for consumers in an effective way. During the year, the Group did not have products sold or shipped subject to recalls for safety and health reason.

在產品召回方面，本集團根據《中華人民共和國食品召回管理辦法》，結合業務特點制定了《食品召回管理辦法》，細化了產品召回類別和相關應急措施，使得產品召回流程更加合規、清晰、便捷。對於庫存產品存在質量安全問題的，本集團將第一時間將問題產品進行隔離，避免出倉發貨；已發貨產品存在異常的，則調取產品發貨去向，及時聯繫相關經銷商、物流站或門店停止銷售，隔離待檢，並依照《不合格品處理流程》進行後續跟進處理，切實避免問題產品在市面流通；已出售產品發現安全問題的，則根據消費者反饋進行及時備案，相關部門分析問題產生的原因並提出改進方案，同時與客服中心積極溝通合作，切實有效解決消費者問題。本年度，本集團沒有發生已售或已運送產品因安全與健康理由而須回收的情況。

Promotion of Product Traceability

The Group focuses on source management and continuously promotes the whole-process traceability of products to enhance its ability to control the quality of products. All products of the Group can be traced in the factory by the QR code on the product package. In terms of main raw materials such as salad oil, beef tallow, tomato, Sichuan pepper, mushroom, etc., we strive to trace back to specific companies, product batches, and even planting fields to assure our consumers.

The Group introduced the concept of "industry centre". Guiding by this concept, we communicated and cooperated with local government to provide financial and technical supports to suppliers while encouraging them to set up production lines nearby to realise local production, enable better guarantee for product supply, effective control over quality and full-course traceability for raw materials and products. Meanwhile, with the application of SAP/SRM and other management systems in the Group, we further improved the efficiency of tracing on the premise of ensuring the accuracy, reducing the time spent in tracing from products to raw materials from 12 hours to 3 hours. Fuhai Ma'anshan Factory had made a successful attempt to lead suppliers towards local production. At present, suppliers of packaging materials, packaged vegetables, packaged meat, and others have completed local construction of supporting facilities. Most of the suppliers are close to factories, certain of them even have their own workshops built in the factories, which greatly enhance the traceability of products and reduce supply costs as well. The Group will make active efforts to promote local production in the future to provide a sound guarantee for our supply resources.

推動產品全程追溯

本集團重視源頭管理，持續推動產品全程追溯，以提升自身對於產品的質量管控能力。本集團全部產品均可以利用產品包裝上的二維碼做到廠內追溯。針對主要原材料如色拉油、牛油、番茄、花椒、菌類等，我們努力追溯到具體的企業、產品批次、乃至種植地，讓消費者更放心。

本集團提出「產業中心」的概念，通過與當地政府的溝通協作，給予供應商資金和技術支持，鼓勵各供應商就近建設生產線，使生產本地化，既能更好地保障產品的供應，也能更好地對原料和產品進行質量把控和全程追溯。同時，我們結合企業內部運行的SAP/SRM等管理系統，在確保追溯精度的前提下，進一步提升追溯效率，將從產品到原料的追溯時間由此前的12小時縮減至3小時。其中，馥海馬鞍山工廠已成功引導供應商完成本地化生產，目前已有菜包類、肉包類等多品類供應商完成落地配套。大部分供應商與工廠的距離很近，甚至在工廠內部設有自建車間，極大地提升了產品的可追溯性，同時也降低了供應成本。今後，本集團將積極推廣馬鞍山工廠的本地化生產模式，使全集團的供應端有更好的保障。

Satisfaction of Health Demands

The Group values the nutrition and health of food and actively responds to the concept of "Less salt, less oil, less sugar, healthy mouth, healthy weight and healthy bones" proposed in the *National Nutrition Plan (2017-2030)*, considering consumers' health demands and being committed to providing consumers healthy food.

We have met the health needs of consumers in a directional manner. We are implementing "clean labels" throughout the Group to further ensure consumer nutrition and health by upgrading ingredients and additives, which currently covers all the products of the Group. We promise that additives of all our products are following relevant food regulations, based on which we put forward the concept of "Fewer additives and more natural food", and are committed to solving preservative problems with natural additives.

We constantly improve the quality and raw materials of hotpot condiments and launched sour tomato hotpot condiments without MSG and other additives in Haidilao stores, so that consumers can eat healthier while preserving the good and natural taste of food materials. Such tomato products were popular with consumers once launched in Haidilao stores.

滿足健康訴求

本集團十分關注食品的營養與健康，積極響應《國民營養計劃(2017-2030年)》提出的「三減三健」概念，即減鹽、減油、減糖，健康口腔、健康體重、健康骨骼，切實考慮消費者的健康訴求，使消費者吃得舒心、吃得健康。

我們有方向性地引領消費者的健康需求，通過在全公司推行「清潔標籤」項目，進一步從配料和添加劑的優化上落實消費者的營養與健康保障，目前該工作已覆蓋本集團所有的產品。我們承諾所有產品的添加劑均符合相關食品要求規定，在此基礎上，我們進一步提出「少添加，更天然」的理念，致力於以天然的添加劑解決防腐問題。

我們不斷精進火鍋底料的品質及用料，在海底撈門店推出了無味精等添加劑的番茄鍋底，讓消費者吃的更健康，同時兼顧產品口感，充分發揮出食材本身的味道。我們的番茄類產品一經上市就得到了消費者的廣泛認可。

We continue to optimize the production technology of Pickled Fish to provide healthy and environment-friendly products. Traditional Pickled Fish mostly use large leaf Chinese pickles, which are salted with high salt in the pit. After finishing salting, the Chinese pickles need to be cleaned twice, and then packaged. Pickled Fish products produced in the traditional way have high salinity. At the same time, a large amount of high salinity wastewater will be produced in the process of cleaning the Chinese pickles. To respond to the concept of "three less and three healthy", and to introduce healthier condiments for consumers, the Company team finally established its own Chinese pickles base by interviewing the origin of raw materials and visiting several partners. We give priority to small leaf mustard which is crisper and more tender to improve the taste of the product. In terms of production technology, we continue the traditional jar pickling process, but choose the method of low salt pickling to reduce the salinity in food and to reduce the harm to the environment caused by the salt-containing wastewater generated during the cleaning of the Chinese pickles. We have always implemented the concept of "Less addition, more natural", optimized ingredients and reduced additives, to better balance the dual needs of consumers for taste and health.

我們持續對酸菜魚品類的生產技術進行優化，以提供健康且環境友好的產品。傳統酸菜魚多選用大葉酸菜，採用窖池高鹽鹽漬，待鹽漬好後需要對酸菜進行二次清洗，然後再進行包裝處理。以傳統方式生產的酸菜魚產品含鹽量高，同時，在清洗酸菜的過程中會產生大量的高鹽廢水。為了響應「三減三健」理念並為消費者推出更健康的調味料，公司團隊通過走訪原料產地，拜訪多家合作夥伴，最終成立了自有的泡菜基地。我們優選口感更為脆嫩的小葉芥菜，提升產品口感。在生產技術方面，我們延續了傳統的壇泡工藝，但選用低鹽泡制的方法，減少食品中的含鹽量，並降低清洗酸菜時產生的含鹽廢水對環境的危害。我們始終貫徹「少添加，更天然」的理念，優化配料、減少添加劑，以更好地平衡消費者對於口感及健康的雙重需求。

Delicacy Pickled Fish Seasoner
酸菜魚調味料

Focus on product innovation

Focusing on hotpot seasoning, Chinese compound seasoning and fast food, and following the multi-level and diversified consumer trends, the Group has been committed to product R&D and innovation to introduce new products that meet the customer needs and preferences.

In 2021, we continued to promote product innovation, optimize, and enrich the product portfolio. Meanwhile, we also improved the formula and packaging of existing products.

Case：Product innovation and optimization

Through the process of high temperature and high-pressure sterilization, we sterilize the seasoners in the instant rice category. While ensuring food safety, we do not add preservatives to provide consumers with a safe and assured eating experience.

We have introduced suppliers with national patent "Cooked rice technology" to comprehensively improve the sensory texture and nutritional value of rice, to ensure the stability of product quality. At the same time, we will promote the reduction of the number of seasoners in the instant rice and test the aluminium free packaging materials to reduce the consumption of them.

聚焦產品創新

本集團圍繞火鍋調味料、中式複合調味料及方便速食三大品類，配合當前消費者多層次、多樣化的消費趨勢，持續聚焦產品研發及創新，不斷推出滿足消費者需求和喜好的創新產品。

本年度我們持續進行產品創新，優化及擴充產品組合。同時，我們也不斷對已有產品進行配方改良和包裝升級。

案例：產品創新優化

我們通過高溫高壓殺菌的工藝，對自加熱米飯品類中的菜餚包進行殺菌，在保證食品安全的同時，不添加防腐劑，為消費者提供安全放心的食用體驗。

我們引入了具有國家專利「熟化米技術」的供應商，全面提升米的感官質構及營養價值，以保障產品質量的穩定性。同時，我們推進減少自加熱米飯中內容包的數量，並進行不含鋁包材的測試，以降低包材的耗用。

Diversified Products
多樣化的產品組合

Optimising Consumption Experience

We constantly optimize the shopping experience according to the needs of all kinds of consumers. Online e-commerce is one of the important marketing channels of the Group. This year, we continue to optimise consumer interactive experience as a strategic direction, with flagship stores as the main brand interactive scenarios for deep consumer communication and provide consumers with a more intimate shopping experience.

We provide human customer service to replace the robot service for pre-sale and after-sale services, so that consumers can enjoy a warm experience. Meanwhile, we conduct online surveys on consumer satisfaction through online evaluations and fan-based surveys, and decision-making for service quality and our product improvement is based on consumer evaluations. We also provide a customer service office area at the factory end, so that the customer service personnel can more intuitively observe the whole process of production, and feed back to the factory end faster and more directly according to the evaluation and feedback of consumers. Through the above measures, we can put forward product improvement suggestions from the perspective of customers and continuously optimize the products.

Through separate warehouses, the Group has enhanced the logistics efficiency and customer satisfaction. Currently, the Group has 10 regional separate warehouses nationwide and continues to take "RT-Mart" as the pilot of direct distribution, involving the logistics and distribution of e-commerce into separate warehouse management. With products of various kinds featured at fast flow, the separate warehouses can not only shorten the delivery cycle while ensuring the delivery speed, but also control the issue of product out of stock, so that consumers can also enjoy better logistics experience. This year, we will continue to increase the scope of direct matching trials, from the three aspects of delivery time, product freshness and order flexibility, to optimize the customer experience.

優化消費體驗

我們根據各類消費者的需求，不斷優化消費體驗。線上電商是本集團的重要營銷渠道之一，本年度我們持續以加強消費者互動體驗為策略方向，以旗艦店為主要品牌互動陣地，加強消費者溝通，為消費者提供更為貼心的購物體驗。

針對線上的售前售後服務，我們用人工客服取代機器客服，讓消費者充分感受到有溫度的服務。同時，我們通過線上消費者評價、粉絲群調查等形式開展線上消費者滿意度調查，並基於消費者評價，為服務質量及產品改進提供決策依據。我們也在工廠端提供客服辦公區，讓客服人員能夠更直觀觀察產品生產的整個環節，並根據消費者的評價及反饋，更快更直接地向工廠端反饋；通過以上措施，我們能站在顧客的角度，提出產品改進建議，不斷對產品進行優化。

我們通過自有分倉加快物流效率，提升消費者滿意度。本年度，我們在全國設有10個區域分倉並繼續將「大潤發」作為直配試點，把電商的物流配送也融入分倉管理。分倉的產品流轉快，品相全，不僅能縮短發貨周期，保證發貨速度，也能減少產品缺貨情況的發生，使消費者在物流體驗上也能得到提升。我們將繼續加大直配的試用範圍，從配送時間、產品新鮮度以及訂貨靈活性三個方面出發，優化客戶的消費體驗。

GREEN-ORIENTED PRACTICE ON ENVIRONMENTAL RESPONSIBILITIES

Pursuant to the *Environmental Protection Law of the People's Republic of China*, and the *Energy Conservation Law of the People's Republic of China*, the Group practices sustainable development concepts of low-carbon, environmental protection, energy saving and emission reduction, to actively fulfil its environmental responsibilities. We actively identify the latest environmental compliance requirements through the official websites and WeChat public accounts of national and local government agencies and WeChat public accounts, we timely update the laws and regulations database applicable to the business of the Group, and continuously improve safety and environmental protection management system on such basis to ensure the operating activities of the Group are in accordance with relevant environmental regulations.

While enhancing our environmental compliance management system, we have been exploring feasible energy-saving and emission reduction technologies and procedures during the course of business. Besides, the Group has also attempted to enhance the staff's awareness of environmental protection to minimise the impact of our production and operation activities on the surrounding environment. In 2021, for the newly built factories in Luohe, Zhaoqing and Kaifeng, they prioritized locally planned development zones or industrial zones in terms of site selection to avoid excessive impact on the local ecological environment. For overseas factories, the Company has made full use of local resources, identified the local laws for environmental protection-related production and operation requirements, so as to ensure that the construction and production of factories comply with local environmental protection and safety laws and regulations. No violation of laws and regulations or legal action concerning the Group's environmental protection was reported in 2021.

綠色為標，踐行環保責任

本集團切實踐行低碳環保、節能減排的可持續發展理念，嚴格遵守《中華人民共和國環境保護法》《中華人民共和國節約能源法》等法律法規，積極踐行環保責任。我們通過國家、地方及政府機構官方網站和微信公眾號等渠道積極識別最新的環保合規要求，實時更新適用於本集團業務的法律法規庫，並在此基礎上對公司進行合規評價，不斷完善安全環保管理體系，確保本集團經營活動符合綠色環保相關規定。

我們在強化自身環境合規管理的同時，亦不斷探索生產經營過程中可行的節能減排技術與工藝，提升員工的環境保護意識，降低因本集團生產運營活動對周邊環境造成的影響。2021年，對於本集團新建的漯河、肇慶、開封等工廠，在選址上均優先選擇在已規劃的開發區或工業區內，以避免對當地生態環境造成影響。對於海外工廠，我們充分利用當地資源，識別當地法律對於環保相關的生產經營要求，確保工廠的建設和生產符合當地環保安全法律法規。2021年，本集團未發生與環境方面相關的違法違規訴訟事件。

Improvement of Safety and Environmental Protection Management System

The Group has formulated the *Yihai Company Quality and Safety Guarantee Regime* and *Management Policy for Environmental Protection* and other policies. We further define the main responsible person for safety and the corresponding reward and punishment measures, which is conducive to the linkage of rights and responsibilities in the work of safety and environmental protection of the Company and ensure the good operation and continuous improvement of safety and environmental protection system. At the same time, we continue to regulate the internal discharge behaviour of Yihai factories, ensure that environmental protection pollutants are discharged in accordance with the requirements of laws and regulations, and better protect the environment. All factories are encouraged to conduct regular cleaner production audits to meet the policy requirements of each operation location.

完善安全環保管理體系

本集團制定了《頤海公司質量和安全擔保制度》《環境保護管理辦法》等制度，進一步明確了安全主體責任人以及相應的獎懲措施，有利於公司安全環保方面工作的權責掛鈎，保證安全環保體系的良好運行及持續改進。同時，我們持續規範頤海各工廠內部排放行為，確保污染物按照當地環保法規要求達標排放，更好地保護環境。我們鼓勵各工廠定期進行清潔生產審核，以滿足各運營所在地的政策要求。

Emissions Control

The Group strictly abided by national and local laws, regulations and standards for emissions, such as the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China* and the *Law on the Prevention and Control of Environment Pollution Caused by Solid Wastes of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Ambient Noise Pollution*, *Regulations on the Administration of Pollutant Discharge Permits*, and *Measures for Transfer of Hazardous Waste*. On this basis, we formulated and strictly implemented the accountability *System for Environmental Protection, Fire Protection, Occupational Health and Production Safety*, *Management Policy for Environmental Protection* and *Management System for Environmental Risk Assessment* and continuously enhanced management and control measures for exhaust emission, sewage treatment and solid waste management. In 2021, the Group further optimised the management and control mechanism of production waste gas, wastewater, solid waste, hazardous waste and noise in each factory, effectively implemented various measures for energy conservation, emission reduction and hazardous waste treatment stipulated by the Group, and further standardised and normalised the environmental management.

控制污染排放

本集團嚴格遵守《中華人民共和國大氣污染防治法》《中華人民共和國水污染防治法》《中華人民共和國固體廢棄物污染防治法》《中華人民共和國環境噪聲污染防治法》《排放許可管理條例》《危險廢物轉移管理辦法》等國家、地方法律法規和排放標準，並以此為基礎，制定並嚴格執行《環保、消防、職業衛生、安全生產責任制度》《環境保護管理辦法》《環境風險評估管理制度》等制度，持續完善廢氣排放管理、污水處理及固廢管理三方面的各項管控措施。本年度，本集團進一步優化各工廠生產廢氣、廢水、固廢、危廢及噪聲的管控機制，有效執行各項節能減排與危廢處理措施，使得環境管理工作進一步標準化與規範化。

Exhaust Emission Reduction

In 2021, the original factories of Yihai have completed the upgrading of exhaust emission facilities, using the treatment of activated carbon adsorption and desorption catalytic combustion, which greatly optimizes the treatment process effect of waste gas. New factories (such as Luohe Factory and Jianyang Factory) have already begun to consider the use of new treatment processes such as activated carbon adsorption and desorption devices for waste gas at the design process. Certain factories have been equipped with online monitoring systems to monitor the emission data in time. Besides, the Group employs a third party to conduct waste gas testing every six months to ensure that waste gas emissions meet enterprise standards and timely upgrades will be taken for problems identified.

Improvement of Wastewater Treatment

Due to the business nature, the Group's sewage arises from the wok washing water discharged by stir-frying workshops. In this regard, all factories have been equipped with a set of centralised suction and discharge vacuum system and oil-water separation system to avoid direct discharge of wastewater containing waste oil. These equipment and devices can reduce the burden of sewage treatment stations while achieving a better effect on sewage treatment. Newly built factories are designed with grease traps to ensure subsequent sewage treatment. In addition, the Group set up a safety and environmental protection daily report to routinely monitor sewage to ensure that the indicators meet the requirements and standards of the country.

降低廢氣排放

2021年，頤海原有工廠全部完成廢氣排放設施的升級換代，使用活性炭吸附脫附催化燃燒的處理工藝，大大的優化了廢氣的處理效果。新工廠（如漯河工廠、簡陽工廠）在設計階段就已經開始考慮使用活性炭吸附脫附裝置等新的處理工藝進行廢氣處理，且部分工廠還安裝了在線監測系統，能夠對廢氣排放的數據實時進行監測。此外，本集團每半年聘請第三方機構進行廢氣檢測，確保廢氣排放符合企業標準，發現問題後能夠及時更新升級。

改進污水處理

基於業務特點，本集團污水主要來源於工廠炒制車間產生的炒鍋清洗廢水。對此本集團所有工廠均安裝整套「刷鍋水真空集中吸排系統」和「油水分離系統」，以避免含廢油的污水直接排放，在降低污水處理站負擔的同時提升了污水處理效果。新建的工廠則在設計之初便規劃了隔油池，確保了後續污水處理的效果。此外，公司設立安全環保日報表，對污水進行常規監測，保證各項指標達到國家要求標準。

Enhancement of Solid Waste Management

We have identified the *Law on the Prevention and Control of Environment Pollution Caused by Solid Wastes of the People's Republic of China*, and continued to carry out classified management of solid wastes by the clear responsible person in accordance with the *Management Policy for Environmental Protection*. All factories are required to set up storage warehouses and garbage bins. While garbage must be classified into general solid waste and hazardous waste by designated staff after being collected from the bins. General waste, such as household waste from the factories, is collected for centralised treatment every day; raw materials waste residues, waste oil collected by oil smoke purifiers and waste package materials are sent to qualified professional waste treatment companies for processing. All hazardous wastes are kept in specialised hazardous waste warehouses, reported to environmental protection authorities and then treated by qualified third parties as required, including waste chemical reagents, waste toner cartridges and ink cartridges and hazardous waste batteries with special symbols. The Group's monthly compliance audit for the environment protection management system includes the audit for solid waste and hazardous waste. In 2021, all hazardous wastes produced by factories of the Group were stored and treated in line with laws and regulations.

加強固廢管理

我們對《中華人民共和國固體廢棄物污染防治法》進行了識別，並持續按照《環境保護管理辦法》中的規定，由明確的責任人統一對固廢進行分類管理。公司要求各工廠必須配置固體廢棄物存儲倉庫及分類存儲垃圾箱，廢棄物在統一收集後由專人分類為一般固體廢棄物與危險廢棄物。一般廢棄物諸如工廠廠區內的生活垃圾實行日清日結、集中處理；而原料廢渣、油煙淨化器收集的廢油、廢包裝材料等則交由有資質的供應商統一處理。危險廢棄物諸如廢化學試劑、廢舊硒鼓墨盒及有專門標識的危廢電池等，由工廠專用的危廢倉庫儲存，並在環境保護部門備案，最後交由有資質的第三方處置商進行合規處理。本集團每月的安全環保管理體系審計包含對固廢和危廢處理流程的審計，本年度各工廠產生的全部危險廢棄物均已實現合法合規的存儲及處置。

Promotion of Energy Conservation and Emission Reduction

We have continued to explore practical energy-saving measures in our production and operation. We have achieved resource saving, energy consumption reduction and carbon emission reduction by measures including enhanced management, process upgrade of factory technology, etc. The Group also steps up publicity efforts for energy conservation and emission reduction to enhance employees' environmental awareness. In 2021, the Company was committed to reducing the use of materials in packaging and strengthening the promotion of green packaging as well as the R&D testing of degradable packaging materials.

推進節能減排

我們在生產運營中持續探索切實可行的節能減排措施，通過精益管理、工廠技術工藝改造等措施達到節約資源、降低能耗、減少碳排放的效果。本集團亦加大節能減排的宣傳力度，以增強員工的節能減排意識。2021年，我們致力於降低包裝材料的使用，並加強綠色包裝推廣以及可降解包裝材料的研發測試。

Case: Energy saving and emission reduction practice of each factory

The Group have continued to innovate and explore the practice of energy saving and emission reduction:

- The Ma'anshan factory has completed the frequency conversion transformation of the wok exhaust gas facility, saving a total of 66,000 kWh per year. We have continuously optimized the use of cartons, and completed the reduction test of various hotpot condiment cartons, such as 220g of spicy vegetable oil, 200g of sour tomatoes, 200g of mushroom soup and other products.

- Used in the packaging workshop of Bazhou factory, the small-gram heavy box products cancelled the bracing cartons in the box to actively promote green packaging, which can save 180 supporting cartons per day without affecting the quality of the packaging cartons. The packaging group has completed the testing and technical reserves of degradable materials this year.

The Group optimizes product manufacturing, finished product transportation and other aspects.

- **Upgrade the exhaust gas treatment facilities to reduce exhaust gas emissions.** This year, while upgrading the waste gas treatment devices of each factory, the devices are linked with the wok to ensure that they are running at the same time, reducing ineffective waste and greatly reducing the electricity consumption of the waste gas device.

- **Optimize packaging processes and reduce waste of resources**. The Company has set up improvement teams on site at each factory to optimize packaging materials and reduce packaging material consumption. After process innovation testing, the packaging process was optimized without affecting the quality of the packaging carton, and the bracing carton shell in the box was eliminated, which greatly reduced the expenditure of this cost and the consumption of wood and other items.

案例：各工廠節能減排實踐

本集團繼續探索節能減排的應用：

- 頤海馬鞍山工廠完成了炒鍋廢氣設施變頻改造，每年共計節約66,000餘千瓦時。同時，馬鞍山工廠持續優化紙箱使用量，完成了220克清油、200克番茄、200克菌湯等產品紙箱的降尺寸測試。

- 霸州工廠包裝車間採用的小克重箱裝產品，取消了箱內支撐紙殼，積極推行綠色包裝，在不影響包裝紙箱質量前提下，每天可節約180個箱內支撐紙殼；工廠包裝組完成了本年度可降解材料的測試和技術儲備。

同時，本集團針對產品製造、成品運輸等各環節進行優化。

- **升級廢氣處理裝置，降低廢氣排放**。本年度，在對各工廠廢氣處理裝置進行升級的同時，將各裝置與炒鍋聯動，保證炒鍋與廢棄處理裝置同時運行，減少無效浪費，極大降低了廢氣裝置的用電消耗。

- **優化包裝工藝，減少資源浪費**。本年度，公司各工廠現場成立精益改善項目小組對包裝材料優化，並減少包裝材料消耗。經過工藝創新測試，在不影響包裝紙箱質量的情況下對包裝工藝進行了優化，取消了箱內支撐紙殼，大大減少了此項費用的支出及對木材等物品的消耗。

Response to Climate Change

The abnormal climate has put humanity facing a severe test of survival. Thus, addressing climate change has become a common goal of the whole world. In 2021, we have actively identified the possible impact of climate change on our production and operation activities, referring to the Action Plan for Carbon Dioxide Peaking Before 2030. Considering potential risks, we have responded in advance and made the following countermeasures:

應對氣候變化

反常的氣候使人類面臨嚴峻生存考驗，應對氣候變化成為了全世界的共同目標。2021年，我們積極識別氣候變化對公司生產經營活動可能帶來的影響，參考《2030年前碳達峰行動方案》，針對潛在風險，提前作出響應，並制定了以下應對措施：

Type of Risk 風險類型	Potential Risk Identification and Assessment 潛在風險辨別與評估風險	Solution 應對措施
Transition Risk	The policy adjustment of the national energy structure and power supply will have a certain impact on the Company's energy use.	The company actively follows up on relevant regulatory requirements and implementing management measures. Every factory currently has an emergency plan related to energy and electricity to deal with energy and electricity supply problems. At present, the woks in some factories still use chemical fuels, and we are gradually considering replacing them in the future to cope with climate change.
轉型風險	國家能源結構及電力供應的政策調整會對公司的運營成本造成一定影響。	積極跟進相關監管要求，並落實管理措施。各工廠均制定了能源電力相關的應急預案，以應對能源電力供應方面的問題。目前，公司部分工廠的炒鍋仍使用化學燃料，為應對氣候變化，我們在逐步考慮替換。
Physical Risk	The effect of global warming causes an increase in local extreme weather, such as heavy rain and hail, which has a potential impact on the Company's production activities, including extreme weather leads to damage to fixed assets; climates such as high-temperature heat waves increase air conditioning power consumption; and extreme weather affects production progress.	At present, the Company, especially the factories, has normalized some extreme weather warnings, such as extreme cold, blizzard, heavy rain and typhoons. We have formulated relevant normalized early warning measures, and included some precautions to deal with extreme weather.
實體風險	全球氣候變暖效應造成局地性極端天氣增加，例如暴雨、冰雹等，對公司生產活動造成潛在影響，包括：極端氣候導致固定資產損壞；高溫熱浪等氣候使得空調耗電增加；發生極端氣候影響生產進度等。	目前公司尤其是各工廠已針對極端天氣，如極寒、暴雪、暴雨及颱風等，制定了相關常態化預警措施，並包含應對極端天氣的注意事項及應對措施等。

Environmental Targets

The Group has set sustainable development goals based on 2021 performance and a five-year cycle. By 2026, the Company's targets in energy conservation, carbon reduction, water conservation as well as packaging and waste reduction are as follows:

- **Targets on Carbon Reduction:** Greenhouse gas emissions density decreases gradually, to a 3% decrease in 2026 compared to 2021;
- **Targets on Energy Conservation:** Energy density decreases gradually, to a 3% decrease by 2026 compared to 2021;
- **Targets on Water-saving:** Water consumption density decreases gradually, to a 3% decrease by 2026 compared to 2021;
- **Management Targets on Reducing packaging and waste:** Achieving 100% compliance with hazardous waste storage and disposal；gradually decreasing packaging use per unit of operating income, to 3% decrease by 2026 compared to 2021; promoting green packaging, and gradually introducing and using environmental friendly packaging materials.

To achieve these targets, we include various environmental data in the scope of BI reports and track changes in environmental data daily to strengthen the management of environmental data. We establish environmental management assessment methods to promote energy saving and emission reduction projects in each factory and technology category. We also set up energy saving and emission reduction awards to encourage various innovative activities in environmental protection, which can facilitate the achievement of various environmental protection goals.

環境目標

本集團以2021年為基準，5年為周期對可持續發展目標進行了設定。至2026年，公司在節能減碳、節水以及減少包裝和廢棄物的目標如下：

- **減碳目標**：溫室氣體排放密度逐步下降，至2026年較2021年下降3%；
- **節能目標**：能源密度逐步下降，至2026年較2021年下降3%；
- **節水目標**：水耗密度逐步下降，至2026年較2021年下降3%；
- **廢棄物管理目標**：實現危險廢棄物100%合規存儲及處置；單位經營收入包裝使用量逐步下降，至2026年較2021下降3%，推行綠色包裝，產品包裝引入環保材料的使用。

為實現以上目標，我們將環境類各項數據納入BI報表的範疇，並日常追蹤環境數據變化，以加強對環境數據的管理；同時，我們制定環境治理考核管理辦法，推動各工廠和技術品類開展節能減排的項目，設定節能減排獎項，鼓勵環保方面的各項創新活動，以促進各項環保目標的達成。

In terms of energy conservation and carbon reduction, we improve the efficiency of using a gas-fired boiler to reduce gas usage, power consumption of exhaust gas treatment equipment and gas emissions; through the rational planning of the industrial centre, we take advantage of the centralized production of products to reduce the unit energy and water consumption; furthermore, we actively promote technical innovation and application in energy conservation and carbon reduction.

在節能減碳方面，我們通過提高燃氣炒鍋使用效率，以降低燃氣使用、廢氣處理功耗及氣體排放；通過產業中心的合理規劃，我們利用產品集中生產優勢，以降低單位能耗及水耗；此外，我們積極推進技術品類在節能減碳方面的技術革新和應用。

In terms of water conservation, we will further strengthen the awareness of water conservation among our staff and improve water utilization through the production process improvement. We are actively promoting the application of "Condensate Recycling program" to collect condensate and use it for landfill pallets cleaning and floor cleaning to reduce water consumption.

在節水方面，我們一直倡導節約水資源，我們將進一步加強員工節水意識的宣傳，並通過工藝的改善提高水資源的利用。我們積極推進「冷凝水回收項目」的應用，對冷凝水進行收集並用於垃圾場托盤清洗及地面清洗，減少水資源浪費。

In terms of hazardous waste management, we hand over the hazardous waste to qualified third-party institutions to achieve 100% compliance with hazardous waste disposal. In terms of reducing the use of packaging materials, we optimize the size and material of packaging materials for former products to avoid overuse of packaging materials; we establish packaging material standards, set packaging material information database, and improve the size and material design of new packaging materials to reduce the amount of unit packaging materials; we increase the promotion of technological innovation in environmental friendly materials, promote green packaging, and gradually introduce and use environmental friendly packaging materials.

在危險廢棄物管理方面，我們交由有資質的第三方機構處理，實現危險廢棄物100%合規處置；在減少包裝材料使用方面，我們對老產品的包裝材料尺寸及材質優化，避免包裝材料過剩使用；我們訂立包裝材料標準，建立包裝材料信息庫，提升新品包裝材料尺寸材質設計，從而降低單位包材用量；同時，我們加大推進環保材料的技術創新，推行綠色包裝，逐步引入並使用環保包裝材料。

Environmental Performance 環境數據績效表

Key Performance Indicators for Emissions and Energy Consumption 排放物及能耗概況

Indicator 指標	Unit[10] 單位[10]	**2021[11]** **2021年[11]**	2020 2020年
Annual revenue **全年收入**	million RMB 百萬元人民幣	**5,942.617**	5,360.021
Emissions **廢氣排放總量**	Tonnes 噸	**6.62**	5.53
Stationary sources emission[1] **固定源廢氣排放[1]**	Tonnes 噸	**6.62**	5.53
No_2 emission 二氧化氮排放量	Tonnes 噸	**1.89**	1.45
So_2 emission 二氧化硫排放量	Tonnes 噸	**0.79**	0.61
Fume emission 油煙排放量	Tonnes 噸	**2.05**	2.02
Smoke and dust 煙塵	Tonnes 噸		1.45
Annual emissions per revenue[2] 單位經營收入廢氣排放總量[2]	Tonnes/million RMB 噸／百萬元人民幣	**0.0011**	0.0010
Total wastewater discharged[3] **廢水排放總量[3]**	Tonnes 噸	**36.57**	25.85
COD emission 需氧量(COD)	Tonnes 噸	**23.94**	14.30
BOD_5 emission 5日生化需氧量(BOD_5)排放量	Tonnes 噸	**5.62**	3.56
Suspended solids 懸浮物	Tonnes 噸	**5.68**	7.02
Ammonia and nitrogen 氨氮	Tonnes 噸	**1.28**	0.80
Animal and vegetable oils 動植物油	Tonnes 噸	**0.05**	0.17
Annual waste water discharged per revenue 單位經營收入廢水排放總量	Tonnes/million RMB 噸／百萬元人民幣	**0.0062**	0.0048
Total hazardous waste[4] **有害廢棄物總量[4]**	Tonnes 噸	**12.56**	46.47
Waste chemical reagent 廢化學試劑	Tonnes 噸	**7.01**	9.66
Waste engine oil 廢機油	Tonnes 噸	**1.80**	1.32
Waste mineral oil 廢礦物油	Tonnes 噸	**0.50**	0.20
Waste lead-acid accumulators 廢鉛蓄電池	Tonnes 噸	**0.00**	0.00
Waste fluorescent lamps 廢熒光燈管	Tonnes 噸	**0.04**	0.00
Others 其他	Tonnes 噸	**3.21**	35.29
Annual hazardous waste per revenue 單位經營收入有害廢棄物總量	Tonnes/million RMB 噸／百萬元人民幣	**0.0021**	0.0087

Indicator 指標	Unit[10] 單位[10]	**2021[11]** **2021年[11]**	2020 2020年
Total non-hazardous waste[5]	Tonnes	**15,143.30**	13,335.18
無害廢棄物總量[5]	噸		
Household waste	Tonnes		1,574.50
生活垃圾	噸		
Sludge at sewage treatment stations	Tonnes	**1,739.16**	2,001.80
污水站污泥	噸		
Production waste	Tonnes	**11,708.63**	9,758.88
生產廢物	噸		
Annual non-hazardous waste per revenue	Tonnes/million RMB	**2.55**	2.49
單位經營收入無害廢棄物排放量	噸／百萬元人民幣		
Total energy consumption[6]	MWh	**126,224.96**	93,559.46
能源消耗總量[6]	兆瓦時		
Direct energy consumption	MWh	**88,107.47**	65,581.48
直接能源消耗	兆瓦時		
Petrol consumption	MWh	**88,105.07**	65,509.00
天然氣消耗量	兆瓦時		
Diesel consumption	MWh	**0.00**	42.86
汽油消耗量	兆瓦時		
Natural gas consumption	MWh	**2.40**	29.62
柴油消耗量	兆瓦時		
Indirect energy consumption	MWh	**38,117.49**	27,977.98
間接能源消耗	兆瓦時		
Electricity consumption	MWh	**38,117.49**	27,977.98
電消耗量	兆瓦時		
Annual energy consumption per revenue	MWh/million RMB	**21.24**	17.46
全年每單位收入能源消耗量	兆瓦時／百萬元人民幣		
Municipal water consumption[7]	Tonnes	**545,220.00**	424,781.00
市政自來水耗用量[7]	噸		
Annual municipal water consumption per revenue	Tonnes/million RMB	**91.75**	79.25
單位經營收入市政自來水耗用量	噸／百萬元人民幣		
Total packaging materials consumption[8]	Tonnes	**37,382.26**	16,016.50
包裝材料使用總量[8]	噸		
Annual packing materials consumption per revenue	Tonnes/million RMB	**6.29**	2.99
單位經營收入包裝材料使用量	噸／百萬元人民幣		

Key Performance Indicators for Greenhouse Gas Emissions 溫室氣體排放概況

Indicator 指標	Unit[10] 單位[10]	**2021[11]** **2021年[11]**	2020 2020年
Total greenhouse gas emissions (Scope 1 and Scope 2)[9]	Tonnes	**41,017.19**	30,131.93
溫室氣體排放總量(範疇一、範疇二)[9]	噸		
Direct emissions (Scope 1)	Tonnes		12,881.67
直接排放(範疇一)	噸		
Petrol	Tonnes	**17,227.73**	12,862.48
天然氣	噸		
Diesel and natural gas	Tonnes	**0.63**	19.19
汽油及柴油	噸		
Indirect emissions (Scope 2)	Tonnes	**23,788.83**	17,250.26
間接排放(範疇二)	噸		
Outsourced power	Tonnes	**23,788.83**	17,250.26
外購電力	噸		
Annual greenhouse gas emissions per revenue	Tonnes/million RMB	**6.90**	5.62
單位經營收入溫室氣體排放	噸／百萬元人民幣		

Notes:

1. Waste gases emitted from stationary sources consist of nitrogen oxides, sulphur dioxide, fumes and particulates contained in exhausted gases emitted by factories, which mainly come from the burning of natural gas. Among others, the nitrogen dioxide emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*, sulphur dioxide emission is calculated based on the *Practical Data Handbook for Environmental Protection*, fume emission is calculated based on the data in monitoring reports prepared by third parties, and smoke and dust emission is calculated based on the *Coefficients on Pollutants Generated from the Combustion of Coal and Natural Gas*.

2. Our self-owned vehicles did not consume much petrol and diesel, and according to the principle of materiality, the data of mobile source emissions is not disclosed.

3. The data of COD (Chemical Oxygen Demand) emission, BOD_5 (5-day Biochemical Oxygen Demand) emission, suspended solids, ammonia nitrogen indicator in waste water discharged from stationary sources is calculated based on total waste water discharged at the outlet of sewage treatment stations multiplied respectively by the average concentration of BOD_5, total phosphorus, ammonia and nitrogen at the outlet.

4. Hazardous waste is handed over to qualified third parties for treatment, and is calculated based on the data recorded on the hazardous waste transfer manifests or receipts of waste recyclers during the reporting period.

註：

1. 固定源廢氣由工廠排放的廢氣中氮氧化物、二氧化硫、油煙、顆粒物等組成，主要來源於天然氣燃燒，其中二氧化氮排放根據《煤、天然氣燃燒的污染物產生系數》進行核算，二氧化硫排放根據《環境保護實用數據手冊》進行核算，油煙排放根據第三方監測報告內數據指標進行估算，煙塵排放根據《煤、天然氣燃燒的污染物產生系數》進行核算。

2. 本集團自有交通工具汽油柴油年消耗量較少，根據重要性原則，暫不披露移動源廢氣排放數據。

3. 固定源廢水中，化學需氧量(COD)排放量、5日生化需氧量(BOD_5)排放量、懸浮物、氨氮指標根據污水處理站排水口的總排水量分別乘以排水口BOD_5的平均濃度、排水口總磷的平均濃度、排水口氨氮的平均濃度計算得出數據。

4. 有害廢棄物交給有資質第三方處理，根據本報告期內危險廢物轉移聯單或廢物回收商回收單據上記錄的數據進行核算。

5. Non-hazardous waste includes household waste, sludge at sewage treatment stations and production waste, and is calculated based on the data provided by factories, waste pick-up units, or third-party waste recyclers.

6. Energy consumption data, including electricity consumption, natural gas consumption and fuel consumption of group-financed vehicles, is calculated based on the consumption of electricity and fuel, and the conversion factors provided in the *General Rules for Calculation of the Comprehensive Energy (GB/T 2589-2020)*.

7. During the Reporting Period, the Group's water consumption mainly came from municipal water supply, and there were no difficulties in obtaining water sources.

8. Packaging materials include tabs, inner packaging bags, condiment product packaging boxes, white boxes, sauce product (including box body, transparent cover and cover film), sauce product packaging boxes, trays, small white barrels (including cover, barrel body and handle) and condiment product rolling films.

9. Greenhouse gases include carbon dioxide, methane, and nitrous oxide, mainly resulted from outsourcing electricity, natural gas consumption, diesel consumption of diesel-powered generators and group-financed vehicles. Greenhouse gas emissions are measured in carbon dioxide equivalents and calculated based on *2019 Baseline Emission Factors for Regional Power Grids in China* issued by the Ministry of Ecological Environment of the People's Republic of China and the *2006 IPCC Guidelines for National Greenhouse Gas Inventories revised in 2019* issued by the Intergovernmental Panel on Climate Change (IPCC).

10. The 2021 environmental density data are disclosed using environmental performance data and the Group's annual revenue. During the year, due to the increase in the Group's production capacity, supply chain structure and business strategy adjustment, the annual energy consumption per unit of revenue, greenhouse gas emissions per unit of operating revenue and municipal tap water consumption per unit of operating revenue increased compared with last year; moreover, we conducted a comprehensive review of the classification and total usage of packaging materials, expanded the scope of statistics and further improved the quality of data, thus the annual packing materials consumption per revenue used increased more than last year.

11. The disclosure scope of environmental performance data in 2021 includes Chengdu YueYihai factory, Yihai Zhengzhou factory (former Zhengzhou Shuhai factory in 2020), Yihai Ma'anshan factory, Fuhai Ma'anshan factory, Bazhou factory (Yihai Bazhou factory and Fuhai Bazhou factory, and Yihai Kaifeng factory. This year, Yihai Kaifeng factory is included.

5. 無害廢棄物包括生活垃圾、污水站污泥、生產廢物，根據工廠或垃圾清運單位、第三方收購單位提供的數據進行核算。

6. 能源消耗量數據是根據電力及燃料的消耗量及《綜合能耗計算通則(GB/T 2589-2020)》提供的相關轉換因子進行計算，包含電力、天然氣和公車耗油。

7. 本報告期內，本集團的用水主要來自於市政供水，無求取水源上的困難。

8. 包裝材料包括標籤、底料內袋、底料箱、白箱、蘸料(盒身、透明蓋、蓋膜)、蘸料包裝箱、托盤使用量、餐飲裝小白桶(面蓋、桶身、提手)及底料卷膜。

9. 溫室氣體清單包括二氧化碳、甲烷和氧化亞氮，主要源自外購電力、天然氣消耗、柴油發電機及自有交通工具耗油。溫室氣體核算乃按二氧化碳當量呈列，並根據中華人民共和國生態環境部刊發的《2019年中國區域電網基準線排放因子》及政府間氣候變化專門委員會(IPCC)刊發的《IPCC 2006年國家溫室氣體清單指南2019修訂版》進行核算。

10. 2021年密度類數據採用環境數據和集團全年收入進行披露；本年度，由於公司產能的增加、供應鏈佈局和業務策略的調整，全年每單位收入能源消耗量、單位經營收入溫室氣體排放及單位經營收入市政自來水耗用量較去年有所增長；本年度，我們對包裝材料的分類及使用總量進行全面梳理，擴大了統計範圍，進一步提升數據質量，因此單位經營收入包裝材料使用量較去年增幅較大。

11. 2021年環境績效數據披露範圍包括成都悅頤海工廠、頤海鄭州工廠(2020年為原鄭州蜀海工廠)、頤海馬鞍山工廠、馥海馬鞍山工廠、霸州工廠(頤海霸州工廠和馥海霸州工廠)及頤海開封工廠，本年度新增頤海開封工廠。

RISK-ORIENTED DEVOTION OF SUPPLY CHAIN SYSTEM

An important component of the development strategy of the Group is to "emphasise food safety and quality and prevent risks in the supply of raw materials". The Group has established a series of supply chain management systems to develop a responsible supply chain and to promote the improvement and development of the entire supply chain system. This year, the Group has identified relevant laws and regulations such as *Measures for the Administration of Export Food Production Enterprises to Apply for Overseas Registration* and *Regulations of the People's Republic of China on the Registration and Administration of Overseas Manufacturers of Imported Food*. In terms of supplier access, follow-up inspection and evaluation, communication and complaints, this year, the Company has issued the A-level document the *Yihai Quality Guarantee System*, revised and continued to comply with the *Supplier Management System*. The flight inspections of different levels of suppliers have been performed on a daily basis and unqualified suppliers are eliminated based on the results of the inspections.

Strict Selection Criteria for Suppliers

The Group strictly abides by the requirements of the *Anti-Unfair Competition Law of the People's Republic of China*, *Law of the People's Republic of China on Tenders and Bids*, *Implementation Regulations for the Law of the People's Republic of China on Tenders and Bids*, and other laws and regulations, combining the Supplier Introduction and Exit Process formulated to manage the whole chain of supplier introduction, audit, qualified supplier management and assessment and grading, so as to manage the supplier life cycle more systematically. From the source, we strengthen the audit of supplier access qualification, test the samples provided, and introduce the supplier only after they are qualified.

In 2021, the Commodities Expenditure Committee of the Group grants more autonomy to management on supplier selection and daily review. Committee members have decision-making power in introducing new products and suppliers that fit their needs and directly making contact with factories, which improved work efficiency and enhanced management timeliness. At the same time, Committee members are also in charge of the daily review of suppliers to ensure that suppliers meet our requirements. The Group will, on a regular basis, conduct checks on suppliers and issue rectification reports to those who fail to meet requirements. During the year, we completed an access audit for all new suppliers.

風險為尺，深耕供應鏈體系

「注重食品安全質量，防範原材料供應風險」是本集團發展戰略中的重要組成部分。本集團建立了一系列供應鏈管理制度，力求打造責任供應鏈，推動整個供應鏈體系的進步與發展。本集團對《出口食品生產企業申請境外註冊管理辦法》《進口食品境外生產企業註冊管理規定》等相關法律法規進行了識別。針對供應商准入、後續檢查評估、溝通與投訴等方面，本年度公司發佈了A級文件《頤海質量擔保制度》，修訂並繼續遵守《供應商管理制度》，日常對不同等級的供應商執行飛行檢查，並根據檢查結果，淘汰不合格供應商。

嚴把供應商准入關口

本集團嚴格遵守《中華人民共和國反不正當競爭法》《中華人民共和國招標投標法》《中華人民共和國招標投標實施條例》等法律法規的要求，並結合制定的《供應商引入和退出流程》對供貨商引入、審核、合格供應商管理以及考核定級進行全鏈條的管理，對供應商生命周期的管理更具系統化。我們從源頭上強化供應商准入資質審核，對提供的樣品進行檢測，合格後方可引入該供應商。

本年度，本集團的大宗支出委員，在供應商准入和日常審核管理上擁有更多的自主權。大宗委員具有決策權，可以根據自己的需求引入新產品和供應商，並通過與工廠直接溝通提升了工作效率，增強了管理時效性。與此同時，大宗委員負責供應商的日常審核，確保供應商滿足本集團要求。本集團進行定期抽查，對不符合要求的供應商出具整改報告。本年度，我們已對所有新增供應商完成了准入審核。

We actively identify suppliers' environmental and social risks and conduct selection review and sequent supervision reviews on suppliers in terms of environmental protection and integrity. Suppliers are required to submit qualification certificates and licenses (e.g. pollutant discharge permit) according to the Group's licensing system, and to sign a safety and environmental agreement. Those who fail to provide satisfactory certificates will not be selected. We give priority to products and services of environmentally preferable and renewable resources. For example, we use recyclable materials as packaging, and use degradable carton packaging instead of plastic barrels for food and beverage products. Due to the special nature of food industry, staff of suppliers is also required to provide qualifications such as health certificate and work license.

本集團積極識別供應商的環境及社會風險，從環境保護、廉潔管理等方面對供應商進行准入審核及後續的監督審核，要求產品供應商需按照本集團的索證制度提交排污許可證等各類資質證件和牌照，並簽訂安全環保協議，對於證件資質不符合要求的廠家不予准入。我們優先考慮使用環保、可再生的產品及服務，例如使用可回收材料作為包裝，在餐飲渠道產品上使用可降解的紙箱包裝替代塑料桶裝產品。同時，由於食品行業的特殊性，我們也會要求供應商的工作人員具有健康證，上崗證等資質材料。

During the review and assessment process, potential suppliers will fill in the *Supplier Assessment Form* as required by the Group, which takes environmental performance and employee health status of the suppliers into account. Only those approved by the Group will win potential cooperation. Take suppliers procurement with relevant requirements for an example, in terms of environment protection, we require suppliers to have access to environmental protection facilities such as waste water treatment and review their environmental impact assessment (EIA) construction, acceptance and approval processes. Meanwhile, suppliers are encouraged to optimise process design and reduce the use of resources and energy. In terms of employee health, we will review whether employee health examinations, labour rights as well as training and education are in compliance with the Group's requirements.

在審核評估階段，潛在供應商需按照本集團的要求填寫《供應商評審表》，我們將供應商的環保工作、員工健康狀況納入審核範圍，通過本集團審核的廠家才有可能開展正式合作。比如，針對有相關要求的供應商採購，在環保工作方面，我們將具備污水處理等環保設施作為准入條件，並審核該公司的環評建設和驗收批覆，同時鼓勵供應商從工藝設計上進行優化，減少資源和能源的使用；在員工健康方面，我們會審核供應商在員工健康體檢、勞工權益、培訓教育等方面是否符合公司要求。

After the establishment of a cooperative relationship and before the occurrence of formal business, we will also require suppliers to comply with the relevant policies of the Group to ensure that suppliers accept our supervision and review.

在與供應商確立合作關係後、正式業務發生前，我們還會要求各供應商遵守本集團各項相關制度，確保供應商接受我們的監督與審核。

Enhancement of the Supplier Daily Management

Based on different raw materials, the risk levels and the Group's special requirements, we have developed customised review standards and specifications to better identify risks. The Group classifies suppliers into three levels of high-level, middle-level, and low-level based on quantity and risk levels of raw materials. High-level suppliers are the most important subject to strictest inspection, including salad oil, beef tallow, tomato, Sichuan pepper, mushroom and so on. The Group has continuously strengthened the management of overseas and domestic suppliers, added national risk sampling concerns in the audit standards, as well as matters prone to complaints during the use of products, and clarified the control requirements. Based on different domestic industries, we made more detailed adjustments to factory-examination standards on raw material suppliers. The Company has issued a new system for the management of domestic and overseas raw material suppliers. For domestic suppliers, the Group has established the *Supplier Quality Management System*, *Supplier Grading Management* and other systems to strengthen the control of the process system. While for overseas suppliers, we have actively identified local regulations and established different management methods to meet the product standards of different overseas countries.

As our cooperation with suppliers grows more stable, we conduct supplier review from two levels this year. Bulk suppliers are subject to reviews arranged by the Group, while grease suppliers of high risk shall be reviewed quarterly based on risk levels; non-bulk suppliers, self-owned factories and OEM factories mainly conduct reviews on their own (monthly review for OEM factories, and quarterly review for others). Reviews are general and special in nature. General reviews are conducted on certificate compliance, food safety, on-site hygiene, genetically modified products, ESG-related issues, etc. Special reviews include foreign substance inspection, equipment reviews, standard implementation, etc. For overseas OEM and partner factories, dedicated staff are assigned to take charge and communicate issues on-site.

夯實供應商體系建設

本集團依據原料的種類、風險特性及本集團對原料的特殊要求制定了定制化審核標準規範，以便更好地區別風險。我們根據原料使用量及風險級別將供應商分為高風險、中風險、低風險三級，其中高風險供應商最重要，檢查也最為嚴格，包括色拉油、牛油、番茄、花椒、菌類等。本集團不斷強化海外和國內的供應商管理，在審核標準中增加國家風險抽檢關注事項，以及在產品使用過程中容易產生投訴的事項，並明確管控要求。同時，本集團結合不同行業情況，對某些原材料供應商的審查標準進行了更加細化的調整，並對國內及國外原料供應商管理發佈了新制度。對於國內供應商，本集團繼續遵守《供應商質量管理制度》《供應商的分級管理》等制度，以加強對流程體系的把控；對於國外供應商，我們積極識別當地法規，建立不同管理方法以滿足不同海外國家的產品標準。

隨着與供應商的合作成熟度不斷提升，本年度我們從兩個層面開展供應商審核。大宗供應商由集團統一安排審核，其中如風險較大的油脂類供應商，需另外進行每季度的分級審核；非大宗供應商、自有工廠和OEM工廠則以自行審核為主，其中OEM工廠審核一個月進行一次，其他工廠的審核按季度開展。審核內容分為一般性和專項性，其中一般性包括證件合規、食品安全、現場衛生、轉基因產品及ESG相關內容等；專項審核包括異物排查、設備審核、標準化執行等。對於海外的代工廠和合作工廠，公司會派專人負責並進行現場溝通。

The Group has also established a performance evaluation system for suppliers, which is regularly evaluated according to the *Supplier Quality Management System*. The scores are divided into A, B, C, D and E five grades. For suppliers whose evaluation result is A, the Group may reduce the frequency or reduce the flight audit as appropriate; for suppliers whose evaluation result is C for two consecutive times, it will be directly downgraded to D, and the supply can be resumed after passing the review; if the rating is E, it will be directly eliminated and shall not be introduced or continue to cooperate. By the end of 2021, we have conducted almost 500 checks on existing suppliers, ensuring that the food safety of upstream suppliers is controllable.

本集團還針對供應商建立了績效評價體系，依據《供應商質量管理制度》定期對其進行考核，評分劃分為A、B、C、D、E共5個等級。對評價結果為A的供應商，本集團可以視情況給予飛行審核降頻或者減免；對連續兩次評價結果為C的供應商，直接降級為D，且覆審合格後才可以恢復供貨；如果評級為E級，則直接淘汰，不得引入或繼續合作。截止2021年末，我們對現有供應商進行了近500次審核，確保上游供應商的食品安全可控。

Extensive Communication with Suppliers

加強供應商溝通交流

The Group has gathered factories, product project leaders, procurement, and standard setting personnel with suppliers for several on-site exchanges, to ensure demands are answered and issues are solved in a prompt manner. To smooth communication channels for suppliers, we have developed a variety of channels such as complaint mailbox, hotline, and WeChat platform. Once a complaint is received, the Group will handle the case in accordance with the *Suppliers Complaint Response Procedures* and reply with a *Response Letter to Supplier's Opinion*. For true and verified supplier complaints, the Group will reward the suppliers in accordance with the *Supplier Management System*. In addition, the Group conducts opinion surveys for suppliers every half a year, gives timely feedback to relevant departments and personnel and replies to the suppliers regarding solutions and outcomes.

本集團多次組織工廠、產品項目負責人、採購及標準制定人員與供應商進行現場交流，確保需求和問題在第一時間得到響應和解決。本集團為暢通供應商溝通渠道，設立了投訴郵箱、熱線電話以及微信平台等多種溝通方式。接到投訴後，本集團將按《供應商投訴問題處理流程》進行處理並反饋「供應商意見反饋回覆函」，對於投訴、申訴屬實的，本集團會根據《供應商管理制度》落實對供應商的獎勵。此外，本集團每半年進行一次供應商意見調查，將供應商反饋的問題及時與相關部門人員溝通，並將處理方案及結果回覆給供應商。

Support for Supplier Management Enhancement

The Group focuses on market information regarding product-related raw materials and development in the industry. For suppliers supplying products with characteristics but being engaged in the industries which lack standardised management, we set up a special support group to provide guidance on operating management and food processing for suppliers. In doing so, characteristics of the products are retained, risks of food safety are lowered, and consequently, enhancing the overall level of the industry. Further, we select suppliers with intentions to build factories around production bases, and help them to solve technical problems in factories building by providing assistance in equipment and location selecting and employees training. The Group organised online internal trainings for OEM suppliers on inspection standards and food safety, playing a regulatory role in improving supplier's product quality and quality assurance. As for customer complaint analysis, we share problem analysis and solving tools with suppliers in a real-time manner for them to solve on-site problems.

賦能供應商管理提升

本集團重點關注產品原材料行情以及供應商所供產品行業的發展大環境。對於行業整體不規範但是產品具有一定特色的供應商，本集團會成立專門的幫扶小組，對供應商的經營管理和食品工藝提供指導，既能夠保留產品特色，又可以降低本集團食品安全風險，提高行業整體水平。同時本集團選擇有合作意願的供應商，在其生產基地周邊建廠，通過對供應商建廠幫扶，在設備、場址選用以及員工培訓等方面進行賦能，幫助解決供應商興建工廠的技術問題。本集團還在OEM供應商內部進行線上培訓宣講，包括檢驗標準、食品安全等培訓內容，對提升供應商產品品質和質量保證起到了規範作用。在客戶投訴分析方面，我們將問題分析和解決工具同步分享到供應商，使供應商能夠利用該方法解決現場問題。

Key Performance Indicators for Supply Chain Management 供應商數據統計

	Indicator 指標	2021 2021年	2020 2020年
Total suppliers[12]	**供應商總數量（家）[12]**	**485**	551
Overseas suppliers[13]	**境外供應商數量（家）[13]**	**5**	70
Regional suppliers	**地區供應商數量（家）**	**480**	481
Suppliers in East China	華東地區供應商數量（家）	**191**	186
Suppliers in Central and South China	中南地區供應商數量（家）	**117**	118
Suppliers in North China	華北地區供應商數量（家）	**65**	60
Suppliers in Northwest China	西北地區供應商數量（家）	**21**	19
Suppliers in Southwest China	西南地區供應商數量（家）	**76**	88
Suppliers in Northeast China	東北地區供應商數量（家）	**10**	10
Suppliers that have completed risk assessments on environment and society risk[14]	**已完成環境、社會風險評估的供應商數量（家）[14]**	**192**	221

Notes:

12. The location of a supplier is determined by its place of registration. The suppliers cover full category types of suppliers.

13. Due to the development of the overseas epidemic situation, the company's overseas business was affected to a certain extent during the year. Therefore, the company's overseas suppliers in 2021 have dropped significantly compared with 2020.

14. Suppliers that have completed risk assessments on environment and society refer to those which went through the risk assessment initiated by relevant departments of the Group on environment and safety (including environmental protection, human resource management, occupational health and safety, etc.).

註：

12. 供應商所在地按其註冊地址確定，供應商口徑為全品類供應商。

13. 由於海外疫情等的情況發展，本年度公司境外的業務受到一定影響。因此公司2021年境外供應商相較於2020年大幅下降。

14. 已完成環境、社會風險評估的供應商：已由公司相關部門完成對其環境、社會類（主要包括對環護工作、人資管理、職業健康與安全等方面）相關風險評估的供應商。

PEOPLE ORIENTATION AND EMPLOYEE CARE

Employees are the most valuable asset to the Group. Adhering to the concept of people oriented, we provide our employees with equal employment opportunities, welfare, a platform for training and development, paying attention to employees' health and care for their growth.

Employment

In strict compliance with such laws and regulations as the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection on Minors*, the *Law of the People's Republic of China on the Protection of Rights and Interests of Women*, as well as administrative rules at operating sites, the Group has established and developed human resources management system. The Group strictly abides by the legal procedures in the process of signing, renewing, terminating and cancelling labour contracts with employees, in order to guarantee all relevant procedures are implemented in terms of fairness, open and justice. Any discrimination against gender, nationality, age, race, geographical origin or family status in the recruitment process is forbidden pursuant to the *Employee Recruitment Management Policy*. In addition, employment of child labour is strictly prohibited, which is clearly established in the human resource information system to ensure that the candidates under 16 years old cannot be recruited. The Risk of Child and Forced Labour employment is low, and there is no need to establish remedies in the event of irregularities. We clearly stipulate the working hours required for the position in the employee's labour contract, and add a flexible working system to the *Employee Attendance, Leave and Welfare Policy* to prohibit forced labour. In addition, to ensure compliance in overseas regions such as Singapore, Malaysia, Thailand, the United States, and Canada, we will hire professional lawyers or third-party human resources companies to tailor and improve employment contracts and employment systems according to local laws and regulations. In 2021, the Group did not engage in any illegal employment, child labour recruitment and forced labour.

以人為本，關愛員工成長

員工是本集團最寶貴的財富。我們貫徹以人為本的理念，為員工提供平等的就業機會、福利待遇、培訓與發展的平台，重視員工健康，關愛員工成長。

員工僱傭

本集團嚴格遵守《中華人民共和國勞動法》《中華人民共和國勞動合同法》《中華人民共和國未成年人保護法》《中華人民共和國婦女權益保護法》等相關法律法規及運營場所所在地的有關管理條例，並基於此搭建人事管理體系。本集團在與員工簽訂、續訂、終止、解除勞動合同等過程中，嚴格遵守法定程序，所有流程保證公平、公開、公正。我們在《員工招聘管理制度》中明確規定，不允許存在由於性別、民族、年齡、膚色、地域、家庭狀況等因素而導致的歧視行為，杜絕招聘過程中任何涉及到歧視的現象。同時，我們明確規定禁止招聘童工，並在人事信息系統中進行專門設置，限制未滿16周歲的求職者信息在集團系統中的錄入。本集團僱傭童工及強制勞工的風險較低，並無必要設立發現違規情況時的補救措施。我們在員工勞動合同中明確規定了崗位所要求的工作時長，並在《員工考勤、休假及福利制度》中增加彈性工作制，禁止出現強迫勞工現象。另外，在新加坡、馬來西亞、泰國、美國、加拿大等海外地區，我們會聘請專業的合作律師或第三方人力資源公司，根據當地法律法規的實際情況制定和完善僱傭合同及僱傭制度，確保合法合規。本集團在2021年度未出現非法聘用勞工、僱傭童工或強制勞工的情況。

We further carried out the talent introduction to recruit middle and high-level talents through internal referrals, website recruitment, head-hunting recommendation, etc. In addition, we also cooperated with colleges and universities specialising in food science and technology. By virtue of students' graduation design and internship, communication and mutual understanding between the Group and the students were enhanced prior to their employment, which helps the Group to identify talent more accurately. At present, the Company's front-line staff employment adopts the principle of local mainstay. Overseas management is temporarily dispatched and will study and practice in domestic factories for a certain period of time, and gradually cultivate the local management team and ability of overseas factories in the later stage.

我們持續開展人才引進工作，不僅通過內部推薦、網站招聘、獵頭推薦、校園招聘等多種途徑招納中高端人才，同時還通過與食品院校對口合作，借助學生畢業設計、實習等環節，促進學生與本集團間的溝通與了解，助力本集團更精準地識別人才。目前公司一線員工僱傭採用本地為主的原則。海外管理層暫時以外派為主，通過在國內工廠經過一定時間的學習和實踐，後期逐漸培養國外工廠本地的管理團隊和能力。

We have made mandatory requirements for the number of disabled personnel employed in various systems. At present, the Group recruits people with disabilities by contacting the Disabled Persons' Federation where each place of operation is located and registering the "China Disabled Persons Employment and Entrepreneurship Network Service Platform". In December 2021, two employees with disabilities have completed the induction process.

我們對各體系殘障人士用工做了硬性人數的要求。目前，本集團通過與各運營場所所在地的殘聯聯繫、註冊「中國殘疾人就業創業網絡服務平台」的方式招聘殘障人士。2021年度12月，已有兩名殘障員工在本集團辦理了入職手續。

Employee Remuneration and Benefits

員工待遇與福利

Abiding by the national laws and regulations regarding minimum wage and the basic welfare, the Group formulated *Employee Attendance, Leave and Welfare Policy* to provide employees with various social benefits and public holidays in accordance with relevant laws. We have arranged working hours appropriately and encouraged employees to balance work and life. For those in high-risk positions, they are additionally covered by the employer's liability insurance.

本集團遵守國家各地關於最低工資標準和基本福利的法律法規要求，制定了《員工考勤、休假及福利制度》，並根據各運營場所所在地法規為員工依法提供各類法定福利和法定假期，合理安排工作時間並鼓勵員工平衡工作與生活，針對高危崗位工作的員工，還為其購買僱主責任險。

The Group formulated a fair and transparent remuneration review mechanism, providing competitive remuneration based on different businesses and job requirements, as well as employees' personal ability and performances. This year, in order to further optimize the organizational structure and actively promote the reform of flat management, we have continued to implement the production partner model and formulated the *Generation, Elimination and Remuneration of Partners* system. The supply system can take the profit commission of the production team. In doing so, employees are fully motivated and provided with more development opportunities. At the same time, the Group provides comprehensive welfare benefits, including family visiting vacation, stuff dormitories, childcare allowance, parental care allowance, child education allowance, injury allowance etc. Valuing employees' essential needs, the Group offers financial and medical assistance to needy and sick employees to effectively address their issues. Besides, the Group organises a series of employee activities, including parent-child companionship activities, sports events, skill contests and amusements to enhance employees' experience of satisfaction and belonging.

本集團制定了公平透明的薪酬考核機制，根據業務和崗位要求，以及員工個人能力與表現，提供具有競爭力的薪酬待遇。本年度，為了深入優化組織架構，積極推動扁平化管理改革，我們繼續推行生產合伙人模式，並制定了《合伙人的產生、淘汰與薪酬》制度。供應體系可以享受生產班組的利潤提成，員工的工作積極性得到充分調動，員工發展也有了更多的可能性。同時，本集團為員工制定了全面福利保障，包括法定假期及其他假期例如探親假、員工宿舍、育嬰補貼、父母補貼、子女教育補貼、傷病慰問金等福利。本集團關注員工的切實需求，對於困難員工和患病員工提供資金幫扶和醫療救助，以解決員工的現實困難。此外，本集團開展系列員工活動，包括親子陪伴活動、體育比賽、技能比拼、文娛活動等，以此提升員工滿意度和歸屬感。

Case: Fun Football Games

In June 2021, the Group organized a "Fun Football Game" at the Yihai Ma'anshan factory. In November 2021, "the first fun games for employees in Shanghai" were organized, with a total of 82 employees participating. Such activities have provided a platform for the Group's employees to make friends and enhanced friendly exchanges between them.

案例：趣味足球運動會

2021年6月，本集團在頤海馬鞍山工廠組織了一場「趣味足球運動會」；並於2021年11月，組織了「上海員工第一屆趣味運動會」活動，共計82名員工參與。此類活動為本集團員工提供了交友平台，增進了員工之間的友好交流。

Case: Promote the harmonious reunion of the "Little Family"

In June 2021, we organized the "Big Hands, Little Hands, June 1st Family Activity Day" activity in Bazhou, Ma'anshan and other factories to enhance the relationships between employees and their children. In December 2021, we launched the "Winter Solstice Dumplings campaign" to celebrate the traditional festival and promote the companionship of Yihai employees' families.

案例：共促「小家」和諧團圓

2021年6月，我們分別在霸州、馬鞍山等工廠組織了「大手牽小手·六一家庭活動日」活動，增進了員工與自己孩子的感情；2021年12月，我們開展了「冬至包餃子」活動，在共慶傳統佳節的同時，也促進頤海員工家人間的陪伴。

Key Performance Indicators for Employment　　員工僱傭概況

	Year 年度	**2021 2021年**		2020 2020年	
Total headcount (Person)	總僱員（人）	**2,499**		2,127	
By employment type	**按僱傭類型分類**				
Full-time employee	全職	**2,499**	**100%**	2,067	97.2%
Part-time employee	兼職	**0**	**0%**	60	2.8%
By gender	**按性別分類**				
Male	男性	**1,386**	**55.5%**	1,195	56.2%
Female	女性	**1,113**	**44.5%**	932	43.8%
By age group	**按年齡分類**				
<30 years old	<30歲	**864**	**34.6%**	702	33.1%
30-40 (exclusive) years old	30歲－40歲	**982**	**39.3%**	860	40.5%
40-50 (exclusive) years old	40歲－50歲	**516**	**20.6%**	460	21.6%
>=50 years old	>=50歲	**137**	**5.5%**	105	4.9%
By region[15]	**按地區分類[15]**				
East China	華東地區	**1,066**	**42.7%**	973	45.7%
Central and South China	中南地區	**591**	**23.6%**	383	18.0%
North China	華北地區	**457**	**18.3%**	380	17.9%
Northwest China	西北地區	**41**	**1.7%**	38	1.8%
Southwest China	西南地區	**206**	**8.2%**	232	10.9%
Northeast China	東北地區	**26**	**1.0%**	28	1.3%
Hong Kong, Macao and Taiwan	港澳台地區	**5**	**0.2%**	12	0.6%
Overseas	海外	**107**	**4.3%**	81	3.8%

Key Performance Indicators for Employee Turnover Rate 員工流失概況

	2021 2021年度	Headcount (Person) 人數(人)	Turnover rate (%)[16] 離職率(%)[16]
Total turnover	總流失	845	33.8%
By gender	**按性別分類**		
Male	男性	490	35.4%
Female	女性	335	31.9%
By age group	**按年齡分類**		
<30 years old	<30歲	390	45.1%
30-40 (exclusive) years old	30歲－40歲	326	33.2%
40-50 (exclusive) years old	40歲－50歲	111	21.5%
>=50 years old	>=50歲	18	13.1%
By region[15]	**按地區分類[15]**		
East China	華東地區	335	31.4%
Central and South China	中南地區	151	25.5%
North China	華北地區	261	57.1%
Northwest China	西北地區	5	12.2%
Southwest China	西南地區	43	20.9%
Northeast China	東北地區	2	7.7%
Hong Kong, Macao and Taiwan	港澳台地區	0	0%
Overseas	海外	48	44.9%

Notes:

15. East China covers Shanghai, Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi and Shandong.

    Central and South China covers Henan, Hubei, Hunan, Guangdong, Guangxi and Hainan.

    North China covers Beijing, Tianjin, Hebei, Shanxi and Inner Mongolia.

    Northwest China covers Ningxia, Xinjiang, Qinghai, Shaanxi and Gansu.

    Southwest China covers Chongqing, Sichuan, Guizhou, Yunnan and Tibet.

    Northeast China covers Liaoning, Jilin and Heilongjiang.

    Overseas covers areas except for mainland China, Hong Kong, Macao and Taiwan.

16. Turnover rate = the number of turnovers/the total number of employees
    Turnover rate by categories = the number of turnovers employed in this category/the total number of employees in this category

註：

15. 華東地區：上海、江蘇、浙江、安徽、福建、江西、山東。

    中南地區：河南、湖北、湖南、廣東、廣西、海南。

    華北地區：北京、天津、河北、山西、內蒙古。

    西北地區：寧夏、新疆、青海、陝西、甘肅。

    西南地區：重慶、四川、貴州、雲南、西藏。

    東北地區：遼寧、吉林、黑龍江。

    海外地區：除中國大陸(內地)、港澳台以外的地區。

16. 總的離職率=離職人數／員工總數；按類別劃分的離職率=該類別僱傭的離職人數／該類別僱員總數

Health and Safety of Employees

The Group has been tracking and strictly complying with national laws and regulations related to health and safety that have a significant impact on production management and day-to-day operations, including the *Labour Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Production Safety Law of the People's Republic of China*, *Fire Control Law of the People's Republic of China* and the *Interim Provisions on Supervision and Administration of Work Safety at Food Production Enterprises*, etc. On this basis, and combined with features of its operations, the Group has established a series of safety management policies, including the *Safety Inspection Management Policy*, the *Warning and Informing Policy for Occupational Hazards*, the *Contractor Safety Management Policy*, the *Fire Safety Management Policy*, and the *Safety Management Measures on the Dust Construction Site*, to standardise production safety procedures. We have updated the *Safety Checklist for Yihai Factory* to supervise the implementation of safety and environmental protection system and reduce occupational hazardous risks. In 2021, the Group had no reported incidents of casualties of employee arising from production and operation nor did it have cases of penalties imposed by relevant authorities due to violation of national laws on working safety and hygiene.

員工健康與安全

本集團持續追蹤並嚴格遵守對生產管理及日常運營有重大影響的健康安全相關法律及規例，包括《中華人民共和國勞動法》《中華人民共和國職業病防治法》《中華人民共和國安全生產法》《中華人民共和國消防法》《食品生產企業安全生產監督管理暫行規定》等。在此基礎上，結合業務特點，本集團建立了《安全檢查管理制度》《職業危害警示與告知制度》《承包商安全管理制度》《消防安全管理制度》《粉塵作業場所安全管理辦法》等一系列安全管理制度，規範安全生產作業流程，並對《頤海工廠安全檢查表》進行了更新，以便監督工廠對安全環保制度執行情況，降低員工遭受職業性危害的風險。本年度，本集團未有員工因生產安全事故而死亡的情況發生，亦沒有因違反關於勞動安全衛生的國家法律而受到相關政府部門的處罰。

Relying on the city-level Centres for Disease Control and Prevention, the new recruits and employees with expired health certificates are subject to medical examinations. The Group also cooperates with third-party physical examination companies to arrange for an additional physical examination every year for employees over 50 years old, so as to help them understand their health status comprehensively and reduce occupational health risks. In addition, the Group arranges for employees involved in occupational health hazard positions (such as dust workshop employees, crushing room employees) to conduct annual medical examinations and purchase employer's liability insurance for them. While the Group also purchases overseas accident insurance for employees working abroad. We also attach importance to the mental health of employees, so we invited experts provide out free mental health consultations for employees.

本集團依託各地市級疾病預防控制中心對新入職員工和健康證到期員工進行體檢。本集團還與第三方體檢管理集團展開合作，對50歲以上員工每年額外組織一次體檢，幫助員工更加全面地了解自身健康狀況，亦會組織每人每年參加一次健康證體檢項目。此外，我們安排涉及職業健康危害崗位的員工（如粉塵車間員工、粉碎間員工）進行年度體檢，並為其購買僱主責任險；也同時為出國工作的員工購買出國意外險。我們同樣重視員工的心理健康，聘請專家為員工開展了免費的心理健康諮詢活動。

The Group takes a series of measures to ensure the employees' safety, including strict pre-job, on-job and off-job physical health examination, separate safety paths for people and vehicles, provision of 3M dust-proof cotton face masks, noise-cancelling ear protectors, anti-smash labour protection shoes, etc., so as to provide a material basis for the safety of employees. Additionally, the Group developed events such as "Safety Promotion Month", "Safety Knowledge Contest" to publicise the importance of safety production. During the year, we continued to conduct "5S Improvement", optimised equipment with dust risk to greatly reduce the dust hazard on site and eliminate the risk of dust explosion, so to ensure the occupational health of employees. We have also organized employees to carry out safety production drill training, emergency escape drills and fire safety emergency drills, with workshop operation specifications, fire safety practice, and cardiopulmonary resuscitation performance (CPR) included into the induction training, to enhance the awareness of employees on safety production.

本集團採取系列措施保障員工安全，嚴格執行健康職業崗前、崗中和離崗體檢，實施廠區範圍內人車分流等措施，為員工配備3M防塵棉口罩、防噪護耳器、防砸傷的勞保鞋等，為其安全保障提供物質基礎。此外，本集團還開展了「安全宣傳月」「安全知識競賽」等活動，宣傳安全生產的重要性。本年度，我們持續進行「5S精益改善」，對存在粉塵風險的設備進行優化改造，極大降低了現場的粉塵危害並杜絕塵爆風險，保證了員工的職業健康。同時，我們有針對性的組織員工開展了安全生產演練培訓、緊急逃生演練以及消防安全應急演練，將規範化車間操作、消防實操、心臟復蘇現場演示等內容包含到入職培訓中，以提高員工的安全生產意識。

Fire drill
消防實操演練

The continuously repeating COVID-19 pandemic has posed a huge threat to the lives and property safety of employees. In order to continue to well prevent and control COVID-19, the Group set up a pandemic prevention and control team, with clearly defined functions of various prevention and control teams at the factory and headquarters, and formulated the *Prevention and Control Standards for COVID-19*, the *Disinfection Standards*, and other management and control measures, including pandemic prevention and control into regular management. We have also actively encouraged employees to be vaccinated against COVID-19 and have carried out several pandemic evacuation drills and award-winning question-and-answer (Q&A), which effectively strengthened employees' awareness of pandemic prevention and control.

不斷反覆的新冠肺炎疫情對員工的生命安全和財產安全帶來了巨大的威脅。為繼續做好新冠疫情防控工作，本集團成立了新冠疫情防控小組，明確規定工廠和總部的各個防控小組職能，同時制定了《新冠疫情防控標準》《消毒標準》等管控措施，將疫情防控提升為常態化管理。我們積極鼓勵員工接種新冠疫苗並多次開展疫情疏散演練和疫情防控知識有獎問答活動，有效提升了員工的疫情防控意識。

Key Performance Indicators for Health and Safety[17]

員工健康安全概況[17]

	Programme/Year 項目／年度	**2021** **2021年**	2020 2020年	2019 2019年
Number of work-related fatalities (persons)	因工亡故人數（人）	**0**	0	0
Rate of work-related fatalities (%)	因工亡故比率(%)	**0**	0	0
Number of work injuries (persons)	因工受傷人數（人）	**7**	13	9
Lost day due to work injuries (day)	因工傷損失的工作日數（天）	**171**	286	128.5

Note:

17. Data of health and safety is based on the information on attendance sheets and statistics of manual recording.

註：

17. 健康與安全數據來源於考勤表及手工台賬統計。

Training and Development of Employees

We are committed to forging an ideal career development platform for our employees and cultivating talents in line with our goals and development strategies through establishing branded and professional talent development system. At the same time, we constantly update our internal strategies on talent cultivation, in combination with increasing requirements on the comprehensive quality of employees and the tendency of younger, better educated and more professional business teams. In 2021, the Group organised various training programs, including orientation for new recruits, production safety training and fire safety training.

The Group further improves the training mode of centralised management, division of labour responsibilities and implementation by levels. In order to enable employees to quickly adapt to the working environment, understand the work requirements and intensify their safety awareness, the Group organises on-site trainings on corporate regulations, system operation, finance and HR for new recruits. The Group also provides some senior executives with training related to business management to improve their management skills and experience. In addition, each factory requires on-job certification and provides on-the-job skill training for employees. They may obtain an on-job qualification certificate after passing the on-job skill training.

員工培訓與發展

我們致力於成為員工理想的職業發展平台，通過建立品牌化、專業化的人才發展體系，培養與集團目標及發展戰略一致的人才。我們也持續更新內部培養理念，對從業人員綜合素質要求日益提高，對業務團隊年輕化、知識化、專業化的要求不斷提升。本集團本年度組織了包括新員工入職培訓、生產安全培訓、消防安全培訓等多種類型的培訓。

公司進一步完善歸口管理、分工負責、分級落實的培訓模式。為使員工快速適應工作環境，理解工作要求，提高自身安全意識，本集團為新入職的員工統一組織公司制度、系統操作、財務及人事現場培訓，為部分高管提供工商管理相關培訓，以提高管理人員的管理水平和經驗技能。此外，每個工廠都設置了上崗認證，為員工提供崗位技能培訓，員工崗位技能培訓合格後方可取得上崗資格證明。

Case：Methodological training

In December 2021, the General Manager of the Group trained the management, employees of technical and product category on the working methodology in Zhenjiang. He advocated that employees should apply the Three Reals Doctrine referring to "the real situation, the real objects, and the real place" as the core to practical work. At the same time, employees were required to treat their work with a rigorous attitude and do things following steps of criticizing, proving, and verifying.

案例：方法論培訓

2021年12月，本集團總經理在鎮江對管理層、技術品類及產品品類員工進行了工作方法論的培訓，倡導員工將以「現實、現物、現場」為核心的三現主義應用到實際工作中。同時，要求員工以嚴謹的態度對待工作，做事要做到「考證、論證、驗證」。

Methodological training site
方法論培訓現場

Case: IFF Topic Report Sharing

The IFF topic was a form of training for the Group. The employees in core positions of each factory grouped freely to form a topic team, that focuses on actual business problems during productions. External experts were invited to explain the methods and ideas for solving the problems, while team members work cooperatively to analyse, improve, and finally solve the problems, and carried out regular topic report sharing to share the experience of solving problems.

案例：IFF課題報告分享會

IFF課題是本集團一種培訓形式，各個工廠的核心崗位員工自由組合形成課題小組，以實際生產過程的業務問題為課題，並引入外部專家講解解決問題的方法和思路，通過小組成員的互相配合，對課題進行分析、改善直至解決，定期開展課題報告分享，階段性地分享解決問題的經驗。

Case：Training on the importance of INTELLECTUAL PROPERTY

On July 23, 2021, to introduce the brand use specifications and emphasize the importance of intellectual property, during the partners' PK meeting, the Group conducted not only training and explanations about the *Brand Licensing Management System* for partners across the country but also an online examination.

案例：知識產權重要性培訓

2021年7月23日，為了針對品牌使用規範進行介紹，強調知識產權的重要性，在合伙人PK會期間，本集團對全國合伙人圍繞《品牌授權管理制度》進行培訓講解，並進行了線上考試。

Key Performance Indicators for Employee Trainings[18]　　員工培訓概況[18]

	Year 年度	2021 2021年		2020 2020年	
Number of trainees (persons)	培訓人數(人)	**1,021**		1,804	
By gender	**按性別分類**				
Male (persons)	男性(人)	**622**	**60.9%**	930	51.6%
Female (persons)	女性(人)	**399**	**39.1%**	874	48.4%
By employee category	**按僱傭類別分類**				
Senior management (persons)	高級管理層人員(人)	**6**	**0.6%**	5	0.3%
Middle management (persons)	中級管理層人員(人)	**47**	**4.6%**	23	1.3%
Employees other than senior or middle management (persons)	非管理層人員(人)	**968**	**94.8%**	1,776	98.4%
Total hours of training (hours)	總培訓時長(小時)	**9,633.0**		23,287.5	
By gender	**按性別分類**				
Male (hours)	男性(小時)	**6,040.0**	**62.7%**	13,723.7	58.9%
Female (hours)	女性(小時)	**3,593.0**	**37.3%**	9,563.8	41.4%
By employee category	**按僱傭類別分類**				
Senior management (hours)	高級管理層人員(小時)	**41.0**	**0.4%**	30.5	0.1%
Middle management (hours)	中級管理層人員(小時)	**849.3**	**8.8%**	1,140	4.9%
Employees other than senior or middle management (hours)	非管理層人員(小時)	**8,742.7**	**90.8%**	22,117.0	95.0%
Average hours of training(hours)	平均培訓時長(小時)	**9.4**		12.9	
By gender	**按性別分類**				
Male (hours)	男性(小時)	**9.7**		14.8	
Female (hours)	女性(小時)	**9.0**		10.9	
By employee category	**按職能分類**				
Senior management (hours)	高級管理層人員(小時)	**6.8**		6.1	
Middle management (hours)	中級管理層人員(小時)	**18.1**		49.6	
Employees other than senior or middle management (hours)	非管理層人員(小時)	**9.0**		12.5	

Note:

18. This table only counts the number and duration of on-site training.

During this year, due to the impact of the recurring epidemic and to protect the health and safety of our employees, the Group cancelled some on-site training; at the same time, due to the restructuring of the Group's internal, there were fewer training sessions across the Group, resulting in a decrease in the total number of training hours for employees this year compared to last year. We value the personal development of our employees and will increase training appropriately in the future in accordance with the organizational structure of the Group and its operations.

註：

18. 本表僅統計線下培訓的人數及時間。

本年度，因為疫情反覆的影響，為了保障員工的健康與安全，本集團取消了部分線下培訓；同時，因本年度集團內部組織架構的調整，全集團範圍內的培訓減少，導致了本年度員工培訓總時長較去年有所減少。我們高度重視員工的個人發展，並將在未來根據集團的組織架構以及運營情況，適當增加培訓。

STEADY AND SUSTAINABLE DEVELOPMENT BASED ON COMPLIANCE

合規為基，穩健持續發展

Safeguard on Customers' Rights and Interests

For the sake of active response to customers' feedback, complaints and suggestions, and protect consumer rights, the Group strictly abides by the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, *Product Quality Law of The Peoples Republic of China* and other laws and regulations and develops relevant rules and regulations on this basis. In 2021, the Group developed *Yihai Sales Channel Management System*, which specified standards and specific procedures for channel and platform sales authorisation, and also clarified the specific indicators for the assessment and evaluation of distributors, so as to promote management on distributors.

We have established a thorough customer service system and customer complaint response mechanism to protect the legitimate rights and interests of consumers. The Group sets up an exclusive position, Customer Complaints Dealer. The person on duty is dedicated to filling in the *Registration Form of Customer Complaints in 2021*. The form records details of customer complaints including product batch number, product type, classification and detailed description as well as the expected solutions. Furthermore, the specific information is conveyed to relevant departments of the Group for clear division of responsibilities and follow-up actions according to the *Customer Complaint Management Measures*. If necessary, we will promptly launch product verification and retrospective recall process to effectively solve the customer complaints. In 2021, we have set goals for reducing the number of customer complaints for each category, linking customer complaints to the salary of the category team and factory performance. We have taken customer complaints as one of the indicators of the evaluation and assessment of each factory, so as to promote the improvement of product quality and service in each factory. Thanks to the Company's great attention to the customer service system and the improvement of customer complaint response mechanism, the complaint close rate of the Company's products and services this year was as high as 98.3%.

維護客戶權益

為了能夠積極應對消費者反饋投訴意見及建議，保護客戶權益，本集團嚴格遵守《中華人民共和國消費者權益保護法》《中華人民共和國產品質量法》等法律法規，並在此基礎上制定了相關規章制度。本年度，我們制定了《頤海銷售渠道管理制度》，補充了關於渠道及平台銷售授權的標準和具體流程，同時明確了對經銷商考核、評價的具體指標，持續推動本集團對經銷商的管理。

我們建立了完善的客戶服務體系與客戶投訴應對機制，以保護消費者的合法權益。本集團特設客戶投訴專員崗位，專門負責填寫《2021年客訴問題登記表》，包括產品批號、產品類型、問題歸類及詳細描述、期望處理結果等詳細的客訴情況，並根據《客訴管理辦法》將具體信息傳達至本集團有關部門進行明確的責任劃分與後續對接處理。如有必要，我們會及時啟動產品檢定及追溯召回流程，切實解決客訴問題。2021年度，我們針對各品類設立了有關降低客訴數量的目標，並將客戶投訴情況與品類小組薪酬及工廠績效掛鈎，將客訴作為各工廠評比考核的指標之一，推動各工廠提高產品品質與服務。得益於公司對客戶服務體系以及完善客戶投訴應對機制的高度重視，本年度公司產品及服務的投訴結案率高達98.3%。

Performance Indicator Related to Customer Complaints

客戶投訴相關績效指標數據

	Description/Year 項目／年度	**2021[20]** **2021年[20]**	2020 2020年
Customer Complaints (times)[19]	客戶投訴事件（次）[19]	**5.48**	1.68

Notes:

19. Customer complaints (times) for the year = Total complaints that year/ annual production (in millions of packages).

20. The actual customer complaint rate of Yihai products, mainly hot pot condiment and Chinese-style compound condiment, for the year was 1.46, which decreased from 1.68 in 2020. In 2021, we increased the performance of statistics for data in respect of customer complaint of convenient ready-to-eat food products and enhanced the customer complaint management of such products. In the past, convenient ready-to-eat food products are mainly produced by third-party suppliers and due to the nature of production, we are unable to control the customer complaint data for our own reasons, resulting in great difficulty in effective management, therefore, customer complaint could only be reduced by strengthening the Company's management of suppliers. With the increase in the revenue and volume of convenient ready-to-eat food products, we have gradually started our own production and have been strengthening our control ability to reduce the customer complaint rate. We included the data of customer complaint in respect of customer convenient ready-to-eat food products in the scope of data statistics in this year, for which we commenced management of factory customer complaint in respect of convenient ready-to-eat food products. In the future, we will take effective control measures to reduce the customer complaint rate consistently.

註：

19. 當年客戶投訴事件（次）=全年客訴起數／全年生產量（以百萬包計）。

20. 本年度頤海產品（主要為火鍋調味料及中式複合調味料品類）實際客訴率為1.46，較2020年1.68有所下降。2021年，我們增加了對於方便速食產品客訴數據的統計，並同時加強對於此類產品的客訴管理。以往，方便速食產品主要通過第三方供應商生產，由於生產性質的原因，我們無法從自身原因把控客訴數據，有效管理難度大，公司僅能通過加強對供應商的管理降低客訴；隨著方便速食產品收入及產品數量的增加，我們逐漸開始自產，並不斷強化管控能力，以降低客訴率。本年度，我們將方便速食產品客訴數據納入數據統計範圍，就此開展方便速食類工廠客訴數據管理；我們將在未來採取有效管控措施，以持續降低客訴。

Protection of Information Security

保護信息安全

The Group strictly abides by the *Cybersecurity Law of the People's Republic of China*, *Law of the People's Republic of China on the Protection of Consumers' Rights and Interests*, *Personal Information Protection Law of the People's Republic of China* and the requirements of other laws and regulations, and has formulated the *Yihai Corporate Confidentiality Policy*, which specifies data security measures and supervision methods, as well as corresponding punitive measures in case of any violation, to protect the information of relevant departments and customers, standardise online store accounts and safeguard the Group's rights and interests. For sales by distributors, we fully respect the privacy of customers and strictly protect their information. In terms of online sales, the Group has an increasing requirement on IT with the continuous development of the business, and it also attaches great importance to information and data security, account access and cybersecurity specifications, operation and maintenance procedures and rules and regulations.

本集團嚴格遵守《中華人民共和國網絡安全法》《中華人民共和國消費者權益保護法》《中華人民共和國個人信息保護法》等法律法規的要求，制定了《頤海公司保密制度》，明確相關保密措施細則及監察方法，並對各類違反該保密制度的行為作出相應的懲處規定，以保護客戶資料信息、規範管理線上店舖賬號並維護本集團權益。對於經銷商模式，我們充分尊重客戶隱私，對客戶信息進行嚴密保護；對於線上銷售模式，公司基於業務發展不斷提高對IT的要求，對信息安全和數據安全、賬號權限以及網絡安全規範、運維操作流程、規章制度高度重視。

Establishment of Brand Image

In 2021, we continued to strictly adhere to the applicable laws and regulations governing advertising and labelling, such as the *Advertising Law of the People's Republic of China*. In 2021, the updated *Food Safety Law of the People's Republic of China* further increased the requirements on e-commerce, and thus the Group intensified the examination and verification on advertisements (including e-commerce advertisements). All advertisements should be reviewed and approved according to the process to ensure compliance with the requirements of the Advertising Law.

This year, we have developed the *Yihai Company Brand Management System* and set up a brand management group which aims to effectively control the legal compliance of the copywriting of all major market activities. At the same time, we have added a brand authorization process to approve and standardize the use of the brand in the product packaging and advertising and marketing content before the product is launched, so as to ensure that the use of the brand logo is compliant and legal and meets the requirements of the Group's strategy. The perfect advertising and logo use management mechanism strongly guarantees the Integrity Marketing of the Group and avoids passing on wrong information to consumers.

In addition, we have formulated the *Emergency Treatment Management Procedures* and the *Emergency Reporting Management Procedures*, which, according to the degree of urgency, classifies public events into three levels, namely, blue, orange and red, with corresponding responses. Major emergencies are redefined to standardise reporting and response management thus enhancing the Group's ability to deal with risks. At the same time, through the establishment of a public opinion monitoring and control system, we continuously strengthen public opinion monitoring and control, and gradually improve the Group's emergency response capability.

Protection of Intellectual Property Rights

The Group strictly abides by the Anti-unfair Competition Law of the People's Republic of China, the *Trademark Law of the People's Republic of China*, the *Patent law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and other applicable laws and regulations to establish and maintain intellectual property rights. We always respect the intellectual property rights of others and actively protect the Group's intellectual property rights, standing firmly against counterfeiting, trademark infringement, malicious competition,

樹立品牌形象

本年度我們嚴格遵守《中華人民共和國廣告法》等與廣告宣傳營銷及標識規範使用相關的各項法律法規。本年度《中華人民共和國食品安全法》的更新對於電商的要求進一步提升，因此本集團加大對廣告宣傳（包括電商廣告）的審核力度，所有廣告發佈需按照流程經過審核審批，確保符合相關法律法規要求。

本年度，我們新增了《頤海公司品牌管理制度》，並設立了品牌管理組，旨在有效把控所有重大市場活動的宣傳文案的合法合規性。同時我們新增了品牌授權流程用以對產品投放前的產品包裝、廣告營銷內容中的品牌使用情況進行審批、規範，以確保品牌標誌的使用行為合規合法且符合本集團策略要求。完善的廣告宣傳與標識使用管理機制強有力地保障了本集團的誠信營銷，避免向消費者傳遞錯誤信息。

此外，我們制定了《緊急事件處理管理辦法》及《緊急事件上報管理辦法》，根據緊急程度將輿情事件劃分為藍色、橙色、紅色三個等級，並設置了相應的處理辦法；並對重大緊急事件重新定義，對上報及處理管理進行規範，從而提升企業應對風險的能力。同時，通過建立健全輿情監測及防控體系，我們不斷加強輿情監測及防控工作，逐步提高公司緊急事件處理能力。

保障知識產權

本集團遵照《中華人民共和國反不正當競爭法》《中華人民共和國商標法》《中華人民共和國專利法》《中華人民共和國著作權法》及相關法律法規制度，開展本集團知識產權的建立及維護，並始終尊重他人知識產權，堅決抵制假冒偽劣、商標

and other acts. To minimise possible infringement risks of the Group resulting from publishing pictures, texts, videos, and other information in new internet channels, and safeguard the rights and interests of the Group, we specify measures and supervision methods to prevent infringement, as well as corresponding punitive measures in case of any violation.

In 2021, we have regarded patent application as a necessary part of the pre-listing of new products, and added new pre-cast steps for it such as category branding, packaging design and exterior design, which better protects our legitimate rights and interests while enriching the Assets of the Group. As of the end of the year, the Group had carried out a total of 32 technological innovation projects. Among those innovations, the elimination of the "post-sterilisation project" for bone soup packs and the development project of "degradable packaging materials" have been successfully completed, which can help reduced the energy consumption of the factory while enhancing the Group's technical reserve in degradable packaging materials. In addition, the Group has obtained the utility model patent certificate of self-serving food packaging box in March 2021. There was no litigation relating to intellectual property or brand infringement during the year.

Persisting in Integrity

The Group strictly abides by the national laws and regulations related to the prevention of bribery, extortion, fraud and money laundering, including the *Anti-unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery* and the *Anti-money Laundering Law of the People's Republic of China*. We have updated and re-issued the *Yihai Misconduct Management Measures*, *Code of Discipline for Directors and Employees*, *Anti-Money Laundering Management System* and other policies via OA and Enterprise WeChat. Among them, in the Yihai Misconduct Management Measures, we explicitly prohibit corruption, bribery and acceptance of gifts. These policies aim to regulate the occupational behaviours of the directors, senior and middle management, and the general staff, so that they would strictly comply with relevant laws, industry standards and norms, occupational ethics, and the Group's regulations. The policy also aims to establish a culture of integrity, diligence, and dedication to duties, and to prevent infringement of the interests of the Group and its shareholders. We promote and create a corporate culture of honesty, integrity, anti-fraud, and anti-corruption, and regularly evaluate risk of fraud and corruption and establish the procedures and mechanisms of control to lower the possibility of fraud and corruption.

侵害、惡意競爭等行為。為最大程度上規避本集團在各互聯網新渠道展示的圖片、文字與視頻等信息可能存在的侵權風險，保障本集團權益，我們明確規定了防止相關侵權的措施與監察方法，並制定了相應的違規懲處辦法。

2021年度，我們將專利申請作為新品上市前的必要環節，新增了品類品牌、包裝設計、外觀設計等專利申請的前置步驟；在豐富本集團資產的同時，更好地保護了我們的合法權益。截至年末，本集團共開展32個技術創新項目。其中，骨湯包取消「後殺菌項目」和「可降解包材」開發項目已順利完成，該項目在降低了工廠能源損耗的同時更增強了公司在可降解包材方面的技術儲備。此外，公司已經於2021年3月份取得了可自加熱食品包裝盒的實用新型專利證書。本年度，本集團未有涉及知識產權訴訟或品牌侵權相關事件的發生。

堅持廉潔建設

本集團嚴格遵守《中華人民共和國反不正當競爭法》《關於禁止商業賄賂行為的暫行規定》《中華人民共和國反洗錢法》等與防止賄賂、勒索、欺詐及洗錢相關的國家法律法規要求，並通過OA、企業微信更新並重新發佈了《頤海禁令管理辦法》、《董事及職員紀律守則》、《反洗錢工作管理制度》等制度。其中，我們在《頤海禁令管理辦法》對於貪污受賄、收受禮品等行為進行明令禁止。此類反貪污制度旨在規範董事、高中級管理層和普通職員的職業行為，嚴格遵守相關法律、行業規範和準則、職業道德及集團規章制度，樹立廉潔和勤勉敬業的良好風氣，防止損害本集團及股東利益的行為發生。我們倡導誠信正直的企業文化，積極營造反舞弊、反貪腐的企業文化環境，定期評估舞弊、貪腐風險並建立具體的控制程序和機制，以降低舞弊、貪腐發生的機會。

The Group has systematically established an internal system for anti-corruption. The *Code of Discipline for Directors and Employees*, for instance, is applicable to all our staff including full-time, part-time and temporary employees. According to the Code, employees are required to strictly observe the applicable rules and regulations on anti-corruption and anti-fraud while performing any affairs of the Group. Direct/indirect requests, receipts and offers of any benefits are equally prohibited. Besides, prior to accepting other work outside the Group, employees shall apply for written approval from appropriate approvers, who shall make the decision by considering the fact that whether the work is in conflict with the applicant's position in the Group and the Group's interests. In addition, we have been continually implementing the *Yihai Misconduct Management Measures*. which explicitly forbids illegal and improper behaviors including corruption, embezzlement, and fraud. In August 2021, an examination was held for all employees in response to the measures. In terms of high-risk positions, such as procurement, marketing, and promotion, we require employees to sign the *Letter of Commitment relating to Integrity in Procurement*, and the *Letter of Commitment Relating to Sales and Promotion*, to enable them to get a better understanding of misconduct which is explicitly prohibited in performance of their business, efficiently restraining and regulating their behaviours, and enhancing the awareness of ethical conduct and integrity. During the reporting period, there were no cases of anti-corruption litigation brought against companies or employees that had been concluded.

我們系統化建立起本集團內部的反貪污管理制度。針對本集團董事及包括全職、兼職及臨時工在內的全部員工，本集團制定了《董事及職員紀律守則》，規定員工在執行本集團任何事務時，必須嚴格遵守反賄賂舞弊的相關制度條例，禁止直接或間接索取、接受或向他人提供任何利益；本集團職員如欲兼任本集團以外的工作，均須事先申請書面批准，核准人員應在綜合考慮該項工作是否與申請人在本集團職務或本集團利益構成衝突後作出相應批覆。另外，我們繼續堅持執行《頤海禁令管理辦法》(以下簡稱禁令)，明令禁止包括貪污舞弊、挪用公款、弄虛作假在內的違規失當行為，並在2021年8月針對禁令對全體員工進行了考試。針對採購、銷售推廣等高風險崗位，我們要求崗位從業員工簽署《採購廉潔承諾書》和《銷售推廣承諾書》，規定其在從業過程中不得觸碰的高壓線，有效約束並規範其行為，增強道德操守與廉潔從業意識。報告期內，未出現對公司或僱員提出並已審結的反貪污訴訟案件。

The Group also values the integrity and honesty in the external business cooperation. The key partners, including suppliers and distributors, are required to sign the *Letter of Commitment Relating to Supplier Integrity* or the *Letter of Commitment Relating to Distributor Integrity*, prior to officially signing contracts with us. These letters of commitment explicitly express our integrity requirement for suppliers and distributors and inform them of complaints and whistle-blowing channels that aim to prevent possible corruption and fraud to the greatest extent during cooperation. Besides, the Group is entitled to terminate or cease partnership with suppliers, distributors, or other partners under the contracts, if they violate any clause under their commitment to cooperate with integrity, and to hold them liable to any breach of contract pursuant to the liability clause in the contract. The Group also implements a reward incentive system for our partners to promote our partners to disclose any non-compliance, misconducts or frauds perpetuated by any employees of the Group.

本集團亦注重在外部商業合作中的廉潔與誠信。重要商業合作夥伴在與我們正式簽署合同之前，首先需簽署廉潔承諾書，例如供應商需簽訂《供應商廉潔承諾書》、經銷商需簽訂《經銷商廉潔承諾書》，該廉潔承諾書向各供應商與經銷商明確表達了本集團的廉潔要求，並告知其相關投訴和舉報渠道，以最大程度杜絕在合作過程中可能出現的貪腐舞弊事件。另外，若供應商或經銷商等合作方違反廉潔合作承諾的任一條款，本集團有權依照合同約定解除合作關係，亦可執行合同中約定的相應違約責任承擔條款。合作方如投訴或舉報本集團工作人員有違規、舞弊等行為，相關情況一經查實，我們將對該合作夥伴進行相應獎勵。

The Group formulates a special audit and internal control audit plan every year, and conducts anti-fraud audit according to the plan and relevant reporting information, covering the main business processes and key areas of concern of the group. In addition, it also conducts audits on assignment or resignation of personnel in key positions. In 2021, the internal audit department of the Group has carried out more than 20 special audits and audits on the policy, and issued circulars and warnings on the cases investigated and handled to protect the interests of the Company. Further, we carried out "sunshine publicity" activities and integrity examinations, and sent integrity reminders to our partners on public holidays. Through the above ways, we have trained and publicized the integrity policy of the group for members of board and all employees and important partners, further deepening their understanding of the integrity policy and anti-fraud requirements of the Company. During the reporting period, the performance indicators related to anti-corruption are as follows:

本集團每年制定專項審計和內控審計計劃，並根據該計劃及相關舉報信息進行反舞弊稽查，範圍覆蓋本集團主要業務流程和重點關注領域，同時亦會對集團關鍵崗位人員調動或離職執行離任審計。2021年，本集團內審部門就禁令開展了超過20次的專項審計和稽查工作，並針對查處的案例進行通報警示，以保障公司利益。我們開展了陽光宣傳、廉潔制度考試以及節假日對合作夥伴的廉潔提醒，通過以上方式對董事會及全體員工和重要合作夥伴進行了廉潔政策培訓和宣導，進一步深化其對本集團廉潔政策和反舞弊要求的理解。報告期內，反貪污相關績效指標如下：

Performance Indicators Related to Anti-corruption Training[21]

反貪污培訓相關績效指標數據[21]

Description/Year 項目／年度	**2021** **2021年**
Number of Concluded Legal Cases Regarding Corrupt Practices Brought Against the Group and Its Employees (case) 對本集團及本集團員工提出並已審結的貪污訴訟案件的數目（起）	**0**
Number of Directors Participating in Anti-corruption Training (person) 參與反貪污培訓董事的人數（人）	**9**
Number of Employees Participating in Anti-corruption Training (person) 參與反貪污培訓員工的人數（人）	**2,245**

Note:

21. Anti-corruption training is conducted online.

註：

21. 反貪污培訓均以線上的形式開展。

In 2021, there were no litigation cases arising from corruption, fraud, extortion, and money laundering raised by the Group or its employees, nor were any major internal control deficiencies identified.

2021年，本集團未發生因集團或集團員工提出的貪污、欺詐、勒索及洗黑錢等因素導致的訴訟案件，亦未發現重大內控缺陷。

CONTRIBUTION TO THE PUBLIC WELFARE

The Group has constantly carried forward the idea for undertaking social responsibility that provides safe and quality food for the market and customers. We give back to the society in fulfilling our social responsibility and actively participate in public welfare undertakings. We take the initiative to understand the needs and expectations of local and neighbouring communities where we operate and encourage the staff to participate in community public welfare activities. The Group also takes concrete actions to ensure that it has taken the interests of local communities into consideration when conducting our business activities. In addition, we are dedicated to promoting common growth of ourselves and communities and to contributing to public welfare.

The Group focused on social pain points and continued to increase input in social public welfare extensively and deeply. We carried out a series of social public welfare activities, with a total investment of approximately RMB6.14 million.

Case:

- In July 2021, Zhengzhou suffered heavy rainstorms and was seriously affected. After the disaster, Yihai Ma'anshan Factory urgently purchased separately 50 boxes of instant noodles, 50 boxes of mineral water and 50 boxes of bread to Send to Zhengzhou. At the same time, we donated more than 35,000 boxes of fast-food products to the disaster area through Yihai (Shanghai) for flood prevention and disaster relief and mass help.

以愛為名，助力公益事業

本集團不斷傳承優良的社會責任理念，在為市場和廣大消費者提供安全優質食品的同時，注重履行企業責任，關注公益事業，努力回饋社會。我們主動了解運營所在社區及其周邊的內在需求與期望，鼓勵員工參與各項社區公益活動，以實際行動將社區利益與本集團業務共融，促進企業與社區的共同成長，為公益事業助力。

本集團關注社會痛點，由廣泛到深入不斷加大在社會公益方面的投資力度。我們開展了一系列形式多樣的社會公益活動，總投入約人民幣614萬餘元。

案例：

- 2021年7月，鄭州遭遇特大暴雨，受災嚴重。災後，頤海馬鞍山工廠緊急採購方便面、礦泉水、麵包各50箱送往鄭州，並通過頤海(上海)捐贈35,000餘箱速食產品到災區，用於防汛救災及群眾幫扶工作。

Caring Donation
愛心捐助

- In September 2021, to support the Cedars Cancer Children Nutrition Project, we donated over 380 thousand yuan through the Beijing New Sunshine Charity Foundation.

- 2021年9月，為支持香柏樹腫瘤兒童營養項目，本公司通過北京新陽光慈善基金會捐款38萬餘元。

荣誉证书

Certificate of Honor
榮譽證書

- This year, the epidemic situation in Thailand is extremely serious, and the anti-epidemic situation is grim. To thank the medical staff for their contribution, Yihai Thailand Factory donated more than 1,000 boxes of small hot pot products to the medical staff in Bangkok, Thailand for epidemic prevention work.

- 本年度，泰國疫情極其嚴重，抗疫形勢嚴峻。為了感謝醫護人員的貢獻，頤海泰國工廠向泰國曼谷醫護人員捐贈1千餘箱小火鍋，用於防疫工作。

Donation of small hot pot products to medical staff in Bangkok
向曼谷醫護人員捐贈小火鍋

- In December 2021, the Yihai America factory donated dipping sauce, Delicacy Pickled Fish, and other products to welfare institutions, worth more than 130 thousand yuan.

- 2021年12月，頤海美國工廠向福利機構捐贈了蘸料、酸菜魚等產品，價值13萬餘元。

APPENDIX: ESG REPORTING GUIDE INDEX TABLE

附錄：《環境、社會及管治報告指引》索引表

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
Mandatory Disclosure Requirements **強制披露規定**	
Governance Structure: A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Board Statement
管治架構： 由董事會發出的聲明，當中載有下列內容： (i) 披露董事會對環境、社會及管治事宜的監管； (ii) 董事會的環境、社會及管治管理方針及策略，包括評估、優次排列及管理重要的環境、社會及管治相關事宜（包括對發行人業務的風險）的過程；及 (iii) 董事會如何按環境、社會及管治相關目標檢討進度、並解釋它們如何與發行人業務有關連。	董事會聲明
A description of, or an explanation on, the application of the Reporting Principles (Materiality, Quantitative and Consistency) in the preparation of the ESG report. 描述或解釋在編備環境、社會及管治報告時如何應用匯報原則（重要性、量化和一致性）。	About the Report 關於本報告
A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change. 解釋環境、社會及管治報告的匯報範圍，及描述挑選哪些實體或業務納入環境、社會及管治報告的過程。若匯報範圍有所改變，發行人應解釋不同之處及變動原因。	About the Report 關於本報告

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
"Comply or Explain" Provisions **「不遵守就解釋」條文**	
A. Environmental **A. 環境範疇**	
A1 Emissions **A1 排放物**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Improvement of Safety and Environmental Protection Management System, Emissions Control 完善安全環保管理體系、控制污染排放
KPI A1.1 The types of emissions and respective emissions data. 關鍵績效指標A1.1排放物種類及相關排放數據。	Environmental Performance 環境數據績效表
KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity. 關鍵績效指標A1.2直接（範圍一）及能源間接（範圍二）溫室氣體排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Environmental Performance 環境數據績效表
KPI A1.3 Total hazardous waste produced and, where appropriate, intensity. 關鍵績效指標A1.3所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Environmental Performance 環境數據績效表
KPI A1.4 Total non-hazardous waste produced and, where appropriate, intensity. 關鍵績效指標A1.4所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	Environmental Performance 環境數據績效表
KPI A1.5 Description of emission target(s) set and steps taken to achieve them. 關鍵績效指標A1.5描述所訂立的排放量目標及為達到這些目標所採取的步驟。	Emissions Control, Environmental Targets 控制污染排放、環境目標

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 關鍵績效指標A1.6描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	Emissions Control, Environmental Targets 控制污染排放、環境目標
A2 Use of Resources **A2 資源使用**	
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc. 一般披露 有效使用資源(包括能源、水及其他原材料)的政策。 註：資源可用於生產、儲存、交通、樓宇、電子設備等。	Promotion of Energy Conservation and Emission Reduction 推進節能減排
KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A2.1按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Environmental Performance 環境數據績效表
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility). 關鍵績效指標A2.2總耗水量及密度(如以每產量單位、每項設施計算)。	Environmental Performance 環境數據績效表
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them. 關鍵績效指標A2.3描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	Environmental Targets 環境目標
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 關鍵績效指標A2.4描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	Environmental Performance 環境數據績效表
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 關鍵績效指標A2.5製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	Environmental Performance 環境數據績效表

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
A3 The Environment and Natural Resources **A3 環境及天然資源**	
General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources. 一般披露 減低上市公司對環境及天然資源造成重大影響的政策。	Emissions Control, Promotion of Energy Conservation and Emission Reduction 控制污染排放、推進節能減排
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 關鍵績效指標A3.1描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Emissions Control, Promotion of Energy Conservation and Emission Reduction 控制污染排放、推進節能減排
A4 Climate Change **A4 氣候變化**	
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 一般披露 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	Response to Climate Change 應對氣候變化
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 關鍵績效指標A4.1描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。	Response to Climate Change 應對氣候變化

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B. Social **B. 社會範疇**	
B1 Employment and Labour Practices **B1 僱傭**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Employment, Employee Remuneration and Benefits 員工僱傭、員工待遇與福利
KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. 關鍵績效指標B1.1按性別、僱傭類型（如全職或兼職）、年齡組別及地區劃分的僱員總數。	Employee Remuneration and Benefits 員工待遇與福利
KPI B1.2 Employee turnover rate by gender, age group and geographical region. 關鍵績效指標B1.2按性別、年齡組別及地區劃分的僱員流失比率。	Employee Remuneration and Benefits 員工待遇與福利

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B2 Health and Safety **B2 健康與安全**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Health and Safety of Employees 員工健康與安全
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 關鍵績效指標B2.1過去三年（包括匯報年度）每年因公亡故的人數及比率。	Health and Safety of Employees 員工健康與安全
KPI B2.2 Lost days due to work injury. 關鍵績效指標B2.2因工傷損失工作日數。	Health and Safety of Employees 員工健康與安全
KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored. 關鍵績效指標B2.3描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Health and Safety of Employees 員工健康與安全

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B3 Development and Training **B3 發展及培訓**	
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer. 一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 註：培訓指職業培訓，可包括由僱主付費的內外部課程。	Training and Development of Employees 員工培訓與發展
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 關鍵績效指標B3.1按性別及僱員類別（如高級管理層、中級管理層）劃分的受訓僱員百分比。	Training and Development of Employees 員工培訓與發展
KPI B3.2 The average training hours completed per employee by gender and employee category. 關鍵績效指標B3.2按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Training and Development of Employees 員工培訓與發展
B4 Labour Standards **B4 勞工準則**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Employment 員工僱傭
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour. 關鍵績效指標B4.1描述檢討招聘慣例的措施以避免童工及強制勞工。	Employment 員工僱傭
KPI B4.2 Description of steps taken to eliminate such practices when discovered. 關鍵績效指標B4.2描述在發現違規情況時消除有關情況所採取的步驟。	Employment 員工僱傭

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B5 Supply Chain Management **B5 供應鏈管理**	
General Disclosure Policies on managing environmental and social risks of the supply chain. 一般披露 管理供應鏈的環境及社會風險政策。	Risk-oriented Devotion of Supply Chain System 風險為尺，深耕供應鏈體系
KPI B5.1 Number of suppliers by geographical region. 關鍵績效指標B5.1按地區劃分的供應商數目。	Suppliers Data 供應商數據統計
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. 關鍵績效指標B5.2描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察辦法。	Enhancement of the Supplier Daily Management, Suppliers Data 夯實供應商體系建設、供應商數據統計
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 關鍵績效指標B5.3描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	Strict Selection Criteria for Suppliers 嚴把供應商准入關口
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 關鍵績效指標B5.4描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	Strict Selection Criteria for Suppliers 嚴把供應商准入關口

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B6 Product Responsibility **B6 產品責任**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Focus on Food Safety 專注食品安全
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons. 關鍵績效指標B6.1已售或已運送產品總數中因安全與健康理由而須回收的百分比。	Focus on Food Safety 專注食品安全
KPI B6.2 Number of products and service related complaints received and how they are dealt with. 關鍵績效指標B6.2接獲關於產品及服務的投訴數目以及應對方法。	Safeguard on Customer's Rights and Interests 維護客戶權益
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights. 關鍵績效指標B6.3描述與維護及保障知識產權有關的慣例。	Protection of Intellectual Property Rights 保障知識產權
KPI B6.4 Description of quality assurance process and recall procedures. 關鍵績效指標B6.4描述質量檢定過程及產品回收程序。	Promotion of Product Traceability 推動產品全程追溯
KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored. 關鍵績效指標B6.5描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Protection of Information Security 保護信息安全

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B7 Anti-corruption **B7 反貪污**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Persisting in Integrity 堅持廉潔建設
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 關鍵績效指標B7.1於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Persisting in Integrity 堅持廉潔建設
KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. 關鍵績效指標B7.2描述防範措施及舉報程序，以及相關執行及監察方法。	Persisting in Integrity 堅持廉潔建設
KPI B7.3 Description of anti-corruption training provided to directors and staff. 關鍵績效指標B7.3描述向董事及員工提供的反貪污培訓。	Persisting in Integrity 堅持廉潔建設

Key Performance Indicators 指標內容	Correspondent Chapters 相關章節
B8 Community Investment **B8 社區投資**	
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 一般披露 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Contribution to the Public Welfare 以愛為名，助力公益事業
KPI B8.1 Focus areas of contribution (e.g.education, environmental concerns, labour needs, health, culture, sport). 關鍵績效指標B8.1專注貢獻範疇（如教育、環境事宜、勞工需求、健康、文化、體育）。	Contribution to the Public Welfare 以愛為名，助力公益事業
KPI B8.2 Resources contributed (e.g. money or time) to the focus area. 關鍵績效指標B8.2在專注範疇所動用資源（如金錢或時間）。	Contribution to the Public Welfare 以愛為名，助力公益事業

pwc

羅兵咸永道

To the Shareholders of Yihai International Holding Ltd.
(incorporated in the Cayman Islands with limited liability)

致頤海國際控股有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

意見

What we have audited

我們已審計的內容

The consolidated financial statements of Yihai International Holding Ltd. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 177 to 288, comprise:

頤海國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第177至288頁的綜合財務報表,包括:

- the consolidated balance sheet as at 31 December 2021;
- 於2021年12月31日的綜合資產負債表、
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- 截至該日止年度的綜合損益及其他全面收益表、
- the consolidated statement of changes in equity for the year then ended;
- 截至該日止年度的綜合權益變動表、
- the consolidated statement of cash flows for the year then ended; and
- 截至該日止年度的綜合現金流量表及
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.
- 綜合財務報表附註,包括主要會計政策及其他解釋信息。

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

我們的意見

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2021年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據國際會計師職業道德準則理事會頒佈的《國際會計師職業道德守則(包含國際獨立性標準)》(以下簡稱「道德守則」)，我們獨立於貴集團，並已履行道德守則中的其他職業道德責任。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is related to impairment provision for inventories.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項是關於存貨減值準備。

Key Audit Matter 關鍵審計事項	
Impairment provision for inventories 存貨減值準備	
Refer to Notes 2.12, 4.1(a) and 11 to the consolidated financial statements	請參閱綜合財務報表附註2.12, 4.1(a)及11
Inventories are carried at the lower of cost and net realisable value, being estimated selling price less estimated selling costs, where applicable, and impairment provision is recognised to write down the inventories to their net realisable value.	存貨乃按其成本與可變現淨值(即為預估的銷售價格減去預估的銷售成本)孰低者列賬，適用時，確認減值準備以將存貨撇減至其可變現淨值。
As at 31 December 2021, the carrying amount of the Group's inventories was RMB395,280,000 and no provision for impairment of inventories has been recognised.	於2021年12月31日， 貴集團存貨的賬面值為人民幣395,280,000元及並無確認存貨減值準備。
The estimation of impairment provision for inventories involves significant management's judgment and estimates based on the consideration of certain key factors such as aging profile, prior experiences, estimated future selling prices and selling expenses.	存貨的減值準備估計涉及管理層重大判斷及估計，該等判斷及估計需考慮庫齡結構、過往經驗、預估未來售價以及銷售開支等若干關鍵因素。
The impairment assessment of inventories is an area of focus for us given the estimation of net realisable value of inventories is subject to high degree of estimation uncertainty and the significant amount of the inventory balance.	鑑於存貨可變現淨值的估計受限於估計高度不確定性以及存貨結額金額龐大，存貨減值評估是我們關注的範疇。

How our audit addressed the Key Audit Matter
我們的審計如何處理關鍵審計事項

Impairment provision for inventories
存貨減值準備

Our audit procedures relating to impairment provision for inventories included the following:

- We obtained and understood the Group's inventory provision policy.
- We understood and evaluated the relevant management's internal controls and assessment process of net realisable value of inventories and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud.
- We evaluated, on sample basis, the assumptions in estimating future selling prices and selling expenses by reference to historical records and sales transactions after year end.
- We tested, on sample basis, the aging profile of the year end raw materials and finished goods.
- We observed physical condition of inventories during stocktake to identify if any inventories were slow-moving, damaged, or obsolete.

Based on the above, we considered that management's judgement and estimates applied in the assessment of impairment provision for inventories were supportable by the evidence obtained and procedures performed.

我們針對存貨減值準備的審計程式包括以下各項：

- 我們獲得並了解了貴集團的存貨準備政策。
- 我們對管理層就存貨可變現淨值採取的相關內部監控及評估程序進行了解及評估，並通過考慮估計的不確定程度及其他固有風險因素（例如複雜性、主觀性、變動及受管理層偏見或欺詐影響的程度）水平，評估重大錯誤陳述的固有風險。
- 我們參考歷史記錄及年結日後的銷售交易，在抽樣的基礎上對預估未來售價及銷售開支的假設進行了評估。
- 在抽樣的基礎上，我們對年結日的原材料及產成品的庫齡結構進行了測試。
- 我們在存貨盤點期間查看了存貨的物理狀況，以確定存貨是否出現滯銷、損壞或報廢。

基於上述各項，我們認為管理層在評估存貨減值準備時所作出的判斷及估計有可得的證據及所進行的程序支持。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in Yihai International Holding Ltd. 2021 Annual Report (the "annual report") other than the consolidated financial statements and our auditor's report thereon. We have obtained some of the other information including the Management Discussion and Analysis prior to the date of this auditor's report. The remaining other information, including the Five-Year Performance Review, Chairman's Statement, Profiles of Directors and Senior Management, Corporate Governance Report, Directors' Report and the Environmental, Social and Governance Report and the other sections to be included in the annual report, is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining other information to be included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee of the Company and take appropriate action considering our legal rights and obligations.

其他信息

貴公司董事須對其他信息負責。其他信息包括所有包含在頤海國際控股有限公司2021年年報(「年報」)除綜合財務報表及我們的核數師報告外的信息。我們在本核數師報告日前已取得部份其他信息包括管理層討論與分析。餘下的其他信息，包括五年業績回顧、董事長報告書、董事及高級管理層簡介、企業管治報告、董事會報告和環境、社會及管治報告及將包括在年報內的其他部分，將預期會在本核數師報告日後取得。

我們對綜合財務報表的意見並不涵蓋其他信息，我們既不也將不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀上述的其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們對在本核數師報告日前取得的其他信息所執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀該等將包括在年報內餘下的其他信息後，如果我們認為其中存在重大錯誤陳述，我們需要將有關事項與審計委員會溝通，並考慮我們的法律權利和義務後採取適當行動。

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE OF THE COMPANY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

貴公司董事及審計委員會就綜合財務報表須承擔的責任

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

The Audit Committee of the Company is responsible for overseeing the Group's financial reporting process.

審計委員會須負責監督貴集團的財務報告過程。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

核數師就審計綜合財務報表承擔的責任

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Cheuk Kay.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23 March 2022

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黃焯棋。

羅兵咸永道會計師事務所
執業會計師

香港，2022年3月23日

Consolidated Balance Sheet
綜合資產負債表

		Note 附註	As at 31 December 於12月31日 2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Assets	**資產**			
Non-current assets	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	7	**1,283,259**	790,095
Right-of-use assets	使用權資產	8	**281,103**	207,509
Intangible assets	無形資產	6	**20,295**	21,493
Deferred income tax assets	遞延所得稅資產	10	**45,162**	16,476
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	16	**114,929**	83,672
Term deposits with initial term over one year	初始期限超過一年的定期存款	15	**660,000**	190,000
Other non-current assets	其他非流動資產	12	**205,373**	148,053
Total non-current assets	**非流動資產總值**		**2,610,121**	1,457,298
Current assets	**流動資產**			
Inventories	存貨	11	**395,280**	406,033
Trade receivables	貿易應收款項	13	**236,522**	190,829
Other financial assets at amortised cost	按攤銷成本計量的其他金融資產	14	**17,646**	7,100
Other current assets	其他流動資產	12	**166,684**	107,208
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	16	**5,000**	–
Term deposits with initial term over three months and within one year	初始期限超過三個月及一年以內的定期存款	15	**204**	131,937
Cash and cash equivalents	現金及現金等價物	15	**1,573,621**	1,986,929
Total current assets	**流動資產總值**		**2,394,957**	2,830,036
Total assets	**資產總值**		**5,005,078**	4,287,334
Equity	**權益**			
Equity attributable to owners of the Company	**本公司擁有人應佔權益**			
Share capital	股本	17	**68**	68
Shares held for employee share scheme	就僱員股份計劃持有的股份	18	**(4)**	(4)
Other reserves	其他儲備	19	**558,686**	779,046
Retained earnings	保留溢利		**3,246,836**	2,516,148
Capital and reserves attributable to owners of the Company	本公司擁有人應佔資本及儲備		**3,805,586**	3,295,258
Non-controlling interests	非控股權益	9	**303,150**	218,329
Total equity	**權益總額**		**4,108,736**	3,513,587

Consolidated Balance Sheet
綜合資產負債表

		Note 附註	As at 31 December 於12月31日 **2021** **2021年** **RMB'000** 人民幣千元	 2020 2020年 RMB'000 人民幣千元
Liabilities	**負債**			
Non-current liabilities	**非流動負債**			
Lease liabilities	租賃負債	8	**104,415**	44,357
Deferred income tax liabilities	遞延所得稅負債	10	**36,062**	23,746
Other non-current liability	其他非流動負債	24	**22,563**	–
Total non-current liabilities	**非流動負債總額**		**163,040**	68,103
Current liabilities	**流動負債**			
Trade payables	貿易應付款項	21	**294,260**	279,322
Other payables and accruals	其他應付款項及應計費用	22	**197,197**	192,075
Contract liabilities	合約負債	23	**108,466**	80,100
Lease liabilities	租賃負債	8	**36,976**	29,279
Current income tax liabilities	即期所得稅負債		**96,403**	124,868
Total current liabilities	**流動負債總額**		**733,302**	705,644
Total liabilities	**負債總額**		**896,342**	773,747
Total equity and liabilities	**權益及負債總額**		**5,005,078**	4,287,334

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

上述綜合資產負債表應與隨附附註一併閱讀。

The consolidated financial statements on pages 177 to 288 were approved by the Board of Directors of the Company on 23 March 2022 and were signed on its behalf.

第177頁至第288頁的綜合財務報表於2022年3月23日獲本公司董事會批准，並由下列董事代為簽署。

GUO QIANG
郭強
Director
董事

SUN SHENGFENG
孫勝峰
Director
董事

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

		Note 附註	Year ended 31 December 截至12月31日止年度 **2021** **2021年** **RMB'000** **人民幣千元**	2020 2020年 RMB'000 人民幣千元
Revenue	收入	5	**5,942,617**	5,360,021
Cost of sales	銷售成本	25	**(4,018,664)**	(3,269,911)
Gross profit	**毛利**		**1,923,953**	2,090,110
Distribution expenses	經銷開支	25	**(697,926)**	(563,467)
Administrative expenses	行政開支	25	**(246,663)**	(280,535)
Other income and gains – net	其他收入及收益淨額	27	**167,667**	87,675
Operating profit	**經營溢利**		**1,147,031**	1,333,783
Finance income	融資收入	28	**28,605**	20,407
Finance costs	融資成本	28	**(5,475)**	(2,007)
Finance income – net	融資收入淨額	28	**23,130**	18,400
Profit before income tax	**除所得稅前溢利**		**1,170,161**	1,352,183
Income tax expense	所得稅開支	29	**(312,602)**	(369,322)
Profit for the year	**年內溢利**		**857,559**	982,861
Profit is attributable to:	**以下人士應佔溢利：**			
Owners of the Company	本公司擁有人		**766,201**	885,222
Non-controlling interests	非控股權益		**91,358**	97,639
Other comprehensive loss	**其他全面虧損**			
Items that may be reclassified to profit or loss	*可重新分類至損益的項目*			
– Currency translation differences	– 匯兑差額		**(9,413)**	(581)
Other comprehensive loss for the year, net of tax	**年內其他全面虧損（扣除稅項）**		**(9,413)**	(581)
Total comprehensive income	**全面收入總額**		**848,146**	982,280
Total comprehensive income attributable to:	**以下人士應佔全面收入總額：**			
– Owners of the Company	– 本公司擁有人		**757,001**	885,062
– Non-controlling interests	– 非控股權益		**91,145**	97,218
Earnings per share attributable to owners of the Company *(expressed in RMB cents per share)*	**本公司擁有人應佔每股盈利** *（以每股人民幣分列示）*			
– Basic	– 基本	30	**78.2**	90.2
– Diluted	– 攤薄	30	**78.2**	90.2

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

上述綜合損益及其他全面收益表應與隨附附註一併閱讀。

Consolidated Statement of Changes in Equity
綜合權益變動表

			Attributable to owners of the Company 本公司擁有人應佔						
		Note 附註	Share capital (Note 17) 股本（附註17） RMB'000 人民幣千元	Shares held for employee share scheme (Note 18) 就僱員股份計劃持有的股份（附註18） RMB'000 人民幣千元	Other reserves (Note 19) 其他儲備（附註19） RMB'000 人民幣千元	Retained earnings 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
Year ended 31 December 2020	截至2020年12月31日止年度								
Balance at 1 January 2020	於2020年1月1日結餘		68	(4)	949,757	1,664,028	2,613,849	114,298	2,728,147
Comprehensive income	全面收入								
Profit for the year	年內溢利		–	–	–	885,222	885,222	97,639	982,861
Other comprehensive loss	其他全面虧損								
Currency translation differences	匯兑差額		–	–	(160)	–	(160)	(421)	(581)
Total comprehensive income	全面收入總額		–	–	(160)	885,222	885,062	97,218	982,280
Transactions with owners in their capacity as owners:	與擁有人（以彼等之擁有人身份）交易：								
Appropriation to statutory reserves	撥作法定儲備		–	–	33,102	(33,102)	–	–	–
Capital injections from non-controlling interests	非控股權益注資		–	–	–	–	–	6,813	6,813
Dividends provided for or paid	已計提或已派付股息	31	–	–	(203,653)	–	(203,653)	–	(203,653)
Total transactions with owners	與擁有人交易總額		–	–	(170,551)	(33,102)	(203,653)	6,813	(196,840)
Balance at 31 December 2020	於2020年12月31日結餘		68	(4)	779,046	2,516,148	3,295,258	218,329	3,513,587
Year ended 31 December 2021	截至2021年12月31日止年度								
Balance at 1 January 2021	於2021年1月1日結餘		**68**	**(4)**	**779,046**	**2,516,148**	**3,295,258**	**218,329**	**3,513,587**
Comprehensive income	全面收入								
Profit for the year	年內溢利		**–**	**–**	**–**	**766,201**	**766,201**	**91,358**	**857,559**
Other comprehensive loss	其他全面虧損								
Currency translation differences	匯兑差額		**–**	**–**	**(9,200)**	**–**	**(9,200)**	**(213)**	**(9,413)**
Total comprehensive income	全面收入總額		**–**	**–**	**(9,200)**	**766,201**	**757,001**	**91,145**	**848,146**
Transactions with owners in their capacity as owners:	與擁有人（以彼等之擁有人身份）交易：								
Appropriation to statutory reserves	撥作法定儲備		**–**	**–**	**35,513**	**(35,513)**	**–**	**–**	**–**
Acquisition of non-controlling interests (Note 9(a)(iv))	收購非控股權益（附註9(a)(iv)）		**–**	**–**	**(3,144)**	**–**	**(3,144)**	**(6,324)**	**(9,468)**
Dividends provided for or paid	已計提或已派付股息	31	**–**	**–**	**(243,529)**	**–**	**(243,529)**	**–**	**(243,529)**
Total transactions with owners	與擁有人交易總額		**–**	**–**	**(211,160)**	**(35,513)**	**(246,673)**	**(6,324)**	**(252,997)**
Balance at 31 December 2021	於2021年12月31日結餘		**68**	**(4)**	**558,686**	**3,246,836**	**3,805,586**	**303,150**	**4,108,736**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述綜合權益變動表應與隨附附註一併閱讀。

		Note 附註	Year ended 31 December 截至12月31日止年度 2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cash flows from operating activities	**經營活動所得現金流量**			
Cash generated from operations	經營所得現金	32(a)	**1,158,321**	1,497,308
Interest received	已收利息		**28,605**	20,407
Income tax paid	已付所得稅		**(357,437)**	(318,961)
Net cash generated from operating activities	**經營活動所得現金淨額**		**829,489**	1,198,754
Cash flows from investing activities	**投資活動所得現金流量**			
Purchases of property, plant and equipment	購買物業、廠房及設備		**(632,031)**	(325,994)
Receipt of government grants for capital expenditure	就資本開銷收取政府補助	24	**23,750**	–
Purchases of right-of-use assets	購買使用權資產		**–**	(69,059)
Purchases of intangible assets	購買無形資產		**(5,023)**	(9,395)
Purchases of financial assets at fair value through profit or loss	購買按公平值計入損益的金融資產		**(2,128,982)**	(465,000)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的金融資產所得款項		**2,138,595**	566,241
Investment income from financial assets at fair value through profit or loss	來自按公平值計入損益的金融資產的投資收入		**18,180**	18,150
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	32(b)	**1,722**	10,218
Proceeds from disposal of right-of-use assets	出售使用權資產所得款項		**–**	39,420
(Increase)/decrease in term deposits	定期存款(增加)／減少		**(338,267)**	162,908
Net cash used in investing activities	**投資活動所用現金淨額**		**(922,056)**	(72,511)
Cash flows from financing activities	**融資活動所得現金流量**			
Dividends paid to the Company's shareholders	向本公司股東派付股息	31	**(243,529)**	(203,653)
Payments for lease liabilities	租賃負債付款		**(46,029)**	(13,336)
Acquisition of non-controlling interest	收購非控股權益		**(9,468)**	–
Capital injections from non-controlling interests	非控股權益注資		**–**	6,813
Net cash used in financing activities	**融資活動所用現金淨額**		**(299,026)**	(210,176)
Net (decrease)/increase in cash and cash equivalents	**現金及現金等價物(減少)／增加淨額**		**(391,593)**	916,067
Cash and cash equivalents at beginning of year	年初現金及現金等價物	15	**1,986,929**	1,036,396
Effects of exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動的影響		**(21,715)**	34,466
Cash and cash equivalents at end of year	**年末現金及現金等價物**	15	**1,573,621**	1,986,929

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一併閱讀。

1. GENERAL INFORMATION

Yihai International Holding Ltd. (the "Company") and its subsidiaries (together the "Group") are principally engaged in the production and sales of hot pot condiment, Chinese-style compound condiment, and convenient ready-to-eat food products in the People's Republic of China.

The Company was incorporated in the Cayman Islands on 18 October 2013 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 address of the Company's registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands.

The Company's global offering of its shares (the "Global Offering") on the Main Board of The Stock Exchange of Hong Kong Limited (the "HKSE") was completed on 13 July 2016 (the "Listing").

The consolidated financial statements are presented in Renminbi ("RMB"), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors of the Company (the "Board of Directors") on 23 March 2022.

1. 一般資料

頤海國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)在中華人民共和國主要從事火鍋調味料、中式複合調味料及方便速食產品的生產及銷售。

本公司於2013年10月18日根據開曼群島1961年第3號法例第22章公司法(經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands。

本公司股份在香港聯合交易所有限公司(「香港聯交所」)主板的全球發售(「全球發售」)已於2016年7月13日完成(「上市」)。

除非另有指明,否則綜合財務報表以人民幣(「人民幣」)呈列。

該等綜合財務報表已於2022年3月23日獲本公司董事會(「董事會」)批准刊發。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of the Company and its subsidiaries.

2.1 Basis of preparation

(i) Compliance with IFRS and HKCO

The consolidated financial statements of the Group has been prepared in accordance with International Financial Reporting Standards ("IFRS") and the disclosure requirements of the Hong Kong Companies Ordinance ("HKCO") Cap. 622.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets at fair value through profit or loss which are measured at fair value.

2. 重大會計政策概要

本附註提供於編製此等綜合財務報表時採納的重大會計政策清單。除另有註明外，此等政策於所有列報年度內貫徹應用。綜合財務報表乃為本集團(包括本公司及其附屬公司)編製。

2.1 編製基準

(i) 遵守國際財務報告準則及香港公司條例

本集團的綜合財務報表已按照國際財務報告準則(「國際財務報告準則」)及香港公司條例(「香港公司條例」)(第622章)的披露規定編製。

(ii) 歷史成本法

財務報表已按歷史成本基準編製，惟若干按公平值計入損益的金融資產按公平值計量除外。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

(iii) New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2021:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	*Interest Rate Benchmark Reform – Phase 2*

The Group also elected to adopt the following amendments early:

Amendment to IFRS 16	*COVID-19-Related Rent Concessions beyond 30 June 2021*

The amendments stated above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2. 重大會計政策概要*(續)*

2.1 編製基準*(續)*

(iii) 本集團採納的新訂及經修訂準則

本集團已就自2021年1月1日起的年度報告期間首次採用下列修訂本：

國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂本	*利率基準改革－第二階段*

本集團亦已選擇提早採納下列修訂本：

國際財務報告準則第16號的修訂本	*2021年6月30日後與2019新型冠狀病毒疫情相關的租金減免*

上述修訂本對過往期間所確認的金額並無任何影響，且預期不會對本期間或未來期間構成重大影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.1 Basis of preparation *(Continued)*

(iv) New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published but are not mandatory for 31 December 2021 reporting period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.3).

2. 重大會計政策概要*(續)*

2.1 編製基準*(續)*

(iv) 尚未採納的新準則及詮釋

若干新會計準則、會計準則修訂及詮釋已頒佈但並非於2021年12月31日報告期間強制生效，亦並無獲本集團提早採納。該等準則、修訂或詮釋預期不會對本集團於本報告期間或未來報告期間以及對可預見未來交易產生重大影響。

2.2 合併原則

(i) 附屬公司

附屬公司指本集團擁有控制權的所有實體(包括結構性實體)。當本集團透過參與實體業務而享有或有權取得該實體的可變回報且有能力透過其指揮該實體業務的權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團之日起全部合併入賬，並自控制終止之日起取消合併。

本集團採用收購會計法將業務合併入賬(請參閱附註2.3)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Principles of consolidation *(Continued)*

(i) Subsidiaries (Continued)

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

2. 重大會計政策概要*(續)*

2.2 合併原則*(續)*

(i) 附屬公司(續)

集團公司間的公司間交易、結餘及未變現交易收益予以對銷。未變現虧損亦會予以抵銷，除非有關交易顯示所轉讓資產的減值證據。附屬公司的會計政策已按需要調整，以確保與本集團採納的政策貫徹一致。

業績內的非控股權益及附屬公司權益分別獨立呈列於綜合損益及其他全面收益表、權益變動表及資產負債表。

(ii) 所有權權益變動

本集團將不導致喪失控制權的非控股權益交易視作與本集團權益擁有人的交易。所有權權益變動導致控股與非控股權益賬面值的調整，以反映其於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司擁有人應佔權益中的獨立儲備內確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Principles of consolidation *(Continued)*

(ii) Changes in ownership interests (Continued)

When the Group ceases to consolidate an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs.

2. 重大會計政策概要*(續)*

2.2 合併原則*(續)*

(ii) 所有權權益變動(續)

當本集團因喪失控制權、共同控制權或重大影響力而停止綜合入賬一項投資時，於實體的任何保留權益重新按公平值計量，而賬面值變動於損益確認。就其後入賬列作聯營公司、合營企業或金融資產的保留權益而言，該公平值為初始賬面值。此外，先前於其他全面收入就該實體確認的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這意味著先前於其他全面收入確認的金額重新分類至損益或轉撥至適用國際財務報告準則所指明／許可的另一權益類別內。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group,
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non- controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

2. 重大會計政策概要*(續)*

2.3 業務合併

本集團採用收購會計法將所有業務合併入賬，而不論收購股權工具或其他資產。收購附屬公司的已轉讓代價包括：

- 所轉讓資產的公平值，
- 所收購業務先前擁有人產生的負債，
- 本集團發行的股權，
- 或然代價安排產生的任何資產或負債的公平值，及
- 於附屬公司任何已存在股權的公平值。

除少數特殊情況外，在業務合併中所收購的可識別資產、所承擔的負債及或然負債初步按收購日期的公平值計量。本集團按逐項收購基準確認被收購實體任何非控股權益，以公平值或以非控股權益應佔被收購實體可識別資產淨值的比例計量。

收購相關成本於產生時支銷。

- 所轉讓代價，
- 於被收購實體的任何非控股權益金額，及
- 於被收購實體的任何過往股權於收購日期的公平值

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Business combinations *(Continued)*

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2. 重大會計政策概要*(續)*

2.3 業務合併*(續)*

高於所收購的可識別資產淨值的公平值時，其差額以商譽列賬。倘該等金額低於所收購業務可識別資產淨值的公平值，其差額將直接在損益內確認為議價購入。

或然代價分類為權益或金融負債。分類為金融負債的金額隨後按公平值重新計量，而公平值變動則於損益內確認。

如業務合併分階段進行，收購方之前在被收購方持有的股權於收購日期的賬面值於收購日期按公平值重新計量。重新計量產生的任何收入或虧損於損益內確認。

2.4 獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括直接應佔投資成本。本公司按已收及應收股息基準將附屬公司的業績入賬。

倘股息超過附屬公司於股息宣派期間的全面收入總額或於獨立財務報表中有關投資的賬面值超過投資對象的淨資產(包括商譽)於綜合財務報表中的賬面值，則於收取該等投資的股息時，須對附屬公司的投資進行減值測試。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management of the Company ("Management") that makes strategic decisions.

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional currency and the Company's and Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

2. 重大會計政策概要*(續)*

2.5 分部報告

經營分部的呈報方式與向主要經營決策者作出內部呈報的方式貫徹一致。主要經營決策者負責分配資源及評估經營分部的表現，並已被認定為本公司作出戰略決策的管理層(「管理層」)。

2.6 外幣換算

(i) 功能及呈報貨幣

計入本集團各實體財務報表的項目均採用該實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以本公司的功能貨幣及本公司及本集團的呈報貨幣人民幣(「人民幣」)呈列。

(ii) 交易及結餘

外幣交易均按交易當日的匯率折算為功能貨幣。結算該等交易以及將以外幣計價的貨幣資產及負債按年終匯率折算產生的匯兑收入及虧損一般於損益內確認。倘其與合資格現金流量對沖及合資格淨投資對沖有關或屬於海外業務淨投資的一部分，則於權益遞延。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Foreign currency translation *(Continued)*

(ii) Transactions and balances (Continued)

Foreign exchange gains and losses that relate to borrowing are presented in the consolidated statement of profit or loss and other comprehensive income within 'Finance income – net'. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income within 'Other income and gains – net'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

2. 重大會計政策概要*(續)*

2.6 外幣換算*(續)*

(ii) 交易及結餘(續)

與借款有關的匯兑收入及虧損乃於綜合損益及其他全面收益表「融資收入淨額」內呈列。所有其他匯兑收入及虧損乃於綜合損益及其他全面收益表「其他收入及收益淨額」內呈列。

按外幣公平值計量的非貨幣項目乃按於釐定公平值當日的匯率換算。按公平值列賬的資產及負債的換算差額呈報為公平值收入或虧損的一部分。例如，非貨幣資產及負債(如按公平值計入損益的權益)的換算差額，於損益內確認為公平值收入或虧損的一部分；而非貨幣資產(如按公平值計入其他全面收入的權益)的換算差額，則於其他全面收入內確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Foreign currency translation *(Continued)*

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

2. 重大會計政策概要*(續)*

2.6 外幣換算*(續)*

(iii) 集團公司

功能貨幣與呈列貨幣不同的海外業務(當中不涉及嚴重通脹經濟體的貨幣)的業績及財務狀況按下列方法換算為呈列貨幣:

- 每份呈報的資產負債表內的資產與負債按該資產負債表日期的收市匯率換算,
- 各損益及其他全面收益表的收入及開支按平均匯率換算(除非該匯率並非在交易當日的匯率累計影響的合理估計內,在此情況下,收入及開支於交易日期換算),及
- 所有由此產生的換算差額於其他全面收入確認。

於合併時,換算海外實體任何投資淨額及借款以及指定為對沖有關投資的其他金融工具產生的匯兑差額均於其他全面收入確認。當出售海外業務或償還構成該投資淨額部分的任何借款,相關匯兑差額於損益重新歸類為出售的部分收入或虧損。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Foreign currency translation *(Continued)*

(iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

2.7 Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Freehold land is stated at cost less accumulated impairment losses, if any. Cost represents consideration paid for the purchase of the land. Freehold land is not subject to depreciation.

2. 重大會計政策概要*(續)*

2.6 外幣換算*(續)*

(iv) 處置海外業務及部分處置

於處置海外業務時(即處置本集團於海外業務的全部權益，或處置涉及失去對一家附屬公司(包括海外業務)的控制權)時，所有於本公司擁有人就該項業務應佔的權益累計的匯兑差額重新分類至損益。

對於並不導致本集團喪失對擁有境外經營的附屬公司的控制權的部分處置，本集團在累計匯兑差額中的比例份額重新歸屬於非控股權益並且不在損益中確認。

2.7 物業、廠房及設備

物業、廠房及設備(在建工程除外)按歷史成本減累計折舊及減值列賬。歷史成本包括收購該等項目直接應佔的開支。

永久業權土地按成本減累計減值虧損(如有)列賬。成本指購買土地的已付代價。永久業權土地不計提折舊。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.7 Property, plant and equipment *(Continued)*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter of lease term and estimated useful lives as follows:

• Buildings	20 years
• Machinery	5-10 years
• Equipment and others	3-5 years
• Vehicles and furniture	5 years
• Leasehold improvements	5 years or over lease term, whichever is shorter

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

2. 重大會計政策概要*(續)*

2.7 物業、廠房及設備*(續)*

後續成本只有在該項目很可能為本集團帶來與之有關的未來經濟利益，且其成本能可靠計量時，才計入資產的賬面值或確認為一項單獨資產(倘適用)。入賬列作獨立資產的任何部分被替換時，其賬面值會終止確認。所有其他維修及保養費用在其產生的報告期間內於損益扣除。

折舊以直線法於其估計可使用年期或(倘為租賃裝修)租期或估計可使用年期(以較短者為準)分配其成本(扣除其剩餘價值)，詳情如下：

• 樓宇	20年
• 機器	5-10年
• 設備及其他	3-5年
• 車輛及家具	5年
• 租賃裝修	5年或租期(以較短者為準)

資產的剩餘價值及可使用年期在各呈報期末進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額(附註2.9)。

出售收入及虧損按所得款項與賬面值的差額釐定，並計入損益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.7 Property, plant and equipment *(Continued)*

Construction-in-progress ("CIP") represents buildings, plant and machinery under construction or pending for installation and is stated at cost less accumulated impairment losses (if any). Cost includes the costs of construction and acquisition. No provision for depreciation is made on CIP until such time as the relevant assets are completed and ready for intended use. When the assets concerned are available for use, the costs are transferred to the respective categories of property, plant and equipment and depreciated in accordance with the policy as stated above.

2.8 Intangible assets

(i) Trademarks

Acquired trademarks are shown at historical cost. Trademarks are recognised at fair value at the acquisition date. They have a finite useful lives of 5 years and are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Software

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives of 5 years.

2. 重大會計政策概要*(續)*

2.7 物業、廠房及設備*(續)*

在建工程(「在建工程」)指在建或正在安裝的建築、廠房及機器設備，並按成本減累計減值虧損(如有)列賬。成本包括建設成本與收購成本。在建工程不涉及折舊，直至相關資產建設完成至可使用狀態。當相關資產達到可使用狀態時，成本將轉至相應的物業、廠房及設備類別，並根據上述政策進行折舊。

2.8 無形資產

(i) 商標

收購的商標按歷史成本列示。商標按收購日期的公平值確認。商標具有5年的有限可使用年期且隨後按成本減累計攤銷及減值虧損列賬。

(ii) 軟件

購買的電腦軟件按購買及投入使用特定軟件所產生的成本資本化。該等成本於其估計可使用年期5年內按直線法進行攤銷。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.9 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.10 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

2. 重大會計政策概要*(續)*

2.9 非金融資產減值

可使用年期不限定的無形資產毋須攤銷，但每年須就減值進行測試，或於發生事項或情況出現變化而顯示可能出現減值時作出更頻密的減值測試。其他資產會於發生事項或情況出現變化而顯示其賬面值未必能夠收回時，進行減值測試。減值虧損按有關資產賬面值超逾其可收回金額的數額確認。可收回金額為資產的公平值減出售成本與使用價值兩者的較高者。就減值評估而言，資產按獨立可識別現金流入的最低分類組合(現金產生單位)分類，其所產生的現金流入基本上獨立於其他資產或資產組別。出現減值的非金融資產(商譽除外)於各報告期末檢討是否可能撥回減值。

2.10 投資及其他金融資產

(i) 分類

本集團按以下計量類別將其金融資產分類：

- 隨後按公平值計量(計入其他全面收入(「其他全面收入」)或計入損益)的金融資產，及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模式及現金流量的合約條款而定。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Investments and other financial assets *(Continued)*

(i) Classification (Continued)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2. 重大會計政策概要*(續)*

2.10 投資及其他金融資產*(續)*

(i) 分類(續)

就按公平值計量的資產而言，收益及虧損將計入損益或其他全面收入。就並未持作買賣股本工具投資而言，其將視乎本集團於初步確認時有否作出不可撤回的選擇將股本投資按公平值計入其他全面收入(「按公平值計入其他全面收入」)列賬。

本集團當且僅當其管理該等資產的業務模式變動時重新分類金融資產。

(ii) 確認及終止確認

常規購入及出售的金融資產於交易日(本集團承諾購入或出售該資產的日期)確認。於從該等金融資產收取現金流量的權利屆滿或已轉讓而本集團已實質上轉移一切所有權風險及回報時，終止確認有關金融資產。

(iii) 計量

初步確認時，本集團按公平值加(倘並非按公平值計入損益的金融資產)收購金融資產直接應佔交易成本計量金融資產。按公平值計入損益的金融資產的交易成本於損益支銷。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Investments and other financial assets *(Continued)*

(iii) Measurement (Continued)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income and gains-net together with foreign exchange gains and losses.

2. 重大會計政策概要*(續)*

2.10 投資及其他金融資產*(續)*

(iii) 計量(續)

在確定具有嵌入衍生工具的金融資產的現金流是否僅為支付本金和利息時，需從金融資產的整體進行考慮。

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將債務工具分為兩個計量類別：

- 攤銷成本：就持作收回合同現金流量的資產而言，倘有關資產的現金流量僅為支付本金及利息，則按攤銷成本計量。來自該等金融資產的利息收入按實際利率法計入融資收入。終止確認產生的任何收益或虧損連同外匯收益及虧損於損益直接確認，並於其他收入及收益淨額呈列。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Investments and other financial assets *(Continued)*

(iii) Measurement (Continued)

Debt instruments *(Continued)*

- FVPL: Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income and gains-net in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income and gains-net when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Changes in the fair value of financial assets at FVPL are recognised in other income and gains-net in the consolidated statement of profit or loss and other comprehensive income.

2. 重大會計政策概要*(續)*

2.10 投資及其他金融資產*(續)*

(iii) 計量(續)

債務工具*(續)*

- 按公平值計入損益：不符合攤銷成本標準的資產按公平值計入損益計量。其後按公平值計入損益計量的債務投資的收益或虧損於損益中確認及於其產生期間在其他收入及收益淨額以淨值呈列。

股本工具

本集團隨後就所有股本投資按公平值計量。當本集團的管理層已選擇於其他全面收入呈列股本投資的公平值收益及虧損，公平值收益及虧損於終止確認投資後不會重新分類至損益。該等投資的股息於本集團收取款項的權利確立時繼續於損益確認為其他收入及收益淨額。按公平值計入其他全面收入計量的股本投資的減值虧損(及減值虧損撥回)不會與其他公平值變動分開呈報。

按公平值計入損益的金融資產的公平值變動於綜合損益及其他全面收益表確認為其他收入及收益淨額。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Investments and other financial assets *(Continued)*

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Notes 13 and 3.1(b) for further details.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2. 重大會計政策概要*(續)*

2.10 投資及其他金融資產*(續)*

(iv) 減值

本集團按前瞻基準評估與其按攤銷成本計值的債務工具相關的預期信貸虧損。所應用減值方法視乎信貸風險有否明顯增加。

就貿易應收款項而言，本集團採用國際財務報告準則第9號允許的簡化方法，規定自初步確認應收款項起確認整個存續期內的預期虧損，詳情請參閱附註13及3.1(b)。

2.11 抵銷金融工具

當本集團現有法定可強制執行權力可抵銷已確認金額，且有意圖按其淨額作結算或同時變現資產及結算負債時，有關金融資產與負債可互相抵銷，並在資產負債表報告其淨值。本集團亦已訂立不符合抵銷標準但仍可於某些情況下對銷相關金額(如歸類為破產或終止合約)的安排。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.12 Inventories

Raw materials and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated subsequent production costs of completion and the estimated costs necessary to make the sale.

2.13 Trade receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Trade receivables are generally due for settlement within 30-90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 13 for further information about the Group's accounting for trade receivables and Note 3.1(b) for a description of the Group's impairment policies.

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2. 重大會計政策概要*(續)*

2.12 存貨

原材料及產成品按成本與可變現淨值兩者中較低者入賬。成本包括直接材料、直接勞工以及適當比例的可變及固定經常開支(後者按一般運作產能分配)。成本按加權平均成本分配至個別存貨項目。購買存貨的成本乃經扣減回扣及折讓後釐定。可變現淨值按日常業務過程中的估計售價減完成估計其後生產成本及進行銷售所需估計成本計算。

2.13 貿易應收款項

貿易應收款項為在日常業務過程中就銷售的商品而應收客戶的款項。貿易應收款項一般於30至90日內進行結算，因此全部被分類為流動資產。

當貿易應收款項按公平值確認時，初步按無條件的代價金額確認，惟彼等包含重大融資部分除外。本集團持有貿易應收款項旨在收回合約現金流量，從而隨後使用實際利率法按攤銷成本計量。有關本集團貿易應收款項的會計處理的進一步資料請參閱附註13及有關本集團減值政策的描述請參閱附註3.1(b)。

2.14 現金及現金等價物

就於現金流量表的呈列而言，現金及現金等價物包括手頭現金、金融機構通知存款，以及其他初始到期期限為三個月或以下、可即時轉換為已知金額的現金及價值變動風險微小的短期高流動性投資。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.15 Share capital and shares held for employee share scheme

Ordinary shares are classified as equity.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Restricted Share Unit Scheme ("RSU" Scheme) Trustee are disclosed as treasury shares and deducted from contributed equity.

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2. 重大會計政策概要*(續)*

2.15 股本及就僱員股份計劃持有的股份

普通股分類為權益。

倘集團公司購買(例如因股份購回或以股份為基礎支付計劃)本公司的權益工具，已付代價(包括任何直接應佔增支成本，扣除所得稅)從列為庫存股份的本公司擁有人應佔權益中扣除，直至股份被註銷或重新發行為止。倘其後重新發行該等普通股，則任何已收取代價(扣除任何直接應佔增支交易成本及相關所得稅影響)計入本公司擁有人應佔權益。

根據受限制股份單位計劃(「受限制股份單位」計劃)信託持有的股份從權益股轉換為庫存股。

2.16 貿易及其他應付款項

該等款項指於財政年度結束前向本集團提供商品及服務的尚未支付負債。該等款項為無抵押，且通常於確認後30至90日內支付。除非付款並非於報告期後12個月內到期，否則貿易及其他應付款項呈列為流動負債。其初步按公平值確認，隨後使用實際利率法按攤銷成本計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.17 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

2. 重大會計政策概要*(續)*

2.17 即期及遞延所得稅

本期間的所得稅開支或抵免指就本期間應課稅收入按各司法權區的適用所得稅稅率支付的稅項(就暫時差額及未動用稅項虧損應佔的遞延所得稅資產及負債變動作出調整)。

即期所得稅

即期所得稅支出根據本公司及其附屬公司營運及產生應課稅收入所在的國家於報告期末已頒佈或實質已頒佈的稅法計算。管理層就適用稅務法規須作出詮釋的情況定期評估報稅表的狀況,並須在適用情況下根據預期向稅務機關支付的稅款計提撥備。

遞延所得稅

遞延所得稅採用負債法就資產及負債的稅基與其在綜合財務報表中的賬面值之間的暫時差額計提全額撥備。然而,倘遞延所得稅負債於初步確認商譽時產生,則不予確認;倘自初步確認一項交易(業務合併除外)中的資產或負債而產生的遞延所得稅於交易時對會計或應課稅損益並不構成影響,則該遞延所得稅亦不會列賬。遞延所得稅乃使用於報告期末已頒佈或實質已頒佈且預期將於相關遞延所得稅資產變現或遞延所得稅負債結算時適用的稅率(及稅法)釐定。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.17 Current and deferred income tax *(Continued)*

Deferred income tax (Continued)

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax balances relate to the same taxation authority. Current income tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2. 重大會計政策概要*(續)*

2.17 即期及遞延所得稅*(續)*

遞延所得稅(續)

遞延所得稅資產僅於可能獲得未來應課稅款項可動用該等暫時差額及虧損的情況下予以確認。

倘本集團能夠控制撥回暫時差額的時間，且該等差額可能不會於可見將來撥回，則不會就海外業務的投資賬面值與稅基之間的暫時差額確認遞延所得稅負債及資產。

當存在合法可強制執行的權利將即期所得稅資產與負債抵銷，且遞延所得稅結餘涉及同一稅務機關，遞延所得稅資產與負債互相抵銷。倘實體擁有合法可強制執行的權利抵銷並有意以淨額結算或變現資產及同時償付負債，則即期所得稅資產與稅項負債互相抵銷。

除與於其他全面收入或直接於權益確認的項目有關外，即期及遞延所得稅於損益內確認。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 Employee benefits

In accordance with the rules and regulations in mainland China, the Group has arranged for its mainland China employees to join defined contribution plans, including pension, medical, housing and other welfare benefits, recognised by mainland China government. According to the relevant regulations, the monthly contributions that should be borne by mainland China subsidiaries of the Company are calculated based on percentages of the total salary of employees, subject to a certain ceiling. The assets of these plans are held separately from those of the Group in independent funds managed by mainland China government.

The Group has no further payment obligations once the above contributions have been paid. The Group's contributions to these plans are charged to profit or loss as incurred.

2.19 Share-based payments

Share-based compensation benefits are provided to employees via restricted share unit scheme plans. Information relating to the schemes is set out in Note 20. The fair value of the services received in exchange for the grant of the restricted shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the restricted shares granted as at date of grant, including any market performance conditions, excluding the impacts of any service and non-market performance vesting conditions as well as including any non-vesting conditions, when applicable. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

For the Company's separate financial statements, fair value of restricted shares granted to its subsidiaries' employees is recognised as increase in investment in subsidiaries and equity.

2. 重大會計政策概要*(續)*

2.18 僱員福利

根據中國內地的規則及法規，本集團已安排中國內地僱員參與中國內地政府組織的界定供款計劃，包括退休、醫療、住房及其他福利。根據有關規例，每月供款應由本公司的中國內地附屬公司承擔，供款額按僱員總薪金的百分比計算，但設有若干上限。該等計劃的資產與本集團其他資產分開，由中國內地政府管理的獨立基金持有。

本集團於支付上述供款後不再承擔支付責任。本集團對上述計劃的供款於產生時計入損益。

2.19 以股份為基礎的付款

通過受限制股份單位計劃向僱員提供以股份為基礎的薪酬福利。有關計劃的資料載於附註20。為獲授受限制股份而提供的服務的公平值確認為開支。將予支銷總額乃參考授出日期授出受限制股份的公平值釐定，包括任何市場表現條件，但不包括任何服務及非市場表現歸屬條件的影響以及包括任何非歸屬條件(如適用)。已支銷總額於歸屬期內確認，期內所有特定歸屬條件將獲達成。

對於本公司單獨財務報表，授予附屬公司僱員受限制股份的公平值確認為對附屬公司的投資和權益增加。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.19 Share-based payments *(Continued)*

At the end of each reporting period, the Group revises its estimates of the number of restricted shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision of original estimates, if any, in profit or loss with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the shares are exercised.

2.20 Revenue recognition

(i) Sale of goods – wholesales

For wholesale business, sales of goods are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler have accepted the products in accordance with the sales contracts, or the Group has objective evidence that all criteria for acceptance have been satisfied.

2. 重大會計政策概要*(續)*

2.19 以股份為基礎的付款*(續)*

於各報告期末，本集團會根據非市場歸屬條件修改其估計預期將予歸屬的受限制股份數目，並於損益內確認修改原來估計數字(如有)的影響，以及對權益作出的相應調整。

倘股份獲行使，所收取的所得款項扣除任何直接應佔交易成本後計入股本(面值)及股份溢價內。

2.20 收入確認

(i) 銷售貨品 – 批發

對於批發業務，當產品控制權已轉移(即產品已交付予批發商)，批發商對銷售產品的渠道和價格擁有完全決定權，且不存在可能影響批發商對產品接收的未履行義務時，本集團即確認產品銷售收入。當產品已運至指定地點，過時和損失風險已轉讓予批發商，而批發商已根據銷售合約接收產品，或本集團有客觀證據顯示所有接收條款已獲達成後，交付才算產生。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.20 Revenue recognition *(Continued)*

(i) Sale of goods – wholesales (Continued)

The products of the Group is often sold with sales discounts based on aggregate sales over a 12 month period. Revenue from these sales is recognised based on the price specified in the contracts, net of the estimated sales discounts. Accumulated experience is used to estimate and provide for the discounts, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other payables and accruals) is recognised for expected sales discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a credit term of 30-90 days, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sale of goods – on-line

Revenue from the sale of goods on the internet is recognised at the point that the control of the products has transferred, being when the products are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Transactions are settled by credit or payment card or through on-line payment platforms. Provisions are made for internet credit sales based on the expected level of returns, which in turn is based upon the historical rate of returns.

2. 重大會計政策概要*(續)*

2.20 收入確認*(續)*

(i) 銷售貨品 – 批發(續)

本集團產品的銷售通常會以12個月內的總銷售額提供銷售折扣。這些銷售收入會根據合約規定的價格確認，並扣除估算的銷售折扣。折扣的估算與撥備會利用累積經驗，且只有在極大可能不會發生重大撥回的情況下方會確認收入。於報告期內與客戶銷售所產生的未付銷售折扣估算會被確認為退款責任(包括在其他應付款項及應計費用內)。由於銷售的信貸期為30至90日，符合市場慣例，故並不存在重大融資因素。

當產品交付後，並從那一刻開始，可以無條件收到代價(到期付款前的時間流逝除外)，便可確認為應收款。

(ii) 銷售貨品 – 線上

互聯網上銷售貨品所得收益於產品控制權轉移時(即產品交付客戶及沒有可能會影響客戶接受產品的未履行義務)確認。交易以信用卡或支付卡或透過線上支付平台結算。線上信用銷售撥備根據預期退貨水平計提，而預期退貨率則根據過往退貨率計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.21 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; and
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2. 重大會計政策概要*(續)*

2.21 每股盈利

(i) 每股基本盈利

每股基本盈利，乃按：

- 本公司擁有人應佔溢利（不包括普通股以外的服務股權的任何成本）；及
- 除以財政年度內發行在外普通股加權平均數（就年內已發行普通股的分紅因素而調整且不包括庫存股份）計算。

(ii) 每股攤薄盈利

每股攤薄盈利調整釐定每股基本盈利所用的數字，以計及：

- 與每股攤薄盈利有關的利息及其他融資成本的除所得稅後影響；及
- 假設所有具潛在攤薄效應之股份獲轉換後，發行在外額外普通股之加權平均數。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2. 重大會計政策概要*(續)*

2.22 租賃

在本集團預期可使用租賃資產之日，租賃應確認為使用權資產和相應負債。

合約可包含租賃及非租賃部分。本集團根據其相對獨立的價格將合約的代價分配至租賃及非租賃部分。然而，就本集團作為承租人租賃房地產而言，其已選擇不區分租賃及非租賃部分，而是將該等租賃入賬作為單一租賃部分。

租賃條款按個別基準協商，並包含多種不同的條款和條件。除出租人持有租賃資產的抵押權益外，租賃協議不施加任何契諾。租賃資產不得用作借款抵押。

租賃產生的資產和負債在現值基礎上進行初始計量。租賃負債包括下列租賃付款額的淨現值：

- 固定付款額(包括實質固定付款額)，扣除應收的租賃激勵；
- 取決於指數或比率的可變租賃付款額；
- 本集團根據餘值擔保預計應付的金額；
- 購買選擇權的行權價，前提是本集團合理確定將行使該選擇權；及
- 終止租賃的罰款金額，前提是租賃期反映出本集團將行使終止租賃選擇權。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Leases *(Continued)*

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

2. 重大會計政策概要*(續)*

2.22 租賃*(續)*

根據合理確定延續選擇權支付的租賃付款亦計入負債計量之內。

租賃付款額按照租賃內含利率折現。如果無法確定該利率，則應採用本集團的增量借款利率，即承租人為在類似經濟環境下獲得價值相近的資產，以類似條款和條件借入資金而必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團所持有租賃的信用風險（最近並無第三方融資）調整無風險利率；及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

倘個別承租人（通過近期融資或市場數據）可以隨時觀察到攤銷貸款利率，而該等承租人的付款情況與租賃相似，則集團實體可將該利率作為釐定增量借款利率的起點。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Leases *(Continued)*

Lease payments are allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use asset are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise manufacture equipment.

2. 重大會計政策概要*(續)*

2.22 租賃*(續)*

租賃付款額均在相應負債與融資成本之間分攤。融資成本在租賃期限內計入損益，以使各期負債餘額產生的利息率保持一致。

使用權資產按照成本計量，包括：

- 租賃負債初始計量金額；
- 在租賃期開始日或之前支付的租賃付款額，扣除收到的租賃激勵；
- 任何初始直接費用；及
- 復原成本。

使用權資產一般於資產的可使用年期及租賃期(以較短者為準)內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

與短期租賃以及所有低價值資產租賃相關的付款按直線法於損益確認為開支。短期租賃指租賃期為12個月或以下的租賃。低價值資產包括生產設備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.22 Leases *(Continued)*

The Group has adopted Amendment to IFRS 16 – Covid-19-Related Rent Concessions retrospectively from 1 January 2020. The amendment provides an optional practical expedient allowing lessees to elect not to assess whether a rent concession related to COVID19 is a lease modification. Lessees adopting this election may account for qualifying rent concessions in the same way as they would if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met: a. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; b. any reduction in lease payments affects only payments due on or before 30 June 2021; and c. there is no substantive change to other terms and conditions of the lease.

The Group has early adopted Amendment to IFRS 16 – Covid-19-Related Rent Concessions beyond 30 June 2021, which extended the practical expedient to lease payments that were due on or before 30 June 2022.

The Group has applied the practical expedient to all qualifying COVID-19-related rent concessions.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

2. 重大會計政策概要*(續)*

2.22 租賃*(續)*

本集團已自2020年1月1日起追溯採用國際財務報告準則第16號的修訂本－與2019新型冠狀病毒疫情相關的租金減免。該修訂本提供一種可選擇的可行權宜方法，允許承租人選擇不評估與2019新型冠狀病毒疫情相關的租金減免是否為租賃變更。承租人採用該選擇時可以採用與不作為租賃變更同等的會計處理方式處理符合條件的租金減免。該可行權宜方法僅適用於與2019新型冠狀病毒疫情直接相關的租金減免，並且必須滿足以下所有條件：a. 租賃付款變動導致的租賃經修訂代價與緊接變動前的租賃代價大致相同或低於有關代價；b. 租賃付款的任何減幅僅影響原到期日為2021年6月30日或之前的付款；及c. 租賃的其他條款及條件並無實質變動。

本集團已提早採用國際財務報告準則第16號的修訂本－2021年6月30日後與2019新型冠狀病毒疫情相關的租金減免，將可行權宜方法擴展至2022年6月30日或之前到期的租賃付款。

本集團已將可行權宜方法應用於所有符合條件的與2019新型冠狀病毒疫情相關的租金減免。

本集團作為出租人的經營租賃的租賃收入按直線法於租賃期內確認為收入。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.23 Dividends distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.24 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

2.25 Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the consolidated statement of profit or loss and other comprehensive income as part of other income and gains-net.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 28 below. Any other interest income is included in other income and gains-net.

2. 重大會計政策概要*(續)*

2.23 股息分派

就於報告期末或之前已宣派但於報告期末並未分派的任何股息金額(已經適當授權及不再由實體酌情決定)作出撥備。

2.24 政府補助

當能夠合理地保證補助將可收取及本集團將符合所有附帶條件時，按公平值確認政府補助。

與成本有關的政府補助遞延入賬，並於需要匹配擬補償的相關成本期間在損益確認。

與購買物業、廠房及設備有關的政府補助列入非流動負債作為遞延收入，並於有關資產的預計年期以直線法計入損益。

2.25 利息收入

採用實際利率法計算的按攤銷成本計量的金融資產之利息收入，作為其他收入及收益淨額的一部分於綜合損益及其他全面收益表確認。

利息收入呈列為持作現金管理用途的金融資產所賺取的融資收入，請參閱下文附註28。任何其他利息收入計入其他收入及收益淨額。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.25 Interest income *(Continued)*

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

2. 重大會計政策概要*(續)*

2.25 利息收入*(續)*

利息收入是用實際利率乘以金融資產賬面總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨額(經扣除虧損撥備)得出。

3. FINANCIAL RISK MANAGEMENT

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

3. 財務風險管理

附註闡述本集團面臨的財務風險及該等風險對本集團未來財務表現的影響。倘與增加額外內容有關，則載入本年度溢利及虧損資料。

Risk 風險	Exposure arising from 風險產生原因	Measurement 計量
Market risk – foreign exchange 市場風險 – 外匯	Financial assets and liabilities denominated in foreign currency different from the functional currency. 以不同於其功能貨幣的外幣計值的金融資產及負債。	Cash flow forecasting Sensitivity analysis 現金流量預測 敏感性分析
Credit risk 信用風險	Cash and cash equivalents, term deposits, trade receivables and other financial assets at amortised cost. 現金及現金等價物、定期存款、貿易應收款項及按攤銷成本計量的其他金融資產。	Aging analysis Credit limits 賬齡分析 信用限額
Liquidity risk 流動資金風險	Trade payable and other liabilities 貿易應付款項及其他負債	Rolling cash flow forecasts 滾動現金流量預測

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk, primarily the US$ and HK$. Foreign exchange risk arises from recognised assets and liabilities and net investments denominated in a currency that is not the functional currency of the relevant Group entity. The risk is measured through a forecast of highly probable US$/RMB and HK$/RMB expenditures. The Group did not enter into any forward contract to hedge its exposure to foreign currency risk for the years ended 31 December 2021 and 2020.

Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in RMB, was as follows:

3. 財務風險管理*(續)*

3.1 財務風險因素

(a) 市場風險

(i) 外匯風險

本集團在國際上經營業務及面臨主要由於美元及港元產生的外匯風險。外匯風險來自以非相關集團實體的功能貨幣的貨幣計值的已確認資產及負債以及投資淨額。風險透過對極可能美元兑人民幣及港元兑人民幣支出的預測而計量。於截至2021年及2020年12月31日止年度，本集團並未訂立任何遠期合約對沖其外匯風險敞口。

風險敞口

本集團於報告期末以人民幣列示的外匯風險敞口如下：

		31 December 2021 2021年12月31日		31 December 2020 2020年12月31日	
		US$ 美元 RMB'000 人民幣千元	**HK$ 港元 RMB'000 人民幣千元**	US$ 美元 RMB'000 人民幣千元	HK$ 港元 RMB'000 人民幣千元
Cash and bank deposits	現金及銀行存款	**276,379**	**47,103**	517,080	46,039
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	**32,692**	**–**	19,576	–
Trade receivables and other assets	貿易應收款項及其他資產	**5,557**	**245**	1,322	252
Trade payables, other payables and accruals and contract liabilities	貿易應付款項、其他應付款項及應計費用以及合約負債	**(1,765)**	**(311)**	(9,832)	(1,765)

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(a) Market risk (Continued)

(i) Foreign exchange risk *(Continued)*

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in US$/RMB and HK$/RMB exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises in US$ and HK$ in the Company and its mainland China subsidiaries, the functional currency of which are RMB.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(a) 市場風險(續)

(i) 外匯風險*(續)*

敏感度

如上表所示，本集團主要承受美元兑人民幣以及港元兑人民幣匯率的變動風險。本公司及其中國內地附屬公司以人民幣為功能貨幣，其損益對匯率變動的敏感度源於美元及港元。

		Impact on post tax profit 對税後溢利的影響	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
US$/RMB exchange rate – increase 10%	美元兑人民幣匯率 – 上升10%	**23,465**	39,611
US$/RMB exchange rate – decrease 10%	美元兑人民幣匯率 – 下降10%	**(23,465)**	(39,611)
HK$/RMB exchange rate – increase 10%	港元兑人民幣匯率 – 上升10%	**3,528**	3,339
HK$/RMB exchange rate – decrease 10%	港元兑人民幣匯率 – 下降10%	**(3,528)**	(3,339)

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk

Credit risk arises from cash and cash equivalents, term deposits, trade receivables and other financial assets at amortised cost.

(i) Risk management

The Group is exposed to credit risk primarily in relation to its bank balances, trade receivables and other financial assets at amortised cost.

The carrying amounts of each class of the above financial assets represent the Group's maximum exposures to credit risk in relation to financial assets. To manage this risk arising from bank balance, the Group only transacts with state-owned financial institutions and reputable commercial banks which are all high-credit quality financial institutions. There has been no recent history of default in relation to these financial institutions.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險

信用風險產生自現金及現金等價物、定期存款、貿易應收款項及按攤銷成本計量的其他金融資產。

(i) 風險管理

本集團面對主要與銀行結餘、貿易應收款項及按攤銷成本計量的其他金融資產有關的信用風險。

上述各類金融資產的賬面值為本集團所面對與金融資產有關的最大信用風險。為管理由銀行結餘所引起的風險，本集團僅與國有金融機構及信譽良好的商業銀行(均為高信用質量金融機構)交易。近期並無與該等金融機構有關的違約記錄。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(i) Risk management *(Continued)*

Trade receivables at the end of each reporting period were mainly due from Haidilao International Holding Ltd. and its subsidiaries (the "Haidilao Group") and the distributors in cooperation with the Group. As at 31 December 2021, the amounts due from Haidilao Group represented approximately 91% of total trade receivables of the Group. The management of the Group believes the credit risk on amounts due from related parties is limited because they continuously monitor the credit quality and financial conditions of the related parties. Aging analysis of the Group's trade receivables is disclosed in Note 13. The directors of the Company believe that the credit risk inherent in the Group's outstanding trade receivables balances due from the distributors is low.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(i) 風險管理*(續)*

各報告期末的貿易應收款項主要為應收海底撈國際控股有限公司及其附屬公司(「海底撈集團」)及與本集團合作的經銷商的款項。於2021年12月31日，應收海底撈集團的款項佔本集團貿易應收款項總額的約91%。本集團管理層認為，應收關聯方款項的信用風險有限，因為彼等持續監察關聯方的信用質量及財務狀況。對本集團貿易應收款項的賬齡分析於附註13中披露。本公司董事認為本集團應收第三方經銷商的未收取貿易應收款項結餘固有的信用風險較低。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(i) Risk management *(Continued)*

For other financial assets at amortised cost, management makes periodic collective assessments as well as individual assessment on the recoverability of other financial assets at amortised cost based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other financial assets at amortised cost.

(ii) Impairment of financial assets

The Group has two types of financial assets that are subject to the expected credit loss model.

- trade receivables, and
- other financial assets at amortised cost.

While cash and cash equivalents and term deposits are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(i) 風險管理*(續)*

就按攤銷成本計量的其他金融資產而言，管理層根據過往結算記錄及過往經驗對按攤銷成本計量的其他金融資產的可收回性定期進行整體及個別評估。本公司董事認為本集團按攤銷成本計量的其他金融資產的未結餘額並無重大固有信用風險。

(ii) 金融資產減值

本集團擁有兩類金融資產需採用預期信貸虧損模型。

- 貿易應收款項，及
- 按攤銷成本計量的其他金融資產。

雖然現金及現金等價物以及定期存款亦須遵守國際財務報告準則第9號的減值規定，但已識別到的減值虧損並不重大。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(ii) Impairment of financial assets *(Continued)*

Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2021 or 1 January 2021 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(ii) 金融資產減值*(續)*

貿易應收款項

本集團採用國際財務報告準則第9號簡化法計量預期信貸虧損，就所有貿易應收款項採用整個存續期預期虧損撥備。

為計算預期信貸虧損，已根據共有信用風險特徵及到期日將貿易應收款項分組。

預期虧損率乃分別基於2021年12月31日或2021年1月1日之前12個月期間的銷售付款情況及該期間內所錄得之相應過往信貸虧損。過往虧損率已經調整以反映影響客戶結清應收款項能力的宏觀經濟因素的現時及前瞻性資料。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(ii) Impairment of financial assets *(Continued)*

Trade receivables (Continued)

On that basis, the loss allowance as at 31 December 2021 and 31 December 2020 was determined as follows for trade receivables:

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(ii) 金融資產減值*(續)*

貿易應收款項(續)

按該基準計算，貿易應收款項於2021年12月31日及2020年12月31日的虧損撥備釐定如下：

31 December 2021	2021年12月31日	Current 即期	More than 30 days past due 逾期超過30日	More than 90 days past due 逾期超過90日	Total 總計
Expected loss rate	預期虧損率	**0.09%**	**N/A 不適用**	**N/A 不適用**	
Gross carrying amount – trade receivables	總賬面值－貿易應收款項	**236,732**	**–**	**–**	**236,732**
Loss allowance	虧損撥備	**210**	**–**	**–**	**210**

31 December 2020	2020年12月31日	Current 即期	More than 30 days past due 逾期超過30日	More than 90 days past due 逾期超過90日	Total 總計
Expected loss rate	預期虧損率	0.02%	1.49%	N/A 不適用	
Gross carrying amount – trade receivables	總賬面值－貿易應收款項	189,357	1,539	–	190,896
Loss allowance	虧損撥備	44	23	–	67

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(ii) Impairment of financial assets *(Continued)*

Trade receivables (Continued)

Movements in the loss allowances for trade receivables are as follows:

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(ii) 金融資產減值*(續)*

貿易應收款項(續)

貿易應收款項的虧損撥備變動如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
As at 1 January	於1月1日	**67**	2,577
Provision for impairment allowance	計提減值撥備	**143**	67
Reversal of impairment allowance	減值撥備撥回	**–**	(2,577)
As at 31 December	於12月31日	**210**	67

The creation and release of provision for impaired receivables have been included in 'Administrative expenses' in the consolidated statement of profit or loss and other comprehensive income.

已減值應收款項撥備增設及解除已計入綜合損益及其他全面收益表的「行政開支」內。

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

倘無合理預期可收回貿易應收款項，則予撇銷。無合理預期收回的指標包括(其中包括)債務人未能參予本集團的還款計劃及未能就逾期超過180日的賬款作出合約付款。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(ii) Impairment of financial assets *(Continued)*

Other financial assets at amortised cost

Other financial assets at amortised cost mainly include deposits for utilities and leases and other receivables. The management of the Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences. The Group measures credit risk using Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD"). This is similar to the approach used for the purposes of measuring Expected Credit Loss ("ECL") under IFRS 9.

- Other receivables that are not credit-impaired on initial recognition are classified in 'Stage 1' and have their credit risk continuously monitored by the Group. The expected credit loss is measured on a 12-month basis.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(ii) 金融資產減值*(續)*

按攤銷成本計量的其他金融資產

按攤銷成本計量的其他金融資產主要包括公用事業存款、租賃及其他應收款項。本集團管理層根據過往結算記錄及過往經驗，定期對其他應收款項的可收回性進行集體評估及個別評估。本集團利用違約概率(「違約概率」)、違約風險敞口(「違約風險敞口」)及違約虧損率(「違約虧損率」)計量信用風險，與國際財務報告準則第9號項下計量預期信貸虧損(「預期信貸虧損」)所用方法類似。

- 於初始確認時並無信貸減值的其他應收款項分類為「第一階段」，並由本集團持續監控其信貸風險。預期信貸虧損按12個月基準計量。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(ii) Impairment of financial assets *(Continued)*

Other financial assets at amortised cost (Continued)

- If a significant increase in credit risk (specifically, when the debtor is more than 1 day past due on its contractual payments) since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. The expected credit loss is measured on lifetime basis.

- If the financial instrument is credit-impaired (specifically, when the debtor is more than 90 days past due on its contractual payments), the financial instrument is then moved to 'Stage 3'. The expected credit loss is measured on lifetime basis.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(ii) 金融資產減值*(續)*

按攤銷成本計量的其他金融資產(續)

- 倘從初始確認起信貸風險顯著增加(尤其是當債務人的合同付款逾期超過1天時),財務工具將轉移至「第二階段」,惟尚未視為信貸減值。預期信貸虧損按存續期基準計量。

- 倘財務工具出現信貸減值(尤其是當債務人的合同付款逾期超過90天時),財務工具將轉移至「第三階段」。預期信貸虧損按存續期基準計量。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk (Continued)

(ii) Impairment of financial assets *(Continued)*

Other financial assets at amortised cost (Continued)

In view of the history of cooperation with the debtors and collection from them, the management of the Group believes that all of the Group's other receivables are classified in Stage 1 as at 31 December 2021 and 2020, and the credit risk inherent in the Group's outstanding other receivables is not significant.

Net impairment losses on financial assets recognised in profit or loss

During the year, the following losses were recognised in profit or loss in relation to impaired financial assets:

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(b) 信用風險(續)

(ii) 金融資產減值*(續)*

按攤銷成本計量的其他金融資產(續)

鑒於本集團與該等債務人合作及向其收款的歷史，本集團管理層認為，於2021年及2020年12月31日，本集團所有其他應收款項應分類為第一階段，且本集團的未清償其他應收款項的固有信用風險並不重大。

在損益確認的金融資產的減值虧損淨額

年內，下列虧損就已減值金融資產於損益中確認：

		2021 **2021年** **RMB'000** 人民幣千元	2020 2020年 RMB'000 人民幣千元
Impairment losses	減值虧損		
Impairment losses on trade receivables	貿易應收款項減值虧損	**143**	67
Impairment losses on other financial assets at amortised cost	按攤銷成本計量的其他金融資產的減值虧損	**106**	72
Reversal of impairment allowance on trade receivables	貿易應收款項減值虧損撥回	**–**	(2,577)
Reversal of impairment allowance on other financial assets at amortised cost	按攤銷成本計量的其他金融資產的減值虧損撥回	**–**	(24)
Net provision/(reversal) of impairment losses on financial assets	金融資產的減值虧損撥備／(撥回)淨額	**249**	(2,462)

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(c) Liquidity risk

The Group has significant cash and bank balances and investments in treasury products issued by banks with maturity within one year and liquidity risk is considered to be minimal. Due to the dynamic nature of the underlying business, the Group's finance department maintains flexibility in funding by maintaining adequate cash and cash equivalents.

Cash flow forecasting is performed by the finance department of the Group. The Group's finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs as well as the liabilities to other parties.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

3. 財務風險管理*(續)*

3.1 財務風險因素*(續)*

(c) 流動資金風險

本集團有大量現金及銀行結餘以及銀行發行的一年內到期的國債產品投資，流動資金風險被視為極微。由於相關業務屬動態性質，本集團的財務部持有充足的現金及現金等價物從而維持資金方面的靈活性。

現金流量預測乃由本集團財務部作出。本集團財務部監控對本集團流動資金需求的滾動預測以確保持有充足現金滿足營運需求及對其他方的負債。

下表載列本集團的金融負債按照由資產負債表日期至合約到期日的餘下期間分成相關的到期組別進行的分析。表內所披露金額為合約未貼現現金流量。

		Less than 1 year 少於1年 RMB'000 人民幣千元	Between 1 and 2 years 1至2年 RMB'000 人民幣千元	Between 2 and 5 years 2至5年 RMB'000 人民幣千元	Over 5 years 超過5年 RMB'000 人民幣千元	Total contractual cash flows 合約現金流量合計 RMB'000 人民幣千元	Carrying amount liabilities 負債賬面值 RMB'000 人民幣千元
As at 31 December 2021	**於2021年12月31日**						
Trade payables (Note 21)	貿易應付款項(附註21)	**294,260**	**–**	**–**	**–**	**294,260**	**294,260**
Other payables and accruals	其他應付款項及應計費用	**69,257**	**–**	**–**	**–**	**69,257**	**69,257**
Lease liabilities (Note 8)	租賃負債(附註8)	**39,515**	**30,995**	**42,601**	**41,862**	**154,973**	**141,391**
Total	**總計**	**403,032**	**30,995**	**42,601**	**41,862**	**518,490**	**504,908**
As at 31 December 2020	**於2020年12月31日**						
Trade payables (Note 21)	貿易應付款項(附註21)	279,322	–	–	–	279,322	279,322
Other payables and accruals	其他應付款項及應計費用	63,347	–	–	–	63,347	63,347
Lease liabilities (Note 8)	租賃負債(附註8)	30,709	17,794	20,613	12,695	81,811	73,636
Total	**總計**	373,378	17,794	20,613	12,695	424,480	416,305

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.2 Capital management

(a) Risk management

The Group's objectives when managing capital are to

- safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, or return capital to shareholders, issue new shares or sell assets to reduce debt.

As the Group has no external borrowing in 2021 and 2020, the directors of the Company consider that the capital risk is low.

3.3 Fair value estimation

Financial assets and liabilities

(a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

3. 財務風險管理*(續)*

3.2 資本管理

(a) 風險管理

本集團的資本管理目標為

- 保障本集團的持續運營，以繼續為股東提供回報及為其他股權持有人帶來利益，及
- 保持最優資本架構以降低資本成本。

為維持或調整資本架構，本集團可調整分派予股東的股息金額，或向股東返還資本、發行新股或出售資產以減少債務。

由於本集團於2021年及2020年並無向外借款，本公司董事認為資本風險較低。

3.3 公平值估計

金融資產及負債

(a) 公平值層級

本節說明於釐定財務報表內按公平值確認及計量的金融工具公平值時作出的判斷及估計。為得出釐定公平值所用輸入數據的可信程度指標，本集團根據會計準則將其金融工具分為三層。各層級的說明如下表所示。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(a) Fair value hierarchy *(Continued)*

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(a) 公平值層級*(續)*

At 31 December 2021	於2021年12月31日	Note 附註	Level 1 第一層 RMB'000 人民幣千元	Level 2 第二層 RMB'000 人民幣千元	Level 3 第三層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets	**金融資產**					
Financial assets at fair value through profit or loss (FVPL)	按公平值計入損益(按公平值計入損益)的金融資產	16				
– Private equity fund investments	– 私募股權基金投資		–	–	32,692	32,692
– Unlisted equity securities (Note 3.3(d)(ii))	– 非上市股本證券(附註3.3(d)(ii))		–	–	60,033	60,033
– Unlisted investment in AFTP (i)	– 於集合資金信託計劃的非上市投資(i)		–	22,204	–	22,204
– Wealth management products	– 理財產品		–	–	5,000	5,000
Total financial assets	**金融資產總值**		–	22,204	97,725	119,929

At 31 December 2020	於2020年12月31日	Note 附註	Level 1 第一層 RMB'000 人民幣千元	Level 2 第二層 RMB'000 人民幣千元	Level 3 第三層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets	**金融資產**					
Financial assets at fair value through profit or loss (FVPL)	按公平值計入損益(按公平值計入損益)的金融資產	16				
– Private equity fund investments	– 私募股權基金投資		–	–	19,576	19,576
– Unlisted equity securities (Note 3.3(d)(ii))	– 非上市股本證券(附註3.3(d)(ii))		–	–	23,088	23,088
– Unlisted investment in AFTP (i)	– 於集合資金信託計劃的非上市投資(i)		–	41,008	–	41,008
Total financial assets	**金融資產總值**		–	41,008	42,664	83,672

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(a) Fair value hierarchy *(Continued)*

(i) As at 31 December 2021 and 2020, the Group's financial assets that are measured at fair value using level 2 inputs represent investment in an assemble fund trust plan (the "AFTP") that are redeemable on demand and with quoted net worth (i.e. the unit return) published by the trust company on a weekly basis. Although the quoted net worth of the AFTP is considered observable, it is included in level 2 as such AFTP is not traded in an active market.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers into and out of level 3 measurements see (b) below.

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(a) 公平值層級*(續)*

(i) 於2021年及2020年12月31日，本集團採用第二層輸入數據按公平值計量的金融資產為對集合資金信託計劃(「集合資金信託計劃」)的投資，可按要求贖回，並由信託公司每週發佈淨值報價(即單位回報)。儘管集合資金信託計劃的淨值報價被認為是可觀察的，但由於該集合資金信託計劃未有在活躍市場上交易，其被計入第二層。

年內經常性公平值計量第一層與第二層之間並無轉移。有關第三層計量的轉入及轉出見下文(b)。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(a) Fair value hierarchy *(Continued)*

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(a) 公平值層級*(續)*

本集團政策為確認於報告期末公平值層級的轉入及轉出。

第一層：對於在市場上交易活躍的金融工具(如公開買賣的衍生工具與股本證券)，其公平值乃根據於報告期末市場報價而計算。本集團持有的金融資產所用市場報價為即期市值報價。該等工具計入第一層。

第二層：對於未有在活躍市場上交易的金融工具(如場外衍生工具)，其公平值乃使用估值技術而釐定。該等估值技術盡量使用可觀察市場數據並極少依賴針對實體的估計。倘工具公平值所需的所有重大輸入數據可觀察，則該工具計入第二層。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(a) Fair value hierarchy *(Continued)*

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for private equity fund investments, unlisted equity securities, debt investments and wealth management products.

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(a) 公平值層級*(續)*

第三層：倘一項或多項重大輸入數據並非基於可觀察市場數據，則該工具計入第三層。私募股權基金投資、非上市股本證券、債務投資及理財產品即屬此種情況。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(b) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2021 and 31 December 2020:

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(b) 公平值計量使用重大不可觀察輸入數據(第三層)

下表呈列截至2021年12月31日及2020年12月31日止期間第三層工具的變動：

		Private equity fund investments 私募股權基金投資 RMB'000 人民幣千元	Unlisted equity securities 非上市股本證券 RMB'000 人民幣千元	Debt investment 債務投資 RMB'000 人民幣千元	Wealth management products 理財產品 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Opening balance as at 1 January 2020	**於2020年1月1日的年初結餘**	41,741	–	31,272	89,596	162,609
Transfer from level 2 (i)	轉自第二層(i)	–	11,880	–	–	11,880
Acquisitions	購買	–	–	–	425,000	425,000
Disposals (includes realised gains/ (losses) recognised in profit or loss)	出售(包括於損益確認的已變現收益／(虧損))	(20,373)	–	(31,272)	(514,596)	(566,241)
Gains recognised in other income and gains – net *	於其他收入及收益淨額確認的收益*	(1,792)	11,208	–	–	9,416
Closing balance as at 31 December 2020	**於2020年12月31日的年末結餘**	19,576	23,088	–	–	42,664
Acquisitions	購買	**69,112**	**–**	**–**	**2,059,870**	**2,128,982**
Disposals(includes realised gains/ (losses) recognised in profit or loss)	出售(包括於損益確認的已變現收益／(虧損))	**(70,674)**	**–**	**–**	**(2,066,742)**	**(2,137,416)**
Gains recognised in other income and gains – net *	於其他收入及收益淨額確認的收益*	**14,678**	**36,945**	**–**	**11,872**	**63,495**
Closing balance as at 31 December 2021	**於2021年12月31日的年末結餘**	**32,692**	**60,033**	**–**	**5,000**	**97,725**
*Includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period	*包括報告期末所持結餘中於損益確認的未變現收益／(虧損)					
2021	**2021年**	**9,129**	**36,945**	**–**	**–**	**46,074**
2020	2020年	(1,792)	11,208	–	–	9,416

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(b) Fair value measurements using significant unobservable inputs (Level 3) *(Continued)*

(i) In November 2020, the Group transferred the investment in listed equity securities from level 2 into level 3 as the investee company was delisted from the National Equities Exchange and Quotation ("NEEQ") in China.

(c) Valuation processes

The Group has a team of personnel who performs valuation on these level 3 instruments for financial reporting purposes. The team determines the fair value of these level 3 instruments based on available information obtained from the relevant counter parties (including the general partners of the private equity funds, the management of unlisted investees, etc), at least twice every financial year, which coincides with the Group's semi-annually reporting dates.

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(b) 公平值計量使用重大不可觀察輸入數據(第三層)*(續)*

(i) 於2020年11月，由於投資對象公司自中國全國中小企業股份轉讓系統(「NEEQ」)除牌，本集團將上市股本證券的投資從第二層轉移至第三層。

(c) 估值程序

本集團有一隊專員出於財務報告目的對該等第三層工具進行估值。該隊人員每個財政年度至少兩次(與本集團每半年的報告日期一致)根據從有關對手方(包括私募股權基金普通合夥人、非上市投資對象管理層等)獲得的可用資料釐定該等第三層工具的公平值。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(d) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(d) 估值輸入數據及與公平值的關係

下表概述與第三層公平值計量所用重大不可觀察輸入數據相關的定量資料：

Description 描述	Fair value at 公平值於 31 December 2021 2021年 12月31日 RMB'000 人民幣千元	31 December 2020 2020年 12月31日 RMB'000 人民幣千元	Valuation Techniques 估值技術	Un-observable inputs 不可觀察輸入數據	Range of inputs (probability-weighted average) 輸入數據範圍(概率加權平均值) 31 December 2021 2021年 12月31日	31 December 2020 2020年 12月31日	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值的關係
Private equity fund investments (i)	**32,692**	19,576	Net Asset Value	N/A as quantitative unobservable inputs are not developed by the Group	**n/a**	n/a	n/a
私募股權基金投資(i)	**32,692**	19,576	資產淨值	不適用(因定量不可觀察輸入數據並非本集團所制定)	**不適用**	不適用	不適用
Unlisted equity securities (ii)	**60,033**	23,088	Market approach	PS (Price to sales/sales) DLOM (Discount for lack of marketability)	**PS: 3.6** **DLOM: 25%**	PS:3.1 DLOM: 30%	Increased or decreased PS by 1 would increase or decrease fair value by RMB15,452,000 (31 December 2020: RMB7,453,000). Increased or decreased DLOM by 10% would decrease or increase fair value by RMB7,417,000 (31 December 2020: RMB3,302,000).
非上市股本證券(ii)	**60,033**	23,088	市場法	PS(市銷率) DLOM(缺乏市場流通性貼現率)	**PS: 3.6** **DLOM: 25%**	PS:3.1 DLOM: 30%	PS增加或減少1將使公平值增加或減少人民幣15,452,000元(2020年12月31日：人民幣7,453,000元)。 DLOM增加或減少10%將使公平值減少或增加人民幣7,417,000元(2020年12月31日：人民幣3,302,000元)。

3. FINANCIAL RISK MANAGEMENT *(Continued)*

3.3 Fair value estimation *(Continued)*

Financial assets and liabilities (Continued)

(d) Valuation inputs and relationships to fair value *(Continued)*

3. 財務風險管理*(續)*

3.3 公平值估計*(續)*

金融資產及負債(續)

(d) 估值輸入數據及與公平值的關係*(續)*

Description 描述	Fair value at 公平值於 31 December 2021 2021年12月31日 RMB'000 人民幣千元	 31 December 2020 2020年12月31日 RMB'000 人民幣千元	Valuation Techniques 估值技術	Un-observable inputs 不可觀察輸入數據	Range of inputs (probability-weighted average) 輸入數據範圍(概率加權平均值) 31 December 2021 2021年12月31日	 31 December 2020 2020年12月31日	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值的關係
Wealth management products (iii)	5,000	–	Discounted cash flow	Expected rate of return	3.55%-4%	n/a	Increased or decreased expected rate of return by 1% would increase or decrease fair value by RMB12,000 at 31 December 2021.
理財產品(iii)	5,000	–	貼現現金流量	預期回報率	3.55%-4%	不適用	於2021年12月31日，預期回報率增加或減少1%將使公平值增加或減少人民幣12,000元。

Notes:

(i) The Group determines the fair value of the private equity fund investments as at 31 December 2021 based on the net asset values of the private equity funds with underlying assets and liabilities measured at fair value as reported by the general partners of the funds.

(ii) For unlisted equity securities as at 31 December 2021, the fair values are determined by using the market approach and the significant unobservable inputs include the valuation multiples, such as PS and DLOM. Management determines the valuation multiples with reference to the respective multiples of comparable companies, as adjusted by the lack of marketability that market participants would consider when estimating the fair value of these investments.

(iii) As at 31 December 2021, the Group also invested in certain short-term wealth management products ("WMPs"). The expected rate of return of the WMPs are updated by the banks periodically on a quarterly or more frequent basis. Management uses the expected rate of return for approximation for both cash flow assessment and the discount rate in evaluating the fair values of the WMPs.

附註：

(i) 本集團基於私募股權基金的資產淨值(相關資產及負債按基金普通合夥人所報的公平值計量)釐定於2021年12月31日私募股權基金投資的公平值。

(ii) 對於2021年12月31日的非上市股本證券，公平值乃使用市場法釐定，而重大不可觀察輸入數據包括估值乘數(如PS及DLOM)。管理層參照可比公司各自的乘數釐定估值乘數，其中已就市場參與者在估算該等投資公平值時會考慮的缺乏市場流通性作出調整。

(iii) 於2021年12月31日，本集團亦投資若干短期理財產品(「理財產品」)。銀行按季度或更頻繁地定期更新理財產品的預期回報率。管理層於評估理財產品的公平值時使用預期回報率粗略估算現金流量評估及貼現率。

4. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates

(a) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and historical experience of manufacturing and selling products of similar nature. Management reassesses these estimates at each balance sheet date.

4. 重大估計及判斷

編製財務報表需要使用會計估計，顧名思義，該等估計甚少符合實際結果。管理層亦須在應用本集團會計政策時作出判斷。

估計及判斷會予以持續評估，且基於歷史經驗及其他因素，包括對未來事件的預期，而該等事件可能對實體造成財務影響且據信在某些情況下屬合理。

4.1 重大會計估計

(a) 存貨的可變現淨值

存貨的可變現淨值按日常業務過程中的估計售價減估計完工成本及銷售開支計算。該等估計乃基於當前市況以及製造及銷售類似性質產品的過往經驗作出。管理層於各資產負債表日期重估該等估計。

4. CRITICAL ESTIMATES AND JUDGEMENTS *(Continued)*

4.1 Critical accounting estimates *(Continued)*

(b) Current and deferred income taxes

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will be reflected in the income tax expense and deferred tax provisions in the period in which such determination is made. In addition, the realisation of future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and tax loss carry-forwards. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future income tax assets and liabilities that could have a significant effect on the income tax expenses.

Dividends derived from the Company's subsidiaries in mainland China to foreign investors are subject to withholding tax at the rate of 5% (2020: 10%). The Group regularly assesses its needs to make distributions out of its subsidiaries in mainland China. In this regard, deferred tax liability will be provided on the undistributed profits to the extent they are expected to be distributed in the future.

4. 重大估計及判斷*(續)*

4.1 重大會計估計*(續)*

(b) 即期及遞延所得稅

於日常業務過程中有若干交易及計算難以明確作出最終的稅務釐定。本集團根據對是否將繳付額外稅項的估計確認負債。倘該等事宜的最終稅務結果與初步記錄的金額有所差異，則有關差異將於作出有關釐定期間內所得稅開支及遞延稅項撥備中反映。此外，未來所得稅資產能否變現視乎本集團於未來年度能否產生足夠應課稅收入，以使用所得稅利益及結轉稅項虧損的能力而定。倘估計的未來盈利能力或所得稅稅率有所偏離，則須對未來所得稅資產及負債價值作出調整，繼而可能對所得稅開支構成重大影響。

本公司於中國內地的附屬公司向境外投資者分派股息須按5%（2020年：10%）的稅率繳納預扣稅。本集團定期評估自其中國內地的附屬公司作出分派的需求。就此而言，將就未分派溢利（倘預期日後將獲分派）作出遞延稅項負債撥備。

5. REVENUE AND SEGMENT INFORMATION

Management determines the operating segments based on the reports reviewed by the chief operating decision makers ("CODM") that are used to make strategic decisions. The Group's revenue, expenses, assets, liabilities and capital expenditure are primarily attributable to the manufacturing and sales of hot pot condiment, Chinese-style compound condiment, convenient ready-to-eat food products and others to third party and related party customers, which are considered by the CODM as one segment. The Group's principal market is mainland China and its sales to overseas customers contributed to less than 10% of the total revenues for the year ended 31 December 2021. Accordingly, no geographical information is presented.

5. 收入及分部資料

管理層基於主要經營決策者(「主要經營決策者」)審閱的報告(用以作出戰略決策)釐定經營分部。本集團的收入、開支、資產、負債及資本開支主要來源於製造及向第三方和關聯方客戶銷售火鍋調味料、中式複合調味料、方便速食產品及其他(獲主要經營決策者視為一個分部)。本集團的主要市場為中國內地,截至2021年12月31日止年度其向海外客戶的銷售額佔總收入不足10%。因此,並無呈列地區資料。

Breakdown of revenue by product category is as follows:

按產品系列劃分的收入明細如下:

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Revenue recognised at point in time	**於某一時點確認的收入**		
Hot pot condiment	火鍋調味料		
– Related parties	– 關聯方	**1,774,938**	1,348,680
– Third parties	– 第三方	**1,831,898**	1,841,402
Subtotal	小計	**3,606,836**	3,190,082
Chinese-style compound condiment	中式複合調味料		
– Related parties	– 關聯方	**47,765**	34,693
– Third parties	– 第三方	**482,683**	495,724
Subtotal	小計	**530,448**	530,417
Convenient ready-to-eat food products	方便速食產品		
– Related parties	– 關聯方	**112,074**	39,665
– Third parties	– 第三方	**1,590,986**	1,500,552
Subtotal	小計	**1,703,060**	1,540,217
Others	其他		
– Related parties	– 關聯方	**241**	453
– Third parties	– 第三方	**102,032**	98,852
Subtotal	小計	**102,273**	99,305
Total	**總計**	**5,942,617**	5,360,021

Revenue from sales attributable to related parties accounted for approximately 32.6% and 26.6% of the Group's total revenue for the years ended 31 December 2021 and 2020 respectively.

關聯方應佔銷售收入分別佔截至2021年及2020年12月31日止年度本集團總收入約32.6%及26.6%。

6. INTANGIBLE ASSETS

6. 無形資產

		Trademark 商標 RMB'000 人民幣千元	Software 軟件 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	**於2020年1月1日**			
Cost	成本	160	22,680	22,840
Accumulated amortisation	累計攤銷	(27)	(5,164)	(5,191)
Net book amount	**賬面淨值**	133	17,516	17,649
Year ended 31 December 2020	**截至2020年12月31日止年度**			
Opening net book amount	年初賬面淨值	133	17,516	17,649
Additions	添置	–	9,395	9,395
Amortisation charge	攤銷費用	(16)	(5,535)	(5,551)
Closing net book amount	**年末賬面淨值**	117	21,376	21,493
At 31 December 2020	**於2020年12月31日**			
Cost	成本	160	32,075	32,235
Accumulated amortisation	累計攤銷	(43)	(10,699)	(10,742)
Net book amount	**賬面淨值**	117	21,376	21,493
Year ended 31 December 2021	**截至2021年12月31日止年度**			
Opening net book amount	年初賬面淨值	**117**	**21,376**	**21,493**
Additions	添置	**–**	**5,023**	**5,023**
Amortisation charge	攤銷費用	**(16)**	**(6,205)**	**(6,221)**
Closing net book amount	**年末賬面淨值**	**101**	**20,194**	**20,295**
At 31 December 2021	**於2021年12月31日**			
Cost	成本	**160**	**37,098**	**37,258**
Accumulated amortisation	累計攤銷	**(59)**	**(16,904)**	**(16,963)**
Net book amount	**賬面淨值**	**101**	**20,194**	**20,295**

Amortisation expenses has been charged to the consolidated statement of profit or loss and other comprehensive income as follows:

攤銷費用已於綜合損益及其他全面收益表中扣除，列示如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cost of sales	銷售成本	**497**	500
Administrative and distribution expenses	行政及經銷開支	**5,724**	5,051
Total	**總計**	**6,221**	5,551

7. PROPERTY, PLANT AND EQUIPMENT

7. 物業、廠房及設備

		Freehold land (a) 永久業權土地(a) RMB'000 人民幣千元	Buildings 樓宇 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Equipment and others 設備及其他 RMB'000 人民幣千元	Vehicles and furniture 車輛及家具 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2020	**於2020年1月1日**								
Cost	成本	-	223,433	251,453	90,722	8,942	9,670	29,517	613,737
Accumulated depreciation	累計折舊	-	(30,971)	(61,304)	(32,554)	(3,042)	(2,473)	-	(130,344)
Net book amount	**賬面淨值**	-	192,462	190,149	58,168	5,900	7,197	29,517	483,393
Year ended 31 December 2020	**截至2020年12月31日止年度**								
Opening net book amount	年初賬面淨值	-	192,462	190,149	58,168	5,900	7,197	29,517	483,393
Additions	添置	38,531	67	183,924	15,112	1,043	8,605	133,531	380,813
Disposals	出售	-	-	(9,291)	(2,454)	(468)	-	-	(12,213)
Transfers	轉讓	-	-	-	4,242	-	480	(4,722)	-
Depreciation charge	折舊費用	-	(9,920)	(31,534)	(14,488)	(1,459)	(3,556)	-	(60,957)
Exchange rate difference	匯率差異	121	(38)	(992)	(14)	(25)	7	-	(941)
Closing net book amount	**年末賬面淨值**	38,652	182,571	332,256	60,566	4,991	12,733	158,326	790,095
As at 31 December 2020	**於2020年12月31日**								
Cost	成本	38,652	223,462	421,509	105,273	9,492	18,762	158,326	975,476
Accumulated depreciation	累計折舊	-	(40,891)	(89,253)	(44,707)	(4,501)	(6,029)	-	(185,381)
Net book amount	**賬面淨值**	38,652	182,571	332,256	60,566	4,991	12,733	158,326	790,095
Year ended 31 December 2021	**截至2021年12月31日止年度**								
Opening net book amount	年初賬面淨值	**38,652**	**182,571**	**332,256**	**60,566**	**4,991**	**12,733**	**158,326**	**790,095**
Additions	添置	**-**	**541**	**193,376**	**50,434**	**1,919**	**1,493**	**338,984**	**586,747**
Disposals	出售	**-**	**-**	**(2,564)**	**(2,103)**	**(124)**	**-**	**-**	**(4,791)**
Transfers	轉讓	**-**	**136,120**	**-**	**23,187**	**-**	**22,898**	**(182,205)**	**-**
Depreciation charge	折舊費用	**-**	**(10,124)**	**(48,401)**	**(16,680)**	**(1,264)**	**(5,629)**	**-**	**(82,098)**
Exchange rate difference	匯率差異	**(4,738)**	**-**	**(594)**	**(81)**	**(1)**	**(1,280)**	**-**	**(6,694)**
Closing net book amount	**年末賬面淨值**	**33,914**	**309,108**	**474,073**	**115,323**	**5,521**	**30,215**	**315,105**	**1,283,259**
As at 31 December 2021	**於2021年12月31日**								
Cost	成本	**33,914**	**360,123**	**607,162**	**174,905**	**11,286**	**41,873**	**315,105**	**1,544,368**
Accumulated depreciation	累計折舊	**-**	**(51,015)**	**(133,089)**	**(59,582)**	**(5,765)**	**(11,658)**	**-**	**(261,109)**
Net book amount	**賬面淨值**	**33,914**	**309,108**	**474,073**	**115,323**	**5,521**	**30,215**	**315,105**	**1,283,259**

(a) In December 2020, the Group acquired a piece of freehold land located in Thailand for the construction of a manufacturing plant.

(a) 於2020年12月，本集團收購位於泰國的一塊永久業權土地，用於建設一個製造工廠。

7. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

Depreciation expenses has been charged to the consolidated statement of profit or loss and other comprehensive income as follows:

7. 物業、廠房及設備*(續)*

折舊開支已於綜合損益及其他全面收益表中扣除，列示如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cost of sales	銷售成本	**66,491**	49,985
Administrative and distribution expenses	行政及經銷開支	**15,607**	10,972
Total	總計	**82,098**	60,957

8. LEASES

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the balance sheet

The consolidated balance sheet shows the following amounts relating to leases:

8. 租賃

該附註載列有關本集團作為承租人所訂立租約的資料。

(i) 於資產負債表內確認的款項

綜合資產負債表所載列與租賃有關的款項如下：

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Right-of-use assets	使用權資產		
Land use rights	土地使用權	**129,872**	133,256
Leased properties and warehouses	租賃物業及倉庫	**151,231**	74,253
Total	總計	**281,103**	207,509

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Lease liabilities	租賃負債		
Current	流動	**36,976**	29,279
Non-current	非流動	**104,415**	44,357
Total	總計	**141,391**	73,636

8. LEASES *(Continued)*

(i) Amounts recognised in the balance sheet *(Continued)*

During the year ended 31 December 2021, the additions to land use rights and leased properties and warehouse amounted to Nil and RMB114,432,000 (2020: RMB64,778,000 and RMB51,778,000) respectively.

(ii) Amounts recognised in profit or loss

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

8. 租賃*(續)*

(i) 於資產負債表內確認的款項*(續)*

截至2021年12月31日止年度，土地使用權和租賃物業及倉庫新增金額分別為零及人民幣114,432,000元（2020年：人民幣64,778,000元及人民幣51,778,000元）。

(ii) 於損益內確認的款項

綜合損益及其他全面收益表所載列與租賃有關的款項如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Depreciation charge of right-of-use assets	**使用權資產的折舊費用**		
Land use rights	土地使用權	**3,841**	2,867
Leased properties and warehouses	租賃物業及倉庫	**31,040**	16,786
Total	總計	**34,881**	19,653
Interest expense (included in finance costs)	利息支出（計入融資成本）	**5,475**	2,007
Expense relating to short-term leases (included in cost of sales and administrative expenses)	與短期租賃有關的開支（計入銷售成本及行政開支）	**16,486**	15,317

8. LEASES *(Continued)*

(iii) The total cash outflow for leases in 2021 was RMB60,025,000 (2020:RMB28,799,000, not including the land use rights as acquired of RMB64,778,000).

(iv) The Group's leasing activities and how these are accounted for

The Group leases various offices, warehouses and has land use rights under long-term lease agreements. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

(v) Extension and termination options

Extension and termination options are included in some property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

8. 租賃 *(續)*

(iii) 2021年租賃相關現金流出總額為人民幣60,025,000元（2020年：人民幣28,799,000元，不包括收購的土地使用權人民幣64,778,000元）。

(iv) 本集團的租賃活動及其會計處理

本集團租賃多處辦公室、倉庫及擁有長期租賃協議下的土地使用權。每份合同的租賃條款均單獨商定，並且包括眾多不同的條款及條件。租賃協議不包含契約條款，但租賃資產不得用作借款抵押。

(v) 續租及終止選擇權

續租及終止選擇權包含在本集團若干物業租賃中。該等條款用於提高管理合約的運作靈活性。所持有的大部分續租及終止選擇權僅可由本集團行使，惟不可由各出租人行使。

9. SUBSIDIARIES

9. 附屬公司

(a) The Group's subsidiaries at 31 December 2021 are set out below:

(a) 本集團於2021年12月31日的附屬公司載列如下：

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的所有權權益	
				2021 2021年 %	2020 2020年 %	**2021 2021年 %**	2020 2020年 %
Directly held: *直接持有：*							
Yihai Ltd.	British Virgin Islands Limited liability company	Investment holding and consulting in British Virgin Islands	US$1	**100%**	100%	**-**	-
Yihai Ltd.	英屬處女群島有限責任公司	在英屬處女群島從事投資控股與諮詢	1美元	**100%**	100%	**-**	-
Indirectly held: *間接持有：*							
Yihai (China) Food Co., Ltd.	Hong Kong Limited liability company	Investment holding, consulting, and sales of hot pot condiment in Hong Kong	HK$10,000,000	**100%**	100%	**-**	-
頤海(中國)食品有限公司	香港有限責任公司	在香港從事投資控股、諮詢及銷售火鍋調味料	10,000,000港元	**100%**	100%	**-**	-
Yihai (Singapore) Food Pte. Ltd.	Singapore Limited liability company	Sales of hot pot condiment in Singapore	SGD 5,000,000	**100%**	100%	**-**	-
Yihai (Singapore) Food Pte. Ltd.	新加坡有限責任公司	在新加坡銷售火鍋調味料	5,000,000新加坡元	**100%**	100%	**-**	-
Yihai (US) Food Inc.	USA Incorporated company	Sales of hot pot condiment in the United States	US$100,000	**100%**	100%	**-**	-
Yihai (US) Food Inc.	在美國註冊成立公司	在美國銷售火鍋調味料	100,000美元	**100%**	100%	**-**	-
Yihai (Australia) Food Proprietary Limited	Australia Limited liability company	Yet to commence operation in Australia	AUD 10,000	**100%**	100%	**-**	-
Yihai (Australia) Food Proprietary Limited	澳大利亞有限責任公司	尚未在澳大利亞營運	10,000澳大利亞元	**100%**	100%	**-**	-

9. SUBSIDIARIES *(Continued)*

(a) The Group's subsidiaries at 31 December 2021 are set out below: *(Continued)*

9. 附屬公司*(續)*

(a) 本集團於2021年12月31日的附屬公司載列如下：*(續)*

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的所有權權益	
				2021 2021年 %	2020 2020年 %	**2021 2021年 %**	2020 2020年 %
Indirectly held: *間接持有：*							
Taiwan Yihai Food Co.,Ltd. Taiwan Yihai Food Co.,Ltd.	Taiwan Limited liability company 台灣有限責任公司	Sales of hot pot condiment in Taiwan 在台灣銷售火鍋調味料	TWD 6,500,000 6,500,000新台幣	**100%**	100%	**-**	-
Yihai Food (Thailand) Co., Ltd. Yihai Food (Thailand) Co., Ltd.	Thailand Limited liability company 泰國有限責任公司	Yet to commence operation in Thailand 尚未在泰國營運	THB 343,000,000 343,000,000泰銖	**100%**	100%	**-**	-
Yihai (Korea) Food Co., Ltd. Yihai (Korea) Food Co., Ltd.	South Korea Limited liability company 韓國有限責任公司	Sales of hot pot condiment in South Korea 在韓國銷售火鍋調味料	KRW 989,990,000 989,990,000韓元	**100%**	100%	**-**	-
Yihai Natural Food Manufacturing Sdn. Bhd. (iv) Yihai Natural Food Manufacturing Sdn. Bhd. (iv)	Malaysia Private limited company 馬來西亞私人有限責任公司	Manufacture and sales of hot pot condiment in Malaysia 在馬來西亞生產及銷售火鍋調味料	MYR 9,000,000 9,000,000馬來西亞令吉	**100%**	60%	**-**	40%
Yihai (UK) Food Ltd. Yihai (UK) Food Ltd.	The United Kingdom Limited liability company 英國有限責任公司	Sales of hot pot condiment in the United Kingdom 在英國銷售火鍋調味料	GBP 1,000,000 1,000,000英鎊	**100%**	100%	**-**	-
Yihai (Birmingham) Food Ltd Yihai (Birmingham) Food Ltd	The United Kingdom Limited liability company 英國有限責任公司	Manufacture and sales of hot pot condiment in the United Kingdom 在英國生產及銷售火鍋調味料	GBP 500,000 500,000英鎊	**100%**	100%	**-**	-

9. SUBSIDIARIES *(Continued)*

(a) The Group's subsidiaries at 31 December 2021 are set out below: *(Continued)*

9. 附屬公司*(續)*

(a) 本集團於**2021**年**12**月**31**日的附屬公司載列如下：*(續)*

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的所有權權益	
				2021 **2021年** **%**	2020 2020年 %	**2021** **2021年** **%**	2020 2020年 %
Indirectly held: *間接持有：*							
Yihai (Shanghai) Food Co., Ltd. (i)	Mainland China Limited liability company	Sales of hot pot condiment in China	US$50,000,000	**100%**	100%	**-**	-
頤海(上海)食品有限公司(i)	中國內地有限責任公司	在中國銷售火鍋調味料	50,000,000美元	**100%**	100%	**-**	-
Yihai (Zhengzhou) Food Co., Ltd.	Mainland China Limited liability company	Manufacture and sales of hot pot condiment in China	RMB1,000,000	**100%**	100%	**-**	-
頤海(鄭州)食品有限公司	中國內地有限責任公司	在中國生產及銷售火鍋調味料	人民幣1,000,000元	**100%**	100%	**-**	-
Chengdu Yueyihai Co., Ltd.	Mainland China Limited liability company	Manufacture and sales of hot pot condiment in China	RMB1,000,000	**100%**	100%	**-**	-
成都悅頤海商貿有限公司	中國內地有限責任公司	在中國生產及銷售火鍋調味料	人民幣1,000,000元	**100%**	100%	**-**	-
Yihai Beijing Trading Co., Ltd.	Mainland China Limited liability company	Sales of hot pot condiment in China	RMB1,000,000	**100%**	100%	**-**	-
頤海(北京)商貿有限責任公司	中國內地有限責任公司	在中國銷售火鍋調味料	人民幣1,000,000元	**100%**	100%	**-**	-
Yihai (Bazhou) Food Co., Ltd.	Mainland China Limited liability company	Manufacture and sales of hot pot condiment in China	RMB10,000,000	**100%**	100%	**-**	-
頤海(霸州)食品有限公司	中國內地有限責任公司	在中國生產及銷售火鍋調味料	人民幣10,000,000元	**100%**	100%	**-**	-
Yihai (Maanshan) Food Co., Ltd.	Mainland China Limited liability company	Manufacture and sales of hot pot condiment in China	RMB30,000,000	**100%**	100%	**-**	-
頤海(馬鞍山)食品有限公司	中國內地有限責任公司	在中國生產及銷售火鍋調味料	人民幣30,000,000元	**100%**	100%	**-**	-

9. SUBSIDIARIES *(Continued)*

(a) The Group's subsidiaries at 31 December 2021 are set out below: *(Continued)*

9. 附屬公司*(續)*

(a) 本集團於2021年12月31日的附屬公司載列如下：*(續)*

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的所有權權益	
				2021 2021年 %	2020 2020年 %	**2021 2021年 %**	2020 2020年 %
Indirectly held: *間接持有：*							
Fuhai (Maanshan) Food Co., Ltd. 馥海(馬鞍山)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣10,000,000元	**100%** **100%**	100% 100%	**-** **-**	- -
Fuhai (Shanghai) Food Technology Co., Ltd. (ii) 馥海(上海)食品科技有限公司(ii)	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣10,000,000元	**60%** **60%**	60% 60%	**40%** **40%**	40% 40%
Fuhai Bazhou Food Co., Ltd. 馥海霸州食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB1,000,000 人民幣1,000,000元	**100%** **100%**	100% 100%	**-** **-**	- -
Yihai (Chengdu) Food Co., Ltd. 頤海(成都)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣10,000,000元	**100%** **100%**	100% 100%	**-** **-**	- -
Yihai (Luohe) Food Co., Ltd. 頤海(漯河)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB10,000,000 人民幣10,000,000元	**100%** **100%**	100% 100%	**-** **-**	- -

9. SUBSIDIARIES *(Continued)*

(a) The Group's subsidiaries at 31 December 2021 are set out below: *(Continued)*

9. 附屬公司*(續)*

(a) 本集團於2021年12月31日的附屬公司載列如下：*(續)*

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的所有權權益	
				2021 2021年 %	2020 2020年 %	**2021 2021年 %**	2020 2020年 %
Indirectly held: *間接持有：*							
Yihai Japan Co., Ltd. Yihai Japan Co., Ltd.	Japan Limited liability company 日本有限責任公司	Sales of hot pot condiment in Japan 在日本銷售火鍋調味料	JPY 99,000,000 99,000,000日圓	**100%**	100%	**-**	-
Yihai (Canada) Food Inc. Yihai (Canada) Food Inc.	Canada Limited liability company 加拿大有限責任公司	Sales of hot pot condiment in Canada 在加拿大銷售火鍋調味料	CAD 10 10加元	**100%**	100%	**-**	-
Yihai Malaysia Food SDN.BHD. Yihai Malaysia Food SDN.BHD.	Malaysia Limited liability company 馬來西亞有限責任公司	Sales of hot pot condiment in Malaysia 在馬來西亞銷售火鍋調味料	MYR10,000,000 10,000,000馬來西亞令吉	**100%**	100%	**-**	-
Chengdu Fuhai Food Co., Ltd. 成都馥海食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB1,000,000 人民幣1,000,000元	**100%**	100%	**-**	-
Yihai (Kaifeng) Food Co.,Ltd 頤海(開封)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB1,000,000 人民幣1,000,000元	**100%**	100%	**-**	-
Fuhai (Henan) Food Co.,Ltd 馥海(河南)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Manufacture and sales of hot pot condiment in China 在中國生產及銷售火鍋調味料	RMB1,000,000 人民幣1,000,000元	**100%**	100%	**-**	-

9. SUBSIDIARIES *(Continued)*

(a) The Group's subsidiaries at 31 December 2021 are set out below: *(Continued)*

9. 附屬公司*(續)*

(a) 本集團於2021年12月31日的附屬公司載列如下：*(續)*

Name of company 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點及法定實體類型	Principal activities and place of operation 主要活動及經營地點	Particulars of issued share capital 已發行股本詳情	Ownership interest held by the Group 本集團持有的所有權權益		Ownership interest held by non-controlling interests 非控制權益持有的所有權權益	
				2021 2021年 %	2020 2020年 %	**2021 2021年 %**	2020 2020年 %
Indirectly held: *間接持有：*							
Fuhai (Zhaoqing) Food Co., Ltd. 馥海(肇慶)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB5,000,000 人民幣5,000,000元	**100%** **100%**	100% 100%	**-** **-**	- -
Yihai (Zhaoqing) Food Co., Ltd. 馥海(肇慶)食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB5,000,000 人民幣5,000,000元	**100%** **100%**	100% 100%	**-** **-**	- -
Fuhai (Singapore) Food Pte.Ltd. Fuhai (Singapore) Food Pte.Ltd.	Singapore Limited liability company 新加坡有限責任公司	Yet to commence operation in Singapore 尚未在新加坡營運	- -	**100%** **100%**	- -	**-** **-**	- -
Sichuan Yihai Food Chopsticks And Hands Co., LTD 四川頤海筷手食品有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB8,000,000 人民幣8,000,000元	**100%** **100%**	- -	**-** **-**	- -
Yihai(Anhui)Food Technology Co.,Ltd 頤海(安徽)食品科技有限公司	Mainland China Limited liability company 中國內地有限責任公司	Yet to commence operation in China 尚未在中國營運	RMB30,000,000 人民幣30,000,000元	**100%** **100%**	- -	**-** **-**	- -

9. SUBSIDIARIES *(Continued)*

(a) The Group's subsidiaries at 31 December 2021 are set out below: *(Continued)*

Notes:

(i) This subsidiary is a wholly foreign owned enterprises with limited liability established in mainland China.

(ii) This subsidiary is a foreign invested enterprise with limited liability established in mainland China.

(iii) Other subsidiaries established in the mainland China are wholly domestic owned companies.

(iv) During the year ended 31 December 2021, the Group acquired the remaining 40% equity interest of Yihai Natural Food Manufacturing Sdn. Bhd. ("Yihai Natural Food") from the then non-controlling shareholder at the cash consideration of MYR6,000,000 (equivalent to approximately RMB9,468,000). After that transaction, Yihai Natural Food became a wholly-owned subsidiary of the Group.

9. 附屬公司*(續)*

(a) 本集團於2021年12月31日的附屬公司載列如下：*(續)*

附註：

(i) 該附屬公司為於中國內地成立的外商獨資企業有限責任公司。

(ii) 該附屬公司為於中國內地成立的外商投資企業有限責任公司。

(iii) 其他於中國內地成立的附屬公司為國內獨資公司。

(iv) 截至2021年12月31日止年度內，本集團以現金代價6,000,000馬來西亞令吉（相當於約人民幣9,468,000元）向Yihai Natural Food Manufacturing Sdn. Bhd.（「Yihai Natural Food」）當時的非控股股東收購尚餘的Yihai Natural Food 40%股權。交易後，Yihai Natural Food成為本集團的全資附屬公司。

9. SUBSIDIARIES *(Continued)*

(b) Non-controlling interests ("NCI")

Set out below is summarised financial information for a subsidiary that has non-controlling interests that are material to the Group.

The amounts disclosed for the subsidiary are before inter-company eliminations.

9. 附屬公司*(續)*

(b) 非控制權益(「非控制權益」)

以下所載為一家附屬公司(擁有對本集團而言屬重大的非控制權益)的財務資料摘要。

就該附屬公司披露的金額尚未進行公司間對銷。

Summarised balance sheet

資產負債表概要

		Fuhai (Shanghai) Food Technology Co., Ltd. 馥海(上海)食品科技有限公司 As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Current assets	流動資產	**627,036**	549,472
Current liabilities	流動負債	**188,370**	107,254
Current net assets	**流動資產淨值**	**438,666**	442,218
Non-current assets	非流動資產	**356,736**	88,634
Non-current liabilities	非流動負債	**37,526**	1,906
Non-current net assets	**非流動資產淨值**	**319,210**	86,728
Net assets	**資產淨值**	**757,876**	528,946
Accumulated NCI	累計非控制權益	**303,150**	211,578

9. SUBSIDIARIES *(Continued)*

(b) Non-controlling interests ("NCI") *(Continued)*

Summarised statement of profit or loss and other comprehensive income
損益及其他全面收益表概要

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Revenue	收入	**1,585,717**	1,471,152
Profit for the year	**年內溢利**	**228,931**	251,489
Other comprehensive income	其他全面收入	**–**	–
Total comprehensive income	**全面收入總額**	**228,931**	251,489
Profit allocated to NCI	分配至非控制權益的溢利	**91,572**	100,596

Summarised cash flows
現金流量概要

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cash flows generated from operating activities	經營活動所得現金流量	**224,579**	284,186
Cash flows used in investing activities	投資活動所用現金流量	**(220,553)**	(32,528)
Cash flows used in financing activities	融資活動所用現金流量	**(9,840)**	(1,740)
Net (decrease)/increase in cash and cash equivalents	**現金及現金等價物（減少）／增加淨額**	**(5,814)**	249,918

9. 附屬公司 *(續)*

(b) 非控制權益（「非控制權益」）*(續)*

10. DEFERRED INCOME TAX

(i) Deferred income tax assets

10. 遞延所得稅

(i) 遞延所得稅資產

		As at 31 December 於12月31日	
		2021 **2021年** **RMB'000** 人民幣千元	2020 2020年 RMB'000 人民幣千元
The balance comprises temporary differences attributable to:	結餘包括歸屬於下列各項的暫時差異：		
Unrealised profit on intra-group sales	集團內部銷售未變現溢利	**3,394**	4,379
Tax losses	稅項虧損	**34,373**	10,711
Lease liabilities	租賃負債	**34,754**	9,681
Government grants	政府補助	**5,641**	–
Others	其他	**929**	1,199
Total deferred income tax assets	遞延所得稅資產總值	**79,091**	25,970
Set-off of deferred income tax liabilities	抵銷遞延所得稅負債	**(33,929)**	(9,494)
Net deferred income tax assets	遞延所得稅資產淨額	**45,162**	16,476

10. DEFERRED INCOME TAX *(Continued)*

(i) Deferred income tax assets *(Continued)*

The movement in deferred income tax assets during the year ended 31 December 2021, without taking into consideration of the offsetting of balances within the same tax jurisdiction, is as follows:

10. 遞延所得稅*(續)*

(i) 遞延所得稅資產*(續)*

在不考慮相同稅務司法權區內可抵銷餘額的情況下，於截至2021年12月31日止年度的遞延所得稅資產變動如下：

Movements	變動	Unrealised profit on intra-group sales 集團內部銷售未變現溢利 RMB'000 人民幣千元	Tax losses 稅項虧損 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Sales rebates 銷售返利 RMB'000 人民幣千元	Government grants 政府補助 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2020	於2020年1月1日	7,978	9,527	9,610	5,864	–	1,849	34,828
(Charged)/credited to profit or loss	(扣除)／計入損益表	(3,599)	1,184	71	(5,864)	–	(650)	(8,858)
As at 31 December 2020	於2020年12月31日	4,379	10,711	9,681	–	–	1,199	25,970
(Charged)/credited to profit or loss	(扣除)／計入損益表	**(985)**	**23,662**	**25,073**	**–**	**5,641**	**(270)**	**53,121**
As at 31 December 2021	於2021年12月31日	**3,394**	**34,373**	**34,754**	**–**	**5,641**	**929**	**79,091**

The Group only recognises deferred income tax assets for cumulative tax losses if it is probable that future taxable amounts will be available to utilise those tax losses. Management will continue to assess the recognition of deferred income tax assets in future reporting periods. As of December 31, 2021, the Group did not recognise deferred income tax assets of RMB5,394,000 (2020: Nil) in respect of cumulative tax losses amounting to RMB21,576,000 (2020: Nil). These tax losses will expire from 2022 to 2026.

僅在在未來很可能會有應課稅金額用於動用該等稅項虧損時，本集團才會就累計稅項虧損確認遞延所得稅資產。管理層將繼續評估未來匯報期間遞延所得稅資產的確認。於2021年12月31日，本集團未就金額為人民幣21,576,000元（2020年：零）的累計稅項虧損確認遞延所得稅資產人民幣5,394,000元（2020年：零）。該等稅項虧損將於2022年至2026年到期。

10. DEFERRED INCOME TAX *(Continued)*

(ii) Deferred income tax liabilities

10. 遞延所得稅*(續)*

(ii) 遞延所得稅負債

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
The balance comprises temporary differences attributable to:	**結餘包括歸屬於下列各項的暫時差異：**		
Withholding income tax on profit distribution of mainland China subsidiaries	中國內地附屬公司分派溢利的預提所得稅	**20,000**	20,000
Right-of-use assets	使用權資產	**37,222**	9,805
Fair value changes of investments in financial assets	金融資產投資公平值變動	**12,769**	3,435
Total deferred income tax liabilities	遞延所得稅負債總額	**69,991**	33,240
Set-off of deferred income tax liabilities	抵銷遞延所得稅負債	**(33,929)**	(9,494)
Net deferred income tax liabilities	遞延所得稅負債淨值	**36,062**	23,746

Movements	**變動**	**Withholding income tax on profit distribution of mainland China subsidiaries 中國內地附屬公司分派溢利的預提所得稅 RMB'000 人民幣千元**	**Right-of-use assets 使用權資產 RMB'000 人民幣千元**	**Fair value changes of investments in financial assets 金融資產投資公平值變動 RMB'000 人民幣千元**	**Total 總計 RMB'000 人民幣千元**
As at 1 January 2020	**於2020年1月1日**	–	9,383	381	9,764
Charged to the profit or loss	於損益表扣除	20,000	422	3,054	23,476
As at 31 December 2020	**於2020年12月31日**	20,000	9,805	3,435	33,240
Charged to the profit or loss	於損益表扣除	**10,000**	**27,417**	**9,334**	**46,751**
Payment of withholding tax (Note 29)	派付預扣稅（附註29）	**(10,000)**	**–**	**–**	**(10,000)**
As at 31 December 2021	**於2021年12月31日**	**20,000**	**37,222**	**12,769**	**69,991**

11. INVENTORIES

11. 存貨

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Raw materials	原材料	**159,209**	145,657
Finished goods	製成品	**236,071**	260,376
Total inventories	存貨總額	**395,280**	406,033

The cost of inventories recognised as expense and included in 'cost of sales' amounted to RMB3,602,542,000 (2020: RMB2,939,482,000), which included write-off of obsolete inventories of RMB8,180,000 (2020: RMB3,914,000).

確認為開支並計入「銷售成本」的存貨成本為人民幣3,602,542,000元(2020年：人民幣2,939,482,000元)，其包括存貨報廢人民幣8,180,000元(2020年：人民幣3,914,000元)。

12. OTHER ASSETS

12. 其他資產

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Prepayments for property, plant and equipment	物業、廠房及設備預付款項	**205,373**	148,053
Prepayments for purchase of raw materials	購買原材料預付款項	**90,579**	53,635
Value-added tax recoverable	可收回增值税	**46,346**	33,301
Prepayments for marketing and consulting expenses	營銷及諮詢費用預付款	**20,889**	10,570
Prepayments for short-term leases of warehouses and staff quarters	倉庫及員工宿舍短期租約預付款項	**3,283**	6,130
Others	其他	**5,587**	3,572
		372,057	255,261
Less: non-current items	減：非即期項目	**(205,373)**	(148,053)
Other current assets	其他流動資產	**166,684**	107,208

13. TRADE RECEIVABLES

13. 貿易應收款項

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Trade Receivables	貿易應收款項		
– Third parties	– 第三方	**20,503**	6,184
– Related parties (Note 34(d))	– 關聯方（附註34(d)）	**216,229**	184,712
		236,732	190,896
Less: provision for impairment	減：減值撥備	**(210)**	(67)
Trade receivables – net	貿易應收款項 – 淨額	**236,522**	190,829

(i) The majority of the Group's third party sales are conducted through receiving advances from customers before delivering the goods to customers, with only a few customers who are granted with credit periods ranged from 30 to 90 days. The related party customers of the Group are granted with 30 days credit period. Ageing analysis based on recognition date of the trade receivables at the respective balance sheet dates is as follows:

(i) 本集團的第三方銷售大部分以向客戶交付貨物前收取客戶墊款的方式進行，當中僅有少數客戶獲授出介乎30至90天的信貸期。本集團的關聯方客戶獲授出30天的信貸期。根據貿易應收款項的確認日期於各結算日的賬齡分析如下：

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Within 3 months	3個月內	**236,732**	189,357
3 to 6 months	3至6個月	**–**	1,539
		236,732	190,896

13. TRADE RECEIVABLES *(Continued)*

(ii) The carrying amounts of trade receivables approximate their fair values.

(iii) Impairment and risk exposure

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Note 3.1(b) provides for details about the calculation of the allowance.

Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk has been set out in Note 3.1.

13. 貿易應收款項*(續)*

(ii) 貿易應收款項的賬面值與其公平值相若。

(iii) 減值及風險承擔

本集團採用國際財務報告準則第9號的簡化方法計量預期信貸虧損，就所有貿易應收款項整個存續期計量預期虧損撥備。附註3.1(b)提供有關撥備的計算方法詳情。

有關貿易應收款項減值及本集團信貸風險與外幣風險承擔的資料載於附註3.1。

14. OTHER FINANCIAL ASSETS AT AMORTISED COST

14. 按攤銷成本計量的其他金融資產

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Deposit for utilities and leases	公用設施及租賃押金	**16,226**	5,961
Others	其他	**1,598**	1,211
		17,824	7,172
Less: provision for impairment	減：減值撥備	**(178)**	(72)
Other financial assets at amortised cost – net	按攤銷成本計量的其他金融資產－淨額	**17,646**	7,100

(i) The carrying amounts of other financial assets at amortised cost approximate their fair values.

(i) 按攤銷成本計量的其他金融資產的賬面值與其公平值相若。

14. OTHER FINANCIAL ASSETS AT AMORTISED COST *(Continued)*

(ii) Impairment and risk exposure

Note 3.1 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

All of the financial assets at amortised cost are denominated in RMB. As a result, there is no exposure to foreign currency risk. There is also no exposure to price risk as the investments will be held to maturity.

14. 按攤銷成本計量的其他金融資產 *(續)*

(ii) 減值及風險承擔

附註3.1載列有關金融資產減值及本集團信貸風險承擔的資料。

全部按攤銷成本計量的金融資產均以人民幣計值。因此，不存在外匯風險。由於投資將持有至到期，因此亦不存在價格風險。

15. CASH AND BANK BALANCES

15. 現金及銀行結餘

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cash and cash equivalents (a)	現金及現金等價物(a)	**1,573,621**	1,986,929
Term deposits with initial term over one year (b)	初始期限超過一年的定期存款(b)	**660,000**	190,000
Term deposits with initial term over three months and within one year (b)	初始期限超過三個月及一年以內的定期存款(b)	**204**	131,937
		2,233,825	2,308,866

(a) Cash and cash equivalents include current deposits and term deposits with initial term within three months.

(a) 現金及現金等價物包括活期存款及初始期限為三個月內的定期存款。

(b) The interest rates on term deposits with initial term over three months and within one year as at 31 December 2021 range from 2.05% to 2.10% per annum. The interest rates on term deposits with initial term over one year as at 31 December 2021 range from 3.05% to 3.65% per annum. The deposits earn interests at fixed rates based on prevailing market rates.

(b) 於2021年12月31日，初始期限為三個月以上及一年以內的定期存款的年利率為介乎2.05%至2.10%。於2021年12月31日，初始期限為一年以上的定期存款的年利率介乎3.05%至3.65%。存款按現行市價的固定利率賺取利息。

15. CASH AND BANK BALANCES *(Continued)*

(c) As at 31 December 2021 and 2020, cash and bank balances were denominated in the following currencies:

15. 現金及銀行結餘*(續)*

(c) 於2021年及2020年12月31日，現金及銀行結餘以下列貨幣計值：

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
RMB	人民幣	**1,788,040**	1,678,010
US$	美元	**276,379**	518,794
HK$	港元	**47,103**	46,039
Others	其他	**122,303**	66,023
Total	總計	**2,233,825**	2,308,866

As at 31 December 2021, cash and cash equivalents of RMB1,687,000 (2020: RMB38,573,000) represented deposits held in certain online payment platforms.

於2021年12月31日，現金及現金等價物人民幣1,687,000元（2020年：人民幣38,573,000元）為在若干網絡付款平台持有的存款。

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of mainland China are subject to relevant rules and regulations of foreign exchange control promulgated by mainland China government.

將以人民幣列值的結餘換算為外幣及將該等外幣計值的銀行結餘及現金匯出中國內地，須遵守中國內地政府頒佈的有關外匯管制規則及法規。

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI;
- equity investments that are held for trading; and
- equity investments for which the Group has not elected to recognise fair value gains and losses through OCI.

Financial assets measured at FVPL include the following:

16. 按公平值計入損益的金融資產

(i) 按公平值計入損益的金融資產的分類

本集團將下列金融資產分類為按公平值計入損益(按公平值計入損益):

- 不合資格按攤銷成本或按公平值計入其他全面收益計量的債務投資;
- 持作交易的股本投資;及
- 本集團並無選擇透過其他全面收益確認公平值收益及虧損的股本投資。

按公平值計入損益計量的金融資產包括以下各項:

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Non-current assets	**非流動資產**		
– Private equity fund investments	– 私募股權基金投資	**32,692**	19,576
– Unlisted equity securities	– 非上市股本證券	**60,033**	23,088
– Unlisted investment in AFTP	– 於集合資金信託計劃的非上市投資	**22,204**	41,008
		114,929	83,672
Current assets	**流動資產**		
– Wealth management products	– 理財產品	**5,000**	–

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS *(Continued)*

(i) Classification of financial assets at fair value through profit or loss *(Continued)*

Financial assets at FVPL are denominated in the following currencies:

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
– RMB	– 人民幣	**87,237**	64,096
– US$	– 美元	**32,692**	19,576
		119,929	83,672

(ii) Amounts recognised in profit or loss

During the year, the following gains were recognised in profit or loss:

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Fair value gains on investments at FVPL (Note 27)	按公平值計入損益的公平值投資收益（附註27）	**64,050**	28,574

(iii) Risk exposure and fair value measurements

Information about the methods and assumptions used in determining fair value has been set out in Note 3.3.

16. 按公平值計入損益的金融資產 *(續)*

(i) 按公平值計入損益的金融資產的分類 *(續)*

按公平值計入損益計量的金融資產以下列貨幣計值：

		於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
– RMB	– 人民幣	**87,237**	64,096
– US$	– 美元	**32,692**	19,576
		119,929	83,672

(ii) 於損益內確認的金額

年內，下列收益於損益內確認：

		截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Fair value gains on investments at FVPL (Note 27)	按公平值計入損益的公平值投資收益（附註27）	**64,050**	28,574

(iii) 風險承擔及公平值計量

有關釐定公平值時所用的方法及假設的資料載於附註3.3。

17. SHARE CAPITAL

17. 股本

		2021 2021年 Shares 股份	2020 2020年 Shares 股份	2021 2021年 US$'000 千美元	2020 2020年 US$'000 千美元
Authorised:	法定：				
Ordinary shares of US$0.00001 each	每股0.00001美元的普通股				
On 1 January 2020, 31 December 2020 and 2021	於2020年1月1日、2020年及2021年12月31日	**5,000,000,000**	5,000,000,000	**50**	50

Issued and fully paid ordinary shares: 已發行及繳足普通股：

		Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值 US$ 美元	Equivalent nominal value of ordinary shares 普通股等額面值 RMB'000 人民幣千元
On 1 January 2020, 31 December 2020 and 2021	於2020年1月1日、2020年及2021年12月31日	**1,046,900,000**	**10,469**	**68**

18. SHARES HELD FOR EMPLOYEE SHARE SCHEME

18. 就僱員股份計劃持有的股份

		2021 2021年 Shares 股份	2020 2020年 Shares 股份	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Shares held for employee share scheme of US$0.00001 each	就僱員股份計劃持有每股0.00001美元的股份	**66,568,000**	66,568,000	**4**	4

19. OTHER RESERVES

The following table shows the movements in other reserves during the year.

19. 其他儲備

下表列示其他儲備於年內的變化。

		Share premium 股份溢價 RMB'000 人民幣千元	Merger reserve (Note a) 合併儲備（附註a） RMB'000 人民幣千元	Statutory reserve (Note b) 法定儲備（附註b） RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Foreign currency translation 外幣換算 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2020	**於2020年1月1日**	806,403	(445)	142,964	–	835	949,757
Currency translation differences	匯兑差額	–	–	–	–	(160)	(160)
Appropriation to statutory reserves	撥作法定儲備	–	–	33,102	–	–	33,102
Dividends paid (Note 31)	已付股息（附註31）	(203,653)	–	–	–	–	(203,653)
As at 31 December 2020	**於2020年12月31日**	602,750	(445)	176,066	–	675	779,046
As at 1 January 2021	**於2021年1月1日**	**602,750**	**(445)**	**176,066**	**–**	**675**	**779,046**
Currency translation differences	匯兑差額	**–**	**–**	**–**	**–**	**(9,200)**	**(9,200)**
Appropriation to statutory reserves	撥作法定儲備	**–**	**–**	**35,513**	**–**	**–**	**35,513**
Acquisition of non-controlling interests	收購非控股權益	**–**	**–**	**–**	**(3,144)**	**–**	**(3,144)**
Dividends paid (Note 31)	已付股息（附註31）	**(243,529)**	**–**	**–**	**–**	**–**	**(243,529)**
As at 31 December 2021	**於2021年12月31日**	**359,221**	**(445)**	**211,579**	**(3,144)**	**(8,525)**	**558,686**

(a) The merger reserve represented the aggregate difference between the considerations paid and the carrying amounts of the acquired assets for the Listing pursuant to the completion of the reorganisation of the Group.

(a) 合併儲備指已付代價與根據本集團重組完成所收購上市資產的賬面值之間的總差額。

(b) The Company's subsidiaries incorporated in mainland China are required to make appropriations to statutory reserves from their profit for the year after offsetting accumulated losses carried forward from prior years as determined under mainland China accounting regulations and before distribution to equity holders. The percentages to be appropriated to such statutory reserve are determined according to the relevant regulations in mainland China, and further appropriation is optional when the accumulated fund is 50% or more of the registered capital of the subsidiaries.

(b) 本公司於中國內地註冊成立的附屬公司須自年內溢利中，經抵銷根據中國內地會計規例釐定的過往年度結轉累計虧損後以及於向股權持有人分派前，提撥法定儲備。向法定儲備撥款的百分比乃按照中國內地相關規例釐定，而倘累計資金達附屬公司註冊資本的50%或以上，則可選擇是否作進一步提撥。

20. RESTRICTED SHARE UNIT SCHEME

The Company adopted Restricted Share Unit (the "RSU") Scheme on 24 February 2016 with a duration of 10 years commencing from the adoption date. The objective of the RSU Scheme is to encourage and retain selected participants which include directors, employees, officers, and distributors of the Group, to work with the Group and to provide additional incentive for them to achieve performance goals.

Under the RSU Scheme, the Company repurchased 53,680,000 ordinary shares from JLJH YIHAI Ltd., one of the shareholders of the Company, at a total consideration of US$638,108 (equivalent to RMB4,166,000) in 2016. The shares under the RSU Scheme have been changed to 77,220,000 after the capitalisation issue on 13 July 2016. These RSU shares have been held by Vistra Fiduciary (HK) Limited ("RSU Trustee") in trust for the benefit of the participants to the scheme and will be released to participants upon vesting of each RSU.

The maximum number of ordinary shares that may be awarded by the Board of Directors pursuant to the Share Award Scheme must not, on an aggregate basis, exceed 10% of the issued ordinary shares in the share capital of the Company as at 24 February 2016.

The fair value of Restricted Shares based on the market value of the Company's shares on the grant date is charged to profit or loss as employee benefit expenses of the Group.

The Group has granted an aggregate of 10,652,000 shares under the Share Award Scheme and all awarded shares were vested before the year of 2019. There were no new granted shares under the Share Award Scheme during 2020 and 2021, and the impact on profit or loss was nil during the year ending 31 December 2021 and 2020.

20. 受限制股份單位計劃

本公司於2016年2月24日採納受限制股份單位(「受限制股份單位」)計劃，自採納日期起計為期10年。受限制股份單位計劃的目的為鼓勵及留住特定參與者(包括本集團董事、僱員、高級職員及經銷商)於本集團工作，並為彼等提供額外獎勵以實現業績目標。

根據受限制股份單位計劃，於2016年，本公司自本公司其中一名股東JLJH YIHAI Ltd.購回53,680,000股普通股，總代價為638,108美元(相等於人民幣4,166,000元)。於2016年7月13日資本化發行後，受限制股份單位計劃中的股份已變更為77,220,000股。該等受限制股份單位股份以信託方式由Vistra Fiduciary (HK) Limited(「受限制股份單位受託人」)就計劃參與者的利益持有，並將於每個受限制股份單位歸屬後發放予參與者。

董事會根據股份獎勵計劃可能獲得的普通股數目上限合共不得超過本公司股本於2016年2月24日已發行普通股的10%。

按本公司股份於授出日期的市場價值計算的受限制股份的公平值於本集團損益內作為僱員福利開支扣除。

本集團根據股份獎勵計劃授出合共10,652,000股股份，所有獎勵股份於2019年前已歸屬。於2020年及2021年，概無股份獎勵計劃下的新授出股份，截至2021年及2020年12月31日止年度，對損益的影響為零。

21. TRADE PAYABLES

Trade payables mainly arose from the purchase of materials. The credit terms of trade payables granted by the vendors are usually 30 to 90 days.

At 31 December 2021 and 2020, the ageing analysis of the trade payables based on invoice date is as follows:

21. 貿易應付款項

貿易應付款項主要源自購買材料。賣方授出的貿易應付款項信貸期通常為30至90天。

於2021年及2020年12月31日，基於發票日期的貿易應付款項賬齡分析如下：

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Within 3 months	3個月內	**292,197**	278,045
3 to 6 months	3個月至6個月	**1,737**	1,069
6 months to 1 year	6個月至1年	**326**	208
Total	總計	**294,260**	279,322

22. OTHER PAYABLES AND ACCRUALS

22. 其他應付款項及應計費用

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Other tax payables	其他應付稅項	**87,281**	47,903
Wages, salaries and other employee benefits	工資、薪金及其他僱員福利	**40,659**	80,825
Payables for equipment	應付設備款項	**28,208**	17,671
Suppliers' deposits	供應商按金	**23,640**	21,980
Payables for storage fee	應付存儲費用	**2,866**	6,164
Payables for construction	應付工程款	**4,371**	2,872
Payables for legal and professional fees	應付法律及專業費用	**3,766**	4,059
Amounts due to related parties (Note 34(d))	應付關聯方款項（附註34(d)）	**210**	519
Others	其他	**6,196**	10,082
Total	總計	**197,197**	192,075

23. CONTRACT LIABILITIES

23. 合約負債

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Advances from customers	預收客戶款項	**108,466**	80,100

(i) Revenue recognised in relation to contract liabilities:

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

(i) 就合約負債確認的收益：

下表列示於本報告期確認的與結轉合約負債有關的收益金額。

		Year ended 31 December 截至12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Revenue recognised that was included in the contract liability balance at the beginning of the reporting period	計入報告期初合約負債結餘的已確認收益	**80,100**	46,224

The increase in the contract liabilities in 2021 is due to the increase in the number of distributors resulted from continuous business development activities of the Group.

2021年合約負債增加是由於本集團持續業務發展活動令經銷商數目增加。

24. OTHER NON-CURRENT LIABILITY

24. 其他非流動負債

In 2021, the Group received a government subsidy for the construction of a manufacturing plant in the Maanshan city, the PRC with a total amount of RMB23,750,000, which is included in non-current liability as deferred income and is credited to profit or loss on a straight-line basis over the expected useful lives of the related asset of 20 years. The amounts of deferred income not expected to be realised to profit or loss within the next twelve months from 31 December 2021 amounted to approximately RMB22,563,000 as at 31 December 2021.

於2021年，本集團就建設位於中國馬鞍山市的生產廠房收到政府補助總額人民幣23,750,000元，列入非流動負債作為遞延收入，並按有關資產的20年預計使用年期以直線法計入損益。於2021年12月31日，預期不會自2021年12月31日起計未來12個月內變現至損益的遞延收入金額約為人民幣22,563,000元。

25. EXPENSES BY NATURE

Expenses included in cost of sales, distribution expenses and administrative expenses are analysed as follows:

25. 按性質劃分的開支

計入銷售成本、經銷開支及行政開支的開支分析如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Changes in inventories of finished goods	製成品存貨變動	**24,305**	(74,763)
Raw materials and consumables used	已使用原材料及耗材	**3,570,057**	3,010,331
Employee benefit expenses (Note 26)	僱員福利開支（附註26）	**521,595**	535,589
Transportation and related charges	運輸及相關支出	**199,568**	172,458
Advertising and other marketing expenses	廣告及其他營銷開支	**224,145**	139,478
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊（附註7）	**82,098**	60,957
Warehouse expenses	倉儲費用	**60,088**	45,324
Utilities	公共事業	**52,473**	37,640
Taxes and surcharges	稅項及附加費	**38,095**	35,583
Depreciation of right-of-use assets (Note 8)	使用權資產折舊（附註8）	**34,881**	19,653
Travel and entertainment expenses	差旅及招待費	**32,190**	27,489
Technical supporting fees, professional fees and other services fees	技術支援費用、專業費用及其他服務費用	**25,169**	27,384
Expense relating to short-term leases not included in lease liabilities (Note 8)	與短期租賃有關但不計入租賃負債的開支（附註8）	**16,486**	15,317
Auditor's remuneration	核數師薪酬		
– Audit services	– 審計服務	**3,260**	2,780
– Non-audit services	– 非審計服務	**680**	322
Amortisation of intangible assets (Note 6)	無形資產攤銷（附註6）	**6,221**	5,551
Provision for/(reversal of) impairment on financial assets (Note 3.1(b))	金融資產的減值撥備／（撥回）（附註3.1(b)）	**249**	(2,462)
Write-off of obsolete inventories	存貨報廢	**8,180**	3,914
Other expenses	其他開支	**63,513**	51,368
Total	總計	**4,963,253**	4,113,913

26. EMPLOYEE BENEFIT EXPENSES

26. 僱員福利費用

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Wages, salaries and bonuses	工資、薪金及花紅	**487,019**	518,360
Contributions to pension plans (a)	退休金計劃(a)的供款	**16,528**	3,105
Other social security costs, housing benefits and other employee benefits	其他社會保障成本、住房福利及其他僱員福利	**18,048**	14,124
Total	總計	**521,595**	535,589

(a) Contributions to pension plans

Employees of the Group companies in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group contributes funds which are calculated on fixed percentage of the employees' salary (subject to a floor and cap) as set by local municipal governments to each scheme locally to fund the retirement benefits of the employees. No forfeited contributions have been utilised to offset against the Group's contribution to these schemes during the current and the prior year.

(a) 退休金計劃供款

本集團中國公司的僱員須參加由當地市政府管理及運作的界定供款退休計劃。本集團按當地市政府設定的僱員薪金的固定比率(受下限及上限所規限)向當地各計劃供款，為僱員的退休福利提供資金。於本年度及過往年度概無使用已沒收供款抵銷本集團於該等計劃的供款。

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2021 include 5 (2020: 5) directors whose emoluments are reflected in the analysis shown in Note 36.

(b) 五名最高薪酬人士

本集團截至2021年12月31日止年度的五名最高薪酬人士包括5名董事(2020年：5名)，其酬金於附註36所示的分析反映。

27. OTHER INCOME AND GAINS – NET

27. 其他收入及收益淨額

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Government grants	政府補助	**113,939**	101,333
Change in fair value of financial assets at fair value through profit or loss (Note 16(ii))	按公平值計入損益的金融資產的公平值變動(附註16(ii))		
– Realised investment income	– 已實現投資收益	**18,180**	18,150
– Unrealised fair value gain	– 未實現公平值收益	**45,870**	10,424
Sales of scrap materials	廢料銷售	**10,228**	8,606
Net foreign exchange losses	外匯虧損淨額	**(18,810)**	(39,862)
Losses on disposal of property, plant and equipment	處置物業、廠房及設備的虧損	**(3,069)**	(1,995)
Donation	捐贈	**(6,140)**	(12,523)
Others	其他	**7,469**	3,542
Total other income and gains – net	其他收入及收益淨額總額	**167,667**	87,675

Government grant is mainly from value-added tax refund for growing local economic development and amortization of deferred income from assets-related government grant. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.

政府補助主要來自用於提升地方經濟開發的增值税退税及來自資產相關政府補助遞延收入的攤銷。概無有關該等補助的未履行情況或其他或然情況。本集團並無直接受惠於任何其他形式的政府資助。

28. FINANCE INCOME – NET

28. 融資收入淨額

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Finance income	*融資收入*		
– Interest income	– 利息收入	**28,605**	20,407
Finance costs	*融資成本*		
– Interest on lease liabilities (Note 8(ii))	– 租賃負債利息(附註8(ii))	**(5,475)**	(2,007)
Finance income – net	融資收入淨額	**23,130**	18,400

29. INCOME TAX EXPENSE

29. 所得稅開支

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Current income tax	即期所得稅	**328,972**	336,988
Deferred income tax (credit)/expense (Note 10) – Origination and reversal of temporary differences	遞延所得稅(抵免)／開支(附註10) – 暫時差額的產生及撥回	**(16,370)**	32,334
Income tax expense	所得稅開支	**312,602**	369,322

(a) Cayman Islands income tax

The Company was incorporated in Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and, accordingly, is exempted from payment of local income tax.

(a) 開曼群島所得稅

本公司根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司，故獲豁免繳納當地所得稅。

(b) Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 16.5% on the Group's estimated assessable profit for the year ended 31 December 2021 (2020: 16.5%).

(b) 香港利得稅

截至2021年12月31日止年度，本集團已就估計應課稅溢利按16.5%的稅率撥備香港利得稅(2020年：16.5%)。

(c) Overseas income tax

The Company's subsidiaries incorporated overseas are subject to overseas profits tax at 10% to 27% on estimated assessable profit for this year.

(c) 海外所得稅

本公司在海外註冊成立的附屬公司須就年內估計應課稅溢利按10%至27%的稅率繳納海外利得稅。

(d) Mainland China Corporate Income Tax ("CIT")

The income tax provision of the Group in respect of operations in mainland China has been calculated at the tax rate of 25% on the estimated assessable profits for the years ended 31 December 2021 and 2020, based on the existing legislation, interpretations and practices in respect thereof.

(d) 中國內地企業所得稅(「企業所得稅」)

本集團已根據現行法例、詮釋及有關慣例於截至2021年及2020年12月31日止年度就估計應課稅溢利按25%的稅率計算其中國內地業務的所得稅撥備。

29. INCOME TAX EXPENSE *(Continued)*

(e) Mainland China withholding tax ("WHT")

According the applicable mainland China tax regulations, dividends distributed by a company established in mainland China to a foreign investor with respect to profit derived after 1 January 2008 are generally subject to WHT at the rate of 10%. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between mainland China and Hong Kong, the relevant withholding tax rate will be 5%.

In anticipation of distributing a proportion of the profit earned for the year ended 31 December 2021 by one of the Company's mainland China subsidiaries to its overseas shareholder, also a subsidiary of the Company, a deferred tax liability of RMB20,000,000 (2020: RMB20,000,000) was recognised in these consolidated financial statements.

Deferred income tax liabilities of RMB152,534,000 (2020: RMB224,147,200) have not been recognised in these financial statements as the withholding tax that would be payable on the distributable retained earnings of the Company's subsidiaries in mainland China. Such amounts totaling RMB3,050,678,000 (2020: RMB2,241,472,000) are not currently intended to be distributed to the subsidiaries incorporated overseas in the foreseeable future.

29. 所得稅開支*(續)*

(e) 中國內地預扣稅(「預扣稅」)

根據適用的中國內地稅務法規，於中國內地成立的公司就2008年1月1日之後賺取的溢利向境外投資者分派股息一般須按10%稅率繳納預扣稅。倘若境外投資者於香港註冊成立，並符合中國內地與香港訂立的雙邊稅務安排項下的條件及規定，則相關預扣稅稅率將為5%。

預計將截至2021年12月31日止年度本公司其中一家中國內地附屬公司賺取的部分溢利分配予其境外股東(亦為本公司的附屬公司)，已於該等綜合財務報表確認遞延稅項負債人民幣20,000,000元(2020年：人民幣20,000,000元)。

本集團並未於該等財務報表將遞延所得稅負債人民幣152,534,000元(2020年：人民幣224,147,200元)確認為本公司中國內地附屬公司產生的可分派保留盈利而可能需支付的預扣稅。該等保留盈利合共為人民幣3,050,678,000元(2020年：人民幣2,241,472,000元)，目前並無計劃在可見將來分配予在海外註冊成立的附屬公司。

29. INCOME TAX EXPENSE *(Continued)*

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the domestic tax rates applicable to profits in the respective countries are as follows:

29. 所得稅開支*(續)*

對本集團除所得稅前溢利所徵稅款與按有關國家適用於溢利的國內稅率產生的理論稅款的差額如下：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	**1,170,161**	1,352,183
Tax calculated at domestic tax rates applicable to profits in the respective countries	按有關國家適用於溢利的國內稅率計算的稅項	**293,888**	345,765
Expenses not deductible for tax purposes	不可扣稅開支	**3,349**	3,776
Income not subject to tax	毋須課稅收入	**(29)**	(219)
Reversal of prior year's over-provision of withholding taxation on the distribution of profits of a mainland China subsidiary to an overseas subsidiary (i)	中國內地附屬公司向境外附屬公司所分派溢利的預扣稅的過往年度超額撥備撥回(i)	**(10,000)**	–
Withholding taxation on the distribution of profits of a mainland China subsidiary to an overseas subsidiary during the year	年內中國內地附屬公司向境外附屬公司所分派溢利的預扣稅	**20,000**	20,000
Tax losses for which no deferred income tax asset was recognised	尚未確認遞延所得稅資產的稅項虧損	**5,394**	–
Taxation charge	稅項支出	**312,602**	369,322

(i) As at 31 December 2020, one of the Company's mainland China subsidiary (the "mainland China company") recognized a deferred income tax liability of RMB20,000,000 with intended distribution profit to its Hong Kong shareholder ("HK company", also a subsidiary of the Company) amounting to RMB200,000,000 at 10% withholding tax rate. During the year 2021, the HK company completed its tax filing to meet the conditions and requirements under the double taxation treaty arrangement, which leads to a change of applicable withholding tax rate to 5%. Therefore, the mainland China company eventually paid RMB10,000,000 withholding tax and the over-provision of withholding tax of RMB10,000,000 was reversed during this year.

(i) 於2020年12月31日，本公司其中一家中國內地附屬公司(「中國內地公司」)確認遞延所得稅負債人民幣20,000,000元，向其香港股東(「香港公司」，亦為本公司附屬公司)的擬分配利潤為人民幣200,000,000元，預扣稅率為10%。於2021年，香港公司完成稅務申報，以符合雙重徵稅協定的條件及規定，從而導致適用預扣稅率變更為5%。因此，中國內地公司最終支付人民幣10,000,000元的預扣稅及撥回預扣稅超額撥備人民幣10,000,000元。

30. EARNINGS PER SHARE

a. Basic earnings per share

Basic earnings per share for each of the years ended 31 December 2021 and 2020 are calculated by dividing the profit of the Group attributable to the owners of the Company by the weighted average number of ordinary shares in issue less shares held for RSU Scheme during the year.

30. 每股盈利

a. 每股基本盈利

截至2021年及2020年12月31日止年度各年的每股基本盈利乃按本公司擁有人應佔本集團溢利除以已發行普通股加權平均數與年內根據受限制股份單位計劃所持股份數目之差額計算。

		Year ended 31 December 截至12月31日止年度	
		2021 2021年	2020 2020年
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利（人民幣千元）	**766,201**	885,222
Weighted average number of ordinary shares in issue less shares held for RSU Scheme (thousands)	已發行普通股的加權平均數減去就受限制股份單位計劃持有的股份（千股）	**980,332**	980,332
Basic earnings per share (RMB cents)	每股基本盈利（人民幣分）	**78.2**	90.2

b. Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

No diluted earnings per share have been presented since there was no potential dilutive ordinary share in issue for the years ended 31 December 2021 and 2020.

b. 每股攤薄盈利

每股攤薄盈利透過調整發行在外普通股的加權平均數以假設轉換所有潛在攤薄普通股而計算。

由於截至2021年及2020年12月31日止年度並無已發行潛在攤薄普通股，因而並無呈列每股攤薄盈利。

31. DIVIDENDS

(i) Ordinary shares

The total dividends paid in 2021 amounted to RMB243,529,000 or RMB25.003 cents per share (2020: RMB203,653,000 or RMB20.660 cents per share) (which are net of the dividend of RMB16,643,000 (2020: RMB13,829,000) attributable to the shares held for the RSU Scheme).

(ii) Dividends declared but not recognised at the end of the reporting period

Pursuant to resolution passed on 23 March 2022, the Board of Directors of proposed a final dividend of RMB21.9563 cents per ordinary share of the Company, amounting to RMB229,861,000 for the year ended 31 December 2021 from the Company's share premium. The final dividend is to be proposed for approval by the shareholders of the Company at the annual general meeting to be held on 20 May 2022. This proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation from the share premium account for the year ending 31 December 2022.

31. 股息

(i) 普通股

於2021年已付股息總額為人民幣243,529,000元或每股人民幣25.003分(2020年：人民幣203,653,000元或每股人民幣20.660分)(已扣除為受限制股份計劃持有的股份應佔股息人民幣16,643,000元(2020年：人民幣13,829,000元))。

(ii) 於報告期末已宣派但未確認的股息

根據於2022年3月23日通過的決議案，董事會建議以本公司的股份溢價派付截至2021年12月31日止年度末期股息每股本公司普通股人民幣21.9563分，金額為人民幣229,861,000元。末期股息將於2022年5月20日舉行的股東週年大會上提呈本公司股東批准。建議派發的股息不會於該等綜合財務報表中反映為應付股息，而是於截至2022年12月31日止年度反映為股份溢價賬撥備。

32. THE CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION:

32. 綜合現金流量表資料：

(a) Cash generated from operations:

(a) 經營所得現金：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	**1,170,161**	1,352,183
Adjustments for:	就以下各項作出調整：		
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊（附註7）	**82,098**	60,957
Depreciation of right-of-use assets (Note 8)	使用權資產折舊（附註8）	**34,881**	19,653
Amortisation of intangible assets (Note 6)	無形資產攤銷（附註6）	**6,221**	5,551
Amortization of deferred income from government grant	來自政府補助的遞延收入的攤銷	**(1,187)**	–
Write-off of obsolete inventories (Note 11)	存貨報廢（附註11）	**8,180**	3,914
Losses on disposal of property, plant and equipment (Note 27)	處置物業、廠房及設備的虧損（附註27）	**3,069**	1,995
Change in fair value of financial assets at fair value through profit or loss (Note 27)	按公平值計入損益的金融資產公平值變動（附註27）	**(64,050)**	(28,574)
Finance income – net (Note 28)	融資收入淨額（附註28）	**(23,130)**	(18,400)
Provision for/(reversal of) impairment on financial assets (Note 25)	金融資產的減值撥備／（撥回）（附註25）	**249**	(2,462)
Losses on disposal of right-of-use assets	處置使用權資產的虧損	**–**	(275)
Net foreign exchange losses (Note 27)	匯兑收入淨額（附註27）	**18,810**	39,862
Changes in working capital:	營運資金變動：		
– Inventories	– 存貨	**2,573**	(112,613)
– Trade receivables, other financial assets at amortised cost and other current assets	– 貿易應收款項、按攤銷成本計量的其他金融資產及其他流動資產	**(115,964)**	100,701
– Trade payables, other payables and accruals and contract liabilities	– 貿易應付款項、其他應付款項及應計費用以及合約負債	**36,410**	74,816
Cash generated from operations	經營所得現金	**1,158,321**	1,497,308

32. THE CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION: *(Continued)*

32. 綜合現金流量表資料：*(續)*

(b) Proceeds from disposal of property, plant and equipment comprise:

(b) 出售物業、廠房及設備所得款項包括：

		Year ended 31 December 截至12月31日止年度	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Net book amount – property, plant and equipment (Note 7)	賬面淨值－物業、廠房及設備(附註7)	**4,791**	12,213
Loss on disposal of property, plant and equipment (Note 27)	處置物業、廠房及設備的虧損(附註27)	**(3,069)**	(1,995)
Proceeds from disposal of property, plant and equipment	處置物業、廠房及設備所得款項	**1,722**	10,218

(c) Major non-cash transactions

Other than the additions to right-of-use assets as described in Note 8, there were no other material non-cash transactions during the years ended December 31, 2021 and 2020.

(c) 主要非現金交易

除附註8所述的添置使用權資產外，於截至2021年及2020年12月31日止年度概無其他重大非現金交易。

(d) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(d) 淨債務對賬

這部分列示了所呈列各期的淨債務分析及淨債務變動。

32. THE CONSOLIDATED STATEMENT OF CASH FLOWS INFORMATION: *(Continued)*

32. 綜合現金流量表資料：*(續)*

(d) Net debt reconciliation *(Continued)*

(d) 淨債務對賬 *(續)*

As at 31 December 2021 and 2020, the Group did not have a net debt position.

截至2021年及2020年12月31日，本集團無淨債務。

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	**1,573,621**	1,986,929
Lease liabilities	租賃負債	**(141,391)**	(73,636)
		1,432,230	1,913,293
Cash and cash equivalents	現金及現金等價物	**1,573,621**	1,986,929
Gross debt – fixed interest rates	總債務－固定利率	**(141,391)**	(73,636)
		1,432,230	1,913,293

		Cash and cash equivalents 現金及現金等價物 RMB'000 人民幣千元	Liabilities from financing activities- Leases liabilities 融資活動負債- 租賃負債 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2020	**於2020年1月1日**	1,036,396	(39,151)	997,245
Cash flows	現金流	916,067	13,336	929,403
Addition – leases liabilities	新增－租賃負債	–	(45,814)	(45,814)
Interest on lease liabilities	租賃負債利息	–	(2,007)	(2,007)
Foreign exchange adjustments	外匯調整	34,466	–	34,466
As at 31 December 2020	**於2020年12月31日**	1,986,929	(73,636)	1,913,293
Cash flows	現金流	**(391,593)**	**46,029**	**(345,564)**
Addition – leases liabilities	新增－租賃負債	**–**	**(108,309)**	**(108,309)**
Interest on lease liabilities	租賃負債利息	**–**	**(5,475)**	**(5,475)**
Foreign exchange adjustments	外匯調整	**(21,715)**	**–**	**(21,715)**
As at 31 December 2021	**於2021年12月31日**	**1,573,621**	**(141,391)**	**1,432,230**

33. COMMITMENTS

Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follow:

33. 承擔

資本承擔

報告期末已訂約但尚未確認為負債的重大資本開支如下：

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	**722,114**	261,013

In July 2021, the Group entered into a limited partnership agreement with Yunfeng Fund IV with a total investment commitment of US$5 million. As of 31 December 2021, the Group has paid a capital investment of US$2 million, with a balance of US$3 million (equivalent to approximately RMB20 million) remaining outstanding.

於2021年7月，本集團與雲鋒基金IV訂立一份有限合夥協議，總投資承擔5百萬美元。於2021年12月31日，本集團支付資本投資2百萬美元，仍有尚未償還結餘3百萬美元（相當於約人民幣20百萬元）。

34. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family member of the Group are also considered as related parties.

Save as disclosed elsewhere in these consolidated financial statements, the Group has the following related party transactions, and they were carried out in the ordinary course of the Group's business and were determined based on mutually agreed terms.

34. 關聯方交易

如一方有能力直接或間接控制另一方或對另一方作出財務及經營決策行使重大影響力，則各方被視為有關聯。如彼等受共同控制，各方亦被視為有關聯。本集團主要管理層成員及其近親亦被視為關聯方。

除該等綜合財務報表其他部分所披露者外，本集團有以下關聯方交易，該等交易於本集團日常業務過程中進行且基於相互協定的條款釐定。

34. RELATED PARTY TRANSACTIONS *(Continued)*

34. 關聯方交易*(續)*

Name and relationship with related parties:

關聯方名稱及與關聯方的關係：

Names of the related parties **關聯方名稱**	**Nature of relationship** **關係性質**
Haidilao International Holding Ltd. and its subsidiaries ("Haidilao Group") 海底撈國際控股有限公司及其附屬公司(「海底撈集團」)	Companies beneficially owned by the ultimate shareholders 由最終股東實益擁有的公司
Shuhai (Beijing) Supply Chain Management Co., Ltd. and its subsidiaries ("Shuhai Group") 蜀海(北京)供應鏈管理有限責任公司及其附屬公司(「蜀海集團」)	Companies beneficially owned by the ultimate shareholders 由最終股東實益擁有的公司
Sichuan Haidilao Catering Co., Ltd. ("Sichuan Haidilao") 四川海底撈餐飲股份有限公司(「四川海底撈」)	Companies beneficially owned by the ultimate shareholders 由最終股東實益擁有的公司

(a) Transactions with related parties

(a) 與關聯方的交易

		Year ended 31 December **截至12月31日止年度**	
		2021 **2021年** **RMB'000** **人民幣千元**	2020 2020年 RMB'000 人民幣千元
Sales of goods to related parties (Note 5)	向關聯方銷售商品(附註5)	**1,935,018**	1,423,491
Purchase of goods from related parties	向關聯方採購商品	**13,749**	50,941

34. RELATED PARTY TRANSACTIONS *(Continued)*

(b) Warehouse and rental expenses

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Warehouse expenses	倉庫開支	**840**	2,262
Rental expenses	租賃開支	**2,995**	2,807

(c) Key management compensation

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, allowance and other benefits	薪金、津貼及其他福利	**16,671**	61,349

(d) Year-end balances with related parties were as follows:

		As at 31 December 於12月31日	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Assets	**資產**		
Trade receivables	貿易應收款項	**216,229**	184,712

34. 關聯方交易 *(續)*

(b) 倉庫及租賃開支

		截至12月31日止年度	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Warehouse expenses	倉庫開支	**840**	2,262
Rental expenses	租賃開支	**2,995**	2,807

(c) 主要管理人員薪酬

		截至12月31日止年度	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries, allowance and other benefits	薪金、津貼及其他福利	**16,671**	61,349

(d) 與關聯方的年末結餘如下：

		於12月31日	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Assets	**資產**		
Trade receivables	貿易應收款項	**216,229**	184,712

34. RELATED PARTY TRANSACTIONS *(Continued)*

(d) Year-end balances with related parties were as follows: *(Continued)*

34. 關聯方交易*(續)*

(d) 與關聯方的年末結餘如下：*(續)*

		As at 31 December 於12月31日	
		2021 **2021年** **RMB'000** 人民幣千元	2020 2020年 RMB'000 人民幣千元
Liabilities	負債		
Trade payables	貿易應付款項	**843**	3,778
Other payables and accruals	其他應付款項及應計費用	**210**	519
Contract liabilities	合約負債	**–**	547
		1,053	4,844

All the balances with related parties are unsecured, interest free and have no fixed terms of repayment.

與關聯方的所有結餘均屬於無抵押、免息且無固定償還期。

(e) Free trademark license agreement

On 1 December 2015, the Group entered into two trademark license agreements with Sichuan Haidilao in respect of certain trademarks which had been registered by the name of Sichuan Haidilao in mainland China and certain trademarks which are in the process of registration by Sichuan Haidilao in mainland China (collectively, the "Trademark License Agreements"), pursuant to which Sichuan Haidilao agreed to license such trademarks for the Group to use in connection with the Group's operations on an exclusive and royalty-free basis for a perpetual term commencing from 1 January 2007 to the extent permissible under the Listing Rules of The Stock Exchange of Hong Kong Limited (the "HKSE"), relevant laws and regulations.

(e) 免費商標許可協議

於2015年12月1日，本集團與四川海底撈就四川海底撈已在中國內地以四川海底撈名義註冊的若干商標和正在中國內地辦理註冊的若干商標訂立兩份商標許可協議(統稱「商標許可協議」)，據此，四川海底撈同意按獨家及免特許權使用費基准許可本集團在香港聯合交易所有限公司(「香港聯交所」)上市規則及相關法律法規允許的情況下就其業務營運永久使用該等商標，自2007年1月1日開始。

35. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

35. 本公司資產負債表及儲備變動

Balance sheet of the Company

本公司資產負債表

		As at 31 December 於12月31日	
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Assets	**資產**		
Non-current assets	**非流動資產**		
Investments in subsidiaries	於附屬公司的投資	**1,198,319**	1,198,319
Current assets	**流動資產**		
Dividends receivable	應收股息	**170,000**	–
Other financial assets at amortised cost (a)	按攤銷成本計量的其他金融資產(a)	**240,101**	249,890
Cash and cash equivalents	現金及現金等價物	**30,067**	231,989
Total current assets	**流動資產總值**	**440,168**	481,879
Total assets	**資產總值**	**1,638,487**	1,680,198
Equity	**權益**		
Equity attributable to owners of the Company	**本公司擁有人應佔權益**		
Share capital	股本	**68**	68
Share held for employee share scheme (Note 18)	僱員股份計劃持有的股份（附註18）	**(4)**	(4)
Reserves (b)	儲備(b)	**1,558,281**	1,662,849
Total equity	**權益總額**	**1,558,345**	1,662,913
Liabilities	**負債**		
Current liabilities	**流動負債**		
Other payables	其他應付款項	**80,142**	17,285
Total liabilities	**負債總額**	**80,142**	17,285
Total equity and liabilities	**權益及負債總額**	**1,638,487**	1,680,198

The balance sheet of the Company was approved by the Board of Directors of the Company on 23 March 2022 and was signed on its behalf.

本公司資產負債表已於2022年3月23日獲本公司董事會批准，並已代其簽署。

GUO QIANG
郭強
Director
董事

SUN SHENGFENG
孫勝峰
Director
董事

35. BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY *(Continued)*

(a) Other financial assets at amortised cost

Other financial assets at amortised cost of the Company primarily represent the amounts due from subsidiaries which are unsecured, interest-free and repayable on demand.

35. 本公司資產負債表及儲備變動 *(續)*

(a) 按攤銷成本計量的其他金融資產

本公司的按攤銷成本計量的其他金融資產主要指應收附屬公司款項，該等款項為無抵押、免息及須按要求償還。

(b) Reserve movement of the Company / (b) 本公司儲備變動

		Share premium 股份溢價 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	(Accumulated losses)/ retained earnings （累計虧損）／保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2020	**於2020年1月1日**	791,181	1,130,000	(4,323)	1,916,858
Loss for the year	年內虧損	–	–	(36,527)	(36,527)
Dividends paid	已付股息	(217,482)	–	–	(217,482)
As at 31 December 2020	**於2020年12月31日**	573,699	1,130,000	(40,850)	1,662,849
As at 1 January 2021	**於2021年1月1日**	**573,699**	**1,130,000**	**(40,850)**	**1,662,849**
Profit for the year	年內溢利	**–**	**–**	**155,604**	**155,604**
Dividends paid	已付股息	**(260,172)**	**–**	**–**	**(260,172)**
As at 31 December 2021	**於2021年12月31日**	**313,527**	**1,130,000**	**114,754**	**1,558,281**

36. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executives' emoluments

The remuneration of each director and chief executives for the year ended 31 December 2021 is set out below:

36. 董事利益及權益

(a) 董事及主要行政人員酬金

各董事及主要行政人員截至2021年12月31日止年度的酬金如下：

Name	姓名	Fees 袍金 RMB'000 人民幣千元	Salary 薪資 RMB'000 人民幣千元	Discretionary bonuses (i) 酌情花紅(i) RMB'000 人民幣千元	Retirement benefit scheme contributions 退休福利計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Executive directors	**執行董事**					
Mr. Sean Shi *(Chairman)*	施永宏先生*(主席)*	–	2,282	–	59	2,341
Mr. Guo Qiang (ii)	郭強先生(ii)	–	5,105	–	30	5,135
Mr. Sun Shengfeng	孫勝峰先生	–	3,200	443	48	3,691
Ms. Shu Ping	舒萍女士	–	1,156	–	59	1,215
Mr. Zhao Xiaokai (iii)	趙曉凱先生(iii)	–	4,200	1,655	49	5,904
Non-executive directors	**非執行董事**					
Mr. Zhang Yong	張勇先生	–	–	–	–	–
Independent non-executive directors	**獨立非執行董事**					
Mr. Yau Ka Chi	邱家賜先生	332	–	–	–	332
Mr. Qian Mingxing	錢明星先生	332	–	–	–	332
Ms. Ye Shujun	葉蜀君女士	332	–	–	–	332
Total	**總計**	996	15,943	2,098	245	19,282

36. BENEFITS AND INTERESTS OF DIRECTORS *(Continued)*

(a) Directors' and chief executives' emoluments *(Continued)*

The remuneration of each director and chief executives for the year ended 31 December 2020 is set out below:

36. 董事利益及權益*(續)*

(a) 董事及主要行政人員酬金*(續)*

各董事及主要行政人員截至2020年12月31日止年度的酬金如下：

Name	姓名	Fees 袍金 RMB'000 人民幣千元	Salary 薪資 RMB'000 人民幣千元	Discretionary bonuses (i) 酌情花紅(i) RMB'000 人民幣千元	Retirement benefit scheme contributions 退休福利計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Executive directors	**執行董事**					
Mr. Sean Shi *(Chairman)*	施永宏先生*(主席)*	–	8,340	23,307	–	31,647
Mr. Guo Qiang (ii)	郭強先生(ii)	–	11,650	–	2	11,652
Ms. Dang Chunxiang (iv)	黨春香女士(iv)	–	4,690	–	8	4,698
Mr. Sun Shengfeng	孫勝峰先生	–	5,848	–	8	5,856
Ms. Shu Ping	舒萍女士	–	1,813	5,700	–	7,513
Mr. Zhao Xiaokai (iii)	趙曉凱先生(iii)	–	7,488	–	8	7,496
Non-executive directors	**非執行董事**					
Mr. Zhang Yong	張勇先生	–	–	9,838	–	9,838
Independent non-executive directors	**獨立非執行董事**					
Mr. Yau Ka Chi	邱家賜先生	337	–	–	–	337
Mr. Qian Mingxing	錢明星先生	337	–	–	–	337
Ms. Ye Shujun	葉蜀君女士	337	–	–	–	337
Total	總計	1,011	39,829	38,845	26	79,711

(i) Discretionary bonuses paid for the year ended December 31, 2021 and 2020 represent the amounts in connection with the performance bonuses for the year ended December 31, 2021 and 2020, respectively.

(i) 截至2021年及2020年12月31日止年度支付的酌情花紅分別指截至2021年及2020年12月31日止年度表現花紅相關金額。

(ii) Mr. Guo Qiang has been appointed as the Chief Executive Officer of the Company with effect from March 25, 2020.

(ii) 郭強先生獲委任為本公司的首席執行官，自2020年3月25日起生效。

36. BENEFITS AND INTERESTS OF DIRECTORS *(Continued)*

(a) Directors' and chief executives' emoluments *(Continued)*

(iii) Mr. Zhao Xiaokai has been appointed as an executive directors of the Company with effect from August 25, 2020.

(iv) Ms. Dang Chunxiang ceased to be a director of the Company with effect from August 25, 2020.

(v) No directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as a compensation for loss of office as director.

(b) Directors' retirement benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking.

(c) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the year ended 31 December 2021.

(d) Consideration provided to third parties for making available directors' service

No payment was made to the former employer of directors for making available the services of them as a director of the Company.

36. 董事利益及權益*(續)*

(a) 董事及主要行政人員酬金*(續)*

(iii) 趙曉凱先生獲委任為本公司的執行董事，自2020年8月25日起生效。

(iv) 黨春香女士不再為本公司董事，自2020年8月25日起生效。

(v) 概無本公司任何董事放棄收取酬金，且本集團並無向本公司任何董事支付任何酬金，作為彼等加入本集團時或加入本集團後的獎勵或作為失去董事職位的補償。

(b) 董事的退休福利

概無董事就彼等有關本公司或其附屬公司事務管理的其他服務而收取或應收取任何退休福利。

(c) 董事的離職福利

截至2021年12月31日止年度，本公司並無就提前終止任期向董事作出任何付款作為補償。

(d) 就董事提供董事服務向第三方支付的代價

本公司並無就董事提供董事服務而向其前任僱主作出任何付款。

36. BENEFITS AND INTERESTS OF DIRECTORS *(Continued)*

(e) There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the year ended 31 December 2021.

(f) **Directors' material interests in transactions, arrangements or contracts**

Save for the transactions with related parties as disclosed in Note 34, no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 31 December 2021.

37. CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2021 and 2020.

36. 董事利益及權益*(續)*

(e) 截至2021年12月31日止年度，概無以董事、有關董事的受控制法人團體及關聯實體為受益人的貸款、準貸款及其他交易。

(f) **董事於交易、安排或合約中的重大權益**

除附註34所披露的關聯方交易外，截至2021年12月31日止年度結束時或於該年內任何時間，概無本公司參與訂立且本公司董事於其中擁有重大權益（無論是直接或間接）的與本集團業務有關的任何重大交易、安排及合約存續。

37. 或然負債

於2021年及2020年12月31日，本集團並無任何重大或然負債。

YIHAI
頤海
頤海國際控股有限公司
YIHAI INTERNATIONAL HOLDING LTD.