

Lifestyle

China Group Ltd.
利福中國集團有限公司

Stock Code 股份代號：2136

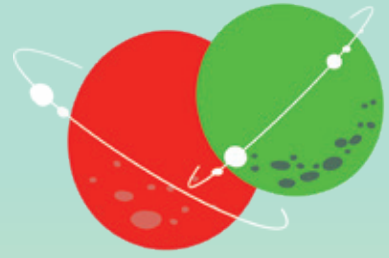
INTERIM
REPORT
2021 中期報告

久光

STRENGTH

AND

ADVERSITY



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FINANCIAL 財務摘要

HIGHLIGHTS

- Revenue increased 34.6% to RMB655.1 million
收入上升34.6%至人民幣655.1百萬元

- Profit attributable to owners of the Company increased 70.1% to RMB168.7 million
本公司擁有人應佔溢利上升70.1%至人民幣168.7百萬元

- Earnings per share amounted to RMB0.115, an increase of 70.1%
每股盈利為人民幣0.115元，上升70.1%



- No interim dividend has been declared by the Board
董事會不宣派任何中期股息

CORPORATE 企業資料

INFORMATION

Board of Directors

Executive Director

Mr. Lau Luen Hung, Thomas
(Chairman and Chief Executive Officer)

Non-executive Director

Ms. Chan Chor Ling, Amy

Independent Non-executive Directors

Ms. Cheung Mei Han
Mr. Cheung Yuet Man, Raymond
Mr. Lam Kwong Wai

Company Secretary

Mr. Poon Fuk Chuen

Audit Committee

Mr. Lam Kwong Wai (Chairman)
Ms. Cheung Mei Han
Mr. Cheung Yuet Man, Raymond

Remuneration Committee

Mr. Lau Luen Hung, Thomas
Mr. Lam Kwong Wai (Chairman)
Ms. Cheung Mei Han
Mr. Cheung Yuet Man, Raymond

Nomination Committee

Mr. Lau Luen Hung, Thomas (Chairman)
Ms. Cheung Mei Han
Mr. Cheung Yuet Man, Raymond
Mr. Lam Kwong Wai

Registered Office

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

董事會

執行董事

劉鑾鴻先生
(主席兼首席執行官)

非執行董事

陳楚玲小姐

獨立非執行董事

張美嫻小姐
張悅文先生
林光蔚先生

公司秘書

潘福全先生

審核委員會

林光蔚先生(主席)
張美嫻小姐
張悅文先生

薪酬委員會

劉鑾鴻先生
林光蔚先生(主席)
張美嫻小姐
張悅文先生

提名委員會

劉鑾鴻先生(主席)
張美嫻小姐
張悅文先生
林光蔚先生

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands



Head Office and Principal Place of Business in Hong Kong

20th Floor, East Point Centre
555 Hennessy Road
Causeway Bay, Hong Kong

Principal Bankers

Agricultural Bank of China
Industrial and Commercial Bank of China
Bank of China (Hong Kong) Limited

Auditor

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*

Hong Kong Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

Cayman Islands Share Registrar and Transfer Office

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100, Cayman Islands

Share Information

Place of listing: The Stock Exchange of Hong Kong Limited
Stock code: 2136
Board lot: 500 shares
Financial year end: 31 December
Closing share price at 30 June 2021: HK\$1.24
Market capitalisation at 30 June 2021: HK\$1,816 million

Website

www.lifestylechina.com.hk

總辦事處及香港主要營業地點

香港銅鑼灣
軒尼詩道555號
東角中心20樓

主要往來銀行

中國農業銀行
中國工商銀行
中國銀行(香港)有限公司

核數師

羅兵咸永道會計師事務所
執業會計師及
註冊公眾利益實體核數師

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17樓1712–1716號舖

開曼群島股份過戶登記處

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100, Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司
股份代號：2136
每手買賣單位：500股
財政年度年結日：十二月三十一日
於二零二一年六月三十日股份收市價：1.24港元
於二零二一年六月三十日市值：18.16億港元

網址

www.lifestylechina.com.hk



MANAGEMENT DISCUSSION 管理層討論及分析 AND ANALYSIS

Market Overview

The first half of 2021 was predominantly marked by the accelerated global rollout of several novel coronavirus (COVID-19) vaccines, the increasing containment of the pandemic and the highly uneven pace of global economic recovery. In China, market sentiment was mixed during the six months ended 30 June 2021 (the "Period"), with optimism drawn from the improved pandemic situation contrasting with concerns about a resurgence in infections and uncertainties arising from the economic front. Despite the precarious situation, China's economy was able to maintain its pace of recovery thanks to effective pandemic prevention and control measures alongside a steady vaccination rollout. As a result, the country's GDP grew by 12.7% year-on-year in the first half of the year, with continuous economic growth providing an impetus for the retail consumer market.

A series of policies to encourage domestic demand have been conducive to the expansion of consumption in the country, with total retail sales of consumer goods having increased by 23.0% year-on-year in the first half of 2021. If averaged with the figure from the corresponding period of 2020, when China's economy was hard hit by the pandemic, the growth during the two years was 4.4%. Physical retail stores continued to struggle, faced with heightened competition from their online counterparts due to the increased popularity of online shopping resulting from the outbreak of the pandemic. However, the department store sector proved to be an exception. Able to provide a more enjoyable shopping experience and an attractive product assortment, the sector enjoyed encouraging growth during the first half of the year, with retail sales up by 29.5% when compared with the same period of last year.

市場概覽

二零二一年上半年主要圍繞著多款新型冠狀病毒 (COVID-19) 疫苗於全球加快推出、疫情進一步受控，以及全球經濟復甦步伐高度不一致。在中國，於截至二零二一年六月三十日止六個月（「期內」）的市場氣氛好壞參半，疫情改善令人感到樂觀，惟感染個案重現及經濟方面的不明朗因素則令人憂慮。儘管情況未見穩定，但因防疫措施有效加上疫苗持續推出，中國經濟得以保持復甦，因此，中國國內生產總值於本年度上半年錄得按年增長12.7%，經濟持續增長亦刺激零售消費市場。

一系列促進國內需求的政策有利於擴張國內消費，而消費品的零售銷售總額於二零二一年上半年按年增加23.0%。如以二零二零年中國經濟於受疫情重創下的同期數字作平均計算，兩年內的增長則為4.4%。由於疫情爆發令網上購物日趨普及，線上競爭對手為實體零售店帶來更大的競爭，令實體零售店經營持續困難。然而，百貨店行業卻是上述情況之例外。百貨店能提供愉悅的購物體驗及具吸引力的產品組合，令該行業於上半年錄得令人鼓舞的增幅，其零售銷售較去年同期上升29.5%。



Financial Review

In response to the difficult market situation, the Group pushed forward by adopting a series of multifaceted strategies. It successfully overcame the challenges created by the uncertain macro environment by optimising its product mix, continuing to leverage its well-established brand equity, and promoting the new retail business to give full play to the complementary advantages of online and offline retailing. For the six months ended 30 June 2021, the Group's two department stores, Shanghai Jiuguang and Suzhou Jiuguang, both delivered a robust set of financial results.

Revenue and Sales Proceeds

For the six months ended 30 June 2021, the Group's revenue increased 34.6% year-on-year to RMB655.1 million, compared with RMB486.6 million in the same period of 2020. This growth was attributable to the resumption of economic activities as the pandemic was brought under control and the effective marketing strategies that the Group had implemented. The Group's total sales proceeds for the Period were RMB1,765.0 million, an increase of 42.9% from the RMB1,235.1 million recorded in the same period last year.

Gross Profit and Concessionaire Rate

The Group's gross profit amounted to RMB386.8 million for the Period and the gross profit margin as a percentage of total sales proceeds was approximately 21.9%, compared with RMB282.9 million and 22.9% in the same period of 2020, respectively. The Group's gross profit margin as a percentage of revenue slightly increased to 59.0% from 58.1% in the same period of 2020. The average concessionaire rate remained stable at approximately 20.6% in the Period.

Net Profit Attributable to Shareholders

Net profit attributable to shareholders of the Company for the Period amounted to RMB168.7 million, as compared with RMB99.2 million for the corresponding period of 2020. The increase in profit was mainly attributable to (i) significant sales growth at both Shanghai store and Suzhou store and (ii) a 54.6% increase in share of profits from Beiren Group, the Group's associates based in Hebei Province, the People's Republic of China, amid the continued recovery of the economy and retail consumption in Mainland China as the COVID-19 pandemic subsided. For the Period, the Group's net profit margin as a percentage of revenue rose to 25.7%, compared with 20.4% in the same period of 2020.

Selling and Distribution Costs

The Group's aggregate selling and distribution costs for the Period grew 18.8% to RMB218.7 million, compared with RMB184.1 million in the same period of 2020. This increase was mainly attributable to increase in turnover rent and operating expenses amid sales growth and a higher repair and maintenance expenses for the refurbishment of the stores. The Group's aggregate selling and distribution expenses as a percentage of total sales proceeds decreased slightly to approximately 12.4% for the Period from 14.9% in the same period of 2020.

財務回顧

為應對艱難的市場形勢，本集團以採用一系列多方位戰略推進。本集團透過加強產品組合、持續運用已確立的品牌認受性及推廣新零售業務，以充份把握線上及線下零售的優勢互補，成功克服於不明朗的宏觀環境所帶來的挑戰。截至二零二一年六月三十日止六個月，本集團兩間百貨店——上海久光及蘇州久光，兩者的財務業績均表現穩健。

收入及銷售所得款項

截至二零二一年六月三十日止六個月，本集團的收入按年上升34.6%至人民幣655.1百萬元，而二零二零年同期為人民幣486.6百萬元。該增幅乃由於疫情受控令經濟活動重現，以及本集團推行有效的營銷策略。本集團期內總銷售所得款總額為人民幣1,765.0百萬元，較去年同期的人民幣1,235.1百萬元上升42.9%。

毛利及特許專櫃扣率

本集團期內的毛利為人民幣386.8百萬元，毛利率按總銷售所得款總額之百分比約為21.9%，而二零二零年同期則分別為人民幣282.9百萬元及22.9%。本集團毛利率按收入之百分比相比二零二零年同期的58.1%微升至59.0%。平均特許專櫃扣率於期內持平約為20.6%。

股東應佔溢利淨額

期內本公司股東應佔溢利淨額為人民幣168.7百萬元，而二零二零年同期則為人民幣99.2百萬元。該溢利增加主要由於中國內地經濟和零售消費自COVID-19疫情消退後持續復甦而導致(i)上海店及蘇州店的銷售均大幅上升及(ii)本集團應佔位於中國河北省的聯營公司——北人集團的溢利增加54.6%。期內，本集團按收入之百分比的純利率上升至25.7%，而二零二零年同期為20.4%。

銷售及分銷成本

期內本集團的總銷售及分銷成本由二零二零年同期人民幣184.1百萬元增加18.8%至人民幣218.7百萬元。該升幅主要因為銷售增長令提成租金及營運成本增加及為翻新店舖令維修保養成本增加。本集團的總銷售及分銷開支按總銷售所得款總額之百分比由二零二零年同期的14.9%輕微下降至約12.4%。

Administrative Expenses

The Group's general administrative expenses for the Period increased 11.5% to approximately RMB76.5 million from RMB68.6 million recorded in the same period of 2020. The increase was mainly attributable to higher staff cost following the absence of subsidies from the government in light of COVID-19 pandemic last year.

Staff Costs

Staff costs (excluding directors' emoluments) increased by 15.2% year-on-year to approximately RMB84.4 million during the Period. The total number of full-time staff employed by the Group as at 30 June 2021 was 1,172, compared with 1,150 as at 30 June 2020.

Other Income, Gains and Losses

Other income, gains and losses, which comprise mainly management fees, credit card charges and other miscellaneous income received from counters/tenants, other sundry income and exchange gains/losses, recorded a slight increase of 2.9% to RMB61.2 million (2020: RMB59.4 million). The increase was primarily attributable to (i) a rise in credit card charges from counters amid the sales growth and (ii) the gain on lease modification of RMB17.0 million (2020: RMB15.3 million) resulting from change in lease term of the tenancy for the Freshmart supermarket in Changning, Shanghai, this Period.

Interest and Investment Income

The Group's income from interest and investments decreased 12.5% to RMB25.5 million (2020: RMB29.1 million) during the Period, which was mainly due to a lower interest/investment income from the Group's bank deposits and structured deposits.

Finance Costs

The Group's finance costs consisted mainly of interest incurred on bank borrowings. The aggregate amount of finance costs and interest incurred for the Period, before capitalisation, was approximately RMB62.4 million (2020: RMB67.3 million). The finance costs charged to the profit or loss account amounted to RMB9.6 million (2020: RMB13.1 million) and represented the finance charge in respect of the lease liabilities.

Liquidity and Financial Resources

The Group's adjusted EBITDA for the Period increased by 49.7% to RMB189.9 million from RMB126.8 million in the same period of 2020, mainly due to an increase in retail sales. As at 30 June 2021, the Group's net debt (defined as cash and cash equivalents and amount due from an associate less total bank borrowings, amount due to a non-controlling shareholder of subsidiaries and amount due to a joint venture) amounted to approximately RMB466.0 million, compared with RMB457.8 million as at 31 December 2020. The higher net debt position was mainly attributable to a decrease in bank balances.

行政開支

本集團期內的一般行政開支由二零二零年同期錄得的人民幣68.6百萬元增加11.5%至約人民幣76.5百萬元，主要由於缺少去年因COVID-19疫情的政府補貼而增加的員工成本。

員工成本

期內的員工成本(不包括董事酬金)按年增加15.2%至約人民幣84.4百萬元。於二零二一年六月三十日，本集團全職員工總數為1,172名，而於二零二零年六月三十日則為1,150名。

其他收入、收益及虧損

其他收入、收益及虧損主要包括從專櫃/租戶收取的管理費收入、信用卡費用及其他各項收入，以及其他雜項收入及匯兌收益/虧損，有關金額錄得2.9%的輕微上升至人民幣61.2百萬元(二零二零年：人民幣59.4百萬元)。該升幅主要來自(i)因銷售增加令從專櫃收取的信用卡費用增加及(ii)期內因上海長寧「鮮品館」超市租賃協議的租賃條款變更後而產生的收益為人民幣17.0百萬元(二零二零年：人民幣15.3百萬元)。

利息及投資收入

本集團於期內的利息及投資收入減少12.5%至人民幣25.5百萬元(二零二零年：人民幣29.1百萬元)，主要是由於來自本集團的銀行存款及結構性存款的利息或投資收入減少。

融資成本

本集團的融資成本主要包括銀行借貸產生的利息。在資本化前，期內所產生的融資成本及利息總額約為人民幣62.4百萬元(二零二零年：人民幣67.3百萬元)。於損益表中計入的融資成本為人民幣9.6百萬元(二零二零年：人民幣13.1百萬元)，即租賃負債的財務費用。

流動資金及財務資源

本集團於期內經調整的未計利息、稅項、折舊及攤銷前的盈利(EBITDA)由二零二零年同期的人民幣126.8百萬元增加49.7%至人民幣189.9百萬元，主要由於零售銷售增加。於二零二一年六月三十日，本集團的淨負債(定義為現金及現金等價物及應收一間聯營公司款項減總銀行借貸、應付一名附屬公司非控股股東款項及應付一間合資企業款項)為約人民幣466.0百萬元，而二零二零年十二月三十一日則為人民幣457.8百萬元。較高淨負債狀況主要由於銀行結存減少。

As at 30 June 2021, the Group's cash and cash equivalents amounted to approximately RMB1,860.6 million (31 December 2020: RMB1,906.9 million), of which RMB10.9 million, denominated in Hong Kong dollars, was kept in Hong Kong. The remaining balance was kept in mainland China, of which approximately 4.3% was denominated in United States dollars and the remaining 95.7% in Renminbi. The decrease in cash at banks, as compared with that at 31 December 2020, was mainly caused by the RMB30 million bank loan repaid during the Period.

As at 30 June 2021, the Group's banking facilities were fully utilised (31 December 2020: same), with the outstanding secured bank loan amounting to RMB2,370 million (31 December 2020: RMB2,400 million), bearing interest calculated with reference to benchmark lending rates of the People's Bank of China. The Group's debt to equity ratio (defined as bank borrowings divided by equity attributable to owners of the Company) was 25.3% as at the end of the Period (31 December 2020: 26.1%).

Foreign Exchange Management

The functional currency of the Company and its subsidiaries operating in the PRC is Renminbi, in which the majority of the Group's transactions are denominated. As described in the "Liquidity and Financial Resources" section above, certain portions of the Group's monetary assets are denominated in foreign currencies, namely Hong Kong dollars and United States dollars. Given the fact that the majority of the Group's revenue and expenses, as well as borrowings and capital expenditures, are denominated in Renminbi, and the Hong Kong dollar cash balance kept in Hong Kong is for settling operating expenses outside of mainland China, the Group currently does not need a comprehensive foreign currency hedging policy. Management will, however, monitor the Group's foreign currency exposure and will consider taking appropriate measures to mitigate any significant potential foreign currency risks, should the need arise.

Pledge of Assets

As at 30 June 2021, certain of the Group's (i) property, plant and equipment in the PRC with a book value of approximately RMB3,494 million (31 December 2020: RMB3,382 million); (ii) right-of-use assets in the PRC with a book value of approximately RMB1,696 million (31 December 2020: RMB1,721 million); and (iii) property under development in the PRC with a book value of RMB1,370 million (31 December 2020: RMB1,346 million) were pledged to secure bank loan facilities of approximately RMB2,370 million (31 December 2020: RMB2,400 million) primarily for financing the development of the Daning project.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2021.

Significant Investments, Material Acquisitions and Disposals

There were no significant investments, material acquisitions or disposals during the Period.

本集團於二零二一年六月三十日的現金及現金等價物約為人民幣1,860.6百萬元(二零二零年十二月三十一日: 人民幣1,906.9百萬元), 其中人民幣10.9百萬元以港元計值並存放於香港, 而餘額則存放於中國內地, 其中約4.3%以美元計值, 其餘95.7%以人民幣計值。銀行結存與於二零二零年十二月三十一日相比有所下降, 主要由於期內償還人民幣30百萬元銀行貸款所致。

於二零二一年六月三十日, 本集團已動用全部銀行信貸額度(二零二零年十二月三十一日: 相同), 並有未償還的抵押銀行貸款為人民幣2,370百萬元(二零二零年十二月三十一日: 人民幣2,400百萬元), 乃參考中國人民銀行貸款基準利率計息。於期末, 本集團的負債與權益比率(定義為銀行借款除本公司擁有人應佔權益)為25.3%(二零二零年十二月三十一日: 26.1%)。

外匯監管

本公司及其位於中國的附屬公司的功能貨幣為人民幣, 本集團的大部分交易亦以人民幣計值。如上文「流動資金及財務資源」一節所述, 本集團若干部分貨幣資產以外幣(港元及美元)計值。鑒於本集團大部分收益及開支以及借貸及資本開支均以人民幣計值, 而存放於香港之港元現金結餘是用作支付中國內地以外地方產生的營運開支, 本集團目前並不需要一套全面外幣對沖政策。然而, 管理層將監察本集團的外幣風險, 並將於有需要時考慮採取適當措施減低任何潛在重大外幣風險。

資產抵押

於二零二一年六月三十日, 本集團已抵押其若干位於中國之(i)物業、廠房及設備, 賬面價值約為人民幣3,494百萬元(二零二零年十二月三十一日: 人民幣3,382百萬元); (ii)使用權資產, 賬面價值約為人民幣1,696百萬元(二零二零年十二月三十一日: 人民幣1,721百萬元); 及(iii)發展中物業, 賬面價值為人民幣1,370百萬元(二零二零年十二月三十一日: 人民幣1,346百萬元), 作為獲授銀行貸款額度約人民幣2,370百萬元(二零二零年十二月三十一日: 人民幣2,400百萬元), 主要提供予大寧項目發展之用。

或然負債

於二零二一年六月三十日, 本集團並無任何重大或然負債。

重大投資、重大收購及出售

期內並無重大投資、重大收購或出售事項。

Review of Operations

With the macro-environment still marred by the uncertainty that surrounds the COVID-19 situation, the Group has actively taken steps to further strengthen its brand equity and enhance the experience it offers to consumers. This included ramping up its promotional efforts in a bid to encourage its target customers to return to its two department stores. In addition, the Group has endeavoured to take advantage of the significant demand from local middle and upper-class customer groups in Shanghai and Suzhou, who were unable to travel out of the country due to world-wide travel restrictions. This included the launch of several new mid to high-end products from internationally renowned brands at the two department stores with the aim to enriching the stores' product selection and fueling sales.

In order to adapt to the rapidly evolving consumption patterns of the younger generation, the Group has increased application of online marketing and introduced various on-site facilities aimed at enhancing customers' engagement and shopping experience. The Group has made effective use of mobile internet technology for marketing purposes, including live streaming and leveraging popular social media platforms to attract and engage young and affluent middle-class consumers. The Group has also maintained its commitment to enhancing customer engagement through the increased use of mobile internet-enabled applications on handsets and the digitalisation of its retail management system.

Shanghai Jiuguang

Business at the Shanghai Jiuguang department store continued during the Period the upward trend as noted in the previous reporting period, thanks to the continued recovery of the economy and consumer market amid normalization of social and economic activities after the COVID-19 pandemic being brought under control for most parts of the country. Total retail sales proceeds increased year-on-year by 39.2% to RMB1,162.8 million in the Period as compared with the same period last year. The store launched recreational activities such as make-up, dance, and flower arranging classes, which proved effective at drawing footfall and strengthened the engagement with our customers. With online class registration provided through the use of mobile internet-enabled applications, these newly launched activities formed an integral part of the Group's omni-channel marketing strategy, driving online customers to spend in our physical store. The store saw surge in sales of over 40% in both apparel and fashion category as well as cosmetic products and accessories. For the first half of 2021, average daily footfall jumped 50.0% to approximately 42,000 visitors. On the contrary, average ticket size and stay-and-buy ratio dropped 2.4% to RMB445 and 3.5 percentage points to 45.5% respectively. The average concessionaire rate collected slightly rose to 23.3%, compared with 22.8% in the same period last year.

業務回顧

儘管COVID-19疫情所帶來的不明朗因素仍對宏觀環境造成損害，本集團已積極採取措施，從而進一步增強品牌認受性及提升給予顧客的體驗，當中包括加強推廣，以鼓勵目標顧客再次光臨本集團旗下兩間百貨店。此外，世界性的旅行限制令上海及蘇州的中高檔顧客群無法到國外旅遊，本集團亦致力把握該群顧客的龐大需求，包括於兩間百貨店推出多款國際知名品牌的新中高檔產品，以豐富店內產品組合及帶動銷售。

為適應年青一代快速轉變的消費模式，本集團亦增加應用線上營銷及推動多渠道營銷策略以提升顧客的參與和購物體驗。本集團有效地使用互聯網技術作營銷，包括直播及運用受歡迎的社交平台以吸引年青人及富裕的中產消費者。本集團亦秉持承諾，透過增加使用手機上的互聯網應用程式，並繼續數碼化零售管理系統，以提升與顧客的參與度。

上海久光

受惠於COVID-19疫情於國內大部分地區受到控制後，社會及經濟活動正常化，經濟和消費市場持續復甦，期內上海久光百貨店能延續上一報告期間業務上升的趨勢。期內總零售銷售所得款總額較去年同期按年上升39.2%至人民幣1,162.8百萬元。店舖亦推出化妝、舞蹈、插花等休閒活動，有效吸引人流，並加強與客戶的互動。新推出的活動能通過使用移動互聯網應用程式提供的在線課程註冊，而構成本集團全渠道營銷戰略不可或缺的一部分，並帶動線上顧客前往實體店舖消費。該店的服裝和時尚類別以及化妝品和配飾的銷售額均錄得超過40%增長。截至二零二一年上半年，日均客流量大增50.0%至約42,000人次。惟平均每宗交易額及逗留購買比率分別下降2.4%至人民幣445元及3.5個百分點至45.5%。平均特許專櫃扣率較去年同期的22.8%微升至23.3%。

Suzhou Jiuguang

Suzhou Jiuguang continued to achieve a speedier recovery than its Shanghai counterpart as its business is less dependent on non-local customers. With restrictions on overseas travel still in place during the Period, affluent locals who were unable to make expensive purchases overseas opted to purchase luxury items domestically instead. The Suzhou store's total sale proceeds jumped 54.1% to RMB581.6 million as compared with the same period of 2020 amid the post-pandemic normalization of social and economic activities. A remarkable sales growth of 85.5% was recorded in cosmetic products and accessories in the first half of 2021. Daily footfall traffic and average ticket size also grew 48.0% and 17.9% year-on-year to 14,800 visitors and RMB541 respectively. However, the stay-and-buy ratio was down 9.2 percentage points to 55.5%. The average concessionaire rate collected by the store slightly decreased to 16.1% from 17.0% in the same period of last year.

Dalian and Shenyang Property

The Group's commercial properties in Dalian and Shenyang both remained vacant during the Period and continued to incur negative cash flows due to the general upkeep and maintenance of the properties.

Standalone Freshmart Operation

Freshmart supermarket sells high-quality food and confectionery products and is a standalone operation of the Group at a rented premise in Changning, Shanghai. The business suffered from negative operating cash flow during the Period due to its sales revenue being affected by ongoing renovations. In a bid to improve sales efficiency, the Group made efforts to increase the number of catering and delivery services offered to the customers and to adjust its product mix in order to more effectively cater to the needs of office workers in the surrounding area.

Investments in Associates

The business operations of the Beiren Group, a well-established Shijiazhuang-based retailer in which the Group holds a strategic equity interest, had been adversely affected by the new wave of virus outbreak in January this Period. Its business quickly returned to pre-pandemic levels after the COVID-19 pandemic was brought under control in mid-February. Net profit (after share of non-controlling interests) attributable to the Group amounted to RMB93.8 million for the Period, compared with RMB60.7 million in the same period of 2020. The year-on-year increase in share of profit of 54.6% was mainly attributable to the 16.9% sales growth following the COVID-19 pandemic being brought under control and cost reduction during the Period. The share of profit from this investment accounted for 55.6% of the profit attributable to owners of the Company for the Period.

蘇州久光

由於蘇州久光業務對旅客依賴較少，蘇州久光繼續錄得相比上海久光更迅速的復甦。由於期內仍然實施海外旅遊限制，當地富裕階層無法到海外高價購物，故樂於在本地購買奢侈品。在社會和經濟活動在疫情後回復正常的情况下，蘇州店總銷售所得款總額較二零二零年同期大增54.1%至人民幣581.6百萬元，於二零二一年上半年化妝品及配飾銷售額更錄得85.5%的可觀增長。日均客流量和平均每宗交易額亦分別按年增長48.0%及17.9%至14,800人次及人民幣541元。惟逗留購買比率則下降9.2個百分點至55.5%。百貨店平均特許專櫃扣率由去年同期的17.0%微跌至16.1%。

大連及瀋陽物業

本集團於大連及瀋陽的商用物業於期內均依然空置，並繼續因維修保養物業而錄得負現金流。

獨立「鮮品館」之經營

本集團在上海長寧租賃物業獨立經營的「鮮品館」超市出售優質食品及糕餅產品。由於銷售收入受仍在進行中的裝修影響，故其業務於期內錄得負營運現金流。為改善銷售效率，本集團致力增加為顧客提供的餐飲及外送服務數目，並調整產品組合，望能更有效滿足鄰近地區辦公室人員需要。

於聯營公司的投資

紮根石家莊的北人集團乃本集團持策略性股本權益的知名零售商，其業務於期內一月受到新一波病毒肆虐的不利影響。而在二月中旬 COVID-19 疫情受到控制後，其業務已迅速回復至疫情前水平。本集團期內應佔溢利淨額(扣除應佔非控股權益)為人民幣93.8百萬元，而二零二零年同期則為人民幣60.7百萬元。該按年應佔溢利增長54.6%，主要是由於COVID-19疫情受到控制後銷售額的16.9%增長以及期內的成本減少。來自該項投資的應佔溢利於期內佔本公司擁有人應佔溢利的55.6%。

As further disclosed on page 35 to 36 under the section “Beiren Group” in note 12 of Notes to the Interim Financial information, the Group made the Full Impairment against the full amount of Trade Receivable balances of the Debtors during the year ended 31 December 2019. The Group understood from the management of the Beiren Group that there has not been any progress made in terms of recovering the outstanding Trade Receivables nor obtaining further financial information of the Debtors and the Guarantor. As at 30 June 2021, the Group considered that the Full impairment against the outstanding Trade Receivables of the Debtors in the prior year remained the best estimate based on the information currently available.

The Audit Committee discussed and understood the concerns of the auditor that they were not able to obtain adequate evidence with respect to the current financial conditions as no progress was made in respect of the legal proceedings taken against the Debtors and/or the Guarantor. The Audit Committee agreed with the management’s view regarding the qualified conclusion issued by the auditor in the Report on Review of Interim Financial Information.

In order to obtain timely and relevant information from the Beiren Group management, including but not limited to financial information and financial conditions of the Debtors and the Guarantor that could be pursued to settle the outstanding Trade Receivables, the Group continues making regular contact with the Beiren Group management to monitor the development of the situation and to assess the possibility of recovering the outstanding Trade Receivables from the Debtors and will discuss the same with the auditor to address the issue in due course.

Business Expansion

The interior fitting-out works on the Group’s retail and commercial complex in Daning, Jingan District, Shanghai are in progress while the recruitment of tenants and leasing works are continuing. The complex is scheduled to commence operations by the end of 2021 or early 2022. With a gross floor area of approximately 348,000 sq. m., the project comprises a large retail complex which will house the Group’s second Jiuguang store in Shanghai. When it commences business, the complex is expected to not only provide additional cash flow to the Group, but to also enhance the Group’s market presence and brand equity in Shanghai.

如於中期財務資料第35至36頁附註12的「北人集團」部分進一步披露，本集團於截至二零一九年十二月三十一日止年度就債務人的全部應收賬款作出全額減值。本集團從北人集團管理層知悉就追討該逾期應收賬款及獲取債務人及擔保人進一步財務資料方面並未取得任何進展。於二零二一年六月三十日，本集團認為根據現有資料，就應收債務人逾期應收賬項在過往年度作出的全額減值仍為最佳估計。

審核委員會已討論並理解核數師因對債務人及／或擔保人的法律訴訟程序並沒有任何進展而對債務人及擔保人最近財務狀況無法獲得充足證據之考量。審核委員會同意管理層對核數師於中期財務資料審閱報告發表的保留結論之觀點。

為能及時從北人集團管理層獲取以追索清償逾期應收賬款之相關資訊，其中包括但不限於債務人及擔保人之財務資料及財務狀況，本集團繼續定期與北人集團管理層聯繫，以監察進展情況及評估收回債務人逾期應收款項的可能性，並將適時與核數師討論相關解決事宜。

業務擴展

本集團位於上海靜安區大寧的零售及商業綜合體項目內部裝修工程正在施工，並繼續招攬租戶及租務工作。該綜合體項目預期於二零二一年年底或二零二二年年初開業。該項目的建築面積約為348,000平方米，並包含大型的零售綜合體，將容納本集團位於上海的第二間久光店。綜合體於開業後預期不單止為本集團提供額外現金流，並增強本集團在上海的業務佔有率及品牌認受性。

Outlook and Plan

The Group cautiously looks forward to a continuous improvement in the retail market situation and wider economy during the second half of 2021. However, the rest of the year is likely to continue to pose challenges for China, with the uncertainty of the pandemic situation and domestic economic recovery remaining uneven. A rise in commodity prices has put significant cost pressure on businesses and employment pressure has also increased with the number of university graduates having hit a new record this year. In respect of these factors, further efforts are needed in order to build on the foundations for the steady recovery of future development. Other headwinds that may affect the Group's performance going forward include also competition from shopping malls in the localities of its department stores, intensifying competition from e-commerce enterprises and the rapidly changing consumption patterns of the younger generation.

In order to remain competitive, the Group will continue to position itself as a brand serving the sophisticated needs of China's middle-class. It will continue to optimise its product assortment and customer services in a bid to cater the demands of its target customer base and uphold the reputation of its well-established brand. The Group is also placing emphasis on further refining the shopping environment it offers to customers. A fitness center is planned to be introduced at Shanghai Jiuguang for catering to the demand of health-conscious customers and promoting the well-being of the local community. On the other hand, the Group is currently considering the possibility of transforming the Suzhou Jiuguang store into a shopping mall-like retail establishment with entertainment and experiential features. The proposed transformation is expected to help leveraging the vast floor area of the Suzhou store to provide a wider selection of products and services to better meet the changing needs and preferences of local consumers.

The Group will also continue to dedicate efforts to develop its omni-channel marketing strategy, including the launch of further interactive marketing campaigns and festive promotions aimed at its younger customers. This will strengthen the integration of the online and offline retail experience through effective use of social media networks and mobile internet technology, and better utilise its omni-channel membership management system to analyse consumer behaviour and make timely adjustments to its product assortment accordingly.

With supportive government policies being introduced from time to time, the Group remains cautiously optimistic regarding the health of China's retail sector going forward. In the meantime, we will continue to focus on expanding our business presence and enhancing our brand equity, as well as actively seeking potential investment opportunities, with the overall aim of achieving long-term growth and providing returns to its shareholders.

展望與計劃

本集團對二零二一年下半年零售市況以至更廣泛的經濟情況的持續改善抱審慎觀望態度。然而，由於疫情依然起伏不定，加上國內經濟復甦步伐不一，今年餘下時間中國很可能仍要面對不同挑戰。商品價格上漲對各行各業構成重大的成本壓力，同時就業市場亦因本年創新高的大學畢業生人數而增加壓力。因上述因素，需要進一步努力，才能令未來的發展以穩步復甦奠定基礎。其他可能影響本集團未來表現的不利因素還包括來自旗下百貨店鄰近地區商場帶來的競爭、來自電子商貿企業的競爭加劇，以及年青人消費模式的急劇改變。

為保持競爭力，本集團繼續以滿足中國中產階級的需要定位。本集團繼續提升產品組合及顧客服務，以迎合目標顧客基礎的需求，並秉持其已確立品牌的聲譽。本集團亦著重進一步改善予顧客的購物環境。上海久光正準備開設一間健身室，以迎合注重健康的顧客需求及促進當地社區福祉。另一方面，本集團正考慮是否可能將蘇州久光店轉型為與商場類同的零售建設，並附有娛樂及體驗特色的零售空間。此計劃的轉型預期將利用蘇州店廣闊的樓面面積以提供種類更繁多的產品及服務，以更迎合當地消費者正在轉變的需要及喜好。

本集團亦將繼續致力發展多渠道營銷策略，包括推出更多以年青顧客為目標的互動營銷活動及節日推廣。本集團將透過有效運用社交媒體網絡及移動互聯網技術，以增強線上及線下零售體驗的融合，並且更好地運用其全渠道會員管理系統以分析消費者行為，從而因應情況及時調整產品組合。

隨著政府不時推行支持性的政策，本集團對中國零售業的健康維持審慎樂觀態度。與此同時，本集團將繼續集中於加強我們業務佔有率及提升我們品牌認受性，同時積極物色潛在投資機遇，並以達致長期增長並為股東提供回報為整體目標。

OTHER 其他資料

INFORMATION

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures

As at 30 June 2021, the directors' and the chief executive's interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") were as follows:

Long position in shares of the Company

Name of director	Capacity/Nature of interest	Number of shares held 持有股份 數目	Percentage of issued shares 佔已發行股份 之百分比
董事姓名	身份／權益性質		
Mr. Lau Luen Hung, Thomas 劉鑾鴻先生	Beneficial owner 實益擁有人	252,051,460	17.21%
	Interest of controlled corporations (Note) 受控制法團權益(附註)	844,988,832	57.70%
Ms. Chan Chor Ling, Amy 陳楚玲小姐	Beneficial owner 實益擁有人	297,000	0.02%

Note: The 844,988,832 shares comprise:

- (a) 540,000,000 shares held by United Goal Resources Limited ("United Goal"). United Goal is ultimately owned as to 80% by Mr. Lau Luen Hung, Thomas through his controlled corporations and as to 20% by certain family members of Mr. Lau Luen Hung, Joseph, the elder brother of Mr. Lau Luen Hung, Thomas. By virtue of the SFO, Mr. Lau Luen Hung, Thomas is deemed to be interested in the same parcel of shares in which United Goal is interested.
- (b) 304,988,832 shares held by Dynamic Castle Limited ("Dynamic Castle"), which is wholly owned by Mr. Lau Luen Hung, Thomas. By virtue of the SFO, Mr. Lau Luen Hung, Thomas is deemed to be interested in the same parcel of shares held by Dynamic Castle.

董事及最高行政人員於股份、相關股份及債權證之權益

於二零二一年六月三十日，各董事及最高行政人員於本公司或其任何之相聯法團（按《證券及期貨條例》（「證券及期貨條例」）第XV部所界定者）之股份、相關股份及債權證中持有記錄於須根據證券及期貨條例第352條規定置存之登記冊內或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之權益及淡倉載列如下：

於本公司股份之好倉

Name of director	Capacity/Nature of interest	Number of shares held 持有股份 數目	Percentage of issued shares 佔已發行股份 之百分比
董事姓名	身份／權益性質		
Mr. Lau Luen Hung, Thomas 劉鑾鴻先生	Beneficial owner 實益擁有人	252,051,460	17.21%
	Interest of controlled corporations (Note) 受控制法團權益(附註)	844,988,832	57.70%
Ms. Chan Chor Ling, Amy 陳楚玲小姐	Beneficial owner 實益擁有人	297,000	0.02%

附註：該844,988,832股股份包括：

- (a) 540,000,000股股份由United Goal Resources Limited（「United Goal」）持有。United Goal由劉鑾鴻先生通過其受控制法團最終擁有80%股份權益及由劉鑾雄先生（為劉鑾鴻先生之胞兄）若干家族成員最終擁有20%股份權益。根據證券及期貨條例，劉鑾鴻先生被視為擁有United Goal所持有的相同股份權益。
- (b) 304,988,832股股份由劉鑾鴻先生全資擁有之Dynamic Castle Limited（「Dynamic Castle」）持有。根據證券及期貨條例，劉鑾鴻先生被視為擁有Dynamic Castle所持有的相同股份權益。

Save as disclosed above, as at 30 June 2021, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code. Nor any of the directors and chief executive had any interest in, or had been granted any right to subscribe for the securities of the Company and its associated corporations (within the meaning of Part XV of the SFO) or had exercised any such right during the period under review.

Interests of Shareholders Discloseable under the SFO

As at 30 June 2021, the following persons (other than a director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or notified to the Company:

Long position in shares of the Company

Name	Capacity/Nature of interest	Number of shares held 持有股份 數目	Percentage of issued shares 佔已發行股份 之百分比
名稱	身份／權益性質		
United Goal	Beneficial owner (Note 3) 實益擁有人(附註3)	540,000,000	36.87%
Asia Prime Assets Limited ("Asia Prime")	Interest of controlled corporation (Notes 1 and 3) 受控制法團權益(附註1及3)	540,000,000	36.87%
Sand Cove Holdings Limited ("Sand Cove")	Interest of controlled corporations (Notes 2 and 3) 受控制法團權益(附註2及3)	540,000,000	36.87%
Dynamic Castle	Beneficial owner (Note 3) 實益擁有人(附註3)	304,988,832	20.83%

Notes:

- Asia Prime, a company indirectly controlled by Mr. Lau Luen Hung, Thomas, holds 80% of the entire issued share capital of United Goal. By virtue of the SFO, Asia Prime is deemed to be interested in the same parcel of shares comprising 540,000,000 shares in which United Goal is interested as beneficial owner.

除上文所披露者外，於二零二一年六月三十日，本公司董事及最高行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團(按證券及期貨條例第XV部所界定者)之任何股份、相關股份或債權證的權益或淡倉。於回顧期間，概無任何董事及最高行政人員擁有或獲授任何可認購本公司及其相聯法團(按證券及期貨條例第XV部所界定者)證券之權利，亦無行使任何相關權利。

根據證券及期貨條例須予披露之股東權益

於二零二一年六月三十日，下列人士(不包括本公司董事或最高行政人員)於本公司之股份及相關股份中持有記錄於須根據證券及期貨條例第336條規定置存之登記冊內或知會本公司之權益或淡倉載列如下：

於本公司股份之好倉

附註：

- Asia Prime為劉鑾鴻先生間接控制之公司，其持有80% United Goal全部已發行股本。根據證券及期貨條例，Asia Prime被視為於United Goal實益擁有的540,000,000股股份中擁有相同權益。

Notes: (Continued)

2. Sand Cove, which is wholly owned and directly controlled by Mr. Lau Luen Hung, Thomas, is entitled to exercise or control the exercise of 100% voting power at general meetings of Asia Prime. By virtue of the SFO, Sand Cove is deemed to be interested in the same parcel of shares in which Asia Prime is deemed to be interested as set out in Note 1 above.
3. Mr. Lau Luen Hung, Thomas is a director of United Goal and Sand Cove, and the sole director of Asia Prime and Dynamic Castle.

Save as disclosed above, the Company has not been notified by any person (other than a director or the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as at 30 June 2021 which were recorded in the register required to be kept under Section 336 of the SFO or notified to the Company.

Changes in Information of Directors

There is no change in director's information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Interim Dividend

The board of directors ("Board") of the Company has resolved not to declare an interim dividend for the six months ended 30 June 2021 (2020: nil).

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2021.

Corporate Governance Code

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2021, except the following deviation:

The roles of the Chairman and Chief Executive Officer are not segregated but such arrangement does facilitate the development and execution of the Group's business strategies and enhances efficiency and effectiveness of its operations.

Directors' Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by directors. After specific enquiries by the Company, all directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2021.

附註：(續)

2. Sand Cove由劉鑾鴻先生全資擁有及直接控制，其有權在Asia Prime股東大會上行使或控制行使100%的投票權。根據證券及期貨條例，Sand Cove被視為擁有上述附註1所載列Asia Prime所視為擁有的相同權益。
3. 劉鑾鴻先生為United Goal及Sand Cove之董事，以及為Asia Prime及Dynamic Castle之唯一董事。

除上文所披露者外，概無任何人士(本公司董事或最高行政人員除外)向本公司通知其於二零二一年六月三十日持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之本公司股份或相關股份的權益或淡倉。

董事資料變更

根據上市規則第13.51B(1)條之規定，須予披露之董事資料並無變更。

中期股息

本公司董事會(「董事會」)議決不宣派截至二零二一年六月三十日止六個月的中期股息(二零二零年：無)。

購買、出售或贖回上市證券

於截至二零二一年六月三十日止六個月內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

企業管治守則

本公司於截至二零二一年六月三十日止六個月內已遵守上市規則附錄十四所載《企業管治守則》之守則條文，惟下列偏離除外：

主席及首席執行官之角色並無作出區分，然而此安排有利發展及執行本集團業務策略，及增強營運效率及效益。

董事進行之證券交易

本公司已採納標準守則作為其董事進行證券交易的操守守則。經本公司作出特定查詢後，截至二零二一年六月三十日止六個月內，所有董事確認彼等均遵守標準守則所規定之標準。

Review of Interim Results

The Group's unaudited interim results for the six months ended 30 June 2021 have been reviewed by the audit committee of the Company, and by the auditor of the Company in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Employees

As at 30 June 2021, the Group employed a total of 1,172 employees, with 1,167 stationed in mainland China and 5 in Hong Kong. Staff costs (excluding directors' emoluments) amounted to RMB84.4 million (2020: RMB73.5 million) for the six months ended 30 June 2021. The Group ensures that the pay levels of its employees are competitive and in line with the market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

Acknowledgement

We would like to thank the management and all of our staff for their hard work and dedication, as well as our shareholders, business partners and customers for their continuous support to the Group.

On behalf of the Board

Lau Luen Hung, Thomas

Chairman and Chief Executive Officer

2 August 2021

中期業績之審閱

本集團截至二零二一年六月三十日止六個月之未經審核中期業績已由本公司之審核委員會審閱及經本公司核數師按照香港會計師公會頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。

僱員

於二零二一年六月三十日，本集團共僱用1,172名員工，其中1,167人駐中國內地及5人駐香港。截至二零二一年六月三十日止六個月期間，員工成本(不包括董事酬金)為人民幣84.4百萬元(二零二零年：人民幣73.5百萬元)。本集團確保僱員薪酬水平符合市場趨勢並具競爭力，僱員之薪酬乃根據本集團之一般薪金及花紅制度因應僱員表現釐定。

致謝

本人謹此向管理人員及全體員工努力不懈、盡心全意為本集團效力，以及股東、業務夥伴及顧客一直對本集團之鼎力支持致以衷心謝意。

代表董事會

劉鑾鴻

主席兼首席執行官

二零二一年八月二日

Report on Review of Interim Financial Information

中期財務資料審閱報告



To the Board of Directors of Lifestyle China Group Limited
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 20 to 44, which comprises the interim condensed consolidated statement of financial position of Lifestyle China Group Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2021 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

Except as explained in the following paragraphs, we conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

羅兵咸永道

致：利福中國集團有限公司董事會
(於開曼群島註冊成立的有限公司)

引言

本核數師已審閱載於第20至44頁之中期財務資料，其包括利福中國集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之於二零二一年六月三十日中期簡明綜合財務狀況表，與截至該日止六個月期間之中期簡明綜合損益及其他全面收益表、中期簡明綜合權益變動表和中期簡明綜合現金流量表，以及主要會計政策概要及其他說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」。貴公司之董事須負責根據香港會計準則第34號「中期財務報告」編製及呈列本中期財務資料。本核數師之責任是根據審閱對本中期財務資料作出結論，並按照委聘之協定條款僅向閣下作為一個團體報告結論，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

除以下段落所闡述者外，本核數師已根據香港會計師公會頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務之人員作出查詢，並進行分析和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核之範圍，故本核數師不能保證本核數師將知悉如在審核中可能發現之所有重大事項。因此，本核數師不會發表審核意見。

Basis for Qualified Conclusion

As detailed in note 12 to the interim financial information, the Group holds certain equity interests in certain associated companies herein referred to as "Beiren Group". For the period ended 30 June 2021, the Group has recognised a share of profit of associates of RMB157.2 million and carried RMB3,034.1 million investments in associates on the interim condensed consolidated statement of financial position as at 30 June 2021, of which RMB156.3 million of the share of profit of associates for the six-month period and RMB3,029.5 million of the carrying value of investments in associates were attributable to the Beiren Group. The principal activities of the Beiren Group are operating of department stores and supermarkets. It was also engaged in auto trading business and sales were made to three PRC companies in China ("the Debtors") in prior years. The ultimate beneficial owner of the Debtors (the "Guarantor") has provided personal guarantees over the Debtors' outstanding amounts to the Beiren Group.

During the year ended 31 December 2019, the Debtors defaulted on settlement of the trade balances due to the Beiren Group and the Guarantor was detained by the relevant local authority in Hebei Province. The Group concluded the likelihood of recovering any amount from the Debtors or the Guarantor as remote and made a full expected credit loss allowance, net of deferred tax credit ("Full Impairment"), against the whole overdue trade receivable balances due from the Debtors ("Trade Receivables"), for the purpose of recognising the Group's share of results of the Beiren Group for the year ended 31 December 2019. During the year ended 31 December 2020, there was no additional information or development in relation to the recoverability of the Trade Receivables, the Group's management considered the Full Impairment made in the prior year on the Trade Receivables was still appropriate as at 31 December 2020. As set out in our auditor's report dated 23 March 2021 on the Group's consolidated financial statements for the year ended 31 December 2020, we qualified our opinion due to a limitation on the scope of audit in relation to the Group's assessment of the recoverable amounts and Full Impairment of the Trade Receivables and its related deferred tax credit, as we were unable to obtain sufficient appropriate evidence on whether any adjustments were necessary to be made on the recoverable amounts which have consequential impacts on (i) the Group's share of profits of associates for the year ended 31 December 2020 and the carrying value of its investments in associates as at that date; (ii) the Group's profit attributable to owners and profit attributable to non-controlling interests in the Group's consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2020; and (iii) the Group's equity attributable to owners of the Company and the non-controlling interests on the consolidated statement of financial position as at 31 December 2020.

保留結論的基礎

如中期財務資料附註12所述，貴集團持有若干聯營公司，在這稱為「北人集團」之股權。截至二零二一年六月三十日期內，貴集團確認應佔聯營公司溢利為人民幣157.2百萬元及於二零二一年六月三十日的中期簡明綜合財務狀況表中於聯營公司的投資帳面價值為人民幣3,034.1百萬元。其中，於本年六個月期內屬於北人集團之應佔聯營公司溢利為人民幣156.3百萬元及於聯營公司的投資帳面價值為人民幣3,029.5百萬元。北人集團的主要業務是經營百貨店和超市。其亦曾於過往年度從事汽車經銷業務，並向三家位於中國的中國公司（「債務人」）出售汽車。債務人的最終實質擁有人（「擔保人」）已對債務人尚未支付予北人集團的款項餘額提供了個人擔保。

截至二零一九年十二月三十一日止年度，債務人並沒有償還應付北人集團之逾期賬款並產生違約，而擔保人亦已被河北有關當局扣留。貴集團已作出結論認為從債務人或擔保人可收回款項的可能性為低，並已就因債務人的全部逾期應收賬款餘額（扣除遞延稅項抵免）（「應收賬項」），計提全額預期信貸虧損撥備（「全額減值」），以確認截至二零一九年十二月三十一日止年度，貴集團應佔北人集團的業績。截至二零二零年十二月三十一日止年度，就應收賬項的可收回性沒有任何進一步的資料及發展，貴集團管理層認為過往年度對應收賬項的全額減值於二零二零年十二月三十一日仍為合適。根據我們於二零二一年三月二十三日對貴集團截至二零二零年十二月三十一日年度的綜合財務報表的核數師報告中，由於我們無法獲得充足及適當的證據，因對貴集團就應收賬項的可收回金額，全額減值以及其相關遞延稅項抵免的評估之審計範圍有所限制，以就是否必須對應收賬項的可收回金額作任何調整，而作出保留意見，而這將最終影響(i)截至二零二零年十二月三十一日止年度，貴集團應佔聯營公司溢利及於該日對聯營公司的投資賬面價值；(ii)截至二零二零年十二月三十一日止年度，貴集團綜合損益及其他全面收益表中的擁有人應佔貴集團溢利及非控股權益應佔溢利；及(iii)於二零二零年十二月三十一日，貴集團綜合財務狀況表中的貴公司擁有人應佔權益及非控股權益。

During the six months ended 30 June 2021 and as at 30 June 2021, management understood that the Guarantor was still being detained by the relevant local authority and there was no additional information or development in relation to the recoverability of the Trade Receivables due from the Debtors. Management considered the Full Impairment carried forward from prior year on the Trade Receivables of the Debtors was still appropriate as at 30 June 2021.

However, the Group's management was not able to provide us with adequate evidence with respect to the current financial conditions of the Debtors and the Guarantor up to the date of this report, including the latest financial information of the Debtors to date, details of other assets (including nature, amounts, and claims or pledges against such assets, if any) of the Guarantor that could be pursued to settle the outstanding Trade Receivables due to the Beiren Group. We were therefore unable to obtain sufficient appropriate evidence we considered necessary to assess the recoverable amounts and the appropriateness of the Full Impairment against these Trade Receivables, net of deferred tax credit in the Beiren Group as at 30 June 2021. Any adjustment of the full provision against these Trade Receivables carried forward from prior year will have a consequential impact to the share of profit of associates in the condensed consolidated income statement for the six months ended 30 June 2021. Given these scope limitations, there were no other satisfactory procedures that we could perform to determine any adjustments were necessary to the carrying value of the Trade Receivables carried at nil balance, net of related tax credit of the Beiren Group as at 30 June 2021 which impact (i) the Group's share of profits of associates for the period ended 30 June 2021 and its carrying value of the investments in associates as at that date; (ii) the Group's profit attributable to owners and profit attributable to non-controlling interests in the Group's condensed consolidated statement of profit or loss and other comprehensive income for the period ended 30 June 2021; and (iii) the Group's equity attributable to owners of the Company and the non-controlling interests on the condensed consolidated statement of financial position as at 30 June 2021.

於截至二零二一年六月三十日止六個月及於二零二一年六月三十日，管理層知悉擔保人仍被有關當局拘留，而就應收債務人之應收賬項的可收回性沒有任何進一步的資料及發展。管理層認為對債務人應收賬項從過往年度結轉的全額減值於二零二一年六月三十日仍為合適。

然而，截至本報告日止，貴集團管理層無法向我們提供有關債務人和擔保人現時的財務資訊的充足證據，包括債務人的最新財務資料、擔保人其他資產的詳情(包括這些資產的性質、金額、有沒有被追討和抵押等)，而這些資產可能被追索用於清償欠付北人集團之逾期應收賬款。因此，我們無法獲得必須的充足及適當的證據，以就北人集團於二零二一年六月三十日就可收回金額及作出的應收賬項全額減值適當性(扣除遞延稅項抵免)作出評估。任何該等應收賬項從過往年度結轉的全額撥備的調整會影響截至二零二一年六月三十日止六個月的簡明綜合收益表的應佔聯營公司溢利。鑒於上述範圍的限制，我們無法進行其他令人信納之程序，以釐定是否有必要對北人集團於二零二一年六月三十日應收賬款帳面價值為零(扣除相關稅項抵免)進行任何必需調整，而這影響(i)截至二零二一年六月三十日止期間內 貴集團應佔聯營公司溢利及於該日於聯營公司的投資賬面價值；(ii)截至二零二一年六月三十日止期間內 貴集團簡明綜合損益及其他全面收益表中的擁有人應佔 貴集團溢利及非控股權益應佔溢利；及(iii)於二零二一年六月三十日， 貴集團簡明綜合財務狀況表中的 貴公司擁有人應佔權益及非控股權益。

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion section of our report, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 2 August 2021

保留結論

按照我們的審閱，除我們報告中「保留結論的基礎」部分所述事項可能產生的影響外，我們並無發現任何事項，令我們相信 貴集團的中期財務資料未有在各重大方面根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所

執業會計師

香港，二零二一年八月二日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2021 截至二零二一年六月三十日止六個月

Six months ended 30 June

截至六月三十日止六個月

		Notes 附註	2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Revenue	收入	3	655,111	486,554
Cost of sales	銷售成本		(268,341)	(203,697)
Gross profit	毛利		386,770	282,857
Other income, gains and losses	其他收入、收益及虧損		61,160	59,417
Selling and distribution costs	銷售及分銷成本		(218,665)	(184,120)
Administrative expenses	行政開支		(76,510)	(68,636)
Interest and investment income	利息及投資收入	4	25,474	29,106
Share of profit of a joint venture	應佔一間合營企業溢利		14,625	10,871
Share of profits of associates	應佔聯營公司溢利		157,162	100,864
Finance costs	融資成本	5	(9,598)	(13,086)
Profit before taxation	除稅前溢利		340,418	217,273
Taxation	稅項	6	(66,186)	(47,373)
Profit for the period	本期間溢利	7	274,232	169,900
Other comprehensive income	其他全面收益			
<i>Items that may be subsequently reclassified to profit or loss:</i>	<i>隨後可能重新分類至損益之項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額		341	32
Other comprehensive income for the period, net of tax	本期間其他全面收益，扣除稅項		341	32
Total comprehensive income for the period	本期間全面收益總額		274,573	169,932
Profit for the period attributable to:	本期間應佔溢利：			
Owners of the Company	本公司擁有人		168,660	99,181
Non-controlling interests	非控股權益		105,572	70,719
			274,232	169,900
Total comprehensive income attributable to:	應佔全面收益總額：			
Owners of the Company	本公司擁有人		169,001	99,213
Non-controlling interests	非控股權益		105,572	70,719
			274,573	169,932
Earnings per share — Basic and diluted	每股盈利 — 基本及攤薄	9	RMB0.115 人民幣0.115元	RMB0.068 人民幣0.068元

The notes on pages 25 to 44 are an integral part of these financial statements.

第25至44頁之附註組成此等財務報表之一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2021 於二零二一年六月三十日

			30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	10	物業、廠房及設備	5,113,683	5,049,886
Right-of-use assets	11	使用權資產	2,488,395	2,576,030
Investments in associates	12	於聯營公司的投資	3,034,118	2,876,956
Investment in a joint venture		於一間合資企業的投資	385,794	371,169
Deferred tax assets		遞延稅項資產	1,758	3,356
Other receivables	14	其他應收款項	1,513	1,534
			11,025,261	10,878,931
Current assets		流動資產		
Inventories	15	存貨	70,500	69,490
Properties under development	17	發展中物業	1,370,268	1,346,322
Trade and other receivables	14	應收賬款及其他應收款項	157,531	207,096
Amount due from an associate		應收一間聯營公司款項	94,655	94,655
Financial assets at fair value through profit or loss	13	按公平值計入損益之金融資產	15,400	86,500
Cash and cash equivalents		現金及現金等價物	1,860,564	1,906,907
			3,568,918	3,710,970
Current liabilities		流動負債		
Trade and other payables	18	應付賬款及其他應付款項	951,676	1,120,543
Amount due to a joint venture	16	應付一間合資企業款項	25,053	33,227
Amount due to a non-controlling shareholder of subsidiaries	20	應付附屬公司一名非控股股東之款項	26,142	26,142
Tax payable		應繳稅項	25,136	31,550
Bank borrowings — due within one year	19	銀行借貸 — 一年內到期	80,000	60,000
Lease liabilities	21	租賃負債	98,174	101,245
Contract liabilities	22	合約負債	12,732	9,093
			1,218,913	1,381,800
Non-current liabilities		非流動負債		
Bank borrowings — due after one year	19	銀行借貸 — 一年後到期	2,290,000	2,340,000
Lease liabilities	21	租賃負債	238,668	305,182
Deferred tax liabilities		遞延稅項負債	40,326	31,220
			2,568,994	2,676,402
			10,806,272	10,531,699

Condensed Consolidated Statement of Financial Position (continued) 簡明綜合財務狀況表(續)

As at 30 June 2021 於二零二一年六月三十日

			30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
		Notes 附註		
Capital and reserves	資本及儲備			
Share capital	股本	23	6,291	6,291
Reserves	儲備		9,354,073	9,185,072
Equity attributable to owners of the Company	本公司擁有人應佔權益		9,360,364	9,191,363
Non-controlling interests	非控股權益		1,445,908	1,340,336
			10,806,272	10,531,699

The condensed consolidated financial statements on pages 20 to 44 were approved and authorised for issue by the Board of Directors on 2 August 2021 and are signed on its behalf by:

第20至44頁簡明綜合財務報表獲董事會於二零二一年八月二日批准及授權刊發，並由下列董事代表簽署：

Mr. Lau Luen Hung, Thomas 劉鑾鴻先生
Executive Director 執行董事

Ms. Chan Chor Ling, Amy 陳楚玲小姐
Non-executive Director 非執行董事

The notes on pages 25 to 44 are an integral part of these financial statements.

第25至44頁之附註組成此等財務報表之一部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2021 截至二零二一年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔部分							Non-controlling interests		Total
		Share capital	Share premium	Statutory surplus reserve	Capital redemption reserve	Capital reserve	Translation reserve	Retained profits	Total	Non-controlling interests	Total
		股本	股份溢價	法定盈餘	資本贖回	資本儲備	換算儲備	保留溢利	總計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於二零二零年一月一日	6,291	6,543,132	126,243	593	78,719	(115,520)	2,339,300	8,978,758	1,271,151	10,249,909
Profit for the period	本期間溢利	—	—	—	—	—	—	99,181	99,181	70,719	169,900
Other comprehensive income for the period	本期間其他全面收益	—	—	—	—	—	32	—	32	—	32
Total comprehensive income for the period	本期間全面收益總額	—	—	—	—	—	32	99,181	99,213	70,719	169,932
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	6,291	6,543,132	126,243	593	78,719	(115,488)	2,438,481	9,077,971	1,341,870	10,419,841
At 31 December 2020 (audited)	於二零二零年十二月三十一日 (經審核)	6,291	6,543,132	133,234	593	78,719	(115,663)	2,545,057	9,191,363	1,340,336	10,531,699
Profit for the period	本期間溢利	—	—	—	—	—	—	168,660	168,660	105,572	274,232
Other comprehensive income for the period	本期間其他全面收益	—	—	—	—	—	341	—	341	—	341
Total comprehensive income for the period	本期間全面收益總額	—	—	—	—	—	341	168,660	169,001	105,572	274,573
At 30 June 2021 (unaudited)	於二零二一年六月三十日 (未經審核)	6,291	6,543,132	133,234	593	78,719	(115,322)	2,713,717	9,360,364	1,445,908	10,806,272

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2021 截至二零二一年六月三十日止六個月

Six months ended 30 June

截至六月三十日止六個月

		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Net cash inflow/(outflow) from operating activities	經營業務現金流入／ (流出)淨額	128,801	(35,898)
Investing activities	投資活動		
Proceed from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產所得款	71,100	935,810
Investment and interest income received	已收投資及利息收入	20,471	26,183
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款	30	10
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	—	(724,415)
Purchase of property, plant and equipment	購買物業、廠房及設備	(124,762)	(36,517)
Additions of right-of-use assets	添置使用權資產	—	(56,710)
Net cash (outflow)/inflow from investing activities	投資活動現金(流出)／ 流入淨額	(33,161)	144,361
Financing activities	融資活動		
Repayment of bank borrowings	償還銀行借貸	(30,000)	(15,000)
Repayment of leases liabilities	償還租賃負債	(48,732)	(47,227)
Interests paid	已支付利息	(62,764)	(67,628)
Net cash outflow from financing activities	融資活動現金流出淨額	(141,496)	(129,855)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(45,856)	(21,392)
Effect of foreign exchange rate difference	外幣匯率差異之影響	(487)	1,673
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	1,906,907	1,585,685
Cash and cash equivalents at end of the period	期末現金及現金等價物	1,860,564	1,565,966

Notes to the Interim Financial Information

中期財務資料附註

1 General

Lifestyle China Group Limited (the “Company”) was incorporated as an exempted company with limited liability under the Companies Law in the Cayman Islands on 4 January 2016 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and the head office and principal place of business of the Company are set out in section headed “Corporate Information” to the interim report. The Company acts as an investment holding company and the principal activities of its subsidiaries are the operation of “Jiuguang” department stores and related retailing business in the People’s Republic of China (the “PRC”).

The Company’s ultimate controlling party is Mr. Lau Luen Hung, Thomas (“Mr. Lau”), who is the Chairman and a executive director of the Company.

The condensed consolidated financial statements (“interim financial information”) are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of those interim financial information are set out below. These policies have been consistently applied to all the periods presently under otherwise stated.

Basis of preparation

The interim financial information for the six months ended 30 June 2021 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”.

The interim financial information have been prepared on a historical cost basis, except for the financial assets and liabilities at fair value through profit or loss (“FVTPL”), which are measured at fair value. The preparation of financial statements in conformity with Hong Kong Financial Reporting Standards (“HKFRSs”) requires the use of certain critical accounting estimates.

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2020.

1 一般事項

利福中國集團有限公司(「本公司»)於二零一六年一月四日根據開曼群島公司法註冊成立及登記為獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所»)上市。本公司的註冊辦事處地址及總辦事處及主要營業地點載於本中期報告的「企業資料」一節。本公司為投資控股公司，而其附屬公司的主要業務為於中華人民共和國(「中國»)經營「久光」百貨店及相關零售業務。

本公司的最終控股方為劉鑾鴻先生(「劉先生»),其同時為本公司的主席兼執行董事。

簡明綜合財務報表(「中期財務資料»)以人民幣(「人民幣»)呈列，人民幣為本公司的功能貨幣。

2 主要會計政策概要

下文載列編製該等中期財務資料所應用之主要會計政策。除另有指定者外，此等政策於所有目前期間中一致應用。

編製基準

截至二零二一年六月三十日止六個月之中期財務資料乃根據聯交所證券上市規則附錄16之適用披露規定及香港會計準則(「香港會計準則»)第34號「中期財務報告」編製。

中期財務資料乃按歷史成本基準編製，惟按公平值計入損益(「按公平值計入損益»)之金融資產及負債除外。根據香港財務報告準則(「香港財務報告準則»)編製財務報表需使用某些重要的會計估計。

編製中期財務資料所採用的會計政策和計算方法與截至二零二零年十二月三十一日止年度的年度綜合財務報表所採用的會計政策和計算方法一致。

2 Summary of significant accounting policies (continued)

New and amendments to HKFRSs that are mandatorily effective for the current period

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current period:

HKFRS 17	Insurance Contracts
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform — Phase 2

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

3 Revenue and segment information

Revenue represents the amount received and receivable for goods sold by the Group to customers, net of discounts and sales related taxes, income from concessionaire sales, service income and rental income during the period, and is analysed as follows:

2 主要會計政策概要(續)

於本期間強制生效之新訂及經修訂香港財務報告準則

本集團於本期間首次應用下列香港會計師公會(「香港會計師公會」)頒布之香港財務報告準則之新訂及修訂本：

香港財務報告準則第17號	保險合約
香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號(修訂本)	利率基準改革 — 第二階段

於本期間應用之新訂及經修訂香港財務報告準則，對本集團於本期間及過往期間之財務表現及狀況及／或於該等簡明綜合財務報表所載列之披露並無重大影響。

3 收入及分部資料

收入指本集團期內就向顧客出售貨品之已收及應收款項減折扣及銷售相關稅項、來自特許專櫃銷售之收入、服務收入以及租金收入，茲分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Recognised at a point in time:	在某個時間點確認：		
Sales of goods — direct sales	貨品銷售 — 自營銷售	304,240	227,228
Recognised over time:	隨著時間確認：		
Income from concessionaire sales	來自特許專櫃銷售之收入	292,428	214,341
Service income	服務收入	16,138	15,257
Revenue from contracts with customers	與客戶合約的收入	612,806	456,826
Rental income	租金收入	42,305	29,728
Total revenue	總收入	655,111	486,554

All the above revenue are derived from the PRC.

以上所有收入來自中國。

3 Revenue and segment information (continued)**Segment information**

The Group's operating activities are attributable to a single operating segment under HKFRS 8 "Operating Segments" focusing on operation of department stores, retailing and related business. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, that are regularly reviewed by the chief operating decision maker ("CODM") (i.e. the chief executive of the Company). The CODM regularly reviews revenue analysis and the profit for the period of the Group as a whole to make decisions about resource allocation. Accordingly, no separate segment information other than entity-wide information is presented.

The Group's operations are located in the PRC. The Group's non-current assets are all based in the PRC. The Group has no customers that contributed over 10% of the total revenue of the Group for both periods.

4 Interest and investment income**3 收入及分部資料(續)****分部資料**

根據香港財務報告準則第8號「經營分部」，本集團的經營業務歸屬單一經營分部，專注於經營百貨店、零售及相關業務。此經營分部乃根據符合香港財務報告準則的會計政策編製的內部管理報告確定，並由首席經營決策人（「首席經營決策人」）（即本公司首席執行官）定期審閱。首席經營決策人定期審閱本集團整體收入分析及期內溢利，以作出資源分配決策。因此，並無呈列實體資料以外的個別分部資料。

本集團的業務位於中國。本集團的非流動資產全部以中國為基地。於兩個期間，本集團並無客戶貢獻超過本集團總收入10%。

4 利息及投資收入**Six months ended 30 June**

截至六月三十日止六個月

		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest income on bank deposits	銀行存款之利息收入	25,204	22,202
Investment income from financial assets at FVTPL	按公平值計入損益之金融資產之投資收入	270	4,127
Interest income from loan receivables	應收貸款的利息收入	—	2,777
		25,474	29,106

5 Finance costs

5 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest expenses on:	以下項目之利息支出：		
— Bank borrowings	— 銀行借貸	52,835	54,225
— Lease liabilities	— 租賃負債	9,598	13,086
		62,433	67,311
Less: Amounts capitalised as construction in progress and properties under development	減：在建工程及發展中物業之資本化金額	(52,835)	(54,225)
		9,598	13,086

The capitalised borrowing costs represent the borrowing costs incurred on borrowings whose funds were specifically invested in the construction in progress and properties under development during the period.

資本化借貸成本是指用於期內特定投資於在建工程和發展中物業的借貸資金所產生的借貸成本。

6 Taxation

6 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
The tax charge comprises:	稅項支出包括以下項目：		
Current tax:	本期稅項：		
— PRC Enterprise Income Tax	— 中國企業所得稅	56,734	43,303
Deferred tax charge	遞延稅項支出	9,452	4,070
		66,186	47,373

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rates of the PRC subsidiaries are 25% for both periods.

根據中國企業所得稅法(「企業所得稅法」)和企業所得稅法實施條例，中國附屬公司於兩個期間的稅率均為25%。

7 Profit for the period**7 本期間溢利**

		Six-months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Profit for the period has been arrived at after charging/(crediting):	本期間溢利已扣除／(計入)下列項目：		
Staff costs	員工成本	84,367	73,252
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	51,967	52,660
Depreciation of right-of-use assets	使用權資產之折舊	58,608	60,533
Less: Amount capitalized in construction in progress	減：在建工程中之資本化金額	(24,955)	(34,531)
		85,620	78,662
Gain on lease modification	修訂租賃協議所產生的收益	(16,953)	(15,320)
Reversal of loss allowance on expected credit losses for trade receivables	應收賬款預期信貸虧損之虧損撥備撥回	(271)	(301)
Expenses related to variable lease payments to a joint venture	支付予一間合資企業可變租賃付款有關的開支	22,246	8,997
Cost of inventories recognised as expense	確認為支出之存貨成本	253,967	188,917

8 Dividend

No dividend was paid or declared by the Company for the six months ended 30 June 2021 (2020: nil).

8 股息

截至二零二一年六月三十日止六個月，本公司並無派付或宣派任何股息(二零二零年：無)。

9 Earnings per share

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Earnings	盈利		
Profit for the period attributable to the owners of the Company	本公司擁有人應佔本期間溢利	168,660	99,181
		30 June 2021 二零二一年 六月三十日 '000 千股	30 June 2020 二零二零年 六月三十日 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares	普通股加權平均數	1,464,449	1,464,449

Diluted earnings per share were the same as the basic earnings per share as there were no potential dilutive equity instruments throughout the six months ended 30 June 2021 and 2020 respectively.

9 每股盈利

本公司擁有人應佔每股基本盈利乃根據以下數據計算：

每股攤薄盈利與每股基本盈利相同，乃由於分別截止二零二一年及二零二零年六月三十日止六個月並沒有潛在可攤薄股本工具。

10 Property, plant and equipment

10 物業、廠房及設備

		Buildings	Leasehold improvement	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		樓宇	租賃物業裝修	廠房及機器	傢俬、固定裝置及設備	汽車	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cost	成本							
As at 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	2,174,943	716,315	153,217	60,077	5,328	3,045,076	6,154,956
Additions	添置	—	—	107	1,136	545	337,032	338,820
Disposals/write-offs	出售/撤銷	—	—	(7)	(4,515)	(1,188)	—	(5,710)
As at 31 December 2020 (audited)	於二零二零年十二月三十一日(經審核)	2,174,943	716,315	153,317	56,698	4,685	3,382,108	6,488,066
Additions	添置	—	—	9	2,266	1,565	112,352	116,192
Disposals/write-offs	出售/撤銷	—	(10,314)	(2,768)	(1,285)	—	—	(14,367)
As at 30 June 2021 (unaudited)	於二零二一年六月三十日 (未經審核)	2,174,943	706,001	150,558	57,679	6,250	3,494,460	6,589,891
Depreciation	折舊							
As at 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	561,822	629,471	95,406	47,908	3,589	—	1,338,196
Provided for the year	年內撥備	70,059	24,617	7,542	2,295	343	—	104,856
Disposals/write-offs	出售/撤銷	—	—	(7)	(4,064)	(801)	—	(4,872)
As at 31 December 2020 (audited)	於二零二零年十二月三十一日(經審核)	631,881	654,088	102,941	46,139	3,131	—	1,438,180
Provided for the period	期內撥備	36,176	11,626	3,304	777	84	—	51,967
Disposals/write-offs	出售/撤銷	—	(10,314)	(2,498)	(1,127)	—	—	(13,939)
As at 30 June 2021 (unaudited)	於二零二一年六月三十日 (未經審核)	668,057	655,400	103,747	45,789	3,215	—	1,476,208
Net book value	賬面淨值							
As at 30 June 2021 (Unaudited)	於二零二一年六月三十日 (未經審核)	1,506,886	50,601	46,811	11,890	3,035	3,494,460	5,113,683
As at 31 December 2020 (Audited)	於二零二零年十二月三十一日(經審核)	1,543,062	62,227	50,376	10,559	1,554	3,382,108	5,049,886

11 Right-of-use assets

11 使用權資產

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
As 1 January	於一月一日	2,576,030	2,754,640
Addition	添置	—	56,710
Depreciation charge	折舊支出	(58,608)	(119,534)
Amount capitalised in construction in progress	於在建工程資本化的金額	(24,955)	(59,486)
Lease modification	修訂租賃協議	(4,072)	(56,300)
		2,488,395	2,576,030

12 Investments in associates

12 於聯營公司的投資

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Unlisted, at cost	非上市，按成本	1,228,800	1,228,800
Discount arising on acquisition of additional interest in an associate in prior years	於過往年度收購一間聯營公司額外權益產生之折讓	98,416	98,416
Gain arising on deemed disposal of interest in an associate	視同出售一間聯營公司權益而產生之收益	11,297	11,297
Share of post-acquisition profits and other comprehensive income, net of dividends	應佔收購後之溢利及其他全面收益，扣除股息	1,695,605	1,538,443
		3,034,118	2,876,956

12 Investments in associates (continued)

At 30 June 2021 and 31 December 2020, the Group had interests in the following associates:

12 於聯營公司的投資(續)

於二零二一年六月三十日及二零二零年十二月三十一日，本集團擁有下列聯營公司之權益：

Name of entity 實體名稱	Form of business structure 業務結構模式	Place/country of establishment/ incorporation 註冊成立/ 註冊地點/國家	Principal place of operation 主要經營地點	Proportion of nominal value of issued capital/registered capital 已發行股本/註冊股本面值比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
				30 June 2021 二零二一年六月三十日	31 December 2020 二零二零年十二月三十一日	30 June 2021 二零二一年六月三十日	31 December 2020 二零二零年十二月三十一日	
Shijiazhuang Beiguo Renbai Group Company Limited ^a ("Beiren Group") (note a) 石家莊北國人百集團有限責任公司 (「北人集團」)(附註a)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	Investment holding of a group of companies engaging in the operation of department stores and supermarkets 從事百貨店及超市業務之集團公司之投資控股
Beiguo Shangcheng Company Limited ^b ("Beiguo") (note b) 北國商城股份有限公司(「北國」) (附註b)	Incorporation 註冊成立	PRC 中國	PRC 中國	16.05%	16.05%	16.05%	16.05%	Investment holding of a group of companies engaging in the operation of department stores and supermarkets 從事百貨店及超市業務之集團公司之投資控股
Hebei Beiguo Future Mall Company Limited ^c ("Future Mall") (note c) 河北北國先天下廣場有限責任公司 (「先天下廣場」)(附註c)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	Retailing business in the PRC 在中國從事零售業務
Dragon Sign Limited 龍信有限公司	Incorporation 註冊成立	Hong Kong 香港	PRC 中國	50%	50%	50%	50%	Investment holding of a company engaging in operation of restaurants in the PRC 在中國從事食肆經營之公司之投資控股

12 Investments in associates (continued)

Notes:

- (a) At 30 June 2021, the Group's 60% (31 December 2020: 60%) owned subsidiary, Wingold Limited, indirectly held equity interest of 49% (31 December 2020: 49%) in Beiren Group. The group does not participate in management of day-to-day operation of the operating entities within Beiren Group.
- (b) At 30 June 2021, 河北旭源投資有限公司 ("Hebei Xu Yuan Investment Company Limited"), an indirect wholly owned subsidiary of Wingold Limited, and Beiren Group held direct equity interest of 16.05% (31 December 2020: 16.05%) and 73.95% (31 December 2020: 73.95%) in Beiguo respectively. Among the seven directors (31 December 2020: seven) in Beiguo, two (31 December 2020: two) directors were the representatives of the Group. The Group does not participate in management of day-to-day operation of the operating entities within Beiguo.
- (c) At 30 June 2021, the Group's 60% (31 December 2020: 60%) owned subsidiary, Ample Sun Group Limited, held equity interest of 49% (31 December 2020: 49%) in Future Mall. In addition, 51% (31 December 2020: 51%) equity interest of Future Mall was being directly held by Beiguo. The Group does not participate in management of day-to-day operation of the operating entities within Future Mall.
- ^ The English name is translated for identification purpose only

12 於聯營公司的投資(續)

附註：

- (a) 於二零二一年六月三十日，本集團持有60% (二零二零年十二月三十一日：60%) 權益之附屬公司捷金有限公司間接持有北人集團49% (二零二零年十二月三十一日：49%) 股本權益。本集團並不參與管理北人集團內營運實體的日常運作。
- (b) 於二零二一年六月三十日，捷金有限公司的間接全資附屬公司河北旭源投資有限公司及北人集團分別持有16.05% (二零二零年十二月三十一日：16.05%) 及73.95% (二零二零年十二月三十一日：73.95%) 北國的直接股本權益。在北國合共七名 (二零二零年十二月三十一日：七名) 董事當中，兩名 (二零二零年十二月三十一日：兩名) 董事為本集團的代表。本集團並不參與管理北國內營運實體的日常運作。
- (c) 於二零二一年六月三十日，本集團持有60% (二零二零年十二月三十一日：60%) 權益之附屬公司益良集團有限公司持有先天下廣場49% (二零二零年十二月三十一日：49%) 股本權益。此外，先天下廣場51% (二零二零年十二月三十一日：51%) 股本權益由北國直接持有。本集團並不參與管理先天下廣場內營運實體的日常運作。
- ^ 英文名稱僅為翻譯，僅供識別

12 Investments in associates (continued)

Beiren Group

The principal activities of the Beiren Group are the operation of department stores and supermarkets in the PRC. It was also engaged in auto trading business and sales were made to three PRC companies ("the Debtors") in prior years up to year ended 31 December 2019. The ultimate beneficial owner of the Debtors has provided personal guarantees over the Debtors' outstanding amounts owing to the Beiren Group (the "Guarantor"). During the year ended 31 December 2019, the Debtors defaulted on settlement of trade balances due to the Beiren Group ("Trade Receivables") and the Beiren Group has ceased trading with the Debtors and the entire auto trading business since July 2019. Legal actions have been taken by the Beiren Group to recover the outstanding Trade Receivables.

The Group became aware from public sources that the Guarantor has been detained by the relevant local authority in Hebei province in relation to alleged illegal activities in one of his businesses since 2019 and noted that all companies (including the Debtors) and assets which are located in the Hebei Province that are directly or indirectly owned by the Guarantor have been seized by the local authority pending further investigations.

For the year ended 31 December 2019, after obtaining an understanding from management of the Beiren Group in respect of the actions taken to recover the Trade Receivables from the Debtors and taking into consideration advice from the Group's external legal advisers, the Group concluded the likelihood of recovering any amount from the Debtors or the Guarantor as remote and made a loss allowance of expected credit loss, net of deferred tax credit, against the full amount of overdue Trade Receivables balances due from the Debtors ("Full Impairment") for the purpose of recognising the share of results of the Beiren Group as at 31 December 2019. The impact of this Full Impairment on the Group's share of losses of associates, loss attributable to owners and loss attributable to non-controlling interests for the year ended 31 December 2019 amounted to RMB812.4 million, RMB487.4 million and RMB325.0 million respectively, while its impact on the Group's carrying value of the investments in associates, equity attributable to owners of the Company and the non-controlling interests as at that date amounted to RMB812.4 million, RMB487.4 million and RMB325.0 million respectively.

12 於聯營公司的投資(續)

北人集團

北人集團主營業務為於中國經營百貨店及超市，亦於截至二零一九年十二月三十一日止年度前過往年度兼營汽車貿易業務，並向三間中國公司(「債務人」)進行銷售。債務人之最終實益擁有人已就債務人未償還北人集團之款項提供個人擔保(「擔保人」)。截至二零一九年十二月三十一日止年度，債務人未有償還欠付北人集團之貿易結餘(「應收賬款」)並產生違約，北人集團自二零一九年七月起停止了與債務人的交易及整個汽車貿易業務。北人集團已作出法律行動追討該應收賬款。

自二零一九年，本集團從公開渠道獲知擔保人因涉嫌在其經營的其中一個業務中從事非法活動而被河北省有關當局逮捕，並知悉擔保人在河北省直接或間接擁有的全部公司(包括債務人)及全部資產都被當地公安局查封作進一步的調查。

於截至二零一九年十二月三十一日止年度，經了解北人集團管理層對從債務人收回應收賬款採取的行動，並經考慮本集團外部法律顧問的意見後，本集團認為從債務人或擔保人收回款項的可能性很低。為確認截至二零一九年十二月三十一日應佔北人集團之業績，本集團因此對債務人逾期應收賬款餘額全額之預期信貸虧損計提虧損撥備(扣除遞延稅項抵免)(「全額減值」)。全額減值對本集團截至二零一九年十二月三十一日止年度應佔聯營公司虧損、擁有人應佔虧損及非控股權益應佔虧損的影響分別為人民幣812.4百萬元、人民幣487.4百萬元及人民幣325.0百萬元，而其對本集團於該日對聯營公司的投資賬面價值、本公司擁有人應佔權益以及非控股權益的影響分別為人民幣812.4百萬元、人民幣487.4百萬元及人民幣325.0百萬元。

12 Investments in associates (continued)**Beiren Group (continued)**

Up to date, the Group understood from management of the Beiren Group that there has not been any progress made regarding their legal actions taken against the Debtors as the criminal case against the Guarantor taken by the relevant authority is still pending. The Group also understood that management of the Beiren Group has been communicating with the relevant local authority on a regular basis to follow up on development of the case against the Debtors but there was never any concrete reply from the authority. The Guarantor was still being detained by the relevant local authority and there has been no additional information or development in relation to the recoverability of the Trade Receivables. As at 30 June 2021, there has not been any progress made in terms of recovering the outstanding trade receivables nor able to obtain any further financial information of the Debtors and the Guarantor, the Group considered that the Full Impairment remained the best estimate based on the information currently available and therefore no partial or full reversal of the Full Impairment is considered necessary.

12 於聯營公司的投資(續)**北人集團(續)**

截至現時，本集團自北人集團管理層得悉，由於有關當局對擔保人的刑事起訴仍在審理中，因此北人集團對債務人進行之法律行動未有任何進展。本集團亦知悉北人集團管理層就跟進債務人案件之發展定期與有關當局保持溝通，惟從未收到當局任何實質回覆。擔保人仍被相關地方部門拘留，就應收賬款的可收回性方面並無額外資料或事態發展。於二零二一年六月三十日，就收回未償還應收賬款或能否取得債務人及擔保人任何進一步財務資料上並無任何進展，基於目前所得的資料下，本集團認為全額減值仍為最佳估算，亦因此毋需考慮就全額減值作出部份或全部撥回。

13 Financial assets at fair value through profit or loss**13 按公平值計入損益之金融資產**

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Financial assets at FVTPL:	按公平值計入損益之金融資產：		
— structured investment products (note)	— 結構性投資產品 (附註)	15,400	86,500

Note:

The balance at 30 June 2021 and 31 December 2020 represented structured investment products placed with banks in the PRC, with expected but not guaranteed return in the range of 1.85% to 2.20% per annum (31 December 2020: 1.85% to 2.20% per annum), depending on the performance of its underlying investments, which are mainly bonds and debentures. These financial assets were measured at FVTPL as their contractual terms do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

附註：

於二零二一年六月三十日及二零二零年十二月三十一日之結餘乃存放在中國的銀行之結構性投資產品，其預期但不保證的年度收益率由1.85厘至2.20厘(二零二零年十二月三十一日：1.85厘至2.20厘)，視乎其相關資產投資(主要為債券及債權證)的表現。該金融資產為按公平值計入損益，因為其合約條款並不於指定日期產生僅為支付本金及未償還本金利息之現金流量。

14 Trade and other receivables

14 應收賬款及其他應收款項

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade receivables	應收賬款	10,817	64,172
Lease receivables	租賃應收款項	6,126	7,234
		16,943	71,406
Less: Loss allowance on expected credit losses	減：就預期信貸虧損之虧損撥備	(452)	(723)
		16,491	70,683
Prepayments	預付款項	186	225
Deposits paid	已付按金	1,513	1,534
Value added tax ("VAT") receivable	應收增值稅(「增值稅」)	114,540	114,571
Others	其他	48,567	43,870
		164,806	160,200
Less: Provision for expected credit losses	減：預期信貸虧損撥備	(22,253)	(22,253)
		142,553	137,947
Less: Non-current portion	減：非流動部分	(1,513)	208,630
		157,531	207,096

The Group's retail sales to customers are mainly made in cash, through debit card payments or third party payment platform. Its major trade receivables arising from third party payment platform sales are normally settled in one to two business days and the lease receivables are normally settled 30 days in arrears. The following is an aged analysis of trade receivables and lease receivables net of allowance for expected credit losses, if any, presented based on the invoice date:

本集團向顧客作出的零售銷售主要透過現金、銀行卡或第三方支付平台方式付款。本集團主要應收賬款來自一般於一至兩個工作日收回的第三方支付平台銷售及一般於三十天內收回的租賃應收款項。以下為應收賬款及租賃應收款項(扣除預期信貸虧損撥備(如有))根據發票日期之賬齡分析：

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	15,064	67,976
31-60 days	31日至60日	901	1,135
61-90 days	61日至90日	315	712
over 90 days	超過90日	211	860
		16,491	70,683

15 Inventories

Merchandise held for resale

持有作轉售商品

30 June**2021**

二零二一年

六月三十日

(Unaudited)

(未經審核)

RMB'000

人民幣千元

70,500

31 December

2020

二零二零年

十二月三十一日

(Audited)

(經審核)

RMB'000

人民幣千元

69,490

16 Amount due to a joint venture

At 30 June 2021 and 31 December 2020, the amount due to a joint venture represented accrued rental and management fee payable to the joint venture. The amount was unsecured, non-interest bearing and repayable on demand.

17 Properties under development

Properties under development comprise two office towers of the Group's commercial complex development project in Shanghai, the PRC. During current period, the Group had additions of RMB23,946,000 to properties under development, which include eligible capitalised borrowing costs of RMB12,533,000. The Group intends to sell these two office towers in part or in whole when the sale permit is granted by the relevant PRC authorities.

15 存貨**16 應付一間合資企業款項**

於二零二一年六月三十日及二零二零年十二月三十一日，應付一間合資企業之款項包括計提應付該合資企業之租金及管理費。此款項為無抵押、免息及須於要求時償還。

17 發展中物業

發展中物業包括本集團於中國上海綜合商業發展項目中兩座商務辦公大樓。於本期間，本集團發展中物業新增金額為人民幣23,946,000元，其中包括人民幣12,533,000元符合資本化的借貸成本。本集團擬於相關中國機關授出銷售許可證後，將此兩座商務辦公大樓的部份或全部出售。

18 Trade and other payables

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade payables	應付賬款	37,985	54,988
Construction payables	應付工程款項	156,099	252,850
Concessionaire sales payables	應付特許專櫃銷售款項	438,046	492,595
Refundable prepaid card deposits	可退還預付卡按金	133,723	131,174
Rental deposits received	已收租賃按金	114,857	81,908
Accrued expenses	應計費用	35,215	64,425
VAT payable	應付增值稅	2,167	9,783
Interest payables	應付利息	2,898	3,228
Others	其他	30,686	29,592
		951,676	1,120,543

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

以下為根據報告期末發票日期對應付賬款的賬齡分析：

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	32,505	46,036
31-60 days	31日至60日	812	3,848
61-90 days	61日至90日	432	969
Over 90 days	超過90日	4,236	4,135
		37,985	54,988

The average credit period of trade payables and concessionaire sales payables is within 45 days from invoice date. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

應付款項及應付特許專櫃銷售款項之平均信貸期為發票日期起計45日以內。本集團設有財務風險管理政策，確保所有應付款項於信貸期限內支付。

19 Bank borrowings

19 銀行借貸

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Bank borrowings comprise bank loans and are analysed as follows: Secured, variable rate and denominated in RMB	銀行借貸由銀行貸款組成，並按以下分析： 有抵押，浮息及以人民幣計值	2,370,000	2,400,000
Carrying amount repayable based on contractual repayment dates:	按合約中償還日期分類之應償還賬面值：		
Within one year	一年內	80,000	60,000
More than one year, but not exceeding two years	一年後但不超過兩年	610,000	100,000
More than two years, but not exceeding three years	兩年後但不超過三年	1,120,000	1,120,000
More than three years, but not exceeding four years	三年後但不超過四年	560,000	1,120,000
		2,370,000	2,400,000
Less: Amount due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	(80,000)	(60,000)
Amount due after one year	一年後到期之款項	2,290,000	2,340,000

The effective interest rates of the borrowings were at 4.40%–4.41% (31 December 2020: 4.40%–4.46%) per annum.

貸款實際利率為年利率4.40%–4.41% (二零二零年十二月三十一日：4.40%–4.46%)。

At 30 June 2021, the Group had no undrawn borrowing facilities.

於二零二一年六月三十日，本集團並無未提取銀行融資。

20 Amount due to a non-controlling shareholder of subsidiaries

As at 30 June 2021 and 31 December 2020, the amount was unsecured, non-interest bearing and repayable on demand.

20 應付附屬公司一名非控股股東之款項

於二零二一年六月三十日及二零二零年十二月三十一日，該款項為無抵押、免息及須於要求時償還。

21 Lease liabilities

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
At 1st January	於一月一日	406,427	573,323
Less:	減：		
Lease payments	租賃付款	(58,330)	(120,626)
Lease modification	修訂租賃協議	(20,853)	(71,620)
Interest expense	利息開支	9,598	25,350
		336,842	406,427

21 租賃負債

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Within a year	一年內	98,174	101,245
More than one year, but not exceeding five years	一年後但不超過五年	238,668	305,182
		336,842	406,427

Lease contracts are typically for fixed periods of 10–15 years.

租賃合約一般設有固定年期，介乎10年至15年。

22 Contract liabilities

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Loyalty points under loyalty reward programmes	忠誠獎勵計劃下的忠誠獎勵積分	11,942	8,288
Unredeemed gift certificates	未兌換之禮券	790	805
		12,732	9,093

22 合約負債

22 Contract liabilities (continued)

22 合約負債(續)

		Loyalty points under loyalty reward programmes 忠誠獎勵計劃下的忠誠獎勵積分	
		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Revenue recognised from contract liabilities during the period	期內自合約負債確認之收入	21,673	34,307

23 Share capital

23 股本

		Number of shares 股份數目	Amount 款項 HK\$'000 千港元
Ordinary shares of HK\$0.005 each	每股面值0.005港元的普通股		
Authorised:	法定股本：		
At 1 January 2020, 31 December 2020, 1 January 2021, and 30 June 2021	於二零二零年一月一日、 二零二零年十二月三十一日、 二零二一年一月一日及 二零二一年六月三十日	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足股本：		
At 1 January 2020, 31 December 2020 (audited) and 30 June 2021 (unaudited)	於二零二零年一月一日、 二零二零年十二月三十一日 (經審核)及二零二一年六月 三十日(未經審核)	1,464,448,500	7,322
			RMB'000 人民幣千元
Shown in the financial statements as RMB at 31 December 2020 and 30 June 2021	於二零二零年十二月三十一日及 二零二一年六月三十日於財務 報表以人民幣呈列		6,291

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

於兩個期間，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

24 Capital and other commitments

		30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Capital and other expenditure in respect of acquisition of property, plant and equipment and property development project contracted for but not provided in the condensed consolidated financial statements	已訂約惟未於簡明綜合財務報表撥備之有關購入物業、廠房及設備以及物業發展項目之資本及其他開支	468,900	598,200

24 資本及其他承擔

25 Fair value measurements of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

25 金融工具之公平值計量

本公司董事認為於簡明綜合財務報表中按攤銷成本計量的金融資產及金融負債的賬面價值與其公平值相若。

本集團若干的金融資產及金融負債在每個報告期末時按公平值計量。下表提供有關如何確定這些金融資產及金融負債的公平值(尤其是估值方法和使用的輸入參數)的資料。

Financial assets 金融資產	Fair value as at 公平值於		Fair value hierarchy 公平值等級架構	Valuation technique(s) and key input(s) 估值方法和主要輸入的參數
	30 June 2021 二零二一年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2020 二零二零年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元		
Financial assets at FVTPL 按公平值計入損益之金融資產 Structured investment products 結構性投資產品	15,400	86,500	Level 3 等級三	Discounted cash flows: Future cash flows are estimated based on expected return, discounted at a rate that reflects the risk of underlying investments. 貼現現金流量：基於預期回報按反映相關投資風險利率貼現，預計未來現金流量。

There were no transfers between the levels of the fair value hierarchy during the period.

期內，並無於任何公平值等級架構之間進行轉移。

26 Related Party Disclosure

During the period, the Group had entered into the following significant transactions with the related parties.

26 關連人士披露

期內，本集團與關連人士進行下列重大交易。

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審核) RMB'000 人民幣千元	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元
Nature of related party transactions:	關連人士交易的性質：		
Variable lease payments expenses and management fee to a joint venture	支付予一間合資企業之可變租賃付款開支及管理費	40,243	26,759
Repayment of lease liabilities to a joint venture (including principal and interest elements)	向一間合資企業償還租賃負債(包括本金及利息部份)	57,339	57,339
Rental and management fee income from an associate	來自一間聯營公司的租金及管理費收入	2,577	3,359

Lifestyle China Group Limited 利福中國集團有限公司

Lifestyle China Group Limited

(Incorporated in the Cayman Islands with limited liability)

20/F., East Point Centre, 555 Hennessy Road
Causeway Bay, Hong Kong

利福中國集團有限公司

(於開曼群島註冊成立的有限公司)

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