

Lifestyle

China Group Ltd.
利福中國集團有限公司

Stock Code 股份代號：2136

Interim Report
2020 中期報告

EXCITEMENT
IN LIFE

FINANCIAL 財務摘要 HIGHLIGHTS

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中期財務資料附註 |

- Revenue decreased 19.3% to RMB486.6 million
收入下跌19.3%至人民幣486.6百萬元
- Profit attributable to owners of the Company decreased 48.0% to RMB99.2 million
本公司擁有人應佔溢利下跌48.0%至人民幣99.2百萬元
- Earnings per share amounted to RMB0.068, a decrease of 47.7%
每股盈利為人民幣0.068元，下跌47.7%
- No interim dividend has been declared by the Board
董事會不宣派任何中期股息

CORPORATE 企業資料 INFORMATION

Board of Directors

Executive Director

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

Non-executive Director

Ms. Chan Chor Ling, Amy

Independent Non-executive Directors

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

Company Secretary

Mr. Poon Fuk Chuen

Audit Committee

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

Remuneration Committee

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

Nomination Committee

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

Registered Office

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

董事會

執行董事

劉鑾鴻先生
(主席兼首席執行官)

非執行董事

陳楚玲小姐

獨立非執行董事

張美嫻小姐
張悅文先生
林光蔚先生

公司秘書

潘福全先生

審核委員會

林光蔚先生(主席)
張美嫻小姐
張悅文先生

薪酬委員會

劉鑾鴻先生
林光蔚先生(主席)
張美嫻小姐
張悅文先生

提名委員會

劉鑾鴻先生(主席)
張美嫻小姐
張悅文先生
林光蔚先生

註冊辦事處

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

Corporate Information (continued) 企業資料 (續)

Head Office and Principal Place of Business in Hong Kong

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

Principal Bankers

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

Independent Auditor

PricewaterhouseCoopers
Certified Public Accountants and
Registered Public Interest Entity Auditor

Solicitor

Sit, Fung, Kwong & Shum

Hong Kong Share Registrar and Transfer Office

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

Cayman Islands Share Registrar and Transfer Office

SMP Partners (Cayman) Limited
Royal Bank House, 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

Share Information

Place of listing: The Stock Exchange of Hong Kong Limited
Stock code: 2136
Board lot: 500 shares
Financial year end: 31 December
Closing share price at 30 June 2020: HK\$1.84
Market capitalization at 30 June 2020: HK\$2,695 million

Website

www.lifestylechina.com.hk

總辦事處及香港主要營業地點

香港銅鑼灣
軒尼詩道555號
東角中心20樓

主要往來銀行

中國農業銀行
中國工商銀行
中國銀行(香港)有限公司

獨立核數師

羅兵咸永道會計師事務所
執業會計師及
註冊公眾利益實體核數師

律師

薛馮鄭岑律師行

香港股份過戶登記處

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

開曼群島股份過戶登記處

SMP Partners (Cayman) Limited
Royal Bank House, 3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman, KY1-1110
Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司
股份代號：2136
每手買賣單位：500股
財政年度年結日：十二月三十一日
於二零二零年六月三十日股份收市價：1.84港元
於二零二零年六月三十日市值：26.95億港元

網址

www.lifestylechina.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Market Overview

In the first half of 2020, the escalating tension between China and the United States, coupled with the outbreak of the novel coronavirus (COVID-19) pandemic, weighed on China's economy, which contracted by 6.8% year-on-year in the first quarter but managed to recover with year-on-year growth of 3.2% in the second quarter. The rebound came after the country brought the pandemic under control in a timely manner.

During the first quarter of 2020 when the pandemic was at its peak in China, economic activities were suspended or curtailed. It was not until April that businesses were gradually returning to normal. Renewed US-China tensions and financial market volatility also dampened consumer sentiment in China. As a result, the country's retail sales dropped by 11.4% year-on-year in the first half of 2020 comparing to a growth of 8.4% in the first half of 2019, despite the government measures to stimulate domestic consumption and reduce costs for corporations since 2019.

Retail sales of the department store sector in China fell by 23.6% year-on-year in the first half of 2020, in contrast to the year-on-year growth of 1.5% in the first half of 2019. Meanwhile, the year-on-year retail sales growth of the country's supermarket sector decelerated to 3.8% in the first half of 2020 from 7.4% in the first half of 2019.

市場概覽

於二零二零年上半年，中美關係加劇緊張加上新型冠狀病毒(COVID-19)疫症肆虐，令中國經濟受壓，於第一季度按年收縮6.8%。然而，當中國疫情受到適時控制後，其經濟於第二季度出現復甦，按年增長3.2%。

當中國疫情於二零二零年第一季度出現高峰時，經濟活動曾陷入停頓或受到削減，商業活動直至四月方才逐步回復正常。美中關係再次緊張，加上金融市場波動，打擊中國的消費者情緒。雖然政府自二零一九年以來採取措施以刺激國內消費並降低企業成本，中國的零售銷售於二零二零年上半年仍按年下跌11.4%，而二零一九年上半年則為按年增長8.4%。

於中國百貨店類別的零售銷售於二零二零年上半年按年下跌23.6%，而二零一九年上半年則按年增長1.5%。同時，中國超市類別於二零二零年上半年的零售銷售增長由二零一九年上半年的7.4%放緩至3.8%。

Financial Review

Revenue and Sales Proceeds

For the six months ended 30 June 2020 (the "Period"), the Group's revenue decreased 19.3% to approximately RMB486.6 million comparing with RMB603.0 million recorded in the same period of 2019, as the COVID-19 pandemic disrupted business activities and undermined consumer spending. In spite of the challenging operating environment, the Group's two department stores, Shanghai Jiuguang and Suzhou Jiuguang, remained focused on executing their sound business strategies and optimizing their operations in order to further enhance their long-term competitiveness and solidify their leading market positions. As a result of the pervasive business disruption to the department store retail business and significant decline in customer foot traffic caused by the pandemic during the Period, both stores saw a decline in sales. Total sales proceeds of the Group decreased 25.0% to RMB1,235.1 million during the Period, when comparing to the same period last year.

Gross Profit and Concessionaire Rate

Gross profit amounted to RMB282.9 million for the Period and the gross profit margin as a percentage of total sales proceeds decreased slightly to 22.9% from 23.9% in the same period of 2019. Gross profit margin as a percentage of revenue decreased to 58.1% from 65.2% and average concessionaire rate also decreased to 20.8% from 21.6% as the Group offered relief measures, including waiver of guaranteed commission granted to business partners with an aim to support each other during the unprecedented challenging business environment caused by the COVID-19 pandemic.

Net Profit Attributable to Shareholders

Net profit attributable to owners of the Company for the Period decreased 48.0% to RMB99.2 million, from RMB190.8 million for the same period last year. The decrease in profit was mainly attributable to pervasive business disruptions caused by the COVID-19 outbreak since early 2020, which resulted in (i) a decline in sales revenue as a result of a significant fall in customer foot traffic and (ii) a 48.7% drop in share of profit from the Beiren Group, an associate of the Group based in Hebei Province, the PRC. For the Period under review, the Group's net profit margin as a percentage of revenue dropped to 20.4%, comparing to 31.6% for the first half of 2019.

Selling and Distribution Costs

Aggregate selling and distribution costs of the Group for the Period decreased by 12.2% to RMB184.1 million (2019: RMB209.7 million), which was mainly attributable to a decrease in the turnover rent amid sales fall and lower utilities costs as a result of closure of the certain sections of the stores during certain periods caused by virus containment measures imposed in the first half of 2020. The Group's aggregate selling and distribution expenses as a percentage of total sales proceeds increased to approximately 14.9% during the Period from 12.7% for the same period in 2019.

財務回顧

收入及銷售所得款

截至二零二零年六月三十日止六個月(「期內」)，本集團收入由二零一九年同期錄得的人民幣603.0百萬元下跌19.3%至人民幣約486.6百萬元，乃由於COVID-19疫症肆虐令業務活動受損並削弱顧客消費。儘管營運環境挑戰重重，本集團旗下上海久光及蘇州久光兩間百貨店繼續專注執行完備的營業策略，並完善業務營運，以進一步提升兩間百貨店的長遠競爭力，並鞏固其擁有的領先市場地位。疫症對期內百貨店零售業務造成廣泛性業務受損，客流量大跌，兩間百貨店銷售均錄得下跌。期內本集團銷售所得款總額較去年同期下跌25.0%至人民幣1,235.1百萬元。

毛利及特許專櫃扣率

期內毛利為人民幣282.9百萬元，毛利率按銷售所得款總額之百分比由二零一九年同期的23.9%輕微下跌至22.9%，由於本集團在COVID-19疫症下為業務夥伴提供紓緩措施，包括寬免收取保底佣金，在前所未有具挑戰的業務環境中互相支持，毛利率按收入之百分比由65.2%下降至58.1%，而平均特許專櫃扣率亦由21.6%下降至20.8%。

股東應佔溢利淨額

期內本公司擁有人應佔溢利淨額由去年同期的人民幣190.8百萬元減少48.0%至人民幣99.2百萬元。該溢利減少主要由於自二零二零年年初爆發的COVID-19疫症，造成廣泛性業務受損，導致(i)銷售收入隨客流量大跌而下滑；及(ii)本集團應佔位於中國河北省的聯營公司——北人集團的溢利減少48.7%。於回顧期內，本集團按收入之百分比的純利率由二零一九年上半年31.6%下跌至20.4%。

銷售及分銷成本

期內本集團的銷售及分銷成本減少12.2%至人民幣184.1百萬元(二零一九年：人民幣209.7百萬元)，主要由銷售下降令提成租金減少及於二零二零年上半年因防疫措施需不時關閉部份店區而導致營運成本有所下跌。本集團期內的銷售及分銷開支按銷售所得款總額之百分比由二零一九年同期的12.7%增加至約14.9%。

Administrative Expenses

The Group's general administrative expenses decreased by 1.4% to RMB68.6 million for the Period (2019: RMB69.6 million), which was mainly helped by a lower staff cost.

Staff Costs

Staff costs (excluding directors' emoluments) decreased by 7.1% year-on-year to approximately RMB73.3 million during the Period. The decrease was a result of decrease in social security contribution under the government's relief measures and a reduction in the headcounts. The total number of full-time staff of the Group as at 30 June 2020 was 1,150, compared to 1,162 as at 31 December 2019.

Other Income, Gains and Losses

Other income, gains and losses, which mainly comprise management fee income, credit card charges and other miscellaneous income received from the counters/tenants, other sundry incomes/expenses and exchange gain, recorded an increase of 25.3% to RMB59.4 million. The increase was mainly attributable to an one-off gain of RMB15.3 million on lease modification following a change of terms of the tenancy for the Freshmart, supermarket in Shanghai. This gain was however partially offset by a decrease in the credit card charges from counters amid sales decline.

Interest and Investment Income

The Group's interest and investment income decreased by 17.6% to RMB29.1 million during the Period, which was mainly due to lower investment income from bank deposits and structured deposits.

Finance Costs

The Group's finance costs consisted mainly of interests incurred on bank borrowings. The aggregate amount of finance cost and interests incurred for the Period, before capitalisation, was approximately RMB67.3 million (2019: RMB67.1 million), of which RMB54.2 million (2019: RMB50.7 million) was capitalised in respect of Group's Daning project in Shanghai. The finance costs charged to profit and loss account amounted to RMB13.1 million (2019: RMB16.3 million), representing the finance charge on the lease liabilities.

Liquidity and Financial Resources

The Group's adjusted EBITDA for the Period decreased to RMB126.8 million, from RMB205.6 million recorded in the same period of 2019, mainly due to the decrease in sales revenue and the margin squeeze. As at 30 June 2020, the Group's net debt (defined as cash and cash equivalents less total bank borrowings, amount due to a non-controlling shareholder of subsidiaries and amount due to a joint venture) amounted to approximately RMB885.5 million, compared with RMB917.3 million as at 31 December 2019. The lower net debt position was mainly attributable to decreased bank borrowings in respect of the Group's Daning project and a decrease in the amount due to joint venture.

行政開支

本集團期內的一般行政開支減少1.4%至人民幣68.6百萬元(二零一九年：人民幣69.6百萬元)，主要是由於員工成本下跌。

員工成本

期內員工成本(不包括董事酬金)按年減少7.1%至約人民幣73.3百萬元。該下跌是由於政府推行紓緩措施，令社會保障供款金額減少，加上員工人數亦有所減少。於二零二零年六月三十日，本集團全職員工總數為1,150名，而於二零一九年十二月三十一日則為1,162名。

其他收入、收益及虧損

其他收入、收益及虧損主要包括從專櫃／租戶收取的管理費收入、信用卡費用及其他各項收入，以及其他雜項收入／支出及匯兌收益，有關金額錄得25.3%增長至人民幣59.4百萬元。該增長主要來自位於上海的超市「鮮品館」因修訂租賃協議中的租賃條款變動而產生人民幣15.3百萬元的一次性收益。然而該收益因銷售下降導致專櫃信用卡費用減少而有所抵銷。

利息及投資收入

本集團於期內的利息及投資收入減少17.6%至人民幣29.1百萬元，主要是由於來自銀行存款及結構性存款的投資收入減少。

融資成本

本集團的融資成本主要包括銀行借貸產生的利息。在資本化前，期內所產生的融資成本及利息總額約為人民幣67.3百萬元(二零一九年：人民幣67.1百萬元)，當中就本集團於上海的大寧項目而資本化的融資成本及利息為人民幣54.2百萬元(二零一九年：人民幣50.7百萬元)。於損益表中計入的融資成本為人民幣13.1百萬元(二零一九年：人民幣16.3百萬元)，即租賃負債的財務費用。

流動資金及財務資源

本集團於期內經調整的未計利息、稅項、折舊及攤銷前的盈利(EBITDA)由二零一九年同期的人民幣205.6百萬元減少至人民幣126.8百萬元，主要由於銷售收入減少及利潤縮減。於二零二零年六月三十日，本集團的淨負債(定義為現金及現金等價物減總銀行借貸、應付一名附屬公司非控股股東款項及應付一間合資企業款項)為約人民幣885.5百萬元，而二零一九年十二月三十一日則為人民幣917.3百萬元。較低淨負債狀況主要由於用於為本集團大寧項目的銀行借款減少，以及應付一間合資企業款項減少。

The Group's cash and cash equivalents as at 30 June 2020 amounted to approximately RMB1,566.0 million (31 December 2019: RMB1,585.7 million), of which RMB11.3 million, denominated in Hong Kong dollars was kept in Hong Kong, with the balance, which included approximately 94.5% denominated in Renminbi and the remaining 5.5% in the United States dollars, were kept in mainland China. The decrease in cash at banks as compared to 31 December 2019 was due to repayment of bank borrowing in the amount of RMB15.0 million during the Period.

As at 30 June 2020, the Group's secured bank loans amounted to approximately RMB2,415 million (31 December 2019: RMB2,430 million), bearing interest calculated with reference to benchmark lending rates of the People's Bank of China. As at 30 June 2020, the Group's banking facilities was fully utilized (31 December 2019: same). The Group's debt to equity ratio (defined as bank borrowings divided by equity attributable to the owners of the Company) was 26.6% as at the Period end (31 December 2019: 27.1%).

Foreign Exchange Management

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

Pledge of Assets

As at 30 June 2020, the Group pledged certain of its (i) property, plant and equipment of RMB3,156 million (31 December 2019: RMB3,045 million); (ii) right-of-use assets of RMB1,746 million (31 December 2019: RMB1,724 million); and (iii) property under development of RMB1,294 million (31 December 2019: RMB1,228 million) in the PRC to secure bank loan facilities amounting to RMB2,415 million (31 December 2019: RMB2,430 million).

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2020.

本集團於二零二零年六月三十日的現金及現金等價物約為人民幣1,566.0百萬元(二零一九年十二月三十一日：人民幣1,585.7百萬元)，其中人民幣11.3百萬元以港元計值並存放於香港，而餘額則存放於中國內地，其中約94.5%以人民幣計值，其餘5.5%以美元計值。銀行結存與於二零一九年十二月三十一日相比減少，乃由於於期內償還人民幣15.0百萬元銀行借款。

於二零二零年六月三十日，本集團的有抵押銀行貸款約為人民幣2,415百萬元(二零一九年十二月三十一日：人民幣2,430百萬元)，乃參考中國人民銀行基準利率計息。於二零二零年六月三十日，本集團已動用全部銀行信貸額度(二零一九年十二月三十一日：情況相同)。於期末，本集團的負債與權益比率(定義為銀行借款除本公司擁有人應佔權益)為26.6%(二零一九年十二月三十一日：27.1%)。

外匯監管

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

資產抵押

於二零二零年六月三十日，本集團已抵押其若干位於中國之(i)物業、廠房及設備為人民幣3,156百萬元(二零一九年十二月三十一日：人民幣3,045百萬元)；(ii)使用權資產為人民幣1,746百萬元(二零一九年十二月三十一日：人民幣1,724百萬元)；及(iii)發展中物業為人民幣1,294百萬元(二零一九年十二月三十一日：人民幣1,228百萬元)，作為獲授銀行貸款額度人民幣2,415百萬元(二零一九年十二月三十一日：人民幣2,430百萬元)。

或然負債

於二零二零年六月三十日，本集團並無任何重大或然負債。

Material Acquisitions and Disposals

There were no material acquisitions and disposals during the Period.

Review of Operations

In light of the COVID-19 outbreak since the early 2020, the Group's two department stores, which form its mainstay business, had to shorten their opening hours or close some of their sections for a short while during February and March 2020 when the pandemic was at its peak. To cope with the difficult situation, the Group increased the use of mobile internet-enabled applications on handsets and continued to digitalize its retail management system to enhance customer engagement. This was to strengthen its brand equity and reinforce the positioning of Shanghai Jiuguang and Suzhou Jiuguang as department stores that meet the changing consumer demands, especially the Group's targeted middle class group. In order to ride through the difficult time together, the Group provided various relief measures to its business partners to help them staying afloat during the Period.

Shanghai Jiuguang

Shanghai Jiuguang's sales proceeds decreased by 26.9% in the first half of 2020 as its business was affected by the local government's anti-pandemic measures, which included restrictions on inter-city and inter-province traveling. Shanghai as a metropolitan city is particularly susceptible to these measures as migrant workers, tourists and business travelers from home and abroad contribute significantly to its retail market. Sales proceeds of the store decreased by 42.2% year-on-year in the first quarter amid shorten business hours and temporary closure of some sections of the store during February and March. A notable recovery was seen in May and June with the sales drop narrowing to 9.5% year-on-year in the second quarter of 2020 when the pandemic was gradually being brought under control.

For the first half of 2020, the average daily footfall fell by 42.9% year on year to approximately 28,000 visitors. The stay-and-buy ratio and average ticket size, however, saw a year-on-year increase by 11.3 percentage points to 49.0% and 1.3% to RMB456 respectively. The Group continued to gear its product assortment to cater to the mid-range and high-end markets. The average concessionaire rate collected by the store was 22.8% in the Period compared with the approximately 23.1% in the first half of 2019.

重大收購及出售

期內並無重大收購及出售事項。

業務回顧

由於COVID-19自二零二零年年初肆虐，於疫情在二零二零年二月及三月的高峰期間，本集團短暫關閉的主力業務一兩間百貨店均需縮短營業時間或關閉部份店區。為應對此困境，本集團增加利用手機上的移動互聯網應用程式及繼續數碼化零售管理系統，以提升與顧客的連繫。此舉為鞏固其品牌認受性，及加強上海久光及蘇州久光以迎合持續變化的顧客需求，尤其本集團是以中產階層為目標的百貨店定位。為了一起度過難關，本集團亦於期內提供多項紓緩措施予其業務夥伴，以幫助他們維持業務。

上海久光

受當地政府防疫措施所影響，包括跨省市旅遊限制，上海久光於二零二零年上半年之銷售所得款下跌26.9%。該等防疫措施對上海此大都會的影響尤甚，原因是該市的零售市場較多依賴外來勞工、遊客及本地和外地商務旅客。由於上海久光於二月及三月縮短營業時間或短暫關閉部份店區，該店的銷售所得款於第一季度按年下跌42.2%。由於疫情漸受控，於五月及六月銷售有所好轉，銷售於二零二零年第二季度錄得之跌幅按年收窄至9.5%。

於二零二零年上半年，日均客流量按年下跌42.9%至約28,000人次。但逗留購買比率及平均每宗交易額分別按年增加11.3個百分點至49.0%及1.3%至人民幣456元。本集團為迎合中高檔市場之需要而持續調整產品組合。期內該百貨店收取的平均特許專櫃扣率為22.8%，而二零一九年上半年約為23.1%。

Suzhou Jiuguang

Amid the COVID-19 outbreak, the Group's Suzhou Jiuguang had also to shorten its business hours and temporarily closed certain sections of the store in February and March. Sales as a result fell by 20.3% year-on-year in the first half of 2020. Suzhou Jiuguang recorded a speedier recovery when compared with the Shanghai store in May and June as its customers are mainly the local citizens and therefore less dependent on visitors and travelers. The Suzhou store recorded a drop of 38.5% in sales proceeds in the first quarter of 2020 but managed to achieve a sales growth of 1.9% in the second quarter. Despite the adverse effects from the COVID-19 outbreak, direct sales of cosmetic products and accessories grew 16.5% during the Period. Comparing to the same period last year, the average daily footfall dropped by 48.9% to 10,000 visitors while the stay-and-buy ratio and average ticket size grew by 19.1 percentage points and 12.5% to 64.7% and RMB459 respectively. The average concessionaire rate collected by the department store decreased to 17.0% in the Period from 18.3% in the first half of 2019.

Dalian and Shenyang Property

The Group's commercial properties in Dalian and Shenyang remained vacant during the Period and continued to incur negative cash flows for up-keeping and the maintenance of the properties.

Standalone Freshmart Operation

Freshmart, which sells high-quality food and confectionery products as a standalone operation of the Group at a rented premise in Changning, Shanghai, recorded a year-on-year decrease of 25.2% in sales proceeds during the first half of 2020 as the pandemic badly hit its customer foot traffic. Many office workers in the same building where the Freshmart is located had to work from home to help to prevent the spread of the disease. To improve its sales efficiency, the Group continued to increasing the portion of concessionaire sales and reducing the portion of direct sales. The Group had also fine-tuned its product assortment to cater to the needs of office workers in order to cope with the fierce competition and planned to hold more marketing activities to stimulate sales when the COVID-19 outbreak receded. Freshmart suffered from a negative cash flow in the first half of 2020 as the amount of operating expenses exceeded the sales revenue.

Investments in Associates

Beiren Group, a well-established Shijiazhuang-based retailer in which the Group maintains a strategic equity interest, recorded a year-on-year decrease of 28.7% in aggregate sales during the first half of 2020 because of the pandemic outbreak. While sales of most segments in Beiren Group declined amid the COVID-19 outbreak, the supermarket segment recorded year-on-year growth of 7.5% in sales for the Period. Net profit (after share of non-controlling interests) attributable to the Group was RMB60.7 million in first half of 2020, comparing with RMB118.3 million in the same period last year. The share of profit from this investment accounted for 61.3% of the profit attributable to owners of the Company for the Period.

蘇州久光

在COVID-19疫症肆虐下，本集團之蘇州久光於二月及三月亦需縮短營業時間或短暫關閉部份店區。於二零二零年上半年，銷售因此按年下跌20.3%。然而，由於蘇州久光的顧客多數為蘇州當地居民，對訪客和旅客的依賴較少，蘇州久光相比上海久光於五月及六月錄得更迅速的復甦。蘇州久光於二零二零年第一季度的銷售所得款錄得38.5%的跌幅，而第二季度的銷售則成功錄得1.9%的增長。儘管受到COVID-19疫情的不利影響，化妝品及配飾於期內的自營銷售增長16.5%。與去年同期相比，日均客流量下跌48.9%至10,000人次，而逗留購買比率及平均每宗交易額分別增長19.1個百分點及12.5%至64.7%及人民幣459元。該百貨店收取的平均特許專櫃扣率由二零一九年上半年的18.3%下跌至期內的17.0%。

大連及瀋陽物業

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

獨立「鮮品館」之經營

本集團在上海長寧租賃物業獨立經營的「鮮品館」出售優質食品及糕餅產品，其顧客人流因疫情肆虐而受到打擊，於二零二零年上半年銷售所得款按年下跌25.2%。為防止疫症傳播，「鮮品館」不少處於同座大樓的辦公室人員須在家工作。為改善銷售效率，本集團繼續增加特許專櫃銷售比例，並降低自營商品的比例。本集團並已調整產品組合，以迎合辦公室人員需要，旨在應對激烈的競爭，以及計劃於COVID-19疫情減退後舉辦更多營銷活動以刺激銷售。由於營運開支高於銷售收入，「鮮品館」於二零二零年上半年錄得負現金流。

於聯營公司的投資

紮根石家莊的北人集團乃本集團維持策略性股本權益的知名零售商，由於COVID-19疫症肆虐，北人集團於二零二零年上半年的銷售總額錄得按年下跌28.7%。儘管COVID-19爆發令北人集團大部份分部銷售下跌，惟超市分部的銷售於期內錄得按年7.5%的增長。本集團於二零二零年上半年應佔溢利淨額(扣除應佔非控股權益)為人民幣60.7百萬元，而去年同期則為人民幣118.3百萬元。來自該項投資的應佔溢利於期內佔本公司擁有人應佔溢利的61.3%。

As detailed on page 17 to page 18 under section “Basis for Qualified Conclusion” in the Report on Review of Interim Financial information, the Group recognised a loss allowance of expected credit loss against the full amount of trade receivable balance of the auto trading business with a group of companies (the “Debtors”) in Hebei Providence during the year ended 31 December 2019. The Debtors have defaulted on settlement of their outstanding trade balances and their ultimate owner who is also their guarantor (the “Guarantor”) has been detained by the local relevant authority.

The Group understood from management of the Beiren Group that there has not been any progress made in terms of recovering the outstanding trade receivables nor obtaining further financial information of the Debtors and the Guarantor. As at 30 June 2020, the Group considered that the expected credit loss assessment to making full provision against the outstanding trade receivables of the Debtors remained the best estimate based on the information currently available.

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

In order to obtain from the Beiren Group’s management timely and relevant information, including but not limited to financial information and financial conditions of the Debtors and the Guarantor that could be pursued to settle the outstanding trade receivables, the Group makes regular contact with the Beiren Group’s management to monitoring development of the situation closely, and to assessing the possibility of recovering the outstanding trade receivables from the Debtors and will discuss the same with the auditor to address the issue in due course.

Business Expansion

Construction works of the Group’s retail and commercial complex in Daning, Jingan District, Shanghai is at the final stage of completion. The project comprises a large retail complex, which will house the Group’s second Jiuguang store in Shanghai, and two office blocks. Although the progress was slightly delayed due to COVID-19 outbreak, the retail complex is scheduled to be opened in 2021. When it commences business, it is expected to start contributing to the Group’s cash flows and enhance the Group’s business presence and brand equity in Shanghai.

如於中期財務資料的審閱報告第17至18頁「保留結論的基礎」部分所詳述，本集團於截至二零一九年十二月三十一日止年度內就與位於河北省當地的一組公司（「債務人」）的汽車貿易業務產生的逾期應收賬款餘額作全額計提預期信貸虧損撥備。債務人未有償還該逾期賬款餘額並產生違約，而其最終擁有人，同時擔任其擔保人（「擔保人」），亦已被有關當局拘留。

本集團從北人集團管理層知悉就追討該逾期應收賬款及獲取債務人及擔保人進一步財務資料方面並未取得任何進展。於二零二零年六月三十日，本集團認為基於目前所得的資訊下就債務人逾期應收賬項作全額計提撥備的預期信貸虧損評估仍然為最佳估算。

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

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

業務擴展

本集團位於上海靜安區大寧的零售及商業綜合體項目建築工程已進入最後完工階段。該項目包含大型的零售綜合體，將容納本集團位於上海的第二間久光店及兩座辦公樓。儘管COVID-19爆發令工程進度稍為延誤，該零售綜合體預期於二零二一年開始營業。當其開始營業，預期將為本集團現金流作出貢獻，以及增強本集團在上海的業務佔有率，並提升其品牌認受性。

Outlook and Plan

The Group cautiously looks forward to a gradual recovery in the second half of 2020 as it can benefit from the government’s policies on stimulating domestic consumption and supporting the businesses. However, it remains uncertain when the COVID-19 pandemic will be completely brought under control in both China and the rest of the world. In China, concern on further outbreak of the disease has been reported in Beijing in June 2020. Meanwhile, the raging pandemic in other countries had already affected the prospect of China’s exports. Moreover, the escalation of the Sino-United States trade and political tensions can also exacerbate the already difficult operating environment for China’s export-oriented businesses. All these, in turn, will cast uncertainty over the job market in the country and thus may dampen consumer sentiment.

To adapt itself to the growing trend towards e-commerce and the rapidly changing consumption patterns of the younger generation, the Group has already deployed mobile internet technology to its marketing activities. It has been conducting omni-channel marketing with the help of its mobile internet-enabled applications, which are available for the use of members of our customers club at Shanghai Jiuguang since September 2019 and the same applications will be launched to customers at Suzhou Jiuguang in August 2020. This will provide greater shopping convenience for customers by enabling them to share reward points at both locations. The mobile internet-enabled applications can attract more customers to the Group’s brick-and-mortar stores and thus helps to boost sales. The Group’s department stores will reinforce their positioning as the ones that cater to the daily needs of the middle and upper class customer groups. More mid-range and higher-end products of internationally renowned brands will be introduced to enrich the brand and product assortment.

The Group will continue to implement measures with the aim of boosting its sales revenue and generating better returns to shareholders. It will also continue to seek investment opportunities that can bring sustainable and profitable growth to the Group in the long run.

展望與計劃

本集團謹慎展望於二零二零年下半年，可受惠於政府刺激國內消費及支持商業的活動政策，而令業務逐步復甦。然而，COVID-19疫情何時於中國及全球各地全面受控，仍屬未知之數。在中國，二零二零年六月北京出現疫情進一步爆發令人憂慮。同時，COVID-19疫情於外國迅速蔓延，已對中國出口前景構成影響。此外，中國以出口為主的營商環境早已出現困難，中美貿易和政治緊張局勢糾紛轉趨激烈，令有關困境更為惡劣。以上各項可對中國就業前景構成不明朗因素，進而可能打擊中國消費者情緒。

為應對電子商貿日趨普及，以及年青世代消費模式持續急劇改變，本集團已應用移動互聯網技術於推廣活動上。自二零一九年九月起，本集團利用移動互聯網應用程式，對其上海久光會員進行多渠道的營銷活動，而同一應用程式將於二零二零年八月於蘇州久光面世，讓顧客可於兩間百貨店共享獎賞積分，為顧客提高購物的便利。移動互聯網應用程式可吸引更多顧客光臨本集團的實體商店，從而促進銷售。本集團百貨店將鞏固作為迎合中高檔顧客群日常需要百貨店之定位，並會引進更多中高檔國際知名品牌產品，以豐富品牌及產品組合。

本集團將繼續推行不同舉措，旨在刺激其銷售收入，並為股東帶來更佳回報。本集團亦將繼續物色可為本集團帶來可持續及具盈利增長的長遠投資機遇。

OTHER 其他資料

INFORMATION

Interim Dividend

The board of directors (“Board”) of the Company has resolved not to declare an interim dividend for the six months ended 30 June 2020 (2019: nil).

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

As at 30 June 2020, the directors’ and the chief executive’s interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (“Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) were as follows:

Long position in shares of the Company

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

Note: The 844,988,832 shares comprise:

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

中期股息

本公司董事會(「董事會」)議決不派截至二零二零年六月三十日止六個月的中期股息(二零一九年：無)。

董事及最高行政人員於股份、相關股份及債權證之權益

於二零二零年六月三十日，各董事及最高行政人員於本公司或其任何之相聯法團(按《證券及期貨條例》(「證券及期貨條例」)第XV部所界定者)之股份、相關股份及債權證中持有記錄於須根據證券及期貨條例第352條規定置存之登記冊內或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)須知會本公司及聯交所之權益及淡倉載列如下：

於本公司股份之好倉

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

附註：該844,988,832股股份包括：

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

Other Information (continued) 其他資料 (續)

Save as disclosed above, as at 30 June 2020, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code. Nor any of the directors and chief executive had any interest in, or had been granted any right to subscribe for the securities of the Company and its associated corporations (within the meaning of Part XV of the SFO) or had exercised any such right during the period under review.

Interests of Shareholders Discloseable under the SFO

As at 30 June 2020, the following persons (other than a director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or notified to the Company:

Long position in shares of the Company

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

Notes:

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

除上文所披露者外，於二零二零年六月三十日，本公司董事及最高行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團(按證券及期貨條例第XV部所界定者)之任何股份、相關股份或債權證的權益或淡倉。於回顧期間，概無任何董事及最高行政人員擁有或獲授任何可認購本公司及其相聯法團(按證券及期貨條例第XV部所界定者)證券之權利，亦無行使任何相關權利。

根據證券及期貨條例須予披露之股東權益

於二零二零年六月三十日，下列人士(不包括本公司董事或最高行政人員)於本公司之股份及相關股份中持有記錄於須根據證券及期貨條例第336條規定置存之登記冊內或知會本公司之權益或淡倉載列如下：

於本公司股份之好倉

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

附註：

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

Notes: (Continued)

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

Save as disclosed above, the Company has not been notified by any person (other than a director or the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as at 30 June 2020 which were recorded in the register required to be kept under Section 336 of the SFO or notified to the Company.

Changes in Information of Directors

Below is the change in director's information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Mr. Lau Luen Hung, Thomas

- voluntarily offered to take 30% salary reduction for a period of 3 months with effect from 1 July 2020

Purchase, Sale or Redemption of the Company's Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the six months ended 30 June 2020.

Corporate Governance Code

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2020, except the following deviation:

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

Directors' Securities Transactions

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by directors. After specific enquiries by the Company, all directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2020.

附註：(續)

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

除上文所披露者外，概無任何人士(本公司董事或最高行政人員除外)向本公司通知其於二零二零年六月三十日持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之本公司股份或相關股份的權益或淡倉。

董事資料變更

以下是根據上市規則第13.51B(1)條之規定，須予披露之董事資料變更。

劉鑾鴻先生

- 自願提出由二零二零年七月一日起減薪30%，為期3個月

購買、出售或贖回本公司證券

於截至二零二零年六月三十日止六個月內，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

企業管治守則

本公司於截至二零二零年六月三十日止六個月內已遵守上市規則附錄十四所載《企業管治守則》之守則條文，惟下列偏離除外：

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

董事進行之證券交易

本公司已採納標準守則作為其董事進行證券交易的操守守則。經本公司作出特定查詢後，截至二零二零年六月三十日止六個月內，所有董事確認彼等均遵守標準守則所規定之標準。

Review of Interim Results

The Group's unaudited interim results for the six months ended 30 June 2020 have been reviewed by the audit committee of the Company, and by the auditor of the Company in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Employees

As at 30 June 2020, the Group employed a total of 1,150 employees, with 1,145 stationed in mainland China and 5 in Hong Kong. Staff costs (excluding directors' emoluments) amounted to RMB73.5 million (2019: RMB78.9 million) for the six months ended 30 June 2020. The Group ensures that the pay levels of its employees are competitive and in line with the market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

Acknowledgement

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

On behalf of the Board

Lau Luen Hung, Thomas

Chairman and Chief Executive Officer

10 August 2020

中期業績之審閱

本集團截至二零二零年六月三十日止六個月之未經審核中期業績已由本公司之審核委員會審閱及經本公司核數師按照香港會計師公會頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。

僱員

於二零二零年六月三十日，本集團共僱用1,150名員工，其中1,145人駐中國內地及5人駐香港。截至二零二零年六月三十日止六個月期間，員工成本(不包括董事酬金)為人民幣73.5百萬元(二零一九年：人民幣78.9百萬元)。本集團確保僱員薪酬水平符合市場趨勢並具競爭力，僱員之薪酬乃根據本集團之一般薪金及花紅制度因應僱員表現釐定。

致謝

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

代表董事會

劉鑾鴻

主席兼首席執行官

二零二零年八月十日



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

Introduction

We have reviewed the interim financial information set out on pages 19 to 44, which comprises the interim condensed consolidated statement of financial position of Lifestyle China Group Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2020 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

羅兵咸永道

致：利福中國集團有限公司董事會
(於開曼群島註冊成立的有限公司)

引言

本核數師已審閱載於第19至44頁之中期財務資料，其包括利福中國集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之於二零二零年六月三十日中期簡明綜合財務狀況表，與截至該日止六個月期間之中期簡明綜合損益及其他全面收益表、中期簡明綜合權益變動表及中期簡明綜合現金流量表，以及主要會計政策概要及其他說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」。貴公司之董事須負責根據香港會計準則第34號「中期財務報告」編製及呈列本中期財務資料。本核數師之責任是根據審閱對本中期財務資料作出結論，並按照委聘之協定條款僅向閣下作為一個團體報告結論，且並無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

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

Basis for Qualified Conclusion

As detailed in note 12 to the interim financial information, the Group holds certain equity interests in certain associated companies herein referred to as “Beiren Group”. For the period ended 30 June 2020, the Group has recognised a share of profit of associates of RMB100.9 million and carried RMB2,848.2 million investments in associates on the interim condensed consolidated statement of financial position as at 30 June 2020, of which RMB101.1 million of the share of profit of associates for the six-month period and RMB2,844.5 million of the carrying value of investments in associates were attributable to the Beiren Group. The principal activities of the Beiren Group are operating of department stores and supermarkets. It was also engaged in auto trading business and sales were made to three PRC companies in China (“the Debtors”). The ultimate beneficial owner of the Debtors has provided personal guarantees over the Debtors’ outstanding amounts to the Beiren Group (the “Guarantor”). As at 31 December 2019, the Group has made a full impairment against the whole overdue trade receivable balances due from the Debtors for the purpose of recognising the share of results of the Beiren Group as the Debtors have defaulted on settlement of the trade balances due to the Beiren Group and the Guarantor has been detained by the relevant local authority in Hebei Province. As set out in our auditor’s report dated 23 March 2020 on the Group’s consolidated financial statements for the year ended 31 December 2019, we have previously qualified our opinion due to a limitation on the scope of audit in relation to the carrying value of the trade receivables due from the Debtors which were fully impaired as of 31 December 2019 as we were unable to obtain sufficient appropriate evidences on whether any adjustments were necessary to their recoverable amounts, net of deferred tax credit.

During the six months ended 30 June 2020 and as at 30 June 2020, management understood that the Guarantor was still being detained by the relevant local authority and there has been no additional information or development in relation to the recoverability of the trade receivables due from the Debtors. Management considered the full impairment on the trade receivables of the Debtors that were made in the prior year still appropriate as at 30 June 2020.

保留結論的基礎

如中期財務資料附註12所述，貴集團持有若干聯營公司，在這稱為「北人集團」之股權。截至二零二零年六月三十日期間，貴集團確認應佔聯營公司溢利為人民幣100.9百萬元及於二零二零年六月三十日的簡明綜合務狀況表中聯營公司的投資帳面價值為人民幣2,848.2百萬元。其中，於本期六個月內屬於北人集團之應佔聯營公司溢利為人民幣101.1百萬元及對聯營公司的投資帳面價值為人民幣2,844.5百萬元。北人集團的主要業務是經營百貨店和超市。其亦曾從事汽車經銷業務，向三家位於中國的公司(「債務人」)出售汽車。債務人的最終實質擁有人(「擔保人」)已對債務人尚未支付予北人集團的款項提供了個人擔保。由於債務人並沒有償還逾期的應付北人集團之賬款而產生違約及擔保人亦被河北有關當局扣留，貴集團為確認應佔北人集團之業績，於二零一九年十二月三十一日已就債務人逾期應收賬款餘額作出全額減值。根據我們於二零二零年三月二十三日發表的對貴集團截至二零一九年十二月三十一日年度的綜合財務報表發表的核數師報告中，由於我們無法獲得充足及適當的證據，以就是否必須對可收回金額作任何調整(扣除遞延稅項抵免)，我們先前已就債務人欠付之應收賬項截至二零一九年十二月三十一日的帳面價值全額減值的審計範圍限制作出保留意見。

截至二零二零年六月三十日止六個月期內及於二零二零年六月三十日，管理層了解擔保人仍被有關當局扣留及現在對收回債務人欠付之應收賬款的可收回性沒有任何新的資料及發展。管理層認為上一年度對有關債務人欠付之應收賬項的全額減值於二零二零年六月三十日仍然合適。

However, the Group's management was not able to provide us with adequate evidence with respect to the current financial conditions of the Debtors and the Guarantor up to the date of this report, including the latest financial information of the Debtors to date, details of other assets (including nature, amounts, and claims or pledges against such assets, if any) of the Guarantor that could be pursued to settle the outstanding trade receivables due to the Beiren Group. We were therefore unable to obtain sufficient appropriate evidence we considered necessary to assess the recoverable amounts and the appropriateness of the full provision against these trade receivables, net of deferred tax credit in the Beiren Group as at 30 June 2020. Any adjustment of the full provision against these trade receivables will have a consequential impact to the share of profit of associates in the consolidated income statement for the six months ended 30 June 2020. Given these scope limitations, there were no other satisfactory procedures that we could perform to determine any adjustments were necessary to the carrying values of these trade receivable carried at nil balance, net of related tax credit of the Beiren Group as at 30 June 2020 which impact the Group's investment in associates, equity attributable to owners of the Company and equity attributable to non-controlling interests as at 30 June 2020, and the corresponding impact to the Group's share of profit of associates, profit attributable to owners and to non-controlling interests for the period then ended.

Qualified Conclusion

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 10 August 2020

然而，截至本報告日止，貴集團管理層無法向我們提供有關債務人和擔保人現時的財務資訊的充足證據，包括債務人的最新財務資料、擔保人其他資產的詳情（包括這些資產的性質、金額、有沒有被追討和抵押等），而這些資產可能被追索用於清償對北人集團之應付賬款。因此，我們無法獲得必須的充足及適當的證據，以就北人集團於二零二零年六月三十日就可收回金額及作出的應收賬項全數適當性（扣除遞延稅項抵免）作出評估。任何該等應收賬項全數撥備的調整會影響截至二零二零年六月三十日止六個月的綜合收益表的應佔聯營公司溢利。鑒於上述範圍的限制，我們無法進行其他令人信納之程序，以釐定是否有必要對北人集團於二零二零年六月三十日應收賬款帳面價值為零（扣除相關稅項抵免）進行任何必需調整，而這將最終影響貴集團於二零二零年六月三十日於聯營公司的投資，本公司擁有人應佔權益及非控股權益，並相應的影響截至該日止期間本集團應佔聯營公司溢利、擁有人及非控股權益應佔溢利。

保留結論

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

羅兵咸永道會計師事務所
執業會計師

香港，二零二零年八月十日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益表

for the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
		Notes 附註	
Revenue	收入	3	486,554
Cost of sales	銷售成本		(203,697)
Gross profit	毛利		282,857
Other income, gains and losses	其他收入、收益及虧損		59,417
Selling and distribution costs	銷售及分銷成本		(184,120)
Administrative expenses	行政開支		(68,636)
Interest and investment income	利息及投資收入	4	29,106
Share of profit of a joint venture	應佔一間合資企業溢利		10,871
Share of profits of associates	應佔聯營公司溢利		100,864
Finance costs	融資成本	5	(13,086)
Profit before taxation	除稅前溢利		217,273
Taxation	稅項	6	(47,373)
Profit for the period	本期間溢利	7	169,900
Other comprehensive income/(expense)	其他全面收益/(開支)		
<i>Item that may be subsequently reclassified to profit or loss:</i>	<i>隨後可能重新分類至損益之項目：</i>		
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額		32
Other comprehensive income/(expense) for the period, net of tax	本期間其他全面收益/(開支)，扣除稅項		32
Total comprehensive income for the period	本期間全面收益總額		169,932
Profit for the period attributable to:	本期間應佔溢利：		
Owners of the Company	本公司擁有人		99,181
Non-controlling interests	非控股權益		70,719
			169,900
Total comprehensive income attributable to:	應佔全面收益總額：		
Owners of the Company	本公司擁有人		99,213
Non-controlling interests	非控股權益		70,719
			169,932
Earnings per share attributable to owners of the Company	本公司擁有人應佔每股盈利	9	
— Basic and diluted	— 基本及攤薄		RMB0.068 人民幣0.068元

The notes on pages 24 to 44 are an integral part of these financial statements. 第24至44頁之附註組成此等財務報表之一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

as at 30 June 2020 於二零二零年六月三十日

			30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
	Notes 附註			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	4,876,101	4,816,760
Right-of-use assets	使用權資產	11	2,659,986	2,754,640
Investments in associates	於聯營公司的投資	12	2,848,232	2,747,368
Investment in a joint venture	於一間合資企業的投資		389,404	378,532
Properties under development	發展中物業	17	—	1,228,242
Deferred tax assets	遞延稅項資產		4,711	10,913
Other receivables	其他應收款項	14	1,549	4,615
			10,779,983	11,941,070
Current assets	流動資產			
Inventories	存貨	15	55,196	61,685
Properties under development	發展中物業	17	1,293,783	—
Trade and other receivables	應收賬款及其他應收款項	14	283,328	355,189
Amount due from a joint venture	應收一間合資企業款項	16	—	2
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	13	269,585	480,980
Cash and cash equivalents	現金及現金等價物		1,565,966	1,585,685
			3,467,858	2,483,541
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	18	860,927	1,035,755
Amount due to a joint venture	應付一間合資企業款項	16	10,369	46,833
Amount due to a non-controlling shareholder of subsidiaries	應付附屬公司一名非控股股東之款項	20	26,142	26,142
Tax payable	應繳稅項		25,219	33,169
Bank borrowings — due within one year	銀行借貸 — 一年內到期	19	45,000	30,000
Lease liabilities	租賃負債	22	98,671	98,479
Contract liabilities	合約負債	21	11,146	8,830
			1,077,474	1,279,208
Non-current liabilities	非流動負債			
Bank borrowings — due after one year	銀行借貸 — 一年後到期	19	2,370,000	2,400,000
Lease liabilities	租賃負債	22	355,805	474,844
Deferred tax liabilities	遞延稅項負債		24,721	20,650
			2,750,526	2,895,494
			10,419,841	10,249,909

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

as at 30 June 2020 於二零二零年六月三十日

			30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
	Notes 附註			
Capital and reserves	資本及儲備			
Share capital	股本	23	6,291	6,291
Reserves	儲備		9,071,680	8,972,467
Equity attributable to owners of the Company	本公司擁有人應佔權益		9,077,971	8,978,758
Non-controlling interests	非控股權益		1,341,870	1,271,151
			10,419,841	10,249,909

The condensed consolidated financial statements on pages 19 to 44 were approved and authorised for issue by the Board of Directors on 10 August 2020 and are signed on its behalf by:

第19至44頁簡明綜合財務報表獲董事會於二零二零年八月十日批准及授權刊發，並由下列董事代表簽署：

Mr. Lau Luen Hung, Thomas 劉鑾鴻先生
EXECUTIVE DIRECTOR 執行董事

Ms. Chan Chor Ling, Amy 陳楚玲小姐
NON-EXECUTIVE DIRECTOR 非執行董事

The notes on pages 24 to 44 are an integral part of these financial statements.

第24至44頁之附註組成此等財務報表之一部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

for the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔部分								Non-controlling interests	Total
		Share capital	Share premium	Statutory surplus reserve	Capital redemption reserve	Capital reserve	Translation reserve	Retained profits	Total		
		股本	股份溢價	法定盈餘	資本贖回儲備	資本儲備	換算儲備	保留溢利	總計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2019	於二零一九年一月一日	6,291	6,543,132	114,619	593	78,719	(115,525)	2,434,440	9,062,269	1,487,679	10,549,948
Profit for the period	本期間溢利	—	—	—	—	—	—	190,772	190,772	128,986	319,758
Other comprehensive income for the period	本期間其他全面開支	—	—	—	—	—	(25)	—	(25)	—	(25)
Total comprehensive (expense)/income for the period	本期間全面(開支)/收益總額	—	—	—	—	—	(25)	190,772	190,747	128,986	319,733
At 30 June 2019 (unaudited)	於二零一九年六月三十日(未經審核)	6,291	6,543,132	114,619	593	78,719	(115,550)	2,625,212	9,253,016	1,616,665	10,869,681
At 31 December 2019 (audited)	於二零一九年十二月三十一日(經審核)	6,291	6,543,132	126,243	593	78,719	(115,520)	2,339,300	8,978,758	1,271,151	10,249,909
Profit for the period	本期間溢利	—	—	—	—	—	—	99,181	99,181	70,719	169,900
Other comprehensive income for the period	本期間其他全面收益	—	—	—	—	—	32	—	32	—	32
Total comprehensive income for the period	本期間全面收益總額	—	—	—	—	—	32	99,181	99,213	70,719	169,932
At 30 June 2020 (unaudited)	於二零二零年六月三十日(未經審核)	6,291	6,543,132	126,243	593	78,719	(115,488)	2,438,481	9,077,971	1,341,870	10,419,841

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

for the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Net cash (outflow)/inflow from operating activities	經營業務現金(流出)/流入淨額	(35,898)	33,176
Investing activities	投資活動		
Proceed from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產所得款	935,810	2,333,960
Repayment from a joint venture	一間合資企業之還款	—	30,000
Investment and interest income received	已收投資及利息收入	26,183	30,869
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款	10	22
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	(724,415)	(2,244,300)
Purchase of property, plant and equipment	購買物業、廠房及設備	(36,517)	(223,107)
Purchase of right-of-use assets	購買使用權資產	(56,710)	—
Net cash inflow/(outflow) from investing activities	投資活動現金流入/(流出)淨額	144,361	(72,556)
Financing activities	融資活動		
Addition of bank borrowings	新增銀行借貸	—	232,882
Repayment of bank borrowings	償還銀行借貸	(15,000)	(5,000)
Repayment of leases liabilities	償還租賃負債	(47,227)	(47,227)
Interests paid	已支付利息	(67,628)	(66,876)
Net cash (outflow)/inflow from financing activities	融資活動現金(流出)/流入淨額	(129,855)	113,779
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(21,392)	74,399
Effect of foreign exchange rate difference	外幣匯率差異之影響	1,673	106
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	1,585,685	1,536,381
Cash and cash equivalents at end of the period	期末現金及現金等價物	1,565,966	1,610,886

1 General

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

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

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

2 Summary of significant accounting policies

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

Basis of preparation

The interim financial information for the six months ended 30 June 2020 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”.

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

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2019.

1 一般事項

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

本公司的最終控股方為劉鑾鴻先生，其同時為本公司的主席兼執行董事。

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

2 主要會計政策概要

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

編製基準

截至二零二零年六月三十日止六個月之中期財務資料乃根據聯交所證券上市規則附錄16之適用披露規定及香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

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

編製中期財務資料所採用的會計政策和計算方法與截至二零一九年十二月三十一日止年度的年度綜合財務報表所採用的會計政策和計算方法一致。

2 Summary of significant accounting policies (continued)

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

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

HKAS 1 and HKAS 8 (amendments)	Definition of material
HKAS 39, HKFRS 7 and HKFRS 9 (amendments)	Hedge accounting
HKFRS 3 (amendment)	Definition of a business
Conceptual Framework for Financial Reporting 2018	Revised conceptual framework for financial reporting
HKFRS 17	Insurance Contracts
HKFRS 10 and HKAS 28 (amendments)	Sale or contribution of assets between an investor and its associate or joint venture

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

2 主要會計政策概要(續)

於本期間強制生效之新訂及經修訂香港財務報告準則

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

香港會計準則第1號及香港會計準則第8號(修訂)	重大的定義
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號(修訂)	對沖會計
香港財務報告準則第3號(修訂)	業務的定義
二零一八年財務報告概念框架	經修訂的財務報告概念框架
香港財務報告準則第17號	保險合同
香港財務報告準則第10號及香港會計準則第28號(修訂)	投資者與其聯營企業或合資企業之間的資產出售或出資

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

3 Revenue and segment information

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

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Recognised at a point in time:	在某個時間點確認：		
Sales of goods — direct sales	貨品銷售 — 自營銷售	227,228	236,356
Recognised over time:	隨著時間確認：		
Income from concessionaire sales	來自特許專櫃銷售之收入	214,341	303,075
Service income	服務收入	15,257	19,330
Revenue from contracts with customers	來自客戶合約的收入	456,826	558,761
Rental income	租金收入	29,728	44,235
Total revenue	總收入	486,554	602,996

All the above revenue is derived from the PRC.

Segment information

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

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

3 收入及分部資料

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

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Recognised at a point in time:	在某個時間點確認：		
Sales of goods — direct sales	貨品銷售 — 自營銷售	227,228	236,356
Recognised over time:	隨著時間確認：		
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Revenue from contracts with customers	來自客戶合約的收入	456,826	558,761
Rental income	租金收入	29,728	44,235
Total revenue	總收入	486,554	602,996

以上所有收入來自中國。

分部資料

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

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

4 Interest and investment income

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest income on bank deposits	銀行存款之利息收入	22,202	20,879
Investment income from financial assets at FVTPL	按公平值計入損益之金融資產之投資收入	4,127	11,528
Imputed interest income from loan receivables	應收貸款的估算利息收入	2,777	2,777
Other interest income	其他利息收入	—	132
		29,106	35,316

5 Finance costs

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Interest expenses on:	以下項目之利息支出：		
— Bank borrowings	— 銀行借貸	54,225	50,733
— Lease liabilities	— 租賃負債	13,086	16,325
		67,311	67,058
Less: Amounts capitalised in construction in progress and properties under development	減：在建工程及發展中物業之資本化金額	(54,225)	(50,733)
		13,086	16,325

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

4 利息及投資收入**5 融資成本**

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

6 Taxation

6 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
The tax charge comprises:	稅項支出包括以下項目：		
Current tax:	本期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	43,303	61,516
Deferred tax charge	遞延稅項支出	4,070	11,970
		47,373	73,486

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

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

7 Profit for the period

7 本期間溢利

		Six-months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Profit for the period has been arrived at after charging/(crediting):	本期間溢利已扣除/(計入)下列項目：		
Staff costs	員工成本	73,252	78,874
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	52,660	51,475
Depreciation of right-of-use assets	使用權資產之折舊	60,533	85,718
Less: Amount capitalized in construction in progress	減：在建工程之資本化金額	(34,531)	(24,291)
		78,662	112,902
Gain on lease modification	修訂租賃所產生之收益	(15,320)	—
Reversal of loss allowance on expected credit losses for trade receivables	就應收賬款預期信貸虧損之虧損撥備撥回	(301)	(509)
Expenses related to variable lease payments to a joint venture	支予一間合資企業之可變租賃付款有關的開支	8,997	21,738
Cost of inventories recognised as expense	確認為開支之存貨成本	188,917	192,234

8 Dividend

No dividend was paid or declared by the Company for the six months ended 30 June 2020 (2019: nil).

8 股息

截至二零二零年六月三十日止六個月，本公司並無派付或宣派任何股息(二零一九年：無)。

9 Earnings per share

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

9 每股盈利

本公司擁有人應佔每股基本盈利乃根據以下數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Earnings	盈利		
Profit for the period attributable to owners of the Company	本公司擁有人應佔本期間溢利	99,181	190,772
		30 June 2020 二零二零年 六月三十日 '000 千股	30 June 2019 二零一九年 六月三十日 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares	普通股加權平均數	1,464,449	1,464,449

Diluted earnings per share were the same as the basic earnings per share as there were no dilutive equity instruments throughout the six months ended 30 June 2020 and 2019 respectively.

每股攤薄盈利與每股基本盈利相同，乃由於分別截止二零二零年及二零一九年六月三十日止六個月並沒有可攤薄股本工具。

10 Property, plant and equipment

10 物業、廠房及設備

		Buildings	Leasehold improvement	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		樓宇 RMB'000 人民幣千元	租賃 物業裝修 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	傢俬、固定 裝置及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost	成本							
As at 1 January 2019	於二零一九年一月一日	2,174,943	716,950	153,377	59,585	6,523	2,337,129	5,448,507
Additions	添置	—	—	249	2,864	14	707,947	711,074
Disposals/write-offs	出售/撇銷	—	(635)	(409)	(2,372)	(1,209)	—	(4,625)
As at 31 December 2019 (audited)	於二零一九年十二月三十一日 (經審核)	2,174,943	716,315	153,217	60,077	5,328	3,045,076	6,154,956
Additions	添置	—	—	—	597	543	111,303	112,443
Disposals/write-offs	出售/撇銷	—	—	(5)	(4,423)	—	—	(4,428)
As at 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	2,174,943	716,315	153,212	56,251	5,871	3,156,379	6,262,971
Depreciation	折舊							
As at 1 January 2019	於二零一九年一月一日	491,763	604,640	88,302	48,105	4,232	—	1,237,042
Provided for the year	年內撥備	70,059	24,831	7,458	1,934	446	—	104,728
Disposals write-offs	出售撇銷	—	—	(354)	(2,131)	(1,089)	—	(3,574)
As at 31 December 2019 (audited)	於二零一九年十二月三十一日 (經審核)	561,822	629,471	95,406	47,908	3,589	—	1,338,196
Provided for the period	期內撥備	36,176	12,185	3,373	745	181	—	52,660
Disposals/write-offs	出售/撇銷	—	—	(5)	(3,981)	—	—	(3,986)
As at 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	597,998	641,656	98,774	44,672	3,770	—	1,386,870
Net book value	賬面淨值							
As at 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	1,576,945	74,659	54,438	11,579	2,101	3,156,379	4,876,101
As at 31 December 2019 (audited)	於二零一九年十二月三十一日 (經審核)	1,613,121	86,844	57,811	12,169	1,739	3,045,076	4,816,760

11 Right-of-use assets

11 使用權資產

		30 June 2020 二零二零年六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
As 1 January	於一月一日	2,754,640	2,926,075
Addition	添置	56,710	—
Depreciation charge	折舊費	(60,533)	(122,854)
Amount capitalised in construction in progress	在建工程之資本化金額	(34,531)	(48,581)
Lease modification	租賃修訂	(56,300)	—
		2,659,986	2,754,640

12 Investments in associates

12 於聯營公司的投資

		30 June 2020 二零二零年六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Unlisted, at cost	非上市·按成本	1,228,800	1,228,800
Discount arising on acquisition of additional interest in an associate in prior years	於過往年度收購一間聯營公司額外權益產生之折讓	98,416	98,416
Gain arising on deemed disposal of interest in an associate	視同出售一間聯營公司權益而產生之收益	11,297	11,297
Share of post-acquisition profits and other comprehensive income, net of dividends	應佔收購後之溢利及其他全面收益·扣除股息	1,509,719	1,408,855
		2,848,232	2,747,368

12 Investments in associates (continued)

At 30 June 2020 and 31 December 2019, the Group had interests in the following associates:

Name of entity 實體名稱	Form of business structure 業務結構模式	Place/country of establishment/incorporation 註冊地點/國家	Principal place of operation 主要經營地點	Proportion of nominal value of issued capital/registered capital 已發行股本/註冊股本面值比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
				30 June 2020 二零二零年六月三十日	31 December 2019 二零一九年十二月三十一日	30 June 2020 二零二零年六月三十日	31 December 2019 二零一九年十二月三十一日	
石家莊北國百貨集團有限責任公司 ("Beiren Group") (note a) (「北人集團」)(附註a)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	Investment holding of a group of companies engaging in the operation of department stores, supermarkets and property leasing 從事百貨店、超市及物業租賃之集團公司之投資控股
北國商城股份有限公司 ("Beiguo") (note b) (「北國」)(附註b)	Incorporation 註冊成立	PRC 中國	PRC 中國	15.05%	15.05%	15.05%	15.05%	Investment holding of a group of companies engaging in the operation of department stores, supermarkets and property leasing 從事百貨店、超市及物業租賃之集團公司之投資控股
河北北國先天下廣場有限責任公司 ("Future Mall") (note c) (「先天下廣場」)(附註c)	Incorporation 註冊成立	PRC 中國	PRC 中國	49%	49%	49%	49%	Retailing business in the PRC 在中國從事零售業務
Dragon Sign Limited 龍信有限公司	Incorporation 註冊成立	Hong Kong 香港	PRC 中國	50%	50%	50%	50%	Investment holding of a company engaging in operation of restaurants in the PRC 在中國從事食肆經營之公司之投資控股

12 於聯營公司的投資(續)

於二零二零年六月三十日及二零一九年十二月三十一日，本集團於下列聯營公司擁有權益：

12 Investments in associates (continued)

Notes:

- (a) At 30 June 2020, the Group's 60% (31 December 2019: 60%) owned subsidiary, Wingold Limited ("Wingold"), indirectly held equity interest of 49% (31 December 2019: 49%) in Beiren Group. The Group does not participate in the management of the day to day operation of the operating entities within Beiren Group.
- (b) At 30 June 2020, 河北旭源投資有限公司, an indirect wholly owned subsidiary of Wingold, and Beiren Group held direct equity interest of 15.05% (31 December 2019: 15.05%) and 69.31% (31 December 2019: 69.31%) in Beiguo respectively. Among the seven directors (31 December 2019: seven) in Beiguo, two (31 December 2019: two) directors were the representatives of the Group. The Group does not participate in the management of the day to day operation of the operating entities within Beiguo.
- (c) At 30 June 2020, the Group's 60% (31 December 2019: 60%) owned subsidiary, Ample Sun Group Limited, held direct equity interest of 49% (31 December 2019: 49%) in Future Mall. In addition, 51% (31 December 2019: 51%) equity interest of Future Mall was being directly held by Beiguo.

Beiren Group

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

Meanwhile, the Group became aware from public sources that the Guarantor has been detained by the relevant local authority in Hebei province in relation to alleged illegal activities in one of his businesses which was engaged in peer-to-peer lending. Based on public notices issued by the local authority in Hebei, management noted that all companies (including the Debtors) and assets which are located in Hebei Province that are directly or indirectly owned by the Guarantor have been seized by the local authority pending further investigations.

12 於聯營公司的投資(續)

附註：

- (a) 於二零二零年六月三十日，本集團持有60% (二零一九年十二月三十一日：60%) 權益之附屬公司捷金有限公司(「捷金」)間接持有北人集團49%(二零一九年十二月三十一日：49%)股本權益。本集團沒有參與北人集團及其下屬營運實體日常營運之管理。
- (b) 於二零二零年六月三十日，捷金的間接全資附屬公司河北旭源投資有限公司及北人集團分別直接持有北國的15.05%(二零一九年十二月三十一日：15.05%)及69.31%(二零一九年十二月三十一日：69.31%)股本權益。在七名(二零一九年十二月三十一日：七名)北國董事中，兩名(二零一九年十二月三十一日：兩名)董事為本集團的代表。本集團沒有參與北國及其下屬營運實體日常營運之管理。
- (c) 於二零二零年六月三十日，本集團擁有60% (二零一九年十二月三十一日：60%) 權益之附屬公司益良集團有限公司直接持有先天下廣場49%(二零一九年十二月三十一日：49%)股本權益。此外，先天下廣場51%(二零一九年十二月三十一日：51%)股本權益由北國直接持有。

北人集團

北人集團主要業務為於中國經營百貨店及超市，過往亦曾從事汽車經銷業務，並向三家中國公司(「債務人」)出售汽車。債務人的最終實益擁有人(「擔保人」)已對債務人尚未支付予北人集團的款項提供了個人擔保。於截至二零一九年十二月三十一日止年度，債務人未有償還對北人集團逾期應付賬款並產生違約，北人集團自二零一九年七月起停止了與債務人的交易及整個汽車經銷業務。北人集團已作出法律行動追討該逾期賬款結餘。

同時，本集團從公開渠道獲知擔保人因涉嫌在其經營的一家主營個人對個人借貸業務的公司從事非法活動而被河北省有關當局逮捕。根據河北省當局發佈的公告，管理層知悉擔保人在河北省直接或間接擁有的全部公司(包括債務人)及全部資產都被當地公安局查封以作進一步的調查。

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

For the year ended 31 December 2019, after obtaining an understanding from management of the Beiren Group in respect of the actions to be taken to recover the trade receivables from the Debtors, the Group has concluded the likelihood of recovering any amount from the Debtors or the Guarantor as remote and made a loss allowance of expected credit loss, net of deferred tax credit, against the full amount of overdue trade receivable balances due from the Debtors ("Full Provision Decision") for the purpose of recognising the share of results of the Beiren Group as at 31 December 2019.

The impact of the Full Provision Decision on the Group's carrying value of the investments in associates, equity attributable to owners of the Company and the non-controlling interests as at 31 December 2019 amounted to RMB812.4 million, RMB487.4 million and RMB325.0 million respectively. As set out in the auditor's report dated 23 March 2020 on the Group's consolidated financial statements for the year ended 31 December 2019, the auditor issued a qualified opinion due to a limitation on the scope of audit in relation to the carrying value of the trade receivables due from the Debtors which were fully impaired as of 31 December 2019 as the auditor were unable to obtain sufficient appropriate evidences on whether any adjustments were necessary to their recoverable amounts, net of deferred tax credit.

The Group understood from management of the Beiren Group that there has not been any progress made regarding their legal actions taken against the Debtors as the criminal case against the Guarantor taken by the relevant authority is still pending. As such, there has not been any progress made in terms of recovering the outstanding trade receivables nor obtaining further financial information of the Debtors and the Guarantor. As at 30 June 2020, the Group considered that the Full Provision Decision remained the best estimate based on the information currently available.

12 於聯營公司的投資(續)**北人集團(續)**

於截至二零一九年十二月三十一日止年度，經了解北人集團管理層將對從債務人收回應收賬款採取的行動後，本集團認為從債務人或擔保人收回款項的可能性很小。因此為確認於二零一九年十二月三十一日對應佔北人集團之業績，本集團已就對債務人逾期應收賬款餘額全額之預期信貸虧損計提虧損撥備(扣除遞延稅項抵免)(「全額撥備決定」)。

全額撥備決定分別對本集團於二零一九年十二月三十一日對聯營公司的投資賬面值、本公司擁有人應佔權益及非控股權益影響為人民幣812.4百萬元，人民幣487.4百萬元及人民幣325.0百萬元。誠如日期為二零二零年三月二十三日，有關於本集團截至二零一九年十二月三十一日止年度之綜合財務報表的核數師報告，由於核數師無法獲得必須的充足及適當的證據，以決定是否必須對可收回金額(扣除遞延稅項抵免)作出調整，就有關截至二零一九年十二月三十一日已全面減值之應收債務人應收賬款之賬面值的審計範圍受到限制而作出保留意見。

本集團自北人集團管理層處得悉，由於有關當局對擔保人的刑事起訴仍在審理中，因此北人集團對債務人進行之法律行動未有任何進展。故此，就收回未償還應收賬款或取得債務人及擔保人進一步財務資料上並無任何進展。於二零二零年六月三十日，基於目前所得的資料下，本集團認為全額撥備決定仍為最佳估算。

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

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Financial assets at FVTPL:	按公平值計入損益之金融資產：		
— structured investment products (note)	— 結構性投資產品 (附註)	269,585	480,980

Note:

The balance at 30 June 2020 and 31 December 2019 represented structured investment products placed with banks in the PRC, with expected but not guaranteed return in the range of 1.85% to 3.20% per annum (31 December 2019: 2.10% to 3.80% per annum), depending on the performance of its underlying investments, which are mainly bonds and debentures. These financial assets were measured at FVTPL as their contractual terms do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

附註：

於二零二零年六月三十日及二零一九年十二月三十一日之結餘乃存放在中國的銀行之結構性投資產品，其預期但不保證的年度回報率由1.85厘至3.20厘(二零一九年十二月三十一日：年度收益率為2.10厘至3.80厘)，視乎其相關投資的表現(主要為債券及債權證)。該等金融資產為按公平值計入損益，因為其合約條款並不於指定日期產生僅為支付本金及未償還本金利息之現金流量。

14 Trade and other receivables**14 應收賬款及其他應收款項**

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade receivables	應收賬款	8,490	61,022
Lease receivables	租賃應收款項	7,134	5,543
		15,624	66,565
Less: Loss allowance on expected credit losses	減：就預期信貸虧損之虧損撥備	(767)	(1,068)
		14,857	65,497
Prepayments	預付款項	164	204
Deposits paid	已付按金	1,549	4,615
Value added tax ("VAT") receivable	應收增值稅(「增值稅」)	101,047	106,069
Loan and interest receivables (note)	應收貸款及利息(附註)	143,652	140,875
Others	其他	45,861	64,797
		292,273	316,560
Less: Provision for expected credit losses	減：預期信貸虧損撥備	(22,253)	(22,253)
		270,020	294,307
		284,877	359,804
Less: Non-current portion	減：非流動部分	(1,549)	(4,615)
		283,328	355,189

14 Trade and other receivables (continued)

Note:

The balance of RMB143,652,000 as at 30 June 2020 (31 December 2019: RMB140,875,000) represented the outstanding balance of loans to certain employees of Beiguo for the purpose of enabling them to acquire shares of Beiguo. The loans were secured against the share interests in Beiguo held by the respective employees. The loans are for a period of three years from the date of grant in August 2017 and bear interests at a rate equivalent to the one-year RMB benchmark interest rate as quoted by the People's Bank of China.

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

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	12,063	64,331
31-60 days	31日至60日	1,619	482
61-90 days	61日至90日	892	205
over 90 days	超過90日	283	479
		14,857	65,497

15 Inventories**15 存貨**

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Merchandise held for resale	持有作轉售貨品	55,196	61,685

14 應收賬款及其他應收款項(續)

附註:

於二零二零年六月三十日之餘額為人民幣143,652,000元(二零一九年十二月三十一日:人民幣140,875,000元)即為向北國若干僱員貸款的未償還結餘,以使其可以購買北國股份。該貸款以相關僱員持有的北國股份權益作為抵押。該貸款自二零一七年八月的授出日期起為期三年,且利息是根據中國人民銀行公佈的一年人民幣基準利率計算。

本集團向顧客作出的零售銷售主要透過現金、借記卡或信用卡方式付款。本集團主要應收賬款來自一般於一至兩個工作日收回的信用卡銷售及一般於三十天內收回的租賃應收款項。以下為應收賬款及租賃應收款項(扣除信貸虧損撥備(如有))根據發票日期之賬齡分析:

16 Amount due from/(to) a joint venture

At 31 December 2019, the amount due from a joint venture was unsecured, non-interest bearing and repayable on demand.

At 30 June 2020 and 31 December 2019, the amount due to a joint venture represented accrued rental and management fee payable to a joint venture. The amount was unsecured, non-interest bearing and repayable on demand.

17 Properties under development

Properties under development comprise two office towers of the Group's commercial complex development project in Shanghai, the PRC. During current period, the Group had additions of RMB65,541,000 to properties under development, which include eligible capitalised borrowing costs of RMB12,830,000.

18 Trade and other payables

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Trade payables	應付賬款	36,451	47,073
Construction payables	應付工程款項	168,428	219,306
Concessionaire sales payables	應付特許專櫃銷售款項	388,646	481,675
Refundable prepaid card deposits	可退還預付卡按金	127,271	123,830
Rental deposits received	已收租賃按金	76,319	78,319
Accrued expenses	應計費用	31,824	42,636
VAT payable	應付增值稅	3,732	11,749
Interest payables	應付利息	2,961	3,278
Others	其他	25,295	27,889
		860,927	1,035,755

16 應收/(應付)一間合資企業款項

於二零一九年十二月三十一日,應收一間合資企業款項為無抵押、免息及須於要求時償還。

於二零二零年六月三十日及二零一九年十二月三十一日,應付一間合資企業之款項包括應付一間合資企業之租金及管理費。此款項為無抵押、免息及須於要求時償還。

17 發展中物業

發展中物業包括本集團於中國上海綜合商業發展項目中兩座辦公大樓。於本期間,本集團發展中物業新增金額為人民幣65,541,000元,其中人民幣12,830,000元為合符資本化借貸成本。

18 應付賬款及其他應付款項

18 Trade and other payables (continued)

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

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	28,640	40,238
31-60 days	31日至60日	2,319	1,766
61-90 days	61日至90日	843	479
Over 90 days	超過90日	4,649	4,590
		36,451	47,073

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

19 Bank borrowings**18 應付賬款及其他應付款項(續)**

以下為根據報告期末發票日期對應付賬款的賬齡分析：

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
0-30 days	0日至30日	28,640	40,238
31-60 days	31日至60日	2,319	1,766
61-90 days	61日至90日	843	479
Over 90 days	超過90日	4,649	4,590
		36,451	47,073

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

19 銀行借貸

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Bank borrowings comprise bank loans and are analysed as:	銀行借貸由銀行貸款組成，並按以下分析：		
Secured, variable rate and denominated in RMB	有抵押、浮息及以人民幣計值	2,415,000	2,430,000
Carrying amount repayable based on contractual repayment dates:	按合約中償還日期分類之應償還賬面值：		
Within one year	一年內	45,000	30,000
More than one year, but not exceeding two years	一年後但不超過兩年	80,000	60,000
More than two years, but not exceeding three years	兩年後但不超過三年	610,000	100,000
More than three years, but not exceeding four years	三年後但不超過四年	1,120,000	1,120,000
More than four years, but not exceeding five years	四年後但不超過五年	560,000	1,120,000
		2,415,000	2,430,000
Less: Amount due within one year shown under current liabilities	減：列入流動負債於一年內到期之款項	(45,000)	(30,000)
Amount due after one year	一年後到期之款項	2,370,000	2,400,000

19 Bank borrowings (continued)

The effective interest rates of the borrowings were at 4.41-4.46% (31 December 2019: 4.41-4.46%) per annum.

At 30 June 2020, the Group had no undrawn borrowing facilities.

20 Amount due to a non-controlling shareholder of subsidiaries

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

21 Contract liabilities

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Loyalty points under loyalty reward programmes	忠誠獎勵計劃下的忠誠獎勵積分	10,324	7,843
Unredeemed gift certificates	未兌換之禮券	822	987
		11,146	8,830

Loyalty points under loyalty reward programmes 忠誠獎勵計劃下的忠誠獎勵積分			
		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Revenue recognised from contract liabilities during the period	期內自合約負債確認之收入	15,557	29,321

19 銀行借貸(續)

貸款實際利率為年利率4.41%-4.46%(二零一九年十二月三十一日：4.41%-4.46%)。

於二零二零年六月三十日，本集團並無未提取銀行信用額度。

20 應付附屬公司一名非控股股東之款項

於二零二零年六月三十日，該款項為無抵押、免息及須於要求時償還。

21 合約負債

22 Lease liabilities

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
At 1st January	於一月一日	573,323	666,322
Less:	減:		
Lease payments	租賃付款	(60,313)	(125,648)
Lease modification	租賃修訂	(71,620)	—
Interest expense	利息開支	13,086	32,649
		454,476	573,323

		30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Within a year	一年內	98,671	98,479
More than one year, but not exceeding five years	一年後但不超過五年	326,961	423,347
After five years	五年後	28,844	51,497
		454,476	573,323

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

租賃合約一般設有固定年期，介乎10年至15年。

23 Share capital

Details of the change in the Company's share capital are as follows:

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.005 each	每股面值0.005港元之普通股		
Authorised:	法定:		
As at 1 January 2019, 31 December 2019, 1 January 2020 and 30 June 2020	於二零一九年一月一日、二零一九年十二月三十一日、二零二零年一月一日及二零二零年六月三十日	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足:		
At 1 January 2019, 31 December 2019, 1 January 2020 and 30 June 2020	於二零一九年一月一日、二零一九年十二月三十一日、二零二零年一月一日及二零二零年六月三十日	1,464,448,500	7,322
			RMB'000 人民幣千元
Shown in the financial statements as RMB at 31 December 2019 and 30 June 2020	於二零一九年十二月三十一日及二零二零年六月三十日 於財務報表以人民幣呈列		6,291

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

23 股本

本公司股本之變動詳情如下:

於兩個期間，本公司或其任何附屬公司並無購買、出售或贖回任何本公司上市證券。

24 Capital and other commitments

24 資本及其他承擔

	30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Capital and other expenditure in respect of acquisition of property, plant and equipment and property development project contracted for but not provided in the condensed consolidated financial statements	390,900	492,200

25 Fair value measurements of financial instruments

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values:

25 金融工具之公平值計量

除下表所詳列外，本公司董事認為簡明綜合財務報表中按攤銷成本記錄的金融資產及金融負債的賬面值與其公平值相若：

	30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) Carrying amount and fair value 賬面值及 公平值 RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) Carrying amount and fair value 賬面值及 公平值 RMB'000 人民幣千元
Financial liabilities Amount due to a non-controlling shareholder of subsidiaries	26,142	26,142

25 Fair value measurements of financial instruments (continued)

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

25 金融工具之公平值計量(續)

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

Financial assets 金融資產	Fair value as at 公平值於		Fair value hierarchy 公平值等級架構	Valuation technique(s) and key input(s) 估值方法和主要輸入的參數
	30 June 2020 二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	31 December 2019 二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元		
Financial assets at FVTPL 按公平值計入損益之金融資產 Structured investment products 結構性投資產品	269,585	480,980	Level 3 等級三	Discounted cash flows: Future cash flows are estimated based on expected return, discounted at a rate that reflects the risk of underlying investments. 折現現金流量：基於預期回報按反映相關投資風險利率折現，預計未來現金流量。

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

期內，並無於任何公平值等級架構之間進行轉移。

26 Related Party Disclosure

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

26 關連人士披露

期內，本集團與關連人士進行下列重大交易。

		Six months ended 30 June 截至六月三十日止六個月	
Nature of related party transactions	關連人士交易的性質	2020 二零二零年 (Unaudited) (未經審核) RMB'000 人民幣千元	2019 二零一九年 (Unaudited) (未經審核) RMB'000 人民幣千元
Variable lease payment expenses and management fee to a joint venture	支付予一間合資企業之可變租賃付款開支及管理費	26,759	39,872
Repayment of lease liabilities to a joint venture (including principal and interest elements)	向一間合資企業償還租賃負債(包括本金及利息部分)	57,339	58,795
Interest income received from amount due from a joint venture	已收一間合資企業款項之利息收入	—	34
Rental and management fee income from an associate	來自一間聯營公司的租金及管理費收入	3,359	4,761

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