



歲寶百貨

Shirble Department Store Holdings (China) Limited
歲寶百貨控股(中國)有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 312

2018
Interim Report



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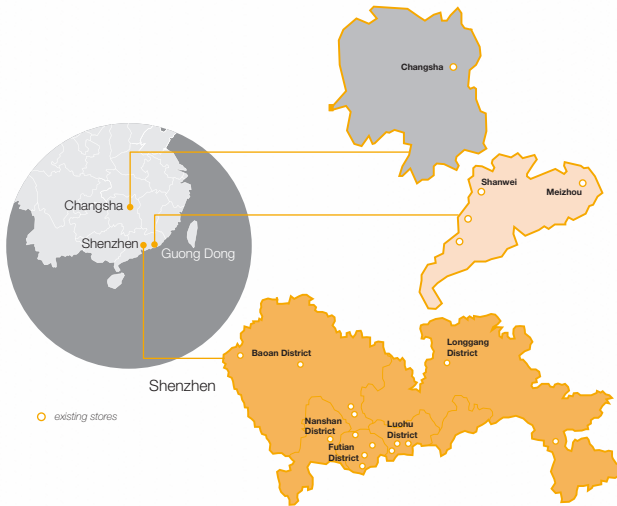
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CORPORATE PROFILE

Shirble Department Store Holdings (China) Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are principally engaged in the operation of department stores in the People’s Republic of China (the “**PRC**”).

The Group operates one of the established Shenzhen-based department store chains. As of 30 June 2018, the Group operates 19 department stores, 14 of which are within Shenzhen, three in Shanwei (a coastal city in the eastern Guangdong Province), one in Meizhou City (Guangdong Province) and one in Changsha (the capital city of Hunan Province), with a total gross floor area (“**GFA**”) of 342,955.3 sq. m.



CORPORATE PROFILE

A broad range of merchandise is offered at the Group's department stores, including footwear, textiles, apparel, cosmetics, children's and households' goods, electrical appliances, daily consumer products and household necessities. The Group's department stores target the mid-market segment and offer its customers with quality merchandise and customer-oriented services, as well as a convenient and comfortable "one-stop" shopping environment. In line with its repositioning strategy, the Group has continued appraising and enhancing its traditional department stores under the “**威實百貨**” brand and concept stores in “Shirble Plaza” in order to attract the middle-class and young generation in the PRC as well as meet their demand for high-quality food and products.

In June 2018, Shirble entered into a strategic partnership with Hema Network Technology Co. Ltd. (“**Hema**”) (“**盒馬**”) of Alibaba Group Holdings Ltd. (“**Alibaba**”), to open Hema Fresh Supermarkets (“**盒馬鮮生超市**”) in Shirble stores. A total of 12 Shirble supermarkets will be transformed into Hema Fresh Supermarkets on a stage-by-stage basis in the coming two years, starting from 1 July 2018, and the newly transformed supermarkets will be tenants of Shirble's premises.

FINANCIAL HIGHLIGHTS

OPERATING RESULTS

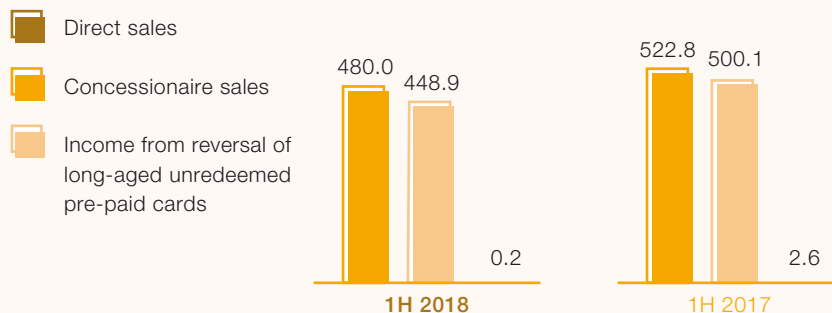
	For the six months ended 30 June	
	2018 RMB'000 (unaudited)	2017 RMB'000 (unaudited)
Revenue	602,060	661,105
Operating profit	19,883	50,401
Profit before income tax	22,623	54,262
Profit attributable to owners of the Company	14,891	40,706
Earnings per share (expressed in RMB per share)		
– Basic and diluted	0.01	0.02

ASSETS, LIABILITIES AND EQUITY

	At 30 June 2018 RMB'000 (unaudited)	At 31 December 2017 RMB'000 (audited)	At 30 June 2017 RMB'000 (unaudited)
Total assets	2,140,261	2,274,547	2,211,564
Total liabilities	722,474	883,070	816,341
Total equity	1,417,787	1,391,477	1,395,223

GROSS SALES PROCEEDS – BY CATEGORY

RMB (million)

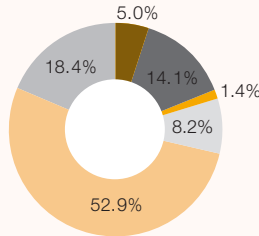


FINANCIAL HIGHLIGHTS

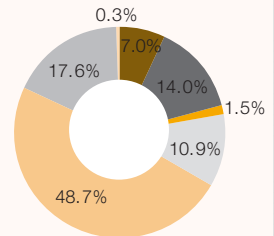
GROSS SALES PROCEEDS – BY PRODUCT CATEGORY

%

- Electronics and home appliances
- Clothes, apparel and bedding
- Children’s goods
- Sporting and stationery goods
- Food and beverages
- Daily necessities and cosmetic goods
- Income from reversal of long-aged unredeemed pre-paid card



1H 2018

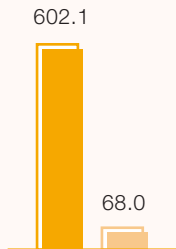


1H 2017

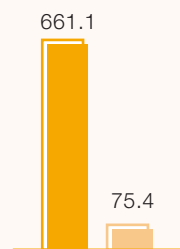
REVENUE AND OTHER OPERATING REVENUE

RMB (million)

- Revenue
- Other operating revenue



1H 2018

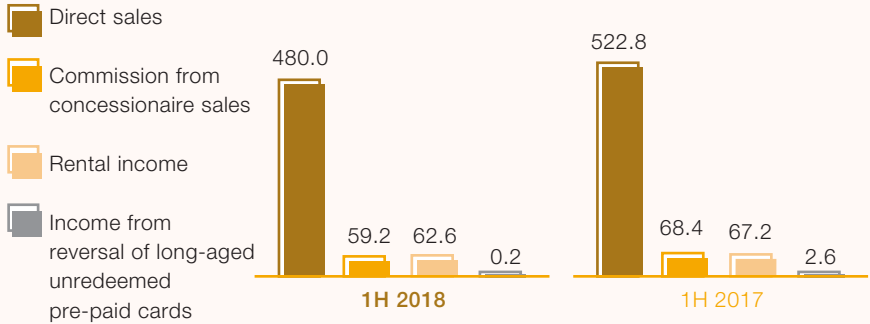


1H 2017

FINANCIAL HIGHLIGHTS

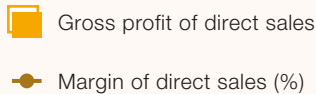
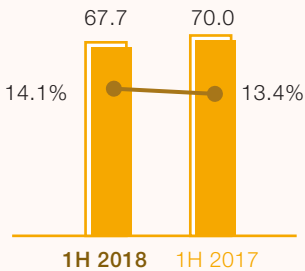
REVENUE BY CATEGORY

RMB (million)



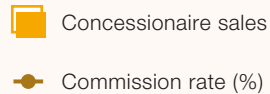
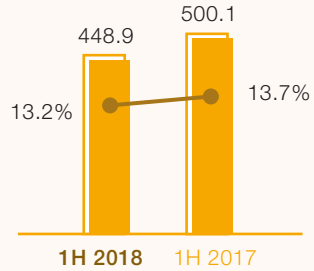
GROSS PROFIT AND MARGIN OF DIRECT SALES

RMB (million)



CONCESSIONAIRE SALES AND COMMISSIONS AS A PERCENTAGE OF CONCESSIONAIRE SALES

RMB (million)



CHAIRMAN'S STATEMENT

THE RETAIL BUSINESS LANDSCAPE IN THE PRC AND GROUP OVERVIEW

The retail business in the PRC in 2018 grew steadily by an expected increase of 8% compared to the growth rates in previous years. The National Bureau of Statistics of the PRC announced that the economic growth for the first quarter in the current year was in line with the expectation. The GDP for the quarter amounted to RMB19.88 trillion, representing an increase of 6.8% on a year-on-year basis, which was similar to the growth rate during the fourth quarter in the last year. During January to May 2018, the national online retail sales for products and services reached RMB257.92 billion, representing a year-on-year growth of 32.4%¹, fully reflecting that the reformation pace of traditional consumption pattern is accelerating.

As at 30 June 2018, the Group owned and operated 19 department stores (including supermarkets) with a total gross floor area of 342,955.3 sq.m. During the period, the Group recorded revenue of RMB602.1 million (2017: RMB661.1 million). Profit attributable to owners of the Company amounted to approximately RMB14.9 million (2017: RMB40.7 million). The decrease was mainly due to (i) a write-off of net book value of decoration as a result of business cooperation with Hema, and (ii) a decrease in revenue resulting from the closure of Wanxiang Store upon expiration of lease agreement, as well as a combination of factors such as the increase popularity of online sales in the PRC and unexpected changes in consumers' preference.

¹ Source: http://www.stats.gov.cn/english/PressRelease/201806/t20180615_1604933.html

CHAIRMAN'S STATEMENT

Whilst the Group has its own competitive advantages in the Shirble supermarket business and the Shirble department store business and has been improving the level and varieties of its services to satisfy the market demand in past years, its store image and the product offerings are relatively less competitive as always in the rapidly developed retail market in the PRC in combination with the online retail platforms. As mentioned above and in the previous annual reports of the Company, the fast development of the online retail platforms create challenges to the chain store operators. Although the Group has its own online retail platform, the operation scale is restricted to the local population in Shenzhen, the PRC. In addition, the latest combination of online-to-offline business concept creates new business model in retail business so that consumers can enjoy shopping experience at stores with the support of and the convenience provided by online purchase and payment facilities. Against the above background, on 19 June 2018, the Group announced the establishment of partnership with Hema to open "Hema Fresh Supermarkets" in Shirble stores. Hema is an indirectly wholly-owned subsidiary of Alibaba, which mainly engaged in retail business for the convergence of online and offline activities. Based on the information provided by Hema, it can deliver online orders within 30 minutes to customers within a 3-kilometers radius of a Hema physical store, and offers a mobile app that allows consumers to research products and shop while browsing the store. The Group believes that the business will enjoy long-term development in the foreseeable future and provide customers with more convenient and express services.

CHAIRMAN'S STATEMENT

BUSINESS OVERVIEW

During the period under review, the Group has been keeping close attention to the market dynamics and the tastes of customers of various types, continued to appraise and enhance the existing traditional department stores under the brand of “歲寶百貨” and concept stores in “Shirble Plaza”, so as to reposition with an aim to precisely meet the demands for the high quality food and products of the middle-class and young generation in the PRC.

Strategically Tap into Food and Beverage Business

In order to further expand its diversified business, the Group has executed a joint venture agreement in February 2018 with a company to expand its business to food and beverage industry. The first cooperative project is to open “惠比壽橫丁” which is themed as a Japanese gourmet street in Futian district, Shenzhen. The seven stores in the street are decorated in the mix of Japanese customs in the Showa period and trendy Western-Japanese mix-and-match styles, selling cuisines such as sushi, eel, ramen, yakitori, yakiniku and Japanese-style western food respectively, as well as a contemporary bar. As “惠比壽橫丁” has been popular since its opening in May 2018, its has strongly supported the development blueprint of the Group's expansion into the food and beverage business. The Group will keep close attention to the market demand and consider to conduct other cooperative projects in certain stores of the Group in the future. The Group will also explore suitable locations to introduce the food and beverage business in other regions in the PRC.

CHAIRMAN'S STATEMENT

Entering into the Strategic Cooperative Framework Agreement

Since the second half of 2016, the Group has been dedicating to redefine its business model, develop new business lines and reposition its brand. In view of the effects of the reposition strategy of the Group becoming prominent, the Directors decided to move a further step to enter into the Strategic Cooperative Framework Agreement with Hema on 19 June 2018. The Directors believe that such cooperation will benefit the Group in the following aspects:

- (1) Through the shift of the major income source from direct sales to the receipt of the lease payments, the Group will be able to achieve a more solid and stable income base at lower cost and the overall profitability is expected to improve without being affected by the consumer preferences and the ever increasing competition in the retail business in the PRC both in the local and the national levels.
- (2) The strategic cooperation will entail a good opportunity for the Group to develop and tap into a younger consumer group in addition to the Group's mature customer base in Shenzhen, the PRC.
- (3) More potential trendy strategic business partners in different segments, such as food and beverage, entertainment and young fashion brands, may cooperate with the Group, which would facilitate the Group to migrate from the traditional department store business to a more trendy one-stop shopping mall.
- (4) Through this strategic cooperation, more consumers' traffic visiting the Shirble premises is anticipated, which would increase the overall business opportunities, concessionaire sales and commission rates of the Shirble department store business, generate more favorable leased/sublease rental terms, and improve the business profile and the profitability of the Group.

CHAIRMAN'S STATEMENT

FUTURE PLANS

Applying Information Technology to Realize a New Community Retail Solutions

In June of this year, the Group entered into the Strategic Cooperation Framework Agreement with Hema of Alibaba, whereby the Group will cooperate with Hema to transform the Shirble supermarkets into the Hema Fresh Supermarkets on a stage-by-stage basis within a period of two years from 1 July 2018 (“**the Effective Date**”). Whilst the business model of 12 selected Shirble supermarket will change after the Effective Date in order to operate the Hema Fresh Supermarkets, the Shirble department store business will not be affected. The Group will continue to operate two Shirble supermarkets in Shenzhen and five Shirble supermarkets in other cities in Guangdong Province and Hunan Province, the PRC.

In the future, leveraging on their technical, operational and geographical advantages and expertise, the Group and Hema will further explore future cooperation opportunities in new community retail solutions to provide consumers with an excellent, convenient and quality new shopping experience. The Group plans to enhance the strategic alliance with Hema in opening new supermarkets and department stores particularly in Southern China region through the use of the latest information technology.

Renovation of Existing Stores and Revamp of Brands

In conjunction with the renovation and transformation of certain Shirble supermarkets into the Hema Fresh Supermarkets, the Group will also commence the overall store renovation for those stores so as to enhance the overall brand image of the Group. The whole department store section at those stores will also be revamped and upgraded to align with the new market position, with an aim to attract more trendy strategic partners in different segments ranging from food and beverage, entertainment to young fashion brands.

CHAIRMAN'S STATEMENT

Potential Investment Opportunity and Property Acquisition

The Group will continue to enhance its portfolio of investment properties and/or seek for other potential investment opportunity, so as to provide a stable source of income to support the future business development and initiatives of the Group.

CONCLUSION

On behalf of the board of directors of the Company, I would like to take this opportunity to express my sincere gratitude to the management team and all colleagues for their commitment and diligence. Appreciation must also be extend to the Group's partners and customers for their continuous support. I wish to further thank all of the shareholders and investors of the Company for their confidence in the Group, and is confident that the business of the Group will continue to grow steadily.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Total gross sales proceeds

For the six months ended 30 June 2018, the Group's total gross sales proceeds (representing the aggregate of (a) the revenue from direct sales of the Group, (b) total sales proceeds from concessionaire sales at the Group's department stores and (c) income from reversal of long-aged unredeemed prepaid cards) were RMB929.1 million, representing a decrease of 9.4% from RMB1,025.5 million in the corresponding period of 2017. The decrease in total gross sales proceeds was principally due to the closure of Wanxiang store, as well as the more challenging retail business environment.

Revenue generated from direct sales of the Group amounted to RMB480.0 million and the total sales proceeds from concessionaire sales amounted to RMB448.9 million, accounting for 51.7% and 48.3%, respectively, of the Group's total gross sales proceeds for the six months ended 30 June 2018. For the same period in 2017, revenue from direct sales amounted to RMB522.8 million, while the total sales proceeds from concessionaires sales amounted to RMB500.1 million, accounted for 51.0% and 48.8% respectively of the Group's total gross sales proceeds.

The following table sets forth the Group's total gross sales proceeds divided by the principal product categories:

	For the six months ended 30 June			
	2018		2017	
	RMB million	%	RMB million	%
Electronics and home appliances	46.0	5.0	71.9	7.0
Clothes, apparel and bedding	131.1	14.1	143.6	14.0
Children's goods	13.3	1.4	15.5	1.5
Sporting and stationery goods	76.4	8.2	112.0	10.9
Food and beverages	491.6	52.9	499.7	48.7
Daily necessities and cosmetic goods	170.5	18.4	180.2	17.6
Income from reversal of long-aged unredeemed pre-paid cards	0.2	0.0	2.6	0.3
	929.1	100.0	1,025.5	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

The Group's revenue amounted to RMB602.1 million for the six months ended 30 June 2018, representing a decrease of 8.9% as compared to RMB661.1 million in the corresponding period of 2017. The decrease was mainly resulting from the closure of Wanxiang Store, as well as the more challenging retail business environment.

Direct sales decreased by 8.2% to RMB480.0 million for the six months ended 30 June 2018 from RMB522.8 million in the corresponding period of 2017, principally due to the decrease in sales from existing stores in Shenzhen and closure of Wanxiang Store. Direct sales as a percentage of the Group's total revenue was 79.7% for the six months ended 30 June 2018 as compared to 79.1% in the corresponding period of 2017.

Commission from concessionaire sales decreased by 13.5% to RMB59.2 million for the six months ended 30 June 2018 from RMB68.4 million in the corresponding period of 2017, mainly due to the closure of Wanxiang Store. The commission rate of concessionaire sales was 13.2% as compared to 13.7% for the corresponding period in 2017 as a result of more promotional activities held in the competitive market. Commission from concessionaire sales as a percentage of the Group's total revenue was 9.8% for the six months ended 30 June 2018 as compared to 10.4% for the corresponding period of 2017.

Rental income decreased by 6.8% to RMB62.6 million for the six month ended 30 June 2018 from RMB67.2 million for the corresponding period in 2017 resulting from the closure of Wanxiang Store, offset by the continuous restructuring of store layout plan in different stores to increase leased/sub-leased area. Rental income as a percentage of the Group's total revenue was 10.4% for the six months ended 30 June 2018 as compared to 10.2% for the corresponding period of 2017.

Income from reversal of long-aged unredeemed pre-paid cards was RMB0.2 million for the six months ended 30 June 2018 as compared to RMB2.6 million in the corresponding period of 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

Other operating revenue

Other operating revenue decreased by 9.8% to RMB68.0 million for the six months ended 30 June 2018 from RMB75.4 million in the corresponding period in 2017, mainly due to the decrease in promotion, administration and management income resulting from closure of Wanxiang store, as well as a more challenging retail business environment.

Other gain, net

Other net gain amounted to RMB27.5 million for the six months ended 30 June 2018 as compared with RMB31.5 million in the corresponding period of 2017, mainly due to a reversal of long-aged accounts payable of RMB16.6 million and fair value gain of investment properties of RMB5.1 million. It was compared to the amount of write-back of rental expense of RMB33.4 million as a result of the acquisition of two store premises by the Group during the six months ended 30 June 2017.

Purchase of and changes in inventories

Purchase of and changes in inventories amounted to RMB412.3 million for the six months ended 30 June 2018, representing a decrease of 9.0% as compared with RMB452.9 million in the corresponding period of 2017, which is in line with the decrease in direct sales. As a percentage of revenue from direct sales, purchase of and changes in inventories was 85.9% for the six months ended 30 June 2018 as compared with 86.6% in the same period of 2017.

Employee benefits

Employee benefits decreased by 5.3% to RMB91.4 million for the six months ended 30 June 2018 from RMB96.5 million in the corresponding period of 2017, primarily due to the decrease in the number of headcounts of the Group in June as a result of the redefinition of business model and change in operation to shift the major income source from direct sales to the receipt of lease payments.

MANAGEMENT DISCUSSION AND ANALYSIS

Depreciation and amortisation

Depreciation and amortisation increased by 35.3% to RMB34.1 million for the six months ended 30 June 2018 from RMB25.2 million in the corresponding period in 2017. The increase was mainly due to an one-off write-off of RMB4.6 million recognised in June 2018, being the net book value of decoration in relation to the store area dedicated for the business cooperation with Hema, as well as the depreciation cost for the two properties acquired in March 2017.

Operating lease rental expenses

Operating lease rental expenses decreased by 10.7% to RMB67.6 million for the six months ended 30 June 2018 from RMB75.7 million in the corresponding period of 2017. This was mainly due to the decrease in rental expenses upon the expiration of lease agreement of Wanxiang Store in March 2018, as well as Jingtian and Changsha Store, the operating premises of which were acquired by the Group in March 2017.

Other operating expenses, net

Other operating expenses, which were principally comprised of utilities expenses, advertising, marketing, promotion and related expenses, other tax expenses, bank charges, exchange differences and maintenance expenses, increased by 7.1% to RMB72.2 million for the six months ended 30 June 2018 from RMB67.4 million in the corresponding period of 2017. This was primarily due to the increase in storage charge of RMB7.7 million as a result of outsourcing the distribution function to an external independent third party.

Operating profit

As a result of the reasons mentioned above, the Group's operating profit amounted to RMB19.9 million for the six months ended 30 June 2018 as compared with the operating profit of the Group of RMB50.4 million for the six months ended 30 June 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance income

Finance income was maintained at RMB3.9 million for the six months ended 30 June 2018 as compared to RMB3.8 million in the corresponding period of 2017.

Income tax expense

Income tax expense amounted to RMB8.0 million for the six months ended 30 June 2018, representing decrease of 41.2% from RMB13.6 million in the corresponding period of 2017. The effective tax rate applicable to the Group for the six months ended 30 June 2018 were 25% for general subsidiaries. Certain of the Company's PRC subsidiaries are entitled to small and micro entity tax credit, which enjoys the 20% tax rate and a 50% deduction of taxable income. In addition, pursuant to the PRC Corporate Income Tax Law, the Group is liable to withholding taxes on dividends distributed by subsidiaries established in China. The applicable tax rate for the Group is 5%.

Profit attributable to owners of the Company

As a result of the aforementioned, profit attributable to owners of the Company amounted to RMB14.9 million for the six months ended 30 June 2018, representing a decrease of 63.4% as compared with RMB40.7 million in the corresponding period of 2017.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2018, the Group's cash and cash equivalents and bank deposits amounted to RMB553.6 million, representing a decrease of 10.6% from RMB619.1 million as at 31 December 2017. The cash and cash equivalents and bank deposits, which were in RMB, Hong Kong dollars and United State dollars, were deposited with banks in the PRC and Hong Kong for interest income.

Net current assets and net assets

The net current assets of the Group as of 30 June 2018 were RMB73.4 million (31 December 2017: RMB2.1 million). The net assets of the Group as at 30 June 2018 increased to RMB1,417.8 million (31 December 2017: RMB1,391.5 million), representing an increase of 1.9%.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign exchange exposure

The business operations of the Group is primarily in the PRC with most of its transactions settled in RMB. Certain of the Group's cash and bank balances are denominated in Hong Kong and United States dollars. The Company paid dividends in Hong Kong dollars. These exposed the Group to foreign exchange risks arising from the exchange rate movement of Hong Kong dollars against RMB. For the six months ended 30 June 2018, the Group recorded a net foreign exchange gain of RMB4.5 million as a result of the US dollar appreciation. The Group has not used any forward contracts, currency borrowings or other means to hedge its foreign currency exposure.

Employees and remuneration policy

As at 30 June 2018, the total number of employees of the Group was 2,088. The Group's remuneration policy is determined with reference to market conditions and the performance, qualifications and experience of individual employees. The Company has also introduced the key performance indicators assessment scheme to boost performance and operational efficiency.

Contingent liabilities

Certain suppliers, vendors and employees have commenced proceedings in the PRC against the Group in respect of disputes over contract terms. As at 30 June 2018, the legal proceedings were ongoing. The Group has made an accumulated provision of approximately RMB4.7 million (31 December 2017: RMB7.8 million), which the Directors believe is adequate to cover the Group's liabilities, if any, payable in respect of these claims.

Material acquisitions and disposal of subsidiaries

There are no material acquisition and disposal of subsidiaries and associated companies during the period under review.

INDEPENDENT REVIEW REPORT



羅兵咸永道

Report on review of Interim Financial Information to the Board of Directors of Shirble Department Store Holdings (China) Limited
(Incorporated in Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 21 to 52, which comprises the interim consolidated balance sheet of Shirble Department Store Holdings (China) Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at 30 June 2018 and the interim consolidated statements of income, the interim consolidated statement of comprehensive income, the interim consolidated statement of changes in equity and the interim consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation of interim financial statements that give a true and fair view in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

INDEPENDENT REVIEW REPORT



CONCLUSION

羅兵咸永道

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information do not give a true and fair view of the consolidated financial position of the Group as at 30 June 2018, and of its consolidated financial performance and its consolidated cash flows for the six-month period then ended in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 20 August 2018

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2018

		Unaudited Six months ended 30 June	
	Note	2018 RMB'000	2017 RMB'000
Revenue	7	602,060	661,105
Other operating revenue	8	67,976	75,443
Other gain – net	9	27,476	31,520
Purchase of and changes in inventories	10	(412,337)	(452,855)
Employee benefits	10	(91,420)	(96,479)
Depreciation and amortisation	10	(34,078)	(25,218)
Operating lease rental expenses	10	(67,600)	(75,698)
Other operating expenses, net	10	(72,194)	(67,417)
Operating profit		19,883	50,401
Finance income		3,869	3,849
Share of (loss)/profit of associate		(1,129)	12
Profit before income tax		22,623	54,262
Income tax expense	11	(8,001)	(13,556)
Profit for the period		14,622	40,706
Profit attributable to:			
Owners of the Company		14,891	40,706
Non-controlling interests		(269)	–
Profit for the period		14,622	40,706
Earnings per share for the profit attributable to owners of the Company during the period (expressed in RMB per share)			
– Basic and diluted	13	0.01	0.02

The notes on pages 28 to 52 form an integral part of this interim condensed consolidated financial information.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2018

		Unaudited Six months ended 30 June	
	Note	2018 RMB'000	2017 RMB'000
Profit for the period		14,622	40,706
Other comprehensive income:			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Change in fair value of investment properties upon transfer, net of tax	14	–	13,092
<i>Item that may be reclassified to profit or loss</i>			
Fair value change on debt instruments at fair value through other comprehensive income, net of tax	17	(1,036)	–
Fair value change on available-for-sale financial assets, net of tax	17	–	1,202
Currency translation differences		(15)	241
Other comprehensive income for the period		(1,051)	14,535
Total comprehensive income for the period		13,571	55,241
Attributable to:			
Owners of the Company		13,840	55,241
Non-controlling interests		(269)	–
Total comprehensive income for the period		13,571	55,241

The notes on pages 28 to 52 form an integral part of this interim condensed consolidated financial information.

INTERIM CONSOLIDATED BALANCE SHEET

For the six months ended 30 June 2018

	Note	Unaudited 30 June 2018 RMB'000	Audited 31 December 2017 RMB'000
ASSETS			
Non-current assets			
Investment properties	14	207,700	202,575
Property, plant and equipment	15	1,034,766	1,081,220
Intangible assets	15	19,950	18,785
Investment in associate		4,777	1,006
Deferred income tax assets	16	42,257	42,443
Other receivables and prepayments	18	60,925	68,835
		1,370,375	1,414,864
Current assets			
Inventories		91,365	141,902
Assets classified as held for sale	15	37,659	–
Financial assets at fair value through other comprehensive income	17	31,806	–
Available-for-sale financial assets	17	–	24,485
Trade receivables, other receivables and prepayments	18	55,447	74,208
Bank deposits	19	220,224	239,274
Cash and cash equivalents	19	333,385	379,814
		769,886	859,683
Total assets		2,140,261	2,274,547
EQUITY			
Share capital	20	213,908	213,908
Share premium	20	842,181	842,508
Shares held for share award scheme	20	(4,077)	(5,641)
Other reserves		254,389	255,482
Retained profits		99,336	84,445
Equity attributable to the owners of the Company		1,405,737	1,390,702
Non-controlling interests		12,050	775
Total equity		1,417,787	1,391,477

INTERIM CONSOLIDATED BALANCE SHEET

For the six months ended 30 June 2018

	Note	Unaudited 30 June 2018 RMB'000	Audited 31 December 2017 RMB'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	16	25,959	25,518
Current liabilities			
Trade and other payables	22	650,976	813,972
Income tax payable		45,539	43,580
		696,515	857,552
Total liabilities		722,474	883,070
Total equity and liabilities		2,140,261	2,274,547

The notes on pages 28 to 52 form an integral part of this interim condensed consolidated financial information.

YANG XIANGBO
Director

YANG TI WEI
Director

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2018

	Unaudited Attributable to owners of the Company							
	Share capital RMB'000	Share premium RMB'000	Shares held for share award scheme RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance as at 1 January 2018	213,908	842,508	(5,641)	255,482	84,445	1,390,702	775	1,391,477
Comprehensive income								
Profit for the period	-	-	-	-	14,891	14,891	(269)	14,622
Other comprehensive income								
Changes in fair value of debt instruments at fair value through other comprehensive income, net (Note 17)	-	-	-	(1,036)	-	(1,036)	-	(1,036)
Currency translation differences	-	-	-	(15)	-	(15)	-	(15)
Total other comprehensive income	-	-	-	(1,051)	-	(1,051)	-	(1,051)
Total comprehensive income	213,908	842,508	(5,641)	254,431	99,336	1,404,542	506	1,405,048
Transaction with owners								
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	-	357	357
Capital injection	-	-	-	-	-	-	11,187	11,187
Employee share award schemes:								
- Value of employee services (Note 21)	-	-	-	1,195	-	1,195	-	1,195
- Vesting of shares (Note 20)	-	(327)	1,564	(1,237)	-	-	-	-
Total transactions with owners	-	(327)	1,564	(42)	-	1,195	11,544	12,739
Balance as at 30 June 2018	213,908	842,181	(4,077)	254,389	99,336	1,405,737	12,050	1,417,787

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2018

	Unaudited Attributable to owners of the Company					
	Share capital RMB'000	Share premium RMB'000	Shares held for share award scheme RMB'000	Other reserves RMB'000	Retained profits RMB'000	Total equity RMB'000
Balance as at 1 January 2017	213,908	858,649	(10,411)	234,123	44,714	1,340,983
Comprehensive income						
Profit for the period	-	-	-	-	40,706	40,706
Other comprehensive income						
Changes in fair value of available-for-sale financial assets, net	-	-	-	1,202	-	1,202
Revaluation of property, plant and equipment transfer to investment properties, net of tax	-	-	-	13,092	-	13,092
Currency translation differences	-	-	-	241	-	241
Total other comprehensive income	-	-	-	14,535	-	14,535
Total comprehensive income	213,908	858,649	(10,411)	248,658	85,420	1,396,224
Transaction with owners						
Employee share award schemes:						
- Value of employee services (Note 21)	-	-	-	2,962	-	2,962
Dividends (Note 12)	-	(3,963)	-	-	-	(3,963)
Total transactions with owners	-	(3,963)	-	2,962	-	(1,001)
Balance as at 30 June 2017	213,908	854,686	(10,411)	251,620	85,420	1,395,223

The notes on pages 28 to 52 form an integral part of this interim condensed consolidated financial information.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2018

		Unaudited Six months ended 30 June	
	Note	2018 RMB'000	2017 RMB'000
Cash flows from operating activities			
Cash used in operations		(36,519)	(82,226)
Income tax paid		(5,415)	(15,342)
Net cash used in operating activities		(41,934)	(97,568)
Cash flows from investing activities			
Payments for purchases of property, plant and equipment and other non-current assets	15	(19,259)	(621,666)
Purchases of intangible assets	15	(4,096)	(910)
Purchase of financial assets at fair value through other comprehensive income		(29,221)	–
Capital contributions to associate		(4,900)	–
Proceeds from sale of financial assets at fair value through other comprehensive income (2017: available-for-sale financial assets)		26,222	–
Proceeds from disposals of property, plant and equipment		1,831	882
Decrease in bank deposits		19,050	281,669
Interest received		2,490	7,547
Proceeds from acquisition of subsidiary, net of cash paid		1,763	–
Net cash used in investing activities		(6,120)	(332,478)
Cash flows from financing activities			
Dividends paid to the Company's shareholders		–	(3,963)
Net cash used in financing activities		–	(3,963)
Net decrease in cash and cash equivalents			
		(48,054)	(434,009)
Cash and cash equivalents at beginning of period		379,814	829,690
Effect of changes in foreign exchange rate		1,625	4,258
Cash and cash equivalents as at 30 June	19	333,385	399,939

The notes on pages 28 to 52 form an integral part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

1. GENERAL INFORMATION

Shirble Department Store Holdings (China) Limited (the “**Company**”) was incorporated in the Cayman Islands on 5 November 2008 as an exempted company with limited liability under the Companies Law, (Cap. 22) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is principally engaged in investment holding. The principal activities of the Company and its subsidiaries (together, the “**Group**”) are to operate department stores in Mainland China.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”), unless otherwise stated.

The interim condensed consolidated financial information has been approved for issue by the Board of Directors on 20 August 2018.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2018 (the “**interim period**”) has been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting”. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”).

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2017, as described in those annual financial statements except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to IFRSs effective for the financial year ending 31 December 2018.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

3. ACCOUNTING POLICIES (CONTINUED)

Except as described below, amendments to IFRSs effective for the financial year ending 31 December 2018 do not have a material impact on the Group.

(a) IFRS 9 Financial instruments

IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The Group has adopted IFRS 9 on 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts recognized in the financial statements. In accordance with the transitional provision under IFRS 9, comparative figures are not required to be restated. As a result, the reclassifications and the adjustments are therefore not reflected in the restated balance sheet as at 31 December 2017, but are recognised in the opening balance sheet on 1 January 2018.

The Group has reviewed its financial assets and assessed the business model and the terms relating to the collection contractual cash flows applicable to the financial assets held by the Group at the date of initial application of IFRS 9 (1 January 2018). The Group's financial assets that was classified as available-for-sale ("AFS") satisfy the conditions for classification as at fair value through other comprehensive income ("FVOCI"). As a result, RMB 24,485,000 of AFS at 31 December 2017 is reclassified to FVOCI on 1 January 2018 and there is no change to the accounting for these assets.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from IAS 39 Financial Instruments: Recognition and Measurement and have not been changed.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

4. ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk, and commodity price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2017.

There have been no significant changes to risk management policies since year end.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.2 Liquidity risk

The liquidity risk of the Group is controlled by maintaining sufficient cash and cash equivalents, which is generated from the operating cash flows and financing cash flows.

The table below shows the Group's financial liabilities based on the remaining period at the end of the reporting period to the contractual maturity dates. No financial liabilities mature later than one year. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2018 RMB'000	2017 RMB'000
Maturity less than 1 year:		
Financial liabilities	431,398	480,319

5.3 Fair value estimation

The table below analyses the Group's assets carried at fair value by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value estimation (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

30 June 2018	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through other comprehensive income				
Wealth management products with variable return rate (Note 17)	-	31,806	-	31,806
Investment properties (Note 14)	-	-	207,700	207,700
	-	31,806	207,700	239,506
31 December 2017	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Available-for-sale financial assets				
Wealth management products with variable return rate (Note 17)	-	24,485	-	24,485
Investment properties (Note 14)	-	-	202,575	202,575
	-	24,485	202,575	227,060

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Fair value estimation (continued)

The fair values of the following financial assets and liabilities approximate their carrying amounts:

- Trade and other receivables
- Bank deposits
- Cash and cash equivalents
- Trade and other payables

6. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions.

The information reported to the chief operating decision-maker for the purpose of resource allocation and assessment of performance, is prepared based on the overall operation of department stores in the People's Republic of China ("**the PRC**"), which is the only operating and reporting segment of the Group.

The directors consider that the Group operates in a single business segment, i.e., operation and management of department stores in the PRC.

Accordingly, no segmental analysis is presented. All revenues from external customers during the period are generated in the PRC and all significant operating assets of the Group are located in PRC.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

7. REVENUE

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Direct sales	480,023	522,819
Commission from concessionaire sales	59,177	68,443
Rental income	62,631	67,220
Income from reversal of long-aged unredeemed prepaid cards	229	2,623
	602,060	661,105

8. OTHER OPERATING REVENUE

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Promotion, administration and management income	59,821	64,476
Credit card handling fees for concessionaire sales	5,138	5,425
Others	3,017	5,542
	67,976	75,443

9. OTHER GAIN-NET

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Reversal of long-aged accounts payable (a)	16,632	-
Change in fair value of investment properties (Note 14)	5,125	100
Investment gain from redemption on maturity and disposal of FVOCI	3,041	-
Reversal of legal claims (Note 25)	3,014	123
Loss on disposal of property, plant and equipment	(791)	(1,998)
Reversal of accrued rental expense (b)	-	33,383
Compensation for the contract damages	-	52
Others	455	(140)
	27,476	31,520

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

9. OTHER GAIN-NET (CONTINUED)

- (a) At 30 June 2018, the Group reviewed the aging of the accounts payable and reversed the balance of certain inactive suppliers and vendors aging over 3 years amounting to RMB16,632,000.
- (b) During the six months ended 30 June 2017, the Group acquired properties in Shenzhen and Changsha, which were originally leased by the Group as department stores. As a result of the acquisition, accrual accumulated for lease incentives and future incremental lease rentals amounting to RMB33,383,000 was reversed and recognised in “Other gain-net”.

10. EXPENSES BY NATURE

Expenses included in purchase of and changes in inventories, employee benefits, operating lease rental expenses, depreciation and amortisation, and other operating expenses were analysed as follows:

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Purchase of and changes in inventories	412,337	452,855
Employee benefits	91,420	96,479
Operating lease rental expenses	67,600	75,698
Depreciation and amortisation expenses (Note 15)	34,078	25,218
Utilities expenses	30,658	32,751
Auditor's remuneration	867	778
Other expenses	40,669	33,888
	677,629	717,667

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

11. INCOME TAX EXPENSES

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Current income tax		
– PRC corporate income tax	7,374	6,559
Deferred income tax (Note 16)	627	6,997
	8,001	13,556

- (a) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.
- (b) Hong Kong profits tax has not been provided as the Group did not generate any assessable profits in Hong Kong during the interim period. Taxes on overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.
- (c) The applicable income tax rate are 25% for general subsidiaries. Certain of the Company's PRC subsidiaries are entitle to small and micro entity tax credit, which enjoys the 20% tax rate and a 50% deduction of taxable income.

12. DIVIDENDS

Pursuant to the resolutions by the annual general meeting of the Company held on 31 May 2018, no final dividend was declared and paid by the Company for the year ended 31 December 2017.

On 20 August 2018, the board of directors recommended an interim and special cash dividend of HKD0.0021 and HKD0.0062 respectively (equivalent to approximately RMB0.0018 and RMB0.0055 respectively) per share for the interim period, amounting to HKD5,240,000 and HKD15,419,000 respectively (equivalent to approximately RMB4,387,000 and RMB13,613,000 respectively) (six months ended 30 June 2017: HKD13,723,000, equivalent to approximately RMB11,969,000). The interim and special cash dividend is to be proposed out of the share premium account and this interim financial information do not reflect this dividend payable.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

13. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the earnings attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period. The repurchases of the Company's own ordinary shares was reflected in the weighted average number of ordinary shares in issue from the date shares were repurchased.

	Six months ended 30 June	
	2018	2017
Profits attributable to owners of the Company (in RMB thousand)	14,891	40,706
Weighted average number of ordinary shares in issue (thousand)	2,485,141	2,472,784
Basic earnings per share (RMB per share)	0.01	0.02

(b) Diluted

The awarded shares granted by the Company have potential dilutive effect on the earnings per share. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from awarded shares granted by the Company. No adjustment is made to earnings (numerator).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

13. EARNINGS PER SHARE (CONTINUED)

(b) Diluted (continued)

	Six months ended 30 June	
	2018	2017
Earnings (in RMB thousands)		
Profits attributable to owners of the Company	14,891	40,706
Weighted average number of ordinary shares (thousands)		
Weighted average number of ordinary shares in issue	2,485,141	2,472,784
Adjustments for awarded shares	9,859	22,216
Weighted average number of ordinary shares for diluted earnings per share	2,495,000	2,495,000
Diluted earnings per share (RMB per share)	0.01	0.02

14. INVESTMENT PROPERTIES

	2018 RMB'000	2017 RMB'000
As at 1 January	202,575	161,500
Transfer from property, plant and equipment (Note 15)	–	11,444
Increase in fair value at the date of transferring from property, plant and equipment (a)	–	17,456
Net gains from fair value adjustment (Note 9)	5,125	100
As at 30 June	207,700	190,500

As at 30 June 2018, the Group had no unprovided contractual obligations for future repairs and maintenance (2017: Nil).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

14. INVESTMENT PROPERTIES (CONTINUED)

The fair value of the Group's investment properties falls under level 3 (Note 5.3) in the fair value hierarchy.

The Group's investment properties were valued by an independent and professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations of the investment properties valued.

15. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Property, plant and equipment RMB'000	Intangible assets RMB'000
Six months ended 30 June 2018		
As at 1 January 2018	1,081,220	18,785
Acquisition of a subsidiary (Note 24(a))	327	–
Additions	34,351	4,096
Disposals	(12,326)	–
Depreciation	(31,714)	(2,364)
Assets classified as held for sales (a)	(37,092)	(567)
As at 30 June 2018	1,034,766	19,950
Six months ended 30 June 2017		
As at 1 January 2017	468,104	19,045
Additions	609,451	35
Transfers to investment properties (Note 14)	(11,444)	–
Disposals	(2,880)	–
Depreciation	(23,296)	(1,922)
As at 30 June 2017	1,039,935	17,158

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

15. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (CONTINUED)

- (a) On 15 June 2018, the Group and Hema have entered into the Strategic Cooperation Framework Agreement (“**Agreement**”). Pursuant to the Agreement, the business of the 12 selected supermarkets in Shenzhen will cease, and the related areas will be leased to Hema for the business operations of its fresh supermarkets. Hema has agreed that it will pay to the Group cash amount on the existing renovation, furniture and fixtures at the 12 selected supermarkets in Shenzhen, which will be equivalent to the net book value of such renovation, furniture and fixtures as of 30 June 2018. As a result, the aforementioned renovation, furniture and fixtures amounting to RMB37,659,000 as of 30 June 2018 is reclassified to “Assets classified as held for sale”.

16. DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The balances shown in the consolidated balance sheet are, after appropriate offsetting, as follows:

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Deferred income tax assets	42,257	42,443
Deferred income tax liabilities	(25,959)	(25,518)
Net deferred income tax assets	16,298	16,925

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

16. DEFERRED INCOME TAX (CONTINUED)

The movement on net deferred income tax account is as follows:

	2018 RMB'000	2017 RMB'000
As at 1 January	16,925	34,698
Tax charged to consolidated income statement (Note 11)	(627)	(6,997)
Tax charged to consolidated statement of comprehensive income	-	(4,364)
As at 30 June	16,298	23,337

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (2017: AVAILABLE-FOR-SALE FINANCIAL ASSETS)

	2018 RMB'000	2017 RMB'000
As at 1 January	24,485	28,936
Additions	29,221	-
Disposals	(22,635)	-
Fair value change recognised in other comprehensive income	(1,036)	1,202
Currency translation difference	1,771	(332)
As at 30 June	31,806	29,806

The Group's FVOCI as at 30 June 2018 represented non-principal guaranteed wealth management products with variable return rate. The FVOCI are denominated in RMB and USD.

The fair value of the wealth management products is based on its market price as at 30 June 2018. The fair value is within level 2 of the fair value hierarchy.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

18. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Current portion:		
Trade receivables (a)	13,642	31,144
Other receivables	22,847	19,463
Receivable from a trustee for the share purchase for the employees' share award scheme (b)	5,140	5,243
Interest receivables	3,032	1,653
Prepayments	5,829	4,663
Lease deposits	4,957	12,042
	55,447	74,208
Non-current portion:		
Lease deposits	23,132	27,622
Other receivables	32,246	17,318
Prepayments	5,547	23,895
	60,925	68,835
	116,372	143,043

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

18. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

(a) Trade receivables

Retail sales to individual consumers are usually settled in cash, or by major credit/debit cards. The Group has a policy of allowing a credit period ranging from 0–60 days to its corporate customers depending on the customers' relationship with the Group, their credit worthiness and settlement records.

The aging analysis of the trade receivables of the Group based on invoice date is as follows:

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
0–30 days	6,264	19,815
31–90 days	3,461	8,494
91–365 days	3,917	2,835
	13,642	31,144

All trade receivables are denominated in RMB and their carrying amounts approximate their fair values as at 30 June 2018.

As at 30 June 2018, trade receivables of RMB4,914,000 (2017: RMB6,957,000) were past due but not impaired. They relate to a number of corporate customers that have good reputation and good trading and settlement history maintained with the Group. Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances.

(b) Receivable from a trustee for the share purchase for the employees' share award scheme

This receivable represented the Group's cash paid to an independent trustee for the purchase of the award shares for the employees' share award scheme.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

19. BANK DEPOSITS, CASH AND CASH EQUIVALENTS

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Cash and bank balances	274,226	368,595
Bank deposits with initial terms of within three months	59,159	11,219
Cash and cash equivalents	333,385	379,814
Bank deposits with initial terms of over three months	220,224	239,274
	553,609	619,088

20. SHARE CAPITAL, SHARE PREMIUM AND SHARES HELD FOR SHARE AWARD SCHEME

	Number of ordinary shares (thousand)	Ordinary share capital RMB'000	Share premium RMB'000 (Note a)	Shares held for share award scheme RMB'000 (Note b)	Total RMB'000
As at 1 January 2018	2,495,000	213,908	842,508	(5,641)	1,050,775
Employee's share award scheme					
– shares vested from share award scheme and transferred to the grantees (Note 21)	–	–	(327)	1,564	1,237
As at 30 June 2018	2,495,000	213,908	842,181	(4,077)	1,052,012
As at 1 January 2017	2,495,000	213,908	858,649	(10,411)	1,062,146
Dividends to equity shareholders	–	–	(3,963)	–	(3,963)
As at 30 June 2017	2,495,000	213,908	854,686	(10,411)	1,058,183

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

20. SHARE CAPITAL, SHARE PREMIUM AND SHARES HELD FOR SHARE AWARD SCHEME (CONTINUED)

- (a) The application of the share premium account is governed by the Companies Law of the Cayman Islands. Under the Companies Law of the Cayman Islands, the funds in share premium account are distributable to shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.
- (b) Shares held for share award scheme represented the award shares purchased for purpose of the share award scheme adopted by the Company. See Note 21 for further details.

21. SHARE-BASED PAYMENTS

The Company adopted an employees' share award scheme ("**Share Award Scheme**") on 22 January 2014 ("**Adoption Date**") in order to recognise and reward the eligible employees for their contributions to the business and development of the Group. The maximum numbers of the award shares ("**Award Shares**") which may be granted under the Share Award Scheme and to any participant are 49,900,000 shares and 2,495,000 shares respectively. The participants of the Share Award Scheme will be granted an award in the form of Award Shares for nil consideration. Subject to any early termination as may be determined by the Board pursuant to the scheme rules, the Share Award Scheme will be valid and effective for a term of ten years commencing on the Adoption Date. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The Share Award Scheme is managed by an independent trustee ("**Trustee**") appointed by the Group. The Trustee purchases the award shares under the direction of the Company for the purpose of the Share Award Scheme.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

21. SHARE-BASED PAYMENTS (CONTINUED)

Movement of shares held for Share Award Scheme for the six months ended 30 June 2018 are as follows:

	Number of Shares (thousand)	Amount RMB'000
As at 1 January 2018	12,237	5,641
Vesting of Award Shares	(2,378)	(1,564)
As at 30 June 2018	9,859	4,077

The Award Shares were divided into 3 tranches on an equal basis as at their grant date. The first tranche can be exercised upon one year from the grant date, and the remaining tranches will become exercisable in each subsequent year. The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date, which is to be expensed over the vesting period.

Movement of the Award Shares granted to the employees for the six months ended 30 June 2018 is as follows:

	Shares granted on 13 July 2015 (thousand)	Shares granted on 17 December 2015 (thousand)	Shares granted on 20 January 2017 (thousand)	Total (thousand)
At 1 January 2018	6,411	3,778	7,134	17,323
Forfeited during the period	-	(444)	(312)	(756)
Vested during the period	-	-	(2,378)	(2,378)
As at 30 June 2018	6,411	3,334	4,444	14,189

Including: Award Shares				
Granted to a director of the Company	830	-	-	830

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

21. SHARE-BASED PAYMENTS (CONTINUED)

The amounts of share-based compensation recognised as expenses with a corresponding credit to reserves of the Group during the period are as follows:

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Employees (excluding directors)	1,130	2,799
Directors	65	163
Total employees benefit expenses	1,195	2,962

22. TRADE AND OTHER PAYABLES

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Advances received from customers (a)	181,316	263,434
Trade payables (c)	144,264	209,423
Rental payables	157,275	146,633
Deposits	69,358	61,826
Deferred income (b)	23,720	26,052
Accrued wages and salaries	8,740	17,310
Other tax payables	5,802	12,636
Accrual for legal claims (d) (Note 25)	4,745	7,759
Amount due to related parties (Note 24(b))	171	161
Other payables and accruals	55,585	68,738
	650,976	813,972

All trade and other payables are denominated in RMB and their fair values approximate their carrying amounts as at the balance sheet date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

22. TRADE AND OTHER PAYABLES (CONTINUED)

- (a) The amount mainly represented cash received for prepaid cards sold.
- (b) The amount mainly represented the carrying amount of unredeemed awarded credits.
- (c) The aging analysis of the trade payables of the Group were as follows:

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
0 – 30 days	59,160	73,439
31 – 60 days	38,627	42,503
61 – 90 days	10,791	20,291
91 – 365 days	22,182	43,755
1 year – 2 years	3,891	3,410
2 years – 3 years	756	543
Over 3 years	8,857	25,482
	144,264	209,423

- (d) The amount represented provision for legal claim for certain suppliers, vendors and employees who have commenced legal proceedings against the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

23. COMMITMENTS

- (a) Capital expenditures contracted for at the balance sheet date but not yet incurred is as follows:

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Capital commitments – expenditures of property, plant and equipment – Contracted but not provided for	5,661	3,436

- (b) Operating lease commitments—the Group as the lessee

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Buildings:		
Not later than 1 year	125,339	120,712
Later than 1 year and not later than 5 years	504,664	488,561
Over 5 years	1,055,310	858,815
	1,685,313	1,468,088

The Group leases a number of properties under operating leases in respect of retail shops, offices and warehouses. The leases typically run for a period of 3 to 22 years, with an option to renew the lease but the terms are subject to renegotiation.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

23. COMMITMENTS (CONTINUED)

(c) Operating lease commitments—the Group as the lessor

The future aggregate minimum lease receipts under non-cancellable operating leases are as follows:

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Buildings:		
Not later than 1 year	114,267	98,519
Later than 1 year and not later than 5 years	281,141	269,310
Over 5 years	174,626	190,561
	570,034	558,390

24. RELATED PARTY TRANSACTIONS

The Group is controlled by Shirble Department Store Limited (incorporated in the BVI), which owns 67.79% of the shares in the Company. The ultimate parent of the Group is Xiang Rong Investment Limited (incorporated in the BVI). The ultimate controlling party of the Group is Mr YANG Xiangbo.

In addition to those disclosed elsewhere in the financial statements, the following transactions were carried out with related parties:

Name	Relationship
Shenzhen Ruizhuo Investment Development Company Limited ("Ruizhuo Investment")	Owned in equal shares by Mr. YANG Xiangbo's nephew and niece
Luhe County Shirble Inn ("Shirble Inn")	Controlled by Mr. YANG Xiangbo
Lufeng Haige Restaurant Co., Ltd ("Lufeng Haige")	Wholly-owned by Shirble Inn, which is in turn ultimately controlled by Mr. YANG Xiangbo

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

24. RELATED PARTY TRANSACTIONS (CONTINUED)

The following transactions were carried out with related parties:

(a) Transactions with related parties

(i) Rental expenses to related parties

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Ruizhuo Investment	10	–
Shirble Inn	–	55
	10	55

The Group entered into lease agreements in respect of certain leasehold properties with related parties of the Group for their use as a retail shops, a training centre and employee dormitories.

(ii) Acquisition of subsidiary

On 22 May 2018, a wholly owned subsidiary of the Group, Cosmic Favour Limited (“**Cosmic Favour**”) was incorporated in Hong Kong. On 1 June 2018, Cosmic Favour acquired Sibbo Culture Limited (“**Sibo Culture**”, a wholly owned subsidiary of Mr. YANG Xiangbo), which was incorporated in Hong Kong in 2016 and the consideration is HKD 1. Before this acquisition, Sibbo Culture owned 30% equity interest in Xuyi Shirble Hanlian Real Estate Company Limited (“**Xuyi Real Estate**”). The remaining 70% equity interest of Xuyi Real Estate was owned by Shenzhen Yuan Jushun Investment Company Limited (“**Yuan Jushun Investment**”). On 5 June 2018, Yuan Jushun Investment and Sibbo Culture entered into an agreement in respect of increasing the registered capital of Xuyi Real Estate. Pursuant to the agreement, Sibbo Culture and Yuan Jushun Investment hold 85% and 15% shares of Xuyi Real Estate, respectively. As a result, Xuyi Real Estate became a subsidiary of the Group from 5 June 2018. Xuyi Real Estate has not commenced any business operation at the acquisition date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2018

24. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Balances with related parties

(i) Amounts due to related parties

	As at	
	30 June 2018 RMB'000	31 December 2017 RMB'000
Ruizhuo Investment	171	161

The outstanding balances with these related parties are unsecured, interest-free and repayable on demand.

(ii) Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee and the Company Secretary. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2018 RMB'000	2017 RMB'000
Basic salaries and allowances	6,447	6,403
Half year-end bonuses	606	347
Contributions to the retirement scheme	28	30
Share-based compensation expenses	224	559
	7,305	7,339

25. CONTINGENT LIABILITIES

Certain suppliers, vendors and employees have commenced legal proceedings in the PRC against the Group in respect of disputes over contract terms. As at 30 June 2018, the legal proceedings were ongoing. The Group has made an accumulated provision of approximately RMB4,745,000 (31 December 2017: RMB7,759,000), which the directors believe is adequate to cover the amounts, if any, payable in respect of these claims.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieve and maintain high corporate governance standards. In the opinion of the Directors, throughout the six months ended 30 June 2018, the Company has complied with the principles and code provisions of the Corporate Governance Code contained in Appendix 14 to The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The internal audit department has reported its findings and work plan to the Audit Committee twice a year, and the Board and the Audit Committee then reviewed and refined the Group’s material controls, including financial, operational and compliance controls and risk management functions.

The Board, together with the Audit Committee, also assessed the adequacy of resources, qualifications and experience of the staff of the Company’s accounting and financial reporting and internal audit functions, and their training programs and budget.

The enhancement of the internal control measures will continue to be monitored by the internal audit department and the chief executive officer of the Group. The internal audit department will periodically report their review and findings on the internal controls of the Group to the Audit Committee and the Board.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding the Directors’ securities transactions. Having made specific enquiries of all the Directors, the Company confirmed that they have complied with the Model Code during the six months ended 30 June 2018.

OTHER INFORMATION

AUDIT COMMITTEE

As of the date of this report, the Audit Committee comprises four independent non-executive Directors, namely, Ms. ZHAO Jinlin (Chairman), Mr. CHEN Fengliang, Mr. JIANG Hongkai and Mr. FOK Hei Yu. The Audit Committee has been established to review the financial reporting process and evaluate the effectiveness of internal control procedures (including financial, operational and compliance controls and risk management functions) of the Group.

During the six months ended 30 June 2018, the Audit Committee held one regular meeting with the management, external auditors and internal control consultant to discuss on the auditing, internal controls and financial reporting matters of the Company, and to review on the Group's internal control and the annual results for the year ended 31 December 2017.

In addition, the Group's unaudited interim results for the six months ended 30 June 2018 have been reviewed by the Audit Committee and by the auditor of the Company in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity".

INTERIM AND SPECIAL CASH DIVIDEND

The Board declares an interim and special cash dividend of HKD0.0021 and HKD0.0062 respectively (equivalent to approximately RMB0.0018 and RMB0.0055 respectively) per share or in the total amount of HKD5.2 million and HKD15.4 million respectively (equivalent to approximately RMB4.4 million and RMB13.6 million respectively) (2017: HKD0.0055 (equivalent to approximately RMB0.0048) per Share or in the total amount of HKD13.7 million (equivalent to approximately RMB12.0 million)) for the six months ended 30 June 2018 which will be payable by way of cash in Hong Kong dollars. The Directors consider that this dividend level is appropriate after due consideration of the operating results of the Group for the six months ended 30 June 2018. The interim and special cash dividend will be paid on or around 27 September 2018 to Shareholders whose names appear on the Register of Members at the close of business on 12 September 2018.

OTHER INFORMATION

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 10 September 2018 to 12 September 2018 (both days inclusive), during which period no transfer of shares of the Company will be registered for the purpose in order to determine the entitlement to receive the interim and special cash dividend. In order to qualify for the interim and special cash dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 7 September 2018.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of 30 June 2018, the interests and short positions of the Directors in the shares of the Company, underlying shares or debentures of the Company or any of the associated corporations of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which were required (a) to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(a) Long positions in shares of the Company

Name of director	Capacity	Number of shares	Percentage of shareholding
Mr. YANG Xiangbo	Interest in a controlled corporation	1,691,455,500	67.79%
Mr. YANG Ti Wei	Beneficial Owner	2,490,000	0.09%

Note:

- (1) Mr. YANG Xiangbo is the beneficial owner of all the issued share capital of Xiang Rong Investment Limited ("**Xiang Rong Investment**"), which in turn owns the entire issued share capital of Shirble Department Store Limited ("**Shirble BVI**") and is deemed to be interested in the 1,691,455,500 shares held by Shirble BVI.

OTHER INFORMATION

(b) Long positions in the shares of associated corporations

Name of director	Name of associated corporations	Capacity	Number of shares	Percentage of shareholding
Mr. YANG Xiangbo	Shirble BVI	Interest in a controlled corporation	50,000	100%
Mr. YANG Xiangbo	Xiang Rong Investment	Beneficial owner	100	100%

Save as disclosed above, as of 30 June 2018, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code; nor had there been any grant or exercise of rights of such interests during the six months ended 30 June 2018.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As of 30 June 2018, the following persons (other than a Director or chief executive of the Company), had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

Long position in the shares of the Company

Name	Capacity	Number of Shares	Percentage of shareholding
Shirble BVI	Beneficial owner	1,691,455,500	67.79%
Xiang Rong Investment	Interest in a controlled corporation	1,691,455,500	67.79%

Save as disclosed above, as of 30 June 2018, the Directors are not aware of any person (other than a Director or chief executive of the Company) who had any interests or short positions in shares or, underlying shares of the Company as recorded in the register required to be kept under sector 336 of the SFO.

OTHER INFORMATION

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Scheme**”) pursuant to the resolutions of the shareholders of the Company passed on 30 October 2010. The purpose of the Scheme is to recognise and acknowledge the contributions that the Group’s Directors and employees, customers, suppliers, agents, business or joint venture partners, consultants, distributors, promoters, service providers, advisors or contractors to any member of the Group have made or may make to the business development of the Group. Apart from the determination of the subscription price, the Directors will have an absolute discretion on imposing performance targets on the option holders before any option that can be exercised with reference to the objectives of the Scheme. A consideration of HK\$1.0 will be payable upon acceptance of the offer. The maximum number of shares may be issued under the Scheme shall not exceed 10% of the issued share capital of the Company (i.e. 249,500,000 shares) as of the date of this report. Details of the Scheme were disclosed in the prospectus of the Company dated 5 November 2010.

Since the date of adoption of the Scheme and up to the date of this report, no options have been granted under the Scheme.

EMPLOYEES’ SHARE AWARD SCHEME

The Company adopted an employees’ share award scheme (“**Employees’ Share Award Scheme**”) on 22 January 2014 (“**The Adoption Date**”).

OTHER INFORMATION

The purpose of the Employees' Share Award Scheme is to recognise and reward eligible employees for their contributions to the business and development of the Group, provide incentives to eligible employees for their satisfactory performance, and align the interest of the eligible employees with the interest of the Group through the grant of the award. Unless terminated earlier or extended by the Board in accordance with the Employees' Share Award Scheme rules, the Employees' Share Award Scheme operates for ten years commencing on the Adoption Date. The Board will not grant further award which will result in the number of Shares that may be transferred to the participants under the Employees' Share Award Scheme to exceed 2.0% of the total number of Shares in issue as of the Adoption Date. The maximum number of the Award Shares which may be granted to a Participant but unvested under the Employees' Share Award Scheme will not exceed 0.1% of the total number of Shares in issue as of the Adoption Date. Eligible employees will include different levels of employee of the Group, the total number of which will not be more than 200.

On 13 July 2015, the rights to receive 18,672,000 Shares have been granted to 28 eligible employees pursuant to the Employee's Share Award Scheme. On 17 December 2015, the rights to receive an additional 13,830,000 Shares have been granted to 60 eligible employees. Subsequently, on 20 January 2017, the rights to receive an additional 7,524,000 Shares have been granted to 50 eligible employees. As approved by the Board under the Employees' Share Award Scheme, the aggregate of 40,026,000 Shares and the related income will be vested to the relevant employees during a period of three years commencing from the first anniversary of the dates of grant in the percentages of 33.3%, 33.3% and 33.4%, respectively.

As at the date of this report, 3,928,000 shares granted to 20 eligible employees have not been vested due to departure, while an additional of 631,800 share were granted to two eligible employees upon their promotion.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2018.

CORPORATE INFORMATION

DIRECTORS

Executive Directors:

YANG Xiangbo
YANG Ti Wei

Independent non-executive Directors:

ZHAO Jinlin
CHEN Fengliang
JIANG Hongkai
FOK Hei Yu

AUDIT COMMITTEE OF THE BOARD

ZHAO Jinlin (*Chairperson*)
CHEN Fengliang
JIANG Hongkai
FOK Hei Yu

REMUNERATION COMMITTEE OF THE BOARD

CHEN Fengliang (*Chairperson*)
YANG Xiangbo
JIANG Hongkai
FOK Hei Yu

NOMINATION COMMITTEE OF THE BOARD

JIANG Hongkai (*Chairperson*)
YANG Xiangbo
ZHAO Jinlin
FOK Hei Yu

COMPANY SECRETARY

CHAN Chore Man, Germaine, CPA

AUTHORISED REPRESENTATIVES

YANG Xiangbo
CHAN Chore Man, Germaine, CPA

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PRINCIPAL BANKERS

In China
Agricultural Bank of China
Industrial and Commercial Bank of
China
China Construction Bank
PingAn Bank
Huaxia Bank
China Merchants Bank

In Hong Kong
The Hongkong and Shanghai Banking
Corporation Limited
UBS AG

CORPORATE INFORMATION

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