



C. banner International Holdings Limited 千百度國際控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：1028



ANNUAL
REPORT

2020
年度報告



Contents

目錄

Corporate Profile 公司簡介	2
Corporate Information 公司資料	5
Financial Highlights 財務摘要	8
Chairman's Statement 主席報告	10
Report of the Directors 董事會報告	15
Management Discussion and Analysis 管理層討論及分析	35
Corporate Governance Report 企業管治報告	53
Directors and Senior Management 董事及高級管理層	72
Independent Auditor's Report 獨立核數師報告	76
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	84
Consolidated Statement of Financial Position 綜合財務狀況表	86
Consolidated Statement of Changes in Equity 綜合權益變動表	88
Consolidated Statement of Cash Flows 綜合現金流量表	89
Notes to the Consolidated Financial Statements 綜合財務報表附註	92
Financial Summary 財務摘要	196

Corporate Profile

公司簡介

C.banner International Holdings Limited
千百度國際控股有限公司

Vision To be a leading ladies' fashion footwear branded group in China

Brand Values Elegance, Charm, Fashionable

願景 成為中國領先的時尚女鞋品牌集團

品牌理念 優雅、魅力、時尚

CORPORATE PROFILE

C.banner International Holdings Limited (the “Company” or “C.banner”, together with its subsidiaries, the “Group”) is the leading retailer of mid-to-premium women's formal and casual footwear in the PRC.

The Group distributes self-developed brands and licensed brands products through department stores and independent retail stores in different cities, ranging from first-tier to third-tier cities in the PRC, and is also proactive in developing online business as to further expand its customer base as well as sales and distribution network. In addition, the Group also acts as an original equipment manufacturer (“OEM”) or original design manufacturer (“ODM”) manufacturer for international shoes companies dealing in export markets.

Striving to be a leading ladies' fashion footwear branded group in the PRC, the Group upholds a diversified brand strategy and product portfolio as to diversify its footwear offerings and enter diversified market segments. The Group is popular for its brand values of elegance, charm and fashionable in the market, and operates self-developed brands, including C.banner, EBLAN, sundance, MIO, Badgley Mischka and natursun, and licensed brands, United Nude.

公司簡介

千百度國際控股有限公司(「本公司」或「千百度」, 連同其附屬公司, 統稱「本集團」)是中國領先的中高檔端莊和休閒女鞋零售商。

本集團透過位於中國多個一二三線城市的百貨商店及獨立零售店舖出售自有產品及特許品牌產品, 亦積極發展線上業務, 以期進一步拓展其客戶群以及銷售及分銷網絡。此外, 本集團亦以原始設備製造商(「原始設備製造商」)或原始設計製造商(「原始設計製造商」)方式為國際鞋業公司生產產品出口海外。

致力成為中國領先的時尚女鞋品牌集團, 本集團堅持多元化品牌發展戰略, 並豐富產品組合, 以使其鞋履種類多樣化及促進市場多元化。本集團因秉承優雅、魅力、時尚的品牌理念備受市場青睞, 並經營自有品牌包括千百度、伊伴、太陽舞、米奧、Badgley Mischka及natursun, 以及授權品牌United Nude。

SELF-DEVELOPED BRANDS

	is one of the leading brands in the mid-to-premium formal and casual segment in the PRC, offers a range of mid-to-premium fashion, business and business casual footwear.	中國中高檔端莊及休閒分部的一大領軍品牌，提供一系列中高檔時尚、商務及商務休閒鞋履。
EBLAN	is comparatively more youthful, colorful and energetic in its designs.	設計更年輕、更絢麗，更具活力。
	is the most casual in appearance, in line with its younger customer profile.	外觀最為休閒，符合年輕客戶的形象。
MIO	offers a range of trendy and high-quality ladies footwear for most young female customers.	為年輕女性客戶提供一系列新潮優質女鞋。
BADGLEY MISCHKA	is a well-known fashion brand, offers fashion ladies footwear to be worn in important occasions.	是知名時尚品牌，提供重要場合穿著的時尚女鞋。
	is committed to comfort technology research for the creation of comfortable and fashionable footwear targeted at office ladies in China.	致力於舒適技術的研究，為中國白領女性設計舒適時尚的鞋履。

LICENSED BRANDS

	Its simple, elegant and creative style is no substitute.	簡約、優雅、極富創意的風格無可取代。
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Corporate Profile

公司簡介

4



Corporate Information

公司資料

BOARD OF DIRECTORS

董事會

Executive Directors:

執行董事：

Mr. Chen Yixi (Chairman)
Mr. Huo Li (resigned on 4 February 2021)
Mr. Yuan Zhenhua (President)
Mr. Wan Xianghua
Mr. Wu Weiming

陳奕熙先生(董事長)
霍力先生(於2021年2月4日辭任)
袁振華先生(總裁)
萬祥華先生
吳維明先生

Non-executive Director:

非執行董事：

Mr. Miao Bingwen

繆炳文先生

Independent Non-executive Directors:

獨立非執行董事：

Mr. Kwong Wai Sun Wilson
Mr. Li Xindan
Mr. Zheng Hongliang

鄺偉信先生
李心丹先生
鄭紅亮先生

AUTHORISED REPRESENTATIVES

授權代表

Mr. Huo Li (resigned on 4 February 2021)
Mr. Yuan Zhenhua (appointed on 4 February 2021)
Ms. So Lai Shan (resigned on 29 March 2021)
Ms. Wong Sau Ping (appointed on 29 March 2021)

霍力先生(於2021年2月4日辭任)
袁振華先生(於2021年2月4日獲委任)
蘇麗珊女士(於2021年3月29日辭任)
黃秀萍女士(於2021年3月29日獲委任)

AUDIT COMMITTEE

審核委員會

Mr. Kwong Wai Sun Wilson (Chairman)
Mr. Miao Bingwen
Mr. Li Xindan
Mr. Zheng Hongliang

鄺偉信先生(主席)
繆炳文先生
李心丹先生
鄭紅亮先生

REMUNERATION COMMITTEE

薪酬委員會

Mr. Li Xindan (Chairman)
Mr. Miao Bingwen
Mr. Kwong Wai Sun Wilson
Mr. Zheng Hongliang

李心丹先生(主席)
繆炳文先生
鄺偉信先生
鄭紅亮先生

Corporate Information

公司資料

NOMINATION COMMITTEE

Mr. Chen Yixi (Chairman)
Mr. Li Xindan
Mr. Kwong Wai Sun Wilson
Mr. Zheng Hongliang

提名委員會

陳奕熙先生(主席)
李心丹先生
鄺偉信先生
鄭紅亮先生

COMPANY SECRETARY

Ms. So Lai Shan (resigned on 29 March 2021)
Ms. Wong Sau Ping (appointed on 29 March 2021)

公司秘書

蘇麗珊女士(於2021年3月29日辭任)
黃秀萍女士(於2021年3月29日獲委任)

REGISTERED OFFICE

Victoria Place
5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

註冊辦事處

Victoria Place
5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2904, 29th Floor
Far East Finance Center
16 Harcourt Road
Hong Kong

香港主要營業地點

香港
夏慤道16號
遠東金融中心
29樓2904室

STOCK CODE

1028

股份代號

1028

COMPANY WEBSITE

www.cbanner.com.cn

公司網址

www.cbanner.com.cn

LEGAL ADVISER

David Lo & Partners
Suite 402, 4/F, Nan Fung Tower
88 Connaught Road Central
Central, Hong Kong

法律顧問

羅國貴律師事務所
香港中環
干諾道中88號
南豐大廈4樓402室

AUDITORS

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

核數師

中匯安達會計師事務所有限公司
執業會計師

SHARE REGISTRARS

Principal Share Registrar and Share Transfer Agent

Ocorian Management (Bermuda) Limited
Victoria Place
5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

股份過戶處

股份登記總處及股份過戶代理

Ocorian Management (Bermuda) Limited
Victoria Place
5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

Hong Kong Branch 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

香港股份過戶登記分處

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

PRINCIPAL BANKERS

Agricultural Bank of China, Nanjing Qinhuai sub-branch
Bank of China, Suining sub-branch
China Construction Bank, Suining sub-branch

主要往來銀行

中國農業銀行南京秦淮支行
中國銀行睢寧支行
中國建設銀行睢寧支行



Financial Highlights

財務摘要

		Year ended 31 December	
		截至12月31日止年度	
		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
CONTINUING OPERATIONS	持續經營業務		
Revenue	收益	1,539,368	1,935,538
Gross profit	毛利	860,668	1,159,086
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	14,813	(90,567)
Income tax expenses	所得稅開支	(9,208)	(114,709)
Profit/(loss) for the year from continuing operations	來自持續經營業務的年內溢利／(虧損)	5,605	(205,276)
DISCONTINUED OPERATION	已終止業務		
Loss for the year from discontinued operation	已終止業務的年內虧損	–	(102,159)
Profit/(loss) for the year	年內溢利／(虧損)	5,605	(307,435)
Profit/(loss) for the year attributable to owners of the Company	本公司權益持有人應佔年內溢利／(虧損)		
Profit/(loss) from continuing operations	來自持續經營業務的溢利／(虧損)	6,179	(209,493)
Loss from discontinued operation	來自已終止業務的虧損	–	(101,987)
		6,179	(311,480)
		%	%
Gross profit margin from continuing operations	來自持續經營業務之毛利率	55.9	59.9
Operation profit/(loss) margin from continuing operations	來自持續經營業務的經營溢利／(虧損)率	1.0	(4.7)
Net profit/(loss) margin attributable to owners of the Company from continuing operations	來自持續經營業務的本公司權益持有人應佔淨溢利／(虧損)率	0.4	(10.8)
Earnings/(loss) per share	每股收益／(虧損)		
Basic and diluted earnings/(loss) per share (RMB cents)	每股基本及攤薄收益／(虧損)(人民幣分)		
– From continuing and discontinued operations	–來自持續經營及已終止業務	0.30	(15.11)
– From continuing operations	–來自持續經營業務	0.30	(10.16)
Bank balances and cash	銀行結餘及現金	546,391	401,057
Borrowings	借貸	–	–
		%	%
Liquidity ratio (Note 1)	流動資金比率(附註1)	340.3	411.3
Gearing ratio (Note 1)	資產負債率(附註1)	–	–
		Days	Days
		日數	日數
Average inventory turnover (Note 2)	平均存貨周轉期(附註2)	228.5	237.8
Average account receivable turnover (Note 2)	平均應收款項周轉期(附註2)	58.2	49.8
Average payable turnover (Note 2)	平均應付款項周轉期(附註2)	83.7	57.1

Note 1: Liquidity ratio = current assets/current liabilities; gearing ratio = total loans and borrowings/total assets

Note 2: Continuing operations and discontinued operations are included in the calculation of turnover period

附註1: 流動資金比率=流動資產/流動負債; 資產負債率=總貸款及借貸餘額/資產總額

附註2: 周轉期計算包括持續經營業務與終止業務



Chairman's Statement 主席報告



Chen Yixi 陳奕熙
Chairman 主席

“Stay focused on strengthening the core business and optimizing online and offline experience in an effort to further enhance the competitiveness.”

「繼續專注於加強核心業務及優化線上線下體驗，進一步提升競爭力。」

Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of the Company, I am pleased to present the Group’s annual report for the year ended 31 December 2020.

The unprecedented challenges brought by the COVID-19 pandemic along with the intensifying economic and political conflicts between China and the United States in addition to other geopolitical issues generated immense pressure on the global economy in 2020, according to the World Bank, the global economy contracted 4.3% in 2020, resulting in the severest recession since the World War II. Nevertheless, China reported 2.3% gross domestic product (“GDP”) growth in 2020, rebounding from a historic decline in the first quarter of the year, making it the only major world economy to grow. China’s strong rebound was mainly due to its success in taming COVID-19 within its borders.

However, the retail industry was the one of the hardest hit industries during the pandemic-ravaged year. According to the National Bureau of Statistics of China, total retail sales of social consumer goods are expected to be RMB39,198.1 billion, for a decrease of 3.9% over the previous year. Overall sales benefited from the booming online retail sector. In 2020, China’s online retail sales were RMB11,760.1 billion, for an increase of 10.9% over the previous year. Online retail sales of physical goods reached RMB9,759 billion, for an increase of 14.8%, accounting for 24.9% of the total retail sales of social consumer goods. Online retail sales are broken down into three categories: food, clothing and consumer goods which increased by 30.6%, 5.8% and 16.2%, respectively.

致各股東：

本人謹代表本公司董事（「董事」）會（「董事會」）欣然提呈本集團截至2020年12月31日止年度的年度報告。

根據世界銀行資料，COVID-19疫情帶來前所未有的挑戰，加上中美之間的經濟與政治衝突日益加劇，以及其他地緣政治問題，於2020年給全球經濟帶來了巨大壓力。2020年全球經濟萎縮4.3%，是二次世界大戰以來最嚴重的衰退。然而，2020年中國國內生產總值（「國內生產總值」）從第一季度的歷史性下跌反彈，錄得2.3%增長率，成為全球唯一出現增長的主要經濟體。中國強勁反彈的主要原因是能夠成功控制境內的COVID-19疫情。

然而，在疫情肆虐的一年，零售業成為受最大打擊的行業之一。根據國家統計局的數據，社會消費品的零售總額預計為人民幣39,198億元，較去年下跌3.9%。整體銷售額受惠於線上零售行業的蓬勃發展。2020年，中國線上零售額達到人民幣11,760億元，較去年增加10.9%。實體商品的線上零售額增長14.8%至人民幣9,759億元，相當於社會消費品零售總額的24.9%。線上零售分為食品、服裝及消費品三類，分別增長30.6%、5.8%及16.2%。

Chairman's Statement

主席報告

Though e-commerce and other forms of digital interaction were already popular in China, the pandemic contributed to its further acceleration as a result of the new “stay-at-home” economy. With more people choosing to shop online in an effort to limit physical interaction, traditional retail and consumer service companies moved to enhance their digitalisation. This ushered in a new round of rapid development of e-commerce requiring transformation and upgrades in operation models, methods of promotion and other aspects to satisfy online shoppers' preferences and consumption patterns.

In response to economic challenges and the adverse business environment in 2020, the Company took specific measures to capitalise on its business development in an effort to maintain sustainable growth and reduce market risks. It expanded brand connotation, optimized brand portfolio, enriched its retail network, enhanced online sales channels, and centralized its quality business. Additionally, it further pushed forward its strategy in forging an exceptional online and offline shopping experience for consumers as well as integrated resources and streamlined operations across various business units to strengthen its brand presence and boost sales performance.

Over the years, the Company has built a reputation of providing premium service. Its ability to deliver exceptional shopping experience through comprehensive and complementary online and offline retail networks forms its core strength which enabled the Company to sail through this challenging market environment. While strengthening its core competitiveness, the Company will continue to prudently explore new growth drivers to unleash the biggest potential of its resource advantages.

儘管電子商務及其他形式的數字互動已在中國普及，但疫情下的新「居家」經濟進一步加快其發展步伐。隨著越來越多人選擇線上購物以減少身體接觸，傳統零售及消費服務公司已著手加強數字化。電子商務迎來新一輪的急速發展，在運營模式、促銷方式等方面需要轉型及升級，以迎合線上顧客的喜好和消費模式。

於2020年，為應對經濟挑戰及營商環境不景氣，本公司採取多項特定措施，利用其業務發展以維持可持續增長及降低市場風險。公司拓展品牌內涵，優化品牌組合，豐富零售網絡，並增強線上銷售渠道，同時集中優質業務。此外，公司也進一步推進為消費者打造不一樣線上線下購物體驗的策略，以及整合資源及精簡各個業務部門的運營，以提升品牌知名度及推高銷售表現。

多年來，本公司一直以提供優質服務見稱。通過互補的綜合線上線下零售網絡，提供獨特的購物體驗，是我們得以戰勝充滿挑戰的市場環境的核心優勢。本公司在增強核心競爭力的同時，也將繼續審慎探索新的增長動力，以釋放其最大的資源優勢潛力。

In the beginning of 2020, the Company increased its interest in Mega Brilliant International Limited (“Mega Brilliant”), which allowed it to centralise and streamline the operation and management of its footwear retail business. By July 2020, the Company completed the disposal of Allied Great International Holdings Limited (“Allied Great”) with the aim of concentrating its production activities in Xuzhou while saving costs on internal governance, logistics and warehousing. These adjustments are expected to contribute to the Company’s efficient and high-quality operations, sustainable development and unleash its potential and resource advantages. This once again demonstrates the Company’s perennial commitment and decisiveness in maintaining its leading market position.

Although few customers cancelled their orders at the factory in Dongguan City, Guangdong in the first quarter, the Company resumed full operation as of early March 2020 when it began to receive new orders from existing and new business partners.

Looking ahead, the possibility of resurgences in local COVID-19 cases, global economic uncertainty and the continued deterioration of the relationship between China and the U.S. all pose downside risks to China’s and the world’s 2021 economic growth outlook. The OEM business may continue to be affected and the Company intends to gradually close the low-efficiency store and enhance the sales volume of a single store and leveraging the online sales to boost the overall sales volume. With the gradual implementation of re-centring strategies over the years, the operational system will be reformed to adapt to the latest operational mode and the core business of the Company, especially the first self-owned brand of the Company, C.banner, will unleash great potential.

於2020年初，本公司增加於美宏國際有限公司（「美宏」）的權益，使其得以集中並精簡鞋履零售業務的運營及管理。本公司於2020年7月前完成出售滙英國際集團有限公司（「滙英」），藉此將生產活動集中在徐州，同時節省內部管治、物流及倉儲成本。預期有關調整將有助本公司高效及高質量運營，持續發展，以及發揮潛能與資源優勢。這再次顯示本公司在保持領先市場地位的長久承諾及決心。

儘管個別客戶於第一季度取消彼等向廣東省東莞市工廠下達的訂單，隨著本公司開始接獲來自現有及新業務夥伴的新訂單，本公司已於2020年3月初全面恢復營業。

展望未來，本地可能重現COVID-19病例、全球經濟不明朗以及中美關係持續惡化，也為2021年中國及全球的經濟增長前景帶來下行風險。原始設備製造商業務或會繼續受到影響，本公司計劃逐步關閉低效率店舖，並提升單一店舖的銷量，同時利用線上銷售推高整體銷量。隨著本公司多年來逐步實施重建重心的戰略，營運制度將進行改革以適應最新的營運模式，而本公司的核心業務（特別是其首個自有品牌「千百度」）將釋放出巨大潛力。

Chairman's Statement

主席報告

In addition, the Company values talents and is determined to attract talents to upgrade the knowledge structure of management team, transforming itself into a modern and fashionable company. The management structure and personnel of the Company will be further adjusted to optimize the team structure and enhance operational efficiency so as to navigate through adverse market conditions.

On behalf of the Board, I would like to extend my sincerest gratitude to shareholders, business partners, staff and other stakeholders' tremendous support, and to my fellow Board members for leading the Company through this challenging year. We will stay resilient by exploring and pursuing new opportunities for additional business development as we strive to maximize shareholder value.

CHEN Yixi

Chairman

PRC, 29 March 2021

此外，本公司重視並決心吸引人才，以增強管理團隊的知識結構，將公司轉型成一家摩登時尚的企業。本公司將進一步調整其管理結構及人員，以優化團隊結構並提高運營效率，務求戰勝不利的市場環境。

本人謹代表董事會衷心感謝各位股東、業務夥伴、員工及其他利益相關者的鼎力支持，以及董事會成員帶領本公司度過這充滿挑戰的一年。我們將保持靈活性，積極開拓及尋求新機遇以促進業務發展，致力提升股東價值。

主席

陳奕熙

中國，2021年3月29日

Report of the Directors

董事會報告

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are set out in note 42 to the consolidated financial statements.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2020 is set out in the “Financial Highlights”, “Chairman’s Statement” and “Management Discussion and Analysis” on page 8, pages 10 to 14 and pages 35 to 52 respectively of this annual report.

A description of the principal risks and uncertainties facing the Group can be found in the “Chairman’s Statement” on pages 10 to 14 and note 5 to the financial statements on pages 126 to 134 of this annual report. An analysis using financial key performance indicators can be found in the Financial Highlights on page 8 and Management Discussion and Analysis on pages 35 to 52 of this annual report.

The Group is committed to enhancing governance, promoting employee benefits and development, protecting the environment and giving back to society in order to fulfill social responsibility and achieve sustainable growth. Discussions on the Group’s environmental policies and performance, compliance with the relevant laws and regulations which have a significant impact on the Group and relationships with key stakeholders are provided below.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises the importance of good environmental stewardship and endeavours to increase its utilization rate of energy, water and materials. In the meantime, the Group minimises the use of natural resources and optimises its production process while enhancing efficiency and reducing the use of energy and chemicals of every unit of products. It also adopts various environmental measures and promotes waste reduction as well as recycling and reuse.

董事會欣然呈列其報告連同本集團截至2020年12月31日止年度之經審核綜合財務報表。

主要業務

本公司主要業務為投資控股，而其附屬公司之主要業務載於綜合財務報表附註42。

業務回顧

本集團截至2020年12月31日止年度之業務回顧分別載於本年報第8頁、第10至14頁及第35至52頁之財務摘要、主席報告及管理層討論及分析等節。

有關本集團面對的主要風險及不確定因素載於本年報第10至14頁主席報告及第126至134頁財務報表附註5。使用財務主要表現指標的分析請參閱本年報第8頁財務摘要及第35至52頁管理層討論及分析一節。

本集團致力提升管治、促進僱員福利與發展、保護環境及回饋社會，從而履行社會責任並實現可持續增長。本集團之環境政策及表現、遵守對本集團有重大影響的相關法律及規例的情況以及與其主要權益人的關係之討論載於下文。

環境政策及表現

本集團認同良好環境管理至關重要，致力提升各項能源、水資源、物料的利用效率，同時減少對各項天然資源的使用，並優化生產程序，提升效能及減少每單位產品的能源與化學品使用；亦已採取多項環保措施，做好廢棄物減量及分類再利用等。

Report of the Directors

董事會報告

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Group is mainly engaged in mid-to-premium ladies footwear brands and retail of toys in the PRC. For the year ended 31 December 2020, the Group has complied with all relevant laws and regulations concerning labour rights, environmental protection, product safety and health, information privacy and regulatory requirements that have significant impacts on the Company.

RELATIONSHIPS WITH KEY STAKEHOLDERS

Employees

The Group considers its employees as important and valuable assets, and is committed to providing a pleasant working environment and promoting work-life balance. It also offers competitive remuneration packages and provides a harmonious working environment to its staff members so as to maintain a high retention rate. In addition, the Group organises a comprehensive training programme to enhance employees' capability and efficiency in daily operation.

Customers

The Group considers customers as a major stakeholder and is committed to providing comprehensive and high quality customer services. The Group has established good relationship with many renowned international brands so as to provide customers with the best services and high-quality and safe products.

Suppliers

The Group prudently selects its suppliers and builds long-term business relationship with numbers of suppliers. Such suppliers have to meet certain assessment criteria of the Group and comply with anti-bribery policies launched by the Group.

RESULTS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and other comprehensive income on page 84 of this annual report.

FINAL DIVIDENDS

The Board did not recommend a final dividend for the year ended 31 December 2020 (2019: Nil).

遵守相關法律及規例的情況

本集團主要在中國經營中高檔女鞋品牌及玩具零售。於截至2020年12月31日止年度，本集團已遵守各有關勞工權利、環境保護、產品安全與健康、資料私隱保障以及監管要求方面且對本公司有重大影響之所有有關法律及規例。

與主要權益人的關係

僱員

本集團認為其僱員是重要和寶貴的資產，因此致力提供舒適的工作環境，提倡工作與生活之間的平衡。並提供具有市場競爭力的薪酬待遇及建立和諧工作環境，以致力維持一個高員工挽留率。此外，本集團提供綜合培訓計劃，提高僱員在日常營運上之能力及效率。

客戶

本集團視客戶為重要的權益人，致力提供全面且高質素的客戶服務。本集團已與多個國際知名品牌建立長期合作關係，為品牌客戶提供最佳服務及提供高品質與高安全性的產品。

供應商

本集團審慎挑選供應商，與多家供應商建立了長期的業務關係。相關供應商均需滿足本集團的若干評估標準，並遵守本集團制訂的反賄賂政策。

業績

本集團截至2020年12月31日止年度之業績載於本年報第84頁之綜合損益及其他全面收益表。

末期股息

董事會並無就截至2020年12月31日止年度建議宣派末期股息(2019年：無)。

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 23 June 2021 to Monday, 28 June 2021, both days inclusive, in order to determine the identity of the shareholders of the Company (the “Shareholders”) who are entitled to attend the forthcoming annual general meeting of the Company to be held on Monday, 28 June 2021. 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, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Tuesday, 22 June 2021.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2020, the Group’s five largest suppliers accounted for 29.9% (2019: 22.5%) of the Group’s total purchases and the Group’s largest supplier accounted for 11.5% (2019: 6.2%) of the Group’s total purchases.

For the year ended 31 December 2020, the Group’s sale to its five largest customers accounted for 13.5% (2019: 10.5%) of the Group’s total sale and the Group’s largest customer accounted for 3.6% (2019: 3.3%) of the Group’s total sale.

None of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company’s issued share capital) had any interest in the Group’s five largest customers and suppliers during the year ended 31 December 2020.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2020 are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the share capital and share options of the Company during the year are set out in note 34 and note 37 to the consolidated financial statements.

暫停辦理股份過戶手續

本公司的股份過戶登記處將於2021年6月23日(星期三)至2021年6月28日(星期一)(包括首尾兩日)暫停辦理股份過戶手續，為釐定有權出席於2021年6月28日(星期一)舉行之本公司應屆股東週年大會之本公司股東(「股東」)身份。所有過戶文件連同相關股票，須不遲於2021年6月22日(星期二)下午4時30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號舖。

主要客戶及供應商

截至2020年12月31日止年度，本集團五大供應商佔本集團購買總額之29.9%(2019年：22.5%)，而本集團最大供應商佔本集團購買總額之11.5%(2019年：6.2%)。

截至2020年12月31日止年度，本集團向其五大客戶之銷售佔本集團銷售總額之13.5%(2019年：10.5%)，而本集團最大客戶佔本集團銷售總額之3.6%(2019年：3.3%)。

截至2020年12月31日止年度，董事或任何彼等之緊密聯繫人士或任何股東(據董事所深知持有本公司已發行股本5%以上)概無於本集團五大客戶及供應商中擁有任何權益。

物業、機器及設備

本集團截至2020年12月31日止年度之物業、機器及設備之變動詳情載於綜合財務報表附註16。

股本及購股權

本公司年內股本及購股權變動詳情載於綜合財務報表附註34及附註37。

Report of the Directors

董事會報告

RESERVES

Details of movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

As at 31 December 2020, the Company had no reserves available for distribution (as at 31 December 2019: RMB139.7 million).

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors:

Mr. Chen Yixi (*Chairman*)

Mr. Huo Li (resigned on 4 February 2021)

Mr. Yuan Zhenhua (*President*)

Mr. Wan Xianghua

Mr. Wu Weiming

Non-executive Director:

Mr. Miao Bingwen

Independent non-executive Directors:

Mr. Kwong Wai Sun Wilson

Mr. Li Xindan

Mr. Zheng Hongliang

At the forthcoming annual general meeting of the Company, Mr. Chen Yixi, Mr. Miao Bingwen and Mr. Kwong Wai Sun Wilson will retire by rotation in accordance with Bye-law 99 of the bye-laws of the Company (the "Bye-laws"). All retiring Directors, being eligible, had offered themselves for re-election as Directors at the forthcoming annual general meeting.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 72 to 75 of this annual report.

儲備

本集團年內儲備變動詳情載於綜合權益變動表。

於2020年12月31日，本公司沒有任何可供分派儲備（於2019年12月31日：人民幣139.7百萬元）。

董事

年內及直至本報告日期之董事為：

執行董事：

陳奕熙先生（主席）

霍力先生（於2021年2月4日辭任）

袁振華先生（總裁）

萬祥華先生

吳維明先生

非執行董事：

繆炳文先生

獨立非執行董事：

鄺偉信先生

李心丹先生

鄭紅亮先生

於本公司應屆股東週年大會上，陳奕熙先生、繆炳文先生及鄺偉信先生將根據本公司細則（「細則」）第99條輪值退任。所有退任董事均合資格並願意於應屆股東週年大會上重選連任。

董事會及高級管理層

本集團董事及高級管理層之履歷詳情載於本年報第72至75頁。

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to rule 3.13 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) from each of the independent non-executive Directors and the Company considers such Directors to be independent.

DIRECTORS’ SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No Director had a material interest, whether directly or indirectly, in any transactions, arrangements or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party subsisting during or at the end of the year ended 31 December 2020.

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 2020.

EMOLUMENT POLICY

A remuneration committee was set up for reviewing the Group’s emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group’s operating results, individual performance of the Directors and senior management and comparable market practices.

The Company has adopted a share option scheme and a share award scheme as incentive to eligible employees, details of the schemes are set out in the sections headed “Share Option Scheme” and “Share Award Scheme” below.

確認獨立非執行董事之獨立性

本公司已接獲各獨立非執行董事根據香港聯合交易所有限公司（「香港聯交所」）證券上市規則（「上市規則」）第3.13條發出之年度獨立性確認書，本公司認為該等董事均屬獨立。

董事服務合約

建議於本公司應屆股東週年大會上重選之董事概無與本公司訂立任何於一年內倘本公司終止則須作出賠償（法定賠償除外）之服務合約。

董事之重大交易、安排及合約權益

董事並無直接或間接於截至2020年12月31日止年度期間或結束時存在之本公司或其任何附屬公司涉及本集團業務之任何重大交易、安排或合約中擁有重大權益。

管理合約

截至2020年12月31日止年度，並無訂立或已有涉及本公司整體業務或業務任何重大部分之管理及行政之合約。

薪酬政策

薪酬委員會已告成立，以審閱本集團之薪酬政策及本集團全體董事及高級管理層之薪酬結構，當中考慮到本集團之經營業績、董事及高級管理層之個別表現以及可資比較市場慣例。

本公司已採納購股權計劃及股份獎勵計劃，作為對合資格僱員之獎勵，有關計劃詳情載於下文「購股權計劃」及「股份獎勵計劃」章節。

Report of the Directors

董事會報告

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five highest paid individuals are set out in note 13 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

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

As at 31 December 2020, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事及五名最高薪人士之酬金

董事及五名最高薪人士之酬金詳情載於綜合財務報表附註13。

獲准許之彌償條文

根據細則，每位董事有權就其任期內，或因執行其職務而可能遭致或發生與此相關之一切損失或責任從本公司資產中獲得賠償。本公司已為本集團董事及高級職員購買適當的董事及高級職員責任保險作為保障。

董事及主要行政人員於股份、相關股份及債權證中之權益及淡倉

於2020年12月31日，董事及本公司主要行政人員於本公司或其任何相關法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有(i)證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的任何權益或淡倉)或(ii)根據證券及期貨條例第352條記錄於本公司須存置的登記冊內的權益及淡倉，或(iii)根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯交所的權益及淡倉如下：

Name of Director	Nature of interest	Total number of shares/underlying shares held	Approximate percentage of interest in the Company
董事姓名	權益性質	所持股份／ 相關股份總數	佔本公司 權益概約 百分比
Mr. Chen Yixi (Note 1) 陳奕熙先生(附註1)	Interest in a controlled corporation 受控制法團權益	762,074,000 (long position) (好倉)	36.69%
Mr. Miao Bingwen (Note 2) 繆炳文先生(附註2)	Interest in a controlled corporation 受控制法團權益	80,000,000 (long position) (好倉)	3.85%
	Beneficial owner 實益擁有人	20,000,000 (long position) (好倉)	0.96%
Mr. Huo Li (Note 3) 霍力先生(附註3)	Beneficial owner 實益擁有人	979,000 (long position) (好倉)	0.05%
Mr. Wan Xianghua 萬祥華先生	Beneficial owner 實益擁有人	529,000 (long position) (好倉)	0.03%
Mr. Wu Weiming 吳維明先生	Beneficial owner 實益擁有人	50,000 (long position) (好倉)	Less than 0.01% 少於0.01%

Report of the Directors

董事會報告

Notes:

1. Mr. Chen Yixi is the beneficial owner of all the issued share capital of Hongguo International Group Limited (“Hongguo”) and Orchid Valley Holdings Limited, which in aggregate held 762,074,000 shares of the Company in long position, among which 348,940,000 shares have been charged in favour of Cheer Hope Holdings Limited.
2. Mr. Miao Bingwen is the beneficial owner of all the issued share capital of Sure Manage Investments Limited (“Sure Manage”) which holds 80,000,000 shares of the Company in long position.
3. Mr. Huo Li resigned as an executive Director on 4 February 2021.

Save as disclosed above, and as at 31 December 2020, none of the Directors or chief executive of the Company had any interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, no time during the year ended 31 December 2020 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

附註：

1. 陳奕熙先生為Hongguo International Group Limited (「Hongguo」)及Orchid Valley Holdings Limited全部已發行股本之實益擁有人，該等公司持有本公司762,074,000股好倉股份，其中，以Cheer Hope Holdings Limited為受益人抵押348,940,000股股份。
2. 繆炳文先生為Sure Manage Investments Limited (「Sure Manage」)全部已發行股本之實益擁有人，該公司持有本公司80,000,000股好倉股份。
3. 霍力先生於2021年2月4日辭任執行董事。

除上文所披露者外，於2020年12月31日，董事或本公司主要行政人員概無於本公司或任何其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8條須知會本公司及香港聯交所之權益或淡倉，或根據證券及期貨條例第352部須予置存之登記冊內之權益或淡倉，或根據標準守則須予知會本公司及香港聯交所之權益或淡倉。

董事認購股份或債權證之權利

除本年報另行所披露者外，於截至2020年12月31日止年度任何時間概無任何以收購本公司股份或債權證方式獲得利益的權利授予董事或彼等各自的配偶或未滿18歲子女、或彼等有權行使有關權利；或本公司及其任何附屬公司概不為任何令董事或彼等各自的配偶或未滿18歲子女獲得任何實體法團有關權利安排的訂約方。

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

As at 31 December 2020, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

主要股東於股份及相關股份中之權益及淡倉

於2020年12月31日，據董事所深知，以下人士（董事或本公司主要行政人員除外）於股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須予知會本公司的權益或淡倉，或根據證券及期貨條例第336條須記錄於該條文所指本公司登記冊內的權益或淡倉如下：

Name of Shareholder 股東姓名／名稱	Nature of interest 權益性質	Total number of shares/underlying shares held 所持股份／ 相關股份總數	Approximate percentage of interest in the Company 佔本公司權益 概約百分比
Hongguo (Note 1) (附註1)	Beneficial owner 實益擁有人	658,650,000 (long position) (好倉)	31.71%
Central Huijin Investment Ltd (Note 2) 中央匯金投資有限責任公司(附註2)	Person having a security interest in shares 對股份持有保證權益的人	380,000,000 (long position) (好倉)	18.30%
China Construction Bank Corporation (Note 2) 中國建設銀行股份有限公司(附註2)	Person having a security interest in shares 對股份持有保證權益的人	380,000,000 (long position) (好倉)	18.30%
Cheer Hope Holdings Limited (Note 2) (附註2)	Person having a security interest in shares 對股份持有保證權益的人	380,000,000 (long position) (好倉)	18.30%
China Huarong Asset Management Co., Ltd. (Note 3) 中國華融資產管理股份有限公司(附註3)	Interest in a controlled corporation 受控制法團權益	493,750,000 (long position) (好倉)	23.77%
		123,750,000 (short position) (淡倉)	5.96%

Report of the Directors

董事會報告

Name of Shareholder	Nature of interest	Total number of shares/underlying shares held	Approximate percentage of interest in the Company
股東姓名／名稱	權益性質	所持股份／相關股份總數	佔本公司權益概約百分比
Huarong Huaqiao Asset Management Co., Ltd (Note 3) 華融華僑資產管理股份有限公司(附註3)	Interest in a controlled corporation 受控制法團權益	493,750,000 (long position) (好倉)	23.77%
		123,750,000 (short position) (淡倉)	5.96%
Timely Assets Global Limited (Note 3) (附註3)	Person having a security interest in shares 對股份持有保證權益的人	370,000,000 (long position) (好倉)	17.81%
		123,750,000 (long position) (好倉)	5.96%
	Beneficial owner 實益擁有人	123,750,000 (long position) (好倉)	5.96%
		123,750,000 (short position) (淡倉)	5.96%
Arch Capital Group Ltd (Note 4) (附註4)	Interest in a controlled corporation 受控制法團權益	127,387,086 (long position) (好倉)	6.13%
ADM Galleus Fund II Limited (Notes 4 and 5) (附註4及5)	Interest in a controlled corporation 受控制法團權益	127,387,086 (long position) (好倉)	6.13%
ADM Investment Management Limited (Note 6) (附註6)	Interest in a controlled corporation 受控制法團權益	127,387,086 (long position) (好倉)	6.13%
UTAH Retirement Systems (Note 5) (附註5)	Interest in a controlled corporation 受控制法團權益	127,387,086 (long position) (好倉)	6.13%

Name of Shareholder 股東姓名／名稱	Nature of interest 權益性質	Total number of shares/underlying shares held 所持股份／ 相關股份總數	Approximate percentage of interest in the Company 佔本公司權益 概約百分比
Utah State Retirement Investment Fund (Note 5) (附註5)	Interest in a controlled corporation 受控制法團權益	127,387,086 (long position) (好倉)	6.13%
Eight Dragons Investments Limited (Notes 4 and 5) (附註4及5)	Person having a security interest in shares 對股份持有保證權益的人	127,387,086 (long position) (好倉)	6.13%
OCI International Holdings Limited (Note 7) 東建國際控股有限公司(附註7)	Person having a security interest in shares 對股份持有保證權益的人	131,000,000 (long position) (好倉)	6.31%

Notes:

- Hongguo had charged 348,940,000 shares in favour of Cheer Hope Holdings Limited.
- Cheer Hope Holdings Limited had a security interest in 380,000,000 shares of the Company. Central Huijin Investment Ltd. held 57.11% shareholding in China Construction Bank Corporation. China Construction Bank Corporation held 100% shareholding in CCB International Group Holdings Limited, which in turn held 100% shareholding in CCB Financial Holdings Limited. CCB Financial Holdings Limited held 100% shareholding in CCB International (Holdings) Limited, which in turn held 100% shareholding in CCBI Investments Limited. CCBI Investments Limited held 100% shareholding in Cheer Hope Holdings Limited. Therefore, the above entities were deemed to be interested in 380,000,000 shares of the Company, in which Cheer Hope Holdings Limited was interested.

附註：

- Hongguo以Cheer Hope Holdings Limited為受益人抵押348,940,000股股份。
- Cheer Hope Holdings Limited於本公司380,000,000股股份中擁有保證權益。中央匯金投資有限責任公司持有中國建設銀行股份有限公司57.11%的股權。中國建設銀行股份有限公司持有建行國際集團控股有限公司全部股權，而建行國際集團控股有限公司持有建行金融控股有限公司全部股權。建行金融控股有限公司持有建銀國際(控股)有限公司全部股權，而建銀國際(控股)有限公司持有CCBI Investments Limited全部股權。CCBI Investments Limited持有Cheer Hope Holdings Limited的全部股權。因此，上述實體被視作於Cheer Hope Holdings Limited擁有權益的本公司380,000,000股股份中擁有權益。

Report of the Directors

董事會報告

3. According to China Huarong Asset Management Co., Ltd.'s Notice of Disclosure of Corporate Major Shareholders' Interests filed on 5 March 2020, Timely Assets Global Limited has a security interest in 493,750,000 shares of the Company and is the beneficial owner of 123,750,000 shares of the Company in short position. China Huarong Asset Management Co., Ltd holds 100% shareholding in Huarong Zhiyuan Investment & Management Co., Ltd. Huarong Zhiyuan Investment & Management Co., Ltd. holds 91% shareholding in Huarong Huaqiao Asset Management Co., Ltd., which in turn holds 100% shareholding in China Huarong Overseas Investment Holdings Co., Limited. China Huarong Overseas Investment Holdings Co., Limited holds 100% shareholding in Pure Virtue Enterprises Limited, which in turn holds 100% shareholding in Timely Assets Global Limited. Therefore, the above entities are deemed to be interested in 493,750,000 shares of the Company in long position and 123,750,000 shares of the Company in short position, in which Timely Assets Global Limited is interested.
4. Eight Dragons Investments Limited had a security interest in 127,387,086 shares of the Company. Arch Capital Group Ltd held 100% shareholding in Arch Reinsurance Ltd. Arch Reinsurance Ltd held 43.70% shareholding in ADM Galleus Fund II Limited, which in turn held 74.95% shareholding in Eight Dragons Investments Limited. Therefore, the above entities were deemed to be interested in 127,387,086 shares of the Company, in which Eight Dragons Investments Limited was interested.
5. Eight Dragons Investments Limited had a security interest in 127,387,086 shares of the Company. UTAH Retirement Systems held 100% shareholding in Utah State Retirement Investment Fund. Utah State Retirement Investment Fund held 54.90% shareholding in ADM Galleus Fund II Limited, which in turn held 74.95% shareholding in Eight Dragons Investments Limited. Therefore, the above entities were deemed to be interested in 127,387,086 shares of the Company, in which Eight Dragons Investments Limited was interested.
6. Eight Dragons Investments Limited had a security interest in 127,387,086 shares of the Company. According to the notice of disclosure of interests dated 18 January 2018 submitted by ADM Investment Management Limited, it held 100% shareholding in ADM Galleus Fund II Limited, which in turn held 74.95% shareholding in Eight Dragons Investments Limited. Therefore, the above entities were deemed to be interested in 127,387,086 shares of the Company, in which Eight Dragons Investments Limited was interested.
7. OCI International Holdings Limited held 100% of OCI Capital (BVI) Limited, which in turn held 100% of OCI Capital Limited. OCI Capital Limited had a security interest in 131,000,000 shares of the Company. Therefore, OCI International Holdings Limited was deemed to be interested in the 131,000,000 shares of the Company, in which OCI Capital Limited was interested.
3. 根據中國華融資產管理股份有限公司於2020年3月5日申報的法團大股東披露權益通知，Timely Assets Global Limited於本公司493,750,000股股份中持有保證權益及為本公司123,750,000股淡倉股份的實益擁有人。中國華融資產管理股份有限公司持有Huarong Zhiyuan Investment & Management Co., Ltd.的全部股權。Huarong Zhiyuan Investment & Management Co., Ltd.持有華融華僑資產管理股份有限公司91%的股權，而華融華僑資產管理股份有限公司持有China Huarong Overseas Investment Holdings Co., Limited的全部股權。China Huarong Overseas Investment Holdings Co., Limited持有Pure Virtue Enterprises Limited的全部股權，而Pure Virtue Enterprises Limited持有Timely Assets Global Limited的全部股權。因此，上述實體被視為於Timely Assets Global Limited擁有本公司493,750,000股好倉股份及123,750,000股淡倉股份中擁有權益。
4. Eight Dragons Investments Limited於本公司127,387,086股股份中持有保證權益。Arch Capital Group Ltd持有Arch Reinsurance Ltd 100%的股權。Arch Reinsurance Ltd持有ADM Galleus Fund II Limited 43.70%的股權，而ADM Galleus Fund II Limited持有Eight Dragons Investments Limited 74.95%的股權。因此，上述公司被視作於Eight Dragons Investments Limited擁有權益的本公司127,387,086股股份中擁有權益。
5. Eight Dragons Investments Limited於本公司127,387,086股股份中持有保證權益。UTAH Retirement Systems持有Utah State Retirement Investment Fund 100%的股權。Utah State Retirement Investment Fund持有ADM Galleus Fund II Limited 54.90%的股權，而ADM Galleus Fund II Limited持有Eight Dragons Investments Limited 74.95%的股權。因此，上述公司被視作於Eight Dragons Investments Limited擁有權益的本公司127,387,086股股份中擁有權益。
6. Eight Dragons Investments Limited於本公司127,387,086股股份中持有保證權益。根據ADM Investment Management Limited呈交日期為2018年1月18日的權益披露通知，其持有ADM Galleus Fund II Limited 100%的股權，而ADM Galleus Fund II Limited持有Eight Dragons Investments Limited 74.95%的股權。因此，上述公司被視作於Eight Dragons Investments Limited擁有權益的本公司127,387,086股股份中擁有權益。
7. 東建國際控股有限公司持有OCI Capital (BVI) Limited的全部股權，OCI Capital (BVI) Limited持有OCI Capital Limited的全部股權。OCI Capital Limited於131,000,000股本公司股份中持有保證權益。因此東建國際控股有限公司被視為於在OCI Capital Limited擁有權益的本公司131,000,000股股份中擁有權益。

Save as disclosed above, as at 31 December 2020, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 December 2020 (the “Review Period”), neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the Review Period.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws or the laws of Bermuda, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

CONTINUING CONNECTED TRANSACTIONS

During the Review Period, the Group conducted the following continuing connected transactions:

On 10 October 2019, Meihong Footwear Company Limited (“Meihong Footwear”) (a wholly-owned subsidiary of the Company) entered into the 2019 Framework Procurement Agreement with Jiangsu Meisen Footwear Company Limited (“Jiangsu Meisen”), pursuant to which Meihong Footwear agreed to procure from Jiangsu Meisen, and Jiangsu Meisen agreed to manufacture and sell to Meihong Footwear, certain branded fashion footwear products from time to time during the period from 21 August 2019 to 31 December 2020.

Mr. Wan Xianghua has a 33% shareholding in Jiangsu Meisen, a non-wholly-owned subsidiary of the Company. Mr. Wan was appointed as an executive Director with effect from 29 November 2019, upon which Jiangsu Meisen became a connected subsidiary of the Company, and hence a connected person of the Company.

除上文披露者外，於2020年12月31日，董事概不知悉任何人士（並非董事或本公司主要行政人員）於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須予披露的權益或淡倉，或根據證券及期貨條例第336條須記錄於該條文所指本公司登記冊內的權益或淡倉。

購買、出售或贖回上市證券

於截至2020年12月31日止年度（「回顧期間」），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。

優先權

細則或百慕達（本公司註冊成立所在司法權區）法律項下並無提供優先權，令本公司可按現有股東股權比例發售新股份。

持續關連交易

在回顧期間，本集團進行了以下持續關連交易：

於2019年10月10日，美鴻鞋業有限公司（「美鴻鞋業」）（本公司之全資附屬公司）與江蘇美森鞋業有限公司（「江蘇美森」）訂立2019年框架採購協議，據此，於2019年8月21日至2020年12月31日期間，美鴻鞋業同意不時向江蘇美森採購而江蘇美森同意不時製造並向美鴻鞋業出售若干品牌時尚鞋履產品。

萬祥華先生持有本公司之非全資附屬公司江蘇美森33%股權。萬先生自2019年11月29日起獲委任為執行董事，此後江蘇美森成為本公司的關連附屬公司，因而為本公司的關連人士。

Report of the Directors

董事會報告

For the period from 29 November 2019 to 31 December 2019, the 2019 Footwear Procurement Transactions were fully exempt from the reporting, announcement, annual review, circular (including independent financial advice) and Shareholders' approval requirements under Chapter 14A of the Listing Rules. The annual cap for the transaction amount for the year ended 31 December 2020 was RMB11,000,000.

On 9 December 2020, Xuzhou C.banner Shoes Co., Ltd. ("Xuzhou C.banner") (a wholly-owned subsidiary of the Company) entered into the 2021 framework procurement agreement with Jiangsu Meisen, pursuant to which Xuzhou C.banner agreed to procure from Jiangsu Meisen, and Jiangsu Meisen agreed to manufacture and sell to Xuzhou C.banner, certain branded fashion footwear products from time to time during the period from 1 January 2021 to 31 December 2021. The terms of the 2021 Framework Procurement Agreement are substantially the same as those of the 2019 Framework Procurement Agreement entered into by the Group on 10 October 2019. The annual cap for the transaction amount for the year ending 31 December 2021 is RMB16,000,000.

For details of the above continuing connected transactions, please refer to the announcements of the Company dated 5 August 2020 and 9 December 2020.

During the Review Period, the independent non-executive Directors have reviewed the above continuing connected transactions and confirmed that such transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the agreements for such transactions, the terms of which are fair and reasonable, and in the interest of the Shareholders as a whole.

於2019年11月29日至2019年12月31日期間，2019年鞋履採購交易獲全面豁免遵守上市規則第14A章之申報、公佈、年度審核、通函(包括獨立財務意見)及獨立股東批准規定。截至2020年12月31日止年度的交易金額年度上限為人民幣11,000,000元。

於2020年12月9日，本公司之全資附屬公司徐州千百度鞋業有限公司(「徐州千百度」)與江蘇美森訂立2021年框架採購協議，據此，於2021年1月1日至2021年12月31日期間，徐州千百度同意不時向江蘇美森採購而江蘇美森同意不時製造及向徐州千百度出售若干品牌時尚鞋履產品。2021年框架採購協議的條款與本集團於2019年10月10日訂立的2019年框架採購協議大致相同。截至2021年12月31日止年度的交易金額年度上限為人民幣16,000,000元。

有關上述持續關連交易的詳情，請參閱本公司日期為2020年8月5日及2020年12月9日的公告。

於回顧期間，獨立非執行董事已審閱上述持續關連交易，並確認以下交易已：

- (i) 於本集團一般日常業務過程中進行；
- (ii) 按一般商業條款訂立；及
- (iii) 根據該等交易之協議進行，條款屬公平合理，並符合股東的整體利益。

The auditor of the Company has performed certain agreed-upon audit procedures for the above continuing connected transactions entered into by the Group during the Review Period, and concluded that such transactions:

- (1) have been approved by the Board;
- (2) have followed the pricing policies of the Group in all material aspects, if they involve the goods or services provided by the Group;
- (3) were conducted in accordance with the relevant agreements for such transactions in all material aspects; and
- (4) have an aggregate amount not exceeding the relevant cap disclosed in the respective announcements of the Company.

Details of the related party transactions of the Group for the year ended 31 December 2020 are set out in note 41 to the consolidated financial statements. The Directors (including our independent non-executive Directors) believe that the related party transactions set out in the note 41 to the consolidated financial statements are carried out in the ordinary course of business and on normal commercial terms.

During the Review Period, save for the lease agreement between the Group and Hongguo Industry Group Corporation which is an associate of certain Directors, no other transaction listed in note 41 to the consolidated financial statements constituted connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules. The transaction under the above lease agreement is exempt from the relevant reporting, annual review, announcement and independent shareholders' approval requirements under the Listing Rules.

本公司之核數師已就以上本集團於回顧期間訂立之持續關連交易執行若干預定的審核程序，並得出：

- (1) 該等交易已獲得董事會批准；
- (2) 若該等交易涉及由本集團提供貨品或服務，該等交易在各重大方面已按照本集團之定價政策進行；
- (3) 該等交易在各重大方面已根據該等交易相關協議進行；及
- (4) 該等交易之總額並未超過於本公司有關公告內披露之相關上限。

本集團截至2020年12月31日止年度的關聯交易詳情載於綜合財務報表附註41。董事（包括獨立非執行董事）認為，綜合財務報表附註41所載的關連交易乃為日常經營業務，並按一般商業條款訂立。

於回顧期間，除本集團與若干董事之聯營公司鴻國實業集團有限公司訂立之租賃協議外，於綜合財務報表附註41列示之其他交易均無構成上市規則第14A章項下關連交易或持續關連交易。上述租賃協議項下交易獲豁免遵守上市規則項下相關申報、年度審閱、公佈及獨立股東批准之規定。

Report of the Directors

董事會報告

NON-COMPETITION UNDERTAKING

Each of Mr. Chen Yixi and Hongguo (the “Substantial Shareholders”) has executed a deed of non-competition through which they have irrevocably and unconditionally warranted and undertaken to the Company not to, directly or indirectly engage, participate or hold any right or interest in or render any services to or otherwise be involved in any business in competition with or likely to be in competition with the business of design, manufacture and sale of footwear and other businesses as conducted by the Group; or take any action which constitutes an interference with or a disruption to the business activities of the Group including, but not limited to, solicitation of customers, suppliers or personnel of the Group.

The Substantial Shareholders have confirmed to the Company of their compliance with the deed of non-competition during the year under review for disclosure in this annual report.

The independent non-executive Directors have reviewed the status of compliance and confirmed the Substantial Shareholders’ compliance of the deed of non-competition.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 26 August 2011 which has become effective upon the Company’s listing on 23 September 2011. Subject to early termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on 26 August 2011.

The purpose of the Share Option Scheme is to attract and retain or otherwise maintain on-going business relationship with the eligible persons whose contributions are or will be beneficial to the long-term growth of the Group; and to motivate the eligible persons to optimize their performance efficiency for the benefit of the Group.

Pursuant to the Share Option Scheme, the Board may, at its discretion, offer to grant an option to any employees, executives, officers, directors (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries, any advisers, consultants, suppliers, customers and agents and related entities who, in the sole opinion of the Board, will contribute or have contributed to the Group.

不競爭承諾

陳奕熙先生及Hongguo (「主要股東」) 各自均已執行不競爭契據，當中彼等不可撤回地及無條件地向本公司保證及承諾，不會直接或間接從事、參與任何與設計、製造及銷售鞋履業務以及本集團從事之其他業務構成或可能構成競爭之任何業務，或於其中持有任何權利或權益，或向其提供任何服務或以其他形式參與有關業務；或採取對本集團業務活動構成幹涉或阻礙之行動，包括但不限於招攬本集團客戶、供應商或員工。

主要股東已向本公司確認彼等已於回顧年度遵守本年報所披露之不競爭契據。

獨立非執行董事已審查該等遵守狀況，並確認各主要股東均已遵守不競爭契據。

購股權計劃

本公司於2011年8月26日採納購股權計劃(「購股權計劃」)，自本公司於2011年9月23日上市起生效。除非本公司於股東大會或董事會提前終止，購股權計劃自2011年8月26日起計10年期間合法有效。

購股權計劃旨在吸引及挽留現時或將會對本集團長遠增長利益有所貢獻之合資格人士，或以其他方式與有關人士維繫持續業務關係；及鼓勵合資格人士為本集團之利益發揮最佳表現及效率。

根據購股權計劃，董事會可酌情向董事會全權認為將向或已向本集團作出貢獻之本公司或其任何附屬公司之任何僱員、高級管理人員、主管及董事(包括執行、非執行及獨立非執行董事)、任何諮詢人、顧問、供應商、客戶及代理商以及相關實體授出購股權。

The subscription price shall be a price determined by the Board in its absolute discretion, but shall not be less than the highest of (i) the closing price of the shares on the date of the grant; (ii) the average closing price of the shares for the five trading days immediately preceding the date of the grant; and (iii) the nominal value of the shares.

The acceptance of an offer of the grant of the respective share options must be made within 30 days from the date of grant with a non-refundable payment of HK\$1.00 from each grantee. An option may be exercised at any time during a period to be determined by the Board, which shall not in any event exceed ten years from the date of grant. The Share Option Scheme does not specify any minimum holding period but the Board has the authority to determine the minimum period for which a share option in respect of some or all of the shares forming the subject of the share options must be held before it can be exercised.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme must not exceed 30% of the total issued share capital of the Company from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 10% of the total number of shares in issue as at the date of commencement of the listing of the shares on the Hong Kong Stock Exchange. The Company may seek approval of the Shareholders in general meeting for refreshing the 10% limit under the Share Option Scheme save that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme under the limit as refreshed shall not exceed 10% of the total number of shares in issue as at the date of approval of the limit.

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue as at the date of grant. Where any further grant of options to a participant would result in the total number of shares issued and to be issued upon exercise of all the options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total number of shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such participant and his associates abstaining from voting.

認購價將為董事會全權酌情釐定之價格，惟不得少於下列最高者(i)股份於授出日期之收市價；(ii)股份於緊接授出日期前五個交易日之平均收市價；及(iii)股份之面值。

各承授人須自授出日期起計30日內接納各授出購股權授出之要約，並不可退還地支付1.00港元。購股權可於董事會釐定之期間之任何時間行使，而該期間自授出日期起計無論如何不得超過十年。購股權計劃並無指定任何最短持有期間，惟董事會有權釐定有關構成購股權標的之若干或全部股份之購股權於可予行使前須持有之最短期間。

於悉數行使根據購股權計劃已授出惟尚未行使之購股權後可予發行之最大股份數目不得超過本公司不時已發行股本總數之30%。於悉數行使根據購股權計劃已授出之購股權後可予發行之股份總數合共將不得超過股份於香港聯交所開始上市日期已發行股份總數之10%。本公司或會於股東大會上尋求股東批准更新購股權計劃項下之10%限額，惟根據經更新限額於悉數行使根據購股權計劃已授出之購股權後可予發行之股份總數將不得超過批准限額當日已發行股份總數之10%。

於任何12個月期間於行使授予各參與者之購股權(包括已行使及尚未行使購股權)後已發行及將發行之股份總數不得超過於授出日期已發行股份總數之1%。倘進一步向參與者授出購股權將導致於12個月期間直至及包括有關進一步授出日期於悉數行使已授予及將授予該人士之購股權(包括已行使、註銷及尚未行使購股權)後已發行及將予發行之股份總數合共超過已發行股份總數之1%，則有關進一步授出須於股東大會上單獨獲得股東批准，而有關參與人及其聯繫人士則放棄投票。

Report of the Directors

董事會報告

Since the effective date of the Share Option Scheme, no share options had been granted, exercised or cancelled by the Company under the Share Option Scheme and there was no outstanding share option under the Share Option Scheme as at 31 December 2020. As at the date of this annual report, the number of securities of the Company available for issue under the Share Option Scheme was 200,000,000, representing approximately 9.63% of the issued share capital of the Company as at the date of this report.

SHARE AWARD SCHEME

On 31 August 2015, the Company adopted a share award scheme (the “Share Award Scheme”) to recognize the contribution of certain employees of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. A summary of the Share Award Scheme is as follows:

- (a) Duration: Subject to any early termination as may be determined by the Board pursuant to the rules to the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on 31 August 2015;
- (b) Maximum aggregate nominal value of shares to be awarded to a selected employee: Shall not exceed one (1) percent of the issued share capital of the Company from time to time; and
- (c) Limit: The Board shall not make any further award of shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding ten (10) percent of the issued share capital of the Company from time to time.

Details of the Share Award Scheme are set out in the Company’s announcements dated 31 August 2015 and 19 October 2015. During the year ended 31 December 2020, 13,588,000 awarded shares have been granted by the Company (2019: Nil).

自購股權計劃生效日期起，本公司並無根據購股權計劃授出、行使或註銷任何購股權，於2020年12月31日亦無購股權計劃項下之購股權尚未行使。於本年度報告日期，本公司根據購股權計劃可予以發行之證券數目為200,000,000，佔本公司於本報告日期已發行股本約9.63%。

股份獎勵計劃

於2015年8月31日，本公司採納一項股份獎勵計劃（「股份獎勵計劃」），以表彰本集團若干僱員的貢獻並給予獎勵以挽留彼等為本集團之持續經營及發展而努力，及吸引合適之人才加入，以協助本集團進一步發展。股份獎勵計劃概要詳情如下：

- (a) 期限：除非董事會根據股份獎勵計劃的有關規定提前終止，否則股份獎勵計劃將自2015年8月31日起計十(10)年內有效並生效；
- (b) 授予選定僱員的最高股份總面值：不得超逾本公司不時的已發行股本百分之一(1)；及
- (c) 限制：若董事會根據股份獎勵計劃授予股份會導致授出的股份的面值超過本公司不時已發行股本百分之十(10)，則董事會不得進一步授予股份。

股份獎勵計劃詳情載於本公司日期為2015年8月31日及2015年10月19日的公告。於截至2020年12月31日止年度，本公司已授出13,588,000股獎勵股份(2019年：無)。

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme, no equity-linked agreements that will or may result in the Company issuing shares, or that require the Company to enter into any agreements that will or may result in the Company issuing shares, were entered into by the Company during or at the end of the Review Period.

AUDIT COMMITTEE

The Audit Committee had reviewed together with the management and external auditor the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in Appendix 10 – Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) under the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with such code of conduct during the Review Period.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 53 to 71 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public at all times during the Review Period.

股票掛鈎協議

除購股權計劃外，於回顧期間內或結束時，本公司概無訂立將會或可導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。

審核委員會

審核委員會連同管理層及外部核數師已審閱本集團採納之會計原則及政策以及年內經審核綜合財務報表。

董事進行證券交易之操守守則

本公司已採納董事進行證券交易的操守守則，其條款不遜於上市規則項下附錄十一上市發行人董事進行的標準守則（「標準守則」）所載的規定標準。經向全體董事作出特定查詢後，董事均確認彼等於回顧期間已遵守有關操守守則。

企業管治

本公司承諾維持高水平企業管治常規。有關本公司所採納企業管治常規的資料載於本年報第53至71頁之企業管治報告。

公眾持股量之充足性

根據本公司可公開獲得的資料及就董事所知，於回顧期間所有時間，本公司已發行股本總額的最少25%由公眾人士持有。

Report of the Directors

董事會報告

AUDITOR

Deloitte Touche Tohmatsu resigned as the auditor of the Company with effect from 11 July 2018. Grant Thornton Hong Kong Limited was appointed as the auditor of the Company with effect from 25 July 2018 to fill the casual vacancy.

Grant Thornton Hong Kong Limited resigned as the auditor of the Company with effect from 7 November 2019. ZHONGHUI ANDA CPA Limited has been appointed as the auditor of the Company with effect from 8 November 2019 to fill the casual vacancy.

ZHONGHUI ANDA CPA Limited shall retire in the forthcoming annual general meeting of the Company and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of ZHONGHUI ANDA CPA Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

核數師

德勤•關黃陳方會計師行於2018年7月11日起辭任本公司核數師，致同(香港)會計師事務所有限公司於2018年7月25日起獲委任為本公司核數師以填補空缺。

致同(香港)會計師事務所有限公司於2019年11月7日起辭任本公司核數師，中匯安達會計師事務所有限公司於2019年11月8日起獲委任為本公司核數師以填補空缺。

中匯安達會計師事務所有限公司將於本公司應屆股東週年大會退任，並合資格及願意重獲聘任。重新聘任中匯安達會計師事務所有限公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

34

On behalf of the Board

Mr. Chen Yixi

Chairman

PRC, 29 March 2021

代表董事會

主席

陳奕熙先生

中國，2021年3月29日

Management Discussion and Analysis

管理層討論及分析



35

BUSINESS OVERVIEW

The COVID-19 pandemic spread around the world with alarming speed since first emerging at end of 2019, infecting millions and bringing economic activity to a near-standstill. Countries immediately responded by imposing tight social restrictions in an effort to halt the spread of the virus. As the health and human toll grows, the economic damage was already evident and represented the largest economic shock the world has experienced in decades. According to the World Bank, the global economy contracted 4.3%, resulting in the deepest global recession in decades. In response to the economic uncertainty, few customers of the Company cancelled orders at the Group's factory in Dongguan City, Guangdong during the first quarter. However, as of early March 2020 operations fully resumed as the Group began receiving new orders from the existing and new business partners.

業務回顧

COVID-19疫情自2019年底首次出現以來，以驚人的速度在全球蔓延，感染人數以數百萬計，使經濟活動幾乎停頓。多國立即採取嚴厲的社交限制措施，以制止病毒傳播。隨著感染和死亡人數增加，經濟損失顯而易見，是數十年來世界最大的經濟衝擊。根據世界銀行的數據，全球經濟萎縮4.3%，是數十年以來最嚴重的全球衰退。出於經濟不確定因素的考慮，本公司個別客戶於第一季度取消向本集團廣東東莞市工廠下達的訂單。然而，隨著本集團開始接獲來自現有及新業務夥伴的新訂單，我們於2020年3月初前已全面恢復營運。

Management Discussion and Analysis

管理層討論及分析

Despite the unprecedented challenges, the Chinese government's quick actions were able to get the pandemic under control. Additionally, it implemented effective fiscal and monetary policy to stimulate the economy and social development in an effort to restore growth. In January 2021, China reported 2.3% GDP growth for 2020, a stronger-than-expected number that reflected a V-shaped recovery from a pandemic-induced economic slump that is still devastating most of the world's economies. The IMF's latest World Economic Outlook stated that China is the only G20 economy to post GDP growth for the year. China was the first country to go under a lockdown in 2020 and its recovery is underpinned by gains in industrial production, investment and exports, specifically during the final months of the year.

Retail sales, despite severely contracting in the beginning of 2020, rebounded to a 4.6% increase year on year in December. For the full year 2020, retail sales declined 3.9%, with sales in catering services dipping almost 17%. In contrast, online retail sales grew 10.9% due to the COVID-19 restrictions requiring limited social interaction. Online retail sales of physical goods reached RMB9,759 billion, an increase of 14.8%, accounting for 24.9% of the total retail sales of social consumer goods. Online retail sales for the physical goods three categories: food, clothing and consumer goods, increased by 30.6%, 5.8% and 16.2% respectively.

In response to the challenges and the adverse business environment, the Group further pushed forward its strategy in forging an exceptional online and offline shopping experience for consumers. It integrated its resources and operation across various business units, reallocated more resources and manpower to optimize its online platform and expanded its online channels to adapt to online shoppers' new habits and preferences arising from the pandemic. This strategic adjustment proved efficient as the impact brought by the temporary closure of its physical stores was mitigated.

儘管面對前所未有的挑戰，中國政府迅速採取行動，控制了疫情。中國政府也實施有效的財政及貨幣政策，刺激經濟及社會發展，努力恢復增長。2021年1月，中國報道2020年的國內生產總值增長率為2.3%，高於預期的水平，這反映了經濟經歷疫情引發的衰退後呈V型復甦，而全球大多數經濟體仍在遭受疫情的嚴重打擊。國際貨幣基金組織最新一期的《世界經濟展望》指出，中國是G20中唯一在年內錄得國內生產總值增長的經濟體。中國是2020年第一個實施封鎖的國家，其經濟復甦乃受到工業生產、投資及出口方面的增長（尤其是年內最後幾個月）所支撐。

儘管零售額在2020年初嚴重收縮，但於12月同比回升至4.6%。2020年全年，零售額下降3.9%，餐飲服務銷售額下跌近17%。相比之下，由於COVID-19的限制措施規定要限制社交互動，因此線上零售額增長10.9%。實物商品線上零售額達到人民幣97,590億元，增長14.8%，佔社會消費品零售總額的24.9%。食品、服裝及消費品三類實物商品的線上零售額分別增長30.6%、5.8%及16.2%。

為應對挑戰以及不利的營商環境，本集團進一步推進為消費者打造不一樣線上線下購物體驗的策略。我們整合各個業務部門的資源及運營，重新分配更多資源及人力，以優化其線上平台並擴大線上渠道，從而迎合線上顧客因疫情形成的新習慣和喜好。隨著暫時關閉實體店帶來的影響得到緩解，此戰略性調整證明行之有效。

Exploring Innovative Branding Strategy to Enhance Competitive Edge

Over the years, the Company established a robust reputation for providing quality products that are elegant, charming and fashionable. After launching the first self-developed “C.banner” brand, the Company gradually launched brands like “EBLAN”, “Sundance”, “MIO”, “BADGLEY MISCHKA” and “Naturesun”. By implementing its multi-brand strategy with C.banner as a core, the Company was able to unleash the synergy among all its brands. C.banner has established strong brand value and broad recognition for its premium quality in business and business casual footwear with a loyal customer base. In order to further strengthen the brand’s influence and better inform customers about C.banner, we have taken steps to enhance our brand building efforts. The Company’s media department contracted with high profile celebrities to enhance its media opportunities and brand positioning. We increased our products’ exposure through product placements with celebrities and movie scenes to showcase the latest C.banner’s design concept to our customers. Our brand operation department is responsible for the whole process supervision and selection planning. We also promoted our online segment on social media platforms in combination with brand promotion activities and live recommendations.

The Company boasts a sophisticated and fashionable brand image as a leading branded group of mid-to-premium women’s footwear in China. Leveraging on its reputation to strengthen customer relationships and market position, the Company stays competitive among consumers interested in fashion and elegance.

探索創新品牌戰略以增強競爭優勢

多年來，本公司在提供兼具優雅、魅力、時尚的優質產品方面建立良好聲譽。於推出首個自主品牌「千百度」之後，本公司陸續推出「伊伴」、「太陽舞」、「米奧」、「百吉利·米西卡」及「娜冉」等品牌。通過實施以千百度為核心的多品牌策略，本公司得以充份發揮所有品牌的協同效應。千百度憑藉上乘品質，在擁有忠實客戶群的商務及商務休閒鞋履領域建立強大的品牌價值，並獲得廣泛認可。為進一步增強品牌的影響力並加深客戶對千百度的了解，我們已著手加強品牌建設工作。本公司媒體部門與知名人士簽約，增加千百度的曝光機會及提升品牌定位。我們通過名人及電影場景進行植入式廣告，向顧客展示千百度的最新設計理念，從而增加產品的曝光率。我們的品牌運營部負責全過程監督及甄選規劃。我們亦在社交媒體平台上通過品牌推廣活動與直播帶貨來促進線上分部發展。

作為中國領先的中高檔女士鞋履品牌集團，本公司建立優雅時尚的品牌形象。本公司憑著良好的聲譽加強客戶關係及市場地位，在追求時尚優雅的消費者中保持競爭力。

Management Discussion and Analysis

管理層討論及分析

Re-centering Business to Strengthen Leading Position in Footwear

The Company has established a market leadership position in China's women's footwear industry. This segment has always been the Company's core business and most valuable asset that fuels our success.

Following the Group's disposal of Hamleys Global Holdings Limited and its subsidiaries in July 2019, the Group's toys retail business is solely operated through its three Hamleys store franchises in the PRC. As a result of the COVID-19 outbreak which deterred parents from bringing their children to shopping malls, revenue from these three Hamleys stores in 2020 saw a year-on-year decrease of 51.6%. The Group also acts as an OEM or ODM manufacturer for international shoes companies in export markets. Due to the COVID-19 outbreak which caused a widespread suspension of business operations first in the PRC and then in the USA and globally, revenue from the Group's footwear contract manufacturing business decrease of 46.9% year-on-year in 2020.

During the year under review, the Group recorded a net reduction of 169 proprietary shoes retail outlets and 48 third-party shoe retail outlets, respectively. As at 31 December 2020, the Group operated a network of 1,045 proprietary retail outlets and 197 third-party retail outlets across China, maintaining a strong presence in 31 provinces, municipalities and autonomous regions across the country. In response to changing consumer patterns and habits rising from life adjusting to COVID-19, the Group further optimised its retail networks comprising both online and offline stores. The Company strategically cooperated with retailers such as department stores, shopping malls and outlets of varying scale to increase its market presence and coverage as well as enhance offline store's same-store sales growth whilst actively promoting online sales.

重建業務重心以鞏固在鞋履方面的領先地位

本公司已在中國女鞋業界建立市場領導地位。此分部一直是本公司的核心業務，也是推動我們取得成功的最寶貴資產。

本集團於2019年7月出售Hamleys Global Holdings Limited及其附屬公司後，本集團僅通過中國三家Hamleys門店以特許經營方式經營玩具零售業務。由於COVID-19疫情阻礙父母帶子女到購物中心，這三家Hamleys門店於2020年的收入同比下跌51.6%。本集團也是多個出口市場的多家國際鞋業公司的原始設備製造商或原始設計製造商生產商。由於COVID-19疫情導致中國繼而是美國及全球廣泛停業，本集團鞋類合約生產業務的收入在2020年同比下跌46.9%。

於回顧年度，本集團分別減少169間自營鞋履零售店及48間第三方鞋履零售店。於2020年12月31日，本集團在中國各地擁有由1,045間自營鞋履零售店及197間第三方鞋履零售店組成的網絡，於全國31個省、市及自治區保持強大的店舖實力。為適應生活在COVID-19下而不斷轉變的消費者模式和習慣，本集團進一步優化由線上線下店舖組成的零售網絡。本公司與百貨公司、購物中心及奧特萊斯等不同規模的零售商開展策略性合作，以增加市場佔有率和覆蓋面，並致力提高線下店舖的同店銷售增長率，同時積極推廣線上銷售。

Management Discussion and Analysis

管理層討論及分析

The following table shows the Group's geographic distribution of shoes outlets: 下表載列本集團鞋履零售店的地區分佈：

Distribution Regions	銷售地區	C.banner		EBLAN		MIO		Naturesun	Badgley	Sundance	Licensed	Total
		Proprietary	Third-party	Proprietary	Third-party	Proprietary	Third-party	Proprietary	Mischka	Proprietary	Brands	
		outlets	outlets	outlets	outlets	outlets	outlets	outlets	百吉利·	outlets	Proprietary	
		自營	第三方	自營	第三方	自營	第三方	自營	米西卡	太陽舞	授權品牌	
		零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	零售店	總計
Northeast	東北地區	79	18	42	-	16	10	-	-	-	1	166
Northern China	華北地區	106	79	39	-	14	22	14	-	1	-	275
Eastern China	華東地區	178	26	56	1	53	1	36	3	-	1	355
Shanghai	上海地區	88	-	13	-	8	-	16	2	-	1	128
Southern China	華南地區	99	10	9	-	13	-	3	-	-	2	136
Western China	西部地區	108	13	30	3	11	14	2	1	-	-	182
Total	總計	658	146	189	4	115	47	71	6	1	5	1,242

Notes:

附註：

- | | |
|---|--|
| <p>(1) Northeast region includes Jilin province, Liaoning province, Heilongjiang province and Hulunbuir City in Inner Mongolia Autonomous Region;</p> <p>(2) North China includes Beijing, Tianjin, Inner Mongolia Autonomous Region (except Hulunbuir), Hebei Province, Shanxi Province, Henan Province and Shandong Province;</p> <p>(3) Eastern China includes Jiangsu Province, Anhui Province and Hubei Province;</p> <p>(4) Shanghai area includes Shanghai City and Zhejiang Province;</p> <p>(5) Southern China includes Hunan Province, Jiangxi Province, Fujian Province, Guangdong Province, Hainan Province and Guangxi Autonomous Region; and</p> <p>(6) Western China includes Shaanxi Province, Qinghai Province, Gansu Province, Xinjiang Autonomous Region and Ningxia Autonomous Region, Sichuan Province, Guizhou Province, Yunnan Province, Chongqing City and Tibet Autonomous Region.</p> | <p>(1) 東北地區包括吉林省、遼寧省、黑龍江省及內蒙古自治區的呼倫貝爾市；</p> <p>(2) 華北地區包括北京市、天津市、內蒙古自治區(呼倫貝爾市除外)、河北省、山西省、河南省及山東省；</p> <p>(3) 華東地區包括江蘇省、安徽省及湖北省；</p> <p>(4) 上海地區包括上海市及浙江省；</p> <p>(5) 華南地區包括湖南省、江西省、福建省、廣東省、海南省及廣西自治區；及</p> <p>(6) 西部地區包括陝西省、青海省、甘肅省、新疆自治區及寧夏自治區、四川省、貴州省、雲南省、重慶市及西藏自治區。</p> |
|---|--|

Management Discussion and Analysis

管理層討論及分析

Leveraging the Power of E-Commerce Business

Due to pandemic prevention and controls restricting social activities, a new “stay-at-home” economy emerged during the year. Both food and daily commodities categories showed a significant growth, while the “footwear” category recorded a slight growth. Revenue from the Group’s footwear retail and wholesale business in 2020 recorded a year-on-year decrease of 15.1%, primarily due to the COVID-19 outbreak in the PRC. During the year under review, the Company strategically leveraged its online sales channels on platforms such as vip.com (唯品會), Tmall (天貓) and WeChat (微信) to offset the closure of physical stores. The president of the Company also did a live stream to sell products for the first time which overwhelmingly received positive feedback. It is encouraging that revenue from online sales channels recorded a year-on-year increase of 61.4% as a result of the Group’s aggressive online promotion initiatives and the nationwide shift of retail activities from offline to online during the COVID-19 pandemic.

Regarding offline channels, the Company has been strengthening its cooperative relationship with department stores, shopping malls and outlets to foster existing distribution channels. As part of the strategy to streamline operations and control costs, directly-operated stores are becoming more optimised with loss-making stores being reviewed and closed as needed.

Improving Customer Satisfaction to Enhance Customer Retention

Customers’ love and support is the driving force for the Company’s development. In order to deliver products tailored to the customers’ diverse requirements, the Group established research and development (“R&D”) teams. In-house training is provided to our staff to ensure that they have strong sense and connection to the latest market trends. In addition, the Company continues to collect, analyse and draw on a wealth of sales data to get the latest fashion insights and provide quality and trendy products to our customers.

In order to further improve customer satisfaction, this year we invited loyal customers to participate in our new product development. We obtained customer feedback from offline stores and major online sales platforms. We also arranged special personnel to collect usage feedback and understand customer expectations. Our designers took the initiative to communicate with customers to learn about their actual needs so that they could design more comfortable and stylish products for them. While satisfying customers, we are also increasing sales thus creating win-win situation between customers and the Company.

發揮電子商務業務的力量

由於疫情防控措施限制人們的社交活動，本年度出現新的「居家」經濟。食品及日用品類別出現顯著增長，「鞋」類則錄得輕微增幅。2020年，本集團來自鞋類零售及批發業務的收益同比下降15.1%，主要是由於中國爆發COVID-19疫情。於回顧年度，本公司策略性地利用其在唯品會、天貓及微信等平台的線上銷售渠道，抵銷關閉實體店的影響。本公司總裁亦首次參與直播賣貨，並獲得了極大的積極反響。鼓舞人心的是，由於本集團積極推行線上促銷以及COVID-19疫情期間全國零售活動從線下轉移到線上，來自線上銷售渠道的收益同比增長61.4%。

線下渠道方面，本公司繼續強化與百貨公司、購物中心及奧特萊斯的合作關係，以鞏固現有的經銷網點。作為精簡業務與控制成本策略的一部分，我們對直營店舖進行較大幅度的優化，並評估及根據需要關閉虧損店舖。

提升客戶滿意度以留住更多客戶

客戶的愛戴與支持是本公司發展的動力。為提供可滿足客戶不同需求的產品，本集團成立了研發團隊。我們為員工提供內部培訓，以確保員工對最新的市場趨勢有深刻的了解和認識。此外，本公司繼續收集、分析及利用海量銷售數據，以獲取最新潮流觸覺並為客戶提供優質流行產品。

為進一步提升客戶滿意度，本年度我們邀請忠實客戶參與我們的新產品開發。我們從線下商店及主要線上銷售平台獲取客戶反饋。我們亦安排專人收集使用情況反饋及了解客戶的期望。我們的設計師主動與客戶交流以了解他們的實際需要，務求為客戶設計更舒適、更時尚的產品。在滿足客戶需求的同時，我們亦增加了銷售額，從而在客戶與本公司之間實現雙贏。

Enhancing Productivity and Logistics Efficiency

The Group adopted advanced designs and technology to simplify production process and improve production efficiency. This also reduces unnecessary waste of resources while ensuring product quality and meeting consumers' variable and diverse needs along with promoting sustainable and efficient development of the business operations.

Furthermore, the R&D department basically completed the deployment and application of the ERP system in the Company's subordinate factories which significantly increased the utilisation efficiency of resources. While maintaining the products' high quality, it has also increased production lines' diversity and flexibility.

Productivity improved mainly from the following three aspects:

Closed-loop production line

All forming lines in Xuzhou factory were upgraded and modified to small closed-loop lines. The number of employees in a single production line was reduced from 55 to 28. Other factories are gradually completing the production line transformation.

Optimise production methods

Flexible production modes and methods were adopted, saving 20% to 30% of production capacity.

Intelligent production

Intelligent production of each factory was further improved. Thanks to the efficient material utilisation of imported advanced equipment, production efficiency was significantly enhanced.

In order to enhance logistics efficiency, the Company continued to improve the construction of the warehouses at the regional centre level. The routes from the subordinate factory warehouses to regional centre warehouses were also rationally adjusted. Moreover, the Company optimised the Warehouse Management System based on the experience of the previous year. The upgraded system is expected to further improve the efficiency of warehouse operations.

提高生產力和物流效率

本集團已採用先進設計及技術以簡化生產程序及提升生產效率。此舉亦可以減少不必要的資源浪費，同時確保產品質量和滿足消費者的多變需求，並促進業務運營的可持續和高效發展。

此外，研發部已基本上完成本公司下屬工廠企業資源規劃系統的佈局及應用，資源使用效率獲得顯著提升。在維持高質量產品的同時，本公司亦提高生產線的多元性及靈活性。

本公司主要從以下三個方面提高生產力：

環形生產線

徐州工廠的所有成型線已升級並改造為小型環形生產線。一條生產線的員工人數從55人減少到28人。其他工廠正逐步完成生產線改造工作。

優化生產方式

我們採用靈活的生產方式和方法，節省20%至30%的產能。

智能化生產

每間工廠的智能化生產獲得進一步提升。我們借助進口先進設備有效地利用材料，使生產效率獲得顯著提高。

為提升物流效率，本公司繼續改善區域中心層面的倉庫建設。下屬工廠倉庫至區域中心倉庫的路線也經過合理調整。此外，本公司根據去年的經驗優化倉庫管理系統。升級後的系統預期將進一步提高倉庫運營效率。

Management Discussion and Analysis

管理層討論及分析

Optimizing Organisational Structure

In a fast-changing business environment, efficiency creates value. One of the most effective method to increase efficiency is to optimize the organizational structure by flatten it out in an effort to greatly reduce the cost and time for internal discussion and approval. In 2020, after diligently reviewing its organisational structure, the Company consolidated ten distribution regions into six at the regional level and greatly increased employees' level of responsibility in the organization. The removal of excess layers of management improved the coordination and speed of communication between employees and encouraged an easier decision-making process among employees.

Acquisition of Further Interest in Mega Brilliant International Limited

On 17 January 2020, the Company announced the acquisition of 28% of the issued share capital of Mega Brilliant International Limited (“Mega Brilliant”), a non wholly-owned subsidiary of the Company, for a total cash consideration of RMB59,717,391. Mega Brilliant is the holding company of Jiangsu Mega Shoes Co., Ltd. (“Jiangsu Mega”), which is principally engaged in the manufacture and sale of branded fashion footwear and related materials.

Following the acquisition, it is expected that the previous distributorships between the sellers' affiliated footwear distributors and Jiangsu Mega will not be renewed. As a result, Jiangsu Mega will be able to regain its distribution rights in the regions concerned, thereby allowing the Group to centralise and streamline the operation and management of its footwear retail business.

Moreover, with the decrease in shareholding of Mega Brilliant's minority shareholders from 49% to 21% following the acquisition, the portion of Mega Brilliant's profit or loss attributable to non-controlling interests will diminish. From the perspective of the Group's consolidated financial statements, provided that Mega Brilliant continues to generate a profit, the acquisition is expected to result in an increase in profit (or a decrease in the loss) attributable to owners of the Company in the future. The acquisition was completed on 20 January 2020. Upon the completion, the Company indirectly holds 79% of the issued share capital of Mega Brilliant.

優化組織架構

營業環境瞬息萬變，效率創造價值。提升效率的其中一個最有效的方法，是透過使組織架構變平，大幅降低內部決策及審批的成本及時間，達至組織架構優化。於2020年，本公司於認真審視其組織架構後，在區域層面將十個銷售大區整合為六個，並大幅提升僱員於組織內的責任水平。剔除多餘的管理層面後，僱員之間的協調獲得改善，加快溝通，並鼓勵僱員之間進行更簡單的決策過程。

進一步收購美宏國際有限公司的權益

於2020年1月17日，本公司宣布收購本公司非全資附屬公司美宏國際有限公司（「美宏」）已發行股本的28%，總現金代價為人民幣59,717,391元。美宏為江蘇美嘉鞋業有限公司（「江蘇美嘉」）的控股公司，江蘇美嘉主要從事生產及銷售品牌時尚鞋履及有關物料。

於收購後，預期賣方的聯屬鞋履分銷商先前與江蘇美嘉之間的分銷權將不會重續。因此，江蘇美嘉將能夠重新獲得有關地區的分銷權，從而使本集團能夠集中並精簡其鞋履零售業務的營運和管理。

此外，隨著美宏少數股東於收購後的持股比例從49%減少至21%，美宏應佔非控股權益的損益部分將會減少。從本集團綜合財務報表層面來看，倘美宏持續獲利，收購預計將導致日後本公司擁有人應佔溢利增加（或虧損減少）。收購於2020年1月20日完成。完成後，本公司間接持有美宏已發行股本的79%。

Disposal of Allied Great International Holdings Limited

On 18 June 2020, the Company announced the disposal of the entire issued share capital of Allied Great International Holdings Limited (“Allied Great”), then a wholly-owned subsidiary of the Company, to Huaxin Ventures Limited for a cash consideration of RMB5,000,000. Allied Great is the holding company of Mayflower (Nanjing) Enterprise Limited (“Nanjing Mayflower”), which is principally engaged in manufacturing and retail sales of footwear mainly in Nanjing. As at the completion date of the disposal, certain trade debts of RMB505,030,000 was payable by Nanjing Mayflower to various members of the Group.

Following the disposal, the Group is concentrating its production activities in Xuzhou (as opposed to both Nanjing and Xuzhou previously), thereby saving costs on internal governance as it improves logistics by running production facilities in one locality instead of two. The Group will also save costs on storage of the excess inventories and avoid potential future costs of having to recognize obsolete inventory. This is in line with the adjustments to the Group’s organisational structure described above, which will allow the Group to take advantage of the lower operating costs in Xuzhou.

Moreover, the settlement of the trade debts by Nanjing Mayflower pursuant to the Obligations and Debts Framework Agreement will lead to a gradual improvement in the Group’s cash position, while the transfer of certain shoe trademarks to the Company pursuant to the trademark transfer agreement will allow the Group to continue to operate its self-developed brands. As such, the disposal will not pose any material adverse impact on the Group’s existing footwear businesses.

The disposal of the entire issued share capital of Allied Great described above was completed on 31 July 2020. Upon completion, the Company no longer holds any direct or indirect interest in Allied Great and Nanjing Mayflower.

出售滙英國際集團有限公司

於2020年6月18日，本公司宣布向華鑫創投有限公司出售本公司當時的全資附屬公司滙英國際集團有限公司（「滙英」）的全部已發行股本，現金代價為人民幣5,000,000元。滙英為美麗華企業（南京）有限公司（「南京美麗華」）的控股公司，該公司主要在南京從事鞋履生產及零售。於出售完成日，南京美麗華應付本集團多家成員公司的若干貿易債項人民幣505,030,000元。

於出售後，本集團正將其生產活動集中在徐州（而非過往的南京及徐州），從而節省內部管治，原因是在一個而非兩個地點運作生產設施使物流得以改善。本集團也將節省儲存過多存貨的成本，並避免日後確認陳舊庫存而可能產生的成本。此舉與上述本集團組織架構調整一致，將使本集團得益於徐州較低的經營成本。

此外，南京美麗華根據債權債務框架協議清償貿易債項將逐步改善本集團的現金狀況，而根據商標轉讓協議向本公司轉讓若干鞋履商標將讓本集團繼續經營其自主開發品牌。因此，出售事項將不會對本集團的現有鞋履業務造成任何重大不利影響。

上述出售滙英的全部已發行股本於2020年7月31日完成。完成後，本公司不再於滙英及南京美麗華直接或間接持有任何權益。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

For the year ended 31 December 2020, the Group's total revenue decreased by 28.7% to RMB1,539.4 million, compared to the same period of last year. Gross profit from continuing operations decreased by 25.8% to RMB860.7 million. During the year, the continuing operations recorded a profit of RMB5.6 million, compared to a loss of RMB205.3 million in the same period of last year.

Revenue

For the year ended 31 December 2020, the Group's total revenue decreased by 28.7% to RMB1,539.4 million, compared to RMB2,157.5 million for the same period of last year.

The Group's revenue from continuing operations decreased by 20.5% from RMB1,935.5 million for the same period of last year.

The Group's revenue mix comprises income from retail and wholesale of shoes ("Retail and Wholesale"), contract manufacturing of shoes ("Contract Manufacturing") and retail of toys. The revenue distribution of Retail and Wholesale, Contract Manufacturing and retail of toys is set out as follows:

財務回顧

截至2020年12月31日止年度，本集團的總收益為人民幣1,539.4百萬元，較去年同期下降28.7%。來自持續經營業務的毛利減少25.8%至人民幣860.7百萬元。本年度持續經營業務錄得溢利人民幣5.6百萬元，而去年同期則為虧損人民幣205.3百萬元。

收益

截至2020年12月31日止年度，本集團的總收益為人民幣1,539.4百萬元，較去年同期的人民幣2,157.5百萬元減少28.7%。

本集團來自持續經營業務的收益較去年同期的人民幣1,935.5百萬元減少20.5%。

本集團的收益組合包括來自零售和批發鞋履（「零售及批發業務」）、合約生產鞋履（「合約生產業務」）及玩具零售業務的收入。零售及批發業務、合約生產業務及玩具零售業務的收益分佈情況如下：

		For the year ended 31 December				
		截至12月31日止年度				
		2020		2019		
		2020年		2019年		
			% of Total		% of Total	
		RMB ('000)	Revenue	RMB ('000)	Revenue	% Growth
		人民幣千元	佔總收益	人民幣千元	佔總收益	增長
			百分比		百分比	百分比
Retail and Wholesale	零售及批發業務	1,379,398	89.6	1,625,685	75.3	-15.1
Contract Manufacturing	合約生產業務	112,198	7.3	211,226	9.8	-46.9
Retail of Toys	玩具零售業務	47,772	3.1	320,618	14.9	-85.1
Total	總計	1,539,368	100	2,157,529	100	-28.7

Profitability

For the year ended 31 December 2020, the gross profit from continuing operations decreased by 25.8% to RMB860.7 million, the gross profit margin was 55.9%, a decrease of 4.0 percentage points from 59.9% in last year.

For the year ended 31 December 2020, distribution and selling expenses from continuing operations reached RMB801.8 million, a decrease of 22.4%, compared to expenses of RMB1,033.5 million last year. Distribution and selling expenses from continuing operations accounted for 52.1% of revenue from continuing operations, compared to 53.4% in last year.

For the year ended 31 December 2020, administrative and general expenses from continuing operations amounted to RMB137.3 million, a decrease of RMB10.4 million compared to the same period of last year. Administrative and general expenses accounted for 8.9% of revenue from continuing operations, compared to 7.6% in last year.

For the year ended 31 December 2020, the Group's other income and expenses and other gains and losses from continuing operations recorded a net profit of RMB75.8 million as compared to a net loss of RMB45.8 million last year. Other income and expenses and other gains and losses mainly included impairment of property, plant and equipment and other intangible assets, government subsidies, interest income on bank deposits and net foreign exchange gain. The increase was mainly attributable to the impairment losses of property, plant and equipment and other intangible assets in 2019.

For the year ended 31 December 2020, the Group recorded finance costs of RMB5.3 million, compared to RMB19.6 million last year. The decrease was mainly attributable to the repayment of borrowings and the decrease in lease liabilities.

盈利能力

截至2020年12月31日止年度，持續經營業務的毛利減少25.8%至人民幣860.7百萬元，毛利率為55.9%，較去年的59.9%減少4.0個百分點。

截至2020年12月31日止年度，來自持續經營業務的分銷及銷售開支為人民幣801.8百萬元，較去年的開支人民幣1,033.5百萬元減少22.4%。來自持續經營業務的分銷及銷售開支佔來自持續經營業務收益的52.1%，而去年則為53.4%。

截至2020年12月31日止年度，來自持續經營業務的行政及一般開支為人民幣137.3百萬元，較去年同期減少人民幣10.4百萬元。行政及一般開支佔來自持續經營業務收益的8.9%，去年為7.6%。

截至2020年12月31日止年度，本集團來自持續經營業務的其他收入及開支以及其他收益及虧損錄得淨溢利人民幣75.8百萬元，而去年則為淨虧損人民幣45.8百萬元。其他收入及開支以及其他收益及虧損主要包括物業、機器及設備及其他無形資產的減值、政府補貼、銀行存款利息收入及匯兌收益淨額。該增加主要歸因於2019年物業、機器及設備減值虧損與其他無形資產減值虧損所致。

截至2020年12月31日止年度，本集團財務成本為人民幣5.3百萬元，去年為人民幣19.6百萬元。該減少的主要原因是借貸的清償及租賃負債的降低所致。

Management Discussion and Analysis

管理層討論及分析

For the year ended 31 December 2020, the Group's income tax expense from continuing operations decreased by RMB105.5 million to RMB9.2 million, compared to an expense of RMB114.7 million last year. The decrease was mostly attributable to the reversal of deferred tax in 2019. For the year ended 31 December 2020, the Group recorded profit attributable to owners of the Company of RMB6.2 million from continuing operations, as compared to the loss of approximately RMB209.5 million recorded in 2019.

Liquidity, Financial Resources and Capital Structure

During the year, the Group adopted prudent treasury policies in managing cash resources and bank borrowings. As at 31 December 2020, the Group had cash and cash equivalents of RMB546.4 million (2019: RMB401.1 million).

As at 31 December 2020 and 31 December 2019, the Group had no bank borrowings.

According to the Group's current level of cash balances, working resources and banking facilities, the Board is confident that the Group has sufficient resources to meet its future business expansion.

Gearing ratio

As at 31 December 2020 and 31 December 2019, the Group's gearing ratio, computed by dividing total loans and borrowings by total assets, was 0.0%.

Capital structure

The Group's operations were financed mainly by shareholder's equity, bank facilities available to the Group and internal resources. The Group will continue to adopt its treasury policy of placing its cash and cash equivalent as interest bearing deposits. The Group's loans and cash and cash equivalents were mainly denominated in Renminbi, Hong Kong dollars, GBP and U.S. dollars. As of 31 December 2020, the Group had no bank borrowings denominated in foreign currency.

截至2020年12月31日止年度，本集團來自持續經營業務的所得稅開支為人民幣9.2百萬元，較去年的開支人民幣114.7百萬元減少人民幣105.5百萬元。該減少主要歸因於2019年遞延稅項的轉回所致。截至2020年12月31日止年度，本集團來自持續經營業務的本公司擁有人應佔溢利為人民幣6.2百萬元，而2019年則錄得虧損約人民幣209.5百萬元。

流動資金、財務資源及資本架構

於本年內，本集團採用審慎的庫務政策管理現金資源及銀行借貸。於2020年12月31日，本集團之現金及現金等價物為人民幣546.4百萬元(2019年：人民幣401.1百萬元)。

本集團於2020年12月31日及2019年12月31日均無銀行借貸。

以目前本集團之現金結餘、營運資金及可使用之銀行信貸額之水平，董事會相信本集團擁有足夠資金以應付未來業務發展之需要。

資產負債比率

本集團於2020年12月31日及2019年12月31日之資產負債比率(按總貸款及借貸額除以總資產計算)均為0.0%。

資本架構

本集團的營運主要透過股東權益、本集團可用的銀行融資及內部資源撥付資金。本集團將繼續採納其庫存政策，將其現金及現金等價物作為計息存款。本集團的貸款以及現金及現金等價物主要以人民幣、港元、英鎊和美元計值。截至2020年12月31日，本集團並無以外幣計值的銀行借貸。

Pledge of Asset

As of 31 December 2020, the Group had no pledge of assets.

Contingent Liabilities

The Group did not have any substantial or contingent liabilities as of 31 December 2020.

Foreign Exchange Risk Management

The Group's sales are mainly denominated in RMB, while its Contract Manufacturing is mainly denominated in USD. The Contract Manufacturing accounted for 7.3% of total revenue. Nevertheless, the Board will keep monitoring the impact of the exchange rate on our business closely and take appropriate measures to mitigate the impact where necessary.

For the year ended 31 December 2020, the Group recorded a RMB5.4 million loss from currency exchange, compared to a RMB1.1 million gain last year. The Group did not hold any derivative instruments for hedging against foreign exchange risk.

Human Resources

As of 31 December 2020, the Group had 5,876 employees (31 December 2019: 7,459 employees). The Group provides its employees with competitive remuneration packages including mandatory pension funds, insurance and medical benefits. In addition, the Group pays discretionary bonuses to qualified employees according to the business performance and their individual work performance.

Dividend

The Directors do not recommend the payment of final dividend for the year ended 31 December 2020 (2019: nil).

Events after the Reporting Period

There were no significant events after 31 December 2020 and up to the date of this annual report.

資產質押

截至2020年12月31日，本集團並無資產質押。

或然負債

於2020年12月31日，本集團並無任何重大或然負債。

匯兌風險管理

本集團之銷售主要以人民幣計值，而合約生產業務則主要以美元計值。合約生產業務佔收益總額的7.3%。儘管如此，董事會將繼續密切關注匯率對我們業務的影響，並於必要時採取適當措施以減輕影響。

截至2020年12月31日止年度，本集團錄得匯兌虧損人民幣5.4百萬元，去年則為收益人民幣1.1百萬元。本集團並無持有任何衍生工具以對沖外匯風險。

人力資源

截至2020年12月31日，本集團有5,876名僱員(2019年12月31日：7,459名僱員)。本集團為其僱員提供具競爭力的薪酬組合，包括強制性退休基金、保險及醫療福利。此外，本集團亦會按業務表現及個別員工的工作表現向合資格僱員發放酌情花紅。

股息

董事並無就截至2020年12月31日止年度建議宣派末期股息(2019年：無)。

報告期後事項

本公司於2020年12月31日後且直至本年報日期並無任何重大事項。

Management Discussion and Analysis

管理層討論及分析

Outlook

In the later part of 2020, China was able to get the pandemic under control and progressively restore social and economic order. However, by the beginning of 2021, in some of China provinces and other countries, COVID-19 re-emerged bringing back new social distancing measures. The global situation is expected to be further aggravated as relations between China and the United States intensify with political and economic sanctions implemented by both countries. It is very likely that in the foreseeable future, the pandemic prevention and control will be normalized and the global economy will continue to face many subsequent challenges.

Low-efficient stores will be closed gradually in the coming year after deliberate consideration. On the one hand, the Company expects offline sales to gradually recover as the COVID-19 pandemic subsides and the sales performance of each store will be increased. The Company will strengthen its relationships with high profile celebrities as it seeks new media opportunities to strengthen brand awareness. On the other hand, the Company intends to conduct further cooperation with online platform such as vip.com (唯品會) and other parties to continue expanding its online sales channels and make full use of the advantages provided by the platforms to achieve over-expected performance. The online sales will be also supported by unleashing the power of live streaming, which is gain more and more popularity. It will also leverage online-offline synergy to maximise the potential of the online business and consolidate offline shoppers into online buying force with the goal to accelerate growth and boost sales in 2021. Regarding the OEM business, the management expects it will continue to suffer from the serious COVID-19 situation in America and Europe.

After the Company's tremendous efforts in implementing re-centering strategy in the past several years, divestiture of other business has been gradually realized. To achieve rapid development in the main business of the Company, further reform of the operation system and company structure will be conducted. With more resources tipping towards the main business, the upgrade of the overall structure and system and innovative and effective publicity plan in the coming year, the sales volume of the brand of C.banner is expected to make a breakthrough.

前景

於2020年下半年，中國疫情得以受控，社會及經濟秩序逐步恢復。然而，截至2021年初，中國部分省份及其他國家重現COVID-19疫情，需要實施新的社交距離措施。隨著中美關係因兩國實施政治及經濟制裁而變差，預期全球狀況將進一步惡化。於可見將來，疫情防控很可能成為常態，而全球經濟往後亦很可能繼續迎來更多挑戰。

經慎重考慮後，本公司來年將逐漸關閉低效率門店。一方面，隨著COVID-19疫情消退，本公司預期線下銷售將逐漸回復，各店舖銷售表現將會上升。本公司將加強與知名人士的關係，尋求新的媒體曝光機會以加強品牌知名度。另一方面，本公司有意與唯品會等線上平台及其他各方進一步合作，以繼續擴展其線上銷售渠道，並善用平台帶來的優勢以達至高於預期的表現。線上銷售亦將透過發揮日漸受歡迎的直播力量獲得支持。本公司亦將利用線上線下的協同效應，充分發揮線上業務的潛力，同時將線下顧客整合為線上購買力，目標是於2021年加快增長及提高銷售。就原始設備製造商業務而言，管理層預期該分部將繼續受到歐美COVID-19嚴重疫情所拖累。

本公司於過去數年竭盡全力實施重建重心策略後，其他業務已逐漸實現剝離。為推動本公司主要業務高速發展，我們將進一步推行營運系統及公司架構改革。隨著來年更多資源流入主要業務、整體架構及系統升級，以及推行創新有效的宣傳計劃，預期千百度品牌的銷量將出現突破。

The Company values talents and will continue to attract more talents with attractive benefits to optimize the knowledge structure of the management. The key management will move southwards to the frontline with Guangzhou as center to better manage the business and explore more business opportunities. The research center in Guangzhou has been transformed to meet the changes brought by COVID-19.

The management has well realized that supply chain management is an integral part for the business and is essential to company success and customer satisfaction. The current ever-changing market not only requires fast response on making decision but also the supply chain management. On the one hand, the Company will further review and reform the supply chain system to enhance the product quality; on the other hand, closer cooperation will be made with external supply chains to smoothen and strengthen supply chain system. Another focus in the coming year is the enhancement of offline operation efficiency with an aim of fortifying the Company's capability of discovering, cultivating and operating top-selling products to achieve a satisfactory business performance. In addition, the Company will further use advanced designs and technology to simplify the production process, improve production efficiency, and meet the variable and various customers' demands.

The COVID-19 outbreak has affected the whole world. Though the operating condition and financial performance of the Company were under pressure, the Company confronted these challenges by swiftly responding to the changing market conditions, promptly adjusting the strategies and leveraging resource advantages in a bid to minimize the impact of the COVID-19 pandemic. Looking ahead, the Company will stay focused on strengthening the core business and optimizing online and offline experience in an effort to further enhance the competitiveness, hence maintaining stable and sustainable growth and creating increased shareholder value.

本公司重視人才，並將繼續以具吸引力的福利吸引更多人才，以優化管理層的知識架構。主要管理層將南移至以廣州為中心的前線，務求更有效管理業務及探索更多商機。廣州研究中心已因應COVID-19帶來的轉變而轉型。

管理層深明供應鏈管理是業務不可或缺的部分，對公司取得成功及令客戶滿意至關重要。當前瞬息萬變的市場不但講求快速應對的決策，亦需要配合供應鏈管理。一方面，本公司將進一步檢討及改革供應鏈系統以提升產品質量；另一方面，本公司將與外部供應鏈更緊密合作使供應鏈系統順暢且得以強化。本公司來年的另一著眼點是提升線下營運效率，藉此鞏固本公司發現、培養及經營暢銷產品的能力，從而達至令人滿意的業務表現。此外，本公司將進一步使用先進設計及技術，以簡化生產程序、提升產能，以及滿足客戶的各種各樣需求。

COVID-19疫情對全球造成影響。儘管本公司的經營狀況及財務表現受壓，我們迅速應對瞬息萬變的市況、及時調整策略及利用資源優勢，無懼各種挑戰，力圖將COVID-19疫情的影響降至最低。展望未來，本公司將繼續專注於加強核心業務及優化線上線下體驗，進一步提升競爭力，從而保持穩定而可持續的增長以及提升股東價值。

Management Discussion and Analysis

管理層討論及分析

ADDITIONAL INFORMATION RELATING TO THE QUALIFIED OPINION

The external auditors of the Company, ZHONGHUI ANDA CPA Limited (the “Auditors”), issued a qualified opinion (the “2020 Audit Qualification”) on the Group’s consolidated financial statements for the year ended 31 December 2020 (“FY2020”) in relation to (i) the opening balances of Hamleys Global Holdings Limited and its subsidiaries which were disposed of during the year ended 31 December 2019 (“FY2019”); and (ii) the net carrying values of certain non-current assets as at 31 December 2018 in connection with the Group’s toys retail business operating in the PRC (collectively, the “Qualified Matters”). For further details, please refer to the “Independent Auditor’s Report” on pages 76 to 83 of this annual report.

In view of the 2020 Audit Qualification, the Board would like to provide the following additional information:

The Management’s View on the 2020 Audit Qualification

The 2020 Audit Qualification was expressed solely in respect of the comparative figures for FY2019 contained in the Group’s consolidated financial statements for FY2020. In this regard, the management notes that a qualified opinion (the “2019 Audit Qualification”) was expressed in respect of the same Qualified Matters in the independent auditor’s report issued by the Auditors on the Group’s consolidated financial statements for FY2019 as set forth on pages 67 to 74 of the Company’s annual report for FY2019 published on 14 May 2020 (the “2019 Annual Report”).

The management also notes that the Company (i) disclosed certain information on the Qualified Matters in the section headed “Management Discussion & Analysis – Additional Information Relating to the Qualified Opinion” on pages 43 to 45 of the 2019 Annual Report; and (ii) disclosed further information on the background of and circumstances leading to the Qualified Matters in its supplemental announcement dated 8 June 2020 (the “June 2020 Announcement”).

有關保留意見的額外資料

本公司外部核數師中匯安達會計師事務所有限公司(「核數師」)就(i)於截至2019年12月31日止年度(「2019財政年度」)出售的Hamleys Global Holdings Limited及其附屬公司之期初結餘；及(ii)於2018年12月31日有關本集團於中國經營的玩具零售業務的若干非流動資產之賬面淨值(統稱「保留意見事宜」)對本集團截至2020年12月31日止年度(「2020財政年度」)的綜合財務報表發出保留意見(「2020年審核保留意見」)。有關進一步詳情，請參閱本年報第76至83頁的「獨立核數師報告」。

鑑於2020年審核保留意見，董事會謹提供以下額外資料：

管理層對2020年審核保留意見的看法

2020年審核保留意見僅就本集團於2020財政年度的綜合財務報表所載2019財政年度的比較數字作出。就此而言，管理層注意到如本公司於2020年5月14日刊發的2019財政年度年報(「2019年年報」)第67至74頁所載，核數師對本集團於2019財政年度的綜合財務報表發出的獨立核數師報告內，就相同的保留意見事宜作出了保留意見(「2019年審核保留意見」)。

管理層亦注意到，本公司(i)已於2019年年報第43至45頁「管理層討論及分析－有關保留意見的額外資料」一節披露保留意見事宜的若干資料；及(ii)已於其日期為2020年6月8日的補充公告(「2020年6月公告」)披露有關保留意見事宜的背景及導致出現該等事宜的狀況之進一步資料。

The management is of the view that, as explained in the June 2020 Announcement, the Company had made repeated attempts to work out a solution with various parties and had provided relevant records in its possession to the Auditors in order to facilitate the Auditors' FY2019 audit work, but unfortunately the Auditors was unable to obtain such documents and information that it considered sufficient for an unqualified audit opinion to be issued for FY2019. Insofar as the 2020 Audit Qualification is concerned, since such qualification was expressed in respect of the same Qualified Matters as in the 2019 Audit Qualification, the management's aforesaid view remains applicable.

The Audit Committee's View on the 2020 Audit Qualification

In respect of the 2019 Audit Qualification, as disclosed on page 45 of the 2019 Annual Report and pages 2 to 3 of the June 2020 Announcement, (i) the Audit Committee communicated with the Auditors in detail during a meeting held on 28 April 2020; (ii) the Audit Committee also reported the situation to the Board during the Board meeting held on the same date; (iii) the Audit Committee and the Company both agreed that the matter was non-recurring; and (iv) the Audit Committee reviewed and agreed with the Board's position concerning the 2019 Audit Qualification. Insofar as the 2020 Audit Qualification is concerned, since such qualification was expressed in respect of the same Qualified Matters as in the 2019 Audit Qualification, the Audit Committee's aforesaid view remains applicable.

Furthermore, specifically in respect of the 2020 Audit Qualification, (i) on 16 March 2021, the Auditors provided the Company with a draft of the "Audit Closing Memorandum to Audit Committee and Board of Directors" for FY2020 setting forth, among other things, details of the Qualified Matters; (ii) at the Audit Committee meeting held on 29 March 2021, the Auditors went through the Qualified Matters with the Audit Committee and advised that the 2020 Audit Qualification would be expressed in the independent auditor's report for FY2020; and (iii) at the aforesaid Audit Committee meeting, it was resolved, among other things, that the Group's consolidated financial statements for FY2020 and the annual results announcement for FY2020 (which contained the 2020 Audit Qualification) be recommended to the Board for approval.

管理層認為，如2020年6月公告所闡述，本公司已多次嘗試與多方制定解決方案，並已向核數師提供其擁有的相關記錄，以便利核數師的2019財政年度審核工作，惟核數師不幸地無法取得其認為足夠的文件及資料以就2019財政年度作出無保留審核意見。就2020年審核保留意見而言，由於該保留意見乃就與2019年審核保留意見相同的保留意見事宜作出，故管理層的上述看法仍然適用。

審核委員會對2020年審核保留意見的看法

就2019年審核保留意見而言，如2019年年報第45頁及2020年6月公告第2至3頁所披露，(i)審核委員會於2020年4月28日的會議上與核數師詳細溝通；(ii)審核委員會亦於同日的董事會會議上向董事會匯報有關情況；(iii)審核委員會及本公司均同意有關事宜屬非經常性；及(iv)審核委員會已審閱並同意董事會有關2019年審核保留意見的立場。就2020年審核保留意見而言，由於該保留意見乃就與2019年審核保留意見相同的保留意見事宜作出，故審核委員會的上述看法仍然適用。

再者，特別就2020年審核保留意見而言，(i)於2021年3月16日，核數師向本公司提供2020財政年度的「致審核委員會及董事會的審核工作完結備忘錄」草稿，當中載列(其中包括)保留意見事宜的詳情；(ii)於2021年3月29日舉行的審核委員會會議上，核數師與審核委員會商討保留意見事宜，並告知將於2020財政年度的獨立核數師報告內作出2020年審核保留意見；及(iii)於上述審核委員會會議上，已議決(其中包括)向董事會建議批准本集團於2020財政年度的綜合財務報表及於2020財政年度的年度業績公告(當中載有2020年審核保留意見)。

Management Discussion and Analysis

管理層討論及分析

The Management's and the Audit Committee's Expectation Regarding the Year Ending 31 December 2021 ("FY2021")

As the 2020 Audit Qualification was expressed solely in respect of the comparative figures for FY2019, and the Group's consolidated financial statements for FY2021 will not contain such FY2019 figures, the management expects that the independent auditor's report for FY2021 will no longer contain any modification in respect of the Qualified Matters. The Audit Committee has reviewed and agrees with the management's expectation.

管理層及審核委員會就截至2021年12月31日止年度(「2021財政年度」)的預期

由於2020年審核保留意見僅就2019財政年度的比較數字作出，且本集團於2021財政年度的綜合財務報表將不會載有該等2019財政年度數字，故管理層預期2021財政年度的獨立核數師報告將不會再就保留意見事宜載有任何非無保留意見。審核委員會已審閱並同意管理層的預期。

Corporate Governance Report

企業管治報告

The Board is pleased to present this corporate governance report in the annual report of the Company for the year ended 31 December 2020.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has complied with all applicable code provisions under the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set out in Appendix 14 to the Listing Rules during the Review Period. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, overseeing the Group’s strategic decisions and monitoring the Group’s business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company’s affairs, the Board has established three Board committees including the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”) (together, the “Board Committees”). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its Shareholders at all times.

The Company has arranged appropriate liability insurance to indemnify the Directors for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

董事會欣然呈列本公司截至2020年12月31日止年度之年報所載之企業管治報告。

企業管治

本集團致力維持高水平之企業管治以保障股東之利益，並提升企業價值及應有責任。於回顧期間，本公司已遵守上市規則附錄14所載企業管治守則及企業管治報告（「企業管治守則」）項下之所有適用守則條文。本公司將繼續審閱及提升其企業管治常規，以確保遵守企業管治守則。

董事會

職責

董事會負責本集團之整體發展，並監督本集團之策略性決定及監察本集團業務及表現。本集團高級管理層將獲董事會轉授有關本集團日常管理及營運之權力及責任。就監督本公司事務之特定方面，董事會已成立三個董事委員會，包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）（統稱「董事委員會」）。董事會向董事委員會授出多項責任，有關責任載於其各自之職權範圍。

全體董事須確保彼等以真誠態度履行職責、遵守適用法例及法規，並一直符合本公司及其股東之利益。

本公司已安排適當的責任保險以彌償董事因從事企業活動所產生之責任。保險之保障範圍將每年予以檢討。

Corporate Governance Report

企業管治報告

Board Composition

During the Review Period, the Board comprised five executive Directors, namely Mr. Chen Yixi, Mr. Huo Li, Mr. Yuan Zhenhua, Mr. Wan Xianghua and Mr. Wu Weiming, one non-executive Director, namely Mr. Miao Bingwen, and three independent non-executive Directors, namely Mr. Kwong Wai Sun Wilson, Mr. Li Xindan and Mr. Zheng Hongliang. In addition, subsequent to the Review Period, due to health reason, Mr. Huo Li resigned as executive Director with effect from 4 February 2021. The biographies of the Directors are set out under the section headed “Directors and Senior Management” of this annual report.

Relationships (including financial, business, family or other material/relevant relationships), if any, among members of the Board are also disclosed. There was no such relationship as between the chairman of the Board (the “Chairman”) and the CEO during the Review Period.

Pursuant to the code provision A.5.6 of the CG code, listed issuers are required to adopt a board diversity policy. The Board has adopted the board diversity policy and the summary of the board diversity policy is set out under “Board Committees – Nomination Committee” below.

The Company has received written annual confirmation from each independent non-executive Director of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

As regards the CG Code provision requiring directors to disclose the number and nature of offices held in public companies or organisations and other significant commitments as well as their identity and the time involved to the issuer, Directors have agreed to disclose their commitments to the Company in a timely manner.

董事會組成

回顧期間，董事會包括五名執行董事，即陳奕熙先生、霍力先生、袁振華先生、萬祥華先生及吳維明先生，一名非執行董事，即繆炳文先生，以及三名獨立非執行董事，即鄺偉信先生、李心丹先生及鄭紅亮先生。此外，於回顧期間後，由於健康原因，霍力先生於2021年2月4日辭任執行董事。董事之履歷載於本年報「董事及高級管理層」一節。

董事會成員間之關係(包括財務、業務、家族或其他重大／相關關係)(如有)亦予以披露。於回顧期間，董事會主席(「主席」)與首席執行官之間概無任何該等關係。

根據企業管治守則守則條文第A.5.6條，上市發行人須採納一項董事會成員多元化政策。董事會已採納董事會成員多元化政策及董事會成員多元化政策概要載於下文「董事委員會－提名委員會」項下。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。根據上市規則所載之獨立指引，本公司認為全體獨立非執行董事均屬獨立。

全體董事(包括獨立非執行董事)均為董事會帶來各種不同的寶貴營商經驗、知識及專門技術，使其有效率及有效地運作。獨立非執行董事獲邀加入審核委員會、薪酬委員會及提名委員會。

就企業管治守則條文要求董事向發行人披露於公眾公司或組織出任職務之數目與性質及其他重大承擔以及所涉及職務及時間而言，董事已同意及時向本公司披露彼等的職務承擔。

Chairman and Chief Executive Officer

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and performed by different individuals. During the Review Period, Mr. Chen Yixi was the Chairman and Mr. Yuan Zhenhua was the President. Mr. Chen Yixi is responsible for charting the business strategy and has played a determining role in establishing the Group's presence in the PRC women's footwear industry. Mr. Yuan Zhenhua was responsible for overseeing the operations (including brand and product development), finance and human resource management of the Group. As described above, there is a clear distinction between the Chairman's responsibility for providing leadership for the Board and the President's responsibility for managing the day-to-day operations of the Group's business.

Appointment and Re-Election of Directors

All executive Directors have entered into service contracts with the Company for a specific term of two years or three years. In addition, all non-executive Directors, including independent non-executive Directors, have entered into letters of appointment with the Company for a specific term of one year or three years.

In compliance with the code provision in A.4.2 of the CG Code, all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the bye-law 99 of the Bye-laws, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third, shall retire from office by rotation. The retiring Directors shall be eligible for re-election. The Company at any general meeting at which any Directors retire may fill the vacated offices.

主席及首席執行官

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁之角色應有所區分，應由不同人士擔任。於回顧期間，陳奕熙先生為主席，袁振華先生則為總裁。陳奕熙先生負責制定業務策略，並就本集團進軍中國女士鞋履行業擔任決策角色。袁振華先生負責監督本集團之營運（包括品牌及產品開發）、財務及人力資源管理。誠如上文所述，兩者的權責有明顯區分，主席負責領導董事會，而總裁則負責管理本集團業務日常營運。

委任及重選董事

所有執行董事均已與本公司訂立服務合約，特定任期為兩年或三年。此外，所有非執行董事（包括獨立非執行董事）均已與本公司訂立委任書，特定任期為一年或三年。

為遵守企業管治守則之守則條文第A.4.2條，全體董事最少每三年輪值退任一次。此外，根據細則第99條，於各股東週年大會上當時董事的三分之一（倘股東人數並非三或三之倍數，則最接近但不少於三分之一）須輪值告退。退任董事須合資格重選連任。在本公司任何股東大會上，任何退任董事均可填補空缺。

Corporate Governance Report

企業管治報告

In compliance with the code provision in A.4.2 of the CG Code, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. By virtue of the bye-law 102(B) of the Bye-laws, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

The procedures and process of appointment, re-election and removal of directors are set out in the Bye-laws. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

Induction and Continuing Development of Directors

Each newly appointed Director shall receive formal, comprehensive and tailored induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors will be continuously updated on the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Briefing and professional development for Directors will be arranged where necessary.

為遵守企業管治守則之守則條文第A.4.2條，所有獲委任以填補空缺之董事須於獲委任後首次股東大會上經股東選出。由於細則第102(B)條規定，董事會有權不時及在任何時間委任任何人士出任董事以填補董事會空缺或加入董事會，惟獲委任之董事人數須不超過股東於股東大會上不時釐定之人數上限。任何獲董事會委任以填補空缺之董事之任期僅直至獲委任後首次本公司股東大會，並須在該大會上重選連任。任何獲董事會委任加入現有董事會之董事之任期僅直至下屆本公司股東週年大會，並須合資格重選連任。

委任、重選及罷免董事之程序及過程載於細則。提名委員會負責審閱董事會組成、監察董事之委任、重選及繼任計劃。

董事就任及持續發展

每名新任董事於首次獲委任時將會獲得正式、全面及切合需要之就任資料，以確保合理了解本公司業務及營運，以及充分認識上市規則及相關監管規定項下之董事責任及義務。

董事將不斷了解有關法定及監管制度以及經營環境之最新資料，協助履行彼等之職責。於有需要時可為董事安排簡報及提供專業發展。

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. During the year of 2020, all Directors, namely Mr. Chen Yixi, Mr. Huo Li, Mr. Yuan Zhenhua, Mr. Wan Xianghua, Mr. Wu Weiming, Mr. Miao Bingwen, Mr. Kwong Wai Sun Wilson, Mr. Li Xindan and Mr. Zheng Hongliang, participated in continuous professional development to develop and refresh their knowledge and skills by ways of attending trainings and reading materials which are relevant to the Group's business or to directors' duties and responsibilities. In addition, the Company from time to time updates and provides written training material relating to the roles, functions and duties of a director and all the aforesaid Directors study such materials and they are asked to submit a signed training record to the Company on annual basis.

Board Meetings and General Meetings

The Company adopts the practice of holding board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For other Board and committee meetings, reasonable notice is generally given. When Directors or committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting.

Minutes of the board meetings and committee meetings are recorded in sufficient detail of the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each board meeting and committee meeting are sent to the Directors for comments within a reasonable time after the date on which the meeting is held.

本公司鼓勵董事參與持續專業發展，發展並更新彼等之知識及技能。於2020年度，所有董事，即陳奕熙先生、霍力先生、袁振華先生、萬祥華先生、吳維明先生、繆炳文先生、鄺偉信先生、李心丹先生及鄭紅亮先生，均透過參加有關董事職務與責任的培訓及閱讀與本集團業務有關的材料，參與持續專業發展，發展並更新彼等之知識及技能。此外，本公司不時更新及提供有關董事之角色、職能及職責之書面培訓材料，而所有前述董事均學習該等材料且須每年向本公司提交已簽署的培訓記錄。

董事會會議及股東大會

本公司採納定期舉行董事會會議之慣例，最少一年舉行四次，大約每季舉行一次。全體董事將獲發不少於十四天之通知以召開定期董事會會議，令全體董事均獲機會出席定期會議並討論議程事項。就其他董事會及委員會會議而言，一般將獲發合理通知。當董事或委員會成員未能出席會議，彼等將獲知會有關將予討論之事宜，並有機會在舉行會議前向主席發表意見。

董事會會議及委員會會議之會議記錄將記錄董事會及委員會認為充分之事項詳情及達成之決定，包括董事所關注之任何事宜。各董事會會議及委員會會議之會議記錄草稿於會議舉行日期後合理時間內寄交董事以提供意見。

Corporate Governance Report

企業管治報告

For the Review Period, five Board meetings, a special general meeting and an annual general meeting were held and the attendance of the individual Directors at these meetings is set out in the table below:

Directors	Attended/Eligible to attend		董事	出席次數/ 舉行次數	
	Board Meetings	General Meetings		董事會 會議	股東 大會
Mr. Chen Yixi	5/5	2/2	陳奕熙先生	5/5	2/2
Mr. Huo Li	5/5	2/2	霍力先生	5/5	2/2
Mr. Yuan Zhenhua	5/5	1/2	袁振華先生	5/5	1/2
Mr. Wan Xianghua	5/5	2/2	萬祥華先生	5/5	2/2
Mr. Wu Weiming	5/5	1/2	吳維明先生	5/5	1/2
Mr. Miao Bingwen	3/5	1/2	繆炳文先生	3/5	1/2
Mr. Kwong Wai Sun Wilson	5/5	2/2	鄺偉信先生	5/5	2/2
Mr. Li Xindan	5/5	2/2	李心丹先生	5/5	2/2
Mr. Zheng Hongliang	5/5	2/2	鄭紅亮先生	5/5	2/2

於回顧期間，已舉行五次董事會會議、一次股東特別大會及一次股東週年大會，下表載列出席該等會議之董事人數：

During the Review Period, the Chairman held a meeting with the independent non-executive Directors without the presence of other Directors on 27 March 2020.

於回顧期間，於2020年3月27日，主席與獨立非執行董事舉行會議，而其他董事未有出席。

Model Code for Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions. Specific enquiry has been made of all the Directors and each of the Directors has confirmed that he has complied with the Model Code throughout the Review Period.

證券交易之標準守則

本公司已採納標準守則作為其有關董事證券交易之操守守則。本公司已對全體董事作出具體查詢，且各董事確認彼於回顧期間已遵守標準守則。

Delegation by the Board

The Board reserves for its decision all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have resources to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

董事會授權

董事會保留於本公司所有主要事項之決策權，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（特別是可能涉及利益衝突之交易）、財務資料、委任董事以及其他重大財務及營運事宜。董事擁有資源尋求獨立專業意見以履行其於本公司開支之職責，並鼓勵個別接觸本公司高級管理層並與其商議。

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

BOARD COMMITTEES

Audit Committee

The Audit Committee currently comprised three independent non-executive Directors, namely Mr. Kwong Wai Sun Wilson, Mr. Li Xindan and Mr. Zheng Hongliang, and one non-executive Director, namely Mr. Miao Bingwen. Therefore, the majority of members of the Audit Committee are independent non-executive Directors. Mr. Kwong Wai Sun Wilson currently is the chairman of the Audit Committee. The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the internal audit division or external auditor before submission to the Board
- To review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendations to the Board on the appointment, reappointment and removal of external auditor
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures

本集團之日常管理、行政及營運已授權高級管理層處理。授權功能及責任由董事會定期檢討。管理層訂立任何重大交易前須取董事會之批准。

董事委員會

審核委員會

審核委員會現包括三名獨立非執行董事，即鄺偉信先生、李心丹先生及鄭紅亮先生，以及一名非執行董事，即繆炳文先生。因此，審核委員會多數成員均為獨立非執行董事。鄺偉信先生現為審核委員會主席。審核委員會之主要職責包括下列各項：

- 財務報表及報告提呈董事會前進行審閱以及考慮內部審核部門或外部核數師提出之任何重大或非經常事項
- 參考核數師之工作表現、收費及協議條款檢討與外部核數師之關係，並向董事會就委任、重選及罷免外部審數師提出意見
- 檢討本公司財務申報系統、內部監控系統及風險管理系統及相關程序之充份程度及效益

Corporate Governance Report

企業管治報告

During the Review Period, three meetings of the Audit Committee were held and the attendance record of the Audit Committee members is set out in the table below:

於回顧期間，審核委員會已舉行三次會議，審核委員會成員之出席記錄載於下表：

Directors	Attended/Eligible to attend	董事	出席次數／舉行次數
Mr. Kwong Wai Sun Wilson	3/3	鄺偉信先生	3/3
Mr. Miao Bingwen	2/3	繆炳文先生	2/3
Mr. Li Xindan	3/3	李心丹先生	3/3
Mr. Zheng Hongliang	3/3	鄭紅亮先生	3/3

The Audit Committee held two meetings during the Review Period to review the annual results of the Group for the year ended 31 December 2019 and the interim results of the Group for the six months ended 30 June 2020, the financial reporting and compliance procedures, the Company's internal control and risk management systems and processes (including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions), and the re-appointment of the external auditor.

審核委員會於回顧期間舉行兩次會議，以審閱本集團截至2019年12月31日止年度之年度業績以及本集團截至2020年6月30日止六個月之中期業績、財務申報及合規程序、本公司之內部監控及風險管理系統及程序(包括本集團會計、內部審核及財務報告職能的資源、員工資格及經驗、培訓計劃及有關預算是否充足)以及重新委聘外部核數師。

The Audit Committee is also responsible for performing the corporate governance duties, including:

審核委員會亦負責履行企業管治職能，包括：

- To develop and review the Company's policies and practices on corporate governance
 - To review and monitor the training and continuous professional development of Directors and senior management
 - To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements
 - To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors
 - To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report
- 制定及審核本公司之企業管治政策及實務
 - 檢討及監察董事及高級管理人員之培訓及持續專業發展
 - 檢討及監察本公司就遵守法律法規及監管要求之政策及實務
 - 制定、檢討及審核適用於僱員及董事之行為守則及合規手冊(如有)
 - 檢討本公司遵守企業管治守則之情況及於企業管治報告中之披露

Remuneration Committee

The Remuneration Committee currently comprised three independent non-executive Directors, namely Mr. Li Xindan, Mr. Kwong Wai Sun Wilson and Mr. Zheng Hongliang, and one non-executive Director, namely Mr. Miao Bingwen. Therefore, the majority of members of the Remuneration Committee are independent non-executive Directors. Mr. Li Xindan currently is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive Directors and the senior management. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management. The Remuneration Committee is also responsible for establishing transparent procedures for formulating such remuneration policy and structure and to ensure that no Director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

The Remuneration Committee held one meeting during the Review Period to review and consider the existing terms of remuneration of the Directors and senior management with reference to the prevailing market conditions, a Director's experience, responsibility, workload and fees paid by the comparable companies.

Pursuant to Code Provision B.1.5 of the CG Code, the remuneration of the members of the senior management by band for the year ended 31 December 2020 is set out below:

Remuneration band	Number of individuals
RMB1,500,001 to RMB2,000,000	1
More than RMB2,000,000	1

Further particulars relating to Directors' emoluments and the five highest paid individuals are set out in note 13 to the consolidated financial statements.

薪酬委員會

薪酬委員會現包括三名獨立非執行董事，即李心丹先生、鄺偉信先生及鄭紅亮先生，以及一名非執行董事，即繆炳文先生。因此，薪酬委員會多數成員均為獨立非執行董事。李心丹先生現為薪酬委員會主席。

薪酬委員會之主要職責包括批准執行董事及高級管理層之薪酬政策及結構以及薪酬組合以及就此提供意見。薪酬委員會已採納向董事會提供建議之運作模式，董事會保留批准個別執行董事及高級管理層薪酬之最終權力。薪酬委員會亦負責制定有關薪酬政策及結構設立具透明度之程序，確保概無董事或其任何聯繫人士將參與決定其本身之薪酬，而有關薪酬將根據個別人士及本公司之表現以及市場慣例及狀況釐定。

於回顧期間，薪酬委員會舉行一次會議，以參照現行市況、董事經驗、責任、工作量及可資比較公司支付之費用審核及審議董事及高級管理層薪酬之現有條款。

根據企業管治守則之守則條文第B.1.5條，截至2020年12月31日止年度，按薪酬範圍之高級管理層成員之薪酬載列如下：

薪酬範圍	人數
人民幣1,500,001元至 人民幣2,000,000元	1
人民幣2,000,000元以上	1

有關董事酬金及五位最高薪人士的進一步詳情載於綜合財務報表附註13。

Corporate Governance Report

企業管治報告

During the Review Period, one meeting of the Remuneration Committee was held and the attendance record of the Remuneration Committee members is set out as follows:

於回顧期間，薪酬委員會已舉行一次會議，薪酬委員會成員之出席記錄載於下表：

Directors	Attended/Eligible to attend	董事	出席次數／ 舉行次數
Mr. Li Xindan	1/1	李心丹先生	1/1
Mr. Miao Bingwen	1/1	繆炳文先生	1/1
Mr. Kwong Wai Sun Wilson	1/1	鄺偉信先生	1/1
Mr. Zheng Hongliang	1/1	鄭紅亮先生	1/1

Nomination Committee

Currently the Nomination Committee comprised one executive Director, namely Mr. Chen Yixi, and three independent non-executive Directors, namely Mr. Kwong Wai Sun Wilson, Mr. Li Xindan and Mr. Zheng Hongliang. Therefore, the majority of members of the Nomination Committee were independent non-executive Directors. Mr. Chen Yixi currently is the chairman of the Nomination Committee.

提名委員會

提名委員會現包括一名執行董事，即陳奕熙先生，及三名獨立非執行董事，即鄺偉信先生、李心丹先生及鄭紅亮先生。因此，提名委員會多數成員均為獨立非執行董事。陳奕熙先生現為提名委員會主席。

62

The principal duties of the Nomination Committee include the following:

提名委員會之主要職責包括下列各項：

- To review the structure, size and composition of the Board and make recommendations regarding any proposed changes
- To identify suitable candidates for appointment as Directors
- To make recommendations to the Board on appointment or reappointment of and succession planning for Directors
- To assess the independence of independent non-executive Directors
- 審閱董事會之結構、規模及組成，並就任何建議變動提出意見
- 物色合適人選委任為董事
- 就董事委任或重新委任及繼任計劃向董事會提出意見
- 評估獨立非執行董事之獨立性

The Nomination Committee considered and resolved that all the existing Directors shall be recommended to be retained by the Company. Furthermore, in accordance with the Bye-laws and as resolved by the Nomination Committee, Mr. Chen Yixi, Mr. Miao Bingwen and Mr. Kwong Wai Sun Wilson shall retire by rotation in accordance with Bye-law 99 of the Bye-laws, and all retiring Directors, being eligible, offered themselves for re-election at the forthcoming annual general meeting of the Company.

提名委員會考慮及議決向本公司推薦保留全體現任董事。此外，根據細則且提名委員會議決，陳奕熙先生、繆炳文先生及鄺偉信先生須根據細則第99條輪值退任，且所有退任董事均合資格並願意於本公司應屆股東週年大會上重選連任。

1. NOMINATION POLICY

The Group adopted a nomination policy (the “Nomination Policy”) on 1 January 2019. A summary of this policy is disclosed as below.

1. Objective

- 1.1 The Nomination Committee shall review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy.
- 1.2 The Nomination Committee shall nominate suitable candidates to the Board for it to consider and make recommendations to shareholders of the Company (the “Shareholder(s)”) for election as Director at general meetings or appoint him/her to fill casual vacancies.
- 1.3 The Nomination Policy helps the Nomination Committee and the Board to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group’s business.

2. Selection Criteria

- 2.1 The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate.
 - (1) Reputation for integrity;
 - (2) Commitment in respect of available time and relevant interest; and

1. 提名董事政策

本集團於2019年1月1日採納提名政策（「提名政策」）。該政策的概要披露如下。

1. 目的

- 1.1 提名委員會須至少每年檢討董事會架構、人數及組成（包括技能、知識及經驗方面），並就任何為配合公司企業策略而擬對董事會作出的變動提出推薦建議。
- 1.2 提名委員會須向董事會提名合適人選以供董事會考慮，並於股東大會選舉有關人士擔任董事或委任有關人士以填補臨時空缺向本公司股東（「股東」）提供推薦建議。
- 1.3 提名政策有助提名委員會及董事會確保董事會具備均衡且切合本集團業務需要的適合技能、經驗及多元化觀點。

2. 甄選準則

- 2.1 在評估擬提名人選時，提名委員會將參考下文所列因素：
 - (1) 誠信聲譽；
 - (2) 可投入時間及相關事務關注的承諾；及

- (3) Diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

3. Nomination Procedures

3.1 Appointment of Directors

- (1) The Nomination Committee identifies individual(s) suitably qualified to become Board members, having due regard to the Nomination Policy and the board diversity policy of the Company, and assesses the independence of the proposed independent non-executive Director(s) as appropriate.
- (2) The Nomination Committee makes recommendation(s) to the Board.
- (3) The Board considers the individual(s) recommended by the Nomination Committee, having due regard to the Nomination Policy and the board diversity policy.
- (4) The Board confirms the appointment of the individual(s) as Director(s) or recommends the individual(s) to stand for election at a general meeting.
- (5) The Shareholders approve the election of individual(s), who stand(s) for election at general meeting, as Director(s).

- (3) 董事會各方面的多元化，包括但不限於性別、年齡(18歲或以上)、文化及教育背景、種族、專業經驗、技能、知識和服務年期等方面。

上述因素僅供參考，並非盡列所有因素，亦不具決定性作用。提名委員會可酌情決定提名其認為適當任何人士。

3. 提名程序

3.1 委任董事

- (1) 提名委員會經審慎考慮本公司提名政策及董事會多元化政策後，物色合資格成為董事會成員的人士，並評估擬提名的獨立非執行董事的獨立性(視適用情況而定)。
- (2) 提名委員會向董事會提出推薦建議。
- (3) 董事會經審慎考慮提名政策及董事會多元化政策後，考慮提名委員會推薦的人士。
- (4) 董事會確認委任有關人士為董事或推薦其於股東大會上參選。
- (5) 股東批准在股東大會上參選的人士選舉為董事。

3.2 Re-appointment of Directors

- (1) The Nomination Committee considers each retiring Director, having due regard to the Nomination Policy and the board diversity policy of the Company, and assesses the independence of each retiring independent non-executive Director.
- (2) The Nomination Committee makes recommendation(s) to the Board.
- (3) The Board considers each retiring Director recommended by the Nomination Committee, having due regard to the Nomination Policy and the board diversity policy.
- (4) The Board recommends the retiring Directors to stand for re-election at the annual general meeting in accordance with the Company's bye-laws.
- (5) The Shareholders approve the re-election of Directors at the annual general meeting.

3.3 The Board shall have the ultimate responsibility for all matters relating to the selection and appointment of Directors.

4. Review of the Nomination Policy

- 4.1 The Nomination Committee will review the Nomination Policy, as appropriate, to ensure the effectiveness of the Nomination Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

3.2 重新委任董事

- (1) 提名委員會經審慎考慮本公司提名政策及董事會多元化政策後，考慮各退任董事，並評估每名退任獨立非執行董事的獨立性。
- (2) 提名委員會向董事會提出推薦建議。
- (3) 董事會經審慎考慮提名政策及董事會多元化政策後，考慮提名委員會推薦的各退任董事。
- (4) 董事會根據本公司組織章程細則推薦退任董事於股東週年大會上重選連任。
- (5) 股東於股東週年大會上批准重選董事。

3.3 董事會對有關甄選及委任董事的所有事宜負有最終責任。

4. 檢討提名政策

- 4.1 提名委員會將檢討提名政策(視適用情況而定)，以確保本政策行之有效。提名委員會將會討論任何可能須作出的修訂，再向董事會提出修訂的推薦建議，以供董事會考慮及批准。

Corporate Governance Report

企業管治報告

The Company adopted the board diversity policy with measurable objectives. The Nomination Committee evaluates the balance and blend of skills, experience and diversity of perspectives of the Board. Selection of candidates is based on a range of diversity perspectives, including but not limited to age, cultural and educational background, professional and industry experience, skills, knowledge, ethnicity and other qualities essential to the Company's business, and merit and contribution that the selected candidates will bring to the Board. The Board has reviewed such measurable objectives in March 2020 to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

The Nomination Committee held one meeting during the Review Period. The attendance of each member of the Nomination Committee is set out as follows:

Directors	Attended/Eligible to attend
Mr. Chen Yixi	1/1
Mr. Li Xindan	1/1
Mr. Kwong Wai Sun Wilson	1/1
Mr. Zheng Honliang	1/1

本公司已採納董事會成員多元化政策並制定可計量目標。提名委員會評估董事會範疇的技能、經驗及多元化之平衡及結合。甄選候選人將按一系列多元化範疇為基準，包括但不限於年齡、文化及教育背景、專業及行業經驗、技能、種族及對本公司業務而言屬不可或缺之其他素質，以及獲甄選候選人將為董事會帶來之優勢及貢獻。董事會已於2020年3月檢討可計量目標以確保其行之有效以及已確認達致有關目標所作之努力。

於回顧期間，提名委員會舉行一次會議，提名委員會各成員之出席記錄載列如下：

董事	出席次數／舉行次數
陳奕熙先生	1/1
李心丹先生	1/1
鄺偉信先生	1/1
鄭紅亮先生	1/1

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the Group's financial statements for the year ended 31 December 2020 which give a true and fair view of the affairs of the Group and of the Group's results and cash flows.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. During the Review Period, the Company provided all members of the Board with monthly updates on the Company's performance, position and prospects.

董事就財務報表之財務報告責任

董事深知其就編製本集團截至2020年12月31日止年度之財務報表之責任，並對本集團事務及本集團之業績及現金流量真實公平地發表意見。

管理層已向董事會提供董事會就本公司財務報表作出知情評估所需的說明及資料，須待董事會批准方可作實。於回顧期間，本公司向董事會所有成員提供有關本公司的表現、狀況及展望的每月最新資料。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is the responsibility of the Board for maintaining an adequate risk management and internal control systems to safeguard Shareholders' investments and the Company's assets and reviewing the effectiveness of such systems on an annual basis.

The Group's internal audit department plays a major role in monitoring the internal governance of the Company. The major tasks of the internal audit department are reviewing the financial condition and internal control of the Company and conducting comprehensive audits of all branches and subsidiaries of the Company on a regular basis.

The Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group and considered the risk management and internal control systems to be effective and adequate during the Review Period.

The Group has embedded its risk management and internal control systems into the core operating practices of the business. On an ongoing basis, it will review and assess the status of potential risks which may impact on their ability to achieve the business objectives of the Group. This review process includes assessment as to whether the existing systems of risk management and internal controls continue to remain relevant, adequately addresses potential risks, and/or should be supplemented. The results of these reviews are reported to the senior management and the Board periodically and regularly. However, the mechanism under the risk management and internal control systems reasonably but not absolutely ensures the non-occurrence of significant error, loss or fraud and it is designed to manage, rather than eliminate the risk of failure to achieve business objectives.

The Group has also adopted procedures to regulate the handling and dissemination of inside information, ensuring the inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

風險管理及內部監控

董事會深知其維持完善風險管理及內部監控系統之責任，以保障股東投資及本公司資產，以及按年審閱有系統之效益。

本集團之內部審核部門在監察本公司內部管治方面擔任主要角色。內部審核部門之主要工作為審閱本公司之財務狀況及內部監控，以及定期對本公司之分公司及附屬公司進行全面審核。

董事會已就本集團風險管理及內部監控系統之效益進行檢討，並認為風險管理及內部監控系統於回顧期間屬有效及充分。

本集團將風險管理及內部控制制度納入業務的核心營運中。本集團將持續審查及評估潛在風險的狀況，此等風險可能影響本集團達成業務目標的能力。此審查過程包括評估現有的風險管理及內部監控制度是否能繼續保持相關性、充分解決潛在風險及／或應予以補充。此等審查結果會定期向高級管理層及董事會報告。然而，風險管理及內部監控制度下的機制合理而非絕對保證不會發生重大錯誤、損失或欺詐，其訂立旨在管理而非消除未能達成業務目標的風險。

本集團亦已採取程序管理內幕信息的處理及傳播，以確保於適當批准披露此類信息前維持保密，以及以有效及一致的方式披露此類信息。

AUDITOR'S REMUNERATION

Annual audit fees of the financial statements of the Group for the year ended 31 December 2020 payable to the external auditor are approximately RMB1.83 million, and the fees of non-audit services in relation to circular for very substantial disposal payable to the external auditor are approximately RMB0.8 million.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

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

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

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each issue at Shareholders' meetings, including the election of individual Directors.

All resolutions put forward at Shareholders' meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Hong Kong Stock Exchange in a timely manner after each Shareholders' meeting.

核數師酬金

本集團應付外部核數師截至2020年12月31日止年度之財務報表之年度審核費用約人民幣183萬元，應付外聘核數師有關非常重大出售事項的通函的非審計服務費用約為人民幣80萬元。

與股東之溝通及投資者關係

本公司認為與股東之有效溝通，對改善投資者關係及了解本集團業務、表現及策略甚為重要。本公司亦確認適時及非選擇性披露資料之重要性，將有助股東及投資者作出知情投資決定。

為推動有效溝通，本公司設立網站 www.cbanner.com.cn，為本公司業務營運及發展、財務資料、企業管治常規及其他可供公眾查閱之資料提供最新資料。

股東權利

為保障股東利益及權利，每項事項均以個別決議案方式於股東大會上提呈，包括選舉個別董事。

於股東大會提呈之所有決議案將根據上市規則以按股數投票方式表決，而表決結果將於各股東大會後適時刊載於本公司網站及香港聯交所網站。

CONVENING OF SPECIAL GENERAL MEETING

Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition sent to the Company's registered office, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

The written requisition must state clearly the name of the Shareholder(s) concerned, his/her/their shareholding, the purposes of the general meeting, signed by the Shareholder(s) concerned and may consist of several documents in like form, each signed by one or more of those Shareholders.

If within twenty-one (21) days of such deposit, the Board fails to proceed to convene such meeting, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such directors as were in default.

PUTTING FORWARD PROPOSALS

The Company holds an annual general meeting ("AGM") every year, and may hold a general meeting known as a special general meeting whenever necessary.

Any one or more Shareholders holding (i) not less than one-twentieth of the total voting rights of all Shareholders having the right to vote at the general meeting; or (ii) not less than 100 Shareholders, can submit a written request stating the resolution intended to be moved at the AGM or a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting.

召開股東特別大會

於遞呈要求日期時持有不少於本公司繳足股本(附有於本公司股東大會上投票權)十分之一的股東，於任何時候均有權向本公司註冊辦事處發出書面要求，要求董事會就該要求指明的任何業務交易召開股東特別大會，且有關大會應於遞呈該要求後兩(2)個月內舉行。

書面要求必須清楚列明相關股東的姓名、其股權、股東大會目的並由相關股東簽署，且該要求可包括數份類似格式的文件，而各份文件均由一名或多名該等股東簽署。

倘於遞呈要求日期起計二十一(21)日內，董事會未能召開該等會議，則請求人(或當中持有彼等全體總投票權一半以上之任何人士)可自發召開有關大會，惟任何據此召開之大會均不得於上述日期起計三(3)個月屆滿後舉行。

請求人因董事會未能妥為召開會議而招致的任何合理開支，須由本公司償還請求人，而任何償還的款項，須由本公司從到期或即將到期就失責董事的服務而應向其支付的費用或酬金中保留。

提出議案

本公司每年均舉行股東週年大會(「股東週年大會」)，且於必要時可舉行股東特別大會。

(i) 持有有權於股東大會上投票的所有股東總投票權不少於二十分之一的任何一名或以上股東；或(ii)不少於100名股東，可提交一份書面請求，當中列明即將於股東週年大會上動議之決議案或提交不超過1,000字的陳述，內容有關任何建議之決議案所述之事項或即將於特定股東大會上處理之業務。

Corporate Governance Report

企業管治報告

The written request/statements must be signed by the Shareholder(s) concerned and deposited at the Company's registered office and its principal office not less than six weeks before the AGM in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition.

The written request will be verified with the Company's Hong Kong branch share registrar and upon their confirmation that the request is proper and in order, the Board should (i) include the resolution in the agenda for the AGM; or (ii) circulate the statement for the general meeting, provided that the Shareholder(s) concerned have deposited a sum of money reasonably determined by the Board sufficient to meet the Company's expenses in serving the notice of the resolution and/or circulating the statement submitted by the Shareholder(s) concerned in accordance with the statutory requirements to all the registered Shareholders.

PROPOSING A PERSON FOR ELECTION AS A DIRECTOR

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

ENQUIRIES TO THE BOARD

Shareholders who intend to put forward their enquiries about the Company to the Board could email their enquiries to info@cbanner.com.cn.

COMPANY SECRETARY

The Company has engaged Ms. So Lai Shan of TMF Hong Kong Limited, (a company secretarial service provider) as its company secretary. Her primary corporate contact person at the Company is Mr. Yuan Zhenhua, an executive Director.

During the year ended 31 December 2020, Ms. So has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

Ms. So resigned as the company secretary of the Company on 29 March 2021 and Ms. Wong Sau Ping was appointed as the company secretary of the Company.

書面請求／陳述均必須由有關股東簽署，並存置於本公司註冊辦事處及其主要辦事處，倘要求發出決議案通告，則須於股東週年大會前不少於六週存置，倘為任何其他要求，則須於股東大會前不少於一週存置。

書面申請將由本公司香港股份過戶登記分處核實，且於其確認要求屬適當，董事會應(i)將決議案列入股東週年大會議程；或(ii)傳閱股東大會陳述，惟相關股東須支付董事會釐定的合理金額的費用，以便本公司根據法定要求向全體登記股東寄發決議案通知及／或向彼等傳閱相關股東提呈的陳述。

提名一名人士參選董事

有關提名一名人士參選董事的流程可於本公司網站查閱。

向董事會查詢

股東如欲向董事會提出有關本公司的查詢，可將其查詢電郵至info@cbanner.com.cn。

公司秘書

本公司已委聘達盟香港有限公司(一家公司秘書服務供應商)蘇麗珊女士出任公司秘書。其於本公司的主要公司聯絡人為執行董事袁振華先生。

於截至2020年12月31日止年度，蘇女士已根據上市規則第3.29條接受不少於15個小時的相關職業培訓。

蘇女士於2021年3月29日辭任本公司之公司秘書，而黃秀萍女士於同日獲委任為本公司之公司秘書。

CHANGE IN CONSTITUTIONAL DOCUMENTS

During the Review Period, there is no significant change in constitutional documents of the Company.

DIVIDEND POLICY

Subject to the Companies Act, the Company, through a general meeting, may declare final dividends in any currency, but no dividend may be declared in excess of the amount recommended by the Board.

Future dividend payments will depend upon the availability of dividends the Company receives from our operating subsidiaries in China. PRC laws require that dividends be paid only out of the net profit calculated according to PRC accounting principles, which differ in many aspects from IFRS. PRC laws also require foreign-invested enterprises, such as the operating subsidiaries of the Company in China, to set aside part of their net profit as statutory reserves, which are not available for distribution as cash dividends. Distributions from the subsidiaries of the Company may also be restricted if they incur debts or losses or in accordance with any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that the Company or its subsidiaries have entered into or may enter into in the future.

Subject to the above factors, our expected dividend policy is that not less than approximately 20% of our profits available for distribution will be recommended for distribution in each financial year. The amount of dividend actually distributed to the Shareholders of the Company will depend upon the earnings and financial condition, operating requirements, capital requirements of the Company and any other conditions that our Directors may deem relevant and will be subject to approval of our Shareholders.

章程文件之變動

於回顧期間，本公司章程文件概無重大變動。

股息政策

根據公司法，本公司可於股東大會上宣派以任何貨幣計值的末期股息，惟所宣派的股息不得超過董事會建議之數額。

日後股息派付取決於能否獲得本公司的中國營運附屬公司宣派股息。中國法律規定僅可自按中國會計準則計算之純利派付股息，而中國會計準則在眾多方面有別於國際財務報告準則。中國法律亦規定，外資企業(如本公司在中國的營運附屬公司)須撥出部分純利作為法定儲備且不得用作現金股息分派。倘本公司附屬公司產生債務或出現虧損或根據本公司或本公司附屬公司已訂立或日後可能訂立之銀行信貸融資、可換股債券工具或其他安排的任何限制契約，本公司的附屬公司於作出分派時亦可能受限。

基於上述因素，預期股息政策為各財政年度建議不少於約20%的可供分派溢利用作分派。實際派付予本公司股東的股息金額將視乎本公司的盈利及財務狀況、營運規定、資本規定及董事認為可能相關的其他條件而定，並須經股東批准。

Directors and Senior Management

董事及高級管理層

DIRECTORS

Executive Directors

Chen Yixi (陳奕熙), aged 54, is the Chairman, an executive Director and the chairman of the Nomination Committee. Mr. Chen founded Nanjing Mayflower Footwear Corporation (南京美麗華鞋業有限公司) (“Mayflower Footwear”) in 1995 and is a co-founder of the Group. Mr. Chen is responsible for charting the business strategy of the Group and has played a determining role in establishing the Group’s presence in the PRC women’s footwear industry. Mr. Chen was honored by the People’s Government of Jiangsu Province and the People’s Government of Nanjing as an Outstanding Entrepreneur of Non-Stateowned Companies (優秀民營企業家) and is currently the Vice Chairman of Nanjing Federation of Industry & Commerce (南京市工商業聯合會) and Vice President of Nanjing Enterprise Directors Association (南京市企業家協會). Mr. Chen graduated from Nanjing Normal University with a Bachelor’s Degree in News Propagation in 1988 and obtained a Master of Business Administration Degree from Cheung Kong Graduate School of Business in 2007. He served with the news publications department of Jiangsu Chinese Communist Party Council from 1988 to 1995 before co-founding Mayflower Footwear with other partners. Mr. Chen is the sole director of Hongguo International Group Limited, which is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Chen has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

Yuan Zhenhua (袁振華), aged 39, was appointed as an executive Director in December 2016. He is also the President of the Group. He obtained a Bachelor’s Degree in Accounting from Nanjing University of Aeronautics and Astronautics in 2005. Mr. Yuan is currently a non-practicing member of the PRC Certified Public Accountant Association. From 2005 to 2015, he held various positions in the Deloitte Touche Tohmatsu Certified Public Accountants LLP, Nanjing Branch, including being senior manager of the Deloitte Touche Tohmatsu Certified Public Accountants LLP, Nanjing Branch. Mr. Yuan has not been a director of any other listed company in the three years immediately preceding the date of this annual report.

董事

執行董事

陳奕熙，54歲，為董事長、執行董事及提名委員會主席。陳先生於1995年創立南京美麗華鞋業有限公司（「美麗華鞋業」），為本集團創辦人之一，負責制訂本集團業務策略，對於本集團立足中國女裝鞋業舉足輕重。陳先生獲江蘇省人民政府及南京市人民政府評為優秀民營企業家，現時擔任南京市工商業聯合會及南京市企業家協會副主席。陳先生於1988年畢業於南京師範大學，持有新聞傳播學士學位，並於2007年自長江商學院取得工商管理碩士學位。與其他合夥人聯合創辦美麗華鞋業前，彼於1988年至1995年任職中國共產黨江蘇省委宣傳部。陳先生為 Hongguo International Group Limited 的唯一董事，而該公司為本公司的主要股東（定義見證券及期貨條例第 XV 部）。陳先生於本年報日期前三年內並無擔任任何其他上市公司董事。

袁振華，39歲，於2016年12月獲委任為執行董事。彼亦為本集團總裁。袁先生於2005年畢業於南京航空航天大學，獲會計學學士學位。袁先生現為中國註冊會計師協會非執業會員。袁先生於2005年至2015年擔任德勤華永會計師事務所（特殊普通合伙）南京分所多個職位，包括該所高級經理。袁先生於緊接本年報日期前三年內並無擔任任何其他上市公司的董事。

Directors and Senior Management

董事及高級管理層

Independent Non-executive Directors

Kwong Wai Sun Wilson (鄺偉信), aged 55, has been an independent non-executive Director since August 2011. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. Mr. Kwong has been appointed as an executive director of China Metal Resources Utilization Limited, a manufacturer of recycled copper products in China and a listed company on the Hong Kong Stock Exchange, with effect from 16 August 2013. He is also an independent non-executive director of Shunfeng International Clean Energy Limited, China Outfitters Holdings Limited and China New Higher Education Group Limited, all of which are listed on the Hong Kong Stock Exchange. On 15 March 2019, Mr. Kwong was appointed as independent non-executive director of Koolearn Technology Holding Limited (新東方在綫科技控股有限公司), a company listed on the Hong Kong Stock Exchange on 28 March 2019. Mr. Kwong graduated from Cambridge University, England with a Degree of Bachelor of Arts in 1987 and is currently an associate member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. Kwong, who previously worked at a number of investment banks in Hong Kong, has 16 years of experience in corporate finance and equity capital markets in Asia. From 2002 to 2003, Mr. Kwong was the head of equity capital markets for Cazenove Asia Limited. From 2004 to 2006, he was a managing director of investment banking and head of Hong Kong and China equity capital market of CLSA Equity Capital Markets Limited.

獨立非執行董事

鄺偉信，55歲，自2011年8月起為獨立非執行董事。彼亦為審核委員會主席以及薪酬委員會及提名委員會成員。鄺先生已獲委任為中國可回收銅產品製造商及香港聯交所上市公司中國金屬資源利用有限公司之執行董事，自2013年8月16日起生效。彼亦為香港聯交所上市公司順風國際清潔能源有限公司、中國服飾控股有限公司及中國新高教集團有限公司之獨立非執行董事。於2019年3月15日，鄺先生獲委任為新東方在綫科技控股有限公司（一間於2019年3月28日在聯交所上市的公司）的獨立非執行董事。鄺先生於1987年畢業於英國劍橋大學，取得文學學士學位，目前乃英格蘭及威爾士特許會計師協會及香港會計師公會會員。鄺先生曾於香港多間投資銀行任職，在亞洲企業融資及證券資本市場擁有16年經驗。2002年至2003年間，鄺先生擔任嘉誠亞洲有限公司證券資本市場部主管。2004年至2006年間，彼擔任里昂證券資本市場有限公司投資銀行融資部董事總經理兼香港及中國證券資本市場部主管。

Independent Auditor's Report

獨立核數師報告

BASIS FOR QUALIFIED OPINION (continued)

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). 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 are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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. In addition to the matters described in the Basis for Qualified Opinion Section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of property, plant and equipment and right-of-use assets

Refer to Note 16 and 17 to the consolidated financial statements

The Group tested the amounts of property, plant and equipment and right-of-use assets for impairment. This impairment test is significant to our audit because the balances of property, plant and equipment of RMB64,608,000 and right-of-use assets of RMB117,880,000 as at 31 December 2020 are material to the consolidated financial statements. In addition, the Group’s impairment test involves application of judgement and is based on assumptions and estimates.

保留意見的基準(續)

我們已根據香港會計師公會(「香港會計師公會」)頒佈的「香港審計準則」(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在我們的報告「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。根據香港會計師公會頒佈的「專業會計師道德守則」(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。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。

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。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的，我們不對這些事項提供單獨的意見。除「保留意見的基準」一節所述事項外，我們已釐定下文所述事項為於我們的報告中將予傳達的關鍵審計事項。

物業、機器及設備以及使用權資產之減值

請參閱綜合財務報表附註16及17

貴集團就物業、機器及設備以及使用權資產金額進行減值測試。由於物業、機器及設備以及使用權資產於2020年12月31日之結餘分別為人民幣64,608,000元及人民幣117,880,000元對綜合財務報表而言屬重大，因此有關減值測試對我們的審計非常重要。此外，貴集團之減值測試涉及應用判斷且基於假設及估計。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2020
截至2020年12月31日止年度

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cash flows from financing activities	來自融資活動的現金流量		
Dividends paid to non-controlling shareholders	已付非控股股東股息	(21,410)	–
Lease interest paid	已付租賃利息	(5,274)	(26,412)
Repayment of borrowings	償還借貸	–	(277,520)
Repayment of lease liabilities	償還租賃負債	(12,462)	(50,476)
Net cash used in financing activities	融資活動所用現金淨額	(39,146)	(354,408)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	145,334	115,363
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	401,057	288,974
Effect of foreign exchange rate changes	外匯匯率變動的影響	–	(3,280)
Cash and cash equivalents at 31 December	於12月31日的現金及現金等價物	546,391	401,057
Cash and cash equivalents at end of year, represented by	年終現金及現金等價物，即		
bank balances and cash	銀行結餘及現金	546,391	401,057

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

1. GENERAL INFORMATION

C.banner International Holdings Limited (the “Company”) was incorporated in the Bermuda under the Companies Act as an exempted company with limited liability on 26 April 2002. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda. The address of its principal place of business is Unit 2904, 29th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company. Its subsidiaries, associate and the joint ventures are principally engaged in manufacture and sale of branded fashion footwear and retail of toys. The principal activities of the subsidiaries, the associate and the joint ventures of the Company are set out in notes 42, 20 and 21 respectively. The Company and its subsidiaries are collectively referred to as the “Group”.

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

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standard Board (“IASB”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2020. IFRSs comprise International Financial Reporting Standards (“IFRS”); International Accounting Standards (“IAS”); and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current year and prior years.

1. 一般資料

千百度國際控股有限公司(「本公司」)於2002年4月26日根據公司法於百慕達註冊成立為獲豁免有限公司。註冊辦事處的地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda。主要營業地點的地址為香港夏慤道16號遠東金融中心29樓2904室。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為投資控股公司。其附屬公司、聯營公司及合營公司主要從事製造及銷售品牌時尚鞋履及玩具零售。本公司之附屬公司、聯營公司及合營公司的主要業務分別載於附註42、20及21。本公司及其附屬公司統稱為「本集團」。

綜合財務報表以本公司之功能貨幣人民幣(「人民幣」)呈列。

2. 採納新訂及經修訂國際財務報告準則

於本年度，本集團已採納由國際會計準則理事會(「國際會計準則理事會」)頒佈的所有新訂及經修訂國際財務報告準則(「國際財務報告準則」)，該等新訂及經修訂國際財務報告準則與其經營業務有關及於2020年1月1日開始之會計年度生效。國際財務報告準則包括國際財務報告準則(「國際財務報告準則」)、國際會計準則(「國際會計準則」)及詮釋。採納此等新訂及經修訂國際財務報告準則對本集團之會計政策、本集團綜合財務報表之呈報以及本年度及過往年度所呈報之金額並無產生重大變動。

For the year ended 31 December 2020
截至2020年12月31日止年度

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

The Group has not early applied any new or revised IFRSs that is not yet effective for the current accounting period, except for the amendment to IFRS 16 “COVID-19-Related Rent Concessions”. Impact on the application of the amendment to IFRS 16 is summarised below.

Amendment to IFRS 16 “COVID-19-Related Rent Concessions”

IFRS 16 was amended to provide a practical expedient to lessees in accounting for rent concessions arising as a result of the COVID-19 pandemic, by including an additional practical expedient in IFRS 16 that permits entities to elect not to account for rent concessions as modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 pandemic and only if all of the following criteria are satisfied:

- (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) the reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with this practical expedient, which means the lessees do not need to assess whether the rent concession meets the definition of lease modification. Lessees shall apply other requirements of IFRS 16 in accounting for the rent concession.

2. 採納新訂及經修訂國際財務報告準則(續)

本集團並無提前應用於本會計期間尚未生效的任何新訂或經修訂國際財務報告準則，惟國際財務報告準則第16號(修訂本)「與COVID-19有關的租金減免」除外。應用國際財務報告準則第16號(修訂本)的影響概述如下。

國際財務報告準則第16號(修訂本) 「與COVID-19有關的租金減免」

國際財務報告準則第16號已作出修訂，通過在國際財務報告準則第16號中加入一項額外的可行權宜方法，允許實體選擇不將租金減免按修改入賬，為承租人就因COVID-19疫情而產生的租金減免入賬提供可行權宜方法。該可行權宜方法僅適用於因COVID-19疫情而直接產生的租金減免，而且必須符合以下所有標準：

- (a) 租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；
- (b) 租賃付款的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。

符合上述標準的租金減免可按照該可行權宜方法入賬，即承租人無需評估租金減免是否符合租賃修改的定義。承租人應運用國際財務準則第16號的其他規定對租金減免進行會計處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendment to IFRS 16 “COVID-19-Related Rent Concessions” (continued)

Accounting for rent concessions as lease modifications would have resulted in the Group remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Group is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

The Group has elected to utilise the practical expedient for all rent concessions that meet the criteria. In accordance with the transitional provisions, the Group has applied the amendment retrospectively, and has not restated prior period figure. As the rent concessions have arisen during the current financial period, there is no retrospective adjustment to opening balance of retained earnings at 1 January 2020 on initial application of the amendment.

The application of the new or revised IFRSs that have been issued but are not yet effective and have not been early adopted by the Group will not have material impact on the consolidated financial statements of the Group.

2. 採納新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號(修訂本)「與COVID-19有關的租金減免」(續)

倘將租金減免列作租賃修改入賬，將導致本集團使用經修訂貼現率重新計量租賃負債以反映經修訂代價，而租賃負債變動的影響將錄作使用權資產。通過應用可行權宜方法，本集團無需釐定經修訂貼現率，而租賃負債變動的影響在觸發租金減免的事件或條件發生的期間於損益中反映。

本集團已選擇對所有符合標準的租金減免使用可行權宜方法。根據過渡性條文，本集團已追溯應用修訂本，且無重列過往期間的數字。由於租金減免乃於本財政期間產生，故於首次應用修訂本時，不會對2020年1月1日的年初保留溢利結餘作出追溯調整。

應用已頒佈但尚未生效且本集團並無提前採納的新訂或經修訂國際財務報告準則將不會對本集團的綜合財務報表產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with IFRSs and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as modified by revaluation of the investments which are carried at their fair values.

The preparation of consolidated financial statements in conformity with IFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements are disclosed in note 4 to the consolidated financial statements.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

3. 主要會計政策

該等綜合財務報表乃根據國際財務報告準則及香港聯合交易所有限公司證券上市規則及香港公司條例之適用披露規定而編製。

該等綜合財務報表乃按歷史成本法編製，並經按公允值列賬之投資重估修訂。

編製符合國際財務報告準則的綜合財務報表須採用若干主要假設及估計。亦要求董事於應用該等會計政策的過程中作出判斷。涉及關鍵判斷的範疇及對該等綜合財務報表而言屬重大的假設及估計範疇，於綜合財務報表附註4披露。

編製該等綜合財務報表時採用的主要會計政策載列如下。

綜合賬目

綜合財務報表包括本公司及其附屬公司截至12月31日止之財務報表。附屬公司指本集團對其擁有控制權的實體。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。當本集團的現有權利賦予其現有能力掌控有關業務(即大幅影響實體回報的業務)時，則本集團對該實體擁有權力。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Consolidation (continued)

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

綜合賬目(續)

在評估控制權時，本集團會考慮其潛在投票權以及其他人士持有的潛在投票權，以釐定其是否擁有控制權。在持有人能實際行使潛在投票權的情況下，方被視為有潛在投票權。

附屬公司在控制權轉移至本集團之日起綜合入賬，而在控制權終止之日起停止綜合入賬。

出售一間附屬公司導致失去控制權之收益或虧損指(i)出售代價之公允值加該附屬公司留有任何投資之公允值與(ii)本公司應佔該附屬公司資產淨值加有關該附屬公司之任何餘下商譽及任何有關累計外幣換算儲備間之差額。

集團內公司間之交易、結餘及未變現溢利均予以對銷。除非交易提供憑證顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。附屬公司的會計政策已於必要時變更，以確保與本集團採納的政策一致。

非控股權益指並非本公司直接或間接應佔附屬公司之權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內呈列。非控股權益於綜合損益及其他全面收益表呈列為在非控股股東與本公司擁有人之間分配溢利或虧損及年內全面收益總額。

For the year ended 31 December 2020
截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

綜合賬目(續)

損益及其他全面收益各部分應歸屬於本公司擁有人及非控股股東，即使此舉會導致非控股權益出現虧絀結餘。

本公司於不會導致失去控制權之附屬公司擁有權益變動按股權交易(即以擁有人身份與擁有人進行之交易)入賬。控股權益及非控股權益之賬面值已作調整，以反映於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公允值兩者間之任何差額直接於權益確認，並歸屬於本公司擁有人。

業務合併及商譽

收購法用於將業務合併中的收購附屬公司入賬。收購成本按所獲資產收購日期的公允值、所發行的股本工具、所產生的負債以及或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時，附屬公司的可識別資產及負債均按其於收購日期的公允值計量。

收購成本超出本公司應佔附屬公司可識別資產及負債的公允值淨額的部分列作商譽。本公司應佔可識別資產及負債的公允值淨額超出收購成本的任何部分於綜合損益內確認為本公司應佔議價收購的收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Business combination and goodwill (continued)

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in consolidated other comprehensive income (for example, equity investment at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

業務合併及商譽(續)

對於分段進行的業務合併，先前已持有的附屬公司的股權按其於收購日期的公允值計量，而由此產生的收益或虧損於綜合損益內確認。公允值會加入至收購成本以計算商譽。

倘先前已持有的附屬公司股權的價值變動已於綜合其他全面收益內確認(例如按公允值計入其他全面收益的股本投資)，則於其他全面收益確認的金額乃按在先前已持有的股權被出售的情況下所需的相同基準確認。

商譽會每年進行減值測試或當事件或情況改變顯示可能減值時則更頻繁地進行減值測試。商譽乃按成本減累計減值虧損計量。商譽減值虧損的計量方法與下文會計政策內所述其他資產的計量方法相同。商譽的減值虧損於綜合損益內確認，且隨後不予撥回。就減值測試而言，商譽會被分配至預期因收購的協同效益而產生利益的現金產生單位。

於附屬公司之非控股權益初步按非控股股東應佔該附屬公司於收購日期的可識別資產及負債的公允值淨額比例計量。

For the year ended 31 December 2020
截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

聯營公司

聯營公司指本集團對其有重大影響力的實體。重大影響力乃指有權參與實體的財務及經營政策決策但無法控制或共同控制該等政策的權力。於評估本集團是否具有重大影響力時，會考慮現時可行使或可轉換的潛在投票權(包括其他實體持有的潛在投票權)的存在及影響。評估潛在投票權是否擁有重大影響力時，持有人的意向及是否具有財政能力行使或轉換該權利均不予考慮。

於聯營公司的投資以權益法於綜合財務報表入賬，且初步按成本確認。於收購中，聯營公司的可識別資產及負債按其於收購日期的公允值計量。收購成本超出本集團應佔聯營公司可識別資產及負債的公允值淨額之部分列為商譽。商譽計入投資的賬面值，且倘有客觀證據顯示投資出現減值，則於各報告期末就投資進行減值測試。本集團應佔可識別資產及負債公允值淨額高於收購成本之任何部分於綜合損益確認。

本集團應佔聯營公司之收購後損益於綜合損益確認，而其應佔之收購後儲備變動則於綜合儲備確認。累計收購後變動根據投資之賬面值作出調整。當本集團應佔聯營公司之虧損相等於或超逾其於聯營公司之權益(包括任何其他無抵押應收款項)時，本集團不會進一步確認虧損，惟其須代表該聯營公司承擔責任或作出付款則除外。倘聯營公司其後呈報溢利，則本集團僅於其應佔溢利與未確認之應佔虧損相等後方會繼續確認其應佔溢利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Associates (continued)

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint arrangement

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Relevant activities are activities that significantly affect the returns of the arrangement. When assessing joint control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has joint control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

聯營公司(續)

出售聯營公司導致失去重大影響力之收益或虧損指(i)出售代價之公允值加該聯營公司保留任何投資之公允值與(ii)本集團應佔該聯營公司之資產淨值加與該聯營公司有關之任何剩餘商譽及任何有關累計外幣換算儲備之間的差額。倘於聯營公司之投資成為合營公司之投資，則本集團會繼續應用權益法，且不會重新計量保留權益。

本集團與其聯營公司進行交易的未變現溢利按本集團於聯營公司的權益比例對銷。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產出現減值。倘有需要，聯營公司的會計政策會作出變更，以確保與本集團所採納的政策一致。

合營安排

合營安排指兩方或以上於其中擁有共同控制權的安排。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權的各方作出一致同意之決定時存在。相關活動指對安排回報有重大影響之活動。當評估共同控制時，本集團考慮其潛在投票權，以及由其他各方持有的潛在投票權，以釐定是否擁有共同控制權。一個潛在投票權只有在其持有人有行使這一權利的實際能力時才被考慮。

合營安排指共同經營或合營公司。共同經營乃對該項安排擁有共同控制權之各方對該項安排之資產擁有權利及對其負債承擔責任之合營安排。合營公司乃擁有共同控制權之各方對該項安排之資產淨值擁有權利之合營安排。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Joint arrangement (continued)

In relation to its interest in a joint operation, the Group recognises in its consolidated financial statements, its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses incurred jointly, in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

Investment in a joint venture is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the joint venture in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of a joint venture's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

合營安排(續)

就共同經營之權益而言，本集團乃按照適用於特定資產、負債、收益及開支之國際財務報告準則，於其綜合財務報表中確認其資產(包括應佔共同持有之任何資產)；其負債(包括應佔共同產生之任何負債)；其來自出售其共同經營所應佔產出之收益；其應佔出售共同經營產出之收益；及其開支(包括應佔共同產生之任何開支)。

於合營公司之投資乃按權益法計入綜合財務報表，並初步按成本確認。於收購中，合營公司之可識別資產及負債按其於收購日期之公允值計量。倘收購成本超出本集團應佔合營公司之可識別資產及負債之公允值淨額，則差額將以商譽入賬。商譽乃計入投資之賬面值，並於有客觀證據顯示該項投資已減值時於各報告期末連同該項投資進行減值測試。倘本集團應佔可識別資產及負債之公允值淨額高於收購成本，則有關差額將於綜合損益內確認。

本集團應佔合營公司收購後溢利或虧損於綜合損益內確認，而其應佔收購後儲備變動則於綜合儲備內確認。收購後之累計變動於投資之賬面值作出調整。倘本集團分佔合營公司虧損相等於或超過其於合營公司之權益(包括任何其他無抵押應收款項)，則本集團不進一步確認虧損，除非本集團已產生責任或代合營公司付款。倘合營公司其後錄得溢利，則本集團僅於其應佔溢利相等於其應佔未確認之虧損後，方會恢復確認其應佔之該等溢利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Joint arrangement (continued)

The gain or loss on the disposal of a joint venture that results in a loss of joint control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that joint venture and (ii) the Group's share of the net assets of that joint venture plus any remaining goodwill relating to that joint venture and any related accumulated foreign currency translation reserve. If an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

(a) 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, which is the Company's functional and presentation currency.

(b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

合營安排(續)

因出售合營公司而導致失去共同控制之盈虧乃指(i)出售代價之公允價值連同於該合營公司任何保留投資之公允價值與(ii)本集團應佔該合資公司資產淨值連同與該合營公司有關之任何餘下商譽及任何有關累計外幣換算儲備兩者間之差額。倘於合營公司之投資成為於聯營公司的投資，則本集團將繼續應用權益法，且不會重新計量保留權益。

本集團與其合營公司之間交易的未變現溢利以本集團於合營公司之權益予以抵銷。除非有關交易提供轉讓資產的減值憑證，否則未變現的虧損亦予以抵銷。合營公司的會計政策在必要時已經更改，以確保與本集團採納的政策保持一致。

外幣換算

(a) 功能及呈報貨幣

本集團各實體之財務報表內項目均以該實體業務所在主要經濟環境通行之貨幣(「功能貨幣」)計量。綜合財務報表以人民幣呈列，該貨幣為本公司之功能及呈報貨幣。

(b) 各實體財務報表之交易及結餘

外幣交易於初始確認時使用交易日期之通行匯率換算為功能貨幣。以外幣為單位之貨幣資產及負債按各報告期末之匯率換算。此換算政策產生之盈虧於損益內確認。

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Foreign currency translation (continued)

(b) Transactions and balances in each entity's financial statements (continued)

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(c) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) Income and expenses are translated at average exchange rates (unless this average 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 exchange rates on the transaction dates); and
- (iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

外幣換算(續)

(b) 各實體財務報表之交易及結餘(續)

以公允值計量及外幣計值的非貨幣項目按釐定公允值當日之適用匯率換算。

倘非貨幣項目之收益或虧損於其他全面收益內確認，則該收益或虧損之匯兌部份亦於其他全面收益內確認。倘非貨幣項目之收益或虧損於損益內確認，則該收益或虧損之任何匯兌部份亦於損益內確認。

(c) 綜合賬目時進行換算

功能貨幣與本公司之呈報貨幣不同的所有集團實體之業績及財務狀況均按以下方法換算為本公司之呈報貨幣：

- (i) 各財務狀況表所列之資產及負債按財務狀況表日期之收市匯率換算；
- (ii) 收入及支出均按平均匯率換算(除非該平均值並非為按於交易日之匯率累計影響之合理近似值，在此情況下，收入及支出乃按交易日期匯率換算)；及
- (iii) 一切因此而產生之匯兌差額均在外幣換算儲備內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Foreign currency translation (continued)

(c) Translation on consolidation (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Property, plant and equipment

Land and buildings comprise mainly factories and offices. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Buildings	4.5%
Machinery	9%
Furniture and fixtures	5%-33%
Motor vehicles	18%
Leasehold improvements	useful life or over the term of the lease, whichever is shorter

外幣換算(續)

(c) 綜合賬目時進行換算(續)

於綜合賬目時，換算境外實體之投資淨額及借貸所產生之匯兌差額於外幣換算儲備內確認。當境外業務被出售時，有關匯兌差額作為出售之盈利或虧損之一部份於綜合損益內確認。

因收購海外實體而產生之商譽及公允值調整，均作為有關海外實體之資產與負債處理，並按收市匯率換算。

物業、機器及設備

土地及樓宇主要包括工廠及辦公室。物業、機器及設備乃按成本減累計折舊及減值虧損列賬。

倘與該項目有關之日後經濟利益有可能流入本集團，及該項目成本能可靠計量時，則其後成本計入資產賬面值或確認為個別資產(如適用)。所有其他維修及保養於其產生期間在損益內確認。

物業、機器及設備之折舊，按足以撇銷其成本減剩餘價值之比率，於估計可使用年期內使用直線法計算。主要年率如下：

樓宇	4.5%
機器	9%
傢俬及裝置	5%-33%
汽車	18%
租賃物業裝修	可使用年期或租期(以較短者為準)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Intangible assets

The brand of Hamleys Global with indefinite useful life is stated at cost less any impairment losses. Impairment is reviewed annually or when there is any indication that the brand of Hamleys Global has suffered an impairment loss.

Intangible assets other than the brand of Hamleys Global have finite useful lives.

Intangible assets are stated at cost less accumulated amortisation and impairment losses. The principal useful lives are as follows:

Trademarks	5 years
Other brands (other than the Hamleys Global Brand)	2-10 years
Software	3-5 years
Concession agreements	6 years
Others	3-5 years

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

無形資產

具有無限可使用年期的Hamleys Global品牌按成本減任何減值虧損列賬。減值於每年或於有任何跡象表明Hamleys Global品牌蒙受減值虧損時進行審閱。

Hamleys Global品牌以外之無形資產具有有限可使用年期。

無形資產按成本減累計攤銷及減值虧損列賬。主要可使用年期如下：

商標	5年
其他品牌 (Hamleys Global 品牌除外)	2至10年
軟件	3至5年
特許協議	6年
其他	3至5年

存貨

存貨按成本與可變現淨值兩者之較低者入賬。成本以加權平均基準釐定。製成品及在製品之成本包括原材料、直接人工及所有生產經常性開支之適當部分及(如適用)分包費用。可變現淨值按一般業務過程中估計的銷售價格減去尚需投入的估計生產成本及估計銷售費用計算。

確認及終止確認金融工具

本集團於成為工具合約條文之訂約方時，於綜合財務狀況表中確認金融資產及金融負債。

For the year ended 31 December 2020
截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Recognition and derecognition of financial instruments (continued)

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

確認及終止確認金融工具(續)

於收取資產現金流量之合約權利屆滿；本集團轉讓有關資產所有權的絕大部分風險及回報，或本集團概無轉讓亦無保留資產所有權的絕大部分風險及回報惟並無保留對資產的控制權時，則終止確認金融資產。於終止確認一項金融資產時，該項資產之賬面值與已收代價總和之差額於損益內確認。

當相關合約中規定之責任獲解除、註銷或屆滿時，則終止確認金融負債。已終止確認之金融負債之賬面值與已付代價之差額於損益內確認。

金融資產

倘屬於根據合約條款規定須於有關市場所規定期限內交付資產之購入或出售資產，則金融資產按交易日基準確認入賬及終止確認，並按公允值加直接應佔交易成本作初步確認，惟按公允值計入損益之投資除外。收購按公允值計入損益之投資之直接應佔交易成本，即時於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Financial assets (continued)

Financial assets of the Group are classified under the following categories:

- Financial assets at amortised cost;
- Equity investments at fair value through other comprehensive income; and
- Financial assets at fair value through profit or loss.

(i) Financial assets at amortised cost

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

金融資產(續)

本集團之金融資產乃分類為如下類別：

- 按攤銷成本計量之金融資產
- 按公允值計入其他全面收益之股本工具；及
- 按公允值計入損益之金融資產。

(i) 按攤銷成本計量之金融資產

倘金融資產(包括貿易應收款項及其他應收款項)符合以下兩項條件則歸入此分類：

- 資產乃按目的為持有資產以收集合約現金流量的業務模式持有；及
- 資產合約條款於特定日期產生現金流量，有關現金流量僅為本金及尚未償還本金之利息付款。

有關項目其後以實際利率法按攤銷成本減去預期信貸虧損之虧損撥備計量。

For the year ended 31 December 2020
截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Financial assets (continued)

(ii) Equity investments at fair value through other comprehensive income

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that are not held for trading as at fair value through other comprehensive income.

Equity investments at fair value through other comprehensive income are subsequently measured at fair value with gains and losses arising from changes in fair values recognised in other comprehensive income and accumulated in the equity investment revaluation reserve. On derecognition of an investment, the cumulative gains or losses previously accumulated in the equity investment revaluation reserve are not reclassified to profit or loss.

Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

(iii) Financial assets at fair value through profit or loss

Financial assets are classified under this category if they do not meet the conditions to be measured at amortised cost and the conditions of debt investments at fair value through other comprehensive income unless the Group designates an equity investment that is not held for trading as at fair value through other comprehensive income on initial recognition.

Investments at fair value through profit or loss are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss.

金融資產(續)

(ii) 按公允值計入其他全面收益之股本工具

於初始確認時，本集團可作出不可撤回之選擇(按個別工具基準)以指定並非持作買賣之股本工具之投資列作為按公允值計入其他全面收益列賬。

按公允值計入其他全面收益之股本投資其後按公允值計量，而公允值變動所產生之收益及虧損於其他全面收益確認及於股本投資重估儲備累計。終止確認投資時，原先於股本投資重估儲備累計之累計收益或虧損不會重新分類至損益。

該等投資之股息於損益確認，惟股息明顯屬收回部分投資成本則作別論。

(iii) 按公允值計入損益之金融資產

倘金融資產不符合以攤銷成本計量之條件以及按公允值計入其他全面收益之債務投資條件，則金融資產分類為此類別，除非本集團於初步確認時指定並非持有作買賣用途的股本投資列作為按公允值計入其他全面收益列賬。

按公允值計入損益之投資其後按公允值計量，而公允值變動產生的任何收益或虧損於損益確認。於損益確認的公允值收益或虧損扣除任何利息收入及股息收入。利息收入及股息收入於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument (“lifetime expected credit losses”) for trade receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group’s cash management are also included as a component of cash and cash equivalents.

預期信貸虧損的虧損撥備

本集團就按攤銷成本列賬的金融資產的預期信貸虧損確認虧損撥備。預期信貸虧損為加權平均信貸虧損，並以發生相關違約風險的金額作為加權數值。

於各報告期末，就貿易應收款項而言，或倘金融工具的信貸風險自初始確認以來大幅增加，本集團按相等於該金融工具的預計年期所有可能發生違約事件所引致的預期信貸虧損（「全期預期信貸虧損」）的金額計量金融工具的虧損撥備。

倘於報告期末，金融工具（貿易應收款項除外）的信貸風險自初始確認以來並無大幅增加，本集團按相等於反映該金融工具於報告期後12個月內可能發生的違約事件所引致預期信貸虧損的全期預期信貸虧損部分的金額計量該金融工具的虧損撥備。

於報告期末將虧損撥備調整至所需金額的預期信貸虧損或撥回金額，於損益中確認為減值收益或虧損。

現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行現金及手頭現金、銀行及其他金融機構的活期存款，以及可隨時轉換為已知數額現金且價值變動風險並不重大的短期高流通性投資。須按要求償還並構成本集團現金管理的組成部分的銀行透支亦入賬列作現金及現金等價物的一部分。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contract with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

金融負債及股本工具

金融負債及股本工具乃根據所訂立合約安排的內容及國際財務報告準則項下金融負債及股本工具的定義分類。股本工具乃證明於本集團經扣除其所有負債後的資產中擁有剩餘權益的任何合約。下文載列就特定金融負債及股本工具所採納的會計政策。

借貸

借貸初步按公允值(扣除已產生交易成本)確認,其後採用實際利率法按攤銷成本計量。

借貸分類為流動負債,除非本集團擁有無條件權利將負債的結算遞延至報告期後至少12個月。

貿易應付款項及其他應付款項

貿易應付款項及其他應付款項初步按其公允值列賬,其後採用實際利率法按攤銷成本計量,除非貼現影響甚微,於此情況下,則以成本列賬。

股本工具

本公司所發行的股本工具按已收所得款項(扣除直接發行成本)入賬。

來自客戶合約的收益

收益乃參考常見業務慣例按客戶合約所列明的代價計量,且不包括代表第三方收取的款項。就客戶付款與轉移已承諾產品或服務之間的期限超過一年的合約而言,代價就重大融資部分的影響作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Revenue from contract with customers (continued)

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Other revenue

Interest income is recognised using the effective interest method.

來自客戶合約的收益(續)

本集團於透過將產品或服務的控制權轉移至客戶而履行履約責任時確認收益。視乎合約條款及該合約適用的法例，履約責任可隨時間或於某一時間點履行。倘屬下列情況，履約責任乃隨時間履行：

- 客戶同時獲得及消耗本集團履約所提供的利益；
- 本集團履約創建或提升客戶隨著資產的創建或提升而控制的資產；或
- 本集團履約並無創建對本集團而言具替代用途的資產，且本集團對至今已完成的履約付款擁有可強制執行的權利。

倘履約責任隨時間獲履行，收益乃參考履約責任圓滿完成的進度確認。否則，收益於客戶取得產品或服務控制權的時點確認。

其他收益

利息收入採用實際利率法確認。

For the year ended 31 December 2020
截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

The Group also participates in a defined contribution retirement scheme organized by the government in the PRC. The Group is required to contribute a specific percentage of the payroll of its employees to the retirement scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the retirement scheme. No forfeited contributions may be used by the employers to reduce the existing level of contributions.

(c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

僱員福利

(a) 僱員有薪假期

僱員可享有的年假及長期服務假期乃於僱員可享有假期時確認。撥備乃就僱員直至報告期末所提供服務而可享有的年假及長期服務假期的估計負債作出。

僱員可享有的病假及產假於放假時方予確認。

(b) 退休金責任

本集團向所有僱員均可參與的界定供款退休計劃作出供款。本集團及僱員向計劃作出的供款乃按僱員基本薪金的百分比計算。於損益內扣除的退休福利計劃成本乃指本集團應向基金作出的供款。

本集團亦參與中國政府組織的定額供款退休計劃。本集團須按其僱員薪金的指定百分比向退休計劃作出供款。供款按退休計劃的規則在應付時於損益扣除。僱主不得使用被沒收的供款以減少現有供款數額。

(c) 終止僱傭福利

終止僱傭福利於本集團無法撤回提供該等福利及本集團確認重組成本並涉及支付終止僱傭福利的較早日期予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 3. 主要會計政策(續)

Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees.

Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

For share awards that vest immediately at the date of grant, the fair value of the share awards granted is expensed immediately to profit or loss. Where the Company's employee share trust purchases shares from the market, the consideration paid, including any directly attributable incremental costs is presented as "Shares held under the share award scheme" and presented as a deduction against equity attributable to the Company's equity holders.

When the awarded shares are transferred to the awardees upon vesting, the related cost of the awarded shares previously recognised in "Shares held under the share award scheme", and the related employment costs of the awarded shares previously recognised in "Share-based compensation reserve" are transferred to accumulated profits.

以股份為基礎的支付

本公司向若干董事及僱員發行以權益結算以股份為基礎的支付。

以權益結算以股份為基礎的支付乃於授出日期按股本工具之公允值計量(不包括非市場歸屬條件之影響)。於以權益結算以股份為基礎的支付於授出日期釐定之公允值，根據本集團所估計最終將予歸屬之股份及就非市場歸屬條件調整，按歸屬期以直線法支銷。

就於授出日期立即歸屬的股份獎勵而言，已授出股份獎勵之公允值立即於損益支銷。倘本公司僱員股份信託從市場購買股份，則已付代價(包括任何直接應佔的新增成本)列作「根據股份獎勵計劃持有的股份」及列作本公司權益持有人應佔權益之扣減。

倘獎勵股份於歸屬後轉撥至獲獎勵者，則早前於「根據股份獎勵計劃持有的股份」確認的獎勵股份相關成本及早前於「以股份為基礎的補償儲備」確認的獎勵股份相關僱員成本則轉撥至累計溢利。

For the year ended 31 December 2020
截至2020年12月31日止年度

4. CRITICAL JUDGEMENTS AND KEY ESTIMATION (CONTINUED) **4. 關鍵判斷及主要估計(續)**

Key sources of estimation uncertainty (continued)

(g) Revenue recognition in relation to the award credits earned by the customers under the Group's customer loyalty programme

The Group reviews the total number of award credits expected to be redeemed at the end of the year, taking into accounts various factors including the number of award credits not redeemed by the customers upon expiration. The directors of the Company estimate that customers will redeem the award credits under its customer loyalty program in the valid period of the award credits in a manner consistent with historical redemption pattern. This estimate will be reviewed on an ongoing basis, and revision to the expected number of award credits to be redeemed will be made if there is significant difference between the actual number of award credits redeemed and the expected number redeemed in the future.

估計不明朗因素之主要來源(續)

(g) 有關客戶根據本集團客戶忠誠度計劃賺取的獎品積分的收益確認

本集團經計及包括於屆滿後不被客戶贖回的獎品積分數目等多項因素，審閱年末預期贖回的獎品積分的總數目。本公司董事估計，客戶將於獎品積分有效期間以與過往贖回模式一致的方式贖回客戶忠誠度計劃項下之獎品積分。本估計將會按持續基準進行審閱，如已贖回的獎品積分實際數目與未來預期贖回的數目有重大差別，則將會對將予贖回的獎品積分的預期數目作出修訂。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

Notes:

- i. Mr. Huo Li resigned as an executive director on 4 February 2021.
- ii. Mr. Wan Xianghua and Mr. Wu Weiming appointed as executive directors on 29 November 2019.
- iii. Mr. Zhao Wei resigned as an executive directors on 29 November 2019.
- iv. Mr. Zhang Zhiyong resigned as an independent non-executive directors on 23 July 2019.

The five highest paid individuals in the Group during the year included three (2019: four) directors whose emoluments are reflected in the analysis presented above. For the year ended 31 December 2020, the emoluments of the remaining two individuals are set out below:

13. 董事、主要行政人員及僱員酬金(續)

附註：

- i. 霍力先生於2021年2月4日辭任執行董事。
- ii. 萬祥華先生及吳維明先生於2019年11月29日獲委任為執行董事。
- iii. 趙偉先生於2019年11月29日辭任執行董事。
- iv. 張志勇先生於2019年7月23日辭任獨立非執行董事。

於本年度，本集團五名最高薪人士包括三名(2019年：四名)董事，其酬金反映於上文分析。截至2020年12月31日止年度，餘下兩名人士之酬金載列如下：

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries and other benefits	薪金及其他福利	3,597	632
Contributions to retirement benefits scheme	退休福利計劃供款	14	18
Total	合計	3,611	650

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

The emoluments fell within the following band:

Nil to HKD1,000,000	0 港元至 1,000,000 港元
HKD1,500,001 to HKD2,000,000	1,500,001 港元至 2,000,000 港元
HKD2,000,001 to HKD2,500,000	2,000,001 港元至 2,500,000 港元

During the both years, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

14. DIVIDENDS

The directors of the Company did not recommend the payment of any dividend for the years ended 31 December 2020 and 2019.

13. 董事、主要行政人員及僱員酬金(續)

酬金介乎下列範圍：

2020	2019
2020年	2019年
No. of employees	No. of employees
僱員數目	僱員數目

-	1
1	-
1	-
2	1

於兩個年度內，本集團概無向任何董事或最高薪酬人士支付任何酬金，作為其加入本集團時或之後之獎勵，或作為其離職補償。

14. 股息

本公司董事並無建議就截至2020年及2019年12月31日止年度派付任何股息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

15. EARNINGS/(LOSS) PER SHARE (CONTINUED) 15. 每股收益/(虧損)(續)

From discontinued operations

Basic earnings/(loss) per share

The calculation of basic earnings per share from discontinued operations attributable to owners of the Company is based on the profit for the year from discontinued operations attributable to owners of the Company of approximately RMB Nil (2019: loss approximately RMB101,987,000) and the weighted average number of ordinary shares (deducted shares held under the share award scheme of 2,286,000 (2019: 15,874,000)) of 2,061,765,000 (2019: 2,061,126,000) in issue during the year.

Diluted earnings/(loss) per share

There was no dilutive potential ordinary shares outstanding for both years. Accordingly, the diluted earnings/(loss) per share is same as basic earnings/(loss) per share for both years.

來自已終止業務

每股基本收益/(虧損)

本公司擁有人應佔來自已終止業務每股基本盈利乃根據本公司擁有人應佔來自已終止業務年內溢利約人民幣零元(2019年:虧損約為人民幣101,987,000元)及於年內發行的普通股加權平均數(扣除根據股份獎勵計劃持有的股份2,286,000股(2019年:15,874,000股))2,061,765,000股(2019年:2,061,126,000股)而計算。

每股攤薄收益/(虧損)

該兩個年度內,概無發行在外的潛在攤薄普通股。因此,該兩個年度之每股攤薄收益/(虧損)與每股基本收益/(虧損)相同。

For the year ended 31 December 2020
截至2020年12月31日止年度

17. LEASES AND RIGHT-OF-USE ASSETS (CONTINUED) **17. 租賃及使用權資產(續)**

The Group leases various land use rights and land and buildings. Lease agreements are typically made for fixed periods of 50 years and 1 to 13 years respectively. 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 and the leased assets may not be used as security for borrowing purposes.

Some of the Group's property leases contain variable lease payment terms that are linked to sales generated from the Group's shops. There is a wide range of sales percentages applied. Variable lease payment terms are used to minimise the fixed costs for newly established shops. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs. A 5% increase in sales in 2020 across all shops in the Group with leases containing variable lease payment terms would increase total lease payments by approximately RMB126,000 in 2020 (2019: RMB308,000).

本集團租賃多個土地使用權以及土地及樓宇。租賃協議的固定期限通常分別為50年及1至13年。租賃條款乃按個別基準進行磋商，包含各種不同的條款及條件。租賃協議並無施加任何契諾，而租賃資產不得用作借貸用途的抵押品。

本集團部分物業租賃包含本集團店舖所產生銷售有關的可變租賃付款條款。所應用銷售百分比範圍廣泛。可變租賃付款用於盡可能減少新開店舖的固定成本。取決於銷售的可變租賃付款於觸發該等付款的條件發生期間於損益確認。本集團所有店舖(租賃包含可變租賃付款條款)於2020年的銷售增加5%將令2019年租賃付款總額增加約人民幣126,000元(2019年：人民幣308,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

22. 按公允值計入其他全面收益的金融資產

	2020	2019
	2020年	2019年
	<i>RMB'000</i>	<i>RMB'000</i>
	人民幣千元	人民幣千元
Unlisted equity investments, at fair value		
非上市股本投資，以公允值 列賬	-	20,000

The above investments represented investment in 書友緣 which were intended to be held for the medium to long-term on initial recognition. Designation of these investments as equity investments at fair value through other comprehensive income can avoid the volatility of the fair value changes of these investments to the profit or loss.

上述投資指投資於書友緣，該等投資於初次確認時擬作中長期持有。指定該等投資為按公允值計入其他全面收益之股本投資可避免該等投資公允值變動波動於損益出現。

On 22 January 2020, the Group disposed of 2.78% of the registered capital of 書友緣 at a consideration of RMB20,000,000.

於2020年1月22日，本集團按代價人民幣20,000,000元出售書友緣2.78%之註冊資本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

23. DEFERRED TAXATION (CONTINUED)

At the end of the reporting period the Group has unused tax losses of RMB234,365,000 (2019: RMB370,906,000) available for offset against future profits. A deferred tax asset has been recognised in respect of RMB97,200,000 (2019: RMB Nil) of such losses. No deferred tax asset has been recognised in respect of the remaining RMB137,165,000 (2019: RMB370,906,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB137,165,000 (2019: RMB310,079,000) that will expire in 2025. Other tax losses may be carried forward indefinitely.

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries, associates and joint ventures for which deferred tax liabilities have not been recognised is RMB789,432,000 (2019: RMB1,082,292,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

24. INVENTORIES

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品
Allowance of inventories obsolescence	陳舊存貨撥備

Because of the change in the market conditions of the Group's products during the year, part of the inventories written down in previous years were sold during 2020. As a result, allowance made in prior years against the inventories of RMB2,019,000 (2019: RMB21,689,000) from continuing operation was reversed.

23. 遞延稅項(續)

於報告期末，本集團未動用的稅項虧損人民幣234,365,000元(2019年：人民幣370,906,000元)可作抵銷日後溢利之用。就有關虧損人民幣97,200,000元(2019年：人民幣零元)確認遞延稅項資產。由於日後溢利流無法預測，故並無就餘額人民幣137,165,000元(2019年：人民幣310,079,000元)確認遞延稅項資產。計入未確認稅項虧損為將於2025年到期的虧損人民幣137,165,000元(2019年：人民幣310,079,000元)。其他稅項虧損可無限期結轉。

於報告期末，有關就附屬公司、聯營公司及合營公司未分派盈利的未確認遞延稅項負債的暫時差額總額為人民幣789,432,000元(2019年：人民幣1,082,292,000元)。由於本集團有能力控制暫時差額撥回的時間，且該等差額很可能在可見將來不能撥回，故並無就該等差額確認負債。

24. 存貨

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	20,889	19,606
Work in progress	在製品	8,658	11,481
Finished goods	製成品	316,060	549,844
		345,607	580,931
Allowance of inventories obsolescence	陳舊存貨撥備	(8,794)	(70,353)
		336,813	510,578

由於年內本集團產品市況的變化，於過往年度內已撇減的部分存貨於2020年售出。因此，於過往年度就來自持續經營業務的存貨人民幣2,019,000元(2019年：人民幣21,689,000元)作出的撥備已撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

25. TRADE RECEIVABLES

The Group's trading terms with other customers are mainly on credit. The credit terms generally range from 30 to 90 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors. The Group would also allow longer credit period for certain customers with long term relationship.

25. 貿易應收款項

本集團主要以信貸方式與其他客戶訂立交易條款。信貸期一般介於30至90天不等。每位客戶均有信貸上限。新客戶一般需要提前付款。本集團力求對其尚未收取的應收款項維持嚴格監控。董事定期檢閱逾期結餘。本集團亦會就若干長期業務關係客戶授予較長的信貸期。

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
Trade receivables	貿易應收款項	204,400	295,473
Provision for loss allowance	虧損準備的撥備	(1,613)	(8,533)
		202,787	286,940

The aging analysis of trade receivables, based on the revenue recognition date, and net of allowance, is as follows:

基於收益確認日期並扣除撥備後的貿易應收款項賬齡分析如下：

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
0 to 60 days	0至60天	181,084	198,623
61 to 180 days	61至180天	20,483	54,133
181 days to 1 year	181天至1年	805	4,203
Over 1 year	超過1年	415	29,981
		202,787	286,940

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

25. TRADE RECEIVABLES (CONTINUED)

Reconciliation of loss allowance for trade receivables:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At the beginning of year	年初	8,533	21,978
Decrease in loss allowance for the year	年內虧損撥備減少	(5,515)	(13,445)
Disposal of subsidiaries	出售附屬公司	(1,405)	-
At the end of year	年末	1,613	8,533

25. 貿易應收款項(續)

貿易應收款項虧損撥備的對賬:

The Group applies the simplified approach under IFRS 9 to provide for expected credit losses using the lifetime expected loss provision 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 credit losses also incorporate forward looking information.

本集團應用國際財務報告準則第9號項下的簡易方法就所有貿易應收款項使用全期預期虧損撥備計算預期信貸虧損。為計量預期信貸虧損，貿易應收款項已根據共享信貸風險特徵及逾期天數分類。預期信貸虧損亦包含前瞻性資料。

		Neither past due nor impaired 既無逾期 亦無減值	Over 1 days to 1 year past due 逾期1天 至1年	Over 1 years past due 逾期 超過1年	Total 總計
At 31 December 2020	於2020年12月31日				
Weighted average expected loss rate	加權平均預期虧損率	1%	1%	78%	1%
Receivable amount (RMB'000)	應收金額(人民幣千元)	178,173	25,815	412	204,400
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	917	374	322	1,613
At 31 December 2019	於2019年12月31日				
Weighted average expected loss rate	加權平均預期虧損率	2%	4%	6%	3%
Receivable amount (RMB'000)	應收金額(人民幣千元)	199,423	64,612	31,438	295,473
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	4,319	2,323	1,891	8,533

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

26. OTHER RECEIVABLES AND PREPAYMENTS 26. 其他應收款項及預付款

		2020	2019
		2020年	2019年
Notes		RMB'000	RMB'000
附註		人民幣千元	人民幣千元
Non-current assets	非流動資產		
Long-term deposits	長期按金	15,964	21,869
Prepayments	預付款	3,268	-
Trade Debts due from a former subsidiary	應收一間前附屬公司 的貿易應收賬款	(i) 156,899	-
Prepayments for acquisition of intangible assets	收購無形資產的預付 款	-	6,651
		<u>176,131</u>	<u>28,520</u>
Current assets	流動資產		
Prepayments	預付款	8,585	4,776
Trade Debts due from a former subsidiary	應收一間前附屬公司 的貿易應收賬款	(i) 181,200	-
Value-added tax receivable	應收增值稅	28,823	7,430
Interest receivables	應收利息	25	8,008
Refund of deposits for acquisition of 書友緣	退還收購書友緣的 按金	-	50,000
Others	其他	9,372	14,778
Total	總計	<u>228,005</u>	<u>84,992</u>
Total	總計	<u><u>404,136</u></u>	<u><u>113,512</u></u>

Notes:

(i) On 18 June 2020, the Group entered into an obligations and debts framework agreement ("Obligations and Debts Framework Agreement") with Mayflower (Nanjing) Enterprise Limited ("Nanjing Mayflower"), a former subsidiary of the Group.

附註：

(i) 於2020年6月18日，本集團與本集團前附屬公司美麗華企業(南京)有限公司(「南京美麗華」)訂立一項債權債務框架協議(「債權債務框架協議」)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

26. OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

Notes: (continued)

On 31 July 2020, the Group disposed 100% equity interest in Nanjing Mayflower (note 38). Nanjing Mayflower owed various members of the Group the trade debts ("Trade Debts"), being certain intra-group debts which had arisen in the ordinary course of business over the years.

Pursuant to the Obligations and Debts Framework Agreement, Nanjing Mayflower shall settle the Trade Debts during the two years from 31 May 2020 ("the Trade Debts Settlement Period").

As at 31 December 2020, the Trade Debts will be settled during the Trade Debts Settlement Period in the following manner:

- (a) Nanjing Mayflower delivered all of its inventories (the "Inventories") at 31 July 2020 to the Group. The Group sell these Inventories on behalf of the Nanjing Mayflower to offset part of the Trade Debts against the net sale proceeds;
- (b) Nanjing Mayflower would lease certain of its immovable property to the Group to offset part of the Trade Debts with the rents payable;
- (c) Should the Trade Debts not being fully settled in the above manner within the two-year period, the Nanjing Mayflower shall pay a sum equivalent to the remaining Trade Debts to the Group upon the expiry of the two-year period.

As at 31 December 2020, the Trade Debts due from the Nanjing Mayflower with carrying amount of RMB338,099,000 are secured by the Nanjing Mayflower's inventories as collateral with a carrying amount of RMB144,823,000. Further, other collaterals included land use rights and building at fair value of approximately RMB170,710,000 in total as determined by an international real estate valuation firm.

26. 其他應收款項及預付款 (續)

附註：(續)

於2020年7月31日，本集團出售於南京美麗華的100%股權(附註38)。南京美麗華欠付本集團多家成員公司貿易債務(「貿易債務」)，即多年來在日常業務過程中產生的若干集團內債務。

根據債權債務框架協議，南京美麗華須於自2020年5月31日起計兩年(「貿易債務清償期間」)內清償貿易債務。

於2020年12月31日，貿易債務將於貿易債務清償期內以如下方式清償：

- (a) 南京美麗華交付其於2020年7月31日的所有存貨(「存貨」)予本集團。本集團代表南京美麗華出售該等存貨，以銷售所得款項淨額抵銷部分貿易債務；
- (b) 南京美麗華向本集團出租其若干不動產，以應付租金抵銷部分貿易債務；
- (c) 倘於兩年期間內未能以上述方式悉數清償貿易債務，南京美麗華須於兩年期間屆滿時向本集團支付等於餘下貿易債務之款項。

於2020年12月31日，賬面值為人民幣338,099,000元的應收南京美麗華貿易債務以南京美麗華賬面值為人民幣144,823,000元的存貨作抵押。此外，其他抵押品包括經一家國際房地產估價公司釐定公允值總計約人民幣170,710,000元的土地使用權以及樓宇。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**27. 按公允值計入損益的金融資產**

	2020	2019
	2020年	2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Unlisted wealth investment product	-	65,300
非上市理財產品	-	65,300

28. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

As at 31 December 2020, the bank and cash balances of the Group denominated in Renminbi ("RMB") amounted to RMB466,535,000 (2019: RMB319,901,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations.

As at 31 December 2019, bills payables of RMB20,000,000 are secured by bank deposits of RMB20,000,000 (note 29).

28. 已抵押銀行存款及銀行結餘及現金

於2020年12月31日，本集團以人民幣(「人民幣」)計值的銀行及現金結餘為人民幣466,535,000元(2019年：人民幣319,901,000元)。人民幣兌換為外幣須遵守中國外匯管理條例。

於2019年12月31日，應付票據人民幣20,000,000元以銀行存款人民幣20,000,000元作抵押(附註29)。

29. TRADE AND BILLS PAYABLES**29. 貿易應付款項及應付票據**

	2020	2019
	2020年	2019年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Trade payables	183,344	107,206
Bills payables	-	20,000
貿易應付款項	183,344	107,206
應付票據	-	20,000
	183,344	127,206

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

29. TRADE AND BILLS PAYABLES (CONTINUED)

The aging analysis of trade payables, based on the invoice date, is as follows:

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
0 to 90 days	0至90天	171,079	104,329
91 to 180 days	91至180天	8,355	1,987
181 days to 1 year	181天至1年	2,784	677
Over 1 year	超過1年	1,126	213
		183,344	107,206

As at 31 December 2019, bills payables of RMB20,000,000 are secured by bank deposits of RMB20,000,000 (note 28).

29. 貿易應付款項及應付票據(續)

根據發票日期，貿易應付款項賬齡分析如下：

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
0至90天	0至90天	171,079	104,329
91至180天	91至180天	8,355	1,987
181天至1年	181天至1年	2,784	677
超過1年	超過1年	1,126	213
		183,344	107,206

於2019年12月31日，應付票據人民幣20,000,000元以銀行存款人民幣20,000,000元作抵押(附註28)。

176

30. OTHER PAYABLES

		2020	2019
		2020年	2019年
		<i>RMB'000</i>	<i>RMB'000</i>
		人民幣千元	人民幣千元
Accruals	應計費用	65,543	65,258
Accrued payroll	應計薪資	34,344	24,442
Other tax liabilities	其他稅項負債	1,121	9,031
Security deposits from wholesale customers	批發客戶保證金	8,325	7,967
Payables for acquisition of property, plant and equipment	收購物業、機器及設備應付 款項	21,626	–
Others	其他	17,166	25,534
		148,125	132,232

30. 其他應付款項

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

31. CONTRACT LIABILITIES

Disclosures of revenue-related items:

31. 合約負債

收益相關項目披露：

		As at 31 December 2020 於2020年 12月31日 <i>RMB'000</i> 人民幣千元	As at 31 December 2019 於2019年 12月31日 <i>RMB'000</i> 人民幣千元	As at 1 January 2019 於2019年 1月1日 <i>RMB'000</i> 人民幣千元
Contract liabilities	合約負債			
– customer loyalty programme	– 客戶忠誠度計劃	13,070	17,397	25,956
Contract liabilities	合約負債			
– franchise agreements	– 特許經營協議	671	1,613	10,932
Contract liabilities	合約負債			
– advance from customers	– 預收客戶賬款	7,765	7,922	8,358
Total contract liabilities	合約負債總額	21,506	26,932	45,246
Contract receivables	合約應收款項			
(included in trade receivables)	(計入貿易應收款項)	202,787	286,940	301,487

Transaction prices allocated to performance obligations unsatisfied at end of year and expected to be recognised as revenue in:

於年末分配至未履行的履約責任的交易價及預期於下列年度確認為收益：

		2020 2020年 <i>RMB'000</i> 人民幣千元	2019 2019年 <i>RMB'000</i> 人民幣千元
– 2020	– 2020年	–	26,261
– 2021	– 2021年	21,777	942
– 2022	– 2022年	942	942
– 2023	– 2023年	942	–
		23,661	28,145

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

31. CONTRACT LIABILITIES (CONTINUED) 31. 合約負債(續)

Year ended 31 December

截至12月31日止年度

		2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元
Revenue recognised in the year that was included in contract liabilities at beginning of year	於年初計入合約負債的年內 已確認收益	24,823	37,375

Significant changes in contract liabilities during the year:

於年內合約負債的重大變動：

		2020 Contract liabilities 2020年合約 負債 RMB'000 人民幣千元	2019 Contract liabilities 2019年合約 負債 RMB'000 人民幣千元
Increase due to operations in the year	年內由於營運增加	173,789	323,403
Transfer of contract liabilities to revenue	轉移合約負債至收益	(179,215)	(341,641)

A contract liability represents the Group's obligation to transfer products or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

合約負債指本集團就已收客戶代價(或到期代價款項)向客戶轉移產品或服務之義務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

32. LEASE LIABILITIES

32. 租賃負債

		Lease payments		Present value of lease payments	
		租賃付款		租賃付款之現值	
		2020	2019	2020	2019
		2020年	2019年	2020年	2019年
		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
Within one year	一年內	23,363	41,662	22,812	40,645
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	44,812	70,759	39,401	63,433
After five years	五年後	14,093	30,999	9,761	20,454
		82,268	143,420	71,974	124,532
Less: Future finance charges	減：未來融資開支	(10,294)	(18,888)		
Present value of lease liabilities	租賃負債之現值	71,974	124,532		
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期結算之款項(列於流動負債項下)			(22,812)	(40,645)
Amount due for settlement after 12 months	於12個月後到期結算之款項			49,162	83,887

At 31 December 2020, the average effective borrowing rate was 4.35% to 4.90% (2019: 4.35% to 4.90%). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

於2020年12月31日，平均實際借貸利率為4.35%至4.90%(2019年：4.35%至4.90%)。利率於合約日期釐定及因此令本集團承受公允價值利率風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

33. RETIREMENT BENEFITS SCHEMES FROM CONTINUING OPERATIONS

Pursuant to the relevant regulations of the PRC government, the PRC subsidiaries have participated in a central pension scheme (the “Scheme”) operated by local municipal government whereby the PRC subsidiaries are required to contribute 18% of basic salaries of the employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefit obligations of all existing and future retired employees of the PRC subsidiaries. The only obligation of the PRC subsidiaries with respect to the Scheme is to pay the ongoing required contributions under the Scheme mentioned above. Contributions under the Scheme are charged to profit or loss as incurred.

During the reporting period, the total amounts contributed by the Group to the Scheme and the Auto-enrolment which were charged to profit or loss representing contribution payable to the Scheme and auto-enrolment by the Group at rates specified in the rules of the Scheme are as follows:

33. 持續經營業務之退休福利計劃

根據中國政府的有關法規，中國附屬公司參加由當地市政府運作的中央退休金計劃（「該計劃」），據此，中國附屬公司須將僱員基本工資的18%供款予該計劃，以為其退休福利提供資金。當地市政府承諾承擔所有中國附屬公司現有及未來退休的僱員的退休福利責任。中國附屬公司就該計劃的唯一責任為持續支付上述計劃項下的供款。根據該計劃作出的供款於產生時於損益中扣除。

於報告期間，本集團向該計劃供款的總金額及自損益中扣除的自動登記金額指本集團按該計劃規則指定的比率應付該計劃的供款及自動登記金額載列如下：

2020	2019
2020年	2019年
RMB'000	RMB'000
人民幣千元	人民幣千元

Amount contributed and charged to profit or loss

供款及自損益扣除的金額

21,853 71,576

As at 31 December 2020 and 31 December 2019, there was no outstanding contributions payable to the Scheme.

於2020年12月31日及2019年12月31日，概無尚未支付的應付該計劃的供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

34. SHARE CAPITAL

34. 股本

	Number of shares 股份數目	Amount 金額 USD'000 千美元
Ordinary shares of USD0.015 each	每股面值0.015美元之普通股	
Authorised:	法定：	
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於2019年1月1日、2019年12月31 日、2020年1月1日及2020年12 月31日	<u>20,000,000,000</u> 300,000
Issued and fully paid:	已發行並繳足：	
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於2019年1月1日、2019年12月31 日、2020年1月1日及2020年12 月31日	<u>2,077,000,000</u> 31,155
		Amount 金額 RMB'000 人民幣千元
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於2019年1月1日、2019年12月 31日、2020年1月1日及2020 年12月31日	<u>209,097</u>

During the year ended 31 December 2020 and 2019, the Company did not repurchase any shares through the Hong Kong Stock Exchange.

截至2020年及2019年12月31日止年度，本公司並無透過香港聯交所購回任何股份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY 35. 本公司財務狀況表及儲備

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司之投資	105,992	540,038
Property, plant and equipment	物業、機器及設備	1	1
Other intangible asset	其他無形資產	7,056	8,488
		113,049	548,527
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及預付款	330	579
Amount due from subsidiaries	應收附屬公司款項	96,340	98,735
Bank balances and cash	銀行結餘及現金	20,874	5,011
		117,544	104,325
Current liabilities	流動負債		
Other payables	其他應付款項	5,084	5,438
Amount due to subsidiaries	應付附屬公司款項	84,286	298,609
		89,370	304,047
Net current assets/(liabilities)	流動資產/(負債)淨值	28,174	(199,722)
Net assets	資產淨值	141,223	348,805
Capital and reserves	資本及儲備		
Share capital	股本	209,097	209,097
Reserves	儲備	(67,874)	139,708
Total equity	總權益	141,223	348,805

Approved and authorised for issue by the board of directors on 29 March 2021.

於2021年3月29日獲董事會批准及授權刊發。

Yuan Zhenhua
Director

Wu Weiming
Director

袁振華
董事

吳維明
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

36. RESERVES

(a) Group

(i) The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(ii) Share premium

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and is not distributable but may be applied in paying up unissued shares of the Company to be issued to the shareholders of the Company as fully paid bonus shares or in providing for the premiums payable on repurchase of shares.

(iii) Shares held under the share award scheme

Shares held under the share award scheme represents the Company's employee share trust purchases shares from the market, the consideration paid, including any directly attributable incremental costs is presented as "Shares held under the share award scheme" and presented as a deduction against equity attributable to the Company's equity holders. The details are set out in Note 37.

36. 儲備

(a) 本集團

(i) 本集團之儲備金額及其變動呈列於綜合損益及其他全面收益表及綜合權益變動表。

(ii) 股份溢價

股份溢價指按超過其每股面值之價格發行股份所產生之溢價，屬不可分派，惟可用於繳足將發行予本公司股東作為悉數繳足股款紅利股份之本公司未發行股份之股款，或用於計提購回股份應付溢價。

(iii) 根據股份獎勵計劃持有的股份

根據股份獎勵計劃持有的股份指本公司僱員股份信託從市場購買股份，則已付代價(包括任何直接應佔的新增成本)列作「根據股份獎勵計劃持有的股份」及列作本公司權益持有人應佔權益之扣減。詳情載於附註37。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

37. SHARE-BASED PAYMENTS (CONTINUED) 37. 以股份為基礎的支付(續)

Movement of the Company's shares held by the trustee under the Share Award Scheme during the year is as follows:

受託人於年內根據股份獎勵計劃所持本公司股份的變動如下：

	Number of shares			
	股份數目			
	Held by the trustee yet to be awarded	Held by the trustee for the grantee	Total held by the trustee	
	尚未授予而由受託人所持	受託人為承授人所持	受託人所持總數	
At 1 January 2019, 31 December 2019 and 1 January 2020	於2019年1月1日、2019年12月31日及2020年1月1日	15,874,000	-	15,874,000
Granted to grantees during the year	年內授予承授人	(13,588,000)	13,588,000	-
Transfer to grantee upon vesting	歸屬時轉予承授人	-	(13,588,000)	(13,588,000)
At 31 December 2020	於2020年12月31日	2,286,000	-	2,286,000

During the year ended 31 December 2020, no ordinary shares were acquired by trustee (2019: Nil).

於截至2020年12月31日止年度，概無受託人購入普通股(2019年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

37. SHARE-BASED PAYMENTS (CONTINUED)

During the year ended 31 December 2020, the Company granted 13,588,000 ordinary shares of USD0.015 each to Selected Employees, details are set out below.

37. 以股份為基礎的支付(續)

於截至2020年12月31日止年度，本公司授出13,588,000股每股面值0.015美元的普通股予獲選僱員，詳情載列下文。

						Number of awarded shares 獎勵股份數目					
						As at 1 January 2019, 31 December 2019					
						and 1 January 2020	Granted during the year	Vested during the year	Outstanding as at 31 December 2020		
						於2019年1月1日、 2019年 12月31日及 2020年 1月1日 年內授出 年內歸屬 尚未行使					
Date of grant	Number of awarded shares 授出獎勵 股份數目		Fair value	Vesting period							
授出日期			<i>RMB'000</i> 人民幣千元	歸屬期							
28 April 2020	2020年4月28日	109,000	15	23 days	23天	-	109,000	(109,000)	-		
17 July 2020	2020年7月17日	55,000	8	25 days	25天	-	55,000	(55,000)	-		
30 November 2020	2020年11月30日	13,424,000	2,507	18 days	18天	-	13,424,000	(13,424,000)	-		
		<u>13,588,000</u>	<u>2,530</u>			<u>-</u>	<u>13,588,000</u>	<u>(13,588,000)</u>	<u>-</u>		

The closing price of the Company's shares on 28 April 2020, the date of grant of the awarded shares, was HK\$0.15 (equivalent to approximately RMB0.14). The Group recognised a total expense of RMB15,000 in relation to share award granted by the Company during the year.

本公司股份於2020年4月28日(授出獎勵股份日期)之收市價為0.15港元(相等於約人民幣0.14元)。年內，本集團就本公司授出獎勵股份確認總開支人民幣15,000元。

The closing price of the Company's shares on 17 July 2020, the date of grant of the awarded shares, was HK\$0.17 (equivalent to approximately RMB0.15). The Group recognised a total expense of RMB8,000 in relation to share award granted by the Company during the year.

本公司股份於2020年7月17日(授出獎勵股份日期)之收市價為0.17港元(相等於約人民幣0.15元)。年內，本集團就本公司授出獎勵股份確認總開支人民幣8,000元。

The closing price of the Company's shares on 30 November 2020, the date of grant of the awarded shares, was HK\$0.22 (equivalent to approximately RMB0.19). The Group recognised a total expense of RMB2,507,000 in relation to share award granted by the Company during the year.

本公司股份於2020年11月30日日(授出獎勵股份日期)之收市價為0.22港元(相等於約人民幣0.19元)。年內，本集團就本公司授出獎勵股份確認總開支人民幣2,507,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

38. DISPOSAL OF SUBSIDIARIES

On 18 June 2020, the Company entered into a sale and purchase agreement with Huaxin Ventures Limited to dispose 100% equity interest of Allied Great International Holdings Limited (the “AG Disposal”) at a consideration of RMB5,000,000.

The AG Disposal was completed on 31 July 2020. Upon completion of the AG Disposal, Allied Great International Holdings Limited ceased to be subsidiaries of the Company and their results, assets and liabilities and cash flows ceased to be consolidated to that of the Group since then. A gain on disposal of RMB23,546,000 was recognised upon the completion, being calculated as follows:

38. 出售附屬公司

於2020年6月18日，本公司與華鑫創投有限公司訂立買賣協議，以代價人民幣5,000,000元出售滙英國際集團有限公司的100%股權（「滙英出售事項」）。

滙英出售事項已於2020年7月31日完成。滙英出售事項完成後，滙英國際集團有限公司不再為本公司的附屬公司，其業績、資產及負債以及現金流量自此不再綜合計入本集團。出售的收益人民幣23,546,000元已於完成時確認，其計算方法如下：

RMB'000		
人民幣千元		
Net liabilities at the date of disposal were as follows:	於出售日期負債淨值如下：	
Property, plant and equipment	物業、機器及設備	103,002
Right-of-use assets	使用權資產	13,247
Other intangible assets	其他無形資產	1,784
Deferred tax assets	遞延稅項資產	31,751
Long-term deposits and prepayments	長期按金及預付款	4,724
Inventories	存貨	206,600
Trade receivables	貿易應收款項	20,573
Other receivables and prepayments	其他應收款項及預付款	99,779
Bank balances and cash	銀行結餘及現金	5,561
Trade payables	貿易應付款項	(860)
Other payables	其他應付款項	(14,289)
Lease liabilities	租賃負債	(770)
Trade Debts due to the Group	應付本集團貿易債務	(505,030)
		(33,928)
Direct cost to the disposal	出售之直接成本	1,699
Loss on initial recognition of long-term Trade Debts	初始確認長期貿易債務之虧損	13,683
Gain on disposal of subsidiaries	出售附屬公司之收益	23,546
Total consideration – satisfied by cash	總代價－以現金支付	5,000
Net cash outflow arising on disposal:	出售產生的現金流出淨額：	
Cash consideration received	已收取的現金代價	5,000
Cash paid for direct cost	以現金已付之直接成本	(1,699)
Cash and cash equivalents disposed of	已出售之現金及現金等價物	(5,561)
		(2,260)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Acquisition of partial interest in a subsidiary

On 17 January 2020, Best Invent Holdings Limited (“Best Invent”), a wholly-owned subsidiary of the Company, and Fortune Title Holdings Limited, Empire Sky Holdings Limited, Goldrun Holdings Limited, Cowinner Limited, Gold Title Limited, Skill Plus Holdings Limited and Well Prosper Holdings Limited (collectively the “Sellers”), entered into a sale and purchase agreement, pursuant to which the Sellers conditionally agreed to sell, and Best Invent conditionally agreed to purchase 28% of the issued share capital of Mega Brilliant International Limited, a non-wholly-owned subsidiary of the Company (the “Target Company”), for a total cash consideration of approximately RMB59,717,000.

As at 31 December 2020, the Company indirectly holds 79% of the issued share capital of the Target Company. The effect of change in the ownership interests of the Target Company on the equity attributable to owners of the Company during the year ended 31 December 2020 were summarised as follows:

39. 綜合現金流量表附註

(a) 收購一間附屬公司的部分權益

於2020年1月17日，Best Invent Holdings Limited (「Best Invent」) (本公司的全資附屬公司) 與 Fortune Title Holdings Limited、Empire Sky Holdings Limited、Goldrun Holdings Limited、Cowinner Limited、Gold Title Limited、Skill Plus Holdings Limited 及 Well Prosper Holdings Limited (統稱為「賣方」) 訂立買賣協議，據此賣方有條件同意出售，及 Best Invent 有條件同意購買美宏國際有限公司 (本公司的非全資附屬公司) (「目標公司」) 已發行股本的 28%，總現金代價約為人民幣 59,717,000 元。

於2020年12月31日，本公司間接持有目標公司已發行股本之 79%。目標公司擁有權益之變動對截至 2020 年 12 月 31 日止年度本公司擁有人應佔總權益之影響摘概如下：

		2020 2020年 RMB'000 人民幣千元
Decrease in non-controlling interest	非控股權益減少	39,158
Consideration paid	已付代價	<u>(59,717)</u>
Movement in equity	權益變動	<u><u>(20,559)</u></u>

For the year ended 31 December 2020

截至2020年12月31日止年度

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

39. 綜合現金流量表附註(續)

(b) Major non-cash transaction

During the year, Nanjing Mayflower lease certain of its immovable property to the Group and offset part of the Trade Debts of approximately RMB55,452,000.

(b) 主要非現金交易

年內，南京美麗華將其若干不動產出租予本集團，並抵銷部分貿易債務約人民幣55,452,000元。

(c) Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year:

(c) 融資活動所產生的負債變動

下表列示本集團年內融資活動所產生的負債變動：

		Lease liabilities	Borrowings	Obligations under finance leases	Total
		租賃負債	借貸	融資租賃 項下責任	總計
		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
At 1 January 2019	於2019年1月1日	-	277,941	5,983	283,924
Changes in cash flows	現金流量變動	(76,888)	(277,520)	-	(354,408)
Interest paid	已付利息	-	(14,284)	-	(14,284)
Non-cash changes	非現金變動				
- IFRS 16 adjustments	- 國際財務報告準則第16號調整	927,506	-	(5,983)	921,523
- modification of lease	- 租賃修改	19,490	-	-	19,490
- additions of lease	- 租賃添置	10,136	-	-	10,136
- interest charged	- 已付利息	26,412	14,284	-	40,696
- disposal of subsidiaries	- 出售附屬公司	(783,686)	-	-	(783,686)
- exchange differences	- 匯兌差額	1,562	(421)	-	1,141
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	124,532	-	-	124,532
Changes in cash flows	現金流量變動	(17,736)	-	-	(17,736)
Non-cash changes	非現金變動				
- offset of Trade Debts	- 抵銷貿易債務	(39,709)	-	-	(39,709)
- modification of lease	- 租賃修改	(59,893)	-	-	(59,893)
- additions of lease	- 租賃添置	60,276	-	-	60,276
- interest charged	- 已付利息	5,274	-	-	5,274
- disposal of subsidiaries	- 出售附屬公司	(770)	-	-	(770)
At 31 December 2020	於2020年12月31日	71,974	-	-	71,974

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

40. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property, plant and equipment	物業、機器及設備		
Contracted but not provided for	已訂約但並無計提撥備	67,510	–
Intangible assets	無形資產		
Contracted but not provided for	已訂約但並無計提撥備	–	8,192
		67,510	8,192

40. 資本承擔

本集團於報告期末的資本承擔如下：

41. RELATED PARTY TRANSACTIONS

(i) Related party transactions

During the year, in addition to those disclosed elsewhere in the consolidated financial statements, the Group had the following related party transactions:

Relationship with related parties	Nature of transactions	2020	2019
與關聯方關係	交易性質	2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
An associate 一間聯營公司	Purchase of goods 購買貨品	4,564	13,308
A joint venture 一間合營公司	Purchase of goods 購買貨品	381	2,856
	Providing management services 提供管理服務	185	2,730
A related company, in which certain directors of the Company have controlling interest 一間關聯公司，本公司若干董事於其中擁有控股權益	Rental expense 租賃開支	1,120	1,120

(ii) Compensation of key management personnel

The remuneration of directors, who are also the key management, are disclosed in Note 13.

41. 關聯方交易

(i) 關聯方交易

年內，除綜合財務報表其他部分披露者外，本集團的關聯方交易如下：

(ii) 主要管理人員薪酬

身為主要管理人員的董事的薪酬於附註13內披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

42. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2020 are as follows:

42. 於附屬公司的投資

於2020年12月31日附屬公司的詳情如下：

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立/成立及營運地點/國家	Attributable equity interest of the Company 本公司應佔股本權益		Principal activities 主要業務
		2020 2020年	2019 2019年	
Held directly by the Company: 本公司直接持有：				
Best Invent Holdings Limited	The BVI 英屬處女群島	100%	100%	Investment holding 投資控股
Best Value Profits Limited	The BVI 英屬處女群島	100%	100%	Investment holding 投資控股
China Ease Enterprise Limited 華誼企業有限公司	Hong Kong 香港	100%	100%	Investment holding and sale of branded fashion footwear 投資控股及銷售品牌時尚鞋履
Toy Kingdom Hong Kong Limited	Hong Kong 香港	100%	100%	Investment holding 投資控股
Held by subsidiaries of the Company: 本公司附屬公司持有：				
Dongguan Mayflower Footwear Corporation Limited (“Dongguan Mayflower”) (Note i) 東莞美麗華鞋業有限公司(「東莞美麗華」) (附註 i)	The PRC 中國	100%	100%	Contract manufacture and sale of branded fashion footwear 訂約生產及銷售品牌鞋履
Nanjing Soft Garment & Footwear Co., Ltd. (“Nanjing Soft”) (Note i) 南京舒服特服飾鞋業有限公司 (「南京舒服特」)(附註 i)	The PRC 中國	100%	100%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚鞋履及有關物料
Xuzhou C.banner Shoes Co., Ltd. (“Xuzhou C.banner”) (Note ii) 徐州千百度鞋業有限公司(「徐州千百度」) (附註 ii)	The PRC 中國	100%	100%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚鞋履及有關物料

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020

截至2020年12月31日止年度

42. INVESTMENTS IN SUBSIDIARIES 42. 於附屬公司的投資(續) (CONTINUED)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立/成立及營 運地點/國家	Attributable equity interest of the Company 本公司應佔股本權益		Principal activities 主要業務
		2020	2019	
		2020年	2019年	
Held by subsidiaries of the Company: (continued) 本公司直接持有：(續)				
Mega Brilliant International Limited (Note iii) 美宏國際有限公司(附註iii)	Hong Kong 香港	79%	51%	Investment holding 投資控股
Jiangsu Mega Shoes Co., Ltd (Note i) (Note iii) 江蘇美嘉鞋業有限公司(附註i)(附註iii)	The PRC 中國	79%	51%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚鞋履及有 關物料
Xuzhou Mayflower Footwear Co., Ltd ("Xuzhou Mayflower") (Note i) 徐州美麗華鞋業有限公司 (「徐州美麗華」)(附註i)	The PRC 中國	100%	100%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚鞋履及有 關物料
Toy Kingdom Co., Ltd ("Toy Kingdom") 英哈玩具有限公司 (「英哈玩具」)	The PRC 中國	100%	100%	Toys retailing 玩具零售
Toy Kingdom (Nanjing) Co., Ltd ("Toy Kingdom Nanjing") 英哈玩具貿易(南京)有限公司 (「英哈南京」)	The PRC 中國	100%	100%	Toys retailing 玩具零售
Toy Kingdom (Xuzhou) Co., Ltd ("Toy Kingdom (Xuzhou)") 英哈玩具貿易(徐州)有限公司 (「英哈徐州」)	The PRC 中國	100%	100%	Toys retailing 玩具零售

42. INVESTMENTS IN SUBSIDIARIES (CONTINUED) 42. 於附屬公司的投資(續)

Name of subsidiary 附屬公司名稱	Place/Country of incorporation/ establishment and operations 註冊成立/成立及營 運地點/國家	Attributable equity interest of the Company 本公司應佔股本權益		Principal activities 主要業務
		2020 2020年	2019 2019年	

Held by subsidiaries of the Company: (continued)

本公司直接持有:(續)

Jiangsu Meisen Footwear Company Limited ("Jiangsu Meisen") 江蘇美森鞋業有限公司(「江蘇美森」)	The PRC 中國	45%	45%	Manufacture and sale of branded fashion footwear and related materials 生產及銷售品牌時尚鞋履及有 關物料
Meihong Footwear Company Limited ("Meihong") (Note i) 美鴻鞋業有限公司 (「美鴻」)(附註i)	The PRC 中國	100%	100%	Retail sale of branded fashion footwear 零售品牌時尚鞋履

Notes:

- i. wholly-foreign owned enterprise established in the PRC
- ii. sino-foreign owned enterprise established in the PRC
- iii. acquisition of partial interest in a subsidiary during the year

None of the Company's subsidiaries had issued any debt securities at the end of the year.

附註:

- i. 於中國成立外商獨資企業
- ii. 於中國成立之中外合資企業
- iii. 年內收購一間附屬公司的部分權益

於本年度末, 本公司的附屬公司概無發行任何債務證券。

43. EVENTS AFTER THE REPORTING PERIOD 43. 報告期後事件

Save as disclosed in this Annual Report, there was no other significant events that might affect the Group since the end of the year ended 31 December 2020.

除本年報所披露者外, 自截至2020年12月31日止年度結束起, 並無可能影響本集團的其他重大事項。

44. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS 44. 批准綜合財務報表

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 29 March 2021.

該等綜合財務報表乃由董事會於2021年3月29日批准並授權刊發。

Financial Summary

財務摘要

		2016	2017	2018	2019	2020
		2016年	2017年	2018年	2019年	2020年
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		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
Financial results	財務業績					
Revenue	收益	3,206,562	3,063,524	2,923,659	2,157,529	1,539,368
Net profit attributable to equity holders of the Company	本公司權益持有人應佔純利	206,253	20,492	(387,029)	(311,480)	6,179
		2016	2017	2018	2019	2020
		2016年	2017年	2018年	2019年	2020年
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		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
Balance sheet summary	資產負債表概要					
Total assets	資產總額	3,393,785	3,959,830	2,599,748	1,817,881	1,762,817
Total liabilities	負債總額	1,318,242	1,873,437	925,274	417,611	435,539
Total equity	權益總額	2,075,543	2,086,393	1,674,474	1,400,270	1,327,278

C. banner International Holdings Limited
千百度國際控股有限公司

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